

ASX Announcement

9 November 2023

PROSPECTIVE SIMITU COPPER-GOLD PERMIT GRANTED

30km corridor with historic workings, surface anomalism and numerous targets.

HIGHLIGHTS:

- Permit covers a highly prospective mineralised corridor extending over 30km with numerous targets and old workings including the Kef El Agueb and Bey Prospects.
- Data rich and outcropping exposure enabling fast start to exploration.
- Historic exploration at the Kef El Agueb prospect defined a 7.5km soil anomaly with gold and coincident copper and arsenic. Historic rock chip results included 1.7g/t gold and 2.4% copper¹.
- Low cost - high impact soil geochemical sampling programs have commenced.
- Established targets based on coincident geophysical, geochemical and geological features.
- Second permit containing similar prospectivity pending.

PhosCo Ltd (**PhosCo** or **the Company**) (**ASX:PHO**) is pleased to announce that the Simitu permit which was applied for in April 2022 has been granted. The prospect has been originated by PhosCo, based on historic work and existing data and identified by the Tunisian geology team. Simitu adds to PhosCo's existing base metals exploration tenure at Zeflana which is immediately north of the new permit.

PhosCo Chairman, Robin Widdup, commented: "We are delighted to announce the granting of the Simitu tenement with multiple exploration indicators highlighting its prospectivity. Our in-country team have done an incredible job in identifying additional exciting opportunities to bolster the company's portfolio of assets. Importantly, these 100% owned projects offer PhosCo tremendous optionality whilst maintaining momentum in assembling a district scale Northern Tunisia Phosphate hub. The PhosCo board has approved an immediate start on Simitu technical work to expand our geological understanding of this very underexplored region."

¹ These exploration results are historical initially released by Albidon Limited on 12 April 2005 in compliance with the JORC Code 2004. These results not reported in accordance with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Further discussion is provided below.

SIMITU PERMIT

The Simitu permit covers 424km² and has been granted for an initial period of three years, renewable for two further periods of three years or nine years in total. The permit is located approximately 130km west of Tunis by the Maghreb Highway and is conveniently located with excellent infrastructure including sealed roads, power, rail and water.

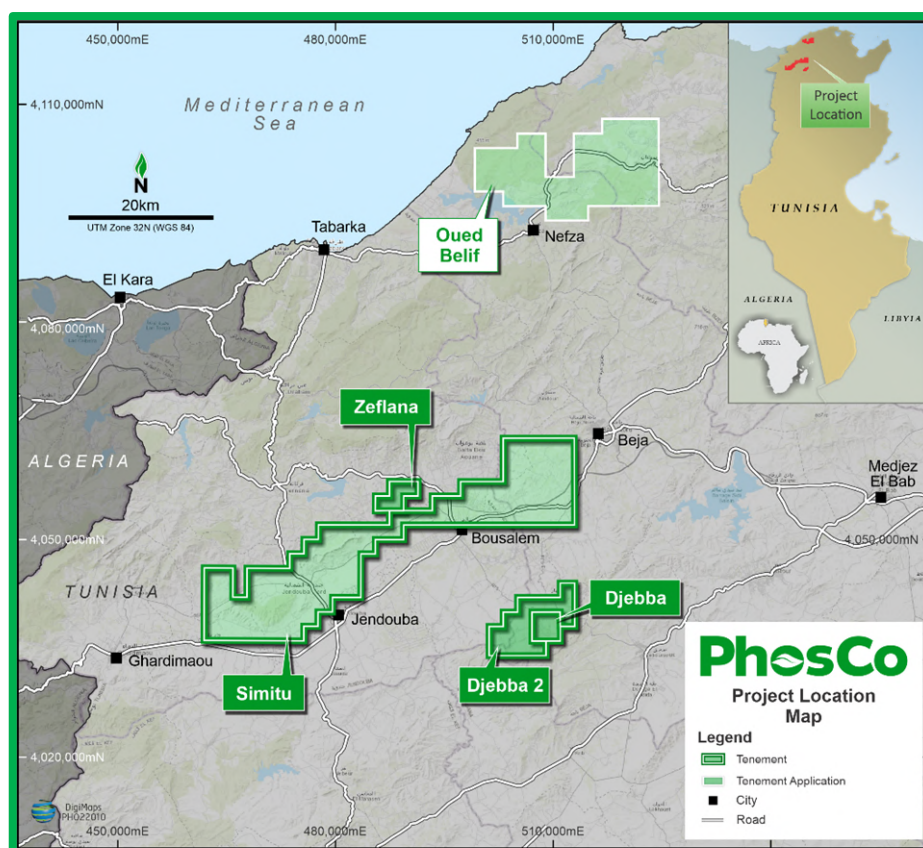


Figure 1. PhosCo's Base Metals & Gold tenements in Northern Tunisia

Simitu encompasses ancient iron and copper mines with a history extending back to Carthaginian and Roman times. There is no record of any modern mining. Modern geochemical exploration initially completed by Office Nationale Mines (ONM) and later confirmed by Albidon, identified an extensive gold-copper-arsenic anomaly in soil and rock samples at Kef El Agueb, near Jendouba (Figure 2). This anomaly covers and extends the trend of ancient copper and iron mine workings. It is coincident with iron veining in a dolomitised and silicified limestone.

The 244km² Oued Belif permit application further north is pending.

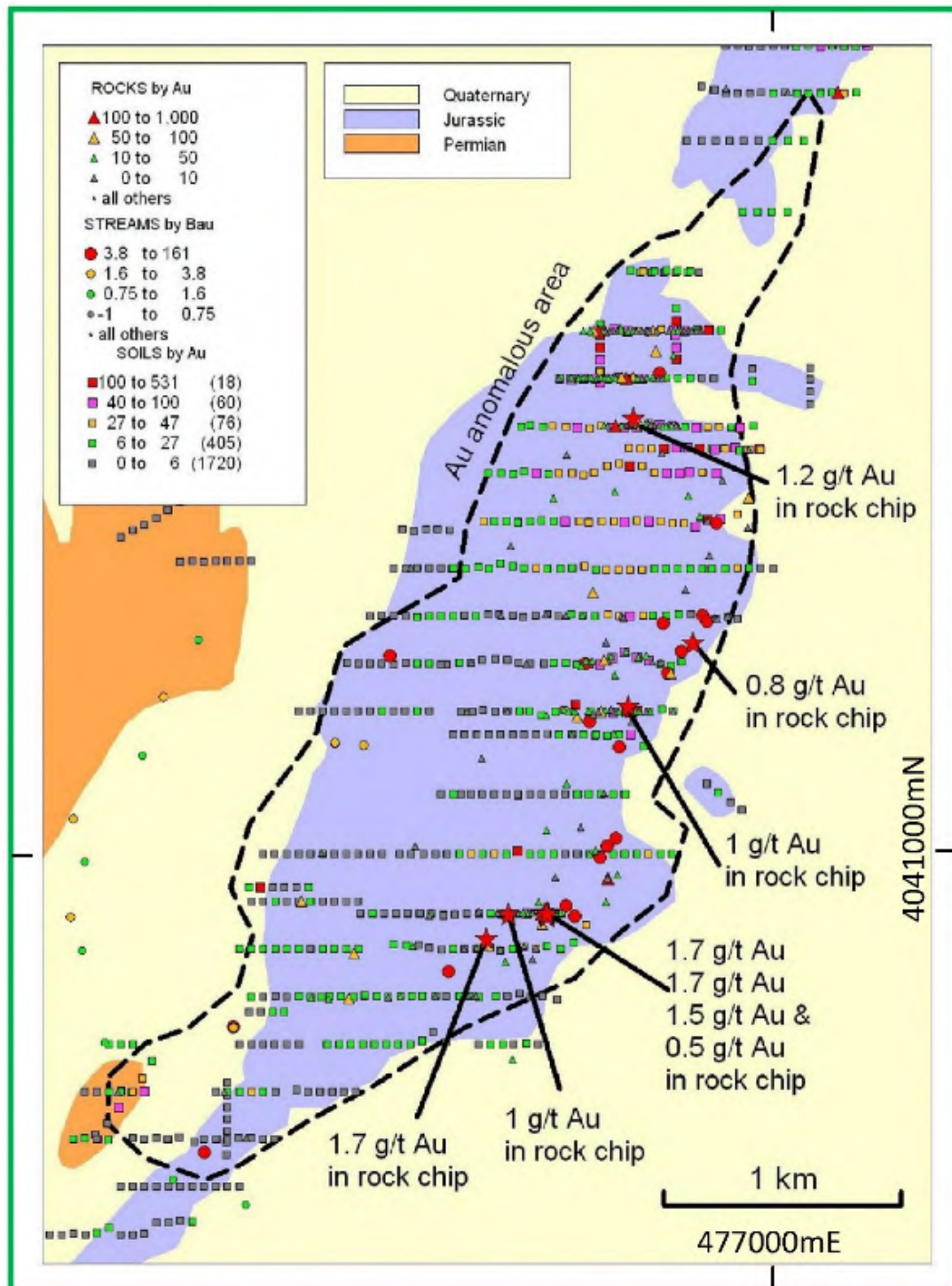


Figure 2. Historic Albidon Gold geochemistry over the Kef El Agueb prospect

HISTORIC EXPLORATION RESULTS AND GEOLOGICAL SETTING

Commencing in the late 1960's ONM conducted regional reconnaissance geological, geochemical and geophysical programs to map the mineralisation of the Tellien Atlas in Northern Tunisia. This work in partnership with a Bulgarian group consisted of regional aeromagnetic, gravity and stream sediment surveys that were the baseline datasets for all subsequent exploration in Northern Tunisia, including that of BHP and Albidon.

Encouraged by the presence of numerous reported occurrences of precious and base metals, Albidon conducted extensive fieldwork from 2003 to 2008 identifying copper and gold mineralisation associated with intense iron and silica hydrothermal alteration at Kef El Agueb. These historic campaigns include exploration work announced by Albidon Limited on 12 April 2005 (Figure 2).

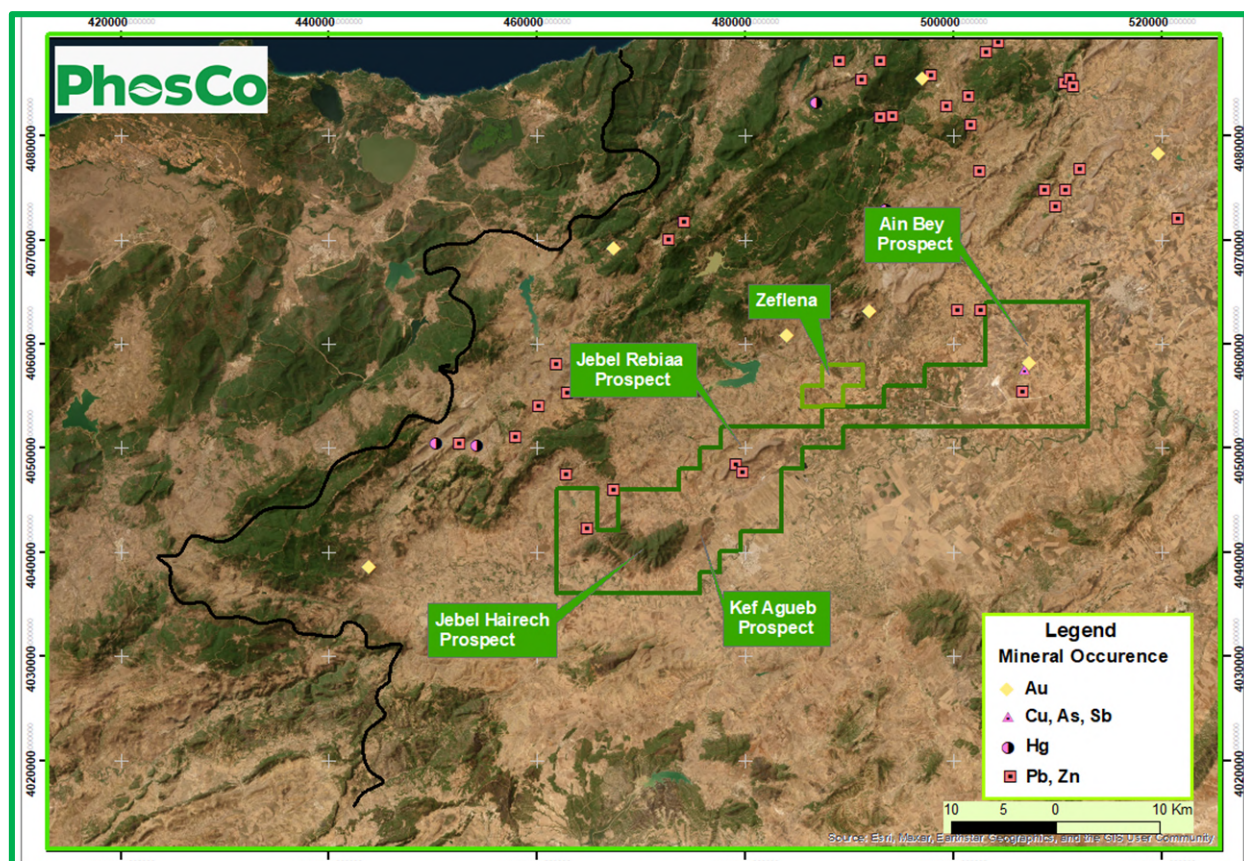


Figure 3. Simitu Permit area with prospects

In early 2007 Albidon encountered challenges at its mining operation in Zambia and joint-ventured the project to Zinifex. Zinifex focused on the lead-zinc targets before merging with Oxiana to form Oz Minerals in July 2008. The new company dropped the exploration permit without drill testing the copper-gold targets. The existing datasets give PhosCo the opportunity to rapidly advance this project. PhosCo's in-country team are in the process of recovering and collating this data into modern GIS format.

The current interpretation is that the Tunisian nappe zone is the extension and eastern termination of the Iberian Pyrite Belt, extending from the west along the North African coast through Morocco and Algeria. This interpretation is supported by the mineral occurrences of the Atlas Mountains which include deposits of copper, iron, lead, zinc, mercury, silver and gold. These deposits were the foundation of a significant mining heritage dating back to antiquity.

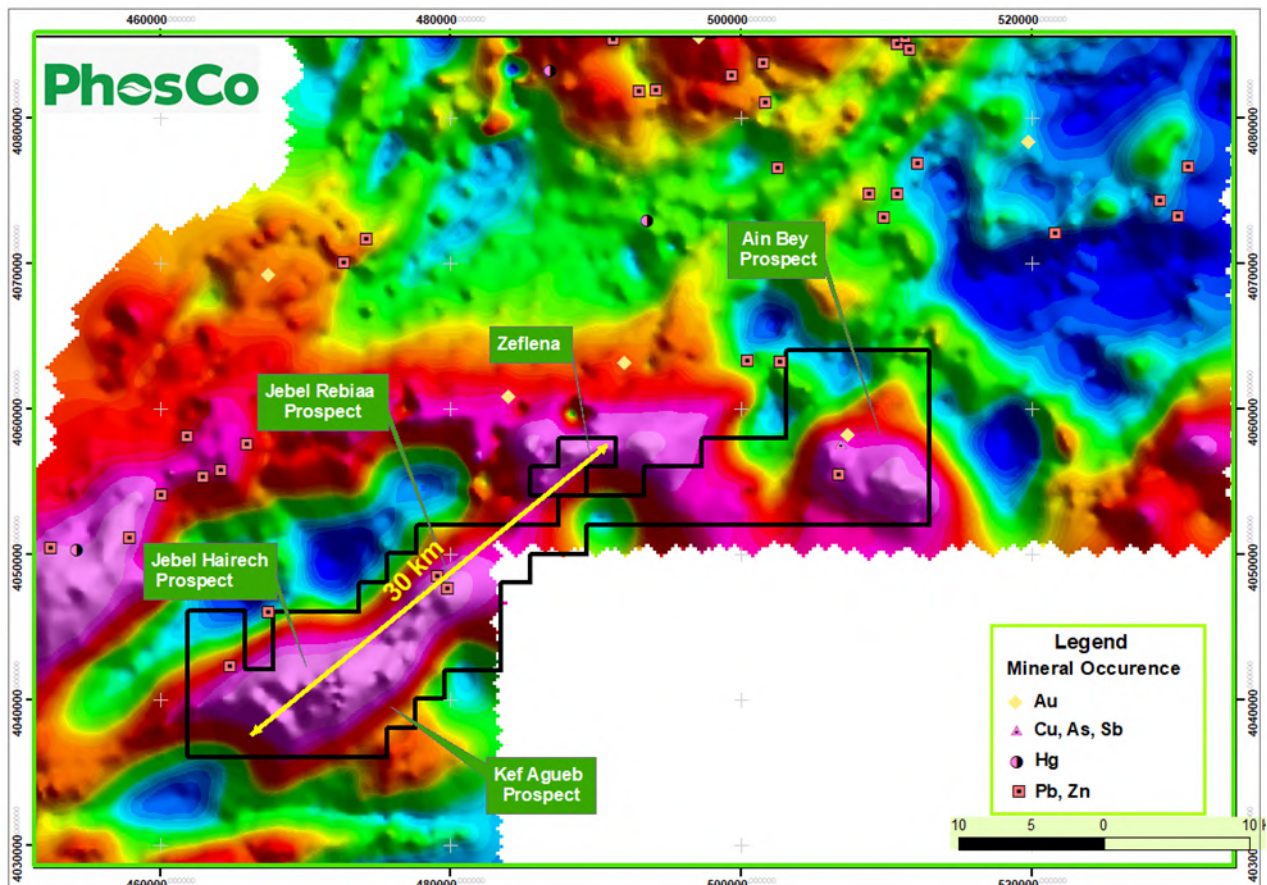


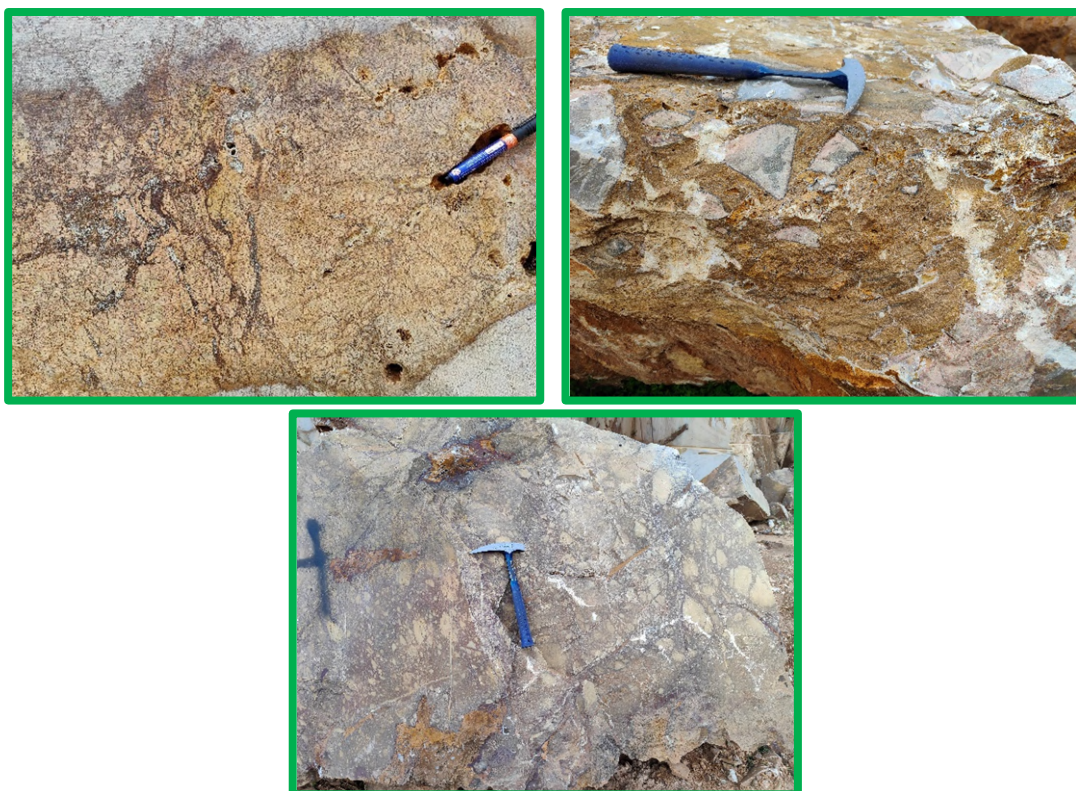
Figure 4. Simitu Gravity Image

The Simitu permit sits over a prominent gravity ridge (Figure 4) that extends for 30km along the northern margin of the Medjerda Basin. The surface geology along this trend is characterised by intense silica alteration and dolomitization with iron veining that can also be traced over the same distance in intermittent outcrops. The gravity high and associated alteration are interpreted to reflect a regionally important structural break that was a major conduit for moving and focussing mineral bearing fluids (Figures 5, a, b and c).

Kef El Agueb Prospect

At Kef El Agueb the geochemical mapping and structural studies by Aldidon identified mineralisation with a strike length of 7.5km.

Kef El Agueb is the most advanced prospect, with gold in soils up to 530ppb Au along a 7.5km strike length with coincident copper and arsenic. Detailed geological mapping and rock chip sampling yielded up to 1.7g/t Au over 3m of outcrop at one location. The prospect is also marked by locally strong copper mineralisation, with up to 2.4% copper in outcrop.



Figures 5a, b & c. Examples of intense silica and iron replacement of carbonate rock from the Kel El Agueb.

Bey Prospect

The Bey Prospect is located 34km NE of Kef El Agueb and sits over a distinct 'dogleg' in the same gravity ridge as Kef El Agueb, which also defines the trend of the prospective belt. At surface the prospect is characterized by a lack of vegetation that coincides with malachite (copper) bearing gossans and gossanous float over mixed clastic and carbonate sediments. The vegetation anomaly is an area where toxicity of the soil results from elevated metal content and measures approximately 1,800m by 750m. This area has never been subject to systematic exploration, although Albidon reported a stream sediment anomaly. This area represents an attractive target for further work.



Figure 6. View south from Bey prospect showing vegetation anomaly and gossanous outcrops in the foreground.

Reporting of Historical Exploration.

The above historical results include exploration results collected between approximately 2004 – 2005 by Albidon and were reported on 12 April 2005 under the JORC Code 2004 applicable at the time. As per ASX requirements, PhosCo notes that exploration results are not reported in accordance with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported:

- A competent person has not done sufficient work to disclose the corresponding exploration results in accordance with the JORC Code 2012.
- It is possible that following further evaluation and/or exploration work that the confidence in the prior reported exploration results may be reduced when reported under the JORC Code 2012.
- Nothing has come to the attention of PhosCo that questions the accuracy or reliability of the former owner's exploration results and PhosCo is in the process of independently validating the former owner's exploration results and therefore is not to be regarded as reporting, adopting or endorsing those results.
- The levels of copper and gold reported from past exploration activity is a key factor in guiding PhosCo's exploration strategy.

- The previous exploration activity which produced these results involved multiple samples and checking of assaying, provide PhosCo with confidence that the results are reliable, relevant and an accurate representation of the available data and studies undertaken by previous exploration activity. Proposed verification work includes digitisation, mapping and further geochemical sampling which PhosCo is currently undertaking.
- PhosCo has confirmed the location and nature of historical mine workings, the geological setting and visible copper mineralisation in the field. All available historical data on the area is yet to be digitised and this will be a priority for the Company.

FORWARD PROGRAM

Compilation of historic data and integration into structured GIS portfolio has commenced to drive future exploration. This work is high impact and very low cost given the existing dataset.

Field work on the Simitu Project has commenced focussing initially on the Kef El Agueb and Bey prospects which are characterised by distinct vegetation anomalies that coincide with visible copper mineralisation in gossanous iron outcrops and float material (Figure 6).

Planned future work on rest of the Simitu Project includes detailed and targeted mapping and geochemical sampling.

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

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Competent Person's Statement

The information in this report that relates to past exploration is based on information compiled by Mr Donald Thomson, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy, a full-time employee of Indigo Exploration Services Ptd Ltd, and is engaged by PhosCo as a consultant. Mr Thomson 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 Exploration Results, Mineral Resources and Ore Reserves". Mr Thomson consents to the inclusion of the matters outlined in Appendix A in the form and context in which it appears.

The historic data referenced in this report comes from several sources (see below). The Company cannot vouch for its accuracy and includes the results in this report to explain the target selection process.

References

Albidon Limited (2005), New Gold Discovery Confirmed at Nefza, Tunisia -ASX Announcement 12 Apr 2005

Reynolds, NA, Allen MR, (2006) Albidon Ltd 2005 Evaluation of the Kef El Agueb Prospect Fernana-Nefza Project, Tunisia. CSA Report No. 107.2006

Reynolds, NA, Allen MR, (2006) Albidon Tunisia Limited 2005 Activity Report Exploration for Minerals of the 3rd Group Fernana-Nefza Permit, Northern Tunisia. CSA Report No. 113.2006