

19 June 2026

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

Final audited results for the year ended 31 December 2025
Notice of Annual General Meeting

Phoenix Copper Limited (AIM: PXC; OTCQX ADR: PXCLY), the AIM quoted, USA focused base and precious metals emerging producer and exploration company, is pleased to announce its audited results for the year ended 31 December 2025 (the “Year”). All references to \$ are United States Dollars.

Highlights

Corporate & Financial

- Financial statements for 2024 and prior years restated to reflect the reversal of unauthorised transactions.
- Investment in Empire Mine increased to \$45.32 million (2024: \$43.70 million, restated).
- The Group reports loss of \$4.40 million (2024: loss of \$7.13 million, restated) after charging \$1.31 million in respect of an impairment of bond-issue expenses and \$1.15 million in respect of a deposit to secure access to additional mining projects.
- Year-end Group net assets of \$38.27 million (2024: \$39.99 million, restated).
- \$1.08 million raised through the issue of ordinary shares.
- \$2 million unsecured short-term convertible loan issued; Riverfort short-term loan repaid in the Year.

Annual General Meeting

The Company will announce details of the forthcoming Annual General Meeting shortly and online access will be available for shareholders unable to attend in person.

The Company's Annual Report and Consolidated Financial Statements for the year ended 31 December 2025 will be available on the Company's website from 19 June 2026 <https://phoenixcopperlimited.com>.

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.

For further information please visit <https://phoenixcopperlimited.com>.

Contacts

Phoenix Copper Limited	Ryan McDermott Paul de Gruchy	Tel: +1 208 9547039 Tel: +44 7484 203 720
SP Angel Corporate Finance LLP (Nominated Adviser)	David Hignell / Jen Clarke / Devik Mehta	Tel: +44 20 3470 0470
Tavira Financial Limited (Joint Broker)	Jonathan Evans / Oliver Stansfield	Tel: +44 20 7100 5100
Zeus Capital Limited (Joint Broker)	Harry Ansell / Katy Mitchell	Tel: +44 20 7220 1666
Oak Securities (Corporate Bond Adviser)	Hugh Rich	Tel: +44 20 3973 3678
BlytheRay (Financial PR)	Tim Blythe / Megan Ray	Tel: +44 20 7138 3204

INTERIM CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board, I'd like to make an unreserved apology for the events referred to in our announcements of 9th February and 9th March 2026, whereby our former Executive Chairman and former Chief Financial Officer made unauthorised payments to Lloyd Edwards-Jones SAS ("LEJ") without the current Board's knowledge or approval ('the LEJ payments'). These payments took place over a 9-year period since the initial IPO and were unknown and unauthorised by any other Board member, past or present. These payments were uncovered internally, and the Board took immediate steps to suspend the two individuals involved while the Board undertook a full investigation, the results of which have been fully reported to our professional advisers, and the financial reporting impact has been disclosed in note 16. Following the investigation the Company terminated the former Executive Chairman and former Chief Financial Officer's employment and removed their directorships with immediate effect. This action was taken following a robust disciplinary process overseen closely by the Company's legal counsel.

The LEJ payments were accounted for as commissions on financing transactions and amounted to \$1,746,145. They were made between the years 2017 to 2024 with a further unauthorised payment of \$21,440 made in 2025. For clarity: no other Phoenix director, past or present, has improperly benefited from shareholders' funds.

The Group's consolidated financial statements have been restated to reverse \$1,746,145 of the unauthorised LEJ payments made between 2017 to 2024 as disclosed in note 16. The additional unauthorised payment of \$21,440 made in 2025 has been written off in the year.

The Company is taking active steps within the law to seek reimbursement of the unauthorised payments from Marcus Edwards-Jones and Richard Wilkins. These proceedings are at an early stage. We have received a repayment of \$40,000 in 2026, this recovery and other potential recoveries, net of projected expenses, will be included in the financial statements for the current year ending 31 December 2026. The Board considers that further recovery is uncertain and may not exceed legal expenses to be incurred by the Company.

The investigation also uncovered other unauthorised payments amounting to \$0.64 million, the majority of which was paid to a third-party intermediary in connection with potential additional issues of 10-year copper bonds. These payments were also made without Board knowledge or approval. The remainder was directed to various brokers and to a public relations firm after the Board had formally resolved that these payments should cease. The Company is also seeking to recoup these additional unauthorised payments. The financial statements have not been restated for these additional unauthorised payments, as they were not made to entities where Marcus Edwards-Jones or Richard Wilkins had an interest and are already presented in the consolidated income statement.

Our stakeholders have justifiably questioned how these transactions were able to occur in a business with appropriate corporate governance safeguards. The specific control weakness identified was that dual control of the bank mandate was held by the two individuals in question. As a Board, we have resolved that bank statements will be circulated to all Board members monthly along with reconciled monthly management reports, to ensure full transparency of all cash movements.

We believe that these actions will significantly strengthen the Group's control environment going forward. The Board also reaffirms future adherence to the Corporate Governance code. The Board is satisfied that the governance weaknesses were isolated and has taken the steps outlined above to mitigate against the possibility of a recurrence.

As a Board, we have taken steps to engage with shareholders personally, to reassure them that those of us who remain are committed to stabilising the Company progressing the development of the Empire Mine and related mining properties. To continue this development requires the Company to consider additional sources of finance to progress the development of the mine, the next stage of which is to conclude the necessary final engineering design. The macro-economic environment and current metals prices are in our favour, and the excellent economics of the Empire Mine and related mining properties remain as compelling as ever. The CEO's statement includes a comprehensive explanation of how we plan to move the project forward.

All shareholders, irrespective of the size of their holding, are welcome to email me or Ryan McDermott to request a call.

The Phoenix team is delighted to welcome David Jarvis to the Board. David is a highly experienced mining engineer and has been working with the Company since 2023. I would also like to take this opportunity to wish two key members of our advisory board, Dennis Thomas and Andre Cohen, all the very best following their retirement, and to thank them both for their immense contribution to the Company over the years.

We look forward to updating you with our operational progress in the months to come.

Catherine Evans

Interim Non-Executive Chairman

18 June 2026

CHIEF EXECUTIVE OFFICER'S REPORT

The Interim Chairman's statement presented a detailed summary of the actions of the Company's two former directors and Company's response to those actions. Despite their actions, the mining assets in Idaho, specifically the Empire Mine, did not suffer any loss of mineral resources or reserves. The same quantity of viable copper, gold and silver reserves at Empire has remained unchanged, as has the mineral potential on our surrounding exploration projects.

Our path forward is quite simple. Funding – detailed engineering – permitting – construction – production. Our consultants were able to get a good start on detailed engineering at the end of 2024 following the publication of the PFS and prior to placing them on standby for funding reasons. We have continued to collect baseline environmental data, including completion of the Waste Rock Facility and Access Road archaeological surveys, all of which will feed into the final engineering and the Plan of Operations for the permitting submittal. Additionally, the Idaho team completed the required 2025 reclamation work in the Navarre Creek area. The Company's assets, including our mining claims, buildings, and equipment continue to be maintained.

Metal prices have held at near all-time highs since the publication of the PFS in September 2024. 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/pound copper, \$2,325/oz gold, and \$27.25/oz silver, respectively. As of now, (June 2026), copper is trading at \$6.33, gold is \$4,348, and silver \$68.11. Should metal prices maintain these levels during production, the cumulative net free cash flow will improve significantly from the already favorable PFS cash flow.

As I mentioned before, the quantity of copper, gold and silver in the Empire asset has not changed since the publication of the PFS. The processing plan remains as crush-grind-flotation-tank leach-cementation circuit which will recover all three metals from our Empire ore. 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 is being designed to effectively recover copper, gold, and silver as a concentrate from the higher-grade sulphide vein material that exists below the open pit and was mined extensively until the early 1940s. Exploration planning of the deeper sulphide vein system is ongoing and subject to funding. 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 at the time recorded as averaging 3.64% copper, 1.64 g/t gold, and 54 g/t silver.

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	104.1	14.34	4,654.40	0.66	146,493.88	66,466

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 7.5% 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 (millions)	\$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 (millions)	\$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 re-evaluating these lower metal prices as part of the final detailed engineering work and if determined prudent will re-optimize 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 will be an important part of the final detailed engineering.

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 (4) target areas within the 16.18 square kilometer 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.

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 to 0.31% cobalt.

Outlook

With copper prices holding above \$6.00/lb, gold above \$4,000/oz, and silver above \$60/oz the outlook for mining and milling at Empire is outstanding. Despite the recent challenges faced by the Company, the Empire mineral reserve remains intact.

The Phoenix team has a singular focus, that being to move the Empire project through final engineering and permitting, and ultimately into production. The demand for metals on a global scale continues to be strong, particularly from domestic sources in mining friendly jurisdictions like Idaho.

Conclusion

I understand the shock and disappointment experienced by all stakeholders at the actions of the Company's former directors and I want to extend my unreserved apologies. The bright light at the end of this long, challenging tunnel is the fact that their actions have not impacted the copper, gold and silver mineral reserves at the Empire Mine. The metal is still in the ground and the mining and processing design developed by our consultants for the PFS is still very much applicable. I believe this fact alone will be our saving grace.

Thank you to all of our stakeholders for your continued support, understanding, and patience. The focus of our team is on the road ahead, not on the road behind.

Ryan McDermott
Chief Executive Officer
18 June 2026

Consolidated income statement		Year Ended 31 December 2025	Year Ended 31 December 2024 Restated (Note 16)
Continuing operations	Note	\$	\$
Revenue	4	-	-
Exploration & evaluation expenditure		(1,146,827)	(12,394)
Gross loss		(1,146,827)	(12,394)
Administrative expenses		(1,563,761)	(2,465,381)
Other operating expenses	5	(1,313,896)	(4,592,868)
Loss from operations		(4,024,484)	(7,070,643)
Finance income		4,153	12,110
Finance costs	6	(350,761)	(45,265)
Loss before taxation		(4,371,092)	(7,103,798)
Tax on loss on ordinary activities		(29,150)	(23,817)
Loss for the year		(4,400,242)	(7,127,615)
Loss attributable to:			
Owners of the parent		(4,369,768)	(7,080,752)
Non-controlling interests		(30,474)	(46,863)
		(4,400,242)	(7,127,615)
Loss per share attributable to owners of the parent:			
Basic and diluted loss per share expressed in US cents	7	(1.93)	(4.12)
Consolidated statement of comprehensive income		Year Ended 31 December 2025 \$	Year Ended 31 December 2024 Restated (note 16) \$
Loss for the year		(4,400,242)	(7,127,615)
Total comprehensive income attributable to:			
Owners of the parent		(4,369,768)	(7,080,752)
Non-controlling interests		(30,474)	(46,863)
		(4,400,242)	(7,127,615)

Consolidated statement of financial position	Note	31		1 January 2024
		December 2025	31 December 2024 Restated (Note 16)	
		\$	\$	\$
Non-current assets				
Property, plant and equipment – mining property	8	45,321,346	43,697,049	38,410,763
Intangible assets	9	368,675	362,740	356,805
		45,690,021	44,059,789	38,767,568
Current assets				
Trade and other receivables	10	120,853	3,099,947	1,309,280
Financial assets	11	6,807	14,257	4,191
Cash and cash equivalents		368,863	879,476	283,721
		496,523	3,993,680	1,597,192
Total assets		46,186,544	48,053,469	40,364,760
Current liabilities				
Trade and other payables	12	628,938	813,338	426,723
Borrowings and other liabilities	13	1,978,440	1,986,502	2,238,501
		2,607,378	2,799,840	2,665,224
Non-current liabilities				
Borrowings	13	4,649,135	4,604,111	-
Provisions for other liabilities	14	657,702	657,702	657,702
		5,306,837	5,261,813	657,702
Total liabilities		7,914,215	8,061,653	3,322,926
Net assets		38,272,329	39,991,816	37,041,834
Equity				
Ordinary shares	15	-	-	-
Share Premium		58,133,696	55,657,520	46,121,153
Retained loss		(19,791,664)	(15,626,475)	(9,086,953)
Foreign exchange translation reserve		(18,588)	(18,588)	(18,588)
Equity attributable to owners of the parent		38,323,444	40,012,457	37,015,612
Non-controlling interests		(51,115)	(20,641)	26,222
Total equity		38,272,329	39,991,816	37,041,834

Consolidated statement of changes in equity

	Note	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
Adjustment for unauthorised transactions	16	-	730,936	(877,695)	-	(146,759)	-	(146,759)
Restated total equity at beginning of year		-	46,121,153	(9,086,953)	(18,588)	37,015,612	26,222	37,041,834
Loss for the year – restated	16	-	-	(7,080,752)	-	(7,080,752)	(46,863)	(7,127,615)
Total comprehensive income for the year		-	-	(7,080,752)	-	(7,080,752)	(46,683)	(7,127,615)
Shares issued in the period		-	9,957,115	-	-	9,957,115	-	9,957,115
Share issue expenses – restated	16	-	(420,748)	-	-	(420,748)	-	(420,748)
Share-based payments		-	-	541,230	-	541,230	-	541,230
Total transactions with owners		-	9,536,367	541,230	-	10,077,597	-	10,077,597
At 31 December 2024		-	55,657,520	(15,626,475)	(18,588)	40,012,457	(20,641)	39,991,816
At 1 January 2025 – restated	16	-	55,657,520	(15,626,475)	(18,588)	40,012,457	(20,641)	39,991,816
Loss for the year		-	-	(4,369,768)	-	(4,369,768)	(30,474)	(4,400,242)
Total comprehensive income for the year		-	-	(4,369,768)	-	(4,369,768)	(30,474)	(4,400,242)
Shares issued in the period		-	2,559,077	-	-	2,559,077	-	2,559,077
Share issue expenses		-	(82,901)	-	-	(82,901)	-	(82,901)
Share-based payments		-	-	204,579	-	204,579	-	204,579
Total transactions with owners		-	2,476,176	204,579	-	2,680,755	-	2,680,755
At 31 December 2025		-	58,133,696	(19,791,664)	(18,588)	38,323,444	(51,115)	38,272,329

Phoenix Copper Limited
Annual report and consolidated financial statements 31 December 2025

Consolidated statement of cash flows	31 December 2025 \$	31 December 2024 \$ Restated (Note 16)
Cash flows from operating activities		
Loss before tax	(4,371,092)	(7,103,798)
<i>Adjustments for:</i>		
Share-based payments	75,013	65,328
Impairment of motor vehicles included in mining property	80,970	296,524
Loss on disposal of property, plant and equipment	106,710	-
Impairment of bond issue expenses	1,306,446	4,602,934
Finance costs payable	350,761	45,265
Corporate taxes paid	(29,150)	(23,817)
Fair value adjustment to financial asset	7,450	(10,066)
	(2,472,892)	(2,127,630)
Decrease/(Increase) in trade and other receivables	1,672,648	(1,800,033)
Increase in trade and other payables	330,128	341,350
Net cash used in operating activities	(470,116)	(3,586,313)
Cash flows from investing activities		
Purchase of intangible assets	(5,935)	(5,935)
Purchase of property, plant and equipment	(2,189,479)	(4,425,152)
Sale of property, plant and equipment	499,395	-
Net cash used in investing activities	(1,696,019)	(4,431,087)
Cash flows from financing activities		
Proceeds from the issuance of ordinary shares	1,078,440	3,559,994
Share issue expenses	(82,901)	(420,748)
Proceeds from short-term borrowings	2,553,400	968,436
Repayment of short-term borrowings	(1,462,514)	-
Proceeds from issue of 10-Year Copper Bonds	-	4,750,000
Repayment of deferred liability	-	(190,000)
Finance costs paid	(430,903)	(54,527)
Net cash generated from financing activities	1,655,522	8,613,155
Net decrease in cash and cash equivalents	(510,613)	595,755
Cash and cash equivalents at the beginning of the year	879,476	283,721
Cash and cash equivalents at the end of the year	368,863	879,476

Significant non-cash transactions:

During the year an amount of \$204,579 (2024: \$541,230) was credited to the retained loss in respect of the charge for share-based payments, of which \$87,421 (2024: \$475,902) has been capitalised into mining property. Interest and fees of \$34,472 (2024: \$681,756 restated) arising from borrowings have been capitalised into mining property. In 2024 an amount of \$4,909,796 arising from an issue of ordinary shares in lieu of an arrangement fee of which \$306,862 was allocated against the carrying value of the 10-year Copper Bond liability and the remaining balance of \$4,602,934 was expensed in the income statement.

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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 Going concern

The Group currently has no income and meets its working capital requirements through raising development finance. In common with many businesses engaged in exploration and evaluation activities prior to production and sale of minerals the Group requires funding in order to fully develop its business plan. The directors believe that the proceeds expected to be received from the further issue of equity, debt and/or convertible debt will enable the Company to submit an application for an operating permit, following receipt of which the Company will be in a position to obtain construction finance for the Empire open pit mine, commence production and generate income.

The directors have prepared forecasts for the period through to 31st December 2027 in order to accurately gauge how much liquidity is required to be able to meet all obligations in relation to the ongoing development of the mining assets and the Group’s environmental and other commitments.

At the date of approval of these financial statements, the Group remains dependent on securing additional financing to fund its operations and meet its obligations as they fall due. The Group is in advanced discussions with several existing and new potential investors to secure necessary financing for the development of the Empire open-pit mine. We expect to be able to raise necessary funds via equity, debt and/or convertible debt, which management believes is feasible based on investor discussions and, notwithstanding recent events, support from many of our existing shareholders. Discussions continue with the Letter of Intent (‘LOI’) investor referred to in our announcement of 12th June 2025 in relation to investment in copper bonds, but no other discussions with other parties in relation to the bonds are currently underway.

The Board is confident that the expected fundraising will take place. Any additional equity financing will be subject to the passing of the required resolutions at the Company’s forthcoming Annual General Meeting or a separate General Meeting to provide the required shareholder authority to issue new shares.

Sensitivity analysis performed by the Group indicates that, in the absence of this financing, a cash shortfall could arise by 30 June 2026, which would affect the Group’s ability to meet key obligations, including interest payments and creditor settlements.

As a result of this cash constraint, the directors have considered a number of contingency plans to manage liquidity in order to extend the time available to obtain the necessary finance. These include the deferral of discretionary expenditure, including directors’ and advisory board fees, the deferral of non-essential project costs, temporary suspension of certain capital expenditure activities and the raising of cash through the sale of non-core assets in Mackay, Idaho.

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The Group is also due to pay its coupon obligations to NIU, the holder of its 10-year Copper Bonds, at the end of June 2026, which it currently has the cash to meet, but following which any delay in funding will impact its ability to meet any other obligations as they fall due.

These circumstances together represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Nevertheless, the directors have a reasonable expectation that following the planned fundraising efforts, the Group will have adequate resources to continue in operational existence for at least 12-24 months from the date of approval of these financial statements and that the preparation of the Group's financial statements as a going concern for the year ended 31 December 2025 is appropriate.

3 Basis of preparation

This preliminary information does not comprise full financial statements. The significant accounting policies and other information contained within this preliminary announcement has been extracted from the Group's audited financial statements a copy of which is available on the Company's website: <https://phoenixcopperlimited.com>

The financial information is presented in US dollars.

4 Revenue

The Group is not yet producing revenues from its mineral exploration and mining activities.

5 Other operating expenses

	31 December 2025	31 December 2024
	\$	\$
Fair-value (loss)/gain on financial assets	(7,450)	10,066
Impairment loss in respect of bond-issue expenses	(1,306,446)	(4,602,934)
Net other operating expenses	<u>(1,313,896)</u>	<u>(4,592,868)</u>

The fair-value adjustment on financial assets arises from the Group's investment in Toronto-based Electra Battery Materials Corporation which are stated at fair-value through profit and loss.

All deferred bond issue expenses were fully written off in 2025 as no new bond issues are pending. The impairment losses in 2024 respect of bond issue expenses arises 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.

6 Finance costs

	31 December 2025	31 December 2024
	\$	Restated (Note 16) \$
Finance costs	956,723	554,196
Amount capitalised into non-current assets - mining property	(605,962)	(508,931)
Net finance costs	<u>350,761</u>	<u>45,265</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.

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7 Loss per share	31 December 2025	31 December 2024 Restated (Note 16)
	\$	\$
Loss attributable to the parent used in calculating basic and diluted loss per Share	<u>(4,369,768)</u>	<u>(7,080,752)</u>
<i>Number of shares</i>		
Weighted average number of shares for the purpose of basic earnings per share	<u>226,448,558</u>	169,554,296
Weighted average number of shares for the purpose of diluted earnings per share	<u>226,448,558</u>	169,544,296
Basic loss per share (US cents per share)	<u>(1.93)</u>	(4.12)
Diluted loss per share (US cents per share)	<u>(1.93)</u>	(4.12)

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

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

The Company has potentially issuable shares of 28,577,943 (2024: 22,644,509) all of which relate to the potential dilution in respect of warrants issued by the Company. All employee share options expired in 2025.

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8 Non-current assets	Mining Property Restated (Note 16) \$
<i>At 1 January 2024</i>	38,410,763
Additions	5,582,810
Write off	(296,524)
<i>At 31 December 2024</i>	<u>43,697,049</u>
<i>At 1 January 2025</i>	43,697,049
Additions	2,311,372
Disposals	(606,105)
Write off	(80,970)
<i>At 31 December 2025</i>	<u>45,321,346</u>
Net book value	
At 1 January 2024	38,432,522
At 31 December 2024	<u>43,770,586</u>
At 31 December 2025	<u>45,321,346</u>

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 in relation to the mine construction and related resources in any period (2024: \$nil) 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 impairment is not required. The write off in 2024 of \$296,524 relates to motor vehicles which were scrapped in the year.

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9 Intangible assets

	Exploration and evaluation expenditure \$
<i>At 1 January 2024</i>	356,805
Additions	5,935
<i>At 31 December 2024</i>	<u>362,740</u>
<i>At 1 January 2025</i>	362,740
Additions	5,935
<i>At 31 December 2025</i>	<u>368,375</u>
Net book value	
At 1 January 2024	<u>365,805</u>
At 31 December 2024	<u>362,740</u>
At 31 December 2025	<u>368,375</u>

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.

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10 Other receivables

	31 December 2025	31 December 2024 Restated (Note 16)
	\$	\$
Other receivables	3,805	1,811,209
Preliminary bond issue expenses	-	1,213,471
Prepaid expenses	117,048	75,267
	<u>120,853</u>	<u>3,099,947</u>

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 in 2024 related to the 10-Year Copper Bonds and were carried forward to be deducted from the proceeds of the future bond issues bonds proportionately by tranche of issue of the bonds and amortised to finance expenses over the expected life of each tranche of bonds issued. The Group is no longer intending to issue further 10-year Copper Bonds, and the outstanding amount has been expensed in the year.

Other receivables include an advanced payment of \$nil (2024: \$1,133,926) in respect of a potential investment in mining operations in the western USA. The Group is no longer pursuing this project.

11 Financial assets

	31 December 2025	31 December 2024
	\$	\$
Quoted investments	<u>6,807</u>	<u>14,257</u>

Quoted investments represent 11,111 shares in Toronto-based Electra Battery Materials Corporation. The shares have been valued at market price as at 31 December 2025. A fair value loss of \$7,450 (2024: a gain of \$10,066) has been taken to other operating income/expenses.

12 Trade and other payables

	31 December 2025	31 December 2024
	\$	\$
Trade payables	345,970	730,126
Other payables	282,968	83,212
	<u>628,938</u>	<u>813,338</u>

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. Accrued interest payable on the Group's 10-year Copper Bond is included within the bond liability (note 13).

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13 Borrowings

	31 December 2025	31 December 2024 Restated (Note 16)
	\$	\$
Current liabilities		
Short-term borrowings	<u>1,978,440</u>	1,986,502
Non-current liabilities		
10-year Copper Bonds	<u>4,649,135</u>	4,604,111
Total borrowings	<u>6,627,575</u>	6,590,613
Net debt reconciliation of cash flows		
	31 December 2025	31 December 2024 Restated (Note 16)
	\$	\$
At 1 January 2024	<u>6,590,613</u>	2,238,501
New short-term borrowings	2,553,400	968,436
Proceeds of bonds issued net of discount	-	4,750,000
	<u>2,553,400</u>	5,718,436
Repayment of borrowings	(1,462,514)	(190,000)
Borrowings settled by the issue of share capital	(1,480,637)	(1,487,325)
Other non-cash movements	857,616	365,528
Interest paid	(430,903)	(54,527)
	<u>(2,516,438)</u>	(1,366,324)
At 31 December 2024	<u>6,627,575</u>	6,590,613

Short-term borrowings

In the year the Group repaid the Riverfort Global Opportunities PCC Limited (Riverfort) short-term loan note in full.

Following the repayment, the Company was informed by Riverfort that the repayment should have been classified as a prepayment, pursuant to the terms of the Facility. An amount of \$64,000 is included in other payables, which comprises 10% of the amount related to the prepayment made by the Group in accordance with the terms of the loan note. This amount is disputed by Riverfort..

Convertible loan note

In the year the Group issued a 12-month convertible loan note to Indigo Capital LP (CLN Investors) amounting to \$2.1 million, including accrued interest of \$0.1 million. The CLN is unsecured and has been drawn down in an amount of \$2.1 million net of a fixed 5% coupon of \$0.1 million and less fees deducted of \$0.047 million.

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The convertible loan note has a 12-month term and is mandatory convertible into new ordinary shares of no par value in the Company, at the option of the Indigo, at a 20% discount to the prior 5-day lowest Volume Weighted Average Price on the day a conversion notice is submitted by the CLN investor(s), or on maturity. The CLN Investors converted part of the CLN (\$536,000) on 16 January 2026 at a price of 1.48 pence. From 1 May 2026 the CLN investor may convert the CLN in full. The Company may redeem the CLN in cash at nominal value plus 20%, with the written consent of the CLN Investor.

The CLN investors were also granted 10 million warrants to purchase New Ordinary Shares at an exercise price of 5 pence at any time from 1 May 2026 to 31 October 2028. The warrants have been valued as a share-based payment and the resulting charge has been deducted from the value of the bond liability to be subsequently amortised over the life of the convertible loan note.

The liability in respect of the CLN comprises:

Loan liability at amortised cost	\$ 1,394,383
Share-price adjustment mechanism at fair-value through profit and loss	584,057
	<hr/> 1,978,440 <hr/>

Non-current liabilities - 10-year Copper Bonds

On 27 December 2023 the Company created a class of corporate copper bonds (“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 Bonds 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 agreed to an initial subscription for \$80 million of Bonds from NIU Invest SE (“NIU”) an investor. The initial drawdown of \$5 million of Bonds was made in the year at a discount of \$250,000 which is being amortised over the remaining life of the bonds issued.

The Company paid an arrangement fee of \$4.96 million, settled by the issue of 33,884,031 ordinary shares of no par value to NIU at a fair value of 11.5 pence per share in lieu of an arrangement fee. \$0.31 million was allocated proportionately against the first \$5 million of Bonds issued. The balance of \$4.60 million was recognised initially in other receivables pending allocation against future Bonds issues of up to \$75 million. On 31 December 2024 it was understood that future allocations were no longer expected to take place and the remaining balance of \$4.6 million was charged to profit and loss in 2024.

Additionally, the Company agreed to a drawdown fee, conditional upon the drawdown by the Company of further tranches of Bonds, by way of warrants to subscribe at no cost for a further 22.59 million of new ordinary shares. These warrants are not expected to vest and the potential share-based payments charge has lapsed.

All remaining bond issue expenses, amounting to 1,31 million, have been charged to profit and loss in the year as no new bond issues are pending.

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

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Exchange, or an interest rate coupon linked to the US Federal Discount Rate. The coupon is only payable on the principal value of Bonds drawn down.

14 Provisions

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

15 Share capital

	Group and Company Number 2025	Group and Company Number 2024
Number of ordinary shares of no par value		
At the beginning of the year	197,184,092	124,928,622
Issued in the year	<u>63,829,208</u>	<u>72,255,470</u>
At the end of the year	261,013,300	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 year the Company issued 22,500,000 ordinary shares at an average issue price of \$0.048 per share to raise \$0.8 million cash. In the year the Company also issued 41,329,208 ordinary shares at an average issue price of \$0.035 in lieu of settlement of short-term borrowings.

Since the year end the Company has issued a further 26,981,814 ordinary shares at a price of \$0.0199 to the holders of the Company's convertible loan notes in settlement of \$536,000 of loan notes.

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.

The Company has issued warrants to subscribe for additional shares. Each warrant provides the right to the holder to convert one warrant into one ordinary share of no-par value at exercise prices ranging from £0 to £0.385. At 31 December 2025 the number of warrants in issue was 28,577,943 (2024: 16,419,509).

16 Correction to reverse unauthorised transactions

An explanation of the nature of the unauthorised payments for the years 2017 to 2025, together with an explanation of the causes of the failures in governance, and the revised procedures adopted by the Board to prevent recurrence of these events is set out in the Interim chairman’s statement.

An amount of \$1,767,585 of unauthorised transactions have been identified, that were made to Lloyd Edwards-Jones SAS (“LEJ”) and originally accounted for as commissions payable on financing transactions and have now expensed to profit and loss in 2023, 2024 and 2025 as shown in the tables below. The Group financial statements have been restated as at 31 December 2023 and 31 December 2024 to reflect the reversal of the unauthorised transactions as shown in the analyses below.

The Company has taken all active steps possible within the law to retrieve the unauthorised payments. These proceedings are at an early stage and no recoveries or potential recoveries, net of projected expenses, are included within these financial statements. The potential recoveries are classified as a contingent asset as recovery is uncertain.

Summary of unauthorised transactions by year:

	Year	Value of transactions
		\$
	2017	113,275
	2018	70,811
	2019	100,035
	2020	182,015
	2021	286,559
	2022	125,000
	2023	0.00
Cumulative unauthorised transactions to 31 December 2023		<u>877,695</u>
Additional unauthorised transactions for year ended 31 December 2024 **	2024	868,450
		<u>1,746,145</u>
Additional unauthorised transactions for year ended 31 December 2025	2025	21,440
Total value of unauthorised transactions expensed to profit and loss		<u>1,767,585</u>

** - This amount includes \$800,000 of unauthorised introductory fees charged by LEJ Capital in respect of the initial issue of 10-year Copper Bonds to NIU Invest being 1% of the expected subscription from NIU Invest of \$80 million. Ultimately only \$5 million of bonds were subscribed for by NIU Invest. See note 13 above which has been restated to exclude this transaction from the initial recognition of the bond liability.

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16 Correction to reverse unauthorised transactions continued

Restated consolidated statement of financial Position (extract)	31 December 2023 Published	Increase/ (Decrease)	31 December 2023 Restated
	\$	\$	\$
Effect on net assets			
Property, plant and equipment – mining property	38,432,522	(21,759)	38,410,763
Trade and other receivables	1,434,280	(125,000)	1,309,280
		<u>(146,759)</u>	
Effect on equity			
Share Premium	45,390,217	730,936	46,121,153
Retained loss	(8,209,258)	(877,695)	(9,086,953)
		<u>(146,759)</u>	

The cumulative effect on loss per share, using the number of shares issue as at 31 December 2023, was a reduction of \$0.71.

The errors have been corrected by restating each of the affected financial line items cumulative from 31 December 2017 to 31 December 2023.

Restated consolidated statement of financial Position (extract)	31 December 2024 Published	Increase/ (Decrease) Cumulative 2023	Increase/ (Decrease) Year 2024	31 December 2024 Restated
	\$	\$	\$	\$
Effect on net assets				
Property, plant and equipment – mining property	43,770,586	(21,759)	(51,778)	43,697,049
Trade and other receivables	3,224,947	(125,000)	-	3,099,947
Non-current loans and borrowings	(3,868,832)	-	(735,279)	(4,604,111)
		<u>(146,759)</u>	<u>(787,057)</u>	
Effect on equity				
Share Premium	54,858,134	730,936	68,450	55,657,520
Retained loss	(13,893,274)	(877,695)	(855,506)	(15,626,475)
		<u>(146,759)</u>	<u>(787,056)</u>	

The effect of the restatement on loss per share for the year-ended 31 December 2024 is shown below.

The errors have been corrected by restating each of the affected financial line items cumulative from 31 December 2017 to 31 December 2023 and also for the year ended 31 December 2024. The movement on the restated retained loss and the effect on loss per share for the year ended 31 December 2024 is shown below.

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16 Correction to reverse unauthorised transactions continued

Consolidated statement of profit or loss (extract)	31 December 2024	Increase/ (Decrease) in loss	31 December 2024 Restated
	\$	\$	\$
Continuing operations			
Exploration & evaluation expenditure	(12,394)	-	(12,394)
Gross loss	(12,394)	-	(12,394)
Administrative expenses	(1,596,931)	(868,450)	(2,465,381)
Other operating expenses	(4,592,868)	-	(4,592,868)
Loss from operations	(6,202,193)	(868,450)	(7,070,643)
Finance income	12,110	-	12,110
Finance costs	(58,209)	12,944	(45,265)
Loss before taxation	(6,248,292)	(855,506)	(7,103,798)
Tax on loss on ordinary activities	(23,817)	-	(23,817)
Loss for the year	(6,272,109)	(855,506)	(7,127,615)
Basic and diluted EPS expressed in US cents per share	(3.67)	(0.45)	(4.12)

The increase in administrative expenses comprises an increase in the amount potentially recoverable in respect of unauthorised transactions arising in 2024 of \$868,450, which is fully provided less the effect on finance costs recognised on an amortised cost basis (reduction in bond-issue expenses allocated against the carrying value of the 10-year copper bond) of \$12,944.

The effect of the restatements is applicable in full to the owners of the parent and there has been no change to amounts attributable to non-controlling interests in the years 2017 to 2024.

There are no additional changes affecting other comprehensive income in the years 2017 to 2024.

Historical changes to the loss per share for the years from 2017 to 2023 are not presented.

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17 Potential Riverfort litigation

In January 2026 the Board became aware that Riverfort Global Opportunities PCC Limited (Riverfort) were attempting to claim for damages amounting to \$2.1 million. The claim was for prepayment penalties, lost conversion rights and lost funding opportunity.

The Board and its legal advisors consider that this claim is unwarranted, apart from an early payment penalty of \$64,000 which has been provided for within these financial statements, and these claims will be vigorously contested.

The Company is now in discussions with Riverfort to determine whether there is a further financial obligation for the Company, pursuant to the terms of the Facility.

18 Share-based payments

The Company has in issue 28,577,943 (2024: 16,419,509) warrants to subscribe for additional share capital of the Company. Each warrant entitles the holder to subscribe for one ordinary equity share in the Company. The right to convert each warrant is unconditional.

The Company has in issue nil (2024: 6,225,000) share options to directors and senior employees of the Group. Each share option entitled the holder to subscribe for one ordinary equity share in the Company once the vesting conditions have been satisfied. No new share options were issued or amended in the year ended 31 December 2025. All share options lapsed in the year. The Board intends to announce a new share option scheme for directors and employees in 2026.

In the periods presented the Company has operated an equity-settled share based incentivisation schemes for employees.

Equity-settled share-based payments are measured at fair-value (excluding the effect of non-market-based vesting conditions) as determined through use of the Black-Scholes technique, at the date of issue. The warrants were issued as exercisable from the date they were issued and there are no further vesting conditions applicable.

Warrants issued	Weighted Average Exercise price	31 December 2025 Number	31 December 2024 Number
At the beginning of the year	£0.19	16,419,509	9,221,457
Issued in the year (Riverfort extension fee)	£0.00	1,000,000	-
Issued in the year	£0.07	1,447,250	-
Issued in the year	£0.04	6,100,000	
Issued in the year	£0.05	10,750,000	
Issued in the year	£0.12		1,602,827
Issued in the year	£0.20	118,684	8,951,779
Exercised in the year	£0.12		(423,913)
Exercised in the year – average exercise price	£0.18		-
Lapsed	£0.28/£0.41	(7,257,500)	(2,932,641)
At the end of the year	£0.11	28,577,943	16,419,509

In the year the exercise price of 250,000 warrants was also modified from £0.35 to £0.05.

Share options issued	Weighted	31 December	31 December
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	Average Exercise price	2025 Number	2024 Number
At the beginning of the year	£0.34	6,225,000	6,225,000
Lapsed in the year	£0.34	<u>(6,225,000)</u>	-
At the end of the year	-	-	<u>6,225,000</u>

The total share-based payment charge for all warrants and options in the year was \$204,579 (2024: \$541,230) of which \$75,013 (2024: \$65,328) has been charged to profit and loss. An amount of \$87,421 (2024: \$475,902) has been allocated to Mining Property and \$42,145 (2024: \$nil) has been allocated to loan arrangement fees in respect of short-term borrowings.

The share-based payment charge was calculated using the Black-Scholes model. All warrants issued vest immediately on issue. All employee share options lapsed in the year; these were all fully vested at the beginning of the year and no adjustment is required to historical charges.

Volatility for the calculation of the share-based payment charge in respect of both the warrants and the share options issued was determined using the historic volatility calculated over a year period by reference to movements in the Company's quoted share price on AIM.

The inputs into the Black-Scholes model for the warrants issued were as follows:

	31 December 2025 Warrants issued	31 December 2024 Warrants issued
Weighted average share price at grant date	£0.03	£0.12
Weighted average exercise prices	£0.05	£0.19
Weighted average expected volatility	96.0%	108.5%
Expected life in years	1.00	1.00
Weighted average contractual life in years	1.00	1.00
Risk-free interest rate	3.5%	3.5%
Expected dividend yield	-	-
Fair-value of warrants granted (pence)	<u>0.8p</u>	<u>3.6p</u>

All warrants issued in the year were fully vested on the date of issue.

On 2 January 2025 the Company issued 1,000,000 warrants with an exercise price of £nil to Riverfort Global Opportunities PCC Limited as an extension fee in respect of short-term borrowings. On the same date the company also issued 1,447,250 warrants with an exercise price of £0.068 and 118,684 warrants with an exercise price of £0.20. The share price on the date of issue of these warrants was £0.05.

On 12 August 2025 the Company issued 6,100,000 warrants with an exercise price of £0.04. The share price on the date of issue of these warrants was £0.03.

On 19 November 2025 the Company issued 10,750,000 warrants with an exercise price of £0.05. The share price on the date of issue of these warrants was £0.03.

In the year 423,913 warrants of £0.12 were exercised and 2,932,641 warrants with an average price of £0.39 lapsed.

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No warrants were exercised in the year. 7,257,500 Warrants lapsed in the year all of which were fully vested on the original date of issue.

The average share price on the date of issue of these warrants was £0.03. The average exercise price of these warrants was £0.05. The average volatility used in the valuation of warrants issued in the year was 95.96%, the average expected lives of these warrants was 12 months. The average fair-value of these warrants on the date of issue of was £0.01. The expected life of the outstanding warrants at 31 December 2025 is up to 1 year.

Share-based payments allocation of charge	31 December 2025	31 December 2024
	\$	\$
Warrants including modification	<u>204,579</u>	541,230
Allocation:		
Mining property	87,421	475,902
Loan arrangement fees	42,145	-
Administrative expenses	75,013	65,328
	<u>204,579</u>	<u>541,230</u>

The share- based payment charge has been simultaneously credited to retained deficit.

19 Events after the reporting date

There are no significant events after the balance sheet date, other than the actions of the former directors, which were announced on 9 February 2026 and 9 March 2026.