

## **ARIANNE PHOSPHATE RECEIVES ENGINEERING STUDY UPDATING ITS LAC À PAUL CAPEX**

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

**JE9N: FSE (Germany)**

**DRRSF: OTCQX (USA)**

SAGUENAY, QC, March 30, 2023 /CNW/ - **Arianne Phosphate (the “Company” or “Arianne”)** (TSXV: DAN) (OTCQX: DRRSF) (FSE: 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 received an updated engineering study regarding the projected capital expenditure (“CapEx”) for its Lac à Paul phosphate project. The study was undertaken in late 2022 and early 2023 and estimates CapEx for the Lac à Paul project to be approximately US \$1.55 billion, based on a \$1.35 US/CAD exchange rate. The CapEx estimate also includes required infrastructure upgrades, including a hydroelectric transmission line from dam to site and, a ship-loading facility on the north shore of the Saguenay River.

Given recent uncertainties and cost overruns facing many mining construction projects, Arianne engaged LCO Construction & Management Consultants Inc. (“LCO”) of Montreal, Quebec in late 2022 to update the projected cost to build Lac à Paul. The study focused solely on the CapEx as the construction, mining and transportation plans for Lac à Paul remain the same, as does Arianne’s statement of mineral reserves. LCO was chosen to do this work due to their knowledge of the phosphate industry and their familiarity with the project, having conducted work of this type in the past for Arianne.

“This report should go a long way towards dispelling the view that our CapEx has appreciated to the point of significantly diminishing our project,” said Brian Ostroff, President of Arianne. “While cost overruns due to inflationary pressures, supply chain issues and procurement have affected most projects and, investors now factor in cost increases of 50%-100% into their models, a less than 30% increase from our last reported number should be most welcomed. It is also worth highlighting that although our CapEx is higher since our last report, so too is the price of phosphate and the benefits of the USD/CAD exchange rate. Further, with the industry’s projected demand increases from the growth of the LFP battery and, Arianne’s ability to supply this market, it should continue to provide a major tailwind for years to come.”

As with all mining projects, the sale price of the underlying commodity, the project’s CapEx and the currency exchange rate are important elements in determining the robustness of a project. As previously reported, Arianne anticipates that the mine will produce 3 million tonnes a year of high-purity phosphate concentrate which today, according to numerous industry sources, sells for over \$300/t versus the \$213/t used in its previous study. As well,

the current USD/CAD exchange rate is over \$1.35 versus \$1.05 that was used at the time of the last study.

“Uncertainty is never a good thing,” said Arianne Phosphate’s COO, Raphael Gaudreault. “Updating our CapEx number removes uncertainty associated with Arianne’s project and, is an important step in reducing any lingering concerns. Being able to provide current numbers is an important data point as the Company discusses financing and development options with interested parties.”

## **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 190,310,681 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 labor 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.