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Blencowe Resources Plc
("Blencowe" or the "Company")

Blencowe Signs Additional Offtake Agreement for Purified Graphite

Sale of High Margin Purified Products to Strengthen Commercial Pathway

Blencowe Resources Plc (LSE: BRES) is pleased to announce it has signed a non-binding Memorandum of Understanding ("MOU") with Apollo Energy Systems Inc. ("Apollo") regarding offtake of purified graphite sourced from its Orom-Cross Graphite Project in Uganda.

Apollo is based in Florida, United States, and specialises in advanced lead acid battery storage systems to complement the renewable energy sector. This agreement aligns with Blencowe's strategy to secure a diversified range of international buyers across different applications, as it progresses toward production.

Highlights:

- **Offtake MOU signed with Apollo** A leading processor of lead acid battery technology for advanced energy storage systems, operating from the United States.
- **Indicative Framework Established:** Initial agreement for 250 tonnes per annum of purified small flake graphite, with final pricing to be agreed within 24 months.
- **High Margin Product:** Similar purified graphite products to what will be sold to Apollo sell in the region of US 8,000/t, highlighting substantial profitability on these sales over and above typical sale of concentrates.
- **Successful Initial Product Testing:** Apollo has successfully tested Orom-Cross graphite products and will now advance its internal product qualification and due diligence to support formal agreement discussions.
- **Expanding Sales Channels** Further offtake discussions continue with *multiple global graphite end-users, including leading OEMs*, supporting Blencowe's strategy for a diversified and resilient sales pipeline with numerous different offtake customers for all its planned annual production.
- **Advancing Project Funding:** The Apollo MOU validates Orom-Cross graphite quality and potential commercial terms, further supporting ongoing strategic financing discussions with key institutions including the DFC and AFC.

Strategic Offtake Agreement in a High-Value Market

This MOU follows discussions by Blencowe senior management with Apollo during a recent visit to United States and builds on the successful testing and consistent quality validation of Orom-Cross graphite.

Additionally, it represents an important step in diversifying Blencowe's offtake strategy by targeting niche high-value end markets, where purified fine flake graphite commands a significant premium. While the Apollo MOU represents a small component of the proposed 5,000tpa Phase 1 production, the purification (to be undertaken by AETC in Chicago) elevates the value of fine flake concentrate, transforming a traditionally lower-margin product into a high-value offering, positioning this agreement as a lucrative niche offtake opportunity within the specialist energy storage sector. There is also the potential to expand volumes of this purified product sold to Apollo in the future.

Blencowe continues to advance discussions with multiple US-based OEMs and leading graphite buyers, covering both large flake and small flake products. Following high-level engagements in the United States, several industry players have initiated quality testing of Orom-Cross graphite.

Discussions in the USA have been positive, and Blencowe will continue to work with these parties as well as others industry leaders worldwide as part of its commitment to delivering MOUs with leading buyers of graphite products for its full production output, thus further strengthening the Company's commercial strategy as it moves towards first production.

Executive Chairman Cameron Pearce commented:

"Following a successful marketing tour of the USA, this MOU is the first of several that we anticipate bringing to market near term. It builds on our initial agreement with Jilin, announced in 2024, to supply up to 15,000tpa large flake concentrate."

"As previously outlined, smaller flake graphite products must undergo a rigorous pre-qualification process before buyers can commit to offtake agreements. This process typically takes 2-3 years, requiring the extraction of substantial raw material from site and the processing of that to bulk 96% concentrates, and further beneficiation thereafter to 99.95% purified graphite for OEM testing. We have significantly accelerated this timeline, successfully pre-qualifying and delivering all necessary samples, but the process must still be followed to ensure end users can validate the quality and consistency of Orom-Cross graphite."

"Blencowe continues to execute key milestones as we progress towards an investment decision post-DFS. Orom-Cross stands out as truly a unique graphite project - combining scale, lowest capital and operating costs, and exceptionally high-purity end products. These factors collectively position us ahead of most peers and reinforce the long-term value of the project."

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Background

Orom-Cross Graphite Project

Orom-Cross is a potential world class graphite project both by size and end-product quality, with a high component of more valuable larger flakes within the deposit.

A 21-year Mining Licence for the project was issued by the Ugandan Government in 2019 following extensive historical work on the deposit and Blencowe is now completing the Definitive Feasibility Study phase as it drives towards first production.

Orom-Cross presents as a large, shallow open-pitabile deposit, with a maiden JORC Indicated & Inferred Mineral Resource deposit of 24.5Mt @ 6.0% Total Graphite Content. Development of the resource is expected to benefit from a low strip ratio and free dig operations, thereby ensuring lower operating and capital costs.

Apollo Energy Systems Inc.

Apollo is a company with 60-years of experience in development of batteries, fuel cells and systems which incorporate those products. Their roots go back to 1953 when they built their first battery plant in Puerto Rico.

The company is developing a "Lead Cobalt Battery" and "Alkaline Fuel Cell" to provide a Propulsion System for an electric vehicle which will enable that car to drive continuously, like a gasoline powered car, without external recharging (not necessary to "plug-in" to an outside receptacle); and will provide a Power Plant System to give electricity to a home, farm, hotel, cell towers or commercial establishment without use of the outside grid supplied by electric utility companies.

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