Arianne Phosphate Reports Financial Results for Q4 and YE 2019

DAN: TSX-V (Canada)
JE9N: FSE (Germany)
DRRSF: OTC (USA)

SAGUENAY, QC, March 18, 2020 /CNW Telbec/ – **Arianne Phosphate (the "Company" or "Arianne") (TSXV: DAN) (OTC: DRRSF) (FRANKFURT: JE9N)**, a development-stage phosphate mining company, advancing the Lac à Paul project in Quebec's Saguenay-Lac-Saint-Jean region, reported its financial results for both the three and twelve-month periods ended December 31, 2019. All amounts are in Canadian dollars unless noted.

2019 Financial and Operational Highlights

- In October 2019, Arianne has announced that it has received its initial findings back from a study regarding a downstream phosphoric acid facility. The Company's phosphate concentrate responded extremely well to the beneficiation process and resulted in the production of up to a 60% P2O5 Merchant Grade Acid ("MGA") compared to the market typical 52% MGA grade. Furthermore, due to the high-quality nature of the phosphate concentrate input, the gypsum by-product produced during the process appears to have commercial value, whereas traditional phosphate concentrates will produce contaminated waste.
- In August 2019, Arianne has closed on a $691,050 financing. Under the terms of the financing, Arianne has issued 1,256,455 units at a price of $0.55 per unit. Each unit is comprised of one common share and a half warrant. Each full warrant entitles the

holder to purchase one common share at a price of $0.75 until August 21, 2021.

- In July 2019, the Company announced efforts surrounding transportation logistics have significantly progressed. Arianne partnered with several parties to look at greater integration of aluminum into the truck trailer design. Through this initiative over the past year, Arianne and its partners have advanced a design that will be able to reduce the weight of the transport trucks and allow for a greater payload per run. Once integrated, this will result in fewer trucks on the road, increasing safety and reducing the overall environmental impact. As well, this design will bring about greater economies of scale, resulting in a reduction in the cost of transporting Arianne's phosphate concentrate to port and thus, the overall operating cost for its project. The initial assumption of the payload of trucks is 120 tonnes. With this effort, we are working toward a payload of 150 tonnes by truck.
- In June 2019, Arianne entered into a non-binding Memorandum of Understanding ("MoU") with SINOCONST, a large Chinese state-owned enterprise. Under the terms of the MoU, Arianne and SINOCONST have agreed to work towards a final binding agreement relating to the development of Arianne's Lac à Paul project which, would include full project financing. On a parallel track, efforts to secure offtake are expected to be undertaken by SINOCONST in support of the financing package discussed under the MoU.
- In May 2019, the Company had closed a $1.5 million investment from the Government of Quebec by way of private placement into the common shares of Arianne. Under the terms of the offering, the Government of Quebec is subscribing for 3,671,970 common shares of the Company at a price of $0.4085 per share. The securities issued in connection with the financing are subject to a regulatory hold period of four months and one day expiring on September 6, 2019.
- In March 2019, the Company announced that it has entered into an agency agreement with Compagnie Indo Française de Commerce ("CIFC") to market and sell Arianne's high-purity, low-contaminant phosphate concentrate into the Indian market. Based in New Delhi, India, Compagnie Indo Francaise de Commerce Pvt. Ltd. is a private company founded in 1967. CIFC's business includes the trading, sale, marketing and supply of critical raw materials to India, including fertilizers, agricultural chemicals and animal feeds.

Financial Summary

Arianne is a development-stage company and, as such, did not generate revenue or positive cash flow in 2019. In the fourth quarter and full-year period ended December 31, 2019, the Company incurred respective net losses of $0.5M and $2.1M, compared to $0.5M and $1.9M in the comparable periods in 2018. The Company's net loss and cash burn are consistent with other development stage mining companies.

Liquidity

On December 31, 2019, the cash on hand will be allocated towards general working capital

and advancing development of the Lac à Paul project in 2020. Based on current spending estimates for future project development, Arianne anticipates it will need additional financing before the end of 2020.

Outlook
In 2020, Arianne will be focused on the ongoing advancement and development of its Lac à Paul project. Expected milestones include:

- Complete partnership and financing arrangements;
- Continue to enhance the value of the project through project optimization;
- Continue our ongoing dialogue with Stakeholders.

Arianne's Management Discussion and Analysis and Financial Statements for the three- and twelve-month period ended December 31, 2019, are available on the Company's website and on SEDAR at www.sedar.com.

Qualified Person
Jean-Sébastien David, P.Geo., Qualified Person by NI 43-101, has approved this release. Mr. David is also the Company's Chief Operating Officer.

About Arianne Phosphate
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% P_2O_5 with little or no contaminants (Feasibility Study released in 2013). The Company has 113,158,350 shares outstanding.

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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.