

Canadian Phosphate acquires advanced Diamond Mountain Phosphate Project in Utah, USA

HIGHLIGHTS

- Binding agreement executed to acquire 100% of the Diamond Mountain Phosphate Project in Utah, USA, from Revival Gold and Utah Minerals Resources
- Advanced, high-quality phosphate asset in a tier-one mining jurisdiction on State owned land adjacent to Simplot's 4Mtpa Vernal Phosphate Mine
- Transaction positions Canadian Phosphate as an emerging North American phosphate developer
- Foreign Estimate (NI 43-101) reports 26.8 million tonnes (Mt) of Measured and Indicated Resource and 23.1Mt of Inferred Resource averaging 19.67% P₂O₅, in a seam averaging 4.4m thickness (not reported in accordance with the JORC Code – see Foreign Estimate section for further detail)
- Opportunity for Canadian Phosphate to advance a critical mineral project aligned with global agricultural and food security demand.

Canadian Phosphate Limited ("Canadian Phosphate" or the "Company") is pleased to announce it has signed a binding agreement to acquire a 100% interest in the Diamond Mountain Phosphate Project in Utah, USA (the "Project") from Revival Gold Inc. ("Revival Gold") and Utah Minerals Resources LLC ("UMR") (the "Transaction").

Project Overview

The Diamond Mountain Phosphate Project is 35km northeast Vernal, Utah, adjacent to Simplot's 4Mtpa Vernal Phosphate Mine. The Diamond Mountain Project is well serviced by existing infrastructure and is an established mining jurisdiction with supportive regulatory frameworks. The Diamond Mountain Project hosts a substantial foreign resource contained within thick, laterally continuous phosphate bands, and has significant exploration upside.

Phosphate is a key input in fertiliser production and is classified as a critical mineral in the USA, Canada, Australia and the EU, reflecting its importance to global food supply chains.

Canadian Phosphate Director and CEO Daniel Gleeson commented:

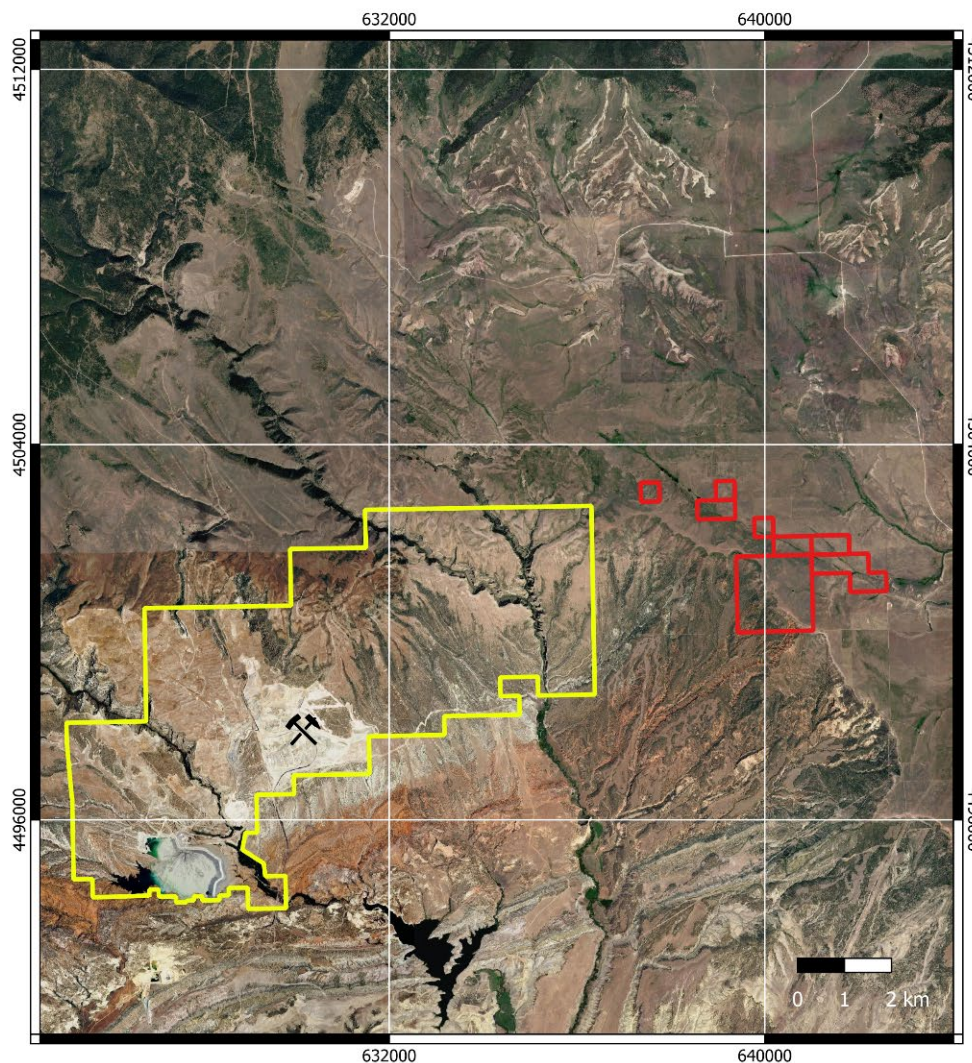
"Our acquisition of this large, advanced, high quality sedimentary phosphate project in the United States represents a material step in accelerating our strategy to become a major North American phosphate supplier. The project's scale, and strategic location provides Canadian Phosphate with a significant platform for growth. Importantly, the acquisition complements our existing Canadian sedimentary phosphate assets and further strengthens our vision of establishing a vertically integrated, mine-to-market phosphate business across North America.

We believe the combination of high-quality phosphate resources, access to critical infrastructure, proximity to major end markets and growing geopolitical focus on securing domestic critical mineral

and fertilizer supply chains will position the Company exceptionally well for the future.

As North America increasingly recognizes phosphate as both a strategic fertilizer input and a critical component within the LFP battery supply chain, this acquisition has the potential to materially accelerate our development pathway, broaden our market reach and enhance our ability to supply secure, domestic phosphate solutions into a rapidly evolving market.”

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<p>Diamond Mountain Project Canadian Phosphate Ltd.</p>	<p>Legend</p>	<p>Scale 1:100000</p>
	<ul style="list-style-type: none"> □ Canadian Phosphate Lease □ JR Simplot Lease JR Simplot Vernal Mine 	<p><small>Base Data: Google Satellite Imagery Map Date: 28/05/2026 Prepared by Canadian Phosphate Ltd. Created for Legal (8.5 x 14) Imagery Capture date 24/07/2025</small></p>

Figure 1: Location of Diamond Mountain Project in Utah with Simplot’s Vernal Mine also shown.

Strategic Rationale

The acquisition of the Diamond Mountain Project aligns with Canadian Phosphate's strategy to build a portfolio of advanced, high-quality sedimentary phosphate assets across North America at a time when governments are increasingly prioritizing domestic fertilizer and critical mineral supply chains.

It provides Canadian Phosphate with exposure to an advanced asset, while remaining highly complementary to the Company's broader vertically integrated mine-to-market phosphate strategy across North America.

Importantly, the Project is located in the United States, one of the world's largest fertilizer markets and a jurisdiction currently accelerating policy support for domestic fertilizer and critical mineral production. Recent announcements by the United States Department of Agriculture ("USDA") have highlighted initiatives to accelerate permitting pathways and increase funding support for domestic fertilizer production projects as part of broader efforts to strengthen food security, reduce import dependency and secure long-term agricultural supply chains.

The acquisition positions Canadian Phosphate to participate directly in these emerging policy initiatives while establishing a strategic foothold in a highly supportive mining and agricultural jurisdiction.

The Project provides the Company with:

- Exposure to a substantial advanced sedimentary phosphate asset hosting a 26.8 Mt Measured and Indicated foreign estimate in the United States
- A complementary development pathway alongside the Company's Canadian phosphate projects
- A substantial foreign phosphate resource, which has the potential to support accelerated development timelines relative to earlier-stage assets
- Increased strategic exposure to domestic North American fertilizer and LFP battery supply chains
- Expansion into a jurisdiction actively supporting domestic fertilizer security and critical mineral development
- Exposure to a finite and increasingly strategic mineral essential to global food production and energy transition markets.

Geopolitical instability, export restrictions and global supply concentration continue to impact phosphate markets. Canadian Phosphate believes the long-term strategic value of advanced North American phosphate assets will continue to grow.

Transaction Overview

Under the terms of the agreement, Canadian Phosphate will acquire 100% of the Project through a combination of cash consideration and equity issuance to Revival Gold and UMR.

Total consideration for the acquisition is up to US\$3.0 million, comprising upfront consideration of US\$1.5 million and deferred consideration of up to US\$1.5 million.

Full details of the consideration structure are set out below:

- **Upfront Consideration:**
 - Cash payment: US\$750,000 with \$250,000 due on closing date and the remaining \$500,000 USD due on the first 12-month anniversary.

- Issuance of CP8 shares: US\$750,000 in value, being 6,041,737 CP8 shares with a deemed issue price of AUD\$0.1743 per CP8 share. 50% of the shares are restricted from trading for a period of 12 months and the remaining 50% of shares are restricted from trading for a period of 24 months.

- **Deferred Consideration / Milestones:**

- Deferred consideration of US\$1.5 million payable in cash or shares (at CP8's election) on or prior to the first anniversary of the commencement of commercial production.

Completion of the Transaction is subject to conditions precedent including, among other things, all necessary regulatory approvals, approvals and confirmations from ASX (including in relation to Chapters 10 and 11 of the ASX Listing Rules), assignment of the SITLA lease (including required approvals and consents from SITLA to effect the transfer of the lease to the Company), confirmation from ASX that the Company is not required to re-comply with Chapters 1 and 2 of the ASX Listing Rules, and any approvals required under the ASX Listing Rules (including, if applicable, shareholder approval under Listing Rule 7.1 and the Corporations Act), as well as other customary conditions precedent for a transaction of this nature.

The issue of CP8 shares under the Transaction will be within the Company's placement capacity or subject to shareholder approval under Listing Rule 7.1, if required.

Next Steps

Following completion of the acquisition, the Company intends to:

- Undertake detailed technical review and validation of the Diamond Mountain's foreign estimate
- Advance exploration and resource definition programs
- Evaluate development pathways.

Foreign Estimate

(ASX Listing Rule 5.12.1)

The foreign estimate is based on a Technical Report under National Instrument (NI 43-101) standards, titled 'Technical Report – Diamond Mountain Phosphate Project' with an effective date of 11 September 2014, authored by Norwest Corporation on behalf of Strata Minerals Inc. The estimate reports 26.8 million tonnes (Mt) of Measured and Indicated Resource and 23.1Mt of Inferred Resource averaging 19.67% P₂O₅, in a seam ranging from 3.5 to 5.6m thick, averaging 4.4m. The 43-101 covers a broader project area, however resources from the foreign estimate reported here relate solely to the State leases forming the subject of this acquisition.

(ASX Listing Rule 5.12.2)

The foreign estimate uses the classification categories of "Measured", "Indicated" and "Inferred" Mineral Resources as defined under NI 43-101. While these categories are similar to those defined in the JORC Code, they are not reported in accordance with the JORC Code and should not be relied upon as having been prepared in accordance with that code.

(ASX Listing Rule 5.12.3)

The foreign estimate is considered material to the Company as it forms part of the basis for the acquisition of the Project and supports the Company's assessment of its potential scale.

(ASX Listing Rule 5.12.4)

The foreign estimate was prepared under NI 43-101 standards and no JORC Table 1 was completed as part of that work. With reference to the criteria of Table 1 of Appendix 5A (JORC Code) considered relevant to understanding the reliability of the foreign estimate, the following is noted:

The 43-101 was prepared by an independent Qualified Person under NI 43-101 standards. Core processing and sampling practices are documented in the report and are consistent with industry standards for sedimentary phosphate exploration, including chain of custody protocols, sample splitting procedures and systematic sample interval selection based on lithological contacts.

Assay samples were analysed by SGS Mineral Services, Denver, an ISO/IEC 17025 accredited laboratory. QAQC procedures included blind duplicate reanalysis and insertion of certified reference standards, both of which demonstrated a high level of analytical reproducibility and accuracy.

Two 2014 drill holes were twinned against US Steel historical holes, confirming ore elevation and thickness within acceptable tolerances, supporting the reliability of the historical data incorporated into the foreign estimate.

The report describes mineralisation as occurring within laterally continuous sedimentary bands of the Phosphoria Formation. The interpreted low geological complexity, including limited structural deformation and a shallow, uniformly dipping mineralised horizon, supports high confidence in the classification parameters applied in the foreign estimate.

Classification thresholds of 200m (Measured), 400m (Indicated) and 1,200m (Inferred) radius are considered by the author of the 43-101 to be appropriate for the deposit type and geological complexity.

(ASX Listing Rule 5.12.5)

The Diamond Mountain plateau area was first explored by the United States Geological Survey (USGS) in 1955. The area was first drilled by US Steel in 1967, and 1969-1970, of which one hole overlaps the state lease being acquired. In 2014, Strata Minerals/Utah Mineral Resources drilled 17 HQ drill holes in the region, of which 11 overlap the state lease being acquired. This historical drilling has been considered as relevant in making geological assessments of the area.

Mining parameters assume that the foreign estimate will be amenable to an underground, room and pillar style mine.

For the foreign resource estimate, a geological model was constructed comprised of grid estimates of surface topography, depth to base of surface weathering, depth to roof and floor of the ore zone, plus assay data and density data. Data from the Strata Minerals exploration program and 22 US Steel core holes, plus the surface topography Digital Elevation Models (DEM) survey data acquired from public sources, were used in the structural component of the geological model. Grade data from both Strata Minerals and US Steel holes were used in the geological model after successful validation of US Steel grade values. The following classification methods were applied to surrounding valid drillhole intercepts of the ore zone:

- Measured Resources – up to 200m radius
- Indicated Resources – up to 400m radius
- Inferred Resources – up to 1200m radius.

Key assumptions include the continuity of the phosphate seam, underground mining using room and pillar methods, and the use of historical assay and density data. These assumptions have not been independently verified by the Company.

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(ASX Listing Rule 5.12.6)

There are no more recent estimates or data available that is relevant to the reported mineralisation available to the Company.

(ASX Listing Rule 5.12.7)

CP8 intends to undertake a data validation program comprising the identification and recovery of all available historical exploration data, including geological logs, assay records and field documentation from the Strata Minerals and US Steel drill programs. Following validation, a verification drilling program including twinning of existing drill holes will be designed, with the number of twin holes to be determined by the assessed reliability of the underlying data. The objective of this work is to verify and classify the foreign estimate as a mineral resource in accordance with the JORC Code.

(ASX Listing Rule 5.12.8)

Evaluation of the foreign estimate will be undertaken as permitting allows, with a view to an exploration campaign being initiated in 2026. Funding for this work is expected to be sourced from the Company's existing cash reserves and/or future capital raisings.

(ASX Listing Rule 5.12.9)

The foreign estimate is not reported in accordance with the JORC Code. A Competent Person has not done sufficient work to classify the foreign estimate as a Mineral Resource in accordance with the JORC Code, and it is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resource or ore reserve in accordance with the JORC Code. The foreign estimate was prepared by a third-party Qualified Person under NI 43-101 standards and has not been independently validated by CP8, which reports it solely in the context of a project acquisition.

The Company confirms that it is not in possession of any new information or data that materially impacts on the reliability of the foreign estimate.

(ASX Listing Rule 5.12.10)

The information in this announcement relating to the Foreign Estimate has been reviewed by Mr. Nathan Schmidt, B.Sc., P.Geo. (Engineers and Geoscientists British Columbia), a Recognised Professional Organisation (RPO) under the JORC Code. Mr. Schmidt has sufficient experience relevant to sedimentary phosphate mineralisation and to the activity being undertaken 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. Schmidt is satisfied that the information in this announcement provided under ASX Listing Rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the Project.

Mr. Schmidt is a Member of the Advisory Board of Canadian Phosphate Limited, holds unvested performance rights in the Company as consideration for that role, and is therefore not independent of the Company. Mr. Schmidt is employed by Dahrouge Geological Consulting Ltd. Mr. Schmidt consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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Authorised by the board of Canadian Phosphate Limited.

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BOARD OF DIRECTORS

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

KEY PROJECTS

Wapiti – Ownership 100%
Fernie – Ownership 100%

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.

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