



3 December 2020

ASX Announcement

## PORT ACCESS SECURED AT GERALDTON PORT

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### Highlights

- Fenix has signed a binding Port Access and Services Agreement and a binding Port Lease Agreement with the Mid West Ports Authority, operator of the Port of Geraldton
- The Agreements secure a port allocation of 1.25 million tonnes per annum of iron ore to be exported utilising the Berth 5 shiploader
- The term of the lease is four years, with two additional two-year extensions at Fenix's election
- Settlement of the purchase of port infrastructure from Sinosteel Midwest Corporation as announced on 14 October finalised
- The Agreements follow the purchase of port infrastructure at Geraldton Port in October 2020 and pave the way for first production this month and first export sales in the early new year

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Fenix Resources Limited ("**Fenix**" or "**Company**") (ASX: FEX) is pleased to announce that it has executed a Port Lease Agreement and a Port Access and Services Agreement with Mid West Ports Authority (MWPA) for the export of iron ore products through the Port of Geraldton.

The Agreement allows Fenix to export 1.25 million tonnes per annum of iron ore. The initial term of the agreement is four years, with two additional two-year extensions able to be triggered at Fenix's election.

Fenix's flagship Iron Ridge Project has been in development since September and is due to commence mining, crushing and screening, and road transport operations this month (December 2020).

Fenix Managing Director Rob Brierley said: "We have been working closely with MWPA for well over a year, and it has now culminated into significant commercial agreements that enable Fenix to commence iron ore production and to export its first shipment of product early in the new year. We are thankful for the cooperation and support we have received from Dr Rochelle Macdonald and her team, and we look forward to being a customer of MWPA for many years to come".

The terms of the contract are in line with the Company's feasibility study, announced on 4 November 2019, and customary for contracts of this nature.

Authorised by the Board of Fenix Resources Limited.

For further details please contact:

**Rob Brierley**  
**Managing Director**  
**Fenix Resources Limited**

## About Fenix Resources

Fenix Resources is an ASX-listed, WA-based minerals explorer transitioning to miner.

The Company's 100% owned, flagship Iron Ridge Iron Ore Project is a premium DSO deposit which hosts a JORC 2012 compliant resource located around 490 km by road from Geraldton port.

High grade iron ore attracts a premium price on the seaborne market as Chinese steel works increasingly demand more pure inputs with lower emissions due to increasingly strict government regulations.

Only requiring crushing and screening, 1.25 million tonnes of ore per annum is proposed to be trucked to the port by a JV signed off in May 2019, with trucking specialist Newhaul Pty Ltd headed by respected logistics expert Craig Mitchell who was the founder and owner of Mitchell Corp before selling to Toll Group. In relation to the production target, the Company confirms that all material assumptions underpinning the target continue to apply and have not materially changed since the announcement of the feasibility study on 4 November 2019.

Export capacity has been secured through binding agreements with the Mid-West Ports Authority for the use of its Geraldton Port facilities. Product sales are planned to be conducted 50% through an offtake arrangement with Sinosteel International Holding Company Limited and 50% through a marketing agreement with Atlas Iron Limited.

Statutory permitting is complete, the mining and road transport contracts have been awarded and contract documentation with other key service providers is advanced.

A total of approximately three hundred and fifty (350) Full Time Equivalent (FTE) direct and indirect jobs throughout the supply chain will be created including seventy (70) FTEs on site at the Iron Ridge mine.

Geraldton is set to be a winner with around one hundred (100) FTEs created including approximately seventy (70) roadtrain drivers and a fleet maintenance depot established with an additional thirty (30) jobs. More jobs will be created at the Port and at local businesses and contractors that service the project.

The Project's Mineral Resource, announced on 21 August 2019, is categorised into Indicated and Inferred Mineral Resources as shown in Table A.

Classification	Tonnes Mt	Fe %	Al <sub>2</sub> O <sub>3</sub> %	LOI %	P %	SiO <sub>2</sub> %	TiO <sub>2</sub> %
Indicated	10.0	64.3	2.56	1.90	0.046	3.21	0.09
Inferred	0.5	62.5	2.80	3.13	0.046	4.41	0.12
<b>Total</b>	<b>10.5</b>	<b>64.2</b>	<b>2.57</b>	<b>1.96</b>	<b>0.046</b>	<b>3.26</b>	<b>0.09</b>

Table A: Iron Ridge Mineral Resource Estimate reported above a 58% Fe cut-off grade.

The Project's Ore Reserves are categorised in Table B below, as announced on 4 November 2019 titled "Feasibility Study Generates Outstanding Cashflow".

Classification	Tonnes Mt	Fe %	Al <sub>2</sub> O <sub>3</sub> %	LOI %	P %	SiO <sub>2</sub> %	TiO <sub>2</sub> %
Probable	7.76	63.9	2.79	2.00	0.05	3.46	0.09
<b>Total Ore Reserves</b>	<b>7.76</b>	<b>63.9</b>	<b>2.79</b>	<b>2.00</b>	<b>0.05</b>	<b>3.46</b>	<b>0.09</b>

Table B: Iron Ridge Ore Reserves

### **Competent Person Statements**

The information in this report that relates to Mineral Resources is based on information compiled by Mr Alex Whishaw, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and is employee by CSA Global Pty Ltd. Mr Whishaw 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 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.

The information in this report that relates to the Processing and Metallurgy for the Iron Ridge Project is based on and fairly represents, information and supporting documentation compiled by Mr Damian Connelly who is a Fellow of The Australasian Institute of Mining and Metallurgy and a full time employee of METS Engineering Group. Mr Connelly 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 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 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.

The information in this report that relates to Ore Reserves is based on information compiled by Mr John Battista, a Competent Person who is a Member and Chartered Professional (Mining) of the Australasian Institute of Mining and Metallurgy and is currently employed by Mining Plus (UK) Ltd. Mr Battista 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 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 production target and forecast financial information referred to in the 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 announcement of the feasibility study on 4 November 2019.