



SUSTAINABLE DEVELOPMENT POLICY

Purpose

The purpose of this Policy is to articulate First Canadian Graphite Inc. (“First Canadian Graphite” or the “Corporation”) commitment to sustainable development and responsible resource exploration and development.

First Canadian Graphite recognizes that graphite plays a critical role in the global energy transition, particularly in the battery and electrification value chain. The Corporation is committed to advancing its activities in a manner that balances economic growth with environmental stewardship, social responsibility, and strong governance practices.

Through this policy, First Canadian Graphite aims to contribute positively to the sustainable development of Québec’s critical minerals sector while respecting the ecosystems and communities where it operates.

The Sustainability Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of the Corporation to assist the Board in its oversight of environmental, health and safety issues as well as community engagement.

The Committee has the authority herein provided, as well as the authority to investigate any activity of the Corporation relating to environmental, health, safety or and community engagement matters. The Committee shall be granted unrestricted access to all information of the Corporation as requested by members of the Committee.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out herein of this Policy.

Policy Objectives

- Conduct exploration and development activities responsibly, proactively identifying, managing, and mitigating environmental and social risks.
- Integrate ESG (Environmental, Social, and Governance) principles into corporate strategy, operational planning, and decision-making processes.
- Build strong, respectful, and long-term relationships with local and Indigenous communities.

Scope

This Policy applies to all activities undertaken by First Canadian Graphite, including exploration, drilling, fieldwork, environmental studies, and stakeholder engagement.

It applies to all employees, officers, directors, contractors, consultants, and business partners. The Corporation expects all parties involved in its activities to adhere to the principles outlined in this policy.

Our Commitments

Environmental Responsibility

- Minimize environmental footprint by implementing best practices in exploration and site management.
- Protect water resources, biodiversity, and ecosystems through careful planning and mitigation measures.
- Monitor environmental performance and continuously improve practices in line with industry standards.

Social Responsibility and Community Engagement

- Engage early, openly, and transparently with local communities and Indigenous Peoples.
- Respect Indigenous rights, culture, land use, and traditional knowledge.
- Foster long-term partnerships based on trust, collaboration, and shared value creation.

Governance, Ethics and Integrity

- Maintain high standards of corporate governance, ethics, and transparency.
- Ensure compliance with all applicable laws, regulations, and reporting obligations.
- Implement clear accountability mechanisms and internal controls to support responsible decision-making.

Health, Safety and Well-being

- Provide a safe and healthy work environment for all employees and contractors.
- Promote a strong safety culture based on prevention, training, and continuous improvement.
- Ensure that health and safety considerations are integrated into all operational activities.

First Canadian Graphite believes that responsible development is essential to long-term success. By embedding sustainability into all aspects of its activities, the Corporation aims to create lasting value for its stakeholders while contributing to a more sustainable and resilient future.

Technical matters

1. The Committee will review management's assumptions and methodology in the preparation of the Corporation's mineral reserve and mineral resource estimates and satisfy itself that the judgement exercise was reasonable.
2. The Committee will recommend Board approval of technical reports and mineral reserve and mineral resource estimates, and ensure such disclosure complies with regulatory requirements.

Composition and Meetings

1. The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, securities laws, the listing requirements of the Toronto Venture Exchange, the British Columbia Corporations Act, the Quebec Business Corporations Act and all applicable securities regulatory authorities, if any.
2. The Committee shall be composed of two (2) or more directors as shall be designated by the Board from time to time, at least one of whom shall be an independent director, and one of whom shall be designated by the Board to serve as Chair of the Committee; however, if the Board does not appoint a Chair, the majority of the Committee members shall do so.
3. Meetings of the Committee shall be held from time to time as the Committee or the Chairman thereof shall determine upon 48 hours' notice to each of its members; provided that the Committee shall meet at least once per year. The notice period may be waived by a quorum of the Committee.

4. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone shall constitute a quorum.
5. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
6. Any member of the Committee may participate in a meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
7. The Committee shall keep minutes of its meetings, which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
8. The Committee may compel such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend meetings of the Committee.
9. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. Unless otherwise directed by the Board, all decisions or recommendations of the Committee, other than administrative ones, shall require the approval of the Board prior to implementation.

Review

This policy will be reviewed periodically to ensure its continued relevance, effectiveness, and alignment with evolving best practices, regulatory requirements, and stakeholder expectations.

General

1. Notwithstanding the foregoing and subject to applicable law, nothing contained in this Policy is intended to require the Committee to ensure the Corporation's compliance with applicable laws or regulations.
2. The Committee is a committee of the Board and it is not and shall not be deemed to be an agent of the Corporation's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively. No provision contained herein is intended to give

rise to civil liability to security holders of the Corporation or any other liability whatsoever.

Approved by the Board of Directors on March 26, 2026

John LaGourgue, CEO
First Canadian Graphite Inc.