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LA MANCHA WELCOMES FALCON ENERGY MATERIALS' STRATEGIC ACQUISITION OF A 49% INTEREST IN WEIHAI HENSEN

London, 3 November 2026 – La Mancha Resource Capital LLP ("**La Mancha**"), portfolio manager to La Mancha Resource Fund SCSp ("**Fund**"), welcomes Falcon Energy Materials plc's ("**Falcon**" or "**Company**") definitive agreement to acquire a 49% strategic interest in Weihai Hensen New Materials Technology Co. Ltd. ("**Weihai**"), a China-based producer of graphite anode materials.

The US$22 million cash acquisition gives Falcon an interest in an operating business with a 25,000 tonne-per-year coated spheronized purified graphite (CSPG) circuit, alongside synthetic and recycled graphite anode materials capabilities. Commercial production began in the second half of 2025, and Falcon reports that Weihai is profitable.

The acquisition is fully funded from the proceeds of Falcon's C$34 million private placement, which closed in September 2026. La Mancha's shareholding in Falcon remains unchanged at 19.9%.

Completion is expected by the end of the fourth quarter of 2026, subject to customary closing conditions and regulatory approvals.

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

"We have backed Falcon since 2022, and this transaction is another transformational step forward for the Company. Weihai gives Falcon an operating position in the graphite anode materials industry, with production experience and customer relationships that complement its planned Moroccan facility. We believe this positions Falcon well as it builds an integrated international battery materials platform. We remain supportive of management as it completes the acquisition and advances the Moroccan project."

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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. La Mancha is authorised and regulated by the United Kingdom Financial Conduct

Authority (FRN 978592). References herein to investments/divestments/agreements by or of the Fund should be read as including investments/divestments/agreements by or of the Fund via its subsidiary.

For further information, please visit: https://lamancharesourcecapital.com/

About Falcon Energy Materials plc.

Falcon Energy Materials (TSX-V: FLCN, OTCQB: FLCNF) is aiming to be the premier provider of natural Coated Spheronized Purified Graphite (CSPG), 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 further information please visit: **https://www.falconem.net**.

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