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LA MANCHA ANNOUNCES ITS PARTICIPATION IN FALCON ENERGY MATERIALS' PRIVATE PLACEMENT

London, 25 March 2025 – La Mancha Resource Capital LLP ("**La Mancha**"), portfolio manager to La Mancha Resource Fund SCSp (the "**Fund**"), is pleased to announce the Fund's participation in the private placement by its portfolio company Falcon Energy Materials plc (TSXV: FLCN) ("**Falcon**"). The investment will see the Fund increase its stake in Falcon from 23.3% to 24.6% (on an undiluted basis) by acquiring approximately 4.17 million units in Falcon for gross proceeds to Falcon of approximately C\$ 2.5 million ("**Subscription**"). Each unit consists of one common share of Falcon and one warrant to acquire one additional common share of Falcon at a price of C\$ 0.75 per warrant for a period of 36 months from the date of closing of the private placement. The Subscription has closed in escrow, pending approval by Falcon's disinterested shareholders of (i) the Subscription and (ii) the Fund being a 'control person' of Falcon for the purposes of Policy 1.1 of the TSX Venture Exchange. Falcon intends to seek such approval at its annual general meeting of shareholders, expected to be held on or before 9 June 2025.

La Mancha is pleased to support Falcon in this up-sized capital raise, which represents a significant catalyst as Falcon continues to build momentum following the positive results of the preliminary economic assessment of its integrated plans for the coated spherical purified graphite ("**CSPG**") plant in Morocco and the Lola graphite project in Guinea ("**PEA**"). La Mancha's decision to have the Fund not only remain Falcon's largest shareholder but to increase its stake underscores La Mancha's long-term commitment to supporting the Fund's portfolio companies during their key formative stages through the timely provision of capital and expertise to promote significant value and growth opportunities.

Vincent Benoit, CEO and Managing Partner of La Mancha, commented:

"Falcon has demonstrated prudent deployment of capital since we made our initial investment in March 2022, and we are proud to support Falcon in the financing of its next phase of development. The participation of both existing and new shareholders in the capital raise is a strong endorsement of Falcon's strategy and prospects, and we have every confidence in the Falcon team's ability to capitalise on the positive results of the PEA and advance its projects. Notably, the private placement positions Falcon well to progress the feasibility study for, and construction of, the CSPG plant pilot facility in partnership with Hensen Graphite & Carbon Corporation, and to move towards qualification of the plant's CSPG with potential end-users."

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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, CSPG conversion facility in Morocco.

With attractive operating costs, proximity to European end-markets and strong ESG credentials, Falcon 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.

About La Mancha Resource Fund SCSp

The Fund is a Luxembourg-based deep value fund focused on investments in the precious and energy transition metals space. Its general partner is La Mancha Capital Management GP S. à r. l., which has delegated investment management over the Fund's investments to NS Partners Europe S.A., which has further delegated the Fund's portfolio management to La Mancha Resource Capital LLP. La Mancha Resource Capital LLP is authorised and regulated by the United Kingdom Financial Conduct Authority (FRN 978592). The Fund invests via its wholly owned subsidiary, and references herein to investments by or of the Fund should be read as investments by or of the Fund acting via such subsidiary.

For further information please visit: <https://lamancharesourcecapital.com/>

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