FALCON ENERGY MATERIALS PLC ANNOUNCES CLOSING OF ACQUISITION OF 49% STRATEGIC INTEREST IN WEIHAI

PRESS RELEASE **FOR IMMEDIATE RELEASE**

Abu Dhabi, United Arab Emirates, 16 November, 2026 – Falcon Energy Materials plc (TSX-V: FLCN) (OTCQB: FLCNF) ("**Falcon**" or the "**Company**") is pleased to announce the closing of its previously announced acquisition of a 49% strategic, non-operating equity interest in Weihai Hensen New Materials Technology Co., Ltd. ("**Weihai**"), an established Chinese producer of natural, synthetic and recycled graphite based anode materials, for US$22 million in cash (the "**Acquisition**").

All closing conditions of the Acquisition have been satisfied including, among other things, the registration of the Acquisition with the competent local branch of the State Administration for Market Regulation of the People's Republic of China and completion of foreign exchange registration with the State Administration of Foreign Exchange of the People's Republic of China, or with a designated bank on its behalf.

"We are very pleased to have closed our strategic investment in Weihai, which gives Falcon a direct interest in a modern, profitable anode material producer and immediate exposure to the CSPG market," said Matthieu Bos, President & CEO of Falcon. "This transaction further strengthens our long-standing partnership with Hensen, which has been central to our strategy from day one."

Weihai Hensen

Weihai is a graphite anode material producer located near the city of Weihai in Shandong Province, China. Weihai was founded in 2023 and has been in commercial production since the second half of 2025. Weihai's founder and sole equity holder's family has been active in the Chinese graphite industry since the early 1980s. Weihai's modern and profitable facility hosts a full 25,000 tpa CSPG production circuit, including spheronization, purification, coating and drying lines, alongside production lines for synthetic and recycled graphite anode materials, with current utilization below nameplate capacity providing scope for further growth. Weihai is profitable, and its core products are sold under long-term contracts to leading Chinese anode material manufacturers.

Management Services Agreement and Stock Option Grant

In connection with the Acquisition, Falcon and Hensen SG Pte Ltd. ("**Hensen SG**") entered into a management services agreement (the "**Agreement**") pursuant to which Hensen SG will provide

certain support services to Falcon, including in connection with Falcon's anode plant located in Morocco. Pursuant to the Agreement, as partial compensation for the services to be provided, Falcon granted 1,000,000 stock options to Hensen SG (the "**Incentive Options**"), each such option exercisable to acquire one ordinary share of Falcon at an exercise price of C$0.96 on or before November 13, 2036, being the date that is 10 years from the date of grant. The Incentive Options will vest in four equal instalments over 18 months, with 25% of the Incentive Options vesting on the date hereof, and 25% of the Incentive Options vesting every 6 months afterward. The Incentive Options were granted in accordance with and subject to the terms of the 2026 Amended Stock Option Plan of Falcon approved by Falcon's shareholders on June 18, 2026.

Advisors

Norton Rose Fulbright through its Montreal, Shanghai and Dubai offices is acting as legal counsel to Falcon.

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 electric vehicle batteries and 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 firms and Tier One Moroccan partners, Falcon benefits from key 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 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 "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" occur or arise. In particular and without limitation, this press release contains forward-looking statements pertaining to the anticipated benefits of the Acquisition to the Company and the Company's strategic position following completion of the Acquisition, the Company's strategy to become a vertically integrated, global supplier of critical battery materials, the development of the Company's anode plant in Morocco and the scope of Weihai's future growth.

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 the anticipated benefits of the Acquisition will be realized, that Weihei will be able to achieve the anticipated scope of its future growth, that the global battery supply chain will continue as currently anticipated and the absence of material adverse changes in the Company's industry or the global economy including interest rates, inflationary pressures, supply chain disruptions and commodity market volatility.

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) fluctuations in commodity prices, finding offtake takers and potential clients or enforcing such agreements against same; (v) prices for diesel, process reagents, fuel oil, electricity and other key supplies being approximately consistent with current levels; (vi) production and cost of sales forecasts meeting expectations; (vii) labour and materials costs increasing on a basis consistent with the Company's current expectations; (viii) there being no significant disruptions affecting the operations of the Company whether due to access to water, extreme weather events and other or related natural disasters, labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; (ix) asset impairment (or reversal) potential, being consistent with the Company's current expectations; and (x) other risks and uncertainties described or referred to in

the section entitled “Risks 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 of its forward-looking statements by these cautionary statements.