11 September 2026

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

Interim Results

Phoenix Copper Ltd (AIM: PXC; OTCQB 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 2026 (the "Period"). All references to $ are United States Dollars.

Corporate & Financial

- The Group reports a loss of $1.21 million for the period (30 June 2025: a loss of $0.76 million).
- Period-end Group net assets of $38.21 million (30 June 2025: $40.68 million).
- Investment in the Empire Mine in Idaho, USA and other mining assets increased to $45.84 million (30 June 2025: $44.27 million).
- A fundraise was completed post Period, on 24 July 2026, raising $3.12 million before expenses, $2.6 million net of expenses, resulting in the issuance of 542,639,969 additional ordinary shares (the "Fundraise"): 502,639,969 as a result of the Fundraise, and 40,000,000 issued to repay interest on short term debt. The Fundraise resulted in the issuance of 163,065,450 warrants with an exercise price of £0.01, and an expiry date of 27 July 2028.
- On 4 August 2026 the Group's short-term convertible loan note was repaid in full.
- Cost-cutting measures and the sale of non-core assets have enabled the Company to extend its cash runway into Q4 2026.

Operational

- Post Period, the Company announced the awarding of contracts to update the Empire Mine open-pit Pre-Feasibility Study ("PFS"). This is being undertaken by Hardrock Consulting. The 2024 PFS outlines a:
    - Proven & Probable mineral reserves of 10.1 million tonnes ("Mt") 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;
    - Life of mine production of 40,424 tonnes copper, 40,161 oz gold and 1.76 million oz silver; and
    - Pre-tax cumulative net free cash flow of $153 million over an eight-year mine life, increasing to over $230 million at current metal prices; total cash costs of $2.44/lb.

INTERIM CHAIR'S STATEMENT

Since we last wrote to shareholders, the Company has completed an equity fundraise, introducing a number of institutional investors to our register, resulting in a more balanced, resilient shareholder base going into the next phase of the development of the Group's mining assets and allowing us to clear all short-term debt.

More to the point, the Fundraise has enabled us to continue moving the Empire project forward, specifically by updating the Pre-Feasibility Study published in September 2024. This study used three-year trailing average metals prices at the time. The updated numbers are expected to dramatically increase the economic attractiveness of the project, due to the improvement in commodity prices, enabling us to appeal to investors who see the long-term production capability of Empire, and the potential to use some of the proceeds to developing our other exploration projects, including the sulphides beneath the open-pit.

In the event of any future equity raises, we will always endeavour to ensure that our existing shareholders have the opportunity to participate on the same terms as new investors.

Phoenix's path to production is clear, provided we secure the funding we need. We remain cash constrained, but due to cost-cutting and the further sale of non-core assets in Mackay, we have managed to extend our cash runway into Q4 2026. We understand shareholder frustration surrounding the necessary confidentiality of the numerous discussions we are conducting This includes the letter of intent signed with an accredited US based investor, mentioned in our announcement of 12 June 2025. Needless to say, as soon as we are in a position to announce updates to any of these discussions, we will do so.

We have made some changes to our website, which now sports a 'Webinar' section. We are planning a more consistent webinar programme, including another with Investor Meet Company by the end of September, to keep shareholders updated with our progress and keep operations as transparent as possible. We're also looking forward to posting some drone footage of the various projects, with a brief description of the characteristics of each. We have also agreed a trial period with Curation Corp, an AI-powered IR and community-led platform that connects public companies with retail and professional investors to further improve our shareholder communication. Our page can be accessed on the following link: ai.curationcorp.com/showcase/Phoenix-Copper-Limited-17153.

Over the Period the ESG & Sustainability Committee has continued to monitor baseline data, including water monitoring. The Committee's activities are expected to increase with the progression of the Empire project, and we will inform shareholders in the event of any meaningful advance or change.

As CEO Ryan McDermott's report will cover in more depth, the macro environment remains in our favour, and we're looking forward to providing further updates on the development of what we refer to affectionately as Phoenix 2.0. I would like to thank shareholders for their continued support.

Catherine Evans
Interim Chair
11 September 2026

CHIEF EXECUTIVE OFFICER'S REPORT

As stated by the Interim Chair, our path to production is straightforward, provided we obtain the financing we need: funding – detailed engineering – permitting – construction – production.

Our shareholders will not need reminding that the copper price remains at an all-time high, largely due to structural demand, supply disruptions and tariff uncertainties. Gold has had a supremely dramatic year, breaking through $5,000, surpassing the old 1980 high, before retreating and stabilizing. The price drivers appear to be structural, and therefore some commentators are expecting another rise by the end of the year.

Silver's move has been even more volatile than gold, propelled to an all-time high of $121/oz early this year, before retreating, and now up to approximately $65/oz. Most silver is a by-product of gold, copper, lead and zinc mining, so supply cannot quickly respond to price.

The cash flow model presented in the PFS for the Empire Open-Pit used trailing average pricing for copper, gold, and silver, which were $4.45/lb copper, $2,325/oz gold, and $27.25/oz silver, respectively. As of 30 June 2026, copper is trading at $6.33, gold is $4,348, and silver $68.11. Should metal prices maintain these levels as we enter production, the cumulative net free cash flow should improve significantly from the already favorable PFS cash flow.

The reported quantity of copper, gold and silver at Empire has not changed since the publication of the PFS, and at current prices, a re-optimization of the mineral reserve would be expected to add additional metal. The processing plan remains as a crush-grind-flotation-tank leach-cementation circuit which will recover all three metals from our Empire ore. The processing facility has been engineered to sit 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, 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. As announced on 24 August 2026, Hardrock is now updating these numbers to reflect current metal prices. The 2024 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)	g/t	oz (x1000)	g/t	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 Internal Rate of Return ("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 (years)	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. Once Hardrock has completed the update, the economics will be reported using higher metal prices.

PFS - Metallurgy and Process Design

3,502 feet (1,067 meters) 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, placing the processing plant on private land should help to simplify the overall permitting process.

The flotation and 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		
3Total 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 42º to 45º			

Red Star – High grade silver Inferred Resource

Red Star is a high-angle silver-lead vein system hosted in andradite-magnetite and located 330-meters north-northwest of the Empire oxide pit. Red Star was identified from a 20-meter 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.

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

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 kilometer ("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 meters to 22.9 meters 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.

Conclusion

The Phoenix team is singularly focused on progressing 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.

Thank you to all of our stakeholders for your continued support and patience. We are looking forward to providing you with further updates in the near future.

Ryan McDermott
Chief Executive Officer
11 September 2026

Financial Overview

For the period ended 30 June 2026 the Group reports a loss of $1.21 million (30 June 2025: a loss of $0.76 million).

Net assets totalled $38.21 million (30 June 2025: $40.68 million), including $43.03 million (30 June 2025 $40.34 million) relating to the Empire Mine, and $0.04 million (30 June 2025: $0.56 million) in cash.

During the Period the Company issued 26,981,814 ordinary shares of no par value ("Ordinary Shares") at an issue price of $0.01986 per share in respect of a partial conversion of the Company's convertible loan note. The number of ordinary shares as at 30 June 2026 was 287,995,114. Following successful placing and subscription offers in July 2026 the number of ordinary shares is currently 830,635,083.

The Company's Ordinary Shares are quoted on AIM, operated by the London Stock Exchange, under the ticker PXC, and are also admitted to trading on the New York's OTCQB 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 ("BNYM") sponsored the ADR Program and acts ADR depository, custodian and registrar.

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 BNYM as the Settlement Agent, pending onward transfer to bond investors. The bonds are not convertible, are secured on part of 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. BNYM acts as the bond custodian and transfer / paying / settlement agent. In November 2024 the Company placed $5 million in principal value of bonds with NIU Invest SE.

The Directors recognise the importance of sound corporate governance and has reapplied the Quoted Companies Alliance's Corporate Governance Code 2023. The Company's Corporate Governance Statement dated 19 June 2026 and the Company's 2024 Sustainability Report can be viewed on the Company's website at https://phoenixcopperlimited.com.

Catherine Evans
Interim Chair
11 September 2026

Condensed consolidated income statement	Note	Unaudited Period Ended 30 June 2026 $	Unaudited Period Ended 30 June 2025 $	Audited Year Ended 31 December 2025 $
Continuing operations				
Revenue	3	-	-	-
Exploration & evaluation expenditure		-	-	(1,146,827)
Gross loss		-	-	(1,146,827)
Administrative expenses		**(736,794)**	(675,530)	(1,563,761)
Other operating expenses	4	**(790)**	(2,190)	(1,313,896)
Loss from operations		**(737,584)**	(677,720)	(4,024,484)
Finance income		**478**	5,811	4,153
++				
Finance costs	5	**(471,792)**	(56,307)	(350,761)
Loss before taxation		**(1,208,898)**	(728,216)	(4,371,092)
Tax on loss on ordinary activities		-	(29,150)	(29,150)
Loss for the period		**(1,208,898)**	(757,366)	(4,400,242)
Loss attributable to:				
Owners of the parent		**(1,194,705)**	(738,211)	(4,369,768)
Non-controlling interests		**(14,193)**	(19,155)	(30,474)
		(1,208,898)	(757,366)	(4,400,242)
Loss per share attributable to owners of the parent:				
Basic and diluted EPS expressed in US cents per share	6	**(0.45)**	(0.36)	(1.93)

Condensed consolidated statement of comprehensive income	Unaudited Period Ended 30 June 2026 $	Unaudited Period Ended 30 June 2025 $	Audited Year Ended 31 December 2025 $
Loss for the period	**(1,208,898)**	(757,366)	(4,400,242)
Total comprehensive income attributable to:			
Owners of the parent	**(1,194,705)**	(738,211)	(4,369,768)
Non-controlling interests	**(14,193)**	(19,155)	(30,474)
	(1,208,898)	(757,366)	(4,400,242)

Condensed consolidated statement of financial position	**Note**	**Unaudited Period Ended 30 June 2026 $**	**Unaudited Period Ended 30 June 2025 $**	**Audited Year Ended 31 December 2025 $**
Non-current assets				
Property, plant and equipment – mining property	**7**	**45,841,586**	44,266,831	45,321,346
Intangible assets	**8**	**368,675**	362,740	368,675
		46,210,261	44,629,571	45,690,021
Current assets				
Trade and other receivables	**9**	**46,638**	2,806,125	120,853
Financial assets	**10**	**6,017**	12,067	6,807
Cash and cash equivalents		**34,509**	564,588	368,863
		87,164	3,382,780	496,523
Total assets		**46,297,425**	48,012,351	46,186,544
Current liabilities				
Trade and other payables	**11**	**1,187,443**	523,686	628,938
Borrowings and other liabilities	**12**	**1,787,884**	1,739,304	1,978,440
		2,975,327	2,262,990	2,607,378
Non-current liabilities				
Borrowings	**12**	**4,454,984**	4,409,584	4,649,135
Provisions for other liabilities	**13**	**657,702**	657,702	657,702
		5,112,686	5,067,286	5,306,837
Total liabilities		**8,088,013**	7,330,276	7,914,215
Net assets		**38,209,412**	40,682,075	38,272,329
Equity				
Ordinary shares	**14**	**-**	-	-
Share premium		**58,669,696**	57,017,560	58,133,696
Retained loss		**(20,376,389)**	(16,277,101)	(19,791,664)
Foreign exchange translation reserve		**(18,588)**	(18,588)	(18,588)
Equity attributable to owners of the parent		**38,274,719**	40,721,871	38,323,444
Non-controlling interests		**(65,307)**	(39,796)	(51,115)
Total equity		**38,209,412**	40,682,075	38,272,329

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 2025	-	55,657,520	(15,626,475)	(18,588)	40,012,457	(20,641)	39,991,816
Loss for the period	-	-	(738,211)	-	(738,211)	(19,155)	(757,366)
Total comprehensive income for the period	-	-	(738,211)	-	(738,211)	(19,155)	(757,366)
Shares issued in the period	-	1,442,941	-	-	1,442,941	-	1,442,941
Share issue expenses	-	(82,901)	-	-	(82,901)	-	(82,901)
Share-based payments	-	-	87,585	-	87,585	-	87,585
Total transactions with owners	-	1,360,040	87,585	-	1,447,625	-	1,447,625
At 30 June 2025	-	57,017,560	(16,277,101)	(18,588)	40,721,871	(39,796)	40,682,075
At 1 July 2025	-	57,017,560	(16,277,101)	(18,588)	40,721,871	(39,796)	40,682,075
Loss for the period	-	-	(3,631,557)	-	(3,631,558)	(11,319)	(3,642,876)
Total comprehensive income for the period	-	-	(3,631,557)	-	(3,631,558)	(11,319)	(3,642,876)
Shares issued in the period	-	1,116,136	-	-	1,116,136	-	1,116,136
Share issue expenses	-	-	-	-	-	-	-
Share-based payments	-	-	116,994	-	116,994	-	116,994
Total transactions with owners	-	1,116,136	116,994	-	1,233,130	-	1,233,130
At 31 December 2025	-	58,133,696	(19,791,664)	(18,588)	38,323,444	(51,115)	38,272,329

Condensed consolidated statement of changes in equity continued

At 1 January 2026	-	58,133,696	(19,791,664)	(18,588)	38,323,444	(51,115)	38,272,329
Loss for the period	-	-	(1,194,705)	-	(1,194,705)	(14,193)	(1,208,898)
Total comprehensive income for the period	-	-	(1,194,705)	-	(1,194,705)	(14,193)	(1,208,898)
Shares issued in the period	-	536,000	-	-	536,000	-	1,442,941
Share-based payments	-	-	609,980	-	609,980	-	609,980
Total transactions with owners	-	536,000	609,980	-	1,145,980	-	1,145,980
At 30 June 2026	-	58,669,696	(20,376,389)	(18,588)	38,274,719	(65,307)	38,209,412

Condensed consolidated statement of cash flows	Unaudited 30 June 2026 $	Unaudited 30 June 2025 $	Audited 31 December 2025 $
Cash flows from operating activities			
Loss before tax	**(1,208,898)**	(728,216)	(4,371,092)
Adjustments for:			
Share-based payments	**609,980**	165	75,013
Impairment of motor vehicles included in mining property	**-**	80,970	80,970
Gain on sale of properties (note 7)	**(54,495)**	106,710	106,710
Impairment of bond issue expenses	**-**	-	1,306,446
Finance costs payable	**156,042**	56,307	350,761
Corporate taxes paid	**-**	(29,150)	(29,150)
Fair-value adjustment to financial asset	**790**	5,260	7,450
	(496,581)	(507,954)	(2,472,892)
Decrease/(increase) in trade and other receivables	**74,215**	301,427	1,672,648
(Decrease)/increase in trade and other payables	**795,260**	(238,732)	330,128
Net cash generated from/(used in) operating activities	**372,894**	(445,259)	(470,116)
Cash flows from investing activities			
Purchase of intangible assets	**-**	-	(5,935)
Purchase of property, plant and equipment	**(629,878)**	(805,465)	(2,189,479)
Sale of property, plant and equipment (note 7)	**353,533**	499,395	499,395
Net cash used in investing activities	**(276,345)**	(306,070)	(1,696,019)
Cash flows from financing activities			
Proceeds from the issuance of ordinary shares	**-**	1,057,000	1,078,440
Share issue expenses	**-**	(82,901)	(82,901)
Proceeds from short-term borrowings	**-**	-	2,553,400
Repayment of short- term borrowings	**-**	-	(1,462,514)
Finance costs paid	**(430,903)**	(537,658)	(430,903)
Net cash (used in)/generated from financing activities	**(430,903)**	436,441	1,655,522
Net decrease in cash and cash equivalents	**(334,354)**	(314,888)	(510,613)
Cash and cash equivalents at the beginning of the period	**368,863**	879,476	879,476
Cash and cash equivalents at the end of the period	**34,509**	564,588	368,863

Significant non-cash transactions:
During the Period an amount of $609,980 (30 June 2025: $87,585; 31 December 2025: $204,579) was credited to the retained loss in respect of the charge for share-based payments, of which $nil (30 June 2025: $87,421; 31 December 2025: $87,421) has been capitalised into mining property.

Interest and related fees of $189,401 (30 June 2025: $363,807; 31 December 2025: $34,472 restated) 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 11 September 2026.

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 2025 Annual Report.

The comparative information as at 30 June 2025 and 31 December 2025 has been restated to reflect the reversal of unauthorised transactions. Full details are provided within the Group's annual report as at 31 December 2025, a copy of which may be found on the Group's website.

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.

4 Other operating expenses

	30 June 2026 $	**30 June 2025 $**	**31 December 2025 $**
Fair-value (loss)/gain on financial assets	**(790)**	(5,260)	(7,450)
Impairment loss arising from bond-issue expenses	**-**	-	(1,306,446)
Other operating expenses	**(790)**	(5,260)	(1,313,896)

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.

All deferred bond issue expenses were fully written off in 2025 as no new bond issues were pending.

5 Finance costs

	30 June 2026 $	30 June 2025 $	31 December 2025 $
Finance costs	661,193	420,277	**956,723**
Amount capitalised into non-current assets - mining property	(189,401)	(363,970)	**(605,962)**
Net finance costs	471,792	56,307	**350,761**

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 2026 $	30 June 2025 $	31 December 2025 $
Loss attributable to the parent used in calculating basic and diluted loss per share	(1,194,705)	(738,211)	(4,369,768)
Number of shares			
Weighted average number of shares for the purpose of basic earnings per share	265,437,795	206,179,199	226,448,558
Weighted average number of shares for the purpose of diluted earnings per share	265,437,795	206,179,199	226,448,558
Basic loss per share (US cents per share)	(0.45)	(0.36)	(1.93)
Diluted loss per share (US cents per share)	(0.45)	(0.36)	(1.93)

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 2025	43,697,049
Additions	1,256,857
Disposals	(606,105)
Write off	(80,970)
At 30 June 2025	44,266,831
At 1 July 2025	44,266,831
Additions	1,054,515
Disposals	-
Write off	-
At 31 December 2025	45,321,346
At 1 January 2026	45,321,346
Additions	819,279
Write off	-
Disposals	(299,039)
At 30 June 2026	**45,841,586**
Net book value	
	43,697,049
- At 1 January 2025	
At 30 June 2025	**44,266,831**
At 31 December 2025	**45,321,346**
At 30 June 2026	**45,841,586**

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 charge 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 2025	362,740
Additions	-
At 30 June 2025	**362,740**
At 1 July 2025	362,740
Additions	5,935
At 31 December 2025	**368,675**
At 1 January 2026	368,675
Additions	**-**
At 30 June 2026	**368,675**
Net book value	
At 1 January 2025	**362,740**
At 30 June 2025	**362,740**
At 31 December 2025	**368,675**
At 30 June 2026	**368,675**

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 2026 $	30 June 2025 $	31 December 2025 $
Other receivables	**3,764**	1,360,101	3,805
Preliminary bond issue expenses	**-**	1,388,106	-
Prepaid expenses	**42,874**	58,009	117,048
	46,638	2,806,125	120,853

There are no receivables as at 30 June 2026 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 June 2025 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 outstanding amount has been expensed as at 31 December 2025.

Other receivables include an advanced payment of $nil (30 June 2025: $1,133,926, 31 December 2025 $nil) in respect of a potential investment in mining operations in the western USA. The Group is no longer pursuing this project and the advanced payment was written off at 31 December 2025.

10 Financial assets

	30 June 2026 $	30 June 2025 $	31 December 2025 $
Quoted investments	**6,017**	12,067	6,807

Quoted investments represent 11,111 shares in Toronto-based Electra Battery Materials Corporation. The shares have been valued at market price at 30 June 2026, 30 June 2025 and 31 December 2025. A fair value loss of $790 (30 June 2025: $5,260; 31 December 2025: $7,450) has been taken to other operating income/expenses.

11 Trade and other payables

	30 June 2026 $	30 June 2025 $	31 December 2025 $
Trade payables	**620,385**	344,306	345,970
Other payables	**567,058**	179,380	282,968
	1,187,443	523,686	628,938

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 2026 $	30 June 2025 $	31 December 2025 $
Current liabilities			
Short-term borrowings	**1,787,884**	1,739,304	1,978,440
Non-current liabilities			
10-year Copper Bonds	**4,454,984**	4,409,584	4,649,135
Total borrowings	**6,242,868**	6,148,888	6,627,575

Net debt reconciliation of cash flows	30 June 2026 $	30 June 2025 $	31 December 2025 $
At 1 January 2026	**6,627,575**	6,590,613	6,590,613
New short-term borrowings	**-**	-	2,553,400
Repayment of borrowings	**-**	-	(1,462,514)
Borrowings settled by the issue of share capital	**(536,000)**	(385,941)	(1,480,637)
Finance costs paid	**(430,903)**	(537,658)	857,616
Other non-cash movements	**582,196**	481,874	(430,903)
	(384,707)	(441,725)	(2,516,438)
At 30 June 2026	**6,242,868**	6,148,888	6,627,575

Short-term borrowings

The Riverfort borrowings were repaid in the second half of the year.

In the second half of 2025 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 was unsecured and was 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. The convertible loan note was repaid in full on 4 August 2026, and the interest paid in shares.

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.

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 2026	30 June 2025	31 December 2025
	$	**$**	**$**
Royalties payable	**657,702**	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	Unaudited Number	Audited Number
	30 June 2026	**30 June 2025**	**31 December 2025**
Number of ordinary shares of no-par value			
At the beginning of the period	**261,013,300**	197,184,092	197,184,092
Issued in the period	**4,853,208**	32,500,000	63,829,208
At the end of the period	**265,866,508**	229,684,092	261,013,300

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 26,981,814 ordinary shares at an issue price of $0.01986 per share to convert $536,000 of the Indigo convertible loan note into ordinary shares of the Company.

On 3 July 2026 the Company announced a proposed Placing and Subscription to raise gross proceeds of approximately £2.3 million (net proceeds of approximately £2.0 million) through the issue of approximately 460,000,000 new ordinary shares in the Company ("Placing Shares" or "New Ordinary Shares", together the "Fundraising"), and a proposed Retail Offer as detailed below to raise approximately £0.5 million. The Fundraising was conditional upon, amongst other things, the passing of the Resolutions at the Annual General Meeting of the Company which was convened on 24 July 2026. Following the passing of the Fundraise Resolutions, the Company has allotted the 364,196,369 Placing Shares, the 125,000,000 Subscription Shares and the 13,443,600 Retail Offer Shares with new and existing investors. The total number of voting shares in issue following the fundraise is 830,635,083.

The new shares arising from the above Fundraising and Retail Offer also grant the right to warrants in the Company to purchase ordinary shares at a price of £0.01 per share. The Company is issuing 163,065,450 warrants, being the ratio of one warrant for every three Ordinary Shares placed and subscribed for as part of the Placing and the Subscription, following Admission. The retail offer has resulted in a further grant of 4,481,200 warrants.

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.

Currently, there are no outstanding options in the Company.

15 Events after the reporting date

The Fundraising is explained in note 14 above and in the Chair's statement. The Indigo convertible loan note was repaid on 4 August 2026 (see also note 12 above). There are no other significant events.

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/