

First Phosphate Reports up to 36.5% Phosphate Assay Result at Its Larouche Property in Saguenay-Lac-St-Jean, Quebec, Canada and Corporate Updates

Saguenay, Quebec--(Newsfile Corp. - September 1, 2023) - First Phosphate Corp. (CSE: PHOS) (OTC Pink: FRSPF) (FSE: KD0) ("First Phosphate" or the "Company") is pleased to announce that it has obtained strong assay results from a geological reconnaissance program at its Larouche property at only 40 km distance from the deep sea Port of Saguenay (Figure 2) in Saguenay-Lac-St-Jean, Quebec, Canada.

Larouche Project Results

Grab sampling from the geological reconnaissance program in the Larouche area (Figure 1) assayed up 36.46% P₂O₅ in massive apatite found within nelsonite layers. 13 of 22 samples collected returned from 8.29% P₂O₅ to 36.46% P₂O₅ while 4 others assayed between 17.32% TiO₂ to 19.22% TiO₂ (Table 1). The phosphate is found within layers of apatite-bearing nelsonite within anorthosite host rock. The geological context is similar to what the Company's winter drilling program revealed in the northern part of its Bégin-Lamarche property. At Larouche, the mineralized area is up 1,000 m long by 500 m wide.

"These results demonstrate once again that First Phosphate has multiple rich, high-grade phosphate-bearing prospective properties at close proximity to the deep sea Port of Saguenay," explained First Phosphate CEO, John Passalacqua. "The high grade nature of this mineralization, its 40 km distance from Port Saguenay and its close proximity to existing infrastructure are key elements for a successful project."

TABLE 1 - ASSAY RESULTS - LAROUCHE PROPERTY

Sample_ID	Easting	Northing	P2O5 (%)	TiO2 (%)
B378037	315672	5373426	36.46	1.552
B378097	316119	5375114	19.22	9.626
B388167	315148	5374751	17.58	11.56
B378021	316118	5375125	15.12	9.433
B378038	315669	5373428	15.09	10.25
B378034	314869	5374085	13.58	2.253
B378032	315503	5375345	12.58	9.667
B378039	315664	5373431	11.36	7.872
B378096	315975	5374726	11.18	6.286
B378036	315699	5373402	9.18	8.266
B378028	316195	5375365	9.01	6.681
B378029	316193	5375367	8.79	10.16
B378033	314761	5374103	8.52	6.045
B378035	314903	5374060	8.29	2.893
B378100	315943	5375259	5.50	14.54
B378099	315943	5375258	1.21	18.59
B388168	315025	5374813	0.88	3.602
B388169	314556	5374442	0.88	3.469
B378139	315028	5374839	0.75	2.816
B378098	315992	5375076	0.37	17.58
B378030	315514	5375355	0.09	19.22
B378031	315516	5375369	0.07	17.32

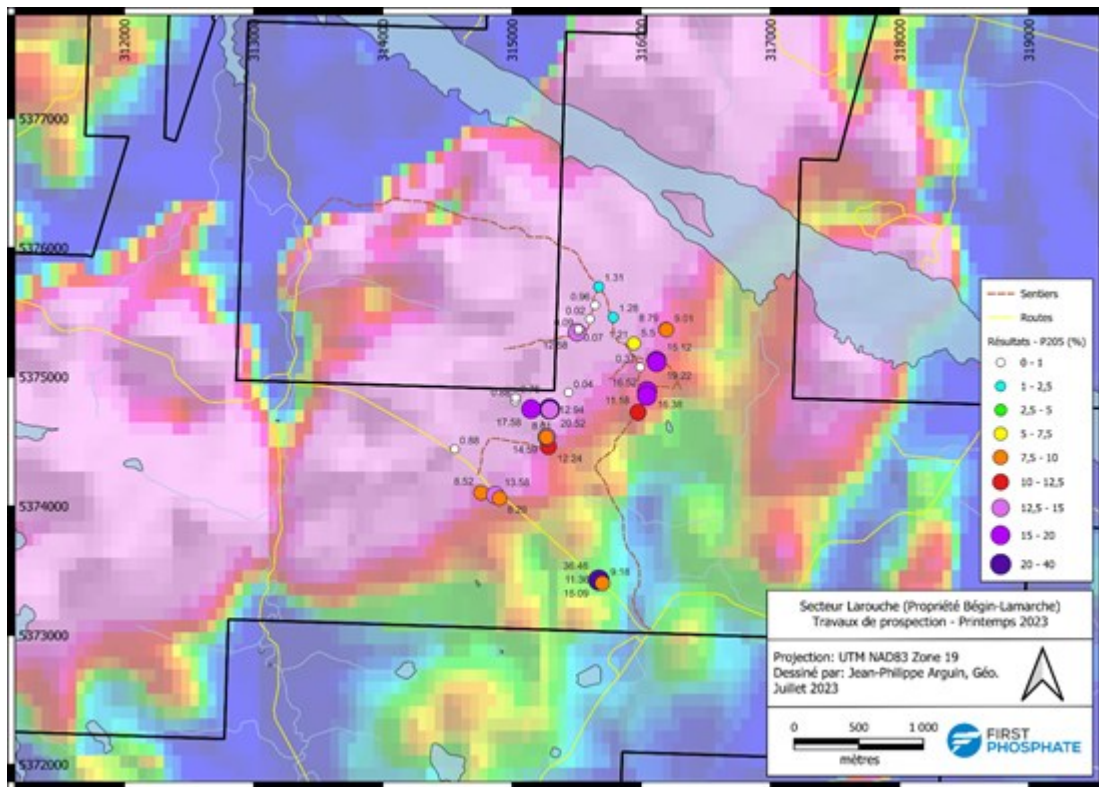


FIGURE 1 - ASSAY RESULTS FOR THE LAROUCHE AREA

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

https://images.newsfilecorp.com/files/8917/179342_9582e6d77454c8f7_001full.jpg

Additional Reconnaissance Conducted on Other Bluesky Properties

The geological reconnaissance program also included 3 other First Phosphate Bluesky properties.

At the Perron property, 9 samples out of the 44 gathered returned values greater than 5% P_2O_5 with up to 13.68% P_2O_5 and 19.02% TiO_2 . Mineralization is found within centimetric to decimetric layers of nelsonite in the anorthosite mass.

At the Lac Alex property, more than 50% of the grab samples assayed over 3% P_2O_5 and up to 5.79% P_2O_5 and TiO_2 varying from 4 to 8%. The mineralization occurs within an oxide-apatite gabbro-norite (OAGN) similar to the Company's Lac à l'Original project.

At the Brochet property, 12 out of 48 samples returned over 3% P_2O_5 and up to 6.99 P_2O_5 with up to 12.28% associated TiO_2 . The mineralization occurs within an oxide-apatite gabbro-norite (OAGN) similar to the Company's Lac à l'Original project.

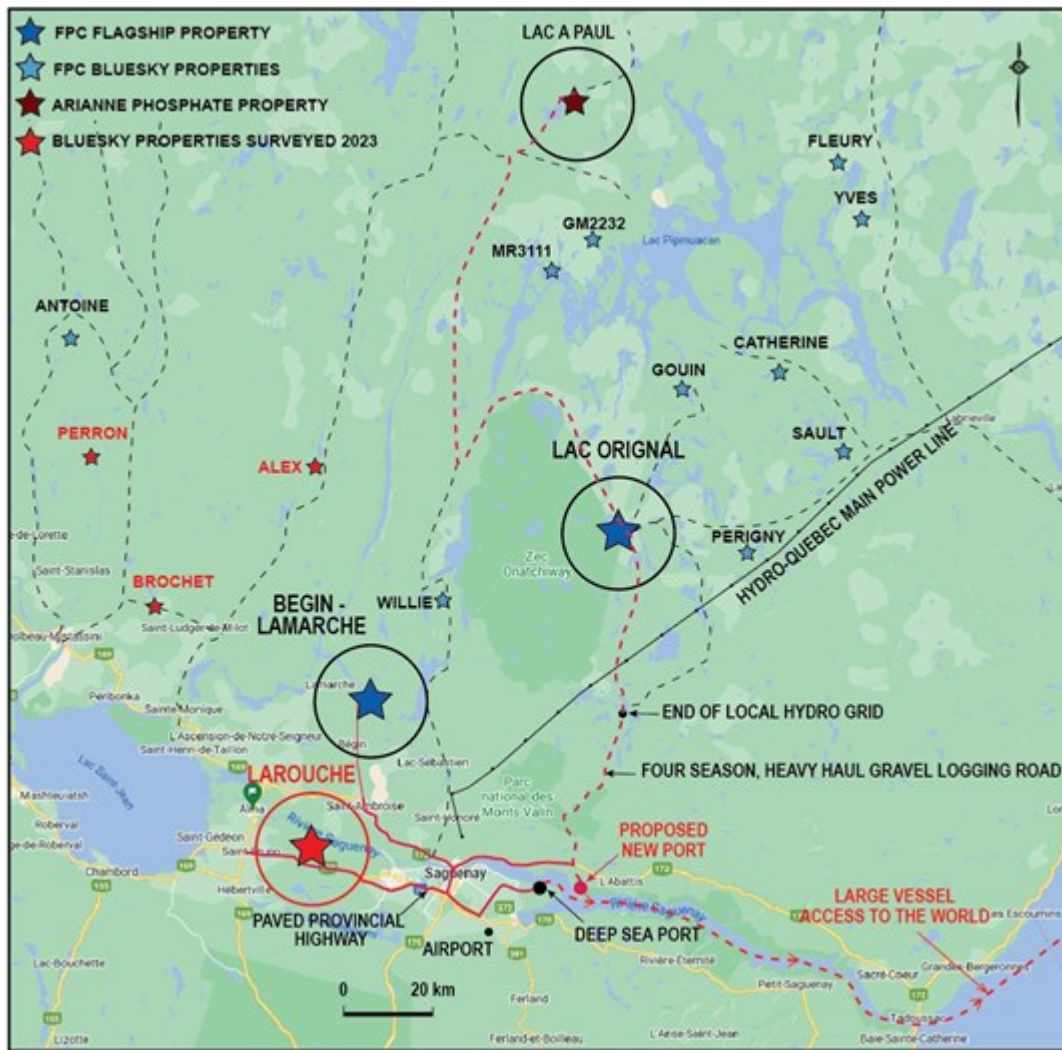


FIGURE 2 - OVERVIEW OF FIRST PHOSPHATE PROPERTIES

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

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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 of First Phosphate and a Qualified Person under National Instrument 43-101 - *Standards of Disclosure of Mineral Projects* ("NI 43-101").

Corporate Updates

Peter Kent has retired as President and Director of the Company. Mr. Kent will remain involved with the Company as a member of its advisory board. "We thank Peter for his outstanding contributions to the Company in its early formative stages and we wish him the best for his well-deserved retirement after a long and well distinguished career in media and politics," says Company CEO, John Passalacqua.

Garry Siskos has stepped down as COO/CFO of the Company to pursue fundraising opportunities in his private practice and will remain as a consultant to the Company. "We thank Garry for his diligent service in meticulously setting up the structure around our business modelling and corporate strategy from mine to midstream product development," added, John. Bennett Kurtz, the predecessor CFO to Garry, will serve as the Company's CFO in addition to his CAO role.

The Company has approved the grant of 500,000 stock options (the "Options") to purchase common

shares of the Company (the "Common Shares") to certain advisors of the Company, at an exercise price of \$0.70 per share, with an expiry date of three years from the date of issuance (the "Option Grants"). The Options are subject to time-based vesting such that increments of 25% vest every 6 months for two years. The terms of the Options granted are in accordance with the Company's Omnibus Equity Incentive Plan as approved by disinterested shareholders at the Company's annual and special meeting of shareholders held on August 25, 2023. 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.

The Company has settled \$273,200 of debt for accrued management and board salaries through the issuance of 718,947 Common Shares at the deemed price of \$0.38 per Common Share, with such shares subject to a statutory four month and one day hold period (the "D&O Shares for Debt Transaction"). Further, the Company has settled \$216,676 of debt for accrued amounts owing to arm's length service providers through the issuance of 570,200 Common Shares at the deemed price of \$0.38 per Common Share, with such shares subject to a statutory four month and one day hold period.

The Company also announces that it has granted restricted share units ("RSUs") of the Company to certain directors, officers, and consultants of the Company in lieu of cash compensation. The Company will issue 1,018,424 RSUs at a deemed price of \$0.38 per Common Share (the "RSU Grants"). Such RSUs will vest in 2 tranches after 3 and 6 months of issuance and will be subject to a statutory four month and one day hold period. Each vested RSU entitles the holder to receive one Common Share.

The Company has entered into agreement to engage Laura Stein for Investor Relations Activities (as defined in the CSE's Policy) with the effective date of September 1, 2023. Ms. Stein's engagement is for an initial term of 12 months ending on September 1, 2024, during which the Company anticipates to issue, as compensation to Ms. Stein 250,000 Options over the course of the 12 month engagement, at the exercise price of \$0.70 per Common Share, subject to minimum exercise price as set out in the CSE's Policy. The Options are anticipated to be granted at 25% per quarter over 9 months with the first 25% of such Options granted immediately.

Ms. Stein resides in the State of New Jersey and is an arm's length party to the Company. Her contact information is as follows: email: laura@laurastein.net and telephone: 917-254-8906.

Adoption of Omnibus Equity Incentive Plan

In order to further align the interests of the Company's senior executives, key employees, consultants and directors with those of the shareholders of the Company, the board of directors (the "Board") has approved the implementation of an Omnibus Equity Incentive Plan ("Omnibus Plan") as approved by disinterested shareholders at the Company's annual and special meeting of shareholders held on August 25, 2023.

The Omnibus Plan replaces the Company's stock option plan (the "Stock Option Plan") and restricted share unit plan ("RSU Plan"). The Omnibus Plan will provide the Company with the flexibility to grant diverse equity awards as part of its objective to attract, retain and motivate highly qualified directors, officers, employees and consultants, all granted under one plan which will allow such awards to be subject to the same administration and overall limits.

The Omnibus Plan is a "rolling" share-based compensation plan pursuant to which the aggregate number of Common Shares reserved for issue under the Omnibus Plan may not exceed twenty percent (20%) of the Common Shares issued and outstanding at the time of Option or RSU grant. The Omnibus Plan is a "rolling" maximum share plan, and any increase or reduction in the number of outstanding Common Shares will result in an increase or reduction, respectively, in the number of Common Shares that are available to be issued under the Omnibus Plan. The Omnibus Plan is considered an "evergreen" plan, since the Common Shares covered by Options and Awards that have been exercised or redeemed, as the case may be, shall be available for subsequent grants under the Omnibus Plan.

Outstanding Options under the Stock Option Plan will continue to be governed by the Stock Option Plan.

There were no RSUs issued under the RSU Plan. The Company currently has 6,208,000 Common Shares reserved for issuance pursuant to Options already granted and outstanding pursuant to the Stock Option Plan, representing an aggregate 12.0% of the Common Shares outstanding. After the Option Grants and RSU Grants, the Company has 7,976,424 Common Shares reserved for issuance pursuant to Options and RSUs granted and outstanding, representing an aggregate of 15.4% of the Common Shares outstanding,

The Omnibus Plan was approved and adopted by the Board on July 26, 2023. The Omnibus Plan is a long-term incentive plan that, once approved, permits the grant of Options and RSUs (together, the "Awards") to directors, officers and employees of, and consultants to, the Corporation. The purpose of the plan is to promote share ownership of the eligible individuals to align the interests of such individuals with the interest of the Company's shareholders. The Omnibus Plan will replace the Stock Option Plan and RSU Plan and no further grants of Options or RSUs will be made under such plans, respectively. As a result, the Omnibus Plan streamlines the administration of long-term incentive grants to eligible individuals as all future grants will be made under the Omnibus Plan and therefore all future grants will be subject to the rules and restrictions of that plan.

Under the Omnibus Plan, eligible persons may (at the discretion of the Board) be allocated a number of restricted share units ("RSU") as the Board deems appropriate, with vesting provisions also to be determined by the Board, subject to a maximum vesting term of three (3) years from the end of the calendar year in which RSUs were granted. Upon vesting, eligible participants shall be entitled to receive Common Shares from treasury to satisfy all or any portion of a vested RSU award. The expiry date of Options granted pursuant to the Omnibus Plan is set by the Board, and must not be later than ten (10) years from the date of grant.

A full copy of the Omnibus Plan is available for viewing under the Company's profile on SEDAR+ at www.sedarplus.ca.

Related Party Transaction

As related parties of the Company received Common Shares, RSUs, and Options in connection in connection with the Transactions, the Transactions are considered related party transactions for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The participation of the related parties of the Company are exempt from the formal valuation and minority shareholder approval requirements provided under MI 61-101 in accordance with sections 5.5(a) and 5.7(1)(a) of MI 61-101. The Company is relying on an exemption from the formal valuation requirements of MI 61-101 available because the fair market value of the issued Common Shares, RSUs, and Options to the related parties pertaining to the Transactions does not exceed 25% of the Company's market capitalization, as determined in accordance with MI 61-101. The Company did not file a material change report related to the Transactions more than 21 days before the expected closing of the Transactions as required by MI 61-101 but believes that this shorter period is reasonable and necessary in the circumstances as the Company wishes to improve its financial position by reducing its accrued liabilities as soon as possible and to incentivize the retaining of key personnel.

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 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, Larouche, and Blue Sky properties; the stated benefits of the properties proximity to the Port of Saguenay; and the claims of the Company possessing multiple rich, high-grade phosphate-bearing prospective properties.

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, Larouche, Bluesky properties; the Company's ability to realize upon the stated benefits of the properties proximity to the Port of Saguenay; and the Company's ability to realize upon its claims of possessing multiple rich, high-grade phosphate-bearing prospective properties.

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, Larouche, and Bluesky properties; and the Company's inability to realize its claims of possessing multiple rich, high-grade phosphate-bearing prospective properties.

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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