Arianne Phosphate reports corporate and financial results for second quarter 2018

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

SAGUENAY, QC, Aug. 23, 2018 /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 the three-month and six-month period ended June 30, 2018. All amounts are in Canadian dollars unless noted.

"We continue to move our project towards development," said Brian Ostroff, CEO of Arianne Phosphate. "Since the beginning of the year, the industry has rebounded from a five-year slump with phosphate prices now up about 25% year to date. This change in macro coupled with Arianne's own advancements, has been very helpful in our negotiations with offtakers, financiers and partners and, we continue to see very tangible interest and support for our Lac à Paul project."

Q2 2018 Financial and Operational Highlights

- In April 2018, the Company announced that it received a grant of $1.5 million from the Ministry of Energy and Natural Resources of Quebec. This funding has been provided as part of the Government's plan to help advance the Quebec phosphate (apatite) sector. Arianne will be using this funding in support of its previously announced program to produce additional high-purity phosphate concentrate to fulfil demand from potential customers and, to conduct further pilot-scale tests. The tests will be conducted at COREM (Research Consortium for the Treatment and Processing of Mineral Substances) in Quebec City, where the Company conducted its previous pilot-scale tests, and, materials will be sent to parties that have expressed a strong interest in pursuing some form of offtake and/or a strategic partnership with Arianne.

Highlights Subsequent to Quarter-End

- In August 2018, the company announced that it has partnered with the Province of New Brunswick to further its review of constructing a phosphoric acid plant in Belledune, New Brunswick. As part of this agreement, the Government, through Opportunities New Brunswick ("ONB"), will provide a financial contribution toward the cost of a prefeasibility study, the next step in Arianne's assessment of its downstream opportunity.
- In August 2018, the company announced hat it entered into a Memorandum of Understanding ("MoU") for the supply of sulphuric acid. Aside from phosphate rock, a phosphoric acid plant would also require a supply of sulphuric acid that could be consistently delivered in timely fashion. It is on this basis, that Arianne has entered into an MoU with a large marketer of sulphuric acid.
- In July 2018, the company announced that Arianne shareholders have reelected Messrs. Dominique Bouchard, Brian Ostroff, James Cowley, David DeBiasio, Marco Gagnon, Siva Pillay and Steven Pinney as directors of the Company during the Annual General Meeting of

Shareholders of the Company held on July 10, 2018 in Montreal.
- On July 12, 2018, the Company extended the term of 2,815,500 common share purchase warrants issued as part of a private placement closed on July 31, 2014 for a gross proceed of $5,631,000. Each warrant, as part of the issued units, entitles its holder to purchase one common share of the Company at an exercise price of $1.25 per common share until July 31, 2018. The Company has elected to extend the expiry date of the warrants to July 31, 2019. No other term will be amended.

Financial Summary
Arianne is a development-stage company and, as such, did not generate revenue or positive cash flow in Q2 2018. In the second quarter ended June 30, 2018, the Company incurred net losses of $0.2 for the three-month period and $0.9M for the six-month period. This compares to a net loss of $0.8M for the three-months and $1.6M for the six-months period in the comparable periods of 2017.

Liquidity
At June 30, 2018, the Company had $1.59M cash on hand. These funds will be allocated towards general working capital and advancing development of Lac à Paul in 2018. Based on current spending estimates for future project development, Arianne will need additional financing in 2018.

Outlook
Through the rest of 2018, Arianne will be focused on the ongoing advancement and development of its Lac à Paul project. Expected milestones include:

- Secure financing for construction and development of the Lac à Paul project;
- Continue optimization of the Lac à Paul project including reducing cash operating production costs and capital expenses;
- Sign an "Impact and Benefit Agreement (IBA)" with the First Nations; and
- Assist the Port of Saguenay in securing their environmental permitting from CEEA.

Arianne's Management Discussion and Analysis and condensed consolidated interim financial statements for the three‑month period ended June 30, 2018 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. The Company has 105,803,943 shares outstanding.

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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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 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 approvals, 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.

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