First Phosphate Corp. Signs LFP Production Technology Licensing Agreement with Integrals Power Limited

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Saguenay, March 28, 2023 - First Phosphate Corp. (CSE: PHOS) (FSE: KD0) ("First Phosphate" or the "Company") is pleased to announce that it has finalized a joint lithium iron phosphate ("LFP") homologation agreement and LFP production technology licensing agreement with Integrals Power Limited ("IPL") of Milton Keynes, United Kingdom. The agreement was entered into on January 10, 2023 and became effective March 24, 2023. The agreement could serve to anchor the Company's future LFP cathode active material production facilities and is currently of unknown potential future monetary value. The agreement provides for the following mutually beneficial, perpetual arrangements between the parties:

- IPL will validate First Phosphate LFP-grade purified phosphoric acid and iron sulphate for the use in LFP battery cells.
- IPLs LFP cathode active material homologation process will use First Phosphate LFP-grade purified phosphoric acid and iron sulphate.
- IPL provides LFP production technology license to First Phosphate in the production of LFP cathode active material at any First Phosphate LFP cathode active material production facilities to be built in Quebec, Canada or elsewhere in North America. A royalty fee of 1.5% will apply to all LFP cathode active material sales.
- First Phosphate has acquired 7,386 common shares of IPL for a cost of CAD $83,060.35 and has the right to make follow-on investments in future funding rounds.
- First Phosphate and IPL plan to leverage First Phosphate's access to green hydro-electric energy in the Saguenay-Lac-St-Jean region of Quebec for optionality in the build-out of IPL's future production facilities.

"We have visited the IPL facilities in the United Kingdom and were able to see and touch the LFP cathode active material produced by IPL," says First Phosphate CEO, John Passalacqua. "We have also viewed the performance logs of test battery cells created using LFP cathode active material produced by IPL. We are cautiously optimistic that IPL technology could hold the answer to improved LFP battery performance."

"There is the traditional solid-state method of making LFP cathode active material from ferro-phosphate and lithium-phosphate precursors which is currently the main production formula used in China. Then there are promising new advanced hydrothermal methods such as those being pioneered by IPL that produce higher performance LFP batteries," says First Phosphate President Peter Kent. "We believe it prudent for the Company to have access to IPL's advanced method of LFP cathode active material formulation."

"We are pleased to partner with First Phosphate in gaining strategic access to properly curated LFP-grade purified phosphoric acid and iron sulphate which will be in short supply in the near future as LFP production comes online in the Western World," says IPL Chief Executive Officer Behnam Hormozi. "We require a development partner like First Phosphate which is fully committed to the LFP battery industry, to a low carbon footprint, to ESG compliancy, to non-conflict ethical sourcing, to traceable and secure supply and to just-in-time provisioning. All of these are strategic production advantages for IPL and our clients."

IPL technology demonstrates improvements that should allow for the production of LFP batteries that will have more simplified cooling systems, greater compactness, lighter footprint and lower pre-heating requirements in colder temperatures. Some of the benefits include:

- Increased capacity at high discharge rates
- High capacity retention within ambient and extreme environmental temperature

- Lower cost or higher capacity

The Company is informed that IPL has recently closed its oversubscribed equity investment round which received co-investment by the UK government grant funded project for LFP battery material pilot plant development. The IPL pilot plant is expected to be operational by the end of 2023.

First Phosphate has a measured and phased development approach to becoming a fully vertically-integrated producer of LFP cathode active material in North America. First Phosphate can undertake this strategy because it has access to clean igneous anorthosite phosphate-bearing rock in Quebec, Canada that it will be able to purify into large quantities of battery-grade purified phosphoric acid. Today's agreement with IPL allows First Phosphate to gain another important technological advantage in the production of LFP cathode active material for North America.

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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 Integrals Power Limited (IPL)

IPL is a next-generation battery nano-material company committed to accelerated research, development and commercialisation of state-of-the-art battery. The team of entrepreneurs, scientists and engineers have conducted comprehensive market verification & validation to form their strategy for the development of commercially feasible state-of-the-art battery materials. This broad market research empowered the accelerated development and production of Integrals power proprietary high-performance, cost effective and scalable battery cathode materials for LFP for lithium based batteries. IPL's latest battery material development results empower economical cells with higher performance compared to the conventional alternatives.

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 low carbon 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 anticipated benefits for entering into the IPL agreement, including access to IPL's licenses, technologies, rights to make follow-on investments; the anticipated timeline and benefits of the IPL pilot plant; that the Company will be able to purify into large quantities of battery-grade purified phosphoric acid; and that the IPL agreement will allow the Company to gain another important technological advantage in the production of LFP cathode active material for North America.

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 low carbon 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; the Company has the ability to realize on the anticipated benefits for entering into the IPL agreement; the Company has the ability to realize upon the anticipated timeline and benefits of the IPL pilot plant; that the Company has the ability to purify into large quantities of battery-grade purified phosphoric acid; and that Company has the ability to realize on the IPL agreement to gain another important technological advantage in the production of LFP cathode active material for North America.

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 low carbon 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; the Company's inability to realize on the anticipated benefits for entering into the IPL agreement; the Company's inability to realize upon the anticipated timeline and benefits of the IPL pilot plant; that the Company will not have ability to purify into large quantities of battery-grade purified phosphoric acid; and that Company will not have the ability to realize on the IPL agreement to gain another important technological advantage in the production of LFP cathode active material for North America.

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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