

ASX ANNOUNCEMENT

25 October 2023



LEADERSHIP APPOINTMENTS

Fenix Resources Limited (ASX: FEX) (Fenix or the Company) is pleased to announce key appointments to the Company's Executive Leadership Team.

Appointment of Executive Chairman

Mr John Welborn has been appointed Executive Chairman of Fenix, effective today, 25 October 2023. Mr Welborn was appointed Non-Executive Chairman of Fenix on 16 November 2021 and has been acting as Interim Executive Chairman since October 2022.

Mr Welborn is a highly regarded mining executive with a track record of leading growth strategies and generating positive returns for shareholders.

Appointment of Executive Director

Mr Craig Mitchell has been appointed as Executive Director of Fenix effective today, 25 October 2023. Mr Mitchell is the founder of Newhaul Pty Ltd and joined the Board of Fenix as a Non-Executive Director in September 2022 following the acquisition by the Company of 100% ownership in Fenix-Newhaul Pty Ltd.

The appointments of Mr Welborn and Mr Mitchell follows the expansion of Fenix's business with the acquisition of Mount Gibson Iron Limited's Mid-West iron ore assets and the acquisition of a 10 million tonne Right to Mine over Sinosteel Midwest Corporation's Beebyn-W11 iron ore deposit.

A summary of the material terms of Mr Welborn's and Mr Mitchell's executive service agreements are set out in Appendix A to this announcement.

Authorised by the Board of Fenix Resources Limited.

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Appendix A – Executive Service Agreement Summaries

Part A: Executive Chairman Appointment – Mr John Welborn

The material terms of Mr Welborn's executive service agreement are as follows:

- **Commencement Date:** 25 October 2023
- **Remuneration:** Fixed remuneration of \$650,000 per annum (inclusive of superannuation), subject to annual review.
- **Term / Notice period:** Ongoing term, with termination by Mr Welborn with 6 months' written notice and termination by the Company with 12 months' written notice. The Company may terminate the employment without notice in certain circumstances.
- **Change of control:** Bonus payment of 12 months' base salary upon a change of control.
- **Short Term Incentives:** Mr Welborn will be eligible to participate in the Company's short term incentive plan (as varied from time to time), (**STIP**), on the basis that the maximum STIP is 50% of Mr Welborn's base salary per year.
- **Long Term Incentives:** Mr Welborn will be eligible to participate in the Company's long term incentive plan (as varied from time to time), (**LTIP**). LTIP includes 20,000,000 performance rights (**Executive Chairman Performance Rights**) to be awarded to Mr Welborn in four equal tranches under the Company's Employee Securities Incentive Plan (subject to shareholder approval at the Company's 2023 annual general meeting), which vest upon satisfaction of the vesting conditions set out in Part C below (the full terms and conditions of the Executive Chairman Performance Rights will be set out in the Company's notice of annual general meeting).

Part B: Executive Director Appointment – Mr Craig Mitchell

The material terms of Mr Mitchell's executive service agreement are as follows:

- **Commencement Date:** 25 October 2023
- **Remuneration:** Fixed remuneration of \$500,000 per annum (inclusive of superannuation), subject to annual review.
- **Term / Notice period:** Ongoing term, with termination by Mr Mitchell with 6 months' written notice and termination by the Company with 12 months' written notice. The Company may terminate the employment without notice in certain circumstances.
- **Change of control:** Bonus payment of 12 months' base salary upon a change of control.
- **Short Term Incentives:** Mr Mitchell will be eligible to participate in the Company's short term incentive plan (as varied from time to time), (**STIP**), on the basis that the maximum STIP is 100% of Mr Mitchell's base salary per year.
- **Long Term Incentives:** Mr Mitchell will be eligible to participate in the Company's long term incentive plan (as varied from time to time), (**LTIP**). LTIP includes 10,000,000 performance rights (**Executive Director Performance Rights**) to be awarded to Mr Mitchell in two equal tranches under the Company's Employee Securities Incentive Plan (subject to shareholder approval at the Company's 2023 annual general meeting), which vest upon satisfaction of the vesting conditions set out in Part D below (the full terms and conditions of the Executive Director Performance Rights will be set out in the Company's notice of annual general meeting).

Part C: Vesting Conditions of Executive Chairman Performance Rights

Performance Rights		Vesting Condition
Tranche	Number	
Tranche A Performance Rights	5,000,000	Relative TSR Vesting Condition Refer to paragraph (a) below
Tranche B Performance Rights	5,000,000	The Company's Shares achieving a 20-day VWAP of \$0.40 or greater prior to 30 June 2025.
Tranche C Performance Rights	5,000,000	The Company's Shares achieving a 20-day VWAP of \$0.60 or greater prior to 30 June 2026.
Tranche D Performance Rights	5,000,000	The Company's Shares achieving a 20-day VWAP of \$0.80 or greater prior to 30 June 2027.

Where:

"20-day VWAP" means the VWAP of the Company's Shares calculated over 20 consecutive Trading Days in which Shares have actually traded following the date of issue of the Performance Rights.

"Trading Day" has the meaning given in the ASX Listing Rules.

"VWAP" has the meaning given to the term 'volume weighted average market price' in the ASX Listing Rules.

(a) Relative TSR Vesting Condition ('RTSR Vesting Condition')

- (i) The Company's TSR will be ranked against the Peer Group. To measure performance against the RTSR Vesting Condition:
- the TSR of each company in the Peer Group will be calculated;
 - the Peer Group companies will be ranked according to their TSR;
 - the Company's TSR will be calculated to determine its percentile in relation to the Peer Group companies; and
 - the Company's percentile will determine the outcome of the RTSR Vesting Condition in accordance with the following table:

Company's TSR relative to Peer Group over Measurement Period	Proportion of Performance Rights vested
Below the 50 th percentile	0%
At the 50 th percentile	50%
Between the 51 st and 75 th percentile	Pro rata between 50% and 100%
At and above the 75 th percentile	100%

- (ii) For the purposes of paragraph (i) above:

TSR means the growth in a company's Share Price over the Measurement Period, plus dividends paid during that period.

Share Price will be measured using the 20-day VWAP of the company's shares for the 20 Trading Days up to and including the first day of the Measurement Period and the 20 Trading Days up to and including the last day of the Measurement Period.

Measurement Period means from 1 July 2023 to 30 June 2023.

Peer Group means the Company's ASX listed peer group set out in the table below, as determined by the Board for the Measurement Period:

ASX Ticker	Company	ASX Ticker	Company
GWR	GWR Group Limited	RTR	Rumble Resources Limited
MGX	Mount Gibson Iron Limited	GRR	Grange Resources Limited
CUF	CuFe Limited	IRD	Iron Road Limited
STX	Strike Energy Limited	GEN	Genmin Limited
FMG	Fortescue Metals Group Limited	MIN	Mineral Resources Limited
CZR	CZR Resources Limited	TI1	Tombador Iron Limited
MLX	Metals X Ltd	JMS	Jupiter Mines Limited
LCY	Legacy Iron Ore Limited	BCI	BCI Minerals Limited
E25	Element 25 Limited	PAN	Panoramic Resources Limited
AVL	Australian Vanadium Limited		

Part D: Vesting Conditions of Executive Director Performance Rights

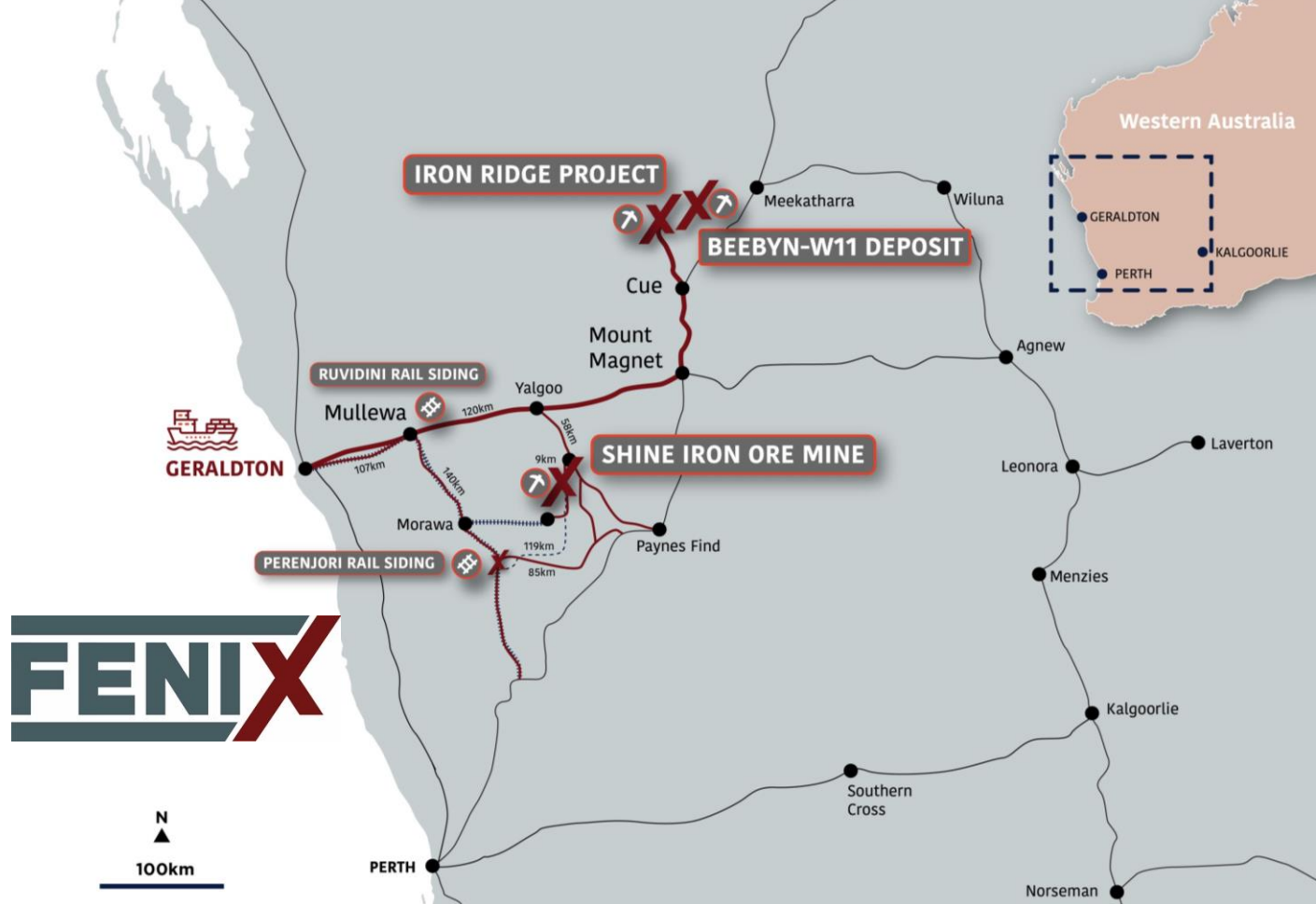
Performance Rights		Vesting Condition
Tranche	Number	
Tranche A Performance Rights	5,000,000	The Company's Shares achieving a 20-day VWAP of \$0.40 or greater prior to 30 June 2025.
Tranche B Performance Rights	5,000,000	The Company's Shares achieving a 20-day VWAP of \$0.60 or greater prior to 30 June 2026.

Where:

"20-day VWAP" means the VWAP of the Company's Shares calculated over 20 consecutive Trading Days in which Shares have actually traded following the date of issue of the Performance Rights.

"Trading Day" has the meaning given in the ASX Listing Rules.

"VWAP" has the meaning given to the term 'volume weighted average market price' in the ASX Listing Rules.



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

The Company's 100% owned Iron Ridge Iron Ore Mine is a premium high grade direct shipping ore deposit located approximately 360km northeast of Geraldton.

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

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

The acquisition of Mount Gibson Iron Limited's Mid-West iron ore, port and rail assets in July 2023 significantly expands Fenix's Mid-West asset base and provides an excellent foundation for future growth. The assets acquired include the Shine Iron Ore Mine currently on care and maintenance located 230km east of Geraldton, two on-wharf bulk material storage sheds at Geraldton Port, and two rail sidings at Ruvidini and Perenjori.

In October 2023, Fenix secured a Right to Mine 10 million tonnes from Sinosteel Midwest Corporation's Beebyn-W11 Iron Ore Deposit. Beebyn-W11 is located only 20km from Iron Ridge and provides an opportunity to boost mining production, extend the life of regional operations and further reduce costs. Fenix is progressing approvals with the ambition of commencing mining at Beebyn-W11 during 2024.

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 the Iron Ridge Iron Ore Mine is located.

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