

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Euro Manganese Inc. (the "**Company**" or "**EMN**")
709 – 700 West Pender Street
Vancouver, BC V6C 1G8

Item 2 Date of Material Change

November 28, 2023.

Item 3 News Release

A news release announcing the material change was disseminated over Notified's distribution network on November 28, 2023 and a copy was filed on the Company's profile at www.sedarplus.ca.

Item 4 Summary of Material Change

The Company announced that its wholly-owned subsidiary, Mangan Chvaletice s.r.o. ("Mangan"), signed definitive agreements with OMRF (BK) LLC ("Orion"), which is managed by the Orion Resource Partners Group, for US\$100 million in non-dilutive financing (the "Funding Package") to advance the development of its Chvaletice Manganese Project (the "Project") in the Czech Republic.

Item 5 Full Description of Material Change

Orion Resource Partners to Support Euro Manganese with US\$100 Million Funding Towards the Development of the Chvaletice Manganese Project

The US\$100 million Funding is split into two US\$50 million components:

- a) A US\$50 million loan facility bearing interest at 12% per annum, payable quarterly, and having an initial maturity date of 36 months, which may be extended by Orion up to an additional 36 months (the "Convertible Loan Facility"). The Convertible Loan Facility includes a US\$20 million tranche to be received upon closing and an additional US\$30 million tranche to be received upon meeting milestones that have been developed together with Orion to match Euro Manganese's plans on a Final Investment Decision ("FID"). Orion may convert the Convertible Loan Facility into a 1.29-1.65% royalty on Project revenues at any time, and the Company may convert the Convertible Loan Facility into a royalty upon achieving a successful completion test of the Chvaletice commercial plant; and
- b) Receipt of US\$50 million in exchange for a 1.93-2.47% royalty on Project revenues following FID (the "Royalty Financing") by the Company's Board of Directors and other conditions precedents typical for this type of financing.

Mangan is the Borrower and Grantor of the royalty under the Convertible Loan Facility and Royalty Financing, respectively, and Euro Manganese is the guarantor of Mangan's obligations pursuant to the Funding Package.

The royalties in both agreements have an embedded sliding scale mechanism and will apply to the revenues over the entire life of the Project, estimated to be 25 years. The royalties will be calculated and paid on a quarterly basis and the sliding scale rate is dependent on the high-purity manganese product prices achieved during the respective quarter. As the realised price increases from a lower price forecast to a higher price forecast, the royalty rates decrease from the higher royalty rate down to the lower royalty rate.

Proceeds from the Funding Package will fund development activities related to the advancement of the Project, including General and administration expenses related to the Project. The Company satisfied all conditions precedent for the initial tranche of funds under the US\$50 million Convertible Loan Facility provided under the Funding Package, and US\$20 million was received by the Company, net of certain transaction expenses, on November 29, 2023. Key conditions precedent to drawdown of the US\$30 million tranche include completion of off-take agreements for 40% of the Project’s high-purity manganese production for the first five years of production and securing a strategic investor. Key conditions precedent to drawdown of the US\$50 million Royalty Financing include completion of front-end engineering design, the Project being fully funded, and a final investment decision being made by the Company’s Board of Directors.

In connection with the Funding Package, Orion has been granted comprehensive security over the assets of the Borrower and the rights of the Chvalitice Manganese Project. Orion also have an off-take option of between 20-22.5% of the Project’s high-purity manganese total production for a term of 10 years from first delivery. The off-take terms will match the commercial terms of the off-takes achieved by the Company. Orion’s right is exercisable until the Company signs 60% of the total Project off-take (on a tonnes of metal equivalent basis).

The Funding Package includes customary covenants and undertakings and events of default for a secured facility of this nature, including, but not limited to, completion of key commercial agreements, securing a strategic investor, and completion of various technical milestones aligned with the Company’s progress to final investment decision.

Stifel Nicolaus Europe Limited (“Stifel”) acted as financial advisor to the Company and Norton Rose Fulbright LLP acted as legal counsel to the Company. In connection with the Funding Package, the Company has agreed to pay a cash placement fee equal to 2.5%, due and payable to Stifel on the closing of each portion of the Convertible Loan Facility, and on the closing of the Royalty Financing.

Item 6 Reliance on subsections 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact Fausto Taddei, VP Corporate Development and Corporate Secretary at 604-681-1010 ext. #105.

Item 9 Date of Report

December 8, 2023