PhosCo
SUSTAINABLE PHOSPHATE | ASX PHO

ASX Announcement 18 August 2026

FY2027 Long-Term Incentive

PhosCo Ltd (**ASX: PHO**) ("**PhosCo**" or the "**Company**") confirms that the Board has approved new long-term incentive arrangements for eligible employees for FY2027 pursuant to the Company's Employee Incentive Plan, which provides for Eligible Employees, including consultants of PhosCo, to participate in a Long-Term Incentive (LTI).

A total of 10,000,000 Performance Rights will be allocated to six Eligible Employees, and 3,000,000 Zero-Priced Options (ZEPO's) will be allocated to one Eligible Employee.

The Performance Rights and ZEPO's are subject to share price performance hurdles.

The total of 10,000,000 Performance Rights and 3,000,000 ZEPO's described above represents the maximum number of Performance Rights and ZEPO's that could become eligible to vest, subject to satisfying the Vesting Conditions.

The issue of Performance Rights and ZEPO's seeks to align Eligible Employees interests with those of shareholders by linking remuneration with the long-term performance of the Company.

Included in the number of Performance Rights above is a total of 9,000,000 Performance Rights proposed to be issued to PhosCo Directors/Related Parties (or their nominee(s)), as follows:

- 2,000,000 Performance Rights to Managing Director, Taz Aldaoud;
- 4,000,000 Performance Rights to Executive Director, Mehdi Ben Abdallah;
- 1,000,000 Performance Rights to Chairman, Robin Widdup;
- 1,000,000 Performance Rights to Non-Executive Director, Sam Lancuba; and
- 1,000,000 Performance Rights to Chief Financial Officer, Craig Smyth.

The 9,000,000 Performance Rights to Directors/Related Parties are subject to shareholder approval at the Company's Annual General Meeting to be held in November 2026. Robin Widdup and Craig Smyth intend to nominate Lion Selection Group Limited as their nominee to receive their Performance Rights.

A summary of the key terms of the Performance Rights are outlined in Annexure 1 and ZEPO's in Appendix 2 to this announcement.

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

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Annexure 1: Key Terms of the FY2027 Performance Rights

Total Number of Performance Rights	10,000,000 Performance Rights, including 9,000,000 Performance Rights which are subject to shareholder approval. The 10,000,000 Performance Rights are made up of the following 2 tranches: - **Tranche 1:** 5,000,000 - **Tranche 2:** 5,000,000
Issue Price	Nil
Vesting Period	Date of grant to 31 December 2029
Exercise Price	Nil
Expiry Date	31 December 2029
Vesting Date	Each tranche will vest on the date on which the Board confirms that the Vesting Conditions for the relevant tranche have been satisfied.
Vesting Conditions	The participant must: (a) achieve the Performance Hurdles; and (b) remain employed with the Company or its subsidiaries, or be otherwise engaged by the Company or its subsidiaries, at the Vesting Date. Cessation of employment events will be treated in accordance with the “good leaver”/“bad leaver” provisions in the Company’s Employee Incentive Plan.
Performance Hurdles	The following Performance Hurdles apply to the applicable Tranche of Performance Rights: **Tranche 1:** One-half of the performance rights granted to the Eligible Employee vest and become exercisable when the Company’s 30-day Volume Weighted Average Price (**VWAP**) is equal to or greater than $0.17 (17 cents) at any time between grant and expiry. **Tranche 2**: One-half of the performance rights granted to the Eligible Employee vest and become exercisable when the Company’s 30-day Volume Weighted Average Price (**VWAP**) is equal to or greater than $0.20 (20 cents) at any time between grant and expiry.
Shares to be issued on vesting	Each vested Performance Rights will result in the issue or transfer of one ordinary share.

Annexure 2: Key Terms of the FY2027 Zero-Priced Options (ZEPO's)

Total Number of ZEPO's	3,000,000 Zero-Priced Options (ZEPO's) The 3,000,000 ZEPO's are made up of the following 3 tranches: - **Tranche 1:** 1,000,000 - **Tranche 2:** 1,000,000 - **Tranche 3:** 1,000,000
Issue Price	Nil
Vesting Period	Date of grant to 31 December 2028
Exercise Price	Nil
Expiry Date	31 December 2028
Vesting Date	Each tranche will vest on the date on which the Board confirms that the Vesting Conditions for the relevant tranche have been satisfied.
Vesting Conditions	The participant must: (c) achieve the Performance Hurdles; and (d) remain employed with the Company or its subsidiaries, or be otherwise engaged by the Company or its subsidiaries, at the Vesting Date. Cessation of employment events will be treated in accordance with the "good leaver"/"bad leaver" provisions in the Company's Employee Incentive Plan.
Performance Hurdles	The following Performance Hurdles apply to the applicable Tranche of ZEPO's: **Tranche 1:** The Tranche 1 Options vest and become exercisable when the Company's 30-day Volume Weighted Average Price (**VWAP**) is equal to or greater than $0.15 (15 cents) at any time between grant and expiry. **Tranche 2**: The Tranche 2 Options vest and become exercisable when the Company's 30-day Volume Weighted Average Price (**VWAP**) is equal to or greater than $0.20 (20 cents) at any time between grant and expiry. **Tranche 3**: The Tranche 3 Options vest and become exercisable when the Company's 30-day Volume Weighted Average Price (**VWAP**) is equal to or greater than $0.25 (25 cents) at any time between grant and expiry.
Shares to be issued on vesting	Each vested Option will result in the issue or transfer of one ordinary share.