

# Hallgarten + Company Initiates Coverage on First Phosphate: Advancing Phosphate Production for the LFP Battery Market

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Hallgarten + Company has initiated [coverage](#) on [First Phosphate Corp.](#) (CSE: PHOS | FSE: KD0), with an extensive [report](#) authored by Analyst **Christopher Ecclestone**. The report outlines First Phosphate's strategic positioning within the rapidly growing lithium iron phosphate (LFP) battery market, emphasizing the company's role in fulfilling the increasing demand for battery-grade phosphate in North America.

## First Phosphate: Poised for a Major Role in the LFP Battery Market

First Phosphate aims to be a leading producer of phosphate in North America, with a unique focus on supplying the LFP battery sector. LFP batteries, which are gaining traction in the electric vehicle (EV) industry due to their safety, longevity, and cost-efficiency, present a growing opportunity for phosphate producers. First Phosphate has strategically aligned its operations to meet the specific needs of this market.

Ecclestone highlights that First Phosphate's flagship asset, the Bégin-Lamarche (BLM) project, is ideally situated to support its ambitious goals. The project is located in proximity to the port of Saguenay on the St. Lawrence River, as well as the Hébertville-Station intermodal rail station, providing easy access to both North American and global markets. The company is

expected to release a Preliminary Economic Assessment (PEA) on the BLM project by the end of 2024, which will give investors and stakeholders a clearer picture of its economic potential.

## **Infrastructure and Partnerships**

In addition to its prime location, First Phosphate has secured key partnerships with top-tier phosphate processors and technology companies across North America, Europe, and Australia. These collaborations will be crucial for establishing the company's foothold in the LFP supply chain. Furthermore, First Phosphate has secured the First Saguenay facility, where it plans to produce battery precursor materials on a commercial scale.

According to the report, First Phosphate is aiming to produce phosphate concentrate with over 40% purity, making it one of the world's highest-quality sources for battery-grade purified phosphoric acid (PPA). Approximately 90% of the phosphate concentrate will be converted into PPA, which is critical for LFP battery production. The company's focus on the LFP battery market, rather than traditional fertilizer applications, demonstrates its intent to capitalize on the high-value-added potential of phosphate in the clean energy space.

## **Additional Resource Recovery**

In addition to phosphate, the BLM project is expected to recover valuable by-products such as ilmenite (~39% TiO<sub>2</sub>) and magnetite (~68% Fe), which will significantly reduce the overall costs of phosphate production. First Phosphate is also exploring the potential to upgrade the magnetite into iron powder, which could further enhance its contribution to the LFP battery supply chain. This ability to recover secondary minerals positions the company as a more efficient and cost-effective supplier in the

battery metals sector.

## **Financing and Future Developments**

The report acknowledges that while the potential for First Phosphate is significant, the current financing environment for battery metals projects is challenging. Investors are increasingly selective, focusing on projects that demonstrate a realistic path to production. First Phosphate's progress with the BLM project, combined with its strategic partnerships and focus on the high-demand LFP battery market, positions it as a strong contender in this space.

In summary, Christopher Ecclestone's analysis of First Phosphate in Hallgarten + Company's [report](#) underscores the company's strategic assets, partnerships, and focus on the emerging LFP battery market. With the release of the PEA expected by the end of the year and ongoing advancements in phosphate recovery and battery precursor production, First Phosphate is well-positioned to capitalize on the growing demand for clean energy solutions.

To read the full report, [click here](#)