

SEPTEMBER 2026 QUARTERLY REPORT

QUARTERLY HIGHLIGHTS

Butcherbird Manganese Ore Operations – Western Australia

- Element 25 advances its Butcherbird Expansion Project (**BBX**) in WA, targeting manganese concentrate production of **1.1 million tonnes per annum (Mtpa)**¹.
- Early site works commenced at BBX in preparation for the planned main construction phase including site clearing, bulk earthworks and preparation of the planned process plant site, run-of-mine and non-process infrastructure and construction of process water storage pond and pipelines.
- Existing administration facilities will be relocated and new transportable offices and amenities installed, together with supporting power, communications, potable-water and wastewater services.
- Work programme will establish essential infrastructure and construction-ready areas for subsequent processing plant construction, commissioning, and operations.
- Tender process for main Concrete, Structural, Mechanical and Piping (**CSMP**) and Electrical & Instrumentation (**E&I**) work packages are well advanced and contract award is expected in line with the overall project plan
- Binding take-or-pay offtake agreement executed with **OM Materials (S) Pte Ltd**, a subsidiary of OM Holdings Limited (**ASX: OMH**), for 100% of manganese concentrate (subject to carve-outs to support plans for future HPMSM feedstock requirements) produced at Butcherbird.
- Market-linked pricing mechanism aligned to global manganese ore benchmarks. Structured shipping, take-or-pay and payment arrangements provide Element 25 with a clear sales pathway, including provisions for prepayment to support project cashflows.

Project Finance

- Binding agreement executed for AU\$50 million finance facility from Northern Australia Infrastructure Facility (**NAIF**) for BBX, comprising AU\$42.5 million Term Facility and AU\$7.5 million Cost Overrun Facility.

HPMSM Development

- Revised US\$166 million US Department of Energy (**DoE**) grant agreement details confirmed.

¹ E25 ASX Announcement dated 22 January 2025

BUTCHERBIRD MANGANESE PROJECT, WA

During the quarter, Element 25 Limited (**Element 25, E25, the Company**) (**ASX:E25**) continued to advance the expansion and restart of its Butcherbird Manganese Mine (**Project**) in Western Australia (**WA**).

The Company is expanding production capacity at Butcherbird to supply manganese concentrate to traditional steel markets and as feedstock for its own proposed battery grade, high purity manganese sulphate monohydrate (**HPMSM**) processing facility planned to be built in Louisiana, USA.

The expanded processing operation at the Project will target 1.1Mtpa manganese concentrate production, based on an updated January 2025 Feasibility Study² 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 rate. Butcherbird's planned increased production will enable it to supply feedstock to its proposed Louisiana based HPMSM facility as well as traditional steel markets.

Offtake agreement executed

During the quarter, Element 25's wholly-owned subsidiary, Butcherbird Operations Pty Ltd, executed a binding long-term offtake agreement with OM Materials (S) Pte Ltd, (**OMM**) a subsidiary of OM Holdings Limited (ASX: OMH), for 100% of manganese concentrate produced at Butcherbird⁴. The agreement includes carve-outs to support plans for future feedstock for battery-grade high purity manganese sulphate (**HPMSM**) production⁵.

OM Holdings is a long-established manganese alloy producer and operator of manganese smelting facilities in Malaysia, providing a downstream industrial customer for Butcherbird production.

The agreement establishes a long-term sales channel for manganese concentrate from BBX, which is targeting expanded 1.1Mtpa of manganese concentrate production and represents a key milestone in advancing BBX towards development and financing. The Offtake contract is the latest agreement executed by Element 25 for BBX, following its recent announcement of long-term Mining Services and Ore Haulage Services Agreements with ReGroup Australia Pty Ltd (ReGroup)⁶.

Key terms of the agreement include:

- OMM will purchase 100% of manganese concentrate production from Butcherbird, capped at ~1.1 Mtpa.
- Agreement includes take-or-pay obligations, supporting contracted volumes.
- OMM granted exclusive global marketing rights for conforming product, with limited carve outs for non-conforming material and Element 25's own downstream processing requirements.
- Pricing is based on a transparent index-linked framework, referencing internationally recognised manganese ore benchmarks and includes quality-based adjustments reflecting product specifications, with freight normalisation to free on board (**FOB**) basis.

² E25 ASX Announcement dated 22 January 2025

³ E25 ASX Announcement dated 22 January 2025

⁴ E25 ASX Announcement dated 3 August 2026

⁵ E25 ASX Announcement dated 3 August 2026

⁶ E25 ASX Announcement dated 27 May 2026

- Periodic pricing reviews to ensure alignment with prevailing market conditions.
- Includes staged payment arrangements linked to production, shipment and final reconciliation.
- Initial five-year term from first shipment, with option for extension of up to five additional years, subject to performance and review.
- Agreement is subject to customary conditions, including Board approval, project financing \ becoming unconditional and regulatory approvals.

Product specification is aligned with standard manganese concentrate benchmarks (**~31.5% Mn**), and there are restrictions on resale into certain downstream markets to support the Company's plans to produce HPMSM.

Project Execution

In September 2026, the Company announced early site works had commenced at BBX in preparation for the planned main construction phase⁷.

Works include site clearing, bulk earthworks and preparation of the planned process plant site, run-of-mine and non-process infrastructure and the construction of process water storage pond and pipelines.

The BBX early works were structured to provide critical project infrastructure and establish construction-ready areas for subsequent major contracts associated with the construction of the BBX processing plant and supporting facilities. This marks the transition of BBX into the construction phase and underpins the Company's continued progress in advancing its strategy to expand manganese production capacity and support E25's participation in the growing electric vehicle battery materials supply chain.

The work package represents the first construction phase of the project and is focused on establishing the site infrastructure and prepared work areas required for the main plant construction program. The works are designed to de-risk project execution, provide essential services, and ensure the site is construction-ready ahead of major processing plant activities.



Figure 1: Aerial overview of early works activities at the Butcherbird Project.

⁷ E25 ASX Announcement dated 15 September 2026

Key activities include:

- Site clearing, grubbing and bulk earthworks to establish construction platforms for the expanded processing plant, run-of-mine infrastructure and supporting facilities.
- Construction and commissioning of a new process water pond, including associated water supply, pumping and pipeline infrastructure required to support construction and future operations.
- Relocation and reinstatement of existing water services, including bore field pipeline connections and standpipe facilities.
- Relocation of existing administration and support facilities and installation of new offices, amenities and other non-process infrastructure.
- Installation of preliminary site services, including power, communications, potable water, wastewater, roads and drainage infrastructure.
- Decommissioning and rehabilitation of the existing process water pond following successful commissioning of the new facility.



Figure 2: BBX site layout

Completion of these activities will enable the transition to the main construction phase and support the planned recommencement of production at Butcherbird.

HPMSM DEVELOPMENT

As previously reported in July, Element 25 and the U.S. Department of Energy (**DoE**) agreed terms on a revised grant agreement for US\$166 million in funding under the DoE's Battery Materials Processing Grant Program for the Company's proposed **HPMSM** facility planned in Louisiana, USA⁸.

The revised agreement is part of an ongoing review and repositioning of Element 25's planned HPMSM facility to align with evolving market conditions, emerging battery chemistries, and long-term demand for manganese-based cathode materials for electrification across multiple sectors including transport, grid storage, defence and aviation⁹.

The Company continues to work closely with the DoE as the planned HPMSM facility advances through this refinement phase.

Further updates will be provided as the grant progresses toward finalisation and subsequent stages of HPMSM development.

⁸ E25 ASX Announcement dated 7 July 2026

⁹ E25 ASX Announcement dated 26 May 2026

CORPORATE

Binding Agreement executed with Northern Australia Infrastructure Facility

In September 2026, Element 25 executed a definitive facility agreement for a AU\$50 million financing package provided through the Northern Australia Infrastructure Facility (**NAIF**) to support **BBX** in Western Australia¹⁰.

Execution of the binding facility agreement represented a major project financing milestone and progresses the previously announced NAIF funding package¹¹ from commitment into an agreed contractual framework. The Company will now focus on satisfying the remaining conditions precedent to financial close and first drawdown.

The executed facility agreement provides the Company with access to up to AU\$50 million of long-term project financing to support development of BBX. Financial close and availability of the facilities remain subject to satisfaction or waiver of the applicable conditions precedent to the agreement. A summary of the key commercial terms is set out below:

TERM	SUMMARY
Total Facility	Up to AU\$50.0 million
Term Facility	AU\$42.5 million
Cost Overrun Facility	AU\$7.5 million
Borrower	Butcherbird Operations Pty Ltd
Purpose	Eligible project costs and permitted operating costs during development and ramp-up, financing costs, reserve account funding and approved cost overruns
Term Facility tenor	11 years from financial close
Cost Overrun Facility tenor	3 years from financial close
Availability	Subject to satisfaction or waiver of applicable conditions precedent
Security	Senior secured project finance facility

The financing package provides Element 25 with long-term, non-dilutive capital and materially reduces the Company's immediate equity funding requirement for BBX. The dedicated AU\$7.5 million cost overrun facility provides an additional source of funding for approved project cost increases and contingencies during development and ramp-up.

The 11-year Term Facility tenor from financial close supports project development, commissioning, operational ramp-up and subsequent cash generation over an extended period. Together, the tenor and dedicated contingency facility enhance funding resilience and provide a strong foundation for the next phase of project delivery.

¹⁰ E25 ASX Announcement dated 8 September 2026

¹¹ E25 ASX Announcement dated 17 June 2025

The Company is progressing the remaining conditions precedent to financial close and first drawdown, including implementation of the agreed project finance and security structure, establishment of project account arrangements, satisfaction of financing and compliance deliverables, and confirmation of committed funding required for project completion. Following satisfaction or waiver of the applicable conditions precedent, the facilities will become available for drawdown in accordance with their respective terms.

ASX ADDITIONAL INFORMATION

The ASX Appendix 5B quarterly report covering the quarter is attached and lodged with this report.

In accordance with ASX Listing Rule 5.3.5, payments to the Company's related parties and associates during the quarter totalled \$185,000, comprising salary, directors' fees, consulting fees, and superannuation.

In accordance with ASX Listing Rule 5.3.1, payments relating to Mining Exploration for the quarter totalled \$162,000.

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.

E25 is also commercialising innovative proprietary technology to produce battery-grade high-purity manganese sulphate monohydrate (**HPMSM**) for use in battery manufacturing. The Company is planning its first HPMSM refinery in Louisiana USA to produce raw material for the US market, with a grant for US\$166 million (AU\$268 million) in project funding from the U.S. Department of Energy (**DoE**) under the Battery Materials Processing Grant Programme.

An anticipated strategic shift towards lithium manganese rich (**LMR**) battery chemistries over high nickel formulations will materially increase demand for HPMSM, with General Motors (**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.

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.

TENEMENT INFORMATION FOR QUARTERLY REPORT

30 September 2026

The mining tenements held at the end of the quarter and their location	Tenement reference	Location	Interest at beginning of quarter	Acquired/ Disposed	Interest at end of quarter
	E20/659	Eelya Hill WA	10%	N/A	10%
	E52/1529	Mt Padbury WA	100% (Note 1)	N/A	100% (Note 1)
	E52/2350	Butcher Bird WA	100%	N/A	100%
	E52/3606	Yanneri Bore WA	100%	N/A	100%
	E52/3706	Yanneri Pool WA	100%	N/A	100%
	E52/3735	Limestone Bore WA	100%	N/A	100%
	E52/3769	Kumarina WA	100%	N/A	100%
	E52/3779	Beyondie Bluff WA	100%	N/A	100%
	E52/3858	Yanneri Well WA	100%	N/A	100%
	E52/4064	Neds Gap WA	100%	N/A	100%
	E52/4149	Neds Gap WA	100%	N/A	100%
	E52/4358	Butcherbird North WA	100%	N/A	100%
	E52/4417	Weelarrana WA	100%	Disposed	0%
	E52/4441	701 Mile WA	100%	Disposed	0%
	L45/871	Wodgina WA	100%	N/A	100%
	E52/4625	Butcherbird WA	0%	Acquired	100%
	E52/4634	Weelarrana WA	0%	Acquired	100%
	L52/211	Limestone Bore WA	100%	N/A	100%
	L52/215	Butcherbird East 1 WA	100%	N/A	100%
	L52/216	Butcherbird East 2 WA	100%	N/A	100%
	L52/217	Butcherbird East 3 WA	100%	N/A	100%
	L52/218	Butcherbird East 4 WA	100%	N/A	100%
	L52/220	Butcherbird East 5 WA	100%	N/A	100%
	L52/221	Butcherbird East 6 WA	100%	N/A	100%
	L52/225	Butcherbird East 7 WA	100%	N/A	100%
	L52/254	Butcherbird North WA	100%	N/A	100%
	L52/255	Butcherbird North WA	100%	N/A	100%
	L52/256	Butcherbird North WA	100%	N/A	100%
	L52/257	Butcherbird North WA	100%	N/A	100%
	L52/275	Butcherbird North WA	100%	N/A	100%
	L52/276	Butcherbird East WA	100%	N/A	100%
	M52/1074	Yaneri Ridge WA	100%	N/A	100%
	E57/1060	Victory Well WA	20%	N/A	20%
	E63/2429	Lake Johnston WA	100%	N/A	100%

Notes: (1) 100% interest held in all minerals other than iron ore and manganese.

Table 1: Tenement Information for Quarterly Report to 30 September 2026

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Element 25 Limited

ABN

46 119 711 929

Quarter ended ("current quarter")

30 September 2026

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	6	6
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(17)	(17)
	(d) staff costs	(348)	(348)
	(e) administration and corporate costs	(414)	(414)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	64	64
1.5	Interest and other costs of finance paid	(2)	(2)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(711)	(711)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(162)	(162)
	(c) property, plant and equipment	(7,570)	(7,570)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(7,732)	(7,732)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (lease payments)	(21)	(21)
3.10	Net cash from / (used in) financing activities	(21)	(21)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	18,277	18,277
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(711)	(711)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(7,732)	(7,732)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(21)	(21)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	13	13
4.6	Cash and cash equivalents at end of period	9,826	9,826

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9,476	9,476
5.2	Call deposits	-	
5.3	Bank overdrafts	-	
5.4	Other (bank deposit)	350	350
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	9,826	9,826

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	185
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(711)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(711)
8.4 Cash and cash equivalents at quarter end (item 4.6)	9,826
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	9,826
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	13.81
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 22 October 2026

Authorised by: Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.