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2025 ANNUAL REPORT

ARBN 627 968 567



Euro Manganese High Purity Electrolytic Manganese Metal and Manganese Sulphate Monohydrate

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CORPORATE DIRECTORY

Board of Directors	Richard Anthon	Non-Executive Chair
	John Webster	Non-Executive Director
	David B. Dreisinger	Non-Executive Director
	Thomas M. Stepien	Non-Executive Director
	Ludivine Wouters	Non-Executive Director
	Martina Blahova	Director, President & Chief Executive Officer
Management	Martina Blahova	President & Chief Executive Officer
	Sherry Roberge	Interim Chief Financial Officer
	Laurel Petryk	Chief Legal Officer and Corporate Secretary
	Jan Votava	Managing Director, Mangan Chvaletice s.r.o.
	James Fraser	Vice President Commercial
Incorporation Details	*Business Corporations Act* (British Columbia)	
Registered Office	Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 Canada	
Head Office	#709 - 700 West Pender Street, Vancouver, British Columbia, V6C 1G8 Canada	Tel: + 1 604 681 1010
Website **e-mail**	www.mn25.ca info@mn25.ca	
Share Registry	Australia: Computershare Investor Services Pty Limited Level 4, 44 Martin Place Sydney NSW 2000, Australia	Canada: Computershare Investor Services Inc. 510 Burrard Street, 3rd Floor Vancouver, British Columbia V6C 3B9 Canada
Legal Counsel	Australia: MinterEllison Level 40, Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000 Australia	Canada: Stikeman Elliott LLP Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 Canada
Auditors	PricewaterhouseCoopers LLP 250 Howe Street, Suite 1400, Vancouver, British Columbia V6C 3S7 Canada	

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LETTER TO SHAREHOLDERS

Dear shareholders,

The 2025 year was an important year for Euro Manganese, as we achieved a series of technical, regulatory, commercial, and financial milestones that collectively validate the Chvaletice Manganese Project (the Project) as a strategic cornerstone of Europe's energy transition supply chain.

Strategic Recognition and Government Endorsement

In the first quarter of 2025, Euro Manganese reached two key regulatory milestones. The Company secured its Mining Lease Permit, granting exclusive and perpetual rights to extract manganese from the Chvaletice tailings — a critical condition for final development and shortly thereafter, the Czech Government declared the Project a Strategic Deposit. These advances were quickly followed by the European Union's designation of the Project as a Strategic Project under the Critical Raw Materials Act.

During this year, we have made significant progress in our engagement with the EU, expanding long-standing and constructive engagement with the various levels of Czech government and local authorities. We joined other strategic projects in engaging the European Commission as it shaped its new RESourceEU policy for critical raw materials, announced in December 2025. The RESourceEU Action Plan aims to secure access to critical raw materials for European industry by mobilising EUR 3 billion in funding, accelerating project development and streamlining and simplifying permitting. Recognition of the strategic importance of the Project to European industrialisation and strategic autonomy positions Euro Manganese well to access EU funding in the context of RESourcesEU initiatives.

Strengthened Capital Position and Shareholder Support

Euro Manganese's funding initiatives throughout the 2025 year strengthened its balance sheet and expanded its global investor base. In May 2025, the Company completed a C$11.2 million (~A$12.3 million) financing, anchored by the European Bank for Reconstruction and Development raising its holding to 17.48%, and supported by demand from new and existing institutional investors, including notable investment by Eric Sprott.

Leadership Renewal and Governance Stability

In April 2025, I was honoured to accept the Board's invitation to serve as Chairman, succeeding John Webster, whose guidance through the Company's foundational period was invaluable. In May, the Board appointed Martina Blahova as permanent President and CEO, recognising her exceptional leadership through the CMP's permitting and financing milestones. Further strengthening our financial governance, Martina was also appointed to the Board in July 2025.

Commercial Progress and Offtake Momentum

This year also saw meaningful traction in customer engagement. In June 2025, Euro Manganese signed a Letter of Intent with Integrals Power Limited , a UK-based developer of high-performance Lithium Iron Phosphate and Lithium Manganese Iron Phosphate battery technologies, for a test program to determine the compatibility of the Project's high-purity manganese sulphate monohydrate and a term sheet to supply product to Integral Power for an initial period of seven years from first commercial production.

We continue to progress advanced discussions with other European and global cathode and battery manufacturers seeking secure, traceable, and low-carbon manganese supply from within the EU.

Technical Advancement and Optimisation Program

With the Demonstration Plant having validated the Project's flowsheet, Euro Manganese initiated a comprehensive Optimisation Program in late 2025 to further improve operating and capital efficiency. The program is focused on cost reductions, improved plant recoveries, optimized capital expenditures, and process control, with support from leading engineering consultants.

Early results confirm the robustness of our metal-route process and its unique flexibility to produce both High-Purity Electrolytic Manganese Metal and High-Purity Manganese Sulphate Monohydrate. This dual pathway positions the Project to adapt to evolving cathode chemistries using different manganese feedstocks across lithium-ion and sodium-ion batteries and to serve emerging defence and energy-storage applications.

We are confident that the Optimisation Program will deliver measurable reductions in unit operating costs and capital intensity while preserving our environmental and social standards.

Objectives for 2026

Looking ahead, our focus in 2026 is clear:

1. Completion of our Optimisation Study;
2. Delivering updated technical studies;
3. Completion of key site and construction permits;
4. Negotiation of additional offtake terms sheets and advancing to offtake agreements with battery and cathode manufacturers;
5. Securing strategic financing; and
6. Advancing toward the final investment decision

The groundwork laid in 2025 – through strategic endorsement, capital strengthening, and leadership renewal – positions Euro Manganese for a defining year ahead.

On behalf of the Board, I extend my deep gratitude to our management team, employees, and partners across the Czech Republic, Canada and Australia for their unwavering dedication. I also thank our shareholders for their continued support as we progress toward realising Europe's first domestic supply of high-purity manganese.

Together, we are powering the future with sustainable high-purity manganese – for the energy transition, for Europe's strategic independence and global diversification, and for our shared energy future.

Sincerely,

"*Richard Anthon*"
Chairman

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Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Euro Manganese Inc. (the "Company") were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The significant accounting policies of the Company are summarized in Note 3 to these consolidated financial statements.

Management has established processes that are in place to provide management with sufficient knowledge to support its opinion that it has exercised reasonable diligence such that (i) the consolidated financial statements 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, as of the date of and for the periods presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, the results of operations and cash flows of the Company, as of the date and for the period presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

18 December 2025

(Signed) ***"Martina Blahova"***

President and Chief Executive Officer

(Signed) ***"Sherry Roberge"***

Interim Chief Financial Officer

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CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024

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Management's Report
Euro Manganese Inc.

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of Euro Manganese Inc. (the "Company") were prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances. The material accounting policies of the Company are summarized in Note 3 to these consolidated financial statements.

The consolidated financial statements have been prepared by management on a going concern basis in accordance with IFRS Accounting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not exact since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects. Management has prepared the financial information presented elsewhere in the annual report and has ensured that it is consistent with that in the financial statements.

Management has established processes that are in place to provide management with sufficient knowledge to support its opinion that it has exercised reasonable diligence such that (i) the consolidated financial statements 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, as of the date of and for the periods presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, the results of operations and cash flows of the Company, as of the date and for the period presented by the consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

December 18, 2025

"Martina Blahova"
President and Chief Executive Officer

"Sherry Roberge"
Interim Chief Financial Officer

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Independent auditor's report

To the Shareholders of Euro Manganese Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Euro Manganese Inc. and its subsidiaries (together, the Company) as at September 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at September 30, 2025 and 2024;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in shareholders' equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to note 1 to the consolidated financial statements, which describes events or conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PricewaterhouseCoopers LLP
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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended September 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of exploration and evaluation assets *Refer to note 3 – Material accounting policies, estimates and judgments and note 5 – Exploration and evaluation assets to the consolidated financial statements.* The carrying value of mineral exploration and evaluation assets amounted to $6.8 million as at September 30, 2025. Management is required to assess exploration and evaluation assets for impairment indicators at each period end. In making the assessment, management is required to make judgments as to whether impairment indicators exist when assessing the following factors: (i) the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future, (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, and (iii) sufficient data exists to support that extracting the resources will not be technically feasible or commercially viable and facts and circumstances suggest that the carrying amount exceeds the recoverable amount.	Our approach to addressing the matter included the following procedures, among others: • Evaluated the reasonableness of management's assessment of indicators of impairment related to exploration and evaluation assets which included the following: – Obtained evidence to support (i) the right to explore the area and (ii) property licence expiration dates by reference to government registries. – Read Board of Directors' minutes and obtained budget approvals to evidence continued and planned substantive expenditure on further exploration for and evaluation of mineral resources. – Assessed whether sufficient data exists to support that extracting the resources will not be technically feasible or commercially viable and facts and circumstances suggest that the carrying amount of exploration and evaluation assets exceeds the recoverable amount, based on evidence obtained in other areas of the audit.

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Key audit matter	How our audit addressed the key audit matter
Management has determined that there were no impairment indicators present for the exploration and evaluation assets and as such, no impairment test was performed at September 30, 2025. We considered this a key audit matter due to (i) the significance of the mineral exploration and evaluation assets balance and (ii) the judgments made by management in its assessment of indicators of impairment related to mineral exploration and evaluation assets, which have resulted in a high degree of subjectivity in performing audit procedures related to these judgments applied by management.	

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Leonard Wadsworth.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
December 18, 2025

Consolidated Statements of Financial Position

Euro Manganese Inc.
(expressed in thousands of Canadian dollars)

	Note	September 30, 2025	(Restated) (Note 3) September 30, 2024
		$	$
ASSETS			
Current assets			
Cash and cash equivalents		**9,491**	9,364
Prepaid expenses		**260**	411
Accounts and other receivables		**572**	510
Taxes receivable		**76**	94
Inventory		**636**	573
Total current assets		**11,035**	10,952
Exploration and evaluation assets	5	**6,774**	6,774
Property, plant and equipment	6	**15,634**	19,485
Deferred transaction costs	8	**1,880**	1,880
Other assets	7	**1,455**	1,377
Total assets		**36,778**	40,468
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**3,161**	2,822
Due to related parties	10	**53**	33
Lease liability		**128**	117
Convertible Loan	8	**30,577**	27,541
Total current liabilities		**33,919**	30,513
Lease liability		**11**	140
Total liabilities		**33,930**	30,653
EQUITY			
Share capital	9	**88,348**	78,733
Reserves	9	**10,622**	10,032
Other comprehensive income		**448**	34
Deficit		**(96,570)**	(78,984)
Total shareholders' equity		**2,848**	9,815
Total liabilities and shareholders' equity		**36,778**	40,468

Going Concern (Note 1)
Events After the Reporting Period (Note 8)

Approved on behalf of the Board of Directors on December 18, 2025.

"Martina Blahova"
Martina Blahova, President and CEO

"John Webster"
John Webster, Director

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Statements of Loss and Comprehensive Loss

Euro Manganese Inc.

(expressed in thousands of Canadian dollars, except share and per share amounts)

	Note	Year ended September 30, 2025 $	2024 $
Revenue		**4,387**	3,217
Cost of goods sold	6, 17	**(5,126)**	(3,776)
Gross loss		**(739)**	(559)
Operating Expenses			
Chvaletice Project evaluation	6, 18	**(6,810)**	(8,340)
Other evaluation		**(8)**	(95)
Corporate and administrative	6, 19	**(3,714)**	(6,236)
Loss on disposal of property, plant and equipment		**-**	(4)
Foreign exchange loss		**(735)**	(134)
Operating loss		**(12,006)**	(15,368)
Gain on derivative instruments	8	**1,008**	316
Modification loss on convertible loan facility	8	**(2,347)**	-
Interest income		**161**	420
Finance expense	8	**(4,257)**	(3,605)
Loss before income tax		**(17,441)**	(18,237)
Income tax expense	16	**(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)
Loss per common share:			
Basic and diluted		**(0.17)**	(0.23)
Weighted average number of common shares			
Basic and diluted		**101,859,414**	80,533,847

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Statements of Changes in Shareholders' Equity

Euro Manganese Inc.

(expressed in thousands Canadian dollars, except share amounts)

	Share Capital	Share Capital	Reserves	Other Comprehensive Income	Deficit	Shareholders' Equity
	#	$	$	$	$	$
Balance at September 30, 2023	80,533,847	78,733	9,024	-	(60,657)	27,100
Share-based compensation	-	-	1,008	-	-	1,008
Net loss for the year	-	-	-	-	(18,327)	(18,327)
Currency translation	-	-	-	34	-	34
Balance at September 30, 2024	**80,533,847**	**78,733**	**10,032**	**34**	**(78,984)**	**9,815**
Shares issued	62,270,657	11,076	-	-	-	11,076
Share issuance costs	-	(1,152)	-	-	-	(1,152)
Broker warrants issued in private placement	-	(309)	309	-	-	-
Warrants issued	-	-	1,204	-	-	1,204
Share-based compensation	-	-	(923)	-	-	(923)
Net loss for the year	-	-	-	-	(17,586)	(17,586)
Currency translation	-	-	-	414	-	414
Balance at September 30, 2025	**142,804,504**	**88,348**	**10,622**	**448**	**(96,570)**	**2,848**

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Statements of Cash Flows

Euro Manganese Inc.

(expressed in thousands of Canadian dollars)

	Note	Year ended September 30, 2025 $	2024 $
Operating activities			
Loss for the year		**(17,586)**	(18,327)
Items not affecting cash:			
Share-based compensation	9	**(923)**	1,008
Transaction costs on land deposit		**-**	24
Depreciation	6	**3,903**	2,598
Loss of disposal of property, plant and equipment		**-**	4
Finance expense	8	**4,257**	3,599
Gain on derivative instruments	8	**(1,008)**	(316)
Unrealized foreign exchange loss (gain)		**861**	(362)
Interest income		**(161)**	(420)
Modification loss on convertible loan facility		**2,347**	-
		(8,310)	(12,192)
Changes in non-cash working capital items:			
Prepaid expenses		**141**	125
Accounts and other receivables		**187**	912
Taxes receivable		**18**	(94)
Inventory		**(63)**	(96)
Accounts payable and accrued liabilities		**25**	(2,234)
Due to related parties		**20**	(6)
Cash used in operating activities		**(7,982)**	(13,585)
Investing activities			
Purchase of property, plant & equipment	6	**(19)**	(4,205)
Proceeds from sale of equipment		**-**	64
Deposit for land acquisition		**(68)**	-
Cash used on acquisition of EPCS	4	**-**	(4,265)
Cash acquired on acquisition of EPCS	4	**-**	887
Interest received		**161**	611
Cash provided by (used in) investing activities		**74**	(6,908)
Financing activities			
Proceeds from shares issued	9	**11,076**	-
Proceeds from convertible loan	8	**-**	25,973
Share issuance costs	9	**(1,087)**	-
Transaction costs paid on convertible loan	8	**(339)**	(1,790)
Interest paid on convertible loan	8	**(1,829)**	(1,922)
Lease payments		**(134)**	(276)
Cash provided by financing activities		**7,687**	21,985
Effect of exchange rate on changes in cash and cash equivalents		**348**	222
Increase in cash and cash equivalents		**127**	1,714
Cash and cash equivalents - beginning of year		**9,364**	7,650
Cash and cash equivalents - end of year		**9,491**	9,364

The accompanying notes are an integral part of these consolidated financial statements.

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1. Nature of Operations and Going Concern

Euro Manganese Inc. (the "Company" or "EMN") was incorporated under the British Columbia Business Corporations Act on November 24, 2014. The Company's corporate offices are located at Suite 709, 700 West Pender Street, Vancouver, B.C., Canada, and its registered office is located at Suite 1700, 666 Burrard Street, Vancouver, B.C., Canada. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") and on the OTC Venture Market ("OTCQB") under the symbols "EMN.V" and "EUMNF", 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".

The Company is the developing the Chvaletice Manganese Project (the "Project"), in which the Company has a 100% ownership interest. The Project involves the reprocessing of a readily leachable manganese deposit hosted in the tailings of a decommissioned mine in the Czech Republic. In 2023, the Company acquired 100% of EP Chvaletice s.r.o.("EPCS"), a Czech operating company, whose current operations are the fabrication of specialty steel products, and its principal asset is a large parcel of industrial zoned land adjacent to the Project, where the Company proposes to develop its high-purity manganese processing facility. The EPCS operations will continue until certain commercial plant site works for the Project commence. 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 in both Europe and Canada.

As an early-stage development company, it has no material operating revenues and is unable to self-finance its operations. During the year ended September 30, 2025, the Company incurred a net loss of $17,586 and used $7,982 cash in operating activities. As at September 30, 2025, the Company's working capital deficit (current assets less current liabilities) was $22,884. On December 11, 2025, the Company announced amendments to the Funding Package provided by Orion (Note 8). 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 anticipates continued operating losses while advancing the Project. 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 Project but there can be no assurances that such financing will be available on acceptable terms. 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. These consolidated financial statements have been prepared on a going concern basis in accordance with IFRS Accounting Standards, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. 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.

Basis of Preparation

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

These consolidated financial statements were prepared by management and approved by the Board of Directors of the Company (the “Board”) on December 18, 2025.

2.2 Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value.

2.3 Principles of consolidation

These consolidated financial statements incorporate the accounts of the Company and the entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated financial statements include the accounts of the Company's subsidiaries from the date of control commences until the date that control ceases. The financial results of its wholly-owned subsidiary, Mangan Chvaletice s.r.o. ("Mangan") and North American Manganese Inc. (“NAM’), are included in the consolidated financial statements for both periods presented and the results of EPCS are included from the date of its acquisition by the Company on December 28, 2023 (Note 4). All significant intercompany transactions and balances have been eliminated on consolidation.

2.4 Share consolidation

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, share options and all per share dollar figures in these financial statements are presented on a post-consolidation basis.

2.5 Reclassification of prior period presentation

Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no material effect on the reported statement of loss and comprehensive loss, the statement of cash flows or the statement of shareholders’ equity.

3. Material Accounting Policies, Estimates and Judgments

3.1 Foreign currency translation

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and Mangan. The functional currency of the Company's subsidiary EPCS is the Czech Koruna (“CZK”).

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3. Material Accounting Policies, Estimates and Judgments (continued)

Transactions in foreign currencies are initially recorded in the entity's functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange prevailing at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value is determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

Assets and liabilities of the subsidiary, EPCS, are translated into Canadian dollars at the exchange rate in effect on the date of the statement of the financial position. Gains, expenses and equity items are translated at the exchange rates approximating those in effect on the date of the transactions. Gains and losses from these translations are recognized in accumulated other comprehensive income.

3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

3.3 Inventory

Inventory consists of materials and supplies. Materials and supplies expected to be used in operations are valued at the lower of weighted average cost or net realizable value, reduced by an amount to take into account any impairment caused by obsolescence, deterioration, damage or other factors. If the circumstances that previously caused impairment are mitigated, the provision for impairment is reversed to the lesser of the new determination of net realizable value or original cost. Impairment provisions for inventory and any subsequent reversal are included as part of net loss in the consolidated statement of loss and comprehensive loss.

3.3 Exploration and evaluation costs

Mineral exploration and evaluation costs include costs to acquire the rights to explore, geological studies, exploratory drilling and sampling, royalty buy back costs, operation of the demonstration plant and directly attributable management costs. Exploration and evaluation expenditures with the exception of acquisition costs, are charged to profit or loss in the period in which they are incurred. Acquisition costs are capitalized to exploration and evaluation assets and classified as non-current. Costs related to the acquisition of mineral properties are capitalized on a property-by-property basis until such a time as the property is placed in production, sold, abandoned or determined to be impaired.

Once it is probable that future economic benefits will flow to the Company, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment. The following criteria are used to assess the economic recoverability and probability of future economic benefits:

i. Viability: a Proven and/or Probable Mineral Reserve has been established that demonstrates a positive financial return providing the ability to finance the project; and
ii. Authorizations: necessary permits, access to critical resources and environmental programs exist or are reasonably obtainable.

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3. Material Accounting Policies, Estimates and Judgments (continued)

Proceeds from the sale of properties or projects, or cash proceeds received from option payments, are recorded as a reduction of the cost of the related mineral interest.

3.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Assets in the course of construction are capitalized as construction in progress. On completion, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences when the asset is available for its intended use. The carrying amount of a replaced asset is derecognized when replaced. The carrying values of property, plant and equipment are depreciated using the straight-line depreciation method based on their expected useful life as follows:

Land	Not depreciated
Buildings	Straight line basis over 25 years
Buildings - EPCS	Straight line basis over 2 years
Demonstration plant	Straight line basis over 3 years
Office furniture and equipment	Straight line basis over 3 years
Right-of-use assets	Straight line over the term of the lease

The Company allocates the amount initially recognized in respect of an item of property, plant and equipment to its significant parts and separately depreciates each part. Residual values, method of amortization, and useful lives of the assets are reviewed annually and adjusted if appropriate. Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains and losses in the statement of comprehensive loss.

Amounts received from selling items produced while preparing the asset for its intended use are not deducted from the cost of property, plant and equipment. Instead, amounts received are recognized as sales proceeds and the related cost is recognized in the statement of profit or loss.

3.5 Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

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3. Material Accounting Policies, Estimates and Judgments (continued)

The Company recognizes a right-of-use ("ROU") asset and a lease liability at the lease commencement date. The ROU asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU assets are subsequently depreciated to the earlier of the end of the useful life of the ROU asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits. The ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

Lease payments included in the measurement of the lease liability comprise: fixed payments; variable lease payments that depend on an index or a rate; amounts expected to be payable under any residual value guarantee, and the exercise price under any purchase option that the Company would be reasonably certain to exercise; lease payments in any optional renewal period if the Company is reasonably certain to exercise an extension option; and penalties for any early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company does not recognize ROU assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to the statement of loss on a straight-line basis over the lease term.

3.6 Asset Retirement Obligation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development and ongoing production of a mineral interest by or on behalf of the Company. Costs for restoration of site disturbances are initially recognized and recorded as a provision based on estimated future cash flows discounted at a risk-free rate. These asset retirement obligations are adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the discount rate.

The asset retirement obligation is also accreted to full value over time through periodic charges to profit or loss. The amount of the asset retirement obligation initially recognized is capitalized as part of the related asset's carrying value. The method of depreciation follows that of the underlying asset. As at September 30, 2025 and 2024 the Company does not have any asset retirement obligations.

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3. Material Accounting Policies, Estimates and Judgments (continued)

3.7 Impairment of non-financial assets

At each financial position reporting date, the carrying amounts of the Company's non-current non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. The recoverable amount is the higher of fair value less costs of disposal and the value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arms-length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the prevailing market assessment of the time-value of money and the risks specific to the asset. Future cash flows are based on forecast estimates of production, product prices, and operating, capital, and reclamation costs.

Assumptions underlying future cash flow estimates are subject to risks and uncertainties. Any differences between assumptions used and actual market conditions and the Company's performance, could have a material effect on the Company's financial position and results of operations.

Impairment is normally assessed at the level of cash generating units, which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the consolidated statement of loss and comprehensive loss for the period.

When an impairment loss reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, provided such revised estimate does not exceed the carrying value of the asset less depreciation that would have been recorded had the asset not been impaired. A reversal of an impairment loss is recognized immediately in the consolidated statement of loss and comprehensive loss.

3.8 Revenue

Revenue from contracts with customers is recognized when a customer obtains control of the goods and performance obligations are satisfied. In the case of specialty steel products from EPCS, the performance obligations are satisfied based on customers' acceptance of the products.

3.9 Share-based compensation

Where equity-settled share-based payments are granted to employees, the fair value of the payments is measured using the Black-Scholes or other option pricing models, at the date of grant, and expensed over the vesting period using the graded vesting method. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of equity instruments that eventually vest. Charges for options that are forfeited before vesting are reversed from equity reserves.

Where equity-settled share-based payments are granted to non-employees, they are measured at the fair value of the goods or services received. However, if the value of goods or services received in exchange for the share-based payments cannot be reliably estimated, they are measured using the Black-Scholes option pricing model.

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3. Material Accounting Policies, Estimates and Judgments (continued)

All equity-settled share-based payments are reflected in equity reserves, until exercised. Upon exercise, shares are issued and the amount reflected in equity reserves is credited to share capital, together with any consideration received.

3.10 Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the consolidated statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity.

Current tax is the expected tax payable or recoverable on the taxable income for the period, using tax rates enacted or substantially enacted at the end of the reporting period.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantially enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized only to the extent where it is probable that the future taxable profits or capital gains of the relevant entity or group of entities in a particular jurisdiction will be available, against which the assets can be utilized. Deferred tax assets and liabilities, where recognized, are presented as non-current.

3.11 Financial instruments

The Company's financial instruments consist of cash and cash equivalents, accounts and other receivables, accounts payable and accrued liabilities, due to related parties, and liabilities for land deposits.

i) Classification

Classification of financial instruments is determined at initial recognition.

A financial asset is classified as measured at: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. The derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification. The Company's cash and cash equivalents and accounts and other receivables are classified as measured at amortized cost.

A financial liability is measured at amortized cost, unless it is required to be measured at FVTPL such as instruments held for trading or derivatives, or the Company opted to measure the liability as FVTPL. The derivative liability related to the convertible loan facility is measured at FVTPL. The Company's accounts payable and due to related parties are classified as measured at amortized cost.

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3. Material Accounting Policies, Estimates and Judgments (continued)

ii) Measurement

Financial assets and liabilities at FVTPL - Financial assets and liabilities at FVTPL are initially recognized at fair value and transaction costs are expensed in the consolidated statement of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets or liabilities held at FVTPL are included in the consolidated statement of loss in the period in which they arise. Where the Company has opted to designate a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income ("OCI").

Financial assets at FVOCI - Investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes from initial recognition recognized in OCI.

Financial assets and liabilities at amortized cost - Financial assets and liabilities at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

iii) Impairment of financial assets

An expected credit loss ("ECL") model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The Company uses the simplified approach to measuring the ECL by using a lifetime expected loss allowance for all trade receivables.

iv) Derecognition

Financial assets are derecognized when the investments mature or are sold, and substantially all the risks and rewards of ownership have been transferred. A financial liability is derecognized when the obligation under the liability is discharged, canceled or expired. Gains and losses on derecognition are recognized within finance income and finance costs, respectively. Gains or losses on financial assets classified as FVOCI remain within accumulated OCI.

v) Fair value of financial instruments

The fair values of quoted investments are based on current prices. If the market for a financial asset is not active, the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the financial asset's specific circumstances.

3.12 Related party transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties.

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3. Material Accounting Policies, Estimates and Judgments (continued)

3.13 Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period. Diluted loss per share is calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. If the Company incurs a net loss in a fiscal period, basic and diluted loss per share are the same.

3.14 Accounting for government grants and disclosure of government assistance

A forgivable loan is treated as a government grant when there is reasonable assurance that the entity will meet the terms for forgiveness of the loan. The benefit of a government loan at a below-market rate of interest is treated as a government grant which is recognized and measured in accordance with IFRS 9. The benefit of the below-market rate of interest is the difference between the initial carrying value of the loan, discounted over the term of the loan using the incremental borrowing rate for the Company and the proceeds received.

3.15 Business combinations

A business combination is an acquisition of assets and liabilities that constitute a business whereby the Company obtains control of the business. A business is an integrated set of activities and assets that consist of inputs and processes, including a substantive process that, when applied to those inputs, have the ability to create or significantly contribute to the creation of outputs that generate investment income or other income from ordinary activities.

Business combinations are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase consideration over such fair value being recorded as goodwill. Non-controlling interest in an acquisition may be measured at either fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net identifiable assets. The excess of (i) total consideration transferred by the Company, measured at fair value, including contingent consideration, and (ii) the non-controlling interests in the acquiree's, over the acquisition-date fair value of the net of the assets acquired and liabilities assumed, is recorded as goodwill. If the fair value attributable to the Company's share of the identifiable net assets exceeds the cost of acquisition, the difference is recognized as a gain in the consolidated statement of operations.

Should the consideration be contingent on future events, the preliminary cost of the acquisition recorded includes management's best estimate of the fair value of the contingent amounts expected to be payable. Provisional fair values allocated at the reporting date are finalized within one year of the acquisition date with retroactive restatement to the acquisition date as required. Transaction costs, other than those associated with the issue of debt or equity securities, which the Company incurs in connection with a business combination, are expensed as incurred.

The Company has an option to apply a 'concentration test' to assess whether an acquired set of activities and assets are not a business. If substantially all of the fair value of the gross assets acquired are concentrated in a single, identifiable asset or group of similar identifiable assets, the concentration test is met, and the transaction is accounted for as an asset acquisition. In such cases, the acquirer identifies and recognizes the individual identifiable assets acquired and liabilities assumed. The cost of the net assets is allocated to the individual identifiable assets and liabilities on the basis of their fair values at the date of purchase. Such a transaction or event will not give rise to goodwill. Acquisition-related costs in an asset acquisition are recognized as part of the cost of the assets acquired.

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3. Material Accounting Policies, Estimates and Judgments (continued)

3.16 Critical Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards 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. The estimates and the underlying assumptions are based on the judgment of management, including historical experience and other factors that management believes to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. A revision to an accounting estimate is recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both the current and future periods.

The following are critical judgments and estimates that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

a) Management is required to assess exploration and evaluation assets for impairment indicators at each period end. The impairment indicators are defined in IFRS 6 *Exploration for and Evaluation of Mineral Resources* ("IFRS 6"). In making the assessment, management is required to make judgments as to whether impairment indicators exist when assessing the following factors: the period during which the entity has the right to explore in the specific area has expired during the year or will expire in the near future, substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, sufficient data exists to support that extracting the resources will not be technically feasible or commercially viable and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The nature of exploration and evaluation activity is such that only a small proportion of projects are ultimately successful, and some assets are likely to become impaired in future periods.

   Management has determined that there were no impairment indicators present for the exploration and evaluation assets and as such, no impairment test was performed at September 30, 2025.

b) In assessing the Convertible Loan Facility (Note 8), management identified an extension and conversion option embedded derivative within the convertible debt. The derivative is required to be revalued at each period end with the movements recorded as gains or losses in the statement of loss and comprehensive loss. Significant estimates and judgments were used such as the expected future high purity manganese prices and the probability of the debt being extended or converted.

3.17 Recent Accounting Pronouncements

The IASB issued an amendment to IAS 1, *Presentation of Financial Statements*, that clarifies that the classification of liabilities as current or non-current depends on the rights existing at the end of the reporting period as opposed to the expectations of exercising the right for settlement of the liability. The amendments were effective January 1, 2024 and have been applied retrospectively. Under previous IAS 1 requirements, companies classified a liability as current when they did not have an unconditional right to defer settlement for at least 12 months after the reporting date. The IASB removed the requirement for a right to be unconditional and instead now requires that a right to defer settlement must exist at the reporting date and have substance.

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3. Material Accounting Policies, Estimates and Judgments (continued)

The Company adopted these amendments effective October 1, 2024, applied them retrospectively as required by the transitional provisions of the amendments.

Amendments to IAS 1 resulted in a reclassification of Convertible Loan Facility (Note 8) from non-current liabilities to current liabilities as at September 30, 2024. Under the originally issued Convertible Loan Facility, the holder could convert the Convertible Loan Facility into the royalty at any time. Under the terms of the amended Convertible Loan Facility, the holder has the right to convert the Convertible Loan Facility into a royalty after November 28, 2025. The conversion of the Convertible Loan Facility into a royalty would be considered a settlement under the amendments to IAS 1. As a result, the Company did not have the right to defer settlement of the Convertible Loan Facility for more than 12 months after the end of the reporting periods.

A statement of financial position as at October 1, 2023 was excluded as the Convertible Loan Facility was not issued until subsequent to October 1, 2023. There was no impact on the statement of loss, statement of equity, and statement of cash flows for the year-ended September 30, 2024.

3.18 New Accounting Standards Issued But Not Yet Effective

The International Accounting Standards Board has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 which are effective for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flow changes are linked to environmental, social or governance targets).

IFRS 18, Presentation and Disclosure in Financial Statements, ("IFRS 18") is a new standard that will provide new presentation and disclosure requirements, and which will replace International Accounting Standard ("IAS") 1, Presentation of Financial Statements. IFRS 18 introduces changes to the structure of the statement of income; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted.

The Company is currently assessing the impact of the new and amended standards.

4. Acquisition of EP Chvaletice s.r.o.

On August 13, 2018, the Company, through its Czech subsidiary Mangan, entered into an option agreement to acquire 100% interest in EPCS, 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.

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4. Acquisition of EP Chvaletice s.r.o. (continued)

The Company paid an aggregate amount of $8,682 from October 17, 2018, to December 28, 2023 for the purchase of EPCS. The option payments made prior to the acquisition of EPCS were a derivative classified as fair value through profit or loss ("FVTPL"). On acquisition of EPCS, on December 28, 2023, the option was revalued based on a third party valuation of acquired assets at $8,998, resulting in $316 increase in the value of the option. The acquisition was accounted for as a purchase of assets as it met the concentration test under IFRS 3, *Business Combinations*.

The final purchase price consideration was as follows:

	$
Cash paid including option payments	8,682
Revaluation of derivative	316
Net working capital adjustment	1,777
	10,775

The purchase price was allocated based on the fair value of the assets acquired and liabilities assumed as follows:

	$
Cash and cash equivalents	887
Accounts receivable	1,244
Prepaids and other	14
Inventory	477
Equipment	407
Buildings	4,181
Land	4,396
Accounts payable and accrued liabilities	(457)
Income tax and other taxes payable	(291)
Operating lease liabilities	(83)
	10,775

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. 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 (equipment and vehicles) was based on historical prices, reflecting the technical value and saleability factor.

5. Exploration and Evaluation Assets

As at September 30, 2025, the Company holds a 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.

The exploration and evaluation assets will be tested for impairment and then reclassified to mineral property and development assets within property, plant and equipment once the Company has secured access to all required land parcels for the Chvaletice Manganese Project and has obtained certain agreements with customers confirming the economic viability and secured all necessary permits and funding.

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6. Property, Plant and Equipment

	Assets under construction	Building, Plant and Equipment	Land	Lease assets	Total
	$	$	$	$	$
Cost					
September 30, 2023	7,858	179	333	604	8,974
Additions EPCS	-	4,588	4,396	-	8,984
Additions other	1,152	9	3,259	361	4,781
Disposals	-	(79)	-	(603)	(682)
Transfers	(9,010)	9,010	-	-	-
September 30, 2024	**-**	**13,707**	**7,988**	**362**	**22,057**
Additions	-	19	-	-	19
Disposals	-	(20)	-	-	(20)
Foreign exchange	-	44	-	-	44
September 30, 2025	**-**	**13,750**	**7,988**	**362**	**22,100**
Accumulated depreciation					
September 30, 2023	-	(126)	-	(462)	(588)
Depreciation	-	(2,366)	-	(232)	(2,598)
Disposals	-	11	-	603	614
September 30, 2024	**-**	**(2,481)**	**-**	**(91)**	**(2,572)**
Depreciation	-	(3,782)	-	(120)	(3,902)
Disposals	-	12	-	-	12
Foreign exchange	-	(4)	-	-	(4)
September 30, 2025	**-**	**(6,255)**	**-**	**(211)**	**(6,466)**
Carrying amount					
September 30, 2024	-	11,226	7,988	271	19,485
September 30, 2025	**-**	**7,495**	**7,988**	**151**	**15,634**

In the current year, depreciation of $1,469 (2024 - $1,237) was recorded to cost of goods sold, $2,309 (2024 - $1,235) to Chvaletice Project evaluation, and $124 (2024 - $126) to corporate and administrative.

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7. Other Assets

Other assets, representing deposits for land, are as follows:

		September 30, 2025	2025
		$	$
Land deposit for buffer zone and infrastructure corridor (tailings area)	i	**65**	65
Additional land deposit and rail spur extension (plant area)	ii	**427**	349
Deposit for land parcel within the Port of Bécancour	iii	**963**	963
		1,455	1,377

i) On May 11, 2019, the Company entered into a purchase agreement with the Municipality of Trnavka for a 2.96-hectare parcel of land adjacent to the Project tailings. The land will be used to construct a visual and acoustic barrier between the Municipality of Trnavka and the tailings area. The total purchase price for the land is CZK 2,027 ($126). As of September 30, 2025, the Company has paid CZK 1,115 ($65). The remaining balance of CZK 912 ($61) is payable over the period upon achievement of permitting milestones.

ii) On December 18, 2020, the Company entered into an agreement with Správa Nemovitostí Kirchdorfer CZ s.r.o. to acquire a parcel of land, including a rail spur extension, to provide additional space and flexibility for the Chvaletice commercial plant layout. The total purchase price for the land is Euro 726 ($1,137). As of September 30, 2025, the Company has paid Euro 272 ($427). The remaining balance of Euro 454 ($741) was payable on October 10, 2025. On October 10, 2025, the Company and Správa Nemovitostí Kirchdorfer CZ s.r.o. amended the original agreement to amend the October 10, 2025 payment to Euro 54 ($85) and defer Euro 399 ($656) to October 10, 2026. Subsequent to year-end, the Company paid Euro 54 ($85) on October 10, 2025.

iii) On December 16, 2022, the Company entered into an option agreement with The Société du parc industriel et portuaire de Bécancour (“SPIPB”), a Québec state enterprise and owner of a 15-hectare land parcel within Bécancour (the “Bécancour Option Agreement”), where the Company proposes to establish its North American facilities. The agreement grants the Company exclusive access to the land and the right to conduct due diligence. On September 30, 2024, the Company amended the agreement with SPIPB to acquire an 8-hectare property at the Port of Bécancour for total consideration of $5,111, with all prior payments applied against the purchase price. Closing is subject to conditions, including SPIPB approval of project plans and securing project financing.

At September 30, 2025, the Company had made payments totaling $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.

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8. Convertible Loan Facility

On November 28, 2023, the Company signed definitive agreements with a company managed by the Orion Resource Partners Group, (“Orion”) for US$100 million ($140 million) in financing (the "Funding Package") to advance the 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, at Orion's option, into a 1.29-1.65% royalty on Project revenues (the "Convertible Loan Facility"), with US$20 million ($28 million) received and an additional US$30 million ($42 million) to be received upon meeting certain milestones; and (b) US$50 million ($70 million) in exchange for a 1.93-2.47% royalty on Project 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").

The Convertible Loan Facility bears interest at 12% per annum, payable quarterly, and has a maturity of 36 months, which could be extended by Orion up to an additional 36 months. Under the Convertible Loan Facility, Orion could convert the Convertible Loan Facility into the royalty at any time, while the Company may force conversion into the royalty upon a successful completion test of the Project’s commercial plant.

In connection with the Funding Package, Orion was granted comprehensive security over the assets of Mangan and rights of the Project. Conditions precedent to the US$30 million ($42 million) tranche of the Convertible Loan Facility include completion of offtake agreements for 40% of the Project’s high-purity manganese production for the first five years of production and securing a strategic investor. Covenants and events of default include customary covenants and undertakings and events of default for a secured financing of this nature. These include, but are not limited to, completion of the key commercial agreements referred to above, securing a strategic investor, and completion of various technical milestones aligned with the Company’s progress to final investment decision, all subject to time limits.

In connection with the first tranche of the Convertible Loan Facility, the Company determined that Orion’s right to convert and/or extend the Convertible Loan Facility up to an additional 36 months met the definition of a financial derivative liability, which was separated, as it was not closely related to its debt host. Accordingly at inception, the US$20,000 ($25,973) gross proceeds were allocated as follows: $844 to the derivative liability at its estimated fair value with the residual of $25,129 to the debt host. In determining the estimated fair value of the separated derivative liability, the key inputs were the estimated royalty payments if converted, the expected future manganese prices, the production schedule, and the probability of the extension by Orion of the Convertible Loan Facility. These are level 3 in the fair value hierarchy (Note 11). The Company incurred transaction costs of $2,976, of which $1,880 was allocated to the US$80 million ($112 million) undrawn portion of the Funding Package and is deferred until drawn, $1,059 was allocated to the first tranche of the Convertible Loan Facility and is deferred and amortized using the effective interest method, and $37 was allocated to the derivative liability and was immediately recognized in the statement of loss.

In December 2024, the Company amended the terms of the Convertible Loan Facility 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% compounded interest on the outstanding loan and will issue warrants of the Company matching the same terms as for a future financing as if Orion had participated for US$2.8 million in that financing. The Company has also been 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. The prepayment right has been incorporated into the fair value measurement of the embedded derivative related to the conversion and extension features. 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).

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8. Convertible Loan Facility (continued)

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.

For accounting purposes, under IFRS 9, this has been treated as modification of debt as it was determined that the amendment was not a substantial modification, either qualitatively or quantitatively. As such, the carrying amount of the existing liability has been recalculated at the present value of the original effective interest rate less transaction costs of $339 incurred in relation to the modification. A loss of $989 has been included in the modification loss on convertible loan facility in the consolidated statement of loss and comprehensive loss.

As of the amendment date, the fair value of the Company's commitment to issue warrants was determined to be $Nil. On May 28, 2025, 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. The fair value of the warrants totaling $1,204, calculated using the Black-Scholes option pricing model, was recognized as an expense and included in the modification loss on convertible loan facility in the consolidated statement of loss and comprehensive loss.

As at September 30, 2025, the Company was in compliance with the covenants under the Convertible Loan Facility. On December 11, 2025, the Company announced amendments to the Funding Package provided by Orion (see Note 8). Under the amended terms, Orion extended the date by which certain milestones were required to June 30, 2026. In addition, Orion may, at its discretion, convert the outstanding amount drawn under the Convertible Loan Facility, together with accrued interest, into a royalty at any time, subject to the conditions outlined in the Convertible Loan Facility agreement (Note 1).

A summary of the Company's first tranche of the Convertible Loan Facility is as follows:

	Convertible Loan	Derivative Liability	Total
	$	$	$
September 30, 2023	-	-	-
Advances	27,162	-	27,162
Transaction costs	(1,059)	-	(1,059)
Initial recognition of derivative liability	(844)	844	-
Accretion	468	-	468
Interest accrued	2,725	-	2,726
Interest paid	(1,922)	-	(1,922)
Change in fair value of derivative liability	-	345	345
Foreign exchange gain	(175)	(3)	(178)
September 30, 2024	**26,355**	**1,186**	**27,541**
Accretion	199	-	199
Interest accrued	4,042	-	4,042
Interest paid	(1,829)	-	(1,829)
Transaction costs incurred for modification	(339)	-	(339)
Modification loss	1,143	-	1,143
Change in fair value of derivative liability	-	(1,008)	(1,008)
Foreign exchange loss	828	-	828
September 30, 2025	**30,399**	**178**	**30,577**

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9. Equity

a) Common shares

The Company has unlimited authorized common shares with no par value.

On May 28, 2025, the Company completed a financing package for total gross proceeds of $11,076 (Note 10), comprised of the following components:

- a private placement of 39,671,662 common shares, 14,906,688 CDIs and 54,578,350 warrants at a price of $0.18 per share (A$0.19 ($0.18) per CDI), for gross proceeds of $9,736;
- a share purchase plan offering 7,692,307 CDIs and 7,692,307 warrants at a price of A$0.19 ($0.18) per CDI, for gross proceeds of $1,340.

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. The proceeds from financing were allocated between the common shares, CDIs and the warrants using the residual value method. Under this method, the fair value of common shares and CDIs based on market price at the time of issuance amounted to $11,076. The residual value allocated to warrants was $nil.

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 fair value of the broker warrants was estimated at $309, using the Black-Scholes option pricing model (refer to Note 9(c) for inputs into the Black-Scholes option pricing model), and was recorded as a share issuance cost. The Company also incurred share issuance costs of $1,152.

b) Share options

The Company has a rolling share-based compensation plan (the “Plan”) allowing for the reservation of a maximum 10% of the common shares issued and outstanding at any given time for issuance under the Plan. Under the Plan, all share options are granted at the discretion of the Company’s Board. The term of any option granted may not exceed ten years and the exercise price may not be less than the market value of the Company shares at the date of the grant.

A continuity summary of the share options granted and outstanding under the Plan for the year ended September 30, 2025 and 2024, is presented below:

	Year ended September 30,			
	2025		2024	
	Number of share options	**Weighted average exercise price ($ per share)**	Number of share options	Weighted average exercise price ($ per share)
Balance, beginning of the year	**7,387,039**	**2.02**	7,699,517	2.05
Granted	**7,020,000**	**0.19**	-	-
Exercised	**-**	**-**	-	-
Expired	**(1,358,274)**	**2.30**	(143,605)	2.80
Forfeited	**(2,002,284)**	**2.84**	(168,873)	2.40
Balance, end of the year	**11,046,482**	**0.67**	7,387,039	2.02

9. Equity (continued)

During the year ended September 30, 2025, the Company recorded share-based compensation gain of $923 (2024 – share-based compensation expense of $1,008) of which share-based compensation expense $208 (2024 – $70) has been allocated to Chvaletice Project evaluation and share-based compensation gain of $1,131 (2024 – share-based compensation expense of $938) to corporate and administrative.

The balance of share options outstanding and exercisable at September 30, 2025, is as follows:

Expiry date	Number of share options	Number of share options exercisable	Exercise Price	Weighted average life
	#	#	$	Years
May 15, 2026	200,000	200,000	0.40	0.62
April 6, 2027	125,000	125,000	0.50	1.52
September 21, 2027	300,000	300,000	0.55	1.98
December 14, 2027	95,000	95,000	0.55	2.21
February 21, 2028	330,000	330,000	1.00	2.39
March 20, 2028	100,000	100,000	1.00	2.47
August 15, 2028	200,000	200,000	1.25	2.88
February 14, 2029	338,333	338,333	1.40	3.38
May 15, 2029	30,000	30,000	1.25	3.62
August 12, 2029	30,000	30,000	1.25	3.87
April 6, 2030	30,000	30,000	1.25	4.52
September 11, 2030	675,400	675,400	0.55	4.95
September 23, 2030	100,000	100,000	0.63	4.98
March 30, 2031	195,000	75,000	3.05	5.50
June 21, 2031	80,000	80,000	2.95	5.73
December 20, 2031	630,000	630,000	2.90	6.22
February 20, 2033	50,000	33,333	2.39	7.40
May 15, 2033	517,749	345,166	2.39	7.63
May 28, 2035	7,020,000	3,440,000	0.19	9.66
	11,046,482	**7,157,232**	**0.83**	**7.76**

Option pricing models require the input of subjective assumptions. The expected life of the share options considered such factors as the average length of time similar option grants in the past have remained outstanding prior to exercise and the vesting period of the grants. The selection of alternative assumptions could have a material impact on the estimated fair value of the options.

In the year ended September 30, 2025, the Company applied the Black-Scholes option pricing model to determine the value of stock options. These share options were granted to employees, including directors, and non-employees and valued on the date of grant using the following weighted-average assumptions: risk free interest rate of 1.64%, expected life of 9 to 10 years, annualized volatility of 70%, and dividend yield of nil. The average fair value of share options granted was estimated to be $0.14 per share option.

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9. Equity (continued)

c) Warrants

	Year ended September 30,			
	2025		2024	
	Number of warrants	Weighted-average exercise price	Number of warrants	Weighted-average exercise price
	#	$	#	$
Outstanding, beginning of the year	-	-	1,200,000	1.63
Issued	**89,438,868**	**0.225**	-	-
Expired	-	-	(1,200,000)	1.63
Outstanding, end of the year	**89,438,868**	**0.225**	-	-

During the year ended September 30, 2025, the Company issued the following warrants:

- 62,270,657 warrants issued to participants in the private placement and SPP completed on May 28, 2025. These warrants are measured at residual value (Note 9(a)).
- 4,904,478 warrants issued to broker as compensation to agents and intermediaries. The fair value of the broker warrants was estimated at $309, using the Black-Scholes option pricing model, and was recorded as a share issuance cost (Note 9(a)).
- 22,263,733 warrants to Orion in accordance with the amended Orion agreement. The fair value of the warrants totaling $1,204, was calculated using the Black-Scholes option pricing model, was recognized as an expense and included in the modification loss in the statement of loss.

The balance of warrants outstanding at September 30, 2025, is as follows:

Expiry date	Number of warrants	Exercise price	Weighted average remaining years
	#	$	Year
28-Nov-26	84,534,390	0.225	1.16
28-May-27	4,904,478	0.225	1.66
	89,438,868	**0.225**	**1.19**

Determining fair value of warrants using the Black-Scholes option pricing model requires the use of subjective assumptions. Warrants issued during the period were valued on the issue date using the following inputs: Risk-free interest rate: 1.643%, Expected life: 18 months - 2 years, Volatility: 70% and Dividend yield: nil.

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10. Related Party Transactions

The remuneration of directors and those persons having authority and responsibility for planning, directing and controlling activities of the Company are as follows:

	Year ended September 30,	
	2025	202
	$	$
Salaries and benefits to officers and directors of the Company	**1,696**	2,387
Final payments to the former CEO	**521**	-
Share-based compensation	**574**	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.

As at September 30, 2025, $106 (2024: $33) is payable to related parties.

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

11. Fair Value Measurement of Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs that are not based on observable market data.

The fair values of the Company's cash and cash equivalents, accounts and other receivables, accounts payable and accrued liabilities, and due to related parties approximate carrying values recorded on the consolidated statements of financial position due to their short-term nature.

The Convertible Loan is classified as Level 2 and measured at amortized cost using the discounted cash flow valuation technique which approximates its fair value.

The Convertible Loan derivative liability which was separated from the host convertible loan contract, is a financial instrument measured at fair value through profit and loss using Level 3 inputs as there is no observable market data available. The significant assumptions used in the valuation were the discount rate and the probability of repayment and conversion and extension. The valuation was prepared by management under the direct oversight of the Interim Chief Financial Officer, and the valuation process and results are reviewed with the Audit Committee on a quarterly basis.

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12. Financial Risk Management

a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash and cash equivalents and accounts and other receivables. Management believes that the credit risk with respect to these instruments is minimal as they primarily consist of amounts on deposit with a major financial institution.

b) Liquidity risk

Liquidity risk is the risk that the Company will incur difficulties meeting its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking harm to the Company's reputation (Note 1). At September 30, 2025 the maturity of accounts payable and the due to related parties balances are under one year. The Company's contractual obligations related to the Convertible Loan and interest are disclosed in Note 8.

c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has interest-bearing assets in relation to cash in savings accounts and GIC's carried at fixed interest rates, invested with major Canadian and Czech banks.

Foreign currency risk

Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign currency rates. The Company's financial instruments are exposed to currency risk where those instruments are denominated in currencies that are not the functional currency of the entity that holds them. Exchange gains and losses in these situations impact earnings. A 1% increase of the value of the Canadian dollar relative to the U.S. dollar as at September 30, 2025 would result in an additional $305 foreign exchange gain (loss) reported in the Company's consolidated statement of loss and comprehensive loss for the year ended September 30, 2025 (year ended September 30, 2024 - $200). A 1% increase of the value of the Canadian dollar relative to the CZK as at September 30, 2024 would result in an additional $2 foreign exchange gain (loss) reported in the Company's consolidated statement of loss and comprehensive loss for the year ended September 30, 2025 (year ended September 30, 2024 - $205). A 1% increase of the value of the Canadian dollar relative to the Australian dollar as at September 30, 2024 would result in an additional $25 foreign exchange gain (loss) reported in the Company's consolidated statement of loss and comprehensive loss for the year ended September 30, 2025 (year ended September 30, 2024 - $nil).

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13. Segmented Information

The Company defines its major operating segments as Mangan, EPCS, and corporate. The Chief Operating Decision Maker ("CODM") is the Company's CEO. For the Mangan operating segment the CODM reviews key categories of operating expenses including Chvaletice Project evaluation expenses, corporate and administration expenses, and finance expense. For the EPCS operating segment the CODM's review consists of revenue, cost of sales, gross profit and corporate and administrative expenses. The Corporate segment does not conduct exploration or income generating activities and its results are reviewed for cost management.

A summary of the Company's segmented operational activity and balances for the year ended September 30, 2025 is as follows:

	Mangan	EPCS	Corporate	Total
Revenue	-	4,387	-	4,387
Cost of sales	-	(5,126)	-	(5,126)
Gross profit	-	(739)	-	(739)
Operating expenses				
Chvaletice Project evaluation	(6,772)	-	(38)	(6,810)
Other evaluation	-	-	(8)	(8)
Corporate and administrative	(24)	41	(3,731)	(3,714)
Foreign exchange gain (loss)	(1,747)	(19)	1,031	(735)
Operating loss	(8,543)	(717)	(2,746)	(12,006)
Gain on derivative instruments	1,008	-	-	1,008
Modification loss on convertible loan facility	(2,347)	-	-	(2,347)
Interest income	95	30	36	161
Finance expense	(4,257)	-	-	(4,257)
Loss before income tax	(14,044)	(687)	(2,710)	(17,441)
Income tax expense	-	(145)	-	(145)
Loss for the period	**(14,044)**	**(832)**	**(2,710)**	**(17,586)**
Financial position as at September 30, 2025				
Assets	19,470	3,154	14,154	**36,778**
Liabilities	33,064	311	555	**33,930**

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13. Segmented Information (continued)

A summary of the Company's segmented operational activity and balances for the year ended September 30, 2024 is as follows:

	Mangan	EPCS	Corporate	Total
Revenue	-	3,217	-	3,217
Cost of sales	-	(3,776)	-	(3,776)
Gross profit	-	(559)	-	(559)
Operating expenses				
Chvaletice Project evaluation	(8,340)	-	-	(8,340)
Other evaluation	-	-	(95)	(95)
Corporate and administrative	(66)	(63)	(6,107)	(6,236)
Loss on disposal of property, plant and equipment	-	(4)	-	(4)
Foreign exchange gain (loss)	(53)	(2)	(79)	(134)
Operating loss	(8,459)	(628)	(6,281)	(15,368)
Gain on derivative instruments	316	-	-	316
Interest income	290	4	126	420
Finance expense	(3,605)	-	-	(3,605)
Loss before income tax	(11,458)	(624)	(6,155)	(18,237)
Income tax expense	-	(90)	-	(90)
Loss for the period	**(11,458)**	**(714)**	**(6,155)**	**(18,327)**
Financial position as at September 30, 2024				
Assets	29,130	2,644	8,694	**40,468**
Liabilities	29,966	131	556	**30,653**

Entity-wide disclosures

All revenue for the years ended September 30, 2025 and 2024 were earned in the Czech Republic.

Mangan and EPCS asset are geographically located in the Czech Republic and corporate assets are located in Canada.

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14. 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 and during the subsequent period in which reclamation and revitalization of the premises is to take place, 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"), estimated to be seven years, the royalty will operate on a sliding scale from 0.2% to 1.8%, depending 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 CZK 625 ($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 CZK 60 ($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 CZK 9,500 ($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 is effective as of July 1, 2022.

15. Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to pursue suitable business opportunities and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. As the Company is in the evaluation stage and has not achieved commercial operations from its projects, its principal source of funds is from the issuance of common shares, the Convertible Loan Facility and the operations at EPCS. Further information related to liquidity risk is disclosed in Note 1 and 12.

In the management of capital, the Company includes the components of equity. The Company manages and adjusts its capital structure considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain and adjust the capital structure, the Company may attempt to issue new shares, enter joint venture property arrangements, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

To facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary, depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Board.

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15. Management of Capital (continued)

The Company's investment policy is to invest its cash in high-quality, highly liquid short-term interest-bearing investments with maturities of one year or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

The Company is uncertain as to whether its current capital resources will be sufficient to carry on its evaluation and development plans and operations through its current operating period and, accordingly, management is reviewing the timing and scope of current evaluation plans and is also pursuing other financing alternatives to fund the Company's operations. The Company is not currently subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management in the period.

16. Income Taxes

A reconciliation of the income tax expense at the statutory tax rate of 27% (2024 - 27%) is as follows:

	2025	**September 30,** 2024
	$	$
Loss for the year	**(17,441)**	(18,237)
Expected income tax recovery	**(4,709)**	(4,948)
Non-deductible expenses and other	**(447)**	568
Effect of foreign tax rates and tax rate changes	**1,681**	1,405
Effect of deductible temporary difference not recognized	**3,620**	3,065
Income tax expense	**145**	90

The Company has not recognized any deferred tax assets as realization is not probable. The significant components of the Company's deferred tax assets are as follows:

	2025	**September 30,** 2024
	$	$
Equipment	**-**	48
Exploration and evaluation costs	**9,917**	6,140
Share issuance costs	**276**	1,276
Tax operating losses	**16,191**	7,240
	26,384	14,704
Unrecognized deferred income tax assets	**(26,384)**	(14,704)
Deferred income tax assets	**-**	-

At September 30, 2025, the Company had the following estimated tax operating losses available to reduce future taxable income, including losses for which deferred tax assets are not recognized as listed in the table above. Losses expire at various dates and amounts between 2026 and 2045.

At September 30, 2025	$
Canada	36,890
Czech Republic	23,076
Tax operating losses	59,966

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17. Cost of Goods Sold

The components of cost of goods sold are as follows:

	Year ended September 30,	
	2025	2024
	$	$
Materials	**2,748**	1,849
Labour costs	**909**	690
Depreciation	**1,469**	1,237
	5,126	3,776

18. Chvaletice Project Evaluation

The components Chvaletice project evaluation expenses are as follows:

	Year ended September 30,	
	2025	2024
	$	$
Engineering	**654**	2,333
Remuneration	**2,107**	1,228
Share-based compensation	**208**	70
Travel	**19**	70
Legal and professional fees	**311**	900
Marketing activities	**62**	1,190
Supplies and rentals	**1,140**	1,314
Depreciation	**2,309**	1,235
	6,810	8,340

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19. Corporate and Administrative

The components corporate and administrative expenses are as follows:

	Year ended September 30,	
	2025	2024
	$	$
Remuneration	**2,842**	2,842
Share-based compensation	**(1,131)**	938
Legal and professional fees	**990**	976
Travel	**46**	252
Filing and compliance fees	**222**	275
Office and administration	**135**	193
Insurance	**167**	250
Conferences	**64**	28
Investor relations	**255**	325
Product sales and marketing	**-**	31
Depreciation	**124**	126
	3,714	6,236

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

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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.

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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.

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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.

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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.

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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”).

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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)

Revenue

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.

Cost of goods sold

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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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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

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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.

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MINING TENEMENTS AND MINERAL RESOURCE / RESERVE STATEMENT

Mining Tenements Held by the Company and the Percentage Interest held in each Mining Tenement:

On December 20, 2024, the Company's subsidiary, MANGAN Chvaletice s.r.o. ("Mangan") secured the Determination of Mining Area permit SBS 56617/2024/OBÚ-09/1 (legally effective as of January 23, 2025). The Determination of Mining Area permit, issued by the District Mining Authority for the regions of Hradec Králové, Pardubice, Liberec, and Vysočina, represents one of the most significant approvals in the Company's journey towards full project permitting. The Determination of Mining Area permit has no expiration date and replaces the following authorizations, licences and permits: (i) Trnávka I Exploration License 631/550/14-Hd; (ii) Trnávka I Exploration License MZP/2018/550/386-HD; and (iii) the Preliminary Mining Permit MZP/2021/550/768-HD. The Determination of Mining Lease Area permit provides Mangan 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 a 100% exclusive basis.

On March 27, 2024, the Company also received a positive Environmental and Social Impact Assessment ("ESIA") binding statement from the Czech Ministry of Environment, which approved the Final ESIA (reference number MZP/2024/710/1959).

Mineral Resource Estimate:

The Company reviews and reports its mineral resources at least annually. The date of reporting is 30 September each year, to coincide with the Company's end of fiscal year. If there are any material changes to its mineral resources over the course of the year, the Company is required to report these changes. As at September 30, 2025 there are no material changes to the Company's Mineral Resource Estimate.

Tetra Tech Canada Inc. ("Tetra Tech") was engaged to oversee the planning and execution of sampling and assaying, to prepare the Resource Estimate for the Company's *Chvaletice Manganese Project,* to prepare the Technical Report in accordance with NI 43-101 - *Standards of Disclosure for Mineral Projects ("NI 43-101"), and to prepare the* independent JORC Code technical report in accordance with the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition ("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 mid-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 the NI 43-101/JORC Code feasibility study report for 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 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. These reports were prepared by Mr. James Barr, P. Geo, Senior Geologist, Mr. Jianhui (John) Huang, Ph.D., P. Eng., Senior Metallurgical Engineer, Mr. Hassan Ghaffari, P. Eng., M.A.Sc., Senior Process Engineer, Mr. Chris Johns, P. Eng., Senior Geotechnical Engineer, and Mrs. Maureen Marks, P. Eng., Senior Mining Engineer.

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 below.

Chvaletice Mineral Resource Statement (effective July 1, 2022)

Historic Tailings Cell	In-situ Dry Bulk Density (t/m^3)	Volume ($x1,000\ m^3$)	Tonnage (kt)	Grade Mn (% total Mn)
Cell #1				
Measured	1.52	6,577	10,029	7.95
Indicated	1.47	160	236	8.35
Cell #2				
Measured	1.53	7,990	12,201	6.79
Indicated	1.55	123	189	7.22
Cell #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**
Total Indicated	**1.50**	**309**	**464**	**7.85**
Combined Measured + 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 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% tMn 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.

RESERVE ESTIMATE

Mineral Reserves for the Chvaletice Manganese 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 which are materially identical to the JORC Code. 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 Chvaletice Manganese Project's combined Proven and Probable Mineral Reserve amount to 26,644,000 tonnes, grading at 7.41% total manganese as detailed in the following table.

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Chvaletice Mineral Reserve Statement (effective July 14, 2022)

Historic Tailings Cell	In-situ Dry Bulk Density (t/m^3)	Volume (x1,000 m^3)	Tonnage (kt)	Grade Mn (% total Mn)
Cell #1				
Proven	1.51	6,651	10,132	7.83
Probable	1.52	141	208	8.24
Cell #2				
Proven	1.53	7,929	12,106	6.91
Probable	1.54	119	183	7.35
Cell #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**
Total Probable	**1.51**	**284**	**427**	**7.84**
Combined Proven + 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 $6.47/t feed, leaching and refining operating cost estimates of $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.

Governance Arrangements and Internal Controls: The Company has ensured that the mineral resources quoted are subject to good governance arrangements and internal controls. The mineral resources and reserves reported have been based on information compiled by Mr. James Barr, P. Geo, Senior Geologist, Mrs. Maureen Marks, P.Eng., and Mr. Jianhui (John) Huang, Ph.D., P. Eng., Senior Metallurgical Engineer, all with, or formerly with, Tetra Tech. Mr. Huang, and Mrs. Marks were consultants to the Company during the preparation of the technical report and have sufficient experience in the field of activity being reported to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves, and both are Qualified Persons under National Instrument 43-101 – 'Standards of Disclosure for Mineral Projects'. The consultants have also undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimation. In addition, technical information concerning the Chvaletice Manganese Project is reviewed by Dr. David Dreisinger, P. Eng., a director of the Company, and a Qualified Person under NI 43-101. Dr. Dreisinger is not independent within the meaning of NI 43-101.

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Competent Persons and Qualifying Person Statements

The information in this annual report that relates to Mineral Resources and Mineral Reserves in relation to the Chvaletice Manganese Project is based on information compiled by Messrs. Barr and Huang, and Mrs. Marks, of Tetra Tech, all of whom are members of the Engineers and Geoscientists of British Columbia. Messrs. Barr and Huang, and Mrs. Marks, were consultants to the Company during the preparation of the NI43-101 technical report and have sufficient experience in the style of mineralisation and to the activity undertaken to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves and are Qualified Persons under National Instrument 43-101 – 'Standards of Disclosure for Mineral Projects'. Mr. Huang, and Mrs. Marks consent to the inclusion in the annual report of the matters based on this information in the form and context in which it appears.

The technical reports and competent persons' reports relating to Mineral Resources and Mineral Reserves are available to view on the Company's website at www.mn25.com and the ASX Market Announcement Platform, respectively. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions in the market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' and Qualifying Persons' findings are presented have not been materially modified from the original market announcements.

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OTHER ASX ANNUAL REPORT INFORMATION

The following information is provided pursuant to ASX Listing Rule 4.10, of Chapter 4 – Periodic Disclosure, and is complete unless the specific requirement is not applicable to Euro Manganese Inc. or unless the Company has received a waiver with respect to such requirement:

Corporate Governance Statement

The Company's Corporate Governance Statement is provided on the Company's website at https://www.mn25.ca/corporate-governance-statement

Names of Substantial Shareholders

The names of the substantial shareholders, as of 30 November 2025, are as follows:

Shareholder	Shares held	Percentage interest
European Bank for Reconstruction and Development (1)	24,960,000	17.48%
2176423 Ontario Ltd., a corporation beneficially owned by Mr. Eric Sprott (2)	16,666,666	11.67%

(1) The European Bank for Reconstruction and Development also holds unquoted 21,400,000 Warrants to purchase shares at CDN$0.225 per share, which if exercised would bring its shareholding to 43,360,000 Shares representing an aggregate beneficial ownership interest of 19.96% assuming the exercise of all other outstanding Warrants.

(2) Mr. Eric Sprott, through 2176423 Ontario Ltd., also holds 16,666,666 unquoted Warrants to purchase shares at CDN$0.225 per share, which if exercised would bring his shareholding to 33,333,332 Shares representing an aggregate beneficial ownership interest of 14.35% assuming the exercise of all other outstanding Warrants.

Number of Holders of Each Class of Securities[(1)]

The Company's authorized share capital consists of an unlimited number of Shares without par value. As of 30 November 2025, 142,804,504 Shares (including CDIs) were issued and outstanding and held by 4,935 shareholders, one of which (CDS & Co.) held 93,644,571 Shares on behalf of 29 nominee and depository entities. As of 16 December 2025, the number of Shares issued and outstanding remained at 142,804,504 and there were 11,046,481 Shares issuable on the exercise of incentive stock options held by twenty-eight option holders and 89,438,868 Shares issuable on the exercise of common share purchase warrants held by two hundred and twenty-five warrant holders.

Voting Rights

All of the Shares (including CDIs) rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders, with each Share carrying the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Shares are entitled to receive dividends as and when declared by the Board in respect of the Shares on a pro rata basis. The Shares do not carry any pre-emptive, subscription, redemption or conversion rights.

Distribution of Holders[(1)]

As of 30 November 2025, the distribution of shareholders was as follows:

Size of holding	Number of holders	Distribution of Units Held
1 – 1,000	2,537	0.77%
1,000 – 5,000	1,486	2.49%
5,001 – 10,000	388	1.77%
10,001 – 100,000	502	9.48%
100,001 and over	72	85.49%
Total	**4,935**	**100.00%**

Holders with Less than a Marketable Parcel of the Company's Main Class of Securities[(1)]

As of 30 November 2025, there were approximately 3,667 holders of the Company's Shares/CDIs with less than a Marketable Parcel, based on the closing price of the CDIs on the ASX as of that date of A$0.16.

Name of Corporate Secretary

Laurel Petryk is Chief Legal Officer and Corporate Secretary.

Address and Telephone Number of the Company's Registered Office in Australia and its Principal Administrative Office

The Company has no registered or administrative offices in Australia. The Company's registered and principal administrative offices are located at:

Registered Office:
Suite 1700 - 666 Burrard Street, Vancouver, British Columbia
V6C 2X8 Canada

Canada:
#709 - 700 West Pender Street,
Vancouver, British Columbia,
V6C 1G8 Canada
Tel: + 1 604 681 1010

Address and Telephone Number of Each Office at which a Register of Securities is Kept

The Register of securities is kept at the following offices

Australia:
Computershare Investor Services Pty Limited
Level 4, 44 Martin Place
Sydney NSW 2000, Australia
Toll Free 1300 855 080
Toll +61 (03) 9415 4000

Canada:
Computershare Investor Services Inc.
510 Burrard Street, 3rd Floor
Vancouver, British Columbia V6C 3B9
Canada
Tel: + 1 604 661 9400

A list of Other Stock Exchanges on which any of the Company's Securities are Quoted

The Company's Common Shares are quoted on the TSX Venture Exchange ("TSXV") under the symbol "EMN".

Number and Class of Restricted Securities

As of 30 November 2025, there are no restricted securities.

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Particulars of Unquoted Equity Securities

Unquoted equity securities include options and warrants to purchase shares.

The Board has adopted a stock option plan (the "Stock Option Plan") whereby the maximum number of Shares that may be reserved for issuance under outstanding stock options is 10% of the Company's issued and outstanding Shares on a non-diluted basis, as constituted on the date of any grant of options under the Stock Option Plan. The purpose of the Stock Option Plan is to allow the Company to grant options to directors, officers, employees and consultants, as additional compensation and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the Company's shareholders.

As of 30 November 2025, there were 11,046,481 Shares issuable on the exercise of incentive stock options held by twenty-eight option holders, having the following exercise prices and expiry dates:

Number of Options (1)	Exercise Prices (CAD$) (1)	Expiry Date
200,000	0.40	16-May-2026
125,000	0.50	06-Apr-2027
300,000	0.55	22-Sept-2027
95,000	0.55	14-Dec-2027
330,000	1.00	21-Feb-2028
100,000	1.00	20-Mar-2028
200,000	1.25	15-Aug-2028
338,332	1.40	14-Feb-2029
30,000	1.25	14-May-2029
30,000	1.25	12-Aug-2029
30,000	1.25	6-Apr-2030
675,400	0.55	11-Sept-2030
100,000	0.625	22-Sept-2030
195,000	3.05	30-Mar-2031
80,000	2.95	22-Jun-2031
630,000	2.90	20-Dec-2031
24,000	2.388	16-Aug-2032
50,000	2.388	20-Feb-2033
493,749	2.388	15-May-2033
7,020,000	0.19	28-May-2035

(1) Number of incentive stock options and exercise prices for those options issued prior to 31 March 2025 have been adjusted to reflect the consolidation of the issued and outstanding common shares at a ratio of five pre-consolidation common shares to one post-consolidation common shares effective 31 March 2025.

As of 30 November 2025, there were 89,438,868 Shares issuable on the exercise of common share purchase warrants held by two hundred and twenty-five warrant holders, having the following exercise prices and expiry dates:

Number of Warrants	Exercise Prices (CAD$)	Expiry Date
62,270,657 (1)	0.225	28-Nov-2026
4,904,478 (2)	0.225	28-May-2027
22,263,733 (3)	0.225	28-Nov-2026

(1) Issued on 28 May 2025 to two hundred and twenty-two participants in connection with the Private Placement and Share Purchase Plan which closed on that date.
(2) Issued on 28 May 2025 to two Joint Lead Managers and Bookrunners in connection with the Private Placement and Share Purchase Plan which closed on that date.
(3) Issued on 28 May 2025 to OMRF (BK) LLC ("Orion") in connection with an amendment to the Company's Convertible Loan Royalty Agreement.

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Review of Operations and Activities for the Reporting Period

A review of operations of the consolidated entity for the reporting period ended 30 September 2025 is provided in Management's Discussion and Analysis included in this Annual Report immediately following the consolidated financial statements for the same period.

Additional information on the Company, its directors and executive management, and risk factors faced by the Company can be found in the Company's Annual Information Form for the year ended 30 September 2025, dated 17 December 2025, a copy of which is lodged with ASX (www.asx.com.au) and on SEDAR+ (at www.sedarplus.ca), both under the Company's profile.

Details of director and executive compensation will be included in the Management's Information Circular for the Annual General Meeting of shareholders.

Details of a Current On-market Buy-back

None.

Shares and Options Issued under the Stock Option Plan

The following table represents the number of Shares issued and the number of Options expired, forfeited and granted under the Company's Stock Option Plan for the reporting period ended 30 September 2025:

Date of Issue	Number of Options (1)	Exercise Price (CAD$) (1)	Description
16 May 2016	30,000	0.40	Forfeiture of Options
06 April 2017	55,000	0.50	Forfeiture of Options
22 September 2017	80,000	0.55	Forfeiture of Options
21 February 2018	70,000	1.00	Forfeiture of Options
14 February 2019	30,000	1.40	Forfeiture of Options
11 September 2020	77,333	0.55	Forfeiture of Options
30 March 2021	95,000	3.05	Forfeiture of Options
22 June 2021	20,000	2.95	Forfeiture of Options
20 December 2021	2,540,000	2.90	Forfeiture of Options
25 April 2022	12,065	2.388	Forfeiture of Options
15 May 2023	351,358	2.388	Forfeiture of Options
28 May 2025	7,020,000	0.19	Options Granted

(1) Number of incentive stock options and exercise prices for those options issued prior to 31 March 2025 have been adjusted to reflect the consolidation of the issued and outstanding common shares at a ratio of five pre-consolidation common shares to one post-consolidation common shares effective 31 March 2025.

Summary of Securities Approved for the purposes of Item 7 of section 611 of the Corporations Act which have not yet been completed:

None.

Details of Securities Purchased On-market during the Reporting Period:

None.

Names of any Person having a Beneficial Ownership of more than 10% of any Class of Securities of Voting or Equity Securities and the Number of Securities in which each Substantial Holder has an interest:

To the best of the Company's knowledge, as of 30 November 2025, there are no persons having beneficial ownership of more than 10% of any class of any securities of the Company, except for the following substantial shareholders:

Shareholder	Security Held	Number held	Percentage interest
European Bank for Reconstruction and Development	Shares	24,960,000	17.48%
European Bank for Reconstruction and Development	Unquoted Warrants (1)	21,400,000	23.93%
2176423 Ontario Ltd., a corporation beneficially owned by Mr. Eric Sprott	Shares	16,666,666	11.67%
2176423 Ontario Ltd., a corporation beneficially owned by Mr. Eric Sprott	Unquoted Warrants (1)	16,666,666	18.63%

(1) Unquoted Warrants to purchase shares are exercisable at any time prior to their expiry on 28 November 2026 and have an exercise price of at CDN$0.225 per share.

Other Information:

The Company was incorporated under the *Business Corporations Act* (British Columbia) on 24 November 2014.

The Company is not subject to chapters 6, 6A, 6B and 6C of the *Corporations Act* (Australia) dealing with the acquisition of its shares (including substantial holdings and takeovers).

There are no limitations on the acquisition of securities imposed by the jurisdiction in which the Company is incorporated and registered, and there are no limitations on the acquisition of securities imposed under the Company's articles of incorporation.

Note 1: In Canada, in order for shares to settle and trade on the TSXV, shares must be held through a nominee or depository that is a participant in the Canadian Depository for Securities ("CDS"). Participants in CDS include brokers in Canada and other registered entities. Through participant accounts in CDS, the ultimate shareholder is able to make and settle trades on TSXV. As of 30 November 2025, 93,644,571 shares were held through CDS in 29 participant accounts. The Company is not readily able to determine the range of distribution for these 93,644,571 shares held in CDS and how many shareholders, if any, hold less than a marketable parcel of the Company's shares. Accordingly, the distribution of shareholders and the number of shareholders with less than a marketable parcel of the Company's shares/CDIs may not be accurate.

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