



21 September 2020

ASX Announcement

Iron Ridge Project Site Works Commence

Highlights

- Early site works have commenced at the Iron Ridge DSO project
- Clearing, grubbing and topsoil stripping activities and establishment of the access road and camp location are taking place using local equipment and employees to ensure the project development timeline is adhered to
- Critical items of plant and equipment have been ordered/secured and mining contract award is imminent
- Iron Ridge production on track to commence later this year with first shipment scheduled for early 2021

Fenix Resources Limited (“Fenix” or “Company”) (ASX: FEX) is pleased to announce that it has commenced earthworks at the Iron Ridge project located near Cue, Western Australia. Fenix has engaged a local contracting company to start clearing the site so that infrastructure pads can be established.

Additionally, Fenix has secured camp buildings, key staff and ordered truck and trailer combinations for the road transport fleet.

Fenix Managing Director Rob Brierley said: “We are fully focussed on taking advantage of one of Iron Ridge’s key attributes; speed to market, in that it can be transitioned into a production asset in a timeframe of around three months. In advance of awarding the mining contract, we have local businesses doing early stage works for us, consistent with our objective of benefitting the community in which we will operate. We look forward to delivering on our previously announced timeline to achieve first sales in early 2021.”

Authorised by the Board of Fenix Resources Limited.

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First pre-start meeting – Iron Ridge earthworks crew



Clearing activities – Iron Ridge Project



Topsoil stripping – Iron Ridge Project

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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.

Negotiations are well advanced with Mid-West Ports Authority at Geraldton where export capacity is available.

Statutory permitting is predominantly complete and contract documentation with key service providers is advanced.

A total of 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 if project approvals are granted.

Geraldton is set to be a winner with around one hundred (100) FTEs created including 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 ₂ O ₃ % | LOI % | P % | SiO ₂ % | TiO ₂ % |
|----------------|--------------|-------------|-------------------------------------|-------------|--------------|-----------------------|-----------------------|
| 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 |
| Total | 10.5 | 64.2 | 2.57 | 1.96 | 0.046 | 3.26 | 0.09 |

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 ₂ O ₃ % | LOI % | P % | SiO ₂ % | TiO ₂ % |
|---------------------------|--------------|-------------|-------------------------------------|-------------|-------------|-----------------------|-----------------------|
| Probable | 7.76 | 63.9 | 2.79 | 2.00 | 0.05 | 3.46 | 0.09 |
| Total Ore Reserves | 7.76 | 63.9 | 2.79 | 2.00 | 0.05 | 3.46 | 0.09 |

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.