

ASX Announcement

13 January 2025

SEKARNA PHOSPHATE PROJECT FORMALLY GRANTED

**Sekarna permit covers 128km² with
abundant exposures of outcropping rock phosphate**

HIGHLIGHTS:

- **Sekarna phosphate exploration permit formally granted 100% to PhosCo.**
- **Formal granting of Gassaat is expected to follow imminently (also 100% PhosCo).**
- **Sekarna is considered to be an early-stage analogue of Gassaat (146.4Mt @ 20.6% P₂O₅¹), 10km to the southwest, and shares the same large scale and simple geology.**
- **The news follows PhosCo's major breakthrough in November 2024 with:**
 - **approval of the advanced Gassaat project, and**
 - **a non-binding MoU with the Tunisian Ministry of Industry, Mines and Energy, and the European Bank for Reconstruction and Development (EBRD) to collaborate on exploring and developing Tunisia's Northern Phosphate basin hub².**
- **Sekarna is the first ever phosphate permit granted 100% by the Tunisian Government to a foreign investor.**

PhosCo Ltd (**PhosCo** or **the Company**) (**ASX:PHO**) is pleased to announce that following the key approval received in October 2024, the Exploration Permit for the Sekarna Phosphate Project in Tunisia (Figure 1) has now proceeded to formal grant for a period of three years.

PhosCo Managing Director, Taz Aldaoud commented:

"PhosCo's momentum is building. The grant of the Sekarna Exploration Permit follows Gassaat's recent approval and a landmark MOU with the Tunisian Government and EBRD. We anticipate Gassaat's approval will also proceed to formal grant imminently. These developments highlight the trust the Tunisian Government has placed in PhosCo, underscoring our commitment to responsible resource exploration and our expanding presence in Tunisia's mineral sector. We are excited to leverage these opportunities to create value for all stakeholders, including our investors, the local economy, and Tunisia as a whole."

¹ Refer to ASX announcement dated 9/12/22: 'Scoping Study Confirms Outstanding Economics for Chaketma'.

² Refer 26/11/24 ASX announcement 'Gassaat Permit Approved, Landmark MOU signed with Tunisian Government and EBRD'

The Sekarna Exploration Permit is held 100% by Himilco Resources Pty Ltd, a wholly owned subsidiary of PhosCo and covers an area of 128km².

PhosCo's Tunisian exploration team observed phosphate in outcrop below the upper Eocene cap rock exposed by steep-sided mesa topography. No exploration targeting phosphate has been carried out over Sekarna; however, phosphate mineralisation was first identified in 1901. In 1999, A. Zair conducted an in-depth study of phosphate deposits in the central-western basin of Tunisia as part of his doctoral thesis, focusing particularly on the Sekarna deposit and its phosphate ores. Historic diamond drilling by Reminex Exploration in 2007 that targeted lead zinc mineralisation intersected phosphate over an interval of eight metres in drill hole SRLE3. The phosphate was not analysed. A 2011 geological paper on lead-zinc mineralisation at Sekarna reported phosphate grades of between 19.7% and 27.8% P₂O₅ in five core samples (Garnit et al 2011)³.

Field inspection by PhosCo's Tunisian team traced the phosphate unit, which was exposed in outcrop with mapped thicknesses of greater than 5m for more than 3km in the east and about 10m for over 4km in the west.

Geologically the Sekarna phosphate deposit is considered to be an analogue of Gassaat, which is located 10km to the southwest of Sekarna, and the two deposits share the same stratigraphy and similar geology.

The news comes following the grant of the Ras Ghzir exploration permit in April 2024, which is a separate permit to Sekarna, covering 'Group 3' base metals, which overprint the Sekarna phosphate (Group 5) over an area of 60km². Historic mining dates from the early 1900's to 1948. Work is required to understand the presence of base metals at Sekarna to see if it can be separated from the phosphate, potentially into a by-product revenue stream or forms a separate, new, standalone project.

³ Garnit H, Bouhlel S, Barca D, Johnson CA, & Chaker Chtara C, (2011) Phosphorite-hosted zinc and lead mineralization in the Sekarna deposit (Central Tunisia).

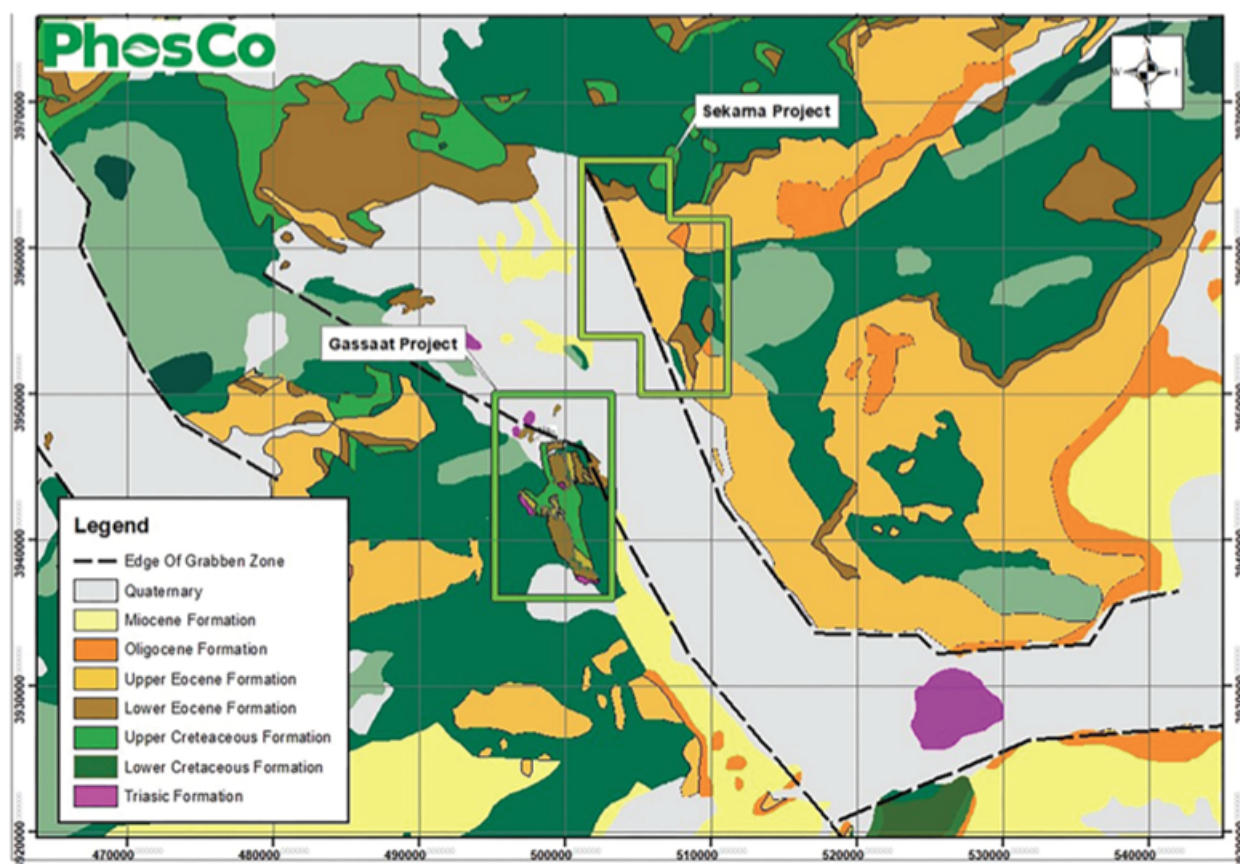


Figure 1 Sekarna Phosphate Project Location, Tunisia

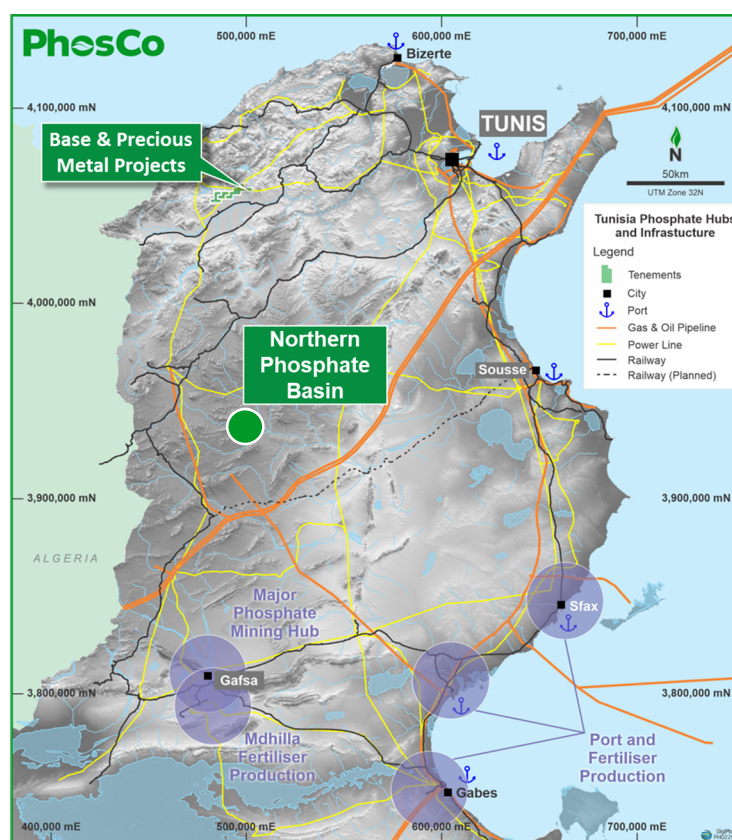


Figure 2 Sekarna Phosphate Project Location, Tunisia

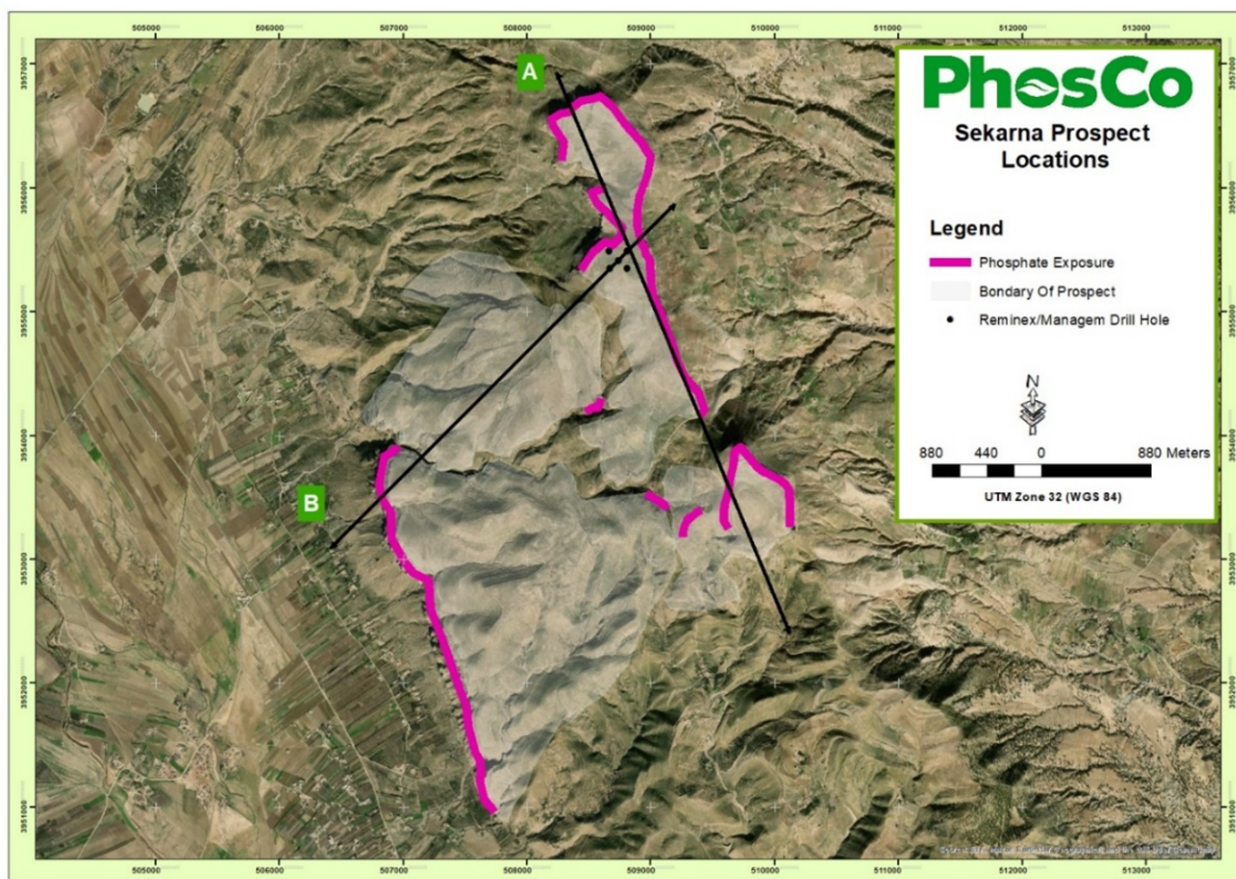


Figure 3 Sekarna Project showing major prospect locations and phosphate outcrops (Phosphate exposures shown as pink lines. Line width does not represent thickness).



Figure 4 Sekarna Project N_S Cross Section **A** view from the east side.

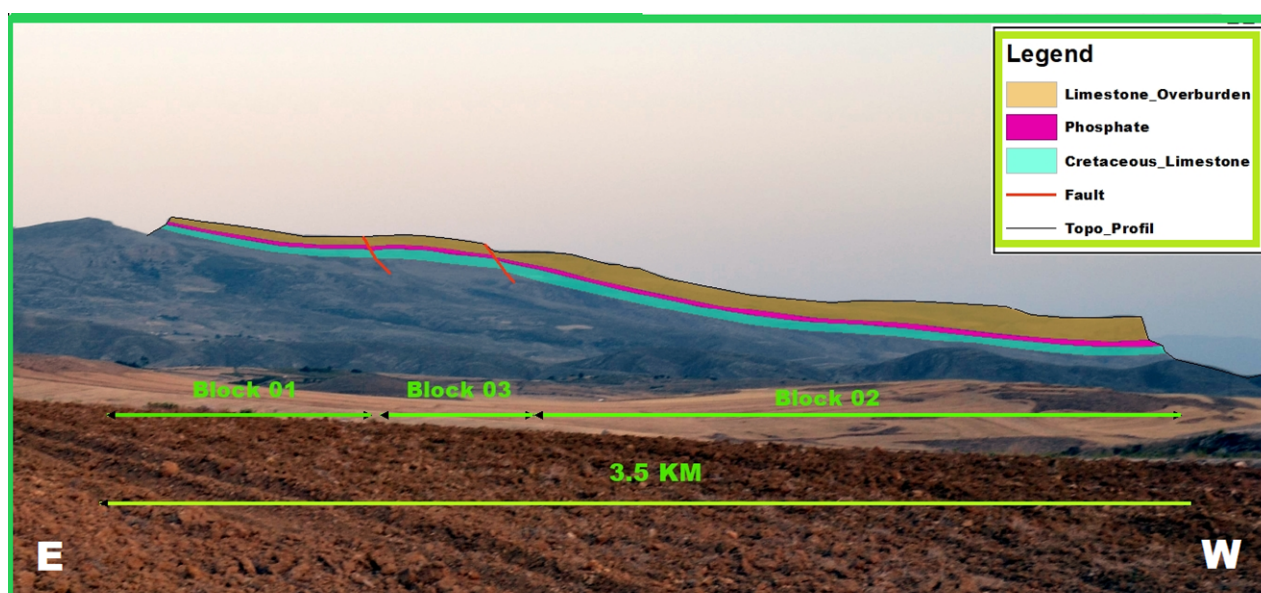


Figure 5 Sekarna Project E_W Cross Section **B** view from the north side.

PHOSPHATE GEOLOGY

The phosphate mineralisation at Sekarna was originally described by A Zaier (1999), a PhD student who studied and documented the tectonic controls on phosphate deposits of Northern Basin of Tunisia.

The Tunisian phosphates are hosted by the Metlaoui Formation, the lower most unit of the Eocene, and were either deposited directly on the older Cretaceous basin sequence or on a thin Palaeocene marl (El Haria Formation). Sometime after the deposition, either as the result of local tectonic uplift or a fall in sea level, the Cretaceous sequence was an emergent land surface referred to as Kasserine Island. The marl unit is a transgressive sequence representing a period of marine inundation when sedimentation resumed. The marl is laterally discontinuous because the marine transgression was not uniform across the basin. The period between the end of the Cretaceous and the start of the Eocene is a time break of approximately 10 million years. During this period the Cretaceous was deformed, and exposed limestone units were subject to weathering and karst development. The contact between the Palaeocene and the Eocene is conformable but the contacts between these units and the underlying Cretaceous is an angular unconformity.

Where observed, the lower most layer phosphate is a fine pebbly phosphate conglomerate or a occurs as in fillings in solution cavities in the Cretaceous marble. This lower zone transitions in a fine grained hard indurated phosphorite unit with occasional fossils and coprolite nodules. A thin (0.5 metre thick) marly phosphate bed commonly occurs a few metres above the lower contact. The phosphorite is capped by a low-grade phosphate marble. The contact with the upper unit is transitional and is typically determined by a grade cut-off of 10% P_2O_5 .

At Sekarna the phosphorite and host rocks have been uplifted into a horst block that is re-separated from Gassaat by the down faulted Rohia Graben. The Sekarna block is now a prominent mesa with fault scarps both on the eastern and western sides where the rock phosphate is exposed. The mesa rises to a maximum elevation of 1,370 metres. Good exposures of phosphate occur on three faces just below the summit of the mountain over a combined distance of about 1.2km. In this area the exposed phosphate is 6m to 8m thick. Phosphate is not exposed on the southern flank, so the extent of the phosphate is based on limits of the upper Eocene cover rocks in this direction.

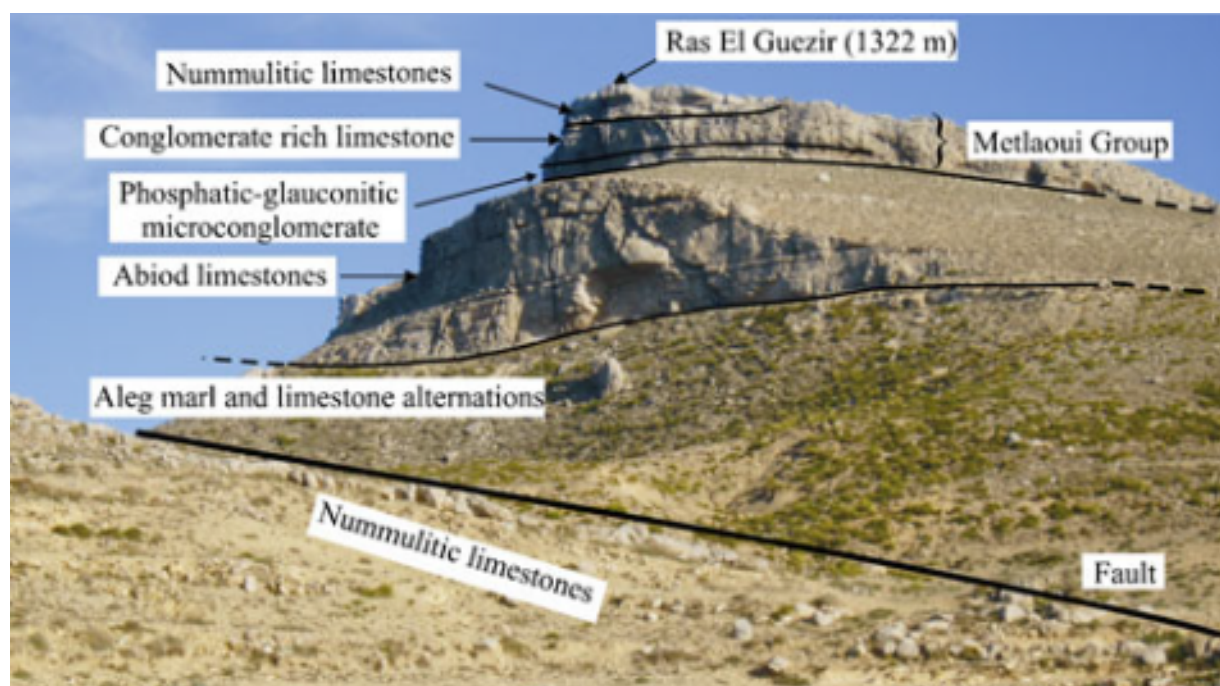


Figure 6 Outcrops of Late Cretaceous–Early Eocene sedimentary sequences in Ras Ghzir.

The Sekarna phosphate is visually indistinguishable from other phosphates in the Northern Basin but has the additional complexity of having an area with a shallow, base metal overprint (zinc, lead, and barite). Metallurgical work is required to understand whether the base metals can be floated separately, potentially into a by-product revenue stream or forms a separate, new, standalone project.

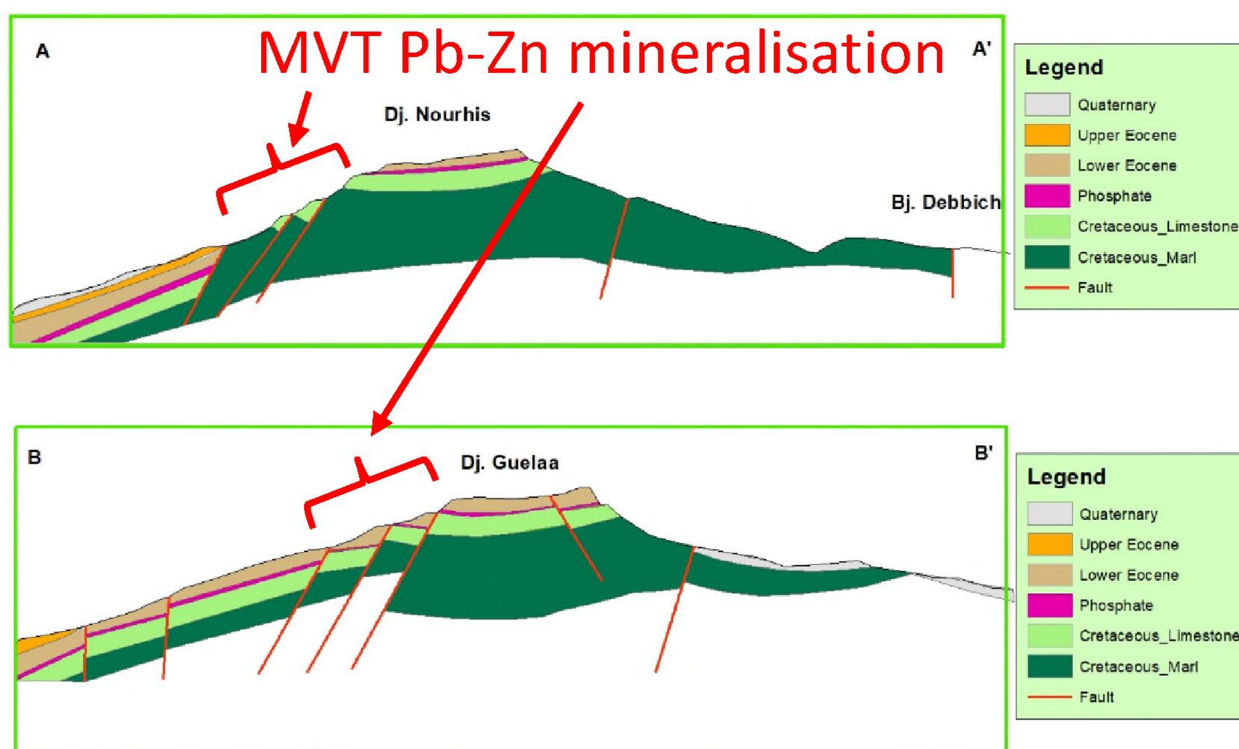


Figure 7 Representative schematic cross-sections of the Sekarna project.

FURTHER WORK

Field work on Sekarna Project will commence shortly focussing initially on detailed and targeted mapping and geochemical sampling to understand the lead-zinc overprint, followed by a scout drilling program. Sighter metallurgical tests are planned to demonstrate that separate commercial base metal and phosphate concentrates can be produced from the Ras Ghzir Pb-Zn and P mineralisation.

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

For further information, please contact:

Taz Aldaoud
 Managing Director
 T: +61 473 230 558
 E: taz.aldaoud@phosco.com.au

 Follow [PhosCo](#) on LinkedIn

 Follow [@PhoscoLtd](#) on X.

COMPETENT PERSONS STATEMENT

The information in this announcement that relates to historic data and Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Aymen Arfaoui, who is a Member of The Australasian Institute of Mining and Metallurgy and an employee of PhosCo Limited. Mr Arfaoui has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Arfaoui consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

PREVIOUSLY REPORTED RESULTS

There is information in this announcement relating to historic data and Exploration Targets, Exploration Results or Mineral Resources which were previously announced on 15 March 2022, 17 November 2022, 9 December 2022, 3 October 2024 and 26 November 2024. Other than as disclosed in those announcements, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The information in this presentation relating to the Company's Scoping Study are extracted from the Company's announcement on 9 December 2022 titled "Scoping Study Confirms Outstanding Economics for Chaketma". All material assumptions and technical parameters underpinning the Company's Scoping Study results referred to in this presentation 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

References

Garnit H, Bouhlef S, Barca D, Johnson CA, & Chaker Chtara C, (2011) Phosphorite-hosted zinc and lead mineralization in the Sekarna deposit (Central Tunisia).

Zaier A (1999) Evolution tecto-sédimentaire du bassin phosphate du Centre-Ouest de la Tunisie, minéralogie, pétrographie, géochimie et genèse des phosphorites. Ph.D. Thesis, University of Tunis El Manar, Tunis, Tunisia, 1999.

Note 1

Gassaat Phosphate Project Global Mineral Resources

Chaketma	JORC 2012	Mt	% P ₂ O ₅
Gassaat			
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

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.