

Focus Graphite Develops and Validates AI-Enabled Graphite Flake Sizing Technology to Enhance Resource Valuation and Mine Planning

Low-Cost In Situ Technology Integrated into the Lac Tetepisca Geometallurgical Model, Supporting Upcoming MRE and Future Application at Lac Knife

Ottawa, Ontario--(Newsfile Corp. - January 13, 2026) - **Focus Graphite Inc. (TSXV: FMS) (OTCQB: FCSMF) (FSE: FKC0)** ("**Focus**" or the "**Company**"), a leading developer of high-grade flake graphite deposits and advanced graphite materials for battery, defence, and industrial applications, is pleased to announce the successful development and validation of a novel, low-cost AI-enabled in situ graphite flake size characterization technology (the "**Technology**") and its integration into the geometallurgical model of the Company's 100%-owned Lac Tetepisca Graphite Project (the "**Project**") in Quebec.

Key Highlights

- Developed and validated a low-cost, AI-enabled in situ graphite flake size characterization technology, integrated directly into the Lac Tetepisca geometallurgical model
- Enables high-resolution characterization of flake size distribution across the deposit without the need for extensive bulk metallurgical testing, supporting improved resource valuation and mine planning
- Preliminary results indicate an inverse relationship between graphite grade and flake size, supporting the potential for a lower cut-off grade and improved Project economics
- Results from this work are expected to be incorporated into the upcoming MOGC mineral resource estimate update, anticipated in late Q1 2026
- Methodology validated against bench-scale metallurgical testing and scanning electron microscopy analysis, with approximately 300 samples currently being processed
- Following validation at Lac Tetepisca, the Company intends to apply the technology to its Lac Knife Project, supporting efficient, scalable, and ESG-aligned mining strategies from the outset

The Technology enables high-resolution mapping of graphite flake size distribution directly from conventional drill core material, without the need for extensive bulk metallurgical testing. By materially improving visibility into the spatial distribution of flake sizes across the deposit, the Technology supports enhanced resource valuation, more selective mine planning, and value-driven production strategies. Results from this work are expected to be incorporated into the upcoming mineral resource estimate ("**MRE**") update for the Manicouagan-Ouest Graphitic Corridor ("**MOGC**") deposit, anticipated in late Q1 2026. The Technology was developed by the research and development team at IOS Services Geoscientifiques Inc. ("**IOS**") of Saguenay, Quebec with partial funding provided through Quebec's *Programme quebecois de valorisation des minéraux critiques et stratégiques* ("**PQVMCS**"), administered by the Ministry of Energy and Natural Resources ("**MERN**").

Following successful validation at Lac Tetepisca, Focus intends to apply the same AI-enabled flake size characterization methodology to its Lac Knife Graphite Project, which is at a more advanced stage of development and nearing completion of permitting deliverables. The Company believes this approach supports efficient, scalable, and ESG-aligned mining strategies across its graphite portfolio.

Technology Overview and Key Findings

Graphite pricing is strongly dependent on flake size, with market prices ranging from approximately US\$300 per tonne for fine flakes (-200 mesh) to over US\$1,400 per tonne for jumbo flakes (+48 mesh). Historically, graphite resource valuation has relied on basket pricing derived from limited bulk metallurgical composite samples, which may not adequately capture spatial variability in flake size distribution within a deposit.

The newly developed AI-enabled methodology addresses this limitation by enabling low-cost, high-resolution characterization of flake size distribution across a deposit, down to individual geological domains or resource blocks. The Technology applies AI-based RGB image analysis to high-resolution optical microscopy images of graphite flakes recovered from coarse rejects generated during routine assaying, providing a scalable and repeatable approach to flake size characterization.

The methodology has been benchmarked against bench-scale metallurgical testing on 30 composite samples and independently validated using automated particle analysis by scanning electron microscopy ("**SEM**"). Approximately 300 samples are currently being processed to populate a geometallurgical model for the MOGC deposit.

Preliminary results indicate an inverse relationship between graphite grade and flake size, with lower-grade zones hosting a significantly higher proportion of jumbo flakes. These findings suggest that a lower cut-off grade may be appropriate for the forthcoming MRE, with potential positive implications for mine life, operational flexibility, and Project economics. This level of spatial resolution provides a direct input into resource valuation, cut-off grade selection, and value-driven mine planning.

Richard Pearce, graphite mining industry veteran and technical consultant to the Company, commented, "In traditional graphite operations, limited visibility into flake size variability forces operators to rely on large stockpiles and higher inventories to manage production and sales risk. From hands-on experience, knowing where different flake sizes occur materially improves mine planning and operational efficiency. This AI-based flake size characterization tool enables mining with intent — aligning extraction with customer requirements, reducing waste, and improving overall economics. Applying it at Lac Tetepisca and extending it to the Lac Knife positions Focus to develop efficient, customer-driven operations from the outset."

Operational and ESG Implications

Improved spatial mapping of flake size distribution enables more selective mining, enhanced alignment of production with customer specifications, reduced inventory requirements, and improved control over process costs. Understanding where specific flake size populations occur within the deposit allows Focus to mine with intent-optimizing extraction based on end-market demand while minimizing waste and unnecessary material movement.

This upstream mining discipline complements the Company's downstream ESG initiatives, including the development of low-emission, chemical-free purification technologies. Together, these strategies support a lower-impact, mine-to-market value chain and responsible stewardship of a critical mineral.

Dean Hanisch, Chief Executive Officer of Focus Graphite, added, "As Focus advances ESG-aligned downstream initiatives, it is equally important that responsibility and efficiency begin at the mining and extraction level. Technologies that enable selective mining, reduced waste, and optimized resource use are essential to maintaining consistency across the value chain. We are grateful for the support provided through Quebec's PQVMCS program and for the technical leadership of IOS, which together enabled the development of a novel approach that strengthens both environmental stewardship and economic efficiency."

MOGC Resource Background

The MOGC flake graphite deposit is part of the Company's Lac Tetepisca Project, located southwest of the Manicouagan Reservoir on the Nitassinan of the Pessamit Innu First Nation, in Quebec's Cote-Nord

region. The MOGC is currently defined by a linear 1.5 km long segment of an 8 km long folded geophysical magnetic-electromagnetic anomaly that trends N035°. The April 4, 2022 NI 43-101 Technical Report, prepared by DRA America's Inc. ("**DRA**"), outlines a pit-constrained Indicated Resource of 59.3 million tonnes (Mt) grading 10.61% Graphitic Carbon (Cg) for an estimated content of 6.3 Mt of natural flake graphite (in situ), plus an Inferred Resource of 14.9 Mt grading 11.06% Cg for an estimated content of 1.6 Mt of natural flake graphite. This maiden resource predates all drilling completed in 2022. An updated MRE incorporating all 2022 drill holes is expected in late Q1 2026. This maiden resource estimate is available on www.sedarplus.ca/ on the Company's profile. As demonstrated in previous releases, the 2022 drill program extended the mineralization at depth and to the southwest, and now to the West limb.

The current maiden resource used a basket price for graphite concentrate of US\$1,171 per tonne¹, using the flake size distribution obtained by metallurgical testing conducted by SGS-Canada in 2020 (18% Jumbo Flakes, 22% Large Flakes, 22% Medium Flakes, and 37% fine flakes). These metallurgy tests were performed on a 308-kilogram bulk samples composited from large diameter 2014 and 2016 drill core, assumed to be representative of the then delimited MOGC deposit.

Sample selection and preparation

The geometallurgy project is based on a selection of 300 core samples from 2014, 2016, 2017, 2020, and 2022 drill programs, for a total of 459.56 metres from 107 holes. These samples were selected in order to be as representative as possible with regard to position within the deposit, lithologies and graphite abundance. Material consists of the coarse rejects (70% +2mm) from the assaying procedure, preserved in nitrogen-filled drums to prevent sulphide oxidation and stored in IOS facilities. The material has been screened at 2 mm, and the coarse fraction reground with the use of a laboratory ring mill. Grain size distribution of the resulting material has been measured with a Fritsch Analysette-22 laser diffraction particle size analyzer. A few-gram aliquot was used to manufacture polished epoxy mounts for microscopic studies. A mosaic of high magnification image is then acquired with a Zeiss Axio-imager M2C motorized microscope and processed with a proprietary algorithm to extract and measure individual graphite flakes larger than 20 µm.

As quality control procedure, samples were concatenated by group of 10 to produce 30 samples dedicated to metallurgical testing. The testing procedure included sequence of milling with a rod mill and bench scale flotation including flash flotation, a rougher and multiple cleaner cycles. Quality of the concentrates was monitored using both graphitic carbon assays and optical flake measurement. Flake size distribution of the graphite concentrate was measured through laser diffraction particle sizing as well as conventional screening.

Sample processing is expected to be completed by mid Q1 2026, with results incorporated into the geometallurgical model and supporting the upcoming Project MRE update expected in late Q1 2026.

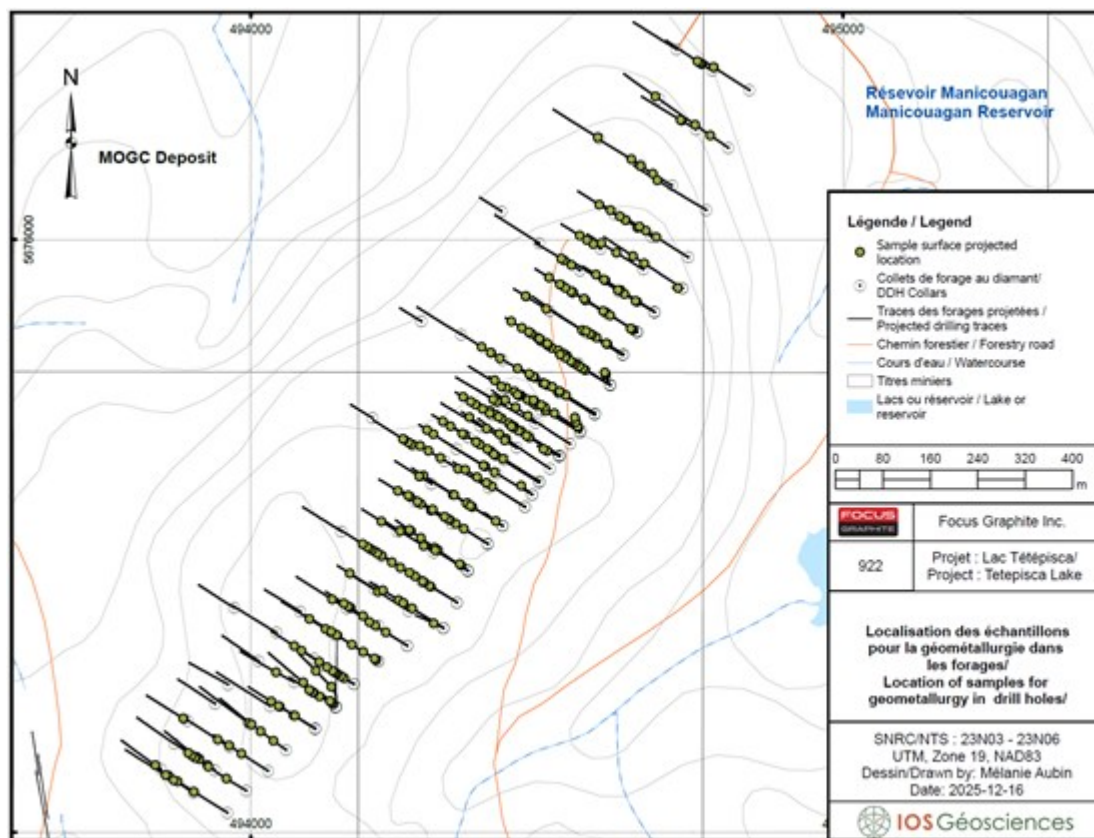


Figure 1 - Map of the location of drill core intervals selected for the graphite flake size analysis.

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/1963/280179_d6bad0f604e238f9_001full.jpg

Qualified Person

The technical content disclosed in this news release was reviewed and approved by Rejean Girard, P.Geo. (QC), President of IOS Geosciences Inc., a consultant to the Company, and a qualified person as defined under National Instrument NI-43-101.

About Focus Graphite Advanced Materials Inc.

Focus Graphite Advanced Materials is redefining the future of critical minerals with two 100% owned world-class graphite projects and cutting-edge battery technology. Our flagship Lac Knife project stands as one of the most advanced high-purity graphite deposits in North America, with a fully completed feasibility study. Lac Knife is set to become a key supplier for the battery, defence, and advanced materials industries.

Our Lac Tépépisca project further strengthens our portfolio, with the potential to be one of the largest and highest-purity and grade graphite deposits in North America. At Focus, we go beyond mining - we are pioneering environmentally sustainable processing solutions and innovative battery technologies, including our patent-pending silicon-enhanced spheroidized graphite, designed to enhance battery performance and efficiency.

Our commitment to innovation ensures a chemical-free, eco-friendly supply chain from mine to market. Collaboration is at the core of our vision. We actively partner with industry leaders, research institutions, and government agencies to accelerate the commercialization of next-generation graphite materials. As a North American company, we are dedicated to securing a resilient, locally sourced supply of critical minerals - reducing dependence on foreign-controlled markets and driving the transition to a sustainable future.

For more information on Focus Graphite Inc., please visit <http://www.focusgraphite.com>

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Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could," "intend," "expect," "believe," "will," "projected," "estimated," and similar expressions, as well as statements relating to matters that are not historical facts, are intended to identify forward-looking information and are based on the Company's current beliefs or assumptions as to the outcome and timing of such future events.

In particular, this press release contains forward-looking information regarding, without limitation: (i) the timing, scope, and outcomes of the planned mineral resource estimate ("MRE") update for the Lac Tetepisca Project; (ii) the integration of AI-enabled graphite flake size characterization data into the Project's geometallurgical model; (iii) the interpretation of geological, metallurgical, and flake size distribution data, including the potential implications for cut-off grade selection, mine planning, operational flexibility, and Project economics; (iv) the timing, progression, and completion of sample processing and technical work supporting the upcoming MRE update; (v) the potential application of the AI-enabled flake size characterization methodology to the Lac Knife Project; and (vi) the potential for the Company's projects to support efficient, value-driven, and ESG-aligned mining strategies.

Forward-looking statements are subject to known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements. These risks and uncertainties include, but are not limited to, risks related to market conditions, regulatory approvals, changes in economic conditions, the ability to raise sufficient funds on acceptable terms or at all, operational risks associated with mineral exploration and development, and other risks detailed from time to time in the Company's public disclosure documents available under its profile on SEDAR+.

The forward-looking information contained in this release is made as of the date hereof, and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties, and assumptions contained herein, investors should not place undue reliance on forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services accepts responsibility for the adequacy or accuracy of this release.

¹ Used in 2022 maiden mineral resource estimate, DRA.



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