

KEY MINING AND ORE HAULAGE CONTRACTS AWARDED FOR THE BUTCHERBIRD EXPANSION PROJECT, WA

HIGHLIGHTS

- Element 25 executes long-term Mining Services and Ore Haulage Services Agreements for the **Butcherbird Expansion Project (BBX)** in WA's Pilbara region.
- Regroup Australia Pty Ltd (**ReGroup**) appointed as contractor for both mining and haulage contracts, extending long term collaboration between the two companies.
- Integrated contractor model delivers **end-to-end operational alignment**, improving cost performance and efficiency and reducing interface risk.
- The contracts include a structured **performance framework aligned with operational success**, incorporating KPIs and continuous improvement obligations.
- Element 25 is targeting **1.1 million tonnes per annum (Mtpa)**¹ of manganese concentrate production for both traditional steel markets and as feedstock for battery grade HPMSM refining.
- Other major contracts for BBX including offtake are nearing finalisation.

Element 25 Limited (E25, Element 25 or Company) (ASX: E25) is pleased to announce the execution of integrated Mining Services and Ore Haulage Services Agreements (**Agreements**) with Regroup Australia Pty Ltd (**ReGroup**) for its Butcherbird Mine (**Butcherbird**) in Western Australia.

The signing of these long-term contracts with ReGroup represents a major milestone for the delivery of BBX and materially advances the project's operational readiness. By securing a single contractor across mining and haulage activities, Element 25 has established an integrated operating model designed to optimise productivity, reduce operating costs, minimise commercial interface risk and enhance overall project efficiency.

Element 25 is in the process of expanding Butcherbird to a nominal **1.1 million tonnes per annum (Mtpa) of manganese concentrate production**, based on an updated January 2025 Feasibility Study² (**BBX FS**) and an updated Ore Reserve of 101.4Mt at 10.4% Mn (10.54Mt contained manganese)³, supporting an 18+ year Life of Mine (**LOM**) at the planned throughput rate.

¹ E25 ASX Announcement dated 22 January 2025

² E25 ASX Announcement dated 22 January 2025

³ E25 ASX Announcement dated 22 January 2025

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The planned increased production will supply customers in the established ferroalloys (steel) market as well as securing long-term feedstock for its proposed high purity manganese sulphate monohydrate (HPMSM) facility in Louisiana, USA.

Element 25 Managing Director Justin Brown said: *“Execution of the mining services and ore haulage agreements represents a key milestone for the Butcherbird Expansion Project. Securing long-term, dedicated mining and logistics capacity and capability is fundamental to delivering a reliable and efficient pit-to-port supply chain, and these agreements represents two key steps in advancing Butcherbird toward construction.*

We look forward to once again working with ReGroup to deliver safe, efficient, sustainable and cost-effective operations as we progress through construction and into expanded operations at Butcherbird.”

ReGroup Managing Director Michael Still said: *“As a long-term partner of Element 25, we are pleased to be continuing our collaboration with the company in its expanded operation at Butcherbird, providing an end-to-end solution for mining and haulage. Under this integrated package, we will be working on-site to mine ore and then deliver it to Utah Point for shipment, working closely with the E25 team throughout this process to ensure it is carried out safely and efficiently.*

We are excited to be working alongside Element 25 and look forward to commencing our new long-term contract at Butcherbird once commissioning is complete.”

Under the Mining Services Contract, ReGroup will deliver open pit mining services, including ore extraction in accordance with Element 25’s rolling mine plans and associated activities required to support processing, waste removal and stockpiling operations.

The Ore Haulage Services Agreement provides for the loading and transportation of ore from site to the Utah Point port facility in Port Hedland under a structured and scalable logistics framework. Ore haulage from BBX to Utah Point is a core component of Element 25’s Pit-to-Port (P2P) supply chain.

The contracts cover on-site material handling, stockpile management and loading; road transport logistics from mine to port, and real-time fleet monitoring and operational data integration to support end-to-end visibility in line with the Company’s P2P business intelligence framework which will provide clear transparency and visibility on all elements of the Project supply chain.

Commercial terms for the contracts are generally in line with the BBX FS, with volumes and performance KPIs directly linked to the BBX mine plan. The contracts include variable cost structure with a monthly floor for mining services and a scalable take or pay obligation for haulage, with cross defaults for underperformance in either contract providing a robust risk management structure for Element 25 and clear performance incentives for ReGroup. This structure will provide clear alignment between all parts of the P2P supply chain.

The contracts include conditions precedent and termination provisions usual for contracts of this type and are linked to financial close under the funding arrangement with the Northern Australia Infrastructure Facility (NAIF).

The balance of key commercial contracts are also progressing well. Discussions with preferred ore offtake partners are at an advanced stage, and the camp services contract is close to finalisation pending agreement on final commercial details. Element 25 has issued a construction contract tender package for BBX to several pre-qualified bidders, and initial bid evaluations are underway.

All permits remain in place for construction and the BBX Project remains on track for mechanical completion and commissioning in Q1 CY2027.

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 recommence production at approximately 1.1Mtpa of medium-grade high silica manganese ore for use in traditional and new energy markets ⁴.

E25 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 its first HPMSM refinery in Louisiana USA to produce raw material for the US EV market, with support from General Motors LLC (GM), Stellantis N.V. (Stellantis) and a grant for US\$166 million (A\$268M) in project funding from the U.S. Department of Energy (DoE) under the Battery Materials Processing Grant Program.

An anticipated strategic shift towards lithium manganese rich (LMR) battery chemistries over high nickel formulations will materially increase demand for HPMSM, with GM being one of the first automakers looking to adopt this technology after spending more than a decade on research. Ford Motor Company has also announced a plan to introduce LMR batteries to improve safety, energy density, and reduce costs. LMR battery cells use around to 50-70% manganese increasing the required manganese by up to 10X compared to high nickel ternary chemistries.

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 Production Targets, all material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the market announcement dated 22 January 2025 continue to apply and have not materially changed. All estimates of Mineral Resources or Ore Reserves underpinning the production target have been prepared by a competent person or persons in accordance with the requirements of the JORC Code, Appendix 5A.

The Company confirms that in the case of Mineral Resource or Ore Reserves, all material assumptions and technical parameters underpinning the estimates in the market announcements dated 29 October 2024 and 22 January 2025 continue to apply and have not materially changed.

⁴ E25 ASX Announcement dated 22 January 2025

The Company confirms that it is not aware of any new information or data that materially affects information included in previous announcements, and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

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.