



# EURO MANGANESE

*Poised to Support the Energy Transition*

FISCAL Q1 2024 CONFERENCE CALL

March 12, 2024

## Forward-Looking Statements and Risks Notice

Certain statements in this presentation 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 Chvaletice Project, its North American growth strategy, 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”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, and other similar terminology, or state that certain actions, events or results “may”, “could”, “would”, or be “taken, occur or be achieved”.

Forward looking statements includes, but is not limited to, statements regarding increasing demand for high purity manganese and resulting deficits, the Company being well positioned to meet current and future demand of the EV battery supply chain, the Company’s ability to obtain price premium for its product, and statements regarding any potential benefits from European and United States regulation.

Regarding the Chvaletice Project, forward looking information or statements include, but are not limited to, the ability of the Company to complete commissioning of the Demonstration Plant and produce and deliver bulk samples of on-spec HPMSM, the successful testing and qualification by prospective customers of the Company’s products, and the Company’s ability to produce its products using best-in-class environmental and safety standards. Forward looking information also includes statements regarding estimated timelines for FEED under the EPCM contract, ability of the Company to obtain required permits, the acceptability of the revised ESIA documentation by the Czech Ministry of Environment and the anticipated timing of various regulatory approvals, statements regarding value chain creation for local communities and the Czech government, and the ability of the Company to progress potential customers through the sales funnel and enter into binding offtake agreements for its product on favorable terms.

Regarding the Orion financing, such forward-looking information or statements include, but are not limited to the statements regarding the expectation of the Company that the net proceeds from the first tranche of the Convertible Loan Facility will be sufficient funding to complete the permitting of the Chvaletice Project, complete the commissioning of the Demonstration Plant and its operation, initiation of FEED, complete the acquisition of certain land parcels needed for the Project, and certain site preparation works, and for general and administration expenses statements regarding closing of the second tranche of the convertible loan and related US\$30 million draw down, conversion of the loan into a royalty, the rates of the respective royalties that may be granted, the Company’s ability to meet the conditions precedent required to trigger funding obligations or sale of the royalty, the Company’s ability to advance the Project if it receives some or all of the secured funding package, the Company’s ability to satisfy the conditions precedent and make a final investment decision in order to complete the sale of the US\$50 million royalty and the Company’s ability to secure additional project finance debt including from the European Investment Bank (EIB), equity, and strategic investment required to fund the full development of the Chvaletice Project.

Regarding the Bécancour Plant, forward-looking statements include, but are not limited to, statements concerning the Company’s plans for advancing the Bécancour Plant, statements regarding the timing for completion of the Bécancour feasibility study, the Company’s estimated engineering and construction timelines to build the Bécancour Plant, the technical capability of the Bécancour Plant, the Company’s ability to operate the Bécancour Plant and produce both HPMSS and HPMSM with any associated cash flow, and the Company’s ability to meet North American demand.

All forward-looking statements are made based on the Company’s current beliefs including various assumptions made by the Company, including that: the Company can achieve its goals; that the political and community environment in which the Company operates in will continue to support the development and operation of the Chvaletice Project; and assumptions related to the factors set out herein. Factors that could cause actual results or events to differ materially from current expectations include, among other things: risks and uncertainties related to the ability to obtain, amend, or maintain necessary licenses, or permits; delay or inability to receive necessary regulatory approvals; risks related to acquisition of surface rights; the inability of the Company to meet the conditions of the secured financing; lack of availability of acceptable financing for developing and advancing the Chvaletice Project; inability to secure sufficient offtake agreements; risks related to the availability and reliability of equipment, facilities, and suppliers necessary to complete development; the ability to develop adequate processing capacity with expected production rates; the presence of and continuity of manganese at the Chvaletice Project at estimated grades; developments in EV (Electric Vehicles) battery markets and chemistries; and risks related to fluctuations in currency exchange rates, changes in laws or regulations; and regulation by various governmental agencies. 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, 2023, available on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

# Agenda and Speaker

## Agenda

1. Fiscal Q1 2024 financial highlights & position
2. Fiscal Q1 key developments
3. 2024 key catalysts
4. Q&A

## Speaker



DR. MATTHEW JAMES  
President & CEO

# FQ1 2024 Financial highlights and position

Sufficient funding for delivery of key project milestones and 2024 corporate G&A

<b>Cash Balance – Sep 30, 2023</b>	<b>C\$7.6M</b>
Commissioning of the Demonstration Plant	(0.4M)
Operational expenditure including Chvaletice permitting, and other corporate costs	(2.3M)
Net proceeds from convertible loan	23.2M
Acquisition of EP Chvaletice*	(3.3M)
Land acquisitions and lease payments	(0.4M)
<b>Cash Balance – Dec 31, 2023</b>	<b>C\$24.3M</b>

## Net proceeds from the first US\$20M tranche of the Convertible Loan Facility expected to fund:

- Completion of permitting
- Demonstration plant commissioning and batch operation
- Completion of commercial plant site land acquisition and other committed land payments
- Initiating FEED engineering
- Certain site preparation works
- 2024 corporate G&A costs

\* Czech company owning land for the project's commercial plant

## Fiscal Q1 and to-date highlights

Significant funding package announced; advanced 2023 key catalysts

1

US\$100 million non-dilutive funding package secured with Orion – initial US\$20 million closed

2

HPMSM (32.4% pure) produced from Demo Plant; updated ESIA submitted to MoE

3

Secured land access to ~85% of 2P Reserves; rezoning of all land now complete; acquired land for high purity processing plant

4

Offtake process progressing with close to 200% production capacity under discussion

5

Chvaletice Project advanced to next stage of debt funding process with the European Investment Bank



Current Chvaletice Historic Tailings Area

# Orion US\$100 million funding package facilitates pathway to final investment decision

**Non-dilutive, tranche structure; reduces future project financing requirements for Chvaletice\***

## Six-month process

- Funding structure and partner selection process with Stifel
- Extensive due diligence, by expert independent consultants
- Demonstrates robust nature of the Chvaletice Project and our ability to deliver the Project to the highest of standards

## Tranche-structure minimizes cost of funds

- US\$100 million split into two US\$50 million components:
  - \$50M loan facility with a 12% per annum interest rate, convertible into a 1.29-1.65% royalty on Project revenues
    - \$20M received at end Nov 2023
    - \$30M to be received upon meeting certain commercial milestones
  - \$50M in exchange for a 1.93-2.47% royalty on Project revenues following final investment decision and other conditions precedent

## Offtake option

- Orion have an offtake option of 20-22.5% of the Project's high-purity manganese production
- 10-year term from first delivery
- To match commercial terms of the Company's sales, ensuring bankability of the Project

\*Use of proceeds excludes the Bécancour project.

For further detail of the Funding Package: <https://www.mn25.ca/post/orion-resource-partners-to-support-development-of-chvaletice-project-with-us-100m-funding>

# Demo Plant produced on-spec HPMSM; Permitting progressing well

## Chvaletice Project Advancements

### Demonstration Plant

- HPMSM\* (32.4% pure) produced in Nov 2023, further de-risking the process flow sheet
- Valuable insights gained from operation of Demo Plant, leading to engineering and operational process improvements
- Demonstration Plant enables large-scale product samples on a batch basis
- Final commissioning underway

### Permitting

- **ESIA** – revised ESIA submitted to Czech MoE; expected to be received in Q1 2024
- **Land Planning Permit** – documentation substantially complete, to be finalized and submitted on receipt of approved ESIA
- **Construction Permit** – documentation is a deliverable of FEED phase of Wood EPCM contract

\*Third-party HPEMM with similar product impurity levels to those of the Chvaletice HPEMM product, was used as feedstock during the commissioning of the dissolution and crystallization module. As part of the final commissioning stages of the DP, the Company will use HPEMM produced from the DP electrowinning circuit for HPMSM production.



HPMSM crystallization module at the Demonstration Plant

## Significant advancement on land access and land rezoning

### Access to ~85% Mn Reserves now Secured

- ČEZ Lease Agreement together with previously announced land access agreements secures access to ~85% of total Project Reserves
- Completed land acquisition for initial residue storage facility area within the protected deposit area
- Final land access agreement under negotiation

### Acquired land intended for high purity processing plant

### Land Rezoning Complete

- Rezoning of tailings land for mining use completed
- Rezoning of certain areas within the commercial plant site reclassified for heavy industrial use





# Offtake tender process continues to attract significant interest; funnel is growing

Volumes under discussion exceeds capacity (>150 ktpa HPMSM); 80% production capacity targeted to support project finance

## Increased market research coverage for HPMSM

- Unanimous global deficit forecast, European & North American deficit: earlier and more serious
- Growing acknowledgement of price premium for western product and need for floor pricing

## Mn-rich chemistries create opportunity for higher demand

- Mn-rich chemistries becoming increasingly high profile, particularly with move to cobalt-free batteries (NMX, LMNO)
- Increased engagement with several larger potential customers yet to provide tonnages; off takers indicate likelihood for higher tonnages as chemistries evolve

## Early stage of funnel continues to grow, Term Sheet conversations now with 9 parties

- Progressing term-sheet discussions with large and small players in the sharp end of the funnel

## Offtake Funnel (Cathode Makers, Battery Makers, OEMs)



**EMN is well-positioned to offer a local, secure source of supply**

## 2024 Key catalysts

### Demonstration Plant

### Status

Production of on-spec products

**Complete; On-spec HPEMM & HPMSM produced**

Shipments to interested parties

Throughout 2024

### EPCM for Commercial Plant

Appointment of EPCM contractor

**Complete; Wood awarded EPCM contract**

Front-end engineering design (FEED)

Now commenced

Appointment of Project Director

**Tim Kindred, highly experienced large project professional, joined in January 2024**

### Land Access and Permitting

Land access agreements

4 of 5 land access agreements complete, 1 on-going

Land rezoning for mining use

**100% complete**

Receipt of revised ESIA

Expected Q1 2024

Submission of the Land Planning Permit

Expected in H1 2024

### Financing and Offtake Contracts

Negotiation of customer offtake contracts

Ongoing

Formal debt process

Expected to commence in H1 2024

- Debt financing with the European Investment Bank

**Advanced to 'Under Appraisal'**

Strategic Investment at project level

Engagement with OEMs and critical raw material focused funds

### North American Opportunity (Bécancour)

Scoping Study for Dissolution Plant

**Complete; highlights released**

Feasibility Study for dissolution plant

WSP selected; expected H2 2024 subject to financing



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*Thank You and Q&A*



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