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Euro Manganese Reports Third Quarter 2022 Financial Results and Project Developments

VANCOUVER, British Columbia (August 15, 2022) – Euro Manganese Inc. (TSX-V and ASX: EMN; OTCQX: EUMNF; Frankfurt: E06) (the "**Company**" or "**EMN**") is pleased to announce key developments during the third fiscal quarter 2022 and to date. The Company has now filed its third quarter Financial Statements and Management's Discussion and Analysis ("**MD&A**").

Key Developments During and Subsequent to the Quarter:

- **Positive Feasibility Study ("FS") announced for the Chvaletice Manganese Project ("the Project").** The FS outlines robust base case project economics of after-tax NPV_{8%} of US\$1.34 billion and an ungeared IRR of 21.9% with a 4.1-year payback period. Initial capital is estimated at US\$757.3 million, including total contingencies of \$106.5 million. Forecast life of project net revenues are US\$13.3 billion with an EBITDA of US\$8.1 billion. Based on the price forecasts prepared by CPM Group LLC, a leading, independent commodities market research firm with expertise in high-purity manganese, the upside case shows an after-tax NPV_{8%} of US\$1.79 billion and an ungeared IRR of 24.1%.

A conversion rate of 99% Resources to Reserves supports a 25-year project life estimated to produce an annual average of 98,600 tonnes of high-purity manganese sulphate monohydrate ("**HPMSM**"), containing 32.34% Manganese ("**Mn**"), and 14,890 tonnes of high-purity electrolytic manganese metal ("**HPEMM**"), containing 99.9% Mn. HPMSM and HPEMM are critical raw-materials used in the production of most lithium-ion battery cathodes.

EMN is uniquely positioned to provide a secure, traceable, and responsibly produced supply of high-purity manganese products to capitalize on the growth in the European electric vehicle ("**EV**") market.

The Company is currently in the process of preparing an Engineering, Procurement, Construction Management ("**EPCM**") tender package for the next stage of project development. Tender release is anticipated to be in September 2022, with EPCM award anticipated by Q1 2023.

- **Completion of a Life Cycle Assessment ("LCA") for the Chvaletice Manganese Project.** Results of the LCA validate the Project's environmental value proposition. Multiple environmental benefits from the recycling and remediation of the historic tailings area were identified, particularly the improvement of soil quality and freshwater quality. The Company is committed to using 100% carbon-free, renewable electricity to power the proposed processing plant, resulting in the Global Warming Potential ("**GWP**") of the Project being reduced by half when compared to the use of carbon-based, non-renewable electricity.

Delivery of the LCA is timely as Euro Manganese continues to engage with customers in the EV battery/automotive space, each of whom are testing and qualifying both the chemistry and environmental credentials of the Company's high-purity manganese products.

A benchmarking exercise is underway, where the Project's GWP will be compared against similar operations producing high-purity manganese products. The results of the benchmarking analysis will be released once complete.

- **Arrival of the demonstration plant modules in Europe.** One of the two shipments of the demonstration plant modules was unloaded in early August and the second shipment is currently scheduled to be unloaded later this month. Congestion and strikes at the Port of Hamburg delayed the arrival and unloading of the demonstration plant shipments, originally anticipated in July.

Buildings at site have been refurbished and readied for delivery and installation of the demonstration plant modules. Assembly of the plant modules will commence upon arrival at the Chvaletice Project site, with commissioning of the demonstration plant expected thereafter.

The demonstration plant will be used for customer supply chain qualification of Euro Manganese's high-purity manganese products.

- [View a video](#) of the before and after pictures of the refurbished buildings for the demonstration plant.
- **Appointment of financial advisor to assist with project finance.** During the quarter, the Company appointed Stifel Nicolaus Europe Limited, a wholly owned subsidiary of Stifel Financial Corp. (NYSE:SF) as financial advisor to assist with the structuring and securing of project financing for the development of the Chvaletice Project.
- **Support from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP).** Following the quarter end, the Company was approved to receive advisory services and up to \$165,000 in funding from NRC IRAP. The funding supports the initiative the Company is undertaking with Nano One® Materials Corp., Metal direct to Cathode Active Material, as well as the evaluation of the manganese metal by-product from the battery black mass recycling.
- **Joined the Global Battery Alliance ("GBA").** During the quarter, EMN announced its membership in the Global Battery Alliance, a partnership of leading organizations from across the battery value chain, governments, academics and NGOs who have mobilized to ensure that battery production not only supports green energy, but also safeguards human rights and promotes environmental sustainability. EMN is the first high-purity manganese company to join the GBA.
- **Approval of Land Access Agreement with the Municipality of Chvaletice.** The terms agreed to in the second quarter with the Municipality of Chvaletice, regarding the rental of certain land to the Company, were formalized in an agreement this quarter. The Agreement grants the Company access to a portion of the tailings surface area. The Company is progressing negotiations on land access agreements for the remaining surface rights.

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

"The third fiscal quarter of 2022 was an extremely productive one for Euro Manganese as highlighted by the achievements of several major milestones. Delivery of the positive feasibility study, combined with the results of the Life Cycle Assessment affirming Chvaletice's environmental credentials, position the Project attractively for both project financiers and potential customers. Other milestones achieved in the quarter

were the appointment of Stifel as financial adviser to structure and secure financing for the Project; preparation of the EPCM tender documentation for the Project; becoming a member of the GBA; and the appointment of Hanna Schweitz to the Board of Directors in April.

“Our Czech team are ready for the arrival of our demonstration plant, which has now arrived in Hamburg. One shipment has been unloaded and the second shipment is expected to be unloaded shortly. Meanwhile, smaller samples produced from our second pilot plant run are now available and will be shipped to new potential customers to initiate their supply chain qualification process.

“Our near-term focus remains the assembly and commissioning of our demonstration plant, the submission of our final Environmental and Social Impact Assessment later this quarter, the securing of the remaining land access rights, and entering into offtake agreements with our prospective customers.”

Q3 2022 Operational Update Conference Call Details

Euro Manganese will host its Third Quarter 2022 conference call on Monday, August 15, 2022 at 3:30pm PT (6:30pm ET) (Tuesday, August 16, 2022 at 8.30 am AEST). CEO Matt James and CFO Martina Blahova will provide an update on the Chvaletice Project and its upcoming milestones. The call will also be webcast: <https://services.choruscall.ca/links/euromanganese2022q3.html>

	North America	Europe	Australia
Date	Monday, August 15, 2022	Monday, August 15, 2022	Tuesday, August 16, 2022
Time	3:30pm PT 6:30pm ET	11:30pm BST	6:30am AWST 8:30am AEST
Dial-In	1-800-319-4610	0808-101-2791	1-800-423-528

About Euro Manganese Inc.

Euro Manganese Inc. is a battery materials company focused on becoming a leading, competitive, and environmentally superior producer of high-purity manganese for the electric vehicle (EV) industry and other high-technology applications. The Company is advancing development of the Chvaletice Manganese Project in the Czech Republic, which is a unique waste-to-value recycling and remediation opportunity involving reprocessing old tailings from a decommissioned mine. The Chvaletice Project is 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.

The news release disclosing the results of the Feasibility Study was filed on SEDAR on July 27, 2022. In addition, technical information concerning the Chvaletice Manganese Project is reviewed by Ms. Andrea Zaradic, P. Eng, VP Operations for Euro Manganese, and a Qualified Person under NI 43-101 *Standards of Disclosure for Mineral Projects*. Ms. Zaradic has reviewed and approved the information in this news release.

Authorized for release by the CEO of Euro Manganese Inc.

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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 Project, 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.

Results of the Feasibility Study constitutes forward-looking information or statements, including but not limited to estimates of internal rates of return (including any pre-tax and after-tax internal rates of return), payback periods, net present values, future production, assumed prices for HPMSM and HPEMM, ability of the Company to achieve a pricing premium for its products, proposed extraction plans and methods, operating life estimates, cash flow forecasts, metal recoveries and estimates of capital and operating costs. Such forward-looking information or statements also include, but are not limited to, statements regarding the Company’s intentions regarding the Project in the Czech Republic, the development of the Project, the ability to source green power and other requirements for the Project, the completion and submission of an environmental and social impact assessment, statements regarding the ability of the Company to obtain remaining surface rights, the benefits of remediating the historic tailings areas, the growth and development of the high purity manganese products market, the desirability of the Company’s products, the growth of the EV industry, the use of manganese in batteries, the manganese project supply line, support from European financial institutions, and the Company’s ability to obtain financing for the Project.

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 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, reagent supply resources and prices, future cash flow, total costs of production, 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, including the impact of the novel coronavirus (COVID-19); 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, 2021, 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 Project at estimated grades; the ability of the Company to obtain all necessary land access rights; the availability of personnel, machinery, and equipment at estimated prices 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 Project financing; anticipated extraction losses and dilution; success in realizing proposed operations; and anticipated timelines for community consultations and the impact of those consultations on the regulatory approval process.

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.