



NR 2020-15

Euro Manganese to File Chvaletice Manganese Project Environmental Impact Assessment Notification

- Filing of EIA Notification triggers project permitting process
- Studies confirm that Project is not expected to cause any significant adverse impacts to the environmental or human health
- Project is designed to meet all Czech Republic and European Union environmental, health and safety standards
- Project poised to become Europe’s only primary producer of high-purity manganese products by reprocessing waste, serving rapidly emerging European EV battery market

VANCOUVER, British Columbia (June 29, 2020) – Euro Manganese Inc. (TSX-V / ASX: EMN) (“EMN” or the "Company") is pleased to announce that it will file the Environmental Impact Assessment (EIA) Notification with the Czech Ministry of Environment on June 30th 2020, for its Chvaletice Manganese Project (“Chvaletice” or “the Project”) located in the Czech Republic. The Project entails reprocessing a large anthropogenic deposit of manganese carbonate, contained in waste from an historical mining operation. Chvaletice stands to become Europe’s only primary producer of high-purity manganese products, without the adverse impacts of hard-rock mining and the resulting generation of large quantities of new waste.

EMN President & CEO, Marco Romero, stated:

“This is a major milestone for Euro Manganese. The EIA Notification is the culmination of years of work on the ground, including extensive environmental baseline and impact studies, and a multi-million-dollar investment to plan and design a world-class high-purity manganese producer in Europe.

With this filing, we will also present our Project development plan, which benefitted from extensive consultation with local communities and stakeholders, from whom we received invaluable input. The plan features the application of strict and very high environmental, health, safety and social standards. The studies indicate that, on balance, this project is positive for the environment, local residents and the Czech Republic. Environmental protection and stewardship are front and centre in this Project, which is located on a site significantly impacted by historical mining activity.

A key associated benefit of the Chvaletice Manganese Project is that it will result in the rehabilitation, restoration and reclamation of a polluted site through the implementation of the highest environmental standards and engineering practices. Our goal is to competitively produce ultra-high-purity manganese products with best-in-class environmental and social performance. Nothing less

than that is expected by manufacturers and buyers of batteries in the rapidly growing electric vehicle market.”

EMN and its wholly-owned Czech subsidiary, Mangan Chvaletice s.r.o (“Mangan”), engaged the services of Bilfinger Tebodin Czech Republic, s.r.o. (“Bilfinger Tebodin”) to prepare the EIA Notification, following completion of extensive environmental baseline studies and all necessary environmental impact studies prepared by various expert consultants. The proposed project is based on the development plan and process flowsheet presented in the Preliminary Economic Assessment issued in March 2019. Pavel Celunda, Bilfinger Tebodin’s Managing Director stated:

“We appreciated the professionalism and high environmental and technical standards that have been applied by the EMN and Mangan teams since we began to work with them in 2016. The Company has implemented a proactive and diligent approach to minimising the environmental and social impacts of the proposed operation and, importantly, incorporated into the project a value-adding environmental restoration of this polluted site.”

Numerous detailed expert studies were prepared as part of Chvaletice’s development over the past four years. These include a comprehensive site-wide Biological Survey; a detailed Air Dispersion model; an Acoustic/Noise Impact Study; a Road and Rail Transportation Study; a site-wide Hydrogeological Survey; a Health Impact Assessment; an Impact on Landscape Character Study; and a Reclamation and Remediation Study.

Key findings of these studies include:

Water Quality:

The Project’s proposed remediation and reclamation plan will have a significant positive impact by drastically reducing the seepage of historical pollutants into surface and groundwater, as well as the adjacent Labe River. The current tailings are permeable and unlined and have been releasing metals and salts into the environment since historic tailings deposition was initiated in 1951. The EMN plan includes implementation of best-practices in tailings management, including dry-stacking of processed tailings on an impermeable liner, as well the capping and progressive revegetation of the site.

Air Quality:

The Project will not exceed limit values set for nitrogen dioxide (NO₂), suspended particulate matter PM₁₀ and PM_{2.5}, or any other controlled airborne pollutants. In addition, the risk associated with sulphuric acid (H₂SO₄), ammonia and manganese were assessed through screening risk characterization relative to reference exposure limits, reference concentrations and exposure limit values set by international scientific institutions and the World Health Organization. The results of this assessment do not indicate any material risk of a negative impact on public health, as these pollutants will remain well below the reference value levels.

Acoustic Impacts:

Acoustic impacts generated by the Project are not expected to have a negative impact on public health. During normal operations, the acoustic impact at the nearest residential buildings are expected to remain below the daytime noise pollution threshold of 50 dB. The net acoustic contributions of the Project are expected to be negligible at night due to mitigation measures designed into the project, including building enclosures, acoustic barriers, vegetation screens and other mitigation measures. With the proposed introduction of a vehicular noise barrier along Highway II/322, adjacent to the town of Chvaletice, along with the proposed operational shift hours,

the Project is expected to result in a noise reduction of up to 8 dB in Chvaletice. Additional mitigation will be realized through the proposed daytime only operation of the rail siding and tailings extraction operations.

Socioeconomic Impacts:

The Project will support regional economic development and diversification of the Pardubice Region, and other regions in the Czech Republic. Significant contracting opportunities for local businesses are anticipated during both the construction and operation phases. The Project is anticipated to create approximately 400 direct, full-time jobs for more than 25-years, which will make Mangan an important long-term employer in this region. In addition, the proposed process plant is located within a brownfield area, where there are currently numerous buildings in various states of disrepair that will be removed. The impact on community assets and cultural monuments has been assessed as insignificant. The construction and operation of a modern processing plant and the environmental rehabilitation of this already polluted site is expected to be overwhelmingly beneficial to the area and its residents.

Health Impact Assessment:

The Project is not expected to increase health risks for the nearby population via the introduction of above-limit noise emissions and/or air and water pollutants. As a result, the Project is not expected to adversely affect public health in the area. Certain aspects of the project are, in fact, expected to generate positive health risk reduction and outcomes, such as the elimination of groundwater pollution caused by the unlined tailings and the reduction of existing highway and railway noise levels in the town of Chvaletice.

Remediation and Reclamation:

The proposed remediation and reclamation plan for the tailings follows the highest international principles of sustainable development and seeks to protect and promote biodiversity. The plan was prepared following extensive community consultation and input from local residents. A combination of natural and recreational features is envisaged for the closure design, ensuring a robust and healthy aquatic and terrestrial ecosystem, while providing valuable recreational opportunities for local residents. Conversion of the currently polluted area into a natural biotope that meets all modern Czech and European Union standards and guidelines will be a significant collateral benefit of the Project.

The timeline for the review of the EIA Notification by the Czech Ministry of Environment is expected to last approximately six to eight weeks, after which initial regulatory feedback is expected. Comments, gaps, deficiencies and clarification requests will be addressed by the Company in the subsequent phase of the permitting process, which the Company targets to result in the completion of the Final EIA during 2021.

About Euro Manganese:

Euro Manganese Inc. is a Canadian mineral resource company focused on the development of the Chvaletice Manganese Project in the Czech Republic. The Project will recycle historic mine tailings that host Europe's largest manganese deposit and result in an environmental remediation of this site. The European Union is emerging as a major electric vehicle manufacturing hub. EMN's goal is to become the preferred supplier of sustainably produced ultra-high-purity manganese products for the lithium-ion battery industry and for producers of specialty steel, high-technology chemicals and aluminum alloys.

This announcement was authorized for release by the CEO of Euro Manganese Inc.

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Such forward-looking information or statements relate to future events or future performance about the Company and its business and operations, which include, among other things, statements with respect to the continued development of the Project and its impact on water and air quality, noise levels and health and socioeconomic impacts.

Readers are cautioned not to place undue reliance on forward-looking information or statements. Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, but not limited to, the factors discussed under “Risks Notice” and elsewhere in the Company’s MD&A for the year ended September 30, 2019 and its most recent Annual Information Form.

The forward-looking statements contained in this news release are made as of the date hereof 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.

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