

NOTICE OF EXTRAORDINARY GENERAL MEETING

Explanatory Memorandum and Proxy Form

Date and Time of Meeting

23 June 2026
11.00am AWST

Place of Meeting

The Garden Office Park
Building C, Conference Room,
355 Scarborough Beach Road
Osborne Park, Western Australia 6017

Element 25 Limited

Level 1, Building B, Garden Office Park,
355 Scarborough Beach Road,
Osborne Park 6017, Western Australia, Australia

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ELEMENT 25 LIMITED
ACN 119 711 929

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Shareholders of Element 25 Limited (Company) will be held at Garden Office Park, 355 Scarborough Beach Road, Osborne Park, Western Australia, on 23 June 2026 at 11:00am (AWST) for the purpose of transacting the following business.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice.

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the glossary contained in the Explanatory Memorandum.

RESOLUTION 1. RATIFICATION OF ISSUE OF SHARES ASX LISTING RULE 7.1

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 34,602,414 Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum.”

Short Explanation: Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification is to restore the Company’s discretionary power to issue further shares up to 15% of the issued capital of the Company without requiring shareholder approval.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of:

- a) any person who participated in the issue or is a counterparty to the agreement being approved;
- b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- c) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 2. RATIFICATION OF ISSUE OF SHARES ASX LISTING RULE 7.1A

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 25,397,586 Shares to the parties, for the purposes and on the terms set out in the Explanatory Memorandum.”

Short Explanation: Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 10% threshold set by Listing Rule 7.1A. The purpose and effect of such a ratification is to restore the Company’s discretionary power to issue further shares up to 10% of the issued capital of the Company without requiring shareholder approval.

Voting Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of:

- a) any person who participated in the issue or is a counterparty to the agreement being approved;
- b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- c) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 3. APPROVAL OF ISSUE OF SHARES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, subject to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 100,000,000 Shares at an issue price of not less than 80% of the average market price of the Company’s shares (calculated over the 5 days on which sales of shares were recorded before the day on which the issue is made), upon the terms set out in the Notice of Meeting and Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by or on behalf of:

- a) any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity);
- b) an Associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- c) by a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- d) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- e) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 4. APPROVAL TO ISSUE PERFORMANCE RIGHTS TO EMPLOYEES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 7,500,000 Performance Rights to Employees, including the issue of Shares upon vesting of those Performance Rights for the performance period 1 July 2026 to 30 June 2027, in accordance with the terms and conditions of the Performance Rights Plan and as more particularly specified, for the purposes and on the terms set out in the Explanatory Memorandum.”

Short Explanation: Approval is sought under Listing Rule 7.1 for the issue of securities to the Employees other than Key Management Personnel under the Company’s Performance Rights Plan. Please refer to the Explanatory Memorandum for details.

Voting Exclusion: Pursuant to the Listing Rules 14.11 (Voting exclusions statement), the Company will disregard any votes cast in favour of this resolution by or on behalf of a person who is eligible to participate in the Performance Rights Plan in question; or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms. To be valid, properly completed Proxy Forms must be received by the Company's share registry no later than 11:00am (AWST) on 21 June 2026 by:

1. post to GPO Box 5193, Sydney NSW 2001;
2. email at meetings@automicgroup.com.au; or
3. online at <https://investor.automic.com.au/#/loginsah>.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the Proxy Form or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

By order of the Board



Michael Jordon

Company Secretary

Date: 15 May 2026

PROXIES

A Shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights.

A proxy may, but need not be, a Shareholder of the Company.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, either under seal or under hand of an officer duly authorised.

The instrument of proxy (and the power of attorney or other authority, if any, under which it is signed) must be lodged by person, post, courier or facsimile and reach the registered office of the Company at least 48 hours prior to the meeting. For the convenience of Shareholders, a Proxy Form is enclosed.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 11:00am (AWST) on 22 June 2026 will be entitled to attend and vote at the EGM.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company before the meeting.

ELECTRONIC COMMUNICATION

All Shareholders may, and are encouraged to, elect to receive communications from the Company's share registry electronically. To provide or update your email address, please contact the Company's share registry.

REVOCATION OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chair on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the Shareholders of Element 25 Limited ACN 119 711 929 (Company) in connection with the business to be conducted at the Extraordinary General Meeting (EGM) of the Company to be held at The Garden Office Park, Building C, Conference Room, 355 Scarborough Beach Road, Osborne Park, Western Australia, on 23 June 2026 commencing at 11:00am (AWST).

This Explanatory Memorandum should be read in conjunction with, and form part of, the accompanying notice.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum will, unless the context otherwise requires, have the same meaning given to them in the glossary as contained in this Explanatory Memorandum.

At the EGM, Shareholders will be asked to consider the following Resolutions:

- Resolution 1 - Ratification of Issue of Shares
- Resolution 2 - Ratification of Issue of Shares
- Resolution 3 - Approval of Issue of Share
- Resolution 4 - Approval to Issue Performance Rights

RESOLUTION 1. RATIFICATION OF ISSUE OF SHARES

1.1 General

On 23 April 2026 the Company issued 60,000,000 Shares (34,602,414 under Listing Rule 7.1 and 25,397,586 under Listing rule 7.1A) at \$0.30 per Share to sophisticated, professional and institutional investors to raise up to a total of \$18,000,000 (before costs) under its Listing Rule placement capacity and now seeks, pursuant to Resolution 1 of the Notice, to ratify the allotment and issue of those Shares.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares up to 15% of the issued capital of the Company without requiring shareholder approval.

By ratifying the issue, the subject of Resolution 1, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company proposes Resolution 1 to ratify a previous issue of Shares in accordance with Listing Rule 7.4. The Company confirms that the allotment and issue of the Shares the subject of Resolution 1 did not breach Listing Rule 7.1.

If this resolution is not passed, the Company will be able to proceed with the issue of Equity Securities to eligible participants, but it will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Equity Securities.

1.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- a) The shares were issued to sophisticated and professional investors who were selected based on factors including bidder type, bid timing and volume, existing holdings of each bidder, prior investment behaviours of each bidder, and aggregate demand for Placement Shares.
- b) 34,602,414 Shares were issued on 23 April 2026 (Listing Rule 7.1);
- c) the issue price was \$0.30 per Share;
- d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- e) the Shares were issued to non-related parties of the Company; and
- f) the funds raised from the issue will be used to fund the Company's Butcherbird expansion project and working capital.

1.3 Directors' Recommendation

The Directors of the Company believe that Resolution 1 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

RESOLUTION 2. RATIFICATION OF ISSUE OF SHARES

2.1 General

On 23 April 2026 the Company issued 60,000,000 Shares (34,602,414 under Listing Rule 7.1 and 25,397,586 under Listing rule 7.1A) at \$0.30 per Share to sophisticated, professional and institutional investors to raise up to a total of \$18,000,000 (before costs) under its Listing Rule placement capacity and now seeks, pursuant to Resolution 2 of the Notice, to ratify the allotment and issue of those Shares.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 10% threshold set by Listing Rule 7.1A. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares up to 10% of the issued capital of the Company without requiring shareholder approval.

By ratifying the issue the subject of Resolution 2, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company proposes Resolution 2 to ratify a previous issue of Shares in accordance with Listing Rule 7.4. The Company confirms that the allotment and issue of the Shares the subject of Resolution 2 did not breach Listing Rule 7.1A.

If this resolution is not passed, the Company will be able to proceed with the issue of Equity Securities to eligible participants, but it will reduce, to that extent, the Company's capacity to issue equity securities without shareholder approval under Listing Rule 7.1A for the 12 month period following the issue of the Equity Securities.

2.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5.

- a) The shares were issued to sophisticated and professional investors who were selected based on factors including bidder type, bid timing and volume, existing holdings of each bidder, prior investment behaviours of each bidder, and aggregate demand for Placement Shares.

- b) 25,397,586 Shares were issued on 23 April 2026 (Listing Rule 7.1A);
- c) the issue price was \$0.30 per Share;
- d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- e) the Shares were issued to non-related parties of the Company; and
- f) the funds raised from the issue will be used to fund the Company's Butcherbird expansion project and working capital.

2.3 Directors' Recommendation

The Directors of the Company believe that Resolution 2 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

RESOLUTION 3. APPROVAL OF ISSUE OF SHARES

The Company seeks the approval of shareholders for an issue of up to 100,000,000 shares to advance the planned stage 2 expansion of manganese concentrate production from its 100% owned Butcherbird Project, to contribute to the development of the HPMSM refinery facility being constructed in Louisiana, mining operations and general working capital purposes.

ASX Listing Rule 7.1 prohibits a company from issuing shares representing more than 15% of its issued capital in any 12-month period, without the prior approval of its shareholders (subject to certain exceptions). Accordingly, shareholder approval is being sought under Listing Rule 7.1 for the issue of up to 100,000,000 additional shares in the Company without using the Company's annual 15% placement capacity.

By approving the issue, the subject of Resolution 3, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company proposes Resolution 3 to approve the issue of Shares in accordance with Listing Rule 7.1. The Company confirms that the allotment and issue of the Shares the subject of Resolution 3 does not breach Listing Rule 7.1.

If this resolution is not passed, the Company will be unable to issue up to 100,000,000 shares without the need for Shareholder approval at an Extraordinary General Meeting or without the issue being counted towards the Company's annual placement capacities calculated under Listing Rule 7.1 and 7.1A.

3.1 Information required by Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3.

- a) the maximum number of securities that may be issued under this resolution is 100,000,000 fully paid shares;
- b) the shares will be issued to new or existing sophisticated and professional investors and may be selected based on factors including bidder type, bid timing and volume, existing holdings of each bidder, prior investment behaviours of each bidder, and aggregate demand;
- c) the Shares will be issued at an issue price of not less than 80% of the average market price of the Company's shares (calculated over the 5 days on which sales of shares were recorded before the day on which the issue is made);
- d) the Company intends to use the funds raised from the issue of Shares towards advancing the planned stage 2 expansion of manganese concentrate production from the 100% owned Butcherbird Project, to contribute to the development of the HPMSM refinery facility being constructed in Louisiana, mining operations and general working capital purposes;

- e) the proposed shares issued are fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- f) any shares issued in accordance with this resolution will be issued and allotted within 3 months from the date of the Meeting (or such later date as approved by ASX);
- g) as at the date of this Notice of Meeting there has been no decision to issue any shares; and
- h) it is not known whether any allotments will occur as a single allotment or will occur progressively.

3.2 Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 15% annual placement facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues Equity Securities, the potential economic and voting dilution of existing Shares would be as shown in the table below.

The Table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1, on the basis of the minimum issue price of Shares of \$0.35 and additional examples at \$0.30 and \$0.40, being a 16% decrease and 15% increase to the issue price respectively.

The table also shows the voting dilution impact where the number of Shares on Issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 15% annual placement facility.

Table 1 : Risk of Economic and Voting Dilution

Variable "A" in Listing Rule 7.1	Issue Price A\$0.30 per share	Issue Price A\$0.35 per share	Issue Price A\$0.40 per share
Current Variable A	325,810,579 shares	325,810,579 shares	325,810,579 shares
Equity Value	\$97,743,174	\$114,033,703	\$130,324,232
100,000,000 Shares issued			
Increase in Variable A	100,000,000 shares	100,000,000 shares	100,000,000 shares
Funds Raised	\$30,000,000	\$35,000,000	\$40,000,000
Variable A after proposed Share Issue	425,810,579 shares	425,810,579 shares	425,810,579 shares
Voting Dilution	30.69%	30.69%	30.69%

The table has been prepared on the following assumptions:

- a) there are currently 325,810,579 Shares proposed or on Issue as at 4 May 2026.
- b) the issue price is \$0.35, with additional examples shown at an issue price of A\$0.30 and A\$0.40.
- c) the voting dilution reflects the potential aggregate percentage dilution against the Issued Share Capital at the time of issue. The Shares issued alters the dilution scenarios.
- d) the table shows only the effect of issue of Equity Securities under Listing Rule 7.1, not under the 10% placement capacity under Listing Rule 7.1A.
- e) the calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

- f) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 15% annual placement facility, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- g) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- h) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

3.3 Directors' Recommendation

All Directors of the Company believe that this resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this resolution.

RESOLUTION 4. APPROVAL TO ISSUE PERFORMANCE RIGHTS TO EMPLOYEES

4.1 General

The Company proposes to issue up to 7,500,000 Performance Rights to Employees other than Key Management Personnel in accordance with the Company's Performance Rights Plan which was approved by Shareholders at the 2023 Annual General Meeting. A copy of the Performance Rights Plan can be viewed on the Company's website. A summary of the material terms of the Performance Rights Plan are set out in Annexure B.

The Board recognises the importance of including a variable remuneration component in an employee's remuneration package that is only paid on the achievement of key objective that the Board considers will deliver increased Shareholder value. Remuneration packages may include a combination of fixed compensation and variable performance linked compensation. The variable performance linked compensation includes short term incentives, deferred incentives and long-term incentives.

The Board proposes to issue up to 7,500,000 Performance Rights to Employees measured on performance for the 30 June 2027 financial year and now seeks, pursuant to Resolution 4 of the Notice, the approval of the issue of up to 7,500,000 Performance Rights to Employees including the issue of Shares upon vesting of those Performance Rights.

For detailed information regarding the terms of the proposed Performance Rights please refer to Annexure A.

The proposed issue of Performance Rights will be issued without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period. Listing Rule 7.2 (Exception 13(b)) sets out an exception to Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme, as an exception to Listing Rule 7.1.

By ratifying the issues the subject of Resolution 4, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated under Listing Rule 7.1 and Listing Rule 7.1A will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

The Company confirms that the allotment and issue of the Performance Rights the subject of Resolution 4 will not breach Listing Rule 7.1.

4.2 Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its officers

- a) The proposed resolution would have the effect of giving power to the Directors to grant Performance Rights, the number of which is subject to the achievement of certain performance criteria, to Employees or their nominees.
- b) The vesting of the Performance Rights is subject to the terms and conditions as set out in Annexure A to this Explanatory Memorandum and as otherwise mentioned above.
- c) The total number of Performance Rights to be issued is dependent upon the achievement of certain performance criteria and the effect of Shares being issued will be to dilute the Shareholdings of existing Shareholders.
- d) Neither the Directors nor the Company are aware of any other information that would be reasonably required by Shareholders to make a decision in relation to the financial benefits contemplated by this resolution.

4.3 Information required by Listing Rule 7.1

Listing Rule 7.1 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.1 as follows:

- a) The Performance Rights will be issued to Employees other than Key Management Personnel under the Performance Rights Plan;
- b) The maximum number of Performance Rights to be issued to Employees (or their nominees) is 7,500,000;
- c) The Performance Rights will be issued no later than one month after the date of the Meeting, if approved at this Meeting (or such longer period as ASX may in its discretion allow);
- d) The Performance Rights will have an issue price of nil as they will be issued as part of an Employees remuneration package;
- e) The Performance Rights will be issued on the terms and conditions set out in Annexure A. The Company uses Performance Rights as an incentive instrument as they are well understood by the market and by employees, they create alignment between employees and Shareholder experience and no value is derived unless the Company meets its performance measures over the period (Rights lapse if they do not vest); and
- f) A voting exclusion statement is included in the Notice of Meeting.

4.4 Directors' Recommendation

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

If this resolution is passed, the issue of the Performance Rights to Employees will be ratified and the Company's employees will be remunerated accordingly.

If this resolution is not passed, the Company will not be able to proceed with the issue of the Performance Rights to Employees other than Key Management Personnel and the Company may need to consider other forms of performance based remuneration, including by the payment of cash.

GLOSSARY

In this Explanatory Memorandum and the Notice, the following terms have the following meanings unless the context otherwise requires:

Annual Report	means the Directors' report, the annual financial report and auditor's report.
Associate	has the same meaning as defined in Section 11 and Sections 13 to 17 of the Corporations Act.
ASX	means ASX Ltd ABN 98 008 624 691 and, where the context requires, the Australian Securities Exchange operated by ASX Ltd.
Board	means the board of Directors of the Company.
Closely Related Party	has the same meaning as defined in Section 9 of the Corporations Act.
Company	means Element 25 Limited ACN 119 711 929.
Corporations Act	means Corporations Act 2001 (Cth).
Director	means a director of the Company.
EGM	means an Extraordinary General Meeting.
Explanatory Memorandum	means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice.
Listing Rules	means the listing rules of ASX.
Notice or Notice of Meeting	means the Notice of Extraordinary General Meeting accompanying this Explanatory Memorandum.
Proxy Form	means the proxy form attached to this Notice.
Resolution	means a resolution contained in the Notice.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a share.
Variable A	means "A" as set out in the formula in Listing Rule 7.1A.2.

ANNEXURE A. TERMS AND CONDITIONS PERFORMANCE RIGHTS

If Shareholder approval is obtained, the Performance Rights which are subject to performance conditions for the 30 June 2027 financial year will be approved under the terms of the Company's Performance Rights Plan.

Entitlement

Each Performance Right is a conditional entitlement to one fully paid ordinary Share in the Company that will rank equally with those traded on the ASX. Rights do not carry any dividend or voting rights until they vest. Any performance Rights that vest are exercised into Shares. Rights that do not vest lapse and are not retested.

Consideration

The Performance Rights will be granted for nil consideration. There is no cost to Employees and no amount will be payable on vesting of the Rights if performance conditions are met.

Performance Rights, Vesting and Timing of Issue

If approved, the maximum number of Performance Rights granted to Employees other than Key Management Personnel will be 7,500,000.

It is the intention of the Board that the Performance Rights will be granted to Employees no later than three months following the date of the Meeting.

If Securityholder approval is not received, the Board will consider alternative arrangements to appropriately remunerate and incentivise Employees other than Key Management Personnel.

Performance conditions

The Board has determined that the Performance Rights to be granted to Employees other than Key Management Personnel will be subject to the following conditions which will be assessed over a period of one financial year ending 30 June 2027.

Objective	Performance Conditions	Weighting
Operational Excellence	Execute the Butcherbird expansion project measured by: - Delivery of milestones against Board approved scheduled; and - Achievement of operational targets and budgets.	55%
Innovation & Growth	Achieve disciplined project execution of the HPMSM project measured by: - Delivery of milestones against Board approved scheduled; and - Funding agreements executed.	20%
Environmental, Social & Governance (ESG)	Improvement in ESG governance and outcomes measured by: - Improved ESG score against industry recognised measures; and - Compliance with ASIC and ASX obligations.	10%
People, Capability & Performance	Develop and retain high performance team measured by: - Recruitment and development of a high-performance Operations team ; and - Retention and development of Executive team.	15%
Total		100%

Treatment of Performance Rights on cessation of employment

Unvested Performance Rights will lapse if an Employee's employment is terminated for cause or if they resign. If an Employee's employment ceases for any other reason, some or all unvested Performance Rights may continue beyond cessation of employment and vest or lapse depending on whether the performance conditions are achieved, subject to the Board's discretion to determine otherwise.

Change of control

If a change of control event occurs, for example by way of a takeover of the Company or scheme of arrangement, the Board may determine that some or all Performance Rights granted to Employees will vest, having regard to relevant performance indicators. Alternatively, the Board may determine that any unvested Performance Rights will lapse or be exchanged for a grant of new rights and/or securities in replacement in respect of any body corporate or other entity, as determined by the Board.

Clawback

The Board may determine that unvested or vested securities granted under the Performance Rights Plan lapse or be deemed to be forfeited as a result of adverse circumstances that arise or become known after securities have been granted or vested.

ANNEXURE B. SUMMARY OF PERFORMANCE RIGHTS PLAN

The Company has established a Performance Rights Plan which was approved by Shareholders at the 2023 Annual General Meeting. The full terms of the Performance Rights Plan can be viewed on the Company's website. A summary of the terms of the Performance Rights Plan is set out below.

Eligible Persons

The Board may, from time to time, in its absolute discretion, make a written offer to participate in the Performance Rights Plan to any of the following persons:

- (i) a director of any Group Company (including executive and non-executive directors);
- (ii) an employee of any Group Company (including casual, part-time, and full-time employees);
- (iii) a contractor who provides services to a Group Company, or
- (iv) a prospective participant, being a person to whom an offer is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Person under clauses (i), (ii) or (iii) above.

Eligible Persons must not encumber or hedge Performance Rights without the Board's consent and the Performance Rights are not transferrable except in the following limited circumstances:

- (i) with the consent of the Board (which may be withheld in its absolute discretion), if a "Special Circumstance" arises; or
- (ii) by force of law upon death to the participant's legal personal representative, or upon bankruptcy to the participant's trustee in bankruptcy;

"Special Circumstances" means:

- (i) a participant (or where a participant is a nominee of an Eligible Person, that Eligible Person) ceasing to be an Eligible Person due to death or total and permanent disability; or
- (ii) any other exceptional or extraordinary circumstances as determined by the Board to constitute a "Special Circumstance".

Purpose

The purpose of the Performance Rights Plan is to motivate participating staff members by rewarding them upon the achievement of milestones that are linked to the Company's performance.

Performance Rights Plan Administration

The Performance Rights Plan is administered by the Board. The Board may exercise any power or discretion conferred on it by the Performance Rights Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

Offer

The Board may, from time to time, in its absolute discretion, make a written offer to participate in the Performance Rights Plan to an Eligible Person.

The Board will advise each Eligible Person of the following information when making an offer:

- (i) the number of Performance Rights that the Eligible Person may apply for, or the formula for determining the number of Performance Rights that may be applied for;

- (ii) the number of Shares that the Eligible Person is entitled to be allocated on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
- (iii) any applicable vesting conditions;
- (iv) any restriction that will be imposed upon trading the Shares that are to be allocated upon vesting;
- (v) the fact that the Performance Rights will be issued for nil cash consideration;
- (vi) the date on which the offer will close (i.e. the Closing Date);
- (vii) the date on which the Performance Rights will lapse (i.e. the Expiry Date);
- (viii) any other information required by law or the Listing Rules or considered by the Board to be relevant to the Performance Rights or the Shares to be allocated on exercise of the Performance Rights.

Eligible Persons who receive an offer may renounce the offer in favour of a "Related Person" being:

- (i) a spouse, parent, child, or sibling of the Eligible Person; or
- (ii) a company controlled by the Eligible Person or a person mentioned in subparagraph (i); or
- (iii) a body corporate that is the trustee of a self-managed superannuation fund (within the meaning of the Superannuation Industry (Supervision) Act 1993) where the Eligible Person is a director of the body corporate.

Performance Rights will be granted for nil cash consideration and no money will be payable upon exercising a Performance Right.

Vesting

A Performance Right granted under the Performance Rights Plan will not vest and be exercisable unless the vesting conditions (if any) have been satisfied and the Board has notified the Eligible Person of that fact.

The Board must notify an Eligible Person in writing within 10 Business Days of becoming aware that any vesting conditions attaching to a Performance Right have been satisfied.

The Board may, in its absolute discretion, by written notice to a participant, resolve to waive any of the vesting conditions applying to the Performance Rights due to:

- (i) a participant or, where the participant is a nominee of an Eligible Person, that Eligible Person:
 - a. dying or suffering total or permanent disability; or
 - b. being made redundant by a Group Company; or
 - c. retiring;
- (ii) a participant or, where the participant is a nominee of an Eligible Person, that Eligible Person, suffering severe financial hardship;
- (iii) the terminal illness of the participant (or Eligible Person, as applicable) or of an immediate family member of the participant (or Eligible Person, as applicable);
- (iv) a change of control event occurring in respect of the Company or the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company.

Grant of Shares

Subject to the Corporations Act, the Listing Rules and the Performance Rights Plan, the Company must issue or transfer to the participant or his or her personal representative (as the case may be) the number of Shares the participant is entitled to be allocated in respect of vested Performance Rights that are exercised, within 10 business days of the Performance Rights being exercised.

Lapsing of Performance Right

A Performance Right will lapse upon the earlier to occur of:

- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring;
- (ii) a vesting condition in relation to the Performance Right is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Performance Right in accordance with the Performance Rights Plan;
- (iii) a vested Performance Right is not exercised within the time limit specified in the Performance Rights Plan;
- (iv) a participant (or, where the participant is a nominee of the Eligible Person, that Eligible Person) ceases to be an Eligible Person, unless the Board exercises its discretion to vest the Performance Right in accordance with the Performance Rights Plan;
- (v) the Board deems that a Performance Right lapses due to fraud, dishonestly or other improper behavior of the participant (or, where the participant is a nominee of the Eligible Person, that Eligible Person) in accordance with the Performance Rights Plan;
- (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right in accordance with the Performance Rights Plan; and
- (vii) the Expiry Date of the Performance Right.

Change in Control

If the Company reorganises its capital, the Company will procure that the terms of the Performance Rights Plan or the rights of participants are varied in such a way as determined by the Board in its absolute discretion, which neither disadvantages nor advantages participants nor adversely affects the rights of the other holders of Shares, to account for the effect of the reorganisation event (in a manner consistent with the Listing Rules if applicable).

Rights Attaching to Performance Rights Plan Shares

The Performance Rights do not entitle holders to participate in new issues of capital, to vote, or to receive dividends (unless and until a Performance Right is exercised and the participant holds Shares).

Disposal Restrictions

A participant must not sell, transfer, or dispose of any Shares acquired on exercise of the Performance Rights (or any interest in them):

- (i) in contravention of the Corporations Act, including the insider trading and on-sale provisions; or
- (ii) during any restriction period designated in their offer document.

If a participant is subject to a restriction period of the kind noted in (ii) they will forfeit their Shares (unless the Board waives the forfeiture requirement) if, during the restriction period, they:

- (i) perpetrate fraud as against a Group Company;
- (ii) act dishonestly in their dealings with a Group Company;
- (iii) commit a breach of their obligations to a Group Company, including those obligations that survive cessation of employment;
- (iv) become an employee of, or providing services to, an entity considered by the Board (acting reasonably) to be a competitor of a Group Company; or
- (v) engage in any activity considered by the Board (acting reasonably) to be detrimental to a Group Company.

If the sale, transfer or disposal by a participant of the Shares allocated to them on exercise of the Performance Rights (or any interest in them) would require the preparation of a disclosure document (as that term is defined in the Corporations Act) the Company may at its discretion issue:

- (i) a cleansing statement under Section 708A(5) of the Corporations Act at the time the Shares are issued; or
- (ii) a disclosure document in relation to the Shares which complies with the requirements of the Corporations Act.

If the Board does not exercise the discretion described above, the participant agrees to enter into such arrangements with the Company as the Board considers appropriate to prevent the sale, transfer or disposal of the relevant Shares in a manner that would require a disclosure document to be prepared.

Amendment of Performance Rights Plan

Subject to any requirements of the Corporations Act or the Listing Rules, the Board may amend the terms of the Performance Rights Plan provided that any amendment must not materially reduce the rights of any participant, unless the amendment is introduced primarily:

- (i) for the purpose of complying with the law;
- (ii) to correct any manifest error or mistake;
- (iii) for reasons relating to the amount payable under fringe benefits tax; or
- (iv) to enable this Performance Rights Plan to comply with the Corporations Act, the Listing Rules or the Company's constitution.

Your proxy voting instruction must be received by **11:00am (AWST) on Sunday, 21 June 2026**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://portal.automic.com.au/investor/home> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible).