

Falcon Announces Strategic Partnership with Fluoralpha to Advance Anode Plant Development in Morocco

PRESS RELEASE

FOR IMMEDIATE RELEASE

Abu Dhabi, United Arab Emirates, May 20, 2025 – Falcon Energy Materials plc (TSX-V: FLCN) (“**Falcon**” or the “**Company**”) is pleased to announce it has entered into an agreement with Fluoralpha S.A. (“**Fluoralpha**”) to support the development of a pilot plant (the “**Pilot Plant**”) and large-scale anode plant (the “**Anode Plant**”) for the production of coated spherical purified graphite (“**CSPG**”) at Jorf Lasfar, near Casablanca, in the Kingdom of Morocco (“**Morocco**”).

HIGHLIGHTS

- Fluoralpha joins Falcon’s strategic consortium, completing the industrial foundation needed to de-risk and accelerate the development of the Anode Plant;
- Fluoralpha is set to become Morocco’s leading producer of anhydrous hydrofluoric acid (“**AHF**”), and a critical reagent in CSPG production;
- Falcon and Fluoralpha will negotiate an offtake agreement for AHF to support commercial production of CSPG at the Anode Plant;
- Fluoralpha will provide Falcon a site within its industrial perimeter for the Pilot Plant.

“We are very pleased to welcome Fluoralpha to our consortium,” commented Matthieu Bos, Chief Executive Officer of Falcon “With Fluoralpha on board, we have assembled a Tier One ecosystem in Morocco to deliver the first large-scale CSPG production facility outside of China. The planned offtake agreement for reliable and local AHF is a major step in securing the critical inputs needed for the commercial production of CSPG.”

DETAILS

Fluoralpha, A Strategic Partner in Advanced Chemicals

Fluoralpha, a Moroccan-based company developed by INNOVX S.A (“**INNOVX**”), pioneers sustainable advancements in fluorinated products by leveraging Morocco’s abundant phosphate rock-derived fluorine. Fluoralpha monetizes fluorosilicic acid (“**FSA**”), a by-product captured from the production of fertilizers, using a state-of-the-art facility to produce AHF (100% pure hydrofluoric acid) and synthetic fluorspar.

Pilot Plant and Anode Plant Development at Jorf Lasfar

Falcon has selected Morocco as the ideal and strategic location to develop the Pilot Plant and Anode Plant. AHF is a critical ingredient in the purification of graphite concentrate to produce CSPG. Proximity to Fluoralpha’s operations significantly reduces logistical, operational and safety risks, especially when handling corrosive materials like AHF.



Under the agreement, Fluoralpha will provide Falcon with a site within its industrial zone at Jorf Lasfar for the Pilot Plant (the “**Site**”). Falcon, anticipates starting construction of the Pilot Plant in Q2 2025, with commissioning targeted for H2 2025. The Pilot Plant will produce approximately 100kg of CSPG per day, enabling Falcon to supply product samples to potential customers and advance commercial offtakes discussions for the larger Anode Plant.

“Our collaboration with Fluoralpha also opens the door to deeper engagement with Morocco’s broader innovation ecosystem,” added Mr. Bos. “We’re committed not just to building a facility in Morocco, but to investing in Moroccan talent and creating long-term industrial value for the regional and national economy”.

Next Steps: AHF Offtake and Anode Plant Site Confirmation

Falcon and Fluoralpha will negotiate and finalize an AHF offtake agreement to support full-scale CSPG commercial production. The parties have identified Park X – a strategically located industrial site owned by INNOVX and located directly adjacent to the Jorf Lasfar industrial complex - as the preferred location for Falcon’s Anode Plant. Its proximity to Fluoralpha, existing infrastructure and the Casablanca port make it an ideal base for scalable operations and export logistics.

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.

ABOUT FLUORALPHA SA

Fluoralpha pioneers sustainable advancements in the fluorinated products industry by leveraging Morocco’s abundant phosphate rock-derived fluorine. Its mission is to unlock the transformative potential of fluorine, driving innovation that enhances global industries while prioritizing environmental stewardship.

Founded on Morocco’s rich fluorine reserves, Fluoralpha integrates cutting-edge technology and best-in-class standards to convert FSA into essential materials like AHF and synthetic fluorspar. These products play crucial roles across diverse sectors such as electric batteries, aluminium production, chemical manufacturing, and semiconductors

For additional information, please visit Falcon’s website at www.falconem.net or Fluoralpha’s website at www.fluoralpha.ma

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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 "announce", "advance", "join", "complete", "accelerate", "set", "deliver", "plan", "secure", "develop", "reduce", "anticipate", "target", "enable", "open", "commit", "invest", "create", "negotiate", "finalize", "identify", "make", "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: (1) the formation of a strategic partnership between Falcon and Fluoralpha to support the development of the Pilot Plant and Anode Plant; (2) the impact of Fluoralpha joining Falcon's consortium; (3) the negotiation and finalization of an offtake agreement between Falcon and Fluoralpha for AHF to support the commercial production of CSPG at the Anode Plant; (4) the provision by Fluoralpha of a site within its industrial perimeter for the construction of the Pilot Plant; (5) the assembly of a Tier One ecosystem in Morocco to enable the delivery of the first large-scale CSPG production facility outside of China; (6) the role of the planned AHF offtake agreement with Fluoralpha in securing critical inputs for the commercial production of CSPG; (7) the selection of Morocco as the ideal location for the development of Falcon's Pilot Plant and Anode Plant; (8) the anticipated benefits of locating Falcon's facilities in close proximity to Fluoralpha's operations to reduce logistical, operational, and safety risks; (9) the provision by Fluoralpha of a site within its industrial zone at Jorf Lasfar for the development of the Pilot Plant; (10) the anticipated commencement of construction of the Pilot Plant in Q2 2025; (11) the expectation that the Pilot Plant will be commissioned and operational by H2 2025; (12) the planned production capacity of the Pilot Plant; (13) the use of Pilot Plant production to supply product samples to potential customers and advance commercial offtake discussions for the larger Anode Plant; (14) the anticipated collaboration between Falcon and Morocco's broader innovation ecosystem; (15) Falcon's commitment to building a facility in Morocco; (16) Falcon's commitment to investing in Moroccan talent and creating long-term industrial value for the regional and national economy; (17) the negotiation and finalization of an AHF offtake agreement between Falcon and Fluoralpha to support full-scale CSPG commercial production; (18) the identification of Park X as the preferred location for the development of Falcon's Anode Plant; (19) the expected logistical and operational benefits of locating the Anode Plant near Fluoralpha, existing infrastructure, and the Casablanca port for scalable operations and export logistics; (20) Falcon's aim to become a fully integrated supplier of battery anode material; (21) the creation of a mine-to-market active anode material producer through Falcon's integrated business model; (22) the



development of a high-purity graphite production mine in the Republic of Guinea; (23) the development of a value-added, coated spherical purified graphite (CSPG) conversion facility in Morocco; (24) Falcon being poised to become a reliable supplier of anode materials while promoting sustainability and supply chain transparency, supported by attractive operating costs, proximity to European end-markets, and strong ESG credentials; and (25) Falcon's commitment to generating sustainable, long-term benefits to be shared with host countries and communities where it operates.

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, (1) the Company's capacity to execute on its strategic and operational plans, including its ability to develop the Pilot Plant and Anode Plant on the anticipated timeline and budget; (2) stable political, social, and legal conditions in Morocco and Republic of Guinea and the absence of significant disruptions affecting operations due to civil unrest, regulatory changes, or other external factors; (3) that economic and market conditions, including interest rates, inflation, exchange rates, and commodity prices, remain consistent with current expectations; (4) the ability of Falcon to secure additional financing or strategic investment on favourable terms, if and when needed, to fund projects development; and (5) the assumption that no material adverse events will occur that prevent Falcon from achieving its objective of becoming a fully integrated supplier of battery anode materials.

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 Republic of Guinea's ability to revoke the Lola Graphite Project exploitation permit; and (ix) the Company's ability to defend the Company's rights and investment in the Lola Graphite 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.