

Falcon Energy Materials Pilot Plant Set for Q4 2025 Completion as Three Potential Customers Commence Sample Qualification Process

PRESS RELEASE

FOR IMMEDIATE RELEASE

Abu Dhabi, United Arab Emirates, October 16, 2025 – Falcon Energy Materials plc (TSX-V: FLCN)(OTCQB:FLCNF)(“**Falcon**” or the “**Company**”) is pleased to announce significant progress in the construction of its pilot plant (the “**Pilot Plant**”) at Jorf Lasfar, near Casablanca, Morocco – a major milestone positioning Falcon as a leader in developing large-scale, high-purity coated spherical purified graphite (“**CSPG**”) for the global battery industry outside of China. First CSPG samples have been produced in China and three potential customers have commenced their CSPG qualification process.

The Pilot Plant remains firmly on track for completion and commissioning in Q4 2025, marking a key step towards securing long-term offtake agreements for Falcon’s proposed 25,000 tonnes per annum (“**tpa**”) commercial scale anode facility (the “**Anode Plant**”).

HIGHLIGHTS

- **Civil construction works** progressing under Open Steel Structure Maroc S.A.R.L (“**Open Steel**”), the Moroccan subsidiary of Open Building Systems of China, leveraging extensive industrial infrastructure construction expertise.
- **Fabrication of structural steel** completed, with delivery to site scheduled for late October;
- **All major processing equipment installed** at Hensen Graphite & Carbon Corporation (“**Hensen**”) in China, with shipment to Morocco expected in November 2025;
- **First CSPG samples have been produced for three potential customers** to initiate large-scale qualification programs;
- **Commissioning** of the Pilot Plant remains on schedule for **Q4 2025**.

Strategic Advantage of the Pilot Plant in Morocco

The Pilot Plant is being developed within the industrial complex of Falcon’s strategic partner Fluoralpha S.A. (“**Fluoralpha**”) at Jorf Lasfar – one of Morocco’s most advanced industrial hubs. This prime and strategic location offers direct access to world-class port infrastructure, competitive operating costs, and proximity to both European and North American markets.

Civil construction is advancing steadily, and the completion of the Pilot Plant building, offices and ancillary infrastructure remains on track for late 2025.

“This Pilot Plant represents a pivotal milestone for Falcon—not just in producing CSPG samples, but in advancing toward the establishment of a major anode production facility outside China, positioning us as a key player in the global battery supply chain,” stated Matthieu Bos, CEO of Falcon. *“We are confident in the global availability of premium graphite feedstock and are actively*



testing several high-quality sources to ensure scalable, reliable supply for our growing operations."



Figure 1: Pilot Plant civil construction works at Jorf Lasfar, Morocco



First CSPG Samples Delivered to Prospective Customers

Falcon has procured and assembled all equipment necessary to produce large-scale CSPG samples for potential customers. The Pilot Plant has been fully commissioned and tested at Hensen's facility in China, ensuring optimized performances prior to shipment of the complete Pilot Plant to Morocco.

Two distinct specifications – tailored to customers' requirements have been produced, with 50kg sample batches currently under evaluation by three major potential customers. Falcon expects to operate the Pilot Plant throughout October 2025, ahead of shipment to Morocco in November 2025 for final commissioning.



Figure 2: Filter press inside Pilot Plant in Weihai, China



"Our strategic partnership with Hensen and Fluoralpha extends beyond construction; it signifies the development of a comprehensive, resilient industrial value chain crafted to lead the global battery market for decades to come," Mr. Bos added.

Figure 3: Matthieu De Bos, Falcon's CEO (5th from left), JD Joly, Falcon's CFO, with members from Fluoralpha and Hensen on site in Morocco.

ABOUT FALCON ENERGY MATERIALS PLC

Falcon Energy Materials plc (TSX-V: FLCN) (OTCQB:FLCNF) 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 "set", "potential", "significant", "position", "on track", "key steps", "toward", "secure", "propose", "progress", "on schedule", "expect", "initiate", "advantage", "offer", "advance", "confident", "grow", "prospective", "ensure", "signify", "aim", "result", "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) Falcon Pilot Plant being set for Q4 2025 completion; (2) the potential that the three potential customers actually become Falcon's customers; (3) the Company making significant progress in the construction of its Pilot Plant; (4) the milestone positioning the Company as a leader in the development of large-scale, high purity coated spherical purified graphite ("**CSPG**") for the global battery industry outside of China; (5) the potential customers completing the CSPG qualification process; (6) the Pilot Plant remaining firmly on track for completion in Q4 2025; (6) the progress of the Pilot Plant being a key steps towards securing long-term offtake agreements for Falcon's 25,000 tpa commercial scale Anode Plant; (7) the commercial Anode Plant designed for 25,000 tpa CSPG output; (8) the progress of the civil construction works under Open Steel; (9) the delivery to site of the structural steel scheduled for late October; (10) the shipment of major processing equipment to Morocco in November 2025; (11) the CSPG samples initiating the large-scale qualification programs; (12) the commissioning of the Pilot Plant remaining on schedule for Q4 2025; (13) the Pilot Plant in Morocco being a strategic advantage; (14) Jorf Lasfar being Morocco's most advanced industrial hub; (15) Jorf Lasfar offering direct access to world-class port infrastructure, competitive operating costs and proximity to both European and North American Markets; (16) the completion of the Pilot Plant building, offices and ancillary infrastructure remaining on track for late 2025; (17) the Pilot Plant representing a pivotal milestone for Falcon in producing CSPG samples and in the establishment of a major anode production facility outside China; (18) the Pilot Plant positioning Falcon as a key player in the global battery supply chain; (19) the global availability of premium graphite feedstock; (20) high-quality sources of premium graphite feedstock ensuring scalable, reliable supply for Falcon's growing operations; (21) the sufficiency of the procured and assembled equipment necessary to produce large scale CSPG samples for potential customers; (22) the production of large-scale CSPG samples; (23) the commissioning and testing of the Pilot Plant at Hensen's facility ensuring optimized performances; (24) the shipment of the complete Pilot Plant to Morocco; (25) the results of the evaluation by three major potential customers of 50kg sample batches; (26) the Pilot Plant being in operation throughout October 2025; (27) the shipment to Morocco of the Pilot Plant in November 2025 for final commissioning; (28) the significance of the partnership with Hensen and Fluoralpha in the development of a comprehensive, resilient industrial value chain crafted to lead the global battery market for decades to come; (29) Falcon's aim to become a fully integrated supplier of battery anode material; (30) the creation of a mine-to-market active anode material producer through Falcon's integrated business model; (31) the development of a high-purity graphite production mine in the Republic of Guinea; (32) the development of a value-added, coated spherical purified graphite (CSPG) conversion facility in Morocco; (33) Falcon becoming a reliable supplier of anode materials; (34) Falcon aiming to promote sustainability and supply chain transparency, supported by attractive operating costs, proximity to European end-markets, and strong ESG credentials; and (35) 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.