

## Chairman's Address – 2023 AGM

Good morning, and welcome to the 2023 Annual General Meeting of shareholders of Fenix Resources Limited.

On behalf of the Company and all present here today, I acknowledge the traditional custodians of the land on which we meet. We pay our respects to elders past, present, and emerging, recognizing their enduring connection to this land.

2023 has been a game-changing year for Fenix, in which the Company advanced from a junior iron ore producer to a major mining and logistics business in WA's Mid-West.

Building on our commitment to growth, we announced several strategic acquisitions that significantly expanded our operations in the Mid-West and further solidified Fenix Resources' position in the industry.

Fenix acquired the right to mine 10 million tonnes of high-grade iron ore from Sinosteel Midwest Corporation's Beebyn-W11 iron ore deposit, located just 20km from Iron Ridge. The transaction allows us to immediately target increased production as well as significantly extending our mine life, given the Beebyn-W11 iron ore deposit has existing resources.

Most recently, Fenix secured the right to purchase and export up to 500,000 tonnes of high-grade (+60% Fe) iron ore from the Twin Peaks Iron Ore Project in the Mid-West, owned by 10M Pty Ltd. The first iron ore shipment from Twin Peaks is expected in early 2024 and will provide an immediate boost to Fenix's iron ore production and revenue.

The expansion of our mining inventory follows our strategic decision to acquire Mount Gibson's Mid-West port, rail and mining assets, which included the shovel-ready Shine Iron Ore Mine, which provides optionality for Fenix to market high-quality blended iron ore products. The transaction resulted in a material expansion of our Geraldton Port and logistics infrastructure, with two substantial on-wharf storage facilities at Geraldton Port and two Mid-West rail access assets acquired. As part of the deal, Fenix also acquired the Extension Hill Iron Ore Mine which was later sold to Terra Mining and Extension Hill Pty Ltd, as part of a logical consolidation which will provide Fenix with future payments of up to \$2 million while also removing a rehabilitation liability of approximately \$5 million.

Added to this, was the consolidation of 100% ownership of the Fenix-Newhaul business, allowing Fenix to deliver growth in iron ore production as well as further cost reductions from economies of scale.

With the material expansion of our road, rail and port infrastructure, Fenix has a unique advantage and a compelling mine-to-port offering which enables the efficient monetisation of high-quality regional deposits which for too long have been stranded. Fenix in a strong position to provide emerging and established Mid-West miners a mine-to port transportation solution, and we were delighted to secure CuFe Ltd (ASX: CUF) as the foundation third party customer for port logistics business in November 2023.

Operationally, we achieved significant milestones that underscore our dedication to excellence in iron ore production. Our flagship Iron Ridge Iron Ore Mine continues to produce high margin, premium iron ore at a steady-state run-rate of 1.3 million tonnes per annum. During the year, Fenix achieved the significant production milestone of three million dry metric tonnes (dmt) of high-grade iron ore sales, with an average net operating margin greater than A\$50 per tonne shipped. This is an incredible achievement within 28 months from first production and a

testament to the operations team. Pleasingly, we lowered C1 Cash Costs by 8% to A\$81.51/wmt FOB Geraldton (FY22: A\$88.83), equivalent to US\$54/wmt (FY22: US\$64/wmt).

Fenix Resources' financial strength remains robust, thanks to disciplined management and the strong operational performance across the mining, haulage, port and corporate activities of Fenix. The Company's financial position has been reinforced through iron ore hedging contracts which took advantage of iron ore market strength. We ended the 2023 financial year with a Net Profit after Tax of A\$29.3 million and A\$76 million in cash, which allowed us to allocate \$13.9 million to reward shareholders by declaring a 2 cent fully franked final dividend, whilst also as preserving a strong balance sheet to fund future growth.

Our responsibility as corporate citizens is paramount, and in 2023, Fenix Resources has continued to engage with local communities via our Fenix Connections Community Contribution Program. We believe in creating value not just for our shareholders but for the communities in which we operate and we do this through innovative youth training programs such as the Kickstart Training Academy, local business partnerships and community activities, aiming to create opportunities within the mining, haulage and logistics industries in the Mid-West. To date, Fenix has generated more than 200 new full-time jobs, of which approximately 10 per cent have been placed through our direct Indigenous recruitment program. Fenix is a known partner in the Mid-West and is the naming rights sponsor of the 2023 premiership-winning Fenix Geraldton Buccaneers – a successful franchise in the NBL1 West conference. We are very proud to have been recently named as a Finalist in the 2023 AMEC Awards in the Community Contribution category.

Looking ahead, Fenix Resources is poised for continued success and 2024, will certainly be an exciting year for shareholders as value is extracted from our expanded and diversified asset base. Our operations have significant scale potential and our strategic intent is to expand our ore inventories, maintain the quality of our operations, and materially boost production to enable cost reduction and the generation of strong profit margins to reward our shareholders.

Iron ore production will soon extend beyond Iron Ridge with production about to commence from 10M's Twin Peaks Iron Ore Deposit and planning underway for Beebyn-W11 so that mining activities can commence during 2024. Fenix has already demonstrated the ability to rapidly develop a Direct Shipping Ore project into production and we now have the advantage of existing highly efficient, in-house mining, haulage and port capabilities.

Our mine-to-port third party logistics business represents an incredible opportunity to generate additional future value from the provision of logistics services to a vast array of Mid-West projects based on our high quality haulage, rail and port capabilities.

We are optimistic about the opportunities that lie ahead, and we will continue to investigate further opportunities to monetise high-value projects within the vast resource rich Mid-West region.

On behalf of the Board of Directors, I congratulate our hardworking staff for their dedication, and extend our thanks to contractors and partners in the Mid-West for maintaining very high quality standards. Most importantly, I wish to thank our loyal and valued shareholders. We remain strongly committed to maximising value for shareholders as we deliver on our vision to develop a world-class fully integrated, Mid-West mining and logistics business.

**John Welborn**

**Chairman**

**Fenix Resources Limited (ASX: FEX)**

Authorised by the Board of Fenix Resources Limited. For further information, contact:

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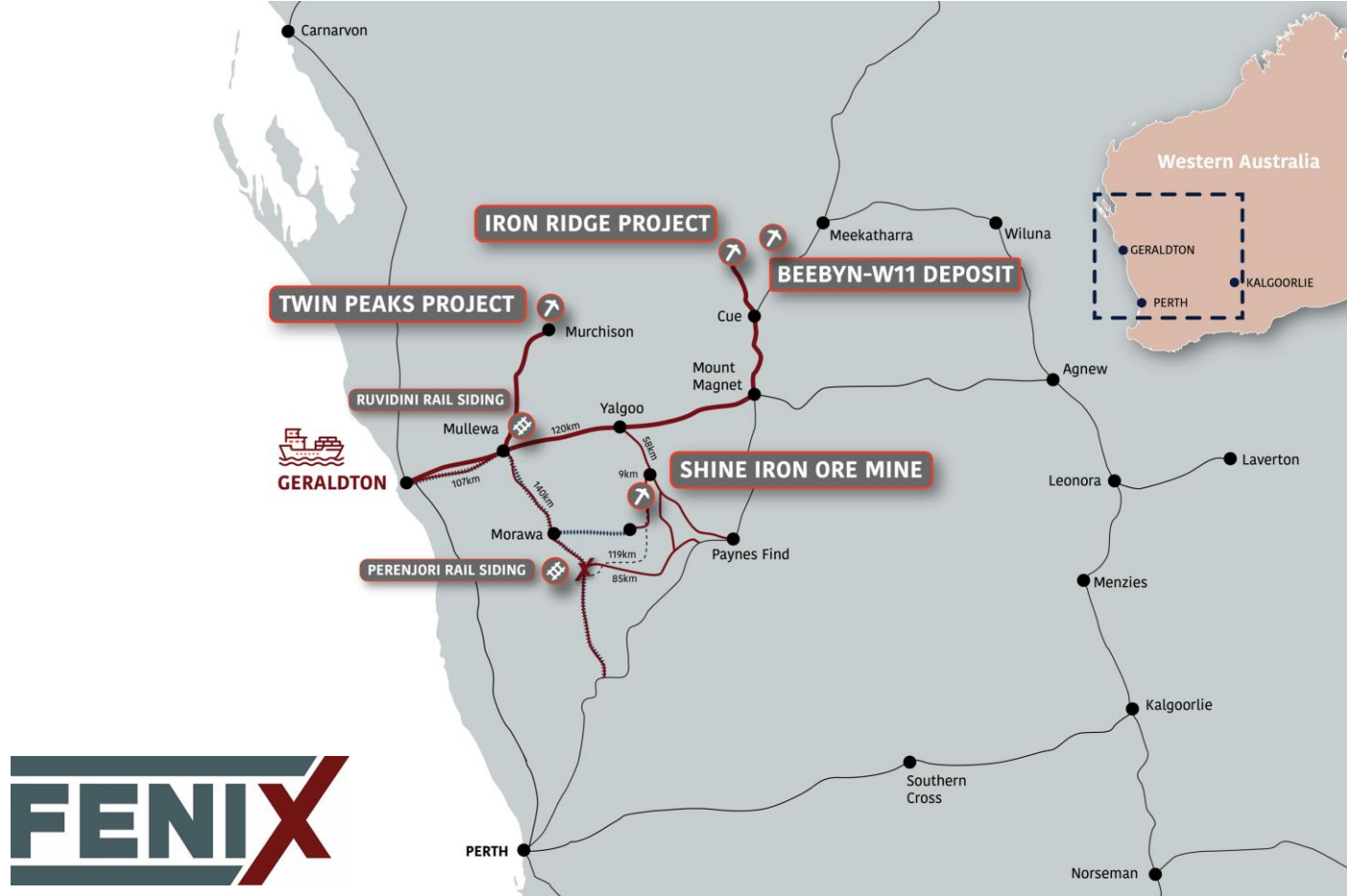
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**Fenix Resources (ASX: FEX)** is a high grade, high margin iron ore producer with assets in the Mid-West mining region of Western Australia.

The Company's 100% owned, flagship Iron Ridge Iron Ore Mine is a premium direct shipping ore operation located approximately 360km north east of Geraldton that hosts some of the highest grade iron ore in Western Australia.

Production commenced at Iron Ridge in December 2020 and is currently operating at the production run rate of 1.3 million tonnes per annum. Fenix has produced and exported more than 3 million tonnes of premium iron ore, generating excellent cash flow and profitability since commencement of production.

Fenix operates a unique fully integrated mining and logistics business. High quality iron ore products are transported by road to Geraldton using the Company's 100% owned Fenix-Newhaul haulage and logistics business. The Company operates its own loading and storage facilities at the Geraldton Port with storage capacity of up to 400,000 tonnes and loading capacity of more than 5Mt per annum.

Fenix's diversified Mid-West iron ore, port and rail asset base provides an excellent foundation for future growth. These assets include the Iron Ridge Iron Ore Mine, the Shine Iron Ore Mine, the Right to Mine 10MT from the Beebyn-W11 iron ore deposit, the right to purchase 500KT from the Twin Peaks Iron Ore Project, three on-wharf bulk material storage sheds at Geraldton Port, two rail sidings at Ruvidini and Perenjori, and the Fenix-Newhaul logistics business which includes a state-of-the-art road haulage fleet.

The Company is led by a proven team with deep mining and logistics experience and benefits from strategic alliances and agreements with key stakeholders, including the Wajarri Yamatji people who are the Traditional Custodians of the land on which Fenix is currently operating.

Fenix is focused on promoting opportunities for local businesses and the community. The Company has generated more than 200 local jobs. Fenix is proud to have a strong indigenous representation in the Company's workforce and to be in partnership with leading contract service providers including MACA Ltd, Alpha 1 WA Pty Ltd, Champion Bay Electrical Ltd, the Schwarze Brothers Pty Ltd and other leading local and national service providers.