

ASX ANNOUNCEMENT

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2 December 2024

FENIX TO INCREASE STRATEGIC INVESTMENT IN ATHENA

Fenix to establish substantial shareholding in Athena Resources Ltd through note conversion and entitlement offer participation

HIGHLIGHTS

- **Fenix to convert a portion of the Company's existing debt instruments issued by Athena resulting in the issue to Fenix of 265 million ordinary shares in Athena**
- **Following the debt conversion, Fenix will emerge as Athena's largest shareholder with a 19.84% shareholding**
- **Fenix has agreed to participate in and fully underwrite the $2.7 million entitlement offer being undertaken by Athena, under which Fenix may acquire up to 667.7 million additional Athena shares**
- **Following completion of Athena's entitlement offer, Fenix will hold an interest in Athena of between 19.84% and 46.56% depending on take up under the offer**

Fenix Resources Limited (**ASX: FEX**) (**Fenix** or **the Company**) advises the Company has requested for 53 of the Company's 100 convertible notes in Athena Resources Limited (**ASX:AHN**) (**Athena**) to be converted into ordinary shares in Athena in accordance with the convertible note agreement between Fenix and Athena (see ASX Announcement dated 1 March 2024).

Conversion of the 53 convertible notes in Athena will result in the issue to Fenix of 265 million ordinary shares in Athena, representing an interest of 19.84% and making Fenix the largest shareholder in Athena.

Athena has today announced a $2,670,935 renounceable entitlement offer available to all eligible ordinary shareholders in Athena on a pro rata basis with 1 new share to be issued for every existing 2 fully paid ordinary shares held in Athena, at an offer price of $0.004 per Athena share. Fenix has entered into an underwriting agreement with Athena whereby Fenix will fully underwrite the offer such that any entitlements not taken up by existing shareholders, or other eligible applicants under the offer, will be subscribed for by Fenix pursuant to the underwriting agreement. Fenix has indicated an intention to fully take up the Company's entitlements under the offer to maintain a shareholding of 19.84% in Athena. If no other Athena shareholders and no other eligible participants take up new Athena shares under the entitlement offer, Fenix would acquire a total of 667.7 million additional Athena shares and increase its interest in Athena to 46.56%.

Fenix's Executive Chairman, Mr John Welborn, commented:

"Fenix believes Athena represents a unique regional opportunity to develop a small-scale ultra high-grade magnetite iron ore producer which would demand a premium price as well as being ideal for any Green Steel initiatives. The work to date indicates the Byro Magnetite Project matches with

Fenix's skillset in low capital project development and regional logistics capabilities. Fenix is pleased to take up a significant shareholding in Athena and to support the current capital raise which will provide funding to enable the Byro Magnetite Project to be advanced."

About Athena

Athena's flagship project, the Byro Magnetite Project, is a premium high-grade magnetite iron ore development project it the Mid-West of Western Australia. Byro is situated 410km from the Port of Geraldton and has the potential to produce a unique high grade, low impurity magnetite product with relatively low capex requirements compared to other comparable magnetite projects in Western Australia.

Additional information regarding the Athena entitlement offer can be viewed via the market announcements page at https://www.asx.com.au/markets/company/ahn or Athena's website at https://athenaresources.com.au/.

Authorised by the Board of Fenix Resources Limited.

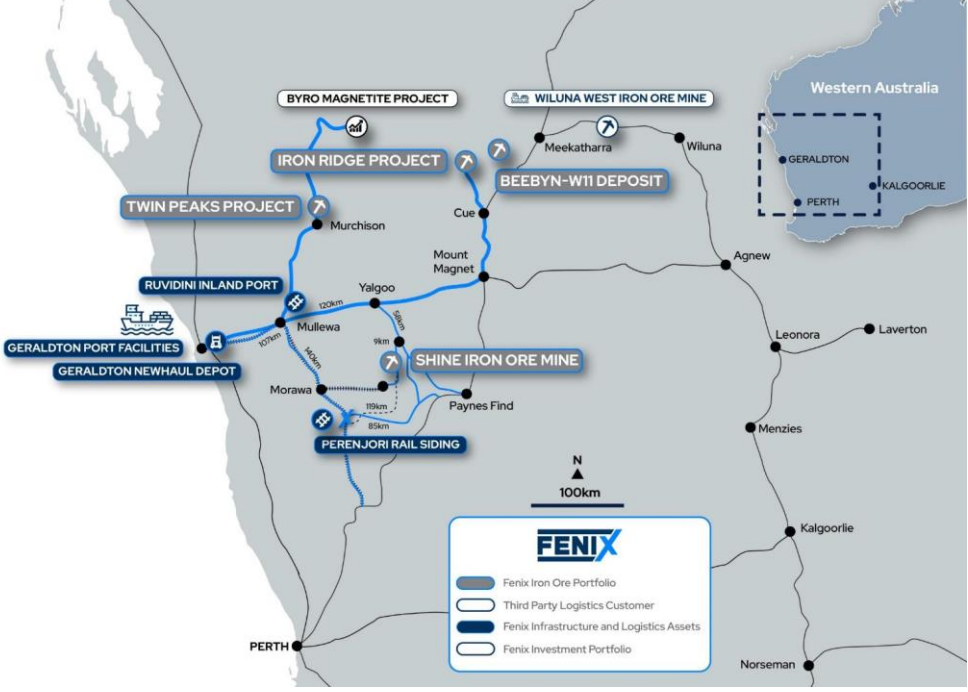
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Fenix Resources (**ASX: FEX**) is a highly profitable, fully integrated mining, logistics and port services business with assets in the Mid-West region of Western Australia. Fenix operates a unique fully integrated mining and logistics business. High 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 haulage 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 tonnes[1] from the Shine Iron Ore Mine (restarted in August 2024) and the Beebyn-W11 Project, due to be in production in early 2025.

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.

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[1] Refer to 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, and announcement dated 25 July 2024 for the Beebyn-W11 production target.