

QUARTERLY ACTIVITIES & CASHFLOW
REPORT FOR QUARTER ENDING
31 December 2025

ASX Announcement 20 January 2026

Gasaat rapidly emerging as a globally-significant phosphate project

**Outstanding drilling results pave way for more resource growth;
EBRD awards PhosCo \$1.8m grant to optimise Scoping Study
ahead of feasibility study this year.**

HIGHLIGHTS

- PhosCo has made rapid progress in its strategy to establish its Gasaat Phosphate Project in Tunisia as a fertiliser producer with global-scale and highly competitive cost base.
- The strong growth outlook at Gasaat comes as phosphate joins the US Critical Minerals List amid mounting concerns about global supply; PhosCo is well positioned to benefit from these structural tailwinds.
- Gasaat already hosts a substantial JORC Resource¹ of 146.4Mt at 20.6% P₂O₅ underpinning a very long-life project.
- Maiden resources are now being calculated for the KM and SAB deposits.
- These resources will feed into an updated Scoping Study due for completion in Q2 2026 with the feasibility study to start later this year.
- During the quarter, PhosCo was awarded a €1M (\$1.8M) grant by EBRD to advance Gasaat. In parallel, PhosCo Managing Director Taz Aldaoud agreed to invest \$1.1M in PhosCo through the early exercise of 21.4M 5c options.
- The arrangements in the EBRD Mandate Letter, announced on 11 March 2025, were formalised through the issue of 150M 5c options to EBRD, which will be activated upon the release of the updated Scoping Study incorporating the new KM discovery.

KM and SAB Drilling

- During the quarter, KM and SAB drilling continued to deliver consistently thick, higher-grade intersections.
- The lower strip ratio and proximity to the proposed plant site mean KM and SAB are expected to boost the upfront economics of Gasaat.
- The results (assays pending) include:
 - GADD-11 [KM] 50.5m phosphate from 45m
 - GADD-14 [KM] 39m phosphate from 10m
 - GADD-12 [KM] 37m phosphate from 41m
 - GADD-13 [KM] 18m phosphate from 31m
 - GADD-10 [SAB] 21m phosphate from 53.7m
 - GADD-17 [SAB] 18m phosphate from 47.5m
 - GADD-16 [SAB] 13.5m phosphate from 63.5m

Previously announced intercepts include:

- GADD-03 [KM] 53m @ 22.3% P₂O₅ from 53.2m
- GADD-05 [KM] 32.8m @ 21.9% P₂O₅ from 26m
- GADD-06 [KM] 34.9m @ 20.2% P₂O₅ from 31m.

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

PhosCo poised to capitalise on highly favourable global markets

The phosphate market has seen two major geopolitical events in the last two months, crystallizing long-term trends years in the making. Both the US and China have adjusted their policy settings with the US declaring phosphate a critical mineral, and China expected to further tighten export restrictions. These responses focus on supply chain resilience and food security, as both countries become increasingly reliant on phosphate imports from a highly concentrated phosphate rock export market dominated by a small number of countries.

In 2024, US and China imported around ~3MT each, representing around 15% of total phosphate exports combined. Forecasts show that by 2030, these imports will increase to almost 20MT of extra phosphate rock. This will require a material supply response.

Recognition of phosphate as a critical mineral mirrors similar initiatives in Europe (2024), the UK (2024) and India (2023), with a range of support options available for qualifying projects. PhosCo is well positioned to benefit from resultant market tailwinds and tangible backing for the Gasaat project as it progresses towards a Bankable Feasibility Study and into development.

In November 2025, the US geological survey (USGS) declared phosphate to be a critical mineral (something China did back in 2016). The USGS defines critical minerals as those essential to the US economy and national security and have supply chains that are vulnerable to disruption. This list is pivotal in guiding US Government policies to bolster supply chains, including direct investments and other incentives for US mineral processing.

The US has a rich history in phosphate mining and processing, where global leaders such as Mosaic and Nutrien have extensive operations there. However, as their mines have depleted and the population has grown, the restricted ability to open new mines has seen production decline, and imports now comprise 15% of US consumption. The issue with being a net importer for a market economy is that domestic producers will reference higher import prices for all their domestic sales.

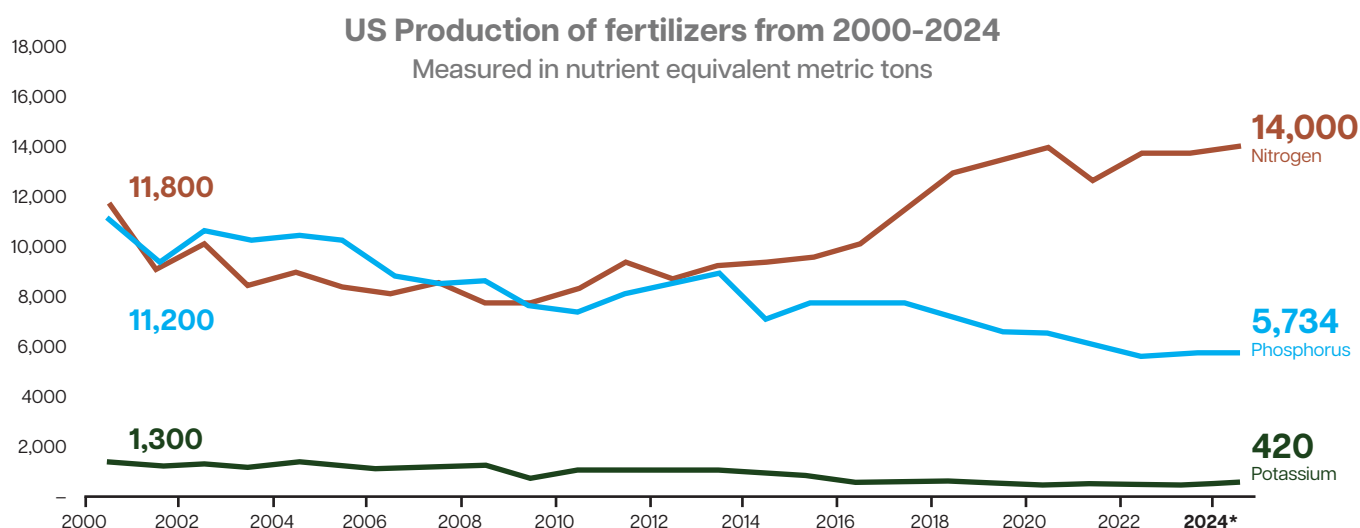
Over the last 25 years, US phosphate production has fallen almost 50%. This has seen the US lose its self-sufficiency in phosphate, leaving US farmers to face increasing fertilizer price volatility from international markets, including price spikes in 2022 and 2023

following Russia's invasion of Ukraine. The USGS notes that fertilizer costs comprise 40% of the direct cost of corn and 28% for soybeans, so the US focus on fertilizer supply chains and the farmers they serve is both understandable and likely to attract bipartisan support.

Notably, the US has extensive downstream processing capacity that risks becoming increasingly idle due to the lack of domestic phosphate rock supply. Financial incentives exist for companies exporting to the US where US processing capacity exists and there is no available domestic feedstock, something that PhosCo intends to investigate, noting also the favourable transport logistics to the US eastern seaboard.

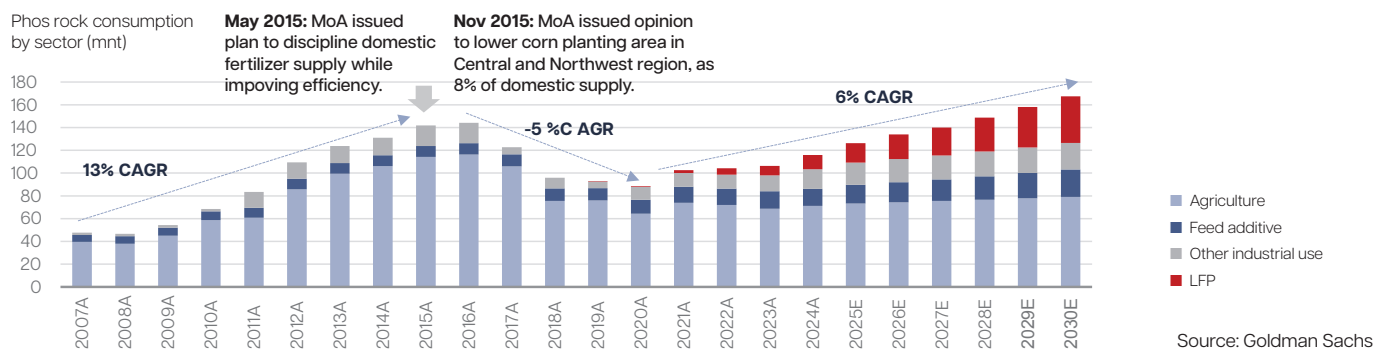
With 5% of global resources, China contributed nearly 50% of the world's phosphate rock output over the last decade and is expected to produce more in the upcoming years. However, actual market supply has struggled to meet the growth in demand due to a combination of events, including:

- Depletion of existing mines;
- Challenges commissioning new operations; and
- Lower mined grades.



Source: USGS (2025)

Chinese Phosphate Rock Demand – from agriculture, industrial and LFP batteries



Roaring demand has seen Chinese phosphate rock consumption growing at 6% CAGR since 2020. In 2024, more than 90% of all lithium-iron-phosphate (LFP) batteries were manufactured in China, with demand growth forecast by Goldman Sachs at 22% CAGR to account for 25% of domestic phosphate rock demand by 2035. Goldman Sachs notes that China's imports could potentially reach 28% of global trade in 2030 versus 8% in 2024, something which would be quite disruptive to current phosphate rock market dynamics.

Like the US, China is transitioning from self-sufficiency in phosphate, as illustrated by the chart below. China is the world's largest consumer of phosphate rocks, used predominantly to produce phosphate fertilizers. Phosphate fertilizer production has increased rapidly in China since the beginning of the 21st century leading to self-sufficiency in 2008 and becoming a net exporter in 2009. However, rising domestic demand and rapidly depleting mines saw China become a net phosphate importer in 2023.

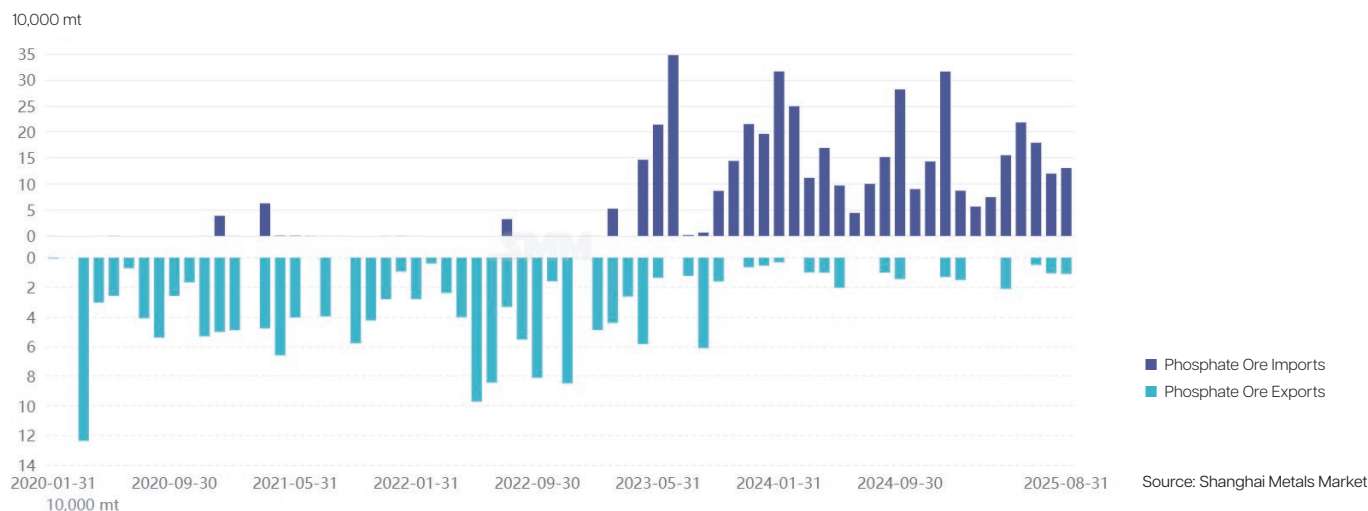
High phosphate prices have resulted in a significant deterioration of affordability for farmers since 2021. While both phosphate costs and crop prices surged in 2021-2022, most crop prices have since come down, while phosphate prices remain elevated. Despite Chinese

phosphate export restrictions, domestic market prices remain elevated, and affordability has not returned to 'normal' levels, particularly for critical crops such as rice and maize. Given these conditions, it appears unlikely that Chinese phosphate exports will resume in the short term.

Persistently high phosphate prices pose the risk of a slow-rolling erosion of agricultural productivity in many countries. There are no substitutes for phosphorus in agriculture. Soils can retain phosphorus for extended periods and reducing or skipping phosphate applications may not have immediate yield impacts in the short term. However, if farmers stung by continuing high prices measurably cut back applications over the course of several seasons, lower yields could result—with higher food prices to follow.

These dynamics have led China to employ increasing regulation to the industry. Phosphate was included as a strategic important mineral asset in National Plan of Mineral Resources (2016-2020), before restricting exports were imposed in 2021 to prioritise domestic consumption. In December 2025, the continued supply-demand mismatch led Chinese fertilizer industry associations to press for the suspension of phosphate-related exports.

Chinese Phosphate Ore Imports and Exports – Monthly



Gasaat Phosphate Project

Gasaat is a large-scale phosphate development project discovered by PhosCo Ltd (ASX:PHO) in 2010. The project is advancing rapidly with strong Government and community support. The permit is owned 100% by PhosCo and contains a high confidence Mineral Resource¹ of 146.4Mt @ 20.6% P₂O₅ JORC 2012. Gasaat is technically advanced, including a December 2022 Scoping Study². 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. Maiden resources are being prepared for the KM and SAB deposits.

KM Prospect Drilling Results

On 29 October and 18 November 2025 PhosCo announced phosphate intersections from the resource drilling program at KM, following up on assays from the initial discovery drill program announced last quarter. The results confirm that the KM Prospect, located within the Company's 100%- owned Gasaat Project in Tunisia, is an important discovery exceeding initial expectations.

Five new drill holes have been completed at KM following on from the success of GADD-2025-03 which intersected 53m 22.3% P₂O₅ from 53.2m. The location of the drill holes is shown in Figure 2, while Figure 3 shows the interpreted geology with the drill holes projected on to section.

The results (assays pending) include:

- GADD-11 [KM] 50.5m phosphate from 45m
- GADD-14 [KM] 39m phosphate from 10m
- GADD-12 [KM] 37m phosphate from 41m
- GADD-13 [KM] 18m phosphate from 31m
- GADD-15 [KM] 1m phosphate from 31m



Previously announced assays include:

- GADD-03 [KM] 53m @ 22.3% P₂O₅ from 53.2m
- GADD-05 [KM] 32.8m @ 21.9% P₂O₅ from 26m
- GADD-06 [KM] 34.9m @ 20.2% P₂O₅ from 31m

Preliminary pXRF measurements on the recent drilling suggest the grade will be comparable to the earlier KM drill intercepts.

The narrower intercepts in GADD-2025-13 and GADD-2025-15 are due to faulting at the contact with the underlying Cretaceous limestone observed on the western side of KM.

The phosphate at KM includes a coarse yellow apatite, beginning at 26 metres in drill hole GADD2025-05, highlighting the potential for a low-strip, low-cost mining scenario that supports early-stage development. The individual assays that comprise the high-grade intervals are amongst the highest reported from Tunisia. Nine samples are above 28% P₂O₅.

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

2. Refer to ASX announcement dated 9/12/22: 'Scoping Study Confirms Outstanding Economics for Chaketma'.

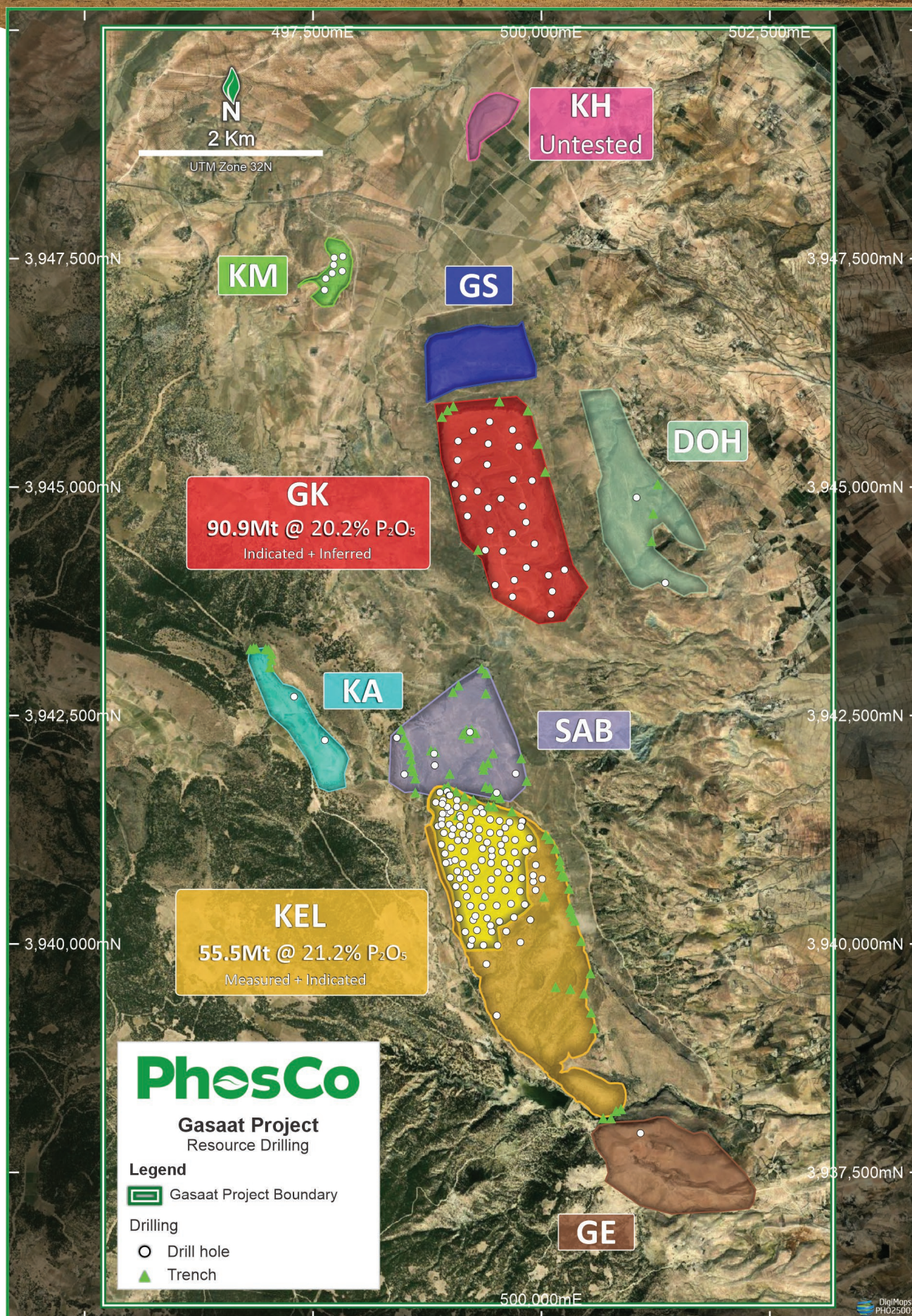


Figure 1 Location of the KM, SAB and other prospects within the Gasaat project area.

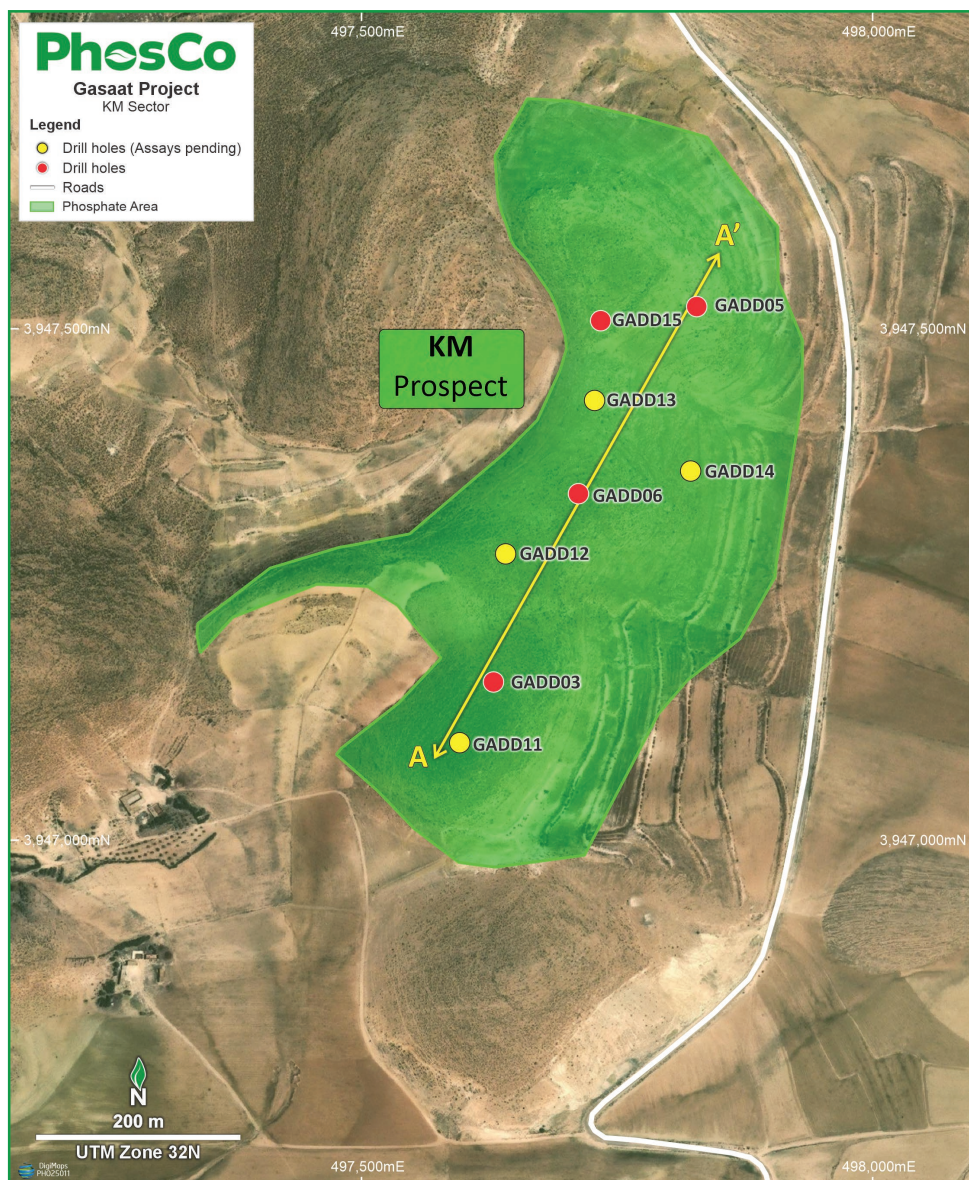


Figure 2 KM Prospect showing location of Section A-A' and planned drill holes.

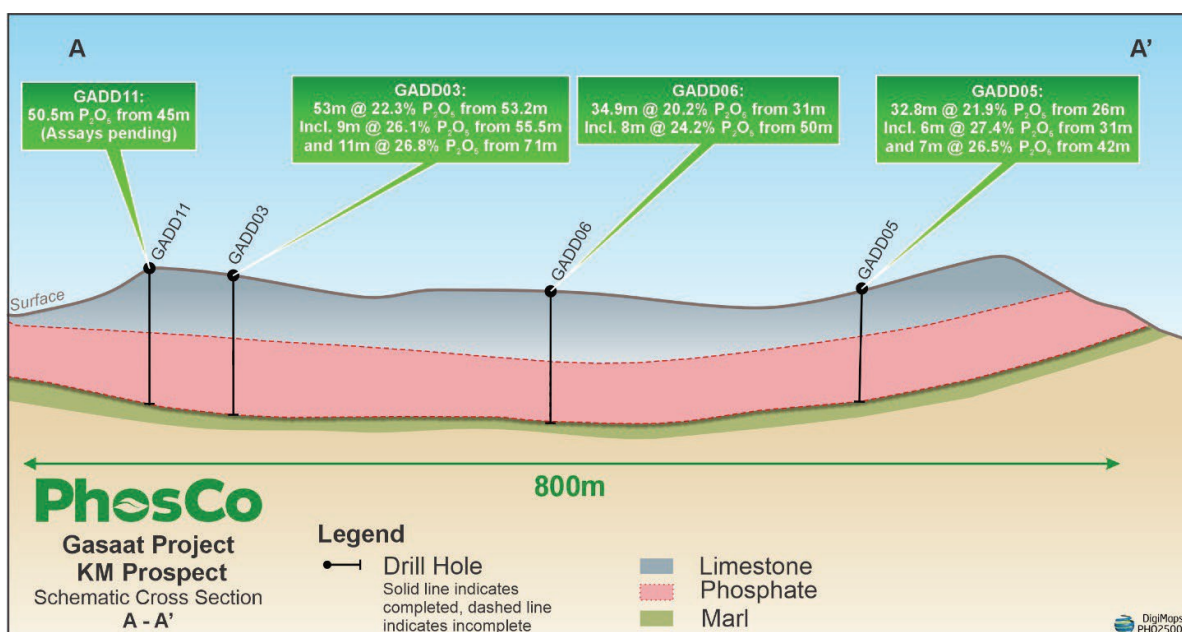


Figure 3 KM Section A-A' showing generalised geology as determined from drilling and outcrop mapping.

KM Prospect Trenching

Trenching has been completed along the eastern flank of KM to inform the maiden resource which is scheduled for release in Q1 2026. Five trenches were completed in areas where drilling is not possible, with the estimated thickness of the phosphatic series varying from 30m to more than 40m (true width unknown).



Top and above Trenching underway at the KM discovery within the Gasaat phosphate project

SAB Prospect

The Company completed resource drilling at the SAB deposit with the latest drilling focused on Blocks 6 (one hole) and 7 (five holes) which host the bulk of the mineralisation at this prospect. Nine holes were previously drilled at SAB, with the results of this drilling included in PhosCo's ASX announcement 19 March 2025 – 'Gasaat Exploration Target & Resource Growth Drilling'.

The results (assays pending) include:

- GADD-10 [SAB] 21m phosphate from 53.7m
- GADD-17 [SAB] 18m phosphate from 47.5m
- GADD-16 [SAB] 13.5m phosphate from 63.5m
- GADD-19 [SAB] 12.7m phosphate from 46m
- GADD-18 [SAB] 9m phosphate from 57m
- GADD-09 [SAB] no phosphate

Preliminary pXRF measurements on the recent drilling suggest the grade will be comparable to the earlier SAB drill intercepts.

Once assays are received, the additional holes at SAB will be integrated into the SAB maiden Mineral Resource Estimate. When combined with the encouraging results to date from KM, these two prospects are expected to feature early in PhosCo's development plans, complementing the existing Global Gasaat Resource¹ of 146.4Mt @ 20.6% P₂O₅. The infill drilling program at SAB will delay the completion of the maiden resource slightly; however, it is a critical step to increase confidence in the resource, which is expected to play an important role in the early years of the project. The maiden resource will provide a robust foundation for assessing the scale and development potential of SAB within the context of the broader project. Given its shallow mineralisation, SAB also has the potential to be prioritised in the mine plan.

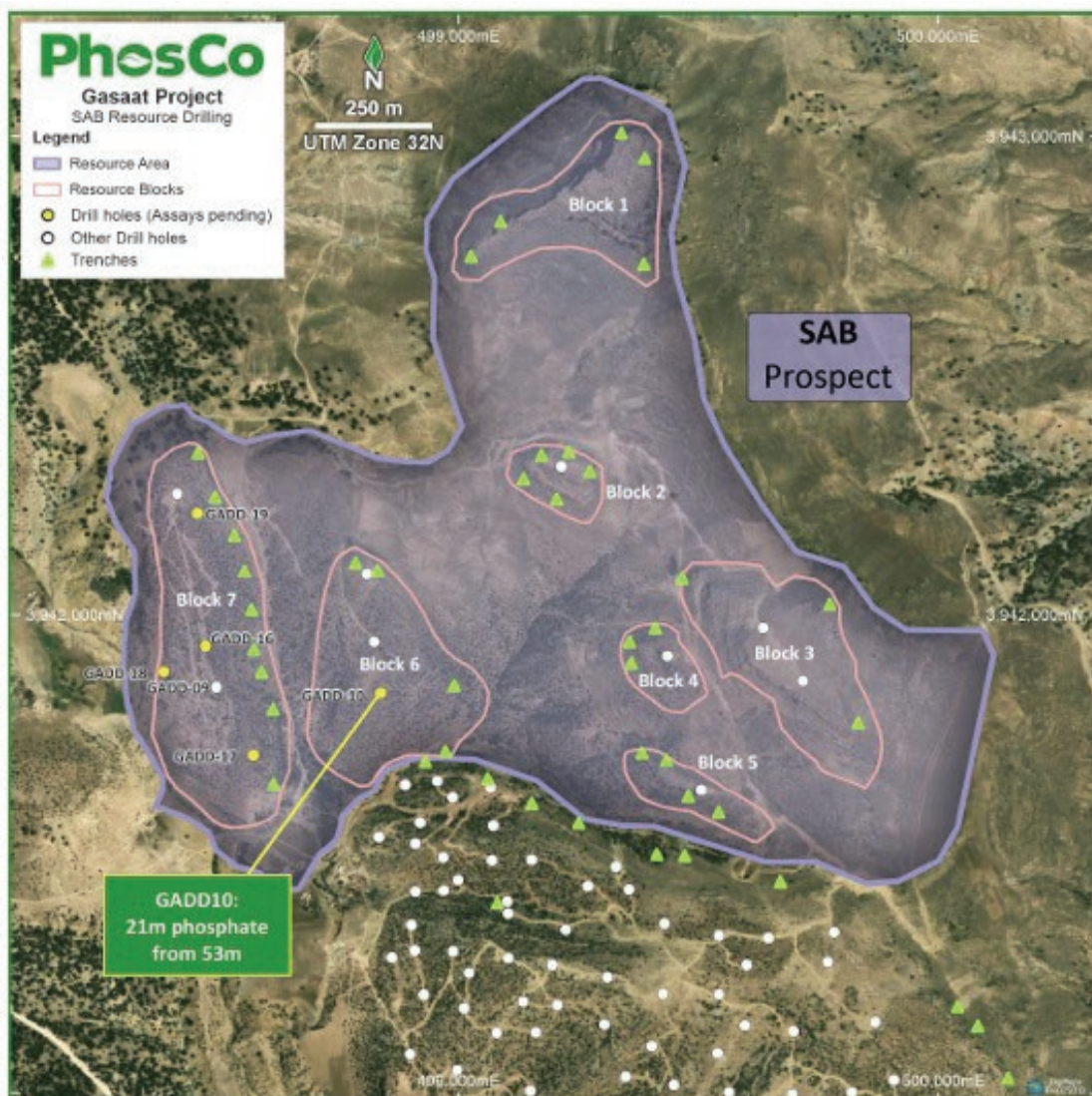


Figure 4 SAB prospect showing distribution of phosphate block and drilling.

Geology of Gasaat phosphate

The geology at KM and SAB is essentially identical to that observed across the Gasaat Project area, where phosphate mineralisation is widespread. The Gasaat phosphate deposit is classified as a marine carbonate-hosted sedimentary phosphate deposit.

The phosphate unit within the Gasaat Project typically occurs as a single, laterally continuous layer that exhibits vertical variations in ore mineral grain size and lateral variations in thickness. The unit ranges in thickness from 1m to 52.5m, with an average thickness of 10–15m. Notably, the phosphate horizon at KM is significantly thicker than average, with drill hole GADD-2025-03 intersecting 53m of continuous phosphate mineralisation.

The sedimentary sequence hosting the phosphate mineralisation comprises, from base to top:

1. Basal Cretaceous marls and mudstones;
2. The phosphate-bearing unit; and
3. An overlying massive dolomitic limestone bed.

Internally, the phosphate unit can be subdivided (from bottom to top) into Layers C, B, and A, where:

- Layer C represents a transitional zone from mudstone to phosphate;
- Layer B contains the main phosphate mineralisation; and
- Layer A marks the transition from phosphate to limestone.

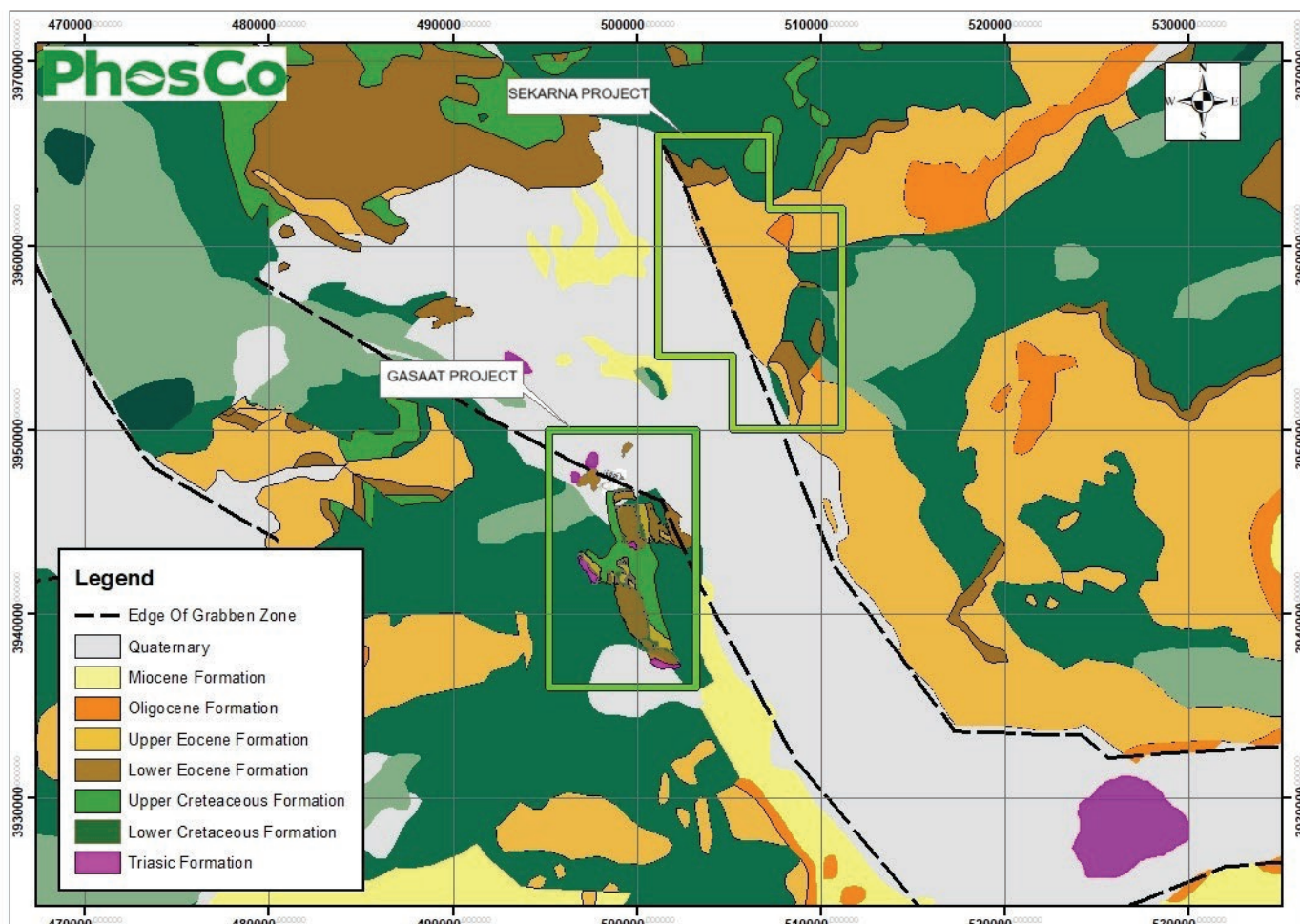
The rock phosphate unit and the limestone cap are both of variable thickness. The thickness of the phosphate generally reflects the depositional environment, while the thickness of the limestone reflects variation in surface erosion across the project area. The three main rock-types can usually be distinguished visually. Where the boundaries are less clear, pXRF is used to assist geological logging of the drill core.



About Gasaat

Gasaat represents PhosCo's most advanced phosphate project with a 146.4Mt @ 20.6% P₂O₅ Resource¹.

On 9 December 2022, PhosCo announced the results of a Scoping Study² 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.



PhosCo's Gasaat application was lodged 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.

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
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Scoping Study¹ assumes US\$150/t phosphate price.
Several opportunities also identified for further project optimisation.



Gasaat Key Parameters

- Low risk open-pit mining and processing to deliver 1.5Mtpa of high-quality concentrate at greater than 30% P_2O_5 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% P_2O_5 , 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.

Significant Upside Potential

- Large resource could support higher production rate above 1.5Mtpa to match market demand.
- Nearby deposits identified for lower mining costs, including SAB and KM prospects and other targets in the expanded new tenement.
- Mining optimisation for greater utilisation of strip mining.
- Potential to direct ship material in higher grade layer B early in project life.
- Simplified processing via single stage flotation and/or washing.
- Economies of scale, such as extension of a rail connection to site for lower cost logistics yet to be considered.

Next Steps

PhosCo is focused on areas of upside identified in the 2022 scoping study and is testing additional prospects that were outside the previous tenement.

Key work streams include:

- Completion of maiden resource estimates for SAB and KM prospects incorporating the latest drilling and trenching results.
- Mapping, trenching and exploration drilling to define several key prospects within the extended Gasaat project.
- 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 reverse flotation and direct flotation;
 - Impact of phosphate mineralogy variability across the different layers; and
 - Potential for alternative processing options.
- Infrastructure, water and transport – review of previous study work to assess optimal options and requirements for further work.
- Marketing, scalability and downstream processing:
 - 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 workstreams is planned to be used to update the 2022 Scoping Study prior to commencing a bankable feasibility study on the Gasaat Phosphate Project later in 2026.

EBRD Grant

PhosCo announced on 30 October 2025 that EBRD had awarded a €1M (\$1.8M) grant to advance its wholly owned Gasaat Phosphate Project, progressing toward its goal of becoming a cost competitive globally significant fertiliser producer. The grant is specifically earmarked for technical work prioritising project optimisation to position PhosCo as a low-cost fertiliser producer, including low strip deposits which will enhance the Gasaat project's economics early in its life. PhosCo will manage the work program as usual, with EBRD to pay for the work. In parallel with EBRD's grant, Taz Aldaoud has agreed to invest \$1.1M in PhosCo by exercising 21.4M options early.

Alongside the award of the EBRD Grant, PhosCo and EBRD have agreed to issue 150M options exercisable at 5 cents, consistent with the terms set out in its Mandate Letter announced on 11 March 2025. The options provide EBRD with the right (but not the obligation) to invest 120 days after the release of PhosCo's Updated Scoping Study, with funds from the option exercise representing a significant portion of the funding required for the Gasaat Bankable Feasibility Study (BFS).

This grant and funding package represents a meaningful contribution towards developing Tunisia's Northern Phosphate Basin, where PhosCo, EBRD and the Tunisian Government have been working together under a November 2024 Memorandum of Understanding. EBRD's Grant, 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 a global phosphate supplier.

Key terms of the EBRD Options:

- 150M options (including 90M approved by PhosCo shareholders at a general meeting on 19 December 2025).
- Investment amount of A\$7.5M at a price of A\$0.05/share.
- The EBRD Options expire the earlier of 120 days following the release of the Updated Scoping Study for Gasaat or 31 January 2028.
- In the event EBRD is unable to exercise some of the options due to Chapter 6 regulations (for example inability to go above 19.9% of PhosCo), the unexercised options will remain exercisable until 31 January 2028.
- PhosCo has agreed to meet the legal costs of EBRD's due diligence.

Terms if the Options are Exercised:

- Any issue of shares by PhosCo will comply with the ASX Listing Rules, Corporations Act and Foreign Investment Review Board approval (if required).

- 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 and project finance.
- 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) Updated Scoping Study and 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 Option Deed will result in an investment from EBRD.

Other Tenements and Applications

Sekarna Exploration Permit

Following the grant of the Sekarna Exploration Permit, 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.

PhosCo continues to actively engage 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.

Simitu Exploration Permit

PhosCo commenced preparatory exploration on its Simitu copper/gold permit in northern Tunisia including geological mapping, sampling, and geophysics, designed to generate drill-ready targets. Assays are pending from a number of prospective rock chip samples.

The permit covers ~140 km² of prospective terrain within the Tunisian Atlas metallogenic belt, known for copper, gold, and silver mineralisation. Historical mapping and artisanal workings indicate widespread copper oxide and sulphide occurrences, with potential extensions along strike.

Simitu represents a near-term opportunity to expand PhosCo's exposure to base and precious metals, aligning with increasing global demand for energy transition minerals.

Successful Legacy Enforcement Action

During the quarter PhosCo (through its wholly owned subsidiary Celamin Pty Limited) was successful in its court action seeking to compel its former JV partner Tunisian Mining Services SARL (TMS) to comply with the original November 2017 Arbitral Award relating to the legacy project company for Chaketma (Chaketma Phosphates SA (CPSA)). The Arbitral Award relates to TMS's fraudulent transfer of PhosCo's interest in CPSA in 2015.

PhosCo holds a majority interest (51%) in CPSA. TMS holds a 49% interest in CPSA and has failed to pay damages and costs pursuant to the Arbitral Award issued in November 2017 and enforced in Tunisia in September 2019. This latest decision re-affirms the September 2019 decision to enforce the ICC arbitration in Tunisia.

As a result of this latest decision, the damages and interest owed by TMS has increased due to subsequent movements in exchange rates, with the figure being approximately TND17.1M (A\$8.9M) at the date of the new decision (previously was TND14M/ A\$6.7M).

The orders are immediately enforceable and PhosCo will now begin the process of recovering its interest and the costs and damages awarded. PhosCo has already commenced several initiatives in this regard to hold TMS to account for its various breaches, including seizure of TMS vehicles and bank accounts.

Notably, PhosCo's new Gassaat permit is clean and clear of TMS, being owned 100% by PhosCo as well as being approximately double the size of the original Chaketma.

Despite being entitled to the damages under the Arbitral Award, PhosCo continues not to recognise 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.

As CPSA no longer holds any permits or permit applications, subject to full compliance with applicable law, PhosCo does not intend to provide further investment to CPSA.

TMS Arbitration Rejected

On 1 October 2025 PhosCo announced that the ICC arbitration initiated by TMS in relation to CPSA had been terminated by the ICC. The ICC Secretariat has held TMS to have breached the ICC rules for non-payment of fees and has withdrawn the action against both PhosCo and its wholly owned subsidiary Celamin Pty Ltd.

This represents another example of TMS's persistent efforts to hinder progress – first at Chaketma, now at Gasaat. PhosCo intends to hold TMS accountable for its actions, noting TMS has refused to pay A\$8.9M damages from previous ICC arbitration since 2017.

Corporate

Cash Position

PhosCo held cash of approximately A\$2.3M at the end of the December 2025 quarter.

Additionally, the full \$1.8M EBRD grant remains available and undrawn.

Payments to related parties and their associates during the quarter as outlined in Section 6 of the accompanying Appendix 5B to this quarterly activity report were \$108,000.

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%

* 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.

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

- 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.

- Refer to ASX announcement dated 9/12/22: 'Scoping Study Confirms Outstanding Economics for Chaketma'.

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, 10 September 2025, 29 September 2025, 18 November 2025 and 18 December 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.

This announcement is authorised for release to the market by the Board of Directors of PhosCo Ltd.

For further information please contact:

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PHOSCO LTD

ABN

82 139 255 771

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(162)	(305)
	(e) administration and corporate costs	(654)	(1,319)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(816)	(1,624)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(9)	37
	(d) exploration & evaluation	(523)	(762)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
	Cash acquired	-	-
2.6	Net cash from / (used in) investing activities	(532)	(725)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		-
3.3	Proceeds from exercise of options	1,259	1,259
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(7)	(7)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,252	1,252

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,357	3,358
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(816)	(1,624)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(532)	(725)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,252	1,252
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,261	2,261

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,261	2,357
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,261	2,357

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	108
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (EBRD grant EUR 1 million)	1,760	-
7.4	Total financing facilities	1,760	-
7.5	Unused financing facilities available at quarter end		1,760
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. As announced to ASX on 30 October 2025, the Company has received €1M (A\$1.76 M*) grant from The European Bank for Reconstruction and Development (EBRD) to advance its Gasaat Phosphate Project. <i>* Converted using exchange rate at 31 December 2025</i>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(816)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(523)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,339)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,261
8.5	Unused finance facilities available at quarter end (item 7.5)	1,760
8.6	Total available funding (item 8.4 + item 8.5)	4,021
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions: 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? Answer: N/A 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? Answer: N/A 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? Answer: N/A <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 20 January 2026

Authorised by: The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.