

FENIX TO RESTART MINING AT SHINE

HIGHLIGHTS

- The Fenix Board has approved the restart of mining operations at the Company's wholly owned Shine Iron Ore Mine
- The investment decision follows the completion of a detailed review and the implementation of operational strategies to improve and de-risk the project
- Fenix will proceed with the Stage 1 mine plan for Shine with estimated capital expenditure of \$7.4 million
- Production is expected to commence during the December 2024 quarter with haulage of 100,000 tonnes per month from commencement during the current financial year (FY25) and a similar haulage rate during the forthcoming financial year (FY26)
- Shine has a JORC compliant Mineral Resource Estimate of 15.1 million tonnes at an average grade of 58% Fe
- Stage 1 is expected to produce iron ore at a grade of 60% Fe with C1 cash costs of \$67.50 per wet metric tonne (US\$45.50/wmt)
- Fenix's transport logistics and port infrastructure vastly improves the economic outlook for Shine with minimal capital expenditure required to restart mining operations and all critical site infrastructure and approvals in place
- Stage 2 and Stage 3 mine plans will be assessed following further optimisation work, with significant opportunity for Fenix to extend mine life at Shine subject to future approvals

Fenix Resources Limited (ASX: FEX) (Fenix or the Company) is pleased to announce the Board has approved the recommencement of mining operations at the Company's wholly owned Shine Iron Ore Mine (**Shine**). Fenix aims to commence site works in the current quarter with first iron ore production targeted for the December 2024 quarter.

The approval to proceed with the Stage 1 mine plan for Shine follows a comprehensive review of all aspects of the project which included the completion of an in-pit drilling program, product sampling, a tender process for mining and processing operations, and updated resource modelling.

Pre-production capital expenditure is minimal given the availability of all required critical infrastructure. All required approvals and permits are in place. The approved capital expenditure budget for Stage 1 is \$7.4 million and includes the upgrade of existing camp infrastructure, contractor mobilisation, and the upgrade of the Shine access road.

Fenix will use the Company's 100% owned Newhaul logistics and port services functions to realise significant cost savings. The haulage distance from Shine to Geraldton is less than 300km compared to the approximate 500km from Geraldton to Iron Ridge. Haulage is expected to average 100,000 tonnes per month from commencement of production during the

current and forthcoming financial years (FY25 and FY26). Total C1 Cash Costs FOB Geraldton are expected to be \$67.50 per wet metric tonne (wmt) equivalent to US\$45.50/wmt which will result in robust cashflows and strong operating margins.

CHAIRMAN'S COMMENTS

Executive Chairman of Fenix, Mr John Welborn, said:

“The restart of mining operations at Shine is an obvious opportunity to expand Fenix’s production and leverage our excellent Mid-West mining and transport logistics capabilities.

“Shine will be our second wholly owned producing asset in the Mid-West and is planned to nearly double our annual production levels in the near-term, which will result in increased revenues, stronger cashflows, and profitability growth.

“Fenix is committed to unlocking value from the abundant valuable resources of the Mid-West and the obvious place to start is with the resources that we own and control.”



Shine Iron Ore Mine

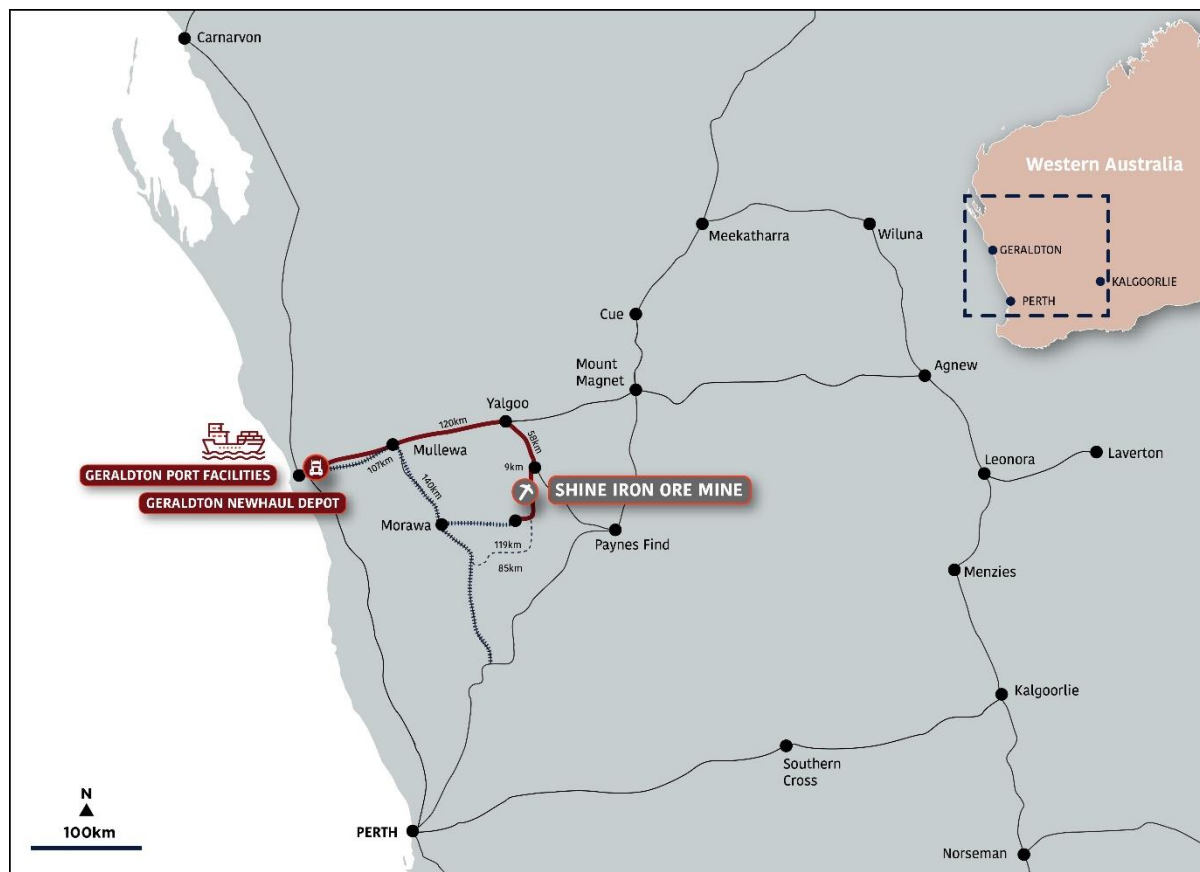
ABOUT THE SHINE IRON ORE PROJECT

Shine is an open pit iron ore mine located 295km by road east of Geraldton and 70km south-east of the regional township of Yalgoo. Fenix acquired Shine in July 2023 as part of the Company’s acquisition of Mount Gibson Iron Limited’s (**Mount Gibson**) Mid-West iron ore, port and rail assets (see ASX Announcements dated 29 June 2023 and 24 July 2023).

Mount Gibson acquired the iron ore mining and development rights associated with Shine from Gindalbie Metals Ltd for \$15 million in March 2014. Mount Gibson expanded the resource base with additional drilling and completed technical and economic studies for a targeted direct shipping ore mining operation with staged production. Following the additional investment of more than \$25 million in development capital and the receipt of all required approvals, mining at Shine commenced in March 2021 with first shipment from the port of Geraldton in August 2021. Mount Gibson suspended operations at Shine in October 2021 as a result of a significant increase in their third-party haulage and shipping transport costs, and a material deterioration in prevailing iron ore prices.

The Shine Mineral Resource as at 30 June 2022 totals 15.1 million tonnes at 58.2% Fe (see ASX Announcement dated 29 June 2023).

Shine represents an attractive ‘shovel ready’ growth project for Fenix with similar mining scale and operational characteristics to the Company’s existing operations at Iron Ridge. Fenix will leverage the Company’s haulage and logistics capabilities and infrastructure to ensure a stable operational environment and reliable cashflows.



Shine Iron Ore Mine Project Location

Authorised by the Board of Fenix Resources Limited.

For further information, contact:

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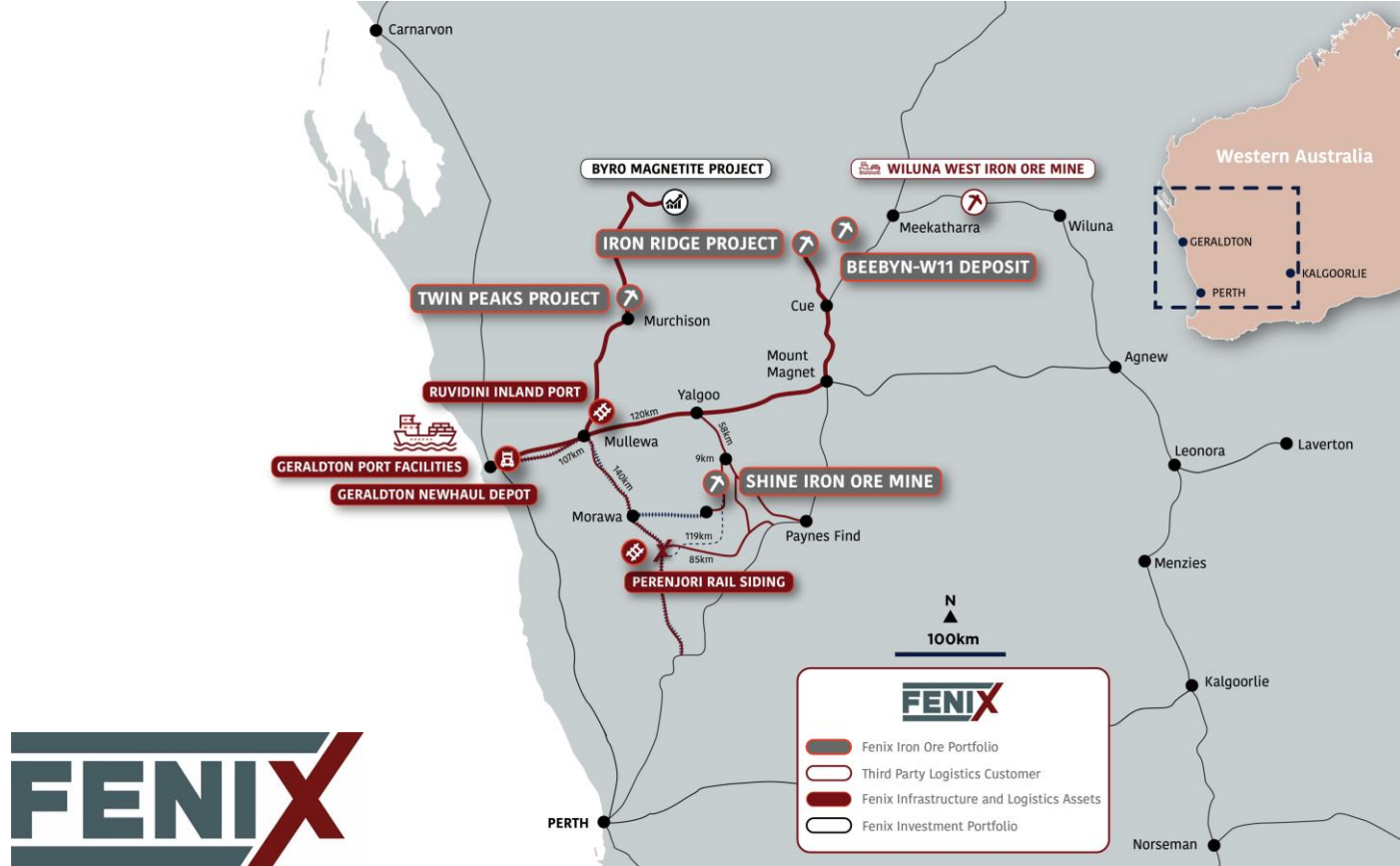
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COMPETENT PERSON STATEMENT

The information in this announcement relating to the Shine Mineral Resource is based on information compiled by Ms Elizabeth Haren, a Competent Person who is a member and Chartered Professional of the Australasian Institute of Mining and Metallurgy and member of the Australian Institute of Geoscientists. Ms Haren 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement on 29 June 2023 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Mineral Resource comprises 5.1Mt Measured, 6.3Mt Indicated and 3.6Mt Inferred.

FORWARD-LOOKING STATEMENTS

This announcement may contain forward-looking statements, including statements regarding our intent, belief or current expectations with respect to Fenix Resources' businesses and operations, market conditions, rules of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on these forward-looking statements. Fenix Resources does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. Whilst due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Fenix Resources' control. Past performance is not a reliable indication of future performance.



Fenix Resources (ASX: FEX) is a highly profitable, fully integrated mining, logistics and port services business with assets in the Mid-West region of Western Australia.

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

Fenix's diversified Mid-West iron ore, port and rail asset base provides an excellent foundation for future growth. These assets include the Iron Ridge mine, the Beebyn W11 Deposit, the Twin Peaks Iron Ore Mine, the Shine Iron Ore Mine, the Newhaul haulage business which includes a state-of-the-art road haulage fleet, two rail sidings at Ruvidini and Perenjori, as well as the Newhaul Port Services business that 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 currently operating at the production run rate of 1.3 million tonnes per annum.

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

Fenix is focused on promoting opportunities for local businesses and the community. The Company has generated more than 200 local jobs. Fenix is proud to have a strong indigenous representation in the Company's workforce and to be in partnership with leading local and national service providers.

We acknowledge the Wajarri Yamatji people as the Traditional Custodians of the land our Iron Ridge Project is located on. We pay our respects to elders and leaders past, present and emerging.

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