

BUTCHERBIRD EXPANSION PROJECT DELIVERY UPDATE

HIGHLIGHTS

- Element 25 is progressing works on multiple fronts in relation to its Butcherbird Expansion Project (**BBX**) in Western Australia, which is targeting manganese concentrate production of 1.1 million tonnes per annum (Mtpa)¹ with a commissioning date scheduled for Q1 2027.

Procurement:

- First main plant item, the logwasher, shipped on schedule and is now in transit for delivery to site.
- Orders have been placed for the majority of main plant items (**MPI**) including the crushing circuit, conveyors, stackers, thickener, screens, and apron feeder, minimising cost escalation risk.
- Preferred vendors have been identified from a detailed technical/commercial review of bid submissions for balance of MPI, including dense media separation (**DMS**) drum, cyclone cluster, and remaining screens.
- Orders expected to be placed for balance of MPI and various minor packages such as pumps and drives, pending close out of minor technical and commercial details.
- Construction steel suppliers have been shortlisted with fabrication likely to be broken out and awarded to multiple parties to manage schedule risk.
- Procurement commercials include fabrication and delivery commitments from vendors to align with current project plan requirements.

Key Commercial Contracts

- Advanced discussions are ongoing with preferred ore offtake partners.
- Mining services, haulage and site services contracts are nearing completion, subject to alignment of final commercial items.
- Construction contract tender pack for **BBX** has been issued to multiple pre-qualified candidates with initial bid analysis underway.

Permitting & Schedule

- All permits remain in place for construction and the BBX Project remains on track for mechanical completion and commissioning in Q1 calendar 2027.

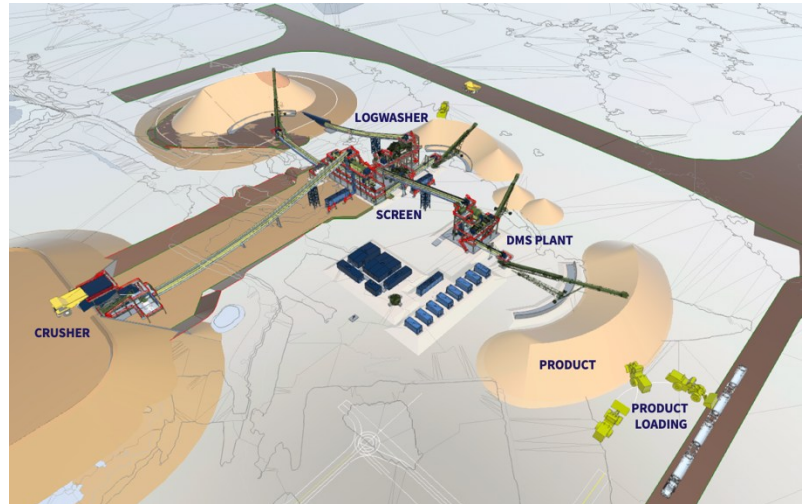
Geopolitical Risk Management

- Geopolitical risks arising from the Middle East conflict and global shipping routes continue to be monitored with no material project impacts to date.
- The Company is proactively managing potential supply chain and logistics risks through diversified sourcing and forward procurement strategies.

¹ E25 ASX Announcement dated 22 January 2025

Element 25 Limited (**E25, Element 25 or Company**) (**ASX: E25; OTCQX: ELMTF**) is pleased to provide a progress update on the Expansion Project at its 100% owned Butcherbird Manganese Mine (**Project**) in Western Australia (**WA**).

As previously reported, the Company is in the process of expanding the Project to a nominal **1.1Mtpa manganese concentrate production**², 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 throughput rate.



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 has advanced several critical aspects of the Butcherbird Expansion Project (**BBX**), supported by proactive engagement with principal stakeholders and contractors. The Company is applying rigorous project management frameworks to ensure open communication, opportune stakeholder consultation, and consistent alignment of objectives across all phases of the project. Strategic relationships with contractors are being cultivated through a disciplined procurement strategy, featuring ongoing evaluation of contractor submissions based on proven experience, technical proficiency, and overall value.

Element 25 is systematically monitoring and mapping project milestones and deliverables against the established Project schedule, utilising robust project controls to ensure timeline adherence and



Capital Cost

AU\$64.8

(incl. contingency)



NPV₈

AU\$561M

(Pre-tax, real)



IRR

96%



Cashflow

AU\$70.5M

(annual)



Payback

1.3

(years)

² E25 ASX Announcement dated 22 January 2025

³ E25 ASX Announcement dated 22 January 2025

proactively manage potential risks. This project management methodology facilitates effective issue resolution, supports data-driven decision-making, and underpins the successful delivery of the project.

PROJECT FINANCE

In June 2025, it was announced that the Northern Australia Infrastructure Facility (**NAIF**) granted approval for a senior debt facility of up to AU\$50 million⁴, consisting of AU\$42.5 million in senior debt and a AU\$7.5 million cost overrun facility, to support Element 25's butcherbird manganese expansion project located in western Australia's Pilbara region.

To secure the remainder of the funding required for the BBX Project, Element 25 undertook a comprehensive evaluation of potential partners. As part of this process, the Company engaged SLR, a prominent consultancy, to support the rigorous due diligence activities with NAIF and other potential subordinated financiers. This collaborative effort was instrumental in ensuring all requirements from key funding stakeholders were thoroughly addressed, positioning the project for successful financial close.

SLR has collaborated with Element 25 to progress the final phase of due diligence, ensuring all financial, technical, and regulatory criteria are comprehensively evaluated to meet the expectations of financiers.

KEY COMMERCIAL CONTRACTS

Project Engineering (Altris)

Altis Engineering (**Altris**) was appointed as the Lead Project Engineer in October 2025⁵ and since then Element 25 and Altris have been working closely to strengthen the integrated project team and advance several key project deliverables. The project is progressing positively, with the following key deliverables recently completed:

- Finalisation of the Project Execution Plan (**PEP**).
- Design Review process is now at 60% completed.
- The site layout is finalised.
- Concrete and structural engineering detailed works are currently well progressed in accordance with the project plan.
- Piping design engineering has commenced.
- Request for Quotations (**RFQs**) have been released to the market for all major equipment, with bids received and technical evaluations completed.
- Procurement remains on schedule for key long lead items, including the Logwasher, Thickener, Apron Feeder, Mineral Sizers, Conveyors and Stackers have been ordered.

⁴ E25 ASX Announcement dated 17 June 2025

⁵ E25 ASX Announcement dated 22 October 2025

Construction Contract

Upon completion of the Construction Contract Expression of Interest (**EOI**) process, the Company has finalised its assessment and identified a shortlist of qualified applicants. The EOI is an integral component of Element 25's ongoing efforts to advance the BBX project towards the construction phase, in alignment with the completion of detailed engineering and the continued progression of project financing and procurement activities as previously disclosed to the market. The scope of construction encompasses three primary disciplines: **civil and earthworks; structural, mechanical and piping; and electrical and instrumentation.**

Through the EOI process, the Company identified construction contractors with relevant certifications under the OFSC, as well as demonstrated capability and capacity to execute the BBX site construction works. Element 25's contracting strategy prefers appointing a single head contractor to manage the integrated construction scope, supplemented by specialist subcontractors as necessary.

An RFQ process has been conducted and the tender process initiated. According to the current high-level schedule for BBX, construction contract(s) are anticipated to be awarded in Q2 2026, mobilisation is scheduled for Q3 2026, and mechanical completion and commissioning are forecast for Q1 CY2027.

Offtake

Discussions are ongoing with the Company's selected offtake partners for increased Butcherbird Project production, focusing on commercial terms and the agreement framework.

The negotiations are at an advanced stage, and discussions to date are supportive of the Company's preferred model of placing the entire production volume with one counterparty under a take-or-pay framework to maximise competitiveness in the market and underpin robust revenues to support the base case financial model for the BBX Project. The Offtake partner is anticipated to be awarded in Q2 2026.

Mining Services Contract

Element 25 has concluded a comprehensive and competitive tender process, undertaking a detailed assessment of shortlisted candidates for the Mining Services contract. The evaluation focused on each candidate's experience, operational capabilities, and alignment with the overarching objectives of the Project.

Following this rigorous review, Element 25 has identified a preferred contractor and has now proceed into negotiation discussions to final commercial terms to support BBX. The Company expects to execute the commercial agreement for Mining Services by the end of Q2 2026, representing a significant milestone for the Project.



PROCUREMENT

Crushing and Mineral Sizer Solutions (MMD)

MMD has been engaged to supply the Primary and Secondary Sizers for the dry crushing and screening plant. Fabrication of key components such as breaker shafts and gearboxes progressing.

MMD has sourced the materials required to complete the sizer mainframe and case, with fabrication significantly progressed prior to assembly and factory acceptance testing. The MMD sizers remain on track to be shipped to Australia in mid-2026, which aligns with the overall project schedule.

Logwasher (KISA)

The Butcherbird custom-built logwasher, manufactured by KISA, is en-route for delivery to site. As recently reported, following the successful final quality assurance inspections and functional testing by KISA, the unit was prepared for transport and departed the KISA facility. Upon arrival at the Butcherbird site, the logwasher will undergo post-shipment inspections before being installed in accordance with the project plan and requirements. This schedule fits within the BBX Project's procurement and construction timeline, supporting mobilisation and mechanical completion targets⁶.



Designed for the most demanding applications, the logwasher has a 600 t/h throughput, a 10,000 x 3,500 mm trough, and the capability to wash material up to 250 mm.

With hydraulic height adjustment, advanced washing technology for cleaner material, and specially reinforced shafts for harsh operating conditions, it resets Butcherbird's benchmark in performance, durability, and innovation.

Main Plant Items

Element 25 has proceeded to release and shortlist the outstanding procurement packages to the market following the completion of all technical requirements for the remaining plant items, with several of these packages having already been awarded. These packages cover a range of essential equipment and components necessary for the ongoing development and operation of BBX, including:

- Apron Feeder
- Screens
- Conveyors and Stackers
- DMS Drum
- Thickener
- Cyclone Cluster

Responses from the market have been encouraging, with a number of competitive proposals received from suppliers. The Company is reviewing responses received and evaluating the submissions received against the package deliverables and technical requirements as well as consideration of reliability and

⁶ E25 ASX Announcement dated 29 April 2026

value for money. The procurement team is conducting evaluations in accordance with the Project Procurement Plan (**PPP**) and will then progress to the negotiation process with shortlisted vendors. Recently, several orders have been placed for major plant items, including the supply of the Apron Feeder, Conveyors and Stackers, Thickener and Screens, with the remaining packages in the final stages of award.

Core Operating Systems

Having identified and selected Microsoft Dynamics 365 as the Company's preferred Enterprise and Resource Planning (**ERP**) system, Element 25 has awarded contracts to Ray Business Technologies Pty Ltd and Barter Technologies Pty Ltd. The solution design and system architecture has been completed, with the new finance and operations environment being implemented, and development works currently underway. Phase 1 of the ERP release is on track for Q2 CY2026, with a complete transition to the new ERP scheduled for Q2 CY2026 prior to transitioning to operations.

The Company has engaged several key suppliers of alternative IT systems and applications to support the implementation of a pit to port data model for the BBX operation. Both Ray Business Technologies and Barter Technologies will also work with the Company to implement Microsoft Fabric, Power BI and the latest AI technologies to enable and present a complete overview of BBX operations.

Site Services Provider

Following an extensive procurement review and shortlisting process for site services for BBX, Element 25 has commenced evaluations and negotiations with the contractors that have been shortlisted as part of the procurement process.

As the procurement team progress their assessment of the shortlisted contractors, further information and clarification will be sought as part of the negotiation process, including on-site assessments of the contractor's service capabilities. This will ensure that all relevant information is available to the evaluation and selection teams before entering the next phase of the selection process.

The contracting timeframe remains unchanged from last reported with the Company anticipating entering into an agreement with the preferred contractor in Q2 CY2026.

PROJECT SCHEDULE UPDATE

The BBX Project schedule is continuously refined to accommodate changes in contracting, supplier involvement, completed deliverables, and alignment with the broader project framework, all in line with the procurement plan and contracting strategy. Through this ongoing process, all phases of work — ranging from initial forecasts and planning through to execution and completion — are actively tracked and updated to maintain steady progress.

Supported by a detailed work breakdown structure (**WBS**), the project management approach systematically maps and manages the relationships between tasks. The team remains committed to meeting key milestones and adhering to budget targets, focusing on delivering outcomes in a streamlined and effective manner across the full duration of the project.

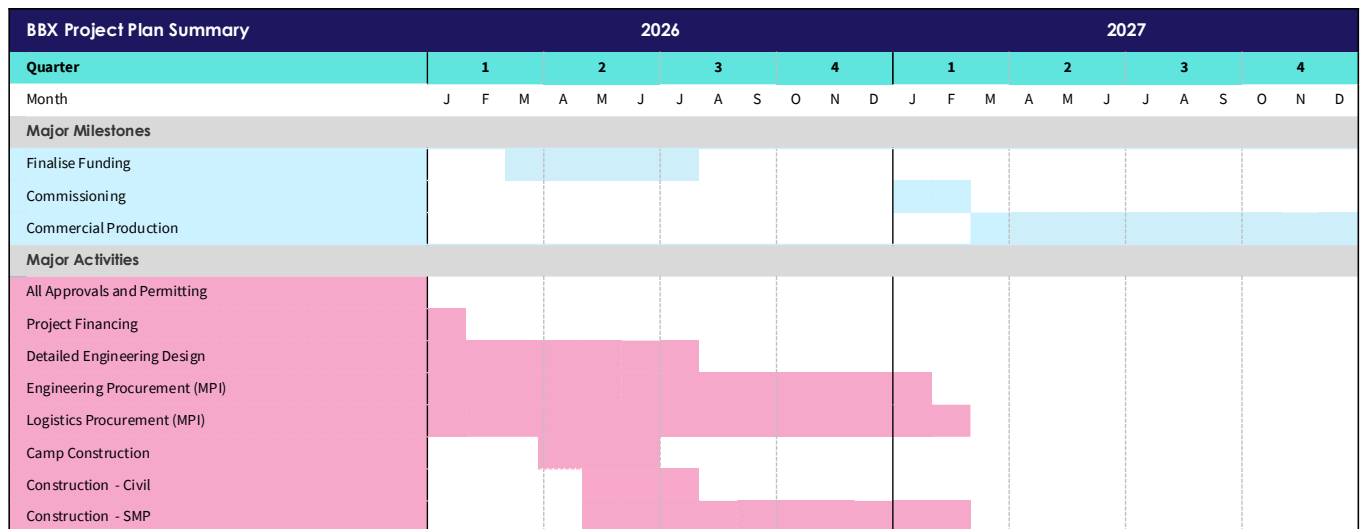


Figure 1 Butcherbird Expansion Project Schedule

Note: Target dates and milestones referenced in this announcement remain contingent on the Company successfully securing the balance of the required capital and reaching financial close with respect to the overall funding solution for the BBX Project in accordance with the project plan. The Company acknowledges heightened global uncertainty, including ongoing geopolitical tensions in the Middle East that may indirectly impact markets, supply chains and costs. The Company currently has no direct exposure to these regions and continues to monitor developments through established risk management processes, with mitigation measures applied where necessary to support business resilience and timely project delivery.

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 markets⁷.

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 Program⁸.

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 research⁹. Ford Motor Company has also announced a plan to introduce LMR batteries to improve safety, energy density, and reduce

⁷ E25 ASX Announcement dated 22 January 2025

⁸ E25 ASX Announcement dated 20 January 2025

⁹ Article, [Why LMR batteries will change the outlook for the EV market](#)

costs¹⁰. LMR battery cells use around to 50-70% manganese¹¹ 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 or 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.

¹⁰ <https://fordauthority.com/2025/04/ford-announces-breakthrough-with-lmr-battery-chemistry/>

¹¹ Article: [GM, LG Energy target commercializing manganese-rich batteries for EVs | Automotive Dive](#)