

ELEMENT 25 ANNOUNCES SHARE PURCHASE PLAN

Element 25 Limited (**Element 25** or **Company**) (ASX: E25; OTCQX: ELMTF) will offer eligible shareholders the opportunity to participate in a non-underwritten share purchase plan (SPP), targeting to raise \$5 million (before costs).

Under the SPP, eligible Element 25 shareholders, being shareholders who had a registered address in Australia, New Zealand, Hong Kong or Germany on Element 25's register on the Record Date (5.00pm Australian Western Standard Time on Monday, 20 May 2024), will have the opportunity to apply for up to \$30,000 of New Shares free of any brokerage, commission or transaction costs, subject to the terms and conditions that will be set out in the SPP Booklet to be despatched to eligible shareholders in due course. The SPP will be priced at \$0.27 which represents a 14 per cent discount to the volume weighted average price (VWAP) of Element 25 shares over the last five trading days prior to this announcement, rounded to the nearest whole cent.

STRATEGIC RATIONALE

In January 2024, the Company announced that it had completed a Feasibility Study (**Study**) to investigate the potential to expand the production of manganese concentrate at the Company's 100% owned Butcherbird Project (**Project**), located in the southern Pilbara region of Western Australia¹. The Study demonstrated strong economics with robust economic returns and rapid capital payback. Expansion of the processing facility at Butcherbird aligns with Element 25's strategy for its planned battery grade high purity manganese sulphate monohydrate (HPMSM) project to be built in Louisiana, USA in partnership with General Motors LLC and Stellantis NV².

Funds raised from the SPP will enable the Company to progress its current prime projects at the Butcherbird mine site (located in the southern Pilbara region of Western Australia), as part of the Butcherbird Stage 2 Expansion Project, as well as continuing to support the high purity manganese sulphate monohydrate (HPMSM) project to be built in Louisiana, USA in partnership with General Motors LLC and Stellantis NV.

Butcherbird Stage 2 expansion activities include initial engineering, procurement and project management activities prior to the completion of project financing and final investment decision (FID).

¹ Reference: Company ASX Release dated 23 January 2024.

² Reference: Company ASX Releases dated 9 January 2023 and 26 June 2023.

The activities for Louisiana include pre-commitment engineering activities to progress the planned HPMSM facility, where the Company recently announced commercial terms in relation to a development site for the HPMSM Project³ and general working capital.

SUMMARY OF IMPORTANT DATES FOR THE SPP

Event	Date
Record Date	5.00pm (Australian Western Standard Time) Monday, 20 May 2024
Announce SPP with ASX	Tuesday, 21 May 2024
SPP Booklet and Investor Presentation to Shareholders	Monday 27, May 2024
Opening Date for SPP Applications	Monday, 27 May 2024
Closing Date for SPP Applications	5.00pm (Australian Western Standard Time) Monday, 17 June 2024
Results of SPP Announced	Monday, 24 June 2024
Issue of SPP Shares with ASX	Monday, 24 June 2024
SPP Shares commence trading on ASX	Tuesday, 25 June 2024
Holding statements issued to Shareholders	Wednesday, 26 June 2024

The above timetable is indicative only and subject to change. The quotation of SPP Shares issued under the SPP is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Element 25 reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice. All times above are Australian Western Standard Time.

FURTHER INFORMATION

Further details of the SPP will be available in the Appendix 3B released to the ASX today and the Share Purchase Plan Booklet and Investor Presentation, which will be released to the ASX on Monday, 27 May 2024. All documents contain important information and details about the SPP and international offer restrictions with respect to the SPP, which should be read together with this announcement.

³ Reference: Company ASX Release dated 8 May 2024

ABOUT ELEMENT 25

Element 25 is an ASX-listed company (ASX: **E25**) that operates the world-class 100%-owned Butcherbird Manganese Project in Western Australia and is currently undertaking activities to expand production to approximately 1.1Mtpa⁴ of medium-grade high silica manganese ore for use in traditional and new energy markets.

Element 25 is also commercialising innovative proprietary technology to produce battery-grade high-purity manganese sulphate monohydrate (HPMSM) for use in Electric Vehicle (EV) battery manufacturing. The Company is planning to build its first HPMSM refinery in Louisiana USA to produce raw materials for the US EV market, in partnership with General Motors LLC (GM) and Stellantis N.V. (Stellantis). Element 25 aims to become an industry leading, world class, low-carbon battery materials manufacturer.

Company information, ASX announcements, investor presentations, corporate videos, and other investor material in the Company's projects can be viewed at: www.element25.com.au.

This announcement is authorised for market release by Element 25 Limited's Board of Directors.

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Competent Persons Statement

The company confirms that in the case of estimates of Mineral Resource or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the market announcement dated 29 September 2023 continue to apply and have not materially changed. The company confirms that the form and context in which the competent person's findings are presented has not been materially modified from the original market announcement.

Investor Relations Disclaimer

Certain Statements included in this announcement are forward-looking statements concerning Element 25 Limited and its subsidiaries (E25) and its operations, economic performance, financial condition, plans and expectations. Without limiting the foregoing, statements including the words "believes", "anticipates", "plans", "expects", "could", "potential", "should" and similar expressions are also forward-looking statements.

All forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, E25's ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties; unpredictable risks and hazards related to the development and operation of a mine or mineral or mineral deposit or mineral processing facility that are beyond E25's control, the availability of capital to fund all of the Company's projects and other risks and uncertainties.

You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. E25 cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. E25's forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and E25 does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

⁴ Reference: ASX Company Release dated 23 January 2024