

# Hallgarten + Company Releases Update on First Phosphate Report: PEA Initiates Development Phase for BLM

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This morning, [Hallgarten + Company](#) released an update on [First Phosphate Corp.](#) (CSE: PHOS | OTCQB: FRSPF), building on their initial October 7, 2024, [report](#) titled “*First Phosphate – PEA Launches the Development Phase of BLM.*” The latest analysis underscores the strong progress of the company’s flagship Bégin-Lamarche (BLM) project in Quebec, reaffirming its potential as a cornerstone of North America’s phosphate and battery materials supply chain.

The Bégin-Lamarche project’s recently released Preliminary Economic Assessment (PEA) [highlights](#) a 23-year mine life, with projected annual production of 900,000 tonnes of phosphate concentrate (40% P<sub>2</sub>O<sub>5</sub>) and 380,000 tonnes of magnetite (92% Fe<sub>2</sub>O<sub>3</sub>). The financial metrics are particularly compelling, with an after-tax internal rate of return (IRR) of 33% and a net present value (NPV) of CAD\$1.59 billion at an 8% discount rate. With a payback period of only 2.9 years, the project represents a significant opportunity in the competitive phosphate market.

The PEA sets initial capital expenditure at CAD\$675 million, complemented by an additional CAD\$317 million in sustaining costs. A distinguishing feature of the project is its ability to generate by-product credits from magnetite and ilmenite recovery. Moreover, metallurgical test results reveal an anticipated 91% recovery of phosphate, with the concentrate achieving a premium-grade 40% P<sub>2</sub>O<sub>5</sub> content. The deposit’s clean

igneous rock composition, low sulfur levels, and dry stack tailings management also address environmental concerns, mitigating risks such as acid drainage or metal leaching.

BLM's strategic location near the St. Lawrence Seaway provides logistical advantages, including proximity to port facilities, provincial highways, and a hydro-electric grid. The site is supported by strong local and indigenous community relationships, further strengthening its position as a viable project. The company's agreements with the Port of Saguenay and Groupe Goyette ensure streamlined transport of its products to both North American and international markets.

The mine plan utilizes a truck-and-shovel open-pit method, achieving an annual peak mining rate of 28 million tonnes. Waste management includes innovative measures, such as backfilling mined-out pits with 61 million tonnes of waste rock, minimizing environmental impact while facilitating land restoration. The processing plant feed averages 5.76% P<sub>2</sub>O<sub>5</sub> and 10.32% Fe<sub>2</sub>O<sub>3</sub>, with a life-of-mine strip ratio of 1.5:1, ensuring cost efficiency.

Significantly, the project benefits from its low-cost operating structure, with total processing costs estimated at CAD\$28.31 per tonne. Combined with a clean resource and environmentally conscious design, BLM is positioned to address the increasing demand for phosphate in lithium iron phosphate (LFP) batteries, agriculture, and industrial applications.

Hallgarten's report also highlights the First Saguenay facility, a separate iron phosphate precursor plant leased in September 2024. With a capacity of 10,000 tonnes per year and a capital expenditure of US\$65 million, this facility will produce cathode active materials for LFP batteries, complementing BLM's output and further integrating First Phosphate into the battery supply chain.

First Phosphate’s rapid ascent underscores its strategic foresight, infrastructure advantages, and strong relationships with local stakeholders. The company’s clean resource and environmental approach set it apart from competitors, including Arianne Phosphate Inc.’s (TSXV: DAN | OTCQX: DRRSF) Lac à Paul project. As the global demand for phosphate and battery materials accelerates, Hallgarten + Company’s latest update positions First Phosphate as a key player in the sector. With the release of the Bégin-Lamarche feasibility study on the horizon, First Phosphate is well-poised to transition into development. Investors and industry stakeholders alike will be closely watching this project as it advances through financing and construction phases.

To read Hallgarten & Company’s update on First Phosphate Corp. (CSE: PHOS | OTCQB: FRSPF), [click here](#)

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