

First Phosphate Corp.
CSE: PHOS; OTC: FRSPF
Flash Report

April 7, 2026

Price (as of close April 6, 2026)

C\$0.95

12-Month Target Price

C\$4.94

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About the Company

First Phosphate is a mineral development and cleantech company dedicated to building and onshoring a vertically integrated mine-to-market LFP battery supply chain for North America. Target markets include energy storage, data centers, robotics, mobility and national security. First Phosphate's flagship Bégin-Lamarche Property in Saguenay-Lac-Saint-Jean, Quebec is one of North America's rare igneous phosphate resources, yielding high-purity phosphate with minimal impurities.

52-Week Range	C\$0.24 - C\$1.18
Shares Outstanding	177.17 mil
Insider/Institutional	18.4% / 6.8%
Public Float	144.7 mil
Market Cap	C\$168 mil
Total Debt	Nil
Debt/Equity	NA
ROE (LTM)	NA
Book Value/Share	C\$0.16
Consolidated Daily Volume (90-day)	450,139
Fwd. Div. & Yield	--

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First Phosphate Completes Drill Programme

First Phosphate (PHOS) has completed the 40,000-meter drill program at its Bégin-Lamarche Property, located in Saguenay-Lac-St-Jean, Quebec, Canada. This infill drill program was focused on reducing the drill spacing between holes to increase the confidence level of the resource base. This action will improve the geological model and improve resource classifications which are a pre-requisite for feasibility study.

The drilling confirmed the extensive and continuous nature of the mineralization at the Bégin-Lamarche Property and discovered two new phosphate intersections in the Northern Zone and the Southern Zone, extending the area of defined mineralization beyond the borders of the current resource base. Prior to this drilling campaign, the Bégin-Lamarche Property currently contains a NI 43-101-Compliant Indicated Mineral Resource Estimate of 41.5 million tonnes (Mt) at an average grade of 6.49% phosphorus pentoxide (P₂O₅) and 214 Mt at an average grade of 6.01% P₂O₅ in the Inferred category.

First Phosphate is currently processing the full set of drill results with the goal of upgrading the geological model for the Bégin-Lamarche Property in the coming weeks. This model will feed into a Feasibility Study (FS) for the production of battery-grade phosphate concentrate, expected to be completed by late 2026.

In addition to completing the drill program at the Bégin-Lamarche Property, First Phosphate signed an agreement for a C\$16.7 million non-repayable, non-dilutive contribution from the Government of Canada through Natural Resources Canada (NRCAN) Global Partnerships Initiative (GPI). This investment will be used to accelerate the development of the Bégin-Lamarche Property by developing the technical and engineering parameters required for the validation of the Company's ability to produce a phosphate concentrate of a quality required by the lithium iron phosphate (LFP) battery market.

This exciting funding development further highlights the remarkable achievements of First Phosphate to have discovered, drilled and created a significant resource case for the Bégin-Lamarche Property within just three and a half years. First Phosphate has also recently produced commercial-grade LFP 18650 battery cells using the igneous anorthosite rock extracted from the Bégin-Lamarche Property. The Company is now embarking on the next phase of its journey as it aims to develop a scalable process to produce battery-grade phosphate concentrate, reducing dependence on foreign supply chains. All of which has a marginal impact on our PHOS target price, going from C\$4.93 to C\$4.94.



*Chart pricing in CAD

Additional Developments

- **Phosphate Added to the Canadian List of Critical Minerals Essential for Clean Technology.** The Canadian Federal Budget, passed in February 2026, included an amendment to include phosphate on the list of critical minerals essential for clean technology. This improvement is a highly-positive development that allows phosphate exploration, mining and processing to benefit from numerous Canadian Federal tax credits and programs dedicated to key critical minerals.
- **Receives Initial Offtake Pre-payment.** In February 2026, First Phosphate received US\$530,000 as part of its existing, long-term phosphate concentrate offtake agreement with an existing partner. A bankable, pre-paid offtake agreement is something that very few junior companies are able to secure and is a testament to the Company and its project.
- **Federal Programs Include Two Tax Credit Opportunities.** The Critical Mineral Exploration Tax Credit (CMETC) is a 30% refundable tax credit for Canadian investors in junior mining companies in respect of targeted exploration expenses. The Clean Technology Manufacturing Investment Tax Credit (CTM) is a 30% refundable tax credit for Canadian corporations investing in new machinery and equipment to be used in the manufacture of clean technologies or for processing critical minerals.
- **Both programs will benefit First Phosphate.** The CMETC improves the Company's ability to raise funds for additional exploration and to continue to develop the region's district-scale phosphate zone. The CTM will assist First Phosphate in building out infrastructure associated with the operating and mining of phosphate and potential future downstream processing facilities.
- **ADR Program Opens to U.S.-based Investors:** Also in February, the Company launched its sponsored Level 1 American Depositary Receipt (ADR) program, increasing accessibility for American and other international investors to trade First Phosphate's shares. The ADRs are available on the OTCQX market under the symbol FPHOY.

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Valuation

- We value PHOS using a sum-of-the-parts approach. We discount the mine free cash flow at 11.5% and acid-plant free cash flow at 13.5% to reflect process and market risks prior to qualification, then apply project-stage risking prior to FID, and consolidate corporate items to equity value to arrive at a per-share target price of C\$4.94.

SOTP valuation

Mine NAV, C\$m	500
PPA plant NAV, C\$m	368
Cash, C\$m	20
Total NAV	888
Shares outstanding, mn	180
NAV/share, C\$	4.94
Share price, C\$	0.95
<i>Upside</i>	420%
<i>Price/NAV</i>	0.19x

Key assumptions

Discount rate – mine	11.5%
Discount rate – plant	13.5%
Mine cash opex/ton (adj for credits), US\$	95
PPA cash opex/ton, US\$	250
US\$/CAD	1.39
P ₂ O ₅ conversion factor	0.73
Battery grade purity premium, US\$/tonne	45

Reserves

Total mine resources, million tonnes (Mt)	150.55
Grade estimate	5.76% P ₂ O ₅
Mine life	~24 years
Strip ratio	1.5:1 (waste:ore)
Implied mass yield to concentrate	13.7% (20.7 Mt conc./150.55 Mt feed)
Implied P ₂ O ₅ recovery:	90-95% (40% P ₂ O ₅ concentrate)

Source: Fertiliser Association of India, Argus Media, P2O5.com

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Buy, 30% or greater price appreciation in the next 12 months.

Buy-Extended, near-term EPS and/or revenue horizon is challenging with strong long-term appreciation possibility.

Buy-Emerging, initial stages with low revenue and the potential for large returns with higher risk and volatility.

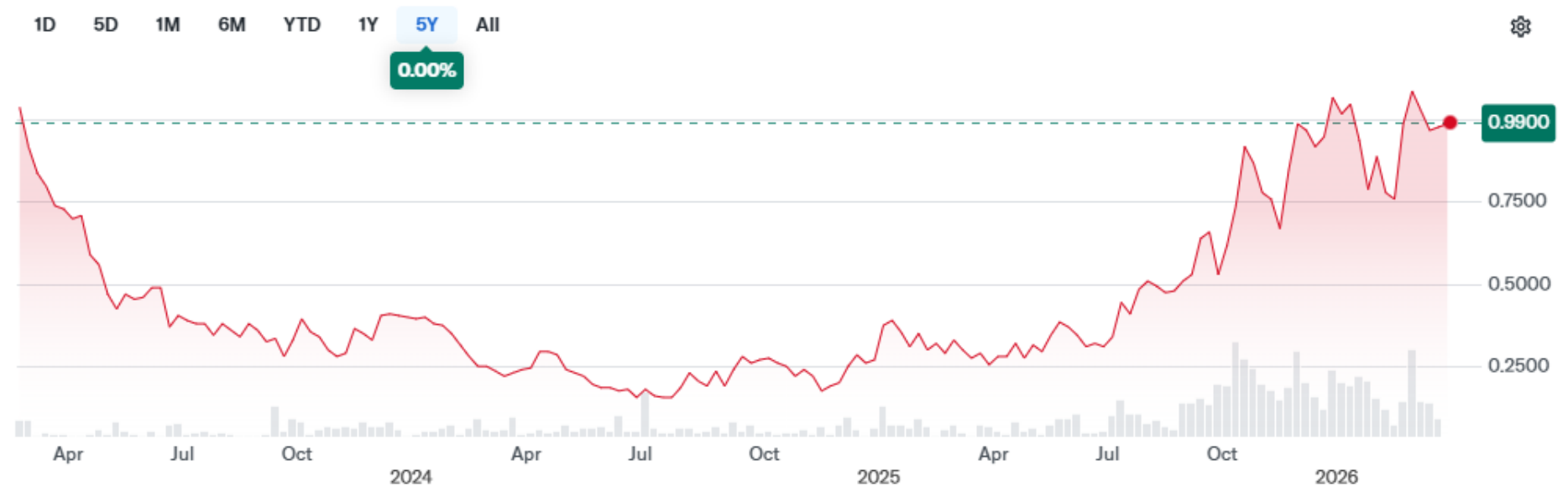
Hold, perform similar to market.

Sell, 30% or more decline in the next 12 months.

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5-Year Chart



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