

**September 17, 2024**

**Lomiko Metals statement regarding comments by Quebec Government**

**[www.lomiko.com](http://www.lomiko.com)**

Lomiko Metals is a responsible developer of choice in Quebec, Canada and a partner of excellence in North America to develop graphite for the energy transition in North America. Graphite has been defined as one of the top 6 of 31 priority minerals in Canada. Lomiko Metals is developing the La Loutre natural flake graphite project as part of Canada's Net Zero goals, to enable decarbonization in our economy, grow the critical minerals workforce as a valued partner, and develop a secure and responsibly sourced supply of critical minerals for North America.

The leadership team has made every effort to comply with and exceed best practices in developing its strategy, including being ECOLOGO certified and working with numerous partners and suppliers in Quebec. We have consulted with stakeholders every step of the way and received government encouragement to pursue our business plan.

**Lomiko Metals was successfully awarded three government grants in the last 14 months confirming and distinguishing itself among its peers, and underlining the importance of its studies at the La Loutre natural flake graphite project:**

1. a \$500,000 grant from the Québec Plan for the Development of Critical and Strategic Minerals from Ministère des Ressources naturelles et des Forêts (MRNF) specifically the Consortium de recherche et d'innovation en transformation métallique (CRITM) and funding from National Research Council, for battery trials with its La Loutre natural flake graphite concentrate.
2. a contribution award of CA\$4.9m from Natural Resources Canada to also support battery trials and metallurgical works in a 3 year agreement.
3. and a US\$8.35m grant from the United States of America Department of Defense ("DoD") in a Technology Investment Agreement ("TIA") for responsible R&D studies to take place principally in Quebec, Canada in a 5 year agreement.

With these grants and contribution awards, Lomiko has shown itself to be a responsible, development-stage clean energy leader in Canada and North America and a current example of the new government and business investment approach to critical minerals development. Only together can we achieve domestic energy security and supply chain resilience here.

We are surprised and disappointed at the negative comments directed toward Lomiko by members of the Quebec government. It appears the comments, where Quebec is seen as a global leader with a Plan for the Development of Critical and Strategic Minerals (QPDCSM), is contradicting its own four strategic initiatives with comments made publicly about Lomiko and our efforts.

Notably the Quebec Plan is: to increase knowledge, integrate sectors and attract partners, contribute to a sustainable economy and raise awareness and promote these minerals. This is what Lomiko is actually doing.

It is unclear as to why negative comments were made about our process. We are committed to executing our business plan in the most environmentally friendly manner possible and will engage

with any party concerned about our business to allay fears and foster informed discussions of graphite in community settings.

Instead of government officials enabling and advocating for a transparent, fair and neutral process for consultation and permitting through all the studies from PEA to PFS and FS, including the BAPE (Bureau de Audience Publiques) it appears the government has made pre-emptive conclusions about our project. Conclusions are being made on our project pre-emptively to the studies and government processes we all abide by. La Loutre claims are in good standing with the government of Quebec, and subject to Quebec permitting regulations and fees.

Officials did not speak about numerous steps and goodwill actions taken by the Lomiko leadership team to be a responsible ECOLOGO-certified developer. These actions have been communicated publicly and in numerous conversations and can be found on our website.

Belinda Labatte, CEO and Interim Chair of the board stated: “We believe in the Quebec government battery metals strategy and process at all stages of development as stated in the Plan. With three government grants awarded to Lomiko requiring R&D, and as a commercial enterprise we need due process from PEA to the construction decision. We are disappointed with recent negative comments directed toward us while we are part of the Quebec and Canada economic priority for energy transition, applying good practices for the location we are in, and developing a key priority critical mineral, graphite. This challenges critical minerals developers in the province looking to be agile, innovative and responsible corporate citizens.

We also appreciate the many private inquiries on our project, requests for employment and meetings, and support for projects such as ours that require many conversations about the energy transition at home and the valuable resource that is high-purity natural flake graphite in Quebec. We thank our investors, partners, and other stakeholders for supporting our study work, community, and R&D efforts.

Lomiko has always maintained that it will follow all government processes regarding macro energy policy, investment opportunities, and permitting. Lomiko believes that the Quebec government must maintain a fair approach and due process for studies and R&D in the province and enable operators to move forward with their grants, and with investment opportunities from IQ, without pre-judging the project's merits ahead of its own formal provincial consultation processes.

#### **About La Loutre graphite and Lomiko:**

Lomiko is a Quebec ECOLOGO-certified responsible graphite developer working within the Quebec Critical Minerals Strategy framework, which supports innovation and responsible development of projects such as Lomiko's La Loutre natural flake graphite project. Metallurgical and electrochemical testing completed to date demonstrate that the graphite from La Loutre is very well suited for battery production and other industrial applications.

The La Loutre Indicated Mineral Resources estimate holds 3.0 million tonnes of contained graphite at a grade of 4.59% as announced in the Company's Mineral Resources Estimate technical report of May 29, 2023. This represents a 184% increase in Indicated Mineral Resources from the last resource estimate published by the Company in July 2021. The project is located within proximity to battery plant future production in Quebec and the United States.

La Loutre is an exploration and development project with upgraded mineral resources. An independent party classified it as the seventh biggest graphite deposit worldwide.