

30 September 2025

Phoenix Copper Limited
(“Phoenix”, the “Company”, or the “Group”)

Interim results

Phoenix Copper Ltd (AIM: PXC; OTCQX ADR: PXCLY), the AIM-quoted, USA-focused base and precious metals emerging producer and exploration company, is pleased to announce its unaudited interim results for the six months ended 30 June 2025 (the “Period”). All references to \$ are United States Dollars.

Period-to-date Highlights

Corporate & Financial

- Group reports a loss of \$0.74 million (2024: a loss of \$1.10 million)
- Period-end Group net assets of \$41.64 million (2024: \$48.55 million)
- Company reports a profit of \$0.55 million (2024: a loss of \$0.05 million)
- Period-end Company net assets of \$50.68 million (2024: \$55.16 million)
- Investment in Empire Mine in Idaho, USA increased to \$44.34 million (2024: \$42.11 million)
- Company loans to Idaho operating subsidiaries increased to \$40.14 million (2024: \$37.47 million)
- Letter of Intent to subscribe for \$75 million of corporate copper bonds signed during the Period
- Short-term loan facility restructured post Period-end, with a further \$640,000 drawn down and the maturity date extended to 30 June 2026
- \$1.91 million raised during the Period and post Period-end from subscriptions and conversion of borrowings

Operational

- Proven & Probable mineral reserves of 10.1 million tonnes containing 109,487,970 pounds (“lbs”) of copper (49,677 tonnes), 104,000 ounces (“oz”) of gold and 4,654,500 oz of silver (66,467 tonnes of copper equivalent metal)
- Mineral reserves estimated using assay data from 485 drill holes, extensive geological modelling, metallurgical recovery test work, geotechnical evaluation, and mine design
- Empire Mine open-pit Pre-Feasibility Study (“PFS”) shows pre-tax cumulative net free cash flow of \$153 million over 8 year mine life, increasing to over \$230 million at current metal prices; total cash costs of \$2.44/lb
- Life of mine production of 40,424 tonnes copper, 40,161 oz gold and 1.76 million oz silver
- Ongoing delivery of equipment to Empire Mine open-pit site

CHAIRMAN'S STATEMENT

Dear Shareholders

Since I last wrote to you, the rise in metal prices has boosted our Empire open-pit life-of-mine net cash flow, after all capital expenditure, by over \$80 million. Copper is now trading at \$4.60/lb, compared with our cash cost of production of \$2.44/lb. Few of you will need reminding of the paucity of our current market capitalisation, which is a fraction of the funding we are seeking in order to complete construction of the Empire open-pit mine. Despite this, negotiations to place additional corporate copper bonds to raise the necessary finance appear to be nearing completion, following which we can firmly focus on achieving first production at Empire.

As our CEO will allude to in his statement, copper fundamentals have strengthened significantly over the summer and are not so dependent on the Chinese construction industry. Recent announcements from the US regarding AI investment in the UK, for example, were genuinely surprising to many observers, both in terms of size and the fact that they are actually happening.

Many analysts are forecasting the copper price to rise to \$13,000/tonne, which would add over \$280 million to our open-pit bottom line on copper alone, without blending in any of the higher-grade underground ore, which we hope to be able to do once we have driven our proposed adit towards the known high-grade sulphide mineralisation.

Some commentators are also forecasting gold to increase to \$5,000/oz. If this proves to be correct, that would add a further \$100 million to the bottom line, with an additional \$40 million for silver if the ratio to gold remains constant.

For the moment, as evidenced by the Anglo/Teck merger, mining companies still prefer to buy each other, rather than spend money on new projects, although this may be changing. Nevertheless, we expect to be in production long before the likes of Resolution start their operations.

I would like to re-emphasise that the Empire open-pit project is the first of several strings to our bow: apart from the underground copper sulphides, the Red Star silver project, the Navarre Creek gold prospect, along with the White Knob and Windy Devil mineralised districts, all await funding amidst improving market sentiment. I thank you all for your continued patience.

Marcus Edwards-Jones
Executive Chairman
29 September 2025

CHIEF EXECUTIVE OFFICER'S REPORT

As we finalize funding for the completion of detailed engineering, permitting, and construction of the Empire Open-Pit, the operations team spent the summer sorting the last of the project data that will be required by our consulting team to compile the final engineering document and roll that data into a revised Plan of Operations. The team has also completed the required 2025 reclamation work in the Navarre Creek area and hope for a long, cool autumn to further facilitate revegetation of drill roads and drill pads. The Company's assets, including our mining claims, buildings, and equipment continue to be maintained and kept in top shape.

Archaeological surveying of the waste rock facility and access road was completed this month, as were a number of other land surveys. This information will be used to augment the detailed engineering and Plan of Operations. Purchasing capital items and engaging consultants has obviously slowed while we await additional funding, but valuable work continues to be prioritized as we prepare for final engineering and permitting.

The prices of gold, silver, and copper, the predominant metals hosted in the Empire deposit, have increased in value significantly since the publication of the Company's PFS a year ago. The cash flow model presented in the PFS for the Empire Open-Pit used trailing average pricing for copper, gold, and silver, and were \$4.45/lb copper, \$2,325/oz gold, and \$27.25/oz silver, respectively. As of this report, copper trades at \$4.60, gold at \$3,719, and silver at \$43.30, which, if maintained, will materially improve the cumulative net free cash flow of the project by more than \$80 million.

The increase in metal prices, which we believe will continue on an upward trend, adds considerable value to the Empire project. Over the estimated 8-year open pit mine life, we anticipate producing 89,094,705 copper lbs (40,424 metric tonnes ("mt")), 40,161 oz gold, and 1,759,717 oz silver, with an estimated \$62.6 million capex and total cash operating cost of \$2.44/lb of copper equivalent metal. The PFS showed pre-tax economics of \$87.86 million discounted net present value at 7.5% ("NPV7.5"), a 46.4% internal rate of return ("IRR"), and cumulative net free cashflow of US\$152.98 million, at the lower metal prices used. The combination of strong metal prices and stable energy prices improves these figures significantly.

These metal prices are significant and exciting for Phoenix because the Empire mineral reserves host all three metals, and the crush-grind-flotation-tank leach-cementation circuit recently designed for processing Empire ore will recover all three metals. Copper, gold, and silver production is highlighted in the 2024 PFS and is made possible employing standard open-pit mining methods and the recently designed milling process. The processing facility has been engineered with a small enough footprint for siting on the Company's patented mining claims near the open pit. The proximity of the mill to the open pit reduces the haulage distance of the ore to the crusher, which requires a smaller mining fleet in terms of truck count and size, thereby reducing both capital and operating costs. The mill will produce two pay streams, a copper, gold, silver concentrate stream and a cement copper stream, both of which will be shipped to market without the need for further processing or refining at the Empire site.

In addition to processing ore from the Empire open-pit, the flotation circuit will be capable of recovering copper, gold, and silver as a concentrate from the high-grade sulphide vein material that exists below the open pit and was mined extensively until the early 1940s. The Empire team is currently finalizing a plan to advance the exploration of the deeper sulphide vein system with an eye on augmenting the open pit ore

with feed from the higher-grade sulphide vein system below the pit. The planning includes driving an adit toward known sulphide mineralization and developing underground drilling stations along the length of the adit. Known sulphide mineralization includes the 8.38% copper interval intercepted in the 2021 core drilling program, which also assayed 1.31 grammes per tonne (“g/t”) gold and 120 g/t silver. Historically mined grades from the sulphide vein system below the open pit were recorded as high as 8% copper, with smelter recoveries of the time recorded as averaging 3.64% copper, 1.64 g/t gold, and 54 g/t silver. Resources permitting, we hope to commence underground work during the 2025/2026 winter season.

In addition to the ball mills, assay laboratory, various pieces of rolling stock, and the tails filtration units already on site in Mackay, the team has identified and located the other necessary capital items and will be ready to purchase and ship those items as funding becomes available and as long as the weather chooses to cooperate.

The need for copper and other critical metals continues to make the news on a daily basis. This is especially true of the AI revolution. The amount of electricity required for a single AI query is estimated at around 3 watt-hours, nearly ten times that of a traditional query. The electricity requirements necessary for millions of queries a day demand significant investment in energy infrastructure. Copper and other metals critical for power generation, transmission, and the growth of energy infrastructure will continue to be in high demand. The importance of producing these metals domestically, creating a secure domestic supply chain, is now at the forefront, with the current White House administration leading the charge.

We currently have well-developed exploration plans for the Empire underground copper sulphides, as well as continued exploration in the Red Star, Horseshoe, Windy Devil, and Navarre Creek areas, resources permitting.

2024 Empire Proven and Probable Mineral Reserves

A Proven and Probable reserve estimate was completed by Hardrock Consulting in April 2024 and reported for the polymetallic Empire Mine open-pit oxide deposit. The estimate reports Proven and Probable reserves in the Empire open-pit oxide deposit of 10,097,000 tonnes containing 49,677 mt of copper, 104,000 oz of gold, and 4,654,400 oz of silver, for a combined 66,467 mt of copper equivalent metal. It was estimated using assay data from 485 drill holes, extensive geological modelling, metallurgical recovery test work, geotechnical evaluation, and mine design.

Mineral Reserve Statement for Empire Mine, after Hard Rock Consulting April 2024

Fully diluted tonnes at a Net Smelter Return (“NSR”) cut-off of \$22.59/mt

Classification	Tonnes	Copper		Gold		Silver		Copper Equivalent		
	(x1000)	%	lb (x1000)	gpt	oz (x1000)	gpt	oz (x1000)	%	lbs (x1000)	tonnes
Proven	7,515	0.49	81,070.56	0.38	90.9	14.42	3,483.70	0.68	111,995.19	50,814
Probable	2,582	0.5	28,417.41	0.16	13.2	14.1	1,170.70	0.61	34,498.69	15,652
Proven + Probable	10,097	0.49	109,487.97	0.32	104	14.34	4,654.40	0.66	146,493.89	66,467

The mineral reserves reported herein for the Empire project have been estimated in a manner consistent with the NI 43-101 Committee of Mineral Reserves International Reporting Standards (CRIRSCO), of which both the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code) are members.

2024 PFS - Summary of Economic Results

The economic analysis of the base case scenario for the Empire open-pit mine uses metal prices of \$4.45/lb for copper, \$2,325/oz for gold and \$27.25/oz for silver. The economic model shows a pre-tax NPV of \$87.86 million using a \$22.59/tonne NSR cut-off, as well as a pre-tax IRR of 46.4%. The table below summarises the projected cashflow, NPV at varying rates, IRR, years of positive cash flows to repay the negative cash flow ("Payback Period"), and multiple of positive cash flows compared to the maximum negative cash flow ("Payback Multiple") on both after-tax and before-tax bases.

Project Evaluation Overview	After Tax	Before Tax
Cumulative Net Cashflow	\$132.44	\$152.98
NPV @ 5.0%; (millions)	\$89.55	\$105.44
NPV @ 7.5%; (millions)	\$73.75	\$87.86
NPV @ 10.0%; (millions)	\$60.71	\$73.29
Internal Rate of Return	40.2%	46.4%
Payback Period	1.66	1.41
Payback Multiple	2.92	3.21
Benefit Cost Ratio	7.61	8.87
Initial Capital	\$62.60	\$62.60
Max. Neg. Cashflow (millions)	-\$69.09	-\$69.09

The metal prices used in the PFS economic analysis were based on near-term trailing averages at the time the PFS was being written and were considered to be conservative. The Company will consider reevaluating these lower metal prices as part of the final detailed engineering work, and if determined prudent, will reoptimize the economics using higher updated metal prices.

PFS - Metallurgy and Process Design

3,502 feet (1,067 metres) of core from the Empire copper oxide deposit was sampled and evaluated for the metallurgical recovery of copper, gold, and silver. The results of the metallurgical test work, as presented in the PFS, show that a crush-grind-flotation-tank leach milling process provides the optimum metal recoveries for the cost. The flotation-leaching circuit that has been designed for the Empire open-pit ore has a much smaller footprint than a classic heap leach design, allowing for the processing plant to be sited on the Company's patented (private) mining claims near the open pit. The proximity of the plant to the open pit will reduce overall operating costs by reducing the ore haulage distance. The improved haulage cycle-time gained from the shortened haulage distance also allows for the use of smaller, less expensive haul trucks.

In addition to the cost benefits of a smaller footprint plant sited on private land, the flotation-leaching circuit will be capable of processing sulphide material, currently being explored elsewhere on the Empire property. From an environmental permitting standpoint, siting the processing plant on private land should help to simplify the overall permitting process.

The flotation + leaching metallurgical recovery results and reserve pit optimization parameters are shown in the table below. Optimization of the processing circuit is ongoing.

Reserve Pit Optimization Parameters (Metric tons)	Units	Cu	Au	Ag
Commodity Prices	\$/oz or \$/lb	\$4.00	\$1,788	\$24.00
Flotation Process Recoveries				
Flotation _ Cu Concentrate	%	33.0%	50.0%	36.0%
Concentrate (Payables)				
Flotation_ Cu Concentrate (Au Payable based on grade)	%	95.0%	90-97%	95.0%
Cementation Process Recoveries				
Cementation (Total Copper Recovery after Flotation)	%	90.0%	0.0%	0.0%
Treatment/Refining Charges				
Copper Con. Refining	Ag \$/oz	0.40		
Copper Con. Refining	Au \$/oz	4.00		
Copper Con. Trucking & Shipping \$/t conc	wet	\$80.00		
Copper Con. Treatment \$/t conc	wet	\$90.00		
Copper Cementation Shipping \$/lb	Cu \$/lb	\$0.04		
Copper Cementation Shipping \$/lb	Cu \$/lb	\$0.02		
Operating Costs				
Mining Cost – Surface	\$/t mined	\$2.56		
Mining Cost - Incremental Increase for each 20ft depth	\$/t mined	\$0.018		
Processing Cost	\$/t milled	\$18.74		
G&A	\$/t milled	\$2.20		
Total Ore cost \$/t milled	\$/t milled	\$20.94		
Pit Slope Assumptions	Five sectors were modelled based on core logging with inter-ramp angles ranging from 42° to 45°			

Red Star – High grade silver Inferred Resource

Red Star is a high-angle silver-lead vein system hosted in andradite-magnetite and located 330-metres north-northwest of the Empire oxide pit. Red Star was identified from a 20-metre wide surface outcrop across a skarn structure.

In May 2019, the Company announced a small maiden Inferred sulphide resource of 103,500 tonnes, containing 577,000 ounces of silver, 3,988 tonnes of lead, 957 tonnes of zinc, 338 tonnes of copper, and 2,800 ounces of gold, as summarized in the table below.

<i>Class</i>	<i>tonnes</i>	<i>Ag</i>	<i>Ag</i>	<i>Au</i>	<i>Au</i>	<i>Pb</i>	<i>Pb</i>	<i>Zn</i>	<i>Zn</i>	<i>Cu</i>	<i>Cu</i>
		<i>g/t</i>	<i>oz</i>	<i>g/t</i>	<i>Oz</i>	<i>%</i>	<i>lb</i>	<i>%</i>	<i>lb</i>	<i>%</i>	<i>lb</i>
	<i>(x1000)</i>		<i>(x1000)</i>		<i>(x1000)</i>		<i>(x1000)</i>		<i>(x1000)</i>	<i>%</i>	<i>(x1000)</i>
<i>Inferred</i>	<i>103.56</i>	<i>173.4</i>	<i>577.3</i>	<i>0.851</i>	<i>2.8</i>	<i>3.85</i>	<i>8,791.20</i>	<i>0.92</i>	<i>2,108.80</i>	<i>0.33</i>	<i>745</i>

Navarre Creek Gold Claim Block

During the summer of 2023, 28 reverse-circulation drill holes were completed into four target areas within the 16.18 square kilometre (“sq km”) Navarre Creek gold claim block. Drilling at two of the four target areas resulted in the identification of continuous, low-grade gold mineralization ranging from 4.5 metres to 22.9 metres thick in the Lehman Creek target area, and anomalous silver and antimony along a structure in the west fork of Navarre Creek.

The initial assays from the two Navarre Creek targets showed low-grade mineralization worthy of further investigation. As a result, an additional 400 acres of unpatented mining claims were staked to the south-west of the Lehman Creek fault target, expanding our Navarre Creek claim block to 197 unpatented claims covering 4,070 acres.

Empire Mine Expansion – Horseshoe, Whiteknob, and Windy Devil

The Horseshoe, Whiteknob, and Windy Devil claim blocks, located immediately north of the Empire Mine project, are situated within the core of the Empire mineralization and remain attractive exploration targets. The core Empire claim group has grown to 8,434 acres (34.13 sq kms) by expanding north to the former Horseshoe and Whiteknob Mines and onto Windy Devil. This expansion covers approximately 30 historic adits, shafts and prospects, which exhibit geology and mineralogy similar to Red Star, and which will be the subject of further exploration going forward.

Idaho Cobalt Belt – Redcastle and Bighorn Projects

The Company owns two strategically located properties on the Idaho Cobalt Belt in Lemhi County, Idaho: Redcastle and Bighorn. The Redcastle property is held by Borah Resources, our 100% owned, Idaho registered subsidiary. In May 2021, the Redcastle holding was signed to an earn-in agreement with Electra Battery Materials Corporation, the Toronto-based owner of the Iron Creek Cobalt Mine, which shares a common border with the Redcastle property. The earn-in agreement with Electra Battery Materials on the Company’s Redcastle cobalt project was renewed and extended in mid-2024.

The Bighorn property, located on the northern end of the Idaho Cobalt Belt, is held by Salmon Canyon Resources, another 100% owned, Idaho registered subsidiary. Bighorn is situated east of the historic Salmon Canyon copper cobalt underground mine and shares a common border with New World Resources’ Colson cobalt-copper project.

In addition to copper, cobalt is a critical metal for electric vehicles and global electrification projects. Cobalt deposits are rare, particularly in first-world jurisdictions. The Company's cobalt projects are located in the USA's only prospective cobalt region, the Idaho Cobalt Belt, approximately 100 miles north of the Empire Mine. In 2018, we announced the results of our 2017 reconnaissance program of 46 surface grab samples which gave cobalt values ranging from 2 parts per million (ppm) to 0.31% cobalt.

Outlook

Gold prices have risen over \$1,000/oz over the past year and silver is up \$12/oz in the same period. Copper is holding strong above \$4.50/lb after hitting \$5.79/lb for a brief period in July. Current metal prices are significantly higher than the pricing used in the PFS, and analysts continue to predict even higher prices in the future. There is a continued recognition of the importance of domestic metals production, as well as the development of new domestic energy sources and new domestic manufacturing, all of which will create an additional demand for the very minerals that we will produce on our Idaho projects.

We believe we have simplified the overall permitting process by siting the open pit and processing facility on private land. Our team is focused on completing all of the necessary detailed engineering required to submit a Plan of Operations and successfully permit and construct the open pit mine. While we finalize funding for this engineering and for construction, we continue to advance the project and maintain our current assets. It is important that I mention that all of the work completed this year has been done with zero health and safety related incidents to employees and contractors.

Conclusion

The Company's focus in 2025 has been to continue advancing the project to final engineering, permitting, and ultimately construction, and all of the information developed for the PFS is being used to accomplish that. I understand first-hand the frustration of funding delays and appreciate everyone's continued patience. The project will be in a good position as soon as funding is finalized. Our team of engineers, geoscientists, and industry consultants continue to do an excellent job moving the Company to the next stage of development.

As I have said before, and will continue to say, thank you to all of our professional staff, consultants and advisors, all of whom work tirelessly to accomplish our common goal of metal production. And I would like to thank our community liaisons, shareholders, and directors for their considerable support.

Ryan McDermott
Chief Executive Officer
29 September 2025

ESG & SUSTAINABILITY COMMITTEE CHAIRMAN'S REPORT

I am delighted to report on the most recent activities of the Environmental, Social & Governance ("ESG") & Sustainability Committee.

As reported in the Annual Report & Accounts, the PFS published in September 2024 indicates with reasonably high confidence that almost all infrastructure, including the processing facility, will be confined to private rather than federal land, resulting in several environmental and economic benefits. The haulage distance between the pit and the processing facility will be shorter, requiring not only fewer drivers, but also fewer and smaller trucks and less fuel to transport ore. This will reduce the overall carbon footprint of the project, as well as the operational costs. The facility is designed as zero-liquid discharge, i.e. all process water will be recirculated, except for water used for dust suppression. Tailings will be filtered and de-watered prior to stacking. And as the CEO confirms in his report, all work done over 2024 and 2025 has resulted in zero health and safety related incidents to employees or contractors.

Construction of the mine is estimated at 6-9 months and will take place in phases, significantly reducing the impact on the community of construction workers. We have used investor funds to purchase pre-owned equipment, including ball mills, a full metallurgical/assay laboratory and a disk filtration circuit. This not only greatly reduces our capital outlay, but pre-owned equipment is a more environmentally sound option as it maximises the resources and energy already used to produce it, and reduces industrial waste that would otherwise go to landfill or would require significant amounts of energy for its disposal.

We have recently received the results of our latest Digbee ESG report, based on our submission of 7 July 2025. Once again, we have been awarded an overarching score of 'A', with a project score of 'A', and a corporate score of 'BB'. Our positive score reflects that copper and silver are classed as Critical Minerals, essential for the energy transition. The Empire Mine is a brownfield site, and the Company will redevelop it using modern, environmentally responsible extraction methods, with the old workings absorbed into the operation's mine plan and rehabilitated accordingly. The existence of the Konnex Community Advisory Team (KCAT) ensures that community priorities are at the forefront of our operational decision-making, while promoting transparency and open dialogue. The community remains supportive of our activities, although our local stakeholders share our frustration that the project has not progressed at the originally anticipated speed. Lastly, the report advises that we integrate ESG performance targets and outcomes into executive compensation and incentive structures. We will consider how best to achieve this as the Company nears production.

Our PFS allayed many local concerns, and the expectation remains that our project will have many positive impacts on Mackay and the other surrounding towns: employment and entrepreneurial opportunities, an increase in the local tax take and a resulting increase in public spending, and greater numbers of children in the local schools. Overall, a productive mine will result in more year-round residents in what is currently a predominantly summertime community.

We look forward to updating you with our progress in the future.

Catherine Evans
Non-Executive Director
ESG & Sustainability Committee Chairman
29 September 2025

Financial Overview

For the Period ended 30 June 2025 the Group reports a loss of \$0.74 million (2024: a loss of \$1.10 million). Net assets totalled \$41.64 million (2024: \$48.55 million), including \$44.34 million (2024: \$42.11 million) relating to the Empire Mine, and \$0.56 million (2024: \$2.72 million) in cash.

The Company reports a profit for the Period of \$0.55 million (2024: a loss of \$0.05 million), and net assets of \$50.68 million (2024: \$55.16 million). During the Period the Company charged its subsidiary entities \$0.45 million (2024: \$0.45 million) in respect of management services provided, and \$0.98 million (2024: \$0.91 million) in respect of interest on inter-company loans, the latter eliminating on consolidation. At 30 June 2025, the Company's loans to Konnex Resources and KPX Holdings stood at \$33.79 million (2024: \$31.20 million) and \$6.35 million (2024: \$6.27 million) respectively. These loans will be repaid from operating cash flow in due course and are intended, together with royalties receivable from Konnex, to form a platform for a future proposed dividend policy to return money to shareholders.

During the Period the Company issued 32,500,000 ordinary shares of no par value ("Ordinary Shares") at an average issue price of \$0.044 per share, including 22,500,000 Ordinary Shares from subscriptions for cash, and 10,000,000 Ordinary Shares pursuant to the conversion of borrowings, raising a total of \$1.44 million, before share issue expenses. Since the Period-end a further 11,779,932 Ordinary Shares have been issued at an average issue price of \$0.040 per share, pursuant to conversion of borrowings totalling \$0.47 million. The outstanding share capital of the Company is currently 241,464,024 Ordinary Shares.

Post Period-end the Company restructured its short-term loan facility, drawing down a further \$640,000 and extending the maturity date to 30 June 2026. Pursuant to the restructuring, the outstanding balance on the facility was \$2,005,000. The loan remains unsecured and attracts interest at 15% per annum.

On 27 December 2023 the Company created a class of corporate copper bonds in an authorised amount of \$300 million. \$110 million in principal value of bonds were issued and deposited with The Bank of New York Mellon ("BNYM") as Settlement Agent, pending onward transfer to bond investors. The bonds are not convertible, are secured on the Group's interests in the Empire open pit mine, and are listed on The International Stock Exchange in the Channel Islands ("TISE"), under the ticker PHCOUSDN. In 2024 the Company placed \$5 million in principal value of bonds with a private investor.

The Company is currently in advanced discussions with further private investors with a view to placing an additional minimum of \$75 million in principal value of bonds. Although there can be no certainty, the Directors remain confident that these additional bonds will be placed and further updates relating to bond financing will be provided as appropriate.

The Company's Ordinary Shares are listed on AIM, operated by the London Stock Exchange, under the ticker PXC, and are also admitted to trading on New York's OTCQX Market in the form of American Depositary Receipts ("ADRs") under the ticker PXCLY, with each ADR comprising 10 Ordinary Shares. The Bank of New York Mellon sponsored the ADR Program and acts ADR depository, custodian and registrar.

The Company's Copper Bonds are quoted on The International Stock Exchange ('TISE') in the Channel Islands under the ticker PHCOUSDN. BNYM acts as the bond custodian and transfer / paying / settlement agent.

The directors recognise the importance of sound corporate governance and apply the Quoted Companies Alliance's Corporate Governance Code 2018. The Company's Corporate Governance Statement dated 16 June 2025 and the Company's 2024 Sustainability Report can be viewed on the Company's website at <https://phoenixcopperlimited.com>.

Richard Wilkins
Director and Company Secretary
29 September 2025

Condensed consolidated income statement		Unaudited Period Ended 30 June 2025	Unaudited Period Ended 30 June 2024	Audited Year Ended 31 December 2024
	Note		\$	\$
Continuing operations				
Revenue	3	-	-	-
Exploration & evaluation expenditure		-	-	(12,394)
Gross loss			-	(12,394)
Administrative expenses		(654,090)	(1,098,146)	(1,596,931)
Other operating income/(expenses)	4	(2,190)	-	(4,592,868)
Loss from operations		(656,280)	(1,098,146)	(6,202,193)
Finance income		5,811	5,321	12,110
Finance costs	5	(56,307)	(7,913)	(58,209)
Loss before taxation		(706,776)	(1,100,738)	(6,248,292)
Tax on loss on ordinary activities		(29,150)	-	(23,817)
Loss for the period		(735,926)	(1,100,738)	(6,272,109)
Loss attributable to:				
Owners of the parent		(716,771)	(1,072,109)	(6,225,246)
Non-controlling interests		(19,155)	(28,629)	(46,863)
		(735,926)	(1,100,738)	(6,272,109)
Loss per share attributable to owners of the parent:				
Basic and diluted EPS expressed in US cents per	6	(0.35)	(0.71)	(3.67)
Condensed consolidated statement of comprehensive income		Unaudited Period Ended 30 June 2025 \$	Unaudited Period Ended 30 June 2024 \$	Audited Year Ended 31 December 2024 \$
		-	(1,100,738)	(6,272,109)
Total comprehensive income attributable to:				
Owners of the parent		(716,771)	(1,072,109)	(6,225,246)
Non-controlling interests		(19,155)	(28,629)	(46,863)
		(735,926)	(1,100,738)	(6,272,109)

Condensed consolidated statement of financial position		Unaudited Period Ended 30 June 2025	Unaudited Period Ended 30 June 2024	Audited Year Ended 31 December 2024
	Note			
Non-current assets				
Property, plant and equipment – mining property	7	44,340,368	42,105,065	43,770,586
Intangible assets	8	362,740	356,805	362,740
		44,703,108	42,461,870	44,133,326
Current assets				
Trade and other receivables	9	2,941,890	10,991,243	3,224,947
Financial assets	10	12,067	4,191	14,257
Cash and cash equivalents		564,588	2,717,492	879,476
		3,518,545	13,712,926	4,118,680
Total assets		48,221,653	56,174,796	48,252,006
Current liabilities				
Trade and other payables	11	523,686	149,488	813,339
Borrowings and other liabilities	12	1,739,304	2,682,525	1,986,502
		2,262,990	2,832,013	2,799,841
Non-current liabilities				
Borrowings	12	3,663,631	4,139,884	3,868,832
Provisions for other liabilities	13	657,702	657,702	657,702
		4,321,333	4,797,586	4,526,534
Total liabilities		6,584,323	7,629,599	7,326,375
Net assets		41,637,330	48,545,197	40,925,631
Equity				
Ordinary shares	14	-	-	-
Share Premium		56,218,174	53,770,810	54,858,134
Retained loss		(14,522,460)	(5,204,618)	(13,893,274)
Foreign exchange translation reserve		(18,588)	(18,588)	(18,588)
Equity attributable to owners of the parent		41,677,126	48,547,604	40,946,272
Non-controlling interests		(39,796)	(2,407)	(20,641)
Total equity		41,637,330	48,545,197	40,925,631

Condensed consolidated statement of changes in equity

	Ordinary shares	Share premium	Retained loss	Foreign exchange translation reserve	Total	Non- controlling interest	Total equity
	\$	\$	\$	\$	\$	\$	\$
At 1 January 2024	-	45,390,217	(8,209,258)	(18,588)	37,162,371	26,222	37,188,593
Loss for the period	-	-	(1,072,109)	-	(1,072,109)	(28,629)	(1,100,738)
Total comprehensive income for the period	-	-	(1,072,109)	-	(1,072,109)	(2,407)	(1,100,738)
Shares issued in the period	-	8,869,790	-	-	8,869,790	-	8,869,790
Share issue expenses	-	(489,197)	-	-	(489,197)	-	(489,197)
Share-based payments	-	-	4,076,749	-	4,076,749	-	4,076,749
Total transactions with owners	-	8,380,593	4,076,749	-	12,457,342	-	12,457,342
At 30 June 2024	-	53,770,810	(5,204,618)	(18,588)	48,547,604	(2,407)	48,545,197
At 1 July 2024	-	53,770,810	(5,204,618)	(18,588)	48,547,604	(2,407)	48,545,197
Loss for the period	-	-	(5,153,137)	-	(5,153,137)	(18,234)	(5,171,371)
Total comprehensive income for the period	-	-	(5,153,137)	-	(5,153,137)	(18,234)	(5,171,371)
Shares issued in the period	-	1,087,324	-	-	1,087,324	-	1,087,324
Share issue expenses	-	-	-	-	-	-	-
Share-based payments	-	-	(3,535,519)	-	(3,535,519)	-	(3,535,519)
Total transactions with owners	-	1,087,324	(3,535,519)	-	(2,448,195)	-	(2,448,195)
At 31 December 2024	-	54,858,134	(13,893,274)	(18,588)	40,946,272	(20,641)	40,925,631

Condensed consolidated statement of changes in equity continued

At 1 January 2025

Loss for the period

Total comprehensive income for the period

Shares issued in the period

Share issue expenses

Share-based payments

Total transactions with owners

At 30 June 2025

-	54,858,134	(13,893,274)	(18,588)	40,946,272	(20,641)	40,925,631
-	-	(716,771)	-	(716,771)	(19,155)	(735,926)
-	-	(716,771)	-	(716,771)	(19,155)	(735,926)
-	1,442,941	-	-	1,442,941	-	1,442,941
-	(82,901)	-	-	(82,901)	-	(82,901)
-	-	87,585	-	87,585	-	87,585
-	1,360,040	87,585	-	1,447,625	-	1,447,625
-	56,218,174	(14,522,460)	(18,588)	41,677,126	(39,796)	41,637,330

Condensed consolidated statement of cash flows	Unaudited 30 June 2025 \$	Unaudited 30 June 2024 \$	Audited 31 December 2024 \$
Cash flows from operating activities			
Loss before tax	(706,776)	(1,100,738)	(6,248,292)
<i>Adjustments for:</i>			
Share-based payments	165	34,239	65,328
Impairment of motor vehicles included in mining property	80,970	-	296,524
Loss on sale of properties (note 7)	106,710	-	-
Impairment of bond issue expenses	-	-	4,602,934
Finance costs payable	56,307	32,340	58,209
Corporate taxes paid	(29,150)	-	(23,817)
Fair value adjustment to financial asset	2,190	-	(10,066)
	(489,584)	(1,034,159)	(1,259,180)
Decrease/(increase) in trade and other receivables	283,057	(1,967,328)	(2,600,032)
(Decrease)/increase in trade and other payables	(238,732)	(277,234)	328,405
Net cash used in operating activities	(445,259)	(3,278,721)	(3,530,807)
Cash flows from investing activities			
Purchase of intangible assets	-	-	(5,935)
Purchase of property, plant and equipment	(805,465)	(2,625,118)	(4,412,208)
Sale of property, plant and equipment (note 7)	499,395	-	-
Net cash used in investing activities	(306,070)	(2,625,118)	(4,418,143)
Cash flows from financing activities			
Proceeds from the issuance of ordinary shares	1,057,000	3,559,994	3,559,994
Share issue expenses	(82,901)	(489,198)	(489,198)
Proceeds from short-term borrowings	-	761,341	968,436
Proceeds from issue of 10-Year Copper Bonds	-	4,750,000	4,750,000
Repayment of deferred liability	-	(190,000)	(190,000)
Finance costs paid	(537,658)	(54,527)	(54,527)
Net cash generated from financing activities	436,441	8,337,610	8,544,705
Net increase/(decrease) in cash and cash equivalents	(314,888)	2,433,771	595,755
Cash and cash equivalents at the beginning of the period	879,476	283,721	283,721
Cash and cash equivalents at the end of the period	564,588	2,717,492	879,476

Significant non-cash transactions:

During the period an amount of \$87,585 (30 June 2024: \$4,076,749; 31 December 2024: \$541,230) was credited to the retained loss in respect of the charge for share-based payments, of which \$87,421 (30 June 2024: \$720,215; 31 December 2024: \$475,902) has been capitalised into mining property.

Interest and related fees of \$363,971 (30 June 2024: \$327,210; 31 December 2024: \$746,478) arising from borrowings have been capitalised into mining property.

1 General information

Phoenix Copper Limited (the “Company”) and its subsidiary undertakings (the “Group”) are engaged in exploration and mining activities, primarily precious and base metals, primarily in North America. The Company is domiciled and incorporated in the British Virgin Islands on 19 September 2013 (registered number 1791533). The address of its registered office is OMC Chambers, Wickhams Cay 1, Road Town, Tortola VG1110, British Virgin Islands. The Company is quoted on London’s AIM (ticker: PXC) and trades on New York’s OTCQX Market (ticker: PXCLF; ADR ticker PXCLY).

The subsidiaries of the Company are:

Incorporated in the United States of America

KPX Holdings Inc (100% equity holding)

Subsidiaries of KPX Holdings Inc:

Konnex Resources Inc (80% equity holding)

Borah Resources Inc (100% equity holding)

Lost River Resources Inc (100% equity holding)

Salmon Canyon Resources Inc (100% equity holding)

2 Basis of preparation

This condensed consolidated interim financial information was approved for issue by the Board on 29 September 2025.

This condensed consolidated interim financial information has not been audited and does not include all the information required for full annual financial statements. These unaudited condensed consolidated interim financial statements are prepared using the same accounting policies as applied in the audited 2024 Annual Report.

While the financial figures included within this interim report have been computed in accordance with IFRS applicable to interim periods, this report does not contain sufficient information to constitute an interim financial report as set out in International Accounting Standard 34: Interim Financial Reporting.

All amounts are expressed in United States Dollars, unless otherwise stated.

3 Revenue

The Group is not yet producing revenues from its mineral exploration and mining activities. The Company charged its subsidiary entities \$450,000 (30 June 2024: \$450,000, 31 December 2024: \$900,000) in respect of management services provided.

4 Other operating expenses

	30 June 2025 \$	30 June 2024 \$	31 December 2024 \$
Fair-value (loss)/gain on financial assets	(2,190)	-	10,066
Impairment loss arising from bond-issue expenses	-	-	(4,602,934)
Net other operating expenses	(2,190)	-	4,592,868

The fair-value adjustment on financial assets arises from the Group’s investment in Toronto-based Electra Battery Materials Corporation which is stated at fair-value through profit and loss. The impairment loss at 31 December 2024 was in respect of bond issue expenses arising from the value of shares issued by the Company to a bondholder, as an arrangement fee, which were classified as other receivables pending allocation to the net carrying value of future bonds to be subscribed for. This subscription is no longer expected to take place.

5 Finance costs	30 June 2025 \$	30 June 2024 \$	31 December 2024 \$
Finance costs	420,277	7,913	618,918
Amount capitalised into non-current assets - mining property	(363,970)	-	(560,709)
Net finance costs	<u>56,307</u>	<u>7,913</u>	<u>58,209</u>

The capitalisation rates are based upon the utilisation of the related borrowings and the finance costs arising from short-term borrowings and 10-year Copper Bonds. Finance costs include interest calculated using the effective interest rate method. There are no related foreign exchange differences.

6 Loss per share	30 June 2025 \$	30 June 2024 \$	31 December 2024 \$
Loss attributable to the parent used in calculating basic and diluted loss per share	<u>(716,771)</u>	<u>(1,072,109)</u>	<u>(6,225,246)</u>
<i>Number of shares</i>			
Weighted average number of shares for the purpose of basic earnings per share	<u>206,179,199</u>	<u>150,687,794</u>	<u>169,554,296</u>
Weighted average number of shares for the purpose of diluted earnings per share	<u>206,179,199</u>	<u>150,687,794</u>	<u>169,544,296</u>
Basic loss per share (US cents per share)	<u>(0.35)</u>	<u>(0.71)</u>	<u>(3.67)</u>
Diluted loss per share (US cents per share)	<u>(0.35)</u>	<u>(0.71)</u>	<u>(3.67)</u>

Basic earnings per share amounts are calculated by dividing net loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Where the Group has incurred a loss in a period the diluted earnings per share is the same as the basic earnings per share.

7 Non-current assets

Mining
property
\$

At 1 January 2024	38,432,522
Additions	3,672,543
At 30 June 2024	42,105,065
At 1 July 2024	42,105,065
Additions	1,962,045
Write off	(296,524)
At 31 December 2024	43,770,586
At 1 January 2025	43,770,586
Additions	1,256,857
Write off	(80,970)
Disposals	(606,105)
At 30 June 2025	44,340,368
Net book value	
At 1 January 2024	38,432,522
At 30 June 2024	42,105,065
At 31 December 2024	43,770,586
At 30 June 2025	44,340,368

Mining property assets relate to the past producing Empire Mine copper – gold – silver – zinc project in Idaho, USA. The Empire Mine has not yet recommenced production and no depreciation has been charged in the statement of comprehensive income. There has been no impairment charged related to the mine construction and related resources in any period due to the early stage in the Group's project to reactivate the mine. However, the market capitalisation of the Group is below the carrying value of the mining asset, which is an indicator of impairment. Management performed an impairment assessment and concluded that an impairment is not required.

The mining property disposals were of surplus real estate (accommodation buildings in Mackay) held by Lost River and included in Mining Property.

8 Intangible assets

	Exploration and evaluation expenditure \$
At 1 January 2024	356,805
Additions	-
At 30 June 2024	356,805
At 1 July 2024	356,805
Additions	5,935
At 31 December 2024	362,740
At 1 January 2025	362,740
Additions	-
At 30 June 2025	362,740
Net book value	
At 1 January 2024	356,805
At 30 June 2024	356,805
At 31 December 2024	362,740
At 30 June 2025	362,740

Exploration and evaluation expenditure relates to the Bighorn and Redcastle properties on the Idaho Cobalt Belt in Idaho, USA and initial costs relating to the potential acquisition of mining rights in a producing copper project in the western USA. The Bighorn property is owned by Salmon Canyon Resources Inc. The Redcastle property is owned by Borah Resources Inc. Both companies are wholly owned subsidiaries of KPX Holdings Inc, a wholly owned subsidiary of the parent entity, and each of which are registered and domiciled in Idaho. The Redcastle property is subject to an Earn-In Agreement with First Cobalt Idaho, a wholly owned subsidiary of Electra Battery Materials Corporation of Toronto, Canada.

9 Other receivables

	30 June 2025	30 June 2024	31 December 2024
	\$	\$	\$
Other receivables	1,495,775	1,304,561	1,763,997
Preliminary bond issue expenses	1,388,106	9,636,852	1,338,471
Prepaid expenses	58,009	49,830	122,479
	2,941,890	10,991,243	3,224,947

There were no receivables that were past due or considered to be impaired. There is no significant difference between the fair value of the other receivables and the values stated above.

Preliminary bond issue expenses relate to the 10-Year Copper Bonds and will be deducted from the proceeds of the bonds proportionately by tranche of bonds placed, and amortised to finance costs over the expected life of each tranche of bonds placed.

Other receivables include an advanced payment of \$1,146,827 (30 June 2024: £1,000,000; 31 December 2024: \$1,133,926) in respect of a potential investment in mining operations in the western USA. Subject to additional funding, the Company intends to continue discussions regarding this potential investment with a view to agreeing an earn-in or such other similar arrangement.

10 Financial assets

	30 June 2025	30 June 2024	31 December 2024
	\$	\$	\$
Quoted investments	12,067	4,191	14,257

Quoted investments represent 11,111 shares in Toronto-based Electra Battery Materials Corporation. The shares have been valued at market price at 30 June 2025, 30 June 2024 and 31 December 2024. A fair value loss of \$2,190 (30 June 2024: \$ nil; 31 December 2024: a gain of \$10,066) has been taken to other operating income/expenses.

11 Trade and other payables

	30 June 2025	30 June 2024	31 December 2024
	\$	\$	\$
Trade payables	344,306	126,776	730,126
Other payables	179,380	22,712	83,213
	523,686	149,488	813,339

All trade and other payables are payable on demand or have payment terms of less than 90 days. The Group is not exposed to any significant currency risk in respect of its payables.

12 Borrowings

	30 June 2025 \$	30 June 2024 \$	31 December 2024 \$
Current liabilities			
Short-term borrowings	1,739,304	2,682,525	1,986,502
Non-current liabilities			
10-year Copper Bonds	3,663,631	4,139,884	3,868,832
Total borrowings	5,402,935	6,822,409	5,855,334
Net debt reconciliation of cash flows			
	30 June 2025 \$	30 June 2024 \$	31 December 2024 \$
At 1 January	5,855,334	2,238,501	2,238,501
New short-term borrowings	-	968,436	968,436
Proceeds of bonds issued net of discount	-	4,750,000	4,750,000
	-	5,718,436	5,718,436
Repayment of borrowings	-	(190,000)	(190,000)
Borrowings settled by the issue of share capital	(385,941)	(400,000)	(1,487,325)
Finance costs paid	(537,658)	(54,527)	(54,527)
Other non-cash movements	471,200	(490,001)	(369,751)
	(452,399)	(1,134,528)	(2,101,603)
At 31 December	5,402,935	6,822,409	5,855,334

Short-term borrowings

In 2023 the Group entered a short-term unsecured funding arrangement of \$2,000,000, which was subsequently modified on several occasions. On 2 March 2024 the Company refinanced the facility into an 18-month term loan, repayable over 15 months following an initial 90-day repayment holiday. Since the period end the loan has been extended to 30 June 2026, unless the Company redeems the loan earlier. The loan remains unsecured and attracts interest at 15% per annum.

10-year Copper Bonds

On 27 December 2023 the Company created a class of corporate copper bonds in an authorised amount of \$300 million. \$110 million in principal value of bonds were issued and deposited with The Bank of New York Mellon as Settlement Agent, pending onward transfer to bond investors.

The bonds are not convertible, are secured on the Group's interests in the Empire open pit mine, and are listed on The International Stock Exchange in the Channel Islands ("TISE"), under the ticker PHCOUSDN.

In 2024 the Company placed \$5 million in principal value of bonds with a private investor. The Company is currently in advanced discussions with further private investors with a view to placing an additional minimum of \$75 million in principal value of bonds.

At 30 June 2025 \$1.39 million of bond issue expenses have been carried forward to be deducted from proceeds proportionately by tranche of bonds placed, and amortised to finance costs over the expected life of each tranche of bonds placed.

The bonds have a final maturity of ten years with bond investor option to request redemption at principal value after six years, and the Company's option to offer early redemption at a 10% premium to principal value after five years. The bonds will remain listed on TISE until the earlier of redemption or maturity.

The bonds pay a floating rate coupon subject to a minimum of 8.5% per annum and a maximum of 20%. The floating rate coupon is calculated as to the higher of a copper price coupon linked to the copper price on the London Metal Exchange, or an interest rate coupon linked to the US Federal Discount Rate. The coupon is only payable on the principal value of bonds placed.

13 Provisions for other liabilities

	30 June 2025	30 June 2024	31 December 2024
	\$	\$	\$
Royalties payable	<u>657,702</u>	657,702	657,702

The provision of \$657,702 arises from a business combination in 2017 and comprises potential royalties payable in respect of future production at the Empire Mine. This liability will only be payable if the Empire Mine is successfully restored to production and will be deducted from the royalties payable. The amount of the provision will be reassessed as exploration work continues and on commencement of commercial production.

14 Share capital

	Unaudited Number 30 June 2025	Unaudited Number 30 June 2024	Audited Number 31 December 2024
Number of ordinary shares of no-par value			
At the beginning of the period	197,184,092	124,928,622	124,928,622
Issued in the period	32,500,000	60,030,345	72,255,470
At the end of the period	229,684,092	184,958,967	197,184,092

The Company does not have an authorised capital and is authorised to issue an unlimited number of no-par value shares of a single class.

In the period the Company issued 32,500,000 ordinary shares at an average issue price of \$0.044 per share to raise \$1.44 million gross, before share-issue expenses.

Since the period end the Company has issued a further 11,779,932 ordinary shares at an average issue price of \$0.040 per share to raise \$0.47 million gross, before share-issue expenses.

The ordinary shares in the Company have no par value. All ordinary shares have equal voting rights in respect of shareholder meetings. All ordinary shares have equal rights to dividends and the assets of the Company.

15 Events after the reporting date

Post period-end the Company restructured its short-term loan facility, drawing down a further \$640,000 and extending the maturity date to 30 June 2026.

Market Abuse Regulation (MAR) Disclosure

The Company deems the information contained within this announcement to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014, which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

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Notes

Phoenix Copper Limited is an emerging producer and exploration company specialising in base and precious metals, with an initial focus on copper, gold, and silver extraction from an open-pit mining operation within the United States.

Located in the historic Alder Creek mining district near Mackay, Idaho, Phoenix's flagship asset is the Empire Mine, in which the Company holds an 80% ownership stake. The historic Empire underground mine, located beneath the surface of the Company's proposed open pit, boasts a rich history of producing high-grade copper, gold, silver, zinc, and tungsten.

Since 2017, Phoenix has executed extensive drilling initiatives, resulting in an expansion of the Empire Open-Pit resource by over 200%. In May 2024 the Company published its inaugural mineral reserve statement for the Empire Open-Pit Mine. Proven and Probable mineral reserves are 10.1 million tonnes containing 109,487,970 lbs of copper, 104,000 oz of gold and 4,654,400 oz of silver. This reserve was estimated using assay data from 485 drill holes, extensive geological modelling, metallurgical recovery test work, geotechnical evaluation, and mine design. The reserve represents a combined 66,467 tonnes of copper equivalent metal.

In addition to the Empire Mine, Phoenix's holdings in the district also encompass the Horseshoe, White Knob, and Blue Bird Mines, all of which have been producers of copper, gold, silver, zinc, lead, and tungsten from underground operations, a new high-grade silver and lead orebody at Red Star, and the Navarre Creek gold exploration project, which was first drilled in 2023. The Company's land package at Empire spans 8,434 acres (34 sq km).

Phoenix also owns two cobalt properties situated along the Idaho Cobalt Belt to the north of Empire. An Earn-In Agreement has been established concerning one of these properties.

Phoenix is listed on London's AIM (PXC), and trades on New York's OTCQX Market (PXCLF and PXCLY (ADRs)). More details on the Company, its assets and its objectives can be found on PXC's website at <https://phoenixcopperlimited.com/>