

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

First Phosphate Corp. (the “Company” or “First Phosphate”)
1055 West Georgia Street
1500 Royal Centre, P.O. Box 11117
Vancouver, British Columbia
V6E 4N7

Item 2: Date of Material Change

March 6, 2023.

Item 3: News Release

A news release was issued and disseminated via Newsfile Corp. on March 6, 2023, a copy of which was filed under the Company’s profile on SEDAR at www.sedar.com.

Item 4: Summary of Material Change

On March 6, 2023, the Company announced that it has commenced a Preliminary Economic Assessment (the "PEA") on the Lac à l'Original Phosphate Project located in the Saguenay-Lac-Saint-Jean region of Quebec. The Company engaged P&E Mining Consultants Inc. ("P&E") to lead the PEA which will utilize the latest Mineral Resource Estimate completed by P&E in November 2022.

Furthermore, First Phosphate entered into a purchase agreement with an arm's length party to acquire 13 additional mineral claims within the Bégin-Lamarche claim block representing approximately 612 ha. in the area of the Saguenay-Lac-Saint-Jean, Quebec for consideration of \$25,000, to be satisfied through the issuance of 27,173 common shares of the Company (the "Shares") at a deemed price of \$0.92 per Share. These Shares will be subject to a statutory four month and one day hold period from closing of the acquisition. The newly acquired claims are free from any royalty and the Company now holds 2,778 royalty free claims covering an area of 1,531 sq. km.

Item 5.1: Full Description of Material Change

Please see news release attached as Schedule “A”.

Item 5.2: Disclosure for Restructuring Transactions

Not applicable

Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102 (Confidentiality)

Not applicable.

Item 7: Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8: Executive Officer

For additional information with respect to this material change, the following person may be contacted:

Bennett Kurtz
CFO and Director
T: 416-200-0657
Email: bennett@firstphosphate.com

Item 9: Date of Report

March 6, 2023.

SCHEDULE "A"

(See attached)

First Phosphate Engages P&E Mining Consultants to Complete Preliminary Economic Assessment (PEA) on Its 100% Owned, NSR Royalty-Free Lac à l'Original Phosphate Project in The Saguenay-Lac-Saint-Jean Region of Quebec

Saguenay, Quebec--(Newsfile Corp. - March 6, 2023) - First Phosphate Corp. (CSE: PHOS) ("**First Phosphate**" or the "**Company**") is pleased to announce that it has commenced a Preliminary Economic Assessment (the "**PEA**") on the Lac à l'Original Phosphate Project located in the Saguenay-Lac-Saint-Jean region of Quebec. The Company has engaged P&E Mining Consultants Inc. ("**P&E**") to lead the PEA which will utilize the latest Mineral Resource Estimate completed by P&E in November 2022.

- 1. The Lac à l'Original phosphate project contains a high-quality phosphate resource potentially suitable for LFP batteries necessary for the energy transition. Management has board approval to advance the project towards its first economic study, a PEA.**
- 2. The PEA will include details on project economics encompassing the separation of three marketable concentrates - a phosphate (apatite) concentrate, a titanium oxide (ilmenite) concentrate and an iron oxide (magnetite) concentrate.**
- 3. The objective of the PEA is to create a mine plan, mine production schedule, capital cost estimate and an operating cost estimate incorporated into a financial model to provide total cash flow, after-tax net present value (NPV), and after-tax internal rate of return (IRR).**
- 4. The project concept is to outline a development opportunity around a stand-alone open pit mine and concentrator facility for all three concentrates located in the Saguenay-Lac-Saint-Jean region of Quebec. The region already hosts significant existing and ongoing industrial activity including 4 aluminum smelters, an alumina refinery, forest products operations and hydroelectric power generating stations.**
- 5. The project design will tie into existing infrastructure including the low-to-no-carbon-emissions Quebec Hydro grid, and to existing municipal and heavy-haul road networks which provide access from the Lac à l'Original Project directly to the deep sea port of Saguenay. The Company has in place a memorandum of understanding with Port Saguenay to ship its phosphate concentrate internationally as well as access to greenfield land on which to build eventual advanced processing facilities.**
- 6. The completion of the PEA is scheduled for the third quarter of 2023.**

The Lac à l'Original Mineral Resource Estimate is based on 63 drill holes and 17 surface channel samples totalling 7,984 m and 149.5 m respectively. A total of 49 drill holes (6,393 m) and 5 channel samples (27 m) intersected the mineralized wireframes used for the Mineral Resource Estimate. The database for the study contained 2,880 assays with varying percentages of P₂O₅. The Mineral Resource Estimate is presented below in Table 1.

Classi- fication	Tonnes (M)	P₂O₅ (%)	Contained P₂O₅ (Mt)	Fe₂O₃ (%)	Contained Fe₂O₃ (Mt)	TiO₂ (%)	Contained TiO₂ (Mt)
Indicated	15.8	5.18	0.82	23.90	3.8	4.23	0.67
Inferred	33.2	5.06	1.68	22.55	7.5	4.16	1.38

Note: P₂O₅ = phosphorus pentoxide, Fe₂O₃ = iron oxide/ferric oxide, TiO₂ = titanium dioxide.

- 1. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.*
- 2. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation socio-political, marketing, or other relevant issues.*
- 3. The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.*
- 4. The Mineral Resources in this Technical Report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.*

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

https://images.newsfilecorp.com/files/8917/157341_89f62c7574c849be_001full.jpg

"Undertaking this PEA is an important step in our development of the Lac à l'Original property as we move forward along our path to develop cathode active material for LFP batteries for Electric Vehicles," said First Phosphate President Peter Kent.

Metallurgical test work has also been successfully conducted by SGS Canada Inc. at their Quebec City facility with additional support by SGS Lakefield, Ontario. Recent test results have confirmed that an apatite concentrate can be obtained assaying over 38% P₂O₅ and at over 90% process recovery. Additional metallurgical test results indicate that the Lac à l'Original Deposit may have the potential to produce two additional, potentially marketable concentrates - an iron oxide (magnetite) concentrate and a titanium oxide (ilmenite) concentrate.

First Phosphate's flagship Lac à l'Original 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, strong local infrastructure, and which is short driving distance from the deep sea Port of Saguenay.

Purchase of Additional Mineral Claims for Shares

Furthermore, First Phosphate has entered into a purchase agreement with an arm's length party to acquire 13 additional mineral claims within the Bégin-Lamarche claim block representing approximately 612 ha. in the area of the Saguenay-Lac-Saint-Jean, Quebec for consideration of \$25,000, to be satisfied through the issuance of 27,173 common shares of the Company (the "Shares") at a deemed price of \$0.92 per Share. These Shares will be subject to a statutory four month and one day hold period from closing of the acquisition. The newly acquired claims are free from any royalty and the Company now holds 2,778 royalty free claims covering an area 1,531 sq. km.

Neither the Canadian Securities Exchange (the "CSE") nor its Market Regulator (as such term is defined in the CSE policies) has reviewed or accept responsibility for the adequacy or accuracy of this news release.

For additional information, please contact:

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Qualified Person

The scientific and technical disclosure for First Phosphate included in this News Release have been reviewed and approved by Gilles Laverdière, P. Geo. Mr. Laverdière is Geologist 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 total 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 P&E Mining Consultants Inc.

P&E was established in 2004 and provides geological and mine engineering consulting reports, Mineral Resource Estimate technical reports, Preliminary Economic Assessments and Pre-Feasibility Studies. P&E is affiliated with major Toronto based consulting firms for the purposes of joint venturing on Feasibility Studies. P&E's experience covers over 400 technical reports including First Phosphate's Lac à l'Original NI 43-101 Mineral Resource Estimate which was completed in November 2022.

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 Saguenay Region; the Company's expectations for the completion of the PEA by Q3 2023; statements about the potential development and operation of an open-pit mine and concentrator facility based on the PEA; statements that the proposed project design will tie into existing infrastructure which will provide access from the Lac à l'Original Project directly to the deep sea port of Saguenay; and the Company plans transport its phosphate concentrate internationally as well as the Company obtaining access to greenfield land on which to

eventually build advanced processing facilities thereon.

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 Saguenay Region; P&E's ability to complete PEA on the Lac à l'Original Phosphate Project by Q3 2023; the PEA will result in the Company's development and operation of an open-pit mine and concentrator facility based on the PEA; the project design will include a tie into existing infrastructure which will provide access from the Lac à l'Original Project directly to the deep sea port of Saguenay; and the Company's ability to transport its phosphate concentrate internationally as well as its ability to obtaining access to greenfield land and to build advanced processing facilities thereon.

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 Saguenay Region; P&E's inability to complete PEA on the Lac à l'Original Phosphate Project by Q3 2023; the PEA will not result in the Company's development and operation of an open-pit mine and concentrator facility based on the PEA; the project design will not include a tie into existing infrastructure which will provide access from the Lac à l'Original Project directly to the deep sea port of Saguenay; and the Company's inability to transport its phosphate concentrate internationally as well as its inability to obtaining access to greenfield land and to build advanced processing facilities thereon.

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/157341>