

First Phosphate's C\$17.7 Million Raise Shifts Focus to Execution

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The central challenge facing most critical minerals developers is no longer proving that their commodity matters. It is financing the long and expensive stretch between discovery and construction. [First Phosphate Corp.](#) (CSE: PHOS | OTCQX: FRSPF | OTCQX ADR: FPHOY | FSE: KD0) has strengthened its answer to that challenge with an oversubscribed private placement and a growing network of government, financial and industrial support.

The Company announced on July 13th that it had closed the final tranche of an oversubscribed non-brokered private placement, [raising](#) approximately C\$17.7 million in gross proceeds. What began as a C\$5 million financing expanded rapidly as existing and follow-on investors sought larger positions, according to CEO and Director John Passalacqua.

"We announced a \$5 million raise, and we ended up raising \$17.7 million in a month," Passalacqua told InvestorNews host Tracy Hughes. He said the result was especially significant because it was completed during a difficult period for small and mid-cap companies, demonstrating both investor confidence and First Phosphate's ability to attract capital at an important stage of development.

The financing followed First Phosphate's inclusion among the critical minerals partnerships announced at the 2026 G7 Summit in Évian, France. Under the Critical Minerals Resilience and Production Alliance, the Company announced a letter of interest for a guarantee of up to C\$275 million from the Export and

Investment Fund of Denmark (EIF0) for development of the Bégin-Lamarche mine. It also announced letters of interest involving the Italian Export Credit Agency, Cassa Depositi e Prestiti and SIMEST, alongside MAIRE Group, in connection with the proposed phosphoric acid plant at Port Saguenay. The G7 [announcement](#) also highlighted two previously signed definitive offtake agreements: one for at least 200,000 tonnes per year of phosphate concentrate and another for at least 60,000 tonnes per year of phosphoric acid.

Passalacqua said First Phosphate now has access to approximately C\$50 million when its treasury is combined with the agreement for an up to C\$16.7 million non-repayable contribution from the Government of Canada. Management believes that capital provides at least a 24-month runway and is sufficient to advance Bégin-Lamarche toward a final investment decision without returning immediately to the market.

The next major objective is a feasibility study, targeted for completion by the end of 2026 or, at the latest, during the first quarter of 2027. Permitting is expected to advance through 2027, with a final investment decision targeted by the end of that year. Community engagement and preparations for Québec's BAPE environmental review process are already progressing in parallel.

That parallel approach is deliberate. Passalacqua said the Company does not want to complete one milestone, stop and then begin the next. With the capital and technical teams now in place, First Phosphate can advance engineering, permitting and community relations concurrently, potentially reducing the gaps between major development milestones.

The investment case rests on phosphate's increasingly important role in lithium iron phosphate batteries. LFP is often discussed

primarily as a lithium story, yet phosphate represents approximately 60% of the cathode material by molecular weight, compared with roughly 4% for lithium. The relevant feedstock must also be purified to the specifications required for battery-grade phosphoric acid.

“When you’re thinking about LFP, think about P for phosphate,” Passalacqua said.

First Phosphate’s flagship Bégin-Lamarche project is located in Québec’s Saguenay–Lac-Saint-Jean region, approximately 70 kilometres by road from the deep-sea Port of Saguenay. The [May 2026 mineral resource estimate](#) reported 6.2 million tonnes in the Measured category grading 7.70% P2O₅, 198.5 million tonnes Indicated at 6.00% P2O₅ and 89.5 million tonnes Inferred at 6.16% P2O₅. Metallurgical testing indicated an apatite concentrate grading 40.4% P2O₅ at an 88% recovery rate, with a 91.1% conversion ratio into battery-grade phosphoric acid.

Commercial validation is also beginning to take shape. First Phosphate has announced definitive offtake agreements for a minimum of 200,000 tonnes per year of phosphate concentrate from Bégin-Lamarche and at least 60,000 tonnes per year of phosphoric acid from the proposed Port Saguenay plant. The phosphate concentrate agreement is partially prepaid, providing tangible evidence of customer interest ahead of production.

None of this removes the normal risks associated with feasibility work, permitting, project financing and construction. It does, however, change the immediate question facing First Phosphate. The Company is no longer approaching each milestone with an urgent need to fund the next one. It can now concentrate on execution.

“We’re just heads down, and we’re executing,” Passalacqua said. The next measure of First Phosphate’s progress will be how

efficiently that capital is converted into a feasibility study, permits and a final investment decision.

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