

Falcon Addresses License Revocation in Guinea

PRESS RELEASE

FOR IMMEDIATE RELEASE

Abu Dhabi, United Arab Emirates, May 16, 2025 – Falcon Energy Materials plc (TSX-V: FLCN) (“Falcon” or the “Company”) wishes to address a recent revocation of certain exploration and exploitation permits by a decree signed by the President of the Republic of Guinea (“Guinea”). This communication aims to clarify misconceptions and reassure our shareholders, stakeholders and the public.

Falcon unequivocally denounces this decree as illegal and wholly inconsistent with both the letter and spirit of Guinean mining legislation. The Company will pursue all available legal remedies in Guinea and internationally to defend its rights and protect its investment.

The decree suggests that the Government of Guinea is revoking 50 gold, bauxite and diamond exploration and exploitation licenses as well as one (1) graphite exploitation license. To date, the Company has not received any written correspondence from the Government of Guinea regarding its intention to revoke the Lola Graphite Project (the “Project”) exploitation permit, which was granted to the Company in 2019 under the 2011 Guinea Mining Code (the “Mining Code”).

Under the Mining Code, the Government cannot take unilateral action to revoke mining rights and seize Company property without following the procedures outlined in the Mining Code and Guinea law. The Company will take every step necessary, and without hesitation, to protect its rights afforded under the Mining Code.

Falcon has successfully advanced the Project from its initial exploration phase, through a period of historically low graphite prices, to the publication of an updated feasibility study in late 2022 at significant cost. The Project has continuously advanced despite political changes and market fluctuations. The Company has maintained employment for 35 employees despite challenging market conditions.

The Company remains committed to developing the Project and has been working until today in lockstep with the Guinean Government towards a mutually beneficial development timeline that complies with applicable law and protects the Company’s rights. Additionally, Falcon has made several applications to the Guinea Ministry of Mines to negotiate a mining convention and commence the Project construction work, which remain unanswered despite regular requests by the Company.

The Company will make further disclosure when appropriate.

ABOUT FALCON ENERGY MATERIALS PLC

Falcon Energy Materials PLC (TSX-V: FLCN) aims to become a fully integrated supplier of battery anode materials. The Company’s integrated business model would result in the creation of a mine-to-market active anode material producer, hosting a large high-purity graphite production mine in the Republic of Guinea, and a value-added, coated spherical purified graphite conversion facility in Morocco.



With attractive operating costs, proximity to European end-markets and strong ESG credentials, the Company is poised to become a reliable supplier while promoting sustainability and supply chain transparency. Falcon is committed to generating sustainable, long-term benefits that are shared with the host countries and communities where it operates.

For additional information, please visit Falcon's website at www.falconem.net

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking information" within the meaning of Canadian securities legislation and other statements that are not historical facts. Forward-looking statements are included to provide information about management's current expectations and plans that allow investors and others to have a better understanding of the Company's business plans and financial performance and condition.

All information contained herein that is not clearly historical in nature may constitute forward-looking information. Generally, such forward-looking information can be identified by the use of forward-looking terminology such as "round out", "accelerate", "expect", "follow", "successful", "including", "believe", "qualify", "aim", "become", "commit" or variations of such words and phrases or state that certain actions, events or results "may", "could", "will", "would" or "might". Specific forward-looking statements in this press release include, but are not limited to, statements and information with respect to: (i) the legality of the decree signed by the President of Guinea revoking certain exploration and exploitation permits; (ii) the Government of Guinea's intention to revoke the Project exploitation permit; and (iii) the outcome of any legal proceeding, in the applicable jurisdiction, to be pursued by the Company to defend the Company's rights and investment in the Project.

Forward-looking information is based upon certain assumptions and other important factors and assumptions subject to significant business, geological, economic and competitive uncertainties and contingencies that, if untrue, could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such information or statements. There can be no assurance that such information or statements will prove to be accurate. Key assumptions upon which the Company's forward-looking information is based include, without limitation, the legality of the decree signed by the President of Guinea revoking certain exploration and exploitation permits and the Government of Guinea's intention to revoke the Project exploitation permit.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: (i) volatile stock price; (ii) the general global markets and economic conditions; (iii) the possibility of write-downs and impairments; (iv) the risk



associated with exploration, development and operations of mineral deposits and mine plans for the Company's mining operations; (v) the risk associated with establishing title to mineral properties and assets including permitting, development, operations and production from the Company's operations being consistent with expectations and projections; (vi) there being no significant disruptions affecting the operations of the Company whether due to artisanal miners, access to water, extreme weather events and other or related natural disasters, labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; (vii) asset impairment (or reversal) potential, being consistent with the Company's current expectations; (viii) the Government of Guinea's ability to revoke the Project exploitation permit; and (ix) the Company's ability to defend the Company's rights and investment in the Project. In addition, readers are directed to carefully review the detailed risks and uncertainties described or referred to in the section entitled "Risk and Uncertainties" in the Company's management's discussion and analysis for the year ended December 31, 2024, as updated from time to time in the Company's interim management's discussion and analysis for its quarterly financial periods, each of which is filed on SEDAR+ at www.sedarplus.ca.

Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information.

Forward-looking information is given as of the date of this press release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws. The Company qualifies all of its forward-looking statements by these cautionary statements.