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## FALCON ENERGY MATERIALS PLC CLOSES C\$25 MILLION PRIVATE PLACEMENT TO ACCELERATE PROJECT DEVELOPMENT AND WELCOMES SIGNIFICANT NEW SHAREHOLDERS

PRESS RELEASE

FOR IMMEDIATE RELEASE

**Abu Dhabi, United Arab Emirates, February 20, 2026 – Falcon Energy Materials plc** (TSX-V: FLCN) (OTCQB: FLCNF) ("**Falcon**" or the "**Company**") is pleased to announce the closing of its previously announced non-brokered private placement (the "**Private Placement**") of 41,666,666 units (the "**Units**") of Falcon, at a price of C\$0.60 per Unit for gross proceeds of C\$25,000,000.

Each Unit is comprised of one ordinary share of the Company (a "**Share**") and one share purchase warrant (a "**Warrant**"). Each Warrant grants the holder the right to purchase one additional Share (a "**Warrant Share**") at a price of C\$0.75 per Warrant Share for a period of 36 months from the date of closing.

*"We are extremely pleased with the strong investor confidence demonstrated by the successful closing of this Private Placement," said Matthieu Bos, Chief Executive Officer of Falcon. "We are grateful to our existing shareholders for their continued support, including La Mancha Resource Fund's exercise of its anti-dilution rights, and we are pleased to welcome significant new investors such as Argentem Creek Partners from the United States of America and several high-profile investors from the Middle East and Europe. The support shown by participants in this private placement will enable us to advance rapidly the development of our project in Morocco."*

As of the closing of the Private Placement the Company's largest shareholder, La Mancha Investments S.à.r.l. ("**La Mancha**") will have a 24.1% interest in the Company based on the fully diluted number of Shares outstanding.

The proceeds from the Private Placement will be used to advance the development of the Company's strategic projects in Morocco, as well as for general working capital requirements. All securities issued under the Private Placement will be subject to a statutory four-month hold period in accordance with applicable Canadian securities laws until June 21, 2026. Notably, no commissions were paid in connection with the Private Placement.

Neither the Units, the Shares, the Warrants, nor the Warrant Shares have been, and will be, registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**"), or any U.S. state security laws, and may not be offered or sold in the United States without registration under the U.S. Securities Act and all applicable state securities laws or compliance with requirements of an applicable exemption therefrom. This press release shall not constitute an offer to sell or the



solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The issuances of Units to insiders of the Company, including La Mancha, in connection with the Private Placement are considered related party transactions within the meaning of Policy 5.9 – *Protection of Minority Security Holders in Special Transactions* of the TSX Venture Exchange and *Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions*. The Company is relying on exemptions from the formal valuation and minority approval requirements, as neither the fair market value of the securities being issued to insiders, nor the consideration being paid by such insiders, exceeds 25% of the Company's current market capitalization.

The Private Placement remains subject to receipt of the final approval from the TSX Venture Exchange.

## About Falcon

**Falcon Energy Materials (TSX-V: FLCN, OTCQB: FLCNF)** is aiming to be the premier provider of natural Coated Spheronized Purified Graphite, a critical component for energy storage solutions. As a dedicated chemical refiner of natural graphite concentrate, Falcon is working diligently towards the development of a state-of-the-art 25 ktpa CSPG production facility in Morocco.

Strategically partnered with leading Chinese technology firms and Tier One Moroccan partners, Falcon benefits from advanced technological expertise, access to high-quality raw materials and chemicals, and a prime geographical location, factors that will enable it to deliver consistent, high-quality supply to global markets.

With a clear focus on sustainable growth and innovation, Falcon aims to become the go-to producer of natural CSPG, supporting widespread adoption in energy storage and other emerging industries.

For additional information, please visit Falcon's website at [www.falconem.net](http://www.falconem.net).

## Contact:

Matthieu Bos  
President & CEO  
Email: [m.bos@falconem.net](mailto:m.bos@falconem.net)

Matt Johnston  
IR Advisor  
Email: [m.johnston@falconem.net](mailto:m.johnston@falconem.net)  
Telephone: +971 2307 4013

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## **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 allows 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 "potential", "vision", "affirm", "advance", "ensure", "expect", "deliver", "anticipate", or variations of such words and phrases or state that certain actions, events or results "may", "could", "will", "would" or "might". In particular and without limitation, this news release contains



forward-looking statements pertaining to the approval of the TSX Venture Exchange for the Private Placement, the use of proceeds from the Private Placement, the support from the largest shareholders and industry partners of the Company to advance the development of the Company's projects in Morocco and the Company's strategic and operational plans.

Forward-looking information is based upon certain assumptions and other important factors 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, (i) receipt by the Company of final approval of the Private Placement from the TSX Venture Exchange; (ii) 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; (iii) 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; (iv) that economic and market conditions, including interest rates, inflation, exchange rates, and commodity prices, remain consistent with current expectations; (v) the ability of Falcon to secure additional financing or strategic investment on favourable terms, if and when needed, to fund projects development; and (vi) 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) fluctuations in commodity prices, finding offtake takers and potential clients or enforcing such agreements against same, (vii) prices for diesel, process reagents, fuel oil, electricity and other key supplies being approximately consistent with current levels; (viii) production and cost of sales forecasts meeting expectations; (ix) the accuracy of the mineral reserve and mineral resource estimates of the Company; (x) labour and materials costs increasing on a basis consistent with the Company's current expectations; (xi) 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; (xii) asset impairment (or reversal) potential, being consistent with the Company's current expectations; (xiii) risks associated to the accuracy of projections provided in a preliminary economic study which are preliminary in nature and which include significant of uncertainties; and (xiv) other 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](http://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.