

First Phosphate Corp. Signs Memorandum of Understanding with Port of Saguenay to Secure Deep Sea Access to the Global Phosphate Markets

Saguenay, Quebec--(Newsfile Corp. - October 12, 2022) - First Phosphate Corp. ("First Phosphate" or the "Company") is pleased to announce that it has signed a memorandum of understanding (MOU) with Port of Saguenay, a further step in the implementation of the Company's six phase integration plan for the North American lithium iron phosphate (LFP) battery market.

The MOU engages discussions between the parties to provide the Company with potential deep sea access to ship phosphate concentrate internationally and greenfield land on which to build its facilities. The deal comes on the heels of newly-re-elected Quebec Premier Francois Legault's electoral commitment to invest \$117.2 million in infrastructure at the Port of Saguenay.

"Securing shipping and industrial development space at port facilities has become increasingly challenging for many companies around the world. First Phosphate now has engaged with a committed partner to secure guaranteed deep sea access to the world, as we execute on our global advanced phosphate materials strategy," said First Phosphate Chief Executive Officer, John Passalacqua. "Phase one of our strategy is to develop our phosphate mining operations in the region and to deliver a high purity phosphate concentrate to be known globally as "Quebec Rock Phosphate" FOB Port Saguenay for wider use in the LFP battery industry worldwide."

First Phosphate holds 1,500 sq. km of total land claims in the Saguenay Region of Quebec, Canada that it is actively developing to produce battery grade phosphate at ESG standard and with a low-carbon footprint.

"The Port of Saguenay is a natural gateway to Northern Quebec and its extensive natural resources," said Chief Executive Officer of Port of Saguenay, Carl Laberge. "Our deep-water marine facilities, terminal and adjacent port industrial area offer companies like First Phosphate direct access to international markets and a partner committed to environmental protection and sustainable development. We are pleased to support the launch of this project."

"The North American LFP battery industry requires domestic, clean, traceable, ethically sourced, consistent and secure production of high grade phosphate material, and that is what First Phosphate is developing with our Lac à l'Original property," said First Phosphate President Peter Kent. "As the demand for electric vehicles grows aggressively, partnerships like this one with the Port of Saguenay are vital to ensuring that Quebec and Canada are global leaders in the sustainable automotive ecosystem."

FIRST PHOSPHATE **First Phosphate Approach to the LFP Value Chain**



Figure 1

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/8917/140238_6a81814ce444c981_001full.jpg

First Phosphate's flagship property is located approximately 110 km driving-distance north of the City of Saguenay, Quebec's sixth largest city which hosts daily flights to Montreal, a skilled industrial workforce, a strong local infrastructure, and which is 30 km driving-distance from the deep sea Port of Saguenay. The Company has partnered with the globally recognized Pufahl Research Group at Queen's University to determine the detailed mineralogy and geochemistry of phosphatic ore and waste minerals at Lac à l'Original, a step which complements the bulk geochemical assays and metallurgy being conducted by SGS Canada Inc. (Quebec / Lakefield).

First Phosphate is fully focused on integrating its phosphate material directly into the supply chain of major battery and electric vehicle producers in North America. The Company has already received promising assay results for its Bégin-Lamarche Property, confirming the presence of high-grade phosphate, and is expecting to announce its 43-101 technical report results for Lac à l'Original this fall.

The Company also announces today that it has approved the grant of 225,000 stock options to purchase common shares of the Company (the "Options") to certain eligible persons of the Company, at an exercise price of \$0.25 per share, with an expiry date of three years from the date on which the Company's shares commence trading on a stock exchange in Canada (the "Listing"). The Options are subject to time-based vesting such that 25% vests immediately upon the Listing, with increments of 25% vesting every 6 months thereafter. The terms of the Options granted are in accordance with the Company's stock option plan approved by shareholders of the Company on August 25, 2022. All securities issued are subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable securities legislation.

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About First Phosphate Corp

First Phosphate is a mineral exploration and development company fully dedicated to extracting and refining advanced phosphate 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 integrate directly into the research & development ("R&D") and supply chain functions of major North American LFP Battery producers that require battery grade phosphate material that emanates from a consistent and secure supply source. First Phosphate holds over 1,500 sq. km of total land claims in the Saguenay Region of Quebec, Canada that it is actively developing. First Phosphate properties consist of rare anorthosite igneous rock formation that generally yields high purity phosphate concentrate devoid of high concentrations of deleterious heavy metals.

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 anticipated timing of the closing of the Offering; MOU and the anticipated use of proceeds from Company's access to the Port of Saguenay providing the Company with potential international shipping access and land to build its facilities; the Offering; Company's strategy to develop its mining operations in the receipt region and to deliver a high purity phosphate concentrate to be known globally as "Quebec Rock Phosphate" for use in the LFP battery industry worldwide; the Company's active development of phosphate materials at its Saguenay property at ESG standard and with a low-carbon footprint; the Port of Saguenay's support of the Company's projects and such support being vital to ensuring that Quebec and Canada are global leaders in the sustainable automotive ecosystem; the type of phosphate material being developed at the Lac a L'Original property is type that is required approvals by the North American LFP battery; the stated goals of the partnership between the Company and the Pufahl Research Group at Queen's University; the Company's announcement of its 43-101 technical report results for Lac à l'Original this fall; the Company's stated future plans and goals; and the Company focus on integrating its phosphate material directly into the supply chain of major battery and electric vehicle producers in North America.

Forward-looking information in this press release are based on certain assumptions and expected future events, namely: the MOU and the Company's access to the Port of Saguenay will provide the Company with international shipping access and land to build its facilities; the Company will follow through its strategy to develop its mining operations in the region and to deliver a high purity phosphate concentrate to be known globally as "Quebec Rock Phosphate" for use in the LFP battery industry worldwide; the Company will develop phosphate materials at its Saguenay property at ESG standard and with a low-carbon footprint; the Port of Saguenay will support of the Company's projects and such support will be vital to ensuring that Quebec and Canada are global leaders in the sustainable automotive ecosystem; the type of phosphate material being developed the Lac a L'Original property will be the type that is required by the North American LFP battery; the partnership between the Company and the Pufahl Research Group at Queen's University will achieve the stated goals; the Company 43-101 technical report results for Lac à l'Original will be available this fall; the Company will accomplish its stated future plans and goals within the stated timelines; and the Company will continue its focus on integrating its phosphate material directly into the supply chain of

major battery and electric vehicle producers in North America.

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 complete the Offering and/or utilize the use of proceeds on the terms and within the timelines anticipated or at all; and the Company's inability to obtain the required approvals to complete the Offering on the proposed terms and timeline or at all MOU and the Company's access to the Port of Saguenay will not provide the Company with international shipping access and land to build its facilities; the Company will not follow through its strategy to develop its mining operations in the region and to deliver a high purity phosphate concentrate to be known globally as "Quebec Rock Phosphate" for use in the LFP battery industry worldwide; the Company will not develop phosphate materials at its Saguenay property at ESG standard and with a low-carbon footprint; the Port of Saguenay will not support of the Company's projects and such support will not be vital to ensuring that Quebec and Canada are global leaders in the sustainable automotive ecosystem; the type of phosphate material being developed the Lac a L'Original property will not be the type that is required by the North American LFP battery; the partnership between the Company and the Pufahl Research Group at Queen's University will not achieve the stated goals; the Company 43-101 technical report results for Lac à l'Original will not be available this fall; the Company will not accomplish its stated future plans and goals within the stated timelines; and the Company will not continue its focus on integrating its phosphate material directly into the supply chain of major battery and electric vehicle producers in North America.

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.



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