

15 October 2026

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

Accelerated Hydrogen and Graphite Production Facility

EnergyPathways fast-tracks Barrow hydrogen and graphite plant, targeting early first revenues for MESH

EnergyPathways (AIM:EPP), the UK energy transition company, announces that it is fast-tracking development of its low-carbon hydrogen and graphite production facility at Barrow-in-Furness, Cumbria, with the aim of becoming revenue generative by 2029 with a potentially earlier project start-up, subject to further design optimisation and supply chain management.

Alongside the LDES and natural gas/hydrogen storage elements, hydrogen, graphite and ammonia production (together "Hydrogen Industries") is the third pillar of the Company's integrated MESH project.

Commercialisation of the Hydrogen Industries pillar is not dependent on Government commercial support and involves minimal regulatory process. Land has been identified, existing gas and power network connections are in place, and engineering work is progressing with the Company's two leading technology partners, Hazer Group (with KBR) and Hycamite TCD Technologies.

Graphite: a critical mineral and a Government priority

The UK Government has identified graphite as a critical and growth mineral, essential to national security, industrial strategy and the energy transition. The UK currently imports all of its graphite, and there is a growing need for indigenously produced graphite to mitigate against global geo-political shocks.

The Barrow facility will deploy methane splitting technology, which cracks natural gas into low-carbon hydrogen and solid graphitic carbon. The carbon is captured as graphite rather than released as CO₂, creating a new domestic source of a strategically important material.

Strong market dynamics across multiple grades

The Company's analysis confirms established markets for graphite across a range of grades. This provides strong market dynamics and a clear path to monetisation from the outset.

A two-phase graphite strategy

- **Phase 1 - establish EnergyPathways as a major graphite supplier:** the Company has identified its initial markets as tyre manufacturing, metallurgical industries, and the blending of graphite into concrete and asphalt. These industries use carbon on a large scale, and EnergyPathways' graphite would offer them a route to decarbonisation; and

- **Phase 2 - move up the value chain:** conversion of graphitic carbon into high-grade graphite, including graphite suitable for use in electric vehicle batteries and other advanced applications.

Built for fast-track delivery

- **Land:** a site has been identified in Barrow capable of hosting a 20,000 tonne per annum plant, with potential for future expansion. Negotiations regarding its purchase are under way;
- **Grid connections:** existing connections into the gas and power networks will enable fast-track development. The Company is in direct dialogue regarding the option to secure a prioritised grid connection; and
- **No subsidy dependence:** with no Government commercial support required and minimal regulatory process, EnergyPathways has identified a route to early revenues by 2029. The Company will continue to look at potential grants that could be utilised for further development work on higher qualities of graphite, which naturally attract better prices and margins.

Commenting on the fast-track project, Ben Clube, CEO of EnergyPathways, said:

"We have a real opportunity to accelerate this project and become revenue generative by 2029 if not earlier, underpinning the Company with strong cash flows at attractive EBITDA margins. We are actively accelerating this aspect of MESH, with multiple workstreams ongoing, including the acquisition or lease of suitable land in Barrow and engagement regarding connections into the gas and power grids. The economics of the Hydrogen Industries component of MESH are compelling on a standalone basis. We are progressing engagement with offtake clients to underpin the economics and with strategic investors, as well as private capital, to fund the fast-tracked development."

"Graphite is a critical mineral the UK cannot currently produce for itself, and our work shows strong demand across multiple grades. Our focus now is on locking in offtake, completing engineering and securing the funding to deliver early cash flow for MESH and long-term investment for Barrow. We look forward to updating the market as we complete the various milestones on our route to commercialisation."

About MESH: <https://energypathways.uk/mesh>

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018). The Directors of the Company are responsible for the contents of this announcement.

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Enquiries

Investor questions on this announcement We encourage all investors to share questions on this announcement via our investor hub	https://energypathways.uk/link/yanB6e
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Forward Looking Statements

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Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

About MESH

The MESH Long Duration Energy Storage project has been designated as a project of "national significance" by the UK Government.

It combines compressed air energy storage with natural gas and hydrogen storage. It is set to become the UK's largest LDES project at 300 MW / 55 GWh / 100+ hours. It aims to start up hydrogen production operations in 2029-2030, followed by LDES operations starting up in 2031-2032, subject to government policy development, approvals and financing.

Significantly, MESH offers a multi-day storage capability in excess of 100+hours and so will be able to capture the UK's mounting surplus wind power being generated which is being wasted.

Last year the cost to consumers of switching off wind farms and replacing this with expensive gas power was in excess of £1.5 billion. By 2030, this is expected to increase to more than £8 billion as wind surpluses increase on the back of the planned increase in wind capacity which together with "must run" generation will reach around 80 GW compared with current average electricity demand of around 37 GW.

Other storage technologies, such as batteries, only store for a handful of hours at best (1-4 hours) and are not viable to handle multi-day wind surplus and deficit events typical of UK weather.

MESH's low-cost hydrogen production provides a decarbonisation pathway for the UK's gas consumption. It further enhances MESH's capability to store energy and supply flexible low-carbon dispatchable power for days to weeks and even seasons acting as an important strategic reserve. It will significantly strengthen national energy security and the UK grid's stability and reliability while also reducing greenhouse gas emissions.

MESH's gas and hydrogen storage project has the potential to provide capacity equivalent to 6 days of national gas supply, more than doubling the UK's gas storage capability. The project is now at an advanced stage of development and is awaiting policy and regulatory framework to be outlined in the upcoming Energy Independence Bill. As a low-cost development, MESH gas and hydrogen storage represents excellent value for taxpayer money for strengthening the UK's energy security.

By capturing the huge waste in wind power, MESH will lower system energy costs, provide system flexibility over any timeframe to strengthen energy security reduce the UK's current over-reliance on gas to backup renewables.

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