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EnergyPathways plc
("EnergyPathways" or the "Company")

EnergyPathways Secures a First-Mover Advantage in UK Battery Graphite with Hazer Partnership

EnergyPathways (AIM: EPP), the UK energy transition company, is pleased to announce that it is commencing techno-commercial studies with Hazer Group Limited ("Hazer") in relation to graphite production from its planned MESH project ("MESH"). High grade synthetic graphite will be produced as a by-product from the MESH low-carbon hydrogen production facility to be located in Barrow-in Furness. Graphite has been identified by a number of countries, including the UK, as a critical mineral to meet their net zero ambitions.

The collaboration with Hazer offers EnergyPathways the opportunity to establish MESH as a first-mover in UK battery-grade synthetic graphite production which could supply the accelerating global demand for secure, low-carbon battery materials. The Company's potential future graphite production may provide the Company with a major additional revenue stream.

Transformational Partnership with Hazer

In July 2025, EnergyPathways entered into a strategic engagement and MOU with Hazer, a global leader in methane pyrolysis hydrogen production, licensed worldwide through its alliance with KBR Inc. Under the agreement, EnergyPathways holds the exclusive rights to deploy Hazer's hydrogen and graphite production technology in the UK, providing a strong competitive advantage in one of the most strategically important sectors of the clean energy transition.

Importantly, Hazer also has a strategic partnership with Mitsui & Co. Ltd. ("Mitsui") to explore and develop markets for Hazer graphite, which is targeting a range of potential applications, including high-end uses across the battery, anode and advanced materials sectors. This partnership positions EnergyPathways to leverage premium market access and offtake opportunities across the UK, EU and globally as the MESH project progresses towards development. Mitsui is a blue chip company with a market capitalisation of around £56 billion.

High-Impact MESH Project: Clean Hydrogen and Battery-Grade Graphite

The Hazer-KBR technology converts natural gas into low-carbon hydrogen and high-purity synthetic graphite with no CO_2 emissions, establishing a game-changing decarbonisation pathway for industrial hydrogen production and critical mineral supply.

The MESH facility is designed to deliver:

- 90 MW of low-carbon hydrogen production capacity (~20,000 tonnes per annum)
- Up to 60,000 tonnes per annum of synthetic graphite with an initial 95% purity, with potential to upgrade to >99.9%

This dual-output model offers compelling economics and diversified revenue streams in two high-growth, government-backed sectors of clean hydrogen and battery materials.

Recently, battery-grade synthetic graphite prices have exceeded as much as US$10,000 per tonne, more than 120% higher than pre-pandemic levels, reflecting tightening supply and strong demand from the EV and energy storage sectors.

The Hazer technology is currently attracting strong inbound interest from global battery, anode and materials manufacturers, underscoring its strategic relevance and scalability in emerging energy markets.

Ben Clube, CEO of EnergyPathways, commented:

"EnergyPathways, with its flagship MESH project, continues to be a leading innovator in the UK's energy transition and in offering affordable low-carbon energy solutions. The Company has the exclusive right to deploy Hazer low-carbon hydrogen and graphite production technology in the UK. This positions MESH as a potential major producer and supplier of high quality and battery grade graphite that can meet the UK's growing demand for this critical mineral in energy transition. MESH's potential graphite production capability can play an important part in shoring up the UK's energy security and its critical minerals supply chain."

Glenn Corrie, Managing Director and CEO of Hazer Group, commented:

"EnergyPathways' MESH project represents a landmark opportunity to develop one of the UK's largest integrated clean energy hubs, combining long-duration storage, low-carbon hydrogen and the production of critical minerals like battery-grade graphite. With graphite recognised as essential to the energy transition and China's recent export restrictions underscoring supply chain fragility, MESH provides an important step towards building secure, sustainable alternatives for the UK and Europe."

Kirsty Benham, Chief Executive Officer, Critical Minerals Association (UK) commented:

"EnergyPathways' MESH project is an exciting, innovative opportunity for integrated clean energy solutions, and I'm delighted that the Company is looking to develop graphite production capability, particularly considering the importance of graphite for the UK's critical minerals supply chains. I look forward to working closely with and supporting the work of EnergyPathways as a new member of the Critical Minerals Association (UK)."

Favourable Market Dynamics: Graphite Demand Surging

Graphite is classified as a Tier-1 critical mineral, indispensable to lithium-ion batteries, electric vehicles, renewable energy storage and advanced manufacturing.

With China controlling over 80% of global supply, the graphite market faces acute supply chain risk. Concerns over Chinas dominance have intensified as the market tightens, driven by recent export restrictions on processing technologies and intellectual property driving governments to urgently diversify and localise graphite sourcing. The United States' planned 93.5% tariff on Chinese graphite, along with similar measures in Europe, are amplifying opportunities for non-Chinese, ESG-compliant graphite production. As the world's dominant supplier, any disruption from China could have immediate impacts on industries reliant on graphite - highlighting the strategic importance of locally produced, low-emission, high-purity graphite.

Against this backdrop, EnergyPathways' MESH project is being positioned to deliver secure, sustainable and high-purity graphite supply into premium markets, supporting significant long-term value creation potential for shareholders.

Strategic Fit with UK's Net Zero and Critical Minerals Policy

Methane pyrolysis is a qualifying technology under the UK Government's Low-Carbon Hydrogen Standards. Hazer technology meets key criteria for scalability, readiness, and emissions reduction.

The UK Government has formally recognised graphite as a critical mineral, with domestic production of such materials identified as a strategic national priority and is an important pillar of the UK Government's Industrial Strategy.

On 26 September 2025, the Rt Hon Ed Miliband, Secretary of State for Energy Security and Net Zero, confirmed that the MESH project, including both its hydrogen and graphite production facilities, should be treated as a development of national significance under the Planning Act 2008, underlining the project's national importance and policy alignment.

About MESH

MESH will be a new, large scale, energy storage and decarbonisation facility that is expected to provide a secure and dependable supply of affordable low-carbon energy for the UK market for over 25 years.

The MESH integrated energy system solution comprises; large-scale Long Duration Energy Storage ("LDES"), flexible low-carbon power capacity and low-carbon hydrogen and graphite production with the potential to branch into low-carbon ammonia production. MESH will connect its LDES integrated storage system using existing infrastructure to the UK grid and nearby offshore wind capacity to help harness value from some of the billions of pounds of the UK's wasted wind power.

The MESH system is designed to capture and store curtailed offshore wind power in offshore salt caverns as compressed air. The MESH energy storage system combines associated large-scale hydrogen, thermal and natural gas storage capacity in geo-storage features (the salt caverns). During periods of low renewable energy availability, the LDES stored energy resources will be utilised to generate low-carbon flexible power for the UK's grid via compressed air expansion, thermal energy and hydrogen-compatible gas turbine systems to generate electricity.

The MESH facility will also produce affordable low-carbon hydrogen using a methane pyrolysis technology for which EnergyPathways has exclusive rights of use within the UK. The hydrogen can be used to further decarbonise the MESH flexible power generation system using its hydrogen compatible gas turbine system. The by-product of the MESH hydrogen production facility is a high-grade form of synthetic graphite.

In addition to supplying dispatchable low-carbon electricity to the grid, MESH-produced hydrogen can support the UK's emerging Project Union hydrogen network, contributing to broader emissions reductions across the energy system.

The MESH project is targeted to be operational by 2030, subject to government approvals and financing, in order to contribute to the Government's 2030 Clean Power ambitions. EnergyPathways aims to play its role in supporting the Government in accelerating the UK's energy transition.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (MAR). Upon the publication of this announcement via Regulatory Information Service (RIS), this inside information is now considered to be in the public domain.

Investor Engagement with EnergyPathways

Engage with us by asking questions, watching video summaries and seeing what other shareholders have to say. Navigate to our Interactive Investor website here: https://energypathways.uk/

Enquiries

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://energypathways.uk/link/rAkaby
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Forward Looking Statements
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economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the timing and granting of regulatory and other third party consents and approvals, uncertainties regarding the Company's or any third party's ability to execute and implement future plans, and the occurrence of unexpected events.

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