

First Phosphate Provides Full Corporate Update

written by Raj Shah | May 30, 2023

May 30, 2023 ([Source](#)) – First Phosphate Corp. (CSE: PHOS) (FSE: KD0) (“**First Phosphate**” or the “**Company**”) is making significant strides towards becoming a North American leader in the lithium iron phosphate (“LFP”) battery sector and establishing the Saguenay-Lac-St-Jean region of Quebec, Canada as the LFP Battery Valley of North America.

The Company will be hosting a live event on Tuesday, May 30th, 2023 at 12:00 noon EST to discuss this update in greater detail and to answer questions from shareholders. Please register at: https://us02web.zoom.us/webinar/register/WN_ip2_w8KrTD6CmvAVchJcEg

The event will be carried out by our CEO, John Passalacqua. Our President, Peter Kent, has provided this brief pre-recorded summary address to shareholders who might not be able to attend the live event: <https://www.youtube.com/watch?v=9DRAtHsDE0Q>

The Company Achieved the Following in 2023:

- Started the year by listing its shares on the Canadian Securities Exchange (“CSE”) and the Frankfurt Stock Exchange (“FSE”), providing its shareholders with global visibility and liquidity. Our President, Peter Kent, gave a keynote speech for the CSE opening session at the PDAC Convention in Toronto.
- Signed a Memorandum of Understanding (“MOU”) with Prayon SA (“Prayon”), the Belgian-based global leader in purified phosphoric acid (“PPA”) production and technology. This

partnership promises to accelerate our operations by providing future offtake for our phosphate concentrate, access to PPA technology and LFP cathode active material (“LFP Cam”) production horizons: <https://firstphosphate.com/PrayonSA>

- Initiated a Preliminary Economic Assessment (“PEA”) at our Lac-à-l’Original property following completion of a successful National Instrument 43-101 study: <https://firstphosphate.com/LacOriginal43-101.pdf>
- Achieved a world-leading high-purity phosphate concentrate of 40.2% at a 91.4% recovery rate through metallurgical testwork at the laboratories of SGS Canada Inc., Quebec (“SGS Quebec”). Achieved strong LFP-related secondary recoveries of ilmenite (titanium) and magnetite (iron): https://firstphosphate.com/SGS_Mineralogy.pdf
- Completed an in-depth mineralogical study with Queen’s University which concluded that the Lac-à-l’Original deposit is a likely ESG-compliant source of North American phosphate for the LFP battery industry. Phosphate mines are not known to be ESG driven. Lac-à-l’Original could potentially be one of the first: https://firstphosphate.com/Queens_Mineralogy.pdf
- Yielded high-grade phosphate intersects along a 2,000 m magnetic trend with multiple phosphate-bearing layers during drilling operations at the Begin-Lamarche project. These are some of the highest phosphate grades ever found in the Saguenay-Lac-St-Jean Region of Quebec, Canada. This property is only 75 km from the deep-sea Port of Saguenay and is located next to extensive existing infrastructure. Begin-Lamarche is now a second phosphate property of key development focus for the Company: <https://firstphosphate.com/BeginLamarche>
- Secured a licensing agreement with Integrals Power Limited (“IPL”) of the United Kingdom which will allow for the

manufacture of LFP Cam at any Company facilities in North America. IPL will also validate and homologate First Phosphate produced PPA and iron sulphate in its LFP Cam production

process: <https://firstphosphate.com/IntegralsPower>

- Forged a strategic partnership with the Regional Conference of the Prefects of Saguenay-Lac-Saint-Jean ("CRP") and the Regional Economic Impact Maximization Committee ("CMAX"). This agreement provides the Company with deemed major project status in the Saguenay-Lac-Saint-Jean Region of Quebec and access to full local and regional private and government-related industrial competencies: <https://firstphosphate.com/CRP-CMAX>
- Presented a keynote speech by our CEO, John Passalacqua, on the future of phosphate and the LFP battery opportunity to the global phosphate industry at the CRU Global Phosphates 2023 Conference in Istanbul, Turkey: <https://firstphosphate.com/Cru-Group>
- Completed an oversubscribed private placement of \$2,339,152 of which management and board participation totaled \$456,380: <https://firstphosphate.com/PrivatePlacement>

Milestones for the Remainder of 2023:

- Complete the Preliminary Economic Assessment ("PEA") at Lac-à-l'Orignal to have the ability to advance the property directly to feasibility study in 2024.
- Release final results from our winter 2022 drill program at Bégin-Lamarche and then continue a summer drill program to reach a National Instrument 43-101 readiness in 2024.
- Commence a prospection and geological reconnaissance program on our bluesky properties at Alex, Brochet, Larouche and Perron where strong phosphate indications

have been found.

- Work with SGS Quebec to demonstrate pilot scale separation of apatite from ilmenite and magnetite to create three distinct and marketable recoveries.
- Work with Prayon to launch pilot scale production of battery grade PPA based on phosphate concentrate originating from First Phosphate mineral properties to meet client sample requests for locally produced North American PPA.
- Investigate the creation of LFP raw material inputs such as iron sulphate and iron powder (from our secondary recoveries of ilmenite and magnetite) to meet client sample inquiries.
- Enhance output of secondary recoveries of ilmenite (titanium) and magnetite (iron) to boost the economic potential of our Lac-à-l'Original mineral resource.
- Continue advocacy for the development of the Saguenay-Lac-St-Jean Region of Québec into the LFP Battery Valley of North America, expanding on our CEO's November 2023 address to the Federation of Chambers of Commerce of Saguenay-Lac-Saint-Jean: <https://firstphosphate.com/ChambresCommerce>
- Carry forward with advocacy for the inclusion of phosphate to the critical minerals lists of Quebec, of Canada and of the United States. Build upon the fact that phosphate already figures on the Ontario and European Union's list of critical minerals.

Current Strategic Focus:

The Company remains focused on building shareholder value in the upstream through the development of our mineral assets into producing phosphate mines that extract and concentrate phosphate-bearing igneous rock apatite.

The anticipated primary recovery will be a >40% pure phosphate concentrate ideal for the creation of large quantities of ESG-compliant PPA for the LFP battery industry.

The Company's secondary recoveries of ilmenite (~39% TiO₂) and magnetite (~68% Fe) will greatly reduce costs of production of the phosphate concentrate. We are further investigating the potential to upgrade these secondary recoveries into iron sulphate and iron powder: these are equally valuable material inputs in the LFP Cam production process which have a scarcity factor in North America.

In the midstream, the Company intends to work with world-class partners to produce PPA and LFP Cam. Prayon and IPL are the first of such midstream partners. The Company is open to expanding into other complimentary and value-added relationships in the midstream.

The ultimate downstream clients for LFP Cam will be the LFP battery cell and battery pack producers as well as the OEM manufacturers of electric vehicles, small/large energy storage units and other electrical devices.

The Company intends to deploy a prudent partnership-based approach to transition from mine right to the production of LFP Cam, working with the best in class of partners worldwide.

Core Competitive Advantage:

The Company's phosphate mining assets cover an entire district of 1,500 km² in the Saguenay-Lac-St-Jean Region of Quebec where 1% of the world's rarest and purest igneous anorthosite phosphate rock can be found. The Company holds over 15 areas of very strong phosphate showings that range from exploration sites all the way to PEA development assets.

Deploying proven, world-class phosphate processing technology from our partner, Prayon, the Company estimates that approximately 90% of phosphate concentrate production will be capable of being processed into ESG-compliant PPA for the production of LFP Cath for LFP batteries. Other sedimentary phosphate mines in North America have depleting phosphate stock and can convert only a much lower percentage of their phosphate rock into PPA at economical scale.

The Company's smaller, lower capex, ESG-driven igneous rock phosphate mines of the future should produce large volumes of high value-added PPA for the LFP battery industry. They should have a mine footprint of 8-10 times less than that of a traditional sedimentary rock phosphate mine. This will allow to locate closer to existing infrastructure and local workforce and to reduce carbon footprint, all of which will decrease variable production costs and provide for strong ESG gains.

Given the high purity, low sulphur and trace element contents found in our igneous phosphate rock, the Company is able to create a full circular-economy plan around its mines and processing facilities. Radioactive gypsum slag piles will not be produced at our mines as is the case with most other sedimentary phosphate mines currently in production around the world.

The Company is able to create new mines of the future fully dedicated to the LFP battery industry which will bring new, ESG-compliant phosphate production into the market without posing competitive threat to the food or fertilizer industry. Moreover, our phosphate mines will have limited or no relation to the food or fertilizer industries.

In conclusion, the Company is able to focus specifically on producing technological grade phosphate material for the LFP battery industry and to focus on the downstream technology

client in the electric vehicle manufacturing and large-scale energy storage businesses.

Partnerships Update:

Port of Saguenay: Initial investigations have been conducted into possible site location of future Company operations at the port, including evaluation of an existing heated building area for an eventual LFP Cam pilot plant. The recent \$105.5 million budgetary allocation by Quebec government to upgrading infrastructure at the port is encouraging. Further, we support the port's new initiative to market itself as the next battery hub of Quebec after Bécancour. This will attract other potential battery industry partners to locate next to eventual First Phosphate facilities and to create a vital battery ecosystem at the port: <https://firstphosphate.com/PortSaguenay>

Prayon SA: The Company holds weekly meetings with Prayon executive. The parties are cautiously evaluating opportunities before them for the development of the major areas mentioned in our initial MOU: offtake of phosphate concentrate; PPA technology partnership; LFP Cam production partnership. The Company is in the process of preparing a 1,000 kg sample of phosphate concentrate which will be sent to Prayon for processing into PPA to meet client sample requests: <https://firstphosphate.com/PrayonSA>

Integrals Power Limited (IPL): IPL completed a financing in March 2023 and has since relocated to a new larger facility to begin the buildout of its pilot plant. Upon completion, First Phosphate will be supplying samples of its PPA and iron sulphate to be used in the IPL input materials homologation process. IPL is expected to produce LFP Cam and test LFP battery cells using the First Phosphate input materials during 2024: <https://firstphosphate.com/IntegralsPower>

Queen's University: The first study initiated under the partnership with the Pufahl Research Group concluded that the "Low concentrations of deleterious trace elements and sulfide minerals make the Lac-à-l'Original deposit an attractive and highly probable ESG-compliant source of North American phosphate for the LFP battery industry." The Company is considering whether to extend similar mineralogical studies to its developing "Bégin-Lamarche" property: https://firstphosphate.com/Queens_Mineraology.pdf

Saguenay Le Fjord Chamber of Commerce: As members of the chamber of commerce, we applaud the initiative of the Chamber, Promotion Saguenay and Port Saguenay to travel to Skellefteå, Sweden to explore how a similar legacy industrial Nordic region of the world has emerged as an important battery production valley. The Company was asked to provide input into the idea of developing the Saguenay-Lac-St-Jean region of Québec into the LFP Battery Valley of North America during its November 2023 address to the Federation of Chambers of Commerce of Saguenay-Lac-Saint-Jean; <https://firstphosphate.com/ChambresCommerce>

Emerging Partnerships: Our partnership strategy is constantly evolving. We have numerous non-disclosure agreements ("NDA's") in place with entities in the following industries: mining, phosphates, LFP production technology, electric vehicle ("EV") manufacturing and large-scale energy storage. The Company wishes to work with the best-of-class partners globally and proceeds cautiously with all evolving partnership discussions. The Company will update shareholders as relationships become fully mature.

Upcoming Conference Participation:

First Phosphate continues to be invited to be an active participant in industry events. Our CEO will address audiences

at the following events:

- Benchmark Battery Gigafactories USA 2023 (Washington DC, USA) (June 8-9, 2023)
<https://www.benchmarkminerals.com/events>
- Critical Minerals Industry Summit II (Toronto, Canada) (June 14-15)
<http://www.CriticalMineralsSummit.com>
- Mining Investment Event of the North (Quebec City, Canada) (June 19-21)
<https://vidconferences.com/conferences-events/in-person/tier-1-mining-conference>

Qualified Person

The scientific and technical disclosure for First Phosphate included in this news release has been reviewed and approved by Gilles Laverdière, P.Geo. Mr. Laverdière is Chief Geologist for the Company and a Qualified Person under National Instrument 43-101 – Standards of Disclosure of Mineral Projects (“NI 43-101”).

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.

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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 commitment to producing high purity phosphate materials at full ESG standard under a low carbon 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 Company's hosting of a live event for the stated purposes and under the stated timelines; the Lac-à-l'Original deposit potentially being one of the first ESG-Complaint source of North American phosphates for the LFP battery industry; the Company's partnerships and the stated goals thereof, including the partnerships of IPL, Prayon, Queen's University, SGS Quebec, CRP, and CMAX; the Company's anticipated achievement of its milestones for the remainder of 2023 as stated herein under the heading Milestones for the Remainder of 2023; the Company's development of its mineral assets in the Saguenay-Lac-St-Jean region of Quebec, the anticipated primary phosphate recovery rates and secondary recovery rates of ancillary minerals; the Company's intention to produce PPA and LFP CAM; the Company's partnership-based approach to transition from mine all the way to the production of LFP cathode active material; the Company's anticipated ability to locate closer to existing infrastructure and local workforce and to reduce carbon footprint to decrease variable production costs and provide for strong environmental and social gain; the Company anticipated ability to create a full circular-economy plan around its mines and processing facilities; the Company's anticipated ability to create new mines of the future fully dedicated to the LFP battery industry which will bring new, ESG-compliant phosphate production into the market without posing competitive threat to the food or fertilizer industry and its phosphate mines having limited or no relation to the food or fertilizer industries; the benefits associated with the Port of Saguenay's new initiative to market itself as the next battery hub of Quebec after Bécancour; the Company's anticipation of sending a 1,000 kg sample of phosphate concentrate to Prayon for processing; the Company's plans to supply samples of its PPA and iron sulphate to be used in the IPL input materials homologation process; the Company's plans to consider whether to extend

similar mineralogical studies to its developing Bégin-Lamarche property; the Company's plans to participate in conferences for the stated goals and timelines herein under the heading Upcoming Conference Participation.

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 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 develop its land claims in the region of Saguenay-Lac-St-Jean, Quebec; the Company's ability to host a live event for the stated purposes and under the stated timelines; the Company's ability to develop its Lac-à-l'Original deposit into one of the first ESG-Compliant source of North American phosphates for the LFP battery industry; the Company's ability to realize on its partnerships and the stated goals thereof, including the partnerships of IPL, Prayon, Queen's University, SGS Quebec, CRP, and CMAX; the Company's ability to realize on its milestones for the remainder of 2023 as stated herein under the heading Milestones for the Remainder of 2023; the Company's ability to develop its mineral assets in the Saguenay-Lac-St-Jean region of Quebec, the Company's ability to realize its primary phosphate recovery rates and secondary recovery rates of ancillary minerals as stated; the Company's ability to realize its intention to produce PPA and LFP CAM; the Company's ability to realize on its partnership-based approach to transition from mine all the way to the production of LFP cathode active material; the Company's ability to locate closer to existing infrastructure and local workforce and to reduce carbon footprint to decrease variable production costs and provide for strong environmental and social gain; the Company ability to create a full circular-economy plan around its mines and

processing facilities; the Company's inability to create new mines of the future fully dedicated to the LFP battery industry which will bring new, ESG-compliant phosphate production into the market without posing competitive threat to the food or fertilizer industry and its phosphate mines having limited or no relation to the food or fertilizer industries; the Company's ability to realize upon the benefits associated with the Port of Saguenay's new initiative to market itself as the next battery hub of Quebec after Bécancour; the Company's ability to process and send a 1,000 kg sample of phosphate concentrate to Prayon for processing; the Company's ability to realize upon its plans to supply samples of its PPA and iron sulphate to be used in the IPL input materials homologation process; the Company's ability to extend similar mineralogical studies to its developing Bégin-Lamarche property; the Company's ability to realize its plans to participate in conferences for the stated goals and timelines herein under the heading Upcoming Conference Participation.

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 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 develop its land claims in the region of Saguenay-Lac-St-Jean, Quebec; the Company's inability to host a live event for the stated purposes and under the stated timelines; the Company's inability to develop its Lac-à-l'Original deposit into one of the first ESG-Compliant source of North American phosphates for the LFP battery industry; the Company's inability to realize on its partnerships and the stated goals thereof, including the partnerships of IPL, Prayon, Queen's University,

SGS Quebec, CRP, and CMAX; the Company's inability to realize on its milestones for the remainder of 2023 as stated herein under the heading Milestones for the Remainder of 2023; the Company's inability to develop its mineral assets in the Saguenay-Lac-St-Jean region of Quebec, the Company's inability to realize its primary phosphate recovery rates and secondary recovery rates of ancillary minerals as stated; the Company's inability to realize its intention to produce PPA and LFP CAM; the Company's inability to realize on its partnership-based approach to transition from mine all the way to the production of LFP cathode active material; the Company's inability to locate closer to existing infrastructure and local workforce and to reduce carbon footprint to decrease variable production costs and provide for strong environmental and social gain; the Company inability to create a full circular-economy plan around its mines and processing facilities; the Company's inability to create new mines of the future fully dedicated to the LFP battery industry which will bring new, ESG-compliant phosphate production into the market without posing competitive threat to the food or fertilizer industry and its phosphate mines having limited or no relation to the food or fertilizer industries; the Company's inability to realize upon the benefits associated with the Port of Saguenay's new initiative to market itself as the next battery hub of Quebec after Bécancour; the Company's inability to process and send a 1,000 kg sample of phosphate concentrate to Prayon for processing; the Company's inability to realize upon its plans to supply samples of its PPA and iron sulphate to be used in the IPL input materials homologation process; the Company's inability to extend similar mineralogical studies to its developing Bégin-Lamarche property; the Company's inability to realize its plans to participate in conferences for the stated goals and timelines herein under the heading Upcoming Conference Participation.

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.