

# First Phosphate Announces Intention to Complete \$2,000,000 Non-Brokered Private Placement

Saguenay, Quebec--(Newsfile Corp. - December 14, 2023) - First Phosphate Corp. (CSE: PHOS) (OTC: FRSPF) (FSE: KD0) ("First Phosphate" or the "Company") is pleased to announce a non-brokered private placement (the "**Proposed Offering**") for gross proceeds a minimum of \$2,000,000.

## The Proposed Offering

The Proposed Offering is anticipated to consist of three parts for gross proceeds of a minimum of \$2,000,000 as follows:

1. Hard dollar units of the Company ("**Hard Dollar Unit**") at a price of \$0.40 per Hard Dollar Unit (the "**Hard Dollar Unit Offering**"), with each Hard Dollar Unit comprised of: (i) one common share in the capital of the Company ("**Common Share**"), and (ii) one half of one Common Share purchase warrant ("**Warrant**") with each whole Warrant exercisable for one Common Share at a price of \$0.50 per Common Share until December 31, 2025, subject to an Accelerated Expiry Date (as defined below);
2. Flow-through shares of the Company ("**Flow-Through Shares**") at a price of \$0.50 per share ("**Flow-Through Offering**"); and
3. Charity Flow-through shares of the Company ("**Charity Flow-Through Shares**") at a price of \$0.63 per share through a charitable donation arrangement ("**Charity Flow-Through Offering**").

To ensure this process was done in the least dilutive way possible, the Company has arranged to have Wealth Creation Preservation & Donation Inc. ("**WCPD**") organize a consortium of investors who will make an initial investment in the Charity Flow-Through Offering. WCPD is one of the leading exempt market dealers offering efficient financing for Canadian resource and mineral exploration.

The net proceeds received from the Hard Dollar Unit Offering will be used for exploration and development activities, working capital and for general corporate purposes. The gross proceeds from the Flow-Through Offering and Charity Flow-Through Offering will be used to incur "Canadian exploration expenses" that are "flow-through mining expenditures" (as such terms are defined in the *Income Tax Act* (Canada)) related to the Corporation's projects in Québec.

The Proposed Offering is expected to close on or about December 31, 2023, or such other date or dates as may be determined by the Company. Closing may be completed in one or more tranches as the Company may determine. Completion of the Proposed Offering is subject to certain conditions including, but not limited to, the receipt of all necessary approvals. There can be no assurance that the Proposed Offering will be completed, whether in whole or in part.

All securities issued under the Proposed Offering will be subject to a four-month and one day statutory hold period in accordance with applicable securities laws.

In connection with the Proposed Offering, eligible finders will be paid: (i) a fee consisting of 8%, in cash, of the gross proceeds raised from subscribers introduced by them, and (ii) such number of compensation warrants ("**Compensation Warrants**") as is equivalent to 8% of the number of Hard Dollar Units, Flow-Through Shares, or Charity Flow-Through Shares issued to subscribers introduced by them. Each Compensation Warrant shall entitle the holder thereof to acquire one Common Share at a price of \$0.50 per share until December 31, 2025, provided that if the volume weighted average trading

price of the Common Shares on the CSE for any 5 consecutive trading days equals or exceeds \$0.80, the Corporation may, upon issuing a press release, accelerate the expiry date of the Compensation Warrants to the date that is 30 days following the date of such press release ("**Accelerated Expiry Date**"). The Corporation reserves the right to pay cash fees on the Proposed Offering in Shares of the Corporation rather than cash ("**Compensation Shares**") issued at the respective issue prices of Hard Dollar Unit Offering, Flow-Through Offering and any follow-on transactions with respect to the Charity Flow-Through Offering.

The securities issued pursuant to the Proposed Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, such securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the 1933 Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the 1933 Act, and applicable state securities laws.

### **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, in responsible manner 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.

### **For additional information, please contact:**

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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 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 region of Saguenay-Lac-St-Jean, Quebec; the Proposed Offering is anticipated to be comprised of three parts for gross proceeds of a minimum of \$2,000,000; the Company will carry out the Charity Flow-Through offering with WCPD under the stated terms; the use of proceeds from the Proposed Offering; the terms of the Proposed Offering, including, the issuance of any securities, the closing date, and the obtaining of all necessary approvals from the CSE; and the stated terms of the Debt Settlement.

Forward-looking information in this press release are based on certain assumptions and expected future events, namely: 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 region of Saguenay-Lac-St-Jean, Quebec; the Company's ability to carry out the Proposed Offering as three parts for gross proceeds of a minimum of \$2,000,000; the Company's ability to carry out the Charity Flow-Through offering with WCPD under the stated terms; the Company's ability to allocate the use of proceeds from the Proposed Offering as stated; the Company's ability to carry out the terms of the Proposed Offering as stated; and the Company's ability to carry out the Debt Settlement as stated.

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 integrate directly into the functions of certain major North American LFP Battery producers; the Company's inability to carry out the Proposed Offering as three parts for gross proceeds of a minimum of \$2,000,000; the Company's inability to carry out the Charity Flow-Through offering with WCPD under the stated terms; the Company's inability to allocate the use of proceeds from the Proposed Offering as stated; the Company's inability to carry out the terms of the Proposed Offering as stated; and the Company's inability to carry out the Debt Settlement as stated

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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