

28 October 2024

Dear Shareholder,

PhosCo Ltd – Annual General Meeting of Shareholders, 27 November 2024

Notice is hereby given that the Annual General Meeting of Shareholders of PhosCo Ltd (**Company**) will be held at Level 2, 175 Flinders Lane, Melbourne VIC 3000 at 10.30am (AEDT) on Wednesday, 27 November 2024 (“Annual General Meeting”, “AGM” or “Meeting”). Notice is also given that the Company’s Annual Report for the year ended 30 June 2024 (“Annual Report”) is available.

Recent legislative changes to the Corporations Act 2001 (Cth) mean there are new options available to shareholders as to how the communication from the Company can be received. The Company will not be dispatching physical copies of meeting documents and notices, including the Notice of Meeting for the AGM, unless you request a physical copy to be posted to you.

The Notice of Meeting, accompanying explanatory statement and Annual Report (“**Meeting Materials**”) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company’s website <http://www.phosco.com.au/> or at the Company’s share registry’s website <https://investor.automic.com.au/#/loginsah>.
- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market announcements page at www.asx.com.au under the Company’s ASX code “PHO”.
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

Shareholders can still elect to receive some or all of their communications in physical or electronic form, or elect not to receive certain documents such as annual reports. To review your communications preferences or sign up to receive your shareholder communications via email, please update your details at <https://investor.automic.com.au/>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Automic at meetings@automicgroup.com.au or by phone on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia) between 9:00am and 5:00pm (AEDT) Monday to Friday, to obtain a copy.

Yours sincerely,



Stefan Ross
Company Secretary
PhosCo Ltd



PHOSCO LTD
ABN 82 139 255 771

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Wednesday, 27 November 2024

Time of Meeting:
10:30AM (AEDT)

Place of Meeting:
Level 2, 175 Flinders Lane, Melbourne VIC 3000

*This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If shareholders are in doubt as to how they should vote, they should seek advice from their
accountant, solicitor or other professional advisor without delay.*

PHOSCO LTD

ABN 82 139 255 771

Registered office: Level 4, 96-100 Albert Road, South Melbourne Victoria 3205

Notice is hereby given that the Annual General Meeting of Members of PhosCo Ltd (“PhosCo” or the “Company”) will be held at Level 2, 175 Flinders Lane, Melbourne VIC 3000 at 10.30am (AEDT) on Wednesday, 27 November 2024 (“Annual General Meeting”, “AGM” or “Meeting”).

Recent legislative changes to the Corporations Act 2001 (Cth) mean there are new options available to shareholders as to how the communication from the Company can be received. The Company will not be dispatching physical copies of meeting documents and notices, including the Notice of Meeting for the AGM, unless you request a physical copy to be posted to you.

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- A complete copy of the Meeting Materials has been posted to the Company’s ASX Market Announcements page at www.asx.com.au under the Company’s ASX code “PHO”.
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Shareholders can still elect to receive some or all of their communications in physical or electronic form, or elect not to receive certain documents such as annual reports. To review your communications preferences or sign up to receive your shareholder communications via email, please update your details at <https://investor.automic.com.au/>. If you have not yet registered, you will need your shareholder information including SRN/HIN details.

Shareholders are encouraged to submit their proxies as early as possible, and in any event, prior to the cut-off date for proxy voting, being **10:30am (AEDT) on Monday, 25 November 2024**. To lodge your proxy, please follow the directions on your personalised proxy form.

The Company will conduct a poll on each resolution presented at the Meeting. The Company will accept questions during the meeting.

The Company is happy to accept and answer questions submitted prior to the Meeting by email to stefan.ross@vistra.com. The Company will address relevant questions during the Meeting or by written response after the Meeting (subject to the discretion of the Company not to respond to unreasonable and/or offensive questions).

PHOSCO LIMITED

ABN 82 139 255 771

Registered office: Level 4, 96-100 Albert Road, South Melbourne Victoria 3205

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the Financial Report of the Company, together with the Directors' Report (including the Remuneration Report) and Auditor's Report as set out in the Company's Annual Report for the year ended 30 June 2024.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2024 be adopted."

Resolution 2: Election of Mr Mehdi Ben Abdallah as a Director of the Company

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of clause 20.5 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Mehdi Ben Abdallah, having been appointed to the Board of Directors since the previous Annual General Meeting, and who vacates the office in accordance with the Constitution of the Company, and who, being eligible, offers himself for election, be elected as a Director of the Company."

Resolution 3: Approval of Issue of Shares to Director – Mr Simon Eley (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue Mr Simon Eley (or his nominee), a former Director of the Company, up to 350,152 fully paid ordinary shares in the event Mr Eley elects to take shares in lieu of a cash payment for the period 1 October 2023 to 31 January 2024 and on the basis set out in the Explanatory Statement."

Resolution 4: Approval of Issue of Shares to Director – Mr Robin Widdup (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue Mr Robin Widdup (or his nominee), a Director of the Company, up to 362,741 fully paid ordinary shares in the event Mr Widdup elects to take shares in lieu of a cash payment for the period 1 October 2023 to 31 January 2024 and on the basis set out in the Explanatory Statement."

Resolution 5: Approval of Issue of Shares to Director – Mr Tarecq Aldaoud (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That for the purpose of ASX Listing Rule 10.11 and for all other purposes, shareholder approval is given for the Company to issue Mr Tarecq Aldaoud (or his nominee), a Director of the Company, up to 318,550 fully paid ordinary shares in the event Mr Aldaoud elects to take shares in lieu of a cash payment for the period 1 October 2023 to 31 January 2024 and on the basis set out in the Explanatory Statement."

Resolution 6: Approval of Issue of up to 1,012,514 Shares to a Related Party

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of up to 1,012,514 fully paid ordinary shares to Lion Manager Pty Ltd (or its nominee), and on the basis set out in the Explanatory Statement."

Resolution 7: Approval to Grant Performance Rights to Mr Tarecq Aldaoud (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant under the Employee Incentive Plan a total of 5,000,000 Performance Rights in the Company to Mr Tarecq Aldaoud (or his nominee), Managing Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 8: Approval to Grant Performance Rights to Mr Mehdi Ben Abdallah (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant under the Employee Incentive Plan a total of 3,000,000 Performance Rights in the Company to Mr Mehdi Ben Abdallah (or his nominee), an Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 9: Approval to Grant Performance Rights to Mr Robin Widdup (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant under the Employee Incentive Plan a total of 1,000,000 Performance Rights in the Company to Mr Robin Widdup (or his nominee), a Non-Executive Director of the Company, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 10: Approval to Grant Performance Rights to Mr Craig Smyth (or his nominee)

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.14 and for all other purposes, approval be given to grant under the Employee Incentive Plan a total of 2,000,000 Performance Rights in the Company to Mr Craig Smyth (or his nominee), Interim Chief Financial Officer of the Company, on the terms and conditions set out in the Explanatory Statement accompanying the Notice of Meeting."

Resolution 11: Refresh of Employee Incentive Plan

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.2 Exception 13(b), and for all other purposes including section 259B and 260C of the Corporations Act 2001 (Cth), shareholders approve the Company's Employee Incentive Plan (EIP) and the issue of up to 14,000,000 equity securities pursuant to the EIP on the terms as described in the Explanatory Statement which accompanies and forms part of this Notice of Meeting."

BY ORDER OF THE BOARD



Stefan Ross
Company Secretary
28 October 2024

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Statement accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm (AEDT) on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company, it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with the corporation's constitution and Corporations Act.
 - h. To be effective, proxy forms must be received by the Company's share registry (Automic) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 10:30am (AEDT) on Monday, 25 November 2024. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. How the Chairman will vote Undirected Proxies

Subject to the restrictions set out in Note 6 below, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

6. Voting Exclusion Statement:

Resolution 1

In accordance with sections 250R(4) and 250BD(1) of the Corporations Act, a vote must not be cast (in any capacity, including as a proxy), and the Company will disregard any votes purported to be cast, on this resolution by, or on behalf of, a member of the Key Management Personnel (**KMP**), details of whose remuneration are included in the remuneration report, or a Closely Related Party of such a member (**KMP voter**), unless the KMP voter is casting a vote on this resolution on behalf of a person who is not a KMP voter (including as a proxy) and either:

- a) the KMP voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- b) the KMP voter is by the Chair of the meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the key management personnel for the Company or the consolidated entity.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company

If the Chair of the Meeting is appointed as a proxy for a person who is permitted to vote on Resolution 1, the Chair will vote any proxies which do not indicate on their Proxy Form the way the Chair must vote, in favour of Resolution 1. In exceptional circumstances, the Chair may change his or her voting intention on the Resolution, in which case an ASX announcement will be made. Shareholders may also choose to direct the Chair to vote against the Resolution or to abstain from voting.

If you purport to cast a vote other than as permitted above, that vote will be disregarded by the Company (as indicated above) and you may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Resolution 2

There are no voting exclusions on this Resolution.

Resolutions 3 through to 6

The Company will disregard any votes cast in favour of each of Resolutions 3 through to 6 (respectively and separately) by or on behalf of:

- Mr Simon Eley, Mr Robin Widdup, Mr Tarecq Aldaoud and Lion Manager Pty Ltd or any other person(s) who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity), or;
- an associate of any person referred to in the preceding paragraph.

However, this does not apply to a vote cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - ii. the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

A further restriction also applies to KMPs and their Closely Related Parties voting undirected proxies on these Resolutions – see **Restriction on KMPs voting undirected proxies** below.

Resolutions 7 through to 10

The Company will, in accordance with ASX Listing Rule 14.11, disregard any votes cast in favour of Resolutions 7, 8, 9 and 10 by or on behalf of any person who is referred to under ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Employee Incentive Plan.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way

A further restriction also applies to KMPs and their Closely Related Parties voting undirected proxies on these Resolutions – see **Restriction on KMPs voting undirected proxies** below.

Resolution 11

The Company will disregard any votes cast on Resolution 11, by or on behalf of a person who is eligible to participate in the Plan or any associate of such person(s), unless the votes cast on Resolution 11 are cast:

- By a person mentioned above acting as a proxy or attorney for a person who is entitled to vote on Resolution 11 in accordance with a direction given by them to vote on the resolution in a particular way;
- By the Chair of the AGM acting as a proxy or attorney for a person who is entitled to vote on Resolution 11 and the appointment expressly authorises the Chair to exercise the proxy as the Chair decides; and
- By a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided:
 - The beneficiary provides written confirmation that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on Resolution 11; and
 - The vote is cast in accordance with the directions of the beneficiary to the holder.

A further restriction also applies to KMPs and their Closely Related Parties voting undirected proxies on these Resolutions – see **Restriction on KMPs voting undirected proxies** below.

7. Restrictions on KMPs voting undirected proxies

A vote must not be cast as proxy on any of Resolution 1, 3, 4, 5, 6, 7, 8, 9, 10 and 11 by a member of the Key Management Personnel (as defined by the Corporations Act) or a closely related party of Key Management Personnel.

However, a person described above (a "Restricted Voter") may cast a vote on any of Resolution 1, 3, 4, 5, 6, 7, 8, 9, 10 and 11 as a proxy if:

- (a) The Restricted Voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution(s); or
- (b) The Chair is the Restricted Voter and the written appointment of the Chair as proxy does not specify the way the proxy is to vote on the resolution(s) and expressly authorises the Chair to exercise the proxy even though the resolution(s) is or are connected with the remuneration of a member of the Key Management Personnel.

If you appoint the Chair as your proxy and you do not direct the Chair how to vote, you will be expressly authorising the Chair to exercise the proxy even if the relevant resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

8. Enquiries

Shareholders are invited to contact the Company Secretary, Stefan Ross on +61 3 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Purpose of Information

This Explanatory Statement (“**Statement**”) accompanies and forms part of the Company’s Notice of Annual General Meeting (“**Notice**”) for the 2024 Annual General Meeting (“**Meeting**”) to be held at Level 2, 175 Flinders Lane, Melbourne VIC 3000 at 10.30am (AEDT) on Wednesday, 27 November 2024.

The Notice incorporates, and should be read together, with this Statement.

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2024 which incorporates the Company’s financial report, reports of the Directors (including the Remuneration Report and the auditors) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution costs associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at +61 3 9692 7222, and you may request that this occurs on a standing basis for future years.

Alternatively, you may access the Annual Report at the Company’s website <http://www.phosco.com.au/> or via the Company’s announcement platform on ASX under the ASX Code “PHO”. Except for as set out in Resolution 1, no resolution is required on these reports.

Shareholders will have the opportunity to ask questions about or make comments on the 2024 Annual Report and the management of the Company. The auditor will be invited to attend, to answer questions about the audit of the Company’s 2024 Annual Financial Statements.

Resolution 1: Adoption of Remuneration Report

Section 250R(2) of the Corporations Act 2001 requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors’ Report in the Company’s 2024 Annual Report. The Remuneration Report sets out the Company’s remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

In accordance with Division 9 of Part 2G.2 of the Corporations Act 2001, if twenty five (25%) per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company’s last Annual General Meeting, the votes cast against the Remuneration Report represented less than twenty five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Directors unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

The Chair of the Meeting intends to vote undirected proxies in favour of this resolution.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

Resolution 2: Election of Mr Mehdi Ben Abdallah as a Director of the Company

Background

The Constitution of the Company and Listing Rule 14.4 set out that a Director (excluding the Managing Director) appointed to fill a casual vacancy or as an addition to the Board must not hold office without re-election past the next Annual General Meeting. Mr Mehdi Ben Abdallah is retiring in accordance with these requirements and, being eligible, offers himself for election.

Mehdi has over 20 years' multi-national experience in the energy sector, including stakeholders' relations, project development, business leadership and joint venture management. Throughout his career, Mehdi has played a pioneering role in supporting foreign investment into Tunisia for the benefit of both investors and the country.

Mehdi is currently the Managing Partner of an advisory firm working with several companies in the energy sector, previously served as General Manager with Shell, Vice President with BG Group and Executive Director for International Relations with UTICA the leading Tunisian business confederation. He is the President of the Tunisian-Danish Chamber of Commerce, Honorary President of the Tunisian-British chamber of Commerce, and Board member of the Arab-British Chamber of Commerce in London.

Board Recommendation

The Board (with Mr Ben Abdallah abstaining) recommends that shareholders vote in favour of the election of Mr Mehdi Ben Abdallah.

The Chair of the meeting intends to vote undirected proxies in favour of Mr Ben Abdallah's election.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

Resolutions 3, 4 and 5: Approval of Issue of Shares to Directors – Mr Simon Eley, Mr. Robin Widdup and Mr. Tarecq Aldaoud (or their nominees)

Background

The Company is seeking shareholder approval for the purpose of Listing Rule 10.11 and all other purposes for the issue of 350,152 fully paid ordinary shares to Mr Eley (or his nominee), a former Director of the Company, issue of 362,741 fully paid ordinary shares to Mr Robin Widdup (or his nominee), Non-Executive Chairman of the Company, and the issue of 318,550 fully paid ordinary shares to Mr Tarecq Aldaoud (or his nominee), Managing Director of the Company, in lieu of cash salary in order to preserve the cash reserves of the Company.

The issued shares will be for consideration of 100% of their monthly net salaries and Directors' fees for the period 1 October 2023 to 31 January 2024 inclusive.

The issue price of the shares is based on the monthly Volume Weighted Average Price ('VWAP') for each month of service provided in which fees were accrued for the period 1 October 2023 to 31 January 2024. The range of the VWAP's used for each month of service was between \$0.053 to \$0.065 per share.

It is the view of the Directors that the proposed issue of shares pursuant to these Resolutions falls within the exception under section 211 of the Corporations Act (reasonable remuneration) given the circumstances of the Company and the position held by Mr Eley, Mr Widdup and Mr Aldaoud. Accordingly, the Company is not seeking shareholder approval under section 208 of the Corporations Act, although shareholder approval must be obtained pursuant to ASX Listing Rule 10.11.

The following is a table of the outstanding Director's fees payable, and the number of shares proposed to be issued to Mr Eley, Mr. Widdup and Mr. Aldaoud if approval is provided:

Name of Director	Accrued Net Salary for the period from 1 Oct-23 to 31 Jan-24	Number of shares "Issue"	Remuneration Package
Mr. Simon Eley	\$21,140.00	350,152	<p>On 1 February 2022, Mr Eley's salary was amended to an annual amount of \$43,800⁽ⁱ⁾ plus \$3,000 per month for executive duties, inclusive of superannuation.</p> <p>Mr Eley is also eligible to participate in long-term incentive arrangements operated or introduced by the company from time to time, in accordance with the terms and conditions governing those arrangements and as separately notified to the Executive by the Board.</p>
Mr. Robin Widdup	\$21,900.00	362,741	<p>Mr Widdup's remuneration comprises a base salary of \$65,700⁽ⁱ⁾ per annum inclusive of statutory superannuation for non-executive chair duties.</p>
Mr Tarecq Aldaoud	\$19,232.00	318,550	<p>On 6 May 2024, Mr Aldaoud's Directors fees⁽ⁱ⁾ were amended to be A\$1,000 per day, capped at 20 days per month (inclusive of statutory superannuation contribution). All consideration will be deferred until the Company is granted the Chaketma, Sekarna or Amoud phosphate permits, where upon the remuneration arrangements will be reviewed. Until otherwise agreed, the Remuneration is comprised of 100% paid as Shares in the Company in lieu of cash, subject to Shareholder approval for the share issue.</p> <p>Mr Aldaoud is also eligible to participate in long-term incentive arrangements operated or introduced by the company from time to time, in accordance with the terms and conditions governing those arrangements and as separately notified to the Executive by the Board.</p>
TOTAL	\$62,272.00	1,031,443	

(i) From 1 February 2024, KMP remuneration arrangements were amended with settlement only arising in the event the Company obtains funding greater than A\$1 million through a capital raise subsequent to August 2024. If the aforementioned capital raise is completed, the entitlement to these fees crystallises and will be settled 100% through the issue of Shares in the Company in lieu of cash, subject to Shareholder approval for the share issue.

ASX Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

10.11.1 a related party;

10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company;

10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Issue falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

Resolutions 3, 4 and 5 seeks the required shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If Resolutions 3, 4 and 5 are passed, the Company will be able to proceed with the issue and settle the outstanding salaries payable to Mr Eley, Mr. Widdup and Mr. Aldaoud respectively.

If Resolution 3, 4 and 5 are not passed, the Company will not be able to proceed with the issue and will need to seek alternatives to settling the outstanding salary payable to Mr Eley, Mr. Widdup and Mr. Aldaoud, which may include a cash payment.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to these Resolutions:

- (a) Mr. Widdup and Mr. Aldaoud are a related parties by virtue of being Director's of the Company, and shareholder approval is sought under ASX Listing Rule 10.11.1. Mr. Eley is a related party by virtue of being a Director of the Company within the last six months, and shareholder approval is sought under ASX Listing Rule 10.11.1;
- (b) the maximum number of Shares to be issued by the Company is 350,152 fully paid ordinary shares to Mr Simon Eley (or his nominee), 362,741 fully paid ordinary shares to Mr Robin Widdup (or his nominee), and 318,550 fully paid ordinary shares to Mr Tarecq Aldaoud (or his nominee);
- (c) the Shares will be issued not later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Shares will be issued as satisfaction for \$21,140.00 in unpaid net salary payable to Mr Eley, \$21,900.00 in unpaid net salary payable to Mr Widdup, and \$19,232.00 in unpaid net salary payable to Mr Aldaoud. This represents 100% of their monthly net salaries for the period 1 October 2023 to 31 January 2024. The range of the VWAP's used for each month of service was between \$0.053 to \$0.065 per share for each month in which fees were accrued;
- (e) there will not be any funds raised through the issue of the shares, but the Company will reduce its liabilities by \$62,272.00;
- (f) The current remuneration packages for Mr Eley, Mr. Widdup and Mr. Aldaoud are outlined in the table above; and
- (g) The proposed issue of shares are not to be issued under any agreement.

Board Recommendation

The Board (with Mr. Widdup and Mr. Aldaoud abstaining in relation to each of their own shares) recommends that shareholders vote in favour of Resolutions 3, 4 and 5.

The Chair of the Meeting intends to vote undirected proxies in favour of these Resolutions.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

Resolution 6: Approval of Issue of up to 1,012,514 Shares to a Related Party

Background

On 29 July 2021, the Company announced that it has commenced a process to transition to technical management. As part of this strategic transition, Mr Craig Smyth was appointed as interim Chief Financial Officer during the transition period to assist the Company with financial reporting and long-term business and financial planning, providing these services to the Company through Lion Manager Pty Ltd ("**Lion Manager**").

Pursuant to the Services Agreement between PhosCo and Lion Manager, the services will be paid a rate of \$1,000/day for time worked, and shall not exceed 20 days, being a monthly limit of \$20,000. The fees for services provided will be settled through Lion Manager pursuant to the Services Agreement between the Company and Lion Manager, noting that Lion Manager is a substantial shareholder of the Company. All fees that are paid through the Services Agreement are on an arm's length basis.

Resolution 6 seeks shareholder approval for the issue of 1,012,514 Shares to Lion Manager, as consideration for the services of Mr Craig Smyth in his role as Interim CFO, for the period 1 October 2023 to 31 January 2024 inclusive. The shares have been calculated based on a deemed issue price of the shares, being the monthly Volume Weighted Average Price ('VWAP') for each month in which services were provided and fees accrued, as set out in the table below.

The fees for the services provided will be settled 100% for the period 1 October 2023 to 31 January 2024 inclusive as summarised below:

Month	Oct-23	Nov-23	Dec-23	Jan-24	Total
Monthly VWAP	0.053	0.062	0.065	0.063	
Accrued Fees to be settled	\$20,000	\$20,000	\$10,000	\$10,000	\$60,000
Number of Shares	377,358	322,580	153,846	158,730	1,012,514

Lion Manager currently holds 21,109,840 Shares in the Company, representing 7.55% of the current issued share capital of the Company.

Mr Smyth is a Director of Lion Manager and also has a relevant interest in Lion Manager (noting that Mr Smyth's nominee is Lion Manager). In addition, Mr Robin Widdup has a beneficial interest in Lion Manager.

ASX Listing Rule Requirements

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

10.11.1 a related party;

10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company;

10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

10.11.5 a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The Issue falls within Listing Rule 10.11.5 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of the Company's shareholders under Listing Rule 10.11.

This Resolution seeks the required shareholder approval to the issue under and for the purposes of Listing Rule 10.11.

If this Resolution is passed, the Company will be able to proceed with the issue and settle the fees to Lion Manager.

If this Resolution is not passed, the Company will not be able to proceed with the issue and will need to seek alternatives to settling the fees payable to Lion Manager, which may include a cash payment.

Information required by Listing Rule 10.13

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to this Resolution:

- (a) Lion Manager is deemed to be a related party, as Lion Manager provided the services of Mr Smyth and Mr Widdup is also has a beneficial interest in Lion Manager, and shareholder approval is sought under ASX Listing Rule 10.11.5;
- (b) the maximum number of Shares to be issued by the Company is 1,012,514 to Lion Manager (or its nominee);
- (c) the Shares will be issued not later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);
- (d) the Shares will be issued as satisfaction for \$60,000 in fees to Lion Manager in relation to the services of Mr Smyth in his role as interim CFO, for the period 1 October 2023 to 31 January 2024 inclusive, at a deemed issue price being the monthly Volume Weighted Average Price ('VWAP') for each month in which services were provided and fees accrued;
- (e) there will not be any funds raised through the issue of the Shares, but the Company will reduce its liabilities by \$60,000; and
- (f) there are no other material terms of the Services Agreement.

Board Recommendation

The Board (with Mr Widdup abstaining) recommends that shareholders vote in favour of this Resolution.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

Resolutions 7 through to 10: Approval to Grant Performance Rights to Related Parties

Background to Resolutions 7 through to 10

Resolutions 7, 8, 9 and 10 of this Notice provides for a grant of 5,000,000 Performance Rights to Mr Tarecq Aldaoud, 3,000,000 Performance rights to Mr Mehdi Ben Abdallah, 1,000,000 Performance Rights to Mr Robin Widdup and 2,000,000 Performance Rights to Mr Craig Smyth (or their nominee(s)), on the terms described below as a Long-Term Incentive (LTI), as well as approval for the issue of any Shares on vesting and exercise of the Performance Rights. The Performance Rights will be issued in accordance with the Employee Incentive Plan (EIP).

Performance Rights are proposed to be granted to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)), to align their interests with the interests of shareholders. The grant of the Performance Rights (and the subsequent issue of Shares if certain vesting conditions are met) to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)), is a cash retentive form of remuneration when compared to the payment of cash incentive.

The Board proposes to grant the Performance Rights as part of the Company's long term incentive portion of remuneration package. Vesting of the Performance Rights is dependent upon achieving future Company hurdles. Set out below are the performance hurdles ('Vesting Conditions') used to determine the number of the Performance Rights that vest.

The Company's remuneration policy for long term incentives is to ensure executive remuneration is competitive in retaining and motivating key executives. The granting of these Performance Rights will provide a long term incentive for outstanding performance and the opportunity for share ownership, further aligning each person's interests with those of shareholders by linking their remuneration with the long term performance of the Company.

It should also be noted that the extent to which these Performance Rights will vest is dependent on the below vesting conditions which has been divided into three tranches. These vesting conditions are intended to align the interests of all Shareholders.

The Vesting Conditions are as follows:

Tranche	Condition
Tranche 1	One-third of the performance rights vest and become exercisable when the Company's 30-day Volume weighted Average Price (VWAP) is equal to or greater than \$0.06 (6 cents) at any time between grant and expiry.
Tranche 2	One-third of the performance rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.07 (7 cents) at any time between grant and expiry.
Tranche 3	One-third of the performance rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.08 (8 cents) at any time between grant and expiry.

The establishment of an effective performance management system assists in maintaining a focus on delivering superior shareholder returns. A key role of this program is to ensure that this objective is achieved. It should be recognised that the achievement of these objectives will be to the benefit of all Shareholders, and the conversion of the Performance Rights can only occur if these vesting conditions are met.

Consistent with the desire to minimise cash expenditures, the Board believes that in order to incentivise Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)), in line with current market practices, Performance Rights provide an appropriate and meaningful remuneration component to Director's that is aligned with Shareholder interests.

The following details are provided in respect of each proposed issue of Performance Rights:

Resolution	Name of the Allotee (Related Party or their appointed nominee)	Number of Performance Rights (in separate tranches with vesting conditions)	Valuation of Performance Rights (based on the value of the Company's shares as at 3 October 2024 being \$0.046)	Remuneration Package
7	Mr Tarecq Aldaoud (or his nominee)	5,000,000	\$230,000	<p>On 6 May 2024, Mr Aldaoud's Directors fees⁽ⁱ⁾ were amended to be A\$1,000 per day, capped at 20 days per month (inclusive of statutory superannuation contribution). All consideration will be deferred until the Company is granted the Chaketma, Sekarna or Amoud phosphate permits, where upon the remuneration arrangements will be reviewed. Until otherwise agreed, the Remuneration is comprised of 100% paid as Shares in the Company in lieu of cash, subject to Shareholder approval for the share issue.</p> <p>Mr Aldaoud is also eligible to participate in long-term incentive arrangements operated or introduced by the company from time to time, in accordance with the terms and conditions governing those arrangements and as separately notified to the Executive by the Board.</p>
8	Mr Mehdi Ben Abdallah (or his nominee)	3,000,000	\$138,000	Mr Ben Abdallah's remuneration comprises a base salary of \$43,800 ⁽ⁱ⁾ for executive director duties.
9	Mr Robin Widdup (or his nominee)	1,000,000	\$46,000	Mr Widdup's remuneration comprises a base salary of \$65,700 ⁽ⁱ⁾ per annum inclusive of statutory superannuation for non-executive chair duties.
10	Mr Craig Smyth (or his nominee)	2,000,000	\$92,000	Mr Smyth's remuneration comprises a base salary ⁽ⁱ⁾ of \$1,000/day for time worked in his role as interim CFO, with a monthly limit of \$20,000. The fees for services provided will be settled through Lion Selection Group Ltd ('Lion') pursuant to the Services Agreement between the Consolidated Entity and Lion, noting that Lion is a substantial shareholder of the Consolidated Entity. All fees that are paid through the Services Agreement are on an arm's length basis.
Total		11,000,000	\$506,000	

(i) From 1 February 2024, KMP remuneration arrangements were amended with settlement only arising in the event the Company obtains funding greater than A\$1 million through a capital raise subsequent to August 2024. If the aforementioned capital raise is completed, the entitlement to these fees crystallises and will be settled 100% through the issue of Shares in the Company in lieu of cash, subject to Shareholder approval for the share issue.

The vested Performance Rights will be exercised upon the Company's receipt of a valid exercise notice. The vested Performance Rights will be exercisable from the vesting date until 31 December 2027, subject to the Company's Securities Trading Policy. Each Performance Right entitles the holding participant to one ordinary fully paid Share in the Company. Prior to vesting and exercise, Performance Rights do not entitle holding participant to any dividends or voting rights.

Corporations Act

Section 228 of the Corporations Act defines a “related party” for the purposes of Chapter 2E to include a Director of the public company. A “financial benefit” is defined in section 229 of the Corporations Act and includes granting a Performance Right to a related party. Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup are Directors of the Company and thus are related parties for the purposes of Chapter 2E of the Corporations Act.

The Board has formed the view that the grant of Performance Rights to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup above, does not require Shareholder approval under section 208 of the Corporations Act as the grant constitute “reasonable remuneration” in accordance with section 211 of the Corporations Act. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to Listing Rule 10.14.

In reaching this view, and consistent with the desire to minimise cash expenditures, the Board believes that having regard to the current market practices the Board considers that the proposed grant of Performance Rights aligns the interests of Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup with the interests of Shareholders. The grant of Performance Rights to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup is a cost-effective form of remuneration when compared to the payment of cash consideration.

The Company believes it is appropriate to grant the Performance Rights to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup. Smaller entities with limited cash resources often elect to use equity instruments to remunerate directors to attract and retain high calibre individuals while minimising the cash cost of engaging those people.

Consistent with the desire to minimise cash expenditures, the Board believes that having regard to the current market practices, the Performance Rights provide an appropriate and meaningful remuneration component to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup that is aligned with Shareholder interests.

ASX Listing Rule 10.14

The Company is proposing to issue the Performance Rights under the EIP, which is an employee incentive scheme as defined in the Listing Rules.

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- 10.14.1: a director of the company;
- 10.14.2: an associate of a director of the company; or
- 10.14.3: a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX’s opinion, the acquisition should be approved by its Shareholders,

unless it obtains the approval of its Shareholders.

The proposed issue of the Performance Rights falls within Listing Rules 10.14.1 and/or 10.14.2 and 10.14.3 above and therefore requires the approval of the Company’s Shareholders under Listing Rule 10.14.

Mr Smyth’s nominee is Lion Selection Group Limited (‘Lion’), and Robin Widdup is a director of Lion and has a substantial interest in Lion. Accordingly, shareholder approval is required. Resolutions 7, 8, 9 and 10 seeks the required Shareholder approval to the issue under and for the purposes of Listing Rule 10.14.

If Resolutions 7, 8, 9 and 10 are passed, the Company will be able to proceed with the issue of the Performance Rights and Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)) will receive the number of Performance Rights set out in the table above.

If Resolutions 7, 8, 9 and 10 are not passed, the Company will not be able to proceed with the issue of the Performance Rights to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)) will not receive the Performance Rights or potential shareholdings as described above.

If approval is given under ASX Listing Rule 10.14 approval is not required under ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.15 in respect of the proposed issue of Performance Rights to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)) under Resolutions 7, 8, 9 and 10.

- (a) the proposed recipients are Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)), of which Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup are Directors of the Company, and Mr Smyth is deemed to be a related party, given his services are provided by Lion, Mr Robin Widdup is a Director of Lion and has a substantial ownership interest in Lion;
- (b) approval for Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah and Mr Robin Widdup are sought under ASX Listing Rule 10.14.1, being a Directors of the Company. Approval for Mr Craig Smyth is sought under ASX Listing Rule 10.14.3;
- (c) A total of 11,000,000 Performance Rights are proposed to be issued to Mr Simon Eley, Mr Craig Smyth and Mr Tarecq Aldaoud (or their nominee(s)) as follows:
- Mr Tarecq Aldaoud (or his nominee(s)) – 5,000,000
 - Mr Mehdi Ben Abdallah (or his nominee(s)) – 3,000,000
 - Mr Robin Widdup (or his nominee(s)) – 1,000,000
 - Mr Craig Smyth (or his nominee(s)) – 2,000,000
- (d) the current total remuneration package of Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth, is set out in the above table;
- (e) A total of 2,000,000 Performance Rights have previously been issued for Nil consideration to Mr Mehdi Ben Abdallah (or his nominee), 2,000,000 Performance Rights to Mr Tarecq Aldaoud (or his nominee) and 2,000,000 Performance Rights to Mr Craig Smyth (or his nominee). No securities have previously been issued to Mr Robin Widdup under the EIP;
- (f) a summary of the material terms of the performance rights are set out below and will, upon exercise, entitle the holder to one fully paid ordinary share in the Company.

	Tranche 1	Tranche 2	Tranche 3
Number of Performance Rights	3,666,666	3,666,667	3,666,667
Exercise price	Nil	Nil	Nil
Vesting conditions	One-third of the performance rights vest and become exercisable when the Company's 30-day Volume weighted Average Price (VWAP) is equal to or greater than \$0.06 (6 cents) at any time between grant and expiry.	One-third of the performance rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.07 (7 cents) at any time between grant and expiry.	One-third of the performance rights vest and become exercisable when the Company's 30-day Volume Weighted Average Price (VWAP) is equal to or greater than \$0.08 (8 cents) at any time between grant and expiry.
Expiry date	31 December 2027	31 December 2027	31 December 2027

- (g) the Company is issuing performance rights as a form of equity security as a cost effective, non-cash incentive to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth;
- (h) the value the Company attributes to the Performance Rights is set out in the table above;
- (i) the entity expects to issue the Performance Rights within one month after the date of the meeting, and in any event, no later than 3 years after the date of the meeting;

- (j) the Performance Rights will be issued as remuneration. As such there is no issue price for the Performance Rights, and the Company will not receive cash from issue of the Performance Rights. There will be no funds raised upon exercise of the Performance Rights;
- (k) a summary of the material terms of the EIP is included in Annexure A;
- (l) no loans will be made to Mr Tarecq Aldaoud, Mr Mehdi Ben Abdallah, Mr Robin Widdup and Mr Craig Smyth (or their nominee(s)) in relation to the acquisition of the Performance Rights;
- (m) details of any securities issued under the EIP will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14;
- (n) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the EIP after Resolutions 7, 8, 9 and 10 is approved and who are not named in this Notice and Statement will not participate until approval is obtained under that rule.

Board Recommendation

Given the interest of the Directors in the outcome of Resolutions 7, 8, 9 and 10, the Board does not make any recommendation in respect of Resolutions 7, 8, 9 and 10.

The Chair of the Meeting intends to vote undirected proxies in favour of these Resolutions.

Voting Exclusions

Refer to Note 6 and Note 7 for voting exclusions.

Resolution 11: Refresh of Employee Incentive Plan

Background

Resolution 11 seeks shareholder approval to re-approve the existing Employee Incentive Plan (the “EIP”) previously approved by the shareholders at the Annual General Meeting held on 21 January 2022.

The approval of the EIP and any securities to be issued pursuant to the EIP is sought pursuant to Listing Rule 7.2, Exception 13(b). Further details relating to Listing Rule requirement are set out below.

The Board is committed to incentivising and retaining the Company's Directors, employees and consultants in a manner which promotes alignment of their interests with shareholder interests. Additionally, the Board considers equity-based compensation an integral component of the Company's remuneration platform as it allows it to be fiscally prudent by conserving cash resources while still enabling it to offer market-competitive remuneration arrangements.

The objectives of the EIP are to:

- provide eligible employees with an additional incentive to work to improve the performance of the Company;
- attract and retain eligible employees essential for the continued growth and development of the Company;
- promote and foster loyalty and support amongst eligible employees for the benefit of the Company;
- enhance the relationship between the Company and eligible employees for the long term mutual benefit of all parties; and
- provide eligible employees with the opportunity to acquire shares, options or rights in the Company, in accordance with the EIP.

A summary of the EIP is set out below. A copy of the proposed EIP can be provided to shareholders on request to the Company Secretary.

ASX Listing Rules

Listing Rule 7.1 provides generally that a company may not issue shares or securities convertible into shares equal to more than 15% of the company's issued share capital in any consecutive 12-month period without obtaining prior shareholder approval, unless the issue fits into one of the exceptions contained in Listing Rule 7.2.

ASX Listing Rule 7.2 (Exception 13) provides that an issue of securities under an employee incentive scheme (such as the EIP) is exempt from the operation of ASX Listing Rule 7.1 for a period of three years from the date

Shareholder approval is obtained, or for the scheme established before the company was listed, for a period of three years from the date when its terms were set out within the documents lodged with the ASX when the entity applied for admission.

If Shareholders approve this Resolution, the number of equity securities issued under the approved EIP will be exempted from being counted towards the ASX Listing Rule 7.1 issuing capacity for a period of three years from the date of the Annual General Meeting.

For the avoidance of doubt, any issue of securities under the EIP to Directors, or their associates, will require a separate approval by Shareholders under Listing Rule 10.14.

If this Resolution is not passed, any issue of securities under the EIP will be included in calculating the Company's 15% Placement Capacity in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue over any 12-month period without the approval of Shareholders.

Accordingly, the Company is seeking Shareholder approval of the EIP for the purposes of the ASX Listing Rule 7.2 (Exception 13).

Information required for Listing Rule 7.2, Exception 13(b)

The following information is provided to satisfy the requirements of ASX Listing Rule 7.2, Exception 13(b):

- (a) A summary of the terms of the EIP is set out below.
- (b) Since 21 January 2022, the date on which Shareholders approved the EIP, the Company has issued 12,600,000 securities under the EIP, of which 12,600,000 were Performance Rights.
- (c) The maximum number of equity securities proposed to be issued under the EIP following the approval is 14,000,000.

A summary of material terms of the EIP is set out as follows:

- the EIP sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature;
- in making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a "bad leaver" as distinct from a "good leaver";
- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company's Shares;
- the total number of Shares that would be issued were each Option, Performance Right and Share under the EIP exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIP, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIP will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares;

- in respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company's financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration;
- in the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation; and
- the Board is granted a certain level of discretion under the EIP, including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

Corporations Act

Approval is also sought for the purposes of sections 259B and 260C of the Corporations Act 2001 (Cth).

The Plan provides for the Company to take security over shares issued under the Plan, and to place restrictions on transfer and voting which may also constitute taking security over its own shares. Section 259B(1) of the Corporations Act provides that a company must not take security over shares in itself except as permitted by the Corporations Act. Section 259B(2) provides that the Company may take security over shares in itself under an employee share scheme that has been approved by shareholders at a general meeting.

Under section 260C(4) of the Corporations Act, a company may financially assist a person to acquire its shares if the financial assistance is given under an employee share scheme that is approved by shareholders at a general meeting. The Plan provides that the Company may make loans in respect of shares or other securities issued or to be acquired under the Plan and/or acquire shares or other securities to be held on trust for eligible participants. This may be considered to be the Company providing financial assistance for the acquisition of its own shares or other securities.

Board Recommendation

As the Directors of the Company are excluded from voting pursuant to the Listing Rules, they make no recommendation to the shareholders in respect of the EIP.

The Chair of the Meeting intends to vote undirected proxies in favour of this Resolution.

Voting Exclusions

A voting exclusion statement for this resolution is set out in Note 6 above.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

“**Annual Report**” means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2024;

“**ASX**” means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

“**ASX Settlement Operating Rules**” means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESS approved securities;

“**Auditor’s Report**” means the auditor’s report on the Financial Report;

“**AEDT**” means Australian Eastern Daylight Time.

“**Board**” means the Directors acting as the Board of Directors of the Company or a committee appointed by such board of Directors;

“**Chairman**” means the person appointed to chair the Meeting of the Company convened by the Notice;

“**Closely Related Party**” means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

“**Company**” means PhosCo Limited ABN 82 139 255 771;

“**Constitution**” means the constitution of the Company as at the date of the Meeting;

“**Corporations Act**” means the Corporations Act 2001 (Cth);

“**Director**” means a Director of the Company;

“**Directors Report**” means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Equity Security**” has the same meaning as in the Listing Rules;

“**Explanatory Statement**” means the explanatory statement which forms part of the Notice;

“**Financial Report**” means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

“**Key Management Personnel**” means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

“**Listing Rules**” means the Listing Rules of the ASX;

“**Meeting**” has the meaning given in the introductory paragraph of the Notice;

“**Notice**” means this Notice of Meeting including the Explanatory Statement;

“**Proxy Form**” means the proxy form attached to the Notice;

“**Remuneration Report**” means the remuneration report which forms part of the Directors’ Report of PhosCo Limited for the financial year ended 30 June 2024 and which is set out in the 2024 Annual Report;

“**Resolution**” means a resolution referred to in the Notice;

“**Section**” means a section of the Explanatory Statement;

“**Share**” means a fully paid ordinary share in the capital of the Company;

“**Shareholder**” means shareholder of the Company;

“**Trading Day**” means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

“**VWAP**” means volume weighted average price.

ANNEXURE A

MATERIAL TERMS OF EMPLOYEE INCENTIVE PLAN

A summary of material terms of the EIP is set out as follows:

- the EIP sets out the framework for the offer of Shares, Options or Performance Rights by the Company, and is typical for a document of this nature;
- in making its decision to issue Shares, Options or Performance Rights, the Board may decide the number of securities and the vesting conditions which are to apply in respect of the securities. The Board has broad flexibility to issue Shares, Options or Performance Rights having regard to a range of potential vesting criteria and conditions;
- in certain circumstances, unvested Options or Performance Rights will immediately lapse and any unvested Shares held by the participant will be forfeited if the relevant person is a “bad leaver” as distinct from a “good leaver”;
- if a participant acts fraudulently or dishonestly or is in breach of their obligations to the Company or its subsidiaries, the Board may determine that any unvested Performance Rights or Options held by the participant immediately lapse and that any unvested Shares held by the participant be forfeited;
- in certain circumstances, Shares, Performance Rights or Options can vest early, including following a change of control or other events of a similar nature. For the purposes of this rule, a relevant control event occurs in a number of scenarios in which a third party may acquire 50% or more of the Company’s Shares;
- the total number of Shares that would be issued were each Option, Performance Right and Share under the EIP exercised or vested (as applicable), plus the number of Shares issued in the previous three years under the EIP, must not, at any time, exceed 5% of the total number of Company Shares on issue. Shares issued under the EIP will rank equally in all respects with other Shares and the Company must apply for the quotation of such Shares;
- the Board has discretion to impose restrictions (except to the extent prohibited by law or the ASX Listing Rules) on Shares issued or transferred to a participant on vesting of an Option or a Performance Right, and the Company may implement appropriate procedures to restrict a participant from so dealing in the Shares;
- in respect of vested Options or Performance Rights, if the Board becomes aware of an event which would have resulted in vesting criteria not being satisfied, such as a material misstatement in the Company’s financial statements during the vesting period, any affected vested Options or Rights may be cancelled for no consideration;
- in the event of any reorganisation of the issued capital of the Company on, or prior to, the expiry of the Performance Rights or Options, the rights of the relevant security holder can be changed in the discretion of the Board, including to comply with the applicable ASX Listing Rules in force at the time of the reorganisation; and
- the Board is granted a certain level of discretion under the EIP, including the power to amend the rules under which the EIP is governed and to waive vesting conditions, forfeiture conditions or disposal restrictions.

Your proxy voting instruction must be received by **10.30am (AEDT) on Monday, 25 November 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

