EURO MANGANESE

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

1. Introduction

The principal business and current focus of Euro Manganese Inc. (the "Company" or "EMN") is the development of the Chvaletice Manganese Project (the "Project"), in which the Company has a 100% ownership interest. The Project involves the re-processing of a readily leachable manganese deposit hosted in the tailings of a decommissioned mine in the Czech Republic ("Czech"). The Company has also started to progress an opportunity to develop a project to produce high-purity manganese products in Canada for the North American market. The Company's goal is to produce high-purity manganese products in an economically, socially and environmentally-sound manner, principally for use in lithium-ion batteries.

EMN was incorporated under the British Columbia Business Corporations Act on November 24, 2014. The Company’s corporate offices are located at 700 West Pender Street, Suite 709, Vancouver, BC, Canada, and its registered offices are located at 666 Burrard Street, Suite 1700, Vancouver, BC, Canada. The Company’s common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "EMN.V", respectively. CHESS Depositary Interests ("CDIs", with each CDI representing one common share) are traded on the Australia Securities Exchange ("ASX") under the symbol "EMN.AX".

This Management’s Discussion and Analysis (“MD&A”) of the financial condition and results of operations of the Company, prepared as of December 18, 2025, is intended to be read in conjunction with the Company's audited consolidated financial statements for the year ended September 30, 2025 (the “September 2025 Financial Statements”). The Company prepares its financial statements in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The Company’s significant accounting policies are set out in Note 3 of the September 30, 2025 Financial Statements.

Additional information relating to the Company, including the Annual Information Form for the year ended September 30, 2025, is available on SEDAR+ at www.sedarplus.ca and on the Company's website www.mn25.ca.

The technical information in this MD&A concerning the Chvaletice Manganese Project was prepared under the supervision of Dr. David Dreisinger, a Qualified Person under the National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101").

This MD&A contains "forward-looking statements" that are subject to risk factors as set out in a cautionary note contained in Section 19. The financial information presented in tables in this MD&A are in thousands of Canadian dollars, except for per share amounts and unless otherwise stated.

2. Overview

About the Chvaletice Manganese Project

The Chvaletice Manganese Project is located in the Czech Republic, within the townships of Chvaletice and Trnavka, in the Labe River valley, approximately 90 kilometres to the east of the country's capital, Prague. The Project site is adjacent to established infrastructure, including an 820-megawatt power station that supplies the Czech’s national grid, a major railway line, a highway, and a natural gas line. The surrounding region is industrialized and skilled labour is expected to be available from local markets. The Project resource is contained in flotation tailings piles, adjacent to the former Chvaletice open pit mine. The tailings were deposited from historical milling operations for the recovery of pyrite used for the production of sulfuric acid. The tailings, which consist of three separate piles ranging from 12 to 28 metres in thickness, cover a cumulative surface area of approximately one square km. The Project is expected to result in the environmental remediation of this former mine tailings site, bringing it into full compliance with modern Czech and European Union environmental standards and regulations.

2. Overview (continued)

The Company's wholly-owned subsidiary, Mangan Chvaletice s.r.o. ("Mangan") holds the Mining Lease permit for the Chvaletice Manganese Project which replaces all prior authorizations according to the Mining Act and has no expiry date. It provides the Company with exclusive, unrestricted rights to mineral extraction within the designated area and ensures robust legal protection of the Project area, enabling the Company to proceed with the Project's next phases on an exclusive basis. This Mining Lease was required before applications could be made for permits relating to the construction of infrastructure and operation of a processing facility for commercial extraction and processing activities at the Project.

The area of interest for the Project overlies several privately-owned land parcels with surface rights. To date, Mangan has received the consent to conduct exploration activities and to access the site from the landowners whose surface properties underlie the tailings. At present, Mangan does not hold all surface rights to the Project area, which includes those parcels of land underlying and immediately surrounding the three tailings' deposits. In June 2022, and in October 2023, Mangan and the Municipality of Chvaletice ("Chvaletice") and ČEZ a.s. ("ČEZ"), respectively, signed land lease agreements, granting the Company access to approximately 85% of the total reserves of the Project. Additionally, Mangan purchased certain land parcels which are adjacent to the tailings area and provide additional room and flexibility for the Chvaletice residue storage facility layout. The Company is currently in commercial negotiations for the acquisition of the remaining surface rights; however, there is no assurance that access to the remaining areas will be secured.

On December 28, 2023, Mangan acquired 100% of EP Chvaletice s.r.o. ("EPCS"') which owns the land intended for the Project's high-purity processing plant. This land is located immediately south of the highway and rail line that bound the Chvaletice tailings deposit and is adjacent to the Chvaletice power plant and another parcel of land and rail siding that was previously acquired by Mangan. The Company also signed further agreements to acquire rights to several additional strategic parcels of land, completing its land assembly for the proposed Chvaletice commercial plant. All such land parcels for the proposed processing plant are already zoned for industrial use. The land area where the Project's tailings are located is zoned for mining use.

The Project is targeting production of high-purity electrolytic manganese metal ("HPEMM") with specifications exceeding 99.9% manganese ("Mn") and high-purity manganese sulphate monohydrate ("HPMSM") with a minimum Mn content of 32.34%. These products will be prepared without the use of selenium and will be fluorine, and chromium-free and are designed to contain very low levels of deleterious impurities.

HPEMM and HPMSM are critical components of Lithium-ion ("Li-ion") batteries and few sources of manganese ore are suitable for production of high-purity manganese products. As such, demand for high-purity manganese products is growing, fueled largely by the Li-ion and electric vehicle ("EV") markets. An overview of the high-purity manganese market can be found in Section 6 of this MD&A.

To date, the Company has entered into five non-binding off-take term sheets for the sale of HPEMM or HPMSM from the Chvaletice Manganese Project with consumers of high-purity manganese products and focusing on converting these term sheets into binding offtake agreements with those customers. In addition, the Company has signed two non-binding offtake term sheets for intermediate by-products that will be produced concurrently with HPEMM and HPMSM. The Company is in active discussions and negotiations with multiple other parties, including battery, chemical, and automobile manufacturers, and anticipates more term sheets will follow. The Company is targeting 80% - 90% of production capacity under offtake contracts to support project finance. There can be no assurance, however, that current discussions will lead to off-take agreements or commercial or strategic relationships in the near term, if at all.

The Company announced the results of the Chvaletice Manganese Project feasibility study on July 27, 2022 ("Feasibility Study"), including the conversion of 98.4% of the Mineral Resources into Mineral Reserves. An overview of the high-purity manganese market can be found in Section 6 of this MD&A.

On March 27, 2024, the Company received the approval of the final Environmental and Social Impact Assessment ("ESIA") for the Project from the Ministry of Environment in the Czech Republic.

2. Overview (continued)

On January 23, 2025, the Company secured the Mining Lease permit, marking the next critical milestone towards the development of the Project in the Czech. It provides the Company with exclusive, unrestricted rights to mineral extraction within the designated area and ensures robust legal protection of the project area, enabling the Company to proceed with the Project's next phases on an exclusive basis.

On November 28, 2023, the Company signed definitive agreements with OMRF (BK) LLC ("Orion"), which is managed by the Orion Resource Partners Group, for US$100 million ($140 million) in non-dilutive financing (the "Funding Package") to advance development of the Project. The Funding Package is split into two US$50 million ($70 million) components: (a) a US$50 million ($70 million) loan facility convertible into a 1.29-1.65% royalty on Project revenues (the "Convertible Loan Facility"), with US$20 million ($28 million) received upon closing on November 29, 2023, and an additional US$30 million ($42 million) to be received upon meeting certain milestones; and (b) receipt of US$50 million ($70 million) in exchange for a 1.93-2.47% royalty on revenues following a final investment decision by the Company's Board of Directors and other conditions precedent typical for this type of financing (the "Royalty Financing"). In connection with the Funding Package, Orion has been granted an off-take option of between 20-22.5% of the Chvaletice Manganese Project's high-purity manganese total production for a term of 10 years from first delivery, matching the commercial terms of the Company's sales. Such right is exercisable until the Company signs 60% of the total Project offtake.

During the current year, the Company amended the terms of the Orion Funding Package whereby, in exchange for waiving certain covenants of the original agreement for up to one year and the deferral of interest payments from January 1, 2025 onwards, the Company will pay 14% interest on the outstanding loan. The Company was also granted the right to repay, at any time, the Convertible Loan Facility at par, including all accrued and unpaid interest, and may cancel the second tranche of the Convertible Debt Facility without penalty. In addition, the Company also has the right to terminate the Royalty Financing, if the Convertible Loan Facility has been paid in full, for a fee of US$1 million ($1.4 million). On May 28, 2025, in connection with the amendment, the Company issued 22,263,733 warrants to Orion, each entitling Orion to purchase one common share of the Company at an exercise price of $0.225. These warrants expire on November 28, 2026. Under the terms of the amended Orion Convertible Loan Facility, Orion did not have the option to convert the Convertible Loan Facility into a royalty until after November 28, 2025.

On December 11 2025, the Company announced amendments to the Funding Package. In connection with the amendments, Orion extended the date by which certain milestones were required to June 30, 2026, and Orion may now, at its discretion, convert the outstanding amount drawn under the Convertible Loan Facility and accrued interest into a royalty at any time, subject to the conditions in the Convertible Loan Facility.

About the Bécancour Project

The Company is evaluating its North American growth strategy and is evaluating an opportunity to develop a project to produce high-purity manganese products for the North American market. In December 2022, the Company entered into an option agreement with Société du parc industriel et portuaire de Bécancour ("SPIPB"), the owner of Lot 12, a 15 hectare land parcel at Bécancour, Quebec, Canada, where it proposed to establish its North American facilities, which allows the Company exclusive access to the land parcel and conduct due diligence thereon over a maximum term of 21 months. A scoping study was completed for a metal dissolution plant at the proposed Bécancour site (the "Bécancour Project") and WSP Canada Inc. ("WSP") was selected in September 2023 to complete a feasibility study for the project.

The Bécancour Project is planned to be fed with HPEMM from the Chvaletice Project once operational or other third-party providers. The Company also signed a Cooperation Agreement with the Grand Council of the Waban-Aki Nation, a tribal council consisting of the Abenaki Bands of Odanak and Wôlinak, on whose ancestral territory the Bécancour Project would be situated.

2. Overview (continued)

During the 2024 year, the Company amended the terms with SPIPB whereby the Company to acquire 8 hectare property instead of 15 hectare parcel at the Port of Bécancour. The total funds of $963 paid to date will be applied upon the option exercise against the total purchase price. Certain conditions exist for closing including approval of project plans by SPIPB and obtaining project financing. The Company completed due diligence on Lot 3A in September 2024. All work is currently on hold, pending financing.

On September 30, 2025, the Company amended its terms with SPIBP, revising the purchase price to $6,115 and extending the option to September 30, 2026. Additionally, starting July 1, 2026, the Company will be required to make monthly payments of $31 to keep the option active until the end of the option agreement.

3. Financial and Project Highlights

The following is a summary of the Company's highlights during the year ended September 30, 2025 and to the date of this MD&A:

- On December 2, 2024, the Company had amended the terms of the Orion agreement whereby, in exchange for waiving certain covenants of the original agreement for up to one year and the deferral of interest payments from January 1, 2025 onwards, the Company will pay 14% interest on the outstanding loan. In connection with this amendment, on May 28, 2025, the Company issued 22,263,733 warrants to Orion. Each warrant entitles Orion to purchase one common share of the Company at an exercise price of $0.225. These warrants will expire on November 28, 2026. Under the terms of the amended Orion Convertible Loan Facility, Orion did not have the option to convert the Convertible Loan Facility into a royalty until after November 28, 2025.
- On January 23, 2025, the Company announced that it had secured the Mining Lease Permit for the Chvaletice Manganese Project which replaces all prior authorizations and has no expiry date. It provides the Company with exclusive, unrestricted rights to mineral extraction within the designated area and ensures robust legal protection of the project area, enabling the Company to proceed with the Project's next phases on an exclusive basis.
- On March 19, 2025, the Company announced that the Chvaletice Manganese Project has been declared a strategic deposit by the Czech government. This is anticipated to accelerate permitting by expediting approval processes, reducing administrative burden and potentially qualify for special legislative procedures similar to those for key infrastructure projects.
- On March 26, 2025, the Company announced that the Chvaletice Manganese Project has been designated a Strategic Project under the European Union's Critical Raw Materials Act ("CRMA"). This is anticipated to potentially provide access to numerous private and public sources of funding and to assist in the permitting process.
- On March 31, 2025, the Company consolidated its securities, including shares represented by CDIs on the Australian Securities Exchange, at a ratio of five (5) pre-consolidation shares to one (1) post-consolidation share. All references to shares, warrants, broker warrants, options and all per share dollar figures in this MDA are on a post-consolidation basis.
- On April 11, 2025, the Company announced Mr. Rick Anthon, a veteran battery metals executive with over 30 years of industry experience, was appointed as Chairman. Mr. John Webster stepped down as Chairman but remains on the Board and as Chair of the Audit Committee.

3. Financial and Project Highlights (continued)

- Effective May 12, 2025, Ms. Martina Blahova was confirmed as permanent President and Chief Executive Officer. Ms. Blahova was appointed to the Board of Directors of the Company on July 15, 2025.
- On June 18, 2025, the Company entered into a non-binding offtake term sheet with UK-based Integrals Power Limited (IPL), a next-generation battery nano-materials company specializing in lithium iron phosphate ("LFP") and lithium manganese iron phosphate ("LMFP") cathode materials. The partnership aims to support the use of Euro Manganese's battery-grade HPMSM in IPL's LMFP cathodes for applications in EVs, grid storage, defense, and more. An initial test program begun in the third quarter of calendar 2025 to assess the compatibility and performance of the Company's HPMSM in IPL's production process. The Company will share the cost of this initial test work. Successful results will pre-qualify the HPMSM as a feedstock and may lead to further collaboration.
- On May 28, 2025, the Company completed a financing package for total gross proceeds of $11,076, comprised of the following components: (a) a private placement of 39,671,662 common shares, 14,906,688 Chess Depository Interests ("CDIs") and 54,578,350 warrants, for gross proceeds of approximately $9,736 and (b) a Share Purchase Plan ("SPP") offered to certain eligible shareholders in Australia and New Zealand under the same terms as private placement, for gross proceeds of approximately $1,340.

  This financing involved participation from both new and existing investors, including the European Bank for Reconstruction and Development ("EBRD") and Mr. Eric Sprott, through 2176423 Ontario Ltd. Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.225, expiring on November 28, 2026. In connection with the financing, the Company issued 4,904,478 broker warrants as compensation to agents and intermediaries. Each broker warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.225, expiring on May 28, 2027. The Company also incurred additional cash share issuance costs of $1,152.
- Effective July 15, 2025, Ms. Sherry Roberge was appointed as Interim Chief Financial Officer of the Company.
- On December 11 2025, the Company announced amendments to the Funding Package. In connection with the amendments, Orion extended the date by which certain milestones were required to June 30, 2026, and Orion may now, at its discretion, convert the outstanding amount drawn under the Convertible Loan Facility and accrued interest into a royalty at any time, subject to the conditions in the Convertible Loan Facility.

4. Outlook

During the year ended September 30, 2025, the Company incurred a net loss of $17,586 and used $7,982 cash for operating activities. As at September 30, 2025, the Company's working capital (current assets less current liabilities) was a deficit of $22,884. The Company's capital resources are not expected to provide sufficient working capital to fund its corporate and project development costs for at least twelve months from the date of these financial statements. As an early stage development company, it has no material operating revenues and is unable to self-finance its operations. Further, there is no assurance that the evaluation and development activities executed or planned by the Company for the Chvaletice Manganese Project will result in the development of a profitable commercial operation. The Company is expected to operate at a loss while the Company is developing the Chvaletice Manganese Project.

4. Outlook (continued)

The ability of the Company to arrange such financing in the future will depend principally upon prevailing market conditions and the performance of the Company. Such additional funding may not be available when needed, if at all, or may not be available on terms favorable to the Company. These factors give rise to material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. The consolidated financial statements do not reflect adjustments in the carrying values of the assets and liabilities, the reported revenues and expenses and the balance sheet classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

On December 11 2025, the Company announced amendments to the Funding Package. In connection with the amendments, Orion extended the date by which certain milestones were required to June 30, 2026, and Orion may now, at its discretion, convert the outstanding amount drawn under the Convertible Loan Facility and accrued interest into a royalty at any time, subject to the conditions in the Convertible Loan Facility.

The Company's short-term to medium-term operating priorities include:

- Complete the optimization and efficiency program to incorporate operational learnings from the demonstration plant into the design of the planned commercial plant;
- Complete potential updates to technical studies following the optimization program;
- Negotiate additional offtake term sheets with potential customers and subsequently offtake contracts;
- Securing strategic financing;
- Completing the acquisition of, or access to, the remaining land surface rights for the Project; and
- Applying for and securing funding from grants and incentives available from the EU and Czech state.

5. Significant Transactions During the Year Ended September 30, 2024

The Company did not complete any significant transactions in the year ended September 30, 2025, other than those described in Section 3 of this MD&A.

6. Review of Operations

Chvaletice Manganese Project

Feasibility Study

The Feasibility Study results are based on a Proven and Probable Reserve Estimate that is detailed in the NI 43-101 and JORC Code Technical Reports on the Chvaletice Manganese Project. The 43-101 technical report, entitled “Technical Report and Feasibility Study for the Chvaletice Manganese Project, Chvaletice, Czech Republic”, with an effective date of July 27, 2022, was filed on SEDAR+ at www.sedarplus.ca on September 9, 2022, and the JORC Code technical report, entitled “Public Report and Feasibility Study for the Chvaletice Manganese Project, Chvaletice, Czech Republic”, with an effective date of July 27, 2022, was lodged on the ASX announcement platform on September 14, 2022 (together, the “Feasibility Study Technical Reports”).

6. Review of Operations (continued)

The highlights of the Feasibility Study are as follows:

- Conversion of the Mineral Resource to a 27 million tonne Proven and Probable Reserve (98.3% Proven) with a grade averaging 7.41% Mn. Recycling of the historic tailings without the requirement of any hard rock mining, crushing or milling.
- 25-year project operating life producing 1.19 million tonnes of HPEMM, approximately two-thirds of which is expected to be converted into HPMSM.
- Saleable product includes 2.5 million tonnes of HPMSM (32.34% Mn) and 372,300 tonnes of HPEMM (99.9% Mn) over the life of project, averaging 98,600 tonnes of HPMSM and 14,890 tonnes of HPEMM annually, principally focused on Europe's rapidly growing EV battery industry.
- Base case after-tax NPV of US$1.34 billion and pre-tax NPV of US$1.75 billion, using an 8% real discount rate and risk-adjusted base case price forecast.
- Ungeared after-tax Internal IRR of 21.9% with a 4.1-year payback period; and an ungeared pre-tax IRR of 24.9% with a 3.6-year payback period.
- Initial capital ("Capex") of US$757.3 million, including contingencies of US$103.2 million (US$78.4 million on direct costs and US$24.8 million of growth allowance) and sustaining capital ("Sustaining Capex") of US$117.0 million over the 25-year life of project.
- Life of project revenues of US$13.9 billion with gross revenues expected to average US$554 million per year over the 25-year project life.
- Project earnings before interest, taxes, depreciation and amortization ("EBITDA") and annual average EBITDA forecasted to be US$8.1 billion and US$326 million respectively, averaging 58.8% EBITDA over the life of project.
- Base case project economics are based on Tetra Tech adoption of a risk-adjusted short-term price forecast that follows CPM Group's forecast for HPMSM and HPEMM to 2031 and then holds prices flat over the remaining life of project, resulting in average prices of $4,019 per tonne of HPMSM containing 32.34% Mn and $10,545/t of HPEMM containing 99.9% Mn.
- CPM Group's unaltered price forecast was used as the upside case in the Feasibility Study sensitivity analysis with average life of project prices of $4,509/t for HPMSM and $12,075/t for HPEMM.
- Using the CPM Group price forecast for HPMSM and HPEMM, after-tax $NPV_{8\%}$ increases to US$1.79 billion, with an ungeared IRR of 24.1%.
- Project has access to excellent transportation, energy, and community infrastructure. Proposed process plant site to be located in an industrially-zoned brownfield site, where a historical process plant generated the Chvaletice tailings.
- Exceptional green project credentials resulting in a significant remediation of the Chvaletice tailings site, arresting the ongoing pollution related to historical tailings disposal activities with opportunities to enhance returns through process optimization initiatives and various government investment incentives and financial support programs that may be available.

6. Review of Operations (continued)

Resource and Reserve Estimate

a. Resource Estimate

Tetra Tech was engaged in 2018 to prepare the Resource Estimate for EMN's Chvaletice Manganese Project and to prepare technical reports in accordance with NI 43-101 and the JORC Code. The 43-101 Technical Report, entitled “Technical Report and Mineral Resource Estimate for the Chvaletice Manganese Project, Chvaletice, Czech Republic”, with an effective date of December 8, 2018, was filed on SEDAR on January 28, 2019, and the JORC Code Technical Report, entitled “Public Report and Mineral Resource Estimate for the Chvaletice Manganese Project, Chvaletice, Czech Republic”, with an effective date of December 8, 2018, was lodged on the ASX announcement platform on February 6, 2019 (together, the "Mineral Resource Estimate").

In 2019, the Company appointed Tetra Tech as the owner’s engineering representative for the Feasibility Study, responsible for overseeing the consultants and service providers in connection with the Feasibility Study, and for the preparation of Feasibility Study Technical Reports. No additional drilling or data collection pertaining to the technical disclosure of mineral inventory has been undertaken since the completion of the Mineral Resource Estimate, and the effective date for the Mineral Resource Estimate is revised to July 1, 2022. The Project's combined Measured and Indicated Mineral Resources amount to 26,960,000 tonnes, grading 7.33% total manganese as detailed in the table below.

Tailings Cell #	Classification	Dry In-situ Bulk Density (t/m^3)	Volume ($x1,000\ m^3$)	Tonnage (kt)	Total Mn (%)
#1	Measured	1.52	6,577	10,029	7.95
	Indicated	1.47	160	236	8.35
#2	Measured	1.53	7,990	12,201	6.79
	Indicated	1.55	123	189	7.22
#3	Measured	1.45	2,942	4,265	7.35
	Indicated	1.45	27	39	7.90
Total	Measured	1.51	17,509	26,496	7.32
	Indicated	1.50	309	464	7.85
Combined	Measured and Indicated	1.51	17,818	26,960	7.33

Notes:
1. Estimated in accordance with the Canadian Institution of Mining ("CIM") Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended, which are materially identical to the JORC Code.
2. The Chvaletice Mineral Resource has a reasonable prospect for eventual economic extraction. Mineral Resources do not have demonstrated economic viability.
3. Indicated Resources have lower confidence than Measured Resources.
4. A break-even grade of 2.18% total Mn has been estimated for the Chvaletice deposit based on preliminary pre-concentration operating costs of US$6.47/t feed, leaching and refining operating cost estimates of US$188/t feed, total recovery to HPEMM and HPMSM of approximately 60.5% and 58.9%, respectively, and product prices of US$9.60 kg/t for HPEMM and US$3.72 kg/t for HPMSM (CPM Group Report, June 2022). The actual commodity price for these products may vary.
5. A cut-off grade has not been applied to the block model. The estimated break-even cut-off grade falls below the grade of most of the blocks (excluding 5,000 tonnes which have grades less than 2.18% total Mn). It is assumed that material segregation will not be possible during extraction due to inherent difficulty of grade control and selective mining for this deposit type.
6. Grade capping has not been applied.
7. Numbers may not add exactly due to rounding.

6. Review of Operations (continued)

b. Reserve Estimate

Mineral Reserves for the Project are based on the Measured and Indicated Resource and adhere to the guidelines set by the Canadian Institute of Mining ("CIM"), NI 43-101 and the CIM Best Practices. Material economic modifying factors were applied to each block in the block model including mined grade, contained metal, recovery rates for HPEMM and HPMSM, mining operating cost, processing cost (including EMM to MSM conversion cost), residue placement cost, general and administrative costs, site service costs, water treatment, shipping cost, product insurance, and royalties. The Project's combined Proven and Probable Mineral Reserve (effective July 14, 2022) amount to 26,644,000 tonnes, grading at 7.41% total manganese as detailed in the following table:

Tailings Cell #	Classification	Dry In-situ Bulk Density (t/m^3)	Volume (m^3)	Tonnage (metric tonnes)	Total Mn (%)
#1	Proven	1.51	6,651	10,132	7.83
	Probable	1.52	141	208	8.24
#2	Proven	1.53	7,929	12,106	6.91
	Probable	1.54	199	183	7.35
#3	Proven	1.46	2,744	3,979	7.49
	Probable	1.46	25	36	7.98
Total	Proven	1.50	17,325	26,217	7.35
	Probable	1.51	284	427	7.84
Combined	Proven and Probable	1.51	17,609	26,644	7.41

Notes:
1. Estimated in accordance with the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended, which are materially identical to the JORC Code.
2. The Mineral Resource is inclusive of the Mineral Reserves.
3. Probable Reserves have lower confidence than Proven Reserves. Inferred Resources have not been included in the Reserves.
4. A break-even grade of 2.18% total Mn has been estimated for the Chvaletice deposit based on preliminary pre-concentration operating costs of US$6.47/t feed, leaching and refining operating cost estimates of US$188/t feed, total recovery to HPEMM and HPMSM of approximately 60.5% and 58.9% respectively and product prices of US$9.60 kg/t for HPEMM and US$3.72 kg/t for HPMSM (CPM Group Report, June 2022). The actual commodity price for these products may vary.
5. Grade capping has not been applied.
6. Numbers may not add exactly due to rounding.
7. Minimal dilution and losses of <1% are expected to occur at the interface between the lower bounds of the tailings cells and original ground as the surface is uneven.

Life Cycle Assessment

During fiscal 2022, the Company released the highlights from its Life Cycle Assessment study ("LCA") for the Project. Euro Manganese engaged Minviro Ltd. ("Minviro"), a UK-based and globally recognized sustainability and life cycle assessment consultancy, and RCS Global Ltd. ("RCS Global"), a leading global auditor of battery material supply chains, to conduct a cradle-to-gate, critically reviewed study quantifying the environmental impacts, including the carbon footprint, of producing high-purity manganese products at the Project.

The results of the LCA validate the environmental value proposition of the Project including multiple environmental benefits from the remediation of the historic tailings area, particularly in terms of soil quality and freshwater quality as the remediation avoids the current leaching of metals and reduces the impacts of the historic tailings to soil and water streams. The Company plans to use 100% carbon free and renewable electricity, which reduces the GWP of the Project by half compared to the use of non-renewable electricity.

6. Review of Operations (continued)

The LCA provides EMN with an independently verified assessment for financiers and customers. RCS Global also reviewed and commented on the LCA study. Minviro has also completed a benchmarking exercise of the Project's GWP against similar projects and operations producing high-purity manganese products. The results of the benchmarking exercise show that the high-purity manganese products from the Chvaletice Project have a carbon footprint that is approximately one-third of the China-based incumbent industry.

Environmental and Social Impact Assessment

The Company received a positive decision on the revised ESIA on March 27, 2024.

Following approval of the ESIA, a Land Planning Permit Documentation is required to be submitted. There are two separate submissions required: one for the processing plant documentation and another for the railway and shunting yard documentation. The documentation for both applications are complete. The statements of the concerned authorities of the State administration and opinions of the affected landowners and neighbours are currently being collected. Documentation will be submitted for final proceedings in the fourth quarter of calendar 2025. There are no objections coming from the relevant authorities. The Land Planning Permit approval timeline is typically three to six months. The Construction Permit documentation is a deliverable of the FEED phase as a part of the EPCM work with an expected permit approval timeline of approximately three months post submission.

On January 23, 2025, the Company secured the Mining Lease permit, marking the next critical milestone towards the development of the Project in the Czech. It provides the Company with exclusive, unrestricted rights to mineral extraction within the designated area and ensures robust legal protection of the project area, enabling the Company to proceed with the Project's next phases on an exclusive basis.

The final step of the permitting process for the tailings extraction is the Permit for opening, preparation, and extraction. Documentation contract has been awarded and the completion is expected in the first quarter of 2026.

Demonstration Plant Progress Update

The Demonstration Plant was fully commissioned in July 2024, with all modules operating on a consistent basis, and producing on-spec products. Two independent external laboratories have confirmed that samples of HPMSM made from HPEMM produced at the Demonstration Plant meet its design target HPMSM specifications with low levels of impurities.

On October 16, 2024, the Company successfully completed a 5-day continuous operation program for the production of high-purity electrolytic manganese metal at the Demonstration Plant. The Demonstration Plant operated as-designed and without interruption, achieving 100% reliability over the 5-day program (i.e. no stoppage time). Overall, 172 kg of HPEMM was produced, exceeding target production by over 30%.

The demonstration plant was intended to produce and deliver high-purity manganese products to prospective customers for testing and qualification. The Demonstration Plant replicates the process flowsheet used in the Feasibility Study and has been designed as a semi-batch, manually operated system of interconnected modules that can be utilized as a circuit or as stand-alone components. The demonstration plant also enables process optimization and testing for final product development and will serve as a testing and training facility for future operators. Learnings from the operation of the Demonstration Plant are used for the next stages of the project preparation.

6. Review of Operations (continued)

Acquisition of EP Chvaletice and Land Acquisitions

On August 13, 2018, the Company, through its Czech subsidiary Mangan, entered into an option agreement with EPCS to acquire 100% interest in EPCS by making several payments. EPCS is a Czech operating company whose principal asset is a large parcel of industrial zoned land adjacent to the Chvaletice Manganese Project, where the Company proposes to develop its high-purity manganese processing facility.

The Company made total payments of 72.1 million Czech Koruna ($4.22 million) from October 17, 2018, to September 30, 2023. In the year ended September 30, 2024, the Company completed the purchase of EPCS by making two additional payments of 20 million Czech Koruna ($1.2 million) and 51 million Czech Koruna ($3.1 million) on November 29, 2023, and December 28, 2023, respectively.

The option payments made prior to the acquisition of EPCS were a derivative classified as fair value through profit and loss due to the following: i) the option was for the acquisition of shares of EPCS rather than a non-monetary asset; ii) it did not meet any of the scope exceptions from recognition as a derivative asset under IFRS 9, *Financial Instruments*; and iii) control of EPCS was not present until the last option payment was made.

On the acquisition date on December 28, 2023, the option was revalued based on a third party valuation of acquired assets at $9.0 million, resulting in $0.3 million increase in the value of the option and corresponding gain in the statement of loss and comprehensive loss.

The acquisition was accounted for as a purchase of assets as it met the concentration test under IFRS 3, *Business combinations*. The cost of the acquisition was $10.8 million (216.1 million Czech Koruna), consisting of the cash payments made to that date of $8.7 million (143.1 million Czech Koruna), the increase in fair value of the derivative of $0.3 million and a $1.8 million (30.0 million Czech Koruna) of working capital adjustment. The purchase price was allocated to the assets acquired and the liabilities assumed in accordance with their fair value. The value of the land was determined using the comparative method to reflect the real estate prices achievable for comparable undeveloped land plots in the market at the time of valuation. The buildings currently in use by EPCS were valued using the income method, assuming rent rates for similar spaces in nearby areas. The valuation of movable assets (machinery equipment and vehicles) was based on historical prices, reflecting the technical value and saleability factor.

In January 2024 the Company completed the acquisition from Helot, spol. s.r.o. and Ing. Martin Vanek of 78,437m² in total consisting of several land parcels adjacent to the tailings area that provide additional room and flexibility for the Chvaletice residue storage facility layout. The total cost of the land is 54.3 million Czech Koruna ($3.0 million).

The Company has agreements to acquire rights to two additional strategic parcels of land, completing its land assembly for the proposed Chvaletice commercial plant.

The area of interest for the Project overlies several privately-owned land parcels with surface rights. To date, Mangan has received the consent to access the site from the landowners whose surface properties underlie the tailings. On June 6, 2022, the Company and the Municipality of Chvaletice, being one of the landowners, signed a Land Access Agreement via rental of the land to the Company until the earlier of a 40-year period or upon remediation of the land. The annual rental is 9.50 million Czech Koruna ($568), adjusted for inflation based on the average annual Czech consumer price index for the 12 months of the previous calendar year. The land rental agreement was effective July 1, 2022.

On June 7, 2022, the Company signed an agreement with Helot, spol. s.r.o. and Ing. Martin Vanek to acquire 78,437m² in total consisting of several land parcels adjacent to the tailings area that provide additional room and flexibility for the Chvaletice residue storage facility layout. The total cost of the land is 54.3 million Czech Koruna ($3.0 million). The first instalment of $516 was paid in June 2022. The second instalment of $580 was paid in January 2023 and the remaining amount of $2,038 was paid in January 2024.

6. Review of Operations (continued)

The Company continues to negotiate the acquisition of the balance of the surface rights with the remaining landowner. Upon acquisition of such surface rights with the remaining owner, the Company will have access to all the surface rights to the Project area, which include those lands of original ground elevation surrounding, and those parcels of original ground underlying and immediately surrounding, the three tailings deposits which comprise the Chvaletice Manganese Project However, there can be no assurance that access to the remaining area will be secured by the Company.

High-Purity Manganese Market Overview and Product Marketing

High-performance Li-ion batteries are widely used in EVs, including full Battery Electric ("BEV") and Plug-in Hybrid ("PHEV") models as well as other Energy Storage System ("ESS") applications. Among the various chemistries, two dominate, namely those with nickel-manganese-cobalt (“NMC”) cathodes and those of LFP family. Globally, according to Rho Motion, LFP batteries now lead the market, accounting for around 55% of all Li-ion batteries produced (measured in megawatt-hours), with particularly strong growth in China, where LFP holds over 80% market share. In contrast, NMC batteries remain dominant in Western markets, with NCA also important in North America. Within the NMC category, the NMC811 formulation—comprising 80% nickel, 10% manganese, and 10% cobalt—is the most widely used, although mid-nickel varieties such as NMC 622, which have higher manganese content, remain important due to cost advantages (manganese being significantly cheaper than nickel). LFP chemistries, which are lower cost and safer, have suffered from lower energy densities but innovations in cell-to-pack design and greater tap density have closed the gap with NMC and the introduction of manganese, in LMFP, offers even more performance improvement with up to 20% more energy density than pure LFP. In addition to the NMC and LFP families there are other chemistries that show promise, including LMNO, NCMA and most recently LMR (Lithium Manganese Rich). This last variety is similar to NMC but has almost no cobalt and very large amounts of manganese (60% or more in the cathode). LMR is of great interest to the industry as it offers very similar performance as NMC batteries with the cost efficiency of LFP batteries.

Despite ongoing uncertainty, global sales of EVs (BEV and PHEV) continue to grow, albeit with different growth rates evident across regions and by manufacturer. Global sales have grown by approximately 23% in the three quarters of 2025 compared to 2024.

While performance in 2025 has been strong so far, the outlook for the market remains uncertain. Europe is growing but still struggling to achieve the scale it requires to fully utilize its factories and might see a slowdown in growth of EV sales as the EU relaxes its emissions targets to help its struggling automotive sector. In the US, the introduction of tariffs and the removal of consumer tax credits is starting to impact EV prices which is having a negative impact on demand with January to October growth vs the same period in 2024 slowing to just 4%, and this includes record sales in August and September before tax credits were removed on September 30th. This slowdown is illustrated by US EV sales in October 2025 dropping by 38% versus the same month last year.

Analysts predict this slowdown in North America will continue throughout 2025 and remain subdued for some time until OEMs can address the fundamental affordability gap between internal combustion engine ("ICE") and EV vehicles.

In face of these uncertainties, combined with ongoing challenges of achieving the necessary capacity utilization, Western original equipment manufacturers ("OEMs") are continuing to focus on driving down unit costs to improve affordability while taking a conservative approach to further expansion plans and capital allocation.

These challenges have cascaded up the supply chain, affecting battery, cathode active material ("CAM"), and precursor CAM ("pCAM") manufacturers. Many are revising and de-risking their schedules, adjusting capacities, and exploring cost-reduction strategies, including shifts in battery chemistries – although these are longer-term projects. Pricing pressure has become a central concern as stakeholders hesitate to commit to offtake volumes amid market uncertainty.

6. Review of Operations (continued)

Manganese in Battery Chemistries

The use of manganese in battery materials is gaining traction as a cost-reduction strategy. Within the NMC family there is growing interest in mid-nickel high voltage batteries which can use 3-5 times the manganese compared to some of the higher nickel (811 or 9.5.5) varieties. This switch is driven by the cost advantage of manganese over nickel and concerns regarding the Environmental, Social, and Governance profile of nickel mining and refining.

Within the LFP family there is a growing focus on Lithium-Iron-Manganese-Phosphate ("LMFP") Chemistries. The partial replacement of iron with manganese (60% to 80% replacement in some cases) provides a performance boost compared to pure LFP cells and, on a $/kWh basis, drives down costs - LMFP batteries are projected to be the lowest-cost EV batteries on a $/kWh basis. While some technical challenges remain before we see large scale adoption of this technology, commercial LMFP batteries are being produced and installed in EVs today by the likes of Gotion and HCM.

In addition, there are several other innovative chemistries under development using significant amounts of manganese such as Lithium Manganese Rich ("LMR'), Highly Lithiated Manganese ("HLM"), NMX (Cobalt free varieties of NMC) and Lithium-Manganese-Nickel Oxide ("LMNO). Of the other chemistries it is worth highlighting LMNO, which offers very high voltage, and LMR, which both Ford and General Motors have announced plans to adopt, offering a good combination of performance and affordability. GM are targeting large scale roll out of LMR batteries in their mid-size pickups and larger SUVs by 2028, suggesting LMR is far more than a research project and close to being a commercial reality. Both LMR and LMNO chemistries are heavy in manganese with analysts estimating it could exceed 50% of the cathode. Some varieties of Sodium-Ion (Na-ion) are also starting to use significant amounts of manganese and are gaining attention in view of their safety and cost advantages over Li-ion batteries.

Supply Chain Dynamics and Offtake Strategy

The medium to long term outlook for battery-grade manganese continues to be robust with demand projected to outstrip supply by the end of this decade, driven by the continuing growth in the EV market and the rise of more manganese-rich chemistries to deliver lower cost batteries.

Currently, HPMSM is the dominant form of manganese used in Li-ion batteries and is projected to remain so going forward. However, other forms of manganese salts are increasingly used in the synthesis of pCAM and CAM for newer chemistries including manganese carbonate, phosphate, and oxides (Mn_2O_3 and Mn_3O_4). As a result, HPEMM is getting traction as a preferred feed stock due to its cost-effectiveness. This makes it an attractive intermediate material for producing a variety of manganese salts, compared to using the finished product, HPMSM. Additionally, HPEMM offers geographic flexibility, as it is more economical and practical to transport metal than HPMSM. Term sheets signed to date with prospective customers demonstrate the growing interest in HPEMM with volumes increasing significantly in later years.

Offtake discussions are ongoing with stakeholders across the supply chain, including automotive OEMs, battery manufacturers, and CAM/pCAM producers. Conversations are also taking place with non-EV customers (such as ESS or Flow Battery customers) and with those interested in non-battery industrial applications, with the defense sector becoming increasingly prospective (uses include high purity alloys, electronics as well as bespoke military battery applications). To date, the Company has signed five non-binding offtake term sheets for the sale of HPEMM and HPMSM.

The Company aims to secure offtake contracts for 80%-90% of its production capacity to support project financing and remains well-positioned to capitalize on the growing demand for manganese in the evolving battery market.

6. Review of Operations (continued)

In addition, in early May 2024, the US Department of Treasury published the final rules for the Inflation Reduction Act on how manufacturers may satisfy the critical mineral and battery component requirements of the clean vehicle tax credit. Specifically, the rules clarify that an eligible clean vehicle may not contain any critical minerals that were extracted, processed, or recycled by a foreign entity of concern (with the exception of graphite). Additionally, manufacturing companies will have the obligation to undertake full traceability of the supply chain to ensure there is no involvement of a foreign entity of concern at any stage. This bill was replaced in 2025 with the One Big Beautiful Bill Act (OBBBA), signed into Law on July 4th. This bill removed a majority of tax credits for EV consumers and producers and has had a significant impact on EV demand, with a spike in purchasing in August and September 2025 before the credits were removed on September 30th. Subsequently in October EV sales fell by 57% vs the previous month and 38% vs last year. In addition tariffs have been applied to foreign made automobiles and components, which has hit US OEMs who have in previous years off-shored production to countries that are now subject to these new tariffs (e.g. Canada, Mexico). Whilst these tariffs have been subject to frequent revision, it unlikely they will be entirely removed for the foreseeable future creating more uncertainty for the North American market.

Regulatory, Policy and Political Developments

On December 11, 2024 NATO published a list of 12 defense critical raw materials, including manganese, essential for the Allied defense industry. These materials are integral to the manufacture of advanced defense systems and equipment.

On March 19, 2025 the Chvaletice Manganese deposit was designated a Strategic Deposit by the Czech government under the Czech Mining Act amendments. This designation recognizes the importance of manganese as both a strategic and critical raw material for the Czech and expedites and enhances the predictability of the permitting process. Obtaining this status is the crucial prerequisite for receiving a state investment incentives.

Furthermore on March 26, 2025 the Chvaletice Project was designated as a Strategic Project under the EU Critical Raw Materials Act ("CRMA"). The benefits of being a Strategic Project include:

i. Allowing Project developers to gain access to financing, taking into account private and public sources of funding with relevant national promotional banks, the European Investment Bank, EBRD and private financial institutions. Strategic Projects may receive preferential financing terms.

ii. Allowing regional and national authorities to make use of funding from the European Development Fund and Cohesion Fund to support the relevant project, in line with the new Strategic Technologies for Europe Platform regulations. These funds are administered by regional and national authorities and the European Commission makes sure that the projects are successfully concluded.

iii. Benefiting from preset time frames for permitting.

It provides The Company stronger opportunity to pursue potential Czech grants and subsidies. As a strategic deposit, the Chvaletice Manganese Project could qualify as production of strategic products and may benefit from both corporate income tax relief and cash grants.

On December 3, 2025, the European Commission announced its RESourceEU Action Plan. Under the plan, a new critical raw materials financing hub will coordinate fragmented funding and provide technical assistance for projects along the value chain, mobilizing significant EU funds to accelerate Strategic Projects under the CRMA. This plan also commits European downstream industrial sectors to supply diversification, where large companies will need to assess supply chain risks and adopt mitigation measures supported by incentives. The plan also aims to support streamlining and simplifying permitting and increasing the demand for EU raw materials.

6. Review of Operations (continued)

In July 2025, the One Big Beautiful Bill Act was signed into law in the United States. While it eliminated the 30D and 45W consumer tax credits for electric vehicles, it significantly strengthened the restrictions on accessing the remaining incentives based on the level of involvement of Foreign Entities of Concern. These changes underscore the growing importance of developing a supply chain that is independent of China.

Bécancour Project

The site of the Bécancour Project is strategically located adjacent to a cluster of planned CAM manufacturing plants, including Ultium CAM (GM/Posco). The Company entered into an option agreement with SPIPB, a Québec provincial enterprise and owner of a 15 hectare land parcel within Bécancour (the “Bécancour Option Agreement”) where the Company proposed to establish its North American facilities. The Bécancour Option Agreement allowed the Company to exclusively access the land parcel and conduct due diligence. During the current period, the Bécancour Option Agreement was amended to acquire an 8 hectare property rather than a 15 hectare land parcel at the Port of Bécancour for total consideration of $5,1111. As at September 30, 2025, the Company has made payments aggregating $963. On September 30, 2025, the Company further amended the agreement, revising the purchase price to $6,115 and extending the option period to September 30, 2026. Beginning July 1, 2026, the Company will be required to make monthly payments of $31 to maintain the option until its expiry.

The amounts paid to date will be applied upon the option exercise against the total purchase price. Certain conditions exist for closing including approval of project plans by SPIPB and obtaining project financing. All work on the Bécancour project remains on hold, including permitting and a planned feasibility study, until such time as the Company is financed adequately to move the project forward.

7. Annual Financial Review

	Years ended September 30,		
	2025	2024	2023
(expressed in thousands of Canadian dollars, except per share data)	**$**	$	$
Revenue	**4,387**	3,217	-
Cost of goods sold	**(5,126)**	(3,776)	-
Chvaletice Project evaluation	**(6,810)**	(8,340)	(5,339)
Other evaluation	**(8)**	(95)	(382)
Corporate and administrative	**(3,714)**	(6,236)	(6,922)
Loss on disposal of property, plant and equipment	**-**	(4)	-
Foreign exchange loss	**(735)**	(134)	-
Gain on derivative instruments	**1,008**	316	-
Modification loss on convertible loan facility	**(2,347)**	-	-
Interest income	**161**	420	63
Finance expense	**(4,257)**	(3,605)	-
Income tax expense	**(145)**	(90)	-
Other comprehensive income for the year	**414**	34	-
Net loss for the year attributable to shareholders	**(17,172)**	(18,293)	(12,580)
Basic and diluted loss per share attributable to shareholders [(1)]	**(0.17)**	(0.23)	0.03

	As at September 30,		
	2025	2024	2023
	$	$	$
Cash and cash equivalents	**9,491**	9,364	7,650
Total assets	**36,778**	40,468	29,953
Non-current financial liabilities	**11**	140	-

[(1)] Fully diluted weighted average common shares outstanding, used in the calculation of diluted net loss per share in each of the periods presented, is not reflective of the outstanding stock options and warrants as their exercises would be anti-dilutive in the net loss per share calculation.

7. Annual Financial Review (continued)

Year ended September 30, 2025, compared to the year ended September 30, 2024

The loss and comprehensive loss for the year ended September 30, 2025, of $17,172 compared to a loss of $18,293 for the year ended September 30, 2024, representing a decrease of $1,121 or 6%. Basic and fully diluted loss per common share decreased to $0.17 per common share from $0.23 per common share. An overview and an explanation of the significant variances is as follows:

	Year ended September	
	2025	2024
(expressed in thousands of Canadian dollars, except per share data)	**$**	$
Revenue	**4,387**	3,217
Cost of goods sold	**(5,126)**	(3,776)
Gross loss	**(739)**	(559)
Operating Expenses		
Chvaletice Project evaluation	**(6,810)**	(8,340)
Other evaluation	**(8)**	(95)
Corporate and administrative	**(3,714)**	(6,236)
Loss on disposal of fixed assets	**-**	(4)
Foreign exchange loss	**(735)**	(134)
Operating loss	**(12,006)**	(15,368)
Gain on derivative instruments	**1,008**	316
Modification loss on convertible loan facility	**(2,347)**	-
Interest income	**161**	420
Finance expense	**(4,257)**	(3,605)
Loss before income taxes	**(17,441)**	(18,237)
Income tax expense	**(145)**	(90)
Loss for the year	**(17,586)**	(18,327)
Other comprehensive income for the year	**414**	34
Loss and comprehensive loss for the year	**(17,172)**	(18,293)
Basic and diluted loss per common share	**(0.17)**	(0.23)

<u>Revenue</u>

Revenue for 2025 was $4,387 as compared to $3,217 in 2024, an increase of $1,170 or 36%. Revenue was generated from the sale and service of specialty steel products by EPCS, which was acquired in December 2023. The year-over-year increase primarily reflects the type and scale of projects executed during the period, with 2025 including higher-value projects compared to 2024.

<u>Cost of goods sold</u>

Cost of goods sold was $5,126 compared to $3,776 in 2024, an increase of $1,350 or 36%. The increase reflects higher depreciation on assets acquired through the EPCS acquisition. The useful life of these assets was initially estimated at two years and was revised to three years in March 2025.

7. Annual Financial Review (continued)

Chvaletice Project evaluation

During 2025, the Company incurred Chvaletice Project evaluation expenditures of $6,810 compared to $8,340 in 2024, representing a decrease of $1,530 or 18%. This net decrease was primarily driven by:

- Lower spend on product marketing;
- Reduced engineering activities following the completion of ESIA in 2024, and
- Lower legal fees as significant costs related to land access rights negotiations and documentation were incurred in 2024 but not in 2025.

These reductions were partially offset by:

- Increase in remuneration due to a higher number of employees from the demonstration plant operations and severance payments for reduction in workforce in June 2025, and
- Net increase in depreciation in 2025 resulting from amortization of the demonstration plant for 12 months compared to 4 months in 2024 offset by increase in useful life of the demonstration plan from 2 years to 3 years in March 2025.

Other evaluation

During 2025, other evaluation expenses were $8 as compared to $95 during 2024, representing a decrease of $87 or 92%. The expense relates to the Bécancour Project as all work on the Bécancour project remains on hold, including permitting and a planned feasibility study, until such time as the Company is financed adequately to move the project forward.

Corporate and administrative

During 2025, the Company incurred corporate and administrative expenses of $3,714 compared to $6,236 in 2024, representing a decrease of $2,522 or 40%. The decrease was primarily driven by a net share-based compensation recovery of $1,131, which resulted from a significant number of stock options being forfeited during 2025, partially offset by expenses recognized on stock options granted during the year. In comparison, the Company recognized $938 in stock-based compensation expense during 2024.

Loss on disposal of property, plant and equipment

During 2025, loss on disposal of property, plant and equipment was $nil compared to $4 during 2024, representing a decrease of $4 or 100%. There were no disposals during 2025 as compared to the disposal of one piece of equipment during 2024.

Foreign exchange loss

During 2025, foreign exchange loss of $735 compared to $134 in 2024, representing an increase of $601 or 449% due to depreciation in Canadian dollar as compared to US dollar and Czech Koruna.

Gain on derivative instruments

During 2025, the Company recognized a gain of $1,008 on the derivative liability related to the convertible loan facility, compared to a gain of $316 in the same period of 2024. The increase was primarily driven by higher market interest rates, timing of changes in expected cash flows, and change in management's judgment regarding the probability of converting the convertible loan facility to a royalty.

7. Annual Financial Review (continued)

Modification loss on convertible loan facility

During the first quarter of 2025, the Company and Orion amended the convertible loan facility to increase the coupon interest rate to 14% and defer the payments of quarterly interest to loan maturity. These amendments resulted in a modification of the convertible loan, generating a modification loss of $1,143. Included in the modification loss is the fair value of warrants issued to Orion during the third quarter of 2025 of $1,204.

Interest income

Interest income for 2025 was $161 compared to $420 in 2024, a decrease of $259 or 62% The decrease represents lower interest earned as average cash balance throughout 2025 was less than 2024.

Finance expense

Finance expenses for 2025 were $4,257 compared to $3,605 in 2024 representing an increase of $652 or 18%. In 2024, expenses related to the convertible loan facility with Orion were recognized over a ten-month period, as the proceeds were received in November 2024. In contrast, finance expenses were recognized for the full year in 2025. The increase was further impacted by the first quarter of 2025 amendment to the convertible loan facility which increased the coupon interest rate from 12% to 14% and the depreciation of the Canadian dollar relative to the U.S. dollar.

Income tax expense

Income tax expense for 2025 was $145 compared to $90 in 2024 representing an increase of $55 or 61%. The balance relates to taxable income earned by EPCS. The expense increased as compared to 2024 as EPCS was acquired on December 8, 2023 and therefore the 2024 expense related to 10 months of activity.

Other comprehensive loss

During 2025, other comprehensive income was $414 as compared to $34 during 2024, representing an increase of $380 or 1118%. The balance represents the translation of assets and liabilities of EPCS into Canadian dollars at the exchange rate in effect on the date of the statement of the financial position. The balance increased due to depreciation in Canadian dollar as compared to the Czech Koruna.

8. Quarterly Financial Review

The following table summarizes selected financial information for each of the eight most recently completed quarters, expressed in thousands of Canadian dollars, except for per share amounts:

As at the end of or for the period ending	**Jul to Sep'25**	Apr to Jun'25	Jan to Mar'25	Oct to Dec'24	Jul to Sep'24	Apr to Jun'24	Jan to Mar'24	Oct to Dec'23
Cash and cash equivalents	**9,491**	10,873	2,822	5,368	9,364	13,201	20,099	24,293
Total assets	**36,778**	38,787	32,326	35,601	40,468	45,640	51,918	55,223
Working capital (1)	**(22,884)**	9,319	1,034	3,184	(19,561)	11,718	15,549	22,075
Current liabilities	**33,919**	2,890	3,871	3,944	30,513	3,247	5,922	4,758
Revenue	**943**	1,532	874	1,038	705	1,314	1,198	-
Cost of goods sold	**(1,078)**	(1,499)	(1,151)	(1,398)	(779)	(1,478)	(1,519)	-
Chvaletice Project evaluation	**(1,371)**	(1,667)	(1,806)	(1,966)	(2,592)	(1,826)	(2,813)	(1,109)
Other evaluation	**-**	-	-	(8)	(69)	(2)	27	(51)
Corporate and administrative	**(1,154)**	(1,265)	(1,109)	(186)	(1,123)	(1,443)	(1,888)	(1,782)
Loss on disposal of property, plant and equipment	**-**	-	-	-	-	-	(4)	-
Foreign exchange gain (loss)	**(660)**	1,496	(122)	(1,449)	158	(161)	(208)	77
Gain (loss) on derivative instruments	**(140)**	(94)	336	906	-	67	(74)	323
Modification loss on convertible loan facility	**(420)**	(1,024)	-	(903)	-	-	-	-
Interest income	**42**	12	31	76	117	191	51	61
Finance expense	**(922)**	(1,119)	(1,027)	(1,189)	(1,423)	(1,050)	(770)	(362)
Income tax expense	**1**	(25)	(24)	(97)	(90)	-	-	-
Loss for the period	**(4,759)**	(3,653)	(3,998)	(5,176)	(5,097)	(4,389)	(5,999)	(2,842)
Other comprehensive income (loss) for the period	**115**	97	110	92	150	110	(226)	-
Loss and comprehensive loss for the period	**(4,644)**	(3,556)	(3,888)	(5,084)	(4,947)	(4,279)	(6,225)	(2,842)
Basic and diluted loss per common share	**(0.03)**	(0.03)	(0.05)	(0.06)	(0.07)	(0.05)	(0.07)	(0.04)

(1) The additional non-GAAP financial measure of working capital is calculated as current assets less current liabilities.

(2) Figures may not add to annual results due to rounding.

Summary of major variations in quarterly financial activities:

- The Company received US$20 million ($28 million) from Orion's initial financing tranche in the first quarter of 2024, increasing cash and cash equivalents, total assets, and working capital at December 31, 2023. Subsequent use of these funds for project evaluation, EPCS acquisition, land payments, and corporate costs led to quarter-over-quarter decreases. In the third quarter of 2025, the Company completed a financing package through a private placement and SPP, generating net cash of $1,076 and increasing cash, total assets, and working capital.
- Revenue: The Company completed the acquisition of EPCS during the quarter ended December 31, 2023. During the subsequent quarters the Company recognized revenue from the sale of specialty steel products by EPCS. The quarter-over-quarter fluctuation primarily reflects the type and scale of projects executed during the period.
- Loss for the period of the last eight quarters were impacted by the timing of Chvaletice project expenditures, other evaluation expenditures, foreign exchange gain or loss and derivative gain or loss.

8. Quarterly Financial Review (continued)

Three months ended September 30, 2025, compared to the three months ended September 30, 2024

The loss for the three months ended September 30, 2025, of $4,644 compared to a loss of $4,948 for the three months ended September 30, 2024, represents a decrease of $304 or 6%. An overview of the project evaluation and other expenses, and an explanation of the significant variances is as follows:

	Three Months Ended September 30,	
	2025	2024
(expressed in thousands of Canadian dollars, except per share data)	**$**	$
Revenue	**943**	705
Cost of goods sold	**(1,078)**	(778)
Gross loss	**(135)**	(73)
Operating Expenses		
Chvaletice Project evaluation	**(1,371)**	(2,462)
Other evaluation	**-**	(69)
Corporate and administrative	**(1,154)**	(1,109)
Foreign exchange loss	**(660)**	-
Operating loss	**(3,320)**	(3,713)
Loss on derivative instruments	**(140)**	-
Modification loss on convertible loan facility	**(420)**	-
Interest income	**42**	117
Finance expense	**(922)**	(1,412)
Loss before income taxes	**(4,760)**	(5,008)
Income tax expense	**1**	(90)
Loss for the period	**(4,759)**	(5,098)
Other comprehensive income for the period	**115**	150
Loss and comprehensive loss for the period	**(4,644)**	(4,948)
Basic and diluted loss per common share	**(0.03)**	(0.07)

Revenue

Revenue for the three months ended September 30, 2025 and 2024, was $943 and $705, respectively representing an increase of $238 or 34%. Revenue was generated from the sale of specialty steel products from EPCS which was acquired in the quarter ended December 2023.

Cost of goods sold

Cost of goods sold for the three months ended September 30, 2025 and 2024 were $1,078 and $778 respectively representing an increase of $300 or 39%. The increase is due to higher depreciation on assets acquired through the EPCS acquisition. The useful life of these assets was initially estimated at two years and was revised to three years in March 2025.

8. Quarterly Financial Review (continued)

Chvaletice Project evaluation

Chvaletice Project evaluation for the three months ended September 30, 2025 and 2024, were $1,371 and $2,462, respectively representing a decrease of $1,091 or 44%. The decrease over the comparative period in 2024 is mainly related to lower spend on engineering activities following the completion of ESIA in 2024 and supplies and rental costs due to reduced activities.

Other evaluation

Other evaluation for the three months ended September 30, 2025 and 2024, were $nil and $69, respectively. These costs mostly represent the scoping study and due diligence related to the Company's evaluation of opportunities in the North American market, particularly the potential Port of Bécancour plant in Québec, Canada. The expense decreased as all work on the Bécancour project remains on hold, including permitting and a planned feasibility study, until such time as the Company is financed adequately to move the project forward.

Corporate and administrative

Corporate and administrative expenses for the three months ended September 30, 2025 and 2024 were $1,154 and $1,109 respectively, representing an increase of $45 or 4%. The increase compared to the same period in 2024 was driven stock options being issued during 2025.

Foreign exchange loss

During the three months ended September 30, 2025, foreign exchange loss of $660 due to depreciation in Canadian dollar as compared to US dollar and Czech Koruna.

Gain on derivative instruments

During the three months ended September 30, 2025, the Company recognized a loss of $140 on the derivative liability related to the convertible loan facility, compared to $nil in the same period of 2024. The increase was primarily timing of changes in expected cash flows and change in management’s judgment regarding the probability of converting the convertible loan facility to a royalty.

Modification loss on convertible loan facility

During the first quarter of 2025, the Company and Orion amended the convertible loan facility to increase the coupon interest rate to 14% and defer the payments of quarterly interest to loan maturity. These amendments resulted in a modification of the convertible loan, generating a modification loss which was amended in the fourth quarter of 2025 due to a change in timing of expected cash flows.

Interest income

Interest income for the three months ended September 30, 2025 was $42 compared to $117 in the three months ended September 30, 2024, a decrease of $75 or 64% The decrease represents lower interest earned as average cash balance was lower on average in the fourth quarter of 2025 as compared to the fourth quarter of 2024.

Finance expense

Finance expenses for the three months ended September 30, 2025 were $922 compared to $1,412 in the three months ended September 30, 2024 representing a decrease of $490 or 35%. The expense relates to the convertible loan facility with Orion and decreased due to the depreciation of the Canadian dollar relative to the U.S. dollar as the debt is denominated in U.S. dollars.

Income tax expense

Income tax expense for the three months ended September 30, 2025 was a recovery of $1 compared to an expense of $90 in the three months ended September 30, 2024 representing a decrease of $91 or 101%. The balance relates to taxable income earned by EPCS. The expense decreased as compared to 2024 due to timing of recognition of the expense.

8. Quarterly Financial Review (continued)

Other comprehensive loss

During the three months ended September 30, 2025, other comprehensive income was $115 as compared to $150 during the three months ended September 30, 2024, representing a decrease of $35 or 23%. The balance represents the translation of assets and liabilities of EPCS into Canadian dollars at the exchange rate in effect on the date of the statement of the financial position. The balance decreased due to depreciation Canadian dollar as compared to the Czech Koruna during the quarter.

9. Liquidity and Capital Resources

As an early-stage development company, the Company has no material operating revenues and is unable to self-finance its operations. Further, there is no assurance that the evaluation and development activities executed or planned by the Company for the Chvaletice Manganese Project will result in the development of a profitable commercial operation.

During the year ended September 30, 2025, the Company incurred a net loss of $17,586 and used $7,982 cash for operating activities. At September 30, 2025, the Company's working capital (current assets less current liabilities) was a deficit of $22,884. The Company's capital resources are not expected to provide sufficient working capital to fund its corporate and project development costs for at least twelve months from the date of these financial statements. The Company anticipates continued operating losses while advancing the Chvaletice Manganese Project. The ability of the Company to complete any financing in the future will depend principally upon prevailing market conditions and the performance of the Company. Such funding may not be available when needed, if at all, or may not be available on terms favorable to the Company. These factors give rise to material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

On December 11 2025, the Company announced amendments to the Funding Package. In connection with the amendments, Orion extended the date by which certain milestones were required to June 30, 2026, and Orion may now, at its discretion, convert the outstanding amount drawn under the Convertible Loan Facility and accrued interest into a royalty at any time, subject to the conditions in the Convertible Loan Facility.

On May 28, 2025, the Company completed a financing package for total gross proceeds of $11,076, comprised of the following components: (a) a private placement of 39,671,662 common shares, 14,906,688 Chess Depository Interests (CDIs) and 54,578,350 warrants, for a gross proceeds of approximately $9,736 and (b) a Share Purchase Plan ("SPP") offered to with certain eligible shareholders under the same terms as private placement, raising approximately $1,340. This financing involves participation from both new and existing investors, including the EBRD and Mr. Eric Sprott, through 2176423 Ontario Ltd.

Each warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.225, expiring on November 28, 2026. In connection with the financing, the Company issued 4,904,478 broker warrants as compensation to agents and intermediaries. Each broker warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.225, expiring on May 28, 2027. The Company also incurred additional share issuance costs of $1,149.

9. Liquidity and Capital Resources (continued)

While the financing has strengthened the Company's near-term liquidity, current capital resources are not expected to be sufficient to fund corporate and project development activities for the next twelve months from the reporting date. The Company continues to evaluate financing options to support its ongoing operations and the advancement of the Chvaletice Manganese Project. The Company anticipates continued operating losses while advancing the Chvaletice Manganese Project. The ability of the Company to complete any financing in the future will depend principally upon prevailing market conditions and the performance of the Company. Such funding may not be available when needed, if at all, or may not be available on terms favorable to the Company. These factors give rise to material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. The September 2025 Financial Statements do not reflect adjustments in the carrying values of the assets and liabilities, the reported revenues and expenses and the balance sheet classifications used, that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

The Company's commitments at September 30, 2025, are shown in Section 12 of this MD&A.

10. Off Balance Sheet Arrangements

At September 30, 2025, there are no off-balance sheet arrangements which could have a material impact on current or future results of operations or the financial condition of the Company.

11. Related Party Transactions

For the year ended September 30, 2025 and 2024, amounts paid to related parties were incurred in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the transacting parties.

At September 30, 2025, key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole, and consisted of the Company's Board of Directors, President and Chief Executive Officer, interim Chief Financial Officer, Vice President, Commercial, Vice President, Corporate Development and Corporate Secretary, Vice President, Operations, and the Managing Director of the Company's Czech subsidiary.

	Year ended September 30,	
	2025	2024
	$	$
Salaries and benefits to officers and directors of the Company	**1,696**	2,387
Final payments to the former CEO	**521**	-
Share-based compensation	**4574**	1,222
Share-based compensation gain resulted from forfeiture of options	**(1,659)**	-
	1,132	3,609

Certain directors and members of management of the Company participated in the May 28, 2025 financing package. The aggregate subscription amount by related parties was $145. The securities issued to related parties were on the same terms and conditions as those issued to arm's length investors.

At September 30, 2025, amounts owing to directors and officers of the Company for salaries and directors' fees amounted to $53 (2024 - $28). The salaries and fees payable at both year ends include a salary and bonuses owing to the Managing Director of Mangan. Other amounts payable to officers and directors at September 30, 2025, for the reimbursement of office and travel related expenses were $nil (2024 - $5).

Related party transactions were incurred in the normal course of operations.

12. Contractual Commitments

At September 30, 2025, the Company was committed to make the minimum annual cash payments as follows:

	Less than one year	Total
	$	$
Minimum rent payments	110	110
Operating expenditure commitments	147	147
Total contractual obligations	**257**	**257**

Pursuant to the ČEZ Lease Agreement, land access has been granted for the life of the Project in return for a royalty on the Project's gross sales. During the period in which Project is expected to have project finance debt (the "Debt Period"), which is estimated to be seven years, the royalty will operate on a sliding scale from 0.2% to 1.8%, dependent on the average prices received for the Project's high-purity manganese products. Post the Debt Period, the royalty will be 1.8% of gross sales. Additionally, the ČEZ Lease Agreement also requires the Company to pay, commencing in 2027, a Minimum Rent of 625 Czech Koruna ($42) per calendar quarter, adjusted annually commencing in 2028, based on inflation during the immediately preceding year.

The Company agreed to acquire a right-of-way for a period of 30 years having an annual rental of 60 Czech Koruna ($4).

The Company and the Municipality of Chvaletice, being the land owners, signed a land access agreement via rental of a parcel of land that underlies the tailings to the Company until the earlier of a 40-year period or upon remediation of the land. The agreement grants the Company access to a portion of the tailings surface area. The annual rental is 9.5 million Czech Koruna ($638), adjusted for inflation based on the average annual Czech consumer price index for the 12 months of the previous calendar year. The land rental agreement was effective July 1, 2022.

13. Outstanding Share Data

The Company's authorized share capital consists of an unlimited number of common shares without par value. The following common shares, stock options and warrants were outstanding at December 18, 2025:

	Number of securities
Issued and outstanding common shares	142,804,504
Share purchase options	11,046,482
Warrants	89,438,868

14. Proposed Transactions

At September 30, 2025, there is no proposed asset or business acquisition or disposition being considered that would affect the financial condition, financial performance or cash flows of the Company.

15. Significant Accounting Policies, Estimates and Judgments

Basis of preparation and accounting policies

The Company's annual consolidated financial statements were prepared in accordance with IFRS Accounting Standards. Detailed description of the Company's significant accounting policies can be found in Note 3 of the September 2025 Financial Statements. The impact of future accounting pronouncements is disclosed in Note 3 of the September 2025 Financial Statements.

Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Areas of judgment and key sources of estimation uncertainty that have the most significant effect are disclosed in Note 3 of the September 2025 Financial Statements.

16. Financial Instruments and Financial Risk Management

A description of the Company's financial instruments and financial risks that the Company is exposed to and management of these risks can be found in Notes 11 and 12, respectively, of the September 2025 Financial Statements.

17. Internal Controls over Financial Reporting and Disclosure Controls and Procedures

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence that: (i) the consolidated financial statements for the year ended September 30, 2025, do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made; and (ii) the consolidated financial statements for the year ended September 30, 2025, fairly present in all material respects the financial condition, results of operations and cash flow of the Company.

There was no change in the Company's internal controls over financial reporting that occurred during the year ended September 30, 2025, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

The Company’s management, under the supervision of the Chief Executive Officer ("CEO") and Interim Chief Financial Officer ("CFO") are responsible for establishing and maintaining adequate disclosure controls and procedures. Disclosure controls and procedures are designed to provide reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to the CEO and CFO during the reporting period. The Company’s CEO and CFO believe that the Company’s disclosure controls and procedures are effective in providing reasonable assurance that information required to be disclosed under applicable securities regulations is recorded, processed, summarized and reported within the time periods specified in the securities legislation.

There was no change in the Company's disclosure controls and procedures that occurred during the year ended September 30, 2025, that has materially affected, or is reasonably likely to materially affect, the Company's disclosure controls and procedures.

Limitations of Controls and Procedures

The Company's management, including the President and Chief Executive Officer and Interim Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

18. Forward-Looking Statements and Risks Notice

Certain statements in this MD&A 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 Euro Manganese Inc. (the “Company”), its Chvaletice Manganese Project, its proposed Bécancour 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.

Regarding the Chvaletice Manganese Project, results of the Feasibility Study constitutes forward-looking information or statements, including but not limited to estimates of 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, statements about the optimization program any expected efficiencies, the anticipated timing of various regulatory approvals, statements regarding the ability of the Company to obtain remaining surface rights and various permits, the ability to enter into offtake agreements with potential customers, ability to gain any benefits from testing of its products, the benefits of remediating the historic tailings areas, the ability of the Company to meet the conditions of its secured financing, the growth and development of the high purity manganese products market, the desirability of the Company’s products, any anticipated changes in battery chemistries and associated cost benefits for chemistries using manganese, the ability to benefit from growth in energy storage solutions, any expected benefits from companies diversifying away from a single source of supply of battery materials, the growth of the EV industry, the use of manganese in batteries, the manganese project supply line, support from European financial institutions, any anticipated benefits from strategic project or strategic project status or other legislation, and the Company’s ability to sustain sufficient working capital and obtain financing.

Forward-looking statements in connection with the Bécancour Project include, but are not limited to, statements concerning the Company’s plans for advancing the Bécancour Project and results of the Scoping Study including estimates of internal rates of return, net present values, and estimates of costs. Such forward-looking information or statements also include, but are not limited to, statements regarding anticipated completion of the Bécancour feasibility study, the Company’s ability to acquire the Bécancour land parcel, the Company’s estimated engineering/construction timelines to build the Bécancour Project and ability to arrange necessary infrastructure, the Company’s ability to provide HPEMM feedstock to the Bécancour Project from the Chvaletice Project and source other feedstock, the technical capability of the Bécancour Project and the Company’s ability to operate the Bécancour Project and produce both HPMSM products and any associated cash flow and timelines for cash flow, the projected growth of the North American demand for high-purity manganese products, any benefits of legislation, the Company’s ability to secure offtake agreements from North American customers, the Company’s ability to raise the necessary financing, and the timing of any permit application submissions and approvals and continuing successful cooperation with the W8banaki Nation.

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 for the Chvaletice Project, lack of sufficient funding; the inability to meet conditions under the Company’s secured credit facility and risks related to granting security; poor market conditions; the inability to develop adequate processing capacity and production; the availability of equipment, facilities, and suppliers

18. Forward-Looking Statements and Risks Notice (continued)

necessary to complete development; risks and uncertainties related to the ability to obtain, amend, or maintain necessary licenses, or permits, risks related to acquisition of surface rights; the potential for unknown or unexpected events to cause contractual conditions to not be satisfied; the failure of parties to contract with the Company to perform as agreed; risks and uncertainties related to the accuracy of mineral resource and reserve estimates, variations in rates of recovery and extraction, the price of HPEMM and HPMSM; the inability to secure offtake agreements; delays in progressing work under the Engineering, Procurement, Construction Management ("EPCM") contract; results from optimization program not being favorable, and changes in project parameters as plans continue to be refined. For the Bécancour Project, factors include, among other things: assumptions in the scoping study not proving accurate over time and negatively affecting results; an inability to obtain financing, unanticipated operational difficulties including failure of the Bécancour Project; inability to secure offtake agreements; a delay or inability to obtain or maintain necessary licenses or permits; the potential for unknown or unexpected events to cause contractual conditions to not be satisfied; inability to complete feasibility study or other technical studies or unexpected results; and risks and uncertainties related to limited feedstock supply options.

Additional factors that could cause results or events to differ materially from current expectations include risks related to developments in EV battery markets and chemistries and decreasing demand for manganese; 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 working conditions, accidents or labour disputes; social unrest or war; the possibility that future results will not be consistent with the Company's expectations; increase in competition; risks related to fluctuations in currency exchange rates, changes in laws or regulations; and regulation by various governmental agencies and changes or deterioration in general economic conditions.

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. For the Chvaletice Manganese Project, these assumptions include, among others: the ability of the Company to meet the conditions under the Convertible Loan facility and advance the Chvaletice Manganese Project; the ability to sustain working capital and obtain financing; the presence of and continuity of manganese at estimated grades; the ability of the Company to obtain all necessary land access rights and permits; the availability of personnel, machinery, and equipment at estimated prices and within estimated delivery times, and the advancement the Chvaletice Manganese Project with favorable economics. For the Bécancour Project, assumptions include demand for products develops as anticipated, that customers and other counterparties perform their contractual obligations, that operating and capital plans will not be disrupted by issues like lack of availability of personnel, machinery, equipment, there are no material variations in costs, successful completion and positive outcome of the feasibility study, and that the Company will be successful in securing offtake agreements and obtain required environmental and other permits. In addition, general assumptions include currency exchange rates; manganese sales prices; 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; success in realizing proposed operations; and favorable regulatory environment.

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, 2025, available on the Company's SEDAR+ profile at www.sedarplus.ca.

Although the forward-looking statements contained in this MD&A 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 MD&A 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 MD&A.