

# ARIANNE PHOSPHATE ADVANCES PREFEASIBILITY STUDY FOR A PURIFIED PHOSPHORIC ACID PLANT

*-project would create the largest producer of battery grade acid outside of China*

**DAN: TSX-V (Canada)**

**JE9N: FSE (Germany)**

**DRRSF: OTCQX (USA)**

SAGUENAY, QC, Jan. 30, 2024 /CNW/ – **Arianne Phosphate (the “Company” or “Arianne”)** (TSXV: DAN) (OTCQX: DRRSF) (FRANKFURT: JE9N), a development-stage phosphate mining company, advancing the Lac à Paul project in Quebec’s Saguenay-Lac-Saint-Jean region, is pleased to announce that it has commenced work on a Prefeasibility Study (“PFS”) to construct a downstream purified phosphoric acid plant (“PPA”) in the region, capable of converting the Company’s high-purity phosphate concentrate into a finished PPA product. In pursuing this downstream integration, Arianne will be able to move beyond being a producer and seller of concentrate and leverage its geological advantage into becoming a dominant player in the high-purity, battery and specialty markets. As well, by moving to a fully vertically integrated operation, the Company will benefit from significantly enhanced economics and allow the Saguenay region to establish itself within the global battery ecosystem. As currently planned, the facility would be the largest producer outside of China and, given the rare igneous nature of Arianne’s deposit, should be very cost competitive as well.

Purified phosphoric acid has gained considerable interest over the last few years as it is an important ingredient in the lithium-iron-phosphate (“LFP”) battery. Currently, the supply of PPA is constrained, especially outside of China, as it has historically been used in food preservatives and other industrial applications, and now, the LFP is rapidly encroaching on existing supply. Today, the LFP battery represents over 30% of all batteries, with many industry analysts projecting it to be the most common of all battery chemistries within the next few years. This demand growth will result in the need for more PPA production, with Benchmark Mineral Intelligence projecting that requirement at an additional +1 million tonnes of PPA annually; a very significant increase over what is currently produced globally. Furthermore, with China today producing over 90% of all LFP batteries, Western supply is extremely limited.

Acknowledging the importance of phosphate, and access to it, the Government of Quebec recently placed the phosphate-bearing mineral, apatite on its critical and strategic mineral list. This move follows other jurisdictions that have done the same, including the European Union.

“There is no doubt that we will need a significant increase in the supply of PPA, the question

is where will that come from,” said Brian Ostroff, President of Arianne Phosphate. “Today Arianne’s Lac à Paul project is the world’s largest, independently owned resource, capable of producing a very high-purity/low-contaminant phosphate concentrate, already tested and confirmed to produce a battery-grade PPA. Our project is well situated in Quebec, Canada near necessary infrastructure, fully permitted and shovel ready. Over the last 18 months, the Company has expended a considerable amount of time and effort to ensure that we will be able to capitalize on this enormous opportunity. In answering the question of where this needed supply will come from, I would say that Arianne is ideally placed to address this urgent requirement and, in so doing, benefit from very significant strategic and economic advantages. As planned, our facility would be able to produce enough PPA to address 350 GWh of annual demand from Western gigafactories, a significant portion of what will be required.”

The PFS is studying the construction of a PPA plant situated in the Saguenay region of Quebec, trucking distance from Arianne’s mine and, with easy access to major North American battery hubs such as Bécancour, Quebec, the US “battery-belt” in the southeast and the American automotive industry in Michigan and surrounding states. The project anticipates the production of 350,000 tonnes of battery-grade PPA, which would make Arianne the single largest producer outside of China and capable of addressing a significant portion of Western battery requirements. Further, the facility would also produce over 200,000 tonnes of a secondary premium phosphoric acid used for animal feeds and specialty fertilizers. Due to projected closures both in North America and Europe, this secondary market will be greatly underserved and also provide additional economic opportunity to Arianne.

“The Saguenay region is already known for its global advantage in industries such as aluminum,” said Raphael Gaudreault, COO of Arianne Phosphate, “it would now become the player in Western production of phosphate for specialty uses like batteries. The integrated project, both mine and PPA plant, will be of significant benefit to the Province and Country. The region provides access to a skilled workforce, advanced infrastructure including port, rail and hydroelectricity and, the ability to access emerging battery markets in both North America and Western Europe. As well, with the project being situated in Quebec, Canada, it will allow both Arianne and its customers to benefit from the economic incentives provided for by various government programs, with this further supported by phosphate’s addition to the Quebec’s critical mineral list. Lastly, as China currently represents over 90% of all LFP production, this facility will allow for the continued diversification away from Chinese sources to a Western supply chain.”

### **About Arianne Phosphate:**

Arianne Phosphate (“Arianne Phosphate Inc.”) ([www.arianne-inc.com](http://www.arianne-inc.com)) is developing the Lac à Paul phosphate deposits located approximately 200 km north of the Saguenay/Lac St. Jean area of Quebec, Canada. These deposits will produce a high-quality igneous apatite

concentrate grading 39% P<sub>2</sub>O<sub>5</sub> with little or no contaminants (Feasibility Study released in 2013). The Company has 196,809,271 shares outstanding.

### **Qualified Person**

Raphael Gaudreault, eng., Qualified Person by NI 43-101, has approved this release. Mr. Gaudreault is also the Company's Chief Operating Officer.

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### **Cautionary Statements Regarding Forward Looking Information**

***This news release contains “forward-looking statements” and “forward-looking information” within the meaning of applicable securities regulations in Canada and the United States (collectively, “forward-looking information”). Forward-looking information includes, but is not limited to, anticipated quality and production of the apatite concentrate at the Lac à Paul project. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Forward-looking information is subject to be known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: volatile stock price; risks related to changes in commodity prices; sources and cost of power facilities; the estimation of initial and sustaining capital requirements; the estimation of labour and operating costs; the general global markets and economic conditions; the risk associated with exploration, development and operations of mineral deposits; the estimation of mineral reserves and resources; the risks associated with uninsurable risks arising during the course of exploration, development and production; risks associated with currency fluctuations; environmental risks; competition faced in securing***

***experienced personnel; access to adequate infrastructure to support mining, processing, development and exploration activities; the risks associated with changes in the mining regulatory regime governing the Company; completion of the environmental assessment process; risks related to regulatory and permitting delays; risks related to potential conflicts of interest; the reliance on key personnel; financing, capitalization and liquidity risks including the risk that the financing necessary to fund continued exploration and development activities at Lac à Paul project may not be available on satisfactory terms, or at all; the risk of potential dilution through the issue of common shares; the risk of litigation. Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, no material adverse change in commodity prices, exploration and development plans proceeding in accordance with plans and such plans achieving their stated expected outcomes, receipt of required regulatory approval, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this press release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.***

SOURCE Arianne Phosphate Inc.