First Phosphate, American Battery Factory and Integrals Power Sign MOU to Produce LFP Cathode Active Material and Battery Cells in North America

written by Raj Shah | January 25, 2024

January 25, 2024 (Source) – First Phosphate Corp. (CSE: PHOS) (OTC: FRSPF) (FSE: KD0) ("First Phosphate") is pleased to announce that it has entered into a multi-party agreement with American Battery Factory Inc. ("ABF") of Utah, USA and Integrals Power Limited ("IPL") of Milton Keynes, United Kingdom to produce lithium iron phosphate ("LFP") cathode active material ("CAM") and LFP battery cells in North America.

The initiative ("LFP Project America") is to support ABF's eventual need for up to 40,000 tonnes of annual fully localized LFP CAM for LFP battery cell production in North America by 2028. LFP Project America aims to eventually localize the entire production supply chain of LFP CAM, LFF battery cells storage devices for the battery storage sector to North America.

Pre-recorded Interview on the initiative: https://www.youtube.com/watch?v=S-8HBv3OjLI

The following mutually beneficial arrangements have been agreed upon by the parties:

- LFP Project America will be undertaken by First Phosphate, ABF and IPL and will invite other suppliers into the project group to support this initiative.

- First Phosphate, ABF and IPL will co-operate in the creation of a pilot run of LFP CAM for the use in ABF LFP battery cells using IPL technology and raw materials provided by First Phosphate.
- After the successful pilot for LFP Project America has been completed, the three parties will work together to build a North American supply plant to supply LFP CAM to ABF.
- Integrated facilities that move from raw materials into final LFP battery cells and final LFP storage device production, and which would require tighter integration by the current parties and other potential third parties, could also be considered and will form part of advanced discussions between the parties.
- ABF projects sustained annual demand for LFP CAM starting in 2026 rising to 40,000 tonnes (20 GWh) by 2028 at its first planned LFP battery manufacturing facility in Tuscon, Arizona. ABF intends to construct several other LFP battery manufacturing facilities across North America, each of which should require a similar amount of LFP CAM.
- First Phosphate, ABF and IPL will begin a homologation process whereby First Phosphate raw source materials and LFP CAM produced by LFP Project America will be integrated directly into ABF battery cells and tested in ABF end-user battery storage products.

“We are excited to be part of LFP Project America,” says ABF President, Major General (US-Army Retired) John S. Kem. “To enable our energy future, we need strategic relationships like this one that are committed to using innovative techniques and local materials, tied to sustainable environmental practices. LFP Project America does just that.”

“This is a synergistic collaboration that will allow for

accelerated development of green LFP technology that improves net zero goals," says IPL CEO, Behnam Hormozi.

"LFP Project America is an example of suppliers from the entire supply chain coming together to build the LFP battery sector in North America," says First Phosphate CEO, John Passalacqua. "We need to go from raw materials all the way to finished battery product if we wish to develop supply chain independence in North America."

First Phosphate has access to clean igneous anorthosite phosphate-bearing rock in Quebec, Canada that it intends to purify into a large quantity of battery-grade purified phosphoric acid to support LFP Project America.

About American Battery Factory Inc.

American Battery Factory Inc., a Lithium Iron Phosphate (LFP) battery cell manufacturer, is developing the first-ever network of safe LFP cell giga-factories in the United States. The company is dedicated to making energy independence and renewable energy a reality for the United States by creating a domestic battery supply chain. Along with creating domestic manufacturing jobs, ABF will play a crucial role in meeting US federal and state government climate change initiatives and "Made-in-USA" national security requirements. Please visit www.americanbatteryfactory.com.

About Integrals Power Limited

IPL is a next-generation battery nano-material company committed to accelerated research, development and commercialisation of state-of-the-art battery. The team of entrepreneurs, scientists and engineers have conducted comprehensive market verification & validation to form their strategy for the development of commercially feasible state-of-the-art battery materials. This

broad market research empowered the accelerated development and production of IPL proprietary high-performance, cost effective and scalable battery cathode materials for LFP for batteries. IPL's latest battery material development results empower economical cells with higher performance compared to the conventional alternatives. Please visit https://integralspower.co.uk.

About First Phosphate Corp.

First Phosphate is a mineral development company fully dedicated to extracting and purifying phosphate for the production of cathode active material for the Lithium Iron Phosphate ("LFP") battery industry. First Phosphate is committed to producing at high purity level, in responsible manner and with low anticipated carbon footprint. First Phosphate plans to vertically integrate from mine source directly into the supply chains of major North American LFP battery producers that require battery grade LFP cathode active material emanating from a consistent and secure supply source. First Phosphate holds over 1,500 sq. km of royalty-free district-scale land claims in the Saguenay-Lac-St-Jean Region of Quebec, Canada that it is actively developing. First Phosphate properties consist of rare anorthosite igneous phosphate rock that generally yields high purity phosphate material devoid of high concentrations of harmful elements.

For additional information, please contact:

Jérôme Cliche, VP, Business Development
jerome@firstphosphate.com
Tel: +1 (514) 815-8799

Investor Relations: investor@firstphosphate.com
Media Relations: media@firstphosphate.com
Website: www.FirstPhosphate.com

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Forward-Looking Information and Cautionary Statements

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward-looking statements in this news release include statements relating to: the Company's proposed development of its land claims in the Saguenay Region; the Company's commitment to producing high purity phosphate materials under a low carbon footprint; the Company's plans to integrate directly into the functions of certain major North American LFP Battery producers; the stated aims, benefits and terms of the MOU, including production numbers, monetary values, and arrangements therein, statements regarding the benefits of the Company's partnership with ABF and IPL and the ability of ABF and IPL to realize on their operational and strategic initiatives; and the Company's plans, goals, and timelines thereof with respect to the MOU.

Forward-looking information in this press release are based on certain assumptions and expected future events, namely: the Company's ability to develop its land claims in the Saguenay Region; the Company's ability to produce high purity phosphate under a low carbon footprint; the Company's ability to integrate directly into the functions of certain major North American LFP

Battery producers; the Company's ability to carry out and realize upon the stated aims, benefits and terms of the MOU, including production numbers, monetary values, and arrangements therein, the Company's ability to realize upon the benefits of the Company's partnership with ABF and IPL; the ability of ABF and IPL to realize on their operational and strategic initiatives; and the Company's ability to carry out its plans, goals, and timelines thereof with respect to the MOU.

These statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements, including but not limited to: the Company's inability to develop its land claims in the Saguenay Region; the Company's inability to produce high purity phosphate materials under a low carbon footprint; the Company's inability to integrate directly into the functions of certain major North American LFP Battery producers; the Company's inability to carry out and realize upon the stated aims, benefits and terms of the MOU, including production numbers, monetary values, and arrangements therein, the Company's inability to realize upon the benefits of the Company's partnership with ABF and IPL or inability of ABF and IPL to realize on their operational and strategic initiatives; and the Company's inability to carry out its plans, goals, and timelines thereof with respect to the MOU.

Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking statements contained in this press release are

expressly qualified by this cautionary statement and reflect the Company's expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.