

PhosCo Ltd

ABN 82 139 255 771

Annual Report - 30 June 2025

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Directors

Mr Robin Widdup (Chairman)
Mr Tarecq Aldaoud (Managing Director)
Mr Mehdi Ben Abdallah (Executive Director)
Mr Sam Lancuba (Non-Executive Director)

Interim CFO

Mr Craig Smyth

Company secretary

Mr Stefan Ross

Registered office

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+61 3 9692 7222

Principal place of business

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Australia
+61 3 9692 7222

Share register

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000
1300 288 664 (within Australia)
+61 2 9698 5414 (outside Australia)

Auditor

Grant Thornton Audit Pty Ltd
Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008

Stock exchange listing

PhosCo Ltd shares are listed on the Australian Securities Exchange
(ASX code: PHO)

Website

www.phosco.com.au

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of PhosCo Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025 (FY 2025).

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Robin Widdup (Chairman)
Mr Tarecq Aldaoud (Managing Director)
Mr Mehdi Ben Abdallah (Executive Director - appointed on 4 July 2024)
Mr Sam Lancuba (Non-Executive Director - appointed 8 May 2025)
Mr Simon Eley (Non-Executive Director - resigned on 4 July 2024)

Principal activities

During the financial year ended 30 June 2025, the Consolidated Entity's principal activities are the exploration for, development and realisation of mineral resource projects in Tunisia.

Review of operations

Tunisian Projects

On 6 March 2025, the Consolidated Entity was formally granted the Gasaat Phosphate exploration permit, enabling a major resource drilling program to start immediately. Gasaat permit located in Tunisia's Kasserine and Siliana Regions, covers an area of 112km² that encapsulates the former Chaketma Phosphate Project, including interpreted extensions of the deposit.

The granting of Gasaat reinforces the critical support for PhosCo from the Government of Tunisia and the importance of the Memorandum of Understanding (MoU) announced on 26 November 2024^[1] between PhosCo, the Government of Tunisia and the European Bank for Reconstruction and Development (EBRD) – notably, the first of its kind for Tunisia.

Gasaat is a large-scale phosphate development project discovered by PhosCo in 2010. The project is now advancing rapidly with strong Government and community support. The new permit is owned 100% by PhosCo through Himilco, a wholly owned subsidiary, and is approximately double the size of the original Chaketma project.

Gasaat contains a high confidence Mineral Resource^[1] of 146.4Mt @ 20.6% P₂O₅ and is technically advanced, including a December 2022 Scoping Study^[2]. The resource is defined from drilling at only two out of nine prospects, all with broad exposures of outcropping rock phosphate and some with existing drill holes.

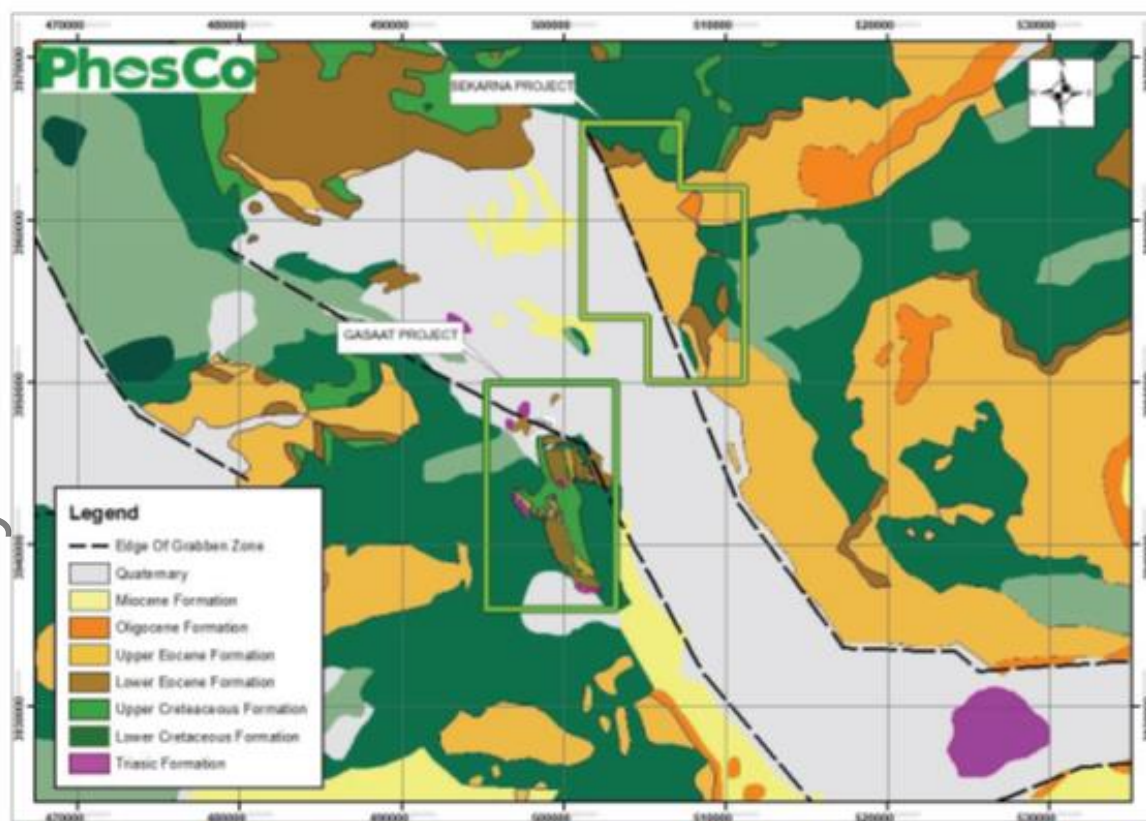


Figure 1 Northern Phosphate Basin Phosphate Project Regional Location, Tunisia

- (1) Refer to ASX announcement dated 26 November 2024: 'Gasaat Permit Approved, MOU with Tunisian Government & EBRD'.
- (2) Refer to ASX announcement dated 15 March 2022: 'Phosphate Resource Update Delivers 50% Increase at KEL' & ASX announcement dated 17 November 2022: '90% Conversion of Inferred to Indicated Resources at GK'.
- (3) Refer to ASX announcement dated 9 December 2022: 'Scoping Study Confirms Outstanding Economics for Chaketma'.

Gasaat Phosphate Project Global Mineral Resources

Chaketma	JORC 2012	Mt	% P ₂ O ₅
KEL (March 2022)	Measured	49.1	21.3
	Indicated	6.4	20.3
	Total	55.5	21.2
GK (November 2022)	Indicated	83.7	20.2
	Inferred	7.2	20.1
	Total	90.9	20.2
Global Resources	Measured	49.1	21.3
	Indicated	90.1	20.2
	Inferred	7.2	20.1
	Total	146.4	20.6

1. Refer to ASX announcement dated 15/3/22: 'Phosphate Resource Update Delivers 50% Increase at KEL' and ASX announcement dated 17/11/22: '90% Conversion of Inferred to Indicated Resources at GK'.

- All Mineral Resources are reported in accordance with the 2012 JORC Code
- The Mineral Resource is reported at a cut off grade of 10% P₂O₅.

All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

On 9 December 2022, PhosCo announced the results of a Scoping Study for the development of a potential large-scale, world-class mining operation at its Gasaat Phosphate project in Tunisia, strategically located in close proximity to key export markets/end users.

Scoping Study Highlights

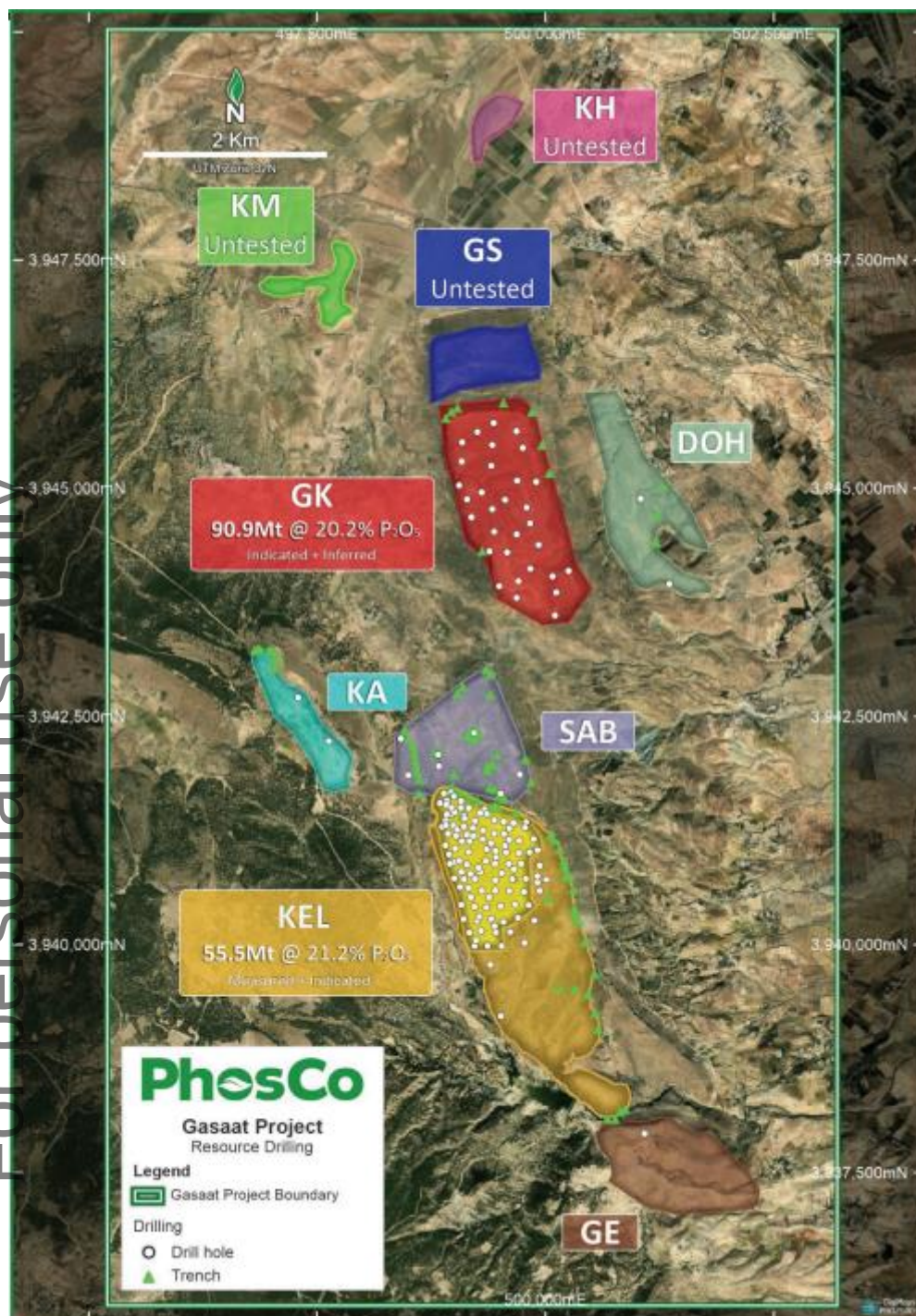
Initial 46 Year Mine Life at 1.5Mt Product

Post Tax NPV ₁₀ US\$657M with IRR of 54%	Phosphate Concentrate Production 68Mt Over 46 years	Annual Net Cashflow US\$93.4M Years 1–10	Operating Cost First 10 Years US\$79/t Phosphate Concentrate	Payback After Tax 1.5 years	Development Capital US\$170M
Scoping Study ¹ assumes US\$150/t phosphate price. Several opportunities also identified for further project optimisation.					

PhosCo's lodged the Gasaat application on 27 August 2024 in cooperation with local communities in the region to provide meaningful community participation in the project. Gasaat is closely aligned with the Tunisian Government's social agenda, aiming to include local communities as project partners through community companies. The project has proactive local support, with communities to benefit from 10% project participation.

Gasaat Key Parameters

- Low risk open-pit mining and processing to deliver 1.5Mtpa of high-quality concentrate at greater than 30% P2O5 and less than 1% MgO.
- Construction of a processing facility to accommodate 2.7Mtpa to 3.5Mtpa of ore.
- Production target of 128Mt @ 19.9% P2O5, from overall 46 year mine life.
- First 18 years of production from KEL Resource with strip ratio of 3.6:1, scheduled from Measured (88%) and Indicated (12%) KEL Resource.



New Exploration Targets Defined

On 19 March 2025, PhosCo announced the maiden Exploration Target for the Sekarna Phosphate Project, as well as an Exploration Target at Gasaat covering the major areas of phosphate outside the existing Gasaat Mineral Resource Estimate.

Table 1. Exploration Targets by project, outside of the existing Mineral Resource Estimate.

Project	Tonnage Mt		Grade % P ₂ O ₅	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit
Gasaat	110	165	20	22
Sekarna	137	210	17	23

The potential quantity and grade of the Exploration Targets is conceptual in nature. There is insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

PhosCo has commenced trenching and diamond drilling with the aim to expand the existing Gasaat Mineral Resource Estimate and grow confidence in these estimated Exploration Targets.



Photo 1: Drilling underway at GS Prospect



Photo 2: Drilling underway at GS Prospect

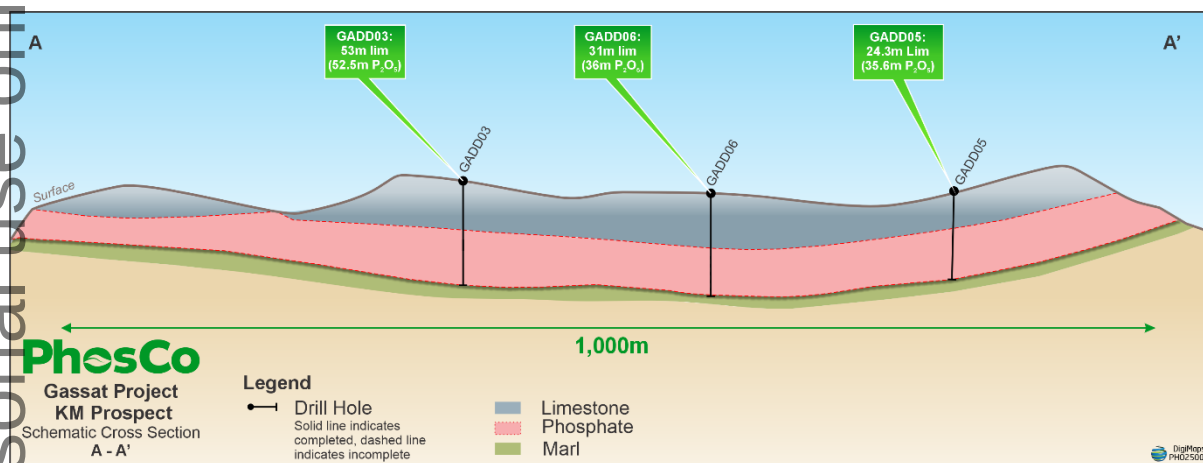
Target Generation

During the year PhosCo completed internal optimisation work to understand the value drivers of the project with the objective of ensuring that the project maximises the value of the product produced and is cost competitive.

This work identified SAB and KM as key prospects, being low-strip targets with favourable locations proximal to the planned plant site. The SAB prospect is relatively well understood through drilling, metallurgical test work and trenching, with the potential to offer low-strip phosphate proximal to the proposed plant site. A topographical survey was completed in July 2025 supporting the low strip geological model, with a Mineral Resource Estimate commencing in July 2025 for release in the September quarter.

Targeting similar low-strip mineralisation, PhosCo's in-country team identified the previously untested KM prospect as a key priority. The KM prospect is outside of the previous Chaketma exploration permit boundary, with limited outcrop at either end of the deposit approximately 1km N-S, with another similarly dimensioned lobe interpreted to run E-W. Reconnaissance work at KM led to drill planning, with access and drill pads prepared in advance of drilling commencing in July 2025. Preliminary results were announced on 28 July 2025 intercepting thick, shallow phosphate mineralisation based on visual observations validated with pXRF. Drilling of KM will continue as a priority to define extent and grade of mineralisation, with assays expected in the September quarter.

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.



Significant Upside Potential

During the year PhosCo recommenced field work with focus on areas of upside identified in the 2022 scoping study, and accounting for the near doubling of the project tenement size.

Key work streams include:

- Access preparations are currently underway and a drill rig being mobilised to site.
- Mapping, trenching and exploration drilling to define several key prospects within the extended Gasaat project, with maiden mineral resource estimates to be established for key prospects progressively.
- Metallurgical work reassessing the optimal processing flowsheet for Gasaat noting improvements in reagents available since pilot work in 2017 by Jacobs Engineering, including the evaluation of:
 - Viability of single stage flotation
 - Impact of phosphate mineralogy variability across the different layers
 - Potential for alternative processing options.
- Subject to government approvals, mapping, trenching and scout drilling program at Sekarna to understand the prospectivity of the project and sighter metallurgical test work to understand the ability to produce a saleable product.
- Infrastructure, Water and Transport – update previous study work to assess optimal options and requirements for further work.
- Marketing, Scalability and Downstream Processing – study work to understand the market appetite and pricing for Gasaat phosphate rock exports, and potential for domestic sales noting the under-utilisation of existing downstream facilities. Given the anticipated large scale mineral endowment of the Gasaat Phosphate Project, PhosCo will review the optimal throughput of the project. In addition, the Company intends to engage with fertiliser industry players about collaboration to fast-track downstream processing options to capture more of the value-add of further beneficiation.

Results from these work streams is planned to be used to update the 2022 Scoping Study prior to commencing a bankable feasibility study on the Gasaat Phosphate Project.

EBRD Potential Strategic Investment

As announced in March 2025, PhosCo signed a Mandate Letter with EBRD, confirming EBRD's interest in participating in an equity investment of US\$5 million towards funding the Gasaat Bankable Feasibility Study (BFS), subject to due diligence and internal approvals. Such an investment would represent a significant portion of the funding required for the BFS.

EBRD's interest in a potential investment and expertise are warmly welcomed by PhosCo as the Gasaat Project moves through the BFS, permitting, project finance and ultimately establishing PhosCo as global phosphate supplier.

The Mandate Letter sets out the following indicative terms for EBRD's investment:

- Investment amount of US\$5 million in one or more tranches at a price of A\$0.05/share
- Customary minority rights applicable to a listed company
- The right to appoint a Director
- The potential to provide PhosCo further support as it progresses the Gasaat Project, including participation in future funding rounds
- Any issue of shares by PhosCo will comply with the ASX Listing Rules and Corporations Act and Foreign Investment Review Board approval (if required).

Any decision in respect of EBRD's investment and its terms and conditions will be determined after EBRD has sufficiently advanced its due diligence process in respect of the BFS. Any decision to invest shall be in EBRD's discretion following the outcomes of

- (i) preliminary work defining the scope of the BFS
- (ii) completion of EBRD's investment processes and
- (iii) EBRD's internal approvals.

There can be no guarantee that the signing of the Mandate Letter will result in an investment from EBRD. PhosCo has agreed to meet the legal costs of EBRD's due diligence. The Mandate Letter has been entered into in furtherance of the MoU between PhosCo, EBRD and the Government of Tunisia to establish a close cooperation and collaboration for the finance, development, construction, and operation of phosphate processing facilities in Tunisia's northern basin that are socially and environmentally sustainable and globally competitive.

Other Applications

Sekarna (PhosCo 100%)

Following the grant of the Sekarna Exploration Permit during the year, PhosCo initiated the process of obtaining the necessary approvals from the Forestry Department to commence on-ground exploration activities. Approval remains pending, as we have since been informed that approximately 15% of the permit area falls within a proposed nature reserve, including the identified exploration target for Sekarna.

We are actively engaging with both the Ministry of Industry, Energy and Mines and the Forestry Department to better understand the implications of this proposed overlay and to determine a viable path forward.

Amoud Phosphate

PhosCo has lodged a revised application for the Amoud Phosphate Permit with the Ministry following feedback that the initial application has not been successful. The Company remains in active discussions with the Ministry about this project that would add materially to the scale of the Northern Phosphate Basin.

Base and Precious Metals Projects (PhosCo 100%)

PhosCo holds Simitu and Ras Ghzir exploration permits and applications in Northern and Central Tunisia.

The permits and applications target base metal and gold occurrences that have had some historical geochemical and geophysical work over old mine workings.

Chaketma Phosphates SA (CPSA)

PhosCo holds a 51% stake in Chaketma Phosphates SA (CPSA) through its wholly owned subsidiary Celamin Pty Limited (Celamin). CPSA was a Tunisian joint venture company which previously owned the Chaketma permit and subsequently had a pending application for the Chaketma Phosphate Project. However, this application by CPSA was unsuccessful. Instead, a larger overlapping permit, Gasaat, was granted during the year, entirely to PhosCo through a separate, wholly-owned subsidiary.

For several years, Celamin has sole-funded the CPSA JV without any contribution from Tunisian Mining Services SARL (TMS). However, the CPSA JV no longer holds any permits or permit applications. In light of these developments and subject to full compliance with applicable law, PhosCo does not intend to provide further investment to the CPSA joint venture.

The new Gasaat permit is owned 100% by PhosCo, is approximately double the size of the original Chaketma, and is free from the encumbrances of TMS. Celamin has received a formal request for ICC arbitration from TMS, with TMS alleging Celamin violated the objectives and spirit of the CPSA JV agreement, including applying for a new permit overlapping the Chaketma permit and abuse of majority power within CPSA. These claims are considered to have no merit and will be vigorously defended. PhosCo and Celamin have appointed the international law firm Clifford Chance to defend the claims. TMS is currently in default on a US\$30,000 advance assessed by the ICC Secretary General on 1 July 2025 and has now received formal notification that the amount is required to be paid by 29 September 2025, or the matter will be considered withdrawn.

PhosCo notes that TMS still owes ICC arbitration damages, costs and interests from TMS illegally misappropriating Celamin's CPSA shares amounting to A\$7,538,305 (TND 14,360,962). Despite being entitled to the damages under the Arbitral Award, PhosCo has not recognised these amounts as an asset on its balance sheet due to TMS' repeated non-compliance with the Arbitral Award and uncertainty about TMS' capacity to pay the damages. The Company reserves the right to use the means necessary to execute the Arbitral Award to seek enforcement from TMS for non-payment of these damages.

Competent Persons Statement

The information in this report that relates to historic data and Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Aymen Arfaoui, who is a Member of The Australasian Institute of Mining and Metallurgy and an employee of PhosCo Limited. Mr Arfaoui has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Arfaoui consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

Previously Reported Results

There is information in this report relating to historic data and Exploration Targets, Exploration Results or Mineral Resources which were previously announced on 15 March 2022, 17 November 2022, 9 December 2022, 3 October 2024, 26 November 2024, 13 January 2025, 11 March 2025, 19 March 2025, 28 July 2025 and 10 September 2025. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The information in this announcement relating to the Company's Scoping Study are extracted from the Company's announcement on 9 December 2022 titled 'Scoping Study Confirms Outstanding Economics for Chaketma'. All material assumptions and technical parameters underpinning the Company's Scoping Study results referred to in this announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Financial Performance

The Consolidated Entity's loss for the year ended 30 June 2025 after providing for income tax and non-controlling interest amounted to \$6,898,647 (30 June 2024: \$1,734,903).

- Corporate and administration expenses, excluding unrealised foreign exchange gains, increased by \$368,468 to \$1,139,857 (30 June 2024: \$771,389).
- Employment expenses increased by \$1,071,213 to \$1,257,684 (30 June 2024: \$186,471), largely due to accrued director fees, which was deferred since 2024 subject to successful permitting and capital raising.
- Finance costs comprised primarily of interest on cash calls payable to TMS, the minority shareholder in CPSA amounting to of \$321,146 (30 June 2024: \$305,755) and finance costs associated with the convertible notes of \$3,592,673 (30 June 2024: \$368,980).
- Foreign exchange gains amounting to \$453,146 during the year ended 30 June 2025 (30 June 2024: \$240,458) primarily relates to the net financial liabilities denominated in Tunisian Dinar (TND).

Cashflow

During the year ended 30 June 2025, the Consolidated Entity had net cash outflows from operating activities of \$1,915,925 (30 June 2024: \$1,488,850). This includes \$1,877,004 payments related to corporate and other operating activities during the year.

In addition, the Company raised \$5,913,730 from share issues and convertible notes raised during the year.

Financial position

At 30 June 2025, the Consolidated Entity had cash and cash equivalents of \$3,358,081 (30 June 2024: \$547,793), a net increase of \$2,810,288 resulting from capital raising net of operating expenses during the year.

The Consolidated Entity's net liabilities were \$5,523,766 as at 30 June 2025 (30 June 2024: net liabilities of \$8,669,959). The consolidated net liabilities at 30 June 2025 improved primarily as a result of capital raising as well as conversion of convertible notes to equity during the year.

The Consolidated Entity's net asset position after adjusting for contested liabilities, in respect of CPSA's obligations is presented herein based on the legal structure of the active members of the Consolidated Entity:

	PhosCo Ltd	Celamin Pty Ltd	Himilco Resources Pty Ltd	Sub Group	CPSA	Consolidated (i)
Cash and cash equivalents	3,191,753	2,471	163,857	3,358,081	-	3,358,081
Other current assets	90,543	60,567	161,205	312,315	26,188	338,503
Non-current assets	-	2,441	679,608	682,049	-	682,049
Total assets	3,282,296	65,479	1,004,670	4,352,445	26,188	4,378,633
Trade and other payables	(1,062,403)	(30,496)	(61,906)	(1,154,805)	(1,481,926)	(2,636,731)
Employee benefits	(27,957)	-	-	(27,957)	-	(27,957)
Borrowings	-	-	-	-	(7,237,710)	(7,237,710)
Total liabilities	(1,090,360)	(30,496)	(61,906)	(1,182,762)	(8,719,636)	(9,902,398)
<i>Contested liabilities of CPSA</i>						
Trade and other payables	-	-	-	-	1,249,682	1,249,682
Borrowings	-	-	-	-	7,237,710	7,237,710
Net assets position after adjusting contested liabilities	2,191,936	34,983	942,764	3,169,683	(206,056)	2,963,627

(i) PhosCo Tunisia Pty Ltd is excluded from the analysis in the table above as they were non-operating during the year.

Neither PhosCo Ltd nor Celamin Limited (Celamin) have provided any security or guarantee in respect of CPSA's obligations. Furthermore, CPSA has unpaid obligations to Celamin amounting to A\$5,590,809, which are eliminated on consolidation in accordance with Australian Accounting Standards.

The obligation for any potential future settlement of these obligations is the sole obligation of CPSA. Both the unsecured cash call and related liabilities due to TMS and a number of trade and other payables incurred by CPSA prior to the Consolidated Entity gaining control in October 2021 are disputed by the Consolidated Entity. The ultimate resolution of these disputes is subject to inherently uncertain legal and commercial processes and negotiations.

It should also be noted that the Consolidated Entity has a separate entitlement to the recovery of the Arbitration Award of \$7,538,305 as detailed further in note 24 to the financial statements.

Risks and uncertainties

The Company is subject to risks that are specific to the Company and the Company's business activities, as well as general risks.

Risks specific to Chaketma Phosphates SA

CPSA has a net deficit largely comprised of current liabilities incurred by TMS, the Consolidated Entity's partner on CPSA, prior to the Consolidated Entity regaining control in October 2021. These amounts are being legally disputed by the Consolidated Entity. These material liabilities are at call on demand. If the Consolidated Entity is not successful in striking down in part or in full or execute other means by which to limit the impact of these liabilities on CPSA's financial position, there is a risk that this may result in the liquidation of CPSA.

It's important to note that the CPSA JV no longer holds any permits or permit applications, as the former Chaketma Phosphate Project application by CPSA was unsuccessful. Subject to full compliance with applicable law, PhosCo does not intend to provide further investment to the CPSA joint venture. As noted in the review of operations section earlier, PhosCo was granted the Gasaat permit which is 100% owned through wholly owned subsidiary, not associated with CPSA and is free from the encumbrances of TMS.

Title and permit risks

The Consolidated Entity has submitted applications for rights over tenements in Tunisia. Whilst there has been no final decision communicated on the tenements, there is no certainty the rights over these tenements will be granted by the Tunisian Government or that, if granted, the respective concessions will be of a size and on terms acceptable to the Consolidated Entity. In addition, mining and exploration permits and licences are subject to periodic renewal. There is no guarantee that current or future renewals will be approved.

Litigation risk

Following a favourable 2019 decision by the Court of Cassation in Tunisia, the Consolidated Entity regained operational and management control of CPSA in October 2021 through the enforced arbitration awards against TMS delivered by the International Court of Arbitration of the International Chamber of Commerce. Although PhosCo has recovered the 51% interest and management control of CPSA, the Company notes litigation risk arising from various criminal and civil actions related to the execution of the Arbitral Award remain before the Tunisian courts. Notably a May 2024 Court of Cassation decision takes a different view to the previous Court of Cassation decisions that the Arbitral Award is enforceable in Tunisia. On 6 July 2025, Celamin has received a formal request for ICC arbitration from TMS, with TMS alleging Celamin violated the objectives and spirit of the CPSA JV agreement, including applying for a new permit overlapping the Chaketma permit and abuse of majority power within CPSA. These claims are considered to have no merit and will be vigorously defended. Celamin has received a formal request for ICC arbitration from TMS, with TMS alleging Celamin violated the objectives and spirit of the CPSA JV agreement, including applying for a new permit overlapping the Chaketma permit and abuse of majority power within CPSA. These claims are considered to have no merit and will be vigorously defended.

Government regulation risks

The Company's tenements and activities may be subject to extensive regulation by local, state and federal governments. There is no assurance that future government policy will not change, and this may adversely affect the long-term prospects of the Company. Future changes in governments, regulations and policies may have an adverse impact on the Company.

The operations and proposed activities of the Consolidated Entity are subject to Tunisian laws and regulations concerning the environment. It is the Consolidated Entity's policy to conduct its activities to the highest standard of environmental obligation. There is no assurance that new environmental laws, regulations or stricter enforcement policies, if implemented, will not oblige the Consolidated Entity to incur significant expense and undertake significant investment, which could have a material adverse effect on its business, financial conditions and results of operations.

Environmental and social risks

The Consolidated Entity holds participating interests in a number of currently valid exploration tenements in Tunisia in addition to a number of applications for tenements which have been submitted to the Tunisian Government for consideration, in respect of which no decision has been made as of the date of this report.

The long-term viability of the Consolidated Entity is closely associated to the wellbeing of the communities and environments in which the Consolidated Entity conduct operations. At any stage of the asset life cycle, the Consolidated Entity's operations and activities may have or be seen to have significant adverse impacts on communities and environments. The Consolidated Entity has not, as a result of the early stage of development of its projects, undertaken detailed climate related, environmental and social (including but not limited to the impact on the employment and labour relations, education and personal development, diversity and inclusion) impact studies. However, as this is seen as an essential element of the Consolidated Entity's future success, at the appropriate time such analysis are expected to be undertaken.

The Consolidated Entity may fail to meet ever evolving expectations of our stakeholders (including investors, governments, employees, suppliers, customers and community members) whose support is needed to realise our strategy and purpose. This could lead to loss of stakeholder support or regulatory approvals, increased taxes and regulation, enforcement action, litigation or class actions, or otherwise impact our licence to operate and adversely affect our reputation, fund raising capability, ability to attract and retain talent, operational continuity and financial performance.

Dependence on service providers and third-party collaborators

There is no guarantee that the Consolidated Entity will be able to find suitable third-party providers and third-party collaborators to complete the exploration work. The Consolidated Entity therefore is exposed to the risk that any of these parties can experience problems related to operations, financial strength or other issues, and collaborative agreements may be terminable by the Consolidated Entity's partners. Non-performance, suspension or termination of relevant agreements could negatively impact the progress or success of the Consolidated Entity's exploration efforts, financial condition and results of operations.

Reliance on key personnel

The Consolidated Entity's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including those employed on a contractual basis. The loss of the services of such personnel or the reduced ability to recruit additional personnel could have an adverse effect on the performance of the Consolidated Entity.

The Consolidated Entity maintains a mixture of permanent staff and expert consultants to advance its programs and ensure access to multiple skill sets. The Consolidated Entity reviews remunerations to human resources regularly.

IT system failure and cyber security risks

Any information technology system is potentially vulnerable to interruption and/or damage from a number of sources, including but not limited to computer viruses, cyber security attacks and other security breaches, power, systems, internet and data network failures, and natural disasters.

The Consolidated Entity is committed to preventing and reducing cyber security risks through outsourced the IT management to a reputable services provider.

Exploration and development risk

Mining exploration and development is a speculative and high-risk undertaking that may be impeded by circumstances and factors beyond the control of the Consolidated Entity.

The business of exploration for phosphate and other minerals and their development involves a significant degree of risk. There is no assurance that future exploration expenditure will result in discoveries or upgrade existing mineralisation to the stage where such can be successfully commercially exploited.

There can be no assurance that exploration on the Consolidated Entity's projects, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable mineral resource is identified, there is no guarantee that it can be economically exploited. The future exploration activities of the Consolidated Entity may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing government regulations and many other factors beyond the control of the Consolidated Entity. The Consolidated Entity is entirely dependent upon its projects, which are the sole potential source of future revenue, and any adverse development affecting these projects would have a material adverse effect on the Group, its business, prospects, results of operations and financial condition.

Grant of future authorisations to explore and mine

The Consolidated Entity has submitted various applications for rights over tenements. There is no guarantee that the Consolidated Entity's applications will be successfully approved by the regulatory authorities nor that it the Consolidated Entity will be able to obtain all required approvals, licences and permits in respect of any or all of the Consolidated Entity's projects. To the extent that required authorisations are not obtained or are delayed, the Consolidated Entity's operational and financial performance may be materially adversely affected.

If the Consolidated Entity discovers an economically viable mineral deposit that it then intends to develop, it will, among other things, require various approvals, licences and permits before it will be able to mine the deposit.

Resource and reserve estimates

Reserve and Resource estimates for the existing mineral properties of the Consolidated Entity are estimates only which were valid when originally calculated and may alter significantly when new information or techniques become available. No assurance can be given that any particular level of recovery of minerals from the Reserves and Resources will in fact be realised or that an identified Reserve or Resource will ever qualify as a commercially mineable (or viable) deposit that can be economically exploited.

Resource and reserve estimates are expressions of judgement based on knowledge, experience, and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available or commodity prices change. In addition, by their very nature, resource and reserve estimates are imprecise and depend to some extent on interpretation which may prove to be inaccurate.

Geopolitical and sovereign risks generally

Changes in legislation and government policy in Australia and Tunisia (including taxation and monetary policies and corporations laws) could materially affect the operating results of the Consolidated Entity.

Tunisian country risk

The Consolidated Entity is subject to the risks associated with operating in Tunisia. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in the loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

Future profitability

The Consolidated Entity is in the early stage of its development and is currently making losses. The Consolidated Entity's performance will be impacted by, among other things, the successful completion of tenement application processes and subsequent compliance with the terms of these licences, the success of its exploration activities, general macroeconomic conditions both globally and in the markets in which it operates, competition factors and any regulatory developments. Accordingly, the extent of future profits (if any) and the time required to achieve sustained profitability are uncertain and cannot be reliably predicted.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Significant changes in the state of affairs

On 4 July 2024, the Company appointed Mr Mehdi Ben Abdallah as an Executive Director with Mr Simon Eley stepping down as Non-Executive Director.

On 29 August 2024, the Company announced that it has received binding commitments to issue \$900,000 in Convertible Notes (before transaction costs). The Convertible Notes were approved at a general meeting of the shareholders on 14 October 2024 and were issued on 16 October 2024.

On 3 October 2024, the Company announced that the Consultative Committee of Mines (CCM) has approved the Consolidated Entity's application for the Sekarna Phosphate Project in Tunisia for a period of three (3) years, subject to final approval by the Ministry of National Defence. The Consolidated Entity was formally awarded the exploration permit for Sekarna Phosphate Project on 10 January 2025.

On 17 October 2024, the Company issued 2,000,000 ordinary shares in lieu of cash for services provided by suppliers and consultants.

On 26 November 2024, the Company announced that the CCM has approved the Consolidated Entity's application for the Gasaat Phosphate Exploration Permit (100% PhosCo). On the same day, PhosCo signed a non-binding MoU with the Tunisian Ministry of Industry, Mines and Energy, and the EBRD to collaborate on exploring and developing Tunisia's Northern Phosphate basin hub, as well as study processing technology to convert phosphogypsum into inert materials. The Consolidated Entity was formally awarded the exploration permit for Gasaat Phosphate Project on 6 March 2025. The new permit is 100% owned by PhosCo through Himilco Resources Pty Ltd, a wholly owned subsidiary.

On 28 November 2024, the Company has appointed Mr Sam Lancuba as Technical Board Advisor following the approval of the Sekarna and Gasaat exploration permits in Tunisia.

On 20 December 2024, the Company issued 2,043,957 fully paid ordinary shares in settlement of outstanding obligations to the Directors and related parties for services rendered during the period from October 2023 through to January 2024.

On 10 January 2025, Himilco Resources Pty Ltd (a 100% owned subsidiary) was formally granted the Sekarna Exploration Permit in Tunisia.

On 6 March 2025, Himilco Resources Pty Ltd (a 100% owned subsidiary) was formally granted the Gasaat Exploration Permit in Tunisia.

On 8 May 2025, the Company issued 51,627,421 fully paid ordinary shares on conversion of 1,900,000 Convertible Notes at a conversion price of \$0.04 per share, plus accrued interest, in accordance with the terms of the Convertible Notes. The Company also issued 51,627,421 Conversion Options issued to the Convertible Note Holders on the basis of one free-attaching Conversion Option for every one Conversion Share issued upon conversion of the Convertible Notes. The Conversion Options are exercisable at \$0.05 (5 cents) each and expire on 7 May 2027.

On 8 May 2025, the Company issued 3,000,000 New Options under the Lead Manager Offer to the Lead Manager. The Lead Manager Options are exercisable at \$0.05 (5 cents) each and expire on 7 May 2027.

On 9 May 2025, the Company issued 71,185,741 ordinary shares to shareholders at an issue price of \$0.05 (5 cents) per share and value of \$3,559,287.

On 6 June 2025, PhosCo and Celamin received a request for ICC arbitration from TMS, with TMS alleging Celamin violated the objectives and spirit of the CPSA JV agreement, including applying for the new Gasaat permit overlapping the Chaketma permit and abuse of majority power within CPSA. These claims are considered to have no merit and will be vigorously defended. PhosCo and Celamin have appointed the international law firm Clifford Chance to defend the claims. TMS is currently in default on a US\$30,000 advance assessed by the ICC Secretary General on 1 July 2025 and has now received formal notification that the amount is required to be paid by 29 September 2025, or the matter will be considered withdrawn.

There were no other significant changes in the state of affairs of the Consolidated Entity during the year ended 30 June 2025.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Likely developments and expected results of operations

PhosCo will continue to advance its wholly owned Gasaat Phosphate Project and other projects in Tunisia, progressing toward its goal of becoming a low cost globally significant fertiliser producer. The Company's strategy is to pursue value uplift by drilling new prospects aiming to expand the Mineral Resource endowment for the Gasaat Phosphate Project, target processing improvements from the previous 2022 Scoping Study conducted on the project.

Environmental regulation

The Consolidated Entity is not currently subject to any significant environmental regulation under Australian Commonwealth or State law.

The Consolidated Entity holds participating interests in exploration permits in the Republic of Tunisia. The various authorities granting permits require the permit holder to comply with the terms of the permit grant. There have been no known breaches of the permit conditions, as they relate to environmental provisions and no such breaches have been notified by any government agency during the financial year ended 30 June 2025 or previously.

Information on directors

Name: Mr Robin Widdup
Title: Chairman
Qualifications: BSc (Hons)
Experience and expertise: Robin is the founder and a director of one of PhosCo's largest shareholders, Lion Selection Group Limited. Robin has 40 years of mining industry and equity market experience. Following working in a range of operations in the United Kingdom, Zambia and Australia, Robin joined the J B Were & Sons Resource Research team, prior to founding Lion Selection Group and Lion Manager in 1997. He is currently Executive Chairman of Lion Selection Group Limited, and a non-executive director of Lion investee One Asia Resources Limited.

Other current directorships: Lion Selection Group Ltd (Executive Chairman)
Former directorships (last 3 years): None
Special responsibilities: None
Interests in Shares: 38,661,954 fully paid ordinary shares
Interests in options: 9,239,043 unlisted options exercisable at \$0.05 (5 cents) each, expiring 7 May 2027
Interests in performance rights: 333,334 performance rights

Name: Mr Tarecq Aldaoud
Title: Managing Director
Qualifications: B.Pharm
Experience and expertise: Tarecq is a chemist and entrepreneur with a strong background in management, sales, and marketing. He currently serves as a managing partner at Chemist Warehouse. Tarecq has a deep understanding of investment markets, specialising in emerging companies in the mineral resources sector.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in Shares: 65,206,141 fully paid ordinary shares
Interests in options: 12,173,289 unlisted options exercisable at \$0.05 (5 cents) each, expiring 7 May 2027
Interests in performance rights: 5,000,000 performance rights

Name: Mr Mehdi Ben Abdallah
Title: Executive Director (appointed on 4 July 2024)
Qualifications: MBA
Experience and expertise: Mehdi has over 20 years' multi-national experience in the energy sector, including stakeholders' relations, project development, business leadership and joint venture management. Throughout his career, Mehdi has played a pioneering role in supporting foreign investment into Tunisia for the benefit of both investors and the country.

Mehdi is currently the Managing Partner of an advisory firm working with several companies in the energy sector, previously served as General Manager with Shell, Vice President with BG Group and Executive Director for International Relations with UTICA the leading Tunisian business confederation. He is the President of the Tunisian-Danish Chamber of Commerce, Honorary President of the Tunisian-British chamber of Commerce, and Board member of the Arab-British Chamber of Commerce in London.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in Shares: None
Interests in options: None
Interests in rights: 3,000,000 performance rights

Name: Mr Sam Lancuba
 Title: Non-Executive Director (appointed on 8 May 2025)
 Experience and expertise: Sam is an expert in the global fertiliser industry, with extensive technical and market experience of phosphate processing operations and products throughout the world. Mr Lancuba brings more than 45 years' experience in all aspects of the global fertiliser industry, following an extensive career with Incitec Pivot Limited. He is a qualified chemical engineer and has consulted to industry clients in Australia, New Zealand, USA, South America, Europe, India and China.

Other current directorships: Element 25 Limited (Non-Executive Director)
 Former directorships (last 3 years): None
 Interests in Shares: None
 Interests in options: None
 Interests in rights: None

"Other current directorships" quoted above are current directorships for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

"Former directorships (in the last 3 years)" quoted above are directorships held in the last 3 years for listed entities only and excludes directorships in all other types of entities, unless otherwise stated.

Company secretary

Mr Stefan Ross BBus (Acc)

Mr Ross has over 12 years' of experience in accounting and secretarial services for ASX listed companies. His extensive experience includes ASX compliance, corporate governance control and implementation, statutory financial reporting, shareholder meeting requirements, capital raising management, and board and secretarial support. Stefan has a Bachelor of Business majoring in Accounting.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board	
	Held	Attended
Mr Robin Widdup	11	11
Mr Tarecq Aldaoud	11	11
Mr Mehdi Ben Abdallah	11	11
Mr Sam Lancuba	1	1

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the director and executive remuneration arrangements for the consolidated entity and the company, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The intention of the Consolidated Entity's and company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The planned framework aims to align executive reward with the achievement of strategic objectives and the creation of value for shareholders and conforms with the market best practice for delivery of reward. The Board of Directors ("the Board") ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity and company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board will implement an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- focusing on sustained growth in shareholder wealth, growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retains high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Non-Executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. The limit of Non-Executive Director fees was increased to a maximum of \$350,000 at the company's Annual General Meeting on 20 October 2010. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act 2001 at the time of the Director's retirement or termination. Non-Executive Directors' remuneration may include an incentive portion consisting of bonuses and/or options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

For additional duties in assisting management beyond the normal time commitments of non-executive directors, non-executive directors are paid on a monthly basis, applying a per diem rate, with the rates approved by other directors, such remuneration being settled on the aforementioned terms. There were no incentives or bonuses paid during the year to Non-Executive Directors.

Executive remuneration

Despite remuneration for executives currently consisting of entirely fixed remuneration, the Consolidated Entity aims to reward executives with a level and mix of remuneration, based on their position and responsibility, which is both fixed and variable. The consolidated entity will take steps to ensure that executives are paid the correct blend of remuneration to align the interests of executives and shareholders.

The executive remuneration and reward framework has the following components:

- base pay
- share based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

The long-term incentives ('LTI') include long service leave and share based payments, inclusive of performance rights, which are the subject of the satisfaction of certain performance hurdles, as detailed in "*Share based compensation*" herein.

Consolidated entity performance and link to remuneration

The remuneration of directors and executives are linked to the performance, share price or earnings of the Consolidated Entity.

As stated above, the consolidated entity aims to reward executives with a level and mix of remuneration, based on their position and responsibility, which is both fixed and variable.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, is reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Voting and comments made at the Company's Annual General Meeting ('AGM')

At the 27 November 2024 AGM, 99.96% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors, other key management personnel (defined as those who have the authority and responsibility for planning, directing and controlling the major activities of the Consolidated Entity) and executives of PhosCo Ltd are set out in the following tables.

In accordance with best practice corporate governance, the structure of Non-Executive Directors and executive remunerations are separate. This provides a clear structure for earning rewards.

The key management personnel of the Consolidated Entity consisted of the following directors and other executives of PhosCo Ltd:

Mr Robin Widdup, Chairman
Mr Tarecq Aldaoud, Managing Director
Mr Mehdi Ben Abdallah, Executive Director (appointed on 4 July 2024)
Mr Sam Lancuba, Non-Executive Director (appointed on 8 May 2025)
Mr Simon Eley, Non-Executive Director (resigned on 4 July 2024)
Mr Craig Smyth, Interim Chief Financial Officer

30 June 2025	Salary and fees ⁽ⁱ⁾ \$	Post-employment benefits Superannuation \$	Share-based payments ⁽ⁱⁱ⁾ \$	Total \$
Non-Executive Directors:				
Mr R Widdup	93,075	-	53,388	146,463
Mr S Eley	39,559	3,059	-	42,618
Mr S Lancuba	7,300	-	-	7,300
Executive Directors:				
Mr M Ben Abdallah	43,800	-	160,165	203,965
Mr T Aldaoud	307,318	3,059	266,941	577,318
Other key management personnel				
Mr C Smyth	300,000	-	106,776	406,776
	<u>791,052</u>	<u>6,118</u>	<u>587,270</u>	<u>1,384,440</u>

(i) Remuneration reflects the directors' fees and other remuneration entitlements owed to the directors and other key management personnel from 1 February 2024 to 30 June 2025 which were deferred since 2024 subject to successful permitting and capital raising. Subject agreement and shareholder approval, some or full amounts may be settled through the issuance of fully paid Ordinary Shares.

(ii) Share-based payments represent the fair value of Performance Rights issued to directors and key management personnel during the year, measured accordance with AASB 2 - Share-based Payment.

	Salary and fees \$	Post- employment benefits Superannuation \$	Share-based payments ⁽ⁱ⁾ \$	Total \$
30 June 2024				
<i>Non-Executive Directors:</i>				
Mr R Widdup	-	-	38,325	38,325
Mr S Eley	6,006	1,977	40,998	48,981
<i>Executive Directors:</i>				
Mr T Aldaoud	6,721	1,977	39,152	47,850
<i>Other key management personnel</i>				
Mr C Smyth	-	-	115,000	115,000
	12,727	3,954	233,475	250,156

(i) Equity settled remuneration reflects the directors' fees and other remuneration which were settled through the issuance of fully paid ordinary shares in PhosCo. On 20 December 2024, the Company issued 2,043,957 fully paid ordinary shares in settlement of outstanding obligations to the Directors and related parties for services rendered during the period from October 2023 through to January 2024.

	Fixed remuneration		At risk - LTI	
Name	30 June 2025	30 June 2024	30 June 2025	30 June 2024
<i>Non-Executive Directors:</i>				
Mr R Widdup	64%	100%	36%	-
Mr S Eley	100%	100%	-	-
Mr S Lancuba	100%	-	-	-
<i>Executive Directors:</i>				
Mr M Ben Abdallah	21%	-	79%	-
Mr T Aldaoud	54%	100%	46%	-
<i>Other Key Management Personnel:</i>				
Mr C Smyth	74%	100%	26%	-

Transactions with related parties

Mr Widdup and Mr Smyth are employed by Lion Selection Group Limited (LSGL). PhosCo Ltd was billed \$393,075 by LSGL for services rendered pursuant to the Services Agreement, including \$93,075 for R Widdup's remuneration and \$300,000 for C Smyth's remuneration.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mr Robin Widdup
Title:	Chairman
Agreement commenced:	11 December 2018
Details:	Mr Widdup may resign from his position and thus terminate this contract at any time by giving written notice. Remuneration comprises a base salary of \$65,700 per annum inclusive of statutory superannuation for non-executive chair duties.

Name: Mr Tarecq Aldaoud
Title: Managing Director
Agreement commenced: 6 May 2024 (Previously an Executive Director since 3 January 2019)
Details: On 6 May 2024, Mr Aldaoud's Directors fees was amended to be A\$1,000 per day, capped at 20 days per month (inclusive of statutory superannuation contribution).

Mr Aldaoud is also eligible to participate in long-term incentive arrangements operated or introduced by the Company from time to time, in accordance with the terms and conditions governing those arrangements and as separately notified to the Executive by the Board.

Mr Aldaoud may resign from his position and thus terminate this contract by giving three month's written notice. The engagement of the Director may be terminated at any time by three months' written notice to the Director. The Company may terminate the contract at any time without notice if serious misconduct has occurred.

Name: Mr Mehdi Ben Abdallah (appointed 4 July 2024)
Title: Executive Director
Agreement commenced: 4 July 2024
Details: Mr Mehdi may resign from his position and thus terminate this contract by giving three month's written notice. The engagement of the Director may be terminated at any time by three months' written notice to the Director. The Company may terminate the contract at any time without notice if serious misconduct has occurred. Remuneration comprises a base salary of \$43,800 for executive director duties.

Name: Mr Simon Eley
Title: Non-Executive Director (*resigned as Director on 4 July 2024*)
Agreement commenced: 8 April 2019, as amended 1 February 2022
Details: On 1 February 2022, Mr Eley's salary was amended to an annual amount of \$43,800 plus \$3,000 per month for executive duties, inclusive of superannuation.

Mr Eley is also eligible to participate in long-term incentive arrangements operated or introduced by the company from time to time, in accordance with the terms and conditions governing those arrangements and as separately notified to the Executive by the Board.

Name: Mr Craig Smyth
Title: Interim Chief Financial Officer
Agreement commenced: 29 July 2021
Term of agreement: Indefinite
Details: Mr Smyth may resign from his position and thus terminate this contract at any time by giving written notice. Remuneration comprises a base salary of \$1,000/day for time worked in his role as interim CFO, with a monthly limit of \$20,000. The fees for services provided will be settled through Lion Selection Group Ltd ('LSGL') pursuant to the Services Agreement between the Consolidated Entity and Lion, noting that LSGL is a substantial shareholder of the Consolidated Entity. All fees that are paid through the Services Agreement are on an arm's length basis.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of Shares

Details of shares issued to directors and other key management personnel during the year ended 30 June 2025 are set out below:

Name	Date	Shares	Issue price	Fair value \$
Mr Robin Widdup ⁽ⁱ⁾	20 December 2024	362,741	\$0.060	21,900
Mr Tarecq Aldaoud ⁽ⁱ⁾	20 December 2024	318,550	\$0.060	19,232
Mr Simon Eley ⁽ⁱ⁾	20 December 2024	350,152	\$0.060	21,140
Mr Craig Smyth ⁽ⁱ⁾	20 December 2024	1,012,514	\$0.060	60,000

(i) Fully paid ordinary shares in the Company issued in lieu of cash settlement of Director fees for the period from October 2023 through to January 2024. Fees associated with Mr R Widdup and Mr C Smyth's were settled through Lion Manager Pty Ltd on their behalf.

The number of fully paid ordinary shares in the Company issued in settlement of key management personnel remuneration have been determined based on the unpaid remuneration for the respective months of service and the VWAP as calculated for each month of service, the fair value of the services being defined based on the closing share price of \$0.060 (6 cents) per fully paid ordinary share on the date of issue.

Options

There were no options granted to the directors and other key management personnel as part of their remuneration during the current financial year (30 June 2024: Nil).

Following are the Conversion Options issued as part of the conversion of Convertible Notes held by the directors during the year. Options granted carry no dividend or voting rights.

Name	Number of options granted	Grant date	Expiry date	Exercise price	Fair value per option at grant date
Mr R Widdup	2,639,727	8 May 2025	7 May 2027	\$0.050	\$0.056
Mr T Aldaoud	12,173,289	8 May 2025	7 May 2027	\$0.050	\$0.056

Performance Rights

Performance Rights granted to directors and other key management personnel during 2025 financial year are set out below:

Name	Grant date ⁽ⁱ⁾	Expiry date	Number granted	Number Exercised	Number Lapsed	Balance at end of the year	Fair value \$
Mr T Aldaoud	20 December 2024	31 December 2027	5,000,000	-	-	5,000,000	365,600
Mr R Widdup ⁽ⁱⁱ⁾	20 December 2024	31 December 2027	1,000,000	(666,666)	-	333,334	73,100
Mr C Smyth ⁽ⁱⁱ⁾	20 December 2024	31 December 2027	2,000,000	(1,333,333)	-	666,667	146,200
Mr M Abdallah	20 December 2024	31 December 2027	3,000,000	-	-	3,000,000	219,360
Mr M Abdallah ⁽ⁱⁱⁱ⁾	4 July 2024	31 December 2024	2,000,000	-	(2,000,000)	-	-
			13,000,000	(1,999,999)	(2,000,000)	9,000,001	804,260

(i) Performance Rights were issued on 20 December 2024 as per the shareholder approval received at the Annual General Meeting on 27 November 2024 as announced on 28 October 2024

(ii) Performance Rights were issued Lion Selection Group Limited as nominee for Mr Widdup and Mr Smyth.

(iii) 2,000,000 Performance Rights were granted on 4 July 2024 and expired on 31 December 2024.

A summary of the key performance hurdles associated Performance Rights granted during the year are as follows:

- One-third of the Performance Rights vest and become exercisable when the Company's 30-day Volume weighted Average Price (VWAP) is equal to or greater than \$0.06 (6 cents) at any time between grant and expiry. These Performance Rights were vested at the reporting date.
- One-third of the Performance Rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.07 (7 cents) at any time between grant and expiry. These Performance Rights were vested at the reporting date.
- One-third of the Performance Rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.08 (8 cents) at any time between grant and expiry. These Performance Rights are not vested at the reporting date.

The Performance Rights were issued in accordance with the Employee Incentive Plan (EIP) and is a cash retentive form of remuneration when compared to the payment of cash incentive. The Company's remuneration policy for long-term incentives is to ensure executive remuneration is competitive in retaining and motivating key executives. The Board considers that the granting of these Performance Rights will provide a long-term incentive for outstanding performance and the opportunity for share ownership, further aligning each person's interests with those of shareholders by linking their remuneration with the long-term performance of the Company.

Fair value of the Performance Rights granted during the year were \$804,320, measured accordance with AASB 2 - Share-based Payment using Binomial Tree Option Calculator developed by Hoadley Trading & Investment Tools.

Performance Rights lapsed during 2025 financial year are set out below:

Name	Grant date	Expiry date	Number lapsed
Mr R Widdup	9 December 2022	31 December 2024	1,333,334
Mr T Aldaoud	9 December 2022	31 December 2024	1,333,334
Mr S Eley	9 December 2022	31 December 2024	666,667
Mr M B Abdallah	4 July 2024	31 December 2024	2,000,000
Mr C Smyth	9 December 2022	31 December 2024	1,333,334

Fair value of the Performance Rights lapsed during the year were \$ Nil.

Performance Rights granted carry no dividend or voting rights.

Additional information

The earnings of the Consolidated Entity for the five years to 30 June 2025 are summarised below:

	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Other income	665	10,075	37,612	188	10,741
Loss before income tax	(6,782,055)	(1,977,236)	(8,771,625)	(1,295,128)	(1,132,304)
Loss after income tax	(6,782,055)	(1,977,236)	(8,772,145)	(1,295,576)	(1,132,304)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021
Share price at the start of the financial year (\$)	0.03	0.07	0.13	0.06	0.08
Share price at the end of the financial year (\$)	0.06	0.02	0.07	0.13	0.06
Basic earnings per share (cents per share)	(1.61)	(0.63)	(2.34)	(0.56)	(0.58)
Diluted earnings per share (cents per share)	(1.61)	(0.63)	(2.34)	(0.56)	(0.58)

Additional disclosures relating to key management personnel

Shareholding

The number of Shares in the Company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration (i)	Additions	Disposals/other	Balance at the end of the year (ii)
Ordinary shares					
Mr R Widdup (ii)	23,047,656	1,375,255	14,239,043	-	38,661,954
Mr S Eley (iii)	9,468,317	350,152	-	(9,818,469)	-
Mr T Aldaoud	12,714,302	318,550	52,173,289	-	65,206,141
Mr C Smyth (ii)	21,109,840	1,375,255	2,639,727	-	25,124,822
	<u>66,340,115</u>	<u>3,419,212</u>	<u>69,052,059</u>	<u>(9,818,469)</u>	<u>128,992,917</u>

(i) These figures shown are the shares issued in settlement of salaries and fees for period from 1 October 2023 through to and including 31 January 2024.

(ii) Mr Widdup and Mr Smyth hold a relevant interest in shares held by Lion Manager Pty Ltd in PhosCo Ltd, which at 30 June 2025 is 25,124,822

(iii) Mr Ely resigned on 4 July 2024 and the holding numbers represent the shares held at the resignation date.

Details of the options are disclosed in the "Share Based Payments" section of this remuneration report.

Option holdings

The number of options over ordinary Shares in the Company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, as free attaching conversion of options, is set out below:

	Balance at the start of the year	Granted (i)	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr R Widdup	-	9,239,043	-	-	9,239,043
Mr T Aldaoud	-	12,173,289	-	-	12,173,289
	<u>-</u>	<u>21,412,332</u>	<u>-</u>	<u>-</u>	<u>21,412,332</u>

(i) These were Conversion Options issued as part of the conversation of Convertible Notes held by the directors during the year ended 30 June 2025.

Performance rights

The number of performance rights over fully paid ordinary Shares in the Company held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Exercised	Expiry/ Forfeited/ Other	Balance at the end of the year
Mr R Widdup (i)	1,333,334	1,000,000	(666,666)	(1,333,334)	333,334
Mr S Eley	666,667	-	-	(666,667)	-
Mr T Aldaoud	1,333,334	5,000,000	-	(1,333,334)	5,000,000
Mr C Smyth (i)	1,333,334	2,000,000	(1,333,333)	(1,333,334)	666,667
Mr M B Abdallah	-	5,000,000	-	(2,000,000)	3,000,000
	<u>4,666,669</u>	<u>13,000,000</u>	<u>(1,999,999)</u>	<u>(6,666,669)</u>	<u>9,000,001</u>

(i) Performance rights during the year were issued to Mr Widdup and Mr Smyth were issued to Lion Selection Group as nominee. Closing number of performance rights represent the number of instruments held by Lion Selection Group.

Convertible notes

The number of convertible notes held during the financial year by each director and other members of key management personnel of the Consolidated Entity, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Conversion	Balance at the end of the year
Mr T Aldaoud	200,000	250,000	(450,000)	-
Mr R Widdup ⁽ⁱ⁾	-	350,000	(350,000)	-
	<u>200,000</u>	<u>600,000</u>	<u>(800,000)</u>	<u>-</u>

- (i) The number of convertible notes represent 250,000 held by Mr R Widdup and 100,000 held by Lion Manager Pty Ltd an entity associated with Mr R Widdup.

This concludes the remuneration report, which has been audited.

Other related party transactions

During the year, the Consolidated Entity received a working capital loan facility of \$500,000 from Lion Selection Group Limited \$500,000, an entity associated with Mr R Widdup and \$1,000,000 from Aldaoud Pty Ltd, an entity associated with Managing Director Mr Tarecq Aldaoud. This facility accrued interest at 10% per annum, with interest of \$23,013 paid in cash. The principal amount was settled on 8 May 2025 through the issue of Shares.

Shares under option

Unissued ordinary Shares of PhosCo Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
8 May 2025	7 May 2027	\$0.050	54,627,421

Shares under performance rights

Unissued ordinary shares of the Consolidated Entity under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
20 December 2024	31 December 2027	9,000,001

No person entitled to exercise the Performance Rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Indemnity and insurance of officers

The company has indemnified the directors of the company for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollars.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Auditor

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 23 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The directors are of the opinion that the services as disclosed in note 17 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of Grant Thornton Audit Pty Ltd

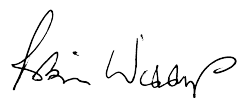
There are no officers of the Company who are former partners of Grant Thornton Audit Pty Ltd.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors:



Robin Widdup
Chairman

29 September 2025
Melbourne

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001
T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of PhosCo Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of PhosCo Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B A Mackenzie
Partner – Audit & Assurance

Melbourne, 29 September 2025

www.grantthornton.com.au
ACN-130 913 594

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PhosCo Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025



		Consolidated	
	Note	30 June 2025	30 June 2024
		\$	\$
Revenue			
Interest income		665	10,075
Expenses			
Corporate expenses	5	(1,139,857)	(771,389)
Employment expenses	6	(1,257,684)	(186,471)
Legal expenses		(249,300)	(198,110)
Depreciation and amortisation		(34,350)	(12,333)
Exploration expenses		(26,794)	(348,602)
Share-based payment expense		(601,270)	(21,000)
Foreign exchange gain		453,146	240,458
Finance costs	7	(3,926,611)	(689,864)
Total expenses		<u>(6,782,720)</u>	<u>(1,987,311)</u>
Loss before income tax expense		(6,782,055)	(1,977,236)
Income tax expense	8	-	-
Loss after income tax expense for the year		(6,782,055)	(1,977,236)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>(1,180,242)</u>	<u>(207,648)</u>
Other comprehensive income for the year, net of tax		<u>(1,180,242)</u>	<u>(207,648)</u>
Total comprehensive income for the year		<u>(7,962,297)</u>	<u>(2,184,884)</u>
Loss for the year is attributable to:			
Non-controlling interest		116,592	(242,333)
Owners of PhosCo Ltd		<u>(6,898,647)</u>	<u>(1,734,903)</u>
		<u>(6,782,055)</u>	<u>(1,977,236)</u>
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(461,714)	(344,102)
Owners of PhosCo Ltd		<u>(7,500,583)</u>	<u>(1,840,782)</u>
		<u>(7,962,297)</u>	<u>(2,184,884)</u>
		Cents	Cents
Basic losses per share	31	(2.26)	(0.63)
Diluted losses per share	31	(2.26)	(0.63)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

PhosCo Ltd
Statement of financial position
As at 30 June 2025



		Consolidated	
	Note	30 June 2025	30 June 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	9	3,358,081	548,154
Trade and other receivables	10	37,635	28,736
Other assets and deposits	11	198,419	146,692
Total current assets		<u>3,594,135</u>	<u>723,582</u>
Non-current assets			
Plant and equipment	12	249,051	61,086
Exploration and evaluation activities	13	432,999	-
Other assets and deposits	11	102,448	-
Total non-current assets		<u>784,498</u>	<u>61,086</u>
Total assets		<u>4,378,633</u>	<u>784,668</u>
Liabilities			
Current liabilities			
Bank overdraft	9	-	361
Trade and other payables	14	2,636,731	1,644,699
Employee benefits payable		27,957	206,432
Borrowings	15	7,237,711	6,325,965
Convertible notes	16	-	1,277,170
Total current liabilities		<u>9,902,399</u>	<u>9,454,627</u>
Total liabilities		<u>9,902,399</u>	<u>9,454,627</u>
Net liabilities		<u>(5,523,766)</u>	<u>(8,669,959)</u>
Equity			
Issued capital	17	68,733,192	60,331,717
Reserves	18	1,926,521	(178,688)
Accumulated losses		(69,421,250)	(62,522,603)
Equity/(deficiency) attributable to the owners of PhosCo Ltd		1,238,463	(2,369,574)
Non-controlling interests	19	(6,762,229)	(6,300,385)
Total deficiency in equity		<u>(5,523,766)</u>	<u>(8,669,959)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

PhosCo Ltd
Statement of changes in equity
For the year ended 30 June 2025



Consolidated	Issued capital \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Non-controlling interests \$	Total deficiency in equity \$
Balance at 1 July 2023	59,929,638	337,885	(72,809)	(61,034,585)	(5,956,283)	(6,796,154)
Loss after income tax expense for the year	-	-	-	(1,734,903)	(242,333)	(1,977,236)
Other comprehensive income for the year, net of tax	-	-	(105,880)	-	(101,768)	(207,648)
Total comprehensive income for the year	-	-	(105,880)	(1,734,903)	(344,101)	(2,184,884)
Share-based payments	-	21,000	-	-	-	21,000
Exercise of performance rights (note 17)	112,000	(112,000)	-	-	-	-
Issue of shares (note 17)	294,764	-	-	-	-	294,764
Cost of capital raising	(4,685)	-	-	-	-	(4,685)
Transfers of lapsed options	-	(246,885)	-	246,885	-	-
Balance at 30 June 2024	<u>60,331,717</u>	<u>-</u>	<u>(178,689)</u>	<u>(62,522,603)</u>	<u>(6,300,384)</u>	<u>(8,669,959)</u>

Consolidated	Issued capital \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Non-controlling interests \$	Total deficiency in equity \$
Balance at 1 July 2024	60,331,717	-	(178,689)	(62,522,603)	(6,300,384)	(8,669,959)
Profit/(loss) after income tax expense for the year	-	-	-	(6,898,647)	116,592	(6,782,055)
Other comprehensive income for the year, net of tax	-	-	(601,805)	-	(578,437)	(1,180,242)
Total comprehensive income for the year	-	-	(601,805)	(6,898,647)	(461,845)	(7,962,297)
Contributions of equity, net of transaction costs (note 17)	8,255,275	-	-	-	-	8,255,275
Share-based payments (note 18)	-	2,853,215	-	-	-	2,853,215
Exercise of performance rights (note 18)	146,200	(146,200)	-	-	-	-
Balance at 30 June 2025	<u>68,733,192</u>	<u>2,707,015</u>	<u>(780,494)</u>	<u>(69,421,250)</u>	<u>(6,762,229)</u>	<u>(5,523,766)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

PhosCo Ltd
Statement of cash flows
For the year ended 30 June 2025



		Consolidated	
	Note	30 June 2025	30 June 2024
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,877,004)	(1,213,767)
Payments for exploration and evaluation expensed		(26,794)	(282,623)
Interest received		665	10,002
Interest paid		(12,792)	(2,462)
Net cash used in operating activities	33	(1,915,925)	(1,488,850)
Cash flows from investing activities			
Payments for plant and equipment	12	(360,781)	(54,171)
Payments for exploration and evaluation		(420,261)	-
Net cash used in investing activities		(781,042)	(54,171)
Cash flows from financing activities			
Proceeds from issue of shares	33	3,513,730	-
Shareholder loans received	33	1,500,000	-
Proceeds from issue of convertible notes	16	900,000	1,000,000
Costs of shares issued	33	(392,057)	(4,686)
Cost of convertible notes raised	16	(14,418)	(91,810)
Net cash from financing activities		5,507,255	903,504
Net increase/(decrease) in cash and cash equivalents		2,810,288	(639,517)
Cash and cash equivalents at the beginning of the financial year		547,793	1,187,344
Effects of exchange rate changes on cash and cash equivalents		-	(34)
Cash and cash equivalents at the end of the financial year	9	<u>3,358,081</u>	<u>547,793</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover PhosCo Ltd as a Consolidated Entity consisting of PhosCo Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is PhosCo Ltd's functional and presentation currency.

PhosCo Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2, Level 11
385 Bourke Street
Melbourne, VIC 3000

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 September 2025. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Functional and presentation currency

The financial statements are presented in Australian dollars, which is PhosCo Ltd's functional and presentation currency.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 2. Material accounting policy information (continued)

Going concern

The Consolidated financial statements have been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Consolidated Entity reported a net loss after tax attributable to the shareholders \$6,898,647 during the financial year and had net operating cash outflows of \$1,915,925. The Consolidated Entity's net asset deficit of \$5,523,766 and working capital deficit was \$6,206,081 at 30 June 2025.

As a result of these matters there is a material uncertainty that may cast significant doubt upon the Consolidated Entity's ability to continue as a going concern and therefore whether the Consolidated Entity will realise its assets and settle its liabilities in the ordinary course of business at the amounts recorded in the financial statements.

Notwithstanding the above, the Directors determined that the use of the going concern basis of accounting is appropriate in preparing the financial statements. The assessment of the going concern assumption is based on the Consolidated Entity's cash flow projections and application of following judgements.

Liabilities associated with Chaketma Phosphates S.A. (CPSA)

The Consolidated Entity's net asset deficiency and working capital deficits were largely associated with PhosCo's subsidiary CPSA and escalated risk is due to the legal outcomes with its Joint Venture partner Tunisian Mining Services SARL (TMS). Although PhosCo has recovered the 51% interest and management control of CPSA in October 2021, the Company notes risk arising from various criminal and civil actions related to the execution of the Arbitral Award remain before the Tunisian courts. Notably in May 2024 Court of Cassation decision takes a different view to the previous Court of Cassation decisions that the Arbitral Award is enforceable in Tunisia.

At 30 June 2025, CPSA, the Company's subsidiary, had a total liability of A\$8,719,636 of which is A\$8,487,392 are contested and neither secured nor have been guaranteed by PhosCo or its subsidiary and owner of the 51% interest in CPSA, Celamin Limited. These contested liabilities include trade and other payables of A\$1,249,682 (including A\$458,888 payable to TMS) and A\$7,237,710 of unsecured cash call liabilities, inclusive of accrued and unpaid interest payable to TMS, denominated in Tunisia Dinar (30 June 2024: A\$6,325,965).

The Consolidated Entity's trade and other payables of \$2,664,688 includes \$458,888 in payables due by CPSA to TMS which are being contested. The Consolidated Entity has undertaken a forensic accounting exercise since gaining control of CPSA in October 2021, as a result of which it has identified a further \$428,454 of the remaining \$1,249,682 in CPSA's trade and other payables which were incurred contrary to the terms of its joint venture agreement with TMS, CPSA's articles of association and Tunisian Corporate Law.

The Consolidated Entity has instigated legal claims contesting the validity of the amounts owing. The Consolidated Entity formally terminated the CPSA Joint Venture Agreement on 14 May 2025 based on TMS's repeated non-performance and ongoing breaches. CPSA JV no longer holds any permits or permit applications and subject to full compliance with applicable law, PhosCo does not intend to provide further investment to the CPSA joint venture. The Consolidated Entity will defend its rights and obligations and ensure that only those obligations which have been legally verified will be settled in accordance with the terms of any relevant agreement with the respective counterparties.

The Consolidated Entity, as a result of the Arbitration Award of 17 November 2017 and the successful application to the Tunisian Court of Cassation to enforce the Arbitration Award, also continues to pursue the execution of this award against TMS. As of the date of this report the Consolidated Entity is pursuing the execution of the award, denominated in Tunisian Dinar, in the amount of A\$7,538,305 (TND 14,360,962). For further details of the Arbitration Award, refer to note 24.

Other funding alternatives

The Consolidated Entity continues to focus on exploration, evaluation and development activities at its mineral resource projects in the Republic of Tunisia. The Consolidated Entity required to raise additional capital to advance its projects and fund its ongoing working capital requirements. The assessment of the going concern assumption is based on the Consolidated Entity's cash flow projections, which includes the following features:

Note 2. Material accounting policy information (continued)

- An equity investment of US\$5 million from European Bank for Reconstruction and Development (EBRD), towards funding the Gasaat Bankable Feasibility Study (BFS). This investment is subject to customary due diligence and internal approvals of EBRD. While there can be no guarantee that the signing of the Mandate Letter will result in an investment from EBRD, management and the Board are confident they can fulfil indicative terms of the arrangement.
- Raising additional capital through the Company's existing placement capacity;
- Subject to negotiation and approval, minimum work requirements may be varied or suspended, and/or permits may be surrendered or cancelled; and
- Meeting its obligations by farm-out of the Consolidated Entity's exploration interests.

While no assurances can be given about future ability to finance the Consolidated Entity's activities, PhosCo has a proven past track record of raising funds and invested in Tunisia, and the Directors believe the Company given the potential of the projects can raise future funds to pursue its business strategy and meet its obligations as and when they fall due.

The Directors continue to monitor the ongoing funding requirements of the Consolidated Entity and are confident that sufficient funds can be secured through further capital raising to continue.

Accordingly, the Directors believe that the Consolidated Entity, despite the material inherent uncertainties outlined herein, will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Based upon the aforementioned assumptions, the directors of the Consolidated Entity have applied the going concern basis of accounting in these financial statements. In the event that all or some of these assumptions do not eventuate, this may mean that the actual amounts of assets and liabilities may differ from the amounts recorded for assets and liabilities in the financial statements, should the entity not continue as a going concern.

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of PhosCo Ltd ('Company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. PhosCo Ltd and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Entity. Losses incurred by the Consolidated Entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Note 2. Material accounting policy information (continued)

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ("CODM"). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Note 2. Material accounting policy information (continued)

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Industrial equipment	8 years
Motor vehicles	5 years
Computer equipment	3 to 4 years
Fixtures, furniture and fittings	10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Indicators of impairment include expiry of the right to explore in the specific area without renewal, a decision by management not to continue exploration activity in the area, insufficient data to support the recoverability of the carrying amount through development or sale, or where exploration results do not demonstrate the existence of commercially viable resources. When such indicators exist, the affected assets are tested for impairment and written down to their recoverable amount, with any impairment recognised in profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Note 2. Material accounting policy information (continued)

Equity-settled transactions are awards of Shares, or options over Shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the Share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the Share price at grant date and expected price volatility of the underlying Share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital

Ordinary Shares are classified as equity.

Incremental costs directly attributable to the issue of new Shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per Share

Basic earnings per Share

Basic earnings per Share is calculated by dividing the profit attributable to the owners of PhosCo Ltd, excluding any costs of servicing equity other than ordinary Shares, by the weighted average number of ordinary Shares outstanding during the financial year, adjusted for bonus elements in ordinary Shares issued during the financial year.

Note 2. Material accounting policy information (continued)

Diluted earnings per Share

Diluted earnings per Share adjusts the figures used in the determination of basic earnings per Share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary Shares and the weighted average number of Shares assumed to have been issued for no consideration in relation to dilutive potential ordinary Shares.

New Accounting Standards and Interpretations not yet mandatory or early adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. Accounting Standards and Interpretations, which are not yet effective, are not expected to have a material impact on the Consolidated Entity in the current or future reporting periods and on foreseeable future transactions. However, management will continue to assess this closer to the application date of each standard.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

CPSA liabilities

The Consolidated Entity's trade and other payables includes payables due to TMS and other counterparties that are being contested, the TMS liabilities being actively contested in the Tunisian courts.

There is inherent uncertainty pertaining to the resolution of legal and commercial challenges to previously recognised liabilities. Should the regulation of the relationship between the Group and TMS and other creditors not proceed positively, this will not only require the Consolidated Entity to reconsider the approach to and settlement of CPSA's liabilities and how it proceeds in regaining CPSA's rights over the Chaketma tenement, but also the nature, amount and timing of the resultant impact on the Group's future financial position and performance.

Share-based payment transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

The determination of satisfaction of performance hurdles and vesting conditions is subject to inherent uncertainties and accordingly requires an element of judgement when determining the impact of performance rights and options granted on the amount and timing of recognition of any impact on the profit or loss.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Consolidated Entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Right over exploration permits and exploration and evaluation costs

An exploration permit provides exclusive rights to explore for minerals within the tenement area and judgements are exercised that the Consolidated Entity will retain and successful in renewing the permits for the foreseeable future to obtain future economic benefits.

Exploration and evaluation costs have been capitalised on the basis that the Consolidated Entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. The expectation of recovery of the costs capitalised is based on the assumption that the Consolidated Entity will be able to obtain adequate financing to allow the continued exploration and subsequent development of areas of interest by either successfully farming out a proportion of existing permits or raising adequate capital in its own right. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. Significant judgement is required by management when assessing each of area of interest and therefore management's judgement carries the risk of been misstated.

Accounting for convertible notes

The classification as debt or equity may have a significant impact on the quantum of the Consolidated Entity's net equity. Significant judgement involved in determining whether the convertible notes represent liability, equity or compound financial instrument. Contractual terms, especially those conversion features require careful analysis to determine the nature of instrument. A convertible note will only be a compound instrument where the component relating to conversion satisfies the requirements of the 'fixed for fixed' test. Terms are carefully examined to determine whether separate components exist and, where they do, whether they are equity components or liability components.

Significant judgement is involved in determining the substance of the conversion feature of convertible notes whether a conversion option is fixed in economic terms and appropriate interest rates in fair valuing the loan amounts. When a convertible instrument has been determined to contain a host liability (i.e. coupon payments and principal) and embedded equity conversion feature, the fair value of the host liability is determined first with the residual amount assigned as the equity component by deducting the host liability component from the fair value of the convertible notes as a whole.

Note 4. Operating segments

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the Chief Operating Decision Makers ("CODM") in order to allocate resources to the segment and to assess its performance. The consolidated entity is currently organised into one operating segment: exploration and development of resource projects in North Africa.

This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are the CODM) in assessing performance and in determining the allocation of resources.

Geographic segment information

The Group operates in one principle geographic segment: Tunisia.

Note 5. Corporate expenses

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Professional and consulting fees	572,137	272,691
Compliance and regulatory costs	173,280	145,817
Travel and accommodation	119,792	124,706
Office costs	108,287	88,921
Insurance	44,387	39,603
Sundry expenses	121,974	99,651
	<u>1,139,857</u>	<u>771,389</u>

Note 6. Employment expenses

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Director fees and CFO fees (i)	755,466	(162,373)
Superannuation	6,611	18,462
Salaries and benefits associated with Tunisian operations	495,607	330,382
	<u>1,257,684</u>	<u>186,471</u>

The amounts represent the directors' fees and other remuneration entitlements owed to the directors and other key management personnel from 1 February 2024 to 30 June 2025 which were deferred since 2024 subject to successful permitting and capital raising. Subject agreement and shareholder approval, some or full amounts may be settled through the issuance of fully paid Ordinary Shares.

Note 7. Finance costs

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Finance costs on TMS liabilities	321,146	305,755
Fair value movements on convertible notes (note 16)	3,592,673	368,980
Interest on shareholder loan	23,013	-
Interest on insurance funding and others	(10,221)	15,129
	<u>3,926,611</u>	<u>689,864</u>

Note 8. Income taxes

	Consolidated 30 June 2025	30 June 2024
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(6,782,055)	(1,977,236)
Tax at the statutory tax rate of 25%	(1,695,514)	(494,309)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Costs incurred in deriving non-assessable non-exempt income	233,280	237,069
Share-based payments and fair value movements on convertible notes	1,122,468	5,250
Other non-assessable non-exempt income	(118,672)	(119,032)
Non-deductible expenses	144,288	(71,967)
	(314,150)	(442,989)
Current year tax losses not recognised	132,714	449,833
Current year temporary differences not recognised	144,288	(71,969)
Difference in overseas tax rates	37,148	65,125
Income tax expense	-	-

	Consolidated 30 June 2025	30 June 2024
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	22,832,115	21,979,027
Potential tax benefit at statutory tax rates 25% (2024: 25%)	5,518,264	5,323,303

Tax benefits in Tunisia have been reflected at their statutory corporate income tax rate of 15% and have a five-year limit on their utilisation from the period in which they are incurred

The above potential tax benefit for tax losses of \$5,518,264 has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the relevant statutory tests have been passed, including, in Australia, the continuity of ownership test is passed, or failing that, the same business test is passed.

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

- the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- the consolidated entity continues to comply with the conditions for deductibility imposed by law; and
- no change in tax legislation adversely affects the consolidated entity in realizing the benefits from deducting the losses.

In respect of the activities in Tunisia, the current Mining Code of the Republic of Tunisia provides the holder of exploration permits with a five year exemption from payment of income tax following the commencement of effective exploitation.

Note 8. Income taxes (continued)

	Consolidated 30 June 2025	30 June 2024
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprise:		
Accrued expenses	244,579	98,393
Tax losses	5,499,428	5,323,303
Other temporary differences	166,318	33,104
	<u>5,910,325</u>	<u>5,454,800</u>
Total deferred tax assets not recognised	<u>5,910,325</u>	<u>5,454,800</u>

The above potential tax benefit for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 9. Cash and cash equivalents

	Consolidated 30 June 2025	30 June 2024
	\$	\$
<i>Current assets</i>		
Cash on hand	3,209	641
Cash at bank	3,354,872	547,513
	<u>3,358,081</u>	<u>548,154</u>

Reconciliation to cash and cash equivalents at the end of the financial year

The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	3,358,081	548,154
Bank overdraft	-	(361)
Balance as per statement of cash flows	<u>3,358,081</u>	<u>547,793</u>

Note 10. Trade and other receivables

	Consolidated 30 June 2025	30 June 2024
	\$	\$
<i>Current assets</i>		
Other receivables	166,334	160,000
Less: Expected credit losses	(160,000)	(160,000)
	6,334	-
GST receivable	31,301	28,736
	<u>37,635</u>	<u>28,736</u>

The Consolidated Entity has previously launched legal action in the Tunisian courts to recover \$160,000 from TMS for its contribution of exploration expenditure prior to 31 January 2013 under a previous JV agreement. The Consolidated Entity continues to review its legal position with regards to this debt.

Note 11. Other assets and deposits

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current assets</i>		
Prepayments	97,623	27,139
Restricted cash	54,171	75,140
Bank guarantee	46,625	44,413
	<u>198,419</u>	<u>146,692</u>
<i>Non-current assets</i>		
Security deposits	102,448	-
	<u>300,867</u>	<u>146,692</u>

Note 12. Plant and equipment

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Non-current assets</i>		
Motor vehicles - at cost	218,536	54,171
Less: Accumulated depreciation	(10,459)	(6,885)
	<u>208,077</u>	<u>47,286</u>
Office equipment at cost	47,393	29,916
Less: Accumulated depreciation	(17,282)	(16,116)
	<u>30,111</u>	<u>13,800</u>
Industrial equipment	11,272	-
Less: Accumulated depreciation	(409)	-
	<u>10,863</u>	<u>-</u>
	<u>249,051</u>	<u>61,086</u>

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Note 12. Plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office Equipment \$	Industrial equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2023	24,918	-	-	24,918
Additions	-	-	54,171	54,171
Exchange differences	(5,670)	-	-	(5,670)
Depreciation expense	(5,448)	-	(6,885)	(12,333)
Balance at 30 June 2024	13,800	-	47,286	61,086
Additions	28,525	11,272	218,536	258,333
Disposals	-	-	(47,286)	(47,286)
Exchange differences	12,103	-	-	12,103
Transfers in/(out)	(835)	-	-	(835)
Depreciation expense	(23,482)	(409)	(10,459)	(34,350)
Balance at 30 June 2025	30,111	10,863	208,077	249,051

Note 13. Exploration and evaluation activities

Consolidated
30 June 2025 30 June 2024
\$ \$

Non-current assets

Exploration and evaluation assets	432,999	-
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During the year, the Consolidated Entity commenced exploration works at the Gasaat permit aiming to define a mineral resource.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Consolidated	Gasaat \$
Balance at 1 July 2024	-
Additions	432,999
Balance at 30 June 2025	432,999

Note 14. Trade and other payables

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Trade payables(i)	1,220,979	1,062,765
Other payables(i)	1,415,752	581,934
	<u>2,636,731</u>	<u>1,644,699</u>

- (i) The trade and other payables include A\$ 1,249,682 (30 June 2024: A\$ 1,182,234) associated with CPSA. The Consolidated Entity has undertaken a forensic accounting exercise since gaining control of CPSA in October 2021, as a result of which it has identified that these trade and other payables were incurred contrary to the terms of its joint venture agreement with TMS, CPSA's articles of association and Tunisian corporate law. The Consolidated Entity has instigated legal claims contesting the validity of the amounts owing and ensure that only those obligations which have been legally verified will be settled in accordance with the terms of any relevant agreement with the respective counterparties

Refer to note 21 for further information on financial risk management.

Note 15. Borrowings

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Cash calls payable to TMS	4,113,848	3,766,416
Interest payable on cash calls to TMS	3,123,863	2,559,549
	<u>7,237,711</u>	<u>6,325,965</u>

Unsecured TMS cash call obligations arise from transactions between TMS and CPSA recognised through to and including 2021, prior to the Consolidated Entity obtaining control over CPSA. The outstanding amount of \$4,113,848 (30 June 2024: \$3,766,416) is denominated in Tunisian Dinar (TND). There have been no movements in the underlying TND value of the cash calls payable subsequent to the Consolidated Entity gaining control over CPSA in October 2021.

The outstanding, unpaid cash call balances incur interest at 8% p.a and are denominated in TND. During the year ended 30 June 2025, interest expense of \$321,146 (30 June 2024: \$305,755) was recognised.

As detailed in note 2, all cash call liabilities and related interest payable to TMS have been the subject of a forensic financial and legal audit and are the subject of legal challenge, the outcome of which is uncertain. There have been no amendments in these financial statements to reflect the conclusions reached in the forensic audit undertaken, any such amendments to be reflected as and when and to the extent determined by the conclusion of legal proceedings.

Refer to note 21 for further information on financial instruments.

Note 16. Convertible notes

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Convertible notes payable	-	1,277,170

Note 16. Convertible notes (continued)

On 15 March 2024, PhosCo Ltd entered into agreements to issue 1,000,000 Convertible Notes with an aggregate face value of \$1,000,000 (Trench 1 convertible notes). Convertible notes bear interest at a rate of 10% per annum, capitalised into the face value of the convertible note. In addition, on 16 October 2024, the Company issued an additional 900,000 convertible notes with an aggregate face value of \$900,000 (Trench 2 convertible notes), on the same terms and conditions as that of Trench 1 convertible notes. The Maturity Date of the Convertible Notes were 15 March 2025, however the Company and convertible note holders agreed to extend the maturity date until 15 May 2025 to allow completion of the entitlement issue and conversion of Convertible Notes.

The Convertible Notes had a mechanism for the note holders to convert the face value of the loan, including accrued interest, into shares in the Company ("Conversion Right") at the respective conversion price, subject to shareholder approval, on one of the following conversion prices.

- If the Convertible Notes convert on the occurrence of a Capital Raising Event, each conversion Note will be convertible into Shares at a conversion price equal to a 20% discount to the capital raising issue price of the relevant Capital Raising Event, subject to a ceiling price of \$0.05 and a floor price of \$0.01.
- If the Convertible Notes convert on the Maturity Date, each Convertible Note will be convertible into Shares at a conversion price of an amount equal to a 20% discount to the lowest 5-day VWAP during the period from 17 January 2024 to the Maturity Date, subject to a ceiling price of \$0.05 and a floor price of \$0.01.

On 8 May 2025, the Company settled the Convertible Notes, including accrued interest, by issuing 51,627,421 Shares in accordance with the terms of the Convertible Notes. Fair value of the Shares issued at the settlement date was \$0.07 per Share, resulting in a gross increase to Share Capital amounting to \$3,613,919 (before transaction costs). The difference between the carrying amount of the liability and the amount paid to settle it (i.e., fair value) is recognized in the income statement during the year ended 30 June 2025.

On conversion of the Convertible Notes, the Company issued 51,627,421 Conversion Options to the Convertible Note Holders on the basis of one free-attaching Conversion Option for every one Conversion Share issued.

The balances at 30 June 2025 from initial recognition (*at the fair value of the consideration received, net of transaction costs*) and fair value adjustments are as noted in the table below.

	30 June 2025 \$
Balance at 1 July 2024	1,277,170
Amounts received from Trench 2 convertible note	900,000
Transaction costs incurred during the year	(14,419)
Fair value of Shares issued on conversion	(3,613,919)
Fair value of Conversion Options issued	(2,141,505)
Fair value movements on convertible notes recognised in the income statement	3,592,673
Balance at 30 June 2025	-

Convertible notes were classified as level 2 fair values in the fair value hierarchy due to the use of observable inputs such as quoted share price in estimating the fair values.

Note 17. Issued capital

	Consolidated			
	30 June 2025 Shares	30 June 2024 Shares	30 June 2025 \$	30 June 2024 \$
Ordinary shares - fully paid	438,321,456	279,748,177	68,733,192	60,331,717

Note 17. Issued capital (continued)

Movements in ordinary Share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	274,413,352		59,929,638
Issues of shares in lieu of director and other fees	28 December 2023	3,685,644	\$0.065	239,567
Exercise of performance rights	28 December 2023	100,000	\$0.070	7,000
Exercise of performance rights	6 February 2024	700,000	\$0.060	105,000
Issue of shares to Jensen's service agreement	6 February 2024	849,181	\$0.065	55,197
Cost of capital raised		-	\$0.000	(4,685)
Balance	30 June 2024	279,748,177		60,331,717
Shares issued for settlement of liabilities	17 October 2024	1,000,000	\$0.030	30,000
Shares issued for settlement of liabilities	17 October 2024	1,000,000	\$0.050	46,000
Issues of shares in lieu of director and other fees ⁽ⁱ⁾	20 December 2024	2,043,957	\$0.060	122,272
Exercise of performance rights	30 January 2025	1,999,999	\$0.073	146,200
Shares issued to employees	30 January 2025	200,000	\$0.070	14,000
Shares issued under Entitlement Offer	8 May 2025	29,516,161	\$0.050	1,475,808
Shares issued on conversion of Convertible Notes (note 16)	8 May 2025	51,627,421	\$0.070	3,613,919
Shortfall shares issued under Entitlement Offer	9 May 2025	71,185,741	\$0.050	3,559,287
Cost of capital raised				(606,011)
Balance	30 June 2025	<u>438,321,456</u>		<u>68,733,192</u>

(i) On 20 December 2024, the company issued 2,043,957 shares for the settlement of remuneration for the Directors and CFO for the period from 1 October 2023 to and 31 January 2024. The value of the Company's shares on the date of issue of the fully paid ordinary shares was \$0.060 (6 cents). The issue price of these shares represents the fair value of the shares issued to extinguish the existing liabilities.

Ordinary Shares

Ordinary Shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the Shares held. The fully paid ordinary Shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each Share shall have one vote.

Options

Options do not entitle the holder to participate in dividends and the proceeds on the winding up of the Company.

Option holders do not have any voting rights.

Share buy-back

There is no current on-market Share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The consolidated entity may issue new shares in order to provide a sufficient level of funding for its phosphate projects whilst maintaining an appropriate capital structure and sound gearing.

Note 17. Issued capital (continued)

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current parent entity's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 30 June 2024 Annual Report.

Note 18. Reserves

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Foreign currency reserve	(780,494)	(178,688)
Option reserve	2,265,945	-
Share based payments reserve	441,070	-
	<u>1,926,521</u>	<u>(178,688)</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Options reserve

This reserve is used to record the value of equity benefits provided to suppliers as part of their remuneration.

Lead Manager Options

On 8 May 2025, the Company issued 3,000,000 Options at an issue price of \$0.00001 and an exercise price of \$0.05 (5 cents) each, expiring on 7 May 2027. These options were issued as compensation for the capital raising services and accordingly recognised at the issue date fair value in the financial statements.

Conversion Options

On 8 May 2025, the Company issued 51,627,421 Conversion Options to the Convertible Note Holders on the basis of one free-attaching Conversion Option for every one Conversion Share issued upon conversion of the Convertible Notes. The Conversion Options are exercisable at \$0.05 (5 cents) each and expire on 7 May 2027.

Note 18. Reserves (continued)

The Options issued concurrently with the conversion of the Convertible Notes to share capital and are treated as transaction cost associated with capital raising and with the corresponding debit recognised in share capital.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve \$	Share based payments and Options reserve \$	Total \$
Balance at 1 July 2023	(72,809)	-	(72,809)
Foreign currency translation	(207,648)	-	(207,648)
Non-controlling interest	101,769	-	101,769
Balance at 30 June 2024	(178,688)	-	(178,688)
Foreign currency translation	(1,180,243)	-	(1,180,243)
Share based payments	-	587,270	587,270
Fair value of options issued	-	2,265,945	2,265,945
Shares issued on exercise of performance rights	-	(146,200)	(146,200)
Non-controlling interest	578,437	-	578,437
Balance at 30 June 2025	<u>(780,494)</u>	<u>2,707,015</u>	<u>1,926,521</u>

Note 19. Non-controlling interests

In October 2021, the Consolidated Entity acquired a 51% interest in CPSA's assets and liabilities on the date of acquisition. In accordance with AASB 10, the Consolidated Entity has control and fully consolidates its interest in CPSA.

	Consolidated 30 June 2025 \$	30 June 2024 \$
Interest in CPSA	(3,404,567)	(3,404,567)
Foreign currency reserves	(750,185)	(171,749)
Accumulated losses	<u>(2,607,477)</u>	<u>(2,724,069)</u>
	<u>(6,762,229)</u>	<u>(6,300,385)</u>

Note 20. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 21. Financial risk management

The Consolidated Entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Note 21. Financial risk management (continued)

Market risk

Foreign currency risk

The Consolidated Entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is assessed using cash flow forecasting.

The carrying amount of the consolidated entity's foreign currency denominated financial assets are not significant whilst financial liabilities at the reporting date were significant.

Consolidated	Assets		Liabilities	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	\$	\$	\$	\$
US dollars	14,407	25,164	(33,147)	(333,400)
Euros	2,467	77,055	(26,900)	(15,835)
Tunisian Dinar	163,346	95,511	(61,906)	(7,454,306)
	<u>180,220</u>	<u>197,730</u>	<u>(121,953)</u>	<u>(7,803,541)</u>

Consolidated - 30 June 2025		AUD strengthened		AUD weakened	
		Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
	% change				
US Dollar	5%	(689)	-	5%	(758)
EURO	5%	(2,697)	-	5%	(2,981)
Tunisian Dinar	5%	1,402	192,665	5%	1,402
		<u>(1,984)</u>	<u>192,665</u>	<u>(2,337)</u>	<u>(212,945)</u>

Consolidated - 30 June 2024		AUD strengthened		AUD weakened	
		Effect on profit before tax	Effect on equity	Effect on profit before tax	Effect on equity
	% change				
US Dollar	5%	(1,198)	-	5%	1,324
EURO	5%	(3,669)	-	5%	4,056
Tunisian Dinar	5%	56	782,388	5%	(56)
		<u>(4,811)</u>	<u>782,388</u>	<u>5,324</u>	<u>(864,745)</u>

Interest rate risk

The Consolidated Entity had no material interest rate exposure as there were no interest-bearing assets or liabilities which are at variable interest rates at the reporting date (2024: Nil).

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Consolidated Entity has a policy of assessing credit information of counterparties, their corporate history and relationships and assessing the extent to which appropriate credit limits will be established. The Consolidated Entity obtains guarantees where appropriate and possible to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for expected credit losses associated with those assets, as disclosed in the statement of financial position and notes to the financial statements, total provisions for expected credit losses of \$160,000 in respect of claims from TMS recognised at 30 June 2025 (2024: \$160,000). The Consolidated Entity does not hold any collateral.

Note 21. Financial risk management (continued)

Liquidity risk

The Consolidated Entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Consolidated Entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 30 June 2025	Weighted average interest rate %	1 year or less \$	Remaining contractual maturities \$
Non-derivatives			
<i>Non-interest bearing</i>			
Trade payables	-	1,220,979	1,220,979
Other payables	-	1,443,711	1,443,711
Borrowings	8.00%	7,237,711	7,237,711
Total non-derivatives		<u>9,902,401</u>	<u>9,902,401</u>
Consolidated - 30 June 2024			
Non-derivatives			
<i>Non-interest bearing</i>			
Trade payables	-	1,062,765	1,062,765
Other payables	-	581,934	581,934
<i>Interest-bearing - variable</i>			
Borrowings	8.00%	6,325,965	6,325,965
Convertible notes	10.00%	1,100,000	1,100,000
Total non-derivatives		<u>9,070,664</u>	<u>9,070,664</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

The Consolidated Entity is currently pursuing, under Tunisian law, the extinguishment of a portion of the borrowings and accounts and other payables due to TMS (TMS obligations) on the basis of corporate, legal and financial irregularities that occurred since the period from the Consolidated Entity lost control of its shareholding in the year ended 30 June 2015 through to regaining control in October 2021. The Consolidated Entity has received legal advice regarding the existence of liabilities as currently presented, identifying that under Tunisian law they are considered valid until successfully challenged in court. The conclusion of the Consolidated Entity's legal challenge is inherently uncertain and therefore the validity and timing of any settlement the TMS obligations will only be established on the conclusion of the relevant court processes in Tunisia.

As detailed in note 15, the cash call liabilities are unsecured obligations of CPSA to TMS. If and as these liabilities are to be settled, this is CPSA's sole responsibility, the Consolidated Entity having not provided any guarantees in respect of their settlement. Furthermore, the Consolidated Entity reserves the right, in the event of an unsuccessful legal challenge and TMS calling the debt, to challenge any claim for a cash settlement, including but not limited to the enforcement of the Arbitration Award against TMS for an amount of A\$7,538,305 (TND 14,360,962) at 30 June 2025, as detailed in note 24.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 22. Key management personnel disclosures

Directors

The following persons were directors of PhosCo Ltd during the financial year:

Mr Robin Widdup	Chairman
Mr Tarecq Aldaoud	Managing Director
Mr Mehdi Ben Abdallah	Executive Director (appointed on 4 July 2024)
Mr Sam Lancuba	Non-Executive Director (appointed 8 May 2025)
Mr Simon Eley	Non-Executive Director (resigned on 4 July 2024)

Other key management personnel

Mr Craig Smyth	Interim Chief Financial Officer
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Compensation

The aggregate compensation made to directors and other members of key management personnel of the Consolidated Entity is set out below:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Short-term employee benefits	791,052	12,727
Post-employment benefits	6,118	3,954
Equity settled share-based payments	587,270	233,475
	<u>1,384,440</u>	<u>250,156</u>

Remuneration reflects the directors' fees and other remuneration entitlements owed to the directors and other key management personnel from 1 February 2024 to 30 June 2025 which were deferred since 2024 subject to successful permitting and capital raising. Subject agreement and shareholder approval, some or full amounts may be settled through the issuance of fully paid Ordinary Shares.

The value of unpaid obligations to key management personnel including salaries, fees and related superannuation entitlements at 30 June 2025 is \$791,052.

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the Company:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Audit and other assurance services - Grant Thornton Audit Pty Ltd</i>		
Audit or review of the financial statements	<u>93,350</u>	<u>82,400</u>
<i>Other services - Grant Thornton Australia Limited</i>		
Preparation of income tax returns	<u>32,550</u>	<u>15,800</u>
	<u>125,900</u>	<u>98,200</u>

Note 24. TMS Arbitration Award

On 29 November 2017, after initially being awarded by the Swiss Arbitration court, the Swiss Court of Appeal issued a Final Award, delivered by the Arbitrator appointed by the ICC to conduct the arbitration of the Consolidated Entity's dispute with its joint venture partner TMS in relation to the fraudulent transfer to TMS of the Consolidated Entity's 51% shareholding in CPSA, the operating company which held the Chaketma Phosphate permit.

Note 24. TMS Arbitration Award (continued)

The Arbitrator found in favour of Celamin Limited ordering TMS, amongst other matters, to return the Celamin Limited's 51% shareholding in CPSA and to pay damages and costs of totalling US\$2,358,000, plus Euro 1,252,936, A\$260,597 and CHF 42,238, in addition to interest from the time of the issue of the Final Award until payment.

The Final Award was affirmed by the Court of Cassation in Tunisia in September 2019 as being enforceable within Tunisia. In accordance with the terms of the Tunisian Code of Obligations and contracts, all executory awards must be defined in TND, and the damages were converted for execution to TND 10,134,079 and thereafter incur interest at 5.5% per annum on any unpaid balances. The Consolidated Entity's entitlement, including accrued interest as of 30 June 2025 is A\$7,538,305 (TND 14,360,962).

The Consolidated Entity had its 51% interest in CPSA legally restored following the appointment of a court appointed independent expert, reducing TMS to 49%. Although PhosCo has recovered the 51% interest, the Company notes that various criminal and civil actions related to the execution of the arbitration orders remain before the courts. The Consolidated Entity continues to pursue TMS for the outstanding costs and damages by forcing the seizure and sale of TMS assets and other means, the objective of which is to recover funds to offset the damages and costs owed and redefine the amounts owed by CPSA to TMS.

As announced on 23 July 2024, PhosCo has lodged a new seizure action over TMS's 49% interest in CPSA that remains in place (under Tunisian law, the Arbitral Award can be used for a seizure action even without an enforcement decision). PhosCo announced on 8 August 2024 that it has also opted to relodge an application to enforce the Arbitral Award with Tunisia's Court of Appeal for the avoidance of further challenge to this Tunisian legal right. This new action does not undermine previous enforcement decisions nor the fact that TMS remains liable to pay PhosCo damages, costs and interest which continues to accrue daily.

Celamin formally terminated the CPSA JV on 14 May 2025 based on TMS's repeated non-performance and ongoing reaches. On 6 June 2025, PhosCo and Celamin received a request for ICC arbitration from TMS, with TMS alleging Celamin violated the objectives and spirit of the CPSA JV agreement, including applying for the new Gasaat permit overlapping the Chaketma permit and abuse of majority power within CPSA. These claims are considered to have no merit and will be vigorously defended. PhosCo and Celamin have appointed the international law firm Clifford Chance to defend the claims. TMS is currently in default on a US\$30,000 advance assessed by the ICC Secretary General on 1 July 2025 and has now received formal notification that the amount is required to be paid by 29 September 2025, or the matter will be considered withdrawn.

The Consolidated Entity's ability to realise the entitlements accruing from the damages are subject to the ability to obtain the benefits awarded. The Consolidated Entity reserves the right to use the means necessary to execute the Award, this being subject to the resolution of various legal challenges from the respective parties.

Note 25. Contingent liabilities

Success fees and deferred benefits payable in respect of the resolution of the arbitration and subsequent related procedures are payable to the Company's arbitration lawyers as follows:

- A fixed amount of Euro 300,000 payable to Brown Rudnick upon recovery of Celamin's 51% interest in Chaketma;
- An additional amount payable to Brown Rudnick equal to 2% of any damages awarded in favour of Celamin in the Final Award, payable upon payment of those damages and/or transfer to Celamin of an increased percentage interest in CPSA in lieu of payment of such damages; and
- A fixed amount of Euro 50,000 payable to Sami Huerbi upon return of Celamin Limited's 51% interest and management control in Chaketma as well as recovery of any sizeable available asset in part or full satisfaction of damages.

The Company notes that these contingent liabilities require successful conclusion of the arbitration proceedings that remain subject to existing and potential litigation, including but not limited to various actions related to the enforcement of the arbitration orders remain before the courts, including actions challenging the Company's enforcement, clarification of the financial state of CPSA and the status of the CPSA equity. Furthermore, on 19 December 2022 CPSA received the Minister's Decision rejecting the application and terminating the validity of CPSA's exploration permit, creating further uncertainty around the successful conclusion of the arbitration proceedings. Accordingly, the conditions applicable to the contingent liabilities have not been triggered.

The element of the success fee dependent upon the settlement by TMS of any damages awarded is due and payable at and when this occurs. As of 30 June 2025, no related obligations have arisen.

Note 26. Commitments

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Exploration Licenses - Commitments for Expenditure</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	7,910,000	282,000
One to five years	15,472,500	1,787,000
	<u>23,382,500</u>	<u>2,069,000</u>

In order to maintain current rights to tenure to exploration licenses, the consolidated entity has the above exploration expenditure requirements up until expiry of licenses. These obligations, which may be varied from time to time and which are subject to renegotiation upon expiry of the licenses are not provided for in the financial report and are payable.

Note 27. Related party transactions

Parent entity

PhosCo Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 29.

Key management personnel

Disclosures relating to key management personnel are set out in note 22 and the remuneration report included in the directors' report.

Transactions with related parties

Mr Widdup and Mr Smyth are employed by Lion Selection Group Limited (LSGL). PhosCo Ltd was billed \$147,850 by LSGL for services rendered pursuant to the Services Agreement, including \$21,900 for R Widdup's remuneration, \$60,000 for C Smyth's remuneration. Mr Mehdi Ben Abdallah has provided the board advisory fees for \$249,998 during the period ended 30 June 2025.

During the year, the Consolidated Entity received a working capital loan facility of \$500,000 from Lion Selection Group Limited \$500,000, an entity associated with Mr R Widdup and \$1,000,000 from Aldaoud Pty Ltd, an entity associated with Managing Director Mr Tarecq Aldaoud. This facility accrued interest at 10% per annum, with interest of \$23,013 paid in cash. The principal amount was settled on 8 May 2025 through the issue of Shares.

Receivable from and payable to related parties

There were no trade receivables from related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax	(7,829,019)	(1,784,236)
Total comprehensive income	<u>(7,829,019)</u>	<u>(1,784,236)</u>

Note 28. Parent entity information (continued)

Statement of financial position

	Parent	
	30 June 2025	30 June 2024
	\$	\$
Total current assets	3,282,296	539,068
Total assets	3,282,296	563,951
Total current liabilities	1,090,360	1,651,485
Total liabilities	1,090,360	1,651,485
Equity		
Issued capital	68,733,192	60,331,717
Option reserve	2,265,945	-
Share based payments reserve	441,070	-
Accumulated losses	(69,248,271)	(61,419,251)
Total equity/(deficiency)	<u>2,191,936</u>	<u>(1,087,534)</u>

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment at as 30 June 2025 and 30 June 2024.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2025	30 June 2024
		%	%
Celamin Limited	Australia	100.00%	100.00%
Himilco Resources Pty Ltd	Australia	100.00%	100.00%
PhosCo Tunisia Pty Ltd	Australia	100.00%	100.00%
Chaketma Phosphates S.A	Tunisia	51.00%	51.00%

Note 30. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Note 31. Loss per share

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax	(6,782,055)	(1,977,236)
Non-controlling interest	(116,592)	242,333
Loss after income tax attributable to the owners of PhosCo Ltd	<u>(6,898,647)</u>	<u>(1,734,903)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>305,060,254</u>	<u>276,940,612</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>305,060,254</u>	<u>276,940,612</u>
	Cents	Cents
Basic losses per share	(2.26)	(0.63)
Diluted losses per share	(2.26)	(0.63)
Diluted losses per share		

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 "Earnings per Share". The rights to options are non-dilutive as the consolidated entity generated a loss during the financial year.

Note 32. Share-based payments

Issue of shares

In December 2024, the Company issued 2,043,957 fully paid ordinary shares at various deemed issue prices per share, in lieu of a cash payment of \$122,272 in salaries, directors fees, and fees for services provided, as contained in the Notice of Annual General Meeting announced on 28 October 2024.

Details of shares issued to Directors and other Key Management Personnel as part of compensation during and for the year ended 30 June 2025 are set out below.

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Directors fees and CFO fees settled by shares	<u>122,272</u>	<u>108,471</u>

(a) Equity issues to settle supplier liabilities

From time to time the Company may settle liabilities payable to external suppliers by way of an issue of ordinary shares in the Company, or by the issue of options over ordinary shares in the Company.

On 17 October 2024, the Company issued 1,000,000 ordinary shares at an issue price of \$0.030 per share, to suppliers as settlement of liabilities for advisory services. The total value of the shares issued was \$30,000.

Note 32. Share-based payments (continued)

On 17 October 2024, the Company issued 1,000,000 ordinary shares at an issue price of \$0.046 per share to suppliers as settlement of liabilities for advisory services. The total value of the shares issued was \$46,000.

b) Employee incentive plan - performance rights

The Company has established an Employee Incentive Plan, whereby the Company may, at the discretion of the Plan Committee, performance rights over ordinary shares in the Company to eligible employees and any director of the Company.

Performance Rights granted to directors and other key management personnel during 2025 financial year are set out below:

Name	Grant date ⁽ⁱ⁾	Expiry date	Number granted	Number Exercised	Number Lapsed	Balance at end of the year	Fair value\$
Mr T Aldaoud	20 December 2024	31 December 2027	5,000,000	-	-	5,000,000	365,600
Mr R Widdup ⁽ⁱⁱ⁾	20 December 2024	31 December 2027	1,000,000	(666,666)	-	333,334	73,100
Mr C Smyth ⁽ⁱⁱ⁾	20 December 2024	31 December 2027	2,000,000	(1,333,333)	-	666,667	146,200
Mr M Abdallah	20 December 2024	31 December 2027	3,000,000	-	-	3,000,000	219,360
Mr M Abdallah ⁽ⁱⁱⁱ⁾	4 July 2024	31 December 2024	2,000,000	-	(2,000,000)	-	-
			<u>13,000,000</u>	<u>(1,999,999)</u>	<u>(2,000,000)</u>	<u>9,000,001</u>	<u>804,260</u>

(i) Performance Rights were issued on 20 December 2024 as per the shareholder approval received at the Annual General Meeting on 27 November 2024 as announced on 28 October 2024

(ii) Performance Rights were issued Lion Selection Group Limited as nominee for Mr Widdup and Mr Smyth.

(iii) 2,000,000 Performance Rights were granted on 4 July 2024 and expired on 31 December 2024.

Fair value of the Performance Rights granted during the year were \$804,320, measured accordance with AASB 2 - Share-based Payment using Binomial Tree Option Calculator developed by Hoadley Trading & Investment Tools. A summary of the key performance hurdles associated Performance Rights granted during the year are as follows:

- One-third of the Performance Rights vest and become exercisable when the Company's 30-day Volume weighted Average Price (VWAP) is equal to or greater than \$0.06 (6 cents) at any time between grant and expiry. These Performance Rights were vested at the reporting date.
- One-third of the Performance Rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.07 (7 cents) at any time between grant and expiry. These Performance Rights were vested at the reporting date.
- One-third of the Performance Rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.08 (8 cents) at any time between grant and expiry. These Performance Rights were not vested at the reporting date.

On 30 January 2025, 1,999,999 performance rights were exercised resulting in the issue of ordinary shares with a value of \$146,200.

Note 33. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax expense for the year	(6,782,055)	(1,977,236)
Adjustments for:		
Depreciation and amortisation	34,349	12,333
Share-based payments	731,392	21,000
Foreign exchange differences	(492,390)	(355,506)
Interest and finance costs	321,146	687,402
Fair value movements on convertible notes	3,592,673	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	66,241	9,092
(Increase)/decrease in prepayments	(70,485)	28,894
Increase/(decrease) in employee benefits	639,883	(37,607)
Increase/(decrease) in trade and other payables	43,321	122,778
Net cash used in operating activities	<u>(1,915,925)</u>	<u>(1,488,850)</u>

Changes in liabilities arising from financing activities

Consolidated	Share capital	Convertible notes	Shareholder loan	Total
	\$	\$	\$	\$
Balance at 1 July 2023	59,929,638	-	-	59,929,638
Convertible notes received	-	1,000,000	-	1,000,000
Shares issued for non-cash considerations	406,764	-	-	406,764
Transaction costs settled in cash	(4,685)	(91,810)	-	(96,495)
Fair value movements	-	368,980	-	368,980
Balance at 30 June 2024	60,331,717	1,277,170	-	61,608,887
Convertible notes received	-	900,000	-	900,000
Shares issued on conversion of convertible notes	3,613,919	(3,613,919)	-	-
Loans received	-	-	1,500,000	1,500,000
Shares issued on settlement of loan	1,500,000	-	(1,500,000)	-
Shares issued for cash consideration under entitlement offer	3,513,730	-	-	3,513,730
Shares issued for non-cash considerations	367,637	-	-	367,637
Fair value of Conversion Options issued	-	(2,141,505)	-	(2,141,505)
Transaction costs settled in cash	(392,057)	(14,419)	-	(406,476)
Non-cash transaction costs	(213,954)	-	-	(213,954)
Fair value movements	-	3,592,673	-	3,592,673
Balance at 30 June 2025	<u>68,720,992</u>	<u>-</u>	<u>-</u>	<u>68,720,992</u>

Entity name	Entity type	Trustee, Partner or participant in a JV	Place formed / Country of incorporation	Ownership Interest %	Tax residency
PhosCo Ltd	Body corporate	No	Australia	100.00%	Australian
Celamin Limited	Body corporate	No	Australia	100.00%	Australian
Himilco Resources Pty Ltd	Body corporate	No	Australia	100.00%	Australian
PhosCo Tunisia Pty Ltd	Body corporate	No	Australia	100.00%	Australian
Chaketma Phosphates S.A	Body corporate	No	Tunisia	51.00%	Foreign (<i>Tunisia</i>)

Basis of preparation

This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the Consolidated Entity as at the end of the financial year in accordance with *AASB 10 Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Consolidated Entity has applied the following interpretations:

Australian tax residency

The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in *Tax Ruling TR 2018/5*.

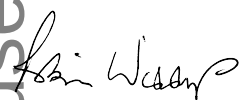
In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Robin Widdup
Chairman

29 September 2025
Melbourne

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Independent Auditor's Report

To the Members of PhosCo Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of PhosCo Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which indicates that the Group incurred a net loss of \$6,898,647 during the year ended 30 June 2025, and as of that date, the Group's current liabilities exceeded its total assets by \$5,523,766. These events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Exploration and Evaluation Activities (note 13)	
PhosCo has capitalised \$432,999 in exploration and evaluation (E&E) costs for its Gasaat Phosphate drilling site in Tunisia. Under AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, these costs must be assessed for appropriate recognition, measurement, and disclosure. The risks include the inappropriate capitalisation of pre-tenure or indirect costs, failure to recognise impairment in a timely manner, and capitalisation of costs in areas where tenure is not secured. This area is a key audit matter due to judgement involved in determining costs to capitalise and the assessment for impairment of the asset.	Our procedures included, amongst others: • Substantively testing and reviewing supporting documentation such as invoices, contracts, and timesheets to confirm that capitalised costs are directly related to exploration and evaluation activities; • Examining exploration licences and permits to verify that the entity holds valid legal rights to explore the relevant areas. • Assessing the entity's accounting policy for exploration and evaluation costs to ensure it is consistent with the recognition and measurement principles outlined in AASB 6; • Evaluating potential indicators of impairment, including: ○ Expiry or non-renewal of exploration rights; ○ Lack of substantive planned exploration activities; ○ Evidence that exploration has not identified commercially viable quantities of mineral resources ○ Indication that carrying amount is unlikely to be recovered from successful development or sale; and • Assessing the adequacy of disclosures for compliance with the requirements of Australian Accounting Standards (AASBs).

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

- a the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and
- b the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 17 to 25 of the Directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of PhosCo Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B A Mackenzie
Partner – Audit & Assurance

Melbourne, 29 September 2025

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The shareholder information set out below was applicable as at 10 September 2025.

Distribution of equity securities

Analysis of number of equity security holders by size of holding:

	Number of holders of ordinary shares	Number of ordinary shares	% of ordinary shares	Number of holders of performance rights	Number of performance rights	% of performance rights	Number of holders of unlisted options	Number of unlisted options	% of unlisted options
1 to 1,000	294	58,984	0.01	-	-	-	-	-	-
1,001 to 5,000	70	221,595	0.05	-	-	-	-	-	-
5,001 to 10,000	66	505,361	0.12	-	-	-	-	-	-
10,001 to 100,000	182	7,045,715	1.61	-	-	-	4	287,110	0.53
100,001 and over	240	430,489,801	98.21	3	9,000,001	100.00	40	54,340,311	99.47
	852	438,321,456	100.00	3	9,000,001	100.00	44	54,627,421	100.00
Holding less than a marketable parcel	396	481,298	0.11	-	-	-	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number held	% of total shares issued
LION SELECTION GROUP LIMITED	69,198,573	15.79
ALDAOUD PTY LTD <ALDAOUD FAMILY A/C>	63,556,141	14.50
LION MANAGER PTY LTD	25,124,822	5.73
MR CHRIS RETZOS	22,693,572	5.18
POLO INVESTMENTS LIMITED	13,800,000	3.15
MR ROBIN ANTHONY WIDDUP & MRS JANET WIDDUP <WIDDUP SUPER FUND A/C>	12,799,315	2.92
POLO INVESTMENTS LIMITED	10,989,256	2.51
MR RICHARD THOMAS HAYWARD DALY & MRS SARAH KAY DALY <THE DALY FAMILY SUPER A/C>	8,731,385	1.99
MR MARTIN BROOME	6,891,979	1.57
NUTSVILLE PTY LTD <INDUST ELECTRIC CO S/F A/C>	6,699,590	1.53
CS LOGISTICS PTY LTD <JEPSAK DISCRETIONARY A/C>	6,337,332	1.45
ATLANTIS MG PTY LTD <MG FAMILY A/C>	5,800,000	1.32
PASIAS HOLDINGS PTY LTD	5,670,000	1.29
MR EUGENE KAN	5,235,316	1.19
RETZOS FAMILY PTY LTD <RETZOS FAMILY S/FUND A/C>	4,823,494	1.10
EPIC CAPITAL INVEST PTY LTD <EPIC CAPITAL INVESTMENT A/C>	4,571,428	1.04
MR STEVEN WILLIAM CAHILL	4,317,729	0.99
DR AMIT KUMAR VERMA	3,597,247	0.82
MAGEDO SUPER PTY LTD <MG FAMILY SUPER FUND A/C>	3,500,000	0.80
SAM GOULOPOULOS PTY LTD <S GOULOPOULOS F/SUPER A/C>	3,437,398	0.78
	287,774,577	65.65

Unquoted equity securities

	Number on issue	Number of holders
Unlisted options over ordinary shares	54,627,421	44
Performance rights over ordinary shares	9,000,001	3

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
Aldaoud Pty Ltd <Aldaoud Family A/C>	Unlisted options, exercisable at 5 each, exp 7/05/27	12,173,289

Substantial holders

Substantial holders in the Company, as disclosed in substantial holding notices given to the Company, are set out below:

	Ordinary Shares Number held*
Mr Tarecq Aldaoud / Aldaoud Pty Ltd <The Aldaoud Family A/C> / Smongo Pty Ltd <Smongo Super Fund A/C>	65,206,141
Lion Selection Group Limited	40,599,258
Cumulus Wealth	62,918,978
Polo Resources Limited via Polo Investments Limited	27,714,915
Lion Manager Pty Ltd; Robin Anthony Widdup; Hedley James Widdup; Craig Kevin Smyth	23,047,656

*Indicative relevant interest in shares based on number of voting securities recorded as at the date of their last substantial shareholder notice lodged with ASX.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Unlisted Options

There are no voting rights attached to the unlisted options.

Performance Rights

There are no voting rights attached to the performance rights.

There are no other classes of equity securities.

Share buy-back

There is no current on-market share buy-back.

List of Tenements Held

Mining Tenement	Location	Commodity Focus	Beneficial Percentage held
Simitu	Tunisia	Base/precious metals	100%
Ras Ghzir	Tunisia	Base/precious metals	100%
Gasaat*	Tunisia	Phosphate	100%
Sekarna	Tunisia	Phosphate	100%

List of Tenement Applications

Mining Tenement	Location	Commodity Focus	Beneficial Percentage
Amoud	Tunisia	Phosphate	100%

* PhosCo is seeking to provide a 10 percent project participation for impacted communities, signing a non-binding MOU with the parliament representative of the Jedelienne Delegation of the Kasserine Governate regarding the Gasaat Phosphate Project. While the MOU is not legally binding, it serves as a foundation for a more comprehensive Cooperation Agreement as the Gasaat Project advances. PhosCo will continue to work closely with local communities and government authorities to progress the legally binding arrangements and the Gasaat project.

Corporate Governance

The Company's 2025 Corporate Governance Statement is available on the Company's website at: <http://www.phosco.com.au/about#CorporateGovernance>

Annual General Meeting

PhosCo Ltd advises that its Annual General Meeting will be held on Thursday, 20 November 2025. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all Shareholders and released to the ASX in due course. In accordance with the ASX Listing Rules and the Company's Constitution, the closing date for receipt of nominations for the position of Director are required to be lodged at the registered office of the Company by 5.00pm (AEDT) on 9 October 2025.