

Focus Graphite Secures Up to C\$1.38 Million Under Natural Resource Canada's First and Last Mile Fund

NRCan Funding of Up to C\$1.38 Million Through Canada's First and Last Mile Fund Will Advance Road and Power Infrastructure Planning for the Lac Knife Graphite Project in Quebec

Ottawa, Ontario--(Newsfile Corp. - June 3, 2026) - **Focus Graphite Inc. (TSXV: FMS) (OTCQB: FCSMF) (FSE: FKC0)** ("**Focus**" or the "**Company**"), a Canadian developer of high-grade flake graphite deposits and advanced graphite materials for battery, defence, and industrial applications, is pleased to announce that it has executed a non-repayable Contribution Agreement (the "**Agreement**") with Natural Resources Canada ("**NRCan**") under the Government of Canada's newly established First and Last Mile Fund ("**FLMF**"), formerly the Critical Minerals Infrastructure Fund, securing up to \$1,378,700 in non-dilutive federal funding (the "**Funding**") to advance critical transportation and energy infrastructure planning under the Project Titled *Lac Knife Graphite Mine Access Road and Hydro Connection* (the "**Project**") for the Company's flagship Lac Knife Graphite Project ("**Lac Knife**") in northeastern Quebec.

The Funding will support engineering, environmental, permitting, community engagement and feasibility activities required to advance the planned all-season access road and Hydro-Quebec grid connection toward a construction-ready, shovel-ready stage. Once completed, these pre-development activities are expected to materially de-risk future infrastructure development and significantly advance Lac Knife's pathway toward future construction, development financing, strategic partnerships and operation.

The Funding forms part of the Government of Canada's recently announced C\$3.6 billion Critical Minerals Investment Package, unveiled at the 2026 Prospectors & Developers Association of Canada (PDAC) Convention by the Honourable Tim Hodgson, Minister of Energy and Natural Resources. A cornerstone of the package is the C\$1.5 billion FLMF, established to advance enabling infrastructure that moves strategic critical mineral projects toward construction readiness while strengthening domestic supply chains and supporting Canada's economic, defence and national security objectives.

"We are honoured to receive this support from the Government of Canada, which recognizes the strategic importance of the Lac Knife project to the North American critical minerals supply chain," said Dean Hanisch, Chief Executive Officer of Focus Graphite. "As we advance toward permitting and development, this funding is a strong endorsement of Focus Graphite's role in helping build a secure domestic supply of high-grade graphite. We are also fortunate to have existing road and power infrastructure, providing a significant advantage as we move closer to production."

Lac Knife hosts one of North America's highest-grade natural graphite deposits and represents a strategically important source of natural graphite for North American and allied supply chains. Natural graphite is a foundational material for lithium-ion batteries, advanced manufacturing, energy storage systems, and a growing range of defence and dual-use technologies, making secure domestic supply increasingly important to Canada and its allies.

"The objective is simple: advance Lac Knife, reduce risk and preserve shareholder capital," said Jason Latkowcer, Vice President of Corporate Development of Focus Graphite. "Around the world, governments and industry are moving quickly to secure critical mineral supply chains. We've heard that message directly from allies and strategic stakeholders. There isn't time to waste. This funding helps

move Lac Knife from planning toward execution. Early technical work has already identified opportunities to improve access, and we expect further optimization as engineering and infrastructure planning advances. This is another tangible step toward building a strategic graphite asset for Canada and its allies."

A key component of the program includes collaboration with Indigenous communities, including the Innu Takuaitkan Uashat mak Mani-Utenam ("**ITUM**"). The Project includes the establishment of joint technical and steering committees, Indigenous workforce participation initiatives, skills development programs, community consultation activities and support for Indigenous participation in the future development and operation of the planned infrastructure. These activities align with the objectives of the First and Last Mile Fund to advance Indigenous leadership, engagement and participation throughout the development of strategic critical mineral infrastructure.

"The development of Lac Knife is a perfect example of Canada's new mining era: a strategic project, developed to benefit local economies, sustainably, and in partnership with Indigenous Peoples, along with advancing Canada's role as a reliable global supplier of critical minerals," said the Honourable Tim Hodgson, Minister of Energy and Natural Resources. "By investing in the infrastructure and early work needed to advance this high-grade graphite project, we are reducing risk, accelerating development, and helping to build a secure, end-to-end supply chain-from mine to market. This is how we strengthen economic and supply chain security for decades to come."

The infrastructure initiative is expected to deliver multiple long-term benefits to Canada and Quebec. The proposed access road will establish reliable year-round access to the Lac Knife site, while the future transmission connection will support the electrification of mining operations through Quebec's hydroelectric grid, reducing reliance on diesel-powered infrastructure and strengthening the sustainability, resilience and security of Canada's critical minerals supply chain. The planned infrastructure is expected to support future production, improve regional access and contribute to long-term economic development opportunities across Quebec's North Shore region.

Federal Funding Details

Under the executed Agreement, NRCan will provide up to C\$1,378,700 in non-repayable funding, representing approximately 50% of total eligible Project costs. Focus Graphite will contribute an equivalent amount toward the Project. The Agreement represents another important step in advancing Lac Knife and reinforces Canada's commitment to developing secure domestic critical mineral supply chains from extraction through processing and delivery into North American and allied markets.

Funding will support the full work program outlined in the Agreement, including feasibility and engineering studies, environmental baseline work, geotechnical and LiDAR surveys, stakeholder engagement, regulatory and permitting activities and detailed infrastructure design. These activities are expected to culminate in finalized engineering plans, environmental assessments, community approvals and permit applications required to support future construction decisions.

The Project is scheduled to continue through March 2028.

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, defense, and advanced materials industries.

Our Lac Tetepisca 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 an 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, among other things: the anticipated receipt and use of funding under the Contribution Agreement with Natural Resources Canada; the completion of the activities contemplated under the Lac Knife Graphite Mine Access Road and Hydro Connection Project; the advancement of the Lac Knife Graphite Project toward construction-ready and shovel-ready status; the completion of engineering, environmental, permitting, stakeholder engagement and feasibility activities; the anticipated benefits of the planned access road and Hydro-Québec grid connection; the Company's ability to secure required approvals, permits and community support; the timing and completion of the Project work program; the potential for future development financing, government funding, strategic partnerships and offtake arrangements; the future development, construction and operation of the Lac Knife Project; the role of Lac Knife in supporting domestic and allied critical mineral supply chains; and the Company's ability to pursue additional non-dilutive funding opportunities and execute its long-term development strategy.

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.

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