

NEWS RELEASE 25-024

November 17, 2025

UPDATE ON CHATHAM TERM SHEET TO ACQUIRE 15% OF CHATHAM ROCK PHOSPHATE (NZ) LIMITED

WELLINGTON New Zealand – On July 4, 2025, as described in our last two Management Discussion & Analysis Quarterly reports, Chatham Rock Phosphate Limited (TSXV: “NZP”, NZX: “CRP” and “3GRE” (Frankfurt) or the “Company”) executed a non-binding term sheet that detailed the following proposed transactions.

1. The Acquisition by an arm’s length party (the “Acquiror”) of an initial 15% interest in a newly formed entity (“NewCo”) whose sole asset is the wholly owned subsidiary, Chatham Rock Phosphate (NZ) Limited (CRPNZ) which holds the Chatham Rise Phosphate offshore mining permit (MP55549) and related assets.
2. The Acquiror has an exclusive right to increase its stake to up to 75% of the Chatham Rise project through an agreed earn-in program (the “Transaction”).
3. The Acquiror is entitled to increase its ownership in NewCo from 15% to 75% in a stepwise fashion, pursuant to meeting mutually agreed upon technical, financial, and regulatory milestones and culminating with full project production permitting during the Option Period. Milestones and corresponding equity tranches to be documented in the definitive agreement.
4. **The Acquiror will be solely responsible for all future capital contributions to fund the Chatham Rise project activities unless mutually agreed upon third party investors are included in NewCo.**
5. CRP shall retain a 2.0% Net Smelter Royalty (NSR) on the project. The Acquiror shall have the right to repurchase 2/3 of this royalty at fair market value within three years of project production. An additional royalty kicker, up to a total of 2.5% may be agreed based on spot or realized sale prices, to be defined in final documentation.
6. The executed term sheet (“Term Sheet”) was for discussion purposes only and did not include all the terms, conditions or other provisions relating to the proposed investment by the Acquiror into the offshore mining project currently held by Chatham Rock Phosphate Limited (“CRP”). No binding agreement or commitment would exist until final definitive documents have been executed.
7. The proposed transactions may require, inter alia, the approval of New Zealand Petroleum & Minerals and the Toronto Stock Exchange.

Earlier Disclosures

Reference to this development was included in the Subsequent Events Note in the MD & A reports for the three-month periods ending 31 March 2025 and 30 June 2025.

“On July 4, 2025, an interested party entered into a non-binding term sheet with the Group and commenced due diligence on the Chatham Rise Project. The exclusivity period to finalize the transaction is six months from 4 July 2025. Upon successful completion of due diligence, the Group may enter into a definitive investment agreement which would provide an option

to the interested party to acquire up to 75% stake in the Chatham Rise project through an agreed earn-in program”

Further reference to the transaction was made in the October 24, 2025 announcement relating to the current private placement of units being made by the Company

Recent Developments

Since the 4th of July the following events have occurred.

1. Four representatives of the Acquiror traveled to New Zealand and were based in our Wellington office where they commenced a rigorous Due Diligence process being briefed by our management team and meeting a wide range of stakeholders including government representatives.
2. Last week Chatham representatives met with those of the Acquiror where they confirmed that their due diligence investigations are now completed. We are now proceeding to negotiate binding transaction documentation. The objective is to complete the transaction documentation in calendar 2025.

Subject to agreeing the form of final, binding transaction documents, the Chatham Rock Phosphate Board anticipates that the Acquiror will be proceeding with the proposed transactions as outlined in the Term Sheet.

Chris Castle, founder president and chief executive of Chatham Rock Phosphate said that this is potentially the most significant event in the history of the company. “At the moment we hold 100% of the Chatham Rise project which has a granted Mining Permit but have for the last decade been unable to source the very substantial capital required to reapply for a Marine (environmental) Consent since our initial application was declined in 2015.

If the transactions proceed Chatham will still hold 25% of the project (and a 2% royalty) with no further capital required to be invested in the project.”

Chris Castle
President and Chief Executive Officer
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Statements about the Company’s future expectations and all other statements in this press release other than historical facts are “forward looking statements”. Such forward-looking statements are based on numerous assumptions, and involve known and unknown risks, uncertainties and other factors, including risks inherent in mineral exploration and development, which may cause the actual results, performance, or achievements of the Company to be materially different from any projected future results, performance, or achievements expressed or implied by such forward-looking statements.

Neither the TSX Venture Exchange, its Regulation Service Provider (as that term is defined under the policies of the TSX Venture Exchange), or New Zealand Exchange Limited has in any way passed upon the merits of the above described transaction, and has neither approved nor disapproved of the contents of this press release.