



EURO MANGANESE

EURO MANGANESE INC.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 AND 2024**

(Unaudited - Expressed in thousands of Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Financial Statements for the Three Months Ended December 31, 2025 and 2024

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Euro Manganese for the interim periods ended December 31, 2025 and 2024, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, PricewaterhouseCoopers LLP, have not performed a review of these unaudited condensed interim financial statements.

February 11, 2026

EURO MANGANESE INC.
Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2025 and 2024
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EURO MANGANESE INC.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in thousands of Canadian dollars)

	Note	December 31, 2025	September 30, 2025
		\$	\$
ASSETS			
Current			
Cash and cash equivalents		7,000	9,491
Prepaid expenses		322	260
Accounts and other receivables		551	572
Taxes receivable		144	76
Inventory		537	636
		8,554	11,035
Exploration and evaluation assets	5	6,774	6,774
Property, plant and equipment	6	14,793	15,634
Deferred transactions costs	8	1,880	1,880
Other assets	7	1,543	1,455
Total assets		33,544	36,778
LIABILITIES			
Current			
Accounts payable and accrued liabilities		2,770	3,161
Due to related parties	10	46	53
Lease liability		108	128
Convertible Loan	8	31,296	30,577
		34,220	33,919
Lease liability		-	11
Total liabilities		34,220	33,930
SHAREHOLDERS' EQUITY			
Share capital	9	88,348	88,348
Reserve	9	10,746	10,622
Other comprehensive loss		433	448
Deficit		(100,203)	(96,570)
Total shareholders' equity		(676)	2,848
Total liabilities and shareholders' equity		33,544	36,778

Nature of operations and going concern (Note 1)

Subsequent events (Note 18)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Martina Blahova"

President and CEO

/s/ "David Dreisinger"

Director

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

EURO MANGANESE INC.**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss****(Unaudited - Expressed in thousands of Canadian dollars, except per share amounts and number of shares)**

	Note	Three months ended December 31, 2025	2024
		\$	\$
Revenues		1,147	1,038
Cost of goods sold	6,15	(1,510)	(1,398)
Gross profit (loss)		(363)	(360)
Operating expenses			
Chvaletice Project evaluation	6,16	(1,497)	(1,966)
Other evaluation		-	(8)
Corporate and administrative	6,17	(1,100)	(186)
Foreign exchange gain (loss)		413	(1,449)
Operating loss		(2,547)	(3,969)
Other income (expenses)			
Gain on derivative instruments	8	-	906
Modification loss on convertible loan facility	8	-	(903)
Interest income		44	76
Finance expense	8	(1,172)	(1,189)
Loss before income taxes		(3,675)	(5,079)
Income tax recovery (expense)		42	(97)
Net loss		(3,633)	(5,176)
Other comprehensive income (loss)		(15)	92
Total comprehensive loss		(3,648)	(5,084)
Loss per common share:			
Basic and diluted		(0.03)	(0.06)
Weighted average number of shares:			
Basic and diluted		142,804,504	80,533,847

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

EURO MANGANESE INC.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in thousands of Canadian dollars)

	Note	Three months ended December 31,	
		2025	2024
		\$	\$
Operating activities:			
Loss for the period		(3,633)	(5,176)
Items not affecting cash:			
Share-based compensation		124	(1,592)
Depreciation		867	1,165
Finance expense		1,172	1,189
Gain on derivative instruments		-	(906)
Unrealized foreign exchange loss (gain)		(432)	1,701
Interest income		(161)	(76)
Modification loss on convertible loan facility		-	903
Changes in non-cash working capital:			
Prepaid expenses		(62)	52
Accounts and other receivables		21	41
Taxes receivable		(68)	(66)
Inventory		99	(197)
Accounts payable and accrued liabilities		(391)	(325)
Due to related parties		(7)	-
Cash used in operating activities		(2,471)	(3,287)
Investing activities:			
Purchase of property, plant & equipment	6	(35)	(96)
Deposit for land acquisition		(88)	-
Interest received		161	76
Cash provided by (used in) investing activities		38	(20)
Financing activities:			
Interest paid on convertible loan	8	-	(814)
Lease payments		(33)	(33)
Cash provided by financing activities		(33)	(847)
Effect of exchange rate on changes in cash		(25)	158
Change in cash and cash equivalents		(2,491)	(3,996)
Cash and cash equivalents, beginning of period		9,491	9,364
Cash and cash equivalents, end of period		7,000	5,368
Supplemental cash flow information:			
Cash interest received		161	76
Share issuance costs included in accounts payable		65	-

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

EURO MANGANESE INC.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in thousands of Canadian dollars, except number of shares)

	Common shares	Share capital	Reserves	Other comprehensive loss	Deficit	Total shareholders' equity
	#	\$	\$	\$	\$	\$
Balance, September 30, 2024	80,533,847	78,733	10,032	34	(78,984)	9,815
Share based compensation	-	-	(1,592)	-	-	(1,592)
Net loss for the period	-	-	-	-	(5,176)	(5,176)
Currency translation	-	-	-	92	-	92
Balance, December 31, 2024	80,533,847	78,733	8,440	126	(84,160)	3,139
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	-	-	669	-	-	669
Net loss for the period	-	-	-	-	(12,410)	(12,410)
Currency translation	-	-	-	322	-	322
Balance, September 30, 2025	142,804,504	88,348	10,622	448	(96,570)	2,848
Share based compensation	-	-	124	-	-	124
Net loss for the period	-	-	-	-	(3,633)	(3,633)
Currency translation	-	-	-	(15)	-	(15)
Balance, December 31, 2025	142,804,504	88,348	10,746	433	(100,203)	(676)

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

EURO MANGANESE INC.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in thousands of Canadian dollars)

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") under the symbol "EMN.V". CHESS Depository 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 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 three months ended December 31, 2025, the Company incurred a net loss of \$3,633 and used \$2,471 cash in operating activities. As at December 31, 2025, the Company's working capital deficit (current assets less current liabilities) was \$25,666. 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.

2. BASIS OF PREPARATION

a) 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 February 11, 2026.

b) Basis of presentation

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

EURO MANGANESE INC.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in thousands of Canadian dollars)

2. BASIS OF PREPARATION (continued)

c) 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. All significant intercompany transactions and balances have been eliminated on consolidation.

d) 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.

e) 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

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended September 30, 2025, ("Annual Financial Statements")

4. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements under IFRS Accounting Standards requires management to make judgements in applying its accounting policies and estimates that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these financial statements, the Company applied the same significant judgements in applying its accounting policies and is exposed to the same sources of estimation uncertainty as disclosed its Annual Financial Statements.

EURO MANGANESE INC.
Notes to the Condensed Interim Consolidated Financial Statements
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(Unaudited - Expressed in thousands of Canadian dollars)

5. EXPLORATION AND EVALUATION ASSETS

As at December 31, 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.

6. PROPERTY, PLANT AND EQUIPMENT

	Building, Plant and Equipment	Land	Lease assets	Total
	\$	\$	\$	\$
Cost				
Balance, September 30, 2024	13,707	7,988	362	22,057
Additions	19	-	-	19
Disposals	(20)	-	-	(20)
Foreign exchange	44	-	-	44
Balance, September 30, 2025	13,750	7,988	362	22,100
Additions	34	1	-	35
Disposals	(13)	-	-	(13)
Balance, December 31, 2025	13,771	7,989	362	22,122
Accumulated depreciation, depletion, and amortization				
Balance, September 30, 2024	(2,481)	-	(91)	(2,572)
Depreciation, depletion, and amortization	(3,782)	-	(120)	(3,902)
Disposals	12	-	-	12
Foreign exchange	(4)	-	-	(4)
Balance, September 30, 2025	(6,255)	-	(211)	(6,466)
Depreciation, depletion, and amortization	(807)	-	(60)	(867)
Disposals	4	-	-	4
Balance, December 31, 2025	(7,058)	-	(271)	(7,329)
Carrying Amount				
Balance, September 30, 2025	7,495	7,988	151	15,634
Balance, December 31, 2025	6,713	7,989	91	14,793

During the period ended December 31, 2025, depreciation of \$231 (2024 - \$549) was recorded to cost of goods sold, \$575 (2024 - \$584) to Chvaletice Project evaluation, and \$61 (2024 - \$32) to corporate and administrative.

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(Unaudited - Expressed in thousands of Canadian dollars)

7. OTHER ASSETS

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

	December 31, 2025	September 30, 2025
	\$	\$
Land deposit for buffer zone and infrastructure corridor (tailings area) ⁽ⁱ⁾	65	65
Additional land deposit and rail spur extension (plant area) ⁽ⁱⁱ⁾	515	427
Deposit for land parcel within the Port of Bécancour ⁽ⁱⁱⁱ⁾	963	963
	1,543	1,455

- (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 December 31, 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 (\$1,168). As of December 31, 2025, the Company paid Euro 326 (\$515). The remaining balance of Euro 400 (\$655) is payable on October 10, 2026. This acquisition will complete the land assembly for the commercial plant.
- (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 December 31, 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.

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).

For accounting purposes, under IFRS 9, this was 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 was 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 \$1,143 was included in the modification loss on convertible loan facility in the consolidated statement of loss and comprehensive loss for the year ended September 30, 2025.

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 for the year ended September 30, 2025.

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 provided by Orion. 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). As at December 31, 2025, the Company was in compliance with the covenants under the Convertible Loan Facility.

EURO MANGANESE INC.
Notes to the Condensed Interim Consolidated Financial Statements
For the three months ended December 31, 2025 and 2024
(Unaudited - Expressed in thousands of Canadian dollars)

8. CONVERTIBLE LOAN FACILITY (continued)

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

	Convertible Loan	Derivative Liability	Total
	\$	\$	\$
Balance at Sep 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	(339)	-	(339)
Modification loss	1,143	-	1,143
Change in fair value of derivative liability	-	(1,008)	(1,008)
Foreign exchange gain	828	-	828
Balance at Sep 30, 2025	30,399	178	30,577
Accretion	75	-	75
Interest accrued	1,094	-	1,094
Foreign exchange loss	(447)	(3)	(450)
Balance at Dec 31, 2025	31,121	175	31,296

9. EQUITY

a) Common share

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

During the three months ended December 31, 2025, the Company did not issue any common shares.

During the year ended September 30, 2025, the Company had the following share capital transactions:

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.

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(Unaudited - Expressed in thousands of Canadian dollars)

9. EQUITY (continued)

A summary of the Company's share option activity is as follows:

	Number of share options	Weighted average exercise price
	#	C\$
Balance, September 30, 2024	7,387,040	2.02
Granted	7,020,000	0.19
Expired	(1,358,274)	2.30
Forfeited	(2,002,284)	2.84
Outstanding, September 30, 2025 and December 31, 2025	11,046,482	0.67

During the three months ended December 31, 2025, the Company recorded share-based compensation expense of \$124 (three months ended December 31, 2024 – share-based compensation gain of \$1,592) of which share-based compensation expense \$36 (three months ended December 31, 2024 - \$5) has been allocated to Chvalitec Project evaluation expenses and share-based compensation expense of \$88 (three months ended December 31, 2024 – share-based compensation gain of \$1,597) to corporate and administrative expenses.

The balance of share options outstanding and exercisable at December 31, 2025, is as follows:

Date of expiry	Number of share options outstanding	Number of share options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	C\$	Years
May 15, 2026	200,000	200,000	0.40	0.37
April 6, 2027	125,000	125,000	0.50	1.26
September 21, 2027	300,000	300,000	0.55	1.72
December 14, 2027	95,000	95,000	0.55	1.95
February 21, 2028	330,000	330,000	1.00	2.14
March 20, 2028	100,000	100,000	1.00	2.22
August 15, 2028	200,000	200,000	1.25	2.62
February 14, 2029	338,333	338,333	1.40	3.13
May 15, 2029	30,000	30,000	1.25	3.37
August 12, 2029	30,000	30,000	1.25	3.62
April 6, 2030	30,000	30,000	1.25	4.27
September 11, 2030	675,400	675,400	0.55	4.70
September 23, 2030	100,000	100,000	0.63	4.73
March 30, 2031	195,000	75,000	3.05	5.25
June 21, 2031	80,000	80,000	2.95	5.47
December 20, 2031	630,000	630,000	2.90	5.97
February 20, 2033	50,000	33,333	2.39	7.15
May 15, 2033	517,749	345,166	2.39	7.38
May 28, 2035	7,020,000	3,440,000	0.19	9.41
	11,046,482	7,157,232	0.67	7.50

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

A summary of the Company's warrant activity is as follows:

	Number of warrants	Weighted average exercise price
	#	C\$
Balance, September 30, 2024	-	-
Issued	89,438,868	0.23
Outstanding, September 30, 2025 and December 31, 2025	89,438,868	0.23

The balance of warrants outstanding at December 31, 2025, is as follows:

Date of expiry	Number of warrants outstanding	Weighted average exercise price	Weighted average remaining life
	#	C\$	Years
28-Nov-26	84,534,390	0.23	0.91
28-May-27	4,904,478	0.23	1.41
	89,438,868	0.23	0.94

Warrants issued during the year ended September 30, 2025 were valued on the issue date using the Black-Scholes option pricing model using the following inputs: Risk-free interest rate: 1.643%, Expected life: 18 months - 2 years, Volatility: 70% and Dividend yield: nil.

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:

	Three months ended December 31,	
	2025	2024
	\$	\$
Salaries and benefits to officers and directors of the Company	464	390
Final payments to the former CEO	-	521
Share-based compensation	78	12
Share-based compensation gain resulted from forfeiture of options	-	(1,647)
	542	(724)

As at December 31, 2025, accounts payable and accrued liabilities included \$46 (September 30, 2025 - \$53) 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.

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 December 31, 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 December 31, 2025 would result in an additional \$223 foreign exchange gain (loss) reported in the Company's consolidated statement of loss and comprehensive loss for the three months ended December 31, 2025 (year ended September 30, 2025 - \$305). A 1% increase of the value of the Canadian dollar relative to the CZK as at December 31, 2025 would result in an additional \$110 foreign exchange gain (loss) reported in the Company's consolidated statement of loss and comprehensive loss for the three months ended December 31, 2025 (year ended September 30, 2025 - \$2). A 1% increase of the value of the Canadian dollar relative to the Australian dollar as at December 31, 2025 would result in an additional \$1 foreign exchange gain (loss) reported in the Company's consolidated statement of loss and comprehensive loss for the three months ended December 31, 2025 (year ended September 30, 2025 - \$25).

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12. 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 Chvaletic 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 three months ended December 31, 2025 is as follows:

	Mangan	EPCS	Corporate	Total
	\$	\$	\$	\$
Revenue	-	1,147	-	1,147
Cost of sales	-	(1,510)	-	(1,510)
Gross profit	-	(363)	-	(363)
Operating expenses				
Chvaletic Project evaluation	(1,497)	-	-	(1,497)
Corporate and administrative	(12)	(6)	(1,082)	(1,100)
Foreign exchange gain (loss)	1,360	(8)	(939)	413
Operating loss	(149)	(377)	(2,021)	(2,547)
Interest income	-	12	32	44
Finance expense	(1,172)	-	-	(1,172)
Loss before income tax	(1,321)	(365)	(1,989)	(3,675)
Income tax expense	-	42	-	42
Loss for the period	(1,321)	(323)	(1,989)	(3,633)
Financial position as at December 31, 2025				
Assets	18,389	3,173	11,982	33,544
Liabilities	33,283	479	458	34,220

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12. SEGMENTED INFORMATION (continued)

A summary of the Company's segmented operational activity and balances for the three months ended December 31, 2024 is as follows:

	Mangan	EPCS	Corporate	Total
	\$	\$	\$	\$
Revenue	-	1,038	-	1,038
Cost of sales	-	(1,398)	-	(1,398)
Gross profit	-	(360)	-	(360)
Operating expenses				
Chvaletice Project evaluation	(1,966)	-	-	(1,966)
Other evaluation	-	-	(8)	(8)
Corporate and administrative	(126)	121	(181)	(186)
Loss on disposal of property, plant and equipment	-	-	-	-
Foreign exchange gain (loss)	3,368	-	(4,817)	(1,449)
Operating loss	1,276	(239)	(5,006)	(3,969)
Gain on derivative instruments	906	-	-	906
Interest income	66	9	1	76
Finance expense	(1,189)	-	-	(1,189)
Modification loss	(903)	-	-	(903)
Loss before income tax	156	(230)	(5,005)	(5,079)
Income tax expense	-	(97)	-	(97)
Loss for the period	156	(327)	(5,005)	(5,176)
Financial position as at September 30, 2025				
Assets	19,470	3,154	14,154	36,778
Liabilities	33,064	311	555	33,930

Entity-wide disclosures

All revenue for the period ended December 31, 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.

13. COMMITMENTS

At December 31, 2025, the Company was committed to make the minimum annual cash payments as follows:

	Less than one year	Total
	\$	\$
Minimum rent payments	274	274
Operating expenditure commitments	79	79
Total contractual obligations	353	353

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 (\$635), 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.

14. 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 11.

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.

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.

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15. COST OF GOODS SOLD

The components of cost of goods sold are as follows:

	Three months ended December 31,	
	2025	2024
	\$	\$
Materials	980	614
Labour costs	299	235
Depreciation	231	549
	1,510	1,398

16. CHVALETICE PROJECT EVALUATION

The components Chvaletice project evaluation expenses are as follows:

	Three months ended December 31,	
	2025	2024
	\$	\$
Engineering	184	390
Remuneration	431	589
Share-based compensation	36	5
Travel	1	5
Legal and professional fees	87	115
Marketing activities	4	4
Supplies and rentals	179	274
Depreciation	575	584
	1,497	1,966

17. CORPORATE AND ADMINISTRATIVE

The components corporate and administrative expenses are as follows:

	Three months ended December 31,	
	2025	2024
	\$	\$
Remuneration	424	1,107
Share-based compensation	88	(1,597)
Travel	32	9
Legal and professional fees	344	409
Filing and compliance fees	36	46
Office and administration	40	48
Insurance	42	41
Conferences	12	4
Investor relations	21	87
Depreciation	61	32
	1,100	186

18. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, the following events occurred:

On January 27, 2026, 214,679 stock options with a weighted average exercise price of \$0.24 were cancelled.

On February 2, 2026, 150,000 warrants were exercised at a price of \$0.225 and the Company issued 150,000 shares for proceeds of \$33,750.