

Falcon Energy Materials' Pilot Plant on Schedule for First CSPG Production in Q4 2025

PRESS RELEASE

FOR IMMEDIATE RELEASE

Abu Dhabi, United Arab Emirates, June 26, 2025 – Falcon Energy Materials plc (TSX-V: FLCN) (“Falcon” or the “Company”) is pleased to announce that it has purchased all the equipment for its pilot plant (the “Pilot Plant”), which will be located at Jorf Lasfar, near Casablanca, in the Kingdom of Morocco (“Morocco”). The Pilot Plant is planned to produce large-scale samples of coated spherical purified graphite (“CSPG”) for future Falcon customers.

HIGHLIGHTS

- **All key equipment** for the Pilot Plant has been ordered with **deliveries underway**;
- **First CSPG samples** expected to be available for customer testing in **September 2025**;
- **Pilot Plant commissioning** expected to be completed by **Q4 2025**;
- **Offtake discussions are progressing** with Shanshan and key customers;
- **Feasibility Study** remains on schedule for publication in **Q4 2025**.

“We are pleased to confirm that Falcon is on track to make the first CSPG samples available to future customers late summer”, commented Matthieu Bos, Chief Executive Officer of Falcon. “This will be an important milestone and move us towards our goal to build a large-scale anode production facility to provide a diversified supply of critical materials to the European and North America.”

Pilot Plant Development at Jorf Lasfar

Falcon has selected the site of its partner Fluoralpha S.A. (“**Fluoralpha**”) in Morocco as the ideal and strategic location for the development of the Pilot Plant. Fluoralpha has provided Falcon with a site within its industrial zone at Jorf Lasfar for the Pilot Plant (the “**Site**”). Fluoralpha is also expected to become a key supplier to Falcon of anhydrous hydrofluoric acid (“**AHF**”), a critical reagent in CSPG production.

With support from its technical partner, Hensen Graphite & Carbon Corporation (“**Hensen**”), Falcon has purchased all necessary equipment to produce large-scale CSPG samples for potential customers. The first components have been delivered to Hensen in China, where the Pilot Plant will be assembled and tested. Initial CSPG samples are expected to be ready for customer testing by September 2025.

The Pilot Plant will have a production capacity of approximately 100kg of CSPG per day (30 tonnes annually, if operated on a continuous basis), enabling Falcon to supply product at scale for customers



qualification- an essential step in advancing offtake agreements for Falcon's proposed 25,000tpa commercial-scale anode plant (the "**Anode Plant**").

Following successful assembly and testing in China, the Pilot Plant equipment is scheduled for shipment to Morocco in late September 2025, with full commissioning at the Site expected in Q4 2025.

"We are very pleased with the progress made in collaboration with Hensen," added Mr. Bos. "Together with Fluoralpha will be developing the first large-scale CSPG pilot plant in Morocco, putting Morocco - further establishing the country as an emerging hub for battery cell manufacturing. "We are not only building a pilot facility, we are investing in Morocco to develop the first industrial scale natural graphite anode plant outside China".

Commercial Discussions Progressing with Future Customers

The Pilot Plant is essential to further Falcon's commercial discussions with potential customers. Falcon's commercial partner, Shanghai Shanshan New Material Co., LTD ("**Shanshan**") has initiated discussions with downstream customers. Multiple parties have already expressed interest in Falcon's CSPG product and are awaiting pilot samples to begin qualification testing.

Feasibility Study on Schedule for Q4 2025

Falcon, in collaboration with Hensen, continues work on a NI 43-101 compliant feasibility study (the "**Feasibility Study**") for the development of the Anode Plant. The Study is being prepared by Dorfner Anzaplan UK Limited ("**Anzaplan**"), a leading European engineering and consulting firm.

Completion of the Feasibility Study is expected in Q4 2025. The study will also form the basis for the Environmental Impact Assessment and is a key component of the permitting process in Morocco.

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 "plan", "expect", "progress", "on schedule", "expect", "develop", "invest", "aim", "become", 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) First CSPG samples to be available for customer testing in September 2025, Pilot Plant commissioning to be completed by Q420; (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 Feasibility Study to be published in Q4 2025; (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.