
**BIFOX ENTERS INTO AGREEMENTS TO ACQUIRE THE 550 MILLION TONNE¹ BAYOVAR 9
PHOSPHATE ROCK PROJECT IN PERU POSITIONING BIFOX TO BECOME ONE OF THE
LEADING GLOBAL PHOSPHATE ROCK SUPPLIERS**

BIFOX ANNOUNCES US\$60 MILLION PRE-IPO CAPITAL RAISE

**MORGAN STANLEY APPOINTED AS FINANCIAL ADVISOR TO EVALUATE FUNDING
ALTERNATIVES**

16 June 2026

Bifox Limited ("Bifox") is pleased to advise it has entered into two agreements with Fossal S.A.A ("Fossal"), to purchase all of the shares of Fosfatos del Pacifico S.A. ("Fospac"). Under the agreements, Bifox has paid US\$10 million cash for 16.667% of the outstanding shares of Fospac, and has acquired a call option to purchase the remaining 83.333% of the outstanding shares for US\$50 million. The acquisition of the remaining stake in Fospac is intended following completion of the planned pre-IPO capital raise, subject to customary closing conditions. All documentation associated with the acquisition is complete.

Fospac is the owner of the mining rights to the 550 million tonne Bayovar 9 phosphate rock project in northern Peru. Fossal is a member of the Hochschild Group, a leading precious metals mining company, headquartered in Lima, Peru.

The acquisition of the 550 million tonne Bayovar 9 phosphate rock project represents a significant milestone in Bifox's strategy to be a leading supplier of phosphate rock to the growing Latin American, US and Asian markets.

Tim Koster, Bifox CEO said, "The acquisition of Bayovar 9 will position Bifox as a top tier supplier of phosphate rock to the growing US, Latin American and Asian markets. Our portfolio of assets in Latin America allows us to supply high quality phosphate rock to fertiliser, industrial and battery customers in these markets.

The global phosphate rock market is expected to be in a supply shortfall over the medium term as supply is forecast to decline in a number of key producing areas whilst global demand is increasing driven by increased global fertiliser usage in food production and LFP battery manufacturing. Phosphate has been designated a 'critical mineral' by the US, Europe, UK, Japan, Canada and South Korea reflecting this supply demand position.

¹ National Instrument Standard 43-101. The Mineral Resource Statement was effective 30 August 2013.

Our intention with Bayovar 9 is to build initially a 2.5 million tonne per annum (mtpa) phosphate rock project to supply into this shortfall. The 550 million tonne Bayovar 9 resource in northern Peru is strategically located close to key markets, 15 kilometres from port infrastructure, in a pro-mining jurisdiction and away from Middle East conflict zones. A 2.5 mtpa project will position Bifox as the third largest listed phosphate rock supplier globally. The scale of the Bayovar 9 resource provides the opportunity to expand production to 5 mtpa at a later stage.

The acquisition of Bayovar 9 represents a significant value accretive transaction for Bifox shareholders and completes a three-year Latin American phosphate resource footprint expansion strategy. This resource base positions Bifox to develop future downstream agribusiness fertilizer products, LFP battery supply chain and strategic offtake partnerships.”

Bayovar 9 Project Highlights:

- A Technical Report National Instrument (NI) 43-101 standard¹ has been completed by Golder Associates Inc. Based on this report the estimated sedimentary resource is as follows:
 - Measured phosphate rock resource of 209.3 million tonnes
 - Indicated phosphate rock resource of 183.6 million tonnes
 - Inferred phosphate rock resource of 153.3 million tonnes
- A total of 228 diamond drill core holes totalling 20,379 metres were completed between 2008 and 2012
- A detailed bankable feasibility study for the Bayovar 9 project was completed in 2015 by Worley Parsons providing expert independent analysis on mine design, metallurgical testing, processing techniques and cost analysis. The design, metallurgical and processing aspects of the report remain valid today and will be benchmarked against current technology to optimise the project.
- Extensive metallurgical testing has demonstrated the ability to process the phosphate rock to export quality of ~30% P₂O₅
- The project received environmental approval from the Peruvian government in 2016. This approval has expired and Bifox is in the process of reapplying for the necessary environmental approval.
- Bifox expects to develop the project to produce between 2.5 to 5 million tonnes of phosphate rock per annum
- The project has excellent access to port, power and road infrastructure
- Royalty arrangements contracted with government and local community
- No indigenous claims over the tenement area
- The Bayovar mine is intended to be developed as open pit mine, with an expected mine life of 20 to 30 years

Bifox's other projects:

- The Selaqueos project is a sedimentary phosphate rock production plant (60,000 tonnes per annum capacity) located in Bahia Inglesa, in the Atacama region of Chile. The project is ready to produce phosphate rock at 20% plus P2O5 content for use as a direct application fertiliser.
- The Chanaral project is an exploration and development project located in the Chanaral region of Chile, close to port and transport infrastructure. The project is currently an underground mine and Bifox intends to undertake an exploration program to further prove up the resource. The mine contains an igneous phosphate ore body able to be upgraded to 30% P2O5 content, making it suitable for both the Chilean and export markets.

The Company also holds other earlier stage phosphate tenements (the Bahia Salada projects) in Chile that may be developed in the future subject to further mining studies.

Pre- IPO Capital Raising

Bifox announces launch of a pre-IPO capital raise offer to select sophisticated and professional investors.

- Targeting US\$60 million pre-IPO capital raise via a convertible note (Notes) with a 10% coupon for the first 12 months with a step-up to 15% for months 13 to 24.
- The Notes will automatically convert into ordinary shares of Bifox at completion of an Initial Public Offering (IPO) or on a sale of all or substantially all of the ordinary shares or assets of Bifox, at a price equal to 70% of the IPO price or the sale price (as applicable). A noteholder may also chose to convert its Notes into ordinary shares where there is a change of control of Bifox at a price equal to 70%.
- The terms of the Notes include covenants restricting the Company from making distributions or dividends, undertaking capital reductions or buy-back, issuing equity securities ranking ahead of the Notes, entering into material agreements that are not on arms-length terms or otherwise materially altering the nature of the business of the Company
- Funds raised from the issue of Notes will be used for the Bayovar acquisition payment and pre-development expenditure, development of the Chanaral project, an increase in production at the Selaqueos project and general working capital. Bifox reserves the right to accept over subscriptions.

A global roadshow marketing the capital raise to select sophisticated and professional investors will be undertaken. Further information is available on the company's [website](http://www.bifox.com.au) (bifox.com.au).



Funding Alternatives

Morgan Stanley has been appointed as Bifox's financial advisor in connection with evaluating its future funding alternatives. Bifox is currently undertaking preparatory work in evaluating and pursuing its preferred funding path.

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Bifox Assets

Bayovar 9 project located in Northern Peru adjacent to the 4.8 million tonne pa producing phosphate rock project owned and operated by Mosaic Inc and Mitsui & Co. Close to port, power and road infrastructure.

Able to export to US, LATAM and Asia

Chanaral and Selaqueos projects able to service LATAM markets



Not a prospectus

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Proposed IPO

Although the Company is considering whether to undertake a listing on a public market (**Listing**), the Company makes no representations, warranties or guarantees that: (a) the Company will seek the Listing at a certain time or at a certain price per security; (b) a Listing will occur, as the occurrence of the Listing is dependent on a number of factors including performance of the business of the Company, alternative corporate transactions, offers that may be received by the Company, economic and market conditions, Listing conditions and the proposed Listing price; or (c) if any Listing occurs, the securities will appreciate in value or an active market in the securities will develop or continue. Until a Listing, the securities will not be tradeable on-market, and if a Listing occurs, the securities may be subject to escrow or trading restrictions imposed by the rules of the relevant securities exchange or other applicable law.