

The need for natural graphite is more critical than ever

More than two-thirds of the battery-grade graphite available today comes from China, and there are **no graphite mines in operation in the United States**. North America needs a secure source of high purity large-flake graphite and Focus Graphite plans to be that source.

Focus Graphite seeks to play a key role in the supply chain of raw materials needed for today's green energy revolution.



Focus Graphite is developing two of the most promising high-purity flake graphite projects in North America, both located in Quebec.

- Quebec's infrastructure, such as roads and low-cost hydroelectricity, makes remote mine sites easier more accessible and easier to develop.
- The government's \$90 million plan for the development of critical and strategic minerals (CSM) 2020-2025 encourages the production and processing of materials essential for low-carbon energy technologies.
- The Critical and Strategic Minerals plan includes financial assistance for projects in the exploration phase, such as Focus' Lac Tétépisca graphite project.
- Focus's two graphite projects are located on the North Shore, an established mining region of Quebec that is known for its iron mines.



At Focus we believe that:

- We all must adopt **renewable, sustainable energy solutions** to preserve our planet.
- Mining and processing the minerals that are critical to the transition to green energies can be **achieved in an eco-responsible way** using clean energy sources such as hydroelectricity from Quebec.
- People – be they our employees, contractors, clients, or members of the communities in which we operate – are the driving force behind our success. **We are open and honest with all our stakeholders.**

Lac Knife

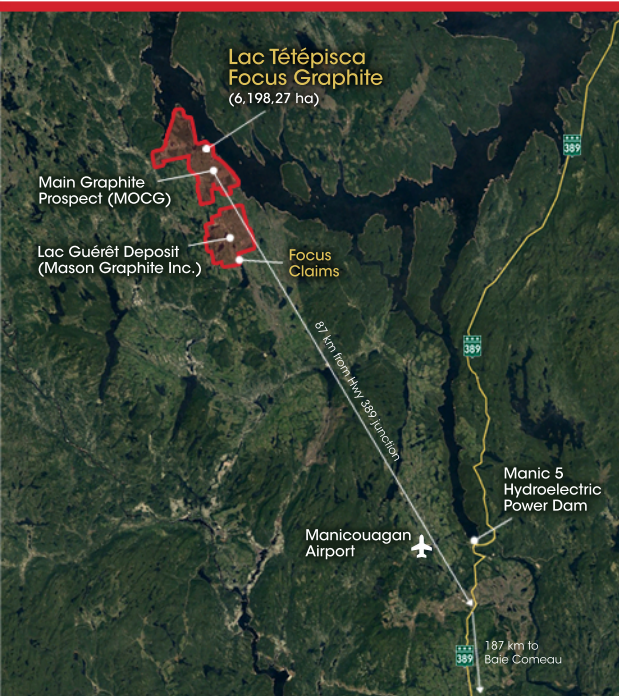
Focus's flagship Lac Knife project is a 100% owned high-grade flake graphite deposit located on the North Shore, approximately 27 km southwest of the town of Fermont.

- In March 2023 Focus announced an update to its 2014 feasibility study that positioned Lac Knife as potentially one of the lowest-cost, highest-margin future producers of high purity graphite concentrate in the world.
- The updated FS is based on a 27-year mine life and produced a Pre-tax Net Present Value ("NPV") of \$500.9 million calculated at a discounted cash flow ("DCF") rate of 8%. Pre-tax, the financial model has an Internal Rate of Return ("IRR") of 28.70% and a capital payback period of 2.8 years.
- The after-tax financial model has an NPV of \$285.7 million calculated at a DCF rate of 8%, and with an IRR of 22.4% and a capital payback of 3.3 years.
- Results indicate that the Project is viable economically with a Base Case scenario that includes a concentrator production line rate of 47,781 tonnes of flake graphite concentrate annually at an average mill feed rate of 365,320 tonnes per year of Mineral Reserves
- It confirms that the project hosts a graphite deposit with an average graphitic carbon (Cg) grade of 99.7% in +80 mesh flake concentrate, which is exceptional in this industry.

Since 2014, Focus has been conducting extensive testing of its Lac Knife flake graphite. These tests have shown the superior performance of Lac Knife graphite in Li-Ion batteries compared to standard commercial grades of natural and synthetic graphite.

Next steps

- Work on the Environmental and Social Assessment (ESIA) study is scheduled to be completed by the end of 2023, while the Mine Closure Plan is planned for submission in the fall of 2023.
- Focus continues to communicate, meet, and listen to local communities and will be stepping up these efforts now that the feasibility study is completed, and the scale and impacts of the Project are better understood.
- Focus continues to evaluate the Project's additional Measured, Indicated, and Inferred Resources to develop the mid- and long-term growth profile for the Company.



Lac Tétépisca

The Lac Tétépisca project is located southwest of the Manicouagan Reservoir, on Quebec's North Shore, 234 km north of the city of Baie-Comeau.

- The project involves open pit mining of the MOGC deposit with the goal of producing 100,000 tonnes of graphite concentrates per year over a minimum period of 25 years.
- With 6,300,000 tonnes of graphite in situ at the Lac Tétépisca project in indicated category resources (see press release of February 17, 2022), the MOGC deposit is one of the largest graphite discoveries in Quebec in recent decades. With such resources, Focus is well positioned to meet future US demand for high purity flake graphite.

Next steps

- Recent highlights from the 2022 definition drilling program at Lac Tétépisca include 92.42 meters grading 14.28% graphitic carbon (Cg), 86.66 meters grading 15.00% Cg, and 91.83 meters grading 13.84% Cg.
- Conclude a pre-project agreement with the Council of the Pessamit Innu on whose Nitassinan (ancestral lands) the project is located, as well as a collaboration agreement with the city of Baie-Comeau.

For more information about Focus Graphite and the Company's Lac Tétépisca and Lac Knife projects, please visit Focus's website at www.focusgraphite.com or contact:

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