

GASAAT PHOSPHATE PROJECT, TUNISIA

PhosCo eyes more inventory growth with another discovery

Drilling has intersected thick, shallow phosphate mineralisation at the KH prospect, just 3.5km from the proposed plant site at Gasaat

HIGHLIGHTS

- Drilling has intersected wide zones of phosphate at the KH prospect, which is the northern-most prospect at Gasaat.
- The five-hole drill program returned intersections ranging from 16.5m to 20.5m down-hole.
- The KH discovery follows the discovery at the DOH prospect at Gasaat which was announced last week (see ASX release date 3 June 2026).
- Both discoveries support PhosCo's strategy to continue growing the resource at Gasaat, which is ideally positioned to capitalise on growing global demand for new fertiliser sources.
- The shallow nature of the KH mineralisation, which outcrops in places, points to another discovery that could boost the overall economics of Gasaat, particularly in the early years of production.

PhosCo Managing Director, Taz Aldaoud said:

"The drill program at KH was designed to target a value-accretive discovery with the potential to underpin PhosCo's high-margin production start-up strategy. The appeal of the KH prospect is its simple tabular, outcropping mineralisation, and close proximity to the proposed plant. The drilling success at KH is highly complementary to the recent maiden resource estimates at the nearby KM and SAB prospects, which have the potential to optimise the project economics ahead of the Bankable Feasibility Study".

PhosCo Ltd (**ASX:PHO**) is pleased to announce that it has made another discovery at its Gasaat Phosphate Project in Tunisia.

Drilling at KH Prospect

PhosCo's 5-hole drilling program at the KH prospect confirmed the geometry and continuity of the phosphate mineralisation as determined by outcrop mapping and historical CPG drilling data, which intersected 16.5m and 15.5m of phosphate of unknown grade (Figure 2). The drilling successfully confirmed lateral continuity and validated the thickness of the phosphate layer as indicated by the historic CPG drilling.

The results of the latest drilling (assays pending):

GADD-31	17m phosphate from 39m
GADD-32	20.5m phosphate from 102.5m
GADD-33	18.8m phosphate from 41m
GADD-34	16.5m phosphate from 28.8m
GADD-35	20m phosphate from 80.5m

The KH sector corresponds to an Eocene limestone block dislocated approximately 2,000m from the major Gasaat deposits by faulting. The block covers an area of approximately 150,000m² and is truncated in its northern part by an east-west (EW) trending fault which forms the edge of the Rohia Graben. The mineralised block dips approximately 20° to 30° toward the southeast.

The interpreted cross-section (Figure 3) shows a phosphate layer hosted within the Eocene limestone block, dipping gently (20°–30°) toward the southeast. The phosphate horizon is constrained structurally to the north by the EW fault, which likely truncates mineralised body. The two historical drill holes confirm consistent thickness of the phosphate layer across the central part of the block. The geometry suggests a tilted tabular body, with limited structural complexity aside from the northern boundary fault.

Gasaat Geology

The geology at KH is 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 53m, with an average thickness of 10–15m.

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.

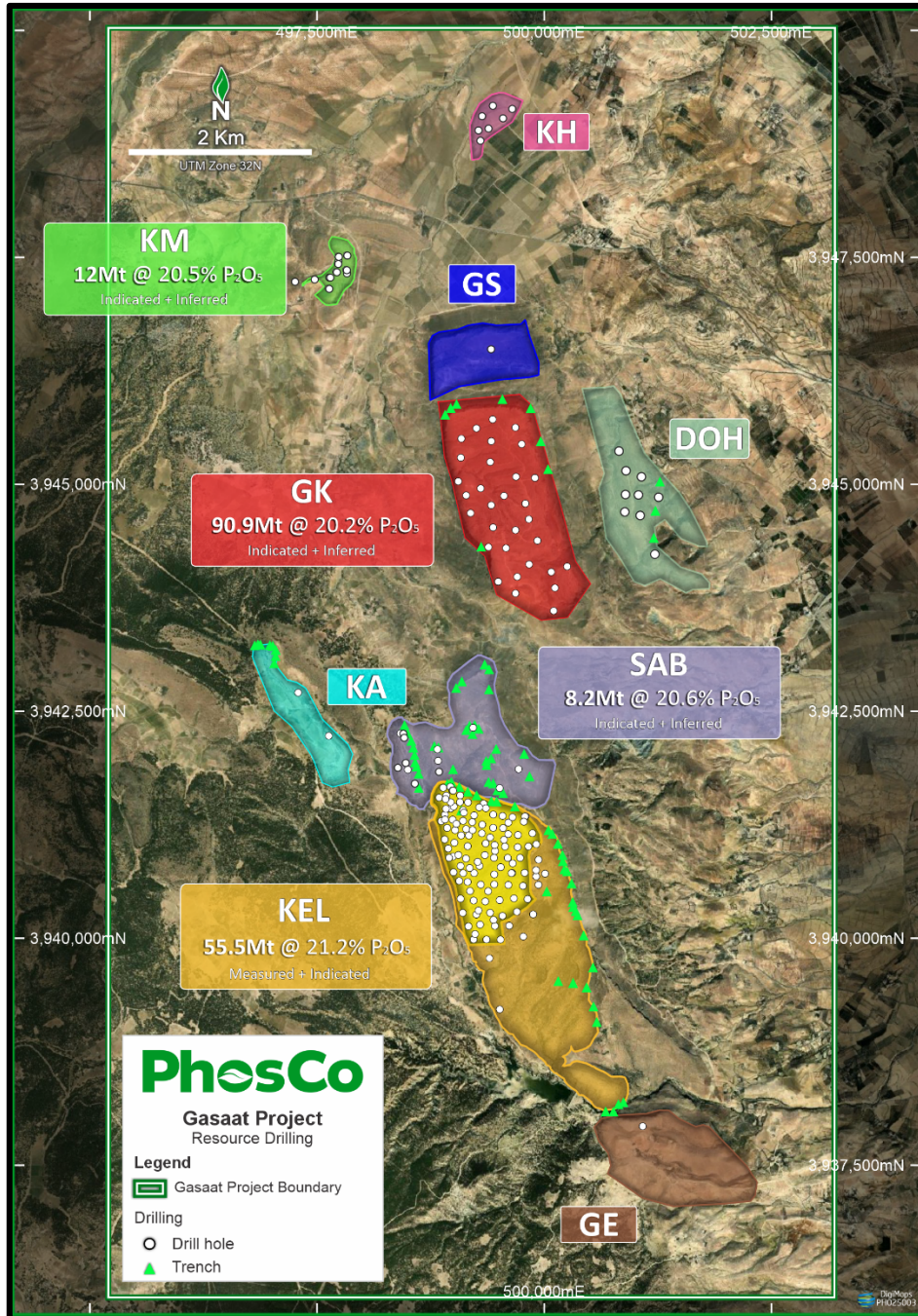


Figure 1 – Location of KH and other prospects within the Gasaat project area

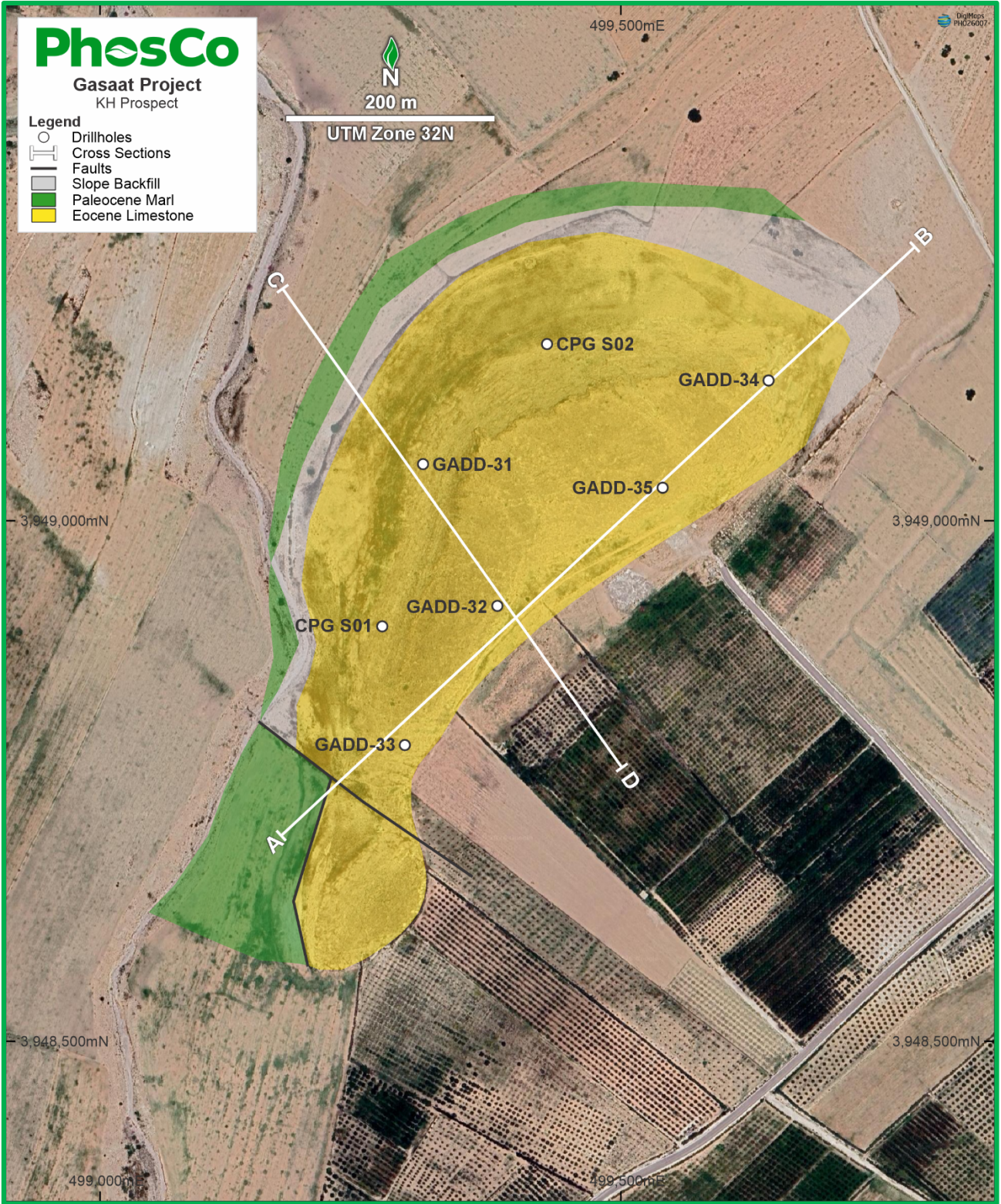


Figure 2 – KH Prospect showing locations of drill holes and sections

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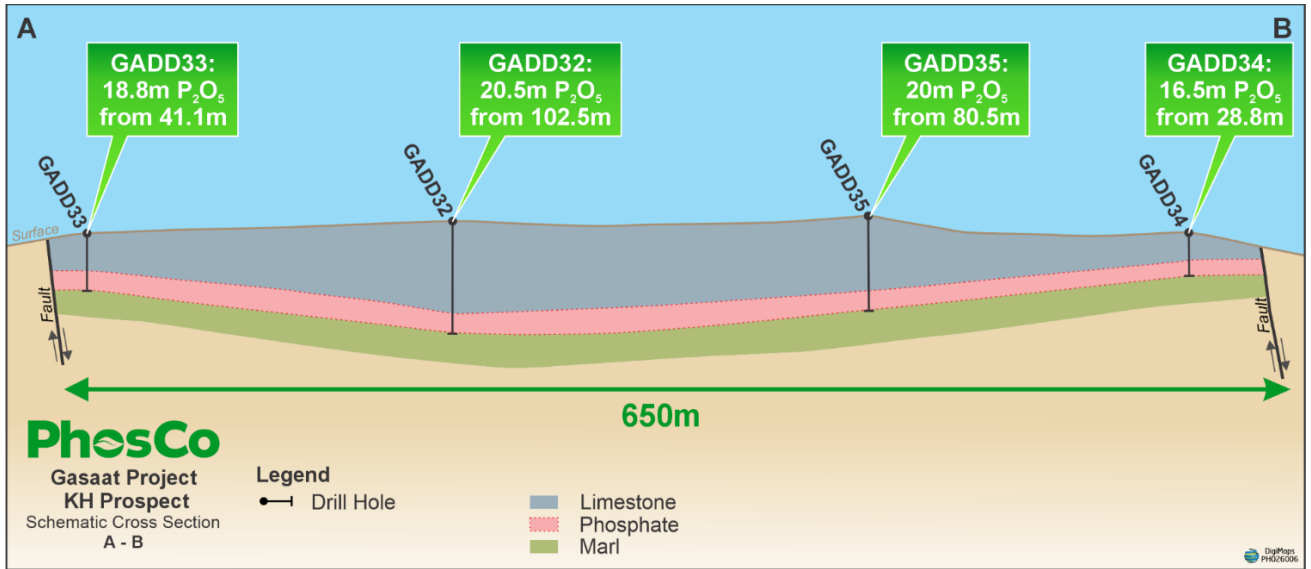


Figure 3 – KH prospect: interpreted A-B Section

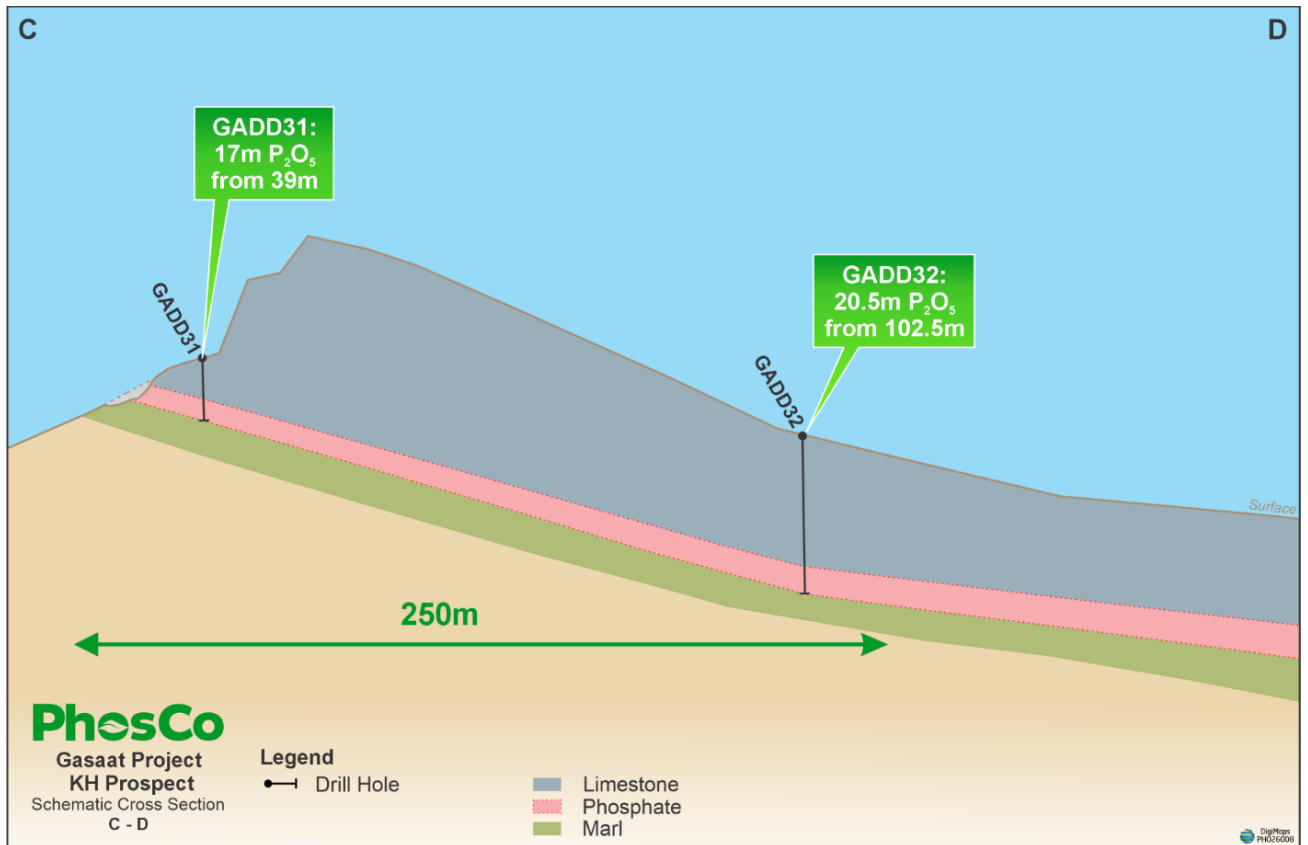


Figure 4 – KH prospect: interpreted C-D Section

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Next steps

KH drilling has been submitted for laboratory assay and will be the basis for a maiden MRE for this prospect.

Multiple workstreams are progressing at Gasaat to inform an updated Scoping Study due for release in Q3 2026.

The drill rig will soon mobilise to follow up on encouraging rock chip results at the King's Eye prospect within PhosCo's wholly owned Simitu Copper/base-metals project.

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

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Competent Persons Statement

The information in this announcement that relates to historic data and Exploration Targets, Exploration Results 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 Ltd. 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 announcement 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, 18 November 2025, 18 December 2025, 28 January 2026, 12 February 2026, 26 March 2026, 7 April 2026, 5 May 2026, 26 May 2026 and 3 June 2026. 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.

Table 1. Drill hole Location, Depth, Dip, Azimuth drilling at DOH, GS and KM Prospects, Gasaat.

Hole	E_UTM	N_UTM	RL	Total Depth (m)	Angle (°)
GADD 2026-31	499327	3949057	725	58.00	-90
GADD 2026-32	499392	3948913	723	124.50	-90
GADD 2026-33	499300	3948792	716	62.50	-90
GADD 2026-34	499626	3949145	711	46.7	-90
GADD 2026-35	499646	3949022	715	103	-90

Appendix 1. JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	Commentary
<i>Sampling techniques</i>	<p>Current Program – Ongoing</p> <p>HQ core was half cored using a diamond saw. Individual samples of half core ranging in length from a minimum of 0.2 to a maximum of 1.55 m in length were collected and bagged. These samples were dispatched to ALS' assay facility in Spain where the entire sample was crushed to -2mm.</p> <p>CPG</p> <p>This announcement refers to historic diamond drilling by CPG in 1968. Details of core sampling methods are unknown, and no assays are reported in this announcement</p>
<i>Drilling techniques</i>	<p>Current Program – Ongoing</p> <p>HQ Diamond drilling</p> <p>CPG</p> <p>Unknown</p>
<i>Drill sample recovery</i>	<p>Current Program - Ongoing</p> <p>Core recovery in the limestone overburden has been variable with loss in some faulted sections. Loss of core outside of the phosphate layer will not have a material impact on any future resource estimates. Core recoveries within the phosphate unit typically exceed 90% and are usually 100% as this unit is stronger than the limestone.</p> <p>CPG (1968)</p> <p>This announcement refers to historic diamonding by CPG. Core recoveries are unknown.</p>
<i>Logging</i>	<p>Current Program</p> <p>Drill core is logged for structure and lithology. Lithological logging is verified by pXRF point measurements which are an excellent indicator of rock-type particularly the dolomitic limestone caprock,</p>

Sub-sampling techniques and sample preparation

the various phosphorite sub-units and the underlying Eocene and Cretaceous mudstone units.

CPG (1968)

This announcement refers to historic diamonding by CPG. Core recoveries are unknown.

Current Program

Point measurements of major element concentration are made at intervals along the core to determine where to commence cutting the core lengthwise using a diamond saw. Sampling commences in the barren or low-grade overburden and continues of several m to allow for mining dilution.

Samples are to closest lithological boundary and then in increments of 1m depending on rock-type. The half core is then crushed and rifle split to obtain representative subsample for analysis.

CPG (1968)

Unknown – No assays reported in this announcement

Quality of assay data and laboratory tests

Current Program – Ongoing

All assays are being conducted at ALS Spain.

- Samples are prepared using a crusher/rotary splitter combination, reducing to 70% passing 2mm. A 250g split is pulverised to better than 85% passing 75 microns.
- Pulps are sealed in double air-evacuated, heat-sealed plastic bags.
- Analytical methods include:
 - ME-ICP61: 34 elements determined by HF-HNO₃-HClO₄ acid digestion, HCl leach, and ICP-AES. This method quantitatively dissolves nearly all elements for the majority of geological materials, though highly resistive minerals such as zircons may only be partially dissolved.
 - ME-XRFO6m: All elements determined by lithium metaborate fusion followed by XRF. For samples with high sulfide content, a Na₂O₂ fusion may be substituted to improve accuracy.

Preliminary pXRF Measurements

Several readings are made at intervals down each metre of HQ drill core using a Hitachi X-MET8000 Expert Geo XRF unit in mode Mining LE FP.

Portable XRF readings are not a replacement for comprehensive laboratory analysis and only reflect elemental concentration at specific points not the entire rock. They assist in geological interpretation, verifying metal presence and in selecting which samples should undergo full laboratory analysis, they offer only an approximate concentration in either ppm or percentage depending

on the element. Major elements (P, Ca, Mg, Si, Fe, Al etc) are then converted to the oxide using the appropriate conversion factors.

Portable XRF Instrument Details

The instrument used is a handheld Hitachi X-MET8000 Expert Geo XRF unit in mode Mining LE FP. This unit has been calibrated (with matrix corrections) for phosphate and is capable of screening for 40 elements including some of the REE routinely found in sedimentary phosphate deposits. The instrument was of the calibrated using laboratory grade standards in late 2023.

The pXRF field measurements are routinely checked against commercial laboratory standards (CRM's) at rate of approximately every 10 readings.

Instrument usage

Prior to analysis, the core was cleaned with a brush and water. The surface of the drill core was mostly air-dry before a reading was taken although some moisture, which can have an adverse effect on pXRF measurement, may have been retained on the core surface.

Measurements are made unit in mode Mining LE FP with analysis made directly on the drill core within the wooden core trays. The instrument was held perpendicular to and directly against the core for the time required to complete the measurement, this is set for 60 seconds per reading. Scanned results are stored within the instrument and downloaded at the end of each day.

Verification of sampling and assaying

Current Program – Ongoing

No verification sampling and assaying has been completed for the current program and the pXRF analyses should be regarded a provisional until laboratory assay become available. Sampling of the core by splitting the core in half-lengthwise with a diamond saw is currently underway.

The pXRF unit used at Gasaat has been calibrated for phosphate against Certified Reference Materials (CRMs) from sedimentary phosphate material originally sourced from Gasaat. The CRMs were prepared by Geostats Pty Ltd, an independent consultancy specialising is in this work. Data falling outside the acceptable tolerances of the is ignored.

Location of data points

The location of the historic drill hole collars has been determine using a Garmin handheld GPS. This units have an accuracy if 3-5 metres. On completion of the full program the drill collars will be survey using GPS with Real-time kinematic positioning (RTK), which is accurate to 3 centimetres.

Coordinates are Universal Transverse Mercator (UTM) North Zone 32 (WGS84 spheroid).

Data spacing and distribution

Current Program– Ongoing

The drill spacing should be regarded as reconnaissance in nature until the drilling program has confirmed the vertical and lateral continuity of the geology overall and particularly the target phosphate unit. Where lateral continuity can be demonstrated in drilling and the area of the phosphate unit mapped in outcrop a spacing of over

	150m between drill hole is sufficient for resource estimation at Gasaat. However, this varies from prospect to prospect.
<i>Orientation of data in relation to geological structure</i>	At KH the mineralised sedimentary phosphorite horizon is a large tabular orebody dipping at 20-30° to the southeast and drill-holes. CPG's drill holes were vertical, therefore reported intercept widths will be exaggerated.
<i>Sample security</i>	<p>Current Program – Ongoing</p> <p>Core in in the custody of the drillers until it is transported to PhosCo's core processing facility in Rohia at which point control transfers to the Company.</p> <p>The field analyses were made using a Hitachi X-MET8000 Expert Geo pXRF from which the data was downloaded by a single qualified technician.</p>
<i>Audits or reviews</i>	<p>Current Program – Ongoing</p> <p>The data from the current has not been independently reviewed. The observations and data are reconnaissance in nature and will be superseded and replaced with more detailed and accurate data assay data from samples of half core are available.</p>

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	Gasaat is held 100% by Himilco Pty Ltd, a wholly owned subsidiary of PhosCo. The exploration permit was granted on 6 March 2025 and is valid for 3 years.
<i>Exploration done by other parties</i>	<p>The Gasaat phosphates have been studied by several groups including the Research Centre for Studies on Mineral Phosphates (CERPHOS) on behalf of Tunisian mine management</p> <p>The announcement refers to two diamond holes drilled by CPG in 1968. PhosCo has been unable to obtain copies of these studies.</p>
<i>Geology</i>	<p>The Gasaat project covers a marine sedimentary phosphorite deposit of upper Paleocene (Lower Ypresian) age. It is a single continuous monoclinical sub-horizontal layer (bedding < 20°), with a thickness varying from a few meters to 52 meters (at KM).</p> <p>It is overlain by a thick Eocene nummulitic dolomitic limestone. The deposit is bound by a major NNW-SSE fault on its western margin and is well faulted (E-W and NE-SW) in its northern end. Faulting seems to control the thickness of the deposit, suggesting structural control of sedimentary sub-basins by subsidence during deposition.</p>
<i>Drill hole Information</i>	Drill hole locations are shown in Table 1 and on Figure of 2 of this announcement.

Criteria	Commentary
	Coordinates are Universal Transverse Mercator (UTM) North Zone 32 (WGS84 spheroid).
<i>Data aggregation methods</i>	No phosphate grades are included in this announcement
<i>Relationship between mineralisation widths and intercept lengths</i>	<p>Current Program – Ongoing</p> <p>The holes are drilled vertically and the mineralisation dips at 20-30°, therefore reported intercept widths will be exaggerated. All intercept lengths should be regarded as “apparent” rather than “true” thickness.</p> <p>CPG (1968)</p> <p>Unknown</p>
<i>Diagrams</i>	A plan of drill holes locations is given in Figure 2 and representative cross-section for KH is shown in Figure 3.
<i>Balanced reporting</i>	<p>2026 Program – Ongoing</p> <p>The purpose of this announcement is to appraise the market of the progress of the current drilling program at Gasaat.</p> <p>Exploration results are fully disclosed where sufficient information is available.</p>
<i>Other substantive exploration data</i>	<p>Metallurgical tests show that a simple, single-stage flotation circuit produces commercial grade phosphate of up to 31.4% P₂O₅. (PhosCo ASX Announcement 26 May 2026). Concentrate grades from the un-optimised tests on KM mineralisation ranged from 29.5% to 31.4% P₂O₅ at recoveries between 75.1% to 83.7% P₂O₅. Each concentrate demonstrated excellent SiO₂ content between 4.38% and 5.16% and an excellent Minor Element Ratio (MER) of 0.087 ((%Fe₂O₃+% Al₂O₃+% MgO)/(% P₂O₅)). This MER is typically in the range of being able to produce high quality phosphoric acid and fertiliser products such as Monoammonium phosphate (MAP) and Diammonium phosphate (DAP).</p> <p>Metallurgical tests showed an acceptable concentration of deleterious elements. Cd is the element of most concern but was at comparable to levels of other Tunisian phosphate ore (CPG), U levels was reasonable, and As, Zn, Pb being at low level. Cd and U are possibly a concern but not a fatal commercial flaw.</p> <p>An analysis of the previous metallurgical test work is detailed in Section 4 of Company’s announcement on 9 December 2022 titled ‘Scoping Study Confirms Outstanding Economics for Chaketma’</p>
<i>Further work</i>	<p>Expansion of the resource inventory will involve additional drilling at KH and DOH to supplement MREs for GK, KEL, KM and SAB.</p> <p>Sighter metallurgical test work is planned to better understand the mineralogy and metallurgical characteristics of the phosphate in the different layers before commencing more comprehensive testing of the rock phosphate in general.</p>