

First Phosphate Closes Final Tranches of Oversubscribed Private Placement for a Total of \$3.4 Million

Toronto, Ontario--(Newsfile Corp. - January 18, 2023) - First Phosphate Corp. ("**First Phosphate**" or the "**Company**") is pleased to announce the closing of the final tranches of its previously announced non-brokered private placement financing (the "**Offering**").

The Company had raised the ceiling of its private placement from \$2 million (announced on November 28, 2022) to \$3.4 million in order to accommodate increased investor interest.

"We are pleased to have surpassed our initial fundraising objective and exceptionally pleased to have significant and pertinent investors on board," said First Phosphate CEO John Passalacqua. "The Saguenay-Lac-St-Jean Region of Quebec is central to First Phosphate and we plan to see it through as a major hub for the development of the lithium iron phosphate (LFP) battery industry in North America."

On December 30, 2022, the Company issued 1,250,000 FT Units (as defined in the in the Company's news release dated November 28, 2022) as part of the final tranches of the Offering for gross proceeds of \$500,000. On January 17, 2023, the Company issued 1,574,784 HD Units (as defined in the Company's news release dated November 28, 2022) for gross proceeds of \$551,174.40. As part of this final tranche, the Company paid cash commission of \$26,264 and issued 75,040 Compensation Warrants (as defined in the in the Company's news release dated December 27, 2022).

The proceeds of the Offering are expected to be used for general working capital purposes and for exploration activities. All securities issued in connection with the Offering are subject to a statutory four month and one day hold period. Furthermore, the shares issued pursuant to the Offering are subject to a contractual lock-up with a release schedule over 12 months following the Company's shares being listed for trading on a stock exchange.

In total, the Company issued 5,907,862 HD Units at a price of \$0.35 per HD Unit for gross proceeds of \$2,067,751.71 and 3,322,000 FT Units at a price of \$0.40 per FT Unit for gross proceeds of \$1,328,800, and collectively with the HD Units aggregate gross proceeds of \$3,396,551.71. The total commission was \$163,379.04 and 422,297 Finder Warrants.

-30-

For additional information, please contact:

Investor Relations: investor@firstphosphate.com

Media Relations: media@firstphosphate.com

Website: www.FirstPhosphate.com

Follow First Phosphate:

Twitter: <https://twitter.com/FirstPhosphate>

LinkedIn: <https://www.linkedin.com/company/first-phosphate/>

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 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 use of proceeds from the Offering.

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 utilize the use of proceeds on the terms and within the timelines anticipated or at all.

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.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/151718>