

Initial Payment Received for Extension Hill Assets

Fenix Resources Limited (ASX:FEX) (Fenix or the Company) is pleased to confirm the receipt of the initial payment consideration of \$250,000 relating to Fenix's sale of the Extension Hill Assets to Terra Mining Pty Ltd (**Terra Mining**) and Extension Hill Pty Ltd (**EHPL**). The payment receipt follows the successful first shipment of ore from the Extension Hill Magnetite Project in late February 2024.

The Extension Hill Assets consisted of the residual mining assets, liabilities, rights and obligations of the decommissioned Extension Hill hematite operation that were acquired by Fenix from Mount Gibson Iron Limited in July 2023 (see ASX Announcement dated 24 July 2023).

In a tri-partite asset sale agreement executed in September 2023, Fenix agreed to sell the Extension Hill Assets to Terra Mining and EHPL (the **Transaction**) (see ASX Announcement dated 29 September 2023). The consideration payable by Terra Mining to Fenix consists of up to \$2 million comprising:

- \$250,000 payable on the earlier of one month after the first shipment of ore from the Extension Hill Magnetite Project and 12 months after completion; and
- a royalty of \$0.50 per tonne of material produced and sold from the Extension Hill Magnetite Project, up to a cap of \$1,750,000.

The Transaction facilitated the transition into production of the Extension Hill Magnetite Project, unlocking value in the Mid-West.

Having now received the initial consideration payment of \$250,000, Fenix will be entitled to ongoing royalty payments up to the cap of \$1,750,000.

Authorised by the Board of Fenix Resources Limited.

For further information, contact:

John Welborn

Chairman

Fenix Resources Limited

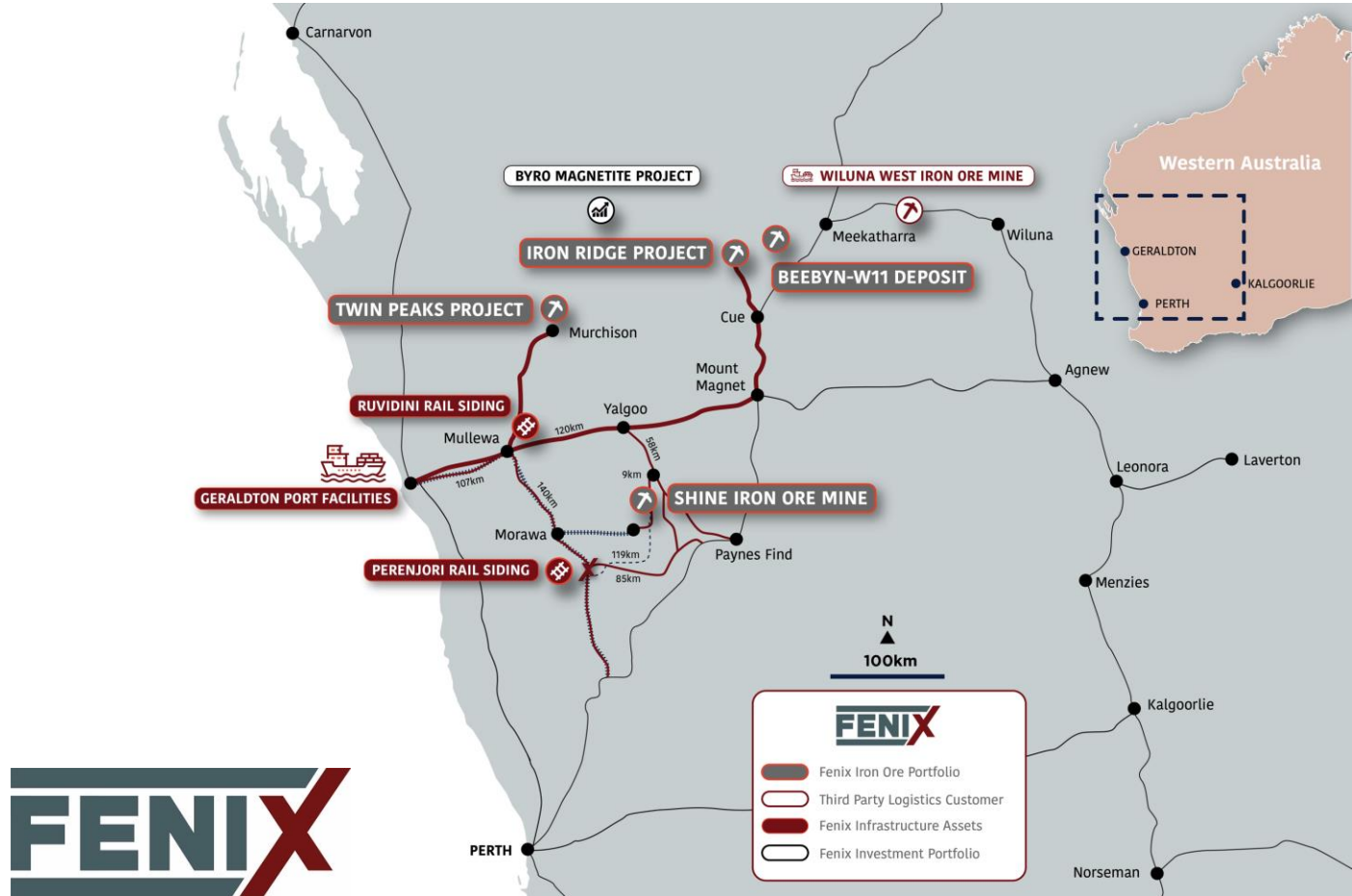
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Fenix Resources (ASX: FEX) is a highly profitable mining, logistics and port services business with assets in the Mid-West region of Western Australia.

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

Fenix's diversified Mid-West iron ore, port and rail asset base provides an excellent foundation for future growth. Business assets include the Iron Ridge mine, the Beebyn W11 Deposit, the Twin Peaks Iron Ore Mine, the Shine Iron Ore Mine, the Fenix-Newhaul haulage business which includes a state-of-the-art road haulage fleet, two rail sidings at Ruvidini and Perenjori, as well as the Fenix Port Services business that operates three on-wharf bulk material storage sheds at Geraldton Port.

The Company's 100% owned, flagship Iron Ridge Iron Ore Mine is a premium direct shipping iron ore operation located approximately 360km northeast of Geraldton that hosts some of the highest grade iron ore in Western Australia. Production commenced at Iron Ridge in December 2020 and is currently operating at a run rate of 1.3 million tonnes per annum.

The Company is led by a proven team with deep mining and logistics experience and benefits from strategic alliances and agreements with key stakeholders, including the Wajarri Yamatji people who are the Traditional Custodians of the land on which Fenix is currently operating.

Fenix is focused on promoting opportunities for local businesses and the community. The Company has generated more than 200 local jobs. Fenix is proud to have a strong indigenous representation in the Company's workforce and to be in partnership with leading contract service providers including MACA Ltd, Alpha 1 WA Pty Ltd and other leading local and national service providers.

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