

ISSUE OF SECURITIES AND CLEANSING NOTICE

Fenix Resources Limited (**ASX: FEX**) (**Company** or **Fenix**) has today issued a total of 26,000,000 fully paid ordinary shares (**Shares**) in the capital of the Company on the exercise of options and vested employee and director rights, and a total of 9,491,017 convertible securities.

Issue of Shares and Cleansing Notice

In accordance with section 708A(6) of the *Corporations Act 2001* (Cth) (**Act**), the Company hereby gives notice under section 708A(5)(e) of the Act that:

1. the Company issued 26,000,000 Shares without disclosure to investors under Part 6D.2 of the Act;
2. as at the date of this notice:
 - a. the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company; and
 - b. the Company has complied with sections 674 and 674A of the Act; and
3. as at the date of this notice, there is no information:
 - a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - ii. the rights and liabilities attaching to the relevant Shares.

An Appendix 2A in respect of the abovementioned Shares has been lodged with ASX.

Issue of Convertible Securities

The Company has also issued the following convertible securities and refers to the relevant Appendix 3Gs lodged separately with ASX.

Security
3,000,000 Broker Options exercisable at \$0.50 each on or before 21 July 2026



3,000,000 Consultant Options exercisable at \$0.50 each on or before 21 July 2026

3,491,017 Employee Performance Rights with vesting conditions

The Company advises that the Broker and Consultant Options are being issued under the Company's available ASX Listing Rule 7.1 capacity.

The Employee Performance Rights have been issued under the Company's Employee Incentive Plan to eligible employees pursuant to ASX Listing Rule 7.2 (Exception 13(b)) and are subject to vesting conditions.

The terms and conditions of the Broker Options, Consultant Options and Employee Performance Rights are included in the schedules to this announcement.

Authorised by the Board of Fenix Resources Limited.

For further information, contact:

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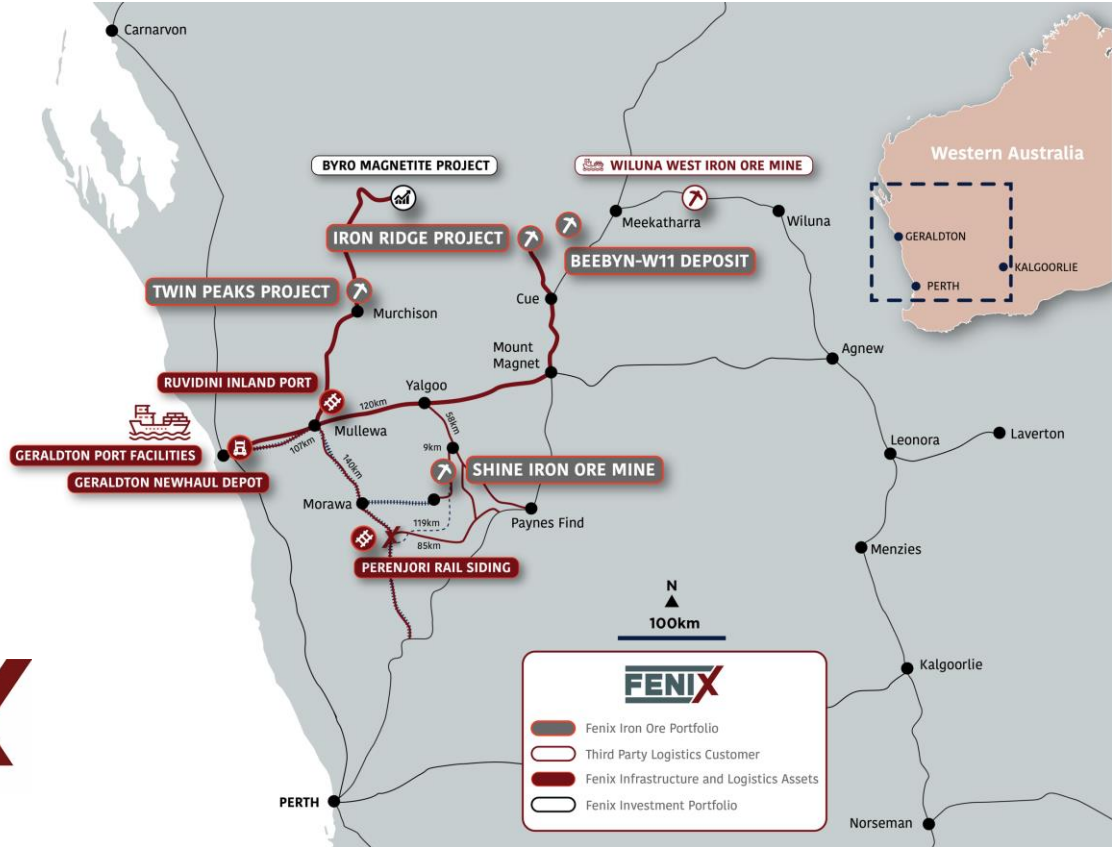
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Fenix Resources (ASX: FEX) is a highly profitable, fully integrated mining, logistics and port services business with assets in the Mid-West region of Western Australia. Fenix operates a unique fully integrated mining and logistics business. High quality iron ore products are transported by road to Geraldton using the Company’s 100% owned Newhaul Road Logistics business. Fenix’s wholly owned Newhaul Port Logistics 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. These assets include the Iron Ridge mine, the Beebyn-W11 Deposit, the Twin Peaks Iron Ore Mine, the Shine Iron Ore Mine, the Newhaul Road Logistics business which includes a state-of-the-art road haulage fleet, two rail sidings at Ruvidini and Perenjori, as well as the Newhaul Port Logistics business that operates three on-wharf bulk material storage sheds at the Geraldton Port.

The Company’s 100% owned, flagship Iron Ridge Iron Ore Mine is a premium high grade, high margin, 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 the production run rate of 1.4 million tonnes per annum. Fenix will substantially increase its production profile with the addition of the tonnes¹ from the Shine Iron Ore Mine restart and the Beebyn W-11 Project, due to be in production in late 2024 and early 2025 respectively.

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 Yamaji 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 local and national service providers. We acknowledge the Wajarri Yamaji people as the Traditional Custodians of the land our Iron Ridge Project is located on. We pay our respects to elders and leaders past, present and emerging.

¹ Please see the announcement dated 4 July 2024, which sets out the production guidance from Shine is expected to reach a rate of 100,000 tonnes per month during the current financial year.



Schedule 1 - Terms and conditions of Broker Options

1. **(Entitlement):** Each Broker Option entitles the holder to subscribe for one Fenix Share upon exercise of the Broker Option.
2. **(Eligibility):** At the time the holder issues a Notice of Exercise under paragraph 8, the holder must still be providing continuous services under its engagement with Fenix or a subsidiary (**Vesting Condition**).
3. **(Expiry Date):** Each Broker Option will expire at 17:00 WST on 21 July 2026 (**Expiry Date**). A Broker Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
4. **(Exercise Period):** The Broker Options are exercisable at any time prior to the Expiry Date.
5. **(Exercise Price):** The Broker Options are exercisable at \$0.50 each (**Exercise Price**).
6. **(Quotation of the Broker Options):** The Broker Options will not be quoted and Fenix will not apply for quotation of the Broker Options on any securities exchange.
7. **(Transferability):** The Broker Options are not transferable, except with the prior written approval of Fenix at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.
8. **(Notice of Exercise):** Subject to the **Vesting Condition** being satisfied, the Broker Options held by the holder may be exercised in whole or in part. A Broker Option may be exercised by notice in writing to Fenix in the manner specified on the Option certificate specifying the number of Broker Options being exercised (**Notice of Exercise**) and payment of the aggregate Exercise Price for the number of Broker Options being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to Fenix.

Any Notice of Exercise of a Broker Option received by Fenix will only be effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Broker Option being exercised in cleared funds (**Exercise Date**).
9. **(Timing of issue of Shares on exercise):** Within five Business Days after the Exercise Date Fenix will, subject to paragraph 12:
 - (a) allot and issue the number of Fenix Shares required under these terms and conditions in respect of the number of Broker Options specified in the Notice of Exercise and for which cleared funds have been received by Fenix; and
 - (b) subject to paragraph 10, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act such notice to comply with section 708A(6) of the Corporations Act; and
 - (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Fenix Shares issued pursuant to the exercise of the Options.
10. **(Restrictions on transfer of Shares):** If Fenix is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Fenix Shares does not require disclosure to investors, then Fenix must, no later than 20 business days after the Exercise Date, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Fenix Shares forming part of the Fenix Shares issued on exercise of the Options by the holder after the Exercise Date does not require disclosure to investors.
11. **(Shares issued on exercise):** Fenix Shares issued on exercise of the Broker Options will upon allotment, rank, from the date of allotment, equally in all respects with the then issued shares of Fenix.
12. **(Takeovers prohibition):**
 - (a) the issue of Fenix Shares on exercise of the Broker Options is subject to and conditional upon the issue of the relevant Fenix Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and

- (b) Fenix will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Fenix Shares on exercise of the Broker Options.
13. **(Reconstruction of capital):** If at any time the issued capital of Fenix is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
14. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Fenix Shareholders during the currency of the Broker Options without exercising the Broker Options.
15. **(Entitlement to dividends):** The Broker Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Broker Options without exercising the Broker Options.
16. **(Entitlement to capital return):** The Broker Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of Fenix upon a winding up, in each case, during the currency of the Options without exercising the Broker Options.
17. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of Fenix, the rights of the Option holder will be varied in accordance with the Listing Rules.
18. **(Change in exercise price):** There will be no change to the Exercise Price of the Broker Options or the number of Fenix Shares over which the Broker Options are exercisable in the event of Fenix making a pro-rata issue of Fenix Shares or other securities to the holders of Fenix Shares in Fenix (other than a bonus issue).
19. **(Adjustment for bonus issues of Shares):** If Fenix makes a bonus issue of Fenix Shares or other securities to existing Fenix Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
- (a) the number of Fenix Shares which must be issued on the exercise of a Broker Option will be increased by the number of Fenix Shares which the Option holder would have received if the Option holder had exercised the Broker Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
20. **(Voting rights):** The Broker Options do not confer any right to vote at meetings of members of Fenix, except as required by law, during the currency of the Broker Options without first exercising the Broker Options.
21. **(Constitution)** Upon the issue of the Fenix Shares on exercise of the Broker Options, the holder will be bound by Fenix's Constitution.



Schedule 2 - Terms and conditions of Consultant Options

1. **(Entitlement):** Each Consultant Option entitles the holder to subscribe for one Fenix Share upon exercise of the Consultant Option.
2. **(Expiry Date):** Each Consultant Option will expire at 17:00 WST on 21 July 2026 (**Expiry Date**). A Consultant Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. **(Exercise Period):** The Consultant Options are exercisable at any time prior to the Expiry Date.
4. **(Exercise Price):** The Consultant Options are exercisable at \$0.50 each (**Exercise Price**).
5. **(Quotation of the Consultant Options):** The Consultant Options will not be quoted and Fenix will not apply for quotation of the Consultant Options on any securities exchange.
6. **(Transferability):** The Consultant Options are not transferable, except with the prior written approval of Fenix at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.
7. **(Notice of Exercise):** The Consultant Options held by the holder may be exercised in whole or in part. A Consultant Option may be exercised by notice in writing to Fenix in the manner specified on the Option certificate specifying the number of Consultant Options being exercised (**Notice of Exercise**) and payment of the aggregate Exercise Price for the number of Consultant Options being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to Fenix.

Any Notice of Exercise of a Consultant Option received by Fenix will only be effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Consultant Option being exercised in cleared funds (**Exercise Date**).
8. **(Timing of issue of Shares on exercise):** Within five Business Days after the Exercise Date Fenix will, subject to paragraph 12:
 - (a) allot and issue the number of Fenix Shares required under these terms and conditions in respect of the number of Consultant Options specified in the Notice of Exercise and for which cleared funds have been received by Fenix; and
 - (b) subject to paragraph 10, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act such notice to comply with section 708A(6) of the Corporations Act; and
 - (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Fenix Shares issued pursuant to the exercise of the Options.
9. **(Restrictions on transfer of Shares):** If Fenix is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Fenix Shares does not require disclosure to investors, then Fenix must, no later than 20 business days after the Exercise Date, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Fenix Shares forming part of the Fenix Shares issued on exercise of the Options by the holder after the Exercise Date does not require disclosure to investors.
10. **(Shares issued on exercise):** Fenix Shares issued on exercise of the Consultant Options will upon allotment, rank, from the date of allotment, equally in all respects with the then issued shares of Fenix.
11. **(Takeovers prohibition):**
 - (a) the issue of Fenix Shares on exercise of the Consultant Options is subject to and conditional upon the issue of the relevant Fenix Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and
 - (b) Fenix will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Fenix Shares on exercise of the Consultant Options.

12. **(Reconstruction of capital):** If at any time the issued capital of Fenix is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
13. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Fenix Shareholders during the currency of the Consultant Options without exercising the Consultant Options.
14. **(Entitlement to dividends):** The Consultant Options do not confer any entitlement to a dividend, whether fixed or at the discretion of the directors, during the currency of the Consultant Options without exercising the Consultant Options.
15. **(Entitlement to capital return):** The Consultant Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise, and similarly do not confer any right to participate in the surplus profit or assets of Fenix upon a winding up, in each case, during the currency of the Options without exercising the Consultant Options.
16. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of Fenix, the rights of the Option holder will be varied in accordance with the Listing Rules.
17. **(Change in exercise price):** There will be no change to the Exercise Price of the Consultant Options or the number of Fenix Shares over which the Consultant Options are exercisable in the event of Fenix making a pro-rata issue of Fenix Shares or other securities to the holders of Fenix Shares in Fenix (other than a bonus issue).
18. **(Adjustment for bonus issues of Shares):** If Fenix makes a bonus issue of Fenix Shares or other securities to existing Fenix Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (a) the number of Fenix Shares which must be issued on the exercise of a Consultant Option will be increased by the number of Fenix Shares which the Option holder would have received if the Option holder had exercised the Consultant Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.
19. **(Voting rights):** The Consultant Options do not confer any right to vote at meetings of members of Fenix, except as required by law, during the currency of the Consultant Options without first exercising the Consultant Options.
20. **(Constitution)** Upon the issue of the Fenix Shares on exercise of the Consultant Options, the holder will be bound by Fenix's Constitution.

Schedule 3 - Terms and conditions of Employee Performance Rights

1. Performance Rights and Vesting Conditions

The following Performance Rights are granted under the Plan:

Tranche	Number of Performance Rights	Vesting Conditions	Expiry Date										
Tranche A Performance Rights	1,868,260	<p>Satisfaction of the following:</p> <ol style="list-style-type: none"> The eligible participant 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 2027 from the date of issue of the Performance Rights. The Company's TSR over the three (3) year performance period from 1 July 2024 to 30 June 2027 (Performance Period) relative to the TSR of each of the companies in a Board Approved Peer Group over the same Performance Period, where: <table border="1"> <thead> <tr> <th>TSR performance vs peers</th> <th>Proportion of Performance Rights that will vest</th> </tr> </thead> <tbody> <tr> <td>FEX < 50% of peers</td> <td>NIL</td> </tr> <tr> <td>FEX = 50% of peers</td> <td>50%</td> </tr> <tr> <td>FEX >= 50% of peers but <75% of peers</td> <td>Pro rata 50% - 100%</td> </tr> <tr> <td>FEX >=75% of peers</td> <td>100%</td> </tr> </tbody> </table>	TSR performance vs peers	Proportion of Performance Rights that will vest	FEX < 50% of peers	NIL	FEX = 50% of peers	50%	FEX >= 50% of peers but <75% of peers	Pro rata 50% - 100%	FEX >=75% of peers	100%	5 years from the date of issue
TSR performance vs peers	Proportion of Performance Rights that will vest												
FEX < 50% of peers	NIL												
FEX = 50% of peers	50%												
FEX >= 50% of peers but <75% of peers	Pro rata 50% - 100%												
FEX >=75% of peers	100%												
Tranche B Performance Rights	622,757	The eligible participant 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 2027 from the date of issue of the Performance Rights.	5 years from the date of issue										
Tranche C Performance Rights	1,000,000	Upon the successful production of 1 million dry metric tonnes from the Shine Iron Ore Mine, with the assessment of "successful" being judged by the Fenix Board at the time of vesting-based comparison of the production performance of Shine compared with the FID expectations for nameplate capacity, budgeted capex and opex, and timeframe.	3 years from the date of issue										

Board Approved Peer Group means the Company's ASX listed peer group, as determined by the Board for the Performance Period.

TSR means the growth in a company's Share Price over the Performance Period, plus dividends paid during that period.

Share Price will be measured using the 20-day VWAP of the company's shares for the 20 trading days (as defined by the Listing Rules) up to and including the first day of the Performance Period and the 20 trading days up to and including the last day of the Performance Period.

Unless the context requires otherwise, defined terms in these terms and conditions have the same meaning as in the Plan.



In the event of any inconsistency between the Plan and these terms and conditions, these terms and conditions will apply to the extent of the inconsistency.

2. Vesting

The Tranche A and B Performance Rights will vest and become capable of being converted to shares on 1 July 2027, subject to the Vesting Condition relating to those Performance Rights having been satisfied. The Company will notify the Participant in writing when the relevant Vesting Condition has been satisfied and, with respect to Tranche A Performance Rights, to the extent to which the Performance Rights have vested as calculated in accordance with paragraph 1 above (**Vesting Notice**). The Tranche C Performance Rights will vest and become capable of being converted to shares once the performance condition has been met.

3. Consideration

The Performance Rights will be granted to the Eligible Participant (or their permitted nominee) for nil cash consideration.

4. Exercise Price

The Exercise Price of each vested Performance Right is nil.

5. Expiry Date

Each Performance Right will expire on the earlier to occur of:

- (a) 5.00pm (WST) on the date referred to in paragraph 1; and
- (b) the Performance Right lapsing or being forfeited under the Plan or these terms and conditions, (**Expiry Date**). For the avoidance of doubt any vested but unexercised Performance Rights will automatically lapse at 5.00pm (WST) on the Expiry Date.

6. Conversion

Upon vesting, each Performance Right will, at the Participant's election, convert into one fully paid ordinary share in the Company (**Share**). The Participant may apply to exercise vested Performance Rights at any time prior to the Expiry Date by filling out a notice of exercise in the form provided by the Company and returning it to the Company Secretary (**Notice of Exercise**).

7. Transfer

The Performance Rights are not transferable.

8. Quotation

No application for quotation of the Performance Rights will be made by the Company.

9. Participation in entitlements and bonus issues

Subject always to the rights under paragraphs 10 and 0, holders of Performance Rights will not be entitled to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

10. Adjustment for bonus issue

If Shares are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends by way of dividend reinvestment), the number of Performance Rights to which holders of Performance Rights are entitled will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the Listing Rules at the time of the bonus issue.

11. Reorganisation of capital

In the event that the issued capital of the Company is reconstructed, all the holder's rights as a holder of Performance Rights will be changed to the extent necessary to comply with the Listing Rules and Corporations Act at the time of reorganisation.

12. Dividend and voting rights

The Performance Rights do not confer on the holder an entitlement to vote or receive dividends.

13. Return of capital rights

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

14. Rights on winding up

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

15. Shares issued on exercise

All Shares issued upon the exercise of Performance Rights will upon issue rank *pari passu* in all respects with the then Shares of the Company.

16. Timing of issue of Shares and quotation of Shares on exercise

As soon as practicable after the issue of a Notice of Exercise by the Participant in accordance with clause 7.1 of the Plan and subject to the expiry of any restriction period that applies to the Shares under the Corporations Act or the Listing Rules, the Company will:

- (a) issue, allocate or cause to be transferred to the Participant the number of Shares to which the Participant is entitled under the Plan;
- (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the Participant; and
- (c) ensure that the Shares issued are able to be on-sold without restriction, which may require the Company to issue of a cleansing notice under section 708A(5) of the Corporations Act or a prospectus under section 708A(11) of the Corporations Act.

17. Change of Control

Subject to clause 11 of the Plan, if a Change of Control Event (as defined in the Plan) occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Performance Rights will be dealt with, including, without limitation, in a manner that allows the holder of the Performance Rights to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

18. Leaver

Where the holder of the Performance Rights becomes a Leaver (as that term is defined in the Plan), all unvested Performance Rights will automatically be forfeited by the holder, unless the Board otherwise determines in its discretion to permit some or all of the Performance Rights to vest.