

ARIANNE PHOSPHATE RECEIVES FINAL ACCEPTANCE FOR ITS PREVIOUSLY ANNOUNCED STRATEGIC INVESTMENT FROM A GLOBAL MINING COMPANY

DAN: TSX-V (Canada)

JE9N: FSE (Germany)

DRRSF: OTCQX (USA)

SAGUENAY, QC, Oct. 17, 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 received final acceptance from the TSX Venture Exchange for its previously announced financing by way of an unsecured convertible debenture from a global mining company (the “Strategic Investor”). Please refer to the news release of October 10, 2024 for more details about the investment.

Investment Terms

Under the terms of the investment, the Strategic Investor purchased a convertible debenture in the principal amount of approximately C\$3.8 million, that matures in three years and bears interest at 9.5% per annum. Interest payments are added to the principal amount of the convertible debenture, and as a result, no amounts are required to be repaid by Arianne until the maturity of the instrument. The Strategic Investor has the option, at any time, to convert (i) the principal amount of the convertible debenture at a price of C\$0.35 per common share (the “Conversion Price”), and (ii) the accrued interest thereon at a price per share equal to the greater of (a) the Conversion Price and (b) the market price at the time the accrued interest is converted, as determined in accordance with the rules of the TSX Venture Exchange. Upon the Strategic Investor reaching an ownership of at least 3.0% of the issued and outstanding common shares of Arianne (either through conversion, open market purchase or otherwise), the Company will enter into an investor rights agreement with the Strategic Investor that will provide customary participation and top-up rights and a board nomination right.

The Conversion Price of the convertible debenture is subject to adjustments, including in the event that the Company issues a convertible debenture or other similar debt-like instrument convertible into common shares to any person (other than the Strategic Investor or its affiliates) pursuant to a transaction that is not a common share reorganization, rights offering or capital reorganization (a “Third Party Debenture Issuance”), in any such case at an effective conversion or exercise price (net of all fees and commissions associated with such subscription) (the “Third Party Debenture Issuance Price”) that is less than the Conversion Price applicable at the time of such issuance, in which case, upon closing of such Third Party Debenture Issuance: (i) the Conversion Price for the principal amount shall automatically be adjusted downwards to the greater of: (a) the Third Party Debenture Issuance Price; and (b)

\$0.19, and (ii) the conversion price for the accrued interest shall be equal to the market price at the time such amounts are converted into common shares, as determined in accordance with the rules of the TSX Venture Exchange, subject to the application of Policy 4.3 - *Shares for Debt* of the TSX Venture Exchange.

The convertible debenture purchased by the Strategic Investor is subject to a four-month hold period under applicable Canadian securities laws ending on February 11, 2025.

About Arianne Phosphate:

Arianne Phosphate Inc. (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% P₂O₅ with little or no contaminants (“Feasibility Study to Produce 3Mtpy of High Purity Apatite Concentrate at the Lac a Paul Project, Québec, Canada” released on November 13, 2013). The Company has 202,890,210 shares outstanding.

Qualified Person

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

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Resource Investing News: <http://resourceinvestingnews.com/?s=Arianne>

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The security and the securities into which they are convertible 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 state securities laws and may not be offered or sold within the United States or to U.S. Persons absent registration under, or an applicable exemption from the registration requirements of, the U.S. Securities Act and applicable state securities laws.

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, information relating to the investment. 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 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.