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## **FALCON ENERGY MATERIALS PLC CLOSES UPSIZED C\$6.52 MILLION PRIVATE PLACEMENT TO ADVANCE STRATEGIC PROJECTS**

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**Abu Dhabi, United Arab Emirates, March 25, 2025 – Falcon Energy Materials plc** (TSX-V: FLCN) (“**Falcon**” or the “**Company**”) is pleased to announce the upside of its previously announced non-brokered private placement (the “**Private Placement**”) from 10,000,000 units (the “**Units**”) of Falcon, at a price of C\$0.60 per Unit, to 10,874,832 Units for gross proceeds of C\$6,524,900 and the closing thereof on March 24, 2025.

Each Unit is comprised of one ordinary share of the Company (a “**Share**”) and one non-transferable 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 extend our sincere gratitude to our existing shareholders for their continued support and are excited to welcome many new shareholders today. The significant backing from the La Mancha Fund, the Commodity Discovery Fund, and our technical partner underscores the strength of our strategy and validates our development plans for 2025.”*

The proceeds from the Private Placement will be used to advance the development of the Company’s strategic projects in Morocco and Guinea, 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 July 25, 2025. Notably, no commissions were paid in connection with the Private Placement.

The participation of La Mancha Fund SCSp (acting via its wholly owned subsidiary, “**La Mancha**”) in the Private Placement is irrevocable and has been closed in escrow, subject only to the approval of the disinterested Company shareholders (the “**Shareholders’ Approval**”) at the Company’s next annual general meeting of shareholders (the “**AGM**”) of: (i) the sale of Units to La Mancha, and (ii) La Mancha being a control person of the Company (as such term is defined in *Policy 1.1 – Interpretation* of the TSX Venture Exchange). The AGM will be held on or before June 9, 2025. If the Shareholders’ Approval is obtained, the aggregate subscription price for the Units subscribed by La Mancha will be released and wired to the Company, and the Units will be issued and delivered to La Mancha. If the Shareholders’ Approval is not obtained, La Mancha’s subscription will be cancelled.



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 ENERGY MATERIALS PLC**

Falcon aims to become a fully-integrated supplier of battery anode material. The 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](http://www.falconem.net).

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*Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.*

## **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 “successful”, “strategy”, “plans”, 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 Private Placement, the final approval from TSX Venture Exchange for the Private Placement, the use of proceeds from the Private Placement, and the support from the largest shareholders and industry partners of the Company to advance the development of the Company's projects in Morocco and Guinea.

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 Company will be able to satisfy all closing conditions of the Private Placement.

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 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, 2023, 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.