

ASX Announcement

5 February 2024

PHOSCO RECEIVES FORMAL SEIZURE DECISION

HIGHLIGHTS

- PhosCo has received the formal decision from the Court of Appeal in Tunis refusing PhosCo's application to commence the process to sell the 49% interest in CPSA held by TMS, as previously announced on 5 January 2024.
- The decision is contrary to the decision of the highest court in Tunisia, the Court of Cassation, regarding the enforcement of the arbitral award and previous decisions concerning the validity of the September 2018 Swiss Supreme Court ruling¹.
- PhosCo holds 51% of the Chaketma Phosphate Project² in Tunisia and is seeking seizure of the remaining 49% held by TMS for non-payment of A\$6.7m damages and costs owed by TMS to PhosCo.

FORMAL DECISION REFUSES SEIZURE OVER CPSA SHARES

PhosCo holds a majority interest (51%) in CPSA, the operating company that has re-applied for an exploration permit over the Chaketma Phosphate Project² (the Project). TMS holds a 49% interest in CPSA and has failed to pay TND14M (~A\$6.7M) in damages and costs pursuant to the arbitral award issued on 29 November 2017 and enforced in Tunisia in September 2019.

Following the successful judgement of the Court of Cassation (Tunisia's highest court), enforcing the final arbitral award in September 2019, PhosCo commenced various actions in Tunisian courts seeking to compel TMS to comply with the award which included seizing TMS 49% interest in CPSA to offset the unpaid damages and costs owed to PhosCo. The latest Court of Appeal case sought to implement this Court of Cassation judgment to commence the procedure to sell the 49% interest in CPSA held by TMS.

As announced on 5 January 2024, the Tunisian Court of Appeal refused PhosCo's application to commence the sale process. The formal decision has now been issued, purporting to overturn the Court of Cassation judgment that the arbitration award is

¹ See ASX announcement "Swiss Supreme Court declares in favour of Celamin" dated 28 September 2018.

² Following the denial of an application for a Mining Concession and resulting termination of the underlying exploration permit as announced on 3 January 2023, PhosCo continues meaningful engagement with the Tunisian government regarding the status of the Chaketma Phosphate Project. In consultation with, and as recommended by the Tunisian Ministry of Industry, Mines & Energy, CPSA has applied for a new Exploration Permit over Chaketma, mirroring the original permit boundary.

enforceable in Tunisia, noting that the Swiss Supreme Court is not a competent jurisdiction in this case. The Court of Appeal also determined that the seizure over CPSA shares held by TMS should be lifted.

PhosCo has 20 days from receipt of the formal decision to consider its options and is awaiting legal advice as to the most appropriate and timely way to finally secure TMS' interest in CPSA given the clear and consistent orders by the Court of Cassation.

In the meantime, the Company remains committed to its 100% held applications for phosphate projects in the northern basin (Amoud and Sekarna) and continues to assemble and assimilate all available exploration information and data for the precious and base metal potential at Simitu.

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

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