

## Canadian Phosphate December 2025 Quarterly Activities Report

### HIGHLIGHTS

- Operating cash flow continues to show improvement, with costs reduced whilst maintaining consistent sales in 2025.
- Sale of pelletizing plant completed, generating approx. A\$1.0 million (US\$654,000) in gross cash proceeds, which were received in October.
- Completed a A\$2.0 million capital raise which received strong demand, strengthening the Company's balance sheet and funding near-term development activities.
- Advanced permitting activities across the Company's Canadian phosphate assets, including exploration permits at Wapiti and a 10,000-tonne bulk sample permit at Pump Station, Fernie.
- Executed a Letter of Intent (LOI) with Novaphos to support the potential development of purified phosphoric acid (PPA) for use in the lithium iron phosphate (LFP) battery industry.
- Mine to Market strategy released, highlighting potential opportunities for CP8's Wapiti and Fernie projects.

Canadian Phosphate Ltd. (ASX: CP8) ("Canadian Phosphate" or "the Company") is pleased to report on its activities for the December 2025 quarterly period.

**Managing Director and Chief Executive Officer Daniel Gleeson** said:

*"This quarter represented a significant period of progress for Canadian Phosphate, making meaningful operational and strategic progress across our integrated mine-to-market strategy. The Company continued to streamline its existing fertilizer business through disciplined cost-reduction initiatives while maintaining consistent sales performance. As a result, cash flow losses were reduced to -\$496,000, a material improvement on -\$1,166,000 recorded in 2024. This operational momentum supports a positive outlook for 2026, underpinned by a recent four-fold volume upgrade from CP8's largest customer, which also strengthened its working capital and inventory position.*

*CP8 also materially strengthened its balance sheet during the period. Divestment of the pelletizing plant generated approximately A\$1.0 million (US\$654,000) in gross cash received in October, while a A\$2.0 million capital raise completed in December was scaled to meet high demand, reflecting strong support from both new and existing investors. This funding outcome validates the Company's mine-to-market strategy articulated last quarter, highlighting CP8's unique position as the only holder of advanced sedimentary rock phosphate projects in Canada, with direct access to critical processing inputs including sulfur and natural gas.*

*This strategic positioning supports CP8's long-term objective to supply both fertilizer and LFP battery markets through a capital-efficient, scalable, and modular development approach, which was further highlighted by the Letter of Intent signed with Novaphos this quarter.*

*Progress at the project level continued, with the Barnes bulk sample permit (10,000 tonnes) approved in*

June 2025, the Pump Station bulk sample permit (10,000 tonnes) advancing through the approval process, and the Wapiti exploration permit now in the final stages of regulatory review as we prepare for drilling at our Wapiti project in 2026."

### Improved financials

Despite reduced sales in Q4 2025, annual sales remained consistent with 2024 at approximately A\$2.5M, however with cost reduction of more than A\$0.5M for the full year, cash flow from operating activities improved by \$670,000 compared with 2024. CP8's largest customer has completed plant upgrades to increase capacity four-fold and a capital raise of C\$3M in January 2026 for working capital, which is expected to boost CP8 sales in 2026.

### \$2.0M capital raising completed

During the quarter, CP8 completed a A\$2.0 million equity capital raise (before costs), which was scaled to meet high demand, attracting strong support from both existing and new shareholders. CP8 issued 40,000,000 shares at \$0.05/share. The strong demand reflects growing investor recognition of phosphate as a critical input for both fertiliser and battery materials, as well as CP8's positioning within secure North American supply chains.

The proceeds materially enhance the Company's funding position and will be applied toward advancing permitting, technical studies, and strategic initiatives across the Company's phosphate portfolio.

### Permitting advanced

The Company continues to advance through the permitting process for the Wapiti exploration permit, with recent regulatory engagement providing positive feedback to the project. We expect that a decision on this application to be finalized shortly. A positive outcome will allow CP8 to execute the exploration program designed in consultation with Dahrouge Geological Consulting in the summer of 2026, with a view to an updated Mineral Resource Estimate and further metallurgical testing,

Concurrently, CP8's Pump Station project in Fernie continues to progress towards a 10,000-tonne bulk sample permit, with the application currently out for referral. This application represents an important step toward validating material handling, logistics, geology and processing assumptions while generating representative material for downstream testing. These permitting milestones are central to de-risking the Company's project pipeline and advancing assets along the development pathway and will be in addition to its current Barnes bulk sample permit for 10,000 tonnes.

### LOI with Novaphos

CP8 executed a non-binding Letter of Intent with Novaphos, establishing a framework for collaboration to support the potential development of purified phosphoric acid (PPA) suitable for the LFP battery cathode active material (CAM) market.

Novaphos is a leading U.S.-based developer of advanced phosphate processing technology, and a potential partnership would see CP8 leverage Novaphos' proprietary phosphate processing technology to help create more value from its existing rock phosphate projects in the next stages of business development.

The LOI reflects 18 months of collaboration and a shared objective to further evaluate technical, commercial, and supply-chain pathways that may enable CP8 to participate in the rapidly expanding North American LFP battery ecosystem. This initiative aligns with increasing investment in battery manufacturing capacity across Canada and the United States and underscores the strategic relevance of domestically

sourced phosphate inputs.

This LOI is also reflected through the company presentation on mine to market strategy, highlighting how uniquely positioned it is to capture a significant opportunity as the holder of the most advanced sedimentary phosphate projects in Canada. With no operating rock phosphate mines currently in production domestically, CP8's projects represent a potential first-mover advantage in re-establishing a secure, sovereign supply of phosphate for critical downstream markets. The Company benefits from favourable infrastructure and input access, including proximity to natural gas and sulfur, which supports the potential development of both phosphate fertilizers and purified phosphoric acid suitable for lithium iron phosphate (LFP) battery supply chains.

Combined with close proximity to key agricultural regions and emerging North American LFP cathode active material manufacturing hubs, CP8 is well placed to address growing demand while reducing reliance on imported phosphate and enhancing supply chain resilience.

### **Activities planned for Q1 CY2026**

During Q1 2026, CP8 will remain focused on advancing its core exploration and development activities, with particular emphasis on permitting and execution readiness. The Company is targeting completion of a multi-year, area-based exploration permit at Wapiti, which will enable the commencement of the drill program designed by Dahrouge Geological Consulting.

In parallel, CP8 will also advance additional exploration activities with Dahrouge Geological Consulting in the Fernie region to further refine and develop the Company's strategic approach in this highly prospective area. The Fernie region encompasses more than 60km of cumulative strike length across multiple contiguous tenements, providing significant scale and optionality. This work will focus on improving geological understanding, prioritising targets, and informing future exploration and development pathways as part of CP8's broader growth strategy in Canada.

The Company will progress planning activities associated with the mining of the approved 10,000-tonne Barnes bulk sample, ensuring operational readiness and alignment with downstream development objectives.

In addition to its exploration activities, CP8 will prioritise supporting the expansion plans of its existing customers in Canada by ensuring consistent, reliable, and on-time delivery of phosphate as they ramp up production at their upgraded facilities. This operational focus is intended to strengthen long-term customer relationships and underpin stable near-term revenues.

## **CORPORATE**

### **Related party transactions**

In accordance with ASX Listing Rule 5.3.5, during the December 2025 quarter Canadian Phosphate paid an executive director \$87,500 in relation to his ongoing employment contract.

Canadian Phosphate paid a non-executive director \$7,541 relating to interest on a director loan provided to Canadian Phosphate as outlined in Appendix 5B section 6.1. Canadian Phosphate also paid a non-executive director \$5,027 relating to interest on a convertible note provided to Canadian Phosphate in November 2023.

Blackwood Capital, co-owned by Non-Executive Chairman Stuart Richardson and thereby a related party of Canadian Phosphate, acted as Lead Manager for the Placement and received a gross fee of 6% of the funds raised. The total fees are \$120,000.

**Expenditure incurred on exploration and evaluation**

During the Quarter, the Company made payments of \$147,246 for exploration and evaluation (Q3 2025: \$98,716), \$516,365 for production input costs (Q3 2025: \$212,106), and \$450,442 for administration and corporate related costs (Q3 2025: \$261,222).

**Cash/Appendix 5B commentary**

The Company had \$2,442,401 in cash at quarter end plus positive working capital of \$58,180, providing CP8 with a strong cash position to advance its exploration and development plans.

The Company retains access to approximately 24,500 tonnes of inventory in stockpiles at its Montana locations.

Authorised by the board of Canadian Phosphate Limited.

**For more information, please contact:**

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**BOARD OF DIRECTORS**

Stuart Richardson – Non-Executive Chairman  
Daniel Gleeson – Managing Director  
Malcolm Weber – Non-Executive Director

**KEY PROJECTS**

Wapiti – Ownership 100%  
Fernie – Ownership 100%

**Cautionary Statement**

The Information in this report that relates to the Fernie Project is extracted from the Company's announcement titled "Quarterly Report & 5B", dated 28<sup>th</sup> October 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement. The Company confirms that the form & context in which the findings are presented have not been materially modified.

**Forward-Looking Statements**

This announcement may include forward-looking statements and opinions. Forward-looking statements, opinions and estimates are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of the Company. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements, opinions or estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement.

Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements, opinions or estimates. Any forward-looking statements, opinions or estimates in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, CP8 does not undertake any obligation to update or revise any information or any of the forward-looking statements opinions or estimates in this announcement or any changes in events, conditions or circumstances on which any such disclosures are based.

## Tenement Schedule

Tenements held directly or in application by Canadian Phosphate Limited or a subsidiary company at 31 December 2025.

Title Number	Claim Name	Owner	Good To Date	Status	Area (ha)
851942	WK 1	276562 (100%)	2030/DEC/31	GOOD	450.8337
851948	WK 2	276562 (100%)	2030/DEC/31	GOOD	451.0152
851952	WK 3	276562 (100%)	2030/DEC/31	GOOD	375.6551
851958	WK 4	276562 (100%)	2030/DEC/31	GOOD	451.2027
941760	WK 5	276562 (100%)	2030/DEC/31	GOOD	450.829
941761	WK 6	276562 (100%)	2030/DEC/31	GOOD	469.869
941762	WK 7	276562 (100%)	2030/DEC/31	GOOD	432.0722
941763	WK 8	276562 (100%)	2030/DEC/31	GOOD	413.4852
941764	WK 9	276562 (100%)	2030/DEC/31	GOOD	432.5329
941769	WK 10	276562 (100%)	2030/DEC/31	GOOD	451.3602
955278	WK 11	276562 (100%)	2030/DEC/31	GOOD	470.3094
956829	WK 12	276562 (100%)	2030/DEC/31	GOOD	37.5615
982744	WK-ONE	276562 (100%)	2022/AUG/21	PROTECTED	18.7971
1011319	BARNES LAKE	276562 (100%)	2027/JAN/07	GOOD	608.9764
1015556	WAPITI NE	276562 (100%)	2030/DEC/31	GOOD	375.5435
1015557	WAPITI TWO	276562 (100%)	2030/DEC/31	GOOD	168.9294
1015558	WAPITI SOUTH	276562 (100%)	2030/DEC/31	GOOD	376.3457
1015626	MUNOK 1	276562 (100%)	2030/DEC/31	GOOD	169.5755
1015627	BELCOURT 1	276562 (100%)	2030/DEC/31	GOOD	113.2731
1018104	WAP S2	276562 (100%)	2030/DEC/31	GOOD	451.8171
1018106	WAP S3	276562 (100%)	2030/DEC/31	GOOD	451.7492
1018107	WAP S4	276562 (100%)	2030/DEC/31	GOOD	451.9332
1018108	WAP S5	276562 (100%)	2030/DEC/31	GOOD	452.0947
1018109	WAP S6	276562 (100%)	2030/DEC/31	GOOD	452.3014
1023062	CROWSNEST	276562 (100%)	2027/AUG/29	GOOD	1450.8882
1023064	CROWS 2	276562 (100%)	2027/AUG/26	GOOD	38.6725
1023921	RED DEER 1	276562 (100%)	2022/AUG/21	PROTECTED	150.2184
1023922	RED DEER 2	276562 (100%)	2022/AUG/21	PROTECTED	206.3382
1023923	RED DEER 3	276562 (100%)	2022/AUG/21	PROTECTED	150.1307
1024365	MARTEN	276562 (100%)	2027/AUG/30	GOOD	754.3219
1024783	MUNOK 2	276562 (100%)	2030/DEC/31	GOOD	603.0465
1024803	BELCOURT 2	276562 (100%)	2030/DEC/31	GOOD	301.7586
1024805	BELCOURT 4	276562 (100%)	2030/DEC/31	GOOD	339.7829
1024806	BELCOURT 3	276562 (100%)	2030/DEC/31	GOOD	188.6959
1025533	MARTEN 2	276562 (100%)	2026/AUG/28	GOOD	460.8584

1027037	BELCOURT LINK	276562 (100%)	2030/DEC/31	GOOD	282.5887
1027038	WAP 11	276562 (100%)	2022/AUG/21	PROTECTED	168.938
1029417	MUNOK	276562 (100%)	2030/DEC/31	GOOD	207.3811
1029489	SOUTH 2	276562 (100%)	2030/DEC/31	GOOD	376.1569
1029979	MARTEN NORTH	276562 (100%)	2026/AUG/29	GOOD	334.9933
1030777	SOUTH ROAD 2	276562 (100%)	2030/DEC/31	GOOD	413.6588
1031107	MARTEN E	276562 (100%)	2026/AUG/29	GOOD	188.4545
1047502	RAM 1	276562 (100%)	2026/OCT/29	GOOD	21.1186
1055454	BARNES LK WEST	276562 (100%)	2027/JAN/07	GOOD	83.9744
1058529	SUMMIT 1	276562 (100%)	2026/AUG/29	GOOD	20.9183
1095294	WAPITI SOUTH ROAD	276562 (100%)	2023/APR/22	PROTECTED	131.4155
1096780	MICHEL HEAD 1	276562 (100%)	2027/JAN/07	GOOD	209.8408
1099878	ALEXANDER NORTH 6	276562 (100%)	2027/APR/30	GOOD	291.4774
1110032	Highway 3 phos	276562 (100%)	2027/OCT/27	GOOD	41.8301
1110033	Cro 78	276562 (100%)	2027/AUG/28	GOOD	62.7437
1110255	Alexander South	276562 (100%)	2027/AUG/28	GOOD	250.9147
1119876	Fertoz 1	276562 (100%)	2026/FEB/04	GOOD	37.6153
1119877	Fertoz 2	276562 (100%)	2026/FEB/04	GOOD	112.8972
1119878	Fertoz 3	276562 (100%)	2026/FEB/04	GOOD	187.7786
1119880	Fertoz 4	276562 (100%)	2026/FEB/04	GOOD	244.1355
1119881	Fertoz 5	276562 (100%)	2026/FEB/04	GOOD	187.8942
1120451	ALEXANDER NORTH 1	276562 (100%)	2027/APR/30	GOOD	166.6423
1126904	Jackson 7	276562 (100%)	2027/SEP/07	GOOD	333.9738
1126905	Jackson 8	276562 (100%)	2027/SEP/07	GOOD	83.4542
1126906	Jackson 9	276562 (100%)	2027/SEP/07	GOOD	564.0958
1126907	Jackson 10	276562 (100%)	2027/SEP/07	GOOD	83.6116
1126908	Coal Mountain 3	276562 (100%)	2027/JAN/07	GOOD	498.1168
1126909	Coal Mountain 4	276562 (100%)	2027/JAN/07	GOOD	41.9747
1126910	Barnes 8	276562 (100%)	2027/JAN/07	GOOD	1028.7679
1126911	Barnes 7	276562 (100%)	2027/JAN/07	GOOD	230.9648
1126916	Lyne 4	276562 (100%)	2027/JAN/23	GOOD	311.8892
1126917	Lyne 5	276562 (100%)	2027/JAN/23	GOOD	20.788
1126918	Lyne 6	276562 (100%)	2027/JAN/23	GOOD	936.2341
1126919	Lyne 7	276562 (100%)	2027/JAN/23	GOOD	104.0436
1126920	Lyne 8	276562 (100%)	2027/JAN/23	GOOD	208.2024
1126921	Lyne 9	276562 (100%)	2027/JAN/23	GOOD	20.8213
1126922	Alexander North 2	276562 (100%)	2027/APR/30	GOOD	500.2638
1126923	Alexander North 3	276562 (100%)	2027/APR/30	GOOD	104.1773
1127169	Claim (Bighom)	276562 (100%)	2026/OCT/29	GOOD	211.2753
1128185	BIGHORN	276562 (100%)		UNDER APPLICATION	232.3941