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FENIX 2026 ANNUAL REPORT

ABN 68125323622



CORPORATE DIRECTORY

Directors

John Welborn	*Executive Chairman*
Garry Plowright	*Independent Non-Executive Director*
Shannon Coates	*Independent Non-Executive Director*
Jenn Morris	*Independent Non-Executive Director*
Michael Gollschewski	*Independent Non-Executive Director*

Company Secretary

Natalie Teo

Share Registry

Automic Registry Services
Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664

Stock Exchange Listing

Australian Securities Exchange
ASX Code: FEX

Registered and Principal Office

Level 33, 1 Spring Street
Perth WA 6000
Telephone: +61 8 6285 0456
Email: info@fenix.com.au
Web: https://fenix.com.au/

Auditor

Grant Thornton Audit Pty Ltd
Central Park
Level 43, 152-158 St Georges Terrace
Perth WA 6000

Bankers

Westpac Bank Corporation Limited
109 St Georges Terrace
Perth WA 6000

National Australia Bank Limited
50 St Georges Terrace
Perth WA 6000

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ABOUT FENIX

Fenix Resources Ltd (ASX: FEX) is a fully integrated mining, logistics and port services business with a current annual production rate of more than 5 million tonnes of iron ore and an identified pathway to long-term production of 10Mtpa. Fenix currently operates three iron ore mines in the Mid-West region of Western Australia which produce high-quality iron ore products which are transported to Geraldton by the Company's 100% owned Fenix Road Logistics business. Fenix's wholly owned Fenix Port Logistics business operates loading and storage facilities at the Geraldton Port, with export capacity of 10Mtpa.

Fenix's diversified Mid-West iron ore, road, rail, and asset base provides an excellent foundation for future growth. Assets include the Iron Ridge Iron Ore Mine, the Shine Iron Ore Mine, the Weld Range Iron Ore Project (including the Beebyn-W11 Iron Ore Mine), the Fenix Road Logistics haulage business which owns and operates a state-of-the-art road haulage fleet, two rail sidings at Ruvidini and Perenjori, as well as the Fenix Port Logistics business which owns and operates three on-wharf bulk storage sheds at Geraldton Port.

Fenix has published a 3-Year Production Plan, a high-confidence plan that will result in 15 million tonnes of iron ore production across the financial years ending 30 June 2026 (FY26), 30 June 2027 (FY27), and 30 June 2028 (FY28). The 3-Year Production Plan was announced on 11 December 2025 and builds on the 2.4Mt of iron ore Fenix delivered in FY25, the first year of which delivered 4.4Mt of iron ore in FY26 within guidance of 4.2Mt to 4.8Mt, and will result in planned iron ore production of up to 6.0Mt by FY28. Fenix confirms that the material assumptions underpinning the 3-Year Production Plan continue to apply and have not

The Weld Range Scoping Study, announced on 23 December 2025, has outlined a development pathway beyond FY28 for Fenix to deliver a long-life, high-quality, high-margin iron ore project, and provides a compelling case for expanding to a 10Mtpa operation which could reduce C1 cash costs to ~A$55/wmt. The Company confirms that all material assumptions underpinning the Weld Range Scoping Study continue to apply. A Definitive Feasibility Study for the Weld Range Project is due for completion in the second half of calendar year 2026 with Final Investment Decision expected during 2028.

The Company is led by a team with deep mining and logistics experience and benefits from strategic alliances and agreements with key stakeholders, including the Wajarri Yamaji people who are the Traditional Custodians of the land on which Fenix operates. Fenix is focused on promoting opportunities for local businesses and the community. The Company has generated more than 300 jobs in Western Australia and is continuing to expand its mining, logistics, and port operations. Fenix is proud to have a strong indigenous representation in the Company's



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Our Values

Simplicity

We save time by keeping it simple

Team Thinking

We work best when we work together and take responsibility for our actions

Honesty

We are direct and accurate in our work

Proactive Forward Thinking

We challenge ourselves to embrace change and always look to how we can do things better

Making a Difference

We make a positive impact on our people, our communities, and our environment.

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CHAIRMAN'S LETTER



Dear Fellow Shareholders,

I am pleased to present the Fenix Annual Report for the financial year ended 30 June 2026 (FY26).

A year ago, we set out clear commitments to shareholders: to materially increase production, to hold unit costs within guidance, and to advance the projects and infrastructure that underpin our long-term strategic vision. This annual report details how the Company

Performance Against Guidance

Fenix shipped 4.4 million tonnes of iron ore in FY26, an increase of 83% on the 2.4 million tonnes shipped in FY25, and within our upgraded guidance range of 4.2 to 4.8 million tonnes. Group C1 cash costs were A$73.7 per wet metric tonne, at the lower end of our guidance range of A$70 to A$80 per tonne.

Holding unit costs steady while nearly doubling volumes was the central operational task of FY26, and it is the clearest evidence to date that our unique integrated business model is working as designed. Owning the full supply chain from mine to port to ship gives us cost control and scheduling flexibility that we would not have as a mining-only business. This advantages is central to our “One Fenix” vision and will only become more valuable as we continue to grow.

The June 2026 quarter recorded our highest quarterly output across mining, haulage and shipping, with 21 vessels loaded and 1.3 million wet metric tonnes shipped. Beebyn-W11, developed in partnership with Sinosteel, completed its ramp-up to become our largest contributor. Shine performed to plan, and Iron Ridge continued to supply high-grade ore as it approaches the end of its scheduled mine life.

The year was not without setbacks and challenges. Cyclone Narelle disrupted operations in the March quarter. Our teams restored operations quickly, with no material impacts, and the recovery to record June quarter production reflects both their capability and the operational flexibility of the integrated model. On behalf of the Board, I thank all of our people for another excellent performance in FY26 that enabled achievement of our upgraded guidance.

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Financial Position

Fenix ended FY26 with cash of A$81.0 million, after funding an expanded haulage fleet and development of a new mine from operating cash flows. The June quarter alone generated A$31 million in operating cash flow. Our hedging programme covers 720,000 tonnes of iron ore through to June 2027, providing a measure of protection for the capital programme against iron ore price movements.

The Board's capital allocation priorities are straightforward: fund the growth projects that meet our return criteria, and maintain the balance sheet strength required to manage iron ore price volatility. We recognise that shareholders will assess us on the returns this investment strategy generates, and we accept the challenge to demonstrate that our investments will provide exceptional future returns.

Progress on Growth Projects

Several recent operational milestones support the Company's strategic vision:

- All key approvals were received for the Beebyn-W10 mine, with development now underway with the Beebyn Hub now established as the operational centre of our Mid-West business.
- Shipping operations commenced through the Mira Bulk joint venture, extending our integration into ocean freight and giving Fenix greater control over shipping costs and capacity.
- The Company invested in Athena Resources' Narryer Project, adding to our exploration exposure in the Mid-West.

Our three-year plan targets production of up to 6 million tonnes per annum by FY28. Delivery of this plan will support the pathway towards 10 million tonnes per annum by FY31 as identified in the Weld Range Scoping Study published in December 2025. That longer-term outcome depends on the results of the Weld Range Definitive Feasibility Study, subsequent investment decisions, and our ability to continue to fund our growth capital investments.

For FY27, production guidance is for iron ore sales of 4.7 to 5.3 million tonnes, a 14% increase at the midpoint. Cost guidance is to maintain C1 cash costs at between A$70 to A$80 per wet metric tonne FOB Geraldton, the same level as FY26 and FY25. This guidance is based on current mine plans and operating assumptions and remains subject to weather, market conditions and the other risks set out in this report.

One Fenix Team Vision

To design, implement, and operate a fully integrated scalable iron ore business, delivering safe, reliable, and efficient mining, logistics and port operations that support sustainable cost advantages, profitable growth, and reward our stakeholders and communities.

Our People and Governance

The significant growth in the Fenix business has resulted in a material increase in our staffing requirements across our business. We aim to build a dedicated team of leaders and hardworking staff who are committed to our strategy and vision and who enjoy their work. During FY26, we brought our mining, haulage, logistics, port, shipping, marketing, projects, finance, IT, human resources and corporate teams together under a new “One Fenix Team” operating model. This new operating model reflects the Fenix advantage that we operate a unified fully integrated supply chain rather than a collection of separate businesses.

The Board was strengthened with the appointment of two new independent non-executive directors, adding relevant experience and improving the balance of the Board as the Company grows. I welcome everyone who has chosen to join the Fenix team and look forward to working with you as we continue our journey.

Acknowledgements

To our shareholders, thank you for your continued support. To our customers and partners, including Sinosteel and the Mid-West Ports Authority, thank you for your collaboration through a year of significant operational change. We acknowledge the Traditional Owners of the lands on which we operate and value our ongoing relationships. And to the people of Fenix, thank you for the year's results, which are yours.

A Personal Reflection

In last year's Chairman's letter, I promised that the best is yet to come. I hope in reading this annual report you can recognise the progress Fenix has made in FY26. Fenix remains a special opportunity to demonstrate that sound strategy, disciplined investment, and strong operational control can enable logical and incremental growth to unlock the exceptional value of world class resource assets. The work goes on, the journey continues, the rewards await.

FY26 demonstrated what the business can deliver at its current scale. Our task in FY27 is to demonstrate this again. Bigger. And better. The best is yet to come.

FY26 demonstrated what the business can deliver at its current scale. Our task in FY27 is to do it again, larger.

Yours faithfully,



John Welborn

Executive Chairman

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DIRECTORS' REPORT

The Directors present the financial report for the consolidated entity consisting of Fenix Resources Ltd (**Fenix** or **Company**) and the entities it controls (**Consolidated Entity** or **Group**) at the end of, or during, the year ended 30 June 2026.



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PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

During the year ended 30 June 2026, Fenix focused on disciplined growth and significant production expansion shipping 4.4 million tonnes from FY25's 2.4 million tonne per annum (Mtpa).

OPERATING AND FINANCIAL REVIEW

During the year ended 30 June 2026, record production statistics were achieved, including ore shipped for Fenix resulting in guidance being achieved.

Fenix remains committed to maintaining a safe work environment and operating in a responsible manner that protects the health, safety and wellbeing of our people, contractors and communities. To achieve this commitment, the Company recognises the importance of maintaining a robust safety culture and continually improving its safety performance.

A summary of the Group production and marketing performance for FY26 is provided below:

Production Summary						
k wmt	Jun Qtr	Mar Qtr	Dec Qtr	Sep Qtr	FY26	FY25
Total Recordable Injury Frequency Rate (TRIFR)	4.9	5.8	6.0	5.7	4.9	9.2
Waste Mined	3,573.2	2,805.3	2,587.4	2,030.2	10,996.1	11,579.0
Ore Mined	965.3	992.5	1,056.7	964.2	3,978.7	2,602.0
Ore Produced	1,031.5	1,242.5	1,142.5	1,018.0	4,434.5	2,723.0
Ore Hauled	1,364.2	1,062.6	1,061.6	931.7	4,420.1	2,540.1
Ore Shipped	1,298.8	973.5	1,241.5	885.4	4,399.3	2,404.0
Lump Ore Shipped	618.9	485.6	421.6	466.8	1,992.9	1,081.8
Fines Ore Shipped	679.8	487.9	819.8	418.7	2,406.2	1,322.2
Iron Ridge Shipped	124.0	372.2	354.3	354.3	1,204.7	1,343.9
Shine Shipped	432.9	239.8	475.5	414.6	1,562.8	1,060.1
Beebyn-W11 Shipped	741.8	361.6	411.6	116.5	1,631.5	-
Group C1 cash cost	79.9	70.0	75.0	75.7	73.7	72.8

Note: The above is consistent with the FY26 Quarterly Reports

Marketing Summary							
Item	Unit	Jun Qtr	Mar Qtr	Dec Qtr	Sep Qtr	FY26	FY25
Platts 61% Fe CFR Price, Average	US$/dmt	105.3	103.7	106.0	102.0	104.3	101.1
Group freight rate	US$/dmt	22.5	16.0	18.1	16.7	18.8	17.3
	A$/dmt	31.7	23.1	27.6	25.5	26.4	26.8
Group moisture	%	3.9%	4.7%	5.2%	5.7%	4.7%	6.0%
Group Realised CFR price	US$/dmt	98.4	101.2	96.8	96.6	99.6	93.4
	A$/dmt	138.7	145.5	147.4	147.6	146.8	144.0

Note: Realised iron ore prices exclude quotation period adjustments and hedging.



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MINING OPERATIONS

Fenix's 100%-owned Iron Ridge Iron Ore Mine (**Iron Ridge**) is a premium, high-grade, high-margin direct shipping ore (**DSO**) operation located 360km north-east of Geraldton (500km by Road), Western Australia which hosts the highest-grade iron ore in the Western Australia.

Fenix's 100%-owned Shine Iron Ore Mine (**Shine**) is an open-pit DSO operation located 295km east of Geraldton, with a nameplate capacity of 1.2Mtpa producing both high-grade and low-grade iron ore.

Iron Ridge and Shine are both approaching the end of their current mine plans. Residual production from Iron Ridge and Shine is being progressively replaced by expanded output from the Beebyn-Hub whereby Fenix holds the exclusive right to mine and export up to 10Mt of high-grade iron ore from Sinosteel Mining Corporation's Beebyn-W11 deposit, located 20km from Iron Ridge. The project is the first new mine to be developed in the Weld Range and was successfully commissioned, achieving steady state production during FY26.

During the year ended 30 June 2026, there was one Lost Time Injury (**LTIs**) recorded across the mining operations.

Fenix mining operations delivered a record ore mined of 3,979k wmt (FY25: 2,602k wmt) at a strip ratio of 2.76 waste tonnes : 1 ore tonne (FY25: 4.45 waste tonnes : 1 ore tonne).

In July 2026, Beebyn-W10, the first mine to be developed under the 290Mt Weld Range Iron Ore Project, received all mining approvals to commence production, with first shipments targeted for the second quarter of FY27. The Company is currently constructing a 5Mtpa Crushing and Processing Plant at the Beebyn-Hub, with production expected to commence in the second quarter of FY27. The investment by Fenix in the plant represents a continued focus on reducing operating costs through capital investment, with the plant supporting the broader 290Mt Weld Range Iron Ore Project.

OTHER MINING TENEMENTS

Fenix holds a number of mining tenements available for further exploration as well as to facilitate activities across its existing operations. Refer to the tenements section in this report for further information regarding tenements held.



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LOGISTICS OPERATIONS

Fenix Road Logistics provides fully integrated mine-to-port haulage services, forming a critical link in the Company's pit-to-port supply chain.

During the year ended 30 June 2026, no LTIs were recorded across Road Logistics' operations. Compliance with the Chain of Responsibility and the Heavy Vehicle National Law remains a core operational priority.

Fenix's Road Logistics operations achieved record volumes in FY26 with 4,420k wmt hauled (FY25: 2,540k wmt), an increase of 74% from FY25, with the June 2026 Quarter equating to an annualised rate of 5.5Mtpa.

The record haulage performance was the result of improved co-ordination within Fenix's integrated pit-to-port operating model, and specifically the ability to flex haulage operations to directly match both the production profile of Fenix's Mining operations and the specific shipping schedule of Fenix's Port operations, which significantly improved in the last quarter of FY26.

As at 30 June 2026 the haulage fleet consisted of 81 trucks and 78 trailers.



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PORT OPERATIONS

Fenix Port Logistics operates Fenix's on-wharf storage and ship-loading facilities at Geraldton Port, handling the Company's product.

During the year ended 30 June 2026, one LTI was recorded across Fenix Port Logistics operations.

In FY26, Fenix Port Logistics shipped a total of 4,399k wmt across 73 vessels through the Company's Geraldton Port facilities.

The improved co-ordination across Fenix's integrated pit-to-port operating model during the latter part of FY26 allowed Fenix to increase average shipment volumes to 62k wmt per vessel, approximately 3k wmt per vessel higher than the Company's life-of-mine average. In addition to a direct benefit in per unit shipping costs, this initiative will result in an ability to achieve increased shipping efficiency and greater tonnages.

The improved co-ordination between Fenix's Mining, Logistics, and Port operations is a further direct benefit of the Company's unique "One Fenix" fully integrated supply chain in the Mid-West. A key highlight was the loading of the MV Nord Draco, supplied by Fenix partner, Mira Bulk, which achieved a record vessel shipment total of 69,125 wmt of iron ore from Berth 5 at Geraldton Port. The record loading, achieved through larger vessel selection and enhanced port planning with the support of the Mid-West Ports Authority, demonstrated the potential to further improve the capacity of Berth 5.

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GROUP FINANCIAL PERFORMANCE

The Group made a net profit after tax of $12,319,900 for the year ended 30 June 2026 (30 June 2025: $5,394,667) and as at 30 June 2026, the Group had net assets of $185,046,405 (30 June 2025: $177,770,214) and cash assets of $81,023,891 (30 June 2025: $56,820,204).

The financial results for the year ended 30 June 2026 when compared to the year ended 30 June 2025 were positively impacted by growth activities which achieved a record production of 4.4Mtpa during 2026.

Cash and cash equivalents as at 30 June 2026 were $81,023,891 an increase of $24,203,687 from 30 June 2025 ($56,820,204). Key cash flow movement during the financial year were:

- Operating cash flows of $95,860,273 inclusive of $5,939,846 income tax paid;
- Payments for plant and equipment of $74,958,847 primarily to the commissioning of the Beebyn Hub (inclusive of a $20,000,000 payment in relation to the Right to Mine agreement); and
- Repayment of asset finance facilities, $36,804,009 to finance growth including the Fenix Logistics fleet through chattel mortgages;
- Asset finance drawdown of $14,187,000 relating to the brand new Geraldton depot funded on completion;
- Funding facilities drawdown of $35,045,279 from the new long-term funding facilities with Resource Invest AG (**ResInvest**) providing a stronger capital base for the projected ramp up in production through to FY28; and
- Final fully franked dividend payment of $7,394,975 (1¢ per share), demonstrating Board confidence in balance sheet and earnings trajectory.

For the year ended 30 June 2026, C1 cash costs averaged A$73.7/wmt, which was in-line with FY25, A$72.8/wmt, maintaining cost guidance at FY26 levels. This stability in costs reflects the Company's ongoing focus on sustainable cost reduction whilst maintaining high operational standards.

FY26 was a pivotal chapter in the Company's history, with Fenix delivering on its strategy to unlock the value of the stranded iron ore deposits of Western Australia's Mid-West region by securing 290 million tonnes of high-quality hematite direct shipping iron ore immediately surrounding existing operations in the Weld Range from Sinosteel, a member of Baowu, the world's largest steelmaker (refer ASX Announcement 1 September 2025). With significant tonnages secured, Fenix accelerated the development of the Beebyn-Hub during FY26 to deliver the 3-Year Production Plan, which targets production of up to 6.0Mt by FY28.

DIVIDEND POLICY

Fenix's dividend policy states: *"Fenix 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."*

During FY26 Fenix continued to invest in a material expansion of the Company's production base and infrastructure assets increasing the production base from the current rate of 4.4Mtpa to a long-term production rate of 10Mtpa.

The Board considered the following factors in relation to declaring a dividend:

- Cash at bank $81.0m as at 30 June 2026;
- The successful commissioning of Beebyn-W11 on time and on Budget; and
- Securing the 290Mt Weld Range Iron Ore Project under a 30-year Right to Mine Agreement and advancing the transition to the Beebyn-Hub as the long-term production centre.

In accordance with this policy, the Company has declared a final fully franked dividend for FY26 of 1.0 cent per share equating to a total dividend payment of approximately A$7.7 million. The total dividend payment amount represents approximately 63% of the FY26 Net Profit after Tax.

The dividend record date is 4 September 2026 and the dividend payment date is expected to be 5 October 2026.

The Board believes that the declared final dividend appropriately balances the Company's commitment to reward shareholders by ` the payment of an annual dividend linked to profitability, with the ambition to generate long-term growth in the Fenix share price by having funding available to invest in the Company's growth opportunities.

CORPORATE ACTIVITIES

Hedging

Fenix has an active hedging program which is designed to manage iron ore and currency price risk and protect the Company's operating margins. These hedging arrangements are structured as:

- Iron ore forward pricing based on the Monthly Average Platts TSI 61 Index converted to AUD for the relevant month;
- AUD Call Options which provide Fenix with the right but not the obligation to convert USD to AUD at the exercise price. The AUD Call Options provide Fenix with unlimited upside to a lower AUD relative to the USD and limits Fenix's downside risk; and
- Fenix's diesel fuel hedge contracts are consistent with the Company's Price Protection Policy and provide price certainty on a base level of Fenix's diesel fuel requirements.

As at 30 June 2026, the Company had the following hedges and forward pricing contracts in place:

1) **Iron Ore Forward Sales Contracts**

   The iron ore forward sales contracts comprise 720,000 tonnes of iron ore fixed at an average price of A$151.22/t for the period July 2026 to June 2027, representing approximately 14% of FY27 production guidance at the midpoint.

2) **AUD Call Options**

   The currency hedge book comprises US$120m for the period July 2026 to June 2028 at an average exercise price of AUD:USD 0.7491.

3) **Diesel Swaps**

   The diesel swap hedge book comprises 18 million litres of high-quality Sing Gasoil 10ppm diesel fuel hedged at prices between US$0.6874 per litre and US$0.7876 per litre for FY27. The diesel swap position of 18 million litres equates to approximately 30% of expected diesel fuel requirements for FY27.

Funding

Since 2020, Fenix has funded its growth from a single-mine operator producing ~1.5Mtpa to a multi-mine operator targeting production of up to 6.0Mt by FY28, primarily by generating iron ore sales revenue, harnessing operating cash flows, and utilising chattel mortgage debt facilities and short-term iron ore prepayment facilities.

Fenix has in place available funding of up to A$120m in asset and property facilities to finance primarily the haulage fleet via chattel mortgages, the 5Mtpa Crushing and Processing Plant (currently in construction), the haulage depot in Geraldton and residential accommodation in Geraldton. As at 30 June 2026, A$81.6m was drawn.

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During FY26 Fenix secured new long-term funding facilities with ResInvest of approximately US$44m, extending funding tenor to approximately two years, reducing near-term refinancing risk and providing a stronger capital base for the projected ramp up in production through to FY28. As at 30 June 2026, US$24.3m (A$35.0m) was drawn.

During FY27 it is expected that the capital program to deliver production of up to 6.0Mt by FY28 will be completed and, accordingly, drawn debt used to fund the capital program is expected to reduce from the second half of FY27.

Fenix Community Contribution

Fenix continued to invest in local business partnerships and community activities. The Company retained its naming rights of the premiership-winning Fenix Geraldton Buccaneers – a successful franchise in the National Basketball League NBL1 West conference. During the period, Fenix also continued its partnership with Clontarf; a not-for-profit which exists to improve the education, discipline, life skills, self-esteem and employment prospects of young Aboriginal and Torres Strait Islander men.

TENEMENTS

As at 30 June 2026, the Company's interests in tenements are set out below:

Location	Project	Tenement	Interest
Western Australia	Weld Range	E20/0628, E20/0467, E20/0536, E61/1007, E20/0457, E20/0625, E20/0635, E51,0907, M20/0311, M20/0402, M20/403, M20/0419, M20/0518, M20/0503	Right to Mine
Western Australia	Weld Range	E20/1094, E20/1095, E51/2245, P51/3396	100%
Western Australia	Iron Ridge	M20/118-I, E20/936, L20/83, L20/84, L20/85, G20/28, G20/29	100%
Western Australia	Beebyn-W11	M51/869-I, L20/92	Right to Mine 10Mt of iron ore
Western Australia	Shine	M59/406, M59/731, M59/421, L59/54, L59/143, L59/122, M59/458, M59/420, M59/497, M59/380, M59/379	100% of Iron Ore rights
Western Australia	Pharos	E20/948, E20/953	100% of Iron Ore rights
Western Australia	Ruvidini	L70/74, G70/201, G70/202, G70/203, G70/204, G70/205, L70/73	100%
Western Australia	Perenjori	G70/232, G70/238, L70/133	100%
Western Australia	Beebynganna	E51/1681	100%

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ANNUAL MINERAL RESOURCE AND ORE RESERVES STATEMENT

The Company carries out an annual review of its iron ore Mineral Resources and Ore Reserves as required by the ASX Listing Rules. The review was carried out as at 30 June 2026.

IRON RIDGE

As at 30 June 2026, Iron Ridge Mineral Resources totalled 11.5 Mt at 64.67% Fe, inclusive of Ore Reserves a decrease of 0.7Mt due to depletion for the year ended 30 June 2026.

Iron Ridge Mineral Resources as at 30 June 2026 – 58% Fe cut-off applied							
JORC Classification	**Tonnes (millions)**	**Fe %**	**Al_2O_3 %**	**LOI %**	**P %**	**SiO_2 %**	**TiO_2%**
Indicated	2.6	65.74	1.64	1.74	0.04	2.36	0.08
Inferred	8.9	64.35	2.21	1.99	0.05	3.12	0.11
Total	**11.5**	**64.67**	**2.08**	**1.94**	**0.05**	**2.95**	**0.10**

Iron Ridge Mineral Resources as at 30 June 2025 – 58% Fe cut-off applied							
JORC Classification	**Tonnes (millions)**	**Fe %**	**Al_2O_3 %**	**LOI %**	**P %**	**SiO_2 %**	**TiO_2%**
Indicated	3.4	66.10	1.70	1.25	0.04	2.25	0.09
Inferred	8.9	64.40	2.20	1.85	0.05	3.15	0.12
Total	**12.2**	**64.87**	**2.07**	**1.69**	**0.04**	**2.91**	**0.11**

As at 30 June 2026 Ore Reserves totalled 0.35 Mt at 66.68% Fe. a decrease of 0.85Mt due to depletion for the year ended 30 June 2026.

Iron Ridge Ore Reserves as at 30 June 2026 – 58% Fe cut-off applied							
JORC Classification	**Tonnes (millions)**	**Fe %**	**Al_2O_3 %**	**LOI %**	**P %**	**SiO_2 %**	**TiO_2%**
Probable	0.35	66.68	1.50	0.97	0.03	1.97	0.09
Total	**0.35**	**66.68**	**1.50**	**0.97**	**0.03**	**1.97**	**0.09**

Iron Ridge Ore Reserves as at 30 June 2025 – 58% Fe cut-off applied							
JORC Classification	**Tonnes (millions)**	**Fe %**	**Al_2O_3 %**	**LOI %**	**P %**	**SiO_2 %**	**TiO_2%**
Probable	1.2	66.12	1.80	1.01	0.03	2.33	0.10
Total	**1.2**	**66.12**	**1.80**	**1.01**	**0.03**	**2.33**	**0.10**

Note: Tonnage figures in the above tables have been rounded and as a result may not add up to the totals quoted. The Iron Ridge Mineral Resources and Ore Reserves were previously disclosed to ASX on 27 August 2025.

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SHINE

As at 30 June 2026, the Shine Mineral Resources totalled 9.6Mt at 58.9% Fe as outlined below and split between Hematite and Magnetite. The Shine Mineral Resources decreased by 1.6Mt from 30 June 2025 due to 1.6Mt in relation to depletion.

Shine Mineral Resources as at 30 June 2026 – 50% Fe cut-off applied					
JORC Classification	**Tonnes (millions)**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**
Measured	2.8	60.0	8.39	1.24	0.077
Indicated	4.3	59.0	8.78	1.15	0.071
Inferred	2.5	57.3	8.24	1.12	0.070
Total	**9.6**	**58.9**	**8.53**	**1.17**	**0.072**

Shine Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied					
JORC Classification	**Tonnes (millions)**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**
Measured	3.5	60.2	8.05	1.34	0.080
Indicated	5.1	59.0	8.79	1.25	0.071
Inferred	2.5	57.3	8.26	1.13	0.070
Total	**11.2**	**59.0**	**8.44**	**1.25**	**0.074**

Shine Hematite Mineral Resources as at 30 June 2026 – 50% Fe cut-off applied					
JORC Classification	**Tonnes (millions)**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**
Measured	2.1	60.2	8.67	1.35	0.081
Indicated	3.6	59.2	9.20	1.19	0.072
Inferred	0.2	58.8	10.24	1.66	0.088
Total	**5.9**	**59.5**	**9.05**	**1.27**	**0.075**

Shine Hematite Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied					
JORC Classification	**Tonnes (millions)**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**
Measured	2.9	60.4	8.19	1.45	0.083
Indicated	4.4	59.1	9.13	1.30	0.072
Inferred	0.2	58.6	10.35	1.71	0.088
Total	**7.5**	**59.6**	**8.81**	**1.37**	**0.077**

Shine Magnetite Mineral Resources as at 30 June 2026 – 50% Fe cut-off applied					
JORC Classification	**Tonnes (millions)**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**
Measured	0.6	59.3	7.46	0.87	0.064
Indicated	0.7	58.4	6.76	0.95	0.068
Inferred	2.3	57.2	8.04	1.07	0.068
Total	**3.6**	**57.8**	**7.68**	**1.01**	**0.067**

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Shine Magnetite Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied					
JORC Classification	**Tonnes (millions)**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**
Measured	0.6	59.3	7.46	0.87	0.064
Indicated	0.7	58.4	6.76	0.95	0.068
Inferred	2.3	57.2	8.04	1.07	0.068
Total	**3.6**	**57.8**	**7.68**	**1.01**	**0.067**

Note: Tonnage figures in the above tables have been rounded and as a result may not add up to the totals quoted. The Shine Mineral Resources were previously disclosed to ASX on 27 August 2025.

WELD RANGE (INCLUDING BEEBYN-W11)

As at 30 June 2026, the Weld Range (including Beebyn-W11) Mineral Resources totalled 288.6Mt at 56.74%, inclusive of Ore Reserves, a decrease of 1.7Mt due to depletion for the year ended 30 June 2026.

Weld Range (including Beebyn-W11) Mineral Resources as at 30 June 2026 – 50% Fe cut-off applied							
	Tonnes (millions)	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**LOI %**	**P %**	**S %**
Measured	141.2	58.06	6.42	2.44	6.98	0.09	0.05
Indicated	89.0	55.84	9.33	2.40	7.19	0.09	0.09
Inferred	58.4	54.93	11.62	2.37	6.51	0.09	0.13
Total (Mes + Ind + Inf)	**288.6**	**56.74**	**8.37**	**2.41**	**6.95**	**0.09**	**0.08**

Weld Range (including Beebyn-W11) Mineral Resources as at 1 September 2025 – 50% Fe cut-off applied							
	Tonnes (millions)	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**LOI %**	**P %**	**S %**
Measured	142.5	58.10	6.39	2.45	6.94	0.09	0.05
Indicated	89.4	55.86	9.32	2.41	7.17	0.09	0.09
Inferred	58.4	54.92	11.63	2.37	6.51	0.09	0.13
Total	**290.3**	**56.77**	**8.35**	**2.42**	**6.93**	**0.09**	**0.08**

Note: Tonnage figures in the above tables have been rounded and as a result may not add up to the totals quoted. The Weld Range Mineral Resources (including Beebyn-W11) were previously disclosed to ASX on 1 September 2025.

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BEEBYN-W11

As at 30 June 2026, the Beebyn-W11 Mineral Resources totalled 19.7Mt at 61.0% Fe, inclusive of Ore Reserves, a decrease of 1.7Mt due to depletion for the year ended 30 June 2026.

Beebyn-W11 Mineral Resources as at 30 June 2026 – 50% Fe cut-off applied

	Tonnes (millions)	Density (t/m³)	Fe %	SiO_2 %	Al_2O_3 %	LOI %	P %	S %
Measured	11.9	3.47	61.68	3.67	2.55	2.93	0.07	0.03
Indicated	6.9	3.46	60.33	4.62	2.53	3.78	0.08	0.08
Inferred	0.9	3.03	57.00	7.36	5.36	4.31	0.11	0.01
Total	**19.7**	**3.44**	**61.00**	**4.17**	**2.67**	**3.29**	**0.07**	**0.04**

Beebyn-W11 Mineral Resources as at 30 June 2025 – 50% Fe cut-off applied

	Tonnes (millions)	Density (t/m³)	Fe %	SiO_2 %	Al_2O_3 %	LOI %	P %	S %
Measured	13.2	3.45	61.78	3.66	2.66	2.86	0.07	0.03
Indicated	7.3	3.43	60.34	4.70	2.63	3.71	0.08	0.07
Inferred	0.9	3.02	56.38	7.75	5.62	4.54	0.11	0.01
Total	**21.4**	**3.45**	**61.11**	**4.15**	**2.74**	**3.21**	**0.07**	**0.04**

As at 30 June 2026 Ore Reserves totalled 8.3 Mt at 62.2% Fe, a decrease of 1.7Mt due to depletion for the year ended 30 June 2026.

Beebyn-W11 Ore Reserves as at 30 June 2026 – 50% Fe cut-off applied

JORC Classification	Tonnes (millions)	Density (t/m³)	Fe %	SiO_2 %	Al_2O_3 %	LOI %	P %	S %
Proven	7.10	3.14	62.5	3.38	2.92	2.34	0.06	0.01
Probable	1.24	3.12	60.6	4.36	3.52	2.58	0.06	0.05
Total	**8.30**	**3.17**	**62.2**	**3.52**	**3.01**	**2.38**	**0.06**	**0.02**

Beebyn-W11 Ore Reserves as at 30 June 2025 – 50% Fe cut-off applied

JORC Classification	Tonnes (millions)	Density (t/m³)	Fe %	SiO_2 %	Al_2O_3 %	LOI %	P %	S %
Proven	8.3	3.14	62.5	3.40	3.03	2.32	0.06	0.01
Probable	1.7	3.12	61.1	4.45	3.44	2.41	0.06	0.01
Total	**10.0**	**3.17**	**62.2**	**3.57**	**3.10**	**2.33**	**0.06**	**0.01**

Note: Tonnages figures in the above tables have been rounded and as a result may not add up to the total quoted. The Beebyn-W11 Mineral Resources and Ore Reserves were previously disclosed to ASX on 27 August 2025.

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ESTIMATION GOVERNANCE STATEMENT

The Company ensures that all Mineral Resources and Ore Reserves estimations are subject to appropriate levels of governance and internal controls.

Exploration results are collected and managed by an independent competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

Mineral Resources and Ore Reserves estimates are prepared by appropriately qualified, independent Competent Persons. If there is a material change in the estimation of a Mineral Resources or Ore Reserves, the estimation and supporting documentation in question is reviewed by a suitable qualified independent Competent Persons and announced to the ASX in accordance with the Listing Rules. The Competent Persons consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code).

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COMPETENT PERSON'S STATEMENTS

The information in this report that relates to Weld Range, Iron Ridge and Beebyn-W11 Mineral Resource Estimates (MRE) is based on information reviewed by Dr Heather King, a Competent Person who is a Member of the Australasian Institute of Geoscientists and is currently employed by Axiom Group; a subconsultant of ResourcesWA Pty Ltd. Dr King 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 JORC Code.

The information in this report that relates to Iron Ridge and Beebyn-W11 Ore Reserves is based on information and supporting documentation reviewed by Mr Leonardo Romero who is a Member of the Australasian Institute of Mining and Metallurgy and is currently employed by LARM Consulting; a sub-consultant of ResourcesWA Pty Ltd. Mr Romero 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 JORC Code.

The information in this report that relates to the Shine Mineral Resources is based on information compiled by Ms Elizabeth Haren, a Competent Person who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and member of the Australian Institute of Geoscientists. Ms Haren is employed by Haren Consulting and is a consultant to Fenix Resources Ltd. Ms Haren has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code.

The Company confirms in relation to the above Mineral Resources and Ore Reserves that 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 Iron Ridge and Beebyn-W11 production targets and forecast financial information set out in this 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 original announcement.

The Annual Mineral Resources and Ore Reserves Statement is based on and fairly represents the information and supporting documentation prepared by the above-mentioned Competent Persons, and the Company has obtained written consent to the issue of the information in the form and context in which it appears in this report.

Risk Management

This section does not attempt to provide an exhaustive list of risks faced by the Group or by investors in the Group, nor are they in order of significance. Actual events may be different to those described.

The Group's activities have inherent risk that may impact on the Group's operating and financial performance and its ability to successfully deliver on its strategy. The Board aims to manage its key business risks through appropriate risk management techniques and internal controls. Some of the risks are however highly unpredictable and the extent to which the Board can effectively manage them is limited. The Group's key business risks are outlined below.

- Iron ore prices and foreign exchange rates: The majority of the Group's revenue involves the sale of iron ore, which is directly linked to market indices for iron ore and the United States (**US**) Dollar exchange rate. Iron ore market indices fluctuate and are affected by many factors beyond the control of the Group, including the supply and demand fluctuations for seaborne iron ore, technological advancements, forward selling activities and other macro-economic factors. Similarly, the Group is exposed to fluctuations and volatility of the rate of exchange between the US Dollar and the Australian Dollar, as determined by international markets. The Group's hedging strategy is designed to manage iron ore price risk and protect the Company's strong operating margins. In

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addition, the Group actively manages its liquidity position to limit the impact of foreign currency holdings on its results.

- Fuel costs: The Group is exposed to fluctuations in diesel fuel prices through its mining, crushing and haulage activities. Diesel represents a significant component of operating costs and movements in fuel prices can have a material impact on operating margins and cash flows. To manage this exposure, the Group enters into diesel fuel hedge contracts to provide greater certainty over future fuel costs and reduce the impact of short-term volatility in fuel prices on the Group's financial performance. The Group does not enter into hedge contracts for speculative purposes. Hedge positions are established with reference to forecast diesel consumption requirements and are regularly monitored to ensure they remain aligned the Group's future activities.
- Operational risks: The Group's mining operations are subject to risks inherent in the mining industry, including exploration / development activities, environmental hazards, industrial accidents, geotechnical risks, inclement / hazardous weather conditions, etc. These risks could result in damage / loss of mineral properties, production facilities or other properties, personal injury or death, environmental damage, delays in mining, increased production costs, monetary losses, possible legal liability, inconsistent / unreliable ore grades, etc. The Group has well-established operational planning procedures in place and actively manages contractors and staff to address key risks and plan for adverse events. The Group has a culture of continuous improvement and cost management in place, with regular employee training and evaluation procedures used to identify opportunities for improvement and reward performance.
- Safety, health and wellbeing: The nature of the Group's operations expose staff and contractors to potential hazards including injury, death, disability and poor health. The Group adopts best practice safety management systems across its businesses, adopting technology where possible to reduce the likelihood and impact of potential events. Visible senior leadership promotes a strong culture of safety, health and wellbeing, with pro-active measures in place to protect and care for staff.
- Social risks: Fenix's continued ability to operate is directly reliant on maintaining its social licence to operate, remaining compliant with key agreements / legislation and benefiting the communities in which it operates. Failure to address these risks may result in production stoppages, loss of community support for existing operations / new projects and failure to attract sufficient staff. Fenix has long-established relationships of trust with the communities in which it operates. Fenix regularly engages with Wajarri Yamaji, the Traditional Owners of the land on which operates, to ensure that Fenix understands and respects the cultural heritage in the Mid-West and supports a number of businesses and initiatives in the region in recognition of its responsibility to its stakeholders.
- Liquidity: The Group's ability to execute on its strategy is reliant on its ability to maintain sufficient working capital available to deploy towards existing and new projects, without which could potentially cause the Group to unnecessarily delay / forego new projects as well as the closure of existing operations. Fenix ensures it has access to appropriate facilities and cash reserves to enable it to continue to fund both its existing operations as well as its portfolio of growth projects, with all new investments subject to the Group's capital allocation processes.
- New project development: Fenix is currently undertaking the development of its third mine Beebyn-W11. Should the Group fail to properly plan and execute this project, this could result in significant cost overruns and losses. Fenix utilises a mix of internal staff and reputable consultants / contractors to ensure that all new projects are adequately evaluated up front and executed in accordance with approved plans.
- Environmental risks: Fenix recognizes the potential impact of climate change across its operations, including changes to its operating environment, financial penalties and loss of investor support. Fenix has active programs in place to reduce its environmental footprint, including measures aimed at reducing its usage of fossil fuels, environmental emissions, vibration management and compliance monitoring across its operations.

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DIRECTORS

The Directors who held office during the year and up to the date of signing this report, unless otherwise stated, are:

- **John Welborn: Executive Chairman**
- **Garry Plowright: Independent Non-Executive Director**
- **Shannon Coates: Independent Non-Executive Director**
- **Jennifer (Jenn) Morris: Independent Non-Executive Director** *(appointed 23 June 2026)*
- **Michael Gollschewski: Independent Non-Executive Director** *(appointed 23 June 2026)*
- **Craig Mitchell: Executive Director** *(resigned 16 March 2026)*

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The significant changes in the state of affairs of the Consolidated Entity during the financial period and to the date of this report are set out in the review of operations above.

MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

During FY26 Fenix continued to invest in a material expansion of the Company's production base and infrastructure assets increasing the production base from the current rate of 4.4Mtpa to a long-term production rate of 10Mtpa.

The Board considered the following factors in relation to declaring a dividend:

- Cash at bank $81.0m as at 30 June 2026;
- The successful commissioning of Beebyn-W11 on time and on Budget; and
- Securing the 290Mt Weld Range Iron Ore Project under a 30-year Right to Mine Agreement and advancing the transition to the Beebyn-Hub as the long-term production centre.

In accordance with this policy, the Company has declared a final fully franked dividend for FY26 of 1.0 cent per share equating to a total dividend payment of approximately A$7.7 million. The total dividend payment amount represents approximately 63% of the FY26 Net Profit after Tax.

The dividend record date is 4 September 2026 and the dividend payment date is expected to be 5 October 2026.

The Board believes that the declared final dividend appropriately balances the Company's commitment to reward shareholders by ` the payment of an annual dividend linked to profitability, with the ambition to generate long-term growth in the Fenix share price by having funding available to invest in the Company's growth opportunities.

Apart from the above, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

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INFORMATION ON DIRECTORS AND OTHER KEY MANAGEMENT PERSONNEL

The following information is current as at the date of this report.

Mr John Welborn	Executive Chairman *Appointed as Non-Executive Director 16 November 2021, transitioned to Executive Chairman on 22 October 2022*
Experience	Mr Welborn is a dynamic industry leader with extensive experience in the resources sector who was appointed Chairman of the Company in November 2021. Mr Welborn's experience includes the successful exploration, development and operation of numerous mining projects in Africa and Australia and more than twenty years as a senior executive in corporate management, finance and investment banking. Mr Welborn holds a Bachelor of Commerce degree from the University of Western Australia and is a Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Institute of Management and is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors.
Committee Memberships	None
Equity Interests	27,300,000 ordinary shares 35,000,000 performance rights
Directorships held in other listed entities	Current directorships: - Non-Executive Director – Equatorial Resources Limited from August 2010 - Non-Executive Chairman – Athena Resources Limited from July 2024 Former directorships in the previous three years: - Non-Executive Director – Apollo Minerals Limited from May 2022 to October 2023 - Non-Executive Chairman – Orbital Corporation Limited from March 2015 to December 2024 Mr Welborn has held no other listed company directorships in the previous three years.
Mr Garry Plowright	Non-Executive Director *Appointed as Executive Director 21 November 2018, transitioned to Non-Executive Director 1 January 2021*
Experience	Mr Plowright is an experienced Executive with over 25 years' experience in finance, commercial and technical development within the mining and exploration industry, working for some of Australia's leading resource companies. He has been involved in gold, base metals and iron ore exploration and mining development projects in Australia and worldwide.

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	Previous experience includes the supply and logistics of services to the mining and exploration industry including capital raising, corporate governance and compliance, project management, mining and environmental approvals and regulations, contract negotiations, tenure management, land access, stakeholder and community engagement. Mr Plowright has extensive experience in mining law and has provided services to the industry in property acquisitions, project generation and joint venture negotiations. Mr Plowright has held global operational and corporate roles with Gindalbie Metals Ltd, Mt Edon Gold Ltd, Pacmin Mining, Atlas Iron Ltd, Tigris Gold (South Korea) and Westland Titanium (New Zealand).
Committee Memberships	Member of Remuneration and Nomination Committee
Equity Interests	24,960,000 ordinary shares
Directorships held in other listed entities	Current directorships: - Non-Executive Director – NH3 Clean Energy Limited (formerly Hexagon Energy Materials Ltd) from June 2015 - Non-Executive Director – Athena Resources Limited from July 2024 Mr Plowright has held no other listed company directorships in the previous three years.
Ms Shannon Coates	Non-Executive Director *Appointed 1 July 2024*
Experience	Ms Coates has over 30 years' experience in corporate law and compliance. She was most recently Managing Director of Source Governance, a national governance service provider, and has provided governance and corporate advisory services to boards and various committees across a variety of industries, including oil & gas, resources, manufacturing, and technology. Ms Coates is a qualified lawyer, Chartered Secretary, and graduate of the AICD's Company Directors course. She is also currently non-executive director to Bellevue Gold Limited, a West Australian ASX 200 gold producer, and chairs Bellevue's Nomination and Remuneration Committee.
Committee Memberships	Chair of Remuneration and Nomination Committee, Member of Audit and Risk Committee
Equity Interests	108,000 ordinary shares
Directorships held in other listed entities	Current directorships: - Non-Executive Director – Bellevue Gold Limited from May 2020 Former directorships in the previous three years: - Non-Executive Director – Vmoto Limited from May 2014 to May 2024 Ms Coates has held no other listed company directorships in the previous three years.

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Ms Jenn Morris OAM	Non-Executive Director *Appointed 23 June 2026*
Experience	Ms Morris is an accomplished corporate executive and company director with significant experience in advising companies and government entities on strategy development, governance controls, large-scale business transformation, human capital related work, the embedding of environment, social and governance-related policies, and the understanding of high-performance environments learned during her varied career including elite sport. Ms Morris is a former partner at global professional services firm Deloitte where her career spanned more than 10 years working across the mining, government and transport sectors. She also previously worked as a senior marketing analyst for Rio Tinto Iron Ore. Ms Morris is a Fellow of Leadership WA, a member of the Vice Chancellor's List at Curtin University, and holds a Bachelor of Arts (Psychology and Journalism) received with Distinction from Curtin University. She has also completed the Finance for Executives program at INSEAD in Fontainebleau.
Committee Memberships	Chair of Audit and Risk Committee, Member of Remuneration and Nomination Committee
Equity Interests	200,000 ordinary shares
Directorships held in other listed entities	Current directorships: - Non-Executive Director – Sandfire Resources Limited from January 2021 - Non-Executive Director – Liontown Limited from November 2021 Former directorships in the previous three years: - Non-Executive Director – Fortescue Ltd from November 2016 to June 2023 Ms Morris has held no other listed company directorships in the previous three years.
Mr Michael Gollschewski	Non-Executive Director *Appointed 23 June 2026*
Experience	Mr Gollschewski is a highly successful mining professional with over 30 years' experience in the resource sector including vast experience in iron ore, aluminium and major projects. He is currently the Chief Operating Officer of Minerals, Energy and Technology at ASX-listed NRW Holdings Limited and Managing Director of its wholly owned subsidiary, Primero Group Limited. He worked for Rio Tinto Iron Ore for more than 10 years and held senior executive positions of Managing Director Pilbara Mines and Chief Operating Officer Pilbara Projects. More recently, he was the President of Alcoa of Australia Ltd and Vice President of Alcoa's Australian Operations. Mr Gollschewski is a past President of the Australian Aluminium Council and a former director of the Australian Institute of Management, Western Australia. He graduated from the Queensland Institute of Technology with honours in Mechanical Engineering and holds a Master of Business Administration from Curtin University.

Committee Memberships	Member of Audit and Risk Committee
Equity Interests	Nil
Directorships held in other listed entities	Mr Gollschewski has held no other listed company directorships in the previous three years.

Mr Chris Hunt	Chief Financial Officer *Commenced 20 January 2025*
Experience	Mr Hunt is a finance executive with over 30 years of experience in the resources and construction industries, specialising in feasibility studies, corporate financing, and mining operations. He has held senior CFO roles at Rox Resources, BC Iron, Crosslands Resources, FerrAus, and Cliffs Natural Resources, leading major financial transactions and corporate restructures. Mr Hunt holds a Bachelor of Business, is a Fellow of CPA Australia, a graduate of the Australian Institute of Company Directors, and has a Graduate Diploma of Applied Finance.
Committee Memberships	None
Equity Interests	149,972 ordinary shares 2,597,576 performance rights
Directorships held in other listed entities	Mr Hunt has held no listed company directorships in the previous three years.

Mr Fernando Pereira	Chief Operating Officer *Commenced 17 November 2025*
Experience	Mr Pereira is a seasoned mining executive with more than 25 years of experience across the global resources sector, spanning iron ore, bauxite, gold, cement, pelletizing operations and lithium mining in Western Australia. He has held senior leadership roles including Chief Operating Officer at Mineral Resources, Director of Pilbara Operations at Fortescue, and key operational positions with HWE Mining and Mineração Rio do Norte (MRN) in Brazil. Mr Pereira holds a Bachelor of Science in Mining and Mineral Processing Engineering, complemented by a specialization in Business Management.
Committee Memberships	None
Equity Interests	2,272 ordinary shares 1,343,252 performance rights
Directorships held in other listed entities	Mr Pereira has held no listed company directorships in the previous three years.

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Mr Goran Seat	Chief Development Officer *Commenced 18 December 2023*
Experience	Mr Seat is a professional engineer and an executive leader with over 20 years' experience delivering business growth through strategic asset development, capital projects and infrastructure investment across the mining, resources and infrastructure sectors. His career spans executive leadership in mining companies and senior management roles in global engineering consultancies and EPCM organisations, delivering complex projects and growth strategies for clients including BHP, Rio Tinto, Fortescue and Roy Hill. Mr Seat holds a Bachelor of Civil Engineering from the University of Western Australia.
Committee Memberships	None
Equity Interests	502,272 ordinary shares 1,108,096 performance rights
Directorships held in other listed entities	Mr Seat has held no listed company directorships in the previous three years.
Mr Adrian Third	Chief Marketing Officer *Commenced 20 September 2021*
Experience	Mr Third brings 30+ years of experience across the mining industry in Australia and international markets, with deep, hands-on capability spanning the full pit-to-port value chain – from mine operations and mobile maintenance through to processing, logistics, port operations, shipping and marketing. He has built a career on leading diverse teams and delivering operational excellence across multiple commodities, combining strong commercial judgement with practical operational insight to support the growth and performance of integrated mining businesses. Mr Third holds an MBA from Curtin University.
Committee Memberships	None
Equity Interests	1,097,399 ordinary shares 1,184,235 performance rights
Directorships held in other listed entities	Mr Third has held no listed company directorships in the previous three years.

Company Secretary

Ms Natalie Teo BComm, MAcc, GradDipACG

Ms Teo is an experienced company secretary and has provided corporate advisory, company secretarial, and financial reporting services to ASX-listed, unlisted public, and private companies. A Chartered Secretary, Natalie was previously a Senior Associate at a boutique corporate advisory firm, where she delivered company secretarial and accounting services to both listed and unlisted entities.

Meetings of Directors

During the financial year there have been nine (9) meetings of Directors and two (2) meetings of the Remuneration and Nomination Committee. The Audit and Risk Committee was established on 29 July 2026, subsequent to the end of the reporting period.

	Directors' Meetings		Remuneration and Nomination Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
John Welborn[1]	9	9	-	-
Craig Mitchell[2]	6	6	-	-
Garry Plowright	9	9	2	2
Shannon Coates	9	9	2	2
Jenn Morris[3]	1	1	-	-
Michael Gollschewski[3]	1	-	-	-

1. *John Welborn attended a portion of both Remuneration and Nomination Committee Meetings as an invitee*
2. *Craig Mitchell resigned 16 March 2026*
3. *Jenn Morris and Michael Gollschewski were both appointed on 23 June 2026*

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LETTER FROM OUR REMUNERATION AND NOMINATION COMMITTEE CHAIR

Dear Shareholders

On behalf of the Fenix Board of Directors, I am pleased to present the Remuneration Report for the year ended 30 June 2026.

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This report is designed to give shareholders and stakeholders a clear understanding of our approach to remunerating Key Management Personnel (**KMP**), which includes Executives – the Executive Chairman, Executive Director, Chief Financial Officer, Chief Marketing Officer, Chief Development Officer, Chief Operating Officer – as well as Non-Executive Directors, for FY26, and looking forward to FY27.

Our Year – FY26 Performance

FY26 was another positively transformative year for Fenix, marked by record production, excellent cost control, and significant project milestones including, the advancement of several important strategic growth initiatives. Key achievements included:

- **Significant safety improvement:** TRIFR of 4.9 at 30 June 2026, a 47% reduction from 9.2 at 30 June 2025
- **Record material mined, hauled and shipped:** 4.4Mt shipped across 73 vessels, up 83% (FY25: 2.4Mt, 41 vessels)
- **Beebyn-Hub transition:** Transition from Iron Ridge and Shine to the Beebyn-Hub significantly advanced as output from Beebyn-W11 increased and mine approvals received for Beebyn-W10
- **290Mt Weld Range Iron Ore Project secured:** Transformational 30-year Right to Mine Agreement executed with Sinosteel, a member of Baowu, the world's largest steel producer, providing Fenix with an iron ore resource that markedly extends mine life and supports expanded production
- **Financial performance growth from record production:**
    - Revenue of $589.7m (FY25: $316.1m), an increase of $273.6m (87%);
    - EBITDA of $80.7m (FY25: $54.3m), an increase of $26.4m (49%);
    - NPAT of $12.3m (FY25: $5.4m), an increase of $6.9m (128%);
    - Operating cash flow of $95.9m (FY25: $71.9m), an increase of $24.0m (33%); and
    - Cash at bank $81.0m (FY25: $56.8m), an increase of $24.2m (43%).
- **Hedging and forward pricing contracts book expanded:** 720,000t iron ore forward sales contracts at A$151.22/t through to June 2027, US$120m in AUD Call options through to June 2028 at an average exercise price of AUD:USD 0.7491, and 18m litres of Sing Gasoil 10ppm diesel fuel secured at prices between US$0.6874/l and US$0.7876/l for FY27

- **FY27 Guidance:** Targeting total iron ore sales of 4.7Mt to 5.3Mt at a C1 cash cost of between $70/wmt and $80/wmt FOB Geraldton, maintaining cost guidance at FY26 levels and consistent with the 3-Year Production Plan for FY26 to FY28
- **Shareholder returns continued:** Final fully franked dividend of 1¢ per share declared, equating to a total dividend payment of approximately $7.7m (63% of NPAT), demonstrating Board confidence in balance sheet and earnings trajectory

FY26 Remuneration Framework and Outcomes

Fenix is committed to attracting and retaining high-calibre employees who can deliver on the Company's ambitious strategic objectives. Central to this commitment is ensuring that our KMP – the leaders responsible for planning, directing, and controlling the Company's activities – are remunerated in a way that is competitive in the market, aligned with our business objectives, and supports safe and sustainable performance.

Our remuneration framework is designed with these objectives in mind, ensuring we attract the right talent and reward them appropriately for the results they deliver.

In setting the remuneration framework for FY26, the Board, engaged Remsmart Consulting Services Pty Ltd **(Remsmart)** to undertake a benchmarking review of remuneration arrangements, to ensure Fenix's remuneration was competitive and remained fit-for-purpose in light of the Company's continued growth in size and operational complexity. The review considered:

- Company and Individual performance;
- Increased business and role complexity;
- The need to recruit and retain a growing workforce;
- The additional responsibilities of the integrated supply chain;;
- External market conditions, particularly the tight Western Australian resources labour market;
- Practices of comparable ASX-listed peers; and
- Industry remuneration surveys, data, and tailored reports.

Following this review a number of changes were approved to apply from FY27 onwards. Each KMP's Total Fixed Remuneration (**TFR**) remained unchanged during FY26.

Remsmart also conducted a benchmarking review for Non-Executive Directors. Non-Executive Director fees were subsequently increased to $120,000 per annum, effective 1 July 2025.

Fenix offers a program of short term incentives (**STI**) and long term incentives (**LTI**) designed to incentivise and reward Executives for achieving both objectives in line with the Company's business plan over the shorter term and long term, sustainable value creation aligned with shareholder experience. For FY26 the Board implemented a detailed STI scorecard system which assessed individual performance against defined stretch targets across identified key business areas. Pleasingly, given the record production, excellent cost control, positive safety performance, and the revenue, EBITDA, and NPAT growth results in FY26, the Executive KMP all recorded strong scorecard performance. A summary of the STI and LTI remuneration outcomes for Executive KMP in FY26 included:

- Mr Welborn is eligible for an annual STI payment of up to 50% of his TFR based on operational, financial, growth, safety and leadership Key Performance Indicators (KPIs). The Board assessed that Mr Welborn achieved 97.23% of the available award resulting in an amount of $315,998 being paid to Mr Welborn in August 2026. In addition, 10,000,000 performance rights issued to Mr Welborn in FY24 became eligible for vesting on 30 June 2026. The partial achievement of the applicable performance milestones resulted in the vesting of 4,000,000 performance rights (which were subsequently converted to shares) and the lapse of the remaining 6,000,000 performance rights.
- Mr Mitchell stepped down from his role as Executive Director on 16 March 2026 and his employment ended on 22 July 2026. As a result, Mr Mitchell was not eligible for an STI payment for FY26. 5,000,000 performance rights issued to Mr Mitchell in FY24 that became eligible for vesting on 30 June 2026 lapsed due to the non-achievement of the applicable performance milestones.

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- Mr Hunt is eligible for a STI payment of up to 50% of his TFR based on operational, financial, growth, safety and leadership KPIs. The Board assessed that Mr Hunt achieved 88.80% of the available award resulting in an amount of $177,600 to be paid to Mr Hunt in August 2026.
- Mr Pereira is eligible for a STI payment of up to 50% of his TFR based on operational, financial, growth, safety and leadership KPIs. The Board assessed that Mr Pereira achieved 87.69% of the available award resulting in an amount of $121,625 to be paid to Mr Pereira in August 2026.
- Mr Third is eligible for a STI payment of up to 30% of his TFR based on operational, financial, growth, safety and leadership KPIs. The Board assessed that Mr Third achieved 100.00% of the available award resulting in an amount of $109,500 to be paid to Mr Third in August 2026. In addition, 406,032 performance rights issued to Mr Third in FY24 became eligible for vesting on 30 June 2026. The partial achievement of the applicable performance milestones resulted in the vesting of 345,127 performance rights (which were subsequently converted to shares) and the lapse of the remaining 60,905 performance rights.
- Mr Seat is eligible for a STI payment of up to 30% of his TFR based on operational, financial, growth, safety and leadership KPIs. The Board assessed that Mr Seat achieved 120.00% of the available award resulting in an amount of $117,000 to be paid to Mr Seat in August 2026. In addition, 290,023 performance rights issued to Mr Seat in FY24 became eligible for vesting on 30 June 2026. The partial achievement of the applicable performance milestones resulted in the vesting of 246,520 performance rights (which were subsequently converted to shares) and the lapse of the remaining 43,503 performance rights.

Annual issues of LTI are made to Executives (other than Mr Welborn) under the Company's Employee Securities Incentive Plan (**ESIP**). A total of 3,001,792 performance rights were issued to KMP during FY26. In September 2025, shareholders approved a once-off, long term growth incentive plan (**Plan**) for Mr Welborn, resulting in the issue of 30,000,000 performance rights with challenging share price performance milestones.

The Plan is intended to operate over a 5-year period, during which time Mr Welborn has agreed to forgo any increase to his TFR (which has remained unchanged since October 2023) and to not participate in any further equity issues under the Company's ESIP. More information is available in the Notice of Meeting released to ASX on 19 August 2025.

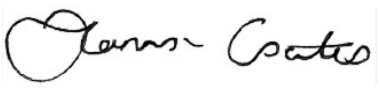
Looking Forward

The Board remains confident that our remuneration framework is appropriate for Fenix's current size, growth stage, and market environment. The Remuneration and Nomination Committee continues to seek feedback from stakeholders and intends to refine our approach to remuneration as the business continues to grow.

On behalf of the Board, I thank the Fenix team for their hard work and commitment throughout FY26. Their contribution is driving the growth and performance of Fenix.

On the following pages, you will find the Remuneration Report in full. I welcome the opportunity to engage with shareholders on the matters set out in this report and look forward to your support at the 2026 Annual General Meeting.

Yours sincerely



Shannon Coates
Remuneration and Nomination Committee Chair

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REMUNERATION REPORT (AUDITED)

The remuneration report details the nature and amount of remuneration for each Director and key management personnel (**KMP**) of Fenix Resources Ltd and is set out under the following main headings:

A. Introduction
B. Remuneration governance
C. Key management personnel
D. Remuneration and performance
E. Remuneration structure
F. Executive service agreements
G. Details of remuneration
H. Share-based compensation
I. Other information

A. INTRODUCTION

The remuneration policies have been designed to align Director and Management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific short-term and long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas include financial, operational and safety performance, growth in share price and advancement of the Group's strategic objectives. The Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best Management and Directors to run and manage the Group, as well as create goal congruence between Directors, Executives and Shareholders.

B. REMUNERATION GOVERNANCE

The Remuneration and Nomination Committee (**RNC**) was formed on 24 July 2024 in anticipation of the significant growth planned for the Company, from a single iron ore mine producing at 1.4Mtpa to currently a targeted production rate of up to 6.0Mtpa by FY28. The RNC is responsible for formulating the Group's Executive remuneration policy, setting each Director's remuneration and reviewing the Executive Chairman's remuneration recommendations for KMP to ensure compliance with the remuneration policy and consistency across the Group. In addition, the RNC ensures the Board has an appropriate mix of skills and experience to be an effective decision-making body. Recommendations of the RNC are put to the Board for approval.

During FY26, the RNC engaged Remsmart Consulting Services Pty Ltd **(Remsmart)** to undertake a benchmarking review of Executive remuneration arrangements, to ensure these were competitive and remained fit-for-purpose in light of the Company's continued growth in size and operational complexity. Remsmart was paid $13,750 for these services.

At the 2025 Annual General Meeting, the Company's remuneration report was passed by a majority of Shareholders (98.30% by way of poll).

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C. KEY MANAGEMENT PERSONNEL

The key management personnel in this report are as follows:

Name	Role	Appointment/(Resignation date)
John Welborn	Executive Chairman	16 November 2021
Craig Mitchell	Executive Director	(16 March 2026)
Garry Plowright	Non-Executive Director	1 January 2021
Shannon Coates	Non-Executive Director	1 July 2024
Jenn Morris	Non-Executive Director	23 June 2026
Michael Gollschewski	Non-Executive Director	23 June 2026
Chris Hunt	Chief Financial Officer	20 January 2025
Fernando Pereira	Chief Operating Officer	17 November 2025
Goran Seat	Chief Development Officer	18 December 2023
Adrian Third	Chief Marketing Officer	20 September 2021

D. REMUNERATION AND PERFORMANCE

The following table shows the gross revenue, net profits/(losses) attributable to members of the Company and share price of the Company at the end of the current and previous four financial years. See Remuneration Structure for short-term incentives subject to key performance indicators.

	30 June 2026	30 June 2025 $	30 June 2024 $	30 June 2023 $	30 June 2022 $
Revenue from continuing operations	589,727,465	316,093,321	259,203,239	196,849,504	249,168,360
Net profit attributable to members of the Company	12,319,900	5,394,667	33,637,018	29,253,182	50,694,460
Dividend declared	7,394,745	-	13,733,238	28,413,722	24,791,223
Share price	0.255	0.280	0.315	0.285	0.315

E. REMUNERATION STRUCTURE

Director remuneration structure

The objective of the Group's remuneration strategy is to ensure reward for performance is competitive and appropriate for the results delivered. This aligns reward with the achievement of objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward.

Fees and payment to Directors reflects the demands that are made on them and the responsibilities of the Directors from time to time. The aggregate amount of fees as approved by shareholders that may be paid to Non-Executive Directors as a whole, for the years from and including the year commencing 1 July 2022 is $500,000 per annum. Directors' fees cover all normal Board activities. A Director may also be paid fees or other amounts as the Directors determine, if a Director performs special duties or otherwise performs duties outside the scope of the normal duties of a Director. A Director may also be reimbursed for out-of-pocket expenses incurred as a result of their directorship or any special duties. Directors are able to participate, subject to any required shareholder approval, in the Company's security incentive plans. In order to align their interests with those of shareholders, the Directors are encouraged to hold shares in the Company.

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Executive KMP remuneration structure

In determining Executive KMP remuneration, the Board aims to ensure remuneration levels are set that attract, retain and incentivise Executives that are appropriately qualified and of a high calibre. Executives are rewarded with a level and mix of remuneration appropriate to their position, responsibilities and performance in a way that aligns with the Group's business strategy.

The objectives and principles of the Company's remuneration policy include:

- To align the objectives of the KMP's with the Company's strategic and business objectives and the creation of shareholder value;
- To provide competitive and reasonable remuneration to attract and retain high calibre talent;
- To provide remuneration that is transparent, easily understood and acceptable to shareholders; and
- To provide remuneration that is structured to have a suitable mix of fixed remuneration and at-risk performance-based elements using appropriate STI and LTI components.

Executive remuneration levels are reviewed annually by the RNC to ensure alignment to the market and the Company's objectives.

The Board's policy for determining the nature and amount of remuneration for Executive KMP of the Group is set out in the remuneration policy, which comprises the terms and conditions for Executive Directors and other Executives, as developed and approved by the Board. All Executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and a combination of short-term and long-term performance incentives. The Board reviews Executive packages annually by reference to the Group's performance, Executive performance and comparable benchmarking information from industry sectors and other listed companies in similar industries.

The employees of the Group receive a superannuation guarantee contribution required by the Government, which for the 2026 financial year was 12% and from 1 July 2026 is also 12%, and do not receive any other retirement benefits.

The table below provides a summary of the structure of the Executive remuneration:

Fixed Remuneration	- Base Salary - Superannuation - Other benefits
Variable Remuneration	- STI (cash bonuses) - LTI (performance rights)

F. EXECUTIVE SERVICE AGREEMENTS

Remuneration and other terms of employment for KMP are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Participation in the share and performance rights plans are subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below. Termination benefits are within the limits set by the *Corporations Act 2001* (**Corporations Act**) such that they do not require shareholder approval.

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Contractual arrangements with key management personnel

Executives

Name	Effective date	Term of agreement	Notice period (individual/ company)	Salary per annum [1] $	STI %	Termination payment
John Welborn, Executive Chairman	20-Oct-23	No fixed term	6 months/ 12 months	650,000	50%	12 months
Craig Mitchell, Executive Director [2]	20-Oct-23	No fixed term	6 months/ 12 months	500,000	100%	12 months
Chris Hunt, Chief Financial Officer	20-Jan-25	No fixed term	3 months/ 3 months	400,000	50%	3 months
Fernando Pereira, Chief Operating Officer	17-Nov-25	No fixed term	3 months/ 3 months	450,000	50%	3 months
Goran Seat, Chief Development Officer	18-Dec-23	No fixed term	3 months/ 3 months	320,000	30%	3 months
Adrian Third, Chief Marketing Officer	20-Sep-21	No fixed term	2 months/ 4 Months	365,000	30%	4 months

1. *Salary amount includes superannuation guarantee contribution.*
2. *Craig Mitchell resigned from his role as Executive Director on 16 March 2026 and his employment was terminated on 22 July 2026.*

Fixed Remuneration

Fixed remuneration consists of base remuneration and employer contributions to superannuation funds and salary sacrifice superannuation contributions. Remuneration levels are reviewed annually by the RNC through a process that considers market conditions, individual performance and the overall performance of the Group. Industry remuneration surveys and data are utilised to assist in this process as well as benchmarking against comparable ASX listed companies.

Short Term Incentives

Under the Company's STI plan, all Executive KMP have the opportunity to earn an annual incentive which is delivered in cash if certain financial and non-financial key performance indicators (**KPI's**) are met. The STI recognises and rewards annual performance and links the achievement of key short term Company targets with the remuneration received by those Executives charged with meeting those targets.

Executive Director FY26 STI KPIs were based on safety, operational, financial, growth, and leadership metrics which are subject to Board discretion and were assessed by the Board in August 2026, noting the following achievements during the year ended 30 June 2026:

- **Significant safety improvement:** TRIFR of 4.9 at 30 June 2026, a 47% reduction from 9.2 at 30 June 2025
- **Record material mined, hauled and shipped:** 4.4Mt shipped across 73 vessels, up 83% (FY25: 2.4Mt, 41 vessels)
- **Beeby-Hub transition:** Transition from Iron Ridge and Shine to the Beeby-Hub significantly advanced as output from Beeby-W11 increased and mine approvals received for Beeby-W10

- **290Mt Weld Range Iron Ore Project secured:** Transformational 30-year Right to Mine Agreement executed with Sinosteel, a member of Baowu, the world's largest steel producer, providing Fenix with an iron ore resource that markedly extends mine life and supports expanded production
- **Financial performance growth from record production:**
    - Revenue of $589.7m (FY25: $316.1m), an increase of $273.6m (87%);
    - EBITDA of $80.7m (FY25: $54.3m), an increase of $26.4m (49%);
    - NPAT of $12.3m (FY25: $5.4m), an increase of $6.9m (128%);
    - Operating cash flow of $95.9m (FY25: $71.9m), an increase of $24.0m (33%); and
    - Cash at bank $81.0m (FY25: $56.8m), an increase of $24.2m (43%).

The Board assessed Mr Welborn's achievement of the FY26 STI KPIs at 97.23% of the available award, resulting in a payment of $315,998 in August 2026.

Mr Mitchell resigned from his role as Executive Director on 16 March 2026 and his employment was terminated on 22 July 2026. As a result, Mr Mitchell was not eligible for a STI payment in relation to FY26 performance. Subsequent to the end of FY26 and following the Director resignation and employment termination of Mr Mitchell, the Board has exercised its discretion to clawback Mr Mitchell's FY25 STI award consistent with the terms and conditions of the STI payment.

Other KMP FY26 STI awards are as follows:

- Mr Hunt achieved 88.8% of his available STI for FY26. $177,600 was paid in cash in August 2026.
- Mr Pereira achieved 87.7% of his available STI for FY26, on a pro rata basis from commencement of employment, based on achievement of individual KPIs. $121,625 was paid in cash in August 2026.
- Mr Seat achieved 120.0% of his available STI for FY26. $117,000 was paid in cash in August 2026.
- Mr Third achieved 100.0% of his available STI for FY26. $109,500 was paid in cash in August 2026.

Long Term Incentives

The Company has established a Share Loan Plan and an Employee Securities Incentive Plan (**Plans**) to attract Directors and key employees with suitable qualifications, skills and experience to plan, carry out and evaluate the Company's Strategy and to motivate and retain those Directors and key employees. Participants in the Plans may be Directors, employees and consultants of the Company or any of its subsidiaries or any other related body corporate of the Company.

The aim of the Plans is to allow participation in, and benefit from, the growth of the Company as a result of the efforts of participants and to assist in motivating and retaining those key employees over the long term through the ownership of shares in the Company.

Fenix Resources' LTI Plan framework blends ownership incentives, performance-linked vesting, and executive-focused long-term awards, all tailored to align leadership and employee behaviour with sustained, shareholder-oriented outcomes. Vesting conditions included are a mix of relative TSR, absolute TSR metrics and retention period.

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G. DETAILS OF REMUNERATION

Details of remuneration of the KMP (as defined in AASB 124 *Related Party Disclosures*) of the Company is set out below.

		Short-term benefits				Post-employment benefits		Share-based payments	Total
		Cash salary	Non-cash benefits [1]	Leave entitlement [2]	Bonus [3]	Super-annuation	Termination	Rights / Options [4]	
		$	$	$	$	$	$	$	$
Executive Directors and KMP									
John Welborn	2026	620,000	1,783	87,545	315,998	30,000	-	1,858,347	2,913,673
	2025	620,000	1,218	31,066	325,000	30,000	-	1,031,495	2,038,779
Craig Mitchell [5][7]	2026	408,303	-	66,594	-	29,196	-	1,398,496	1,902,589
	2025	470,000	-	48,907	500,000	30,000	-	413,468	1,462,375
Chris Hunt	2026	370,000	555	24,669	177,600	30,000	-	213,861	816,685
	2025	167,572	360	12,890	88,219	15,000	-	-	284,041
Fernando Pereira	2026	262,500	-	18,577	121,625	17,500	-	45,147	465,349
	2025	-	-	-	-	-	-	-	-
Goran Seat	2026	290,000	600	20,697	117,000	30,000	-	69,425	527,722
	2025	280,600	600	20,697	109,500	30,000	-	31,780	473,177
Adrian Third	2026	335,000	600	53,686	109,500	30,000	-	83,240	612,026
	2025	369,896	600	35,648	105,000	30,000	-	44,687	585,831
Non-Executive Director									
Garry Plowright	2026	107,143	-	-	-	12,857	-	-	120,000
	2025	80,717	-	-	-	9,283	-	-	90,000
Shannon Coates	2026	107,143	-	-	-	12,857	-	-	120,000
	2025	80,717	-	-	-	9,283	-	-	90,000
Jenn Morris[6]	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
Michael Gollschewski[6]	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
Total	2026	2,500,089	3,538	271,768	841,723	192,410	-	3,668,516	7,478,044
	2025	2,069,502	2,778	149,208	1,127,719	153,566	-	1,521,430	5,024,203

1. *Other benefits include the provision of a mobile phone allowance.*
2. *Amounts disclosed represent the movement in leave provisions.*
3. *The Board proposed a short-term incentive for eligible staff and contractors.*
4. *Instruments granted, AASB 2 Share-Based Payment requires the fair value at grant date of the instruments granted to be expensed over the vesting period.*
5. *Craig Mitchell resigned as Executive Director on 16 March 2026 and his employment was terminated on 22 July 2026*
6. *Jenn Morris and Michael Gollschewski both appointed 23 June 2026. Both are entitled to a fee of $120,000 (inclusive of statutory superannuation) per annum.*
7. *Following the Director resignation and employment termination of Mr Mitchell, the Board has exercised its discretion to apply malus and clawback provisions consistent with the terms and conditions of the STI payment.*

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The following table sets out each KMP's relevant interest in fully paid ordinary shares, options and performance rights to acquire shares in the Company, as at 30 June 2026:

Name	Fully paid ordinary shares	Performance rights
John Welborn	23,300,000	45,000,000
Craig Mitchell[1]	95,260,000	35,000,000
Garry Plowright	24,960,000	-
Shannon Coates	108,000	-
Jenn Morris[2]	200,000	-
Michael Gollschewski[2]	-	-
Chris Hunt	147,972	1,716,846
Fernando Pereira	2,272	500,000
Goran Seat	179,766	920,591
Adrian Third	752,272	1,134,911

1 *Craig Mitchell resigned as Executive Director on 16 March 2026 and his employment was terminated on 22 July 2026.As at 21 August 2026 Mr Mitchell's relevant interest had reduced to 84,660,000 fully paid ordinary shares*

2 *Jenn Morris and Michael Gollschewski appointed 23 June 2026. Jenn Morris holds 200,000 Fenix shares, acquired on-market in June 2026*

H. SHARE-BASED COMPENSATION

Share Loan Plan

On 2 February 2022, shareholders approved the Company's Share Loan Plan and the issue of up to 10,000,000 Plan Shares to Mr John Welborn.

The cash balance of the share loan as at 30 June 2026 is $1,887,500 (initial loan $2,300,000, less 50% of the FY22 dividend payment $262,500, 50% of the FY23 dividend payment $100,000 and 50% of the FY25 dividend payment $50,000).

During the year ended 30 June 2026, the following shares were on issue, issued, vested and/or lapsed to KMPs:

Grant date	Grant value [1]	Number granted as remuneration	Number vested prior periods	Number vested during the year	Number vested but not yet exercisable	Number lapsed during the year	Expense recognised during the year	Maximum value yet to expense
John Welborn – *Executive Chairman*								
4-Mar-22 [2]	$1,833,649	-	-	-	-	-	$181,559	$1,043,214

1 *The grant value represents the fair value of the instruments at the grant date, multiplied by the number of instruments expected to vest*

2 *The securities were approved on 4 March 2022 at the Company's General Meeting.*

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Under AASB 2, shares issued under the Share Loan Plan are treated as options issued. The options were valued on the below inputs.

	Grant date [1]	Grant value [2] $	Number issued	Value per option $	Expiry date	Vesting date	Number exercised	Vested %
John Welborn – *Executive Chairman*								
	4-Mar-22	1,833,649	10,000,000	0.1834	7-Mar-32	-	-	-

1 *The securities were approved on the 4 March 2022 at the Company's General Meeting.*
2 *Value of options has been calculated in accordance with AASB 2 Share-Based Payments.*

The arrangement is subject to continued employment through to the expiry date. During the term of the arrangement, 50% of dividends declared are paid in cash, with the remaining 50% applied to reduce the outstanding balance. Any amount remaining unpaid at the expiry date is repayable to the Company.

The fair value of services received in return for shares issued to Directors and employees is measured by reference to the fair value of options granted. The fair value of options is determined using Black-Scholes option valuation methodology.

The model inputs for options granted include:

Series	Exercise price	Expiry (years)	Share price at grant date [1]	Expected volatility [2]	Dividend yield	Risk free interest rate [3]	Option value
(i)	$0.230	9.00	$0.235	73%	0%	2.14%	$0.1834

1 *The share price has been based upon the closing shares price on grant date being 4 March 2022.*
2 *The expected price volatility is based on historical volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.*
3 *Risk free rate of securities with comparable terms to maturity.*

Performance rights

The Company's current Employee Securities Incentive Plan (**ESIP**) was approved and adopted by Shareholders on 18 September 2025. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain performance milestones. If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares.

Vesting conditions comprise a service period and performance milestones relating to Total Shareholder Return (**TSR**) against a peer group and Volume-Weighted Average Price (**VWAP**).

Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares.

During the year ended 30 June 2026, the following rights were on issue, issued, vested and/or lapsed to KMPs:

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Grant date	Grant value [1] $	Number granted as remuneration	Number vested during prior periods	Number vested during the year	Number vested but not yet exercisable	Number lapsed during the year	Expense recognised during the year $	Maximum value yet to expense $
John Welborn – *Executive Chairman*								
24-Nov-23	2,186,500	20,000,000	5,000,000	4,000,000	-	6,000,000	607,350	123,889
23-Sep-25		30,000,000	-	-	-	-	1,250,996	6,758,004
Craig Mitchell - *Executive Director*[2]								
24-Nov-23	867,000	10,000,000	5,000,000	-	-	5,000,000	147,500	-
23-Sep-25		30,000,000	-	-	-	-	1,250,996	6,758,004
Chris Hunt – *Chief Financial Officer*								
23-Sep-25		1,716,846	-	-	-	-	213,861	346,554
Fernando Perriera – *Chief Operating Officer*								
23-Sep-25		500,000	-	-	-	-	45,157	112,506
Goran Seat – *Chief Development Officer*								
11-Oct-23		290,023	-	246,520	-	43,503	16,713	-
14-Aug-24		238,095	-	-	-	-	17,267	17,267
23-Sep-25		392,473	-	-	-	-	35,445	88,311
Adrian Third – *Chief Marketing Officer*								
01-Dec-22		750,000	-	750,000	-	-	-	-
11-Oct-23		406,032	-	345,127	-	60,905	-	-
14-Aug-24		336,406	-	-	-	-	24,397	24,397
23-Sep-25		392,473	-	-	-	-	35,445	88,311

1. *The grant value represents the fair value of the rights at the grant date, multiplied by the number of instruments expected to vest, and is recognised as an expense over the vesting period.*
2. *Craig Mitchell resigned as an Executive Director on 16 March 2026 and his employment was terminated on 22 July 2026. Subsequent to the year ended 30 June 2026 all performance rights held by Mr Mitchell have lapsed.*

The fair value of services received in return for shares issued to Directors and employees is measured by reference to the fair value of rights granted. The estimate of the fair value of the rights is measured based on a Monte Carlo simulation model. A share-based payment expense has been recognised over the respective vesting periods.

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Key inputs used in the fair value calculation of the performance rights issued, vested and/or lapsed to KMPs during the period ended 30 June 2026 were as follows:

Number Granted	Exercise price	Expected vesting dates	Expiry date	Share price at valuation date	Risk fee rate	Dividend yield	Fair value per performance right	Total fair value
Grant date: 1 Dec 2022 (1)								
1,000,000	$ -	1-Dec-22 to 30-Jun-25	30-Jun-27	$0.24	3.027%	20.16%	$0.1158	$115,800
Grant date: 11 Oct 2023 (2)								
522,042	$ -	30-Jun-26	5-Jan-29	$0.22	3.88%	9.09%	$0.1357	$70,841
174,014	$ -	30-Jun-26	5-Jan-29	$0.22	3.88%	9.09%	$0.2200	$38,283
Grant date: 24 Nov 2023 (3)								
5,000,000	$ -	30-Jun-26	5-Jan-29	$0.265	4.13%	7.69%	$0.1747	$873,500
10,000,000	$ -	30-Jun-25	5-Jan-29	$0.265	4.27%	7.69%	$0.0967	$967,000
10,000,000	$ -	30-Jun-26	5-Jan-29	$0.265	4.13%	7.69%	$0.0767	$767,000
5,000,000	$ -	30-Jun-27	5-Jan-29	$0.265	4.12%	7.69%	$0.0892	$446,000
Grant date: 15 Aug 2024 (4)								
437,788	$ -	1-Jul-27	16-Aug-29	$0.30	3.44%	6.67%	$0.1953	$85,500
145,929	$ -	1-Jul-27	16-Aug-29	$0.30	3.44%	6.67%	$0.2478	$36,161
Grant date: 23 Sep 2025 (5)								
20,000,000	**$ -**	**23-Sep-30**	**23-Sep-30**	**$0.415**	**3.44%**	**2.38%**	**$0.3111**	**$6,222,000**
20,000,000	**$ -**	**23-Sep-30**	**23-Sep-30**	**$0.415**	**3.44%**	**2.38%**	**$0.2637**	**$5,274,000**
20,000,000	**$ -**	**23-Sep-30**	**23-Sep-30**	**$0.415**	**3.44%**	**2.38%**	**$0.2261**	**$4,522,000**
750,000	**$ -**	**1-Jul-27**	**16-Aug-29**	**$0.415**	**3.44%**	**2.38%**	**$0.3170**	**$238,125**
250,000	**$ -**	**1-Jul-27**	**16-Aug-29**	**$0.415**	**3.44%**	**2.38%**	**$0.3850**	**$96,250**
1,501,345	**$ -**	**1-Jul-28**	**23-Sep-30**	**$0.415**	**3.44%**	**2.38%**	**$0.2910**	**$438,532**
500,447	**$ -**	**1-Jul-28**	**23-Sep-30**	**$0.415**	**3.44%**	**2.38%**	**$0.3850**	**$192,672**

1 *Performance rights will vest on:*
- *continued employment to 30 June 2025, and*
- *relative total shareholder return ('TSR') for a three-year period relative to the TSR of each company in a peer group.*

Following employee resignation, the employee was deemed a good leaver and therefore the performance rights remained subject to the performance condition noted above.

2 *Performance rights will vest on:*
- *522,042 Rights - 3-year vesting period to 30 June 2026 on TSR metrics against peer group*
- *174,014 Rights - remaining employed or otherwise engaged by the Company (or any one of its subsidiaries) at all times for a continuous period up to and including 30 June 2026 from the date of issue of the Performance Rights.*

Following employee resignation, the performance rights forfeited on 17 March 2025 and any expense recognised was reversed.

3 *Performance rights will vest on:*
- *5,000,000 vest on total shareholder return metrics against peer group over a 3-year vesting period to 30 June 2026 (4,000,000 vested and converted in July 2026; 1,000,000 lapsed and cancelled in July 2026)*
- *10,000,000 vest on the Company having a 20-day VWAP of $0.40 or greater prior to 30 June 2025 (vested and converted in August 2024)*
- *10,000,000 vest on the Company having a 20-day VWAP of $0.60 or greater prior to 30 June 2026 (lapsed and cancelled in July 2027)*
- *5,000,000 vest on the Company having a 20-day VWAP of $0.80 or greater prior to 30 June 2027*

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4 *Performance rights will vest on:*
- *437,788 Rights - remaining employed to 30 June 2027 and TSR condition from 1 July 2024 to 30 June 2027 relative to Peer Group*
- *145,929 Rights - remaining employed or otherwise engaged by the Company up to and including 30 June 2027*

Following employee resignation, the performance rights forfeited on 17 March 2025 and any expense recognised was reversed.

5 *Performance rights will vest on:*
- *20,000,000 vest on the Company's share price achieving a 60-day VWAP of $0.30 or greater and the holder remaining employed or engaged by the Company 12 months post the date of issue*
- *20,000,000 vest on the Company's share price achieving a 60-day VWAP of $0.80 or greater and the holder remaining employed or engaged by the Company 24 months post the date of issue*
- *20,000,000 vest on the Company's share price achieving a 60-day VWAP of $1.00 or greater and the holder remaining employed or engaged by the Company 36 months post the date of issue*
- *750,000 Rights – remaining employed to 30 June 2027 and TSR condition from 1 July 2024 to 30 June 2027 relative to Peer Group; 250,000 Rights – remaining employed or otherwise engaged by the Company up to and including 30 June 2027.*
- *1,501,345 Rights – remaining employed to 30 June 2028 and TSR condition from 1 July 2025 to 30 June 2028 relative to Peer Group*
- *500,447 Rights - remaining employed or otherwise engaged by the Company up to and including 30 June 2028*

Following employee termination, the performance rights forfeited on 22 June 2026 and any expense recognised was reversed.

Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense for the 2026 and 2025 financial years:

	Fixed remuneration	At risk STI	At risk LTI	Fixed remuneration	At risk STI	At risk LTI
	2026			2025		
Executive Directors and KMPs	**37%**	**17%**	**46%**	**47%**	**22%**	**30%**
John Welborn	**25%**	**11%**	**64%**	**38%**	**34%**	**28%**
Craig Mitchell[(1)]	**26%**	**0%**	**74%**	**69%**	**31%**	**-**
Chris Hunt	**52%**	**22%**	**26%**	**75%**	**22%**	**3%**
Goran Seat	**65%**	**22%**	**13%**	**70%**	**23%**	**7%**
Adrian Third	**68%**	**18%**	**14%**	**74%**	**18%**	**8%**
Fernando Pereira	**64%**	**26%**	**10%**	**-**	**-**	**-**
Non-Executive Director	**100%**	**-**	**-**	**100%**	**-**	**-**
Garry Plowright	**100%**	**-**	**-**	**100%**	**-**	**-**
Shannon Coates	**100%**	**-**	**-**	**100%**	**-**	**-**
Jenn Morris[(3)]	**100%**	**-**	**-**	**100%**	**-**	**-**
Michael Gollschewski [(3)]	**100%**	**-**	**-**	**100%**	**-**	**-**

1. *Craig Mitchell resigned 16 March 2026.*
2. *Jenn Morris and Michael Gollschewski appointed 23 June 2026.*

Reconciliation of equity instruments held by KMP.

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options and performance rights to acquire shares in the Company for the 2026 financial year:

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	Balance at start of year/period	Granted	Acquired[1]	Exercised/ Vested	Lapsed/ Forfeited	Other changes	Balance at year end
Executives							
John Welborn							
Fully paid ordinary shares	11,000,000	-	2,300,000	-	-	-	13,300,000
Fully paid ordinary shares – Share Loan Plan	10,000,000	-	-	-	-	-	10,000,000
Performance rights	15,000,000	30,000,000	-	-	-	-	45,000,000
Craig Mitchell[2]							
Fully paid ordinary shares	75,260,000	-	20,000,000	-	-	-	95,260,000
Performance rights	5,000,000	30,000,000	-	-	-	-	35,000,000
Chris Hunt							
Fully paid ordinary shares	105,700	2,272	40,000	-	-	-	147,972
Performance rights	-	1,716,846	-	-	-	-	1,716,846
Fernando Pereira							
Fully paid ordinary shares	-	2,272	-	-	-	-	2,272
Performance Rights	-	500,000	-	-	-	-	500,000
Goran Seat							
Fully paid ordinary shares	3,333	2,272	174,161	-	-	-	179,766
Performance Rights	528,118	392,473	-	-	-	-	920,591
Adrian Third							
Fully paid ordinary shares	-	2,272	-	750,000	-	-	752,272
Performance Rights	1,492,438	392,473	-	(750,000)	-	-	1,134,911
Non-Executive Directors							
Garry Plowright							
Fully paid ordinary shares	24,960,000	-	-	-	-	-	24,960,000
Shannon Coates							
Fully paid ordinary shares	108,000	-	-	-	-	-	108,000
Jenn Morris[3]							
Fully paid ordinary shares	-	-	200,000	-	-	-	200,000
Michael Gollschewski [4]							
Fully paid ordinary shares	-	-	-	-	-	-	-

1. *Shares acquired by:*
   - 1.1. *John Welborn – on-market purchases in September 2025, October 2025, December 2025 and March 2026*
   - 1.2. *Craig Mitchell – 20,000,000 in March 2026 following achievement of milestones on Performance Shares*
   - 1.3. *Goran Seat – on-market purchases in March 2026 and June 2026*
   - 1.4. *Jenn Morris and Chris Hunt – on-market purchase in June 2026*
2. *Craig Mitchell resigned as Executive Director on 16 March 2026.*
3. *Jenn Morris appointed 23 June 2026*
4. *Michael Gollschewski appointed 23 June 2026*

None of the fully paid ordinary shares above are held nominally by the Directors or any other KMP.

I. OTHER INFORMATION

Transactions with other related parties include:

- Subletting office space and administrative services to Warradarge Energy Pty Ltd (**Warradrage**) for $34,651 during the financial year (30 June 2025: $24,000). Warradarge is a company associated with director Craig Mitchell.
- Subletting office space to Athena Resources Ltd for $60,000 during the financial year (30 June 2025: $25,000). Fenix holds a 29.77% interest in Athena and Directors John Welborn and Garry Plowright are Non-Executive Directors of Athena.
- Rental of artwork for the corporate office on from Outback Network Pty Ltd for $6,980 (30 June 2025: $13,000), Outback Network is a company associated with director Craig Mitchell.
- Loan drawdowns of A$35,045,279 (FY25: $nil) under the Funding Facilities established through the Fenix, ResInvest and Mira Bulk arrangement. The loans are provided by ResInvest, a 50% shareholder of Fenix Commodities Pty Ltd.

Other than the items noted above there have been no changes to related party transactions since the last annual reporting date, 30 June 2025.

This concludes the Remuneration Report which has been audited.

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UNISSUED ORDINARY SHARES

Unissued ordinary shares under option/right at the date of this report are 43,574,024 and broken-down as follows:

Performance rights

Issued to KMP:	41,233,159
Issued to employees:	2,340,865

Performance rights may be converted subject to various performance milestones.

Options

Consideration options: 12,500,000 (*exercise price $0.30, expiry 21 July 2028*)

Issued to Mt Gibson Limited (**Mt Gibson**) in relation to Fenix's purchase of the Mt Gibson Mid-West assets.

ENVIRONMENTAL REGULATIONS

The Company's policy is to comply with, or exceed, its environmental obligations in each jurisdiction in which it operates. No known environmental breaches have occurred.

INDEMNIFYING OFFICERS

During the financial year, the Company paid a premium in respect of a policy insuring the Company's Directors, Secretaries, Executive Officers and any related body corporate against a liability incurred by such a Director, Secretary or Officer to the extent permitted by the Corporations Act. The Company has entered into Deeds of Indemnity, Insurance and Access with the Company's Directors, Secretary and Executive Officers.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or any of the related body corporates against a liability incurred as such an officer or auditor.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of Fenix Resources Ltd, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of Fenix Resources Ltd for all or part of these proceedings.

No proceedings have been brought or intervened in on behalf of Fenix Resources Ltd with leave of the Court under section 237 of the Corporations Act.

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AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under section 307C of the Corporations Act for the year ended 30 June 2026 has been received and can be found on page 46.

AUDITOR'S REMUNERATION

During the financial year, the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd and its related entities.

	2026 $	2025 $
Grant Thornton Audit Pty Ltd		
Audit and assurance services		
Audit and review of financial statements	308,863	284,337
Regulatory sustainability report assurance services	75,000	-
Grant Thornton Australia Limited		
Other services		
Due diligence services	-	81,456
Total remuneration	383,863	365,794

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. The Board considers the non-audit services the auditor independence requirements of the Corporations Act 2001 and whether the non-audit services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants which prevents an auditor reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards. The Company did not engage or approve such non-audit services during the year ended 30 June 2026.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in ASIC Corporations *(Rounding in Financials/Directors' Reports) Instrument 2026/183*, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 295(5) of the Corporations Act.

Signed in accordance with a resolution of the Directors



John Welborn
Executive Chairman

Perth
26 August 2026

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Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
PO Box 7757
Cloisters Square
Perth WA 6850
T +61 8 9480 2000

Auditor's Independence Declaration

To the Directors of Fenix Resources Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the auditor of Fenix Resources Ltd for the year ended 30 June 2026. I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton Audit Pty Ltd
Chartered Accountants

L A Stella
Partner – Audit & Assurance

Perth, 26 August 2026

grantthornton.com.au

ACN-130 913 594

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Revenue	2	589,727	316,093
Cost of sales	3	(540,454)	(288,316)
Gross profit		49,273	27,777
Other income		410	2,416
Other expenses	4	(19,649)	(19,040)
Loss on investment in associate		(394)	(5)
Operating profit		29,640	11,148
Finance income		205	1,396
Finance costs	5	(10,499)	(4,308)
Profit before income tax expense		19,346	8,236
Income tax expense	10	(7,026)	(2,841)
Profit after income tax expense for the year		12,320	5,395
Profit after income tax expense for the year attributable to:			
Owners of Fenix Resources Ltd		12,468	5,395
Non-controlling interests		(148)	-
		12,320	5,395
Other comprehensive income			
Items that may be reclassified to profit or loss			
Cash flow hedges – effective portion of changes in fair value (net of tax)	20	(1,856)	382
Total comprehensive income for the year		10,464	5,777
Owners of Fenix Resources Ltd		10,612	5,777
Non-controlling interests		(148)	-
Basic earnings per share (cents per share)	25	1.67	0.74
Diluted earnings per share (cents per share)	25	1.52	0.71

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	2026 $'000	2025 $'000
Current Assets			
Cash and cash equivalents	7	**81,024**	**56,820**
Trade and other receivables	8	**18,829**	**8,490**
Inventories	9	**45,114**	**43,082**
Other current assets	8	**1,692**	**2,917**
		146,659	**111,309**
Non-Current Assets			
Mine properties, property, plant and equipment	11	**312,844**	**220,957**
Capitalised exploration and evaluation expenditure	12	**1,518**	**1,518**
Intangible assets	13	**18,067**	**21,952**
Loan receivable	14	**4,449**	**5,158**
Investment in associate	14	**3,164**	**3,578**
		340,042	**253,163**
Total Assets		**486,701**	**364,472**
Current Liabilities			
Trade and other payables	15	**105,783**	**81,134**
Provisions	16	**3,440**	**2,455**
Provision for income tax		**535**	**65**
Borrowings and lease liabilities	17	**26,219**	**25,944**
Other financial liabilities	18	**21,265**	**-**
		157,242	**109,598**
Non-Current Liabilities			
Provisions	16	**14,635**	**12,081**
Borrowings and lease liabilities	17	**102,583**	**56,981**
Deferred tax liability	19	**8,657**	**8,042**
Other financial liabilities	18	**18,538**	**-**
		144,413	**77,104**
Total Liabilities		**301,655**	**186,702**
Net Assets		**185,046**	**177,770**
Equity			
Issued capital	21a	**94,538**	**93,958**
Reserves	21b	**6,149**	**4,378**
Retained earnings		**84,507**	**79,434**
Equity attributable to owners of Fenix Resources Ltd		**185,194**	**177,770**
Non-controlling interests	31	**(148)**	**-**
Total Equity		**185,046**	**177,770**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Issued Capital $'000	Other Equity $'000	Reserves $'000	Retained Earnings $'000	Non-controlling interests $'000	Total $'000
Balance at 1 July 2024	**86,349**	**1,911**	**4,041**	**74,039**	**-**	**166,340**
Profit for the year	-	-	-	5,395	-	5,395
Other comprehensive income	-	-	382	-	-	382
Total comprehensive income for the year	-	-	382	5,395	-	5,777
Transactions with owners in their capacity as owners						
Conversion of options	3,800	-	(675)	-	-	3,125
Share issue costs	(54)	-	-	-	-	(54)
Share-based payments	145	-	2,437	-	-	2,582
Transfer of reserves	3,718	(1,911)	(1,807)	-	-	-
Balance at 30 June 2025	**93,958**	**-**	**4,378**	**79,434**	-	**177,770**
Balance at 1 July 2025	**93,958**	**-**	**4,378**	**79,434**	**-**	**177,770**
Profit for the year	-	-	-	12,468	(148)	12,320
Other comprehensive income	-	-	(1,856)	-	-	(1,856)
Total comprehensive income for the year	-	-	(1,856)	12,468	(148)	10,464
Transactions with owners in their capacity as owners						
Dividends paid	-	-	-	(7,395)	-	(7,395)
Share-based conversion	-	-	(635)	-	-	(635)
Share-based payments	635	-	4,125	-	-	4,760
Option advisory cost	-	-	137	-	-	137
Tax adjustment	(55)	-	-	-	-	(55)
Balance at 30 June 2026	94,538	-	6,149	84,507	(148)	185,046

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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STATEMENT OF CONSOLIDATED CASH FLOWS

For the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from customers		579,088	333,496
Payments to suppliers and employees		(477,548)	(247,709)
Insurance payment received		-	194
Interest received		260	952
Income taxes paid		(5,940)	(15,050)
Net cash provided by operating activities	34	95,860	71,883
Cash flows from investing activities			
Payments for mine properties and plant and equipment		(75,785)	(64,349)
Proceeds from sale of plant and equipment		227	69
Release/(payment) into term deposits		192	(765)
Payment into trust account		(147)	(543)
Loan amounts received		-	300
Investment in convertible notes		-	(780)
Investment in equity accounted associate		-	(1,262)
Exercise of options		-	3,125
Net cash used in investing activities		(75,513)	(64,205)
Cash flows from financing activities			
Asset finance principal repaid		(32,145)	(22,037)
Asset finance interest paid		(4,659)	(3,633)
Asset finance loan drawdown		14,187	-
Funding facilities drawdown		35,045	-
Payment for hedge instruments		(1,645)	(1,374)
Payments for lease liabilities		(1,346)	(562)
Dividends paid		(7,395)	(289)
Net cash provided by/(used in) financing activities		2,042	(27,895)
Net increase/(decrease) in cash held		22,389	(20,217)
Cash and cash equivalents at the beginning of the year		56,820	77,118
Effect of exchange rates on cash holdings in foreign currencies		1,815	(81)
Cash and cash equivalents at the end of the year	7	**81,024**	**56,820**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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1 STATEMENT OF MATERIAL ACCOUNTING POLICES

Fenix Resources Ltd (**Company** or **Fenix**) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. Fenix Resources Ltd is the ultimate parent entity of the Group.

The consolidated financial statements of Fenix Resources Ltd for the year ended 30 June 2026 comprise the Company and its controlled subsidiaries (together referred to as the **Group** and individually as **Group entities**).

Statement of compliance

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), Australian Accounting Group Interpretations and the *Corporations Act* 2001. Fenix Resources Ltd is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board (IASB).

As at 30 June 2026, the group had a working capital deficiency of $10,583,398 (FY25 $1,711,000 surplus). The Directors believe that preparing the accounts on a going concern basis is appropriate after considering the ability of the group to curtail discretionary spending should it be required and institute cost saving measures to further reduce corporate and administrative costs.

The consolidated financial statements have been prepared on the historical cost basis except for, where applicable, assets and liabilities and share-based payments which are required to be measured at fair value.

Rounding

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 and in accordance with that instrument, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Critical accounting estimates and significant judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 27.

New and amended standards adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior years.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2026 reporting periods and have not been early adopted by the group. Most notably, AASB 18 *Presentation and Disclosure in Financial Statements* is mandatory for annual reporting periods beginning on or after 1 January 2027 and will replace AASB 101 and is applicable for the Group from 1 July 2027. The new standard requires that companies classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Management defined performance measures are disclosed in a single note and enhanced guidance is provided on how to group information in the financial statements.

Management continues to evaluate the impact of new accounting standards, amendments to accounting standards and interpretations. It is expected that, where applicable, these standards and amendments will be adopted from their respective effective dates.

Accounting Policies

In order to assist in the understanding of the financial statements, the following summary explains the principal accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

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(a) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of subsidiaries of the Company at the end of the reporting period. Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Where a subsidiary has entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of subsidiaries is contained in Note 30 to the financial statements.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Foreign Currency Translation

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is Fenix Resources Ltd's functional and presentation currency.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

(c) Revenue Recognition

Iron Ore

The Group primarily generates revenue from the sale of iron ore. Revenue is recognised at a point in time when control of the promised goods or services passes to the customer. In most instances, control passes when iron ore passes over the ship's rail. The amount of revenue recognised reflects the consideration to which the Group expects to be entitled in exchange for the goods. The Group sells ore to customers under two types of Incoterms:

- Cost and Freight (CFR) Incoterms, where the Group is responsible for providing shipping/freight services and the associated costs; and
- Free on Board (FOB) Incoterms, where the customer is responsible for all shipping/freight services and the associated costs.

The Group's sales under both of these contract types are provisionally priced, with the final price only determined at a later date with reference to the average market-based price indices over an agreed time period (typically 30 calendar days from the first month post shipment), referred to as a quotational period. Adjustments to the sales price therefore occur based on movements in the market-based price indices up to the end of the quotational period. Any increase/decrease from the provisional price to the final price is typically referred to as a QP Adjustment. QP Adjustments are therefore only confirmed after the end of the quotational period.

Any changes to the final price that occur over the quotational period are embedded within the associated trade receivable as part of the contract. Given the exposure to the commodity price, these provisionally priced trade receivables are

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measured at fair value through profit or loss in revenue. The final invoice is typically issued once the vessel has arrived at its destination and details have been confirmed by the customer and may include adjustments that arise as a consequence of changes in moisture or ore quality. Any changes in the value of the trade receivables arising from the final invoice are also measured at fair value through profit or loss and included in revenue.

International iron ore prices are typically quoted in US dollars (USD), and the sale of iron ore exposes the Group to the USD/AUD exchange rate. Where the Group hedges a highly probable sale of iron ore, the related hedging gains or losses are reclassified to profit or loss and included in revenue in the same period as when the revenue from the hedged sale is recognised.

Port Services

Revenue is recognised overtime when the services are performed on behalf of the customer.

(d) Inventories

Ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis and comprises mining costs, direct materials, direct labour, haulage, depreciation and an appropriate proportion of project overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(e) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Fenix Resources Ltd and its wholly owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity, and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Exploration and Evaluation Expenditure

The Group's policy with respect to exploration and evaluation expenditure is to use the area of interest method.

This method allows the costs associated with the acquisition, exploration, and evaluation of a prospect to be aggregated on the consolidated statement of financial position and matched against the benefits derived from commercial production once this commences.

Exploration lease acquisition costs relating to exploration provinces are initially capitalised and then amortised over the shorter term of the lease or the expected life of the project.

All other exploration and evaluation costs, including general permit activity, geological and geophysical costs and new venture activity costs are charged as expenses as incurred except where:

- such evaluation costs are expected to be recouped

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through successful development and exploitation of the area of interest or alternatively, by its sale; or

- exploration and/or evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in relation to the area are continuing.

Areas of interest are recognised at permit level. Subsequent to the recognition of an area of interest, all further costs relating to the Area of Interest are initially capitalised. Each area of interest is reviewed at least bi-annually to determine whether economic quantities of reserves exist or whether further exploration and evaluation work is required to support the continued carry forward of capitalised costs. To the extent it is considered that the relevant expenditure will not be recovered, it is written off.

In the statement of cash flows, those cash flows associated with the capitalised exploration and evaluation expenditure are classified as cash flows used in investing activities while exploration and evaluation expenditure expensed is classified as cash flows used in operating activities.

The Group reviews the work scope and cost estimates for restoration annually. Provision is made in the consolidated statement of financial position for the estimated costs of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The estimated costs are capitalised as part of the cost of the related project where recognition occurs in the operating locations. The costs are then recognised as an expense on a units of production basis during the production phase of the project.

(g) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that any of its Mine properties, property, plant and equipment, Capitalised exploration and evaluation expenditure, Intangible assets or Interest in joint venture may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value-in-use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs.

When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

As assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had the impairment loss not been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(h) Intangible assets

Goodwill

Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Customer contracts and other intangibles

Customer contracts and other intangibles acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. The Group amortises intangible

assets with a limited useful life using the straight-line method over the following periods:

- Customer contracts 5 years
- Other intangibles 5-10 years

(i) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash in bank accounts, money market investments readily convertible to cash within two working days, and bank bills but net of outstanding bank overdraft with a maturity date of three moths or less.

(j) Trade and Other Receivables

The provisionally priced receivables are measured at fair value through profit or loss. The rest of trade and other receivables are initially recognised at the transaction price, less allowances for expected credit loss. For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(k) Loan Receivable and Other Financial Assets

The Group classifies its loans receivable and financial assets in the following measurement categories:

- those to be measured subsequently at (either through OCI, or through profit or loss), and;
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. The group reclassifies debt investments when and only when its business model for managing those assets changes.

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(l) Mine Properties, Property Plant and Equipment

Mine properties, property, plant and equipment are stated at cost less accumulated depreciation and amortisation and accumulated impairment losses.

Mine properties under development

Mine properties under development represents the costs incurred in preparing mines for production and includes plant and equipment under construction and operating costs incurred before production commences.

Once production commences, these costs are transferred to property, plant and equipment and mine properties as appropriate, and are depreciated and amortised using the units of production method based on the estimated economically recoverable resource contained in the mine plan to be extracted to which they relate or are written off if the mine property is abandoned.

Mine properties

Mine properties represent the accumulation of all pre-production expenditure incurred in relation to areas of interest for which the technical feasibility and commercial viability of the extraction of mineral resources are demonstrable.

Production is deemed to commence when the mine assets are installed and ready for use in the location and condition necessary for them to be capable of operating in the manner intended by management. These costs are capitalised to the extent they are expected to be recouped through the successful exploitation of the related mining leases.

Mine properties include:

- Capitalised expenditure in relation to exploration, evaluation, feasibility, and acquisition costs incurred on projects for which the technical feasibility and commercial viability of extracting a mineral resource are demonstrable;
- The cost of rehabilitation and mine closure relating to assets reflected in mine properties;
- Capitalised development and production stripping costs;
- Pre-production operating costs, net of pre-production revenue, previously accumulated and carried forward in mine properties under development, transferred to mine properties in relation to areas of interest in which mining has now commenced;
- Associated mine infrastructure including access roads, evaporation ponds, tailings facility and the airstrip; and
- Mining contractor mobilisation costs.

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Mine properties are amortised on a units of production basis over the economically recoverable ore reserve contained in the relevant mine plan.

When further development expenditure is incurred in respect of a mine property after the commencement of production, such expenditure is capitalised as part of the mine property only when it is probable that the additional future economic benefits associated with the expenditure will flow to the Group. Otherwise, such expenditure is classified as part of the cost of production.

Right-of-use assets

Right-of-use (ROU) assets, representing the Group's right to use an underlying leased asset for the lease term, are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Depreciation and amortisation

Depreciation commences when an asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Mine-related plant and equipment is depreciated on a units of production basis, except for assets with a useful life less than the life of mine, for which the straight-line method is applied. Non-mine-related plant and equipment is depreciated using both the diminishing value and straight-line methods to allocate their cost, net of their residual values, over their estimated useful lives:

- Trucks and Trailers	5-15 years
- Motor Vehicles	10 years
- Plant and Equipment	2-10 years
- Buildings and Leasehold Improvements	40 years
- Other Fixed Assets	4 years

Mine properties are amortised on a units of production basis over the life of the estimated ore reserve of the mine.

Units of production method

Where the useful life of an asset is directly linked to the extraction of ore from a mine, the asset is depreciated using the units of production method. The units of production method results in depreciation and amortisation charges proportional to the depletion of the estimated ore reserve of the mine. The unit of account used in the calculation is tonnes of ore.

(m) Borrowings

The Group's borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has a right to defer settlement of the liability for at least 12 months after the reporting period.

(n) Leases

All leases are accounted for by recognising an ROU asset and a lease liability except for:

- short-term leases (defined as leases with a lease term of 12 months or less and which do not contain a purchase option); and
- leases of low-value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as incurred as operating expenses on a straight-line basis over the lease term in profit or loss.

Non-lease components are excluded from future lease payments and recognised separately as incurred as operating expenses on a straight-line basis in profit or loss.

Lease liabilities are initially measured at the present value of lease payments to be paid after the commencement date over the lease term, discounted using the lessee's incremental borrowing rate, if the interest rate implicit in the lease cannot be readily determined.

The lessee's incremental borrowing rate (IBR) is the rate the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. To determine the IBR, the Group obtains external interest rate advice and adjusts the interest rates to reflect the lease conditions and the underlying asset.

The lease liability is subsequently measured on an amortised cost basis using the effective interest method, where the lease liability is increased to reflect the accretion of interest and reduced by the lease payments made, over the lease term.

ROU assets are subsequently depreciated, in accordance with the Group's existing depreciation accounting policy, over

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the shorter of the estimated useful life of the underlying asset and the lease term. If it is reasonably certain that the Group will either obtain ownership of the underlying asset by the end of the lease term or exercise a purchase option, the ROU asset is depreciated over its estimated useful life.

ROU assets are assessed for any impairment in accordance with the Group's existing impairment accounting policy.

(o) Acquisition of Assets

Where an entity or operation is acquired, the identifiable assets acquired (and, where applicable, identifiable liabilities assumed) are to be measured at the acquisition date at their relative fair values of the purchase consideration.

(p) Share-Based Payment Transactions

Benefits to Employees and Consultants (including Directors)

The Group provides benefits to employees and consultants (including Directors) of the Group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares or options ("equity-settled transactions").

The costs of these equity settled transactions are measured by reference to the fair value of the equity instruments at the date on which they are granted. Further details of options and performance rights granted are disclosed in Note 23.

The cost of these equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled (the vesting period).

At each subsequent reporting date until vesting, the cumulative charge to the profit or loss is the product of: (i) the fair value at grant date of the award; (ii) the current best estimate of the number of equity instruments that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and (iii) the expired portion of the vesting period less the amounts already charged in previous periods. There is a corresponding credit to equity.

Until an equity instrument has vested, any amounts recorded are contingent and will be adjusted if more or fewer equity instruments vest than were originally anticipated to do so. Any equity instrument subject to a market condition is recognised as if it will vest irrespective of whether or not that market condition is fulfilled, provided that all other conditions are satisfied.

Where the Group issues equity instruments to employees that are financed by non-recourse loans, the Group assesses whether the arrangement represents, in substance, a share-based payment transaction under AASB 2. In cases where the substance of the transaction indicates that the counterparty has the right but not the obligation to repay the loan, and may forfeit the shares without any further obligation, the arrangement is accounted for as a share-based payment with an in-substance option.

Benefits to Vendors

The Group provides benefits to vendors of the Group in the form of share-based payment transactions, whereby the vendor has rendered services in exchange for shares or rights over shares or options ("equity-settled transactions").

The fair value is measured by reference to the value of the goods or services received. If these cannot be reliably measured, then by reference to the fair value of the equity instruments granted.

The cost of these equity-settled transactions is recognised over the period in which the service was received.

(q) Provisions

The Group has obligations to dismantle and remove certain items of mine properties, property, plant and equipment and to restore and rehabilitate the land on which they sit.

A provision is recognised for the estimated cost of settling the rehabilitation and restoration obligations existing at the reporting date, discounted to present value using high quality corporate bond market yields at the reporting date, that match the timing of the estimated future cash outflows as closely as possible.

Where the obligation is related to an item of mine properties, property, plant and equipment, its cost includes the present value of the estimated costs of dismantling and removing the asset and restoring the site on which it is located. The related rehabilitation asset for each Mine is included in mine properties.

The discounted value reflects a combination of an assessment of the nature and extent of the work required, the future cost of performing the work required, the timing of cash flows and the discount rate. Over time, the discounted value is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. This increase in the provision, being the periodic unwinding of the discount due to the passage of time, is recognised as a finance cost in profit or loss.

The provision is reassessed at least annually. A change in any of the assumptions used to determine the provisions could have a material impact on the carrying amount of the provision. Any change in the provision is reflected as an

addition to, or deduction from, the related rehabilitation asset in mine properties and amortised as appropriate.

The Group's liability for employee entitlements arising from services rendered by employees to reporting date is recognised in provisions. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, and annual leave which will be settled within one year, have been measured at their nominal amount and include related on-costs.

(r) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Goodwill is recorded as the excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity,

over the fair value of the net identifiable assets acquired. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

(s) Derivatives

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in Reserves. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss and included in Other Expenses in profit or loss. The amount accumulated in Reserves is reclassified to profit or loss in the same period during which the hedged item affects profit or loss.

(t) Parent Entity Financial Information

The financial information for the parent entity, Fenix Resources Ltd, disclosed in Note 35 has been prepared on the same basis as the consolidated financial statements except as set out below:

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost and subject to an annual impairment review.

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2 REVENUE

	2026 $'000	2025 $'000
Revenue from contracts with customers		
Sale of iron ore	588,256	309,385
Third party logistic services	3,075	6,772
Other revenue		
Hedging losses	(1,604)	(64)
Total revenue	589,727	316,093

Sale of Iron Ore

The Group primarily generates revenue from the sale of iron ore. Revenue is recognised at a point in time when control of the promised goods or services passes to the customer. In most instances, control passes when iron ore passes over the ship's rail. The amount of revenue recognised reflects the consideration to which the Group expects to be entitled in exchange for the goods.

Fenix has an active iron ore fixed priced contract program which is designed to manage iron ore price risk and protect the Company's operating margins. These arrangements are structured as iron ore fixed priced contracts and are based on the Monthly Average Platts TSI 62 Index converted to AUD for the relevant month. As at 30 June 2026, the Company had the following iron ore fixed priced contracts in place:

- 80,000 tonnes per month from Jul-26 to Dec-26 at $151.01/t
- 40,000 tonnes per month from Jan-27 to Jun-27 at $151.58/t

The Group uses derivative financial instruments such as iron ore fixed priced contracts to manage the risk associated with commodity price. The sale of iron ore under such instruments is accounted for using the 'own use exemption' under AASB 9 *Financial Instruments* and as such all revenue relating to iron ore fixed priced contracts are recognised in the Statement of Profit or Loss and no fair value adjustments are subsequently made to sales yet to be delivered under the program.

Third Party Logistic Services

Fenix Port Logistics provides in-loading access via truck or rail for storage at Fenix's +400,000 tonnes on-wharf storage facilities (comprising 3 sheds) at the Geraldton Port and offering direct ship loading access and services to third parties. Revenue is recognised over time when the services are performed on behalf of the customer.

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3 COST OF SALES

	Note	2026 $'000	2025 $'000
Costs of production		483,425	278,180
Inventory product movement		6,181	(34,700)
Depreciation and amortisation [1]	11	50,848	44,836
Total cost of sales		540,454	288,316

Refer to Note 1 (l) for details on the Group's accounting policies for depreciation and amortisation. Depreciation and amortisation includes both Mine properties, property, plant and equipment (Note 11) and Intangible assets (Note 13).

Costs of production

Costs of production includes ore and waste mining costs, processing costs, logistics costs, shipping costs and site administration and support costs.

Inventory product movement

Inventory product movement represents the movement in inventory ore stockpiles.

4 OTHER EXPENSES

	Notes	2026 $'000	2025 $'000
Administrative expense			
Advertising and marketing costs		455	676
Advisory costs		2,817	3,479
Compliance costs		647	600
Consultancy costs		394	731
Office costs and management fees		640	1,061
Employee benefits expense		11,381	8,900
Foreign exchange (gain)/loss		(1,815)	592
Other administrative expenses		874	1,494
Share-based payments expense	23	4,125	2,464
Depreciation	11	131	76
Acquisition costs		-	(1,033)
Total other expenses		19,649	19,040

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A reconciliation of employee benefits expense is as follows:

	2026 $'000	2025 $'000
Employee benefits expense		
Wages and salaries	13,396	10,572
Superannuation	1,106	417
Provision for annual leave	715	(34)
Other costs	310	675
Total employee benefits expense	15,527	11,630
Employee expenses included in:		
Costs of production	4,146	2,730
Administrative expenses	11,381	8,900
Total employee benefits expense	15,527	11,630

5 FINANCE COSTS

	2026 $'000	2025 $'000
Finance costs		
Interest on provisions	129	-
Interest on right to mine assets	987	-
Interest on iron ore prepayments	1,652	-
Derivative losses	1,292	-
Asset finance interest	4,659	3,466
Other borrowing costs	1,780	842
Total finance costs	10,499	4,308

6 OPERATING SEGMENTS

Operating segments are reported in a manner that is consistent with the internal reporting provided to the Executive Chairman (the chief operating decision maker). The Group has a single reportable segment for Mining operations which reflects how the Group is managed and how financial information is reported to the Board in making decisions regarding the Group and its activities.

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7 CASH AND CASH EQUIVALENTS

	2026 $'000	2025 $'000
Cash at bank	**81,024**	**56,820**
	81,024	**56,820**

Refer to Note 24 for details of the risk exposure and management of the Group's cash and cash equivalents.

8 TRADE AND OTHER RECEIVABLES AND OTHER CURRENT ASSETS

Due to the short-term nature of the current receivables, their carrying amount is determined to be the same as their fair value.

Other receivables are generally due for settlement within 30 days and are therefore classified as current.

Refer to Note 24 for details of the risk exposure and management of the Group's trade and other receivables.

The term deposit has a maturity of more than three months.

	2026 $'000	2025 $'000
Trade and other receivables		
Trade receivables at fair value	10,979	340
Other receivables	4,491	5,898
Prepayments	2,669	1,654
Accrued interest	-	55
Dividend trust account	690	543
	18,829	8,490
Other current assets		
Term deposit	806	997
Call option	886	1,920
	1,692	2,917

9 INVENTORIES

	2026 $'000	2025 $'000
Ore stockpiles	39,739	40,205
Consumables	5,375	2,877
	45,114	43,082

Ore stockpiles represent Iron Ore Lump and Fines extracted, that are expected to be sold at a profit. Consumables represents purchase costs measured on a weighted average cost method. Inventories are valued at the lower of cost or net realisable value.

Source of estimation uncertainty

Inventory valuation

Accounting for inventory involves the use of judgements and estimates, particularly related to the measurement and valuation of inventory on hand within the production process. Certain estimates, including expected metal recoveries and work in progress volumes, are calculated by engineers using available industry, engineering and scientific data.

Estimates used are periodically reassessed by the Group after considering technical analysis and historical performance. Changes in estimates are adjusted for on a prospective basis.

10 TAXATION

Major components of income tax expense for the years ended 30 June 2026 and 30 June 2025 are:

	2026 $'000	2025 $'000
Tax Expense		
Current tax		
Current year	7,654	7,079
Over provision for prior year	(1,985)	(756)
Deferred tax		
Origination and reversal of temporary differences	(550)	(3,793)
Under provision for prior year	1,907	311
Total income tax expense per income statement	7,026	2,841
Amounts charged or (credited) directly to other comprehensive income		
Relating to hedge assets	985	165
Numerical reconciliation between tax expense and pre-tax net profit		
Net profit before tax	19,346	8,236
Corporate tax rate applicable	30%	30%
Income tax expense on above at applicable corporate rate	5,804	2,471
Increase/(decrease) in income tax due to tax effect of:		
Non-deductible expenses	1,351	806
Under provision for prior year	(79)	(444)
Movement in unrecognised temporary differences	7	62
Deductible equity raising costs	(54)	(54)
Income tax expense attributable to entity	7,026	2,841

As at 30 June 2026 the franking account balance is $37.70 million (30 June 2025: $35.72 million).

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11 MINE PROPERTIES, PROPERTY, PLANT AND EQUIPMENT

Mine properties include $13.85 million (FY25: $10.92 million) relating to rehabilitation provision.

	Right of Use Assets $'000	Mine Properties $'000	Trucks and Trailers $'000	Land $'000	Rail Infrastructure $'000	Plant and Equipment $'000	Total[1] $'000
Cost							
At 1 July 2025	10,036	88,552	95,412	15,523	8,328	85,711	303,562
Transfers	-	-	20,613	16,749	650	(38,012)	-
Additions	3,516	38,974	4,807	42	10	27,707	75,056
Transfer from E&E	-	62,632	-	-	-	-	62,632
Disposals	-	(1,239)	(496)	-	-	(89)	(1,824)
Movement in Inventory	-	-	-	-	-	(568)	(568)
Movement in rehabilitation provision	-	1,739	-	-	-	-	1,739
At 30 June 2026	13,552	190,658	120,336	32,314	8,988	74,749	440,597
Accumulated depreciation, amortisation and impairment							
At 1 July 2025	(1,401)	(37,178)	(28,194)	(479)	(1,622)	(13,731)	(82,605)
Depreciation and amortisation	(909)	(18,983)	(17,555)	(640)	(703)	(7,959)	(46,749)
Disposals	-	1,191	363	-	-	47	1,601
At 30 June 2026	(2,310)	(54,970)	(45,386)	(1,119)	(2,325)	(21,643)	(127,753)
Net book value	11,242	135,688	74,950	31,195	6,663	53,106	312,844
Cost							
At 1 July 2024	7,518	38,257	50,616	14,274	1,761	45,765	158,191
Transfer from E&E	-	10,961	-	-	-	-	10,961
Additions	2,518	29,664	45,298	1,249	6,567	40,038	125,334
Disposals	-	-	(502)	-	-	(92)	(594)
Movement in rehabilitation provision	-	9,670	-	-	-	-	9,670
At 30 June 2025	10,036	88,552	95,412	15,523	8,328	85,711	303,562
Accumulated depreciation, amortisation and impairment							
At 1 July 2024	(550)	(19,601)	(16,091)	(286)	-	(5,795)	(42,323)
Depreciation and amortisation	(851)	(17,577)	(12,421)	(193)	(1,622)	(7,957)	(40,621)
Disposals	-	-	319	-	-	21	340
At 30 June 2025	(1,401)	(37,178)	(28,194)	(479)	(1,622)	(13,731)	(82,605)
Net book value	8,635	51,374	67,218	15,044	6,706	71,980	220,957

1 *Mine properties, property, plant and equipment includes assets under constructions of $80,040,372 (FY25: $21,569,732).*

A reconciliation of depreciation is as follows.

	Notes	2026 $'000	2025 $'000
Depreciation			
Cost of sales	3	50,848	44,836
Administrative expenses	4	131	76
		50,979	44,912

12 EXPLORATION AND EVALUATION ASSETS

	Notes	2026 $'000	2025 $'000
Opening balance		1,518	12,119
Weld Range Acquisition (refer below)		62,632	-
Exploration expenditure incurred		-	360
Transfer to Mine Properties	11	(62,632)	(10,961)
Closing balance		1,518	1,518

Weld Range acquisition

On 1 September 2025, the Group announced that it had acquired a binding right to mine agreement (transaction) with Sinosteel Midwest Corporation (SMC), a subsidiary company of China Baowu Steel Group Corporation Limited (Baowu), granting Fenix a 30-year exclusive right to mine and export iron ore from SMC's Weld Range hematite iron ore project (Weld Range Project). The agreement was executed in August 2025.

The total transaction consideration payable by Fenix to SMC comprises:

- $60 million cash, payable over a 24-month period, including $20 million upfront, $20 million on the first anniversary of the date the agreement was executed (August 2026), and $20 million on the second anniversary (August 2027);
- a production royalty which will range from $4.00 per dry metric tonne to $5.00 per dry metric tonne based on a ramp-up period and applicable production volumes (Production Royalty); and
- a profit share payment which will be 10% of Net Profit After Tax (NPAT) from the Weld Range Project when the average iron ore price is ≤US$100/t and 15% of NPAT when the average iron ore price is>US$100/t (Profit Share Payment), (together the Consideration).

Further details of the transactions are set out below:

	Notes	2026 $'000	2025 $'000
Upfront cash payment		20,000	-
Deferred consideration payable at acquisition date			
Current	18	20,000	-
Non-Current	18	17,551	-
Advisory and consulting costs		2,000	-
Stamp duty		3,081	-
Total purchase consideration		**62,632**	**-**

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The Group has determined that the transaction does not constitute a business combination in accordance with AASB 3 Business Combinations. The acquisition of the right to mine agreement has therefore been accounted for as an asset acquisition. When an asset acquisition does not constitute a business combination, the assets and liabilities are allocated a carrying amount based on their relative fair values in an asset purchase transaction. The value of the assets acquired, and liabilities assumed has been allocated on a fair value basis.

The Group's policy is that any variable consideration, which includes the Production Royalty and Profit Share Payment, are excluded from the cost of an asset purchase transaction and are expensed in the future as incurred.

The Weld Range exploration and evaluation asset was subsequently transferred to Mine Properties during the year consistent with the Group's accounting policy on Mine properties under development. Refer to Note 11.

Source of estimation uncertainty

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

The carrying values of exploration and evaluation expenditure items are reviewed for impairment indicators when reclassified from to mine properties under development or at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. There was no impairment recognised during the year ended 30 June 2026 (30 June 2025: nil).

13 INTANGIBLE ASSETS

The intangible assets held by the Group are shown below:

	Customer Contracts $'000	Other Intangibles $'000	Goodwill $'000	Total $'000
Cost				
At 1 July 2025	21,397	1,103	11,461	33,961
Additions	-	218	-	218
At 30 June 2026	21,397	1,321	11,461	34,179
Accumulated amortisation and impairment				
At 1 July 2025	(11,366)	(644)	-	(12,010)
Depreciation and amortisation	(3,993)	(108)	-	(4,101)
At 30 June 2026	(15,359)	(752)	-	(16,111)
Net book value	**6,038**	**569**	**11,461**	**18,066**

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	Customer Contracts $'000	Other Intangibles $'000	Goodwill $'000	Total $'000
Cost				
At 1 July 2024	21,397	1,103	11,461	33,960
At 30 June 2025	21,397	1,103	11,461	33,960
Accumulated amortisation and impairment				
At 1 July 2024	(7,372)	(423)	-	(7,795)
Depreciation and amortisation	(3,994)	(221)	-	(4,215)
At 30 June 2025	(11,366)	(644)	-	(12,010)
Net book value	**10,030**	**459**	**11,461**	**21,952**

Significant accounting judgement and source of estimation uncertainty

The mandatory impairment test on goodwill is performed annually on 30 June. Goodwill has been allocated to the Weld Range Cash Generating Unit (**CGU**). No impairment was identified during the current or previous financial period. The recoverable amount of this CGU was based on the value-in-use model. Estimate future cash flows are based on a detailed five year forecast and remaining life-of-mine plan and management's internal price and cost assumptions in the short and medium term noting significant headroom under the VIU. The Group's weighted average cost of capital is generally used as a starting point for determining the discount rates, with appropriate adjustments for the risk profile of the individual CGU. Key assumptions used were:

- CFR 61% US$ 85/dmt for the life of mine (FY25: US$ 94/dmt). Exchange rate AUD:USD 0.65 for the life of mine (FY25: 0.66); and
- Discount rate: A pre-tax discount rate of 10% (FY25 10%) is applied to the pre-tax cash flows. The discount rate is impacted by the risk-free rate and other benchmark interest rates. The discount rate takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

14 FINANCIAL ASSETS AND LOAN RECEIVABLE

	2026 $'000	2025 $'000
Investment in associate		
Investment in associate – Athena Resources	3,042	3,436
Other financial assets	122	142
	3,164	3,578
Loan receivable		
Other Loans	4,449	5,158

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Athena Resources

The Group holds a 29.77% shareholding in Athena Resources Limited (ASX: AHN). The Group has significant influence in Athena and accounts for the investment through equity accounting.

During the year ended 30 June 2026 the Group's percentage holding in Athena decreased from 37.21% to 29.77% as a result of a capital raise undertaken by Athena whereby the Group partially participated.

	2026 $'000	2025 $'000
Carrying value of investment in Athena Resources Limited	3,042	3,436
Summary of financial information for Athena Resources Limited is set out below:		
Loss from continuing operations	(1,092)	(616)
Assets		
Cash and cash equivalents	1,752	1,757
Other current assets	217	150
Non-current assets	15,325	13,751
	17,294	15,659
Liabilities		
Current liabilities	658	192
Non-current liabilities	-	-
	658	192
Net Assets	16,636	15,467
Group's share of net assets	4,952	5,755
Investment in Athena Resources limited	29.77%	37.21%
Balance at the beginning of the period	3,436	-
Initial value upon recognition	-	3,638
Share of investments in associate's loss	(394)	(202)
Carrying amount of investment (equity accounted)	3,042	3,436

Other Loans.

The Company loaned 10M Pty Ltd $5 million in November 2023. In May 2024, 10M Pty Ltd was placed into voluntary administration. With consent from the Company, 10M Pty Ltd subsequently executed a Deed of Company Arrangement (DOCA) to enable a new proponent to acquire 10M Pty Ltd to enable recommencement of mining at Twin Peaks. The effective date of the transactions effectuated by the DOCA has been determined as 21 June 2024, being the date all 10M Pty Ltd creditors approved the transactions and under law the DOCA became binding on all parties.

Under the DOCA, the Company's Ore Purchase Agreement (OPA) was varied to entitle the Company to retain 100% of the notional profit from ore sold until the loan was repaid and then revert to 50% thereafter. In

consideration for forgoing any potential action relating to breaches of the original OPA by 10M Pty Ltd, under the terms of the DOCA and the varied OPA:

- the Company retained all proceeds from the completed Twin Peaks shipment;
- the Company retained control of any iron ore stored by the Company prior to administration and obtained control of a further 10,000 tonnes of iron ore stockpiled at the mine; and
- any payments due by the Company to 10M Pty Ltd at the time of the DOCA were extinguished.

During the year ended 30 June 2026 the Company entered into a revised loan agreement in relation to the OPA with Phixar Pty Ltd (**Phixar**) whereby Fenix assigned its rights under the OPA for the following consideration:

- $250,000 in cash; and
- 2% gross revenue royalty over all minerals and products extracted from the relevant tenements.

Management reviewed the fair value of the loan amount and measured the fair value on a discounted cash flow basis through mining the ore body and selling the iron ore on market. Based on the discounted cash flow analysis the fair value of $4,450,000 recorded in the financial statements is supported. Amounts are shown as current if amounts are due for repayment within 12 months from the reporting date.

Source of estimation uncertainty

Impairment of financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods to make assumptions that are mainly based on market conditions existing at the end of each reporting period.

15 TRADE AND OTHER PAYABLES

Trade and other payables are normally settled within 30 days from receipt of notice. All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months. The carrying value of trade and other payables are assumed to be the same as their fair value, due to their short-term nature.

	2026 $'000	2025 $'000
Current		
Trade payables and accruals	94,788	75,513
Sundry payables	10,355	5,128
Dividend payable	640	493
	105,783	81,134

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16 PROVISIONS

	2026 $'000	2025 $'000
Current		
Employee benefits	3,440	2,455
Closing balance	3,440	2,455
Non-current		
Rehabilitation and mine closure	13,847	11,979
Employee benefits	788	102
Closing balance	14,635	12,081

The provisions recognised for rehabilitation and mine closure costs represent the discounted value of the present obligation to restore, dismantle and rehabilitate certain items of mine properties, property, plant and equipment and to rehabilitate the Group's sites where mining and/or exploration activities have previously taken place.

		2026 $'000	2025 $'000
Rehabilitation and mine closure			
Opening balance		11,979	6,754
Additional provisions recognised	11	1,739	5,152
Unwinding of provision		129	73
Closing balance		13,847	11,979
Current		-	-
Non-current		13,847	11,979

Significant accounting judgement

Rehabilitation and mine closure

Significant estimation is required to determine the carrying value of the provisions recognised. There are a range of factors which may result in future expenditure differing from the amounts currently provided, due to:

- Nature, timing and extent of the work required to perform the work, which is influenced by the Group's future development, exploration activity and life of mine plans;
- changes in the future cost of performing the work required to rehabilitate the site;
- changes to the legal and regulatory framework; and
- changes in the discount rate.

Changes to one or more of these assumptions may result in changes to the carrying amount of the provision and the related rehabilitation asset.

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17 BORROWINGS AND LEASE LIABILITIES

	Borrowings		Funding facilities		Lease Liabilities	
	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Opening balance	73,802	34,755	-	-	9,123	7,164
Borrowings received	39,768	63,243	35,045	-	-	-
New leases	-	-	-	-	5,177	2,712
Interest accrued	4,865	3,712	-	-	-	599
Principal repayments	(32,145)	(24,271)	-	-	(1,339)	(1,289)
Interest payments	(4,659)	(3,637)	-	-	(835)	(63)
Closing balance	81,631	73,802	35,045	-	12,126	9,123
Current	25,687	25,254	-	-	532	690
Non-current	55,944	48,548	35,045	-	11,594	8,433

Borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings.

Borrowings are secured in the form of chattel mortgages through several financiers, including NAB, Westpac, De Lage Landen Pty Limited (**DLL**), Volvo Finance and Toyota Finance. The chattel mortgages are over Trucks, Trailers, Commercial property and other plant and equipment and are repayable monthly until maturity.

As at 30 June 2026 the Group has 85 mortgages, with remaining terms of the mortgages varying between 36 and 60 months. Interest rates are a combination of variable and fixed and range between 2.42% to 7.70% (FY25: 2.42% to 7.68%).

Funding facilities

Funding facilities represents amounts drawdown under the US $44 million funding facilities, provided by Resource Invest AG through the Fenix, ResInvest and Mira Bulk arrangement. Details of the available facilities are included below.

- US $9.28 million prepayment facility, interest-free and repayable after two years from drawdown through monthly iron ore deliveries, secured against stockpiles, trade receivables and the Group's 50% interest in Fenix Commodities Pty Ltd.
- US $35 million facility – interest at Secured Overnight Financing Rate (SOFR) + 4.5% margin, repayments from month 21 and full repayment due after two years, secured against stockpiles, trade receivables and the Group's 50% interest in Fenix Commodities Pty Ltd.

Under the each of the funding facilities, the Group receives cash in exchange for future deliveries of iron ore. The amount payable, representing the Group's obligation deliver iron ore, is measured at amortised cost.

Each of the facilities are subject to covenants which include net financial debt to EBITDA and debt service cover ratios. The Group expects to comply with these covenants within 12 months after the reporting date. As at 30 June 2026, AUD $35 million was drawn down under the ResInvest funding facility. Refer to Note 31 for further details.

Lease Liabilities

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The nature of the Group's leases relate to mining equipment and assets supporting the Group's operations and activities. The Group recognises the lease payments associated with short-term, low-value and variable leases within Cost of sales over the lease term. If variable leases have a fixed component, this fixed component is recognised as within Borrowings and lease liabilities.

18 OTHER FINANCIAL LIABILITIES

	Note	2026 $'000	2025 $'000
Current			
Deferred consideration payable	12	20,000	-
Diesel swaps		1,265	-
		21,265	-
Non-current			
Deferred consideration payable	12	18,538	-
		18,538	-

Deferred consideration payable

Deferred consideration payables represent amounts payable as consideration for the Weld Range acquisition, over a 24 month period. The amount payable is measured as the fair value of the consideration payable, discounted to present value at acquisition date to reflect the Group's credit risk and terms of deferral. The unwinding of the discount of $592,000 (FY25 $nil) is recognised as a Finance cost. Refer to the Note 12 for further details.

The deferred consideration balance includes the accretion (unwinding of discount) recognised over the period.

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19 DEFERRED TAX ASSETS AND LIABILITIES

The composition of the Group's deferred taxes is as follows:

	2026 $'000	2025 $'000
Net deferred tax liabilities recognised in the statement of financial position		
Deferred Tax Assets		
Employee Provisions	1,268	768
Other Provisions & Accruals	978	441
Rehabilitation Assets & Liabilities	4,154	3,350
Right of Use Assets	265	146
Other deferred tax assets	1,351	259
Gross deferred tax assets	8,016	4,964
Deferred Tax Liabilities		
Prepayments	(316)	(264)
Exploration	(455)	(455)
Mine Properties	(11,932)	(10,375)
Plant & Equipment	(2,419)	(2,342)
Inventory	(402)	597
Other deferred tax liabilities	(1,150)	(167)
Gross deferred tax liabilities	(16,674)	(13,006)
Net deferred tax liabilities	(8,658)	(8,042)
Deferred tax expense recognised directly in equity or other comprehensive income		
Relating to equity raising costs	54	54
Relating to revaluations of investments/financial instruments	(795)	164
	(741)	218
Unused tax losses and temporary differences for which no deferred tax asset has been recognised		
Deductible Temporary Differences	7	62
Tax Capital Losses	-	-
Total Unrecognised deferred tax assets	7	62

The corporate tax rates on both recognised and unrecognised deferred tax assets and deferred tax liabilities have been calculated with respect to the tax rate that is expected to apply in the year the deferred tax asset is realised, or the liability is settled.

20 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments measured at fair value have been classified using the fair value hierarchy reflecting the significance of the inputs used in measuring the fair value at year end.

The fair value hierarchy consists of the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Assets/(Liabilities)			
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Level 1	-	-	-	-
Level 2				
Trade receivables at fair value[1]	10,979	340	-	-
Call options[2]	886	1,920	-	-
Diesel swaps[3]	-	-	(1,265)	-
Level 3				
Other Loan[4]	4,450	5,158	-	-

1 *Trade receivables include provisionally priced invoices. The related revenue is initially based on forward market selling prices for the quotation periods stipulated in the contracts. Any changes between the provisional price and the final price recorded are recognised within Revenue. The fair value of Trade receivables can be reliably measured based on observable iron ore prices.*

2 *Call options include the Group's AUD call / USD put options. These are valued using commonly accepted option pricing models. Observable inputs include AUD/USD forward exchange rates, foreign exchange volatility curves, risk-free interest rates and contractual maturity dates.*

3 *Diesel fuel swap contracts are measured using commonly accepted derivative pricing models. Observable inputs include forward diesel prices, contract volumes, settlement dates and market discount rates.*

4 *The Other Loan is measured using a discounted cash flow model that incorporates both observable inputs (observable iron ore prices) and unobservable inputs (estimated future production from the ore body). Refer to Note 14 for further details.*

There were no transfers between levels during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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21 SHAREHOLDER EQUITY

(a) Issued Capital

	2026 Shares	2025 Shares	2026 $'000	2025 $'000
Fully paid at year end	764,963,014	741,144,534	94,538	93,958

Movements in ordinary share capital is as follows:

Details	Number of shares	$'000
Balance at 1 July 2024	**694,617,920**	**86,349**
Issue of shares – Conversion of options	12,500,000	3,800
Issue of shares – Conversion retention rights	3,500,000	840
Issue of shares – Conversion performance rights	10,000,000	967
Issue of shares – Conversion of consideration shares	20,000,000	1,911
Issue of shares – Bonus issue	526,614	145
Less: Share issue costs	-	(54)
Balance at 30 June 2025	**741,144,534**	**93,958**
Issue of shares – Conversion of performance rights	3,330,000	420
Issue of shares – Bonus issue	488,480	215
Issue of shares – Milestone performance shares	20,000,000	-
Less: Share issue costs	-	(54)
Balance at 30 June 2026	**764,963,014**	**94,539**

(b) Reserves

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

	2026 $'000	2025 $'000
Share-based payment reserve	7,623	3,996
Hedging reserve	(1,474)	382
	6,149	4,378

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Movement in share-based payment reserve:

	Notes	2026 $'000	2025 $'000
Share-based payments reserve			
Opening balance		3,996	4,041
Options issued – employee share plan	23	-	182
Performance rights expense – employees	23(a)	4,125	1,811
Retention rights expense – employees	23	-	325
Conversion of options and performance rights		(635)	(675)
Transfer of reserve on achievement of milestones [1]		-	(1,807)
Options issued to consultants	23	136	119
Balance at 30 June		7,622	3,996

1. *Relates to the issue to entities controlled by Mr Mitchell of 20 million fully paid ordinary shares in Fenix following the achievement of 6 million dmt haulage.*

The share-based payments reserve is used to recognise: (a) the grant date fair value of options issued but not exercised; (b) the grant date fair value of market-based performance rights granted to Directors, Employees, Consultants and Vendors but not yet vested; and (c) the fair value non-market based performance rights granted to Directors, Employees, Consultants and Vendors but not yet vested. The expense is recognised over the vesting period.

Movement in hedging reserve:

	2026 $'000	2025 $'000
Hedging reserve		
Balance at 1 July	382	-
Fair value changes in hedging instrument recognised in OCI, net of tax	(2,299)	382
Amounts reclassified from OCI to profit or loss	443	-
Balance at 30 June	(1,474)	382

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are reclassified from the cash flow hedge reserve to revenue when the forecast transaction occurs.

22 DIVIDENDS

The Company considers 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.

During FY26 Fenix invested in a material expansion of the Company's production base and infrastructure assets, increasing the production base.

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The Board considered the following factors in relation to declaring a dividend:

- Cash at bank $81.0m as at 30 June 2026;
- Shipments commenced from Beebyn-W11 in August 2025, with the mine achieving nameplate during FY26;
- Working capital funding secured from ResInvest of up to US$44.28m; and
- Record iron ore shipments totalling 4.4m wmt during FY26.

In accordance with this policy, the Company has declared a final fully franked dividend for FY26 of 1.0 cent per share equating to a total dividend payment of approximately A$7.7 million (FY25: 1.0 cent per share, A$7.4 million). The total dividend payment amount represents approximately 63% of the FY26 Net Profit after Tax.

The dividend record date is 4th September 2026 and the dividend payment date is expected to be 5th October 2026.

The Board believes that the declared final dividend appropriately balances the Company's commitment to reward shareholders by the payment of an annual dividend linked to profitability, with the ambition to generate long-term growth in the Fenix share price by having funding available to invest in the Company's growth opportunities.

Dividends are determined after the period-end and announced with the results for the period. Dividends determined are not recorded as a liability at the end of the period to which they relate. Dividends are recognised upon declaration.

23 SHARE-BASED PAYMENTS

Share-based payment transactions are recognised at fair value in accordance with AASB 2 *Share-Based Payments*. The total movement arising from share-based payment transactions recognised during the year were as follows:

	Notes	2026 $'000	2025 $'000
As part of share-based payment expense			
Performance rights issued	23(a)	3,728	1,811
Shares issued under the long-term incentive plan	23(b)	215	145
Retention rights issued	23(c)	-	325
Options issued – director & employee share plan	23(d)	182	182
		4,125	2,464
As part of administrative expense – options issued	23(e)	136	119
Total share-based payments		4,261	2,582

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Employee share-based payments

During the year, the Group had the following share-based payments with employees:

	Performance rights		Retention rights		Share loan plan	
	Number	Value[1]	Number	Value[1]	Number	Value[1]
Balance at 1 July 2024	34,933,487	$0.1064	3,500,000	$0.2400	10,000,000	$0.1834
Granted during the year	3,491,017	$0.2191	-	-	-	-
Vested during the year	(10,000,000)	$0.0967	(3,500,000)	$0.2400	-	-
Forfeited during the year	(1,279,773)	$0.1803	-	-	-	-
Balance at 30 June 2025	**27,144,731**	**$0.1209**	**-**	**-**	**10,000,000**	**$0.1834**
Granted during the year	65,863,098	$0.2714	-	-	-	-
Converted during the year	(3,330,000)	$0.1287	-	-	-	-
Forfeited during the year	(1,853,240)	$0.2726	-	-	-	-
Balance at 30 June 2026	**87,824,589**	**$0.2301**	**-**	**-**	**10,000,000**	**$0.1834**

1 Value per instrument is calculated on a weighted average basis

a) Performance rights

The Company's Employee Securities Incentive Plan was approved and adopted by Shareholders on 15 November 2022. Each performance right will vest as an entitlement to one fully paid ordinary share upon achievement of certain vesting conditions. Vesting conditions include a service period and performance milestones relating to Total Shareholder Return (TSR) against a peer group and Volume-Weighted Average Price (VWAP). If the performance milestones are not met, the performance rights will lapse, and the eligible participant will have no entitlement to any shares. Performance rights are not listed and carry no dividend or voting rights. Upon exercise each performance right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares.

b) Share issue under the long-term incentive plan

In accordance with the Employee Securities Incentive Plan (Plan) approved by shareholders on 15 November 2022, Fenix offered each eligible participant an opportunity to be issued up to 4,000 fully paid ordinary shares in Fenix. Based on the positive performance of the Company during financial year ended 30 June 2024, Fenix elected to offer shares to eligible participants.

Each eligible participants who took up the Offer were issued with Fenix shares valued at approximately $1,000 (3,333 Plan Shares valued at $0.30 per share) and these shares were issued to them at no cost. A total of 488,480 shares were issued during the year (30 June 2025: 526,614) with no vesting conditions.

c) Retention rights

The Company's Retention Rights were granted to employees on 1 December 2022. Each retention right will vest as an entitlement to one fully paid ordinary share upon continued employment. If the continued employment is not met, the retention rights will lapse, and the eligible participant will have no entitlement to any shares. Retention rights are not listed and carry no dividend or voting rights. Upon exercise each retention right is convertible into one fully paid ordinary share to rank pari passu in all respects with existing fully paid ordinary shares. No additional retention rights were issued during the current or preceding financial years.

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d) Share Loan Plan

The Company's Share Loan Plan was approved and adopted by Shareholders on 2 February 2022. The Fenix Resources Ltd Share Loan Plan is used to reward Directors and employees for their performance and to align their remuneration with the creation of long-term shareholder wealth through increase in share price. Loans are granted at the discretion of the Board of Directors, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Any Director participation is approved by shareholders prior to issue.

Under the Share Loan Plan, provision for the issuance of loan shares is as follows:

- Loan shares are shares in the Company, each carrying the same dividend rights and otherwise ranking pari passu in all respects with the ordinary issued shares of the Company, where the subscription price is funded by way of a loan from the Company;
- Offers under the plan are the absolute discretion of the board
- Financial assistance is provided to participants by way of a limited recourse interest-free loan to acquire the shares;
- Half of any dividends paid in respect of the loan shares will be applied to reduce the loan;
- The Company retains security over the loan shares whilst ever there is an amount outstanding under the loan; and
- Loan shares that have not vested and/or are subject to loan repayment will be restricted from trading.

Under the applicable Accounting Standards, the loan shares and related limited recourse loan are accounted for as options, which gives rise to a share-based payment expense. The treatment of the loan shares under the applicable Accounting Standards as options requires that the value of the loans and issue price of the shares are not recorded as receivables or share capital of the Company until repayment or part repayment of the loans occurs. The loan shares are entitled to dividends. Per the terms of the agreement, half of any dividends paid in respect of the loan shares will be applied to reduce the loans.

Other share-based payments

e) Options issue to consultants

Set out below is a summary of the options issued to consultants in consideration for corporate advisory services.

Issue date	Expiry date	Exercise price	Number of options
21-Jul-23	21-Jul-26	$0.30	5,000,000
5-Jan-24	21-Jul-26	$0.30	2,000,000
16-Aug-24	21-Jul-26	$0.50	3,000,000
16-Aug-24	21-Jul-26	$0.50	3,000,000
Weighted average remaining contractual life of shares outstanding at the end of the year:			1.06 years

The fair value of services received in return for options issued to the consultants is measured by reference to the fair value as options granted. The estimate of the fair value of the services is measured based on a Black-Scholes option valuation methodology. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period. The total expense arising from shares issued during the reporting period as part of share-based payments expense was:

	2026 $'000	2025 $'000
Options issued to consultants	136	119

Estimation of fair value of share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted.

Key inputs used in the valuation of Performance Rights which have been granted were as follows:

	2026	2025
Valuation model	Combination of Monte Carlo simulation model, Parisian Barrier Model and Black-Scholes	Combination of Monte Carlo simulation model, Parisian Barrier Model and Black-Scholes
Fair value at grant date	$0.226 - $0.385	$0.195 - $0.248
Share price at grant date	$0.385 - $0.415	$0.30
Exercise price	$0.00	$0.00
Risk-free rate	3.34% - 3.44%	3.43% - 3.44%
Dividend yield	2.38%	6.67%
Expected remaining life	3.93 years	4.13 years

Weighted average remaining contractual life of performance rights outstanding at the end of the year was 3.09 years (2025 3.34 year).

Probability of vesting conditions being achieve.

Inputs to pricing models may require an estimation of reasonable expectations about achievement of future vesting conditions. Vesting conditions must be satisfied for the counterparty to become entitled to receive cash, other assets or equity instruments of the entity, under a share-based payment arrangement.

Non-market vesting conditions include service conditions, which require the other party to complete a specified period of service.

The Group recognises an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

For performance rights with non-market vesting conditions, the achievement of future vesting conditions are reassessed at the end of each reporting period.

24 FINANCIAL AND CAPITAL RISK MANAGEMENT

Overview

The financial risks that arise during the normal course of the Group's operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

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General objectives, policies and processes

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Senior Executives in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

(a) Market risk

Market risk can arise from the Group's use of interest-bearing financial instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (foreign exchange risk) and fluctuations in both commodity prices (commodity price risk) and diesel fuel prices (fuel price risk).

(i) Interest rate risk

The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure. As at 30 June 2026 and 30 June 2025, the Group has interest-bearing liabilities (borrowings) and interest-bearing assets, being deposits and cash at bank.

Sensitivity analysis

The Group's policy is to minimise interest rate cash flow risk exposures. Longer-term borrowings are therefore usually at fixed rates. At 30 June 2026, the Group is exposed to variable changes in interest rates, however as this is not considered to be material, further analysis has not been performed.

(ii) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from fluctuations in the US dollar.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group is exposed to foreign currency risk due to forecast sales of iron ore denominated in USD. The exposure arises because USD cash inflows will be converted to AUD, and fluctuations in USD/AUD exchange rates impact reported earnings. The entity's risk management policy is to hedge USD-denominated revenues from iron ore sales to protect against adverse exchange rate movements. AUD call / USD put options (AUD call options) are used to provide protection against downside risk while allowing for participation in favourable currency movements. These options expire at various dates up until June 2028.

The Group applies hedge accounting to these contracts. Hedge effectiveness is assessed qualitatively and/or quantitatively at inception and on an ongoing basis. The relationship meets the hedge effectiveness requirements under AASB 9.

Details of the AUD call options are presented below:

	2026	2025
Nominal amount at reporting date (USD 000's)	120,000	96,000
Weighted average strike rate for outstanding options	AUD: USD 0.7491	AUD: USD 0.6976

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are reclassified from the cash flow hedge reserve to revenue when the forecast iron ore sale occurs.

	Notes	2026 $'000	2025 $'000
Change in fair value of hedged item used for calculating hedge effectiveness		(1,395)	666
Change in intrinsic value of hedging instrument		(1,395)	551
Recognised asset (included in financial assets)	8	886	1,920
Effective portion recognised in OCI, net of tax (included in other reserves)		1,413	383
Amount reclassified to profit or loss (included in Revenue)		(443)	-

The Group's exposure to US dollars foreign currency risk arising from recognised assets and liabilities at the end of the reporting period, expressed in Australian dollars, was as follows:

	2026 $'000	2025 $'000
Financial assets		
Cash	20,163	16,343
Trade and other receivables	10,979	85
Financial liabilities		
Trade and other payables	8,107	4,330
Borrowings	35,045	-

Sensitivity analysis

A hypothetical change of 10% in the US dollar exchange rate was used to calculate the Group's sensitivity to foreign exchange rate movements as the Company's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility.

(iii) Commodity price risk

The risk associated with commodity prices is managed as part of the portfolio risk management strategy.

The Group uses derivative financial instruments such as iron ore forward contracts to manage the risk associated with commodity price. All other production is on market-based index pricing terms.

The relationship between commodity prices and foreign currencies is complex and movements in foreign exchange rates can impact commodity prices.

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(iv) Fuel price risk

The Group is exposed to fluctuations in diesel fuel prices through its mining, haulage and logistics operations. To manage this risk, the Group enters into diesel swap contracts to provide price certainty on a base level of the Group's diesel fuel requirements. The swaps are designated as cash flow hedges of highly probable forecast fuel purchases. The Group applies hedge accounting under AASB 9 and recognises the effective portion of changes in fair value of the remaining swap contracts in the cash flow hedge reserve until the forecast fuel purchases occur, at which time amounts are reclassified to profit or loss as part of Cost of sales.

The diesel swap hedge book comprises 18 million litres of Sing Gasoil 10ppm diesel fuel hedged at prices between US $0.7876 per litre to US $0.6874 per litre for FY27.

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are reclassified from the cash flow hedge reserve to Cost of sales when the forecast purchase occurs.

	Notes	2026 $'000	2025 $'000
Change in fair value of hedged item used for calculating hedge effectiveness		1,265	-
Change in intrinsic value of hedging instrument		1,265	-
Recognised liability (included in trade and other payables)		(1,265)	-
Effective portion recognised in OCI, net of tax (included in other reserves)		886	-

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with financial institutions, as well as trade receivables. Credit risk is managed on a Group basis. For cash balances held with bank or financial institutions, only Tier 1 Australian banks are accepted. The Group has determined that it currently has no significant exposure to credit risk as at reporting date given the Group's banks have investment grade credit ratings.

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised, none of which are impaired or past due.

	2026 $'000	2025 $'000
Cash and cash equivalents	81,024	56,820
Trade and other receivables	10,979	340
Other current assets	-	3,578
Term deposit	805	997
Loan receivable	4,450	5,158
	97,258	66,893

Trade receivables are generally secured by irrevocable letters of credit issued by reputable financial institutions. The letters of credit are payable upon presentation of shipping documents and are therefore considered to significantly reduce the credit risk on these receivables. These instruments are assessed as having low credit risk at the reporting date, given the credit rating and standing of the issuing banks. The expected credit loss on our trade receivable portfolio is considered immaterial.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within 1 year $'000	1 – 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount of liabilities $'000
At 30 June 2026					
Trade and other payables	105,783	-	-	105,783	105,783
Borrowings and lease liabilities	35,904	95,073	21,202	152,179	128,802
Other financial liabilities	20,000	20,000	-	40,000	38,538
Fuel swaps	1,265	-	-	1,265	1,265
At 30 June 2025					
Trade and other payables	81,134	-	-	81,134	81,134
Borrowings and lease liabilities	30,027	57,116	3,874	91,017	82,965
Other financial liabilities	-	-	-	-	-

As disclosed in Note 17, the Group's Borrowings are subject to debt service and interest cover ratios. A future breach of any of these covenants may require the Group to repay these amounts earlier than indicated in the table above.

(d) Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital or gearing ratios.

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25 EARNINGS PER SHARE

	2026	2025
Basic earnings per share		
Net profit after tax attributable to the members of the Fenix Resources Ltd	12,319,900	5,394,667
Weighted average number of ordinary shares (basic)	737,022,934	728,118,066
Basic earnings per share (cents)	1.67	0.74
Net profit after tax attributable to the members of the Fenix Resources Ltd	12,319,900	5,394,667
Weighted average number of ordinary shares	737,022,934	728,118,066
Adjustments for calculation of diluted earnings per share		
Options	25,500,000	25,500,000
Performance rights	70,917,158	7,144,731
Retention rights	-	-
Milestone consideration shares	-	20,000,000
Weighted average number of ordinary shares (diluted)	807,940,092	755,324,742
Diluted earnings per share (cents)	1.52	0.71

Options

Options granted to employees and Directors under the employee share-based payment schemes are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share. Details are set out in Note 23.

Milestone Consideration shares

Consideration shares granted to Exxten Pty Ltd in part consideration for the acquisition of 50% of Fenix Road Logistics Pty Ltd are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The performance shares have not been included in the determination of basic earnings per share.

Consideration options

Options granted as consideration are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share.

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26 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity and items which are more likely to be materially adjusted. Detailed information about each of these estimates and judgements is included in the Notes together with information about the basis of calculation for each affected line item in the financial statements.

Key judgements

- Rehabilitation and mine closure – Note 16;
- Determination of recoverable amounts – Note 13; and
- The Fenix, ResInvest and Mira Bulk arrangement – Note 30.

Key sources of estimation uncertainty

- Capitalisation of exploration and evaluation expenditure – Note 12;
- Inventory valuation – Note 9;
- Expected credit loss on loan receivable – Note 14; and
- Determination of recoverable amounts – Note 13.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

27 CONTINGENCIES

(a) Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2026 or 30 June 2025.

(b) Contingent assets

There were no material contingent assets as at 30 June 2026 or 30 June 2025.

28 COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as a liability is as follows:

	2026 $'000	2025 $'000
Within one year	3,310	901
Later than one year but no later than five years	14,597	2,712
Later than five years	15,977	3,053
	33,884	6,666

29 INTEREST IN OTHER ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(a):

Name of entity	ACN	Country of incorporation	2026 Equity holding	2025 Equity holding
Fenix Mining Pty Ltd	600 274 173	Australia	100%	100%
Fenix Beebyn Pty Ltd	671 632 321	Australia	100%	100%
Fenix Shine Pty Ltd	668 900 061	Australia	100%	100%
Fenix Extension Hill Pty Ltd	668 899 296	Australia	100%	100%
Fenix Pastoral Holdings Pty Ltd	681 885 781	Australia	100%	100%
Fenix Beebynganna Pty Ltd	682 769 866	Australia	100%	100%
Fenix Logistics Pty Ltd	602 724 256	Australia	100%	100%
Fenix Road Logistics Pty Ltd	632 931 563	Australia	100%	100%
Fenix Commercial Pty Ltd	672 845 297	Australia	100%	100%
Fenix Residential Pty Ltd	672 846 632	Australia	100%	100%
Fenix Perenjori Pty Ltd	668 899 812	Australia	100%	100%
Fenix Ruvidini Pty Ltd	668 900 472	Australia	100%	100%
Fenix Port Logistics Pty Ltd	668 899 625	Australia	100%	100%
Fenix Laboratories Pty Ltd	655 916 082	Australia	100%	100%
Fenix Weld Range Pty Ltd [1]	690 570 499	Australia	100%	-
Fenix Commodities Pty Ltd [2]	699 201 360	Australia	50%	-

1 *Fenix Weld Range Pty Ltd was incorporated on 1 September 2025.*

2 *Fenix Commodities Pty Ltd was incorporated on 18 June 2026. Refer to Note 31 for further information.*

29 FENIX, RESINVEST AND MIRA BULK ARRANGEMENT

On 22 June 2026, the Group formed the Fenix, ResInvest and Mira Bulk arrangement. Key details of the arrangement are included below.

- Fenix will ultimately earn a return of profits from the arrangement based on shipped volume of Fenix iron ore products, with this income presented within Cost of Sales.
- The arrangement includes the establishment of Fenix Commodities Pty Ltd, a jointly owned marketing and sales joint venture between Fenix Resources Ltd (50%) and Resource Invest AG "ResInvest" (50%).
- The Group has determined that Fenix Commodities Pty Ltd is a controlled subsidiary and consolidates the joint venture in full in the Group's financial statements. The 50% interest of ResInvest is presented as a Non-Controlling Interest within the Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of financial position and Consolidated statement of changes in equity.
- ResInvest will be paid a commercial marketing fee for the provision of marketing and sales services.

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- The Group concluded, based the overall assessment of the transaction being for financing, that any fees paid are financing costs under AASB 9.
- Through the arrangement, Fenix has secured US$44 million in long-term funding facilities with ResInvest. Drawdowns under these facilities are recognised as Borrowings for the Group (refer to Note 17). As at 30 June 2026, the amount drawn down under these facilities was AUD $35 million.

Significant accounting judgement

Subsidiaries

The Group has determined that Fenix Commodities is a controlled subsidiary and therefore consolidates it in full in the Group's financial statements. The Group controls Fenix Commodities (the investee) given it has power over the investee's relevant activities being the facilitation of sales, marketing and freight services for the Group, exposure to variable returns from the investee and the ability to use its power over the investee to affect the amount of the Group's returns.

Marketing and sales services

The Group has determined that Fenix Commodities is an agent for the Group, given that Fenix Commodities is a controlled subsidiary that provides approved marketing and sales services. Fenix Commodities does not take control of the Group's iron ore prior to shipment. Consistent with the Group's conclusion that Resinvest's role in this arrangement is one of financing, ResInvest's 50% share of the sales and marketing fees is considered to represent a financing cost. Accordingly, the amount is recognised within finance costs in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Funding facilities

Through the arrangement, the Group has secured US $44 million in long-term funding facilities with ResInvest. Drawdowns under these facilities are recognised as Borrowings (refer to Note 17) given the Group's obligation to settle these amounts through future iron ore deliveries. As at 30 June 2026, the amount drawn down under these facilities was AUD $35 million.

30 RELATED PARTY TRANSACTIONS

Key management personnel compensation

	2026 $'000	2025 $'000
Short-term employee benefits	3,854	2,852
Post-employment benefits	464	204
Share-based payments	3,669	1,461
	7,987	4,517

Detailed remuneration disclosures are provided within the remuneration report.

Parent entity

The ultimate parent entity and ultimate controlling party is Fenix Resources Ltd (incorporated in Australia).

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Subsidiaries

Interests in subsidiaries are set out in Note 30.

Transactions with related parties

Transactions with other related parties include:

- subletting office space and administrative services to Warradarge Energy Pty Ltd for $34,651 during the financial year (30 June 2025: $24,000). Warradarge is a company associated with director Craig Mitchell.
- subletting office space to Athena Resources Ltd for $60,000 during the financial year (30 June 2025: $25,000). Fenix holds a 29.77% interest in Athena and Directors John Welborn and Garry Plowright are Non-Executive Directors of Athena.
- rental of artwork for the corporate office from Outback Network Pty Ltd for $6,980 (30 June 2025: $13,000), Outback Network is a company associated with director Craig Mitchell.
- loan drawdowns of A$35,045,279 (FY25: $nil) under the Funding Facilities established through the Fenix, ResInvest and Mira Bulk arrangement. The loans are provided by Resource Invest AG, a 50% shareholder of Fenix Commodities Pty Ltd.

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Other than the items noted above there have been no changes to related party transactions since the last annual reporting date, 30 June 2025.

31 REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms:

	2026 $	2025 $
Audit and assurance services		
Grant Thornton Audit Pty Ltd		
Audit and review of financial statements	308,863	284,337
Regulatory sustainability report assurance services	75,000	-
Other services		
Grant Thornton Australia Limited		
Due diligence services	-	81,456
Total remuneration	383,863	365,794

From time to time, the Group may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

32 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Notes	2026 $'000	2025 $'000
Profit for the year		12,320	5,395
Add/(less) non-cash items:			
Depreciation and amortisation	11	50,979	44,912
Share based payments	23	4,125	2,582
Inventory product movement		(2,032)	(34,700)
Other inventory movement		-	(889)
Foreign exchange		-	81
Interest on loans		-	434
Finance costs		4,721	3,633
Loss from joint venture		394	5
Fair value movement on investments		-	(1,368)
Add/(less) items classified as invested/financing activities:			
Share issue costs claimed as a deduction		-	(54)
Other borrowing costs		914	-
Movement in assets in account payable & GST on assets financed		4,659	(5,360)
Leasing payments		1,346	562
Changes in assets and liabilities during the financial year:			
(Increase)/Decrease in receivables		(10,339)	16,540
(Decrease)/Increase in payables		24,834	50,419
Increase in employee provision		2,853	1,899
Increase/(Decrease) in taxation provision		1,086	(12,208)
Net cash from operating activities		95,860	71,883

33 PARENT ENTITY INFORMATION

The following information relates to the parent entity, Fenix Resources Ltd as at 30 June 2026. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

(a) Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

(b) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2026 or 30 June 2025.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2026 or 30 June 2025.

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(d) Contractual commitments for the acquisition of property, plant and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2026 or 30 June 2025.

	Company	
	2026 $'000	2025 $'000
Financial position		
Current assets	34,060	39,012
Total assets	**209,233**	**195,838**
Current liabilities	11,993	33,240
Total liabilities	**101,218**	**41,985**
Equity		
Issued capital	94,538	93,958
Reserves	5,354	4,379
Retained Earnings	8,123	55,518
Total equity	**108,015**	**153,853**
Financial performance		
(Loss) / Profit for the year	(40,060)	3,683
Total comprehensive (loss) / profit	**(41,916)**	**4,065**

34 EVENTS SUBSEQUENT TO REPORTING DATE

During FY26 Fenix continued to invest in a material expansion of the Company's production base and infrastructure assets increasing the production base from the current rate of 4.4Mtpa to a long-term production rate of 10Mtpa.

The Board considered the following factors in relation to declaring a dividend:

- Cash at bank $81.0m as at 30 June 2026;
- The successful commissioning of Beebyn-W11 on time and on Budget; and
- Securing the 290Mt Weld Range Iron Ore Project under a 30-year Right to Mine Agreement and advancing the transition to the Beebyn-Hub as the long-term production centre.

In accordance with this policy, the Company has declared a final fully franked dividend for FY26 of 1.0 cent per share equating to a total dividend payment of approximately A$7.7 million. The total dividend payment amount represents approximately 63% of the FY26 Net Profit after Tax.

The dividend record date is 4 September 2026 and the dividend payment date is expected to be 5 October 2026.

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The Board believes that the declared final dividend appropriately balances the Company's commitment to reward shareholders by ` the payment of an annual dividend linked to profitability, with the ambition to generate long-term growth in the Fenix share price by having funding available to invest in the Company's growth opportunities.

Apart from the above, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

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Name of entity	Body corporate, partnership or trust	Share capital	Place of incorporation	Australian resident or foreign resident	Foreign jurisdiction of foreign residents
Fenix Resources Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Mining Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Beebyn Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Shine Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Extension Hill Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Logistics Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Pastoral Holdings Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Beebynganna Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Road Logistics Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Commercial Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Residential Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Perenjori Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Ruvidini Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Port Logistics Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Laboratories Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Weld Range Pty Ltd	Body Corporate	100%	Australia	Australian	-
Fenix Commodities Pty Ltd	Body Corporate	50%	Australia	Australian	-

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the Corporations Act and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency

  The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5

- Foreign tax residency

  Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the *Corporations Act 2001*).

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DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and accompanying notes, are in accordance with the Corporations Act and:

   (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (b) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the consolidated entity.

2. In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

3. The Group has included in the notes to the financial statements and explicit an unreserved statement of compliance with International Financial Reporting Standards.

4. The consolidated entity disclosure statement as set out on page 88 is true and correct.

5. The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



John Welborn
Executive Chairman

Perth
26 August 2026

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Grant Thornton Audit Pty Ltd
Level 43 Central Park
152-158 St Georges Terrace
Perth WA 6000
PO Box 7757
Cloisters Square
Perth WA 6850
T +61 8 9480 2000

Independent Auditor's Report

To the Members of Fenix Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Fenix Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the key audit matter
ResInvest Financing – Notes 17 and 31	
During the year, the Group entered into a complex arrangement with Resource Invest II AG and ResInvest Commodities Pte Ltd (together "ResInvest") which included funding facilities, the establishment of Fenix Commodities Pty Ltd, an entity that is jointly owned by Fenix Resources Limited and Resource Invest AG. As at 30 June 2026, the balance on the funding facility was $35.0 million. The accounting for this arrangement involves significant judgement due to its complex structure and multiple interrelated components. Key areas of judgement included the assessment of the Group's control of Fenix Commodities Pty Ltd, the accounting treatment of the elements of the funding facility and the identification and measurement of embedded derivative features. This is a key audit matter due to the significance of the balances involved, the complexity of the contractual arrangements, and the significant audit effort required to evaluate the appropriateness of management's accounting treatment and related disclosures.	Our procedures included: • Reading the executed agreements to understand the commercial substance and key contractual terms of the arrangement and evaluating the presence of embedded derivatives; • Assessing management's accounting treatment against the requirements of the relevant Australian Accounting Standards, including the classification of the elements of the funding facility; • Evaluating the governance structure, rights and obligations of the parties to assess the accounting treatment for the investment in Fenix Commodities Pty Ltd; • Evaluating management's valuation methodology for the identified embedded derivatives; • Confirming with the financier the balance of the outstanding liabilities at 30 June 2026; • Evaluating the related disclosures against the requirements of Australian Accounting Standards.
Revenue – Note 2	
The Group recognised revenue from iron ore sales of $509.7 million during the year. Revenue is recognised when control of the iron ore transfers to the customer, which generally occurs at the bill of lading date. Sales are initially recorded using the relevant prices at the date of sale. Sales contracts include a clause whereby final sales price is determined by reference to the price at an agreed future date. As a result, the Group is exposed to changes in iron ore prices between the date revenue is recognised and the date final pricing is established. For contracts that remain subject to provisional pricing at the reporting date, the Group recognises a derivative asset or liability to reflect the estimated impact of movements in iron ore prices up to the date the final price is established. Revenue recognised from these contracts therefore comprises both the initial revenue recognised at the bill of lading date and subsequent fair value movements arising from provisional pricing adjustments. This is a key audit matter due to the significance of iron ore sales to the Group's financial performance and the auditor judgement involved in assessing management's measurement of provisional pricing adjustments at the reporting date.	Our procedures included: • Obtaining an understanding of the Group's revenue recognition processes and evaluating the design and implementation of relevant controls over iron ore sales revenue; • Assessing revenue recognition with reference to the terms of the underlying sales contracts and the requirements of Australian Accounting Standards; • Agreeing iron ore sales recognised during the year to executed sales contracts, shipping documentation, invoices and certificates of quality and weight; • Recalculating a sample of provisional pricing adjustments outstanding at 30 June 2026, including assessing the reasonableness of the pricing inputs with reference to the contracts and publicly available market data; • Evaluating the related disclosures against Australian Accounting Standards.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

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Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 33 to 45 of the Directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Fenix Resources Limited, for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



L A Stella
Partner – Audit & Assurance

Perth, 26 August 2026

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Additional information required by the Australian Securities Exchange and shown elsewhere in this report is set out below. The information is current as at 20 August 2026.

(a) 20 Largest Shareholders – Ordinary Shares as at 20 August 2026

Position	Holder Name	Holding	% IC
1	MOUNT GIBSON MINING LIMITED	72,500,000	9.41%
2	CITICORP NOMINEES PTY LIMITED	66,037,163	8.57%
3	RESOURCE INVEST II AG	44,378,994	5.76%
4	EXXTEN PTY LTD <THE C&T MITCHELL FAMILY A/C>	41,890,000	5.44%
5	MR GARRY WILLIAM PLOWRIGHT & MRS DONELLA MAY PLOWRIGHT<THE PLOWRIGHT FAMILY A/C>	21,820,000	2.83%
6	JOHN PAUL WELBORN	17,300,000	2.24%
7	BNP PARIBAS NOMS PTY LTD	17,271,172	2.24%
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,959,513	1.81%
9	KEONG LIM PTY LIMITED <SK LIM FAMILY A/C>	12,259,300	1.59%
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	12,102,601	1.57%
11	JOHN PAUL WELBORN	10,000,000	1.30%
12	MCCUSKER HOLDINGS PTY LTD	9,365,342	1.22%
13	TITAN ASSETS PTY LTD	8,285,000	1.08%
14	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	7,815,031	1.01%
15	MR KENNETH JOSEPH HALL <HALL PARK A/C>	7,600,000	0.99%
16	PRE-OWNED ROAD TANKERS PTY LTD	7,000,000	0.91%
17	PIPJUD PTY LTD <AP & JD MITCHELL A/C>	6,150,000	0.80%
18	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	4,977,783	0.65%
19	AP MITCHELL SUPERANNUATION FUND PTY LTD <AP MITCHELL SUPERFUND A/C>"	4,600,000	0.60%
20	FUTUREWORLD MANAGEMENT PTY LTD <FUTUREWORLD INVESTMENT A/C>	4,000,000	0.52%
	Total	**389,311,899**	**50.54%**

(b) Substantial Shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are as set out below:

Substantial Shareholder	Number of Shares
APAC Resources Limited[1]	77,500,000
Mount Gibson Iron Limited[2]	72,500,000
Resource Invest II AG[3]	37,082,399
Craig Douglas Mitchell[4]	74,490,000

1. As lodged with ASX on 20 August 2024
2. As lodged with ASX on 19 August 2024
3. As lodged with ASX on 24 April 2025
4. As lodged with ASX on 24 August 2026

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(c) Unquoted Securities – as at 20 August 2026

Set out below are the classes of unquoted securities currently on issue:

Number	Holders	Class
12,500,000	1	Options exercisable at $0.30 and expiring on 21 July 2028
43,574,024	14	Performance Rights

(d) Distribution of holders

Ordinary Shares

Category (size of holding)	Holders	Total Units	% Issued Share Capital
1 – 1,000	214	75,264	0.01%
1,001 – 5,000	2,414	6,984,091	0.91%
5,001 – 10,000	1,300	10,424,870	1.35%
10,001 – 100,000	3,022	109,845,384	14.25%
100,001 – and over	712	643,355,222	83.48%
Total	**7,662**	**770,684,831**	**100.00%**

Options exercisable at $0.30 and expiring on 21 July 2028

Category (size of holding)	Holders	Total Units	% Issued Share Capital
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 – and over	1	12,500,000	100.00%
Total	**1**	**12,500,000**	**100.00%**

Performance Rights

Category (size of holding)	Holders	Total Units	% Issued Share Capital
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	1	65,577	0.15%
100,001 – and over	13	43,508,447	99.85%
Total	14	**43,574,024**	**100.00%**

(e) Unquoted Equity Security Holders with Greater than 20% of an Individual Class

As at 20 August 2026, the following classes of unquoted securities had holders with greater than 20% of that class on issue:

	% Interest
Options exercisable at $0.30 and expiring on 21 July 2028	
MOUNT GIBSON IRON LTD	100.00%
Performance Rights	
JOHN WELBORN	80.32%

(f) Securities Subject to Escrow

As at 20 August 2026, there are no securities currently subject to escrow.

(g) Unmarketable Parcels

The number of shareholders holding less than a marketable parcel is 726 as at 20 August 2026 (being 1,920 shares based on a share price of $0.26 at 20 August 2026)

(h) Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary Shares

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Options

There are no voting rights attached to any class of options that are on issue.

Performance Rights

There are no voting rights attached to any class of performance rights that are on issue.

(i) On-market Buy-Back

Currently there is no on-market buy-back of the Company's securities.

(j) Corporate Governance

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: https://fenix.com.au/about/corporate-governance/

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