



# FENIX

## **A Highly Profitable Iron Ore Miner in WA's Mid West**

**Company Presentation  
RIU Sydney Resources Round-Up Conference  
May 2023**

# Important Disclosure



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

## Disclaimer

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## Competent Person Statement

The information in this presentation that relates to Mineral Resources is based on information compiled by Mr Alex Wishaw, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is a former employee of CSA Global Pty Ltd. Mr Wishaw has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement on 21 August 2019 and the Company’s Annual Report on 29 August 2022 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

# Fenix: A High-Margin Australian Iron Ore Miner



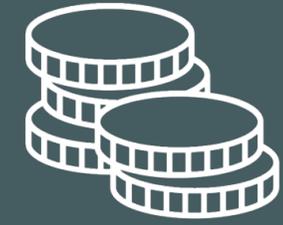
**>63% Fe**  
high quality products



**1.3 Mt**  
annual production



**30**  
140-tonne road trains



**Strong Cashflow**  
fully franked dividends

**High-grade iron ore:  
Genuine Direct  
Shipping Ore –  
64% Fe lump and  
63% Fe fines**

**Producing a premium  
product that results in a  
lower carbon footprint**

**Strong production  
and cost control,  
achieved through  
innovation and  
partnerships**

**Mineral Resource of  
~8Mt with “exploration,  
expansion, acquisition”  
growth strategy to drive  
shareholder value**

**Fully integrated  
model: haulage  
fleet and port  
facilities**

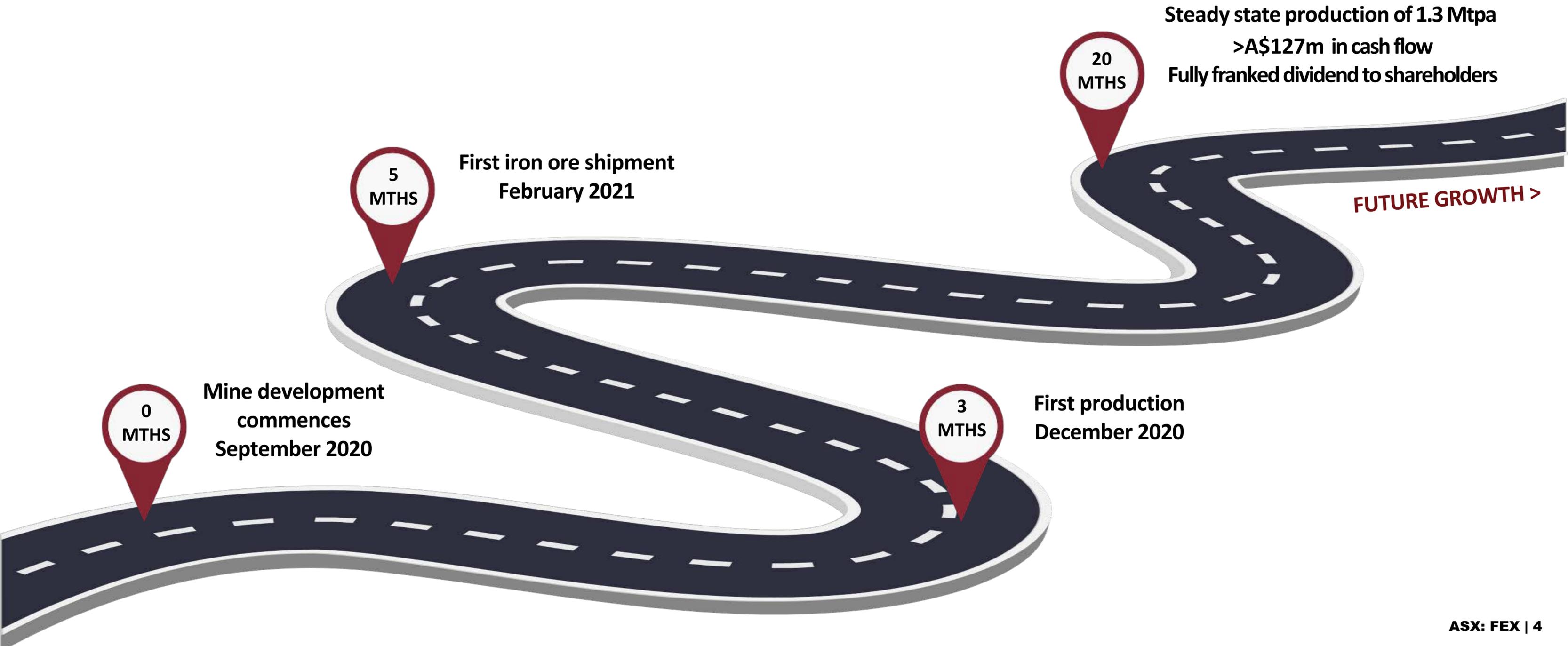
**Distinct infrastructure  
advantage will underpin  
future growth  
opportunities**

**High-yielding, fully  
franked dividends:  
returning value to  
shareholders**

**Generated net operating  
cashflow in excess of  
A\$127 million since  
inception. Final dividend  
of 5.25c declared for  
FY22 (FY21: 5.25c)**



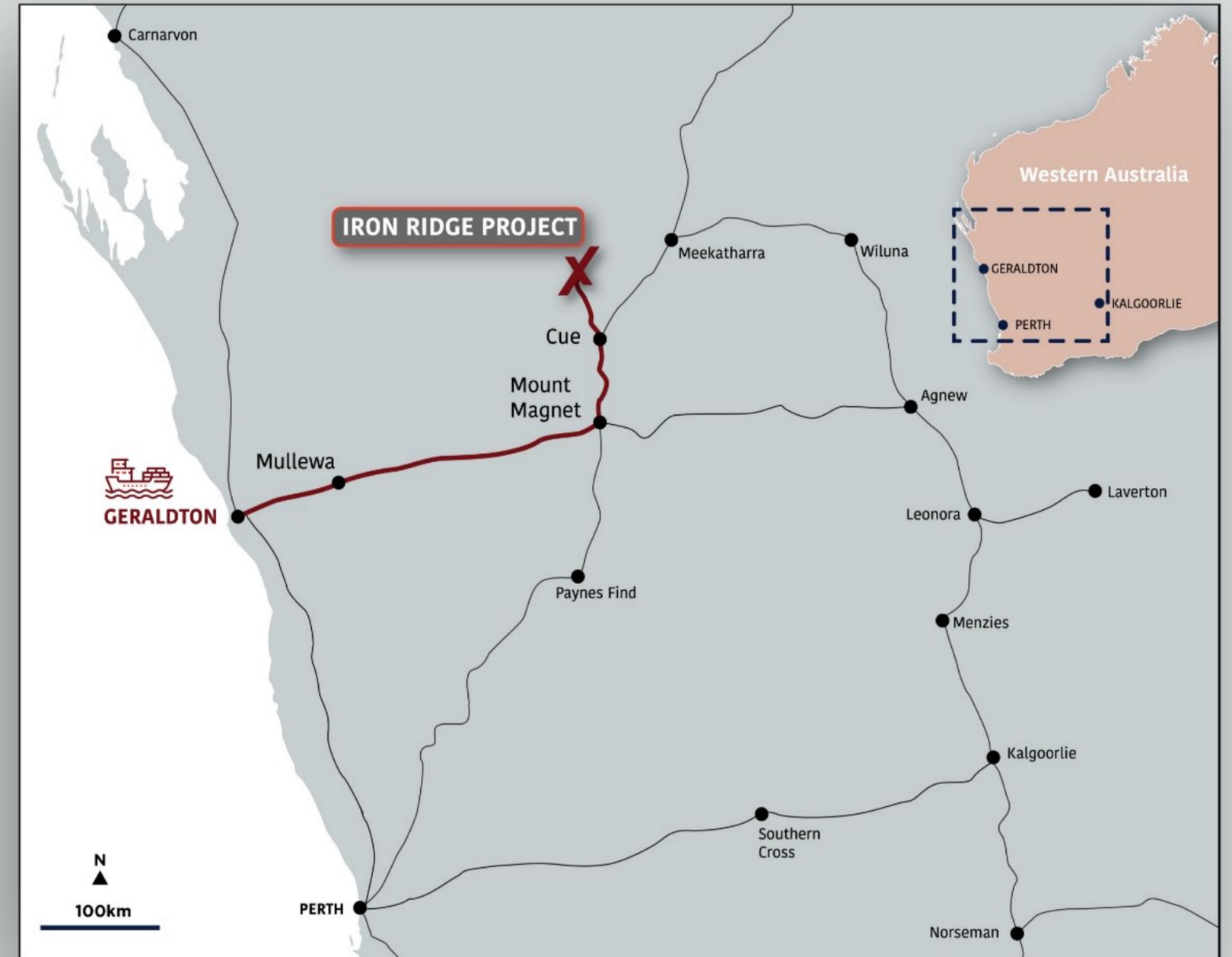
# The Fenix Model: Rapid Mine Development and Cashflow



# Producing High Margin, Premium Iron Ore

## In a World Class Mining Jurisdiction At a Steady State Run Rate of 1.3Mtpa

- Iron Ridge hosts some of the highest-grade iron ore in WA
- Mineral Resources total 8.3Mt at 64.8% Fe inclusive of Ore Reserves<sup>1</sup>
- Premium<sup>2</sup> DSO product that compares favourably to DSO products globally
- 2.7Mt of premium iron ore exported to date at an average net operating margin above A\$50 per tonne shipped
- High-grade product averaging c.63% Fe - above the benchmark DSO<sup>3</sup> product range
- Grade increases with depth
- Product contains no significant impurities - attracts a premium price on the seaborne market, and a purer product results in lower emissions



<sup>1</sup>Refer Annual Report of Fenix Resources as released on 29 August 2022: Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). The Mineral Resource comprises 8.0Mt Indicated and 0.3Mt Inferred.

<sup>2</sup>DSO: direct shipping ore

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



**IRON RIDGE IS A HIGH GRADE IRON ORE MINE  
PRODUCING A PREMIUM PRODUCT.**

**FENIX**



**SIMPLE CRUSHING & SCREENING PLANT  
PRODUCES HIGH QUALITY LUMP AND FINES.**

**FENIX**



**HIGHLY EFFICIENT MINING ACTIVITY WITH  
SMALL FOOTPRINT.**





**DIRECT LOADING OF STATE-OF-THE-ART  
HAULAGE FLEET.**

**FENIX**



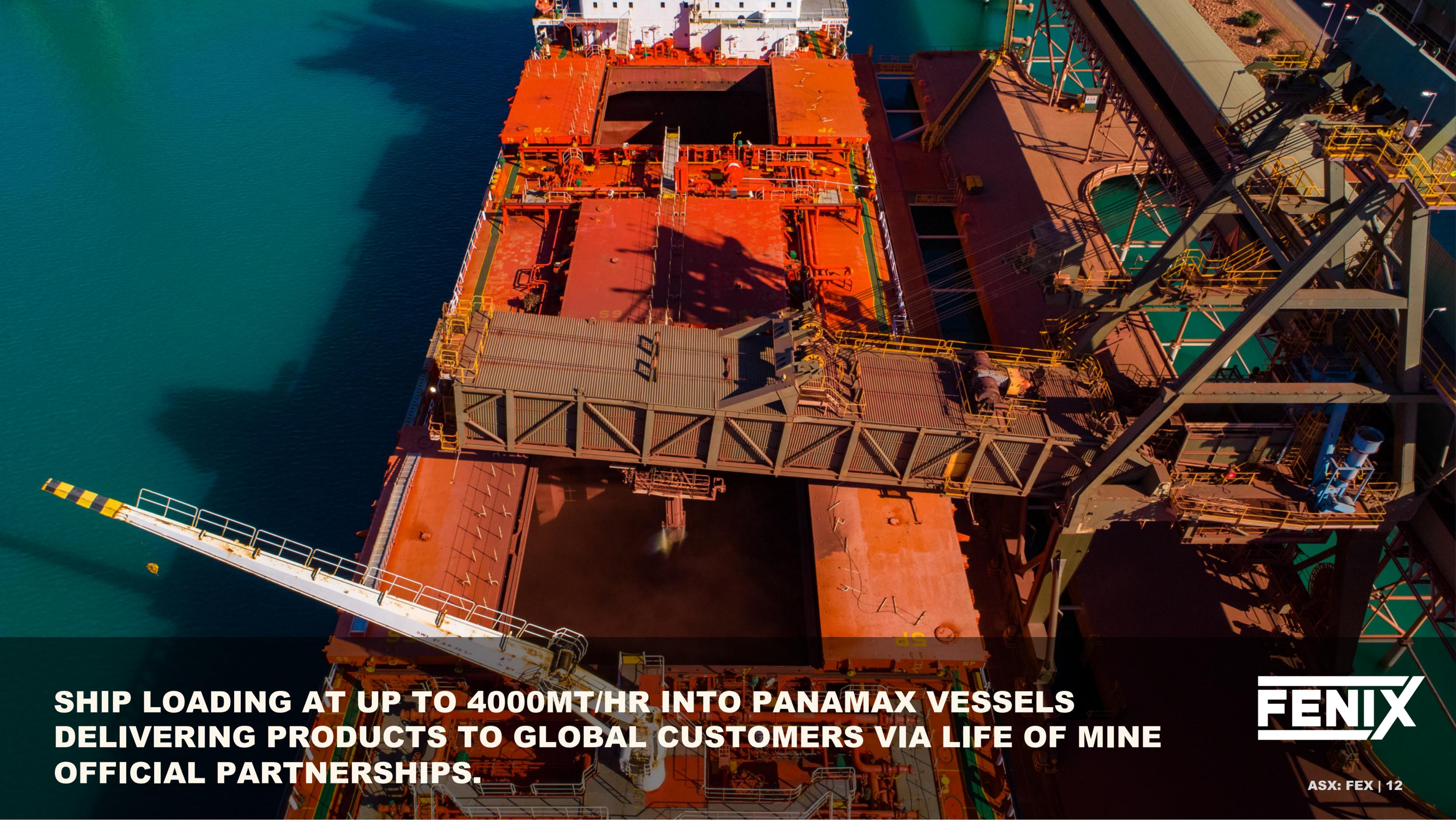
**INDUSTRY LEADING TRUCK AND TRAILER  
COMBINATION HAULING ORE PRODUCTS TO  
GERALDTON.**





**SIDE TIPPER DUMPING & CONVEYOR SYSTEM DELIVERS INTO FENIX STORAGE SHED.**





**SHIP LOADING AT UP TO 4000MT/HR INTO PANAMAX VESSELS  
DELIVERING PRODUCTS TO GLOBAL CUSTOMERS VIA LIFE OF MINE  
OFFICIAL PARTNERSHIPS.**

**FENIX**

ASX: FEX | 12



**FENIX EXPECTS TO REACH 3MT MILESTONE IN THE CURRENT FINANCIAL YEAR.**



An aerial photograph of a large-scale construction site. The ground is reddish-brown earth, heavily marked with tire tracks and patterns from heavy machinery. In the center, a large yellow excavator is actively working, with a significant amount of dust or dirt being kicked up from its bucket. The excavator's shadow is cast to the right. The overall scene conveys a sense of intense industrial activity and large-scale earthmoving.

**FENIX**

**A PLATFORM FOR GROWTH  
IN THE MID WEST**

# Low Capex Mining Concept

## Controlling Unit Costs on Smaller Scale Iron Ore Mining



- Lower capex with strong cost control is our focus, achieved through innovation and partnerships
  - Premium grade iron ore: Strong demand for Fenix ore, with premium pricing achieved due to its relatively high lump/fines ratio
  - Low corporate overheads
  - Building sustainable partnerships with traditional owners, key contractors, suppliers and shipping owners
  - Dedicated team focusing on safety, cost performance and achievements of strategic ambitions
- 





# Hedging Policy

## Significant contribution to cash flow and profitability

- Hedging price protection policy adopted upon commencement of production. Just under 50% of production hedged to cover operating costs. Significant contribution to cash flows to date.
- Supported the +\$50m of after-tax net profit in FY22
- Strong hedging position providing a level of price protection out to December 2023



# Ownership of Infrastructure: Mine to Port

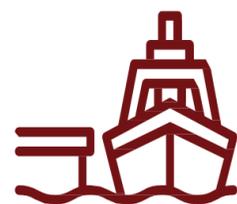


## Haulage

Fenix acquired 100% of Fenix-Newhaul Pty Ltd, which provides haulage services to and from Iron Ridge

Deploying cutting edge technology, generating some of the industry's highest returns and safety statistics

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## Port Exports

Binding lease agreement and export allocation at the existing Geraldton Port

Consistently achieving shortest loading times through aligned port operations team and well-designed facilities

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## Port Storage

Company owned port warehouse storage and ship loading infrastructure on wharf

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Ship loading at Geraldton Port



# A Focus on Technology

## Fenix Newhaul Kickstart Academy: A World Class Training Simulator

Supported by a world class simulator, Fenix Newhaul's training program delivers two pathways to an MC license class:

- A 2-year fully paid Youth Traineeship including certificate III in Driving Operations logistics
- Driver Upskill – Upskilling the existing local workforce to a Multi Combination license class



Kickstart Academy 2022 recruits



# Strong Relationships with Traditional Owners

## Working Together with the Wajarri Yamatji People

- Mining Cooperation & Benefits Agreement developed together with Wajarri Yamatji People to protect and preserve heritage sites (Little Wilgie Mia and Wilgie Mia) and blast vibration monitoring
- Partnerships with the Murlpirrmarra Connection and Clontarf - organisations that support Aboriginal youth

## Creating Business Partnerships

- Fenix has created opportunities to establish new Indigenous businesses
- Schwarze Brothers: ship loader operations at Geraldton port
- Lacy Contractors: site road works, clearing for waste dumps and scalping of product in the early phases of start up

## Championing Indigenous Employment

- Strong direct Indigenous employment; project has ~10% Indigenous employment
- Developing Future business leaders at our Port Operations
- 2022 Finalist for the AMEC Aboriginal and Torres Strait Islander Empowerment Award



Training on heritage site protection and preservation; Schwarze Brothers Ship Loading Venture



# Backed By Solid ESG Credentials



## Providing Opportunities in the Mid West

- The Iron Ridge project has generated >200 new full-time jobs
- Naming rights sponsor of the Fenix Geraldton Buccaneers – a successful franchise in the NBL1 West conference
- A known partner in the Mid West sponsoring local business events including Mid West Chamber of Commerce events



## “Green Steel”: Contributing to the Decarbonisation of the Steel Industry

- Steel industry currently contributes to ~8% of global carbon emissions.
- Fenix iron ore is exceptionally high grade with very low impurities - thus able to supply low carbon electric arc furnaces, resulting in lower emissions.
- Solar powered Iron Ridge infrastructure includes weighbridge, telecommunications towers and water transfer pumps



“Forward Together” motto; Fenix sponsored Mid West Chamber of Commerce Event (Oct 2022); Generating solar power at Iron Ridge Mine Site

# Scalability: Our Growth Strategy



## Exploration

- Greenfields exploration over newly acquired 344km<sup>2</sup> project area prospective for iron ore (3 target areas already identified)
- Test existing resource potential extensions (northwards), with outlook to grow resource inventory to support an elevation in production



## Expansion

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



## Acquisition

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

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

# Corporate Overview



**FEX**

ASX Code

**A\$137M**

Market Cap (as at 4 May 2023)

**A\$0.235**

Share Price (as at 4 May 2023)

**584.2M**

Shares on Issue

**A\$68.9M**

Cash at Bank (as at 31 Mar 2022)

**1.3Mtpa**

Current Production

**A\$53.5M**

Dividends paid (FY21 & FY22)

**>20%**

Dividend yield (5.25cps)

## 12 Month Share Price Chart



**10.8%**

Owned by Company Directors

**~6400**

Number of Shareholders

# Highly Experienced Board & Management Team



**John Welborn**  
Chairman

Mr Welborn is a champion for responsible and sustainable mining development with a broad range of experience in driving exceptional growth in businesses across a range of industries from start-ups through to ASX200 companies.

Mr Welborn is a Chartered Accountant with a Commerce degree from UWA, a Fellow of the Institute of Chartered Accountants in Australia, and a member of the Australian Institute of Mining and Metallurgy.



**Garry Plowright**  
Director

Mr Plowright is an experienced executive with over 25 years' experience in finance, commercial and technical development within the mining and exploration industry.

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).



**Craig Mitchell**  
Director

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. Craig was awarded the 2006 Ernst and Young Western Australian Entrepreneur of the Year.

In 2019, he founded trucking and logistics company Newhaul, which initially formed a joint venture with Fenix Resources and was 100% acquired by Fenix Resources in July 2022.



**Stuart Ausmeier**  
Chief Financial Officer

Mr Ausmeier is a Chartered Accountant and Chartered Financial Analyst with over 20 years' finance experience in mining and finance. Stuart's background includes strategic advisory roles where he executed complex debt and equity capital market transactions.

Previously, Mr Ausmeier held senior finance roles with an ASX-listed global engineering company where he was most recently Group Treasurer.



**Chris Tuckwell**  
General Manager

Mr Tuckwell is a qualified engineer and experienced executive in leading mining and mining contracting companies with relevant experience as Managing Director of MACA Limited and Chief Operating Officer and Country Manager of African Mining Services.

Mr Tuckwell was responsible for the rapid development of the Iron Ridge mine and is Registered Manager and Quarry Manager.



**Adrian Third**  
Commercial Manager

Mr Third has over 25 years' experience in the mining industry both in Australian and internationally. In 2019, he was recognised for his work in improving diversity within the mining industry, winning the Northern Territory Women in Resources Gender Diversity Champion award.

Mr Third holds a Graduate Certificate in Business and is currently completing an MBA.



ASX:FEX  
fenixresources.com.au



CONTACT  
John Welborn | Chairman  
john@fenixresources.com.au

