

11 March 2025

Lion commits to invest \$1M in PhosCo

Lion Selection Group Limited (ASX:LSX, **Lion**) is pleased to announce it has committed to sub-underwrite \$1M on a priority basis as part of a \$5M rights issue fund raising announced by PhosCo Ltd (ASX:PHO, **PhosCo**).

PhosCo is a legacy investment for Lion, with large scale Phosphate projects in Tunisia. Lion is focussed on continuing to build its Australian investment portfolio and this follow on investment in PhosCo is made by exception.

PhosCo has formally secured 100% ownership of its flagship Gasaat Phosphate Project in Tunisia with an established Mineral Resource Estimate of 146.4Mt at 20.6% P_2O_5 ¹. These Resources are based on two of the nine prospects that feature outcropping mesas with surface phosphate exposures and were the focus of a Scoping Study completed in 2022². PhosCo also holds the nearby Sekarna project, which has demonstrated and similar scale prospectivity for phosphate.

Lion has agreed to advance a loan to PhosCo for \$0.5M which is to be offset by the sub-underwriting commitment to fast track drilling including extensional drilling at Gasaat and scout drilling at Sekarna prospect.

PhosCo's fund raising was conducted at 5cps, triggering conversion of a \$250K converting note investment held by Lion into 6.6M shares at 4 cps with 6.6M options exercisable at 5 cps.

PhosCo has concurrently announced the signing of a mandate letter with the European Bank for Reconstruction & Development (EBRD) for a potential US\$5.0m strategic investment. These funds will contribute towards a Gasaat Bankable Feasibility Study.

Lion Managing Director Hedley Widdup said: *"This funding and formal granting of Gasaat completes a remarkable transformation for PhosCo over recent months. PhosCo's Chaketma project interest was stolen in February 2015 by an illegal transfer of shares to its former partner. This project interest was returned via international legal action, and PhosCo has now been granted 100% of the Gasaat Phosphate Project encapsulating the former Chaketma project. The funds will be used to drill the evident exploration upside, and PhosCo is working with EBRD for a larger funding package for a bankable feasibility study. We have been waiting for this moment a long time."*

Lion's commitment and persistence with PhosCo is premised on the immense potential of Gasaat as an advanced, large-scale project that we believe will be attractive to phosphate fertilizer industry players in this increasingly strategic commodity. PhosCo's operations are in Tunisia and Lion's firm focus is Australia, so this follow-on investment in PhosCo is made by exception reflecting PhosCo's compelling value."



Gasaat Phosphate Project Global Mineral Resources

Chaketma	JORC 2012	Mt	% P ₂ O ₅
KEL (March 2022)	Measured	49.1	21.3
	Indicated	6.4	20.3
	Total	55.5	21.2
GK (November 2022)	Indicated	83.7	20.2
	Inferred	7.2	20.1
	Total	90.9	20.2
Global Resources	Measured	49.1	21.3
	Indicated	90.1	20.2
	Inferred	7.2	20.1
	Total	146.4	20.6

1. Refer to ASX announcement dated 15/3/22: 'Phosphate Resource Update Delivers 50% Increase at KEL' and ASX announcement dated 17/11/22: '90% Conversion of Inferred to Indicated Resources at GK'.

- All Mineral Resources are reported in accordance with the 2012 JORC Code
- The Mineral Resource is reported at a cut off grade of 10% P₂O₅.

All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.

2. Refer to ASX announcement dated 9/12/22: 'Scoping Study Confirms Outstanding Economics for Chaketma'.