

First Phosphate Enters into MOU with NorFalco, a Division of Glencore Canada, to Secure Supply of Sulfuric Acid

written by Raj Shah | July 18, 2023

July 18, 2023 ([Source](#)) – First Phosphate Corp. (CSE PHOS) (FSE: KD0) (“**First Phosphate**” or the “**Company**”) is pleased to announce the signing of a non-binding memorandum of understanding (“MOU”) with NorFalco Sales (“NorFalco”), a division of Glencore Canada Corporation, on July 17, 2023, to secure supply of sulfuric acid for its future industrial facilities in Saguenay-Lac-St-Jean, Quebec.

Under the terms of the MOU, and subject to the parties entering into a mutually agreeable definitive sulfuric acid supply agreement, First Phosphate agrees that NorFalco will supply the sulfuric acid required for First Phosphate’s future phosphoric acid and other industrial facilities located in Quebec, Canada. The companies will continue to work together over the term of the MOU, aiming towards a definitive supply agreement.

“We are pleased to have the support of NorFalco, Canada’s largest supplier and an industry leader in the marketing and distribution of sulfuric acid,” states First Phosphate CEO, John Passalacqua. “This agreement is a significant first step in what we expect to be a meaningful ongoing supply relationship. An agreement with NorFalco secures a key and often overlooked raw material from a major local supplier for the future development and growth of First Phosphate’s industrial activities.”

As previously announced, First Phosphate is pursuing the

sustainable development of a phosphoric acid facility anticipated at Port of Saguenay, Quebec together with partner Prayon Technologies SA of Belgium. Sulfuric acid is a key input in the production of phosphoric acid. The phosphoric acid plant will be a key pillar in the development of a localized LFP battery supply chain in North America.

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, at full ESG standard 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.

About NorFalco

NorFalco is one of North America’s largest merchant marketers of sulfuric acid. NorFalco markets acid production from three major North American production facilities which forms part of Glencore’s global sulfuric acid supply and trading network. Additionally, NorFalco has third-party offtake agreements with several producers outside of the Glencore group. NorFalco’s fully integrated distribution network, composed of rail cars, trucks, barges, vessels, storage tanks, trans-load terminals and

import terminals, is one the most expansive sulfuric acid networks in North America. These production, marketing, and distribution strengths help ensure reliability to a diverse range of consumers across many different industries. NorFalco is a Responsible Care® company with the Chemistry Industry Association of Canada. NorFalco is committed to delivering “More than H₂SO₄ “. This means delivering customer solutions that make it easy to order, receive and use sulfuric acid in a safe and reliable manner.

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-30-

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 commitment to producing high purity phosphate materials at full ESG standard under a lowcarbon footprint; the Company's plans to integrate directly into the functions of certain major North American LFP Battery producers; the Company's proposed development of its land claims in the region of Saguenay-Lac-St-Jean, Quebec; the anticipated benefits, terms, and timelines with respect to the MOU, including, that the parties will be working together over the term of the MOU towards the execution of a definitive agreement, that NorFalco will supply the sulfuric acid required for the Company's future phosphoric acid and other industrial facilities located in Quebec, Canada; that the agreement is a significant first step in what the Company expects to be a meaningful ongoing supply relationship with NorFalco; and that an agreement with NorFalco would enable the Company to secure a key and often overlooked raw material from a major local supplier for the future growth of the Company's industrial activities.

Forward-looking information in this press release are based on certain assumptions and expected future events, namely: the Company's ability to producing high purity phosphate materials at full ESG standard under a lowcarbon footprint; the Company's ability to integrate directly into the functions of certain major North American LFP Battery producers; the Company's ability to develop its land claims in the region of Saguenay-Lac-St-Jean, Quebec; the Company having the ability to realize upon the anticipated benefits, terms, and timelines with respect to the MOU, including, that the parties will be working together over the term of the MOU towards the execution of a definitive agreement, that NorFalco will supply the sulfuric acid required for the Company's future phosphoric acid and other industrial facilities located in Quebec, Canada; that the Company will have the ability to realize upon the MOU's potential as significant

first step in what the Company expects to be a meaningful ongoing supply relationship with NorFalco; and that an agreement with NorFalco will enable the Company to secure a key and often overlooked raw material from a major local supplier for the future growth of the Company's industrial activities.

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 produce high purity phosphate materials at full ESG standard under a lowcarbon footprint; the Company's inability to integrate directly into the functions of certain major North American LFP Battery producers; the Company's inability to develop its land claims in the region of Saguenay-Lac-St-Jean, Quebec; the Company's inability to realize upon the anticipated benefits, terms, and timelines with respect to the MOU, including, that the parties will be working together over the term of the MOU towards the execution of a definitive agreement, that NorFalco will supply the sulfuric acid required for the Company's future phosphoric acid and other industrial facilities located in Quebec, Canada; the Company's inability to realize upon the MOU's potential as significant first step in what the Company expects to be a meaningful ongoing supply relationship with NorFalco; and that an agreement with NorFalco will not enable the Company to secure a key and often overlooked raw material from a major local supplier for the future growth of the Company's industrial activities.

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.