



FENIX RESOURCES LIMITED

THE NEXT AUSTRALIAN
HIGH-GRADE IRON ORE MINER

Corporate Presentation
November 2020

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Competent Person’s Statement

- The information in this presentation that relates to Mineral Resources is based on information compiled by Mr Alex Wishaw, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is employee by CSA Global Pty Ltd. Mr Wishaw has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). The Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.
- The information in this presentation that relates to the Processing and Metallurgy for the Iron Ridge Project is based on and fairly represents, information and supporting documentation compiled by Mr Damian Connelly who is a Fellow of The Australasian Institute of Mining and Metallurgy and a full time employee of METS Engineering Group. Mr Connelly has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. The Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.
- The information in this presentation that relates to Ore Reserves is based on information compiled by Mr John Battista, a Competent Person who is a Member and Chartered Professional (Mining) of the Australasian Institute of Mining and Metallurgy and is currently employed by Mining Plus (UK) Ltd. Mr Battista has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). The Company confirms it is not aware of any new information or data that materially affects the information included in the relevant market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. In relation to the production target and forecast financial information referred to in the report, the Company confirms that all material assumptions underpinning the production target and the forecast financial information derived from the production target continue to apply and have not materially changed since the announcement of the feasibility study on 4 November 2019.

Company Overview

Why invest in Fenix



The Next Australian High-Grade Iron Ore Miner

- 100% owner of the high-grade (Mineral Resource grade: 64.2%) Iron Ridge iron ore deposit in WA's Mid West
- 490km by mostly sealed road to Geraldton Port
- Initial capital cost of only \$11.9m; FS forecasts C1 cash costs of A\$76.86/t; Diesel price has since fallen sharply providing a buffer on inflationary pressures
- FS forecast average annual EBITDA of \$16.4m based on benchmark Fe price of A\$111.43/t; Current Spot price ~A\$170.17/t
- Simple 1.25Mtpa DSO operation; Iron ore starts at surface; Single open pit with staged cutbacks
- Currently in development with first production within 2 months; first shipment in 1Q/CY21
- Enterprise Value: \$37.3m



World Class WA
Mining Jurisdiction



High-Grade 64.2% Iron
Ore Resource



Buoyant A\$ Iron Ore
Price



Compelling
Feasibility Study
Results



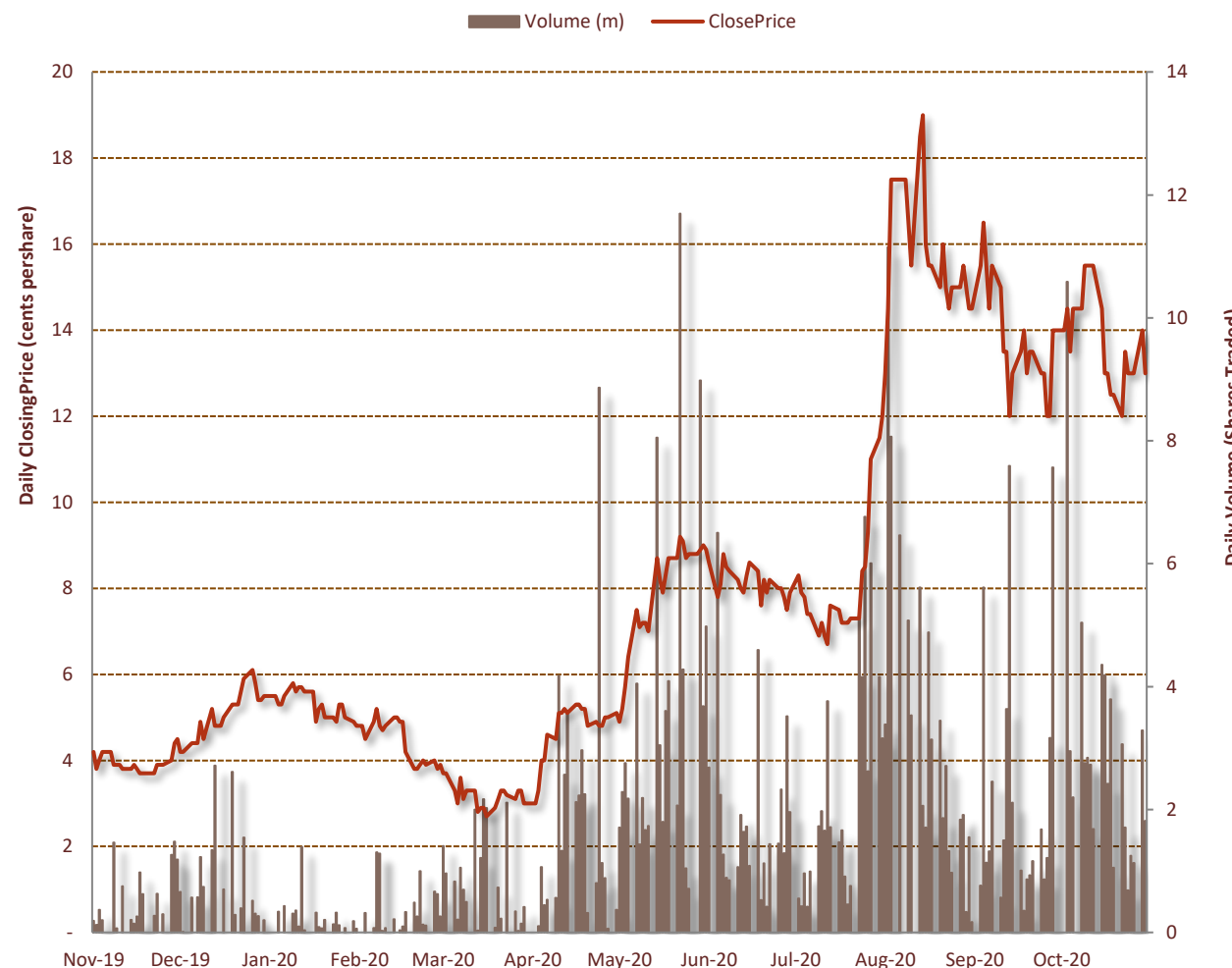
Highly Experienced
Board & Management
Team

Capital Structure & Pricing	
Ordinary shares on issue	393.2m
Vendor Performance Shares ¹	97.5m
Unlisted Options ²	79.0m
Share Price (10 November 2020)	\$0.130
Market capitalisation (undiluted)	\$51.1m
Cash ³	\$13.8m
Debt	Nil
Enterprise Value (undiluted)	\$37.3m

- Hurdles aligned with key asset development milestones
- 59 million options: exercise price of 8 cents and expiry date of 21 Nov 2021 | 10 million options: Exercise price of 7 cents and expiry date of 31 Dec 2021 | 10 million options: Exercise price of 6 cents and expiry date of 31 Dec 2021
- Cash as at 30 Sept 2020 + T2 Placement pre-costs(\$4.7 million)

Board & Management	
Garret Dixon	Non Executive Chairman
Rob Brierley	Managing Director
Garry Plowright	Executive Director
Warwick Davies	Non Executive Director

Share Price History



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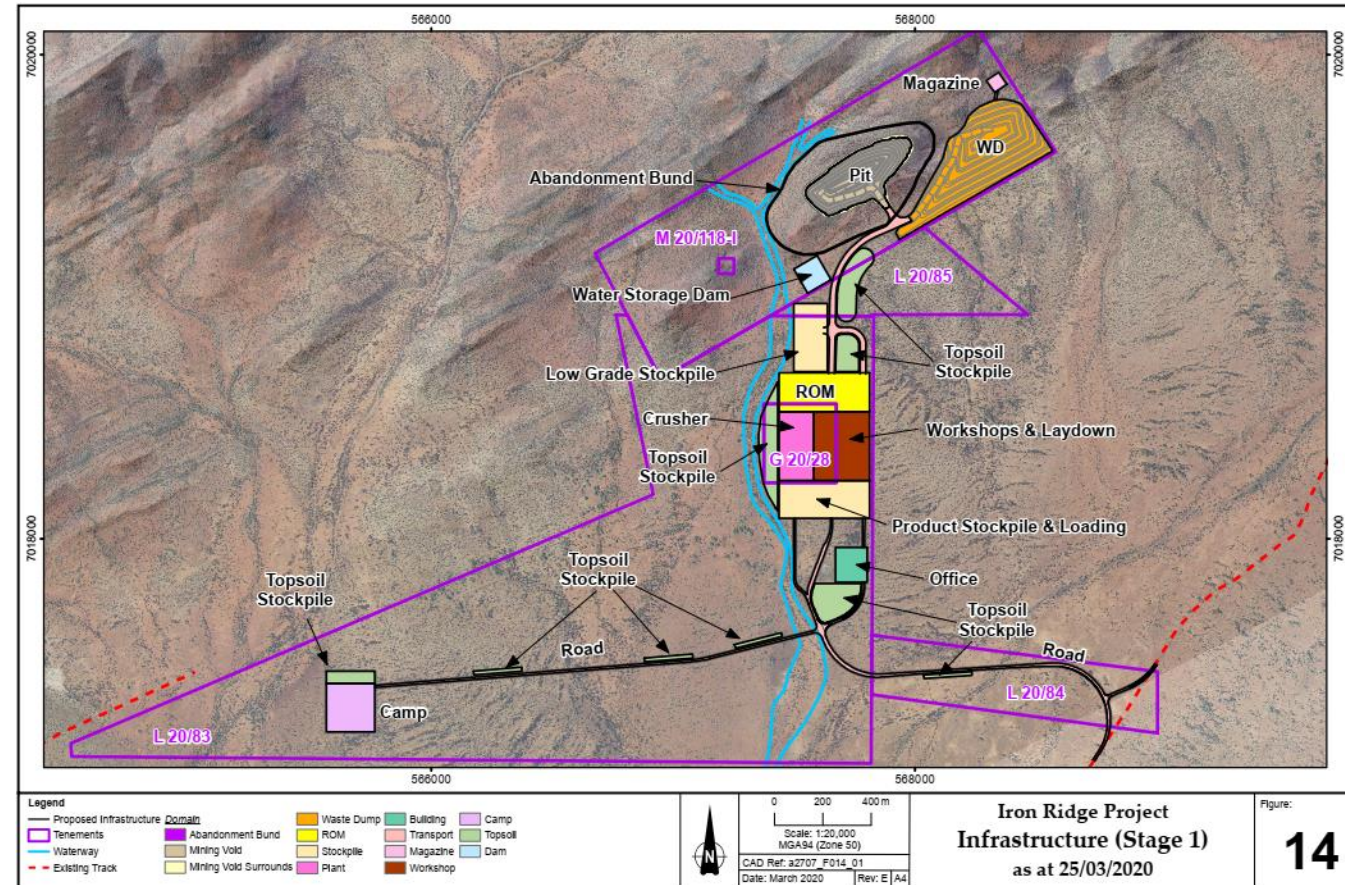
Iron Ridge Project

Iron Ridge Project



High Grade Iron Ore Project in the Midwest

- Fenix acquired the right to 100% of the project in May 2018 and completed the transaction in November 2018.
- Mineral Resource Estimate¹ of 10.5 Mt @ 64.2% Fe, which represents some of the highest grade iron ore in Western Australia
- Feasibility Study Completed November 2019
- Maiden Ore Reserves² of 7.8Mt @ 63.9% Fe
- Project development commenced September 2020
- First production expected by year-end
- First shipment expected in Q1/CY2021



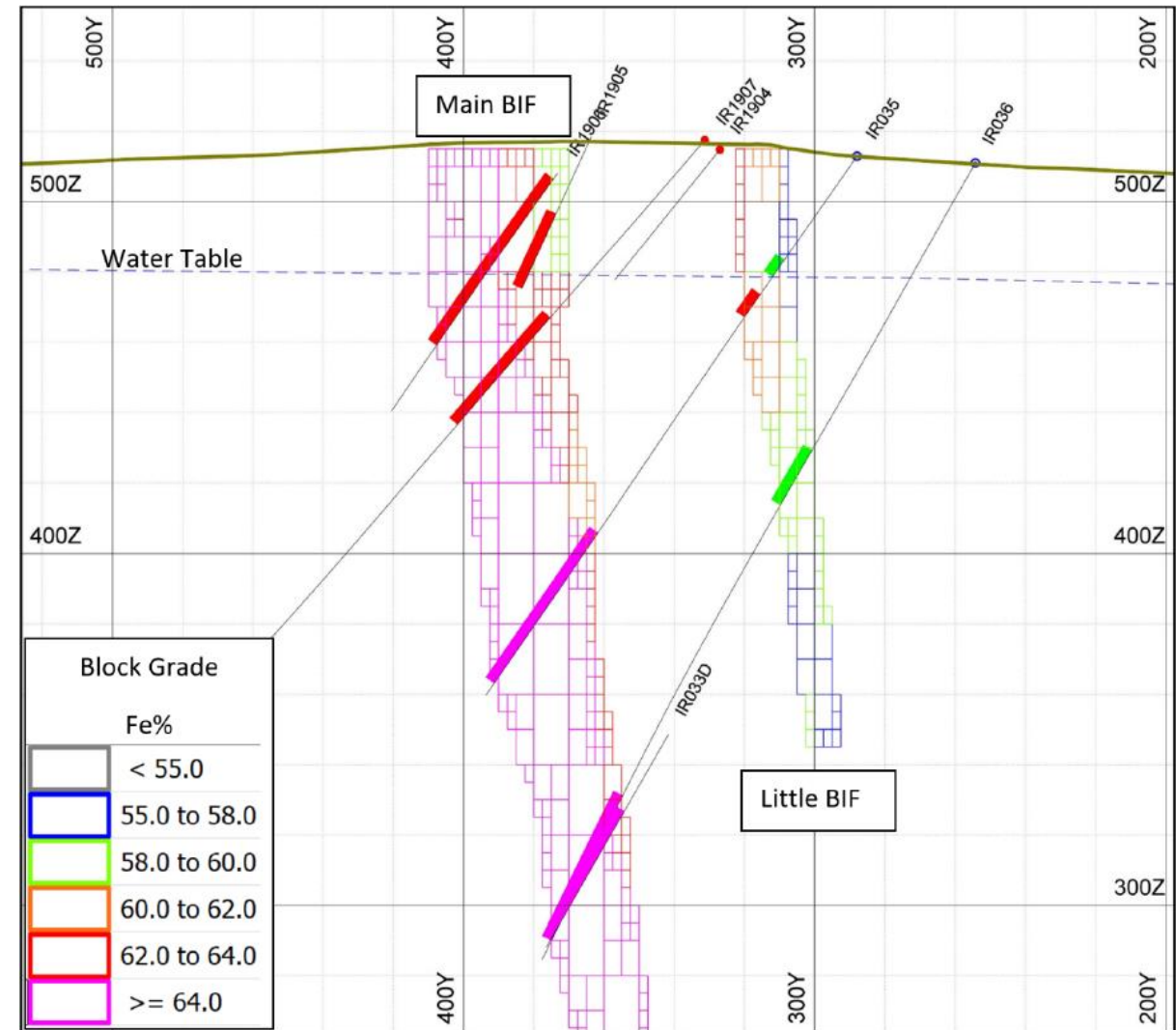
¹ Refer ASX release from Fenix Resources Ltd (FEX) dated 21 August 2019.

² Refer ASX release from Fenix Resources Ltd (FEX) dated 4 November 2019.

Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Simple Geology & Standard Open Pit Mining

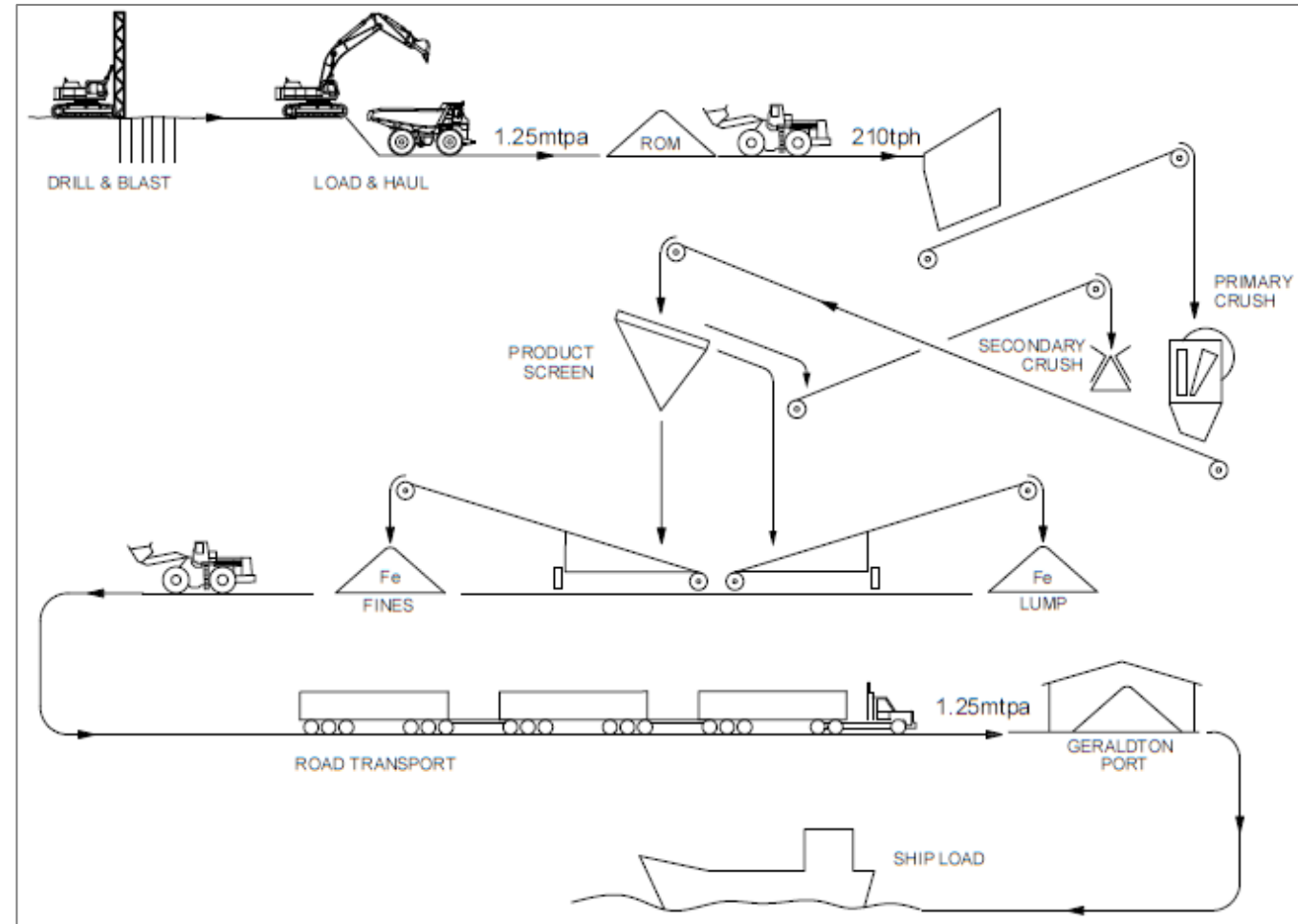
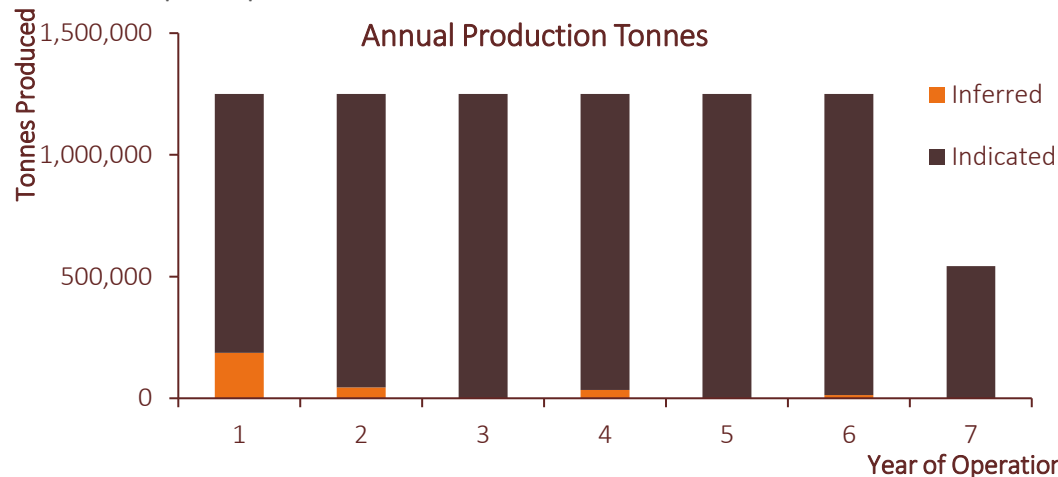
- Mineralisation at Iron Ridge starts at surface and plunges gently to the south-west along strike with mineralisation continuing to a depth of up to 230m below surface. Current optimised open pit goes to a maximum depth of 155m
- Consistent high grades recorded in the main BIF after 20-40m hard cap mineralisation (minor elevated alumina, Fe ~62% Fe)
- Single open pit operation using conventional excavator-truck mining fleet
- Ore and waste will be hauled to the ROM pad and waste dump respectively by a fleet of 100 tonne haul trucks
- Drill and blast will be conducted using a top hammer drill rig and ANFO or heavy ANFO explosives
- The Feasibility Study determined that over the 6.5 year LOM, ~8 million tonnes of high-grade hematite grading approximately 64% Fe will be extracted



Uncomplicated Processing of Premium DSO



- Low deleterious elements, well within acceptable limits
- No beneficiation is required, simple DSO material
- Anticipated to produce premium >65% Fe lump and >63% Fe fines products at 25-30% lump ratio over the life-of-mine
- Processing plant is mobile, modular and consists of:
 - two-stage crushing circuit (primary and secondary crushing)
 - multi-deck screen to separate the lump and fines product into distinct stockpiles for road transport to export port



Established Infrastructure Path



Low Capex contract mining & trucking concept facilitated by key project characteristics

Good Roads

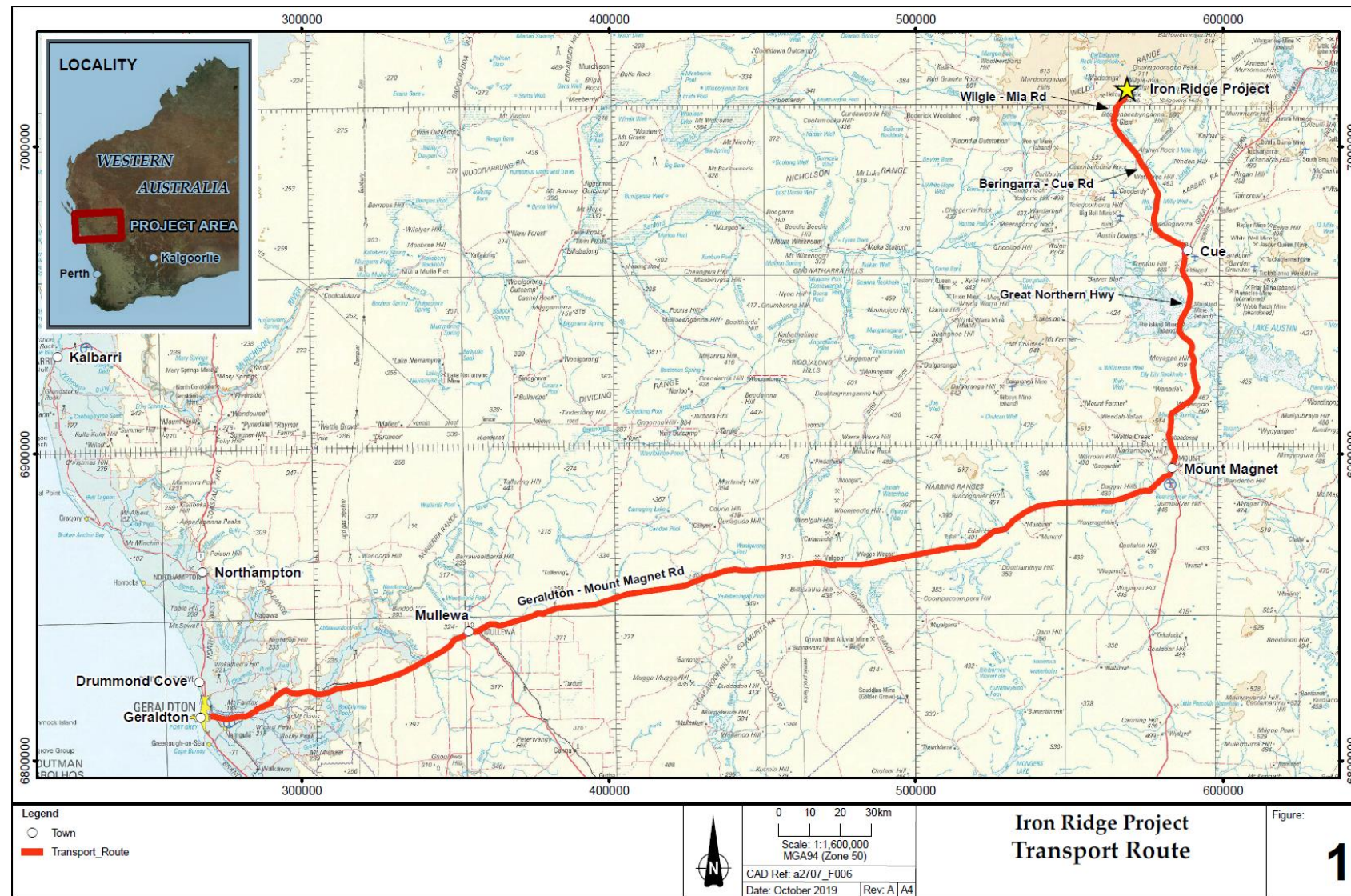
Sealed highway runs within ~15km of project.
490km (by road) to Geraldton Port

Trucking Joint Venture

Fenix formed a strategic alliance, via a 50/50 JVC, with Newhaul Pty Ltd in May 2019. Importantly the alliance provides trucking services to the Project; and Introduces the expertise of Craig Mitchell – founder and former owner of transport and logistics provider Mitchell Corp

Port Capacity

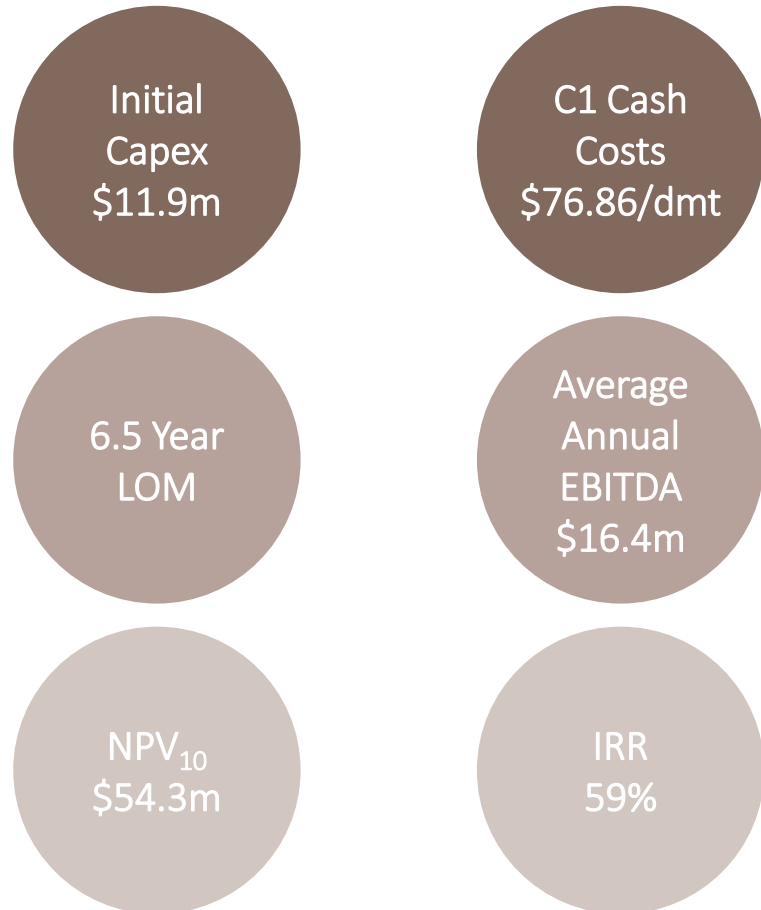
Storage shed secured at Geraldton and Port Lease agreements expected to be finalised in November 2020 securing port export allocation



Feasibility Study Highlights



The Feasibility Study (“FS”), released on 4 November 2019, revealed a high-grade and high-quality Project that provides strong returns over a moderate mine life



Operating Metric	Unit	Feasibility Study
Processing Capacity	Mtpa	1.25
Average Strip Ratio	Waste:ore	2.86:1
Total Mineral Inventory	Mt	8.0
Initial Mine Life	Months	77
Average C1 Cash costs	A\$/dmt	76.86
Ore Reserve	Mt	7.76
Reserve Grade	%	63.9
Financial Metrics		
Project Life of Mine Revenue (FOB)	A\$m	802.9
Project net cash flow	A\$m	110.4
Estimated C1 cash operating cost	A\$/dmt	76.86
Pre-Production Capex inc. contingency	A\$m	11.9
NPV ₁₀	\$m	54.3
IRR	%	58.9
Annual Average EBITDA	\$m	16.4
Assumptions		
Exchange Rate	A\$:US\$	0.70
62% Fe index price	US\$/dmt	78.00
62% Fe index price	A\$/dmt	111.43
Diesel Price	A\$/L	\$1.34

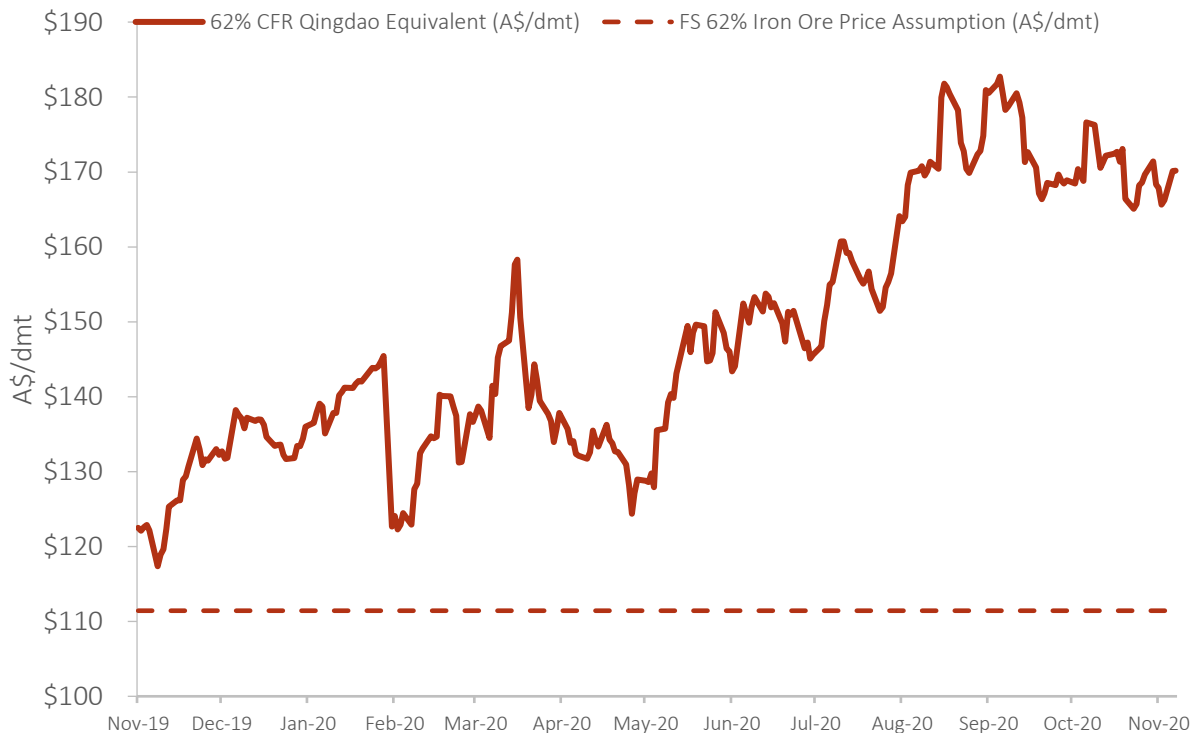
Improving Macroeconomic Factors



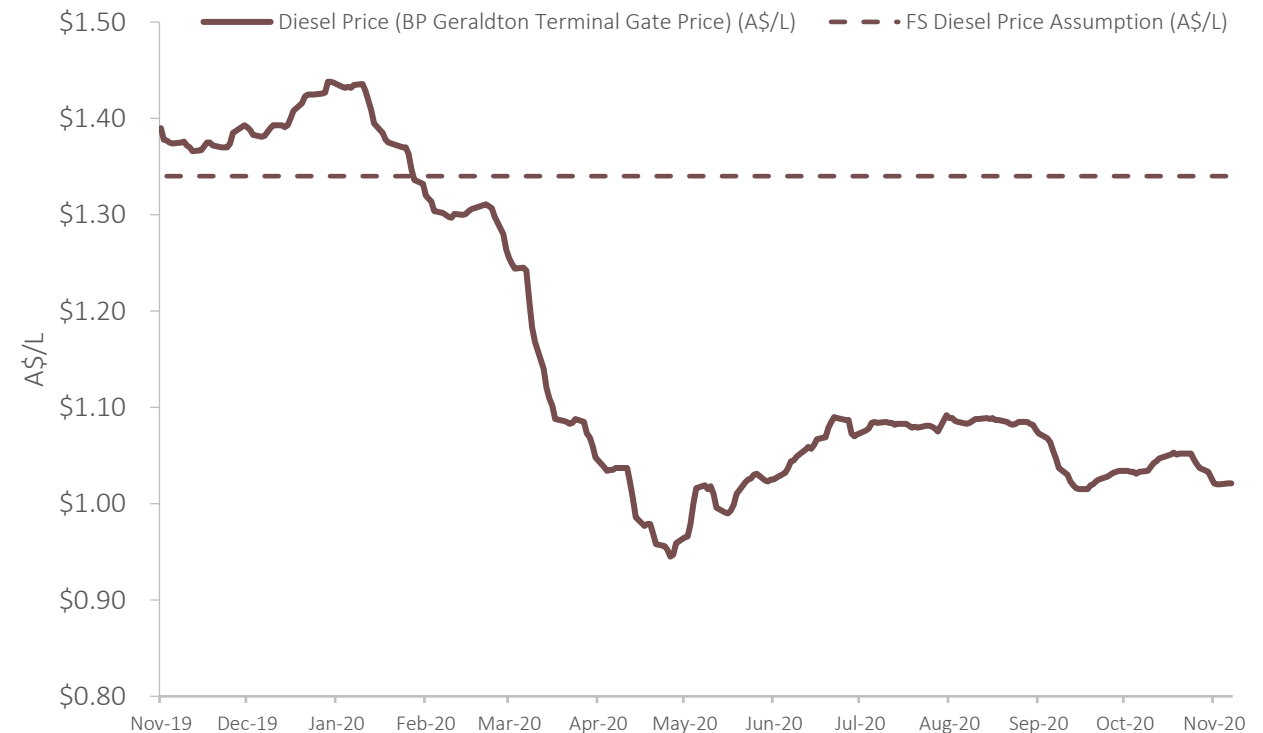
Since the announcement of the Feasibility Study on 4 November 2019, both the A\$ index iron ore price and diesel price have moved materially in favour of the Iron Ridge Project economics

	Feasibility Study Assumptions	Current Spot Price (10 November 2020)	Variance (%)	
62% Fe index price (US\$)	\$78.00	\$123.90	58.85%	✓
62% Fe index price (A\$)	\$111.43	\$170.17	52.71%	✓
Diesel Price (A\$/L)	\$1.34	\$1.02	-23.81%	✓

Iron Ore Price Compared to Feasibility Study



Diesel Price Compared to Feasibility Study



Capital & Operating Expenses – Feasibility Study



Capex

Capital Cost (A\$m)	Pre Start-up Capital Cost	Commercial Production Cost	Initial Capex	Year 1 Capital Cost	Total Capex
Roads	2.76	-	2.76	1.89	4.65
Infrastructure Pads	0.33	-	0.33	-	0.33
Contractor Mobilisations	-	0.99	0.99	0.50	1.49
Mine Site Infrastructure	1.20	3.88	5.08	-	5.08
Owners Site Costs	0.79	0.21	1.00	0.43	1.43
Contingency	0.39	0.13	0.52	0.18	0.70
Total Project Development Capex	5.46	5.20	10.67	3.00	13.67
Haulage JV Contribution	1.25	-	1.25	-	1.25
Total Capex	6.71	5.20	11.92	3.00	14.92

- Initial capex to establish the operation is estimated at \$11.9 million
- Acquisition of port storage shed and truck unloading facility and estimated recommissioning costs will add \$1.25 million to initial capex
- A further \$3 million of capex to be spent in year one of the project mostly in Q4

Opex

Operating Cost (A\$/dmt)	LOM Average Cost
Mining & Processing	20.87
Road Haulage	43.27
Port storage, handling & ship loading	9.27
Corporate & administration	3.45
C1 Operating Cash Costs (FOB)	76.86
Royalties	9.24
Cash Costs (FOB)	86.10

- C1 Operating Costs are comprised of:
 - 56.3% road transport costs
 - 27.1% to mine and processing
 - 12.1% to port costs
 - 4.5% to corporate and administration

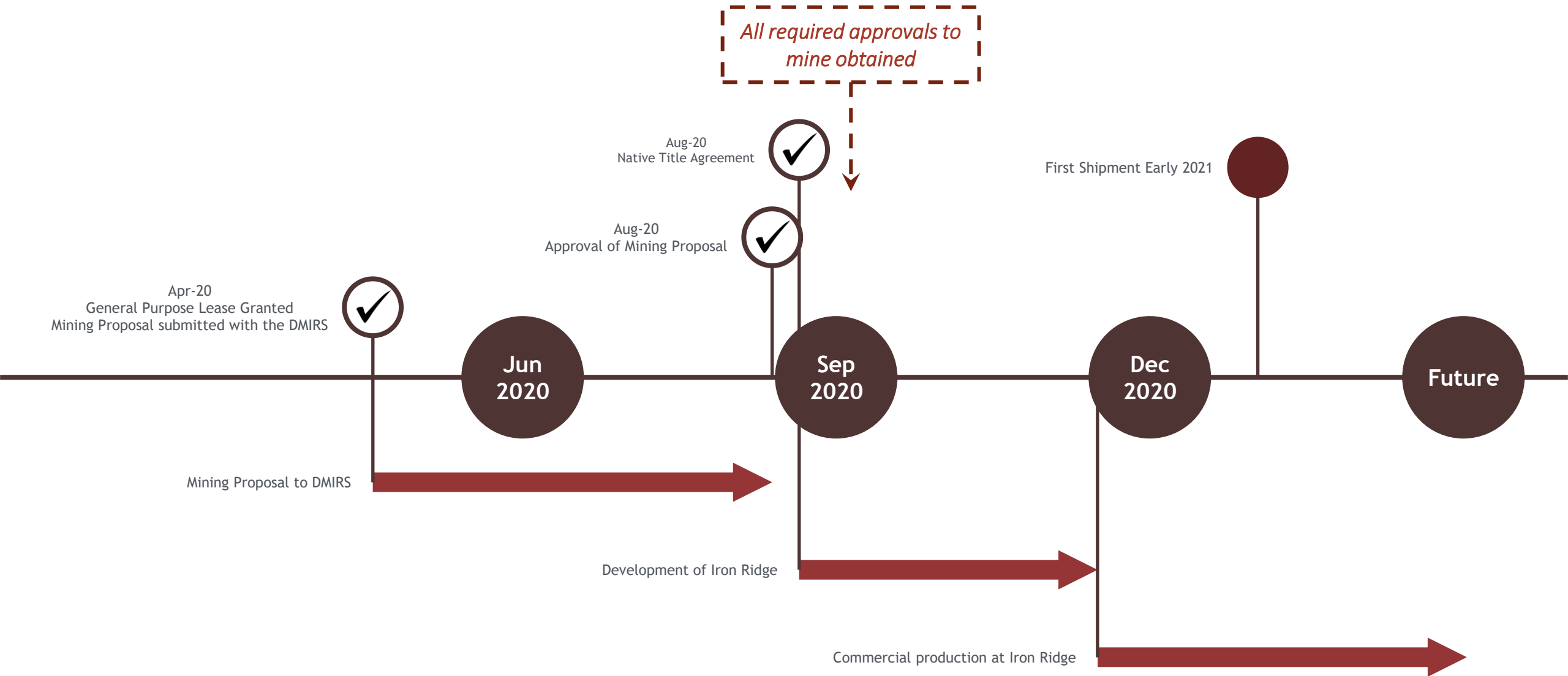
~2 years of Successful Project Development



From acquiring Iron Ridge in November 2018, Fenix has rapidly developed the Project including two Mineral Resource Upgrades, delivering a successful Feasibility Study, executing a Native Title agreement and obtaining approval of the Mining Proposal

- | | |
|---|----------------|
| ✓ Iron Ridge acquisition finalised | November 2018 |
| ✓ Mineral Resource upgrade 1 | March 2019 |
| ✓ Strategic Road Transport Alliance formed | May 2019 |
| ✓ Joint cooperation agreement with Mid West Ports | May 2019 |
| ✓ Mineral Resource upgrade 2 | August 2019 |
| ✓ Feasibility Study completed & Ore Reserves declared | November 2019 |
| ✓ All tenure for project start-up granted | April 2020 |
| ✓ Mining Proposal approved | August 2020 |
| ✓ Native Title Agreement executed | August 2020 |
| ✓ Project Financing through Equity Raising secured | August 2020 |
| ✓ Clearing Permit and Project Management Plan approved | September 2020 |
| ✓ FID declared and Site Works commenced | September 2020 |
| ✓ Purchase of Geraldton Port Infrastructure | October 2020 |
| ✓ Offtake secured for 100% of Iron Ridge production | October 2020 |
| ✓ Mining contract awarded to MACA and Road Transport contract finalised | October 2020 |

2020 Project Development Progress and Target Timeline

















The Next Australian High-Grade Iron Ore Miner

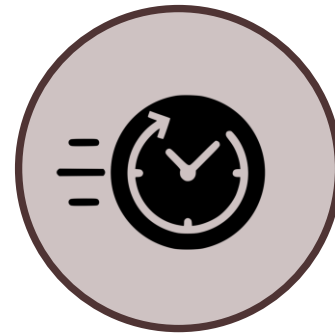
Fenix Resources is Rapidly Developing its High-Grade Iron Ridge Project



High-Grade 64.2% Iron Ore Resource



Very Low Upfront Capex



Rapid Time to First Shipment



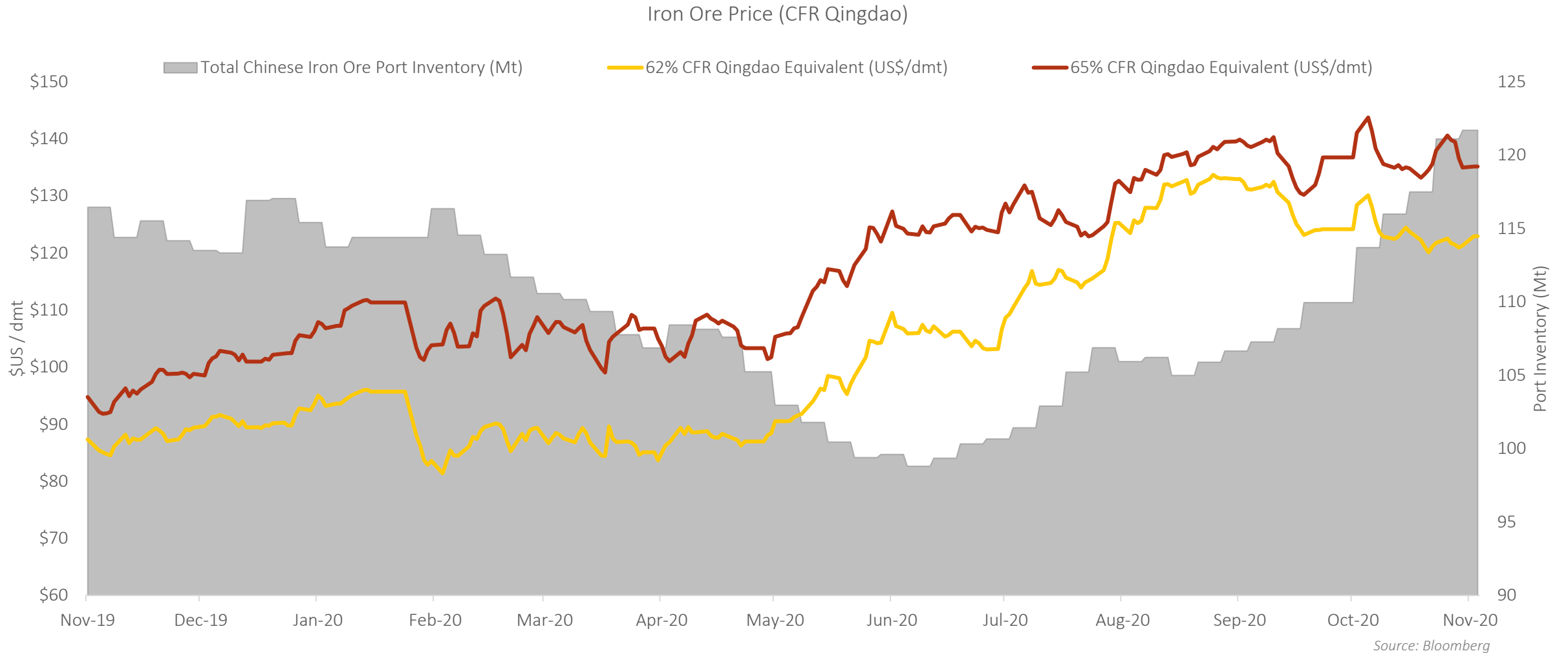
World Class WA Mining Jurisdiction

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Iron Ore Pricing



Iron Ridge production attracts a premium Iron Ore price given its excellent quality



Mineral Resource & Ore Reserve



- ✓ Resource update in August 2019 delivered a significant increase in overall Resource confidence, with the Indicated Mineral Resource increasing by 51%
- ✓ High grade overall Resource of 10.5Mt @ 64.2% Fe
- ✓ Main BIF higher grade
 - ✓ Indicated portion = 10Mt @ 64.3% Fe
- ✓ Strong proportion of Indicated Resource (>95%) that supports FS
- ✓ Low to acceptable impurities
- ✓ Maiden Ore Reserves declared in November 2019 of 7.76Mt @ 63.9% Fe, representing conversion ratio of ~78% of Indicated Resource to Ore Reserve

	Tonnes	Fe	Al ₂ O ₃	LOI	P	SiO ₂	TiO ₂
	Mt	%	%	%	%	%	%
Indicated	10	64.3	2.56	1.9	0.046	3.21	0.09
Inferred	0.5	62.5	2.8	3.13	0.046	4.41	0.12
Total Mineral Resource	10.5	64.2	2.57	1.96	0.046	3.26	0.09
Probable	7.76	63.9	2.79	2.00	0.05	3.46	0.09
Total Ore Reserve	7.76	63.9	2.79	2.00	0.05	3.46	0.09



FENIX RESOURCES LIMITED

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