



ACN 145 951 622

**Interim Financial Report
For the six months ended 30 June 2025**

Canadian Phosphate Limited

Six months ended 30 June 2025

Directors

Mr. Daniel Gleeson – Managing Director
Mr. Stuart Richardson – Non-Executive Chairman
Mr. Malcolm Weber – Non-Executive Director

Company Secretaries

Mr. Daniel Smith (Resigned 13 June 2025)
Mr. John Kay

Registered office and Principal Place of business

Level 8, 99 St Georges Terrace, Perth WA 6000

Share Register

Computershare Investor Services Pty Limited
www.computershare.com.au

Auditor

Moore Australia Audit (WA)
Level 15
Exchange Tower
2 The Esplanade, Perth WA 6000

Stock Exchange Listing

Australian Securities Exchange (CP8)

Website

www.canadianphosphate.com

Canadian Phosphate Limited

Six months ended 30 June 2025

DIRECTORS' REPORT

The Directors present their report, together with the interim financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or the 'Group') consisting of Canadian Phosphate Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the six months ended 30 June 2025.

Directors

The following persons were directors of Canadian Phosphate Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mr. Daniel Gleeson – Managing Director
Mr. Stuart Richardson – Non-Executive Chairman
Mr. Malcom Weber – Non-Executive Director

Principal activities

The Company's key objective is to become a leading supplier of regenerative phosphate fertilizers in North America and a profitable marketer of organic fertilizer products in Australia.

Financial Review

Financial results

The loss for the consolidated entity after providing for income tax amounted to \$1,008,864 (2024: loss \$827,895).

Financial position

At 30 June 2025, the consolidated entity had cash reserves of \$492,855 (31 December 2024: \$780,921). During the six months ended 30 June 2025, Canadian Phosphate Limited:

- Issued 9,500,000 options to staff members and consultants (non-directors)
- Issued 18,000,000 options to directors.

Dividends

There were no dividends paid, recommended or declared during the current period or previous financial year.

Review of operations

Company Overview

CP8 is a mining exploration company in Canada that aims to become a leading supplier of rock phosphate for use in production of high-grade phosphoric acid used in the manufacturing of synthetic phosphate fertilizers and Lithium Iron Phosphate (LFP) batteries across North America.

As a holder of the largest sedimentary, high-grade, low impurity rock phosphate in Western Canada, in addition to exclusive sources in the USA and Mexico, CP8 has supplied the growing regenerative and organic fertilizer markets across North America for the past decade, due to its high quality, low heavy metals, and organic certified product.

CP8 is now working to expand its mineral resource estimates in Canada through planned exploration to become a future key supplier to the phosphoric acid manufacturing industry, a precursor to the production of synthetic fertilizers and LFP batteries. These industries are valued at US\$61 billion¹ (2021) and US\$18.7 billion² (2024) respectively, with the latter expected to grow to US\$90.3 billion by 2034².

¹ <https://www.opfglobal.com/chapter2>

² <https://www.gminsights.com/industry-analysis/lithium-iron-phosphate-lfp-battery-market>

Canadian Phosphate Limited

Six months ended 30 June 2025

DIRECTORS' REPORT

Today, Canada is a 100% net importer of phosphate products, primarily fertilizer for agricultural production, but with a strong interest also in the evolving LFP battery market. With approximately 80% of this coming from the USA where trade difficulties continue to evolve and availability and quality of rock phosphate continues to decline, its importance only continues to grow. This was noted through rock phosphate inclusion to the critical minerals list in Canada in 2024.

CP8 aims to develop this project through the latest mining and processing technologies, minimizing our environmental footprint, significantly reducing upfront capital investment requirements compared with traditional processing plants, whilst targeting high-grade, high margin phosphoric acid production. The corporate objective is creating long-term value for shareholders whilst supporting global food security and decarbonizing the energy sector.

Operations Overview

North America

Canadian Phosphate Ltd reports its half-year results for the six months ending 30 June 2025, underscoring the Company's continued improvement towards profitability in the regenerative fertilizer sector, as it advances the Wapiti and Fernie projects towards a mineral resource estimate for future supply into the synthetic fertilizer sector and LFP battery industry.

The Company delivered consistent revenue of \$1,287,264, on par with the prior corresponding period of \$1,238,145 despite CP8's largest customer pausing production over the past eight months due to a plant capacity upgrade. CP8's ability to maintain sales and margins with the previous year reflects the growing demand for sustainable, regenerative fertilizer solutions, particularly in Canada where manufacturers continue to expand their product offering, by including CP8's high quality rock phosphate. This is exemplified by the recent expansion of Replenish Nutrients (www.replenishnutrients.com), which upgraded its Beiseker, Alberta facility four-fold to 25,000-tonne capacity. This transformational milestone achieved in August 2025 enables Replenish to meet the escalating market demand for regenerative fertilizers, with Canadian Phosphate's premium rock phosphate playing an essential role in Replenish's high-performing blends. Replenish plans future expansion at Debolt, where a potential 50,000-tonne facility that is already partially underwritten by a C\$7M non-dilutive government grant remains a focus to execute.

With synthetic phosphate prices continuing to rise due to continued quota restrictions from China, the world's largest manufacturer of phosphate fertilizers, greater potential exists for market adoption of CP8's high-grade rock phosphate over coming years.

CP8 achieved continued margin expansion (51.9% gross margin) through operational excellence, increased scale, and the premium nature of our high-grade sedimentary rock phosphate, a cornerstone of our commercial success. Operating cash flow improvements in 1H reflects efforts in 2023/24 to reduce our cost of goods and operating expenses to move towards a more profitable business model. Increased volumes will help to demonstrate this in the coming months and years given the consistent, low-cost operational model that has been designed over the past three years.

Strategic Milestones:

- Reflecting our sharpened focus and growing industry presence, the Company proudly rebranded from Ferto Ltd to Canadian Phosphate Ltd, which better resonates with our customer base and strengthens our profile among investors, industry partners, and key stakeholders.
- In a significant step forward, we held a highly constructive meeting with the Ministry of Critical Minerals and Mining in British Columbia, where we received clear indications of enhanced government support for developing domestic critical mineral supply chains.

Canadian Phosphate Limited

Six months ended 30 June 2025

DIRECTORS' REPORT

- We successfully secured approval for a bulk sample permit at our Barnes project, Fernie for 10,000 tonnes, positioning us to further accelerate market adoption of regenerative fertilizers in North America, one of the fastest-growing markets for sustainable agriculture.

Growth and Resource Expansion:

- To support our ambitious growth plans, we engaged Dahrouge Geological Consulting to advance exploration activities at our flagship Wapiti Project. This includes the preparation of an Exploration Target and a dedicated drilling program aimed at expanding our Mineral Resource Estimate and securing future supply for the agriculture and energy sectors. In July 2025, CP8 announced an Exploration Target of 20-28 million tonnes of rock phosphate at 15.97% P₂O₅ on 40% of the Wapiti tenements.³
- This proactive exploration underscores our commitment to building a strategic, long-life asset base that will meet the increasing demand for rock phosphate, both for agricultural productivity and as a critical input into Lithium Iron Phosphate (LFP) batteries—a key enabler of the global clean energy transition.

Outlook:

The first half of 2025 has firmly established Canadian Phosphate Ltd as a market leader for sedimentary rock phosphate in Canada following the release of its Exploration Target and proposed drilling program for the development of a Mineral Resource Estimate. With Canada currently 100% reliant on imported phosphate and 80% of this sourced from the USA, the importance of building a secure, domestic supply of this critical mineral has never been clearer.

Additionally, the approval of a bulk sample permit (10,000 tonnes) for Barnes, which forms part of the Fernie project, highlights the progress being made with regulators in the British Columbia province to advance these projects. This is expected to continue with the Pump Station bulk sample permit (10,000 tonnes) in Fernie currently under review by the Ministry of Mines and Critical Minerals. These bulk sample permits and future industrial minerals permits will form a key step in the development of our Wapiti and Fernie projects as we look to scale towards future commercialization of rock phosphate mining for phosphoric acid production.

Concurrently, we aim to sustainably grow the regenerative fertilizer sales to manufacturers in North America and Australia to support our strategic target. Whereby reducing the reliance on funding through the development of a profitable business model that works in synergy with the high-level objective to support both food security and decarbonization efforts in North America. As demand accelerates across agriculture and clean energy sectors, Canadian Phosphate remains committed to driving innovation, growth, and sustainability—cementing our role as a trusted supplier of choice for North America's phosphate needs. We look forward to building on this momentum and delivering continued success for our shareholders, partners, and communities.

Australian Operations

Sales revenue for first six months of 2025 was 2% above the same period in 2024. Sales, however, were 12% below 2025 budget due to lower-than-expected sales in the home garden sector. Certification for FertAg 0-8-0 as an allowable input in organic agriculture has been extended to 30 June 2027. FertAg 0-7-0 Grit which is used to make FertAg 0-7-0 granules has been introduced in Australia as an alternative product to FertAg 0-8-0 to counter the rising cost of high-grade rock phosphate used in its manufacture. FertAg 0-7-0 contains 7% phosphorous, 22% calcium, 11% magnesium and 12% silicon all in the same highly available form as FertAg 0-8-0.

³ Refer to ASX announcement "CP8 applies for Multi-Year Area-Based (MYAB) Exploration Permit at Wapiti Phosphate Project, British Columbia" dated 17 July 2025.

Canadian Phosphate Limited

Six months ended 30 June 2025

DIRECTORS' REPORT

Competent Persons Statement

The Information in this report that relates to an Exploration Target is extracted from the following ASX announcement: "CP8 applies for Multi-Year Area-Based (MYAB) Exploration Permit at Wapiti Phosphate Project, British Columbia" dated 17 July 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the above original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Financial Commentary

Group 1H 2025 revenues of \$1,287,264 were \$49,119 higher than comparable 1H 2024, reflecting a positive trend in the market given the largest customer of our product was fundamentally out of production due to plant upgrades in the first half of 2025. In addition to this, gross margin showed a slight improvement from 51% in 2024 to 52% in 2025.

Expenses for 1H of 2025 when excluding non-cash items (depreciation and share based payments) showed \$992,189, compared with \$1,253,477, like for like, an improvement of \$261,288. Further reductions in operating expenses are likely to be minor as we reach a streamlined approach to the business, but note our ability to manage increased volumes with the existing structure should lead to continued margin gains and cashflow improvements.

Safety

There were no lost time, injuries or environmental incidents recorded during the period ended 30 June 2025.

Significant changes in state of affairs

Other than disclosed in this report, in the opinion of the directors there were no significant changes in the state of affairs of the Company during the financial period under review.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

- (i) the Group's operations in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the Group's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor

Moore Australia Audit (WA) continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



Stuart Richardson
12 September 2025

Auditor's Independence Declaration
Under Section 307c of the Corporations Act 2001
To the directors of Canadian Phosphate Limited

As auditor for the review of Canadian Phosphate Limited for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



Suan-Lee Tan
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)



Moore Australia Audit (WA)
Chartered Accountants

Perth
12 September 2025

Canadian Phosphate Limited

Six months ended 30 June 2025

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General information

The financial statements cover Canadian Phosphate Limited as a consolidated entity consisting of Canadian Phosphate Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Canadian Phosphate Limited's functional and presentation currency.

Canadian Phosphate Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office and principal place of business

Level 8, 99 St Georges Terrace, Perth WA 6000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 September 2025. The directors have the power to amend and reissue the financial statements.

Canadian Phosphate Limited

Consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June 2025

		Six months ended	
	Note	30 June 2025	30 June 2024
		\$	\$
Revenue		1,287,264	1,238,145
Cost of goods sold		(618,065)	(604,132)
		<u>669,199</u>	<u>634,013</u>
Other Income		82,230	44,536
Expenses			
Audit & accounting		(79,857)	(77,644)
Consultant fees & employee compensation		(237,888)	(338,888)
Depreciation	7&9	(139,171)	(171,460)
Impairment expense		-	(21,131)
Insurance		(71,783)	(52,665)
Investor relations		(38,880)	(28,000)
Legal		(4,980)	(5,705)
Listing fees and share registry		(25,903)	(56,510)
Marketing & selling		(425,914)	(564,568)
Share based payment	13	(584,626)	(29,290)
Travel		(18,215)	(26,066)
Other expenses		(88,769)	(82,300)
Total expenses		<u>(1,715,986)</u>	<u>(1,454,227)</u>
Finance			
Interest income		1,710	5,536
Finance and lease charges		(45,988)	(57,378)
Realised exchange difference		(29)	(375)
		<u>(44,307)</u>	<u>(52,217)</u>
Loss before income tax expense		(1,008,864)	(827,895)
Income tax expense		-	-
Loss after income tax expense for the period		<u>(1,008,864)</u>	<u>(827,895)</u>
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(729,407)	(58,814)
Other comprehensive income for the period, net of tax		<u>(729,407)</u>	<u>(58,814)</u>
Total comprehensive income for the period		<u><u>(1,738,271)</u></u>	<u><u>(886,709)</u></u>
Loss per share for profit attributable to the owners of Canadian Phosphate Limited			
Basic loss per share (cents)	12	(0.33)	(0.33)
Diluted loss per share (cents)	12	(0.33)	(0.33)

The above consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

Canadian Phosphate Limited
Consolidated statement of financial position
As at 30 June 2025

	Note	30 June 2025	31 December 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		492,855	780,921
Trade and other receivables	3	241,259	300,134
Inventories	5	244,746	463,349
Other current assets	4	4,447	77,862
Non-current asset held for sale		1,549,639	-
Total current assets		2,532,946	1,622,266
Non-current assets			
Exploration and evaluation assets	6	7,128,625	7,488,180
Property, plant and equipment	7	313,450	339,803
Right-of-use assets	9	-	1,764,381
Environmental Bonds		380,477	334,881
Total non-current assets		7,822,552	9,927,245
Total assets		10,355,498	11,549,511
Current liabilities			
Trade and other payables	8	159,737	293,047
Liabilities associated with asset held for sale		259,803	-
Lease liability	9	11,251	126,804
Borrowing	10	-	307,541
Total current liabilities		430,791	727,392
Non-current liabilities			
Lease liability	9	-	224,516
Convertible notes		187,603	237,069
Borrowing	10	307,459	-
Total non-current liabilities		495,062	461,585
Total liabilities		925,853	1,188,977
Net assets		9,429,645	10,360,534
Equity			
Issued capital	11	35,602,913	35,380,157
Equity component of convertible note		934,575	934,575
Share based payment reserve		4,158,437	3,573,811
Translation reserve		141,601	871,008
Accumulated losses		(31,407,881)	(30,399,017)
Total equity		9,429,645	10,360,534

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Canadian Phosphate Limited
Consolidated statement of changes in equity
For the six months ended 30 June 2025

	Issued capital \$	Equity component of convertible note \$	Accumulated losses \$	Share Based Payment Reserve \$	Translation Reserve \$	Total equity \$
Balance at 31 December 2024	35,380,157	934,575	(30,399,017)	3,573,811	871,008	10,360,534
Loss after income tax expense for the period	-	-	(1,008,864)	-	-	(1,008,864)
Other comprehensive income for the period	-	-	-	-	(729,407)	(729,407)
Total comprehensive profit/(loss) for the period	-	-	(1,008,864)	-	(729,407)	(1,738,271)
<i>Transaction with owners in their capacity as owners:</i>						
Shares issued	225,800	-	-	-	-	225,800
Share issue costs	(3,044)	-	-	-	-	(3,044)
Share-based payments (Note 12)	-	-	-	584,626	-	584,626
At 30 June 2025	35,602,913	934,575	(31,407,881)	4,158,437	141,601	9,429,645

	Issued capital \$		Accumulated losses \$	Share Based Payment Reserve \$	Translation Reserve \$	Total equity \$
Balance at 31 December 2023	34,415,604	934,575	(28,734,800)	3,592,847	528,552	10,736,778
Loss after income tax expense for the period	-	-	(827,895)	-	-	(827,895)
Other comprehensive income for the period	-	-	-	-	(58,814)	(58,814)
Total comprehensive profit/(loss) for the period	-	-	(827,895)	-	(58,814)	(886,709)
<i>Transaction with owners in their capacity as owners:</i>						
Reversal of prior share-based payments	-	-	-	(62,137)	-	(62,137)
Share-based payments (Note 12)	-	-	-	91,427	-	91,427
At 30 June 2024	34,415,604	934,575	(29,562,695)	3,622,137	469,738	9,879,359

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Canadian Phosphate Limited
Consolidated statement of cash flows
For the six months ended 30 June 2025

	Note	Six months ended 30 June 2025 \$	Six months ended 30 June 2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,354,495	1,277,156
Payments to suppliers and employees (inclusive of GST)		(1,421,967)	(1,773,059)
Interest received		1,679	5,476
Interest paid		(76,082)	(57,318)
Net cash inflow / (outflow) from operating activities		(141,875)	(547,745)
Cash flows from investing activities			
Property, plant and equipment	7	-	-
Payment for exploration and evaluation assets	6	(271,622)	(284,588)
Net cash inflow / (outflow) from investing activities		(271,622)	(284,588)
Cash flows from financing activities			
Proceeds from issue of shares		209,000	-
Payments for equity raising costs		(3,044)	-
Lease payments	9	(77,070)	(100,589)
Net cash inflow / (outflow) from financing activities		128,886	(100,589)
Net increase/(decrease) in cash and cash equivalents		(284,611)	(932,922)
Foreign exchange difference		(3,455)	72,367
Cash and cash equivalents at the beginning of the financial period		780,921	1,695,854
Cash and cash equivalents at the end of the financial period		492,855	835,299

The above consolidated statement of cashflows should be read in conjunction with the accompanying notes

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 1. Significant accounting policies

Corporate Information

Canadian Phosphate Limited (the Company) is a public company limited by shares incorporated and domiciled in Australia. The Company's registered office is located at Level 8, 99 St Georges Terrace, Perth WA 6000

The financial report of Canadian Phosphate Limited for the six months ended 30 June 2025 comprises the Company and its controlled entities together ("Consolidated Entity" or "the Group").

A copy of the consolidated audited financial report of the Consolidated Entity as at and for the year ended 31 December 2024 is available upon request from the Company's registered office or at www.canadianphosphate.com.

Basis of preparation

The consolidated interim financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting*, and the Corporations Act 2001.

The consolidated interim financial report does not include full disclosures of the type normally included in the annual financial report. Accordingly, it is recommended that this report be read in conjunction with the audited financial report of the Group for the year ended 31 December 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

The consolidated interim financial report was authorised for issue by the Directors on 12 September 2025.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in preparing this consolidated interim financial report, including the key sources of estimation uncertainty, were consistent with those applied in the Company's audited financial report for the year ended 31 December 2024.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a net loss of \$1,008,864 and net operating cash outflows of \$141,875 for the period ended 30 June 2025. As at 30 June 2025 the Group has cash of \$492,855.

The ability of the Group to continue as a going concern is principally dependent upon the following conditions:

- the ability of the Group to meet its cash flow forecasts.
- the ability of the Group to raise capital, as and when necessary; and
- the ability of the Group to sell non-core assets.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- proven ability of the Group to raise the necessary funding or settle debts via the issuance of shares; and
- the group is operating on expanding rock phosphate and organic fertilizer business and plans to continue to expand this business in the coming year.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

Change in Accounting Policies and Accounting Standards

The accounting policies adopted in this report are consistent with those applied by the Group in its consolidated audited financial report for the year ended 31 December 2024.

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into three operating segments taking into consideration geographical location and the product being sold. These operating segments are based on the internal reports that are reviewed and used by the board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews earnings before and after tax. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Where applicable, corporate costs, finance costs, interest revenue, tax, creditors, debtors and foreign currency gains and losses are not allocated to segments as they are not considered part of the core operations of the segments and are managed on a consolidated entity basis. These items are presented as "Unallocated items" in the table below.

Consolidated – 30 June 2025	Fertilizer Australia \$	Fertilizer North America \$	Carbon	Unallocated \$	Total \$
<i>Income</i>					
Sales of phosphate fertilizer – external sales (recognised at a point in time)	299,678	987,586	-	-	1,287,264
Other income	82,230	-	-	-	82,230
Total income	381,908	987,586	-	-	1,369,494
Profit/(Loss) before income tax expense	19,861	(40,232)	-	(988,493)	(1,008,864)
Income tax expense	-	-	-	-	-
Profit/(Loss) after income tax expense	19,861	(40,232)	-	(988,493)	(1,008,864)
<i>Assets</i>					
Segment assets	297,302	9,901,345	-	156,851	10,355,498
Segment liabilities	74,876	(378,935)	-	(621,794)	(925,853)
Segment net assets	372,178	9,522,410	-	(464,943)	9,429,645

Consolidated – 30 June 2024	Fertilizer Australia \$	Fertilizer North America \$	Carbon	Unallocated \$	Total \$
<i>Income</i>					
Sales of phosphate fertilizer – external sales (recognised at a point in time)	292,093	946,052	-	-	1,238,145
Other income	44,536	-	-	-	44,536
Total income	336,629	946,052	-	-	1,282,681
Profit/(Loss) before income tax expense	51,583	(629,825)	(12,521)	(237,132)	(827,895)
Income tax expense	-	-	-	-	-
Profit/(Loss) after income tax expense	51,583	(629,825)	(12,521)	(237,132)	(827,895)
<i>Assets</i>					
Segment assets	460,537	10,557,482	-	479,041	11,497,060
Segment liabilities	(60,176)	(868,321)	-	(689,204)	(1,617,701)
Segment net assets	400,361	9,689,161	-	(210,163)	9,879,359

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 2. Operating segments (continued)

Consolidated – 31 December 2024	Fertilizer Australia	Fertilizer North America	Unallocated	Total
<i>Assets</i>				
Segment assets	385,873	10,577,279	586,359	11,549,511
Segment liabilities	(25,797)	(481,388)	(681,792)	(1,188,977)
Segment net assets	360,076	10,095,891	(95,433)	10,360,534

Consolidated	
30 June 2025	31 December 2024
\$	\$

Non-current assets, excluding financial instruments and deferred tax assets, located in:

Australia	-	-
North America	7,442,075	9,592,364
	7,442,075	9,592,361

Note 3. Current assets – Trade and other receivables

Consolidated	
30 June 2025	31 December 2024
\$	\$
Trade receivables	242,250
Less: expected credit loss provision	(54,970)
Other receivables and prepayments	53,979
	241,259

Upon initial recognition of the amount receivable, the Group has applied the simplified approach permitted by AASB 9 which requires expected lifetime losses to be recognized from initial recognition of the receivable. An allowance for expected loss was recognised based on a probability of default of 5% at the date of subsequent recognition of the receivable. At 30 June 2025, further to a re- assessment of the amount trade receivable, credit loss of \$nil was recognised.

Note 4. Current assets – Other current assets

Consolidated	
30 June 2025	31 December 2024
\$	\$
GST & other receivables	4,447
	4,447

Note 5. Current assets – Inventory

Consolidated	
30 June 2025	31 December 2024
\$	\$
Inventory consists of the following	
Crushed raw ore	197,750
Finished products	46,996
	244,746

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 6. Non-current assets – Exploration and evaluation assets

Consolidated	
30 June 2025 \$	31 December 2024 \$
7,128,625	7,488,180

Exploration and evaluation assets, at cost

Reconciliations of the written down values at the beginning and the end of the current and previous financial year are set out below

Movements in exploration and evaluation assets

Carrying amount at beginning of the period	7,488,180	6,873,957
Additions	219,142	519,294
Proceeds from sale of material removed from Fernie	-	-
Foreign exchange movement	(578,697)	94,929
Carrying amount at the end of period	7,128,625	7,488,180

Recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation of projects or alternatively through the sale of the area of interest.

Note 7. Non-current assets – Property, plant and equipment

	Plant & Equipment	Asset under Construction	Total
<i>Cost or valuation</i>	\$	\$	\$
Balance at 1 January 2024	161,214	358,884	520,098
Impairment	-	(21,132)	(21,132)
Re-classified as plant and equipment	198,319	(198,319)	-
Exchange difference	(1,420)	8,506	7,086
Balance at 31 December 2024	358,113	147,939	506,052
Impairment	-	-	-
Exchange difference	4,437	(7,410)	(2,973)
Balance at 30 June 2025	362,550	140,529	503,079
<i>Accumulated depreciation</i>			
Balance at 1 January 2024	115,227	-	115,227
Charge for the year	49,661	-	49,661
Exchange difference	1,361	-	1,361
Balance at 31 December 2024	166,249	-	166,249
Depreciation for the period	24,404	-	24,404
Exchange difference	(1,024)	-	(1,024)
Balance at 30 June 2025	189,629	-	189,629
Net book value			
At 30 June 2025	172,921	140,529	313,450
At 31 December 2024	191,864	147,939	339,803

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 8. Current liabilities -Trade and other payables

	Consolidated	
	30 June 2025 \$	31 December 2024 \$
Trade creditors	74,964	201,343
Accruals	33,837	80,488
Other payables	50,936	11,216
	<u>159,737</u>	<u>293,047</u>

Note 9. Right-of-use assets and current liabilities

The group has leased assets – motor vehicle, and pelletising plant during the period ended 30 June 2025. Information about the leases is presented below.

Right-of-use assets

	Motor Vehicle	Pelletizing Plant	Total
	\$	\$	\$
At 1 January 2025	16,607	1,747,774	1,764,381
Additions	-	-	-
Disposals	-	-	-
Re-classify as available for sale asset	-	(1,549,639)	(1,549,639)
Amortisation	(16,202)	(97,601)	(113,803)
Exchange difference	(405)	(100,534)	(100,939)
Balance at 30 June 2025	-	-	-

Lease liabilities

	Motor Vehicle	Pelletizing Plant	Total
	\$	\$	\$
At 1 January 2025	22,930	328,390	351,320
Interest expenses	649	14,849	15,498
Lease payments	(11,349)	(65,721)	(77,070)
Foreign exchange movement	(979)	(17,715)	(18,694)
Re-classify to Liability associated with Asset held for sale	-	(259,803)	(259,803)
Balance at 30 June 2025	11,251	-	11,251
Lease liability within one year	11,251	-	11,251
Lease liability between 1-5 years	-	-	-

Interest expense (lease charges) amounting to \$15,498 has been recognised in the profit or loss for the period ended 30 June 2025. Amount of payment of principal portion of lease liability recognised in the statement of cashflows is \$77,070.

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 10. Borrowings

	Consolidated	
	30 June 2025 \$	31 December 2024 \$
CURRENT		
Loan – unsecured	-	300,000
Accrued interest	-	7,541
	-	307,541
NON-CURRENT		
Loan – unsecured	300,000	-
Capitalised borrowing costs	7,459	-
	307,459	-
	307,459	305,096

The key terms of the unsecured loan are as follows:

Related Party Disclosure: Loan facility provided by Boston First Capital Pty Ltd. Related party of Director, Stuart Richardson.

Maturity: The loan and interest will be repayable within 12 months *

Repayments: Principal and interest

Security: Nil

Key covenants: Nil

Interest costs: 10% per annum

*On 22 March 2025, the loan was extended by an additional three years on the same terms.

Note 11. Equity – Issued share capital

(a) Ordinary shares

	30 June 2025 Number of shares	31 December 2024 Number of shares	30 June 2025 \$	31 December 2024 \$
Ordinary shares – fully paid	306,760,527	296,460,527	35,602,913	35,380,157

Movements in share capital

Details	Date	No of Shares	Issued Price (\$)	Amount (\$)
Balance	31 December 2024	296,460,527		35,380,157
Issue of shares in lieu of consultancy fees	24 February 2025	800,000	0.021	16,800
Placement	27 February 2025	9,500,000	0.022	209,000
Capital-raising fees				(3,044)
Balance at 30 June 2025		306,760,527		35,602,913

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 12. Loss per share

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Earnings per share for profit/(loss) from continuing operations</i>		
Loss after income tax expense for the period	(1,008,864)	(827,895)
	Number	Number
Weighted average number of shares used in calculating basic earnings per share	303,512,194	251,355,866
Weighted average number of shares used in calculating diluted earnings per share	303,512,194	251,355,866
	Cents	Cents
Basic loss per share	0.33	0.33
Diluted loss per share	0.33	0.33

At 30 June 2025, there were 6,450,000 (2024: 6,450,000) performance shares and options outstanding which could potentially dilute basic earnings per share in the future. Because there is a loss after income tax for the period, these would have an anti-dilutive effect and therefore diluted earnings per share is the same as the basic earnings per share.

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 13. Share-based payments

Expenses arising from share-based payment transactions

(a) Performance Shares

Total expenses arising from share-based payment transactions recognised during the period as part of contract for services in terms of options and shares issued to directors, employees and consultants were \$584,627.

For the reporting period, movement in performance rights are as per below:

30 June 2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised/ vested	Expired/ forfeited/ other	Balance at the end of the period
26/04/2022	-	\$0.00	5,750,000	-	-	-	5,750,000
05/09/2022	-	\$0.00	700,000	-	-	-	700,000
			6,450,000			-	6,450,000
Weighted average exercise price			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

During the year ended 31 December 2023, the Group agreed to issue 1,800,000 performance rights to two employees. These are as follows:

Performance Rights	Number	Assumed Vesting Date	Milestone for release from escrow	Issue Price
Employee Rights	1,200,000 ¹	Anniversary dates	400,000 vested at commencement of employment. 400,000 rights will vest at each of the first and second anniversary of continuing employment and in good standing.	Nil
	200,000 ²	7 May 2026	200,000 rights will vest when shares trading on ASX at a VWAP of, or in excess of, \$0.45 for 10 consecutive days	Nil
	200,000 ²	20 May 2026	200,000 rights will vest when shares trading on ASX at a VWAP of, or in excess of, \$0.55 for 10 consecutive days	Nil
	200,000 ²	30 May 2026	200,000 rights will vest when shares trading on ASX at a VWAP of, or in excess of, \$0.65 for 10 consecutive days	Nil
	1,800,000³			

¹ The performance rights were valued at the date of commencement of employment for the two employees, being 5 September 2022 at \$0.18 per right for a total of \$144,000, with a probability of vesting of 100% for four of the tranches, and 0% for two other tranches. On 16th February 2024, 400,000 performance rights were forfeited. Amount recognised during the period to 30 June 2024 was \$11,293.

² The fair value of rights are determined at grant date, by the Company, using a Monte Carlo Simulation Methodology (MCSM) that takes into account the share price at grant date, performance hurdles prices, expected volatility (determined by reference to historical volatility of the share price), performance right life based on a term of 3 years, the risk free rate, and the fact that the performance rights are not tradeable. The inputs used for the MCSM pricing model for options outstanding during the period ended 30 June 2024 were as follows:

Grant date	Assumed Expiry date	Number Issued	Share price at grant date	Exercise price	Performance hurdle price	Expected volatility	Risk-free Interest rate	Time to achieve hurdle price	Fair value at grant date
05/09/2022	23/06/2026	100,000	\$0.18	-	\$0.45	85%	3.25%	3 years	\$0.1922
05/09/2022	23/06/2026	100,000	\$0.18	-	\$0.55	85%	3.25%	3 years	\$0.1889
05/09/2022	23/06/2026	100,000	\$0.18	-	\$0.65	85%	3.25%	3 years	\$0.1845

An amount of \$9,579 was recognised during the period ended 30 June 2025.

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 13. Share-based payments (continued)

During the year ended 31 December 2022, the Group agreed to issue 7,750,000 performance rights to the Chief Executive Officer. These are as follows:

Performance Rights	Number	Assumed Vesting Date	Milestone for release from escrow	Issue Price
CEO Rights	3,000,000 ¹	Anniversary dates	1,000,000 vested at commencement of employment. 1,000,000 rights will vest at each of the first and second anniversary of continuing employment and in good standing	Nil
	1,000,000 ²	04/04/2028	Vest if the Company's shares trade on ASX at a VWAP of, or in excess of, \$0.40 for 10 consecutive days	Nil
	1,000,000 ²	04/04/2029	Vest if the Company's shares trade on ASX at a VWAP of, or in excess of, \$0.50 for 10 consecutive days	Nil
	2,000,000 ²	04/04/2030	Vest if the Company's shares trade on ASX at a VWAP of, or in excess of, \$0.65 for 10 consecutive days	Nil
	250,000 ²	31/12/2024	Achievement of 10,000ha of reforested or rehabilitated land managed in a carbon project by Fertoz Carbon before 31 December 2024	Nil
	250,000 ²	31/12/2024	Sale of \$500,000 of Carbon Credits in a project managed by Fertoz Carbon before 31 December 2024	Nil
	250,000 ²	31/12/2024	Achievement of 60,000t of fertilizer sales in any one year before 31 December 2024	Nil
	7,750,000			

¹ The performance rights were valued at the date of shareholders' approval at the Annual General Meeting held on 31 May 2022 at \$0.20 per right for a total of \$600,000, with a probability of vesting of 100%. During the year ended 31 December 2022, the above performance hurdle of employment commencement was met and the performance shares were exercised and ordinary shares issued. The performance shares were valued at the fair value of the shares at the date of the general meeting where they were approved, given that the performance hurdles had already been met at that date. Amount recognised during the period to 30 June 2025 was \$nil.

² The performance rights were valued at the date of commencement of employment at \$0.20 per right for a total of \$100,000, with a probability of vesting of 100% for the reforested land and fertilizer sales milestones and a probability of vesting of 0% for the carbon credit milestone. Amount recognised during the period to 30 June 2025 was \$nil.

³ The fair value of rights are determined at grant date, by the Company, using a Monte Carlo Simulation Methodology (MCSM) that takes into account the share price at grant date, performance hurdles prices, expected volatility (determined by reference to historical volatility of the share price), performance right life based on an assumed tenure of 10 years, the risk free rate, and the fact that the performance rights are not tradeable. The inputs used for the MCSM pricing model for options outstanding during the period ended 30 June 2025 were as follows:

Grant date	Assumed Expiry date	Number Issued	Share price at grant date	Exercise price	Performance hurdle price	Expected volatility	Risk-free Interest rate	Time to achieve hurdle price	Fair value at grant date
04/04/2022	04/04/2032	1,000,000	\$0.20	-	\$0.40	86%	3.25%	6 years	\$0.1922
04/04/2022	04/04/2032	1,000,000	\$0.20	-	\$0.50	86%	3.25%	7 years	\$0.1889
04/04/2022	04/04/2032	2,000,000	\$0.20	-	\$0.65	86%	3.25%	8 years	\$0.1845

An amount of \$25,895 was recognised during the period ended 30 June 2025.

(b) Options

On 3 April 2025, the Company granted 9,500,000 options to employees and consultants. The options are exercisable at a price of \$0.05 (7,125,000 options) and at a price of \$0.10 (2,375,000 options) on or before 3 April 2029. The options were recognised at a fair value, based on Black Scholes Valuation Model, of \$0.0183 per option (7,125,000 options) and of \$0.0145 per option (2,375,000 options) for a total value of \$164,692. The valuation is based on an expected volatility of 97.8%, risk free interest rate of 3.85%, expected life of 4 years and stock price of \$0.03.

At 30 June 2025, the options with an average remaining life of 3.76 years, were vested and unexercised.

Canadian Phosphate Limited

Notes to the consolidated financial statements

For the six months ended 30 June 2025

Note 13. Share-based payments (continued)

On 29 May 2025, the Company granted 18,000,000 options to directors. The options are exercisable at a price of \$0.05 (14,400,000 options) and at a price of \$0.10 (3,600,000 options) on or before 6 June 2030. The options were recognised at a fair value, based on Black Scholes Valuation Model, of \$0.0220 per option (14,400,000 options) and of \$0.0186 per option (3,600,000 options) for a total value of \$384,461. The valuation is based on an expected volatility of 97.8%, risk free interest rate of 3.85%, expected life of 5 years and stock price of \$0.032.

At 30 June 2025, the options with an average remaining life of 4.94 years, were vested and unexercised.

Note 14. Matters subsequent to the end of the financial period.

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect:

- (i) the Group's operations in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the Group's state of affairs in future financial years.

Canadian Phosphate Limited

Directors' Declaration

For the six months ended 30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001; and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 303 (5) (a)A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(c) of the *Corporations Act 2001*.

On behalf of the directors



Stuart Richardson
Non-Executive Chairman

12 September 2025

Independent Auditor's Review Report

To the members of Canadian Phosphate Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Canadian Phosphate Limited (the "company") and its controlled entities (the "group" or "consolidated entity"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

Emphasis of Matter - Material Uncertainty Related to Going Concern

Without modifying our conclusion on the half-year financial report, we have considered the adequacy of the disclosure made in Note 1 to the financial report concerning the Company's ability to continue as a going concern. The conditions explained in Note 1 to the financial report indicate the existence of a material uncertainty which casts significant doubt about the Company's ability to continue as a going concern. The Company's half-year financial report does not include any adjustments that would result if the Company were unable to continue as a going concern.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Suan-Lee Tan
Partner – Audit and Assurance
[Moore Australia Audit \(WA\)](#)



Moore Australia Audit (WA)
Chartered Accountants

Perth
12 September 2025