

HALF YEAR FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED
31 DECEMBER 2023



29 February 2024

STRONG PERFORMANCE AND EARNINGS GROWTH

HIGHLIGHTS

- Record Half Year Revenue of A\$126.9m for H1 FY24, up 49% from H1 FY23
- EBITDA of A\$42.8m, up 110% from H1 FY23
- Net Profit After Tax of A\$22.1m, up 102% from H1 FY23
- Iron Ore Shipments increased by 119% to 1.4Mt
- Average price received of US\$130/dmt CFR
- Iron Ridge C1 Cash costs down 5% to A\$77.1/wmt (US\$50/wmt) FOB
- C1 Operating Margin for Iron Ridge achieved of A\$90/wmt
- Cash as at 31 December 2023 of A\$63.5m
- Fully franked FY23 final dividend of 2 cents per share paid in September 2023
- Hedge protection in place to June 2024 - 50,000 tonnes per month at a fixed price of A\$170.25/dmt
- Strong outlook for positive Full Year Results based on production growth and excellent performance across the Fenix business

MANAGEMENT COMMENTARY

Fenix Executive Chairman, Mr. John Welborn, said:

“Fenix is on track to deliver an excellent full-year performance. The Half Year we have reported on today represents a transformational period for our Company with the establishment of an independent logistics business and port services business as part of our fully integrated mining, haulage and port operations.

Our teams continue to reduce costs and we are taking full advantage of strong iron ore markets to generate record sales volumes, increase revenues, and deliver excellent profitability.

We are making substantial progress towards growing our iron ore production and expanding our logistics customer base, to ultimately be operating a major regional mining and logistics business in the Mid-West. Fenix is well positioned to drive our growth aspirations and ultimately deliver exceptional value for shareholders.”

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Fenix Resources Limited (ASX: FEX) (Fenix or the Company) is pleased to announce the Company's financial results for the Half Year ended 31 December 2023 (H1 FY24).

Total revenue generated during the Half Year was up 49% to A\$126.9 million which enabled Fenix to deliver Half Year earnings before interest, tax, depreciation and amortisation (EBITDA) of A\$42.8 million, up 110% from the prior corresponding period (H1 FY23).

Fenix shipped a total of 1,446,190 wet metric tonnes (wmt) of iron ore during the six-month period. This was made up of 705,786 wmt of iron ore produced and sold from the Company's 100% owned Iron Ridge Mine and 740,404 wmt of third party iron ore stored and loaded by the Company's Fenix Port Services business.

Consistent production performance from Iron Ridge enabled Fenix to load 12 ships with 373,489 wmt of Iron Ridge lump product and 332,297 wmt of Iron Ridge fines product. The average price received by Fenix during H1 FY24 for products from Iron Ridge, not including hedging and quotation period adjustments, was US\$130/dmt CFR, equivalent to A\$172/dmt on a FOB basis. This compares to the average Platts 62 Index price during the period of US\$121/dmt CFR. The strong above-index price performance of Fenix products was supported by the excellent high grade product specifications and the ability to maximise lump production.

Fenix's active hedging program continues to manage iron ore price risk and protect the Company's operating margins. The Company extended the hedge book during the period, with the addition of swap contracts for 50,000t per month from January 2024 through to June 2024 at a fixed price of A\$170.25 per dmt.

C1 cash costs for H1 FY24 averaged A\$77.1/wmt, representing a reduction of 5% compared with H1 FY23 (A\$81.25/wmt) and a 15% reduction from H1 FY22 (A\$90.52/wmt). The reduction in operating costs was achieved through the additional economies of scale via the expansion of Fenix's port services operations and the significant efficiencies achieved via the consolidation in ownership of the Fenix-Newhaul haulage and logistics business.

Excellent operating performance, business growth, and the Company's ongoing ability to reduce costs in the prevailing strong iron ore price environment, generated a pleasing Net Profit after Tax for the Half Year of A\$22.1 million, up 102% from H1 FY23.

As at 31 December 2023, Fenix held A\$63.5 million in cash. The Company is maintaining a strong balance sheet despite incurring significant non-operational cash outflows during the six-month period of more than A\$40 million (\$14 million in shareholder dividends, A\$17m in net capital expenditure and A\$10 million in tax).

Fenix's dividend policy states that the Company will consider the declaration of a dividend on an annual basis based on the full financial year profitability of the Company and with regard to the future funding requirements of the business and the availability of franking credits. Based on the Full Year FY23 Net Profit After Tax of A\$29.3 million, Fenix declared a final fully franked dividend of 2.0 cents per share. This final dividend for FY23 was paid to shareholders on 15 September 2023.

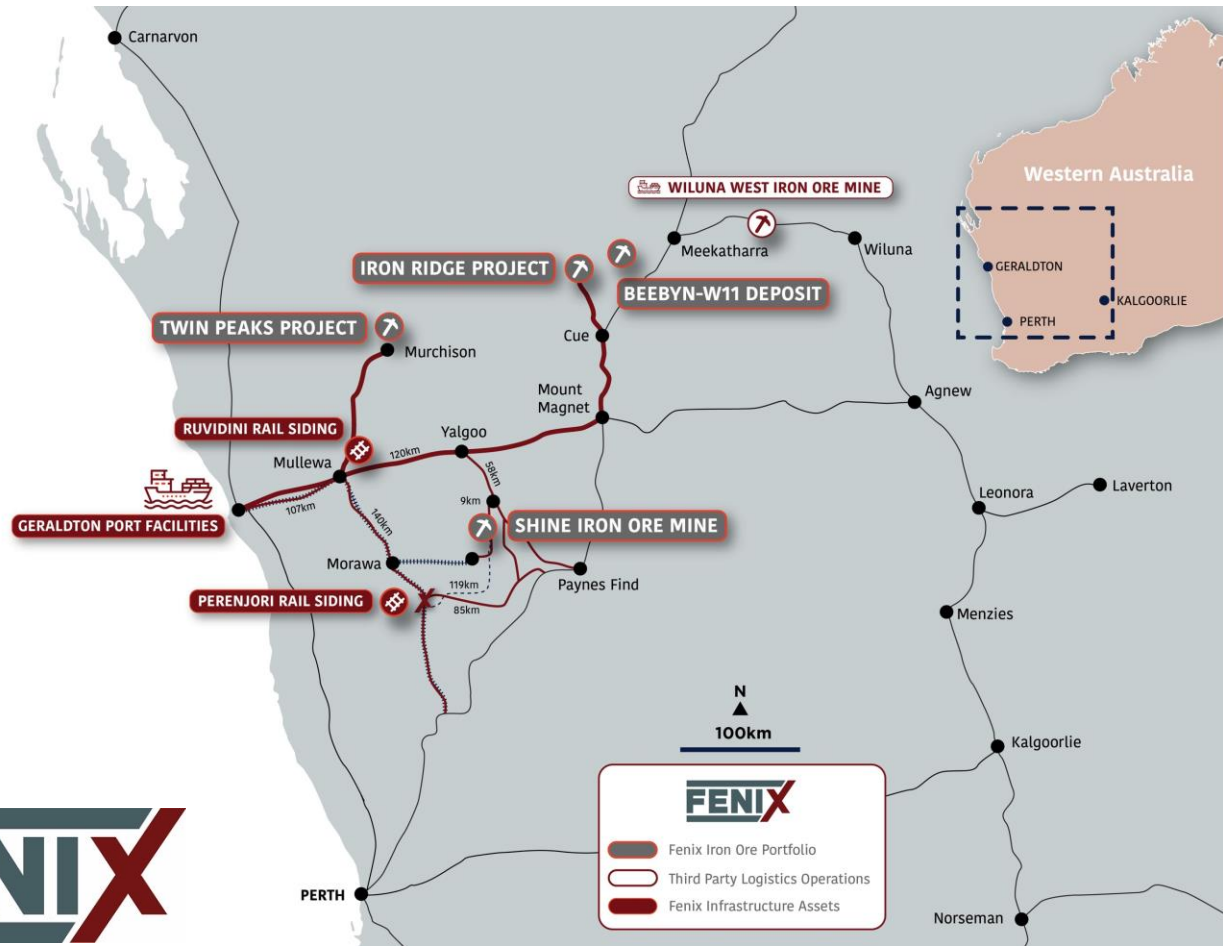
For complete details of the Company's financial performance for the Half Year ended 31 December 2023, please refer to the Appendix 4D and the Interim Financial Report for the Half Year Period ended 31 December 2023 released to the ASX today and available on the Company's website.

Authorised by the Board of Fenix Resources Limited.

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

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 Fenix-Newhaul haulage business which includes a state-of-the-art road haulage fleet, two rail sidings at Ruvidini and Perenjori, as well as the Fenix 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 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 a run rate of 1.3 million tonnes per annum.

Fenix operates a unique fully integrated mine to port business, where high quality iron ore products are transported by road to Geraldton using the Company's 100% owned Fenix-Newhaul haulage and logistics business. Fenix's wholly-owned Fenix 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.

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 contract service providers including MACA Ltd, Alpha 1 WA Pty Ltd and other leading local and national service providers.

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