

Euro Manganese Reports Second Fiscal Quarter 2023 Financial Results and Project Developments

VANCOUVER, British Columbia (May 11, 2023) – Euro Manganese Inc. (TSX-V and ASX: EMN; OTCQX: EUMNF; Frankfurt: E06) (the "Company" or "EMN") is pleased to announce key developments during the second fiscal quarter and to date. The Company has now filed its March 31, 2023 Second Fiscal Quarter Financial Statements and Management's Discussion and Analysis. Euro Manganese reports to a fiscal year-end of September 30.

Key Developments During and Subsequent to the Quarter

- **Production of 99.9% pure HPEMM from Chvaletice Demonstration Plant** significantly de-risks the process flow sheet. External laboratory testing confirmed that the first sample of high-purity electrolytic manganese metal ("HPEMM") has met the Demonstration Plant target specifications. High-purity manganese sulphate monohydrate ("HPMSM") is currently under production in the final crystallization module and samples will be sent for testing in the coming weeks. After confirmation from external labs of product meeting specifications, expected to be the end of June, deliveries of HPEMM and HPMSM samples are expected to commence. Customer deliveries of the Company's Demonstration Plant products, however, are not expected to be required for completion of offtake contracts.
- **Demonstration Plant contractual guarantee testing is underway.** Contract guarantee testing is expected to be complete by the end of May 2023. Thereafter, evaluation of the results from external labs will confirm performance parameters of the Plant.
- **Offtake Term Sheet announced with Verkor.** The Term Sheet defines minimum tonnages and a pricing mechanism based on an index-adjusted western benchmark price for HPMSM that also correlates to the carbon footprint of Chvaletice HPMSM. Offtake tonnages are equivalent to a percentage of Chvaletice's annual HPMSM production on a take or pay basis, for an initial tenure of eight years with potential for renewal.
- **More than 150,000 tonnes of Chvaletice HPMSM (100% of annual production capacity) under discussion as part of offtake tender process.** Discussions are progressing well with potential customers across the battery supply chain, including cathode active material ("CAM") and the precursor product ("pCAM") producers, battery makers and automobile manufacturers. Multiple parties are at various stages in the offtake process. Approximately 75% of offtake capacity (more than 115,000 tpa) is moving through the offtake process (term sheet negotiations with one term sheet signed), with approximately 30,000 tpa mid-process (MoU or conversations significantly progressed) and approximately 20,000 tpa under earlier stages of discussion. Several larger potential customers are yet to provide an allocation of tonnage to the Company; however, they have expressed an expectation to do so in the near future. The Company is targeting 80% of production capacity under offtake contract to support project finance.

- **Strategic partner conversations initiated.** As part of the Company's strategy for raising financing for the Chvaletice Project, BMO Capital Markets ("BMO") has been engaged to assist the Company in securing a strategic partner to invest at the project level in combination with an offtake agreement. BMO is currently initiating discussions with key automotive OEMs.
- **Selection of EPCM contractor underway for development of the Chvaletice processing plant.** The Company evaluated five bids from tier-1 Engineering, Procurement and Construction Management ("EPCM") firms and is now finalizing selection of the preferred EPCM firm. On appointment, the EPCM contractor will focus on advancing basic engineering design, procurement of long lead process equipment and construction permitting.
- **Battery-grade manganese identified as a strategic raw material under the proposed European Critical Raw Materials Act ("CRMA").** Potential for the Chvaletice Project to be recognized as a Strategic Project, which would qualify it for priority permitting and support for funding access and facilitation of offtake agreements. Additionally, in order to reduce the European Union's reliance on a single supply country for certain raw materials, the CRMA would require that by 2030 no more than 65% of any strategic raw materials come from a single third country. Europe currently relies on imports of high-purity manganese to meet 90% of its demand. The Company's Chvaletice Project expects to deliver almost 50,000 t of high-purity manganese metal per year when in full production, meeting approximately 25% of European demand and helping the EU reduce its trade reliance on this strategic raw material.
- **US Department of Treasury clarification on eligibility for EV tax subsidies under the Inflationary Reduction Act ("IRA") positive for Euro Manganese.** The Company's high-purity manganese products are well positioned to benefit from the March 2023 clarification that EV batteries containing critical raw materials that are extracted, processed or recycled within a foreign entity of concern render an EV ineligible for IRA tax subsidies.
- **Hosted site tour for Canadian Ambassador to the Czech Republic and various municipal officials.** Canadian Ambassador to the Czech Republic, Ayesha Rekhi, visited the Chvaletice Project site in March alongside other Embassy officials, mayors from both Chvaletice and Trnavka villages, and representatives from the Pardubice district and CzechInvest. The group saw the local project office, the Demonstration Plant and the historic tailings area. The Czech and Canadian governments continue to be supportive of the Chvaletice Project.
- **Scoping Study completed for the Bécancour dissolution plant.** The scoping study evaluated the development of an HPEMM dissolution plant to produce an HPMSM powder and/or a high-purity manganese sulphate solution. Based on the positive outcome of the scoping study results, the Company is preparing a request for proposals for a feasibility study for the Bécancour dissolution plant.

Financial Position

- **Cash and cash equivalents of approximately C\$13.8 million as at end of fiscal Q2** (March 31, 2023); compared to \$18.3 million at fiscal Q1 (December 31, 2022). The reduction in cash position is mainly attributable to: expenses related to project advancement, including for commissioning of the Demonstration Plant; certain milestone deposits for land at the tailings area; submission of the final Environmental and Social Impact Assessment; and administrative expenses related to project financing efforts and the corporate office. Additional expenses were also incurred for the evaluation of a potential dissolution plant at the Port of Bécancour in Québec.

- **Sufficient funding for delivery of near-term project milestones** including completion of permitting for construction of the Chvaletice Project, commissioning of the Demonstration Plant and its operation on a batch basis. Additional funding will be required for execution of the EPCM services for the Project, future payments for land acquisitions, as well as future construction of infrastructure and facilities for the Project and to advance the Company's North American strategy.

Dr. Matthew James, President & CEO of Euro Manganese, commented:

“We delivered on a number of fronts during the second fiscal quarter and to date. Production of high-purity manganese metal from the Chvaletice Demonstration plant was a significant milestone and de-risks our process flowsheet. Equally, the offtake term sheet with Verkor established a great precedent as we advance offtake discussions with potential customers.

Recent EU and US regulation related to onshoring supply chains have triggered a positive response in dynamics with offtakers. Potential customers are reaching out to us proactively and are motivated to advance through the offtake process. Moreover, there is a growing acknowledgement of price premiums for western extracted and processed products, including our high-purity manganese. This has resulted in more than 100% of our annual Chvaletice production being under discussion as part of our offtake tender process. That is significant as we are targeting 80% of production capacity under contract to support project finance. Euro Manganese is very well positioned to offer a local, secure source of supply for the EV market.”

Fiscal Q2 Conference Call Details

Euro Manganese will host two separate conference calls to serve stakeholders in their respective time zones. Content of both calls will be the same. Replays and transcripts of both calls will be available on Euro Manganese’s website: www.mn25.ca

CALL #1 – For North American and UK/European Audiences		
	North America	UK/Europe
Date	Monday, May 15, 2023	Monday, May 15, 2023
Time	8:30am PDT 11:30am EDT	4:30pm BST 5:30pm CEST
Registration:	https://us06web.zoom.us/webinar/register/WN_Rk1SptqxTbeHX4SL2B82vw	

CALL #2 – For Australian and UK/European Audiences		
	Australia	UK/Europe
Date	Tuesday, May 16, 2023	Tuesday, May 16, 2023
Time	4:00pm AEST 2:00pm AWST	7:00am BST 8:00am CEST
Registration:	https://us06web.zoom.us/webinar/register/WN_CR3clpCXRux9MGU4bzPyw	

About Euro Manganese

Euro Manganese is a battery materials company focused on becoming a leading producer of high-purity manganese for the electric vehicle industry. The Company is advancing development of the Chvaletice Manganese Project in the Czech Republic and exploring an early-stage opportunity to produce battery-grade manganese products in Bécancour, Québec.

The Chvaletice Project is a unique waste-to-value recycling and remediation opportunity involving reprocessing old tailings from a decommissioned mine. It is also the only sizable resource of manganese in the European Union, strategically positioning the Company to provide battery supply chains with critical raw materials to support the global shift to a circular, low-carbon economy.

Euro Manganese is dual-listed on the TSXV and the ASX, and is also traded on the OTCQX.

Qualified Person(s) Statement

The technical information in this news release was prepared under the supervision of Ms. Andrea Zaradic, P. Eng., a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). Ms. Zaradic has reviewed and approved the information in this news release for which she is responsible and has consented to the inclusion of the matters in this news release based on the information in the form and context in which it appears.

Authorized for release by the CEO of Euro Manganese Inc.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) or the ASX accepts responsibility for the adequacy or accuracy of this release.

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Forward-Looking Statements

Certain statements in this news release constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws. Such statements and information involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, its Chvaletice Project, its North American growth strategy, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict" and other similar terminology, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Such forward-looking information or statements include, but are not limited to, statements regarding the Company's intentions regarding the development of the Chvaletice Project in the Czech Republic, anticipated timelines for commissioning of the Demonstration Plant and the sustained on-spec HPEMM and HPMSM production and sample availability, expected demand for Demonstration Plant samples, its ability to enter into a long term off-take agreement with Verkor, its ability to enter into term sheets and

long term off-take agreements with other customers, anticipated amount of product the Company will be able to sell, its ability to secure a strategic partner to invest at the project level in combination with an offtake agreement, anticipated timelines for EPCM contract award, statements regarding the Chvaletice Project's potential recognition as a Strategic Project under the CRMA and any associated benefits and funding support resulting therefrom, statements regarding any potential benefits from the IRA's clarification that EV battery raw materials sourced from foreign entities of concern would render an EV ineligible for IRA tax subsidies, statements regarding the Company's North American growth strategy, statements regarding the sufficiency of the Company's current cash resources to complete its near-term project milestones, and the availability of additional funding to carry out the Company's longer term project milestones.

Readers are cautioned not to place undue reliance on forward-looking information or statements. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company.

Factors that could cause actual results or events to differ materially from current expectations include, among other things: the ability to develop adequate processing capacity; the availability and reliability of equipment, facilities, and suppliers necessary to complete development; the cost of consumables and extraction and processing equipment; risks and uncertainties related to the ability to obtain, amend, or maintain necessary licenses, or permits, risks related to acquisition of surface rights; risks and uncertainties related to expected production rates; timing and amount of production and total costs of production; the potential for unknown or unexpected events to cause contractual conditions to not be satisfied; the failure of parties to contracts with the Company to perform as agreed; risks and uncertainties related to the accuracy of mineral resource and reserve estimates, the price of HPEMM and HPMSM, power supply sources and price, and diminishing quantities or grades of mineral resources and reserves; changes in project parameters as plans continue to be refined; risks related to global epidemics or pandemics and other health crises; availability and productivity of skilled labour; risks and uncertainties related to interruptions in production; unforeseen technological and engineering problems; the adequacy of infrastructure; risks related to project working conditions, accidents or labour disputes; social unrest or war; the possibility that future results will not be consistent with the Company's expectations; risks relating to variations in the mineral content and grade within resources from that predicted; variations in rates of recovery and extraction; developments in EV battery markets and chemistries; and risks related to fluctuations in currency exchange rates, changes in laws or regulations; and regulation by various governmental agencies. For a further discussion of risks relevant to the Company, see "Risk Factors" in the Company's annual information form for the year ended September 30, 2022, available on the Company's SEDAR profile at www.sedar.com.

All forward-looking statements are made based on the Company's current beliefs as well as various assumptions made by the Company and information currently available to the Company. Generally, these assumptions include, among others: the presence of and continuity of manganese at the Chvaletice Project at estimated grades; the ability of the Company to obtain all necessary land access rights; the ability of the Company obtain all required environmental and other permits; the availability of personnel, machinery, and equipment at estimated prices, in good order, and within estimated delivery times; currency exchange rates; manganese sales prices and exchange rates assumed; growth in the manganese market; appropriate discount rates applied to the cash flows in economic analyses; tax rates and royalty rates applicable to the proposed operations; the availability of acceptable financing for the Chvaletice Project and for continued operations; anticipated extraction losses and dilution; success in realizing proposed operations in the Czech Republic and for the Company's North American growth strategy; and demand for the Company's products.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.