

An aerial photograph of an iron ore mine, showing large rectangular pits and tracks. A large, semi-transparent red arrow points from the left towards the right, passing over the mine. The text is overlaid on the left side of the image.

FENIX

**High-grade, high
margin Australian
iron ore miner**

**with distinct infrastructure
advantage to drive growth**

June 2022

Important Disclosure



This Presentation has been approved by the Board of Fenix Resources Limited

Disclaimer

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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 a former 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 a former employee of 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.

Fenix Acquires 100% Ownership of Mid-West Haulage Business



Value Accretive Transaction

- **Highly profitable** state-of-the-art fully integrated logistics business
- Immediate reduction in C1 FOB cash costs by **~A\$10 per tonne** enabling Fenix to target total cash costs of ~A\$70/wmt
- Value accretive on an **Earnings per Share Dividend per Share** basis
- Additional value expected from **operational flexibility advantages**
- Will result in **higher earnings** for FEX and **higher dividends** for shareholders
- **Integrated model unlocks strategic expansion** opportunities in Mid-West by combining mining expertise with logistics capabilities in haulage and port operations
- Allows FEX to be substantially **more resilient & robust** to commodity price volatility
- Transaction a key outcome from Board's recent strategic review



Fenix Investment Opportunity



01

**Premium product -
among highest grade DSO
operations globally**

**Generated net operating
cashflow in excess of A\$112
million since inception**



02

**Distinct infrastructure
advantage**

**Leveraging Company owned haulage
and port facilities to underpin future
growth opportunities**



03

**Skilled team with proven
ability to execute**

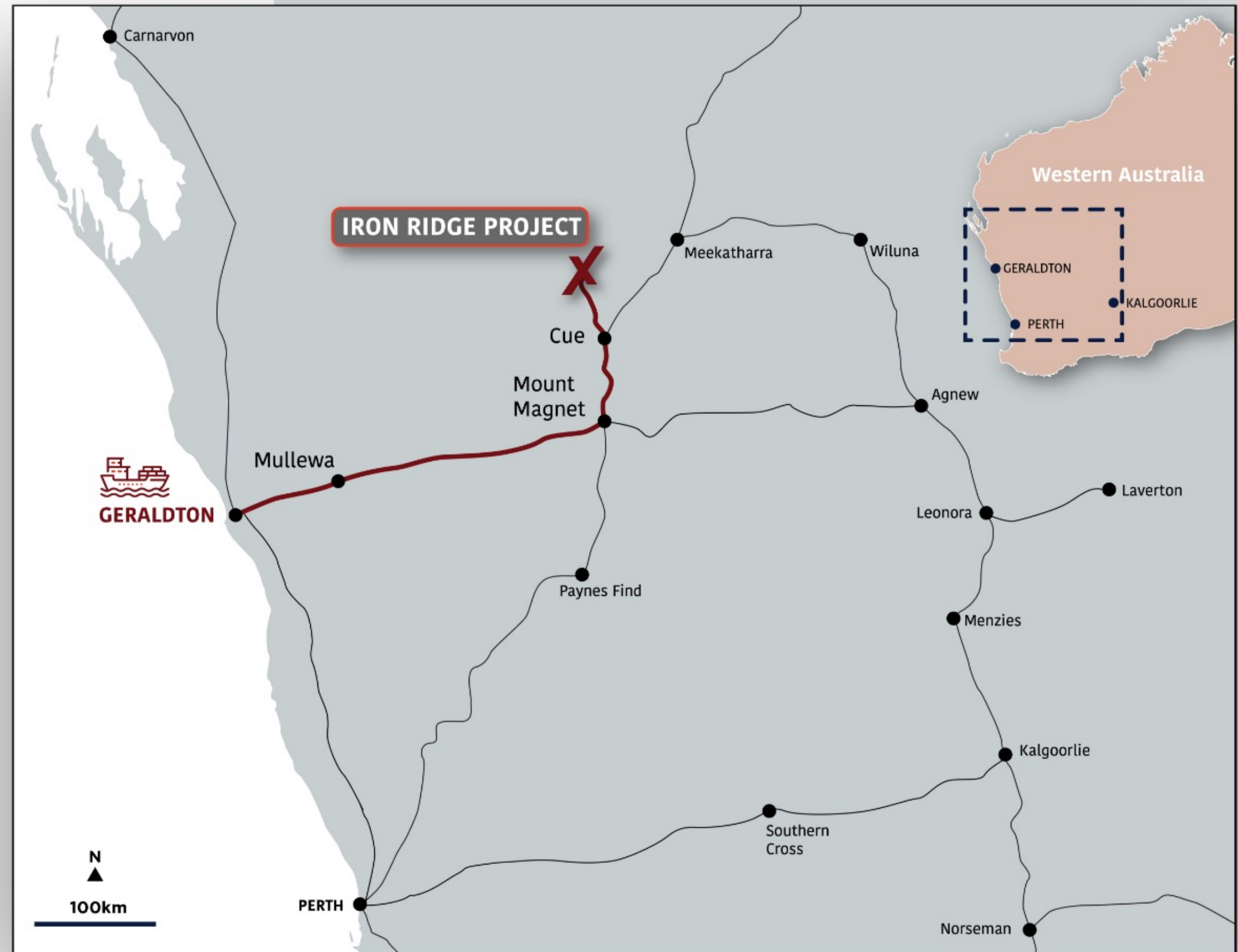
**“Exploration, expansion,
acquisition” growth strategy
to drive shareholder value**



World Class WA Mining Jurisdiction

Tier 1 Investment Location

- Iron Ridge Project located in the centre of prolific West Australian iron ore region
- WA is the most attractive mining investment jurisdictions in the world¹, with the most richly endowed iron ore tenure globally
- Fenix has sole iron ore rights over 344 sq km of this blue-chip real estate
- Surrounded by Sinosteel Midwest's Weld Range Project and excellent infrastructure



¹Fraser Institute Report 2021

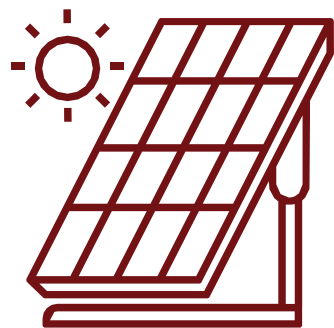
ESG Commitments

Providing Opportunities to the Mid West



- The Iron Ridge project has generated more than 200 full-time jobs
- Fenix has greater than 40% Indigenous employment and the project has around 10% Indigenous employment
- Fenix has created opportunities for three Indigenous businesses at the mine and at the port

Renewable Power Generation



- Fenix-owned infrastructure powered by solar at the Iron Ridge mine site - weighbridge, telecommunications towers and water transfers pumps
- Investigating other methods to reduce carbon emissions



Schwarze Brothers Ship Loading Venture

Haulage Transaction Highlights



- **Reduces C1 FOB cash costs by ~A\$10/wmt** enabling target total C1 FOB cash costs of ~A\$70/wmt
- **Maximises value for shareholders:**
 - ✓ Immediately value accretive on Earnings per Share & Dividend per Share basis
 - ✓ 100% of profits and cashflows from highly efficient & profitable haulage business
- **Flexibility to scale haulage operations** to match production volumes to market demand and iron ore price conditions
- **Integrated model** enhances ability to unlock strategic expansion opportunities in Mid-West
- Upfront consideration of A\$7.5m in cash & 30m FEX ordinary shares; contingent consideration of a further 60m Fenix shares subject to achievement of significant value-based performance milestones
- Terms **structured to minimise upfront payments** with deferred consideration milestones tied to performance and growth of Fenix's haulage business





FENIX

IRON RIDGE OPEN PIT

High Margin, Premium Iron Ore



- Iron Ridge hosts some of the highest grade iron ore in WA
- Mineral Resource Estimate¹: **9.8Mt @ 64.4% Fe**
- Ore Reserves¹ of **7.1Mt @ 64.1% Fe**
- The Resource offers a premium ²DSO product & compares favourably to DSO products globally
- Approx. 1.5Mt of premium iron ore exported to date
- High-grade product averaging 63% Fe (to date) - above the ³benchmark DSO product range
- Grade increases with depth
- Product contains no palpable impurities
- High grade iron ore attracts a premium price on the seaborne market, as a purer product results in lower emissions



¹Refer Annual Report of Fenix Resources as released on 15 September 2021: 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).

²DSO: direct shipping ore

³Benchmark DSO product: ranges between 58-62% Fe. Steel works are demanding high grade ore to meet increasingly strict government regulations.

Generating Solid Cashflow



Steady state production has generated solid cash flow in excess of A\$112 million to date (14 months of sales)

- Iron ore shipments sent to steel mills in Indonesia, Malaysia, Vietnam, Japan and China
- Generated **>\$80m of pre-tax profit in CY 2021**, since first shipment in February 2021
- **Net cash of \$85.6m** at 31 March 2022
- Remaining Hedge book of 515,000t at an average of A\$200/dmt:
 - Deliveries of 50kt per month at A\$230/dmt to September 2022; and then
 - 35kt per month at A\$180/dmt from October 2022 to June 2023



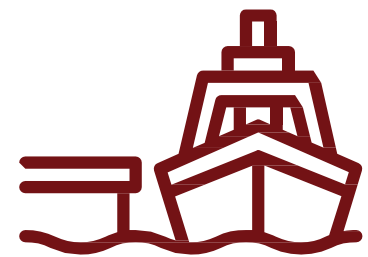
Established Infrastructure Path to Export Markets



Haulage

Fenix to acquire 100% of Fenix-Newhaul Pty Ltd, which provides trucking services to & from the project

Existing management remains in place for at least 12 months ensuring continuity of road haulage capability



Port Export Allocation

Binding lease agreement and export allocation for up to 8 years commencing 2021



Port Storage

Storage shed and associated infrastructure opportunistically purchased for A\$1 million (replacement cost ~A\$20 million)



Ship loading at Geraldton Port



ROAD HAULING TO GERALDTON WITH NEW, STATE-OF-THE ART TRUCKS AND TRAILER COMBINATIONS





CRUSHING & SCREENING TO PRODUCE LUMP AND FINES

Portfolio Growth



Exploration

Test existing resource extensions.

Look to grow the resource inventory to support an expansion in production.



Expansion

Increase current production rate based on existing resource.

Expand footprint through acquisition or partnering.



Acquisition

Regional acquisitions through leveraging existing infrastructure assets, haulage fleet and balance sheet.

Apply FEX model outside the region.

The Fenix Strategy



Exploration

- Greenfields exploration over newly acquired 550km2 project area prospective for iron ore (3 target areas already identified)
- Test existing resource potential extensions (northwards), with outlook to grow resource inventory to support an elevation in production



Expansion

- Flexibility around production rate based on iron ore prices, allows increase to current production rate based on existing resource
- Increase Mid-West footprint by partnering with other producers in region, or acquiring nearby exploration projects
- Deploy surplus cash to reduce unit costs through new opportunities for additional tenure & infrastructure assets
- Expansion plans underpinned by management's ability to execute



Acquisition

- Balance sheet funded, synergistic Mid-West project acquisitions that leverage existing infrastructure assets
- Vertically integrated business through acquisition of complementary businesses / JVs

Australian iron ore miner with premium, high margin product, and strategic infrastructure advantage, which underpins expansion to drive increased shareholder value.

Highly Experienced Board & Management Team



John Welborn

Non-Executive Chairman

An industry leader with extensive experience in the resources sector as a senior executive, and in corporate management, finance, and investment banking. Mr Welborn is currently Managing Director & CEO of Equatorial Resources Limited, Chairman of Orbital Corporation and a Non-Executive Director of Apollo Minerals Limited. Mr Welborn was previously the Head of Specialised Lending in Western Australia for Investec Bank. As a Director and Chief Executive, he has been responsible for driving growth in several ASX listed companies.

In addition to his extensive corporate career, Mr Welborn is a former Wallaby Rugby player, Director of Rugby WA Ltd and Commissioner of Tourism in Australia.

Rob Brierley

Managing Director

Mr Brierley holds a Bachelor of Engineering (Mining Engineering) and a Graduate Diploma in Applied Finance and Investment. He is experienced in project and mine management, corporate finance, leadership, corporate governance and equities research. Mr Brierley has significant experience in many mining operations, including acting as Registered Mine Manager/Quarry Manager at several iron ore mines including Yandi, Marandoo and Koolan Island.

Additionally, he has over 13 years of experience in financial markets, predominantly as Head of Equities Research. Mr Brierley is responsible for the management of the corporate activities of the Company including investor relations, operational leadership, finance and business development. Mr Brierley is a Graduate Member of the Australian Institute of Company Directors. He has had previous executive and non-executive roles with several other ASX-listed companies, predominantly in the resources sector.

Garry Plowright

Non-Executive Director

Mr Plowright is an experienced executive with over 25 years’ experience in finance, commercial and technical development within the mining and exploration industry, working for some of Australia’s leading resource companies.

Previous experience includes the supply and logistics of services to the mining and exploration industry including capital raising, corporate governance and compliance, project management, mining and environmental approvals and regulations, contract negotiations, tenure management, land access, stakeholder and community engagement.

Mr Plowright has held global Operational and corporate roles with Gindalbie Metals Ltd, Mt Edon Gold Ltd, Pacmin Mining, Atlas Iron Ltd, Tigris Gold (South Korea) and Westland Titanium (New Zealand).

Chris Tuckwell

General Manger - Operations

Mr Tuckwell joined Fenix Resources in September 2020. He is a qualified engineer and experienced executive of both mining and mining contracting companies with notable experience as Managing Director of MACA Limited and Chief Operating Officer and Country Manager of African Mining Services (a wholly owned subsidiary of Ausdrill Limited- now known as Perenti Global Limited).

Mr Tuckwell was responsible for the rapid development of the Iron Ridge DSO iron ore project and currently acts as the Registered Manager and Quarry Manager on site. He is vastly experienced in drill and blast, mining, and project management.

Adrian Third

Commercial Manager

Mr Third holds a Graduate Certificate in Business and is currently completing his Master of Business Administration (MBA). Mr Third is well experienced in mine management, having worked within the mining industry both in Australian and internationally, for over 25 years.

Mr Third has a strong passion for leadership, business efficiency, delivering results and is known for challenging the norms. In 2019, he was recognised for his work in improving diversity within the mining industry, winning the Northern Territory Women in Resources Gender Diversity Champion award, and received high praise as a finalist in the National Women in Resources awards.

Commencing his career in the mining industry as an operator, Adrian has gained a diverse skill set across the industry developing his leadership and financial capabilities in all areas of the mining industry from pit to port.

Corporate Snapshot

FEX

ASX Code

\$154.8M

Market Cap (as at 20 June 2022)

\$0.30

Share Price (as at 20 June 2022)

536.2M

Shares on Issue

\$85.6M

Cash at Bank (as at 31 March 2022)

\$58.9M

Enterprise Value

2,572K

Daily Average Trading Vol.
(past 12 mths)

\$0.455

Price High (past 12 mths)

\$0.20

Price Low (past 12 mths)



7.5%

Owned by Company Directors

~ 6300

Number of Shareholders

Fenix - Why Invest?



A high-grade, high margin Australian iron ore miner, with a distinct infrastructure advantage to underpin expansion and drive growth



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02

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haulage and port facilities to
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opportunities



03

**Skilled team with proven
ability to execute**

“Exploration, expansion,
acquisition” growth strategy
to drive shareholder value



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Resource Table



Classification	Tonnes (Mt)	Fe (%)	Al ₂ O ₃ (%)	LOI (%)	P (%)	SiO ₂ (%)	TiO ₂ (%)
Indicated	9.4	64.5	2.45	1.85	0.05	3.11	0.09
Inferred	0.4	62.1	2.74	3.70	0.05	4.52	0.11
Total	9.8	64.4	2.46	1.92	0.05	3.16	0.09

Reserve Table

Classification	Tonnes (Mt)	Fe (%)	Al ₂ O ₃ (%)	LOI (%)	P (%)	SiO ₂ (%)	TiO ₂ (%)
Probable	7.1	64.09	2.67	1.96	0.05	3.35	0.09
Total Ore Reserves	7.1	64.09	2.67	1.96	0.05	3.35	0.09

