

*For Immediate Release*

## **Euro Manganese Provides Operational Update for the Chvaletice Manganese Project**

*Vancouver, Canada* (May 22, 2019) – Euro Manganese Inc. (TSX-V/ASX: EMN) (the "**Company**" or "**EMN**"), is pleased to provide an operational update on its 100%-owned Chvaletice Manganese Project (the "**Project**") in the Czech Republic, including:

- the signing of a strategic agreement with a consumer of battery raw materials;
- an update on the feasibility study and a demonstration plant, including the awarding of two key contracts related to initiation of the Project's feasibility study and its permitting and environmental impact assessment processes; and
- certain positive developments with the local communities adjacent to the Project.

Mr. Marco Romero, President and CEO of EMN, commented:

*"We are delighted to report on the Company's first significant collaboration with an important potential customer, on the appointment of two key contractors in connection with our decision to advance the Project to the feasibility study stage, on ongoing progress with the proposed development of our demonstration plant, and on the further development of valued relationships with local communities."*

### **First Strategic Agreement Signed**

In early May 2019, the Company signed a strategic agreement with a potential customer of high-purity manganese products from the Project, which provides a framework for strategic and technical cooperation that is focused on large-scale lithium-ion battery manufacturing, including the production of high-performance lithium-ion batteries for several market segments, including electric vehicles.

Pursuant to the strategic agreement, both parties intend to collaborate so that the Company's proposed Chvaletice Manganese Project plant can be designed and built to meet the long-term supply requirements of environmentally-superior, high-purity manganese products of the counterparty and its customers. Under the terms of the agreement, the Company intends to deliver a specified quantity of high-purity manganese sulphate monohydrate ("**HPMSM**") (the "**Demonstration Material**") to the counterparty's facility in early 2020. The Demonstration Material will be produced at the Company's demonstration plant, which as described below, will provide bulk, multi-tonne finished product samples for customer testing and evaluation. Upon completion of testing and qualification of the Demonstration Material, the parties intend to enter into negotiations with the objective of agreeing on the terms and conditions of an offtake agreement with respect to the supply and purchase of high-purity manganese products produced at the Project.

The Company continues to hold active discussions with several consumers of high-purity manganese products in Europe, Asia and North America, and is targeting entering into similar strategic, commercial, technical and/or framework agreements with such companies for the testing and qualification of the Project's high-purity manganese products, with a view to ultimately entering binding offtake agreements and long-term commercial or strategic relationships with some or all of these parties.

## **Feasibility Study, Appointment of Key Contractors and Demonstration Plant**

Following the completion of the preliminary economic assessment (“PEA”) earlier this year, the Company plans to advance the Project to the feasibility stage, and is evaluating proposals from a short list of engineering firms, and expects to award the feasibility study related contracts to two or more parties during Q2-2019.

The Company has already appointed Tetra Tech Canada Inc. (“Tetra Tech”) as the owner’s engineering representative, responsible for overseeing the other consultants and service providers in connection with the feasibility study, and to prepare the National Instrument 43-101/JORC feasibility study report for the Project. Additionally, Bilfinger Tebodin, Czech Republic (a division of Bilfinger SE) has been appointed to initiate preparation of the Project’s description and notification for submission to the Czech Ministry of the Environment, to advance the Project’s permitting and environmental assessment processes.

Some early feasibility study work was initiated by Tetra Tech during the quarter ending March 31, 2019. As a result, subject to the awarding of the remaining feasibility study contracts, EMN expects the feasibility study to be completed by early 2020. As it moves through the feasibility stage, the Company expects to continue evaluating potential value-enhancing opportunities for the Project. These include the potential for optimizing building sizing and layouts, equipment selection, solid-liquid separation methods, alternative solution purification methods, manganese sulphate crystallization technologies, leaching methods, waste generation minimization and recycling, as well as minimizing energy and water consumption. In collaboration with one or more potential consumers of high-purity manganese products, the Company also intends to evaluate the feasibility of building one or more satellite manganese metal dissolution plants to be located at customer NMC precursor plants. This would allow the Company to sell manganese sulphate solution instead of granulated manganese sulphate monohydrate, eliminating the crystallization step for these locations. The Company also plans to evaluate the possibility of selling by-product magnesium sulfate for agricultural use. These opportunities and others will be evaluated within the scope of work of the design studies of the feasibility study.

Planning and preparation work is also underway to build and commission a demonstration plant in the Czech Republic that will provide bulk, multi-tonne finished product samples for customer evaluation and qualification. The plant is intended to replicate the entire process flowsheet proposed in the PEA and to produce the equivalent of 100kg per day of HPMSM. Several potential customers have expressed interest in testing and qualifying these products for the production of precursor materials for lithium-ion batteries and cathodes in combination with available nickel, cobalt and lithium products. The demonstration plant will also enable process optimization and testing for the final products and serve as a testing and training facility for future operators. Design work has been initiated and the Company is currently evaluating proposals for the supply of a turnkey plant, backed by completion and performance guarantees, and is targeting the award of the contract thereon during Q2-2019. The Company expects the facility to be completed by calendar year-end 2019 and to provide the first finished product samples to potential customers in early 2020.

## **Rezoning of Lands Underlying the Project and Land Purchase**

The Company is also pleased to report that the neighbouring municipalities of Chvaletice and Trnavka, on which the Project tailings are located, and which respectively lie just to the west and east of the Project, have both voted unanimously to approve the initiation of the rezoning process of the lands underlying the Project’s tailings deposit under municipal land use plans.

In mid-May 2019, the Company signed a conditional sale and purchase agreement with the Municipality of Trnavka for the purchase by the Company of a narrow, 2.96-hectare strip of land adjacent to the Chvaletice tailings. This land is intended to be principally used for Project infrastructure and to create a visual and acoustic buffer zone between the Project and the village of Trnavka. Payment is spread over several years and is tied to specific permitting milestones.

Mr. Romero, added:

*“We are grateful to see our relationships with the neighboring communities of Chvaletice and Trnavka continue to evolve positively. Our team is working diligently to ensure that local community residents are well-informed, that meaningful opportunities are created for them to participate in the evaluation and planning of the Chvaletice Manganese Project, that their input is integrated into its development plan, and that it is designed to generate overwhelmingly positive benefits for them, including the remediation of an environmentally impacted brownfield site. Our goal remains to build long-term, respectful and collaborative relationships with these communities, while ensuring that the Project fits seamlessly into the environmental, social and economic fabric of the region.”*

Scientific and technical information in this news release concerning the Chvaletice Manganese Project is reviewed by Mr. Gary Nordin, a consultant to EMN and its Chief Geologist, and a Qualified Person under National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

#### **About Euro Manganese Inc.**

Euro Manganese Inc. is a Canadian mineral resource company, whose principal focus is advancing the evaluation and development of the Chvaletice Manganese Project, in which it holds a 100% interest. The proposed Project entails re-processing a significant manganese deposit hosted in historic mine tailings, strategically located in the Czech Republic. EMN's goal is to become a leading, competitive and environmentally-superior primary producer of Ultra-High-Purity Manganese Products in the heart of Europe, serving both the lithium-ion battery industry, as well as producers of specialty steel and aluminum alloys.

#### **Forward-Looking Statements**

Certain statements in this news release constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements and information involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, its projects, 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.

Such forward-looking information or statements include, without limitation, statements regarding the Company’s intentions regarding the Project in the Czech Republic, including without limitation, the continued evaluation and development of the Project, including the procurement of a feasibility study, the building of the Demonstration Plant, the production and delivery of Demonstration Material and the ability of the Company to negotiate offtake agreements with potential customers.

Readers are cautioned not to place undue reliance on forward-looking information or statements. Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, but not limited to, the factors discussed under “Risks Notice” and elsewhere in the Company’s MD&A, as well as the inability to obtain regulatory approvals in a timely manner; the potential for unknown or unexpected events to cause contractual conditions to not be satisfied; unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the company to perform as agreed; social or labour unrest; changes in commodity prices; and the failure of exploration programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors

that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the factors set forth in the "Risks Notice" section and elsewhere in the Company's MD&A for the year ended September 30, 2018 and its Annual Information Form.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange), or the ASX accepts responsibility for the adequacy or accuracy of this release.

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