

**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

September 13, 2023.

Item 3: News Release

A news release was issued and disseminated via Newsfile Corp. on September 13, 2023, a copy of which was filed under the Company’s profile on SEDAR+ at www.sedarplus.ca.

Item 4: Summary of Material Change

The Company announced that it entered into an agreement with American Battery Factory Inc. ("ABF") of Utah, USA to support production of up to 40,000 tonnes of annual fully North American manufactured lithium iron phosphate ("LFP") cathode active material ("CAM").

The initiative aims to bring production of LFP batteries for the battery storage sector to North America.

Item 5.1: Full Description of Material Change

The following mutually beneficial arrangements to 2028 have been agreed upon and the parties intend to enter into a definitive agreement governing its customer-supplier relationship once the Company and ABF are able to source an established LFP technology partner to work with the companies to service ABF's LFP CAM production needs in North America.

1. First Phosphate is to source and supply local raw materials and manage logistics for the LFP CAM production process and is to work on close integration into ABF workflows.
2. ABF projects sustained annual demand for LFP CAM starting in 2026 and achieving up to 40,000 tonnes of annual LFP CAM requirement by 2028 at its first planned LFP battery manufacturing facility in Tucson, Arizona.
3. ABF intends to construct several other LFP battery manufacturing facilities across North America, each of which should require similar amount of LFP CAM. As plans for such additional sites are developed, ABF will work with First Phosphate on updating demand forecasts.
4. ABF and First Phosphate are to begin a homologation process whereby First Phosphate raw materials are to be integrated directly into LFP CAM produced for ABF. LFP CAM produced by way of the partnership is to be integrated into ABF battery cells and end-user energy storage products.
5. First Phosphate and ABF intend to co-operate in the development of an LFP battery ecosystem in North America and to consider the possibility of locating certain facilities at the Port of Saguenay, Quebec.

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, CAO and Director
T: 416-200-0657
Email: bennett@firstphosphate.com

Item 9: Date of Report

September 19, 2023.