

FALCON ENERGY MATERIALS PLC OPENS ITS PILOT PLANT IN MOROCCO

PRESS RELEASE

FOR IMMEDIATE RELEASE

Abu Dhabi, United Arab Emirates, July 9, 2026 – Falcon Energy Materials plc (TSX-V: FLCN) (OTCQB: FLCNF) (“**Falcon**” or the “**Company**”) is pleased to announce the opening of its pilot plant (the “**Pilot Plant**”) near Casablanca, Morocco, a significant operational milestone in Falcon’s development of large-scale production of high-purity coated spheronized purified graphite (“**CSPG**”) for the global battery industry.

Following the relocation of the fully assembled and pre-commissioned process line, the Pilot Plant has been installed in Morocco. The Pilot Plant will produce qualification-scale CSPG samples for potential customers and generate operating data, workforce training and process design criteria required to advance Falcon’s proposed 25,000 tonnes per annum (“**tpa**”) commercial-scale anode facility (the “**Anode Plant**”).

HIGHLIGHTS

- **Pilot Plant officially opened** near Casablanca, Morocco, representing the first natural graphite CSPG pilot facility in Morocco;
- **Commissioning of the process line is underway** following successful relocation and installation of the full process line;
- **Qualification-scale CSPG samples will be produced on site in the summer of 2026** for potential customers, supporting the sample qualification programs previously announced;
- **The Pilot Plant** will generate operating and process design data and support workforce training for the proposed commercial-scale 25,000 tpa Anode Plant.

A Critical Scale-Up Towards Commercial Production

The Pilot Plant represents a significant scale-up from laboratory and bench-scale testing and is an important step in supporting customer qualification programs and advancing the development of the proposed commercial-scale Anode Plant. Operating the facility provides Falcon with the opportunity to optimize key aspects of the CSPG production process and establish detailed process design criteria that are expected to support the engineering of the Anode Plant and future commercial discussions with prospective customers.

Beyond producing qualification material, the Pilot Plant provides an important training platform for plant operators in preparation for commercial production. The training programs and operating procedures being implemented at the Pilot Plant are expected to be transferable to the Anode Plant and may support a more efficient ramp-up of future operations.



Figure 1 Pilot Plant Opening with Key Stakeholders



CSPG Samples for Potential Customers

With the Pilot Plant now operational in Morocco, Falcon is preparing qualification-scale CSPG samples from premium natural graphite feedstock sourced from Africa for evaluation by potential customers, including original equipment manufacturers (OEMs) and battery producers. The facility enables the Company to produce material tailored to customer specifications and support the large-scale qualification programs already initiated by prospective customers.

Falcon remains confident in the global availability of premium graphite feedstock and continues to test several alternative high-quality sources to ensure a scalable, reliable supply for its growing operations.

“The opening of our Pilot Plant in Morocco is a defining milestone for Falcon. It marks our transition from planning and procurement to operational execution and advances our goal of building a competitive battery anode supply chain outside of China,” stated Matthieu Bos, President & CEO of Falcon. *“This facility allows us to produce qualification-scale CSPG samples for potential customers while generating the operating knowledge, workforce experience and process data that will de-risk and accelerate the development of our commercial Anode Plant,”* Mr. Bos added.

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 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.

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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 "propose", "expect", "future", "believe", "advancement", "subject to", "once completed", "position", "directed", "continued", "working", "towards", "development", "enable", "aims" 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 (i) the fact that the Pilot Plant will produce qualification-scale CSPG samples for potential customers and generate operating data, workforce training and process design criteria required to advance Falcon's proposed Anode Plant (ii) the expectation that the operation of the Pilot Plant will provide the Company with the opportunity to optimize key aspects of the CSPG production process and establish detailed process design criteria that will support the engineering of the Anode Plant and future commercial discussions with prospective customers; (iii) the expectation that the training programs and operating procedures being implemented at the Pilot Plant will be transferable to the Anode Plant and may support a more efficient ramp-up of future operations; (iv) the Company's aim to become the premier provider of natural CSPG; and (v) factors that will enable the Company to deliver consistent, high-quality supply to global markets, including access to high-quality raw materials and chemicals, its strategic partnerships and geographical location.

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, that: (i) the Pilot Plant will be commissioned and operated substantially as planned and will perform in accordance with management's expectations; (ii) the Pilot Plant will successfully produce qualification-scale CSPG samples suitable for evaluation by prospective customers and



generate the operating data, workforce training and process design criteria necessary to support and optimize the engineering, design and development of the proposed Anode Plant; (iii) the training programs, operating procedures and operational knowledge developed through the Pilot Plant will be effectively transferable to future commercial-scale operations and contribute to an efficient ramp-up of such operations; (iv) the Company will continue to have access to high-quality raw materials, chemicals, utilities, equipment, infrastructure and skilled personnel on commercially reasonable terms; (v) the Company will maintain and benefit from its strategic partnerships and its geographical location in a manner that supports the reliable production and supply of high-quality CSPG to global markets; (vi) customer demand for the Company's CSPG will develop as anticipated and qualification efforts with prospective customers will be successful; (vii) the Company will be able to obtain all necessary financing, permits, approvals and authorizations required to advance the proposed commercial-scale Anode Plant on anticipated timelines; and (viii) general business, economic, market, regulatory and operating conditions will remain consistent with the Company's current expectations.

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) volatility in the market price of the Company's securities; (ii) the general global markets, financial and economic conditions; (iii) the Company's ability to obtain the financing required to develop, construct, commission and operate its planned facilities on acceptable terms or at all; (iv) risks associated with the design, engineering, procurement, construction, commissioning and ramp-up of the Company's planned CSPG production/anode facilities including but not limited to the Company's ability to retain and access qualified personnel and specialized expertise necessary to support such projects; (v) the timely receipt and maintenance of required governmental, regulatory, environmental and other permits, approvals and authorizations; (vi) the Company's ability to secure reliable supplies of natural graphite feedstock, process reagents, utilities and other critical inputs on commercially reasonable terms; (vii) fluctuations in the cost and availability of electricity, natural gas, fuel, water, transportation, labour and other key inputs; (viii) supply chain disruptions, equipment failures, contractor performance issues or delays affecting the development or operation of the Company's facilities; (ix) the Company's ability to achieve anticipated production rates, product quality specifications, recoveries, yields, operating efficiencies and cost targets; (x) the Company's ability to qualify its products with prospective customers; (xi) risks associated with the Company's ability to identify, establish and maintain strategic partnerships, customer relationships, technology collaborations, supply arrangements and other commercial relationships and agreements and perform in accordance with the terms thereof; (xii) changes in demand for lithium-ion batteries, or anode materials, and changes in market conditions affecting the global battery supply chain; (xiii) technological developments, competitive products or changes in customer specifications that could affect demand for the Company's products; (xiv) changes in applicable laws, regulations, trade measures, tariffs, taxes or government policies in the jurisdictions in which the Company operates or intends to operate; (xv) foreign exchange rate fluctuations; (xvi) labour shortages, labour disruptions, severe weather events, natural disasters, public health events, geopolitical developments or other events beyond the Company's control that may adversely affect its business, operations or supply chain; (xvii) asset impairment (or reversal) potential; and (xviii) 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, 2025, 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 its forward-looking statements by these cautionary statements.