FENIX

# 2025 ANNUAL REPORT

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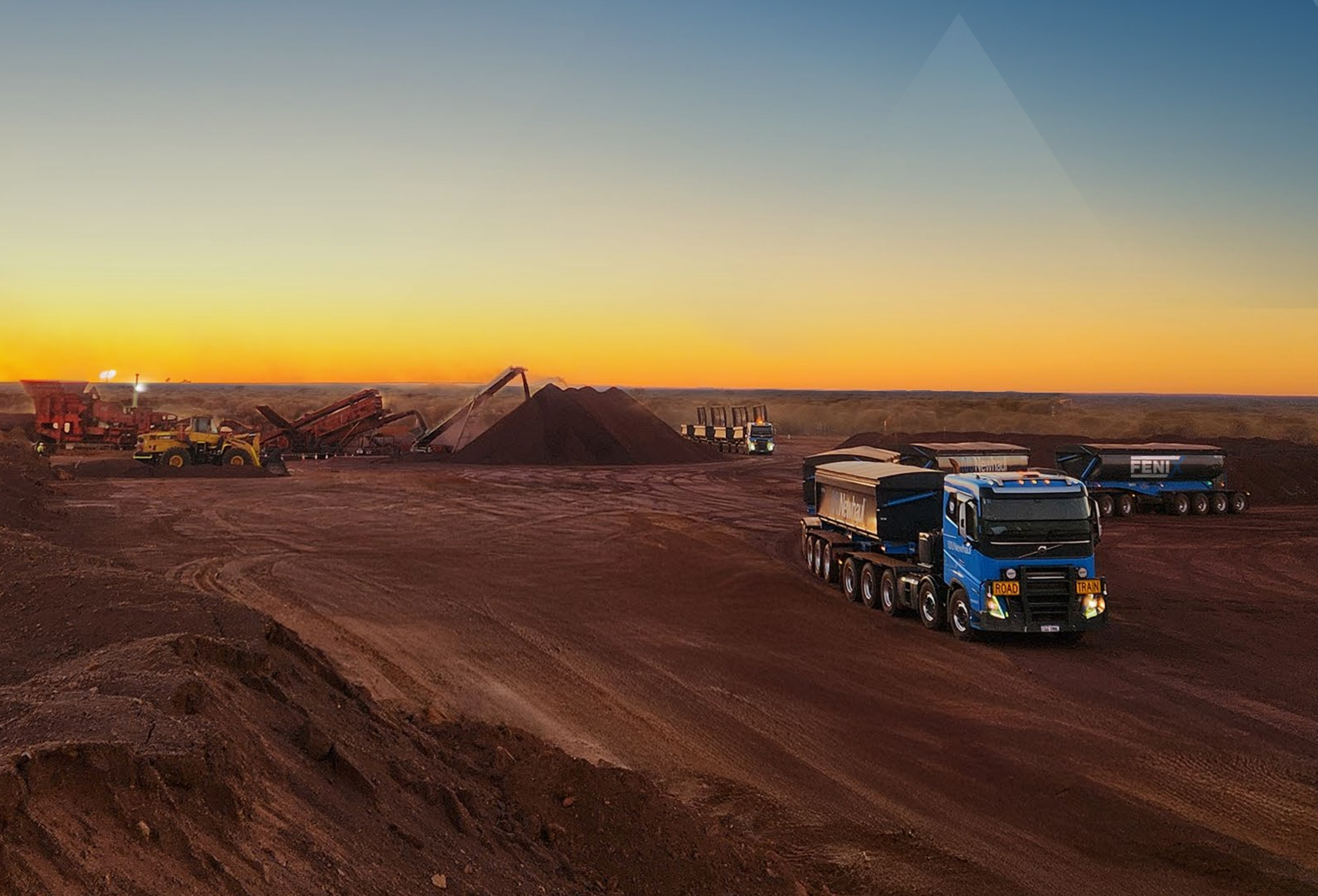


# Corporate Information

## Directors

| | |
|---|---|
| **John Welborn** | Executive Chairman |
| **Craig Mitchell** | Executive Director |
| **Garry Plowright** | Independent Non-Executive Director |
| **Shannon Coates** | Independent Non-Executive Director |

## Company Secretary

**Natalie Teo**

## Share Registry

**Automic Registry Services**

Level 5, 191 St Georges Terrace, Perth WA 6000

**Telephone:** +61 8 6285 0456

**Facsimile:** +61 2 9698 5414

## Stock Exchange Listing

**Australian Securities Exchange**

ASX Code: FEX

## Registered and Principal Office

Level 33, 1 Spring Street

Perth WA 6000

**Telephone:** +61 8 6285 0456

**Email:** info@fenix.com.au

**Web:** www.fenix.com.au

## Auditor

**Grant Thornton Audit Pty Ltd**

Central Park

Level 43, 152-158 St Georges Terrace, Perth WA 6000

## Bankers

**Westpac Bank Corporation Limited**

109 St Georges Terrace, Perth WA 6000

**National Australia Bank Limited**

50 St Georges Terrace, Perth WA 6000

# Contents

# ABOUT FENIX

**Fenix Resources (ASX: FEX) is a fully integrated mining, logistics and port services business with a current annual production rate of more than 4 million tonnes of iron ore. Fenix operates three iron ore mines in the Mid-West region of Western Australia which produce high quality iron ore products which are transported to Geraldton by the Company's 100% owned Newhaul Road Logistics business. Fenix's wholly owned Newhaul Port Logistics business operates its own loading and storage facilities at the Geraldton Port, with storage capacity of more than 400,000 tonnes and potential loading capacity of approximately 10 million tonnes per annum (Mtpa).**

Fenix's diversified Mid-West iron ore, port and rail asset base provides an excellent foundation for future growth. The Company's assets include the Iron Ridge Iron Ore Mine, the Shine Iron Ore Mine, the BeebynW11 Iron Ore Mine, the Newhaul Road Logistics haulage business which owns and operates a state-of-theart road haulage fleet, two rail sidings at Ruvidini and Perenjori, as well as the Newhaul Port Logistics business which owns and operates three on-wharf bulk material storage sheds at Geraldton Port.

The Company's 100% owned, flagship Iron Ridge Iron Ore Mine is a premium high grade, high margin, direct shipping iron ore operation located approximately 360km northeast of Geraldton that hosts some of the highest-grade iron ore in Western Australia. Production commenced at Iron Ridge in December 2020 and is operating at the production run rate of 1.4 Mtpa. The Shine Iron Ore Mine commenced production during 2024 and is operating at the production run rate of 1.4 Mtpa. Production commenced at the Beebyn-W11 Iron Ore Mine in August 2025 with the mine operating at the expected production rate of 1.5Mtpa.

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 Yamaji people who are the Traditional Custodians of the land on which Fenix operates. Fenix is focused on promoting opportunities for local businesses and the community. The Company has generated more than 300 jobs in Western Australia and is continuing to expand its mining, logistics, and port operations. Fenix is proud to have a strong indigenous representation in the Company's workforce and to be in partnership with leading local and national service providers.

# CHAIRMAN'S LETTER

**Dear Fellow Shareholder,**

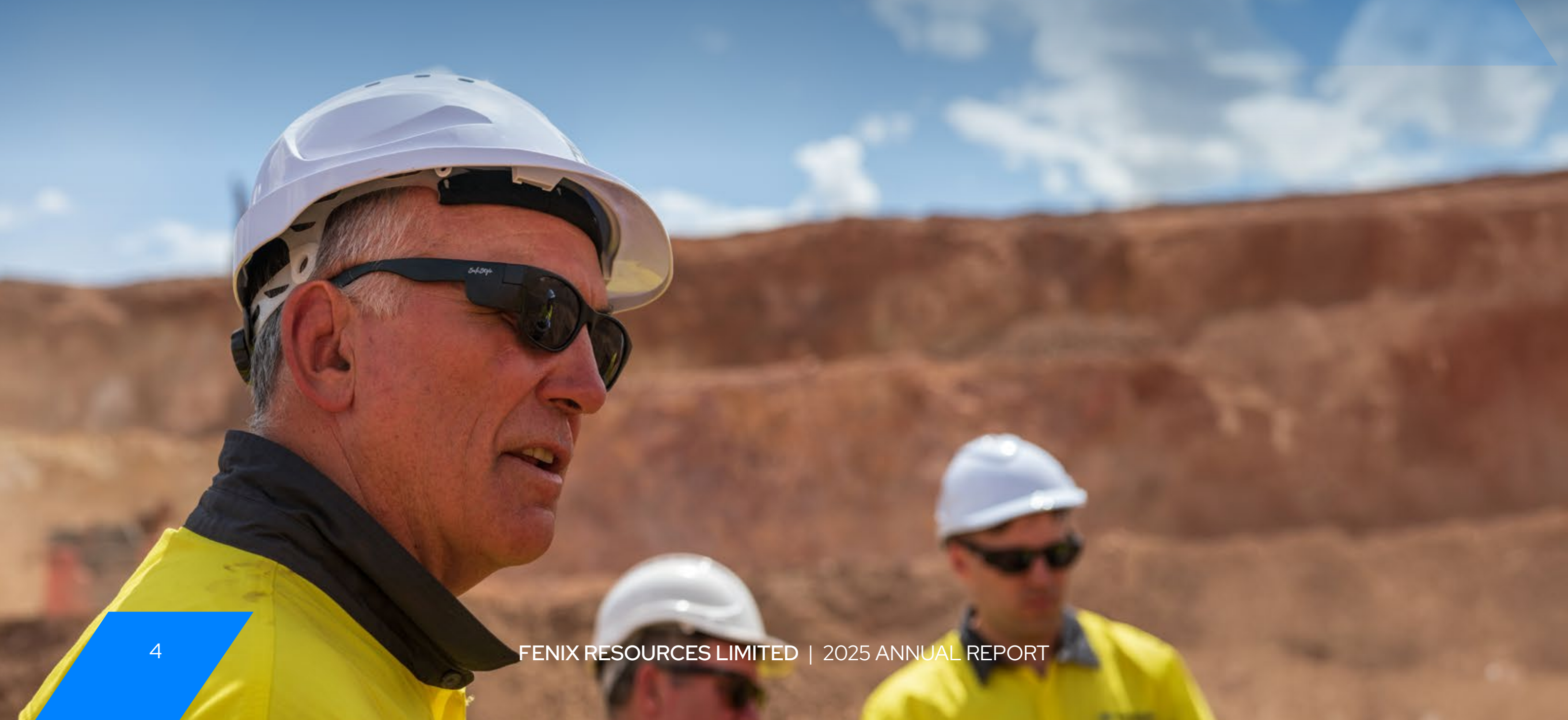
**FY25 has been a transformational year for Fenix. Last year's Annual Report showcased the performance of Iron Ridge, the 1.4Mtpa high-grade iron ore mine we commissioned in December 2020. This year's Annual Report describes a multi-mine, fully integrated pit-to-port iron ore business with the scale, resilience, and strategic ambition to build a sustainable high-value business.**

## Redefining Mid-Tier Iron Ore

Five years ago, we loaded our first ore at Iron Ridge with a bold proposition: that a nimble, independent operator could succeed in Western Australia's Mid-West by applying innovation, integration, and disciplined capital management.

During FY25, we moved from concept to proof. We have commissioned two additional iron ore mines, Shine and Beebyn-W11, transforming from a 1.4Mtpa single-mine producer into a ~4Mtpa multi-mine operation. Our unique pit-to-port model, incorporating our own haulage operation, port facilities, and logistics expertise, has become a competitive advantage that unlocks the value of previously stranded ore bodies and can rapidly develop profitable operations.

Fenix now has three operational iron ore mines in the Mid-West and we have produced, hauled and shipped more than seven million tonnes of product to our customers. These impressive metrics only hint at the deeper potential transformation – we've proven that the Mid-West can support a new generation of iron ore production, one that doesn't require billion-dollar rail lines or massive scale to succeed.



## The Weld Range Vision

The Weld Range is located in the heart of Western Australia's Mid-West region and has long been known as a vast iron ore province. Fenix believes the Weld Range represents a district-scale iron ore opportunity that could sustain ongoing production growth for decades to come.

We are not only excited by the geology of the many iron ore deposits that surround our current operations, though the consistent high-grade nature of these deposits is remarkable, but how perfectly these resources align with our unique pit-to-port infrastructure model. We're not just building Fenix; we're enabling an entire region's mining potential.

## Resilience Through Integration

During FY25, iron ore prices softened from US$119.5/dmt to US$101.1/dmt and our integrated model proved its resilience. We generated $71.9 million in operating cash flow while funding major growth initiatives. This is the power of controlling your destiny – our 100% ownership of the Newhaul logistics business, crucial Geraldton port infrastructure, and our excellent workforce, has allowed Fenix to optimise margins at every step.

## Our People and Partnerships

Our achievements are only made possible by the commitment of our people and partners. From our truck drivers navigating 500km haul routes to our mine planners optimising blast patterns, from our port operators coordinating shipments to the Wajarri Yamaji, the Traditional Owners of the land on which Fenix operates, sharing their knowledge of country, every person at Fenix contributes to something bigger than themselves.

During FY25, we achieved zero lost-time injuries in our mining operations at Iron Ridge and Shine — a reflection of our safety-first culture. We strengthened community ties through programs such as Clontarf and our Kickstart Training Academy, while also continuing to support local community initiatives.

These partnerships are not merely corporate obligations — they are an integral part of our identity as a company deeply rooted in the communities where we operate.

## The Road Ahead

As we look to FY26 and beyond, I see extraordinary potential. The foundations we've laid – operational, financial, and cultural – position us to seize opportunities where others have been unable. Whether it's securing more mineral deposits, further increasing our production rates, or expanding our logistics services, we have the platform and capability to execute.

The global steel industry is facing a generational transition toward lower emissions. Urbanisation continues driving steel demand in developing nations. The energy transition requires enormous quantities of steel for wind turbines, solar installations, and transmission infrastructure. High-grade iron ore will command increasing premiums in this evolving market, and Fenix is perfectly positioned to capture this value.

## A Personal Reflection

Having led mining companies across multiple continents and commodities, I can say without hesitation that Fenix represents something special. We've taken assets that were stranded, infrastructure that others deemed uneconomic, and deposits that others considered too small, and we've built a profitable, growing, sustainable and scalable business.

But more than that, we've proven that Australian innovation and determination can still create new mining success stories. In an industry often criticised for short-term thinking, we're building for future generations.

To our shareholders who have supported this vision, to our employees who bring it to life every day, to our community partners who share the journey – thank you. The best is yet to come.

JPWelborn

**John Welborn**
Executive Chairman

# DIRECTORS' REPORT

The Directors present the financial report for the consolidated entity consisting of Fenix Resources Ltd (**Fenix** or **Company**) and the entities it controls (**Consolidated Entity** or **Group**) at the end of, or during, the year ended 30 June 2025.

# PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

During the year ended 30 June 2025, Fenix Resources focused on disciplined growth and significant production expansion, progressing toward its targeted production rate of 4 million tonnes per annum (**Mtpa**) from FY24's 1.4Mtpa.

**Key operational and growth milestones achieved in FY25 include:**

## Second mine commissioned

Shine Iron Ore Mine: Commenced operations from the newly developed Shine Mine, fully self-funded from free cash flow. Commissioned on time and on budget. Stage 1 run rate of 1.2Mtpa achieved at a C1 cash cost of $68.5/wmt.

## Iron Ridge Mineral Resource upgrade

Increased by 177% to 13.4Mt @ 64.9% Fe (Indicated: 4.3Mt @ 65.9% Fe; Inferred: 9.0Mt @ 64.4% Fe).

## Shipping milestone

100th shipment loaded on the Princess Grace, with 6 million tonnes shipped since the start of operations.

## Third mine development – Beebyn-W11

Mining commenced in June 2025, with the maiden shipment shipped on 18 August 2025.

## Production growth

Achieved a production run rate of 2.5Mtpa and is on track to reach 4Mtpa during 2025.

## Strategic acquisition

Completed the acquisition of Beebynganna Hills, expanding Fenix's strategic position in the Weld Range, with near-mine opportunities for additional high-grade ore discoveries.

## Green steel positioning

Acquired a 37.21% interest in Athena Resources Limited, owner of the Byro Magnetite Project in the Midwest, with potential to produce ultra-high-grade magnetite concentrate for the emerging green steel market.

# OPERATING AND FINANCIAL REVIEW

During the year ended 30 June 2025, record production statistics were achieved, including ore shipped for Fenix operations and strategic milestones delivered, supporting the 4Mtpa production rate target for 2025.

Fenix remains committed to maintaining a safe work environment and operating in a responsible manner that protects the health, safety and wellbeing of our people, contractors and communities. To achieve our commitment, the Company recognises the importance of maintaining a robust safety culture and continually improving its safety performance.

### A summary of the Group production and marketing performance for FY25 is provided below:

| Production Summary | | | | | | |
|---|---|---|---|---|---|---|
| **k wmt** | **Jun Qtr** | **Mar Qtr** | **Dec Qtr** | **Sep Qtr** | **FY25** | **FY24** |
| **Waste Mined** | 2,945 | 3,394 | 3,387 | 1,853 | 11,579 | 5,310 |
| **Ore Mined** | 853 | 617 | 611 | 521 | 2,602 | 1,515 |
| **Ore Produced** | 753 | 851 | 702 | 417 | 2,723 | 1,443 |
| **Ore Hauled** | 806 | 712 | 603 | 416 | 2,540 | 1,443 |
| **Lump Ore Shipped** | 317 | 363 | 245 | 157 | 1,082 | 724 |
| **Fine Ore Shipped** | 443 | 341 | 349 | 189 | 1,322 | 739 |
| **Total Ore Shipped** | 760 | 704 | 594 | 346 | 2,404 | 1,463 |
| **Iron Ridge Shipped** | 296 | 349 | 353 | 346 | 1,344 | 1,463 |
| **Shine Shipped** | 464 | 355 | 241 | - | 1,060 | - |
| **C1 Cash Cost (A$/wmt Shipped FOB)** | 59.5 | 75.9 | 82.7 | 78.8 | 72.8 | 77.9 |

*Note: C1 cash costs are calculated based on the FY25 Quarterly Reports*

| Marketing Summary | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Item** | **Unit** | **Jun Qtr** | **Mar Qtr** | **Dec Qtr** | **Sep Qtr** | **FY25** | **FY24** |
| **Platts 62% Fe CFR Price, Average** | US$/dmt | 97.8 | 103.6 | 103.0 | 99.7 | 101.1 | 119.5 |
| **Average freight rate** | US$/dmt<br>A$/dmt | 16.7<br>26.0 | 16.2<br>24.2 | 17.9<br>27.9 | 18.5<br>27.6 | 17.3<br>26.8 | 18.3<br>27.8 |
| **Average moisture** | % | 5.9 | 5.0 | 6.4 | 7.7 | 6.0 | 6.8 |
| **Average Iron Ridge Realised CFR price** | US$/dmt<br>A$/dmt | 105.6<br>164.9 | 108.2<br>172.5 | 106.0<br>162.1 | 106.3<br>158.7 | 106.9<br>164.9 | 124.9<br>190.6 |
| **Average Iron Ridge Realised FOB Price** | US$/dmt<br>A$/dmt | 85.2<br>132.9 | 93.3<br>148.7 | 88.2<br>134.9 | 87.9<br>131.1 | 90.0<br>138.9 | 106.7<br>162.7 |
| **Average Shine Realised CFR Price** | US$/dmt<br>A$/dmt | 74.7<br>116.6 | 81.3<br>129.8 | 80.0<br>122.4 | -<br>- | 78.0<br>120.4 | -<br>- |

*Note: Realised iron ore prices exclude quotation period adjustments and hedging.*

# IRON RIDGE IRON ORE MINE

Fenix's 100%-owned flagship **Iron Ridge Iron Ore Mine** (**Iron Ridge**) is a **premium, high-grade, high-margin** 1.4Mtpa direct shipping ore (**DSO**) operation located 500km by road from Geraldton, Western Australia. It hosts some of the highest-grade iron ore in the state and remains a cornerstone of the Company's integrated mining and logistics operations.

## Health & Safety Performance

During the year ended 30 June 2025, there were **no Lost Time Injuries (LTIs)** recorded at Iron Ridge, reflecting the Company's ongoing commitment to maintaining a safe workplace and a strong safety culture.

## Mining and Production Performance

Iron Ridge delivered another consistent operational year, shipping **1,344k wmt** of iron ore, in line with the prior year and maintaining its nameplate production rate of 1.4Mtpa.

**Two major operational milestones were achieved during FY25:**

- The **100th shipment** was successfully loaded on the Princess Grace vessel.
- The mine has surpassed 6 million tonnes shipped since the commencement of operations.

These achievements demonstrate Fenix's proven track record of reliable delivery and consistent operating performance.

For the year ended 30 June 2025, **C1 cash costs** averaged **A$76.2/wmt, a 2.2% reduction** compared to **A$77.9/wmt** in FY24. This improvement reflects the Company's ongoing focus on **sustainable cost reduction** while maintaining high operational standards.

# SHINE IRON ORE MINE

Fenix's 100%-owned **Shine Iron Ore Mine (Shine)** is an open-pit DSO operation located 295km east of Geraldton, with a nameplate capacity of 1.2Mtpa producing both high-grade and low-grade iron ore.

## Health & Safety Performance

During the year ended 30 June 2025, there were **no LTIs** recorded at Shine.

## Mining and Production Performance

FY25 saw recommencement of operations at Shine, which was developed **on time, on budget, and fully self-funded** from free cash flow.

Shine achieved its Stage 1 nameplate capacity of **1.2Mtpa** during the year, with **1,060k wmt** shipped.

**C1 cash costs** for FY25 averaged **A$68.5/wmt**, in line with the Stage 1 target of A$67.5/wmt. Costs were favourably impacted by the June 2025 quarter, which recorded **C1 cash costs of A$51.8/wmt** due to increased sales volumes, including strong demand for low-grade inventory.

The cost performance demonstrates both **operational expertise** and the **strategic value** of acquiring Mount Gibson Iron Limited's Midwest assets. With **one million tonnes shipped** since operations recommenced, Shine has validated Fenix's strategy of acquiring complementary assets that leverage existing infrastructure.

# BEEBYN-W11 IRON ORE MINE

Fenix holds the **exclusive right to mine and export up to 10Mt** of high-grade iron ore from Sinosteel Mining Corporation's Beebyn-W11 deposit, located 20km from Iron Ridge. The project is targeted to produce **1.5Mtpa** as a DSO operation over an expected mine life of approximately seven years from the September 2025 quarter.

## Health & Safety Performance

During the year ended 30 June 2025, there were **no LTIs** recorded at Beebyn-W11.

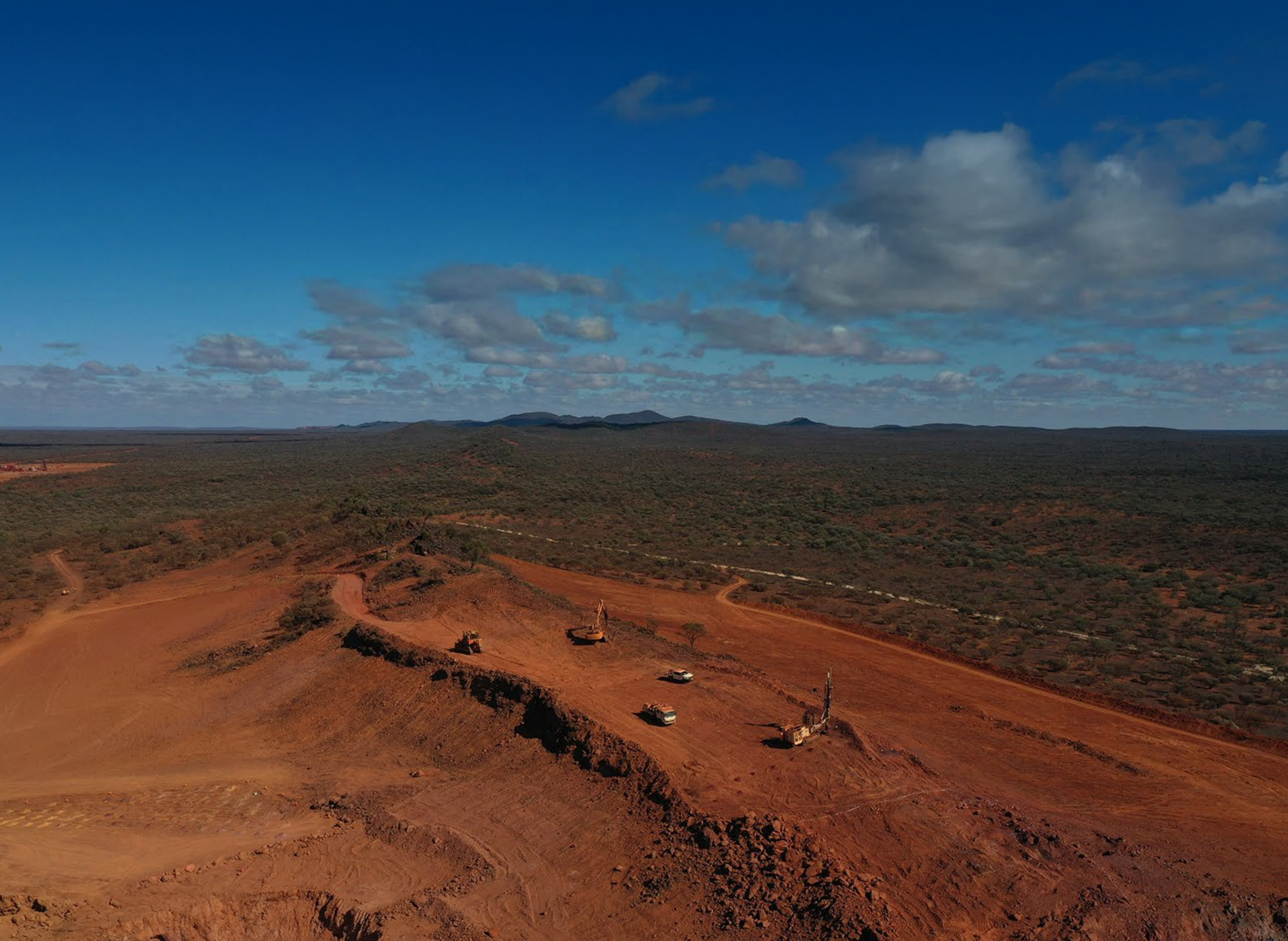
## Mining and Production Performance

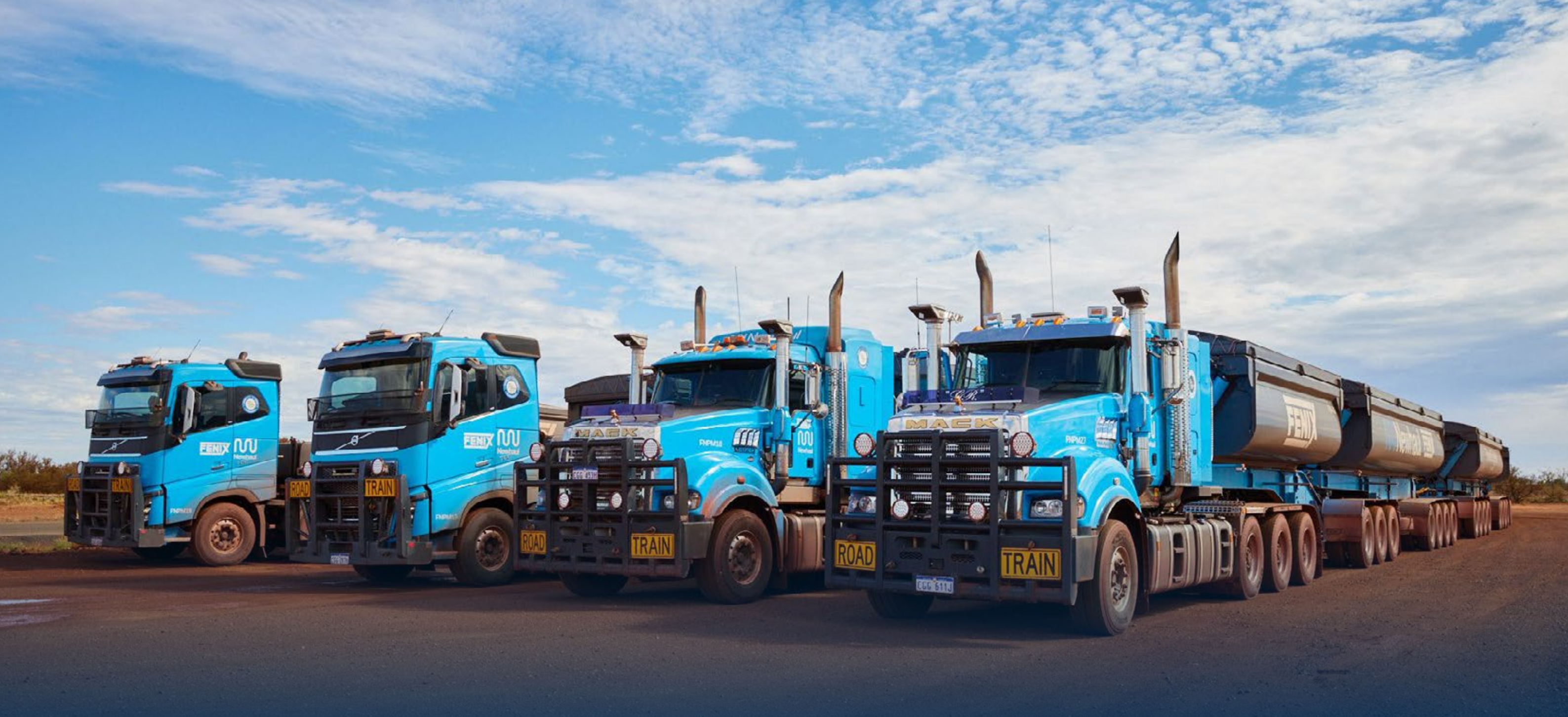
Key FY25 milestones for Beebyn-W11 included:

- **Feasibility Study (July 2024)** confirmed:
  - Forecast production rate of **1.5Mtpa** for 6.7 years at an average strip ratio of 2.2:1.
  - **JORC Ore Reserve** of 10Mt @ 62.2% Fe.
  - Pre-production capital cost of **A$22.9 million** with approximately A$3 million in post-production capital.
  - Life-of-mine (LOM) average C1 cash operating cost of **A$77.5/wmt**.
  - Average LOM annual EBITDA of **A$47.9 million**.
  - Pre-tax NPV of **A$150.9 million** and an estimated pre-tax IRR of 189%, with further upside potential at higher iron ore prices (ASX Announcement 25 July 2024).
- **Approvals (February 2025)**: Mining Proposal approved by the Department of Energy, Mines, Industry Regulation and Safety; Cultural Heritage Agreement and Deed of Covenant executed with the Wajarri Yamaji Aboriginal Corporation (ASX Announcement 28 February 2025).
- **Construction commencement (March 2025)**: Works began, including the new 17.6km private haul road (ASX Announcement 31 March 2025).
- **Mining commencement (June 2025)**: Initial mining activities started (ASX Announcement 30 June 2025).
- **Post-year-end progress**: Haul road construction completed, crushing and screening operations commenced (ASX Announcement 18 July 2025).
- **Maiden shipment**: Fenix shipped the maiden shipment of iron ore from Beebyn-W11 on 18 August 2025.

# OTHER MINING TENEMENTS

Fenix holds a number of mining tenements available for further exploration as well as to facilitate activities across its existing operations.  Refer to the tenements section in this report for further information regarding tenements held.






# NEWHAUL ROAD LOGISTICS

**Newhaul Road Logistics** provides fully integrated mine-to-port haulage services, forming a critical link in the Company's pit-to-port supply chain.

## Health & Safety Performance

During the year ended 30 June 2025, no **Lost Time Injuries (LTIs)** were recorded across Newhaul Road Logistics' operations. Compliance with the **Chain of Responsibility** and the **Heavy Vehicle National Law** remains a core operational priority.

## Haulage Performance

In FY25, Newhaul Road Logistics hauled **2,540k wmt** of iron ore from Fenix's Iron Ridge and Shine operations to the Company's on-wharf storage facilities at Geraldton Port.

The fleet was expanded during the year to support the commencement of operations at Shine and Beebyn-W11, as well as to position the business for additional third-party haulage contracts.

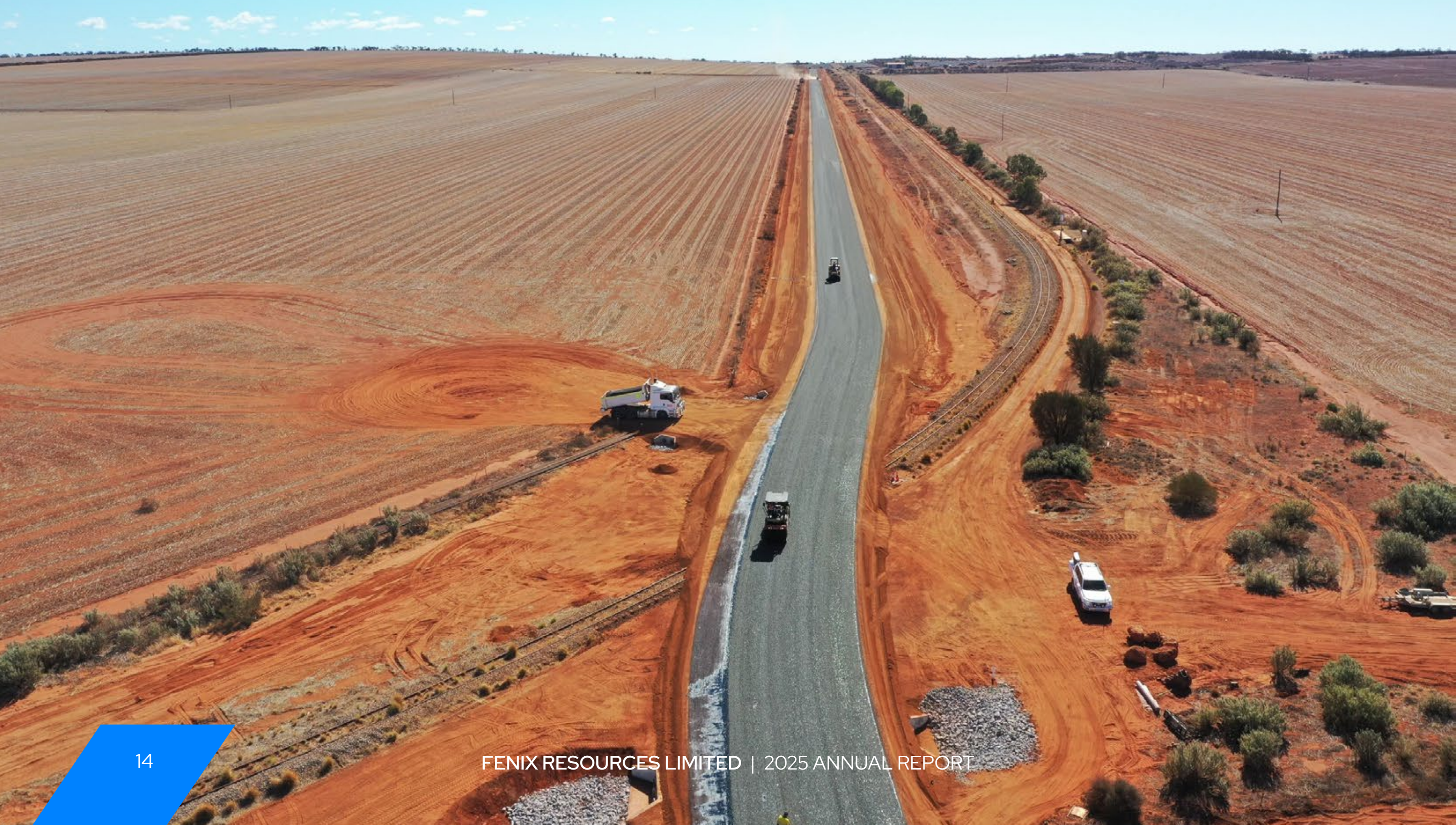
# RUVIDINI INLAND PORT

The **Ruvidini Inland Port Terminal (Ruvidini)** is strategically located approximately 100km east of Geraldton Port and became fully operational in July 2025.

## Operational Performance

Fenix's Ruvidini landholding covers significant acreage originally developed for bulk material storage and staging prior to rail haulage to Geraldton Port. The site is accessible by both road and rail, with a siding connection to the Geraldton Rail network.

The inland port provides the flexibility to **moderate shipping schedules**, reduce port bottlenecks, and store iron ore at minimal cost, improving operational efficiency and supply chain resilience.



# NEWHAUL PORT LOGISTICS

**Newhaul Port Logistics** operates Fenix's on-wharf storage and ship-loading facilities at Geraldton Port, handling both the Company's product and third-party material.

## Health & Safety Performance

During the year ended 30 June 2025, **one Lost Time Injury (LTI)** was recorded across Newhaul Port Logistics operations.

## Operational Performance

In FY25, Newhaul Port Logistics shipped a total of **2,828k wmt** (including 424k wmt of third party ore) of iron ore through the Company's Geraldton Port facilities, comprising:

- **1,344k wmt** from Iron Ridge
- **1,060k wmt** from Shine
- **424k wmt** from third-party customers

The ability to handle third-party shipments demonstrates the value of Fenix's port infrastructure in supporting the Company's mining operations.

**GROUP FINANCIAL PERFORMANCE**

The Group made a net profit after tax of A$5,394,667 for the year ended 30 June 2025 (30 June 2024: A$33,637,018) and as at 30 June 2025, the Group had net assets of A$177,770,214 (30 June 2024: A$166,340,303) and cash assets of A$56,820,204 (30 June 2024: A$77,118,325).

The financial results for the year ended 30 June 2025 when compared to the year ended 30 June 2024 were impacted by growth activities targeting a production rate of 4Mtpa during 2025 and a decrease in the Platts 62% Fe price as outlined below:

- Decrease in the Platts 62% Fe price from CFR US$119.5/dmt (FY24) to CFR US$101.1/dmt (FY25).
- Increase capital expenditure to facilitate restart of the Shine Iron Ore Mine and construction and commissioning of the Beebyn-W11 mine; and
- Expansion of the logistics fleet to support a production rate of 4Mtpa during 2025 resulting in increased depreciation.

Cash and cash equivalents as at 30 June 2025 were $56,820,204 a decrease of $20,298,121 from 30 June 2024 ($77,118,325). Key cash flow movement during the financial year were:

- Operating cash flows of $71,883,045, inclusive of $15,050,054 income tax paid.
- Payments for plant and equipment of $64,349,164 for the development of the Shine & Beebyn-W11 mines (inclusive of final payment in relation to the Beebyn-W11 Right to Mine agreement of $5,000,000), the new Geraldton logistics workshop, the establishment of the Ruvidini Inland Port, and upgrades at the Geraldton Port facility.
- Repayment of debt facilities, $22,036,732 to finance growth including the mobile equipment fleet through chattel mortgages and property developments.

As a result of two new iron ore mines being commissioned and cash flow funded by the Group during FY25 the Group's working capital position decreased to 1:1 as at 30 June 2025 (2:1 as at 30 June 2024). With the mines now at their planned run rates, the Group's working capital position is forecasted to improve to 30 Juen 2024 levels.

**DIVIDEND POLICY**

Fenix's dividend policy states: *"Fenix will consider the declaration of a dividend on an annual basis based on the full financial year profitability of the Company and with regard to the future funding requirements of the business and the availability of franking credits."*

During FY25 Fenix invested in a material expansion of the Company's production base and infrastructure assets, increasing the production base from the current rate of 1.4Mtpa to a targeted rate of 4Mtpa during 2025.

The Board considered the following factors in relation to declaring a dividend:

- Cash at bank $56.8m as at 30 June 2025;
- Shine's ramp-up completed on time and on budget; and
- Construction and commissioning of Beebyn-W11, with first shipment completed subsequent to the end of the financial year and the mine on track for its planned capacity of 1.5Mtpa during 2025.

In accordance with this policy, the Company has declared a final fully franked dividend for FY25 of 1.0 cent per share equating to a total dividend payment of approximately A$7.4 million. The total dividend payment amount represents approximately 137% of the FY25 Net Profit after Tax.

The dividend record date is 4 September 2025 and the dividend payment date is expected to be 19 September 2025.

The Board believes that the declared final dividend appropriately balances the Company's commitment to reward shareholders by` the payment of an annual dividend linked to profitability, with the ambition to generate long-term growth in the Fenix share price by having funding available to invest in the Company's growth opportunities.

## CORPORATE ACTIVITIES

### Hedging

Fenix has an active hedging program which is designed to manage iron ore and currency price risk and protect the Company's operating margins. These hedging arrangements are structured as:

- Forward sales contracts/iron ore swaps based on the Monthly Average Platts TSI 62 Index converted to AUD for the relevant month; and
- AUD Call Options which provide Fenix with the right but not the obligation to convert USD to AUD at the exercise price. The AUD Call Options provide Fenix with unlimited upside to a lower AUD relative to the USD and limits Fenix's downside risk.

As at 30 June 2025, the Company had the following hedges in place:

1) **Iron Ore Swaps**

480kt of iron ore (80kt per month) from July 2025 through to December 2025 at a fixed price of A$155.3/dmt

2) **AUD Call Options**

| | USD (millions) | AUD (millions) | Exercise Price (AUD:USD) |
|---|---|---|---|
| Series 1 | 6.0 | 9.5 | 0.63 |
| Series 2 | 10.0 | 15.4 | 0.65 |
| Series 3 | 40.0 | 57.1 | 0.70 |
| Series 4 | 40.0 | 55.6 | 0.72 |
| **Total** | **96.0** | **137.6** | **0.69** |

As disclosed below, on 15 August 2025 Fenix announced that it had secured 180,000 tonnes of additional iron ore hedging contracts between October 2025 and June 2026. With the additional tonnes, as at the date of this report, Fenix's total iron ore swap hedge book comprises 580,000 tonnes at an average price of A$154.38/t out to June 2026.

### Athena Resources Limited

Athena Resources Limited (**Athena**) is advancing the Byro Magnetite Project (**Byro**), located in the Mid-West 250km from the Port of Geraldton. Metallurgical test work and preliminary suitability testing carried out by Athena in 2024 identified the potential for an extremely high-grade concentrate with minimal impurities, suitable for supply to the emerging Green Steel market (see Athena Resources ASX announcement "Scoping Study" dated 20 May 2024).

During the year Fenix became Athena's largest shareholder, 37.21% shareholding through the conversion of convertible notes and participation in Athena's Entitlement Offer. As a result of the substantial shareholding Fenix has appointed two nominee Directors onto the Board of Athena, Mr John Welborn (Non-Executive Chairman) and Mr Garry Plowright (Non-Executive Director). As at 30 June 2025, Fenix's investment in Athena was valued at $3.4m.

Post year end, Fenix signed a Memorandum of Understanding to establish a new Mid-West Green Iron Project in Western Australia with Athena and Warradarge Energy Pty Ltd. The project's ambition is to produce commercial quantities of direct reduction iron ore products using locally mined Mid-West ultra-high grade iron ores and locally produced green hydrogen (see Athena Resources ASX Announcement "Athena to collaborate on Mid-West Green Iron Project" dated 14 July 2025).

### Fenix Community Contribution

Fenix continued to invest in innovative youth training programs such as the Fenix-Newhaul Kickstart Training Academy and other local business partnerships and community activities. The Company retained its naming rights of the premiership-winning Fenix Geraldton Buccaneers – a successful franchise in the National Basketball League NBL1 West conference. The Company also sponsored local grass roots sporting clubs including Towns Football Club, Trades Basketball and the Geraldton Mighty Blues. During the period, Fenix also continued its partnership with Clontarf; a not-for-profit which exists to improve the education, discipline, life skills, self-esteem and employment prospects of young Aboriginal and Torres Strait Islander men.

**Leadership Team**

During the year Fenix appointed Mr Chris Hunt as Chief Financial Officer effective 20 January 2025.

Mr Hunt is a highly experienced business leader with over 25 years' experience in senior finance roles in the mining industry. Mr Hunt has previously held CFO roles with BC Iron Limited, Crossland Resources Ltd, FerrAus Limited, and Cliffs Natural Resources. Most recently he was the Chief Financial Officer and Company Secretary of Rox Resources Ltd.

Mr Hunt holds a Bachelor of Business, is a Fellow of CPA Australia, and a graduate member of the Australian Institute of Directors.

Mr Hunt succeeds Mr Stuart Ausmeier as CFO. Mr Ausmeier assisted with the transition process and stepped down from the role effective 17 March 2025.

The Board is committed to ensuring Fenix maintains a high calibre senior executive leadership team and continues to evaluate the Company's requirements based on current activities and future growth ambitions.

**Business Development**

During the year Fenix launched an all-scrip off-market takeover offer to acquire up to 100% of the issued shares in CZR Resources Limited (**CZR**). CZR is the owner of an 85% interest in the Robe Mesa Iron Ore Project in the Southern Pilbara and a 50% interest in the Ashburton Link joint venture established to construct a new export facility from the Port of Ashburton, Onslow.

The strategic rationale for the proposed acquisition included:

- consistent with Fenix's strategy of acquiring, integrating, and developing mine-to-port assets;
- significantly expands Fenix's portfolio of iron ore Mineral Resources;
- secures a strategic footprint in the Southern Pilbara; and
- Fenix's operational expertise in mining, haulage and port services could unlock material value.

Subsequently CZR received a binding proposal from participants in the Robe River Iron Associates Joint Venture (various subsidiaries of Rio Tinto Limited, Mitsui & Co Ltd and Nippon Steel Corporation) to acquire CZR's interest in Robe River tenements for $75 million (**Robe River JV Offer**). The CZR Board determined the Robe River JV Offer was a Superior Proposal under the terms of the bid implementation agreement. The Fenix Board carefully considered the strategic rationale and the Company's commitment to a disciplined approach to growth transactions and capital allocation. Recognising growth opportunities within the existing Mid-West footprint, the Fenix Board notified CZR of its decision not to exercise Fenix's matching right and the takeover offer lapsed. The decision reflects a disciplined capital allocation approach and will allow Fenix to focus on growth opportunities in the Mid-West .

Fenix continues to evaluate potential mining, logistics and port services opportunities aimed at increasing the Group's footprint in the Mid-West. Fenix is seeking to further expand the Company's resource base so as to extend the mine-life of existing mining, haulage and port operations and/or expand existing production volumes, either in collaboration with third parties and/or via the acquisition of quality mineral projects and mining infrastructure assets in the Mid-West.

## TENEMENTS

As at 30 June 2025, the Company's interests in tenements are set out below:

| Location | Project | Tenement | Interest |
|---|---|---|---|
| Western Australia | Iron Ridge | M20/118-I, E20/936, L20/83, L20/84, L20/85, G20/28 | 100% |
| Western Australia | Beebyn-W11 | M51/869-I, L20/92 | Right to Mine 10Mt of iron ore |
| Western Australia | Shine | M59/406, M59/731, M59/421, L59/54, L59/143, L59/122, M59/458, M59/420, M59/497, M59/380, M59/379 | 100% of Iron Ore rights |
| Western Australia | Pharos | E20/948, E20/953 | 100% of Iron Ore rights |
| Western Australia | Ruvidini | L70/74, G70/201, G70/202, G70/203, G70/204, G70/205, L70/73 | 100% |
| Western Australia | Perenjori | G70/232, G70/238, L70/133 | 100% |
| Western Australia | Beebynganna | E51/1681 | 100% |

## ANNUAL MINERAL RESOURCE AND ORE RESERVES STATEMENT

The Company carries out an annual review of its iron ore Mineral Resources and Ore Reserves as required by the ASX Listing Rules. The review was carried out as at 30 June 2025.

### IRON RIDGE

As at 30 June 2025, Iron Ridge Mineral Resources totalled 12.2 Mt at 64.9% Fe, inclusive of Ore Reserves. This represents a 135% increase in Mineral Resources when compared to the Mineral Resources as at 30 June 2024. The increase is primarily as a result of the exploration drilling program conducted between July 2024 and October 2024 (see ASX Announcement 20 November 2024). Depletion in the Mineral Resource occurred due to iron ore production, which commenced in December 2020.

| Iron Ridge Mineral Resources as at 30 June 2025 – 58% Fe cut-off applied | | | | | | | |
|---|---|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Fe %** | **$Al_2O_3$ %** | **LOI %** | **P %** | **$SiO_2$ %** | **$TiO_2$%** |
| Indicated | 3.4 | 66.10 | 1.70 | 1.25 | 0.04 | 2.25 | 0.09 |
| Inferred | 8.9 | 64.40 | 2.20 | 1.85 | 0.05 | 3.15 | 0.12 |
| **Total** | **12.2** | **64.87** | **2.07** | **1.69** | **0.04** | **2.91** | **0.11** |

| Iron Ridge Mineral Resources as at 30 June 2024 – 58% Fe cut-off applied | | | | | | | |
|---|---|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Fe %** | **$Al_2O_3$ %** | **LOI %** | **P %** | **$SiO_2$ %** | **$TiO_2$%** |
| Indicated | 5.0 | 65.5 | 1.93 | 1.60 | 0.04 | 2.55 | 0.09 |
| Inferred | 0.2 | 59.9 | 2.95 | 6.09 | 0.06 | 5.27 | 0.09 |
| **Total** | **5.2** | **65.3** | **1.97** | **1.76** | **0.04** | **2.65** | **0.09** |

As at 30 June 2025 Ore Reserves totalled 1.2 Mt at 66.1% Fe. This represents a 59% decrease in Ore Reserves when compared to the Ore Reserves as at 30 June 2024. Depletion in the Ore Reserve occurred due to iron ore production, which commenced in December 2020.

**Iron Ridge Ore Reserves as at 30 June 2025 – 58% Fe cut-off applied**

| JORC Classification | Tonnes (millions) | Fe % | $Al_2O_3$ % | LOI % | P % | $SiO_2$ % | $TiO_2$% |
|---|---|---|---|---|---|---|---|
| Probable | 1.2 | 66.12 | 1.80 | 1.01 | 0.03 | 2.33 | 0.10 |
| **Total** | **1.2** | **66.12** | **1.80** | **1.01** | **0.03** | **2.33** | **0.10** |

**Iron Ridge Ore Reserves as at 30 June 2024 – 58% Fe cut-off applied**

| JORC Classification | Tonnes (millions) | Fe % | $Al_2O_3$ % | LOI % | P % | $SiO_2$ % | $TiO_2$% |
|---|---|---|---|---|---|---|---|
| Probable | 2.94 | 64.8 | 2.06 | 1.65 | 0.04 | 2.72 | 0.09 |
| **Total** | **2.94** | **64.8** | **2.06** | **1.65** | **0.04** | **2.72** | **0.09** |

Note: Tonnage figures in the above tables have been rounded and as a result may not add up to the totals quoted. The Iron Ridge Mineral Resources were previously disclosed to ASX on 5 December 2024 and Ore Reserves on 29 August 2024.

**SHINE**

As at 30 June 2025, the Shine Mineral Resources totalled 11.2Mt at 59.0% Fe as outlined below and split between Hematite and Magnetite. The Shine Mineral Resources decreased by 3.9Mt from 30 June 2024 due to 1.5Mt in relation to depletion and 2.4Mt in relation to a reinterpretation of the model, of which 1.5Mt related to the Magnetite Resource.

**Shine Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied**

| JORC Classification | Tonnes (millions) | Fe % | $SiO_2$ % | $Al_2O_3$ % | P % |
|---|---|---|---|---|---|
| Measured | 3.5 | 60.2 | 8.05 | 1.34 | 0.080 |
| Indicated | 5.1 | 59.0 | 8.79 | 1.25 | 0.071 |
| Inferred | 2.5 | 57.3 | 8.26 | 1.13 | 0.070 |
| **Total** | **11.2** | **59.0** | **8.44** | **1.25** | **0.074** |

**Shine Mineral Resources as at 30 June 2024 – 50% Fe cut-off applied**

| JORC Classification | Tonnes (millions) | Fe % | $SiO_2$ % | $Al_2O_3$ % | P % |
|---|---|---|---|---|---|
| Measured | 5.1 | 59.2 | 8.98 | 1.60 | 0.078 |
| Indicated | 6.3 | 58.1 | 9.97 | 1.27 | 0.070 |
| Inferred | 3.6 | 56.9 | 9.58 | 1.18 | 0.063 |
| **Total** | **15.1** | **58.2** | **9.54** | **1.36** | **0.071** |

**Shine Hematite Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied**

| JORC Classification | Tonnes (millions) | Fe % | $SiO_2$ % | $Al_2O_3$ % | P % |
|---|---|---|---|---|---|
| Measured | 2.9 | 60.4 | 8.19 | 1.45 | 0.083 |
| Indicated | 4.4 | 59.1 | 9.13 | 1.30 | 0.072 |
| Inferred | 0.2 | 58.6 | 10.35 | 1.71 | 0.088 |
| **Total** | **7.5** | **59.6** | **8.81** | **1.37** | **0.077** |

| Shine Hematite Mineral Resources as at 30 June 2024 – 50% Fe cut-off applied | | | | | |
|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **P %** |
| Measured | 4.3 | 59.3 | 9.06 | 1.73 | 0.083 |
| Indicated | 5.1 | 58.0 | 10.51 | 1.35 | 0.072 |
| Inferred | 0.5 | 56.4 | 12.60 | 1.61 | 0.085 |
| **Total** | **10.0** | **58.5** | **9.98** | **1.53** | **0.077** |

| Shine Magnetite Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied | | | | | |
|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **P %** |
| Measured | 0.6 | 59.3 | 7.46 | 0.87 | 0.064 |
| Indicated | 0.7 | 58.4 | 6.76 | 0.95 | 0.068 |
| Inferred | 2.3 | 57.2 | 8.04 | 1.07 | 0.068 |
| **Total** | **3.6** | **57.8** | **7.68** | **1.01** | **0.067** |

| Shine Magnetite Mineral Resources as at 30 June 2024 – 50% Fe cut-off applied | | | | | |
|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **P %** |
| Measured | 0.8 | 58.6 | 8.55 | 0.89 | 0.050 |
| Indicated | 1.2 | 58.8 | 7.71 | 0.91 | 0.061 |
| Inferred | 3.1 | 56.9 | 9.10 | 1.11 | 0.060 |
| **Total** | **5.1** | **57.6** | **8.68** | **1.03** | **0.058** |

Note: Tonnage figures in the above tables have been rounded and as a result may not add up to the totals quoted. The Shine Mineral Resources were previously disclosed to ASX on 29 August 2024.

**BEEBYN-W11**

As at 30 June 2025, the Beebyn-W11 Mineral Resources totalled 21.4Mt at 61.1% Fe, inclusive of Ore Reserves. As announced on 3 October 2023, Fenix has secured a right to mine up to 10Mt from Beebyn-W11. There has been no change in the Beebyn-W11 Mineral Resources from the date of acquisition of the right to mine, announced on 3 October 2023, to 30 June 2025.

| Beebyn-W11 Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Tonnes (millions)** | **Density (t/m$^3$)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **LOI %** | **P %** | **S %** | **$TiO_2$ %** |
| Measured | 13.2 | 3.45 | 61.78 | 3.66 | 2.66 | 2.86 | 0.07 | 0.03 | 0.16 |
| Indicated | 7.3 | 3.43 | 60.34 | 4.70 | 2.63 | 3.71 | 0.08 | 0.07 | 0.15 |
| Inferred | 0.9 | 3.02 | 56.38 | 7.75 | 5.62 | 4.54 | 0.11 | 0.01 | 0.31 |
| **Total** | **21.4** | **3.45** | **61.11** | **4.15** | **2.74** | **3.21** | **0.07** | **0.04** | **0.016** |

| Beebyn-W11 Mineral Resources as at 30 June 2024 – 50% Fe cut-off applied | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Density (t/m$^3$)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **LOI %** | **P %** | **S %** |
| Measured (Meas.) | 13.22 | 3.45 | 61.78 | 3.66 | 2.66 | 2.86 | 0.07 | 0.03 |
| Indicated (Ind.) | 7.25 | 3.43 | 60.34 | 4.70 | 2.63 | 3.71 | 0.08 | 0.07 |
| **Meas. & Ind.** | **20.47** | **3.45** | **61.27** | **4.03** | **2.65** | **3.16** | **0.07** | **0.04** |
| Inferred | 0.90 | 3.02 | 56.38 | 7.75 | 5.62 | 4.54 | 0.11 | 0.01 |

As at 30 June 2025 Ore Reserves totalled 10.0 Mt at 62.2% Fe. There has been no change in the Beebyn-W11 Ore Reserves from the announcement of the Ore Reserves on 25 July 2024 to 30 June 2025.

| Beebyn-W11 Ore Reserves as at 30 June 2025 – 50% Fe cut-off applied | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Density (t/m$^3$)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **LOI %** | **P %** | **S %** | **$TiO_2$ %** |
| Proven | 8.3 | 3.14 | 62.5 | 3.40 | 3.03 | 2.32 | 0.06 | 0.01 | 0.19 |
| Probable | 1.7 | 3.12 | 61.1 | 4.45 | 3.44 | 2.41 | 0.06 | 0.01 | 0.21 |
| **Total** | **10.0** | **3.17** | **62.2** | **3.57** | **3.10** | **2.33** | **0.06** | **0.01** | **0.20** |

| Beebyn-W11 Ore Reserves as at 30 June 2024 – 50% Fe cut-off applied | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **JORC Classification** | **Tonnes (millions)** | **Density (t/m$^3$)** | **Fe %** | **$SiO_2$ %** | **$Al_2O_3$ %** | **LOI %** | **P %** | **S %** |
| Proven | 8.3 | 3.14 | 62.5 | 3.40 | 3.03 | 2.32 | 0.06 | 0.01 |
| Probable | 1.7 | 3.12 | 61.1 | 4.45 | 3.44 | 2.41 | 0.06 | 0.01 |
| **Total** | **10.0** | **3.17** | **62.2** | **3.57** | **3.10** | **2.33** | **0.06** | **0.01** |

Note: Tonnages figures in the above tables have been rounded and as a result may not add up to the total quoted. The Beebyn-W11 Mineral Resources were previously disclosed to ASX on 3 October 2023 and Ore Reserves on 25 July 2024.

**ESTIMATION GOVERNANCE STATEMENT**

The Company ensures that all Mineral Resources and Ore Reserves estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resources and Ore Reserves estimates are prepared by appropriately qualified, independent Competent Persons. If there is a material change in the estimation of a Mineral Resources or Ore Reserves, the estimation and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons and announced to the ASX in accordance with the Listing Rules. The Competent Persons consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code).

**COMPETENT PERSON'S STATEMENTS**

The information in this report that relates to Iron Ridge and Beebyn-W11 Mineral Resource Estimate (MRE) is based on information reviewed by Mr Kerry Griffin, a Competent Person who is a Member of the Australasian Institute of Geoscientists and is currently employed by Global Commodity Solutions; a subconsultant of ResourcesWA Pty Ltd. Mr Griffin 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 JORC Code.

The information in this report that relates to Iron Ridge and Beebyn-W11 Ore Reserves is based on information and supporting documentation reviewed by Mr Leonardo Romero who is a Member of the Australasian Institute of Mining and Metallurgy and is currently employed by LARM Consulting; a sub-consultant of ResourcesWA Pty Ltd. Mr Romero 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 JORC Code.

The information in this report that relates to the Shine Mineral Resources is based on information compiled by Ms Elizabeth Haren, a Competent Person who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and member of the Australian Institute of Geoscientists. Ms Haren is employed by Haren Consulting and is a consultant to Fenix Resources Limited. Ms Haren has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

The Company confirms in relation to the above Mineral Resources and Ore Reserves that 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 Iron Ridge and Beebyn-W11 production targets and forecast financial information set out in this 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 original announcement.

The Annual Mineral Resources and Ore Reserves Statement is based on and fairly represents the information and supporting documentation prepared by the above-mentioned Competent Persons, and the Company has obtained written consent to the issue of the information in the form and context in which it appears in this report.

## Risk Management

This section does not attempt to provide an exhaustive list of risks faced by the Group or by investors in the Group, nor are they in order of significance. Actual events may be different to those described.

The Group's activities have inherent risk that may impact on the Group's operating and financial performance and its ability to successfully deliver on its strategy. The Board aims to manage its key business risks through appropriate risk management techniques and internal controls. Some of the risks are however highly unpredictable and the extent to which the Board can effectively manage them is limited. The Group's key business risks are outlined below.

- Iron ore prices and foreign exchange rates: The majority of the Group's revenue involves the sale of iron ore, which is directly linked to market indices for iron ore and the United States (**US**) Dollar exchange rate. Iron ore market indices fluctuate and are affected by many factors beyond the control of the Group, including the supply and demand fluctuations for seaborne iron ore, technological advancements, forward selling activities and other macro-economic factors. Similarly, the Group is exposed to fluctuations and volatility of the rate of exchange between the US Dollar and the Australian Dollar, as determined by international markets. The Group's hedging strategy is designed to manage iron ore price risk and protect the Company's strong operating margins. In addition, the Group actively manages its liquidity position to limit the impact of foreign currency holdings on its results.
- Operational risks: The Group's mining operations are subject to risks inherent in the mining industry, including exploration / development activities, environmental hazards, industrial accidents, geotechnical risks, inclement / hazardous weather conditions, etc. These risks could result in damage / loss of mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased

## DIRECTORS

The Directors who held office during the year and up to the date of signing this report, unless otherwise stated, are:

- **John Welborn: Executive Chairman**
  *(appointed as Non-Executive Director 16 November 2021, transitioned to Executive Chairman on 22 October 2022)*
- **Craig Mitchell: Executive Director**
  *(appointed as Non-Executive Director 1 September 2022, transitioned to Executive Director 25 October 2023)*
- **Garry Plowright: Independent Non-Executive Director**
  *(appointed as Executive Director 21 November 2018, transitioned to Non-Executive Director 1 January 2021)*
- **Shannon Coates: Independent Non-Executive Director**
  *(appointed 1 July 2024)*

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The significant changes in the state of affairs of the Consolidated Entity during the financial period and to the date of this report are set out in the review of operations above.

## MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 1 August 2025 Fenix announced a proposed Executive Growth Incentive Plan (**Plan**) for Mr Welborn and Mr Mitchell. The once-off Plan is intended to operate over a 5-year period, during which time the Executives have agreed to forgo any increase to their base salary, which has remained unchanged since October 2023 and to not participate in any further equity issues under the Company's Employee Securities Incentive Plan. The Plan, which remains subject to shareholder approval, comprises the issue of 30 million fully at-risk incentive performance rights to each of Mr Welborn and Mr Mitchell which will vest only on the achievement of challenging share price related targets as follows: a 60-day VWAP of $0.60 or greater (Tranche A performance rights), a 60-day VWAP of $0.80 or greater (Tranche B performance rights) a 60-day VWAP of $1.00 or greater (Tranche C performance rights). A Notice of General Meeting was sent to Fenix shareholders on 19 August 2025 subject to which approval of the plan will be sought at a meeting of Fenix shareholders scheduled to take place on 18 September 2025.

On 15 August 2025 Fenix announced that it had secured 180,000 tonnes of additional iron ore hedging contracts between October 2025 and June 2026. With the additional tonnes, Fenix's total iron ore swap hedge book comprises 580,000 tonnes at an average price of A$154.38/t.

On 15 August 2025 3,000,000 vested FY23 Performance Rights were converted to ordinary shares.

On 18 August 2025 Fenix completed the maiden shipment of iron ore from Beebyn-W11. Fenix's iron ore production for the financial year ending 30 June 2026 is now expected to be more than 4 million tonnes per annum from the Company's mining operations at Iron Ridge, Shine and Beebyn-W11.

Other than as noted above there were no other material matters that occurred subsequent to the end of the year which requires reporting on, other than those which have been noted above or reported to the ASX.

## INFORMATION ON DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

The following information is current as at the date of this report.

| | |
|---|---|
| **Mr John Welborn** | Executive Chairman<br>*Appointed as Non-Executive Director 16 November 2021, transitioned to Executive Chairman on 22 October 2022* |
| **Experience** | Mr Welborn is a dynamic industry leader with extensive experience in the resources sector who was appointed Chairman of the Company in November 2021. Mr Welborn's experience includes the successful exploration, development and operation of numerous mining projects in Africa and Australia and more than twenty years as a senior executive in corporate management, finance and investment banking.<br>Mr Welborn holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Institute of Management and is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors. |
| **Committee Memberships** | None |
| **Equity Interests** | 21,000,000 ordinary shares<br>15,000,000 performance rights |
| **Directorships held in other listed entities** | Current directorships:<br>- Non-Executive Director – Equatorial Resources Limited from August 2010<br>- Non-Executive Chairman – Athena Resources Limited from July 2024<br>Former directorships in the previous three years:<br>- Non-Executive Director – Apollo Minerals Limited from May 2022 to October 2023<br>- Non-Executive Chairman – Orbital Corporation Limited from March 2015 to December 2024<br>Mr Welborn has held no other listed company directorships in the previous three years. |
| **Mr Craig Mitchell** | Executive Director<br>*Appointed as Non-Executive Director 1 September 2022, transitioned to Executive Director 25 October 2023* |
| **Experience** | Mr Mitchell founded Mitchell Corp in 1997 which became one of Australia's largest bulk haulage businesses before its sale to Toll Group in 2011. Mr Mitchell was awarded the Ernst and Young Western Australian Young Entrepreneur of the Year 2006.<br>In 2019, Mr Mitchell founded trucking and logistics company Newhaul Pty Ltd, which formed a joint venture with Fenix (Newhaul Road Logistics, formerly Fenix-Newhaul), the remaining 50% of which was acquired in July 2022. In January 2024, Fenix acquired Newhaul. |
| **Committee Memberships** | None |
| **Equity Interests** | 75,260,000 ordinary shares<br>5,000,000 performance rights |
| **Directorships held in other listed entities** | Mr Mitchell has held no listed company directorships in the previous three years. |

| | |
|---|---|
| **Mr Garry Plowright** | Non-Executive Director<br>*Appointed as Executive Director 21 November 2018, transitioned to Non-Executive Director 1 January 2021* |
| **Experience** | 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. He has been involved in gold, base metals and iron ore exploration and mining development projects in Australia and worldwide.<br>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.<br>Mr Plowright has extensive experience in mining law and has provided services to the industry in property acquisitions, project generation and joint venture negotiations. 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). |
| **Committee Memberships** | Member of Remuneration and Nomination Committee |
| **Equity Interests** | 24,960,000 ordinary shares |
| **Directorships held in other listed entities** | Current directorships:<br>- Non-Executive Director – NH3 Clean Energy Limited (formerly Hexagon Energy Materials Ltd) from June 2015<br>- Non-Executive Director – Athena Resources Limited from July 2024<br>Mr Plowright has held no other listed company directorships in the previous three years. |
| **Ms Shannon Coates** | Non-Executive Director<br>*Appointed 1 July 2024* |
| **Experience** | Ms Coates has over 30 years' experience in corporate law and compliance. She was most recently Managing Director of Source Governance, a national governance service provider, and has provided governance and corporate advisory services to boards and various committees across a variety of industries, including oil & gas, resources, manufacturing, and technology.<br>Ms Coates is a qualified lawyer, Chartered Secretary, and graduate of the AICD's Company Directors course. She is also currently non-executive director to Bellevue Gold Limited, a West Australian ASX 200 gold producer, and Chairs Bellevue's Nomination and Remuneration Committee. |
| **Committee Memberships** | Chair of Remuneration and Nomination Committee |
| **Equity Interests** | 108,000 ordinary shares |
| **Directorships held in other listed entities** | Current directorships:<br>- Non-Executive Director – Bellevue Gold Limited from May 2020<br>Former directorships in the previous three years:<br>- Non-Executive Director – Vmoto Limited from May 2014 to May 2024<br>Ms Coates has held no other listed company directorships in the previous three years. |

| | |
|---|---|
| **Mr Chris Hunt** | Chief Financial Officer<br>*Commenced 20 January 2025* |
| **Experience** | Mr. Hunt is a finance executive with over 30 years of experience in the resources and construction industries, specialising in feasibility studies, corporate financing, and mining operations. He has held senior CFO roles at Rox Resources, BC Iron, Crosslands Resources, FerrAus, and Cliffs Natural Resources, leading major financial transactions and corporate restructures.<br>Mt Hunt holds a Bachelor of Business, is a Fellow of CPA Australia, a graduate of the Australian Institute of Company Directors, and has a Graduate Diploma of Applied Finance. |
| **Committee Memberships** | None |
| **Equity Interests** | 105,700 ordinary shares |
| **Directorships held in other listed entities** | Mr Hunt has held no listed company directorships in the previous three years. |
| **Mr Stuart Ausmeier** | Chief Financial Officer<br>*Commenced 15 August 2022 and was appointed CFO 1 September 2022 (resigned 17 March 2025)* |
| **Experience** | Mr Ausmeier is a Chartered Accountant and Chartered Financial Analyst with over 20 years' finance experience. Mr Ausmeier's most recent role prior to joining Fenix was at an ASX-listed global engineering company, where he held multiple senior finance roles and was employed as Group Treasurer. Prior to this, Mr Ausmeier worked at global investment bank NM Rothschild & Sons, where he focused on strategic advisory mandates as well as debt and equity capital market transactions across the mining industry. |
| **Committee Memberships** | None |
| **Directorships held in other listed entities** | Mr Ausmeier has held no listed company directorships in the previous three years. |

### Company Secretary

**Ms Natalie Teo**

BComm, MAcc, GradDipACG

Ms Teo is an experienced company secretary and has provided corporate advisory, company secretarial, and financial reporting services to ASX-listed, unlisted public, and private companies. A Chartered Secretary, Natalie was previously a Senior Associate at a boutique corporate advisory firm, where she delivered company secretarial and accounting services to both listed and unlisted entities.

### Meetings of Directors

During the financial year there have been ten (10) meetings of Directors.

| | Directors' Meetings | | Remuneration and Nomination Committee Meetings | |
|---|---|---|---|---|
| | **Number eligible to attend** | **Number attended** | **Number eligible to attend** | **Number attended** |
| John Welborn | 10 | 10 | - | - |
| Craig Mitchell | 10 | 10 | - | - |
| Garry Plowright | 10 | 10 | 1 | 1 |
| Shannon Coates | 10 | 10 | 1 | 1 |

## LETTER FROM OUR REMUNERATION AND NOMINATION COMMITTEE CHAIR

Dear Shareholders

On behalf of the Board, I am pleased to present the Remuneration Report for the year ended 30 June 2025.

This report is designed to give shareholders and stakeholders a clear understanding of our approach to remunerating Key Management Personnel (**KMP**), which includes Executives — the Executive Chairman, Executive Director, and Chief Financial Officer — as well as Non-Executive Directors, for FY25, and looking forward to FY26.

**Our Year**

FY25 was a transformative year for Fenix Resources, marked by record production, significant project milestones, and the advancement of several strategic growth initiatives. Key achievements included:

- **Continued mining at Iron Ridge and Mineral Resource upgrade** — a 177% increase to 13.4Mt @ 64.9% Fe.
- **Commissioning of the Shine Iron Ore Mine and commencement of mining** — delivered on time, on budget, and fully self-funded from free cash flow, at a low capital cost of approximately $7.4 million, achieving Stage 1 capacity of 1.2Mtpa.
- **Commencement of mining at Beebyn-W11** — with the first shipment completed in August 2025.
- **Operational milestones**— 100$^{th}$ shipment loaded, and 6 million tonnes shipped since operations began.
- **Production growth** — achieving a run rate of 2.5Mtpa across all operations and remaining on track to reach 4Mtpa during CY25.
- **Strategic acquisition of Beebynganna Hills** — expanding our footprint in the Weld Range with near-mine discovery potential.
- **Strategic investment in Athena Resources Limited** — acquiring a 37.21% stake in the Byro Magnetite Project, positioning Fenix for participation in the emerging green steel market.

**FY25 Remuneration Overview**

Fenix is committed to attracting and retaining high-calibre employees who can deliver on the Company's ambitious strategic objectives. Central to this is ensuring that our KMP — those responsible for planning, directing, and controlling the Company's activities — are remunerated in a way that is competitive in the market, aligned with our business objectives, and supports safe and sustainable performance.

Our remuneration framework is designed with these objectives in mind, ensuring we attract the right talent and reward them appropriately for the results they deliver.

In setting the remuneration framework for FY25, the Board, engaged Remsmart Consulting Services Pty Ltd **(Remsmart)** to undertake a review of Executive remuneration arrangements, to ensure these were competitive and remained fit-for-purpose in light of the Company's continued growth in size and operational complexity. The review considered:

- Individual performance;
- Increased role complexity;
- Additional responsibilities;
- Overall Company performance;
- External market conditions, particularly the need to retain KMP in a tight Western Australian resources labour market;
- Practices of comparable ASX-listed peers; and
- Industry remuneration surveys, data, and tailored reports.

Following this review, Mr Welborn's and Mr Mitchell's Total Fixed Remuneration (**TFR**) for FY25 remained unchanged at $650,000 and $500,000 respectively.

Fenix offers a program of short term incentives (**STI**) and long term incentives (**LTI**) designed to incentivise and reward Executives for achieving both objectives in line with the Company's business plan over the shorter term and long term, sustainable value creation aligned with shareholder experience. A summary of the STI and LTI remuneration outcomes for Executive KMP for FY25 included:

- Mr Welborn is eligible for a STI payment of up to 50% of his TFR based on operational, financial, growth, safety and sustainability and leadership KPIs. The Board assessed that Mr Welborn achieved 100% of the available award resulting in an amount of $325,000 to be paid to Mr Welborn in August 2025.
- Mr Mitchell is eligible for a STI payment of up to 100% of his TFR based on operational, financial, growth, safety and sustainability and leadership KPIs. The Board assessed that Mr Mitchell achieved 100% of the available award resulting in an amount of $500,000 to be paid to Mr Mitchell in August 2025.
- On 20 January 2025, Mr Chris Hunt joined Fenix as the Chief Financial Officer, on a TFR of $400,000. Mr Hunt was eligible for up to 50% of his TFR as an FY25 STI award, pro rata from his commencement date, and subject to meeting individual KPIs. Achievement was assessed to 100% and Mr Hunt was subsequently paid $88,219 in July 2025.
- Mr Welborn and Mr Mitchell did not receive any LTI awards for FY25.
- Mr Hunt was awarded a total of 1,000,000 LTI performance rights for FY24 and 716,846 performance rights for FY25. The LTI performance rights will be subject to a service period and performance milestones relating to Total Shareholder Return (**TSR**) against a peer group and Volume-Weighted Average Price (**VWAP**).
- During FY25, a total of 10,000,000 performance rights issued in March 2022 and held in equal shares by Mr Welborn and Mr Mitchell vested and were exercised on achievement of the applicable performance hurdles.

**Looking Forward**

The Remuneration and Nomination Committee (**RNC**) was established in FY25 and following its establishment, undertook a further review of the Company's Executive remuneration framework. This review culminated in the proposed introduction of a once-off, long term growth incentive plan (**Plan**) for the Company's Executive Directors to seek to ensure that both Mr Welborn and Mr Mitchell are competitively incentivised to continue their strong executive leadership of the Company and to deliver further transformational growth which results in the creation of long term, sustainable value to Fenix shareholders.

The Plan is intended to operate over a 5-year period, during which time the Executive Directors have agreed to forgo any increase to their TFR (which has remained unchanged since October 2023) and to not participate in any further equity issues under the Company's Employee Securities Incentive Plan. More information is available in the Notice of Meeting released to ASX on 19 August 2025.

The Board remains confident that our remuneration framework is appropriate for Fenix's current size, growth stage, and market environment. The Remuneration and Nomination Committee continue to seek feedback from stakeholders and intend to refine our approach to remuneration as the business evolves.

On the following pages, you will find the Remuneration Report in full. I welcome the opportunity to engage with shareholders on the matters set out in this report and look forward to your support at the 2025 Annual General Meeting.

Yours sincerely

Shannon Coates

**Shannon Coates**

Remuneration and Nomination Committee Chair

## REMUNERATION REPORT (AUDITED)

The remuneration report details the nature and amount of remuneration for each Director and key management personnel of Fenix Resources Limited and is set out under the following main headings:

A. Introduction

B. Remuneration governance

C. Key management personnel

D. Remuneration and performance

E. Remuneration structure

F. Executive service agreements

G. Details of remuneration

H. Share-based compensation

I. Other information

### A. INTRODUCTION

The remuneration policies have been designed to align Director and Management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific short-term and long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas include financial and operational performance, growth in share price and advancement of the Group's strategic objectives. The Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best Management and Directors to run and manage the Group, as well as create goal congruence between Directors, Executives and Shareholders.

### B. REMUNERATION GOVERNANCE

The Remuneration and Nomination Committee (**RNC**) was formed on 24 July 2024 in anticipation of the significant growth planned for the Company, from a single iron ore mine producing at 1.4Mtpa to a targeted production rate of 4.0Mtpa during 2025 from three iron ore mines. The RNC is responsible for formulating the Group's Executive remuneration policy, setting each Director's remuneration and reviewing the Executive Chairman's remuneration recommendations for KMPs to ensure compliance with the remuneration policy and consistency across the Group. In addition, the RNC ensures the Board has an appropriate mix of skills and experience to be an effective decision-making body. Recommendations of the RNC are put to the Board for approval.

During FY25 the Board, engaged Remsmart Consulting Services Pty Ltd **(Remsmart)** to undertake a review of Executive remuneration arrangements, to ensure these were competitive and remained fit-for-purpose in light of the Company's continued growth in size and operational complexity. Remsmart was paid $15,400 for these services.

At the 2024 Annual General Meeting, the Company's remuneration report was passed by a majority of Shareholders (91.64% by way of poll).

**REMUNERATION REPORT (AUDITED) (continued)**

## C. KEY MANAGEMENT PERSONNEL

The key management personnel in this report are as follows:

| Name | Role | Appointment/(Resignation date) |
|---|---|---|
| John Welborn | Executive Director | 16 November 2021 |
| Craig Mitchell | Executive Director | 1 September 2022 |
| Garry Plowright | Non-Executive Director | 1 January 2021 |
| Shannon Coates | Non-Executive Director | 1 July 2024 |
| Chris Hunt | Chief Financial Officer | 20 January 2025 |
| Stuart Ausmeier | Chief Financial Officer | 1 September 2022 / (17 March 2025) |

## D. REMUNERATION AND PERFORMANCE

The following table shows the gross revenue, net profits/(losses) attributable to members of the Company and share price of the Company at the end of the current and previous four financial years. See Remuneration Structure for short-term incentives subject to key performance indicators.

| | 30 June 2025 $ | 30 June 2024 $ | 30 June 2023 $ | 30 June 2022 $ | 30 June 2021 $ |
|---|---|---|---|---|---|
| Revenue from continuing operations | 316,093,321 | 259,203,239 | 196,849,504 | 249,168,360 | 114,377,844 |
| Net profit attributable to members of the Company | 5,394,667 | 33,637,018 | 29,253,182 | 50,694,460 | 49,040,926 |
| Dividend declared | - | 13,733,238 | 28,413,722 | 24,791,223 | - |
| Share price | 0.280 | 0.315 | 0.285 | 0.315 | 0.345 |

## E. REMUNERATION STRUCTURE

### Director remuneration structure

The objective of the Group's remuneration strategy is to ensure reward for performance is competitive and appropriate for the results delivered. This aligns reward with the achievement of objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward.

Fees and payment to Directors reflects the demands that are made on them and the responsibilities of the Directors from time to time. The aggregate amount of fees as approved by shareholders that may be paid to Non-Executive Directors as a whole, for the years from and including the year commencing 1 July 2021 is $500,000 per annum. Directors' fees cover all normal Board activities. A Director may also be paid fees or other amounts as the Directors determine, if a Director performs special duties or otherwise performs duties outside the scope of the normal duties of a Director. A Director may also be reimbursed for out-of-pocket expenses incurred as a result of their directorship or any special duties. Directors are able to participate, subject to any required shareholder approval, in the Company's security incentive plans. In order to align their interests with those of shareholders, the Directors are encouraged to hold shares in the Company.

**REMUNERATION REPORT (AUDITED)** (continued)

### Executive KMP remuneration structure

In determining Key Management Personnel (**KMP**) remuneration the Board aims to ensure remuneration levels are set that attract, retain and incentivise executives and directors that are appropriately qualified and of a high calibre. Executives are rewarded with a level and mix of remuneration appropriate to their position, responsibilities and performance in a way that aligns with the Group's business strategy.

The objectives and principles of the Company's remuneration policy include:

- To align the objectives of the KMP's with the Company's strategic and business objectives and the creation of shareholder value;
- To provide competitive and reasonable remuneration to attract and retain high calibre talent;
- To provide remuneration that is transparent, easily understood and acceptable to shareholders; and
- To provide remuneration that is structured to have a suitable mix of fixed remuneration and at-risk performance-based elements using appropriate STI and LTI components.

Executive remuneration levels are reviewed annually by the RNC to ensure alignment to the market and the Company's objectives.

The Board's policy for determining the nature and amount of remuneration for Executives of the Group is set out in the remuneration policy, which comprises the terms and conditions for Executive Directors and other Executives, as developed and approved by the Board. All Executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and a combination of short-term and long-term performance incentives. The Board reviews Executive packages annually by reference to the Group's performance, Executive performance and comparable benchmarking information from industry sectors and other listed companies in similar industries.

The employees of the Group receive a superannuation guarantee contribution required by the Government, which for the 2025 financial year was 11.5% and from 1 July 2025 is 12.0%, and do not receive any other retirement benefits.

The table below provides a summary of the structure of the Executive remuneration:

| | |
|---|---|
| Fixed Remuneration | - Base Salary<br>- Superannuation<br>- Other benefits |
| Variable Remuneration | - STI (cash bonuses)<br>- LTI (performance rights) |

**REMUNERATION REPORT (AUDITED)** **(continued)**

## F. EXECUTIVE SERVICE AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the share and performance rights plans are subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below. Termination benefits are within the limits set by the *Corporations Act 2001* (**Corporations Act**) such that they do not require shareholder approval.

### Contractual arrangements with key management personnel

*Executives*

| Name | Effective date | Term of agreement | Notice period (individual/ company) | Salary per annum [1] $ | STI % | Termination payment |
|---|---|---|---|---|---|---|
| John Welborn, Executive Chairman | 20-Oct-23 | No fixed term | 6 months/ 12 months | 650,000 | 50% | 12 months |
| Craig Mitchell, Executive Director | 20-Oct-23 | No fixed term | 6 months/ 12 months | 500,000 | 100% | 12 months |
| Chris Hunt, Chief Financial Officer | 20-Jan-25 | No fixed term | 3 months/ 3 months | 400,000 | 50% | 3 months |
| Stuart Ausmeier, [2] Chief Financial Officer | 15-Aug-22 | No fixed term | 2 months/ 2 months | 380,000 | 32% | 2 months |

1 *Salary amount includes superannuation guarantee contribution.*
2 *Stuart Ausmeier resigned 17 March 2025.*

### Fixed Remuneration

Fixed remuneration consists of base remuneration and employer contributions to superannuation funds and salary sacrifice superannuation contributions. Remuneration levels are reviewed annually by the RNC through a process that considers market conditions, individual performance and the overall performance of the Group. Industry remuneration surveys and data are utilised to assist in this process as well as benchmarking against comparable ASX listed companies.

**REMUNERATION REPORT (AUDITED) (continued)**

**Short Term Incentives**

Under the STI plan, all Executives have the opportunity to earn an annual incentive which is delivered in cash if certain financial and non-financial key performance indicators (**KPI's**) are met. The STI recognises and rewards annual performance and links the achievement of key short term Company targets with the remuneration received by those Executives charged with meeting those targets.

Achievement of the Executive Directors' FY24 STI KPIs was considered by the independent Directors during H1FY25, with 100% of the available STI awarded to each of Mr Welborn ($325,000) and Mr Mitchell ($500,000), based on the following achievements during the year ended 30 June 2024:

- Consolidation of Newhaul as a 100% subsidiary of Fenix;
- The negotiation, acquisition, and settlement of Mount Gibson Iron's Mid-West iron ore assets;
- The negotiation and settlement of the 10Mt Right to Mine agreement with Sinosteel;
- The achievement of the three million tonne and four million tonne production milestones;
- Ongoing positive safety and operational performance of the Iron Ridge Iron Ore Mine;
- Sale of Extension Hill Assts and removal of rehabilitation liabilities;
- Positive decision to progress the recommissioning of the Shine Iron Ore Mine; and
- Progression of the Beebyn-W11 Feasibility Study and associated approvals.

The Company's former Chief Financial Officer, Mr Stuart Ausmeier was as assessed as having achieved 67% of his available STI award ($120,000).

Mr Welborn and Mr Mitchell's FY25 STIs were based on safety and sustainability, operational, financial, growth, and leadership KPIs which were assessed by the Board in August 2025, with the following achievements during the year ended 30 June 2025:

- Improved safety systems and reporting with one (1) LTI across for the Group for FY25;
- Record iron ore shipped from Fenix mines;
- Two new iron ore mines commissioned on time and on Budget;
- Reducing C1 Cash Costs;
- Significant resource growth with the Mineral Resources at Iron Ridge;
- Outstanding leadership through a period of substantial growth; and
- Future Company growth opportunities with the strategic investment in Athena Resources Limited and acquisition of the Beebynganna Hills Iron Ore Project and disciplined decision on CZR Resources Limited

Achievement of the FY25 STI KPIs resulted in the Board awarding 100% of the available award to each of Mr Welborn ($325,000) and Mr Mitchell ($500,000).

Mr Hunt achieved 100% of his available STI for FY25, on a pro rata basis from commencement of employment, based on achievement of individual KPIs. $88,219 was paid in cash on 31 July 2025.

**Long Term Incentives**

The Company has established a Share Loan Plan and an Employee Securities Incentive Plan (**Plans**) to attract Directors and key employees with suitable qualifications, skills and experience to plan, carry out and evaluate the Company's Strategy and to motivate and retain those Directors and key employees. Participants in the Plans may be Directors, employees and consultants of the Company or any of its subsidiaries or any other related body corporate of the

**REMUNERATION REPORT (AUDITED) (continued)**

Company. The aim of the Plans is to allow participation in, and benefit from, the growth of the Company as a result of the efforts of participants and to assist in motivating and retaining those key employees over the long term through the ownership of shares in the Company.

Fenix Resources' LTIP framework blends ownership incentives, performance-linked vesting, and executive-focused long-term awards, all tailored to align leadership and employee behaviour with sustained, shareholder-oriented outcomes. Vesting conditions included are a mix of relative TSR and absolute TSR metrics.

## G. DETAILS OF REMUNERATION

Details of remuneration of the key management personnel (**KMP**) (as defined in AASB 124 *Related Party Disclosures*) of the Company is set out below.

| | | Short-term benefits | | | | Post-employment benefits | | Share-based payments | Total |
|---|---|---|---|---|---|---|---|---|---|
| | | Cash salary | Non-cash benefits (1) | Leave entitlement (2) | Bonus (3) | Superannuation | Termination | Rights / Options (4) | |
| | | $ | $ | $ | $ | $ | $ | $ | $ |
| **Executive Directors and KMP** | | | | | | | | | |
| John Welborn) | 2025 | 620,000 | 1,218 | 31,066 | 325,000 | 30,000 | - | 1,031,495 | 2,038,779 |
| | 2024 | 526,771 | - | 32,632 | - | 30,050 | - | 829,184 | 1,418,637 |
| Craig Mitchell (5) | 2025 | 470,000 | - | 48,907 | 500,000 | 30,000 | - | 413,468 | 1,462,375 |
| | 2024 | 339,044 | - | 37,082 | - | 22,625 | - | 314,631 | 713,382 |
| Chris Hunt (6) | 2025 | 167,572 | 360 | 12,890 | 88,219 | 15,000 | - | - | 284,041 |
| | 2024 | - | - | - | - | - | - | - | - |
| Stuart Ausmeier (7) | 2025 | 306,544 | 917 | - | 120,000 | 22,500 | 87,500 | 15,896 | 553,357 |
| | 2024 | 331,875 | 600 | 24,679 | 90,000 | 28,125 | - | 73,755 | 549,034 |
| **Non-Executive Director** | | | | | | | | | |
| Garry Plowright | 2025 | 80,717 | - | - | - | 9,283 | - | - | 90,000 |
| | 2024 | 50,000 | - | - | - | 5,500 | - | - | 55,500 |
| Shannon Coates (8) | 2025 | 80,717 | - | - | - | 9,283 | - | - | 90,000 |
| | 2024 | - | - | - | - | - | - | - | - |
| **Total** | 2025 | 1,725,550 | 2,495 | 92,863 | 1,033,219 | 116,066 | 87,500 | 1,460,859 | 4,518,552 |
| | 2024 | 1,247,690 | 600 | 94,393 | 90,000 | 86,300 | - | 1,217,570 | 2,736,553 |

1 *Other benefits include the provision of a mobile phone allowance.*
2 *Amounts disclosed represent the movement in leave provisions.*
3 *The Board proposed a short-term incentive for eligible staff and contractors.*
4 *Instruments granted, AASB 2 Share-Based Payment requires the fair value at grant date of the instruments granted to be expensed over the vesting period.*
5 *Craig Mitchell transitioned to Executive Director on 25 October 2023.*
6 *Chris Hunt commenced 20 January 2025.*
7 *Stuart Ausmeier resigned 17 March 2025.*
8 *Shannon Coates appointed 1 July 2024.*

## REMUNERATION REPORT (AUDITED) (continued)

The following table sets out each KMP's relevant interest in fully paid ordinary shares, options and performance rights to acquire shares in the Company, as at 30 June 2025:

| Name | Fully paid ordinary shares | Performance rights |
|---|---|---|
| John Welborn | 21,000,000 | 15,000,000 |
| Craig Mitchell | 75,260,000 | 5,000,000 |
| Garry Plowright | 24,960,000 | - |
| Shannon Coates (1) | 108,000 | - |
| Chris Hunt (2) | 105,700 | - |

1 *Shannon Coates appointed 1 July 2024.*
2 *Chris Hunt commenced 20 January 2025.*

## H. SHARE-BASED COMPENSATION

### Share Loan Plan

On 2 February 2022, shareholders approved the Company's Share Loan Plan, including approval to issue up to 20,000,000 Plan Shares and the issue of up to 10,000,000 Plan Shares to Mr John Welborn.

During the year ended 30 June 2025, the following shares were on issue, issued, vested and/or lapsed to KMPs:

| Grant date | Grant value (1) | Number granted as remuneration | Number vested prior periods | Number vested during the year | Number vested but not yet exercisable | Number lapsed during the year | Expense recognised during the year | Maximum value yet to expense |
|---|---|---|---|---|---|---|---|---|
| John Welborn – *Executive Chairman* | | | | | | | | |
| 4-Mar-22 (2) | $1,833,649 | 10,000,000 | - | - | - | - | $183,064 | $1,224,774 |

1 *The fair value of instruments is calculated as the fair value of the rights at grant date and allocated to remuneration equally over the period from grant date over the vesting period.*
2 *The securities were approved on 4 March 2022 at the Company's General Meeting.*
3 *The cash balance of the share loan as at 30 June 2025 is $1,937,500 (initial loan $2,300,000, less FY22 dividend payment $262,500 and FY23 dividend payment $100,000)*

Under AASB 2, shares issued under the Share Loan Plan are treated as options issued. The options are fair valued and recognised as an expense over the vesting period.

| Grant date (1) | Grant value (2) $ | Number issued | Value per option (3) $ | Expiry date | Vesting date | Number exercised | Vested % |
|---|---|---|---|---|---|---|---|
| John Welborn – *Executive Chairman* | | | | | | | |
| 4-Mar-22 | 1,833,649 | 10,000,000 | 0.1834 | 7-Mar-32 | - | - | 100% |

1 *The securities were approved on the 4 March 2022 at the Company's General Meeting.*
2 *Value of options has been calculated in accordance with AASB 2 Share-Based Payments.*

The fair value of services received in return for shares issued to Directors and employees is measured by reference to the fair value as options granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period.

**REMUNERATION REPORT (AUDITED) (continued)**

The model inputs for options granted during the year include:

| Series | Exercise price | Expiry (years) | Share price at grant date (1) | Expected volatility (2) | Dividend yield | Risk free interest rate (3) | Option value |
|---|---|---|---|---|---|---|---|
| (i) | $0.230 | 10.00 | $0.235 | 73% | 0% | 2.14% | $0.1834 |

1 *The share price has been based upon the closing shares price on grant date being 4 March 2022.*
2 *The expected price volatility is based on historical volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.*
3 *Risk free rate of securities with comparable terms to maturity.*

**Performance rights**

The Company's Employee Securities Incentive Plan was approved and adopted by Shareholders on 15 November 2022. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares.

Vesting conditions include a service period and performance milestones relating to Total Shareholder Return (**TSR**) against a peer group and Volume-Weighted Average Price (**VWAP**).

Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares.

During the year ended 30 June 2025, the following rights were on issue, issued, vested and/or lapsed to KMPs:

| Grant date | Grant value (1) $ | Number granted as remuneration | Number vested during prior periods | Number vested during the year | Number vested but not yet exercisable | Number forfeited during the year | Expense recognised during the year $ | Maximum value yet to expense $ |
|---|---|---|---|---|---|---|---|---|
| John Welborn – *Executive Chairman* | | | | | | | | |
| 24-Nov-23 | 2,186,500 | 20,000,000 | - | 5,000,000 | - | - | 848,431 | 692,451 |
| Craig Mitchell - *Executive Director* | | | | | | | | |
| 24-Nov-23 | 867,000 | 10,000,000 | - | 5,000,000 | - | - | 413,468 | 138,901 |
| Stuart Ausmeier – *Chief Financial Officer* (2) | | | | | | | | |
| 1-Dec-22 | 115,800 | 1,000,000 | - | - | - | - | 44,826 | - |
| 11-Oct-23 | 109,124 | 696,056 | - | - | - | (696,056) | - | - |
| 15-Aug-24 | 121,661 | 583,717 | - | - | - | (583,717) | | - |

1 *The fair value of instruments is calculated as the fair value of the rights at grant date and allocated to remuneration equally over the period from grant date over the vesting period.*
2 *Stuart Ausmeier resigned 17 March 2025, following resignation a number of performance rights issues lapsed.*

The fair value of services received in return for shares issued to Directors and employees is measured by reference to the fair value of rights granted. The estimate of the fair value of the rights is measured based on a combination of Monte Carlo simulation model, Parisian Barrier Model and Black-Scholes option valuation methodology. A share-based payment expense has been recognised over the respective vesting periods.

**REMUNERATION REPORT (AUDITED) (continued)**

Key inputs used in the fair value calculation of the performance rights which were on issue during the period ended 30 June 2025 were as follows:

| Number Granted | Exercise price | Expected vesting dates | Expiry date | Share price at valuation date | Risk fee rate | Dividend yield | Fair value per performance right | Total fair value |
|---|---|---|---|---|---|---|---|---|
| **Grant date: 1 Dec 2022 (1)** | | | | | | | | |
| 1,000,000 | $ - | 1-Dec-22 to 30-Jun-25 | 30-Jun-27 | $0.24 | 3.027% | 20.16% | $0.1158 | $115,800 |
| **Grant date: 11 Oct 2023 (2)** | | | | | | | | |
| 522,042 | $ - | 30-Jun-26 | 5-Jan-29 | $0.22 | 3.88% | 9.09% | $0.1357 | $70,841 |
| 174,014 | $ - | 30-Jun-26 | 5-Jan-29 | $0.22 | 3.88% | 9.09% | $0.2200 | $38,283 |
| **Grant date: 24 Nov 2023 (3)** | | | | | | | | |
| 5,000,000 | $ - | 30-Jun-26 | 5-Jan-29 | $0.265 | 4.13% | 7.69% | $0.1747 | $873,500 |
| 10,000,000 | $ - | 30-Jun-25 | 5-Jan-29 | $0.265 | 4.27% | 7.69% | $0.0967 | $967,000 |
| 10,000,000 | $ - | 30-Jun-26 | 5-Jan-29 | $0.265 | 4.13% | 7.69% | $0.0767 | $767,000 |
| 5,000,000 | $ - | 30-Jun-27 | 5-Jan-29 | $0.265 | 4.12% | 7.69% | $0.0892 | $446,000 |
| **Grant date: 15 Aug 2024 (4)** | | | | | | | | |
| 437,788 | $ - | 1-Jul-27 | 16-Aug-29 | $0.30 | 3.44% | 6.67% | $0.1953 | $85,500 |
| 145,929 | $ - | 1-Jul-27 | 16-Aug-29 | $0.30 | 3.44% | 6.67% | $0.2478 | $36,161 |

1 *Performance rights will vest on:*
- *continued employment to 30 June 2025, and*
- *relative total shareholder return ('TSR') for a three-year period relative to the TSR of each company in a peer group.*

*Following employee resignation, the performance rights remained of foot subject to the performance condition noted above.*

2 *Performance rights will vest on:*
- *522,042 Rights - 3-year vesting period to 30 June 2026 on TSR metrics against peer group*
- *174,014 Rights - remaining employed or otherwise engaged by the Company (or any one of its subsidiaries) at all times for a continuous period up to and including 30 June 2026 from the date of issue of the Performance Rights.*

*Following employee resignation, the performance rights lapse on 17 March 2025 and any expense recognised was reversed.*

3 *Performance rights will vest on:*
- *5,000,000 vest on total shareholder return metrics against peer group over a 3-year vesting period to 30 June 2026*
- *10,000,000 vest on the Company having a 20-day VWAP of $0.40 or greater prior to 30 June 2025 (vested August 2024)*
- *10,000,000 vest on the Company having a 20-day VWAP of $0.60 or greater prior to 30 June 2026*
- *5,000,000 vest on the Company having a 20-day VWAP of $0.80 or greater prior to 30 June 2027*

4 *Performance rights will vest on:*
- *437,788 Rights - remaining employed to 30 June 2027 and TSR condition from 1 July 2024 to 30 June 2027 relative to Peer Group*
- *145,929 Rights - remaining employed or otherwise engaged by the Company up to and including 30 June 2027.*

*Following employee resignation, the performance rights forfeited on 17 March 2025 and any expense recognised was reversed.*

**REMUNERATION REPORT (AUDITED)** **(continued)**

*Relative proportions of fixed vs variable remuneration expense*

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense for the 2025 and 2024 financial years:

| | Fixed remuneration | At risk STI | At risk LTI | Fixed remuneration | At risk STI | At risk LTI |
|---|---|---|---|---|---|---|
| | 2025 | | | 2024 | | |
| ***Executive Directors and KMPs*** | | | | | | |
| John Welborn | 33% | 16% | 51% | 42% | - | 58% |
| Craig Mitchell | 38% | 34% | 28% | 56% | - | 44% |
| Chris Hunt (1) | 69% | 31% | - | - | - | - |
| Stuart Ausmeier (2) | 75% | 22% | 3% | 71% | 16% | 13% |
| ***Non-Executive Director*** | | | | | | |
| Garry Plowright | 100% | - | - | 100% | - | - |
| Shannon Coates (3) | 100% | - | - | - | - | - |

1 *Chris Hunt commenced 20 January 2025.*
2 *Stuart Ausmeier resigned 17 March 2025.*
3 *Shannon Coates appointed 1 July 2024.*

*Reconciliation of equity instruments held by KMP*

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options and performance rights to acquire shares in the Company for the 2025 financial year:

## REMUNERATION REPORT (AUDITED) (continued)

| | Balance at start of year/period | Granted | Acquired [1] | Exercised/ Vested | Lapsed/ Forfeited | Other changes | Balance at year end |
|---|---|---|---|---|---|---|---|
| ***Executives*** | | | | | | | |
| John Welborn | | | | | | | |
| Fully paid ordinary shares | 5,000,000 | - | 1,000,000 | 5,000,000 | - | - | 11,000,000 |
| Fully paid ordinary shares – Share Loan Plan | 10,000,000 | - | - | - | - | - | 10,000,000 |
| Performance rights | 20,000,000 | - | - | (5,000,000) | - | - | 15,000,000 |
| Craig Mitchell | | | | | | | |
| Fully paid ordinary shares | 49,990,000 | - | 20,270,000 | 5,000,000 | - | - | 75,260,000 |
| Performance rights | 10,000,000 | - | - | (5,000,000) | - | - | 5,000,000 |
| Chris Hunt [2] | | | | | | | |
| Fully paid ordinary shares | - | | 105,700 | - | - | - | 105,700 |
| Stuart Ausmeier [3] | | | | | | | |
| Fully paid ordinary shares | 381,358 | 3,333 | - | - | - | (384,691) | - |
| Performance rights | 1,696,056 | 583,717 | - | - | (1,279,773) | (1,000,000) | - |
| ***Non-Executive Directors*** | | | | | | | |
| Garry Plowright [4] | | | | | | | |
| Fully paid ordinary shares | 26,644,972 | - | - | - | - | (1,684,972) | 24,960,000 |
| Shannon Coates | | | | | | | |
| Fully paid ordinary shares | 108,000 | - | - | - | - | - | 108,000 |

1 *Share acquired by:*
- *John Welborn on-market in July 2024 and February 2025*
- *Craig Mitchell 270,000 on-market in July 2024 and 20,000,000 in December 2024 following satisfaction of vesting conditions on Performance Shares*

2 *Chris Hunt commenced 20 January 2025 and purchased 105,700 on market.*

3 *Stuart Ausmeier resigned 17 March 2025; instruments held on resignation have been shown under other changes*

4 *Garry Plowright disposed shares on-market in July 2024.*

None of the fully paid ordinary shares above are held nominally by the Directors or any other KMP.

### I. OTHER INFORMATION

Transactions with other related parties include:

- an investment, via convertible note on commercial terms / an arm's length basis, in Warradarge Energy Pty Ltd for $100,000. Warradarge is a company associated with director Craig Mitchell (2024: nil).
- subletting office space and administrative services to Warradarge Energy Pty Ltd for $24,000 during the financial year (30 June 2024: nil). Warradarge is a company associated with director Craig Mitchell.
- subletting office space to Athena Resources Ltd for $25,000 during the financial year (30 June 2024: nil). Athena is a company associated with directors John Welborn and Garry Plowright who are Non-Executive Directors of Athena.
- rental of artwork for the corporate office on commercial terms / an arm's length basis from Outback Network Pty Ltd for $13,000 (30 June 2024: nil), Outback Network is a company associated with director Craig Mitchell.

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Other than the items noted above there have been no changes to related party transactions since the last annual reporting date, 30 June 2024.

**This concludes the Remuneration Report which has been audited.**

## UNISSUED ORDINARY SHARES

Unissued ordinary shares under option/right at the date of this report are 69,644,731 and broken-down as follows:

**Performance rights**

Issued to KMP: 20,000,000
Issued to employees: 4,144,731

Performance rights may be converted subject to various performance milestones.

**Options**

1. Consideration options: 12,500,000 (*exercise price $0.30, expiry 21 July 2028*)
   Issued to Mt Gibson Limited (**Mt Gibson**) in relation to Fenix's purchase of the Mt Gibson Mid-West assets.

2. Consultant options: 7,000,000 *(exercise price $0.30, expiry 21 July 2026) and 3,000,000 (exercise price $0.50, expiry 21 July 2026)*
   In relation to services provided by the Company's corporate advisors.

3. Broker options: 3,000,000 *(exercise price $0.50, expiry 21 July 2026)*
   In relation to services provided by the Company's corporate brokers.

**Milestone consideration shares**

To potentially be issued to vendors: 20,000,000

Milestone consideration shares relate to the acquisition of Newhaul Pty Ltd by Fenix and were issued to Newhaul founder Mr Craig Mitchell. The issue of 20,000,000 shares are subject to Newhaul hauling 10,000,000 dmt.

## ENVIRONMENTAL REGULATIONS

The Company's policy is to comply with, or exceed, its environmental obligations in each jurisdiction in which it operates. No known environmental breaches have occurred.

## INDEMNIFYING OFFICERS

During the financial year, the Company paid a premium in respect of a policy insuring the Company's Directors, Secretaries, Executive Officers and any related body corporate against a liability incurred by such a Director, Secretary or Officer to the extent permitted by the Corporations Act. The Company has entered into Deeds of Indemnity, Insurance and Access with the Company's Directors, Secretary and Executive Officers.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of the related body corporates against a liability incurred as such an officer or auditor.

## PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of Fenix Resources Ltd, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of Fenix Resources Ltd for all or part of these proceedings.

No proceedings have been brought or intervened in on behalf of Fenix Resources Ltd with leave of the Court under section 237 of the Corporations Act.

## AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the Corporations Act for the year ended 30 June 2025 has been received and can be found on page 40.

## AUDITOR'S REMUNERATION

During the financial year, the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd and its related entities.

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| Grant Thornton Audit Pty Ltd | | |
| *Audit and assurance services* | | |
| Audit and review of financial statements | 284,337 | 222,679 |
| Grant Thornton Australia Limited | | |
| *Other services* | | |
| Due diligence services | 81,456 | - |
| Total remuneration | 365,794 | 222,679 |

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. The Board considers the non-audit services the auditor independence requirements of the Corporations Act 2001 and whether the non-audit services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants which prevents an auditor reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards. The Company did not engage or approve such non-audit services during the year ended 30 June 2025.

## ROUNDING OF AMOUNTS

The Group is of a kind referred to in ASIC Corporations *(Rounding in Financials/Directors' Reports) Instrument 2016/191*, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 295(5) of the Corporations Act.

**Signed in accordance with a resolution of the Directors**

JTWelborn

**John Welborn**
Executive Chairman

Perth
26 August 2025

**Grant Thornton Audit Pty Ltd**
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
PO Box 7757
Cloisters Square
Perth WA 6850

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# Auditor's Independence Declaration

## To the Directors of Fenix Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Fenix Resources Limited for the year ended 30 June 2025. I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 26 August 2025

# FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
## For the year ended 30 June 2025

| | Notes | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|---|
| Revenue | 2 | 316,093 | 259,203 |
| Cost of sales | 3 | (288,316) | (199,372) |
| **Gross profit** | | 27,777 | 59,831 |
| Other income | 4 | 2,416 | 5,838 |
| Other expenses | 5 | (19,040) | (16,829) |
| (Loss)/Profit on joint ventures | | (5) | 3 |
| **Operating profit** | | 11,148 | 48,843 |
| Finance income | | 1,396 | 2,018 |
| Finance costs | 6 | (4,308) | (2,270) |
| **Profit before income tax expense** | | 8,236 | 48,591 |
| Income tax expense | 9 | (2,841) | (14,954) |
| | | | - |
| **Profit after income tax expense for the year attributable to the owners of the Group** | | 5,395 | 33,637 |
| **Other comprehensive income** | | | |
| Items that may be reclassified to profit or loss | | | |
| Cash flow hedges – effective portion of changes in fair value | | 547 | - |
| Tax on the above | | (165) | - |
| Total comprehensive income for year attributable to owners of Fenix Resources Ltd | | 5,777 | 33,637 |
| Basic earnings per share (cents per share) | 25 | 0.74 | 4.87 |
| Diluted earnings per share (cents per share) | 25 | 0.71 | 4.28 |

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## As at 30 June 2025

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| **Current Assets** | | | |
| Cash and cash equivalents | 11 | 56,820 | 77,118 |
| Inventories | 8 | 43,082 | 7,494 |
| Other current assets | 12 | 2,917 | 232 |
| Trade and other receivables | 12 | 8,490 | 22,407 |
| Financial asset | 13 | - | 328 |
| | | 111,309 | 107,579 |
| **Non-Current Assets** | | | |
| Mine properties, property, plant and equipment | 14 | 220,957 | 115,867 |
| Capitalised exploration and evaluation expenditure | 15 | 1,518 | 12,119 |
| Intangible assets | 16 | 21,952 | 26,165 |
| Loan receivable | 13 | 5,158 | 5,000 |
| Investment in associate and joint venture | 13 | 3,578 | 44 |
| | | 253,163 | 159,195 |
| **Total Assets** | | **364,472** | **266,774** |
| **Current Liabilities** | | | |
| Trade and other payables | 17 | 81,134 | 30,521 |
| Provisions | 18 | 2,455 | 1,738 |
| Provision for income tax | | 65 | 7,650 |
| Borrowings and lease liabilities | 19 | 25,944 | 13,330 |
| | | 109,598 | 53,239 |
| **Non-Current Liabilities** | | | |
| Trade and other payables | 17 | - | 500 |
| Provisions | 18 | 12,081 | 6,801 |
| Borrowings and lease liabilities | 19 | 56,981 | 28,589 |
| Deferred tax liability | 10 | 8,042 | 11,305 |
| | | 77,104 | 47,195 |
| **Total Liabilities** | | **186,702** | **100,434** |
| **Net Assets** | | **177,770** | **166,340** |
| **Equity** | | | |
| Issued capital | 21a | 93,958 | 86,349 |
| Other equity | 21b | - | 1,911 |
| Reserves | 21c | 4,378 | 4,041 |
| Retained earnings | | 79,434 | 74,039 |
| **Total Equity** | | **177,770** | **166,340** |

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## For the year ended 30 June 2025

| | Issued Capital $'000 | Other Equity $'000 | Reserves $'000 | Retained Earnings $'000 | Total $'000 |
|---|---|---|---|---|---|
| **Balance at 1 July 2023** | **68,018** | **1,911** | **773** | **54,135** | **124,837** |
| Profit for the year | - | - | - | 33,637 | 33,637 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | 33,637 | 33,637 |
| **Transactions with owners in their capacity as owners** | | | | | |
| Dividend declared | - | - | - | (13,733) | (13,733) |
| Share issue costs | (53) | - | - | - | (53) |
| Acquisition of Mount Gibson assets | 18,270 | - | 1,225 | - | 19,495 |
| Share-based payments | - | - | 2,157 | | 2,157 |
| Transfer of reserves | 114 | - | (114) | - | - |
| **Balance at 30 June 2024** | **86,349** | **1,911** | **4,041** | **74,039** | **166,340** |
| Profit for the year | - | - | - | 5,395 | 5,395 |
| Other comprehensive income | - | - | 382 | - | 382 |
| Total comprehensive income for the year | - | - | 382 | 5,395 | 5,777 |
| **Transactions with owners in their capacity as owners** | | | | | |
| Conversion of options | 3,800 | - | (675) | - | 3,125 |
| Share issue costs | (54) | - | - | - | (54) |
| Share-based payments | 145 | - | 2,437 | - | 2,582 |
| Transfer of reserves | 3,718 | (1,911) | (1,807) | - | - |
| **Balance at 30 June 2025** | **93,958** | **-** | **4,378** | **79,434** | **177,770** |

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

## STATEMENT OF CONSOLIDATED CASH FLOWS
### For the year ended 30 June 2025

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers | | 333,496 | 259,310 |
| Payments to suppliers and employees | | (247,709) | (181,533) |
| Insurance payment received | | 194 | 262 |
| Interest received | | 952 | 2,292 |
| Income taxes paid | | (15,050) | (10,168) |
| **Net cash provided by operating activities** | 33 | 71,883 | 70,163 |
| **Cash flows from investing activities** | | | |
| Payments for mine properties and plant and equipment | | (64,349) | (20,187) |
| Payments for exploration and evaluation | | - | (6,059) |
| Proceeds from sale of plant and equipment | | 69 | 1,867 |
| Government grants received | | - | 25 |
| Payment into term deposits | | (765) | (192) |
| Payment into trust account | | (543) | - |
| Loan amounts received/(paid) | | 300 | (5,308) |
| Investment in convertible notes | | (780) | - |
| Investment in equity accounted associate | | (1,262) | - |
| Net cash outflow from acquisitions | | - | (10,281) |
| Exercise of options | | 3,125 | - |
| **Net cash used in investing activities** | | (64,205) | (40,135) |
| **Cash flows from financing activities** | | | |
| Asset finance interest paid | | (3,633) | (1,675) |
| Repayment of loans and borrowings | | (22,037) | (12,495) |
| Payment for hedge instruments | | (1,374) | - |
| Payments for lease liabilities | | (562) | (726) |
| Dividends paid | | (289) | (13,728) |
| **Net cash used in financing activities** | | (27,895) | (28,624) |
| **Net (decrease)/increase in cash held** | | (20,217) | 1,404 |
| Cash and cash equivalents at the beginning of the year | | 77,118 | 76,328 |
| Effect of exchange rates on cash holdings in foreign currencies | | (81) | (612) |
| Cash and cash equivalents at the end of the year | 11 | **56,820** | **77,118** |

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

## 1 STATEMENT OF MATERIAL ACCOUNTING POLICES

Fenix Resources Limited (**Company** or **Fenix**) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. Fenix Resources Limited is the ultimate parent entity of the Group.

The consolidated financial statements of Fenix Resources Limited for the year ended 30 June 2025 comprise the Company and its controlled subsidiaries (together referred to as the **Group** and individually as **Group entities**).

*Statement of compliance*

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Group Interpretations and the *Corporations Act* 2001. Fenix Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

*Historical cost convention*

These financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

*Rounding*

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

*Critical accounting estimates and significant judgements*

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 26

*New and amended standards adopted by the Group*

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior years.

*New standards and interpretations not yet adopted*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the group. Most notably, AASB 18 *Presentation and Disclosure in Financial Statements* is mandatory for annual reporting periods beginning on or after 1 January 2027 and will replace AASB 101. The new standard requires that companies classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Management defined performance measures are disclosed in a single note and enhanced guidance is provided on how to group information in the financial statements. In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows.

Management continues to evaluate the impact of new accounting standards, amendments to accounting standards and interpretations. It is expected that, where applicable, these standards and amendments will be adopted from their respective effective dates.

**Accounting Policies**

In order to assist in the understanding of the financial statements, the following summary explains the principal accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

### (a) Principles of Consolidation

*Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company at the end of the reporting period. Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where a subsidiary has entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of subsidiaries is contained in Note 29 to the financial statements.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

*Equity method*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

**(b) Foreign Currency Translation**

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is Fenix Resources Limited's functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

**(c) Revenue Recognition**

*Iron Ore*

The Group primarily generates revenue from the sale of iron ore. Revenue is recognised at a point in time when control of the iron ore passes to the customer. In most instances, control passes when the iron ore is delivered to a destination specified by the customer, typically on board the customer's appointed vessel. The amount of revenue recognised reflects the consideration to which the Group expects to be entitled in exchange for the goods.

The Group sells ore to customers under two types of long-term offtake contracts:

- Cost and Freight (CFR) Incoterms, where the Group is responsible for providing shipping/freight services and the associated costs; and
- Free on Board (FOB) Incoterms, where the customer is responsible for all shipping/freight services and the associated costs.

The Group's sales under both of these contract types are provisionally priced, with the final price only determined at a later date with reference to the average market-based price indices over an agreed time period (typically 30 calendar days from the first month post shipment), referred to as a quotational period. Adjustments to the sales price therefore occur based on movements in the market-based price indices up to the end of the quotational period. Any increase/decrease from the provisional price to the final price is typically referred to as a QP Adjustment. QP Adjustments are therefore only confirmed after the end of the quotational period.

Any changes to the final price that occur over the quotational period are embedded within the associated trade receivable as part of the contract. Given the exposure to the commodity price, these provisionally priced trade receivables are measured at fair value through profit or loss in revenue. The final invoice is typically issued once the vessel has arrived at its destination and details have been confirmed by the customer and may include adjustments that arise as a consequence of changes in moisture or ore quality. Any changes in the value of the trade receivables arising from the final invoice are also measured at fair value through profit or loss and included in revenue.

International iron ore prices are typically quoted in US dollars (USD), and the sale of iron ore exposes the Group to the USD/AUD exchange rate. Where the Group hedges a highly probable sale of iron ore, the related hedging gains or losses are reclassified to profit or loss and included in revenue in the same period as when the revenue from the hedged sale is recognised.

*Port Services*

Revenue is recognised at a point in time when the services are performed on behalf of the customer.

**(d) Inventories**

Ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and comprises mining costs, direct materials, direct labour, haulage, depreciation and an appropriate proportion of project overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(e) Income Tax**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Fenix Resources Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity, and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(f) Exploration and Evaluation Expenditure**

The Group's policy with respect to exploration and evaluation expenditure is to use the area of interest method.

This method allows the costs associated with the acquisition, exploration, and evaluation of a prospect to be aggregated on the consolidated statement of financial position and matched against the benefits derived from commercial production once this commences.

Exploration lease acquisition costs relating to exploration provinces are initially capitalised and then amortised over the shorter term of the lease or the expected life of the project.

All other exploration and evaluation costs, including general permit activity, geological and geophysical costs and new venture activity costs are charged as expenses as incurred except where:

- such evaluation costs are expected to be recouped through successful development and exploitation of the area of interest or alternatively, by its sale; or
- exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Areas of interest are recognised at permit level. Subsequent to the recognition of an area of interest, all further costs relating to the Area of Interest are initially capitalised. Each area of interest is reviewed at least bi-annually to determine whether economic quantities of reserves exist or whether further exploration and evaluation work is required to support the continued carry forward of capitalised costs. To the extent it is considered that the relevant expenditure will not be recovered, it is written off.

In the statement of cash flows, those cash flows associated with the capitalised exploration and evaluation expenditure are classified as cash flows used in investing activities while exploration and evaluation expenditure expensed is classified as cash flows used in operating activities.

The Group reviews the work scope and cost estimates for restoration annually. Provision is made in the consolidated statement of financial position for the estimated costs of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The estimated costs are capitalised as part of the cost of the related project where recognition occurs in the operating locations. The costs are then recognised as an expense on a units of production basis during the production phase of the project.

**(g) Impairment of Assets**

The Group assesses at each reporting date whether there is an indication that any of its Mine properties, property, plant and equipment, Capitalised exploration and evaluation expenditure, Intangible assets or Interest in joint venture may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value-in-use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss not been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**(h) Intangible assets**

*Goodwill*

Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

*Customer contracts and other intangibles*

Customer contracts and other intangibles acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Customer contracts 5 years
- Other intangibles 5-10 years

**(i) Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdrafts.

**(j) Trade and Other Receivables**

The provisionally priced receivables are measured at fair value through profit or loss. The rest of trade and other receivables are initially recognised at the transaction price, less allowances for expected credit loss. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**(k) Loan Receivable and Other Financial Assets**

The Group classifies its loans receivable and financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and;
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. The group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**(l) Mine Properties, Property Plant and Equipment**

Mine properties, property, plant and equipment is stated at cost less accumulated depreciation and amortisation and accumulated impairment losses.

*Mine properties under development*

Mine properties under development represents the costs incurred in preparing mines for production and includes plant and equipment under construction and operating costs incurred before production commences.

Once production commences, these costs are transferred to property, plant and equipment and mine properties as appropriate, and are depreciated and amortised using the units of production method based on the estimated economically recoverable resource contained in the mine plan to be extracted to which they relate or are written off if the mine property is abandoned.

*Mine properties*

Mine properties represent the accumulation of all pre-production expenditure incurred in relation to areas of interest for which the technical feasibility and commercial viability of the extraction of mineral resources are demonstrable.

Production is deemed to commence when the mine assets are installed and ready for use in the location and condition necessary for them to be capable of operating in the manner intended by management. These costs are capitalised to the extent they are expected to be recouped through the successful exploitation of the related mining leases.

Mine properties include:

- Capitalised expenditure in relation to exploration, evaluation, feasibility, and acquisition costs incurred on projects for which the technical feasibility and commercial viability of extracting a mineral resource are demonstrable;
- The cost of rehabilitation and mine closure relating to assets reflected in mine properties;
- Capitalised development and production stripping costs;
- Pre-production operating costs, net of pre-production revenue, previously accumulated and carried forward in mine properties under development, transferred to mine properties in relation to areas of interest in which mining has now commenced;
- Associated mine infrastructure including access roads, evaporation ponds, tailings facility and the airstrip; and
- Mining contractor mobilisation costs.

Mine properties are amortised on a units of production basis over the economically recoverable ore reserve contained in the relevant mine plan.

When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is capitalised as part of the mine property only when it is probable that the additional future economic benefits associated with the expenditure will flow to the Group. Otherwise, such expenditure is classified as part of the cost of production.

*Right-of-use assets*

Right-of-use (ROU) assets, representing the Group's right to use an underlying leased asset for the lease term, are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

*Depreciation and amortisation*

Depreciation commences when an asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Mine-related plant and equipment is depreciated on a units of production basis, except for assets with a useful life less than the life of mine, for which the straight-line method is applied. Non-mine-related plant and equipment is depreciated using both the diminishing value and straight-line methods to allocate their cost, net of their residual values, over their estimated useful lives:

| | | |
|---|---|---|
| - | Trucks and Trailers | 5-10 years |
| - | Motor Vehicles | 10 years |
| - | Plant and Equipment | 2-10 years |
| - | Buildings and Leasehold Improvements | 40 years |
| - | Other Fixed Assets | 4 years |

Mine properties are amortised on a units of production basis over the life of the estimated ore reserve of the mine.

*Units of production method*

Where the useful life of an asset is directly linked to the extraction of ore from a mine, the asset is depreciated using the units of production method. The units of production method results in depreciation and amortisation charges proportional to the depletion of the estimated ore reserve of the mine. The unit of account used in the calculation is tonnes of ore.

**(m) Borrowings**

The Group’s borrowings relate to chattel mortgages. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has a right to defer settlement of the liability for at least 12 months after the reporting period.

**(n) Leases**

All leases are accounted for by recognising an ROU asset and a lease liability except for:

- short-term leases (defined as leases with a lease term of 12 months or less and which do not contain a purchase option); and
- leases of low-value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as incurred as operating expenses on a straight-line basis over the lease term in profit or loss.

Non-lease components are excluded from future lease payments and recognised separately as incurred as operating expenses on a straight-line basis in profit or loss.

Lease liabilities are initially measured at the present value of lease payments to be paid after the commencement date over the lease term, discounted using the lessee's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

The lessee's incremental borrowing rate (IBR) is the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. To determine the IBR, the Group obtains external interest rate advice and adjusts the interest rates to reflect the lease conditions and the underlying asset.

The lease liability is subsequently measured on an amortised cost basis using the effective interest method, where the lease liability is increased to reflect the accretion of interest and reduced by the lease payments made, over the lease term.

ROU assets are subsequently depreciated, in accordance with the Group's existing depreciation accounting policy, over the shorter of the estimated useful life of the underlying asset and the lease term. If it is reasonably certain that the Group will either obtain ownership of the underlying asset by the end of the lease term or exercise a purchase option, the ROU asset is depreciated over its estimated useful life.

ROU assets are assessed for any impairment in accordance with the Group's existing impairment accounting policy.

**(o) Acquisition of Assets**

Where an entity or operation is acquired, the identifiable assets acquired (and, where applicable, identifiable liabilities assumed) are to be measured at the acquisition date at their relative fair values of the purchase consideration.

Where the acquisition is a group of assets or net assets, the cost of acquisition will be apportioned to the individual assets acquired (and, where applicable, liabilities assumed). Where a group of assets acquired does not form an entity or operation, the cost of acquisition is apportioned to each asset in proportion to the fair values of the assets as at the acquisition date.

**(p) Share-Based Payment Transactions**

*Benefits to Employees and Consultants (including Directors)*

The Group provides benefits to employees and consultants (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares or options ("equity-settled transactions").

The costs of these equity settled transactions are measured by reference to the fair value of the equity instruments at the date on which they are granted. Further details of options and performance rights granted are disclosed in Note 23.

The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

At each subsequent reporting date until vesting, the cumulative charge to the profit or loss is the product of: (i) the fair value at grant date of the award; (ii) the current best estimate of the number of equity instruments that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an equity instrument has vested, any amounts recorded are contingent and will be adjusted if more or fewer equity instruments vest than were originally anticipated to do so. Any equity instrument subject to a market condition is valued as if it will vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

Where the Group issues equity instruments to employees that are financed by non-recourse loans, the Group assesses whether the arrangement represents, in substance, a share-based payment transaction under AASB 2. In cases where the substance of the transaction indicates that the counterparty has the right but not the obligation to repay the loan, and may forfeit the shares without any further obligation, the arrangement is accounted for as a share-based payment with an in-substance option.

*Benefits to Vendors*

The Group provides benefits to vendors of the Group in the form of share-based payment transactions, whereby the vendor has rendered services in exchange for shares or rights over shares or options ("equity-settled transactions").

The fair value is measured by reference to the value of the goods or services received. If these cannot be reliably measured, then by reference to the fair value of the equity instruments granted.

The cost of these equity-settled transactions is recognised over the period in which the service was received.

**(q) Provisions**

The Group has obligations to dismantle and remove certain items of mine properties, property, plant and equipment and to restore and rehabilitate the land on which they sit.

A provision is recognised for the estimated cost of settling the rehabilitation and restoration obligations existing at the reporting date, discounted to present value using high quality corporate bond market yields at the reporting date, that match the timing of the estimated future cash outflows as closely as possible.

Where the obligation is related to an item of mine properties, property, plant and equipment, its cost includes the present value of the estimated costs of dismantling and removing the asset and restoring the site on which it is located. The related rehabilitation asset for each Mine is included in mine properties.

The discounted value reflects a combination of an assessment of the nature and extent of the work required, the future cost of performing the work required, the timing of cash flows and the discount rate. Over time, the discounted value is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. This increase in the provision, being the periodic unwinding of the discount due to the passage of time, is recognised as a finance cost in profit or loss.

The provision is reassessed at least annually. A change in any of the assumptions used to determine the provisions could have a material impact on the carrying amount of the provision. Any change in the provision is reflected as an addition to, or deduction from, the related rehabilitation asset in mine properties and amortised as appropriate.

The Group's liability for employee entitlements arising from services rendered by employees to reporting date is recognised in provisions. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

**(r) Business Combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Goodwill is recorded as the excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity,

over the fair value of the net identifiable assets acquired. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

**(s) Derivatives**

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in Reserves. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss and included in Other Expenses in profit or loss. The amount accumulated in Reserves is reclassified to profit or loss in the same period during which the hedged item affects profit or loss.

**(t) Parent Entity Financial Information**

The financial information for the parent entity, Fenix Resources Limited, disclosed in Note 34 has been prepared on the same basis as the consolidated financial statements except as set out below:

*Investments in subsidiaries*

Investments in subsidiaries are accounted for at cost and subject to an annual impairment review.

## 2 REVENUE

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| **Revenue from contracts with customers** | | |
| Sale of iron ore | 309,385 | 248,328 |
| Third party logistic services | 6,772 | 19,063 |
| **Other revenue** | | |
| Hedging losses | (64) | (8,188) |
| Total revenue | 316,093 | 259,203 |

*Sale of Iron Ore*

The Group primarily generates revenue from the sale of iron ore. Revenue is recognised at a point in time when control of the promised goods or services passes to the customer. In most instances, control passes when the goods are delivered to a destination specified by the customer, typically on board the customer's appointed vessel. The amount of revenue recognised reflects the consideration to which the Group expects to be entitled in exchange for the goods.

Fenix has an active hedging program which is designed to manage iron ore price risk and protect the Company's operating margins. These hedging arrangements are structured as iron ore swap contracts facilitated by Macquarie Bank Limited and are based on the Monthly Average Platts TSI 62 Index converted to AUD for the relevant month. Cash settlement under the hedge contracts occurs 5 business days after the end of each month. As at 30 June 2025, the Company had the following iron ore swap hedges in place:

- 80,000 dmt of iron ore per month from Jul-25 through to Dec-25 at an average fixed price of A$155.30/dmt;

The Group uses derivative financial instruments such as iron ore forward contracts to manage the risk associated with commodity price. The sale of iron ore under such hedge instruments is accounted for using the 'own use exemption' under AASB 9 *Financial Instruments* and as such all hedge revenue relating to iron ore forward contracts are recognised in the Statement of Profit or Loss and no fair value adjustments are subsequently made to sales yet to be delivered under the hedging program.

*Third Party Logistic Services*

Newhaul Port Logistics provides in-loading access via truck or rail for secure storage at Fenix's +400,000 tonnes on-wharf storage facilities (comprising 3 sheds) at the Geraldton Port and offering direct ship loading access and services. Revenue is recognised over time when the services are performed on behalf of the customer.

## 3 COST OF SALES

| | Note | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| Costs of production | | 278,180 | 173,604 |
| Inventory product movement | | (34,700) | 1,364 |
| Depreciation and amortisation [(1)] | 14 | 44,836 | 24,404 |
| Total cost of sales | | 288,316 | 199,372 |

1 *Refer to Note 1 (l) for details on the Group's accounting policies for depreciation and amortisation.*

*Costs of production*

Costs of production includes ore and waste mining costs, processing costs, logistics costs, shipping costs and site administration and support costs.

*Inventory product movement*

Inventory product movement represents the movement in inventory ore stockpiles.

## 4 OTHER INCOME

| | Note | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| Gain on extinguishment of creditors | 13 | - | 3,399 |
| Other income | | 2,416 | 2,439 |
| Total other income | | 2,416 | 5,838 |

## 5 OTHER EXPENSES

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| Administrative expense | | | |
| Advertising and marketing costs | | 676 | 413 |
| Advisory costs | | 3,479 | 3,497 |
| Compliance costs | | 600 | 405 |
| Consultancy costs | | 731 | 284 |
| Office costs and management fees | | 1,061 | 3,895 |
| Employee benefits expense | | 8,900 | 2,746 |
| Foreign exchange loss | | 592 | 610 |
| Other administrative expenses | | 1,494 | 928 |
| Share-based payments expense | 23 | 2,464 | 1,899 |
| Depreciation | 14 | 76 | 3 |
| Acquisition costs | | (1,033) | 2,149 |
| Total other expenses | | 19,040 | 16,829 |

## 5 OTHER EXPENSES (continued)

A reconciliation of employee benefits expense is as follows:

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| Employee benefits expense | | |
| Wages and salaries | 10,572 | 4,274 |
| Superannuation | 417 | 336 |
| Provision for annual leave | (34) | 180 |
| Other costs | 675 | 447 |
| Total employee benefits expense | 11,630 | 5,237 |
| | | |
| Employee benefits included in | | |
| Costs of production | 2,730 | 2,491 |
| Administrative expenses | 8,900 | 2,746 |
| Total employee benefits expense | 11,630 | 5,237 |

## 6 FINANCE COSTS

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| Finance costs | | |
| Interest on lease liabilities | 570 | 419 |
| Loss on lease disposal | - | 10 |
| Interest expense | 3,466 | 1,717 |
| Other | 272 | 124 |
| Total finance costs | 4,308 | 2,270 |

## 7 OPERATING SEGMENTS

At the end of the year, the Group had a single reportable segment for Mining operations. During the prior year, the Group had three reportable segments, being Mining, Logistics and Port Services business. The change to a single Mining segment was made to more accurately reflect how the business is now managed, following the acquisition of the remaining 50% of Newhaul logistics that Fenix did not own and Port services being fully integrated with the mining operations, and how financial information is reported to the Board in making decisions regarding the Group and its production activities. The comparative financial information has been restated to reflect these changes.

## 7 OPERATING SEGMENTS (continued)

| | Mining $'000 | Other $'000 | Total $'000 |
|---|---|---|---|
| *For the year ended 30 June 2025* | | | |
| Revenue from external sources | 316,093 | - | **316,063** |
| Costs of production | (278,180) | - | **(278,180)** |
| Inventory product movement | 34,700 | - | **34,700** |
| Depreciation and amortisation | (44,836) | - | **(44,836)** |
| **Gross profit** | **27,778** | **-** | **27,778** |
| Reportable segment profit/(loss) | 27,778 | (22,383) | **5,395** |
| Reportable segment assets [(1)] | 275,967 | 31,686 | **364,473** |
| Reportable segment liabilities | (178,597) | (8,106) | **(186,703)** |
| *For the year ended 30 June 2024* | | | |
| Revenue from external sources | 259,203 | - | **259,203** |
| Costs of production | (173,604) | - | **(173,604)** |
| Inventory product movement | (1,364) | - | **(1,364)** |
| Depreciation and amortisation | (24,404) | - | **(24,404)** |
| **Gross profit** | 59,831 | - | **59,831** |
| Reportable segment profit/(loss) | 59,831 | (26,194) | **33,637** |
| Reportable segment assets [(1)] | 157,887 | 31,769 | **266,775** |
| Reportable segment liabilities | (81,480) | (18,955) | **(100,435)** |

1 *Unallocated activities include cash held of $56.82 million for the year ended 30 June 2025 and $77.18 million for the year ended 30 June 2024.*

## 8 INVENTORIES

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Ore stockpiles | 40,205 | 5,505 |
| Fuel, oil & additive on hand | 433 | 277 |
| Parts on hand | 2,444 | 1,712 |
| | 43,082 | 7,494 |

Ore stockpiles represent Iron Ore Lump and Fines extracted, that are expected to be sold at a profit. Other inventory represents purchase costs measured on a first - in/first - out basis. Inventories are valued at the lower of cost or net realisable value.

## 8 INVENTORIES (continued)

**Source of estimation uncertainty**

*Inventory valuation*

Accounting for inventory involves the use of judgements and estimates, particularly related to the measurement and valuation of inventory on hand within the production process. Certain estimates, including expected metal recoveries and work in progress volumes, are calculated by engineers using available industry, engineering and scientific data.

Estimates used are periodically reassessed by the Group after considering technical analysis and historical performance. Changes in estimates are adjusted for on a prospective basis.

## 9 TAXATION

Major components of income tax expense for the years ended 30 June 2025 and 30 June 2024 are:

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| **Tax Expense** | | |
| *Current tax* | | |
| Current year | 7,079 | 20,733 |
| Under/(Over) provision for prior year | (756) | (156) |
| *Deferred tax* | | |
| Origination and reversal of temporary differences | (3,793) | (5,659) |
| Under/(Over) provision for prior year | 311 | 35 |
| Total income tax expense per income statement | 2,841 | 14,953 |
| | | |
| **Numerical reconciliation between tax expense and pre-tax net profit** | | |
| Net profit before tax | 8,236 | 48,590 |
| Corporate tax rate applicable | 30% | 30% |
| Income tax expense on above at applicable corporate rate | 2,471 | 14,577 |
| | | |
| Increase/(decrease) in income tax due to tax effect of: | | |
| Non-deductible expenses | 806 | 564 |
| Under provision for prior year | (444) | (121) |
| Movement in unrecognised temporary differences | 62 | - |
| Formation of tax consolidated group | - | (66) |
| Deductible equity raising costs | (54) | - |
| Income tax expense attributable to entity | 2,841 | 14,953 |

As at 30 June 2025 the franking account balance is $35.72 million (30 June 2024: $21.63 million).

## 10 DEFERRED TAX ASSETS AND LIABILITIES

The composition of the Group's deferred taxes is as follows:

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Net deferred tax liabilities recognised in the statement of financial position | | |
| *Deferred Tax Assets* | | |
| Employee Provisions | 768 | 537 |
| Other Provisions & Accruals | 441 | 354 |
| Rehabilitation Assets & Liabilities | 3,350 | 2,026 |
| ROU Assets | 146 | 2,149 |
| Other deferred tax assets | 259 | 133 |
| Gross deferred tax assets | 4,964 | 5,199 |
| *Deferred Tax Liabilities* | | |
| Prepayments | (264) | (135) |
| Exploration | (455) | (1,638) |
| Mine Properties | (10,375) | (6,988) |
| Plant & Equipment | (2,342) | (7,532) |
| Inventory | 597 | (83) |
| Other deferred tax liabilities | (167) | (128) |
| Gross deferred tax liabilities | (13,006) | (16,504) |
| Net deferred tax liabilities | (8,042) | (11,305) |
| | | |
| Deferred tax expense recognised directly in equity or other comprehensive income | | |
| Relating to equity raising costs | 54 | 40 |
| Relating to revaluations of investments/financial instruments | 164 | - |
| | 218 | 40 |
| | | |
| Unused tax losses and temporary differences for which no deferred tax asset has been recognised | | |
| Deductible Temporary Differences | 62 | - |
| Tax Capital Losses | - | 7 |
| Total Unrecognised deferred tax assets | 62 | 7 |

The corporate tax rates on both recognised and unrecognised deferred tax assets and deferred tax liabilities have been calculated with respect to the tax rate that is expected to apply in the year the deferred tax asset is realised, or the liability is settled.

## 11 CASH AND CASH EQUIVALENTS

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Cash at bank | 56,820 | 46,868 |
| Deposits at call | - | 30,250 |
| | 56,820 | 77,118 |

### (a) Risk exposure

Refer to Note 24 for details of the risk exposure and management of the Group's cash and cash equivalents.

### (b) Deposits at call

Deposits at call are presented as cash equivalents if they have a maturity of three months or less. Refer Note 1(i) for the Group's other accounting policies on cash and cash equivalents.

## 12 TRADE AND OTHER RECEIVABLES AND OTHER CURRENT ASSETS

Due to the short-term nature of the current receivables, their carrying amount is determined to be the same as their fair value.

Other receivables are generally due for settlement within 30 days and are therefore classified as current.

Refer to Note 24 for details of the risk exposure and management of the Group's trade and other receivables.

The term deposit has a maturity of more than three months.

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| *Trade and other receivables* | | |
| Trade receivables at fair value | 340 | 14,933 |
| Other receivables | 5,898 | 6,168 |
| Prepayments | 1,654 | 1,207 |
| Accrued interest | 55 | 99 |
| Dividend trust account | 543 | - |
| | 8,490 | 22,407 |
| *Other current assets* | | |
| Term deposit | 997 | 232 |
| Call option | 1,920 | - |
| | 2,917 | 232 |

## 13 FINANCIAL ASSETS AND LOAN RECEIVABLE

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| *Current financial assets* | | |
| Investment in convertible note – Athena Resources | - | 328 |
| | - | 328 |
| *Investment in associate and joint venture* | | |
| Investment in associate – Athena Resources | 3,436 | - |
| Other financial assets | 142 | 44 |
| | 3,578 | 44 |
| *Non-current loan receivable* | | |
| Loans to 10M Pty Ltd. | 5,158 | 5,000 |

*Athena Resources*

During the prior year, the Company held a convertible note with Athena Resources Limited, which was recognised at fair value through profit or loss.

During the year, Fenix:

- in July 2024, subscribed for a second tranche of convertible notes
- in December 2024, converted convertible notes and participated in then Athena renounceable rights issue resulting in a 24.93% shareholding in Athena;
- in January 2025, acquired shortfall shares from the Athena renounceable rights issue, resulting in a 28.97% shareholding; and
- in May 2025 converted the remaining convertible notes to shares, resulting in a 37.21% shareholding.

Changes in Fenix's investment in Athena during the financial year have resulted in significant influence in Athena and therefore application of equity accounting. Under AASB 128 *Investments in Associates and Joint Ventures:*

- participation in the equity raise and additional note conversions to shares, along with a share of Athena's loss, are recognised against the cost of the investment in Athena

Athena is an ASX Listed Company (ASX: AHN) and had a closing share price of 0.8 cents per share for the year ended 30 June 2025. The principal place of business for Athena Resources is Level 33 Mia Yellagonga Tower 3, 1 Spring Street Perth, WA 6000

### 13 FINANCIAL ASSETS AND LOAN RECEIVABLE (continued)

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Carrying value of investment in Athena Resources Limited | 3,436 | - |
| *Summary of financial information for Athena Resources Limited is set out below:* | | |
| **Assets** | | |
| Cash and cash equivalents | 1,757 | - |
| Other current assets | 150 | - |
| Non-current assets | 13,751 | - |
| | 15,659 | - |
| **Liabilities** | | |
| Current liabilities | 192 | - |
| Non-current liabilities | - | - |
| | 192 | - |
| **Net Assets** | **15,467** | - |
| **Group's share of net assets** | **5,755** | - |

| | | |
|---|---|---|
| Investment in Athena Resources limited | 37.21% | - |
| Balance at the beginning of the period | - | - |
| Initial value upon recognition | 3,638 | - |
| Share of investments in associate's loss | (202) | - |
| **Carrying amount of investment (equity accounted)** | **3,436** | - |
| Loss from continuing operations | (616) | - |

*Other financial assets*

Included within the other financial assets in an investment, via convertible note on commercial terms / arm's length basis, in Warradarge Energy Pty Ltd for $100,000. Warradarge is a company associated with director Craig Mitchell.

*Loans to 10M Pty Ltd.*

The Company loaned 10M Pty Ltd $5 million in November 2023, in May 2024, 10M Pty Ltd was placed into voluntary administration. With consent from the Company, 10M Pty Ltd subsequently executed a Deed of Company Arrangement (DOCA) to enable a new proponent to acquire 10M Pty Ltd to enable recommencement of mining at Twin Peaks. The effective date of the transactions effectuated by the DOCA has been determined as 21 June 2024, being the date all 10M Pty Ltd creditors approved the transactions and under law the DOCA became binding on all parties.

**13 FINANCIAL ASSETS AND LOAN RECEIVABLE (continued)**

Under the DOCA, the Company's Ore Purchase Agreement (OPA) was varied to entitle the Company to retain 100% of the notional profit from ore sold until the loan was repaid and then revert to 50% thereafter. In consideration for forgoing any potential action relating to breaches of the original OPA by 10M Pty Ltd, under the terms of the DOCA and the varied OPA:

- the Company retained all proceeds from the completed Twin Peaks shipment;
- the Company retained control of any iron ore stored by the Company prior to administration and obtained control of a further 10,000 tonnes of iron ore stockpiled at the mine; and
- any payments due by the Company to 10M Pty Ltd at the time of the DOCA were extinguished.

The impact of the above events is that the fair value of Company's loan receivable from 10M Pty Ltd was confirmed at $5 million as at the effective date of the DOCA and a gain on extinguishment of credits and other associated items of $3.6 million has been recognised (Note 4).

Current period

Interest is calculated at 10% per annum on the loan amount less any repayment made. Loans are recognised at fair value through profit or loss.

Management reviewed the fair value of the loan amount and measured the fair value on a discounted cash flow basis through mining the ore body and selling the iron ore on market. Based on the discounted cash flow analysis the fair value of $5.158M recorded in the financial statements is supported. Amounts are shown as current if amounts are due for repayment within 12 months from the reporting date.

**Source of estimation uncertainty**

*Impairment of financial assets*

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods to make assumptions that are mainly based on market conditions existing at the end of each reporting period.

**14 MINE PROPERTIES, PROPERTY, PLANT AND EQUIPMENT**

| | Right of Use Assets $'000 | Mine Properties $'000 | Trucks and Trailers $'000 | Land $'000 | Rail Infrastructure $'000 | Plant and Equipment $'000 |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At 1 July 2024 | 7,518 | 38,257 | 50,616 | 14,274 | 1,761 | 45,765 |
| Transfer from E&E | - | 10,961 | - | - | - | - |
| Additions | 2,518 | 29,664 | 45,298 | 1,249 | 6,567 | 40,038 |
| Disposals | - | - | (502) | - | - | (92) |
| Movement in rehabilitation provision | - | 9,670 | - | - | - | - |
| At 30 June 2025 | 10,036 | 88,552 | 95,412 | 15,523 | 8,328 | 85,711 |

**14 MINE PROPERTIES, PROPERTY, PLANT AND EQUIPMENT (continued)**

| | Right of Use Assets $'000 | Mine Properties $'000 | Trucks and Trailers $'000 | Land $'000 | Rail Infrastructure $'000 | Plant and Equipment $'000 |
|---|---|---|---|---|---|---|
| **Accumulated depreciation, amortisation and impairment** | | | | | | |
| At 1 July 2024 | (550) | (19,601) | (16,091) | (286) | - | (5,795) |
| Depreciation and amortisation | (851) | (17,577) | (12,421) | (193) | (1,622) | (7,957) |
| Disposals | - | - | 319 | - | - | 21 |
| At 30 June 2025 | (1,401) | (37,178) | (28,194) | (479) | (1,622) | (13,731) |
| **Net book value** | **8,635** | **51,374** | **67,218** | **15,044** | **6,706** | **71,980** |
| **Total net book value** | | | | | | **220,957** |

Mine properties include $10.92 million relating to rehabilitation provision.

| | Right of Use Assets $ | Mine Properties $ | Trucks and Trailers $ | Land $ | Rail Infrastructure $ | Plant and Equipment $ |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| At 1 July 2023 | 489 | 34,329 | 34,698 | 6,479 | - | 5,848 |
| Acquisitions | - | 5,169 | - | 864 | 1,686 | 23,665 |
| Additions | 7,518 | 3,938 | 18,615 | 6,911 | 75 | 16,593 |
| Disposals | (489) | (5,169) | (2,697) | 20 | - | (341) |
| Movement in provisions | - | (10) | - | - | - | - |
| At 30 June 2024 | 7,518 | 38,257 | 50,616 | 14,274 | 1,761 | 45,765 |
| **Accumulated depreciation, amortisation and impairment** | | | | | | |
| At 1 July 2023 | (207) | (12,658) | (8,863) | (141) | - | (2,050) |
| Acquisitions | - | - | - | - | - | (28) |
| Depreciation and amortisation | (555) | (6,943) | (8,692) | (125) | - | (3,893) |
| Disposals | 212 | - | 1,464 | (20) | - | 176 |
| At 30 June 2024 | (550) | (19,601) | (16,091) | (286) | - | (5,795) |
| **Net book value** | **6,968** | **18,656** | **34,525** | **13,988** | **1,761** | **39,960** |
| **Total net book value** | | | | | | **115,867** |

A reconciliation of depreciation is as follows.

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| Depreciation | | | |
| Costs of production | | 44,836 | 24,404 |
| Administrative expenses | 5 | 76 | 3 |
| | | 44,912 | 24,407 |

## 15 EXPLORATION AND EVALUATION ASSETS

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Opening balance | 12,119 | 1,157 |
| Acquisition of Mount Gibson assets | - | 4,308 |
| Acquisition of Right to Mine at Beebyn-W11 | - | 5,000 |
| Transfer to mine properties | (10,961) | - |
| Exploration expenditure incurred | 360 | 1,654 |
| Closing balance | 1,518 | 12,119 |

**Source of estimation uncertainty**

*Impairment of capitalised exploration and evaluation expenditure*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

The carrying values of exploration and evaluation expenditure items are reviewed for impairment indicators when reclassified from to mine properties under development or at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. There was no impairment recognised during the year ended 30 June 2025 (30 June 2024: nil).

## 16 INTANGIBLE ASSETS

The intangible assets held by the Group are shown below:

| | Customer Contracts $'000 | Other Intangibles $'000 | Goodwill $'000 | Total $'000 |
|---|---|---|---|---|
| **Cost** | | | | |
| *At 1 July 2024* | 21,397 | 1,103 | 11,461 | 33,960 |
| *At 30 June 2025* | 21,397 | 1,103 | 11,461 | 33,960 |
| **Accumulated amortisation and impairment** | | | | |
| *At 1 July 2024* | (7,372) | (423) | - | (7,795) |
| Depreciation and amortisation | (3,994) | (221) | - | (4,215) |
| *At 30 June 2025* | (11,366) | (644) | - | (12,010) |
| **Net book value** | **10,030** | **459** | **11,461** | **21,952** |

## 16 INTANGIBLE ASSETS (continued)

| | Customer Contracts $ | Other intangibles $ | Goodwill $ | Total $ |
|---|---|---|---|---|
| **Cost** | | | | |
| *At 1 July 2023* | 18,520 | 1,103 | 10,849 | 30,472 |
| Acquisitions | 2,877 | - | 612 | 3,489 |
| *At 30 June 2024* | 21,397 | 1,103 | 11,461 | 33,961 |
| **Accumulated amortisation and impairment** | | | | |
| *At 1 July 2023* | (3,395) | (202) | - | (3,597) |
| Depreciation and amortisation | (3,977) | (222) | - | (4,199) |
| *At 30 June 2024* | (7,372) | (424) | - | (7,796) |
| **Net book value** | **14,025** | **679** | **11,461** | **26,165** |

**Significant accounting judgement and source of estimation uncertainty**

The mandatory impairment test on goodwill is performed annually on 30 June. Goodwill has been allocated to the Weld Range Cash Generating Unit (**CGU**). No impairment was identified during the current or previous financial period. The recoverable amount of this CGU was based on the value-in-use model. Estimate future cash flows are based on detailed life-of-mine plans and management's internal price and cost assumptions in the short and medium term. The Group's weighted average cost of capital is generally used as a starting point for determining the discount rates, with appropriate adjustments for the risk profile of the individual CGU. Key assumptions used were:

- CFR 62% US$ 90/dmt for the life of mine, with FY26 US$ 94/dmt (FY24: US$ 100/dmt). Exchange rate AUD:USD 0.66 for the life of mine (FY24: 0.65); and
- Discount rate: A pre-tax discount rate is applied to the pre-tax cash flows. The discount rate is impacted by the risk-free rate and other benchmark interest rates. The discount rate takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

## 17 TRADE AND OTHER PAYABLES

Trade and other payables are normally settled within 30 days from receipt of notice. All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months. The carrying value of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| *Current* | | |
| Trade payables and accruals | 75,513 | 29,071 |
| Sundry payables | 5,128 | 668 |
| Dividend payable | 493 | 782 |
| | 81,134 | 30,521 |
| *Non-current* | | |
| Other payables | - | 500 |

## 18 PROVISIONS

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| *Current* | | |
| Employee benefits | 2,455 | 1,738 |
| Closing balance | 2,455 | 1,738 |
| | | |
| *Non-current* | | |
| Rehabilitation and mine closure | 11,979 | 6,754 |
| Employee benefits | 102 | 47 |
| Closing balance | 12,081 | 6,801 |
| | | |
| *Current – Employee benefits* | | |
| Opening balance | 1,738 | 888 |
| Balance on acquisition of Newhaul | - | 97 |
| Movement in provisions | 2,838 | 1,844 |
| Amount utilised | (2,121) | (1,091) |
| Closing balance | 2,455 | 1,738 |
| | | |
| *Non-current – Employee benefits* | | |
| Opening balance | 47 | - |
| Balance on acquisition of Newhaul | - | 34 |
| Movement in provisions | 57 | 13 |
| Amount utilised | - | - |
| Closing balance | 104 | 47 |
| | | |
| *Non-current – Rehabilitation and mine closure* | | |
| Opening balance | 6,754 | 2,134 |
| Acquisition of Shine and Extension Hill assets | - | 8,936 |
| Additional provisions | 5,150 | 272 |
| Unwinding of provision | 73 | 81 |
| Disposal of Extension Hill assets | - | (4,669) |
| Closing balance | 11,977 | 6,754 |

**18 PROVISIONS** **(continued)**

**Significant accounting judgement**

*Rehabilitation and mine closure*

The provisions recognised for rehabilitation and mine closure costs relating to the Iron Ridge Mine and Shine Iron Ore Mine represent the discounted value of the present obligation to restore, dismantle and rehabilitate certain items of mine properties, property, plant and equipment and to rehabilitate the site.

As the discounted value reflects a combination of an assessment of the nature and extent of the work required, the future cost of performing the work required, the timing of cash flows and the discount rate, then changes to one or more of these assumptions is likely to result in changes to the carrying amount of the provision and the related rehabilitation asset and costs and may result in future actual expenditure differing from the amounts currently provided.

## 19 BORROWINGS AND LEASE LIABILITIES

| | Borrowings | | Lease liabilities | |
|---|---|---|---|---|
| | **2025 $** | **2024 $** | **2025 $** | **2024 $** |
| Opening balance | 34,755 | 21,060 | 7,164 | 307 |
| Cash proceeds from borrowings | 63,243 | 25,842 | - | - |
| New leases | - | - | 2,712 | 7,215 |
| Interest accrued | 3,712 | 1,675 | 599 | 389 |
| Principal repayments | (24,271) | (12,234) | (1,289) | (698) |
| Interest payments | (3,637) | (1,588) | (63) | (49) |
| Closing balance | 73,802 | 34,755 | 9,123 | 7,164 |
| *Non-current* | 48,548 | 21,947 | 8,433 | 6,642 |
| *Current* | 25,254 | 12,808 | 690 | 522 |

*Borrowings*

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings.

Borrowings are secured in the form of chattel mortgages through several financiers, including NAB, Westpac, Volvo Finance and Toyota Finance. The chattel mortgages are over Trucks, Trailers, Commercial property and other plant and equipment and are repayable monthly until maturity.

As at 30 June 2025 the Group has 85 mortgages, with remaining terms of the mortgages varying between 36 and 60 months. Current interest rates are a combination of variable and fixed and range between 2.42% to 7.68% (FY24: 2.16% to 8.45%).

## 20 FAIR VALUES OF FINANCIAL INSTRUMENTS

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

**Fair value hierarchy**

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. At 30 June 2025 and 2024, no such assets or liabilities were recorded at fair value.

## 20 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

There were no transfers between levels during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The fair value of financial assets and liabilities held by the Group must be estimated for recognition, measurement and/or disclosure purposes.

The Group measures fair values by level, per the following fair value measurement hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

**Valuation techniques used to determine fair values**

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying amounts of cash and short-term trade and other receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these payments.

## 21 SHAREHOLDER EQUITY

### (a) Issued Capital

| | 2025 Shares | 2024 Shares | 2025 $'000 | 2024 $'000 |
|---|---|---|---|---|
| Fully paid at year end | 741,144,534 | 694,617,920 | 93,958 | 86,349 |

*Movements in ordinary share capital is as follows:*

| Details | Date | Number of shares | Issue price | $'000 |
|---|---|---|---|---|
| Balance at 1 July 2023 | | **634,161,920** | | **68,018** |
| Issue of shares - Purchase of MGX assets | 21-Jul-23 | 60,000,000 | $0.3045 | 18,270 |
| Issue of shares - Bonus issue | 12-Jan-24 | 456,000 | $0.25 | 114 |
| Less: Share issue costs | | - | - | (53) |
| **Balance at 30 June 2024** | | **694,617,920** | | **86,349** |
| Issue of shares - Conversion of options | | 12,500,000 | $0.304 | 3,800 |
| Issue of shares - Conversion retention rights | | 3,500,000 | $0.240 | 840 |
| Issue of shares - Conversion performance rights | | 10,000,000 | $0.097 | 967 |
| Issue of shares - Conversion of consideration shares | | 20,000,000 | $0.096 | 1,911 |
| Issue of shares - Bonus issue | | 526,614 | $0.275 | 145 |
| Less: Share issue costs | | - | | (54) |
| **Balance at 30 June 2025** | | **741,144,534** | | **93,958** |

**(b) Other equity**

The following table shows a breakdown of other equity and the movements during the year. A description of the nature and purpose of the balance is provided.

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| **Other equity** | | |
| Opening balance | 1,911 | 1,911 |
| Transfer of reserve on achievement of milestones | (1,911) | - |
| Balance at 30 June | - | 1,911 |

**(c) Reserves**

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Share-based payment reserve | 3,996 | 4,041 |
| Hedging reserve | 382 | - |
| | 4,378 | 4,041 |

## 21 SHAREHOLDER EQUITY

Movement in share-based payment reserve:

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| **Share-based payments reserve** | | | |
| Opening balance | | 4,041 | 773 |
| Option consideration – purchase of MGX assets | 23 | - | 1,225 |
| Options issued – employee share plan | 23 | 182 | 184 |
| Dividend retained – employee share plan | 23 | - | 100 |
| Performance rights expense – employees | 23 | 1,811 | 1,176 |
| Retention rights expense – employees | 23 | 325 | 325 |
| Bonus shares issue | 23 | - | 114 |
| Conversion of options | | (675) | - |
| Transfer of reserve on achievement of milestones (1) | | (1,807) | (114) |
| Options issued to consultants | 23 | 119 | 259 |
| Balance at 30 June | | 3,996 | 4,041 |

1 *Relates to the issue to entities controlled by Mr Mitchell of 20 million fully paid ordinary shares in Fenix following the achievement of 6 million dmt haulage.*

The share-based payments reserve is used to recognise: (a) the grant date fair value of options issued but not exercised; (b) the grant date fair value of market-based performance rights granted to Directors, Employees, Consultants and Vendors but not yet vested; and (c) the fair value non-market based performance rights granted to Directors, Employees, Consultants and Vendors but not yet vested. The expense is recognised over the vesting period.

Movement in hedging reserve:

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Balance at 1 July | - | - |
| Fair value changes in hedging instrument recognised in OCI, net of tax | 382 | - |
| Amounts reclassified from OCI to profit or loss | - | - |
| Balance at 30 June | 382 | - |

The hedging reserve includes the cash flow hedge reserve and the costs of hedging reserve. The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are reclassified from the cash flow hedge reserve to revenue when the forecast iron ore sale occurs.

## 22 DIVIDENDS

The Company considers the declaration of a dividend on an annual basis based on the full financial year profitability of the Company and with regard to the future funding requirements of the business and the availability of franking credits.

During FY25 Fenix invested in a material expansion of the Company's production base and infrastructure assets, increasing the production base from the current rate of 1.4Mtpa to a targeted rate of 4Mtpa during 2025.

The Board considered the following factors in relation to declaring a dividend:

- Cash at bank $56.8m as at 30 June 2025;
- Shine's ramp-up completed on time and on budget; and
- Construction and commissioning of Beebyn-W11, with first shipment completed subsequent to the end of the financial year and the mine on track for its planned capacity of 1.5Mtpa during 2025.

In accordance with this policy, the Company has declared a final fully franked dividend for FY25 of 1.0 cent per share equating to a total dividend payment of approximately A$7.4 million (FY24: nil). The total dividend payment amount represents approximately 137% of the FY25 Net Profit after Tax.

The dividend record date is 4 September 2025 and the dividend payment date is expected to be 19 September 2025.

The Board believes that the declared final dividend appropriately balances the Company's commitment to reward shareholders by` the payment of an annual dividend linked to profitability, with the ambition to generate long-term growth in the Fenix share price by having funding available to invest in the Company's growth opportunities.

Dividends are determined after the period-end and announced with the results for the period. Dividends determined are not recorded as a liability at the end of the period to which they relate. Dividends are recognised upon declaration.

## 23 SHARE-BASED PAYMENTS

Share-based payment transactions are recognised at fair value in accordance with AASB 2 *Share-Based Payments*. The total movement arising from share-based payment transactions recognised during the year were as follows:

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| As part of share-based payment expense | | | |
| Performance rights issued | 23(a) | 1,811 | 1,176 |
| Shares issued under the long-term incentive plan | 23(b) | 145 | 114 |
| Retention rights issued | 23(c) | 325 | 325 |
| Options issued – director & employee share plan | 23(d) | 182 | 184 |
| Dividend retained – employee share plan | 23(d) | - | 100 |
| | | 2,464 | 1,899 |
| As part of administrative expense - options issued | 23(e) | 119 | 259 |
| As part of acquisition of Mount Gibson assets | | - | 1,225 |
| Total share-based payments | | 2,582 | 3,383 |

***Employee share-based payments***

During the year, the Group had the following share-based payments with employees:

| | Performance rights | | Retention rights | | Share loan plan | |
|---|---|---|---|---|---|---|
| | Number | Value(1) | Number | Value(1) | Number | Value(1) |
| **Balance at 1 July 2023** | 3,000,000 | $0.1158 | 3,500,00 | $0.2400 | 10,000,000 | $0.1834 |
| Granted during the year | 31,933,487 | $0.1055 | - | - | - | - |
| Converted during the year | - | - | - | - | - | - |
| Forfeited during the year | - | - | - | - | - | - |
| **Balance at 30 June 2024** | 34,933,487 | $0.1064 | 3,500,000 | $0.2400 | 10,000,000 | $0.1834 |
| Granted during the year | 3,491,017 | $0.2191 | - | - | - | - |
| Converted during the year | (10,000,000) | $0.0967 | (3,500,000) | $0.2400 | - | - |
| Forfeited during the year | (1,279,773) | $0.1803 | - | - | - | - |
| **Balance at 30 June 2025** | **27,144,731** | **$0.1209** | **-** | **-** | **10,000,000** | **$0.1834** |

*1 Value per instrument is calculated on a weighted average basis*

### a) Performance rights

The Company's Employee Securities Incentive Plan was approved and adopted by Shareholders on 15 November 2022. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain vesting conditions. Vesting conditions include a service period and performance milestones relating to Total Shareholder Return (TSR) against a peer group and Volume-Weighted Average Price (VWAP). If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares. Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares.

**23 SHARE-BASED PAYMENTS (continued)**

**b) Share issue under the long-term incentive plan**

In accordance with the Employee Securities Incentive Plan (Plan) approved by shareholders on 15 November 2022, Fenix offered each eligible participants an opportunity to be issued up to 4,000 fully paid ordinary shares in Fenix.

Fenix is committed to rewarding and incentivising its people fairly and to ensuring the interests and motivations of key staff and contractors are aligned with the interests and motivations of shareholders. The Fenix Board has the ambition that all Fenix team members act and feel like owners of the business and to facilitate this ambition., based on the positive performance of the Company during financial year ended 30 June 2024, elected to offer shares to eligible participants.

Each eligible participants who took up the Offer were issued with Fenix shares valued at approximately $1,000 (3,333 Plan Shares valued at $0.30 per share) and these shares were issued to them at no cost. The intention of the Fenix Board is that recipients of Plan Shares will hold the Plan Shares as a long-term investment and participate in the future success of the Company. A total of 526,614 shares were issued during the year (30 June 2024: 456,000)

**c) Retention rights**

The Company's Retention Rights were granted to employees on 1 December 2022. Each retention right will vest as an entitlement to one fully paid ordinary share upon continued employment. If the continued employment is not met, the retention rights will lapse, and the eligible participant will have no entitlement to any shares. Retention rights are not listed and carry no dividend or voting rights. Upon exercise each retention right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares. No additional retention rights were issued during the current or preceding financial years.

**d) Share Loan Plan**

The Company's Share Loan Plan was approved and adopted by Shareholders on 2 February 2022. The Fenix Resources Limited Share Loan Plan is used to reward Directors and employees for their performance and to align their remuneration with the creation of long-term shareholder wealth through increase in share price. Loans are granted at the discretion of the Board of Directors, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Any Director participation is approved by shareholders prior to issue.

Under the Share Loan Plan, provision for the issuance of loan shares is as follows:

- Loan shares are shares in the Company, each carrying the same dividend rights and otherwise ranking pari passu in all respects with the ordinary issued shares of the Company, where the subscription price is funded by way of a loan from the Company;
- Offers under the plan are the absolute discretion of the board;
- Financial assistance is provided to participants by way of a limited recourse interest-free loan to acquire the shares;
- Half of any dividends paid in respect of the loan shares will be applied to reduce the loan;
- The Company retains security over the loan shares whilst ever there is an amount outstanding under the loan; and
- Loan shares that have not vested and/or are subject to loan repayment will be restricted from trading.

Under the applicable Accounting Standards, the loan shares and related limited recourse loan are accounted for as options, which gives rise to a share-based payment expense. The treatment of the loan shares under the applicable Accounting Standards as options requires that the value of the loans and issue price of the shares are not recorded as receivables or share capital of the Company until repayment or part repayment of the loans occurs. The loan shares are entitled to dividends. Half of any dividends paid in respect of the loan shares will be applied to reduce the loans and increase share capital in accordance with both the plan rules and applicable Accounting Standards.

No amounts were repaid during the year (2024: $100,000) with the outstanding balance of the loan being $1,937,500 at 30 June 2025 (2024: $1,937,500).

No additional options under the share loan plan were issued during the current or preceding financial years.

**23 SHARE-BASED PAYMENTS (continued)**

***Other share-based payments***

**e) Options issue to consultants**

Set out below is a summary of the options issued to consultants in consideration for corporate advisory services.

| Issue date | Expiry date | Exercise price | Number of options |
|---|---|---|---|
| 21-Jul-23 | 21-Jul-26 | $0.30 | 5,000,000 |
| 5-Jan-24 | 21-Jul-26 | $0.30 | 2,000,000 |
| 16-Aug-24 | 21-Jul-26 | $0.50 | 3,000,000 |
| 16-Aug-24 | 21-Jul-26 | $0.50 | 3,000,000 |
| Weighted average remaining contractual life of shares outstanding at the end of the year: | | | 1.06 years |

The fair value of services received in return for options issued to the consultants is measured by reference to the fair value as options granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period. The total expense arising from shares issued during the reporting period as part of share-based payments expense was:

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| Options issued to consultants | 119 | 259 |

*Estimation of fair value of share-based payments*

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted.

Key inputs used in the valuation of Performance Rights which have been granted were as follows:

| | 2025 | 2024 |
|---|---|---|
| Valuation model | Combination of Monte Carlo simulation model, Parisian Barrier Model and Black-Scholes | Combination of Monte Carlo simulation model, Parisian Barrier Model and Black-Scholes |
| Fair value at grant date | $0.195 - $0.248 | $0.077 - $0.265 |
| Share price at grant date | $0.30 | $0.22 - $0.26 |
| Exercise price | $0.00 | $0.00 |
| Risk-free rate | 3.43% - 3.44% | 3.88% - 4.27% |
| Dividend yield | 6.67% | 7.55% - 9.09% |
| Expected remaining life | 4.13 years | 3.52 years |

Weighted average remaining contractual life of performance rights outstanding at the end of the year was 3.34 years (2024 4.39 year).

*Probability of vesting conditions being achieved*

Inputs to pricing models may require an estimation of reasonable expectations about achievement of future vesting conditions. Vesting conditions must be satisfied for the counterparty to become entitled to receive cash, other assets or equity instruments of the entity, under a share-based payment arrangement.

Non-market vesting conditions include service conditions, which require the other party to complete a specified period of service.

**23 SHARE-BASED PAYMENTS (continued)**

The Group recognises an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

The achievement of future vesting conditions are reassessed at the end of each reporting period.

## 24 FINANCIAL AND CAPITAL RISK MANAGEMENT

*Overview*

The financial risks that arise during the normal course of the Group's operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

*General objectives, policies and processes*

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Senior Executives in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

**(a) Market risk**

Market risk can arise from the Group's use of interest-bearing financial instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (foreign exchange risk) and fluctuations in commodity prices (commodity price risk).

(i) Interest rate risk

The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure. As at the 30 June 2025 and 30 June 2024, the Group has interest-bearing liabilities (borrowings) and interest-bearing assets, being deposits and cash at bank.

*Sensitivity analysis*

The Group's policy is to minimise interest rate cash flow risk exposures. Longer-term borrowings are therefore usually at fixed rates. At 30 June 2025, the Group is exposed to variable changes to cash invested on deposit with financial institutions however as this is not considered to be material, further analysis has not been performed.

**24 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)**

(ii) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from fluctuations in the US dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group is exposed to foreign currency risk due to forecast sales of iron ore denominated in USD. The exposure arises because USD cash inflows will be converted to AUD, and fluctuations in USD/AUD exchange rates impact reported earnings. The entity's risk management policy is to hedge USD-denominated revenues from iron ore sales to protect against adverse exchange rate movements. AUD call / USD put options **(AUD call options**) are used to provide protection against downside risk while allowing for participation in favourable currency movements.

The Group applies hedge accounting to these contracts. Hedge effectiveness is assessed qualitatively and/or quantitatively at inception and on an ongoing basis. The relationship meets the hedge effectiveness requirements under AASB 9.

Details of the AUD call options are presented below:

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---:|---:|
| Change in fair value of hedged item used for calculating hedge effectiveness | 666 | - |
| Change in intrinsic value of hedging instrument | 551 | - |
| Recognised asset (included in financial assets) | 1,920 | - |
| Recognised liability (included in trade and other payables) | - | - |
| Effective portion recognised in OCI (included in other reserves) | 383 | - |
| Ineffective portion recognised in profit or loss (included in other expenses) | - | - |
| Amount reclassified to profit or loss (included in Revenue) | - | - |

| | 2025 | 2024 |
|---|---:|---:|
| Nominal amount at reporting date (USD 000's) | 96,000 | - |
| Weighted average strike rate for outstanding options | AUD 1: USD 0.6976 | - |
| Hedge ratio | 1:1 | - |

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are reclassified from the cash flow hedge reserve to revenue when the forecast iron ore sale occurs.

**24 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)**

The Group's exposure to US dollars foreign currency risk arising from recognised assets and liabilities at the end of the reporting period, expressed in Australian dollars, was as follows:

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| **Financial assets** | | |
| Cash | 16,343 | 4,640 |
| Trade and other receivables | 85 | 11,356 |
| **Financial liabilities** | | |
| Trade and other payables | 4,330 | 5,478 |

*Sensitivity analysis*

A hypothetical change of 10% in the US dollar exchange rate was used to calculate the Group's sensitivity to foreign exchange rate movements as the Company's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility.

(iii) Commodity price risk

The risk associated with commodity prices is managed as part of the portfolio risk management strategy.

The Group uses derivative financial instruments such as iron ore forward contracts to manage the risk associated with commodity price. All other production is on market-based index pricing terms.

The relationship between commodity prices and foreign currencies is complex and movements in foreign exchange rates can impact commodity prices.

**(b) Credit risk**

Credit risk arises from cash and cash equivalents and deposits with financial institutions, as well as trade receivables. Credit risk is managed on a Group basis. For cash balances held with bank or financial institutions, only Tier 1 Australian banks are accepted.

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised, none of which are impaired or past due.

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| Cash and cash equivalents | 56,820 | 77,118 |
| Trade and other receivables | 340 | 18,112 |
| Other current assets | 3,578 | 328 |
| Term deposit | 997 | 232 |
| Loan receivable | 5,158 | 5,000 |
| | 66,893 | 100,790 |

**24 FINANCIAL AND CAPITAL RISK MANAGEMENT** **(continued)**

Trade receivables are generally secured by irrevocable letters of credit issued by reputable financial institutions. The letters of credit are payable upon presentation of shipping documents and are therefore considered to significantly reduce the credit risk on these receivables. These instruments are assessed as having low credit risk at the reporting date, given the credit rating and standing of the issuing banks. The expected credit loss on our trade receivable portfolio is immaterial.

The Group has an agreement with 10M Pty Ltd (**10M**) for the exclusive right to purchase and export up to 500,000 tonnes of ore from the high-grade Twin Peaks Project of which $5.00M was paid in cash to 10M as an upfront pre-payment, treated as a secured loan.

Recoverability of the $5.158M loan to 10M is determined by reference to the fair value of the Ore Purchase Agreement, which consists of both the loan and an option to acquire the issued capital of 10M for $1. Recent history at Twin Peaks suggests that the most appropriate measure of the fair value of the OPA will be the fair value of the option, which has been valued on a discounted cash flow basis at NPV of $5.158M.

**(c) Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

*Maturities of financial liabilities*

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| | Less than 6 months $'000 | 6 - 12 months $'000 | 1 – 5 years $'000 | Over 5 years $'000 | Total contractual cash flows $'000 | Carrying amount of liabilities $'000 |
|---|---|---|---|---|---|---|
| **At 30 June 2025** | | | | | | |
| Trade and other payables | 81,134 | - | - | - | 81,134 | 81,134 |
| Borrowings and lease liabilities | 15,882 | 14,145 | 57,116 | 3,874 | 91,017 | 82,965 |
| **At 30 June 2024** | | | | | | |
| Trade and other payables | 30,021 | 500 | 500 | - | 31,021 | 31,021 |
| Borrowings and lease liabilities | 9,025 | 6,701 | 26,793 | 4,681 | 47,200 | 41,920 |

**(d) Capital risk management**

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital or gearing ratios.

## 25 EARNINGS PER SHARE

| | 2025 | 2024 |
|---|---|---|
| Basic earnings per share | | |
| Net profit after tax attributable to the members of the Company | 5,394,667 | 33,637,000 |
| Weighted average number of ordinary shares | 728,118,066 | 690,931,100 |
| Basic earnings per share (cents) | 0.74 | 4.87 |
| | | |
| Net profit after tax attributable to the members of the Company | 5,394,667 | $ 33,637,000 |
| Weighted average number of ordinary shares | 728,118,066 | 690,931,100 |
| Adjustments for calculation of diluted earnings per share | | |
| Options | 25,500,000 | 29,715,847 |
| Performance rights | 7,144,731 | 22,305,159 |
| Retention rights | - | 3,500,000 |
| Milestone consideration shares | 20,000,000 | 40,000,000 |
| Weighted average number of ordinary shares and potential ordinary shares | 755,324,742 | 786,452,106 |
| Diluted earnings per share (cents) | 0.71 | 4.28 |

*Options*

Options granted to employees and Directors under the employee share-based payment schemes are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details are set out in Note 23.

*Milestone Consideration shares*

Consideration shares granted to Exxten Pty Ltd in part consideration for the acquisition of 50% of Newhaul Road Logistics Pty Ltd are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The performance shares have not been included in the determination of basic earnings per share.

*Consideration options*

Options granted as consideration are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share.

## 26 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity and items which are more likely to be materially adjusted. Detailed information about each of these estimates and judgements is included in the Notes together with information about the basis of calculation for each affected line item in the financial statements.

## 26 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

**Key judgements**

- Rehabilitation and mine closure – Note 18; and
- Determination of recoverable amounts – Note 16

**Key sources of estimation uncertainty**

- Capitalisation of exploration and evaluation expenditure – Note 15;
- Inventory valuation – Note 8;
- Expected credit loss on loan receivable – Note 13;
- Determination of recoverable amounts – Note 13 and Note 16

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

## 27 CONTINGENCIES

### (a) Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2025 or 30 June 2024.

### (b) Contingent assets

There were no material contingent assets as at 30 June 2025 or 30 June 2024.

## 28 COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as a liability is as follows:

| | 2025<br>$'000 | 2024<br>$'000 |
|---|---|---|
| Within one year | 901 | 65 |
| Later than one year but no later than five years | 2,712 | 165 |
| Later than five years | 3,053 | 180 |
| | 6,666 | 410 |

## 29 INTEREST IN OTHER ENTITIES

### (a) Investments in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(a):

| Name of entity | Country of incorporation | 2025 Equity holding | 2024 Equity holding |
|---|---|---|---|
| Prometheus Mining Pty Ltd [(1)] | Australia | 100% | 100% |
| Fenix Beebyn Pty Ltd [(2)] | Australia | 100% | 100% |
| Fenix Shine Pty Ltd [(3)] | Australia | 100% | 100% |
| Fenix Extension Hill Pty Ltd [(3)] | Australia | 100% | 100% |
| Westmine Pastoral Holdings Pty Ltd [(7)] | Australia | 100% | - |
| Fenix Beebynganna Pty Ltd [(8)] | Australia | 100% | - |
| Newhaul Pty Ltd [(4)] | Australia | 100% | 100% |
| Newhaul Road Logistics Pty Ltd [(5)] | Australia | 100% | 100% |
| Newhaul Commercial Pty Ltd [(6)] | Australia | 100% | 100% |
| Newhaul Residential Pty Ltd [(6)] | Australia | 100% | 100% |
| Newhaul Perenjori Pty Ltd [(3)] | Australia | 100% | 100% |
| Newhaul Ruvidini Pty Ltd [(3)] | Australia | 100% | 100% |
| Newhaul Port Logistics Pty Ltd [(3)] | Australia | 100% | 100% |

1 *Subsidiary acquired on 22 November 2018.*
2 *Subsidiary incorporated on 12 September 2023.*
3 *Subsidiary incorporated on 19 June 2023.*
4 *Subsidiary acquired on 1 January 2024.*
5 *On 22 July 2022, the Company acquired the remaining 50% of the ordinary share capital and voting rights of Newhaul Road Logistics Pty Ltd. As a result, Newhaul Road Logistics became a wholly owned subsidiary of the Company from its previously equity held interest.*
6 *Subsidiary incorporated on 10 November 2023.*
7 *Subsidiary incorporated on 28 October 2024.*
8 *Subsidiary incorporated on 2 December 2024.*

## 30 RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

**Key management personnel compensation**

| | 2025 $'000 | 2024 $'000 |
|---|---|---|
| Short-term employee benefits | 2,852 | 1,433 |
| Post-employment benefits | 204 | 86 |
| Share-based payments | 1,461 | 1,218 |
| | 4,517 | 2,737 |

### 30 RELATED PARTY TRANSACTIONS (continued)

Detailed remuneration disclosures are provided within the remuneration report.

**Parent entity**

The ultimate parent entity and ultimate controlling party is Fenix Resources Limited (incorporated in Australia).

**Subsidiaries**

Interests in subsidiaries are set out in Note 29.

**Transactions with related parties**

Transactions with other related parties include:

- an investment, via convertible note on commercial terms /an arm's length basis, in Warradarge Energy Pty Ltd for $100,000 (30 June 2024: nil). Warradarge is a company associated with director Craig Mitchell.
- subletting office space and administrative services to Warradarge Energy Pty Ltd for $24,000 during the financial year (30 June 2024: nil). Warradarge is a company associated with director Craig Mitchell.
- subletting office space to Athena Resources Ltd for $25,000 during the financial year (30 June 2024: nil). Athena is a company associated with director John Welborn and Garry Plowright who are Non-Executive Directors of Athena.
- rental of artwork for the corporate office on commercial terms / an arm's length basis from Outback Network Pty Ltd for $13,000 (30 June 2024: nil), Outback Network is a company associated with director Craig Mitchell.

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Other than the items noted above there have been no changes to related party transactions since the last annual reporting date, 30 June 2024.

### 31 EVENTS SUBSEQUENT TO REPORTING DATE

On 1 August 2025 Fenix announced a proposed Executive Growth Incentive Plan (**Plan**) for Mr Welborn and Mr Mitchell. The once-off Plan is intended to operate over a 5-year period, during which time the Executives have agreed to forgo any increase to their base salary, which has remained unchanged since October 2023 and to not participate in any further equity issues under the Company's Employee Securities Incentive Plan. The Plan, which remains subject to shareholder approval, comprises the issue of 30 million fully at-risk incentive performance rights to each of Mr Welborn and Mr Mitchell which will vest only on the achievement of challenging share price related targets as follows: a 60-day VWAP of $0.60 or greater (Tranche A performance rights), a 60-day VWAP of $0.80 or greater (Tranche B performance rights) a 60-day VWAP of $1.00 or greater (Tranche C performance rights). A Notice of General Meeting was sent to Fenix shareholders on 19 August 2025 subject to which approval of the plan will be sought at a meeting of Fenix shareholders scheduled to take place on 18 September 2025. On 15 August 2025 Fenix announced that it had secured 180,000 tonnes of additional iron ore hedging contracts between October 2025 and June 2026. With the additional tonnes, Fenix's total iron ore swap hedge book comprises 580,000 tonnes at an average price of A$154.38/t.

On 15 August 2025 3,000,000 vested FY23 Performance Rights were converted to ordinary shares.

On 18 August 2025 Fenix shipped the maiden shipment of iron ore from Beebyn-W11. Fenix's iron ore production for the financial year ending 30 June 2026 is now expected to be more than 4 million tonnes from the Company's mining operations at Iron Ridge, Shine and Beebyn-W11

There has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

## 32 REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms:

| | 2025<br>$ | 2024<br>$ |
|---|---|---|
| *Audit and assurance services* | | |
| Grant Thornton Audit Pty Ltd | | |
| Audit and review of financial statements | 284,337 | 222,679 |
| *Other services* | | |
| Grant Thornton Australia Limited | | |
| Due diligence services | 81,456 | - |
| Total remuneration | 365,794 | 222,679 |

From time to time the Group Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

## 33 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | Notes | 2025 $'000 | 2024 $'000 |
|---|---|---|---|
| Profit for the year | | 5,395 | 33,638 |
| *Add/(less) non-cash items:* | | | |
| Depreciation and amortisation | | 44,912 | 24,095 |
| Share based payments | 23 | 2,582 | 2,158 |
| Inventory product movement | 3 | (34,700) | 1,364 |
| Other inventory movement | | (889) | (564) |
| Foreign exchange | | 81 | 612 |
| Interest on loans | | 434 | 1,665 |
| Fair value movement on investments | | (1,368) | - |
| *Add/(less) items classified as invested/financing activities*: | | | |
| Finance costs | | 3,633 | 3 |
| (Loss)/Gain on sale of asset | | - | (593) |
| Capitalised refurbishment works | | - | (1,531) |
| Share issue costs claimed as a deduction | | (54) | (53) |
| Movement in assets in account payable & GST on assets financed | | (5,360) | 2,361 |
| Insurance funding | | - | 262 |
| (Loss)/Profit from joint venture | | 5 | (3) |
| Leasing payments | | 562 | 168 |
| *Changes in assets and liabilities during the financial year:* | | | |
| Decrease/(Increase) in receivables | | 16,540 | (11,976) |
| Increase in payables | | 50,419 | 11,749 |
| Increase in employee provision | | 1,899 | 1,562 |
| (Decrease)/Increase in taxation provision | | (12,208) | 5,246 |
| Net cash from operating activities | | 71,883 | 70,162 |

## 34 PARENT ENTITY INFORMATION

The following information relates to the parent entity, Fenix Resources Limited as at 30 June 2025. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

### (a) Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

### (b) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2025 or 30 June 2024.

### (c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2025 or 30 June 2024.

### (d) Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2025 or 30 June 2024.

| | Company | |
|---|---|---|
| | **2025 $'000** | **2024 $'000** |
| **Financial position** | | |
| Current assets | 39,012 | 76,982 |
| **Total assets** | **195,838** | **186,769** |
| Current liabilities | 33,240 | 38,202 |
| **Total liabilities** | **41,985** | **42,634** |
| **Equity** | | |
| Issued capital | 93,958 | 86,349 |
| Reserves | 4,379 | 5,953 |
| Retained Earnings | 55,518 | 51,834 |
| **Total equity** | **153,853** | **144,135** |
| | | |
| **Financial performance** | | |
| Profit for the year | 3,683 | 18,701 |
| **Total comprehensive income** | **4,065** | **18,701** |

| Name of entity | Type of entity | Trustee partner or participant in JV | Share capital | Place of incorporation | Australian resident or foreign resident | Foreign jurisdiction of foreign residents |
|---|---|---|---|---|---|---|
| Fenix Resources Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Prometheus Mining Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Fenix Beebyn Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Fenix Shine Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Fenix Extension Hill Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Westmine Pastoral Holdings Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Fenix Beebynganna Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Road Logistics Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Commercial Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Residential Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Perenjori Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Ruvidini Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |
| Newhaul Port Logistics Pty Ltd | Body Corporate | - | 100% | Australia | Australian | - |

**Basis of preparation**

This consolidated entity disclosure statement has been prepared in accordance with the Corporations Act and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

**Determination of tax residency**

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

- Foreign tax residency

  Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

# DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the Corporations Act and:
   (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   (b) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the consolidated entity.
2. In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. The Group has included in the notes to the financial statements and explicit an unreserved statement of compliance with International Financial Reporting Standards.
4. The consolidated entity disclosure statement in the financial statements is true and correct.
5. The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

**John Welborn**
Executive Chairman

Perth
26 August 2025

**Grant Thornton Audit Pty Ltd**
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
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# Independent Auditor's Report

## To the Members of Fenix Resources Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Fenix Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Revenue – Note 2** | |
| The Group recognised revenue from sales of iron ore totalling $309,384,609.<br><br>The Group's iron ore sales are provisionally priced at the initial revenue recognition (bill of lading) date, with the final settlement price based on an agreed quotational period. The Group accounts for the impact of future qualifying price terms not finalised at reporting date by recognising a derivative on the consolidated balance sheet.<br><br>Iron ore sales revenue from these contracts each comprise two parts:<br>1) Iron ore revenue recognised at the bill of lading date at spot pricing; and<br>2) Provisional pricing adjustments that represent the difference between the revenue recognised at the bill of lading date and the final settlement price.<br><br>This is a key audit matter due to the significance of iron ore sales to the Group's consolidated income statement. | Our procedures included, amongst others:<br>• Understanding and documenting the revenue initiation and recognition processes and relevant internal controls relating to recognition of iron ore revenue;<br>• Substantively tested all provisional and final revenue balances recognised from iron ore sales during the year by agreeing transactions to shipping documents, invoices and certificates of quality and weight;<br>• Recalculating a sample of provisional pricing adjustments unsettled at 30 June 2025, including a reconciliation of pricing inputs to external data to ensure that recorded gains or losses have been appropriately recognised; and<br>• Assessing the appropriateness of the related financial statement disclosures. |

## Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement); and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### Auditor’s responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor’s report.

### Report on the remuneration report

#### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 31 to 42 of the Directors’ report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Fenix Resources Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B P Steedman
Partner – Audit & Assurance

Perth, 26 August 2025

Additional information required by the Australian Securities Exchange and shown elsewhere in this report is set out below. The information is current as at 19 August 2025.

**(a) 20 Largest Shareholders — Ordinary Shares as at 19 August 2025**

| Position | Holder Name | Holding | % IC |
|---|---|---|---|
| 1 | MOUNT GIBSON MINING LIMITED | 72,500,000 | 9.74% |
| 2 | CITICORP NOMINEES PTY LIMITED | 57,741,416 | 7.89% |
| 3 | EXXTEN PTY LTD <THE C&T MITCHELL FAMILY A/C> | 55,990,000 | 7.52% |
| 4 | RESOURCE INVEST II AG | 37,082,399 | 4.98% |
| 5 | MR GARRY WILLIAM PLOWRIGHT & MRS DONELLA MAY PLOWRIGHT<THE PLOWRIGHT FAMILY A/C> | 22,960,000 | 3.08% |
| 6 | JOHN PAUL WELBORN | 21,000,000 | 2.82% |
| 7 | KEONG LIM PTY LIMITED<SK LIM FAMILY A/C> | 10,820,300 | 1.45% |
| 8 | QUAM SECURITIES LIMITED | 9,372,839 | 1.26% |
| 9 | BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT> | 8,827,884 | 1.18% |
| 10 | BNP PARIBAS NOMS PTY LTD | 8,264,680 | 1.12% |
| 11 | TITAN ASSETS PTY LTD | 8,085,000 | 1.09% |
| 12 | MCCUSKER HOLDINGS PTY LTD | 8,000,000 | 1.08% |
| 13 | HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 7,617,675 | 1.02% |
| 14 | VULCAN DEVELOPMENT LTD | 7,296,595 | 0.98% |
| 15 | FUTUREWORLD MANAGEMENT PTY LTD <FUTUREWORLD INVESTMENT A/C> | 7,173,503 | 0.97% |
| 16 | MR KENNETH JOSEPH HALL <HALL PARK A/C> | 7,100,000 | 0.96% |
| 17 | PRE-OWNED ROAD TANKERS PTY LTD | 7,000,000 | 0.94% |
| 18 | J P MORGAN NOMINEES AUSTRALIA PTY LIMITED | 6,634,961 | 0.89% |
| 19 | SHARESIES AUSTRALIA NOMINEE PTY LIMITED | 5,601,223 | 0.75% |
| 20 | C&T MITCHELL SUPER PTY LTD <C&T MITCHELL SUPER FUND A/C> | 5,270,000 | 0.70% |
| | **Total** | **374,338,475** | **50.42%** |

**(b) Substantial Shareholders**

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are as set out below:

| Substantial Shareholder | Number of Shares |
|---|---|
| APAC Resources Limited[1] | 77,500,000 |
| Mount Gibson Iron Limited[2] | 72,500,000 |
| Craig Douglas Mitchell[3] | 75,260,000 |
| Resource Invest II AG[4] | 37,082,399 |

1. As lodged with ASX on 20 August 2024
2. As lodged with ASX on 19 August 2024
3. As lodged with ASX on 24 December 2024
4. As lodged with ASX on 24 April 2025

### (c) Unquoted Securities – as at 19 August 2025

Set out below are the classes of unquoted securities currently on issue:

| Number | Holders | Class |
|---|---|---|
| 7,000,000 | 2 | Options exercisable at $0.30 and expiring on 21 July 2026 |
| 6,000,000 | 5 | Options exercisable at $0.50 and expiring on 21 July 2026 |
| 12,500,000 | 1 | Options exercisable at $0.30 and expiring on 21 July 2028 |
| 24,144,731 | 12 | Performance Rights |

### *(d)* Distribution of holders

***Ordinary Shares***

| Category (size of holding) | Holders | Total Units | % Issued Share Capital |
|---|---|---|---|
| 1 – 1,000 | 209 | 68,056 | 0.01% |
| 1,001 – 5,000 | 2,030 | 6,218,268 | 0.84% |
| 5,001 – 10,000 | 1,193 | 9,755,960 | 1.31% |
| 10,001 – 100,000 | 3,039 | 111,273,546 | 14.95% |
| 100,001 – and over | 673 | 616,828,704 | 82.89% |
| **Total** | **7,144** | **744,144,534** | **100.00%** |

***Options exercisable at $0.30 and expiring on 21 July 2026***

| Category (size of holding) | Holders | Total Units | % Issued Share Capital |
|---|---|---|---|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | - | - | - |
| 10,001 – 100,000 | - | - | - |
| 100,001 – and over | 2 | 7,000,000 | 100.00% |
| **Total** | **2** | **7,000,000** | **100.00%** |

***Options exercisable at $0.50 and expiring on 21 July 2026***

| Category (size of holding) | Holders | Total Units | % Issued Share Capital |
|---|---|---|---|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | - | - | - |
| 10,001 – 100,000 | - | - | - |
| 100,001 – and over | 5 | 6,000,000 | 100.00% |
| **Total** | **5** | **6,000,000** | **100.00%** |

***Options exercisable at $0.30 and expiring on 21 July 2028***

| Category (size of holding) | Holders | Total Units | % Issued Share Capital |
|---|---|---|---|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | - | - | - |
| 10,001 – 100,000 | - | - | - |
| 100,001 – and over | 1 | 12,500,000 | 100.00% |
| **Total** | **1** | **12,500,000** | **100.00%** |

***Performance Rights***

| Category (size of holding) | Holders | Total Units | % Issued Share Capital |
|---|---|---|---|
| 1 – 1,000 | - | - | - |
| 1,001 – 5,000 | - | - | - |
| 5,001 – 10,000 | - | - | - |
| 10,001 – 100,000 | 2 | 195,253 | 0.81% |
| 100,001 – and over | 10 | 23,949,478 | 99.19% |
| **Total** | 12 | **24,144,731** | **100.00%** |

**(e) Unquoted Equity Security Holders with Greater than 20% of an Individual Class**

As at 6 August 2025, the following classes of unquoted securities had holders with greater than 20% of that class on issue:

| | % Interest |
|---|---|
| ***Options exercisable at $0.30 and expiring on 21 July 2028*** | |
| MOUNT GIBSON IRON LTD | 100.00% |
| ***Options exercisable at $0.30 and expiring on 21 July 2026*** | |
| DBAA PTY LTD <DBAA A/C> | 50.00% |
| MULLOWAY PTY LTD <JOHN HARTLEY POYNTON FM A/C> | 50.00% |
| ***Options exercisable at $0.50 and expiring on 21 July 2026*** | |
| DBAA PTY LTD <DBAA A/C> | 25.00% |
| MULLOWAY PTY LTD <JOHN HARTLEY POYNTON FM A/C> | 25.00% |
| ***Performance Rights*** | |
| JOHN WELBORN | 62.13% |

**(f) Securities Subject to Escrow**

As at 19 August 2025, there are no securities currently subject to escrow.

**(g) Unmarketable Parcels**

The number of shareholders holding less than a marketable parcel is 279 as at 19 August 2025 (being 1,428 shares based on a share price of $0.35 at 19 August 2025)

**(h) Voting Rights**

The voting rights attached to each class of equity security are as follows:

*Ordinary Shares*

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

*Options*

There are no voting rights attached to any class of options that are on issue.

*Performance Rights*

There are no voting rights attached to any class of performance rights that are on issue.

**(i) On-market Buy-Back**

Currently there is no on-market buy-back of the Company's securities.

**(j) Corporate Governance**

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: https://fenix.com.au/about/corporate-governance/

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