



Corporate governance statement

The Board is responsible for establishing Euro Manganese Inc.'s (**Company**) corporate governance framework, the key features of which are set out below. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the ASX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

In accordance with ASX Listing Rule 1.1 Condition 13, the corporate governance statement discloses the extent to which the Company follows the recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at <https://www.mn25.ca>. The Canadian prospectus can be found at Annexure A to the Prospectus dated 4 September 2018.

1.	Principle 1 – Lay solid foundations for management and oversight	
1.1	The Board has outlined in the Board Mandate (a copy of which is on the Company's website) as well as pages 70-76 of the Canadian prospectus, the Board's roles and responsibilities and has established a clear distinction between its functions and those delegated to management and sub-committees of the Board.	✓
1.2	Appropriate checks including criminal record checks have been carried out on all Board members. Page 75 of the Canadian prospectus sets out the Governance, Compensation, Nominating and Sustainability Committee (GCNS Committee) of the Company's delegated responsibilities in relation to assessing a person's suitability for being nominated as a member of the Board. The Company will provide to its shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director at future general meetings.	✓
1.3	All senior executives have a written employment agreement with the Company setting out the terms of their appointment. The Directors have not signed any written agreements with the Company. All Directors are provided with copies of the board mandate, sub-committee mandates, and all other codes of conduct and policies outlining their responsibilities and company policies that they are expected to abide by.	⊙
1.4	Given the Company's current size and stage of development, the Company does not have a separate corporate secretary. The Company's CFO is also its corporate secretary and reports to the President and CEO. The CEO and CFO communicate with the board chair on matters to do with the proper functioning of the board and its committees.	⊙
1.5	The Company has adopted a Diversity Policy (a copy of which is on the Company's website). However, given the Company's current size and stage of	⊙

	development, it is not practical to set measurable objectives for achieving gender diversity.	
1.6	The GCNS Committee will periodically evaluate the performance of the board, its committees and individual Directors (as set out on page 76 of the Canadian prospectus). These processes were only approved on 14 December 2017 and accordingly no evaluations have yet been completed to date.	⊙
1.7	The Board Mandate provides for the monitoring of management's successes, which involves assessing the performance of senior executives. The CEO will also evaluate the performance of key executives on an annual basis. Due to the Company's current size and stage of development, no senior executive evaluations have been completed to date.	⊙
2.	Principle 2 – Structure the board to add value	
2.1	The Board has formed a GCNS Committee. A copy of the GCNS Committee Charter is available on the Company's website. Current members of the GCNS Committee include Harvey N. McLeod, John Webster, and Marco Romero, with Harvey N. McLeod and John Webster being independent Directors. Harvey N. McLeod is the current chair of the committee.	✓
2.2	Significant and relevant board experience is set out in each Director's biography on pages 52-55 of the Canadian Prospectus, as well as specifically for the Audit Committee on page 69 of the Canadian Prospectus. The Company has taken into account the relevant skills and expertise required for the Board members, however has not created a specific matrix setting out the mix of skills.	⊙
2.3 & 2.4	The Board currently consists of eight members, a majority of whom are independent. Marco A. Romero is not independent as he is the President and CEO of the Company, and Jan Votava is not independent as he is Managing Director of Mangan Chvaletice s.r.o., the Company's wholly-owned subsidiary. Roman Shklanka, David B. Dreisinger, Daniel J. Rosický, Harvey N. McLeod, Gregory Martyr and John Webster are considered independent as none of them is an adviser or supplier to the Company or has any other material contractual relationship with the Company other than their position as a Director. The Company has determined that there are no known conflicts of interest. The Company is satisfied that the composition of the Board reflects an appropriate range of independence and skills.	✓
2.5	The Company has adopted the recommendation that the Chairman should be independent. Roman Shklanka is non-Executive Chairman of the Board and is independent. The CEO is Marco A. Romero.	✓
2.6	In conjunction with the GCNS Committee, the Board oversees the establishment of suitable orientation programs for new Directors and continuing education opportunities for all Directors. New Directors are provided with corporate policies, historical information about the Company, management reports, Chvaletice Manganese Project site visits, as well as information on the Company's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Company also encourages Directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters and has agreed to pay the cost of such courses and seminars. Each Director of the Company has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a Director.	✓

3.	Principle 3 – Act ethically and responsibly	
3.1	The Company has adopted a Code of Ethics and Business Conduct (a copy of which is available on the Company's website). All Directors, senior executives & employees are required to read and acknowledge that they have read this Code.	✓
4.	Principle 4 – Safeguard integrity in corporate reporting	
4.1	The Company has established an Audit Committee, all of the members of which are independent. John Webster is the current chair of the Audit Committee and is independent. Pages 50 to 55 and 69 of the Canadian prospectus sets out qualifications of the members of the Audit Committee. A copy of the Audit Committee Charter is available on the Company's website and in Appendix B to the Canadian prospectus.	✓
4.2	It is not common practice in Canada for a CEO and CFO to prepare such a declaration, however such declarations are intended to be prepared in the future. After Completion of the Australian Offering and the Canadian Offering, the Company's CEO and CFO will be required to certify that at the end of each reporting period, they have reviewed the annual or interim reports, that there are no misrepresentations, that the financials are presented fairly, that they are responsible for designing and maintaining disclosure controls and procedures and internal control over financial reporting, and that such controls are operating effectively.	⊙
4.3	The Company's Auditor has been present in the Company's AGMs in Canada. The Board intends that the Auditor be present and attend future AGMs to available to answer questions from shareholders.	✓
5.	Principle 5 – Make timely and balanced disclosure	
5.1	The Company has adopted a Continuous Disclosure Policy, a copy of which is available on the Company's website. The Continuous Disclosure Policy outlines the Company's approach to disclosure of material information and maintaining the confidentiality of information. The objective of the Disclosure Policy is to ensure that communications to the public about the Company are timely, factual and accurate and broadly disseminated in accordance with ASX Listing Rules and all applicable legal and regulatory requirements.	✓
6.	Principle 6 – Respect the rights of security holders	
6.1	The Company's information and governance policies are available on the Company's website, which can be accessed by investors and the public.	✓
6.2	The Company will appoint a dedicated investor relations individual immediately prior or upon listing to facilitate effective two-way communication with investors.	✓
6.3	Prior to each meeting of shareholders, the Company disseminates an information circular which encourages participation of shareholders in such meetings and sets out the processes of facilitating participation.	✓
6.4	All shareholders of the Company may communicate with the Company by electronic means. The Company's new releases will be made available via an e-mail distribution list, concurrent with distribution via traditional news wire sources.	✓
7.	Principle 7 – Recognise and manage risk	
7.1	The Company has delegated risk oversight and risk management to the Audit Committed. Risk oversight and risk management are also a part of the overall	✓

	responsibilities of the Board. All of the members of the Audit Committee are independent. John Webster is the current chair of the Audit Committee and is independent. Pages 50 to 55 and 69 of the Canadian prospectus sets out qualifications of the members of the Audit Committee.	
7.2	The Company has not formally reviewed the risk management framework. The Company has appointed the Audit Committee to assist it with discharging oversight function in respect of material business risks. Disclosure in relation to whether review of the Company's risk management framework has occurred can be disclosed in future.	⊙
7.3	The Company has no internal audit function given its size and stage of development. The Audit Committee may review the need for an internal audit function and the scope of such audit function. Details of the internal audit function will be disclosed should the Company and the Audit Committee form the view that such function is required.	⊙
7.4	Information regarding environmental risk are disclosed under the heading "Description of Business" on pages 17 to 19 of the Canadian prospectus. Similarly, economic risks (competition, employees, reliance on specialized skills and knowledge) are also disclosed on page 17 of the Canadian prospectus. Management of social sustainability risks are set out on pages 18-19 of Canadian prospectus.	✓
8.	Principle 8 – Remunerate fairly and responsibly	
8.1	The Company has established a GCNS Committee which has been delegated responsibility of, among other things, making recommendations to the board regarding Director remuneration. The Company has adopted a charter for the GCNS Committee, a copy of which is available on the Company's website, and a summary of the policy of the GCNS Committee, as it pertains to compensation, is disclosed on page 74 of the Canadian prospectus.	⊙
8.2	The principles and policies concerning Directors' compensation governance are disclosed on pages 57-58 of Canadian prospectus	✓
8.3	The Company's Securities Trading Policy (a copy of which is available on the Company's website) prohibits participants of any equity-based remuneration scheme entering into transactions which limits the economic risk of a participant.	✓