First Phosphate and Craler Sign MOU for the Development of Global Logistical Competencies to and from the Saguenay-Lac-St-Jean region of Quebec, Canada

written by Raj Shah | February 28, 2024

February 28, 2024 (Source) – First Phosphate Corp. (CSE PHOS) (OTC: FRSPF) (FSE: KD0) ("First Phosphate" or the "Company") is pleased to announce that it has signed a memorandum of understanding ("MOU") with Craler Inc. ("Craler"), a division of TFI International Inc. (NYSE: TFII) (TSX: TFII) ("TFI") for the development of the Company's global freight logistical competencies to and from the Saguenay-Lac-St-Jean region of Quebec, Canada.

"This agreement is important because Craler, together with is parent TFI, have the ability to determine the best practices for the Company's entire logistical footprint for its products and supplies across North America," says CEO John Passalacqua. "Smart logistics can lead to cost-savings, reduction of carbon footprint and satisfied clients in the automobile and stationary energy storage industries across North America."

The terms of the agreement include:

- First Phosphate and Craler are to work towards determining the local logistical footprint for the movement of First Phosphate products and supplies to and from the Company's

mining properties in Saguenay, Quebec to the Port of Saguenay, Quebec.

- First Phosphate and Craler are to work towards determining the North American logistical footprint for the movement of the Company’s products and supplies to and from Saguenay, Quebec and the rest of North America and the world.
- First Phosphate and Craler are to work towards determining options for encouraging the establishment of a local production source of lithium carbonate / hydroxide at the Port of Saguenay, Quebec as well as the logistical options for the importation of lithium carbonate / hydroxide from other parts of North America and the world to the Port of Saguenay, Quebec.
- First Phosphate and Craler are to work towards the best electrification procedures to implement at the Company’s prospective mine site and between the mine site and Port of Saguenay, North America and the world. The companies are to study the various logistical options available during the various stages of project development so as to minimize carbon footprint of the Company’s overall operations.
- Special emphasis is to be placed on logistics that connect First Phosphate product and supply requirements to and from the automobile industry heartland of North America in the Windsor-Detroit corridor as well as to other regions of the US and Mexico.
- Craler is to join the First Phosphate project team and begin to ideate the best overall project-based logistics necessary to integrate the Company’s product and supply flows across North America and the world.
- First Phosphate and Craler are to work together to make the economic, social and job creation benefits of their arrangement known to the Quebec, Canadian and US

governments.

Securities Issuances

The Company has settled $75,000 of debt for accrued amounts owing to an arm's length service provider through the issuance of 250,000 Common Shares at the deemed price of $0.30 per Common Share. The Company has also granted 440,400 restricted share units of the Company ("RSUs") to two eligible consultants of the Company. The RSUs vest in 4 tranches (25% on each of May 31, 2024; August 31, 2024; November 30, 2024; and February 28, 2025). The RSUs are subject to the terms of the Company's Omnibus Equity Incentive Plan as approved by disinterested shareholders at the Company's annual and special meeting of shareholders held on August 25, 2023. All securities issued are subject to a hold period of four months plus one day from the date of issuance.

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 materially devoid of high concentrations of

harmful elements.

About Craler Inc.

Founded in 1997, Craler has become one of the largest private Canadian companies specializing in freight management. Craler serves clients working in various types of industries to meet their specific freight transport needs across North America, including Canada, the United States and Mexico. Craler was acquired in 2019 by TFI International Inc. (NYSE: TFII) (TSX: TFII) and now operates as a division of this leading North American transportation and logistics company.

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Forward-Looking Information and Cautionary Statements

This news release contains certain statements and information that may be considered “forward-looking statements” and “forward looking information” within the meaning of applicable securities laws. In some cases, but not necessarily in all cases, forward-looking statements and forward-looking information can be

identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “is positioned”, “estimates”, “intends”, “assumes”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved” and other similar expressions. In addition, statements in this news release that are not historical facts are forward looking statements, including, among other things, the Company’s planned exploration and production activities, the properties and composition of any extracted phosphate, the Company’s plans for vertical integration into North American supply chains, the benefits of logistics for cost-savings, reduction of carbon footprint and satisfied clients, the creation of a local production source of lithium carbonate or lithium hydroxide at the Port of Saguenay, Quebec and the importation of lithium carbonate or lithium hydroxide, the integration of Company product and supply into product and supply flows, and the economic, social and job creation benefits of the Company and Craler operations.

These statements and other forward-looking information are based on assumptions and estimates that the Company believes are appropriate and reasonable in the circumstances, including, without limitation, expectations of the Company’s long term business outcomes given its short operating history; expectations regarding revenue, expenses and operations; the Company having sufficient working capital and ability to secure additional funding necessary for the exploration of the Company’s property interests; expectations regarding the potential mineralization, geological merit and economic feasibility of the Company’s projects; expectations regarding drill programs and the potential impacts successful drill

programs could have on the life of the mine and the Company; mineral exploration and exploration program cost estimates; expectations regarding any environmental issues that may affect planned or future exploration programs and the potential impact of complying with existing and proposed environmental laws and regulations; receipt and timing of exploration and exploitation permits and other third-party approvals; government regulation of mineral exploration and development operations; expectations regarding any social or local community issues that may affect planned or future exploration and development programs; expectations surrounding global economic trends and technological advancements; and key personnel continuing their employment with the Company.

There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include: limited operating history; high risk of business failure; no profits or significant revenues; limited resources; negative cash flow from operations and dependence on third-party financing; the uncertainty of additional funding; no dividends; risks related to possible fluctuations in revenues and results; insurance and uninsured risks; litigation; reliance on management and key personnel; conflicts of interest; access to supplies and materials; dangers of mineral exploration and related liability and damages; risks relating to health and safety; government regulation and legal uncertainties; the company's exploration and development properties may not be successful and are highly speculative in nature; dependence on outside parties; title to some of the Company's mineral properties may be challenged or defective; Aboriginal title and land claims; obtaining and renewing licenses and permits; environmental and other

regulatory risks may adversely affect the company; risks relating to climate change; risks related to infrastructure; land reclamation requirements may be burdensome; current global financial conditions; fluctuation in commodity prices; dilution; future sales by existing shareholders could cause the Company's share price to fall; fluctuation and volatility in stock exchange prices; and risks related to market demands. There can be no assurance that any opportunity will be successful, commercially viable, completed on time or on budget, or will generate any meaningful revenues, savings or earnings, as the case may be, for the Company. In addition, the Company will incur costs in pursuing any particular opportunity, which may be significant.

These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company and, though they should be considered carefully, should be considered in conjunction with the risk factors described in the Company's other documents filed with the Canadian securities authorities, including without limitation the "Risk Factors" section of the Company's Annual Information Form dated November 29, 2023 which is available on SEDAR at www.sedarplus.ca. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information or information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.