

FENIX COMPLETES ACQUISITION OF MID-WEST IRON ORE AND PORT ASSETS

Fenix Resources Limited (ASX:FEX) (Fenix or the Company) is pleased to advise the Company has successfully completed the acquisition of Mount Gibson Iron Limited's (ASX:MGX) ("Mount Gibson") Mid-West iron ore, port and rail assets (the "Transaction").

The Mid-West assets Fenix has acquired include the Shine Iron Ore Mine, two on-wharf bulk material storage sheds at Geraldton Port, two rail sidings at Ruvadini and Perenjori, and mining assets and obligations at the Extension Hill Iron Ore Mine.

The Transaction consideration has been transferred to Mount Gibson, consisting of A\$10 million in cash, 60 million fully paid ordinary shares in Fenix ("Share Consideration"), and 25 million options ("Option Consideration"). Following completion of the Transaction, Mount Gibson holds approximately 8.6% of the Company's issued ordinary shares.

Refer to the Company's ASX announcement dated 29 June 2023 for further information on the assets Fenix has acquired and the terms and conditions of the Transaction.

An Appendix 2A applying for quotation and a cleansing notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) in respect of the Share Consideration, and an Appendix 3G in respect of the Option Consideration has been released along with this announcement.

The acquisition of Mount Gibson's Mid-West iron ore and port assets provides Fenix the opportunity to:

- reduce the cost of the Company's existing Iron Ridge production;
- expand production from Iron Ridge;
- re-commission the Shine Iron Ore Mine as a second production asset;
- create a substantial new revenue generating business from the provision of logistics solutions to existing and future Mid-West bulk commodity producers; and
- benefit from the expected growth in bulk commodity production and export in the Mid-West.

Chairman of Fenix, Mr John Welborn, said:

"Acquiring Mount Gibson's Mid-West iron ore and port assets is a game changer. We are extremely excited about the start of a new chapter for Fenix. We are delighted to be continuing the successful legacy of Mount Gibson in the Mid-West and to have their support as a large shareholder."

"This transformational event for Fenix will drive material economies of scale, provide flexibility to expand iron ore production and operate new projects concurrently. In expanding a mine-to-port logistics solution for ourselves and other producers in the Mid-West, we also create employment opportunities which will strongly support regional economic growth and create exceptional shareholder value."

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

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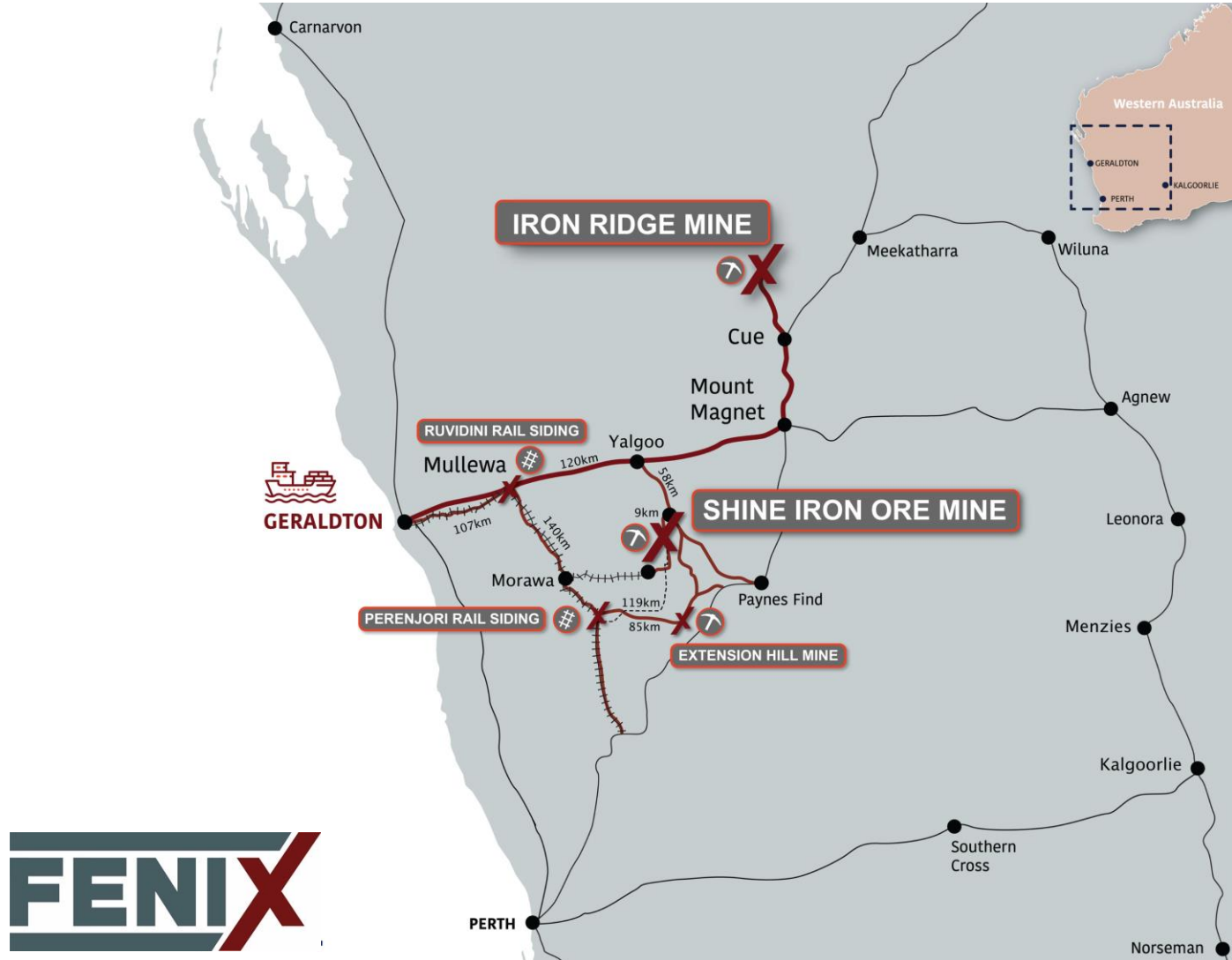
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Fenix Resources (ASX: FEX) is a high grade, high margin iron ore producer with assets in the Mid-West mining region of Western Australia.

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

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

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

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, two rail sidings at Ruvidini and Perenjori, and remaining mining assets and obligations at Extension Hill Iron Ore Mine.

The Company is led by a proven team with deep mining 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.