

**ARIANNE
PHOSPHATE**
**GROWING
TOMORROW'S
FOOD**

TSX-V: DAN
OTC: DRRSF

**DECEMBER 2019
CORPORATE PRESENTATION**

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DISCLAIMER

Total resources only include the measured and indicated categories.

Mineral resources that are not mineral reserves have not demonstrated economic viability. Additional trenching and/or drilling will be required to convert inferred mineral resources to indicated or measured mineral resources.

All currency are in US \$ unless otherwise stated.

This presentation contains forward looking statements. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralisation and reserves, exploration results and future plans and objectives of Arianne Phosphate Inc, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Arianne Phosphate Inc's expectations are disclosed under the heading "Risk Factors" and elsewhere in Arianne Phosphate Inc's documents filed from time-to-time with the TSX Venture and other regulatory authorities.



PHOSPHATE: ESSENTIAL TO GLOBAL FOOD SECURITY

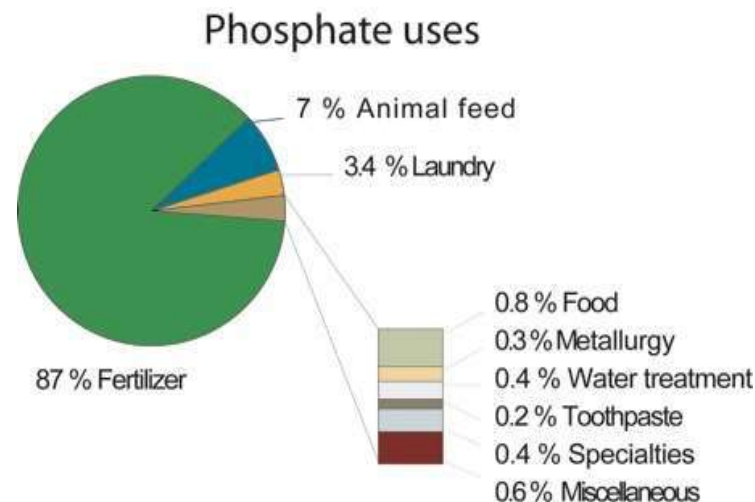
The most important (87%) use of phosphate is the **production of fertilizers**.

Phosphate is the component of fertilizer essential for root and stem development in plants.

Phosphate rock is the raw material for all phosphate products with >95% converted to phosphoric acid.

Demand driven by food consumption and crop yield improvements.

There is no substitute for phosphate for agricultural application.



N – Nitrogen; stimulates growth
P – Phosphate; stem and root development
K – Potassium; drought resistance

Source: CRU



PHOSPHATE ROCK IGNEOUS VS SEDIMENTARY DEPOSITS

Sources of Phosphate Rock:

	<u>Igneous Deposits</u>	<u>Sedimentary Deposits</u>
Grade of ore (nutrient)	4-15% P ₂ O ₅	10-30% P ₂ O ₅
Crushing	Consolidated rocks	Very easy if the rocks are unconsolidated
Beneficiation (recovery of nutrient content)	Efficient processing Recovery can be >90%	Less efficient processing Recovery 75 to 85%
Nutrient Content of Concentrate	37-41% P ₂ O ₅	Average grade 29% P ₂ O ₅ (can reach 35% P ₂ O ₅)
Environmental Impact	Contains few or no contaminants	Usually contains some contaminants (heavy metals, uranium and cadmium)

> 10% of Global Phosphate Rock Capacity is derived from Igneous Rock.



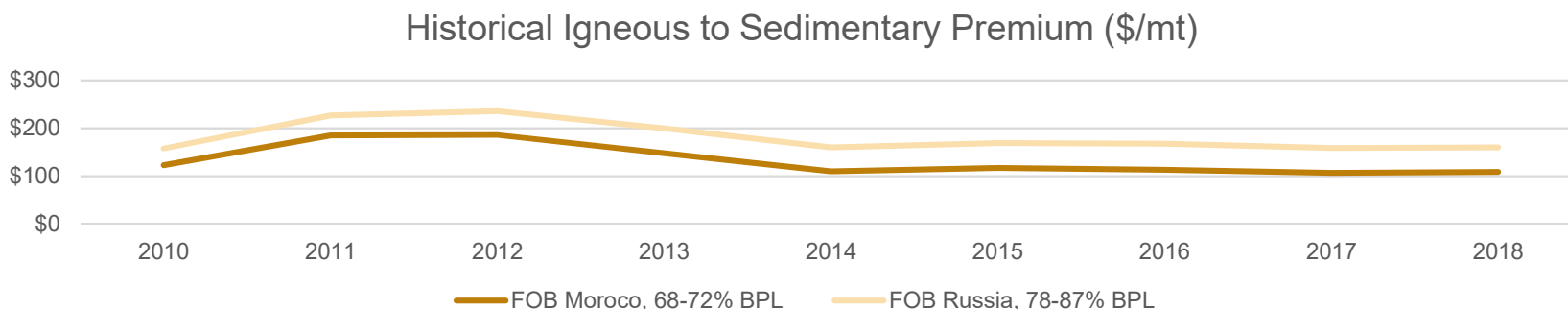
PHOSPHATE ROCK: IGNEOUS PREMIUM

Arianne holds **Measured and Indicated Resources of 702 Mt at 7.16% P₂O₅*** (cut-off grade at 4%) including **Proven and Probable Reserves of 472 Mt at 6.9% P₂O₅**** (cut-off grade at 3.5% P₂O₅)

Results of metallurgical work completed on Arianne bulk sample ore have proved:

- P₂O₅ recoveries averaging > 90%
- Phosphate rock grading 39% P₂O₅ content
- High P₂O₅/CaO ratio results in lower acid consumption in MAP/DAP production
- Heavy metal content of Arianne rock near or below detection limits

Igneous rock prices have typically traded at healthy premium to 68-72% BPL Moroccan benchmarks (global sedimentary benchmark):



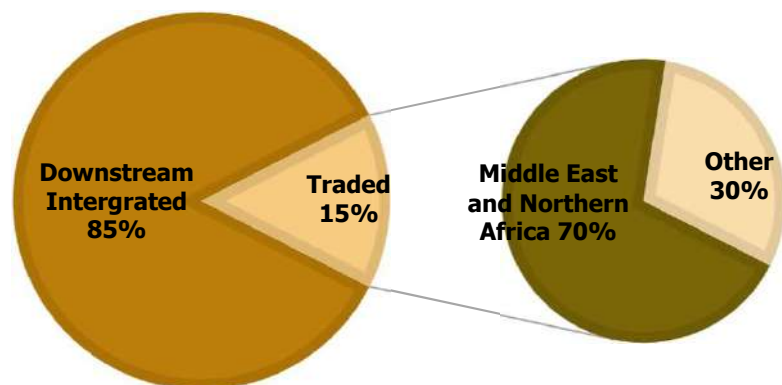
*The reserves were published in a the bankable feasibility study of October 24, 2013

**The resources were published in a press release from February 18, 2015.

SUPPLY & DEMAND OF PHOSPHATE ROCK

85% of Global Phosphate Rock is integrated with downstream production.

70% of traded rock is sourced from Middle Eastern Countries and Northern Africa



Significant Risks affecting tradable Supply:

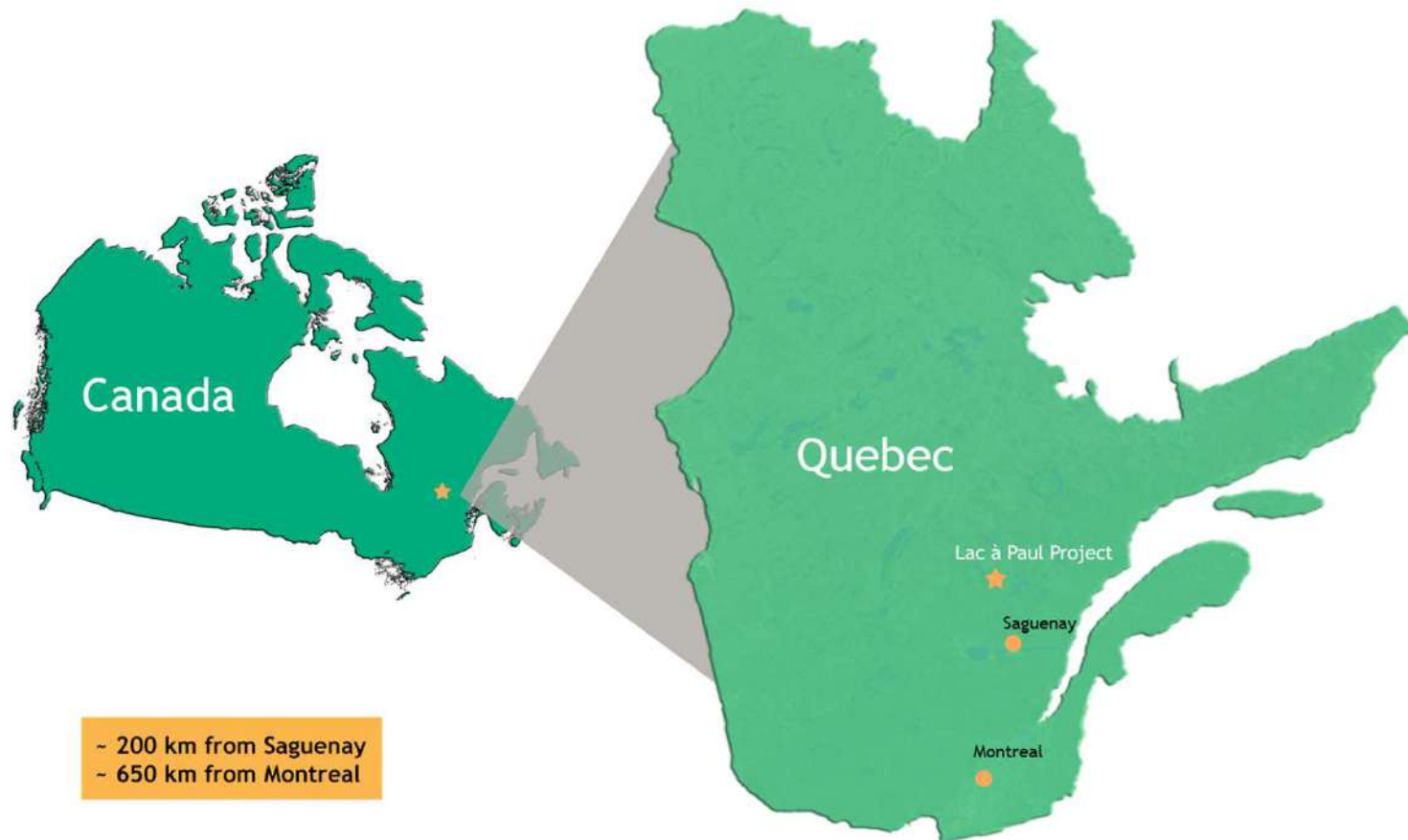
- Shift towards downstream integration expected to continue in Morocco
- Geopolitical risk (Egypt, South Africa, Congo, Algeria, Jordan, Israel, Russia)
- Russia only significant source of Igneous Rock available to open market

Demand: Major Importers of Phosphate Rock

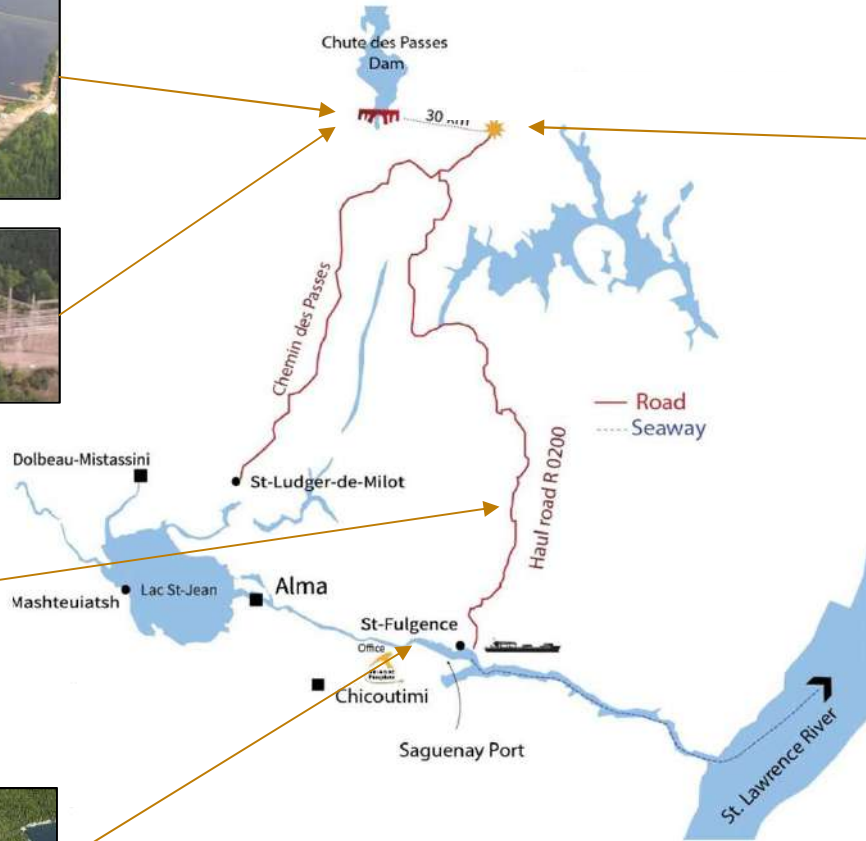
- India (8 Mt/yr); continued growth anticipated over near-medium term
- Western Europe (8 Mt/yr); demand for low Cadmium material (Igneous advantage)
- SE Asia (5 Mt/yr); Strong growth with continued ramp up significant Phos Acid Line
- Latin America (4 Mt/yr); Forecasted increase in domestic MAP/SSP production
- North America (4 Mt/yr); declining quality + environment concern of existing supply

THE LAC À PAUL PROJECT

The highest quality shovel ready project globally.



THE LAC À PAUL PROJECT



Target Market Transport costs:

- New Orleans, USA - \$11/t
- Coatzacoalcos, Mex - \$12/t
- Callo, Peru - \$20/t
- Porsgrunn, Nor - \$15/t
- Antwerp, Belgium - \$14/t
- India - \$35/t

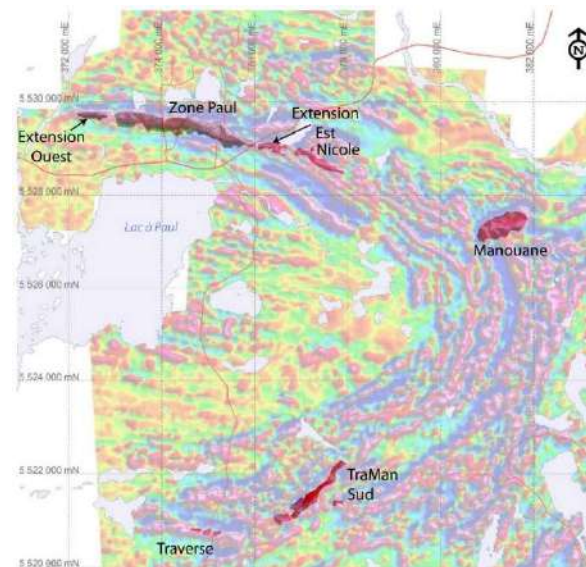
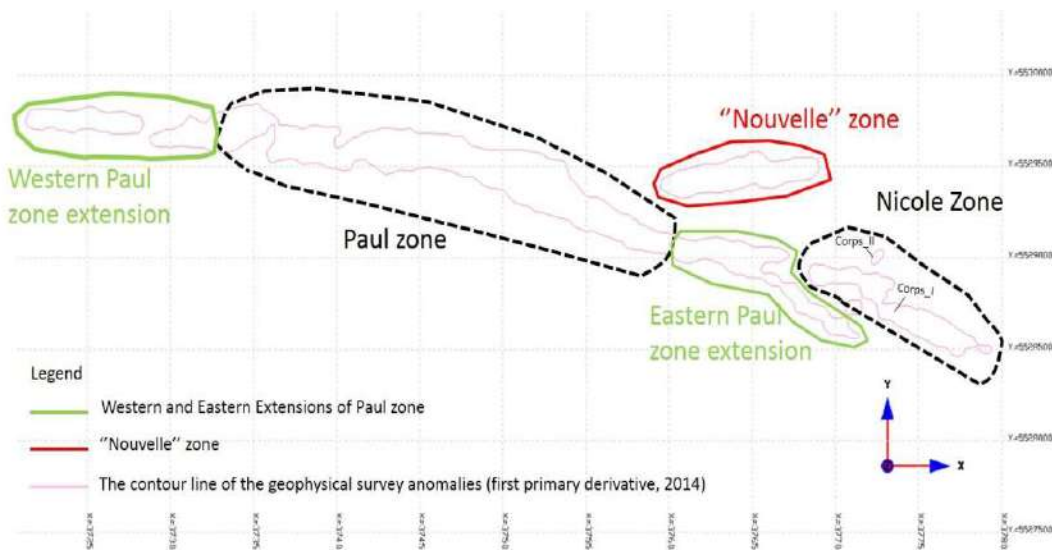
DEVELOPMENT PROGRESS: WORKING TOWARDS 50 YEARS MINE LIFE

Drilling surrounding the Paul Zone and its extensions has shown the potential of additional resources (Cut-off grade at 3.5% P_2O_5)*:

Nicole Zone: 78 Million tons of Inferred resources at 5.3% P_2O_5

TraMan Zone: 146 Million tons of Inferred resources at 5.3% P_2O_5

Traverse Zone: 17 Million tons of Inferred resources at 6% P_2O_5



*The resources were published in press releases from July 16, 2014 and May 15, 2014



DEVELOPMENT PROGRESS

2013

- Bankable Feasibility released with robust financial results.

2014

- Quebec Government joins financing of Lac à Paul Project

2015

- Optimization of processing and mine plan reducing production costs 5%
- Updated 43-101 Resources completed expanding resource
- Collaboration Agreement with Innu First Nations completed
- Lac à Paul Project receives Quebec Ministerial Decree (Permit)

2016

- Financial Advisor appointed for Lac à Paul project finance
- Exercised options on land for future maritime terminal
- Quebec grants Arianne 20% discount on L-rate for electrical power

2017

- Rio Tinto MOU for maritime synergies (economic/environmental benefits)
- MOUs executed with key project contactors, suppliers and logistics
- MOU executed to investigate downstream Phosphoric Acid JV at Belledune
- Investment Memorandum completed and marketed for project finance



DEVELOPMENT PROGRESS

2018

- Executed formal offtake agreements with growing pipeline of prospects
- Port of Saguenay receives go-ahead for North Shore Terminal
- Engagement of NB Government for study of downstream Phos Acid Plant

2019 Objectives

- Finalize Impact Benefits Agreement with Innu First Nations
- Complete offtake syndication for desirable production coverage
- Design optimization and finalization of North Shore Port and transload
- Finalization of heavy load truck and trailer system (Site to Port logistics)
- Continue basic engineering to shorten construction period
- Project finance execution to commence construction timeline

Activity	Year 1		Year 2		Year 3		Year 4	
	1H	2H	1H	2H	1H	2H	1H	2H
Offtake Finalization	█							
Optimization Studies with Suppliers	█							
Basic/Detail Engineering	█	█	█	█				
Project Financing		█						
Site Construction			█	█	█	█		
Commissioning and Ramp-up						█		
Commercial Production							█	█



PROJECT HIGHLIGHTS

Proven & Probable reserves of 472 Million tons at 6.9% P₂O₅* included in subsequently published M&I resources which totaled **702 Mt at 7.16% P₂O₅**** for Paul Zone and its extensions

Additional M&I Resources at Manouane Zone of **164 Million tons** at 5.9% P₂O₅ at a 2.43% P₂O₅ cut off grade*** are **not included** in Feasibility Study Economics

Fully permitted; Federal approval of Port of Saguenay North Shore Terminal in Q4 2018 marked final major permit milestone.

26-year Open-pit mine life; (1:1 strip ratio) conventional truck & shovel, crushing, grinding, flotation operation on Paul ore zone recovers 90% of igneous P₂O₅ content

Access to **Hydro Electric Power** at discounted L-rate via Chute des Passes Dam (30 km from the nearest Power dam) and transportation infrastructure with **pre-existing heavy load road network.**

*The reserves were published in a the bankable feasibility study of October 24, 2013

**The resources were published in a press release from February 18, 2015.

***The resources were published in a press release from November 8, 2011

Bankable
Feasibility



Fully
Permitted



Construction
MOUs



Executed
offtake
agreements

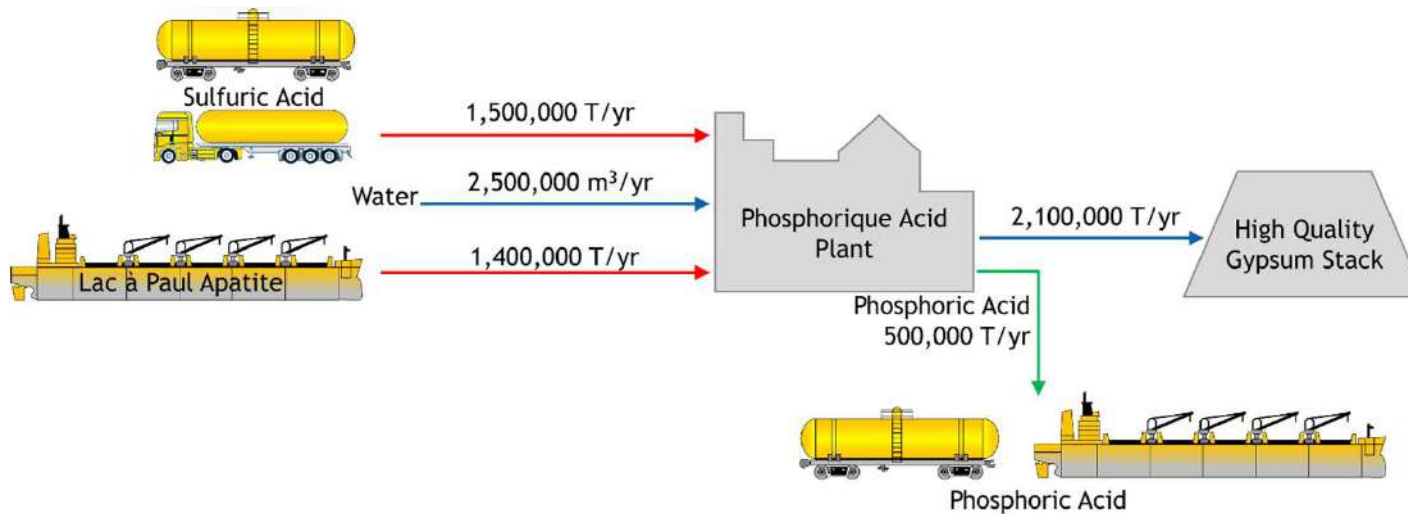


Development
Ready

DOWNSTREAM OPPORTUNITIES

In partnership with Opportunities New Brunswick and Regional Development Corporation, Arianne has completed a pre-feasibility study.

In addition to securing long-term offtake for the Lac à Paul Project, Arianne would capture downstream value and increase market through broader product group.





PROJECT FINANCE

- ✓ Information Memorandum circulated in 2018 by financial advisors.
 - substantial review and independent due diligence process
 - no fatal flaws identified and resulted in further optimization opportunities
 - confirmation of robust economics demonstrated under bankable feasibility
 - received positive feedback demonstrated through several indications of interest
- ✓ CRU diligence review projects: Lac à Paul as lowest cash costs producer of all igneous deposits and in bottom decile per nutrient value of all phosphate mines
- ✓ Arianne has announced several MOU's with major suppliers which included ECA financing
 - public agencies providing government-backed loans, guarantees and insurance to corporations from home country to develop markets for product/service.
- ✓ Project will generate \$12.5B of economic development in the region resulting in strong indications of investment from Provincial government.
- ✓ Strong project economics and high quality rock makes Lac à Paul an attractive target for downstream operators or existing producers to secure crucial production inputs or supply.



EXPERIENCED MANAGEMENT TEAM

Management Team

Brian Ostroff – CEO: see below

J.S. David – COO: Geologist; formerly VP-Sustainable Development for Osisko, previously with Iamgold, Cambior, Louisiana-Pacific

Andrew Malashewsky – CFO: mining experienced CPA, CA; Coeur Mining Inc., JDS Silver Inc., JDS Energy & Mining Inc., Assurance and Advisory at Grant Thornton LLP.

Board of Directors

Dominique Bouchard (Chairman): 33-year veteran of Alcan and Rio Tinto, retired President of Rio Tinto Iron & Titanium. A native of the Chicoutimi area and an expert of the local community.

Brian Ostroff: 25+ years experience in capital markets, RBC Dominion, Goodrich Capital, Partner at Windermere Capital

Jim Cowley: 30+ years Metallurgical Engineer, MBA in Finance, held positions with major international mining companies

Steven Pinney: 30+ year veteran (retired) of Cargill and Mosaic, most recently as Senior Vice President Phosphates

Marco Gagnon: 20+ years in Quebec mining exploration/development, former CEO of Adventure Gold, current VP Probe Metals

Siva Pillay: 20+ years in accounting, law, trade project finance and development of product off-take financing, CEO of Ocean Partners

Claude Lafleur: 30+ years in agribusiness, including roles as CEO of Coop federee (\$9B agri-food organization), IFFCO Canada, (India's largest fertilizer company), Angels Quebec

Jean Fontaine: Founder and President of JEFO Nutrition Inc., Founded in 1982, JEFO has successfully grown its business and its products are now marketed in 80 countries.



SHARE STRUCTURE AND CAPITALISATION

Capital Structure

(000's Except Per Share Figure)

As at October 31, 2019:

			Type	Avg. Exp		Avg. Strike	Amount
Current Share Price	\$	0.39					
52-Wk High	\$	0.65	Warrants	0.95 yr	\$	0.41	36,342
52-Wk Low	\$	0.33	Options	4.85 yr	\$	0.88	6,860
Share Outstanding		111,458	Total				43,202
Market Capitalization	\$	42,911	(Add) Basic Shares Outstanding				111,458
Entreprise Value	\$	72,528	Fully Diluted Shares Outstanding				154,660

Holdings (partially diluted)

Windemere Capital	19%
Other Institutions	17%
Insiders	9%



FUNDAMENTALS V. SHARE PRICE





INVESTMENT THESIS

Shovel Ready

Project is substantially de-risked, permitted and ready for to move through development to cash flow.

Fully Permitted

All major permits received and in good standing.

Low Risk Jurisdiction

Premier mining jurisdiction with strong government and community support.

Worlds Largest Greenfield Asset

High quality igneous deposit with exploration upside.

Trading at >4% of Project Net Present Value

At current price and basic shares outstanding, Arianne is trading at less than 4% of Lac à Paul NPV.

Proven Demand

Executed offtake agreements evidencing the demand for Arianne's premium rock.

Downstream opportunities

Exploring opportunities to capture more of the phosphate value chain.

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