Euro Manganese Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2021

Contents

1. Introduction

The principal business and current focus of Euro Manganese Inc. (the "Company" or "EMN") is the proposed 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. 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, B.C., Canada, and its registered offices are located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, B.C., Canada. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") and CHESS Depository Interests ("CDIs", with each CDI representing one common share) are traded on the Australia Securities Exchange ("ASX") under the symbols "EMN.V" and "EMN.AX", respectively. On June 15, 2021, the Company's shares started trading on the OTC Best Market ("OTCQX") under the symbol "EUMNF".

This management's discussion and analysis ("MD&A") of the financial condition and results of operations of the Company, prepared as of August 12, 2021, supplements, but does not form part of the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended June 30, 2021, and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including IAS 34 *Interim Financial Reporting*.

Additional information relating to the Company, including the Annual Information Form for the year ended September 30, 2020, is available on SEDAR at www.sedar.com, 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 Ms. Andrea Zaradic, P. Eng., 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 17. The financial information presented in this MD&A is in Canadian dollars, unless otherwise stated.

2. Overview

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 west of the country's capital, Prague. The Project site is adjacent to established infrastructure, including an 820-megawatt coal-fired power station that supplies the Czech Republic'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 Chvaletice Manganese Project resource is contained in flotation tailings piles that were emplaced on flat terrain immediately below the site of a flotation mill site, 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 meters in thickness, cover a cumulative surface area of approximately one square kilometre.

The Company has significantly advanced the Chvaletice Manganese Project since 2015 and believes that the Project's environmentally-friendly tailings reprocessing to produce ultra-high-purity manganese products should enable it to become Europe's only primary producer of such products, with a best-in-class environmental footprint. The Chvaletice Manganese Project is also expected to result in the environmental remediation of a polluted former mine site, bringing it into full compliance with modern Czech and European Union environmental standards and regulations.

2. Overview (continued)

The Chvaletice Manganese Project is targeting production of ultra-high-purity electrolytic manganese metal ("HPEMM") with specifications exceeding 99.9% Mn and ultra-high-purity manganese sulphate monohydrate ("HPMSM") with a minimum manganese content of 32.34%, both of which exceed typical industry standards. These products will be selenium, fluorine and chromium-free and are designed to contain very low levels of deleterious impurities.

HPEMM and HPMSM are critical components of Li-ion batteries and few sources of manganese are suitable for the sustainable and economic production of high-purity manganese products. As such, demand for high-purity manganese products is growing rapidly, fueled largely by the Li-ion and electric vehicle ("EV") markets. The Company has entered into five technical and commercial collaboration memorandums of understanding ("MOU") with consumers of high-purity manganese products, intended to result in the supply chain qualification of the Project's products and the eventual offtake of high-purity manganese products from the Project. The Company is also in active discussions and negotiations with several other parties, including battery, chemical and automobile manufacturers, with the intent to enter into additional MOUs. A detailed overview of the high-purity manganese market can be found in section 6 of this MD&A.

The Company's wholly-owned subsidiary, Mangan Chvaletice s.r.o. ("Mangan") holds two licenses covering mineral exploration rights for the Chvaletice Manganese Project ("Licenses"), which are both valid until May 31, 2026. On July 20, 2021, Mangan was also issued a new Preliminary Mining Permit, referred to by the Czech Ministry of Environment as the Prior Consent for the Establishment of a Mining Lease District, which is valid until May 31, 2026. The Preliminary Mining Permit represents one of the key steps towards final permitting for the Chvaletice Manganese Project, covers the areas included in the Licenses, and secures Mangan's exploration rights for the entire deposit. The establishment of the Mining Lease District, the application for the Final Mining Permit, and applications for permits relating to the construction of infrastructure and operation of a processing facility required for the Chvaletice Manganese Project, must be submitted and approved prior to any commercial extraction and processing activities at the Project.

The Company has experienced ongoing collaboration and support for the Project at various levels of the Czech Government, who approved the Company's application for certain significant investment incentives in the form of investment tax credits on eligible project expenditures, and in March 2020, issued a ruling under European Union's Natura 2000 which determined that the Project is not expected to adversely impact endangered and protected species habitat.

The area of interest for the Chvaletice Manganese 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 surface rights to the Chvaletice Manganese Project area, which includes those parcels of land underlying and immediately surrounding the three tailings deposits comprising the Chvaletice Manganese Project.

The Company is currently negotiating the acquisition of the remaining surface rights, leases, rights of way, or other arrangements in additional areas where it intends to develop its operations, site facilities and infrastructure. There is no assurance that areas needed for these activities and facilities will be secured. Mangan has, however, signed an option agreement giving it the right to acquire 100% of a company that owns a 19.94-hectare parcel of land intended to be the site of Mangan's ultra-high purity processing plant (section 6 of this MD&A). The Company also agreed to acquire rights to several additional strategic parcels of land, completing its land assembly for the proposed Chvaletice commercial plant.

The land for the proposed processing plant is already zoned for industrial use and the Company has initiated the rezoning process for the tailings land. Both adjoining municipalities have voted unanimously to proceed with the required land-use plan change after an intensive community consultation which has been ongoing for several years with overwhelmingly positive feedback and has continued to receive valuable local resident project planning and design input.

2. Overview (continued)

The Company filed a Technical Report having an effective date of January 29, 2019, prepared by Tetra Tech Canada Inc. ("Tetra Tech"), which reported an updated Mineral Resource estimate and the results of a Preliminary Economic Assessment ("PEA") for the Chvaletice Manganese Project (section 6 of this MD&A).

The Company continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and on the Chvaletice Manganese Project. Throughout the pandemic, the Company has taken a number of measures to safeguard the health of its employees while continuing to advance work related to the Project. The Company has experienced delays due to the COVID-19 pandemic, largely as a result of travel restrictions and supply chain disruptions. Despite the easing of certain travel restrictions and some improvement in the global economy, the duration of the pandemic and its impact on the Company's ability to progress the development of its project remain uncertain. While productivity has improved in recent months thanks to widespread vaccinations, there have been recent signs related to COVID-19 Delta variant outbreaks that some new or extended travel restrictions could continue to have an impact on the Project schedule.

3. Financial and Project Highlights in the Three Months Ended June 30, 2021

The following is a summary of the Company's highlights during the three months ended June 30, 2021, and to the date of this MD&A:

- On July 26, 2021, the Company received the second investment instalment from EIT InnoEnergy, an EU-backed organization, in the amount of €125,000 ($185,162).

- On July 20, 2021, the Czech Ministry of the Environment granted Mangan a new Preliminary Mining Permit, valid until May 31, 2026. The permit secures Mangan's exclusive rights to the Chvaletice tailings resource and the Company's right to conduct the Project's Final Environmental and Social Impact Assessment ("Final EIA"), which is expected to be completed and filed with permitting authorities in the first quarter of calendar 2022.

- On July 2, 2021, the Czech Ministry of the Environment granted Mangan an extension of its exploration licences by three years to May 31, 2026. The extension allows work to continue on all aspects of the manganese resource development, including the tailings extraction for the Project's demonstration plant.

- On June 14, 2021, as a result of discussions with prospective customers, the Company announced its plan to re-start its pilot plant to process tailings from the Project. Samples of high-purity manganese products produced from the pilot plant will allow prospective customers to continue or initiate their supply chain qualification of the Company's products in advance of larger samples delivered from the Project's Demonstration Plant.

- On May 31, 2021, the Company entered into royalty termination agreements to purchase and extinguish an aggregate 1.2% net smelter royalty interest in the Manganese Chvaletice Project for aggregate consideration of USD4.5 million (approximately $5.5 million) payable in two instalments: 20% in cash, amounting to USD0.9 million ($1.1 million) which was paid May 31, 2021; and 80%, amounting to USD3.6 million (approximately $4.5 million), on or before January 31, 2022, by a combination of cash and up to 50% in common shares, at the sole option of the Company, based on a price per share equal to the 20-day volume weighted average price on the TSX-V prior to the date of issuance.

- On May 10, 2021, the Company completed the second tranche of a two-tranche brokered private placement of 50.0 million CDIs at a price of AUD0.60 for aggregate gross proceeds of AUD30.0 million ($28.6 million) and net proceeds of AUD28.5 million ($27.2 million). The first tranche, consisting of 41,666,666 CDIs for aggregate gross proceeds of AUD25.0 million ($23.9 million) closed on March 30, 2021. The second tranche consisted of 8,333,334 CDIs for aggregate gross proceeds of AUD5.0 million ($4.8 million).

4. Outlook

During the nine months ended June 30, 2021, the Company secured what is expected to be sufficient funding to complete the evaluation and pre-development work on the Project, including the completion of its feasibility studies, environmental studies, permitting, the commissioning of the Chvaletice demonstration plant and its operation for one year and the re-start of the pilot plant. Additional funding will be required for the continuous operation of the demonstration plant, additional land acquisitions, as well as the potential future construction of infrastructure and facilities for the Chvaletice Manganese Project (section 8 of this MD&A).

The following are the Company's short-term priorities:

- production and delivery of small samples of high-purity manganese products from the pilot plant to allow prospective customers to continue or initiate their supply chain qualification;

- taking delivery of, permitting, installing, commissioning and operating of the demonstration plant to allow the Company to produce bulk, multi-tonne finished product samples for prospective customers' supply chain qualification;

- completion of the feasibility study which includes confirmatory test work and associated engineering activities;

- completion of the Project's environmental impact assessment process;

- continuing discussions and negotiations with potential customers, as well as strategic and financial partners and government agencies, including those related to funding the development of the Chvaletice Manganese Project; and

- completion of certain land rights acquisition.

The completion of the Chvaletice demonstration plant and commissioning thereof has experienced some recent delays, in part due to the effects of COVID-19 restrictions and supply chain interruptions in China, and is now scheduled for completion and the start of production in the second quarter of calendar 2022. The completion of the feasibility study and the Final EIA, remain on track for completion in the first quarter of calendar 2022. This could potentially enable the final environmental permitting for the Project late in calendar 2022. However, further disruptions resulting from an extended duration of the COVID-19 pandemic may continue to affect the Company, its suppliers and service providers, and therefore, could result in additional delays in the Company's activities.

As it moves through the feasibility stage and the pre-development stage, the Company intends to evaluate potential value-enhancing opportunities for the Chvaletice Manganese Project, with the aim of reducing costs and technical risks. These may include optimizing building sizing and layout, equipment selection, solid-liquid separation methods, on-site reagent production, as well as minimizing energy and water consumption. The Company is also evaluating the possibility of producing additional high-purity manganese products.

Once permitted and offtake agreements have been entered into with the Company’s potential customers, along with the completion of a positive bankable feasibility study demonstrating both the economic and technical viability of the Project, the Company intends to secure project financing in order to commence construction of the full-scale commercial Chvaletice process plant and related infrastructure. The Company believes that the capacity for project financing is likely to compare advantageously to the majority of mining projects given its safe jurisdiction, quality of potential offtake agreements that are possible in this industry, environmental benefits, and strategic position within the European battery supply chain. The Project’s debt capacity would be influenced by: the bankability of offtake agreements and any available price downside protection; government, Export Development Agency and European Union credit guarantees of debt; sponsorship by customers through advances, prepayments on offtake agreements and / or equity or debt contribution; and cost overrun protection provided by an Engineering Procurement Construction (“EPC”) counterparty.

5. Significant Transactions During the Nine Months Ended June 30, 2021

The Company did not complete any additional transactions in the three and nine months ended June 30, 2021 other than those described in section 3 of this MD&A.

6. Review of Operations - Chvaletice Manganese Project

Mineral Resource Estimate

The Chvaletice Manganese Project's Measured and Indicated Mineral Resources were reported in the NI 43-101 technical report entitled "Technical Report and Preliminary Economic Assessment for the Project, Chvaletice, Czech Republic" ("Technical Report"), with an effective date of January 29, 2019, as prepared by Tetra Tech, released and filed on SEDAR on March 15, 2019. The Technical Report was prepared by Mr. James Barr, P. Geo, Mr. Jianhui (John) Huang, Ph.D., P. Eng., Mr. Mark Horan, P. Eng., Mr. Hassan Ghaffari, P. Eng., and Mr. Chris Johns, P. Eng., all with Tetra Tech and all of whom are Qualified Persons under NI 43-101.

A summary of the mineral resource estimate for the Project included in the Technical Report is presented in the table below:

Tailings Cell #	Classification	Dry In-situ Bulk Density (t/m^3)	Volume (m^3)	Tonnage (metric tonnes)	Total Mn (%)	Soluble Mn (%)
#1	Measured	1.52	6,577,000	10,029,000	7.95	6.49
	Indicated	1.47	160,000	236,000	8.35	6.67
#2	Measured	1.53	7,990,000	12,201,000	6.79	5.42
	Indicated	1.55	123,000	189,000	7.22	5.30
#3	Measured	1.45	2,942,000	4,265,000	7.35	5.63
	Indicated	1.45	27,000	39,000	7.9	5.89
Total	Measured	1.51	17,509,000	26,496,000	7.32	5.86
	Indicated	1.50	309,000	464,000	7.85	6.05
Combined	Measured and Indicated	1.51	17,818,000	26,960,000	7.33	5.86

Note (1): Numbers may not add exactly due to rounding.
Note (2): Mineral Resources do not have demonstrated economic viability but have reasonable prospects for eventual economic extraction. Indicated Resources have lower confidence than Measured Resources. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

Option Agreement and Land Acquisitions

The Company, through its subsidiary, Mangan, has entered into an option agreement dated August 13, 2018 (the "EPCS Option Agreement") to acquire 100% of the equity of EP Chvaletice s.r.o. ("EPCS"), a small Czech steel fabrication company that owns a 19.94 hectare parcel of land. This land is located immediately south of the highway and rail line that bound the Chvaletice tailings deposit. It is also adjacent to the Chvaletice power plant and 1.7-hectare parcel of land and rail siding that was previously acquired by the Company. This strategic land parcel encompasses the intended site of its proposed processing plant. The land is zoned for industrial use and contains numerous buildings, including office, warehousing and other industrial structures, several of which are leased to short-term tenants. The land also contains two rail spurs and is served by gas, water and power.

6. Review of Operations - Chvaletice Manganese Project (continued)

The Company will have the right to acquire EPCS by making payments aggregating 140 million Czech Koruna payable in three cash instalments, the first of which was paid on October 17, 2018, in the amount of 14 million Czech Koruna ($815,000). The Company can complete the acquisition of EPCS by making two additional instalments aggregating 126 million Czech Koruna (approximately $7.28 million). The second instalment of 42 million Czech Koruna (approximately $2.43 million at June 30, 2021) is due within 60 days of final approval of the EIA for the Chvaletice Manganese Project, but no later than three years after signing the EPCS Option Agreement on August 13, 2021. The payment date may be extended by up to one year for an additional payment of 2.1 million Czech Koruna (approximately $0.12 million), payable together with the deferred second instalment in 2022. The Company intends to exercise the option to extend the payment term of the second instalment to August 13, 2022, in which case the final instalment is divided into two payments: 14 million Czech Koruna (approximately $0.81 million) due on August 13, 2021, and 70 million Czech Koruna (approximately $4.04 million) due upon receipt of all development permits for the Chvaletice Manganese Project, but no later than five years after signing the EPCS Option Agreement.

During the nine months ended June 30, 2021, the Company entered into the following agreements to acquire rights to three additional strategic parcels of land, competing its land assembly for the proposed Chvaletice commercial plant:

i. Purchase from the owner of the nearby Chvaletice power plant, a 1,952 m² section of land encompassing Rail Spur no. 1, through which the proposed Chvaletice process plant will be serviced and connected to existing rail infrastructure. This acquisition is particularly important for the Project, as it provides the Company with a second rail connection, through the existing rail siding of the neighboring power plant. This is expected to provide greater logistical capacity and flexibility for the project. The cost of the land is 252,762 Czech Koruna (approximately $14,000). The acquisition of this section of land was completed on April 15, 2021.

ii. Purchase of a 49,971 m² parcel of land, including a rail spur extension that will provide additional room and flexibility for the definitive Chvaletice commercial plant layout. The cost of the land is 18,739,125 Czech Koruna (approximately $1.1 million) and can be paid in five 7.5% annual installments (approximately $80,000), followed by the remaining balance of approximately $700,000 in the final year. The first installment was refundable, subject to a positive environmental due diligence of the site, which was obtained in January 2021. Thereafter, the Company has the option to terminate the contract after the third installment. At June 30, 2021, the Company recognized a liability for the two payments due in October 2021 and 2022 in the total amount of $160,857.

iii. Lease of a 3,504 m² right-of-way for a period of 30 years, with a one-month cancellation notice period, to allow the straightening of a proposed conveyor route. Annual rental will be 60,000 Czech Koruna (approximately $3,000) and the Company will retain an option to purchase this land during calendar 2021.

PEA Results

The main highlights of the PEA results, as summarized from the Technical Report, are as follows:

- Recycling of a 27 million tonne Measured and Indicated tailings resource (98.3% Measured) with a combined grade averaging 7.33% Mn, without the requirement of any hard rock mining, crushing or milling;

- 25-year project operating life producing 1.19 million tonnes of HPEMM, with two-thirds expected to be converted into HPMSM with the flexibility to supply either product, to suit customer preference;

- Saleable product includes 404,100 tonnes of HPEMM and 2.35 million tonnes of HPMSM;

6. Review of Operations - Chvaletice Manganese Project (continued)

- After tax NPV of USD593 million and pre-tax NPV of USD782 million, using a 10% real discount rate, and based on average life-of-project HPEMM (containing 99.9% Mn) price of USD4,617/tonne and an average HPMSM (containing 32.34% Mn) price of USD2,666/tonne (prices based on a market study prepared for the Company by CPM Group LLC);

- USD404 million in pre-production capital, USD24.8 million in sustaining capital, and USD31 million in working capital, with an ungeared, pre-tax 25.2% IRR with a 4.5-year payback, and a post-tax 22.6% IRR with a 4.9-year payback;

- 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;

- Opportunities exist to enhance returns through process optimization initiatives and various government investment incentives and financial support programs that may be available.

Feasibility Study and Environmental Impact Assessment

In 2019, the Company appointed Tetra Tech Canada Inc. ("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 feasibility study report for the Chvaletice Manganese Project. The Company also appointed BGRIMM Technology Group as the lead process plant engineer, which is working closely with Tetra Tech and the Company's other consultants. Together, these firms are conducting the excavation design, process plant design, tailings/residue storage facility design, and other related studies for the Project. Tetra Tech will compile the necessary feasibility study inputs.

Work on the basic design for the rail siding system that will be required as part of the construction, commissioning and operations of the main commercial plant is underway. The Company is also preparing a reagent supply chain strategy plan for the Project, along with an assessment of power supply options both within the Czech Republic and the surrounding EU countries with an emphasis on options to acquire long term zero-carbon and renewable energy. The Company is targeting completion of the feasibility study in the first quarter of calendar 2022.

In January 2021, the Company received the comments from the Czech Ministry of Environment on the Preliminary EIA, which included the Project Description. The Project Description and Preliminary EIA, which were publicly available for comment to local communities, residents, organizations and regulators, included a description of: the manganese production process and resulting environmental footprint; results of baseline and other studies conducted to date; health, safety and environmental management plans; impact assessment, impact mitigation and avoidance plans and measures; socio-economic impacts on local communities; and reclamation plans and objectives.

The Project Description and the input and comments received, will form the basis for the last stage of the environmental permitting process, in the form of a Final EIA. The preparation of the Final EIA and related permit application is also underway. The Company appointed GET s.r.o. in the Czech Republic to prepare the Final EIA. Subject to the continued advancement of the feasibility study, the Company expects the timely completion of the Final EIA documentation to be submitted to the Czech Ministry of the Environment in the first quarter of calendar 2022 which could enable final environmental permitting for the Project later in 2022.

6. Review of Operations - Chvaletice Manganese Project (continued)

Commercial and Demonstration Plant Progress Update

Several prospective customers have expressed interest in procuring high-purity manganese products from the Chvaletice Manganese Project and in testing and qualifying the products of the proposed Chvaletice demonstration plant. These parties have included manufacturers of electric vehicle batteries and related chemicals, who aim to design precursor and cathode formulations in combination with available nickel, cobalt and lithium products, and chemical, aluminum and steel companies, as well as electric vehicle manufacturers.

The Chvaletice demonstration plant, which is intended to replicate the entire process flowsheet proposed in the PEA and to produce the equivalent of 100kg per day of HPMSM, will also enable process optimization and testing for final product development and serve as a testing and training facility for future operators.

The Company signed a fixed-price, turnkey contract for the supply and commissioning of a technology, equipment package for the demonstration plant, which includes performance guarantees, as well as commissioning services and an operator training program. The equipment procurement and fabrication of the demonstration plant is underway. Its delivery is expected in the fourth quarter of calendar 2021, followed by completion of commissioning and start of production in the second quarter of calendar 2022.

The Company estimates that the cost, including fabrication, delivery, commissioning, laboratory set-up and an operator training program, as well as the cost of operation for one year, will be approximately USD5 million ($7.0 million). To the date of this MD&A, the Company made total payments of USD1.6 million ($1.9 million) for the demonstration plant and incurred additional expenses of $0.1 million for permitting and site preparation.

To date, approximately 55% of the demonstration plant’s planned first year production of these products has been allocated to several customers for testing and qualification. These parties and their markets include: a global leading participant in the lithium-ion battery supply chain, for use in NMC cathodes; a company focused on large scale lithium-ion battery manufacturing, for use in NMC cathodes; a global chemicals and specialty materials company, for use in metal hydride for hybrid automobile anodes; and JFE Corporation, a leading Japanese steel producer, for use in specialty steel applications.

Upon successful completion of testing and evaluation by these and other parties, and subject to a production decision being made based on the results of a feasibility study, the Company intends to work towards establishing long-term commercial offtake arrangements for the supply of its high-purity manganese products. However, there can be no assurance that these discussions will lead to offtake agreements or commercial or strategic relationships in the near term, if at all.

The Company continues to hold active discussions and negotiations with several consumers of high-purity manganese products, which include battery, chemical and automobile manufacturers, in Asia, Europe and North America, and expects to allocate the remainder of the demonstration plant’s initial year of production in the near term. The Company is also considering extending the life of the demonstration plant to two or possibly three years.

Following discussions with prospective customers, the Company announced its plan to re-start its pilot plant to deliver samples of high-purity manganese products in advance of the production from the demonstration plant. This will allow prospective customers to continue or initiate their supply chain qualification of the Company's products in advance of larger samples delivered from the Project’s Demonstration Plant.

6. Review of Operations - Chvaletice Manganese Project (continued)

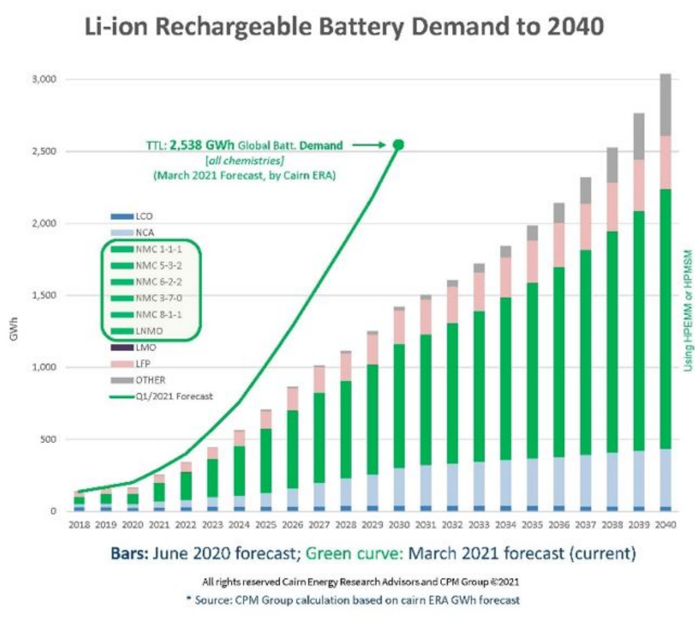
High Purity Manganese Market Overview

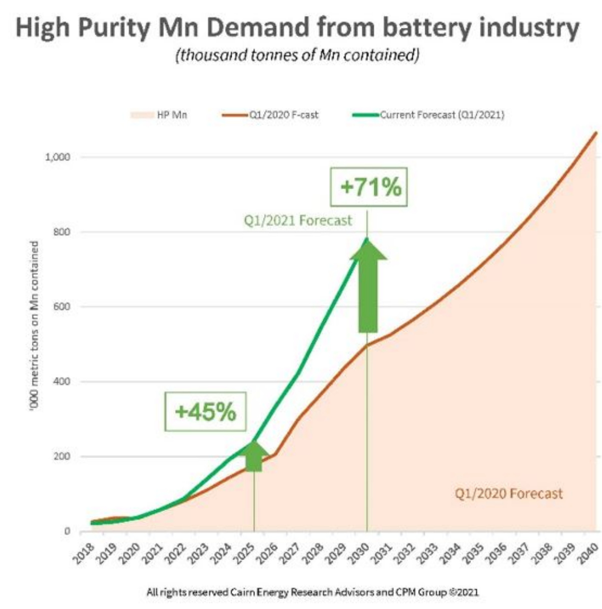
In connection with the preparation of the PEA, the Company commissioned the independent research and consultancy firm of CPM Group LLC (“CPM Group”) to provide an HPEMM and HPMSM (collectively described as "High-Purity Manganese" or "HPM") product market outlook study for the Chvaletice Manganese Project. Cairn Energy Research Advisors (“Cairn ERA”) contributed technical and battery industry inputs to the CPM Group report. The extended executive summary of the CPM market outlook entitled “Market Outlook for High-Purity Electrolytic Manganese Metal and High-Purity Manganese Sulfate Monohydrate” is reproduced in section 19 of the Technical Report. Since their initial reports, HPM demand figures were updated upwards by Cairn ERA and CPM Group in January 2020 and March 2021.

High-performance NMC Li-ion batteries are being increasingly used in electric vehicles (EVs) and other energy storage applications. In 2020, this battery chemistry accounted for nearly half of all Li-ion batteries produced, if measured by MWh. The manufacturing processes and formulations for Li-ion batteries require reliable, high-purity sources of manganese and other battery raw materials to ensure that the batteries meet increasingly demanding performance, safety and durability standards. The high-purity manganese materials for the precursor cathode materials of NMC batteries can be supplied in the form of HPEMM and HPMSM.

Demand for high purity manganese is growing rapidly around the world, driven by the growth of the electric vehicle sales and the Li-ion battery industry. In the second half of 2020 and the first quarter of calendar 2021, two major electric vehicles manufacturers, Tesla and Volkswagen, made public commitments to manganese-based batteries for their mass-market vehicles going forward, causing a major upward revision of the HPM demand projection forecasts, as illustrated on the graphs below. However, only certain manganese ores can feasibly and sustainably be used for the specialty, high end products of the battery industry. A critical factor is availability of the right quality ore in the right location. Carbonate ores, which are rare, are preferred for the production of high-purity manganese, although oxides can be used after roasting or chemical treatment using current commercial processes, resulting in a higher cost of reagents and energy, which can also cause environmental issues.

In the first quarter of calendar 2021, Cairn ERA and CPM Group updated their forecasts of total rechargeable (or secondary) Li-ion battery demand (below, left), as well as HPM demand (below, right), which is now as expected to grow from 36,800 tonnes in 2020 to 780,000 tonnes in 2030.





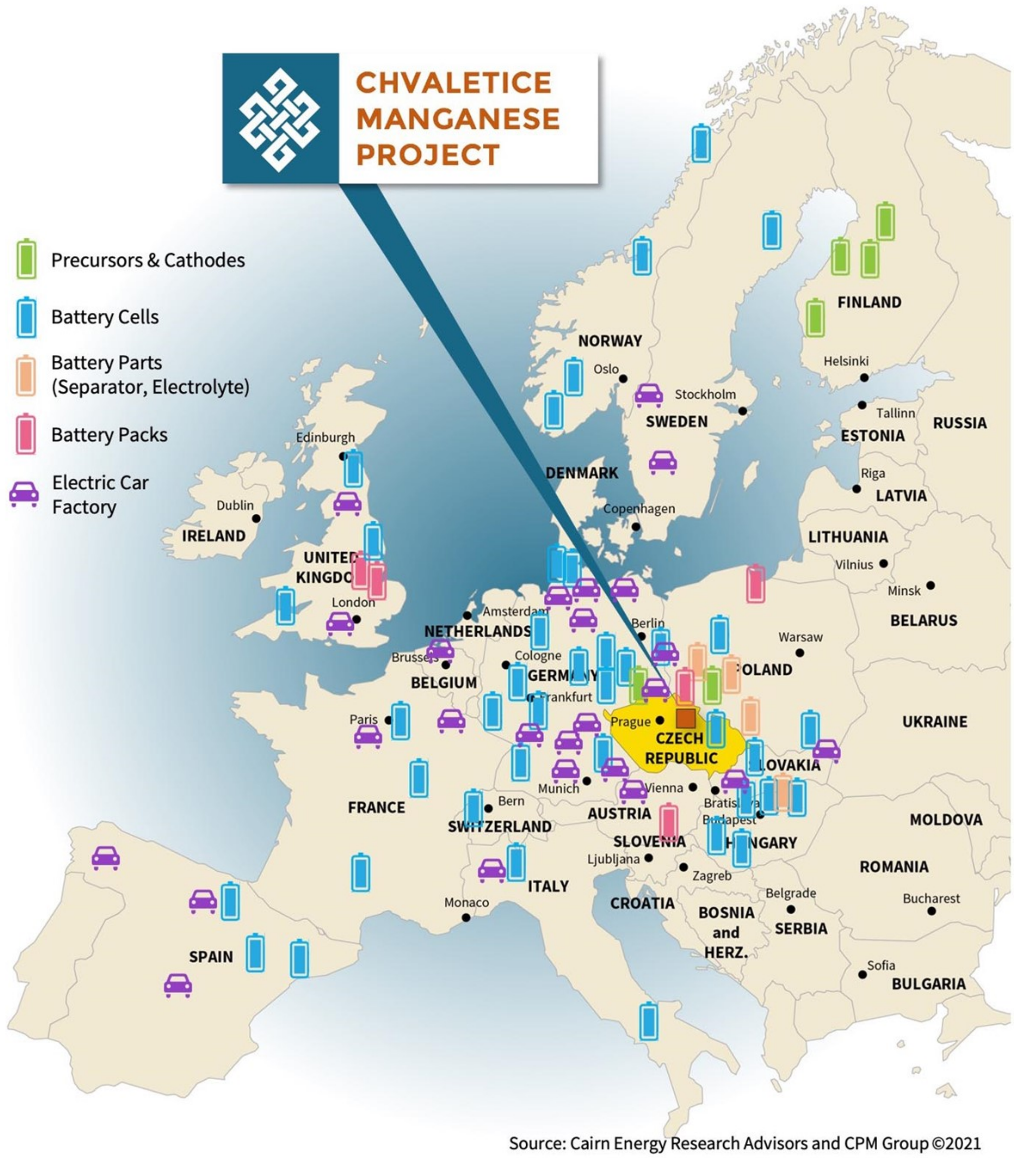
6. Review of Operations - Chvaletice Manganese Project (continued)

According to the International Manganese Institute, China produced only 4.2% of the 2020 global output of manganese ore (down 33% from previous year), while retaining its dominant position as a supplier of high-purity manganese products – more than 90% of the HPMSM suitable for the battery industry originated in China in 2020. China relies heavily on imported ore, mainly from South Africa, Australia, Gabon and Ghana. At present, only about 3% of HPMSM suitable for the battery industry is produced in Europe. In discussions with prospective customers, the Company has learned that they are increasingly interested in diversifying their strategic raw material sourcing and wish to promote the creation of independent, local supply chains, particularly in regions such as Europe, where the automobile manufacturing industry employs over 14 million people directly and indirectly and where the automotive companies have made strong commitments to the electrification of their fleets.

Europe is rapidly becoming a major hub in the global electric car and battery industries, with 23 battery cell gigafactories (defined as >1GWh/annum of battery production) expected to be in operation by 2023, with more to come later. Local supply chains are being built in Europe and apart from the convenient logistics, companies located within the European single market benefit from frictionless trading and additional benefits (e.g. imported manganese sulphate monohydrate is currently subject to a 5% EU import tariff). According to announcements from the battery makers, by 2030 Europe should have 43 battery gigafactories, with more than 719 GWh of production capacity installed (24% of global capacity, second after China). CPM Group believes that the entire planned output of the Chvaletice Manganese Project can be consumed by the growing lithium-battery sector in Europe.

In addition to the highest product purity possible, European consumers of HPM expect the products they use to be traceable, having ‘green credentials’, and with a preference for locally sourced materials. The local supply chain in Europe is growing rapidly, and, in addition to the battery gigafactories under construction, will soon include 5 precursor makers, 4 electrolyte and separator factories, and 8 battery pack assembly plants. At least twelve of the gigafactories that consume manganese inputs are or will be located between 200 km and 500 km of the Chvaletice Manganese Project, as shown below.

6. Review of Operations - Chvaletice Manganese Project (continued)



7. 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	Apr to Jun'21	Jan to Mar'21	Oct to Dec'20	Jul to Sep'20	Apr to Jun'20	Jan to Mar'20	Oct to Dec'19	Jul to Sep'19
	$	$	$	$	$	$	$	$
Cash	**33,457**	33,118	11,394	2,731	442	1,266	2,236	4,085
Total assets	**44,472**	37,276	15,449	5,808	3,488	4,531	5,562	6,909
Working capital (1)	**27,821**	32,877	11,372	2,922	11	(347)	1,504	3,215
Current liabilities	**6,025**	624	454	217	791	2,136	1,297	1,028
Revenue	**—**	—	—	—	—	—	—	—
Project evaluation expenses	**1,724**	1,305	484	409	408	1,062	1,319	1,059
Other expenses	**1,342**	1,165	826	894	636	868	780	751
Net loss attributable to shareholders	**3,066**	2,470	1,310	1,303	1,044	1,930	2,099	1,810
Net loss per share, basic and diluted, attributable to shareholders	**0.01**	0.01	—	0.01	0.01	0.01	0.01	0.02

(1) The additional non-GAAP financial measure of working capital is calculated as current assets less current liabilities.

Summary of major variations in quarterly financial activities:

The variation in quarterly evaluation expenditures is mainly attributed to the following:

- At the end of the quarter ended December 31, 2020, the work on the feasibility study resumed and was continuing at full capacity in the following two quarters.

- During the five quarters leading up to the resumption of the feasibility study work and ordering of the demonstration plant in the last quarter of calendar 2020, the Company incurred project evaluation costs related to the commissioning of studies for the demonstration plant, the initiation of the planning stage of the feasibility study, and the advancement of the work on the EIA. The preliminary EIA Notification was filed at the end of the quarter ended June 30, 2020, and the results of the review process were received in January 2021. The Company is now focusing on the preparation of the Final EIA.

- The quarters ended June 30, 2020, September 30, 2020, and December 31, 2020 were impacted by the COVID-19 pandemic, causing delays and deferrals of feasibility study work and significant cost cutting measures.

Fluctuations in the level of quarterly administrative expenditures is mainly attributed to the following:

- Other expenses for the quarter ended March 31, 2020 are higher than the prior two quarters as a result of increased professional fees resulting from the hiring of a financial adviser, increased investor relations, and higher product sales and marketing expenses relating to the MoUs signed by the Company.

- The quarters ended June 30, 2020, and September 30, 2020, were impacted by the COVID-19 pandemic, which resulted in significant cost cutting measures, including temporary salary adjustments, re-negotiations, cancellations or interruptions of contracts and restricted travel.

- Other expenses for the most recent two quarters are higher as a result of increased investor relations expenses due to the engagement of service providers in Australia and due to an increase in filing and compliance fees relating to the private placements completed in the nine months ended June 30, 2021.

7. Quarterly Financial Review (continued)

Three months ended June 30, 2021 compared to the three months ended June 30, 2020

	Three months ended June 30,	
	2021	2020
(expressed in thousands of Canadian dollars, except per share data)	**$**	$
Project evaluation expenses		
Engineering	**1,186**	169
Remuneration	**186**	207
Share-based compensation	**118**	19
Metallurgical	**—**	—
Geological	**68**	1
Legal and professional fees	**82**	1
Market studies	**31**	10
Drilling, sampling and surveys	**47**	—
Supplies and rentals	**6**	1
Environmental	**—**	—
Geophysical	**—**	—
Taxes	**—**	—
	1,724	408
Other expenses		
Remuneration	**432**	197
Share-based compensation	**142**	36
Total remuneration	**574**	233
Legal and professional fees	**222**	109
Investor relations	**152**	17
Product sales and marketing	**36**	105
Travel	**2**	—
Filing and compliance fees	**70**	55
Office, general and administrative	**55**	25
Accretion expense	**5**	26
Insurance	**29**	26
Office rent	**—**	—
Conferences	**22**	—
Depreciation	**36**	19
Foreign exchange	**139**	21
	1,342	636
Loss and comprehensive loss for the period	**3,066**	1,044
Basic and diluted loss per common share	**$0.01**	$0.01

7. Quarterly Financial Review (continued)

Project evaluation costs for the three months ended June 30, 2021 and 2020, were $1,724,228 and $407,774, respectively. The increase over the comparative quarter in fiscal 2020 is due to the level of work conducted in each period in connection with the advancement of the feasibility study work and the planning, permitting and other studies related to the demonstration plant. The main cost variances include: an increase of $1,017,044 in engineering costs which include environmental costs; an increase of $66,895 in geological costs; an increase of $98,846 in share-based compensation due to option grants in the second quarter of fiscal 2021 compared to no options grants in the comparative quarter in 2020; and an increase of $81,086 in legal and professional fees related mainly to land purchase negotiations. Market studies resumed after being temporarily suspended in 2020 which resulted in an increase of $21,681 in the current quarter. Remuneration in the Czech Republic decreased by $20,752 as a result of the Company's cost cutting measures in 2020.

The $705,526 increase in administrative costs for the three months ended June 30, 2021, compared to the same period in 2020, is mainly attributable to: a $340,956 increase in remuneration due to a higher number of employees in the corporate office in Canada and the impact of COVID-19 related cost cutting measures in the comparative period; a $135,207 increase in investor relations expenses due to the engagement of investor relations services in Australia and Canada in the current period; a $112,857 increase in legal and professional expenses related to the OTCQX listing and the announced CEO succession plan process in the current period; a $22,264 increase in conferences as more EV related events, mainly virtual, were available in the current period, an increase of $30,377 in office, general and administrative costs due to the Company's office move and increased IT costs; an increase of $14,954 in filing and compliance fees as a result of the private placement in the last two quarters of fiscal 2021; and an increase of $117,987 in foreign exchange loss arising from revaluation of the liabilities for the royalty buy back and land deposits at the period end. The overall increase in administrative costs was partially offset by: a $68,730 decrease in product sales and marketing; and a decrease of $20,666 in accretion expense due to a decrease in amortization of leases.

7. Quarterly Financial Review (continued)

Nine months ended June 30, 2021 compared to the nine months ended June 30, 2020

	Nine months ended June 30,	
	2021	2020
(expressed in thousands of Canadian dollars, except per share data)	**$**	$
Project evaluation expenses		
Engineering	**2,297**	1,553
Remuneration	**520**	722
Share-based compensation	**329**	88
Metallurgical	**—**	41
Drilling, sampling and surveys	**47**	4
Geological	**104**	79
Legal and professional fees	**129**	137
Market studies	**64**	83
Travel	**—**	64
Supplies and rentals	**22**	18
	3,512	2,789
Other expenses		
Remuneration	**1,098**	773
Share-based compensation	**315**	162
Total remuneration	**1,413**	935
Legal and professional fees	**503**	352
Investor relations	**510**	134
Product sales and marketing	**111**	238
Travel	**3**	85
Filing and compliance fees	**308**	164
Office, general and administrative	**136**	111
Accretion expense	**15**	92
Insurance	**86**	75
Conferences	**27**	23
Depreciation	**64**	56
Foreign exchange	**157**	20
	3,333	2,285
Loss and comprehensive loss for the period	**6,845**	5,074
Basic and diluted loss per common share	**$0.02**	$0.03

7. Quarterly Financial Review (continued)

Project evaluation costs for the nine months ended June 30, 2021 and 2020, were $3,512,584 and $2,788,978, respectively. These activities represent work conducted on the Project's feasibility study, the EIA, and planning and permitting work related to the Chvaletice demonstration plant. Project evaluation activities were impacted by the COVID-19 pandemic commencing in mid-March 2020 and continued throughout most of calendar 2020. Work on the feasibility study resumed in November 2020, following the completion of the first tranche of an $11 million private placement in late October 2020, and was fully underway again in the first quarter of calendar 2021. Accordingly, project evaluation costs were higher in the nine months ended June 30, 2021 than in the comparative period in fiscal 2020. The main cost variances include: an increase of $743,757 in engineering costs which include environmental costs, which in both periods related to the preparation of the EIA Notification and the feasibility study; and an increase of $241,680 in share-based compensation due to stock options grants in the current nine-month period. The overall increase in project evaluation costs was partially offset by a decrease in remuneration of $201,640 as a result of the cost cutting measures in the Czech Republic in 2020; a $25,435 decrease in geological costs which in the comparative period related to the EIA Notification preparation and the feasibility study; and a decrease in travel costs of $63,782 due to the global COVID-19 pandemic travel restrictions. Additionally, market studies were temporarily suspended which resulted in a decrease of $19,198.

The $1,048,280 increase in administrative costs for the nine months ended June 30, 2021, compared to the same period in fiscal 2020, is mainly attributable to: a $376,147 increase in investor relations expenses due to the engagement of investor relations services in Australia and Canada in the current period; an increase of $143,968 in filing and compliance fees as a result of two private placements in the current period; a $325,587 increase in remuneration due to a higher number of employees in the corporate office in Canada and the impact of COVID-19 related cost cutting measures in the comparative period; a $153,129 increase in share-based compensation due to options grants at higher value in the current period; a $150,688 increase in legal and professional fees related to the OTCQX listing, the announced CEO succession plan process and general legal matters; a $25,070 increase in general and administrative expenses due to the Company's office move and increased IT costs; and a $136,964 increase in foreign exchange loss arising from revaluation of the liabilities for the royalty buy back and land deposits at the period end. The overall increase in administrative costs was partially offset by a decrease of $82,375 in travel resulting from COVID-19 related restrictions; a $126,788 decrease in product sales and marketing expenses; and a $77,012 decrease in accretion expense mostly due to the decrease in the amortization of leases.

8. Liquidity and Capital Resources

As at June 30, 2021, the Company held cash of approximately $33.5 million. Cash is held with reputable financial institutions and is invested in highly liquid short-term investments with maturities of three months or less. The funds are not exposed to significant liquidity risk and there are no restrictions on the ability of the Company to use these funds to meet its obligations.

The increase in cash of $30.7 million during the nine months ended June 30, 2021, is a result of cash used in operating and investing activities of $4.8 million and $3.2 million, respectively, offset by $38.8 million of cash generated from financing activities which included two private placements in the period and certain warrant and share option exercises. The use of cash in investing activities represents the first two instalments paid for the demonstration plant and certain land related payments. Working capital increased by $24.9 million during the nine months ended June 30, 2021, to $27.8 million from $2.9 million at September 30, 2020.

Additional funding will be required for the potential future construction of infrastructure and facilities for the Chvaletice Manganese Project. The ability of the Company to arrange such funding will depend principally upon prevailing market conditions, the business performance of the Company, and other factors such as further disruptions resulting from an extended duration of the COVID-19 pandemic. Such funding may not be available when needed, if at all, or be available on terms favourable to the Company and its shareholders. Failure to obtain such additional financing could result in a delay, indefinite postponement or curtailment of further evaluation and development of the Company's principal property.

8. Liquidity and Capital Resources (continued)

Contractual Commitments

As at June 30, 2021, the Company was committed to make the minimum annual cash payments, as follows:

		Payments due by period	
	Total	Less than one year	1 - 2 years
	$	$	$
Minimum office lease payments [1]	8,097	6,261	1,836
Operating expenditure commitments [2]	129,016	129,016	—
Total contractual obligations	137,113	135,277	1,836

[1] The Company has one non-cancellable operating office lease expiring in two years.
[2] Operating expenditure commitments relate to the evaluation work on the Chvaletice Manganese Project.

In addition to the commitments disclosed above, the Company has entered into various agreements related to the feasibility study and the demonstration plant. These contracts can be canceled by the Company upon notice without penalty, subject to the costs incurred up to and in respect of the cancellation.

The Company agreed to acquire rights to three additional strategic parcels of land, completing its land assembly for the proposed Chvaletice commercial plant, as detailed in section 6.

The Company is not subject to any externally imposed capital requirements. Detailed description of the Company's additional commitments can be found in note 14 of the Company's audited consolidated financial statements for the year ended September 30, 2020.

9. Off-Balance Sheet Arrangements

As at June 30, 2021, 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.

10. Related Party Transactions

For the three and nine months ended June 30, 2021 and 2020, 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 June 30, 2021, 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 directors and officers, including its: a) non-executive Chairman, b) President and Chief Executive Officer, c) Chief Financial Officer, d) Vice President, Corporate Development and Corporate Secretary, e) Vice President, Operations, f) Chief Technology Officer and g) Managing Director of the Company's Czech subsidiary.

10. Related Party Transactions (continued)

	Three months ended June 30,		Nine months ended June 30,	
	2021	2020	**2021**	2020
	$	$	**$**	$
Salaries and fees	**476,494**	224,745	**1,342,398**	873,304
Share-based compensation	**56,110**	26,568	**140,247**	147,628
	532,604	251,313	**1,482,645**	1,020,932

Fees paid to PRK Partners s.r.o. ("PRK"), a legal firm associated with a former director and former advisory board member, for the three and nine months ended June 30, 2021, amounted to $nil and $27,757 (three and nine months ended June 30, 2020 - $1,740 and $148,943). The prior period fees related to general legal services and various land purchase negotiations. Fees paid to the advisory board members for the three and nine months ended June 30, 2021 amounted to $5,000 and $20,000 (three and nine months ended June 30, 2020 - nil).

At June 30, 2021, amounts owing to directors and officers of the Company for salaries and directors fees amounted to $33,756 (September 30, 2020 - $16,158), and solely represents salary owing to the Managing Director of Mangan. Fees owing to PRK amounted to $nil (September 30, 2020 - $576). Other amounts payable to officers and directors at June 30, 2021 for the reimbursement of office related expenses were $13,020 (September 30, 2020 - $3,983).

11. 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 share purchase warrants were outstanding at August 12, 2021:

	Number of securities
Issued and outstanding common shares	373,673,082
Share options	19,881,331
Warrants	11,400,000

12. Proposed Transactions

At June 30, 2021, there are no proposed asset or business acquisitions, or disposition being considered that would affect the financial condition, financial performance or cash flows of the Company.

13. Events After the Reporting Period

Subsequent to June 30, 2021, 1,650,000 stock options were exercised for proceeds to the Company of $256,750.

14. 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 as issued by the IASB. Detailed description of the Company's significant accounting policies can be found in Note 3 of the Company's audited consolidated financial statements for the year ended September 30, 2020, and changes to the existing and new accounting policies can be found in the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended June 30, 2021. The impact of future accounting changes is disclosed in Note 3.3 to the unaudited condensed consolidated interim financial statements for the three and nine months ended June 30, 2021.

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 3.13 of the Company's consolidated financial statements for the year ended September 30, 2020, and in Note 3.2 of the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended June 30, 2021.

15. 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 Company's consolidated financial statements for the year ended September 30, 2020.

16. 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 condensed consolidated interim financial statements for the three and nine months ended June 30, 2021, 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 condensed consolidated interim financial statements for the three and nine months ended June 30, 2021, 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 three and nine months ended June 30, 2021, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's President and Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the disclosure controls and procedures, that as of June 30, 2021, the Company's disclosure controls and procedures provide reasonable assurance that material information is made known to them by others within the Company and that the controls are appropriately designed.

16. Internal Controls over Financial Reporting and Disclosure Controls and Procedures (continued)

Limitations of Controls and Procedures

The Company's management, including the President and Chief Executive Officer and 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.

17. Forward-Looking Statements and Risks Notice

Except for statements of historical fact relating to the Company, certain information contained in this MD&A constitutes forward-looking statements or forward-looking information. Forward-looking statements or information typically include words and phrases about the future, such as: “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “will likely result”, “are expected to”, “will continue”, “is anticipated”, “believes”, “estimated”, “intends”, “plans”, “projection”, “outlook” and similar expressions. These statements involve known and unknown risks, assumptions, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes there is a reasonable basis for the expectations reflected in the forward-looking statements, however no assurance can be given that these expectations will prove to be correct and the forward-looking statements included herein should not be unduly relied upon.

All of the results of the PEA constitute forward-looking information or statements, including estimates of internal rates of return, payback periods, net present values, future production, estimates of cash cost, assumed long term prices for HPEMM and HPMSM, proposed extraction plans and methods, operating life estimates, cash flow forecasts, metal recoveries and estimates of capital and operating costs. Furthermore, with respect to this specific forward-looking information concerning the development of the Chvaletice Manganese Project, the Company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include among others: (i) the adequacy of infrastructure; (ii) the ability to develop adequate processing capacity; (iii) the price of HPEMM and HPMSM; (iv) the availability of equipment and facilities necessary to complete development; (v) the size of future processing plants and future tailings extraction rates; (vi) the cost of consumables and extraction and processing equipment; (vii) unforeseen technological and engineering problems; (viii) currency fluctuations; (ix) changes in laws or regulations; (x) the availability and productivity of skilled labour; and (xi) the regulation of the mining industry by various governmental agencies.

Such forward-looking information or statements also 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 Chvaletice Manganese Project, the completion of a feasibility study, the building of the demonstration plant in the Czech Republic, the Company's ability to secure additional financing and/or strategic partners for the ongoing development of the Chvaletice Manganese Project, its ability to acquire the remaining land or surface rights needed for the Chvaletice Manganese Project, the filing of a Final EIA and related permit applications with the Czech regulatory agencies and local communities, the growth and development of the high-purity manganese products market and any other matters relating to the evaluation, planning and development of the Project. The Company also cautions readers that the PEA supporting the technical feasibility or economic viability of the Chvaletice Manganese Project, including the marketability of the high-purity manganese products, extraction method, costs, processing, metal recoveries and any other technical aspects related to the Chvaletice Manganese Project, is preliminary in nature and there is no certainty that the results in the PEA will be realized.

17. Forward-Looking Statements and Risks Notice (continued)

This MD&A also contains references to estimates of Mineral Resources. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in manganese or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) changes to proposed extraction operations, including recoveries and dilution; (v) the evaluation of extraction and operating plans subsequent to the date of any estimates; and (vi) the possible failure to receive required permits, approvals and licences.

The Company is engaged in the evaluation, exploration and development of mineral projects which, by their nature, are speculative. Accordingly, the Company is subject to risks associated with its industry and business, including but not limited to: risks inherent in the mineral exploration and evaluation and mineral extraction business; commodity price fluctuations; competition for mineral properties; mineral resources and reserves and recovery estimates; currency fluctuations; interest rate risk; financing risk; environmental risk; country risk; permitting risk; political risk; legal proceedings; and numerous other risks. A summary of the risks relating to the business of the Company and industry-related risks, and risks relating to the Company's Shares is included in the Company's Annual Information Form dated December 16, 2020, filed on SEDAR at www.sedar.com under the Company's profile. Additional risks associated with the COVID-19 global pandemic are discussed in section 2 of this MD&A.

If any of such risks or uncertainties actually occur, the Company's business, financial condition or operating results could be harmed substantially and could differ materially from the plans and other forward-looking statements discussed in this MD&A. The Company will not necessarily update this information unless it is required to by securities laws.