

Element 25 Ltd

09:32 22 Jun 2020

Element 25 final access milestone paves way for grant of mining lease

Element 25 Ltd (ASX:E25) has signed an access agreement with the remaining stakeholder in relation to the granting of mining lease application M52/1074 at the Butcherbird Manganese Project in Western Australia.

The agreement is between the company and the owner of the Bulloo Downs Pastoral Lease, Chandra Ridley.

It sets a framework for a mutually beneficial relationship by providing for Ridley to take advantage of appropriate contracting opportunities, contains certain milestone cash payments as well as setting up a cooperative framework to foster a strong working relationship going forward.

Final milestone required

The signing of this agreement is the final milestone required for the mining lease application to be granted, which will pave the way for the submission of mining approval documentation to the Department of Mines, Industry Regulation and Safety in relation to E25's planned manganese ore production at the Butcherbird project.

Managing director Justin Brown said: "E25 is very pleased to be able to report this important milestone in what we hope will be a long and mutually beneficial relationship.

"Importantly, it paves the way for the grant of a mining lease over the planned production area and is a critical development step for E25".

Recently completed PFS

E25 has recently completed a pre-feasibility study (PFS) with respect to developing the deposit to produce manganese concentrate for export to generate early cashflow with a modest capital requirement.

The outstanding economics and low capital hurdle of less than A\$15 million will allow the company to develop the project in a shorter timeframe than would have otherwise been possible.

This is envisaged as the first stage of a staged ramp-up for the project and has the advantage of potentially providing early cashflow to strengthen the company's balance sheet and assist in funding the larger high purity manganese production hub which is the subject of a parallel, complementary workstream.

Price: 0.77

Market Cap: \$90.62 m

1 Year Share Price Graph



September 2019 April 2020 September 2020

Share Information

Code: E25

Listing: ASX

52 week High Low
0.77 0.095

Sector: Rare earths & specialist minerals

Website: www.element25.com.au

Company Synopsis:

Element 25 Ltd's (ASX:E25) wholly-owned Butcherbird Project hosts a very large manganese resource which underpins the company's core strategy of producing high purity Electrolytic Manganese Metal (EMM) and Manganese Sulphate for use in specialty metals and lithium ion battery cathodes.

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