FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FIRST POTASH CORP.
FOR THE SIX MONTHS ENDED AUGUST 31, 2022 AND AUGUST 31, 2021

This Management's Discussion and Analysis ("MD&A") covers the financial statements of First Phosphate Corp. (the "Company") for the six months ended August 31, 2022 and for the comparable year ended August 31, 2021. This MD&A should be read in conjunction with the audited annual financial statements and notes thereto for the years ended February 28, 2022 and February 28, 2021 (the "Annual Financial Statements"). The information contained in this report is current to October 31, 2022 and has been approved by the Company's board.

The following interim MD&A of the Company for the six months ended August 31, 2022 has been prepared to provide material updates to the business operations, liquidity, and capital resources of the Company since its last annual MD&A for the fiscal year ended February 28, 2022 ("Annual MD&A").

This interim MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the Company's Annual MD&A, audited annual financial statements for the years ended February 28, 2022 and February 28, 2021, together with the notes thereto, and unaudited condensed interim financial statements for the six months ended August 31, 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in the interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

The Company's certifying officers are responsible for ensuring that the Financial Statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that the Financial Statements and MD&A fairly present, in all material respects, the financial condition, result of operations and cash flows, of the Company as the date hereof.

The Board of Directors approves the Financial Statements and MD&A and ensures that the Company's officers have discharged their financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which reviews and approves all financial reports prior to filing.

Additional information related to the Company is available on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; reliance on key personnel; the potential for conflicts of interest among certain officers, directors, or promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of our common share price and volume and the additional risks identified in the “Risk Factors” section of this MD&A or other reports and filings with applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

DESCRIPTION OF BUSINESS AND OVERVIEW

First Phosphate Corp. (the “Company”) was incorporated in British Columbia on September 18, 2006. On June 29, 2022 the Company filed articles of amendment with the Province of British Columbia changing its name from First Potash Corp. to First Phosphate Corp. The address of the Company’s corporate office and registered and records office is 1055 West Georgia Street, 1500 Royal Centre, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7. Since May 2022 the Company has been in the business of acquiring and exploring igneous rock titanium and phosphate mineral properties in the Saguenay Region of Quebec for the purposes of developing and producing pure titanium, phosphate concentrate and phosphoric acid for use in lithium iron phosphate (LFP) batteries for the electric vehicle (EV) industry. Quebec is a North American EV industry hub with multiple government incentives. The Company seeks to utilize its access to clean hydro power, secure and ethical supply source, proximity to city, airport and international deep seaport to maximize its early mover advantage in the LFP battery segment. The Company operates in an industry with immense growth potential. The Global LFP market is projected to grow at CAGR of 25.6% in the next 5 years owing to rapid growth in demand for LFP batteries for EVs. Proposed US government EV credits require 40% of EV battery materials to be sourced in the US or in aligned free trade countries. Requirement rises to 80% by 2027. LFP value chain starts with high purity igneous rock deposits which the Company has access to and gives it a competitive advantage. The Company has submitted permit applications to begin drilling in 2023. Further, the Company has entered a partnership with Queen's University in Advanced formulation and process integration.

On March 26, 2021, the Alberta Securities Commission and British Columbia Securities Commission each issued an order revoking their previously issued cease trade orders in respect of the securities of the Corporation. The Company has not resumed trading despite revocation of the cease trade order and is an unlisted reporting issuer.

The Company announced that on June 1, 2022, it completed a consolidation of the Company's issued and outstanding common shares on the basis of 1 post-consolidation common share for every 500 pre-consolidation common shares. The consolidation was approved by the Company's Board of Directors on May 27, 2022.

Accounting policy for exploration and evaluation assets

During the six months ended August 31, 2022, the Company has adopted the following accounting policy for exploration and evaluation assets:

Acquisition costs and exploration and evaluation expenditures are capitalized until the viability of the exploration properties is determined.
Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- The period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed.
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

After technical feasibility and commercial viability of the extraction of mineral resource are demonstrable, the Company stops capitalizing expenditures for the applicable block of claims or geological area of interest and tests the asset for impairment. The capitalized balance, net of any impairment recognized, is then reclassified to either tangible or intangible mine development assets according to the nature of the asset.

The Company recognizes liabilities for constructive or legislative and regulatory obligations, including those associated with the reclamation of mineral properties, when those obligations result from the acquisition, construction, development or normal operation of assets. Provisions are measured at the present value of the expected expenditures required to settle the obligation using a pre-tax discount rate reflecting the time value of money and risks specific to the liability. The liability is increased for accretion expense, representing the unwinding of the discount applied to the provision, and adjusted for changes to the current market-based risk-free discount rate, and the amount or timing of the underlying cash flows needed to settle the obligation. The associated restoration costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the expected useful life of the asset or expensed in the period for closed sites.

Purchase of Mineral Property and Claims

Lac à l'Orignal (Mooselake)

On June 17, 2022, the Company entered into an option agreement (the "Agreement"), which was subsequently amended, with an arm's length TSX Venture Exchange listed company (the "Optionor"), which provides the Company the right to acquire a 100% legal and beneficial interest, subject to an existing 1% NSR royalty, in a phosphate exploration property in the Province of Quebec covering approximately 60.6 sq km of land. Pursuant to the Agreement, the Company is to acquire the interest in the Property by paying a total cash consideration of $1,491,000 as follows:

(i) $191,000 on June 17, 2022, which payment was made,
(ii) $300,000 on or before July 7, 2022, which payment was made,
(iii) $100,000 on or before July 25, 2022 (as amended), which payment was made,
(iv) $400,000 on or before August 25, 2022 (as amended), which payment was made
(v) $250,000 on or before September 14, 2022 (as amended) (See subsequent events)
(vi) $250,000 by issuing a non interest bearing promissory note with the maturity date of February 17, 2023, on or before September 14, 2022 (as amended) (See subsequent events)

In addition, pursuant to the Agreement, the Company has issued to the Optionor 6,000,000 common shares of the Company at $0.25 per share for the purchase of mineral properties for total value of $1,500,000. The Payment Shares will be subject to a voluntary resale restriction from the date of issuance of the applicable Payment Shares, with 10% of such Payment Shares being released on March 31, 2023 and 15% of such Payment Shares being released every three months thereafter.

Further, as part of the transaction, the Company paid finders an aggregate of 700,000 common shares of the company at $0.02 per share for total value of $14,000.
The Company purchased a 1% NSR royalty relating to the above property for $50,000 (paid).

The Company has incurred and capitalized $240,404 in camp, consulting, surveying and geophysics expenses in the property during the six months ended August 31, 2022.

The Company also purchased two mineral claims representing approximately one sq km of land originally owned by three individuals in the proximity of the Property for $15,000.

11 additional claims (Lac Perigny claims)
The Company entered into another option agreement with 2 individuals, to acquire 11 mineral claims representing approximately 5.6 sq km of land in the Province of Quebec in the proximity of the Lac `a l'Orignal property. An initial payment of $10,000 was made to secure the option, and an additional $80,000 in cash or common shares of the Company, at the option of the Company, is to be paid on or before March 17, 2023. (See subsequent event)

Begin - Lamarche - Lac Alex claims
On July 27, 2022, the Company entered into an agreement with two individuals to purchase 24 mining claims in the Province of Quebec for a total consideration of $222,500 of which $12,500 payment has been made by issuing 50,000 shares at $0.25 per share. (See subsequent event)

Other claims
Further, the Company has incurred $168,383 in claim staking during the six months ended August 31, 2022 of which 10 mining claims of value $688 were disposed as consideration for services rendered to sellers of Begin - LaMarche claims.

Changes in Management
On June 23, 2022, the Company announced that Laurence W. Zeifman joined the board of directors, in addition, Bennett Kurtz has resigned as CEO, while remaining as CFO, and John Passalacqua has been appointed as CEO.

Changes in Share capital

On June 28, 2022, the Company completed a non-brokered private placement of 19,300,000 common shares in the capital of the Company at a price of $0.02 per share for aggregate gross proceeds of $386,000. Legal fees of $11,655 have been incurred by the Company relating to the private placements and has been recorded as share issuance costs. Also, 700,000 shares at $0.02

per share for total value of $14,000 were issued as finder's fee for mineral properties on the same date.

On July 11, 2022, 500,000 options were exercised at the exercise price of $0.02 per share for gross proceeds of $10,000.

On August 23, 2022, the Company issued 7,035,000 common shares at $0.25 per share for gross proceeds of $1,758,750. As broker's fee for the private placement, the Company made cash disbursements of $67,560 and recorded as share issuance costs.

The Company also issued 6,050,000 shares at $0.25 per share under purchase agreements for exploration assets for total value of 1,512,500 on the same date.

On August 31, 2022, the Company issued 1,594,000 shares at $ 0.25 per share for gross proceeds of $398,500. The Company made cash disbursements of $13,280 as broker's fee and recorded as share issuance costs. On the same date, the company issued 323,360 warrants as broker's fee for the private placements. The fair value of warrants on grant date was estimated as $43,245 and recorded as share issuance costs.

Subsequent events

Stock options
On September 13, 2022, the Company granted options to purchase 2,600,000 common shares at $0.25 per share to its consultants of which 1,800,000 options were issued to the directors of the Company. The option vesting period is as follows: (i) 650,000 options on the date on which the Company's common shares commence trading on a stock exchange in Canada (the "Listing"), and (ii) 650,000 each vest in six, twelve and eighteen months after the listing. The options expire three years from the date of the listing.

Purchase of mining claims

The Company made a payment of $250,000 in cash and issued a promissory note for $250,000 on September 13, 2022 with respect to the Lac `a l'Orignal (Mooselake) option agreement and amendments.

The Company made a payment of $80,000 on September 12, 2022 with respect to Lac Perigny claims.
The Company made payments of $105,000 each on September 1, 2022 and September 12, 2022 with respect to the Begin-Lamarche claims.

On September 12, 2022, the Company entered into an agreement to purchase 7 mining claims (the Lac Marie claims) in the Province of Quebec and paid $ 14,000 in cash and issued 28,000 common shares.

On the September 12, 2022, the Company purchased 20 mining claims (the Brochet claims) and issued 140,000 common shares in payment.

Further, on September 12, 2022, the Company purchased 3 mining claims (the Perron claims) and paid $10,000 in cash and issued 20,000 common shares.
RESULTS OF OPERATIONS

For the three months ended August 31, 2022

The following analysis of the Company's operating results in the three months ended August 31, 2022, includes a comparison against the previously completed three months ended August 31, 2021.

Revenue:

The company has no revenue, as there are no active business operations.

Expenses:

Professional fees for the three months ended August 31, 2022 were $181,555 compared to $15,893 for the three months ended August 31, 2021. The professional fees comprises of the following:

	For the three months ended August 31, 2022	For the three months ended August 31, 2021
	$	$
Accounting fees	5,000	1,500
Audit fees	8,073	1,104
Directors fees	13,500	-
Consulting fees	34,950	-
Management fees	60,000	-
Legal fees	60,032	13,289
	181,555	15,893

The increase in accounting fees and audit fees is reflective of accruals for accounting services and annual audit respectively. Management fees relates to CEO and CFO services. Consulting fees were incurred relating to market research, website development and website audit. Directors' fees have been incurred for the five directors of the company. The increase in legal fees is reflective of filings and other general matters of the company.

General administrative expenses for the three months ended August 31, 2022 were $35,761 compared to $nil for the three months ended August 31, 2021. The expenses include bank service charges, travel expenses, couriers and postage.

Regulatory filing fees for the three months ended August 31, 2022 were $28,763 compared to $5,496 for the three months ended August 31, 2021. The increase in costs is reflective of various filings for the Company.

Share based compensation for the three months ended August 31, 2022 were $3,927 compared to $nil for the three months ended August 31, 2021. Share based compensation was recorded for issuance of stock options to a Director of the Company.

Loss for the period

The net loss for the three months ended August 31, 2022 was $250,006 as compared to $21,389, for the three months ended August 31, 2021. This represents an increase in net loss of $228,617 and is primarily due to the items discussed above.

For the six months ended August 31, 2022

The following analysis of the Company's operating results for the six months ended August 31, 2022, includes a comparison against the six months ended August 31, 2021.

Revenue:

The company has no revenue, as there are no active business operations.

Expenses:

Professional fees for the six months ended August 31, 2022 were $236,935 compared to $30,105 for the six months ended August 31, 2021. The professional fees comprises of the following:

	For the six months ended August 31, 2022	For the six months ended August 31, 2021
	$	$
Accounting fees	7,500	9,625
Audit fees	11,683	1,889
Directors fees	26,000	-
Consulting fees	34,950	-
Legal fees	74,302	18,591
Management fees	82,500	-
	236,935	30,105

The increase in audit fees is reflective of accrual for annual audit. Management fees relates to CEO and CFO services. Consulting fees were incurred relating to market research, website development and website audit. The increase in legal fees is reflective of filings and other general matters of the company. Directors fees have been incurred for the five directors of the company.

General administrative expenses for the six months ended August 31, 2022 were $36,788 compared to $nil for the six months ended August 31, 2021. The expenses include bank service charges, travel expenses, couriers and postage.

Regulatory filing fees for the six months ended August 31, 2022 were $32,318 compared to $8,306 for the six months ended August 31, 2021. The increase in costs is reflective of filings for the Company.

Share based compensation for the six months ended August 31, 2022 were $3,927 compared to $nil for the six months ended August 31, 2021. Share based compensation was recorded for issuance of stock options to a Director of the Company.

Loss for the period

The net loss for the six months ended August 31, 2022 was $309,968 as compared to $38,411, for the six months ended August 31, 2021. This represents an increase in net loss of $271,557 and is primarily due to the items discussed above.

SUMMARY OF QUARTERLY RESULTS

The following quarterly financial data is derived from the unaudited condensed interim financial statements of First Phosphate Corp. for the three-month periods ended on the dates indicated below. The information should be read in conjunction with the Company's annual audited financial statements and the accompanying notes thereto.

	Aug 31/22 $	May 31/22 $	Feb 28/22 $	Nov 30/21 $
Total assets	3,749,914	52,437	-	-
Working capital (deficiency)	607,249	(169,902)	(72,678)	(56,963)
Shareholders' equity	3,706,936	(132,639)	(72,678)	(56,963)
Net loss	(250,006)	(59,961)	(15,715)	(10,391)
Loss per share	$0.02	$0.10	$0.11	$0.02

	Aug 31/21 $	May 31/21 $	Feb 28/21 $	Nov 30/20 $
Total assets	-	1,950	26,181	-
Working capital (deficiency)	(46,572)	(25,183)	(8,161)	(22,500)
Shareholders' equity	(46,572)	(25,183)	(8,161)	(22,500)
Net loss	(21,389)	(17,022)	(65,661)	-
Loss per share	$0.04	$0.03	$0.37	$0.00

LIQUIDITY AND CAPITAL RESOURCES

The Company's financial instruments consist of cash and cash equivalents and accounts payable. The fair value of these financial instruments approximates their carrying values, unless otherwise noted. The Company is not exposed to significant interest, currency, or credit risk arising from financial instruments.

The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing. If the Company is not successful in raising sufficient capital, the Company may have to curtail or otherwise limit its operations. From time to time the Company works to raise additional capital through private placements or other equity financing. The Company does not currently have any operations generating cash. The Company is therefore dependent upon debt and equity financing to carry out its plans. There can be no assurance that such financing will be available to the Company.

As of August 31, 2022, the Company has cash and cash equivalents of $698,691 and $141,378 in current liabilities.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet transactions.

CAPITAL STOCK

The authorized capital stock of the company is an unlimited number of common shares and an unlimited number of preferred shares issuable in series. As at August 31, 2022, the Company had 35,777,178 common shares outstanding with a paid up capital of $12,725,573 and as at February 28, 2022, the Company had 598,718 common shares outstanding with a paid-up capital of $8,927,636. The Company approved and completed a consolidation of the issued and outstanding common shares based on 1 post-consolidation common share for every 500 pre-consolidation common shares on May 27, 2022.

During the period September 1 to October 28,2022 the Company issued 188,000 shares for purchase of mineral properties. As at the date of MD&A, the Company has 35,965,718 common shares outstanding with a paid up capital of $12,922,573.

Options

During the six months ended August 31, 2022, the Company issued 500,000 options at exercise price of $0.02 per share, which were exercised during the period. The fair value of options as at grant date was $3,927 and was recorded as Share based compensation. As at August 31, 2022, there were no options outstanding and exercisable. As at February 28, 2021, there were 4,650 options outstanding with a weighted average exercise price of $35 per option. The Company did not have any option activity during the six months ended August 31, 2021. As at the date of MD&A, there were 2,600,000 options outstanding (refer subsequent events).

	Number of Options	Weighted Average Exercise Price $
Outstanding, February 28, 2022	400	35
Issued during the period	500,000	0.02
Expired during the period	(400)	35
Exercised during the period	(500,000)	0.02
Outstanding as at August 31, 2022	-	-

The fair value of options was estimated to be $3,927 at the grant date, based on Black Scholes pricing model, using the following assumptions:

	Options granted on July 4, 2022
Number issued	500,000
Share price	$0.02
Expected dividend yield	Nil
Exercise price	$0.02
Risk-free interest rate	3.15%
Expected volatility	100%
Expected forfeiture rate	0%

Warrants

During the six months ended August 31, 2022, the company issued 323,360 warrants at exercise price of $0.25 per share as broker fees for private placements. The fair value of warrants issued as at issue date was $43,245 and was recorded as Share issuance costs. As at February 28, 2021, there were 124,224 warrants outstanding with weighted average exercise price of $0.32. The Company did not have any warrant activity during the six months ended August 31, 2021. As at the date of MD&A, there are 323,360 warrants outstanding.

	Number of warrants	Weighted Average Exercise Price $
Outstanding as at February 28, 2022	124,224	0.32
Issued during the period	323,360	0.25
Cancelled during the period	(124,224)	0.32
Outstanding as at August 31, 2022	323,360	0.25

The following is a summary of warrants outstanding as at August 31, 2022

Expiry date	Number of warrants	Weighted Average Fair Value	Weighted Average life remaining
August 23, 2024	270,240	36,134	1.98
August 31, 2024	53,120	7,111	2

The fair value of warrants was estimated to be $43,245 at the grant date, based on Black Scholes pricing model, using the following assumptions:

	Warrants issued on August 23, 2022	Warrants issued on August 31, 2022
Number issued	270,240	53,120
Share price	$0.25	$0.25
Expected dividend yield	Nil	Nil
Exercise price	$0.25	$0.25
Risk-free interest rate	3%	3.02%
Expected volatility	100%	100%

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Remuneration attributed to key management personnel can be summarized as follows:

	For the six months ended	
	August 31, 2022	**August 31, 2021**
	$	**$**
Professional fees	108,500	-
Share based compensation	3,927	-
	112,427	-

Due to related parties

As at August 31 2022, $7,500 (February 28, 2022, $58,617) was included in accounts payable as due to a director of the Company.

FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's accounts payable approximate carrying value, which is the amount payable on the statement of financial position. The Company's other financial instrument, cash and cash equivalents, is measured at fair value based on level one quoted prices in active markets for identical assets or liabilities.

The Company is exposed in varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.
The Company as of August 31, 2022, has $698,691 in cash and cash equivalents and $141,378 in current liabilities and represents the Company's maximum exposure to liquidity risk.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices.

a) Interest rate risk

   Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

   The risk that the Company will realize a loss as a result of a change in the interest rate is low, as the Company has no investments or liabilities with variable interest rates.

b) Foreign currency risk

   As at August 31, 2022 and February 28, 2022, the Company's expenditures are in Canadian dollars, and any future equity raised is expected to be in Canadian dollars. As a result, the Company believes its currency risk to be minimal

c) Price risk

   Price risk is related to equity and commodity price risks. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. As the Company holds no equity or commodity related investments or assets, the Company has no exposure to price risk. The Company has not started extraction process and has not generated any revenue. As a result is not exposed to risks due to changes in phosphate prices but that may impact future operations.