

23 January 2026

Phoenix Copper Limited
("Phoenix" or the "Company")

Partial Conversion of Convertible Loan Note
Current Metal Prices Uplift Empire Open-Pit Economics

Phoenix Copper Limited (AIM: PXC; OTCQX ADR: PXCLY), the AIM quoted, USA focused base and precious metals emerging producer and exploration company, announces a partial conversion of its \$2.1 million convertible loan note ("CLN") issued to Indigo Capital LP ("Indigo"). The Company is also pleased to confirm the effect of increased metal prices on its 2024 Empire open-pit pre-feasibility study ("PFS") economic model.

Partial Conversion of CLN

Further to the announcement on 4 December 2025, the Company confirms that the CLN holder, Indigo, has converted \$536,000 at 1.483 pence per share into 26,981,814 new ordinary shares of no par value in the Company ("New Ordinary Shares").

Application has been made for the New Ordinary Shares to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective and dealings will commence at 8:00 am on or around 26 January 2026.

The Company has been informed that Indigo has entered into agreements to divest 24,181,814 of the New Ordinary Shares to various equity funds and family offices in Europe and elsewhere, as soon as practicable following Admission.

Total Voting Rights

Following Admission, the Company will have 287,995,114 ordinary shares outstanding. Shareholders may use this number as the denominator for the calculation by which they will determine if they are required to notify their interest in, or a change in their interest in, the issued share capital of the Company.

Potential Impact of Current Metal Prices on the 2024 Economic Model

The 2024 open-pit PFS economic model (the "2024 Model") was generated at the time using conservative, near-term trailing average metal prices of \$4.45 / lb copper price, a \$2,325 / oz gold price and a \$27.25 / oz silver price. In order to illustrate the potential impact of current metal prices on the economics of the open pit, the Company has applied the following metal pricing to the 2024 Model; \$5.58 / lb copper, \$4,338 / oz gold and \$70.73 / oz silver. Should these metal prices be maintained, the impact would be significant and would result in cumulative pre-tax net (after repaying estimated pre-production capital costs) cashflow of \$405.80 million over the 8.5 year life of mine, as well as a 7.5% pre-tax Net Present Value ("NPV") of \$252.11 million and a pre-tax Internal Rate of Return of 98.4%.

A comparison of the impact to the 2024 Model is summarised in the table below:

Project Evaluation Overview	2024 PFS Before Tax / After Tax	2026 Before Tax / After Tax	% Change
Cumulative Net Cashflow (millions)	\$152.98 / \$132.44	\$405.80 / \$350.89	165.3 / 164.9% Increase
NPV @ 5.0% (millions)	\$105.44 / \$89.55	\$293.85 / \$252.34	178.7 / 181.8% Increase
NPV @ 7.5% (millions)	\$87.86 / \$73.75	\$252.11 / \$215.67	186.9 / 192.4% Increase
NPV @ 10.0% (millions)	\$73.29 / \$60.71	\$217.34 / \$185.17	196.5 / 205% Increase
Internal Rate of Return	46.4% / 40.2%	98.4% / 86.6%	52 / 46.4% Increase

The 2026 Before Tax / After Tax results presented above have been internally estimated by the Company and have not been verified by the Company's independent technical consultants or Qualified Person. The results of this comparison are illustrative only and are not intended to imply a change in the Empire open pit mineral reserve nor are they intended to imply a new or updated Empire open pit economic model.

The Company also refers to its ongoing discussions with the US based bond investor (the "Investor"), first announced on 12 June 2025. These discussions have taken longer than initially anticipated due to other transactions the Investor has been completing. Although there can be no certainty a definitive agreement will be reached with the Investor, the Directors look forward to finalising the discussions and progressing towards completion. The Company looks forward to providing shareholders with further updates as appropriate.

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>.

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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/>