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CZR Resources Ltd
ABN: 91 112 866 869
Suite 9, Level 3
47 Havelock Street
West Perth WA 6005

25 February 2025

Market Announcements Office

Australian Securities Exchange Limited

Level 40, Central Park

152 – 158 St Georges Terrace

PERTH WA 6000

Off-market takeover bid by Fenix Resources Ltd for CZR Resources Ltd – Target's Statement

In accordance with item 14 of section 633(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), we attach a copy of the Target's Statement issued by CZR Resources Ltd ACN 112 866 869 (ASX: CZR) (**CZR**) in relation to the off-market takeover bid by Fenix Resources Ltd ACN 125 323 622 (**Fenix**) under Chapter 6 of the Corporations Act for all the ordinary shares in CZR.

The Target's Statement was lodged today with the Australian Securities and Investments Commission and served on Fenix.

This announcement has been approved and authorised for release by the Managing Director of CZR Resources Ltd.

Yours faithfully



Stefan Murphy

Managing Director
CZR Resources Ltd

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CZR RESOURCES LTD

ACN 112 866 869

TARGET'S STATEMENT

in relation to the takeover offer by Fenix Resources Ltd ACN 125 323 622 to purchase all of your fully paid ordinary shares in CZR Resources Ltd in consideration for 0.85 Fenix Shares for every one (1) CZR Share, increasing to 0.98 Fenix Shares for every one (1) CZR Share if Fenix acquires a 75% Relevant Interest in CZR Shares by 7:00pm (AEDT) on or before 21 March 2025

Your CZR Directors unanimously recommend that you

ACCEPT

the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal

This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with this document, you should consult your financial, legal, tax or other professional adviser immediately.

Thomson Geer
Lawyers

Legal Adviser

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IMPORTANT DATES

Announcement Date	Tuesday, 25 February 2025
Bidder's Statement lodged with ASIC and ASX	Tuesday, 25 February 2025
Opening date of Offer	Tuesday, 25 February 2025
Lodgement of Target's Statement	Tuesday, 25 February 2025
Date by which Fenix must acquire a 75% Relevant Interest in CZR Shares in order for CZR Shareholders to be entitled to the Increased Offer Consideration	7:00pm (AEDT) on Friday, 21 March 2025
Date for notice on the status of conditions	Tuesday, 1 April 2025
Closing date of Offer (unless extended or withdrawn*)	7:00pm (AEST) on Tuesday, 8 April 2025

* The Offer may be extended to the extent permitted under the Corporations Act.

FENIX OFFER INFORMATION LINE

If you have any queries in relation to the Offer, please consult your professional adviser or the Fenix Offer Information Line on 1300 441 599 (for callers within Australia) or +61 2 9068 1927 (for callers outside Australia), Monday to Friday, between 8:30am and 7:00pm (AEDT).

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LETTER FROM THE CHAIRMAN

Dear CZR Shareholders

ACCEPT THE OFFER (in the absence of a Superior Proposal)

I am writing to you in response to the off-market takeover bid announced by Fenix Resources Ltd (**Fenix**) to acquire all of CZR's Shares. On behalf of the Board of CZR (**CZR Board**), I am pleased to present you with this Target's Statement and the opportunity to combine with Fenix via the Offer.

This Target's Statement sets out your CZR Directors' response to the Offer and contains their recommendation, reasons for that recommendation, and other important information you should consider when deciding whether to accept or not accept the Offer.

Under the Offer, CZR Shareholders are being offered 0.85 Fenix Shares for every one (1) CZR Share held (**Base Offer Consideration**), increasing to 0.98 Fenix Shares for every one (1) CZR Share held if Fenix acquires a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEST) on or before 21 March 2025 (**Increased Offer Consideration**).

The CZR Directors have considered the advantages and disadvantages of the Offer and unanimously recommend that you **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal.

The CZR Board believes that this is a sensible and complementary consolidation, given:

- the Offer Consideration represents an attractive premium to the CZR Share price,[1] at both the Base Offer Consideration of 33% and, if Fenix acquires a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEST) on or before 21 March 2025, the Increased Offer Consideration of 53%;
- CZR's controlling shareholder, the Creasy Group, representing 52.18% of CZR Shares, has provided a voting intention statement to accept the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, subject to no superior proposal being made (at the Creasy Group's absolute discretion), on a date that is not earlier than 21 days after the date the Offer opens for acceptances in relation to all the CZR Shares;
- the Miracle Iron Transaction entered into on 29 December 2023 will not proceed and has been terminated, with no other proposal to acquire Robe Mesa or CZR received since exclusivity obligations with Miracle Iron ceased on 29 November 2024;
- the Combined Group will have significantly more liquidity and capacity to fund the development of Robe Mesa, reducing the impact of potential shareholder dilution; and
- Fenix is an established developer and operator of iron ore mines, road and rail haulage logistics and port services, with a track-record of delivering shareholder value through share price growth and dividend returns.

Upon successful completion of the Offer, assuming Fenix acquires 100% of CZR Shares, CZR Shareholders will own approximately 21.4% of the Combined Group under the Base Offer Consideration, increasing to 23.8% under the Increased Offer Consideration by virtue of their aggregate shareholding in Fenix.

The CZR Board's unanimous recommendation to **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal reflects a belief that the Offer is advantageous for CZR Shareholders. CZR Shareholders will become Fenix Shareholders at an attractive premium. CZR Directors who hold CZR Shares have demonstrated support for the Offer also agreeing to accept the Offer in the absence of a Superior Proposal.

The Base Offer Consideration of 0.85 Fenix Shares for every one (1) CZR Share, implies a value of $0.26 per CZR Share based on the closing price for Fenix Shares on 24 February 2025, the last trading day prior to the Announcement Date (**Last Practicable Date**).[2]

[1] CZR VWAP calculated using the 30 trading days up to and including the Last Practicable Date.
[2] The implied offer price for the Offer will change with fluctuations in the share price over time.

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The Base Offer Consideration represents a total undiluted equity value for CZR of approximately $61.4 million and an attractive premium of:

- 27% to the undisturbed 10-day VWAP of $0.205 per CZR Share as at the Last Practicable Date;
- 33% to the undisturbed 30-day VWAP of $0.195 per CZR Share as at the Last Practicable Date; and
- 32% to the undisturbed 60-day VWAP of $0.197 per CZR Share as at the Last Practicable Date.

If Fenix obtains a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025, CZR Shareholders will be entitled to the Increased Offer Consideration. The Increased Offer Consideration of 0.98 Fenix Shares for every one (1) CZR Share, implies a value of $0.30 per CZR Share based on the closing price for Fenix Shares on the Last Practicable Date,[3] representing a total undiluted equity value for CZR of approximately $70.8 million and an attractive premium of:

- 46% to the undisturbed 10-day VWAP of $0.205 per CZR Share as at the Last Practicable Date;
- 53% to the undisturbed 30-day VWAP of $0.195 per CZR Share as at the Last Practicable Date; and
- 52% to the undisturbed 60-day VWAP of $0.197 per CZR Share as at the Last Practicable Date.

After careful consideration of the Offer and the risks associated with CZR proceeding as a stand-alone entity, CZR's Board considers the opportunity to combine with Fenix to be compelling for CZR Shareholders. The reasons why it is recommended that you should **ACCEPT** the Offer are set out in Section 1 of this Target's Statement. In addition, the Target's Statement sets out other matters that may be relevant to your decision whether to **ACCEPT** the Offer.

I encourage you to read both the Bidder's Statement and the Target's Statement and to seek independent advice if required.

If you have any queries in relation to the recommended Offer, please consult your professional adviser or the Fenix Offer Information Line on 1300 441 599 (for callers within Australia) or +61 2 9068 1927 (for callers outside Australia), Monday to Friday, between 8:30am and 7:00pm (AEDT).

On behalf of all CZR Directors, I thank you for your continued support.

Yours faithfully,



Russell Clark
Non-Executive Chairman
CZR Resources Ltd

[3] The implied offer price for the Offer will change with fluctuations in the share price over time.

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IMPORTANT NOTICES

Nature of this document

This Target's Statement is dated 25 February 2025 and is given under section 633 of the Corporations Act by CZR Resources Ltd ACN 112 866 869 in response to the Bidder's Statement lodged by Fenix Resources Ltd ACN 125 323 622 with ASIC and served on CZR on 25 February 2025.

Defined terms and interpretation

Capitalised terms used in this Target's Statement are either defined in brackets when first used or are defined in the Glossary in Section 13.

References Sections

References to Sections are to the named Sections in this Target's Statement.

ASIC and ASX disclaimer

A copy of this Target's Statement has been lodged with ASIC and ASX. Neither ASIC, ASX nor any of their respective officers take responsibility for the content of this Target's Statement.

No account of personal circumstances

This Target's Statement does not constitute financial product advice and has been prepared without reference to the individual investment objectives, financial situation, taxation position or particular needs of any CZR Shareholder or any other person. It is important that you read this Target's Statement before making any decision, including a decision on whether or not to accept the Offer. If you are in doubt as to what you should do, you should consult your legal, investment, taxation or other professional adviser.

CZR Shareholders should consult their taxation adviser as to the applicable tax consequences of the Offer. A general summary of certain Australian taxation considerations is detailed in Section 10.

Risk factors

CZR Shareholders should note that there are a number of risk factors attached to their investment in CZR and other risks which apply in the event the Offer is accepted. Section 8 of this Target's Statement sets out further information regarding those risks.

Forward looking statements

Certain statements in this Target's Statement relate to the future, including forward-looking statements and information ("forward-looking statements"). The forward-looking statements in this Target's Statement are not based on historical facts, but rather reflect the current views and expectations of CZR concerning future events and circumstances. These statements may generally be identified by the use of forward-looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", qualifiers such as "may", "should", "likely" or "potential", or similar words. Similarly, statements that describe the expectations, goals, objectives, plans, targets, and future costs and financial performance of CZR or Fenix are, or may be, forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual results, performances or achievements of CZR or Fenix, to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which CZR or Fenix will operate in the future, including the price of commodities, anticipated costs and ability to achieve goals. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, among others, customer risks, iron ore and other commodity price volatility, discrepancies between actual and estimated revenues or cost, being inaccurate or changing over time, project risks, contracting risks, dependence on key personnel, increased competition, contractual disputes, operating risks, environmental incident claims and industry accidents. Refer to Section 8 for a (non-exhaustive) discussion of potential risk factors underlying, and other information relevant to, the forward-looking statements and information. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on them. All forward-looking statements should be read in light of such risks and uncertainties.

You should note that the historical performance of CZR or Fenix is no assurance of its future financial performance. The forward-looking statements in this Target's Statement reflect views and expectations held only at the date of this Target's Statement. CZR believes that all forward-looking statements included in this Target's Statement have been made on a reasonable basis. However, none of CZR, its directors nor any other person gives any representation, assurance or guarantee that any outcome, performance or results expressed or implied by any forward-looking statements in this Target's Statement will actually occur. CZR Shareholders should therefore treat all forward-looking statements with caution and not place undue reliance on them.

Subject to any continuing obligations under law or the Listing Rules, CZR and the CZR Directors disclaim any obligation to revise or update, after the date of this Target's Statement, any forward-looking statements to reflect any change in views, expectations or assumptions on which those statements are based.

Disclaimer as to information on Fenix

The information on Fenix contained in this Target's Statement has been prepared by CZR using publicly available information (including information contained in the Bidder's Statement) and has not been independently verified by CZR. Accordingly, subject to the Corporations Act, CZR does not make any representation or warranty (express or implied) as to the accuracy or completeness of such information.

Fenix maintains a website at https://fenix.com.au. Information contained in or otherwise accessible through this website is not part of this Target's Statement. All references to this website in this Target's Statement are for information purposes only.

Diagrams, charts, maps, graphs and tables

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding (unless otherwise stated). Accordingly, the actual calculation of these figures may differ from the figures detailed in this Target's Statement, and any discrepancies in any table between totals and sums of amounts listed in that table or to previously published figures are due to rounding.

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Currency

All references in this Target's Statement to "$", "A$" "AUD" and "Australian dollars" are to Australian currency.

Notice to foreign CZR Shareholders

The release, publication and distribution of this Target's Statement may be restricted by law or regulation in some jurisdictions outside Australia. Accordingly, persons outside Australia who come into possession of this Target's Statement should seek advice and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with law and regulations outside Australia.

Privacy and personal information

CZR has collected your information from the CZR Register for the purpose of providing you with this Target's Statement. Such information may include the name, contact details and shareholdings of CZR Shareholders and the names of persons appointed to act as proxy, attorney or corporate representative of CZR Shareholders. Without this information, CZR would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of CZR Shareholders to be held in a public register. Personal information of the type described above may be disclosed to CZR, Fenix and their registries, print and mail and other service providers, authorised securities brokers, Related Bodies Corporate of CZR and Fenix, and may be required to be disclosed to regulators, such as ASIC. CZR Shareholders have certain rights to access personal information that has been collected. CZR Shareholders should contact the Share Registry in the first instance, if they wish to access their personal information. CZR Shareholders who appoint a named person to act as their proxy, attorney or corporate representative should ensure that they inform that person of these matters.

Fenix Offer Information Line

If you have any questions in relation to the Offer, please contact the Fenix Offer Information Line on 1300 441 599 (for callers within Australia) or +61 2 9068 1927 (for callers outside Australia), Monday to Friday, between 8:30am and 7:00pm (AEDT).

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1 Reasons to Accept the Offer

The CZR Directors have considered the advantages and disadvantages of the Offer and unanimously recommend that you **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal.

The reasons for this recommendation are set out below.

The CZR Directors recommend that you accept the Offer promptly to ensure that your acceptance is received before the closing date of the Offer at **7:00pm (AEST) on 8 April 2025** (unless extended). You should not assume that the Offer Period will be extended.

Each CZR Director has agreed to **ACCEPT** all CZR Shares they own or Control into the Offer, in the absence of a Superior Proposal.

The CZR Directors acknowledge that there may be risks associated with accepting or not accepting the Offer, as highlighted in Section 8 of this Target's Statement, and that each CZR Shareholder's risk profile, investment strategy, tax position and financial circumstances are different. If in any doubt as to what to do, CZR Shareholders should obtain financial advice from their broker or financial adviser on the Offer and taxation advice on the effect of accepting the Offer.

In considering whether to accept the Offer, the CZR Directors encourage you to:

- read and carefully consider the whole of the Target's Statement and the Bidder's Statement;
- have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances; and
- obtain independent advice from your investment, financial, tax or other professional adviser on the effect of accepting the Offer.

1.1 *The Offer Consideration represents an attractive premium*

The Base Offer Consideration of 0.85 Fenix Shares for every one (1) CZR Share held, implies a value of $0.26 per CZR Share based on the 30-day VWAP for Fenix Shares prior to the Announcement Date. Should Fenix acquire a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025, CZR Shareholders will be entitled to the Increased Offer Consideration of 0.98 Fenix Shares for every one (1) CZR Share held, implying a value of $0.30 per CZR Share.

The Base Offer Consideration represents attractive premia of 33%, increasing to 53% based on the Increased Offer Consideration (based on CZR and Fenix 30-day VWAP share price):

		Transaction Premium	
	CZR Share Price	Base Offer Consideration	Increased Offer Consideration
10 Day VWAP	$0.205	27%	46%
30 Day VWAP	$0.195	33%	53%
60 Day VWAP	$0.197	32%	52%

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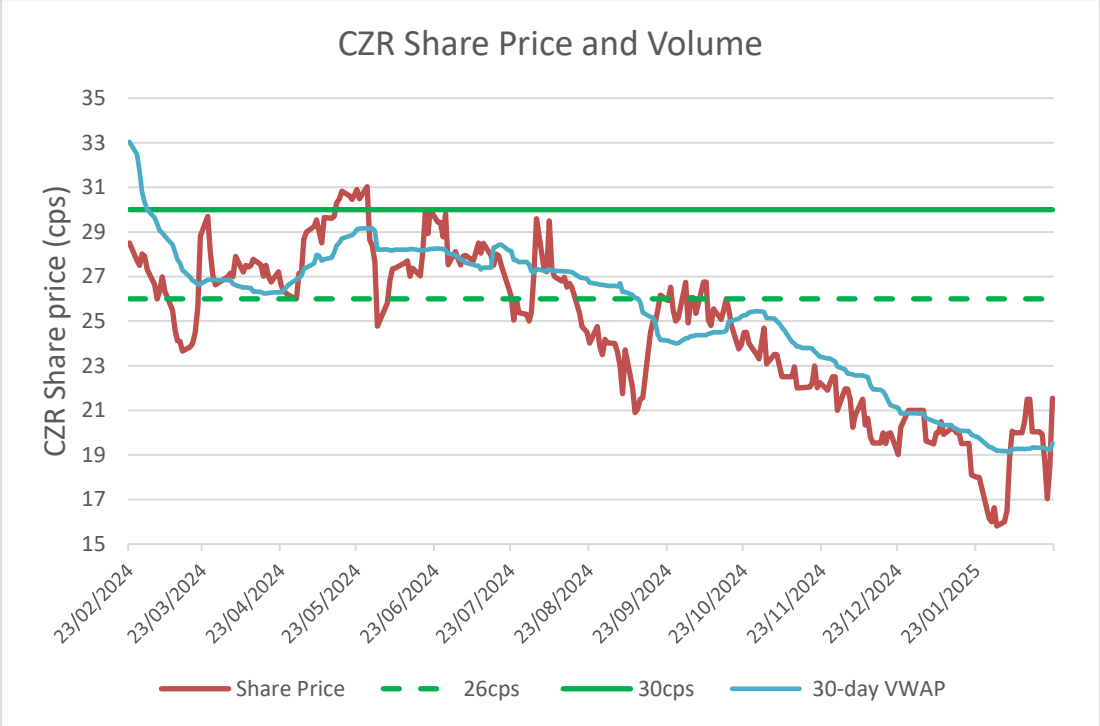

Figure 1 – CZR trading data – past 12 months

1.2 CZR's controlling shareholder, the Creasy Group has provided a voting intention statement

The Creasy Group Controls CZR and holds 52.18% of CZR Shares, or 123,529,413 CZR Shares.

The Creasy Group has provided a voting intention statement advising that it regards the proposed Offer Consideration (at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration) as fair and reasonable and intends to accept the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, subject to no superior proposal being made (at the Creasy Group's absolute discretion), on a date that is not earlier than 21 days after the date the Offer opens for acceptances in relation to all the CZR Shares. For the reasons described below, no Superior Proposal for CZR has emerged to date.

The Creasy Group has been a longstanding, supportive shareholder of CZR. If the Creasy Group accepts into the Offer, this could result in Fenix becoming the controlling shareholder of CZR if the Offer is declared unconditional and CZR Shareholders risk being a minority shareholder in a company controlled by Fenix without realising the full benefits of CZR being fully integrated with Fenix as a wholly owned subsidiary. In addition, Fenix being a controlling shareholder may have different plans for CZR and these interests may differ from the interests of CZR minority shareholders.

The commitment by the Creasy Group indicates strong support for the Offer and, is aligned with the view of CZR Directors as to the merits of the Offer. This commitment also improves the prospects of the Offer being consummated in a timely manner.

1.3 No Superior Proposal has emerged

CZR announced it had entered into the Sale Agreement with Miracle Iron on 11 January 2024, for the sale of Zanthus, a wholly owned Subsidiary that Controls an 85% interest in the Robe Mesa iron ore project (**Robe Mesa** or **Robe Mesa Project**) for cash consideration of $102 million (**Miracle Iron Transaction**). Netting off tax payable and fees associated with the Miracle Iron Transaction, CZR was to retain approximately $84.3 million in cash proceeds.

The Miracle Iron Transaction received CZR Shareholder approval on 28 February 2024 and all Chinese Government approvals in the second half of 2024. However, the Australian Foreign Investment Review Board (**FIRB**) had not made a determination to approve the Miracle Iron Transaction for over 12 months since its announcement on 11 January 2024. Due to the

ongoing uncertainty associated with FIRB approval and the Miracle Iron Transaction as a whole, the parties agreed to end the exclusivity obligations under the Sale Agreement on 29 November 2024 and, CZR subsequently elected to terminate the Miracle Iron Transaction on 24 February 2025. Accordingly, the Miracle Iron Transaction will not be completing. Refer to Section 6.8(b) for further details.

The Base Offer Consideration represents an enterprise value for CZR of $67 million (fully diluted), increasing to $77 million based on the Increased Offer Consideration. CZR considers the Fenix Takeover Bid to be attractive both on a valuation metric, and the lower completion risk compared to the now terminated Miracle Iron Transaction.

CZR has been free from its exclusivity obligations with Miracle Iron since 29 November 2024 and no alternative offers, indicative or otherwise, have been made for Robe Mesa or CZR.

1.4 CZR Funding Requirements

CZR's cash balance as at 31 December 2024 was $99,005. Following the end of the December 2024 quarter, CZR drew an additional $500,000, taking its total drawdown of the Yandal Loan Facility to $1,500,000. On 25 February, 2025, the Fenix Loan Facility was entered into between CZR and Fenix which provides $2,400,000 funding for CZR to repay loans that have become due as a consequence of the Offer, and working capital for the duration of the Offer Period. Refer to Section 6.8(c) for further details of the Fenix Loan Facility. The Yandal Loan Facility is now fully drawn at $1,500,000 and the repayment date has been extended. As described in Sections 6.8 and 8.4(a), CZR has debts relating to loans totalling $2,867,670 owed to Miracle Iron and Yandal. Refer to Section 6.8(a) for further details of the Yandal Loan Facility.

If the Offer does not proceed within the next three months, CZR's financial circumstances will require it to raise funds of at least $3,000,000 to repay its existing debts, to maintain its tenements and fund corporate, administrative and working capital requirements. This funding will most likely be raised through an equity capital raising which will be dilutive to CZR Shareholders. A placement (without CZR Shareholder approval) would also require a waiver of Listing Rule 7.9 if made within three (3) months of the Announcement Date. In addition, issuing securities if made within three (3) months of the Announcement Date will constitute a 'CZR Regulated Event' or 'CZR Prescribed Occurrence' under the Bid Implementation Agreement, which may lead to the Takeovers Panel declaring 'unacceptable circumstances' if the actions of CZR Directors cause the Takeover Bid to lapse. To avoid a declaration of 'unacceptable circumstances' under the frustrating action policy, CZR may be required to obtain CZR Shareholder approval to undertake any form of capital raising. The capital raising may be priced at a discount to the recent trading prices of CZR Shares and could represent a large proportion of CZR's current market capitalisation and result in a significant dilutionary event for existing CZR Shareholders.

Further, although CZR has historically been successful in raising capital, there is no guarantee that CZR will be able to raise funds or the terms of which such funds will be raised. If CZR is unable to raise funds in the future, there may be doubts on CZR's ability to continue as a going concern.

1.5 Financial capacity of Fenix and Combined Group

Fenix is currently generating strong operational cashflows, while investing in new mines to expand production across Western Australia's mid-west. The strong cash flows are underpinned by controlling the haulage and port operations and a strong iron ore hedge book.

Fenix when combined with CZR will have a market capitalisation of circa $287 million[4] and pro forma total Mineral Resources of 137Mt[5], providing the scale to attract further institutional support with the potential to re-rate on completion of the Offer as Fenix unlocks value at Robe Mesa and continues to de-risk development.

[4] Based on the proforma capital structure at the Base Offer Consideration and Fenix's last traded price of $0.305 per Fenix Share on the Last Practicable Date.

[5] Combined interests in Mineral Resources are reported on a 100% basis other than for Beebyn-W11 where only 10Mt is included, for further information refer to section 3.3 of the Bidder's Statement (Fenix's Mineral Resources and Ore Reserves) and Section 0 (CZR's Mineral Resources and Ore Reserves). Fenix's Mineral Resource and Ore Reserve Statement is as detailed in its FY24 Annual Report released on 29 August 2024.

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The Combined Group will have the capacity to fund the development of Robe Mesa through operating cash flows and its status as a mid-tier iron ore producer pushing towards 10Mtpa is intended to attract lower cost financing. As such, CZR considers the enlarged Fenix to be well placed to source and secure lower-cost, less dilutive funding to develop Robe Mesa than CZR could achieve on a standalone basis.

1.6 Share price growth and dividends

Accepting the Offer provides CZR Shareholders with an opportunity to become a Fenix Shareholder, which has a history of cash generation and dividend payments.

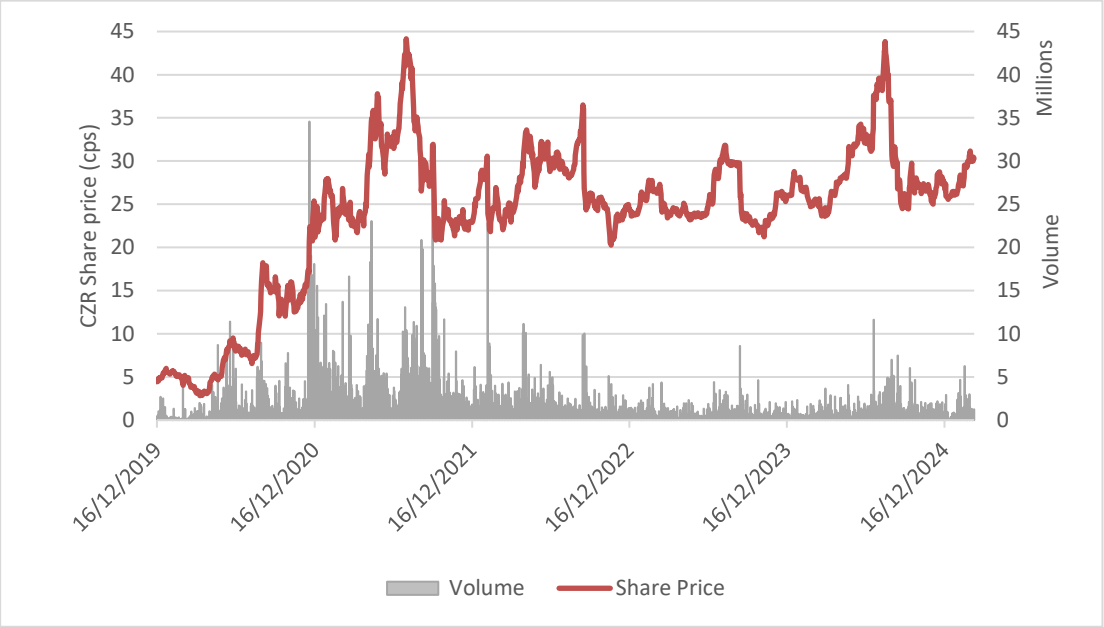

Figure 2 – Fenix trading data – past 12 months

Since 2020, Fenix has delivered shareholder value through share price growth from 3 cents (as at 9 April 2020) to 30 cents (as at the Last Practicable Date) and paid more than $65 million in fully franked dividends to Fenix Shareholders.

Fenix has a track record in developing vertically integrated 'mine-to-port' logistics solutions and intends to replicate this business model at Robe Mesa which will have value-creative implications for CZR Shareholders.

1.7 Increased Liquidity

In addition to the attractive premium, the Offer provides CZR Shareholders with increased liquidity, with Fenix trading with significantly more liquidity than CZR.

Over the 12 months of trading on ASX prior to the Last Practicable Date, an average of $200,000 to $300,000 of Fenix Shares was traded daily, and as high as $1 million in daily share trading has been experienced over the past 12 months (July – August 2024). In comparison, an average of only $50,000 to $60,000 of CZR Shares traded in the same 12-month period, demonstrating much lower volumes (Figure 3).

Higher trading volumes will attract more institutional support to the Combined Group, diversifying the shareholder register and providing all shareholders with a more liquid stock than if they remained as CZR Shareholders.

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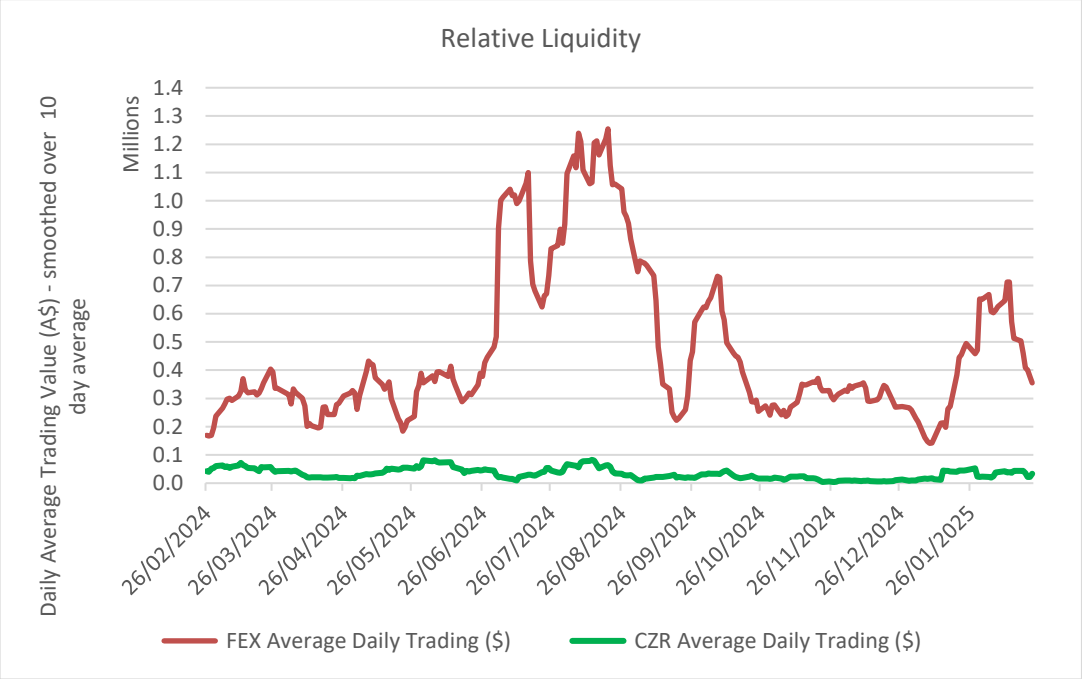

Figure 3 – CZR and Fenix Relative Liquidity

1.8 Allows CZR Shareholders to reduce their exposure to risks associated with development of the Robe Mesa Project

The CZR management team has delivered an exceptional DFS for the Robe Mesa Project. However, the transition from feasibility study to miner will require a significant increase in workforce and skillsets in a very tough labour market.

Fenix brought its first mine (Iron Ridge) into production in 2021 and has consistently produced high-grade iron ore at ~1.3Mtpa.[6] In 2024, Fenix commissioned its second iron ore mine (Shine), increasing mid-west iron ore production to 3Mtpa.[7] Fenix anticipates commissioning its third mid-west mine (W11) in 2025, which would further increase iron ore production to 4Mtpa.[8]

Fenix has an existing mining and logistics business with an experienced workforce and corporate/management structure in place to allow for growth. The risk of project delivery is greatly reduced under Fenix management, and ability to leverage knowledge across the pit to port supply chain, as they do in the mid-west, has the potential to generate synergy value that CZR, on its own, could not.

In particular, haulage is the largest cost centre for Robe Mesa, accounting for 36% of C1 costs. Fenix's wholly owned subsidiary Newhaul, operates a best-in-class fleet of PBS rated super and ultra quad road trains. By bringing low-cost haulage in-house, cost savings, when compared to Robe Mesa Project economic estimates in the DFS, are expected to drive further value for CZR Shareholders.

[6] For further information refer to section 3.2(a)(i) of the Bidder's Statement.
[7] Refer to Fenix ASX announcement on 24 October 2024 entitled 'September 2024 Quarterly Activities Report'.
[8] Refer to CZR ASX announcement on 31 January 2025 entitled 'December 2024 Quarterly Activities Report'.

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2 Other considerations regarding the Offer

2.1 Possible reasons not to accept the Offer

There are some reasons why CZR Shareholders may not choose to accept the Offer, including:

(a) **You may disagree with the recommendation of CZR Directors.** You may have a different view on the merits of the Offer and believe that both the Base Offer Consideration, and, if relevant, the Increased Offer Consideration is inadequate to acquire your CZR Shares.

(b) **You may wish to remain a CZR Shareholder.** Accepting the Offer will result in you no longer being a CZR Shareholder, and you will no longer be entitled to directly participate in the future growth of CZR or exercise your rights as a CZR Shareholder (including voting rights).

(c) **Tax consequences for accepting the Offer.** Existing CZR Shareholders should be aware that the acceptance of the Offer may have certain tax consequences in Australia. The specific Australian tax consequences will vary depending on a number of factors such as (amongst other things) whether an existing CRZ Shareholder is an Australian tax resident for Australian income tax purposes or a foreign (i.e. non-Australian) tax resident for Australian income tax purposes.

Please see Section 10 for more information about certain potential Australian tax implications in respect of the Offer. The summary information provided in Section 10 is general and high-level and does not take account of the individual circumstances of existing CZR Shareholders and does not constitute tax advice and should not be relied upon as such. The precise Australian tax implications of the Offer will depend on each existing CZR Shareholder's specific and individual circumstances. Accordingly, existing CZR Shareholders should consult their own professional tax advisors to determine the tax consequences to them (including Australian income tax, GST and stamp duty) of the Offer in their circumstances.

(d) **You may consider there is a potential for a Superior Proposal to emerge for CZR Shares.** It is possible that a proposal that is superior to the Offer materialises in the future. CZR Shareholders who accept the Offer would not have an opportunity to consider such future potential offer, should the Offer become unconditional. As at the date of this Target's Statement, no alternative proposal has been received by CZR.

2.2 Risks associated with accepting the Offer and being a Fenix Shareholder

Details on the risks associated with accepting the Offer and being a Fenix Shareholder are contained in Section 8.2 of this Target's Statement and section 7.3 of the Bidder's Statement.

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3 Overview

3.1 Summary of the Offer

Fenix is offering to acquire all of your CZR Shares for 0.85 Fenix Shares for every one (1) CZR Share at the Base Offer Consideration. If Fenix obtains a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025, you will, subject to the satisfaction of the Offer Conditions, receive the Increased Offer Consideration of 0.98 Fenix Shares for every one (1) CZR Share. The Offer also extends to CZR Shares that are issued during the Offer Period as a result of the exercise or vesting of CZR Options or CZR Performance Rights. The Offer is subject to various conditions, which are outlined in Section 9.3 of this Target's Statement and section 10.8 of the Bidder's Statement. Refer to the Bidder's Statement for full particulars of the Offer.

3.2 Recommendation of the CZR Directors

The CZR Directors have carefully considered the Offer and unanimously recommend that CZR Shareholders **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal.

This Target's Statement details the formal response of CZR to the Offer, including the reasons why the CZR Directors unanimously recommend that you **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal. The key reasons for the recommendation are detailed in Section 1.

3.3 Intentions of the CZR Directors

Each CZR Director who holds or controls CZR Shares will accept, or procure the acceptance of, the Offer in respect of all CZR Shares they hold or control, in the absence of a Superior Proposal.

Refer to Section 11.2 of this Target's Statement for further details on the CZR Directors' interests in CZR Shares.

3.4 What to do next

As a CZR Shareholder, you have the following choices in respect of your CZR Shares:

(a) **ACCEPT** the Offer if you agree with the CZR Directors' unanimous recommendation to **ACCEPT** the Offer;

(b) sell some or all of your CZR Shares on-market (unless you have already accepted the Offer); or

(c) do nothing in relation to the Offer.

There are several implications in relation to each of the above choices. A summary of these implications is set out in Section 5 of this Target's Statement.

If you are in any doubt as to what to do, the CZR Directors recommend that you consult with your investment, financial, taxation or other professional adviser. Refer to Section 5 of this Target's Statement for further details.

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3.5 Key dates

Announcement Date	Tuesday, 25 February 2025
Bidder's Statement lodged with ASIC and ASX	Tuesday, 25 February 2025
Opening date of Offer	Tuesday, 25 February 2025
Lodgement of Target's Statement	Tuesday, 25 February 2025
Date by which Fenix must acquire a 75% Relevant Interest in CZR Shares in order for CZR Shareholders to be entitled to the Increased Offer Consideration	7:00pm (AEDT) on Friday, 21 March 2025
Date for notice on the status of conditions	Tuesday, 1 April 2025
Closing date of Offer (unless extended or withdrawn*)	7:00pm (AEST) on Tuesday, 8 April 2025

* The Offer may be extended to the extent permitted under the Corporations Act.

4 Frequently Asked Questions

The following table provides brief answers to questions you may have in relation to the Offer but must be read in conjunction with the more detailed information included in this Target's Statement and the Bidder's Statement. You are urged to read the Bidder's Statement and this Target's Statement in their entirety.

Question	Answer	Reference
Who is Fenix?	Fenix is an Australian incorporated company listed on ASX (ASX: FEX) which is a fully integrated mining, logistics and port services business with assets in the mid-west region of Western Australia. Refer to section 3 of the Bidder's Statement and Section 6 for information on Fenix.	Section 6
Does Fenix already have an interest in CZR Shares?	As at the Last Practicable Date, Fenix does not currently have a Relevant Interest in any CZR Shares.	Section 7.7
What is the Offer for my CZR Shares?	Fenix has made an off-market offer to acquire each of your CZR Shares for consideration of 0.85 Fenix Shares for every one (1) CZR Share held, increasing to 0.98 Fenix Shares for every one (1) CZR Share held, if Fenix obtains a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025. If Fenix has a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025, all CZR Shareholders who accept the Offer (including those who have already accepted the Offer) will receive the Increased Offer Consideration. The Offer also extends to CZR Shares that are issued during the Offer Period as a result of exercising or vesting CZR Options or CZR Performance Rights on issue as at the Register Date. If you are an Ineligible Foreign Shareholder or a Small Parcel Shareholder, you will not be issued Fenix Shares. Instead, you will be paid by the	Sections 9.1 and 9.12

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Question	Answer	Reference
	nominee the net proceeds of the sale of the Fenix Shares you would have been entitled to. Refer to Section 9.12 for further details. Entitlements to fractions of Fenix Shares will be rounded up to the nearest whole number.	
What is the Bidder's Statement?	The Bidder's Statement is the document prepared by Fenix which outlines the terms of the Offer. Fenix lodged its Bidder's Statement with ASIC on 25 February 2025 and has sent it to all CZR Shareholders as at the date specified in the Bidder's Statement. If you have not received a copy of the Bidder's Statement or have misplaced it, you are encouraged to call the Fenix Offer Information Line on 1300 441 599 (for callers within Australia) or +61 2 9068 1927 (for callers outside Australia), Monday to Friday, between 8:30am and 7:00pm (AEDT).	-
What is the Target's Statement?	This Target's Statement is CZR's formal response to the Offer, as required by the Corporations Act. Accordingly, this document has been prepared by CZR and contains important information to help you decide whether to accept the Offer.	-
What choices do I have as a CZR Shareholder?	As a CZR Shareholder you can either: • **ACCEPT** the Offer if you agree with the CZR Directors' unanimous recommendation to **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal; • sell some or all of your CZR Shares on-market (unless you have already accepted the Offer); or • do nothing in relation to the CZR Offer. There are several implications in relation to each of the above choices. A summary of these implications is set out in Section 5 of this Target's Statement. If you are in any doubt as to what to do, the CZR Directors recommend that you consult with your investment, financial, taxation or other professional adviser. Refer to Section 5 of this Target's Statement for further details.	Section 5
What are the CZR Directors recommending?	The CZR Directors unanimously recommend that you **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal. The reasons for the CZR Directors' recommendation are detailed in Section 1. If there is a change in this recommendation or any material development in relation to the Offer, CZR will lodge a supplementary target's statement.	Section 1

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Question	Answer	Reference
What do the CZR Directors intend to do with their CZR Shares?	Each CZR Director who holds or Controls CZR Shares will accept, or procure the acceptance of, the Offer in respect of all CZR Shares they hold or Control, in the absence of a Superior Proposal. Refer to Section 11.2 for further details on the CZR Directors' interests in CZR securities.	Section 11.2
Why should I ACCEPT the Offer?	The CZR Directors consider you should **ACCEPT** the Offer because: • the Offer Consideration represents an attractive premium; • CZR's controlling shareholder, the Creasy Group has provided a voting intention statement to accept into the Offer, subject to no superior proposal being made (at the Creasy Group's absolute discretion), on a date that is not earlier than 21 days after the date the Offer opens for acceptances in relation to all the CZR Shares; • no Superior Proposal has emerged; • if the Offer does not proceed within the next three (3) months, CZR will have an immediate funding requirement; • financial capacity of Fenix and Combined Group; • Fenix Share price growth and dividends; • increased liquidity in holding Fenix Shares; and • allows CZR Shareholders to reduce their exposure to risks associated with development of the Robe Mesa Project.	Section 1
How do I accept the Offer?	To accept the Offer, you should follow the instructions set out on the acceptance form that accompanies the Bidder's Statement. You may only accept the Offer in respect of all of the CZR Shares held by you.	-
What are the risks of accepting or rejecting the Offer?	A non-exhaustive list of the key risks in accepting or not accepting the Offer are set out in Section 8 of this Target's Statement.	Section 8
How long will the Offer be open for acceptance?	The Offer is scheduled to close at 7:00pm (AEST) on Tuesday, 8 April 2025 as specified in the Bidder's Statement, unless it is extended or withdrawn in accordance with the Corporations Act. Refer to Section 9.8 for details of the circumstances in which the Offer Period can be extended.	Section 9.8 and section 10.2 of the Bidder's Statement
Can the Offer be varied?	Fenix may vary the Offer in any of the ways permitted by the Corporations Act, including by extending the Offer Period or by increasing the	Section 10.3 of the Bidder's Statement

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Question	Answer	Reference
	Offer Consideration, provided the varied terms and conditions are no less favourable to CZR Shareholders than the Offer. If Fenix varies the Offer in any of those ways, it must give written notice to ASIC and CZR and send you a copy of that notice (provided, however, that Fenix will not be required to send you a copy of the notice if, at the time of the variation, you have already accepted the Offer, the Offer is unconditional and the variation merely extends the Offer Period).	
Is the Offer conditional?	The Offer is subject to a number of conditions which are summarised in Section 9.3, including the following conditions which remain outstanding: • **Minimum Acceptance:** At or before the end of the Offer Period, Fenix has a Relevant Interest in such number of CZR Shares as represents at least 75% in aggregate of all CZR Shares then on issue; • **Regulatory approvals**: Before the end of the Offer Period, ASIC, ASX and other regulatory approvals, waivers, consents, exemptions or declarations that are necessary or required by law, or by any Regulatory Authority, to implement the Takeover Bid on the basis set out in the Bid Implementation Agreement and complete the transactions contemplated by the Bid Implementation Agreement being granted, given, made or obtained and those regulatory approvals or waivers not being withdrawn, cancelled, revoked or varied in a manner that is materially adverse to the parties (or subject to any notice, intimation or indication of intention to do any such thing); • **No restraints**: No judgment, order, decree, statute, law, ordinance, rule of regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or prohibition, entered, enacted, promulgated, enforced or issued by any court or other Government Agency of competent jurisdiction remains in effect at the end of the Offer Period that prohibits, materially restricts, makes illegal or restrains the completion of the Takeover Bid; • **No CZR Prescribed Occurrence**: From the Execution Date until the end of the Offer Period, no CZR Prescribed Occurrence occurs; • **No CZR Regulated Event**: From the Execution Date until the end of the Offer Period, no CZR Regulated Event occurs; • **No CZR Material Adverse Change**: From the Execution Date until the end of the	Section 9.3 and section 10.8 of the Bidder's Statement

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Question	Answer	Reference
	Offer Period, no CZR Material Adverse Change occurs; and • **No breach of CZR representations and warranties**: The CZR representations and warranties are true and correct in all material respects as at the Execution Date and until the end of the Offer Period, except to the extent any such representation or warranty expressly relates to an earlier date. Refer to section 10.8 of the Bidder's Statement and Section 9.3 for further details regarding the Offer Conditions.	
What are the consequences of accepting the Offer now, while it remains conditional?	If you accept the Offer, then unless you are able to subsequently withdraw your acceptance, you will: • no longer have the same level of exposure to CZR's assets and projects; • not be able to sell your CZR Shares on-market; • be unable to accept any other competing proposal that emerges; and • give up your right to otherwise deal with your CZR Shares. Refer to Sections 8.2 and 9.10 of this Target's Statement for further details.	Sections 8.2 and 9.10
If I accept the Offer now, can I withdraw my acceptance?	You cannot withdraw or revoke your acceptance unless a withdrawal right arises under the Corporations Act.	Section 10.5 of the Bidder's Statement
When will I receive the Offer Consideration if I accept the Offer?	If you accept the Offer and the Offer is, or becomes, unconditional, you will be provided with the Offer Consideration on the earlier of: • one (1) month after the date of your acceptance or, if this Offer is subject to a defeating Offer Condition when you accept the Offer, within one (1) month after the Offer becomes unconditional; and • 21 days after the end of the Offer Period. Ineligible Foreign Shareholders and Small Parcel Shareholders will be provided with the net proceeds from the sale of their Fenix Shares to which they are entitled under the Offer at a different time. Refer to sections 10.6 and 10.7 of the Bidder's Statement for further details.	Section 9.11 and sections 10.6 and 10.7 of the Bidder's Statement
What is the offer in respect of CZR Options and CZR Performance Rights?	The Offer does not extend to CZR Options or CZR Performance Rights. Fenix and CZR have agreed to enter into Option Cancellation Deeds with CZR Optionholders to cancel their CZR Options in consideration for	Sections 6.11 and 6.12 and section 5.6 of the Bidder's Statement

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Question	Answer	Reference
	Replacement Fenix Options, with proportional exercise prices and the same expiry dates as the existing CZR Options. Fenix and CZR have also agreed to enter into Rights Cancellation Deeds with CZR Performance Rights Holders to cancel their CZR Performance Rights in consideration for Replacement Fenix Rights, with the same expiry dates as the existing CZR Performance Rights. The Option Cancellation Deeds and Rights Cancellation Deeds are subject to certain conditions including the Offer becoming unconditional and any necessary ASX waivers. Refer to section 5.6 of the Bidder's Statement and Sections 6.11 and 6.12 for more information.	
What if I am an Ineligible Foreign Shareholder or Small Parcel Shareholder?	Ineligible Foreign Shareholders and Small Parcel Shareholders that accept the Offer will not receive Fenix Shares. Rather, the Fenix Shares that Ineligible Foreign Shareholders and Small Parcel Shareholders would have been entitled to receive will be issued to, and sold by, a nominee and the net proceeds attributable to each Ineligible Foreign Shareholder or Small Parcel Shareholder will be paid to them by cheque in Australian dollars drawn on an Australian bank account. Ineligible Foreign Shareholders and Small Parcel Shareholders should read sections 9.10 and 10.7 of the Bidder's Statement, which provides further information for Ineligible Foreign Shareholders and Small Parcel Shareholders about the nominee sale process. Fenix's determination as to whether a CZR Shareholder is an Ineligible Foreign Shareholder or Small Parcel Shareholder is final. Depending on the Ineligible Foreign Shareholder's particular circumstances, a portion of the Offer Consideration may be withheld by Fenix and paid to the Commissioner on account of foreign resident capital gains withholding tax.	Section 9.12 and sections 9.10 and 10.7 of the Bidder's Statement
Will I pay stamp duty or brokerage if I accept the Offer?	No Brokerage or stamp duty should be payable by you in respect of your acceptance of the Offer (see the general and high-level stamp duty comments at Section 10). If your CZR Shares are registered in a CHESS Holding, or if you are a beneficial owner whose CZR Shares are registered in the name of a broker, bank custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.	Section 1.2(j) of the Bidder's Statement
What are the consequences of the Offer becoming unconditional?	If you accept the Offer and the Offer becomes unconditional, you will be entitled to receive 0.85 Fenix Shares for every one (1) CZR Share you hold, increasing to 0.98 Fenix Shares for every one (1) CZR Share held, if Fenix obtains a	Section 10.6 of the Bidder's Statement

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Question	Answer	Reference
	Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025.	
What happens if I do nothing?	You will remain a CZR Shareholder and will not receive the Offer Consideration. If Fenix acquires a Relevant Interest in at least 90% of CZR Shares and the Offer becomes unconditional, Fenix intends to compulsorily acquire the remaining CZR Shares. If Fenix acquires a Relevant Interest in more than 50%, but less than 90% of the CZR Shares and the Offer becomes unconditional, Fenix intends to investigate the removal of CZR from the official list of ASX (if it becomes entitled to do so). Refer to section 6 of the Bidder's Statement for details in relation to Fenix's intentions in relation to CZR.	Sections 1.2(f) and 7.2(e) of the Bidder's Statement
What if I want to sell my CZR Shares on ASX?	During the Offer Period, you may sell some or all of your CZR Shares on ASX for cash provided you have not accepted the Offer. Before doing so, you should consider the implications of this course of action, including that you would not receive the benefit of any increase in the Offer Consideration that may emerge. You will also forfeit the ability to accept any Superior Proposal that may emerge. If you sell your CZR Shares on ASX, you may incur a brokerage charge. It is important to note that if you accept the Offer now, unless withdrawal rights are available (see below), you will give up your right to sell your CZR Shares or otherwise deal with your CZR Shares while the Offer remains open.	-
Can I be forced to sell my CZR Shares?	You cannot be forced to sell your CZR Shares unless Fenix acquires a Relevant Interest in at least 90% of all the CZR Shares during, or at the end of the Offer Period, and becomes eligible to compulsorily acquire your CZR Shares and proceeds with that compulsory acquisition. If Fenix proceeds to compulsory acquisition, you will be provided the last Offer Consideration offered by Fenix for the CZR Shares before the end of the Offer Period.	Section 9.13 and sections 1.2(f) and 7.2(e) of the Bidder's Statement
Does this Target's Statement contain an independent expert's report?	No, this Target's Statement does not contain an independent expert's report. An independent expert's report is only required to be included in a target's statement where the bidder's Voting Power in CZR is 30% or more, or if a director of CZR is a bidder or a director of the bidder company. This requirement does not apply to the Offer. In addition, the CZR Directors do not consider that an independent expert's report is necessary as the CZR Directors consider that the information in this Target's Statement, the Bidder's Statement and publicly available information is sufficient for CZR	-

Question	Answer	Reference
	Shareholders to determine whether or not to accept the Offer.	
What happens if the Offer Conditions are not satisfied or waived?	If the Offer Conditions are not satisfied or waived by the end of the Offer Period, the Offer will lapse and acceptances will be void. If the Offer lapses, you will then be free to deal with your CZR Shares even if you had accepted the Offer.	Sections 10.8 and 10.10 of the Bidder's Statement
What are the tax implications of accepting the Offer?	Refer to Section 10 in respect to a general and high-level summary of certain potential Australian tax implications of the Offer. Tax implications for accepting the Offer for your CZR Shares will vary for each individual and you are advised to consult your financial, tax or other professional adviser on the tax implications of acceptance. You should not rely on that general outline as advice on your own affairs. It does not deal with the taxation position of particular CZR Shareholders. You should seek your own personal, independent financial and taxation advice before making a decision as to whether or not to accept the Offer.	Section 10
Is there a number I can call if I have further queries in relation to the Offer?	Fenix has established an offer information line to assist CZR Shareholders with queries about the Bidder's Statement or how to accept the Offer. If you have any queries, you can call the Fenix Offer Information Line on 1300 441 599 (for callers within Australia) or +61 2 9068 1927 (for callers outside Australia), Monday to Friday, between 8:30am and 7:00pm (AEDT).	-

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5 Your Choices as a CZR Shareholder

The CZR Directors unanimously recommend that CZR Shareholders **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal. However, as a CZR Shareholder, you have the following choices available to you.

5.1 Accept the Offer

CZR Directors unanimously recommend that CZR Shareholders **ACCEPT** the Offer at both the Base Offer Consideration and, if relevant, the Increased Offer Consideration, in the absence of a Superior Proposal.

To accept the Offer, follow the instructions detailed in section 10.3 of the Bidder's Statement and on the acceptance form accompanying the Bidder's Statement. Details of the Offer Consideration you will receive are outlined in Section 9.1 of this Target's Statement and in section 10.1 of the Bidder's Statement. You will only receive the Offer Consideration if the Offer Conditions are either satisfied or waived. Refer to section 10.8 of the Bidder's Statement for full details of the conditions of the Offer.

CZR encourages you to consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your CZR Shares.

5.2 Sell some or all of your CZR Shares on-market

During the Offer Period, if you have not accepted the Offer, you can sell some or all of your CZR Shares on market. If you choose to sell, settlement will occur on a normal "T+2" basis and the purchaser of those CZR Shares may accept the Offer in respect of those CZR Shares. There is no guarantee of the price at which the CZR Shares will trade from time to time, whether before or after the end of the Offer Period. The latest price for the CZR Shares may be obtained from the ASX website http://www.asx.com.au (ASX: CZR). If you sell any of your CZR Shares on market you may incur a brokerage charge.

CZR Shareholders who wish to sell their CZR Shares on-market should contact their broker for information on how to effect the sale. You should seek your own personal advice regarding the taxation consequences for you of selling the CZR Shares on ASX.

5.3 Do nothing

If you do not wish to accept the Offer or sell your CZR Shares on-market, you can choose to do nothing.

By doing nothing you will continue to remain a CZR Shareholder. CZR Shareholders should note that if Fenix acquires a Relevant Interest in at least 90% of all the CZR Shares and Fenix have acquired at least 75% of the CZR Shares for which the offers are made under the Offer during, or at the end of the Offer Period, Fenix will be entitled to compulsorily acquire the CZR Shares it does not already own (refer to Section 9.13 of this Target's Statement for more details). CZR Shareholders should also note that there are risks associated with remaining a CZR Shareholder (see Section 8.4 of this Target's Statement for more details).

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6 Information about CZR

6.1 Overview of CZR

CZR is a West Australian focused mineral exploration and development company with five projects, all in joint-venture with its major shareholder, the Creasy Group. All projects are strategically located, proximal to infrastructure and cover prospective geology with established iron ore, gold and base metal endowment.

CZR was admitted to the official list of the ASX on 25 August 2006.

CZR is a 'disclosing entity' for the purposes of the Corporations Act and is therefore subject to regular reporting obligations under the Corporations Act and the Listing Rules. See Section 6.15 for further information.

6.2 CZR's main business activities

CZR's primary development asset is the Robe Mesa iron ore deposit, part of the larger Yarraloola Project. CZR holds an 85% interest in the Robe Mesa Project through the Yarraloola joint venture with Mark Creasy, via Yandal holding a 15% interest.

The Robe Mesa deposit is adjacent to the Robe River joint venture operations (Rio Tinto 53%, Mitsui 33%, Nippon Steel 14%). Rio Tinto has been mining the Robe Valley since the 1970's and has current mining operations at Mesa A, B, C, H, J and Warramboo, with rail linking to export facilities at Cape Lambert.

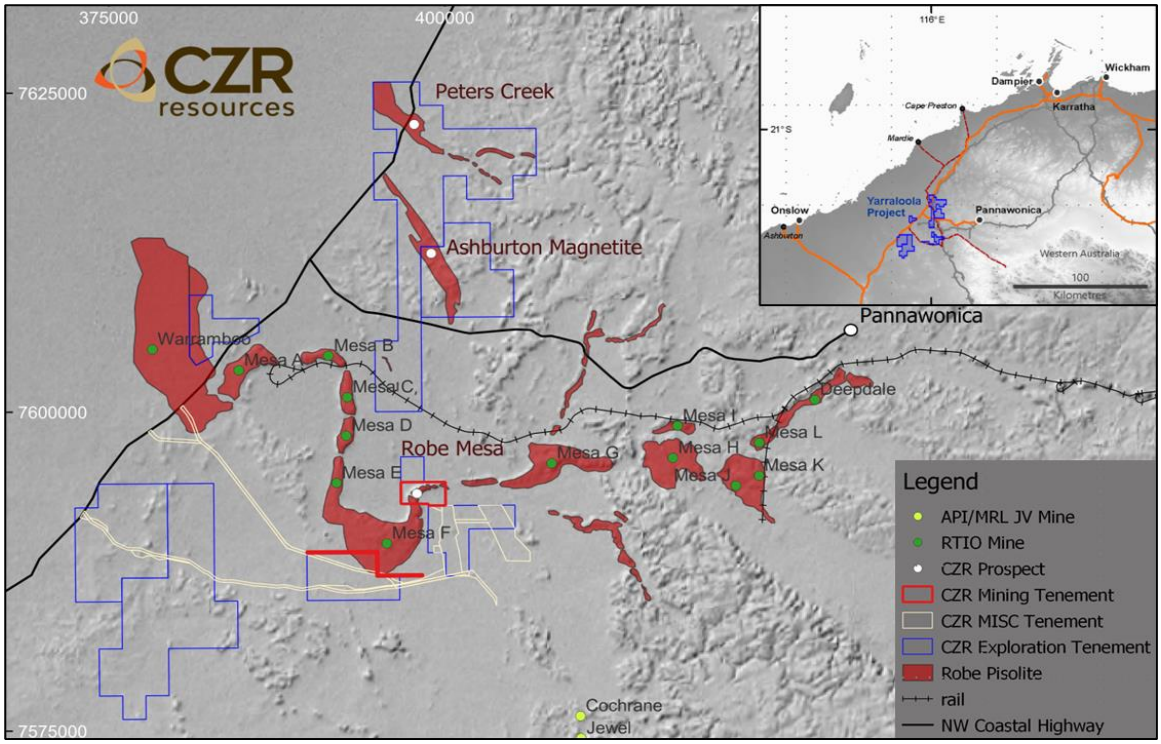

Figure 4 - Yarraloola Project and Robe Mesa deposit showing local infrastructure and iron ore deposits. Insert map showing regional infrastructure of the West Pilbara, relative to the Robe Mesa deposit.

CZR announced the results of the Robe Mesa Definitive Feasibility Study (**DFS**) on 10 October 2023, on a 100% project basis, which targeted a production rate of 3.5Mtpa - 5Mtpa over an initial 8-year mine life, generating exceptional financial returns with low costs and strong free cashflow.

The following key results relating to the DFS are presented on a 100% project basis, but noting the fact that the Robe Mesa Project is held through the Yarraloola joint venture with Mark Creasy (CZR: 85%; Yandal: 15%) as detailed above.

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Key Robe Mesa DFS Metrics (October 2023)

Table 1 - Mine Production Estimate (100% basis)

Production rate	Mtpa	3.5 - 5.0
Mine Life	Years	8.0
Life of Mine Strip Ratio	Waste: Ore	0.6
Ore Reserves (100% Probable category)	Mt	33.4
Robe Mesa Fines	*Mt*	*26.4*
Robe Mesa LG Fines	*Mt*	*7.0*
Waste (includes 314kt of Inferred Resource)	Mt	18.4

Table 2 - Project Economic Estimates (100% basis)

	Units	Base Case
P62 Price Assumption	US$/dmt CFR	90
Exchange Rate	USD : AUD	0.68
Revenue	A$M	2,808
C1 Cost	A$M	1,751
All-In-Sustaining Cost	A$M	1,879
Delivered Cost China (AUD)[1]	A$M	2,603
EBITDA	A$M	824
Capex (Pre-production)[2]	A$M	109
Capex (LOM)[1]	A$M	128
Free cash Flow (pre-tax)	A$M	598
Free cash Flow (post-tax)	**A$M**	**419**
NPV (8% pre-tax)	A$M	366
NPV (8% post-tax)	**A$M**	**256**
IRR (post-tax)	**%**	**62%**
Payback (post-tax)	Years	2.5

1. Includes AISC, freight and royalties
2. Excludes port capex as captured in PAC tariff as an operating cost

Table 3 - Environmental and Social Benefits (100% basis)

	Units	Base Case
Native Title and State Royalties	A$M	225
Corporate Taxes	A$M	179
LOM Opex (FOB)	A$M	1,867
LOM Total Economic Value Add	**A$M**	**2,271**

Table 4 - Pre-Production Capex[3]

	Units	100% Basis	CZR Share (85% Basis)
Robe Mesa and Onslow Hub	A$M	109	91
POA Export Facility	A$M	79	39
Total	**A$M**	**188**	**130**

3. Includes $17 million of contingency

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To support iron ore exports from Robe Mesa, CZR has partnered with CSL Australia Pty Ltd (**CSL**) - a global transhipment services provider, and Miracle Iron – owner and operator of the Paulsens East iron ore mine, to establish Ashburton Link, an incorporated joint venture company, seeking to develop a 5Mtpa iron ore export facility from the Port of Ashburton. The Port of Ashburton is only 171km from Robe Mesa and provides a low-cost export route to support long-term, sustainable export solution for the region.

CZR holds a 50% ownership and capital cost contribution right in Ashburton Link, but a 66.7% export allocation, equating to ~3.4Mtpa. Miracle Iron has a 33.3% export allocation (~1.6Mtpa) and CSL has exclusive transhipment rights from the proposed export facility.

Ashburton Link submitted its development application for the Port of Ashburton Export Facility to the Pilbara Ports Authority in November 2023. Subject to approvals, construction of the facility is expected to commence in early-2026 and be ready for first iron ore shipments in early-2027.

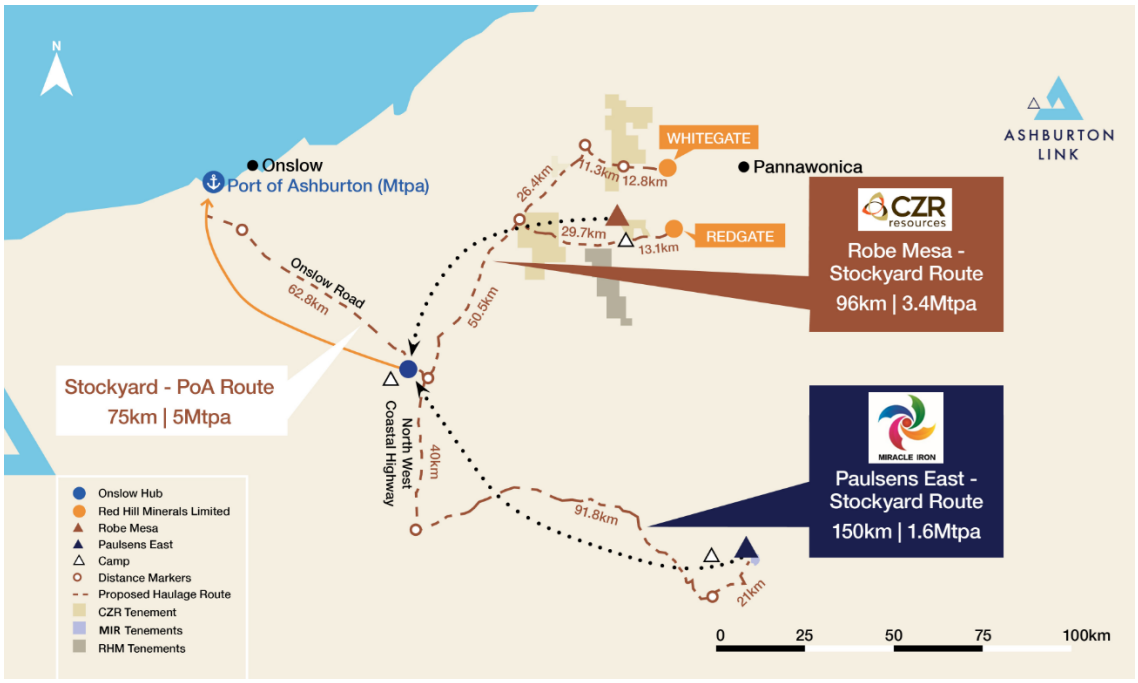

Figure 5 - Pit to port location map

6.3 Major Projects

Croydon Gold Project (CZR 70%)

The Croydon Gold Project (**Croydon** or **Croydon Project**) covers 316km^2 and is located in the Mallina Basin between Karratha and Port Hedland. The region contains De Grey Mining Limited's (**De Grey**) (ASX: DEG) Hemi gold deposit which has a Mineral Resource of 10.5 Moz.[9] The Mallina Basin is emerging as a major gold province, with Northern Star Resources Limited (ASX: NST) and De Grey announcing a $5 billion merger to develop a large-scale gold operation at Hemi.[10]

The Croydon Project covers approximately 40km strike of the prospective Mallina Basin, about 50km south-east of Hemi (Figure 6). In addition to the gold potential, the region is an emerging centre for lithium mineralisation. Wildcat Resources Limited's (ASX: WC8) Tabba Tabba deposits and De Grey's King Col deposits are located along a similar geological setting to the northeast.

[9] Refer to DEG's ASX announcement dated 21 November 2023.
[10] Refer to NST's ASX announcement dated 2 December 2024.

The Croydon Project has a similar geochemical signature to De Grey's Hemi project, with very strong gold and arsenic in soil anomalies, particularly at the Top Camp prospect where initial drilling returned primary gold mineralisation, including:

- 8m at 10.2g/t Au from 135m in CRC007;
- 2m at 22g/t Au from 7m in CRC021; and
- 28m at 0.6g/t Au from 147m in CRC022.[11]

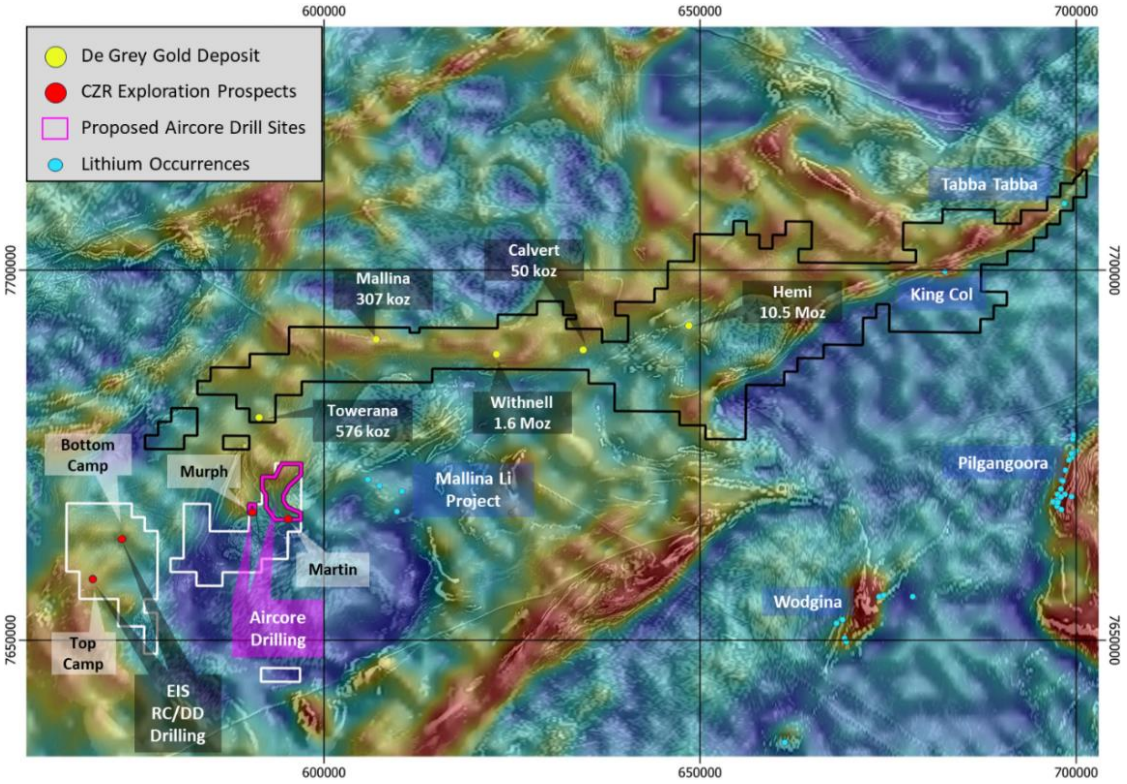

Figure 6 - CZR's Croydon Project and De Grey's Hemi Gold Project Regional gravity over magnetics

CZR has designed a drill program to initially test the gravity high associated with the primary gold mineralisation at Top Camp (Figure 8). Once this drilling is complete and the geological and mineralisation units mapped, further gravity targets will be drill tested. CZR has also designed a series of aircore drill traverses across the Eastern Targets to better inform the geology and significance of the gravity anomalies, before testing with reverse circulation and/or diamond drilling.

[11] CZR announcement entitled "More strong assays of up to 42 g/t further extend limits of known mineralisation" dated 6 October 2020

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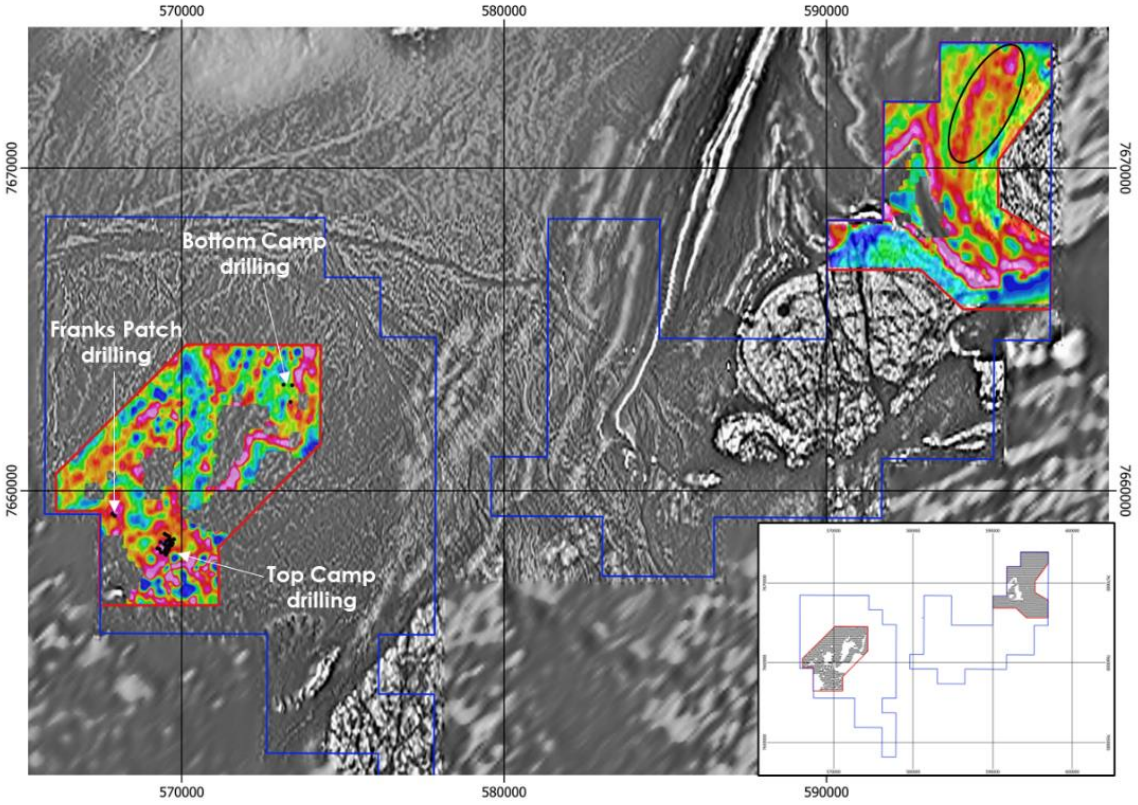

Figure 7 - Preliminary Croydon ground-based gravity results over regional magnetics

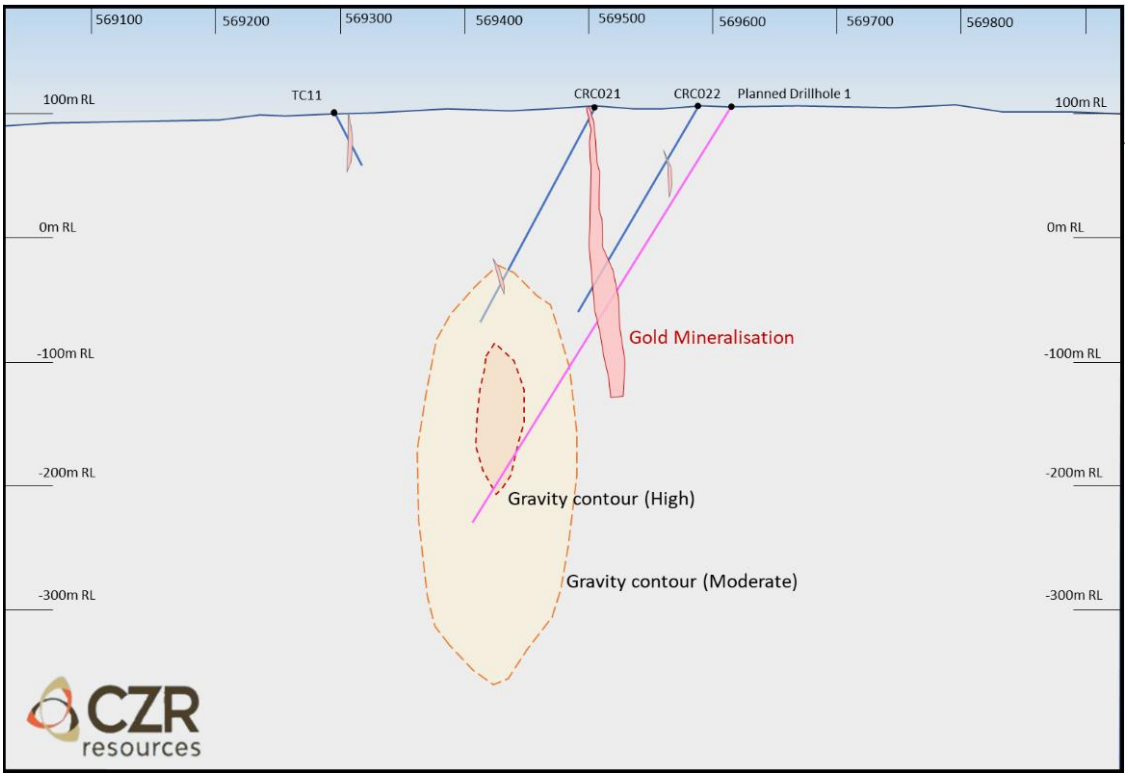

Figure 8 - Top Camp Gravity inversion model – intrusion-related golds target (gravity high) with existing drill holes, primary gold mineralisation and planned drill hole

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Buddadoo Project (CZR 85%)

The Buddadoo Project covers 302km^2 approximately 200km east of the port of Geraldton in the mid-west region of Western Australia (Figure 9). The Buddadoo Project hosts copper, gold and vanadium-titanium-magnetite (**VTM**) mineralisation, with the most advanced prospect being a 6km long by 300-500m wide zone of gabbro with massive and disseminated VTM (**Buddadoo Mafic Complex**).

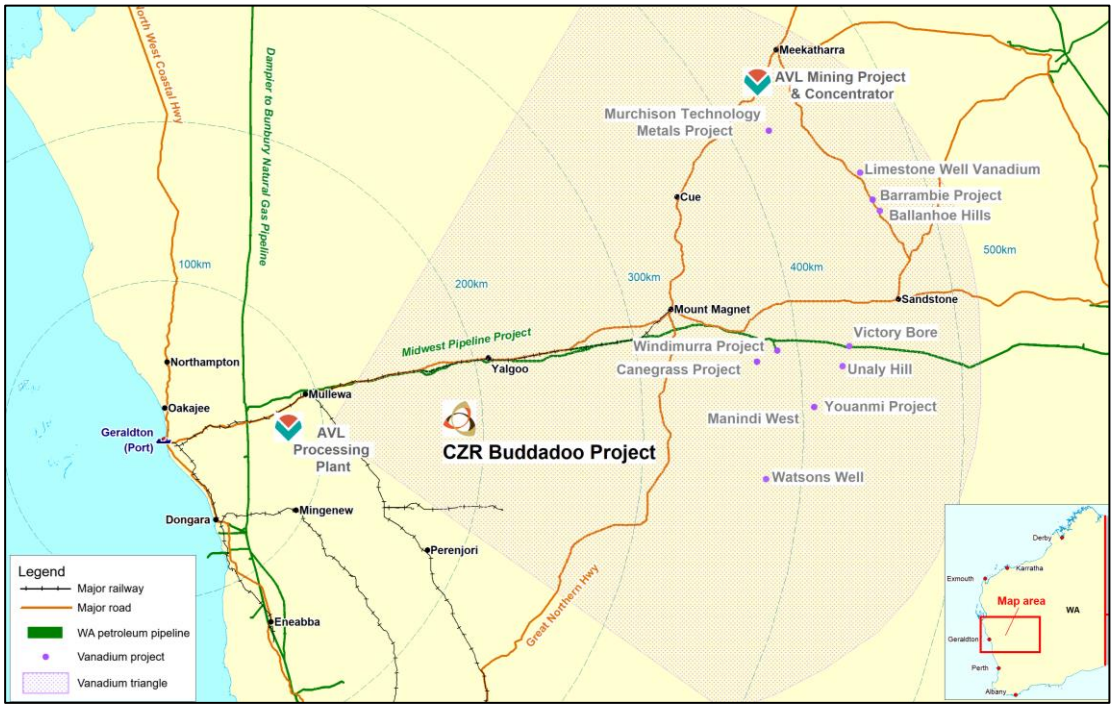


Figure 9 - Buddadoo Project – Vanadium projects and regional infrastructure

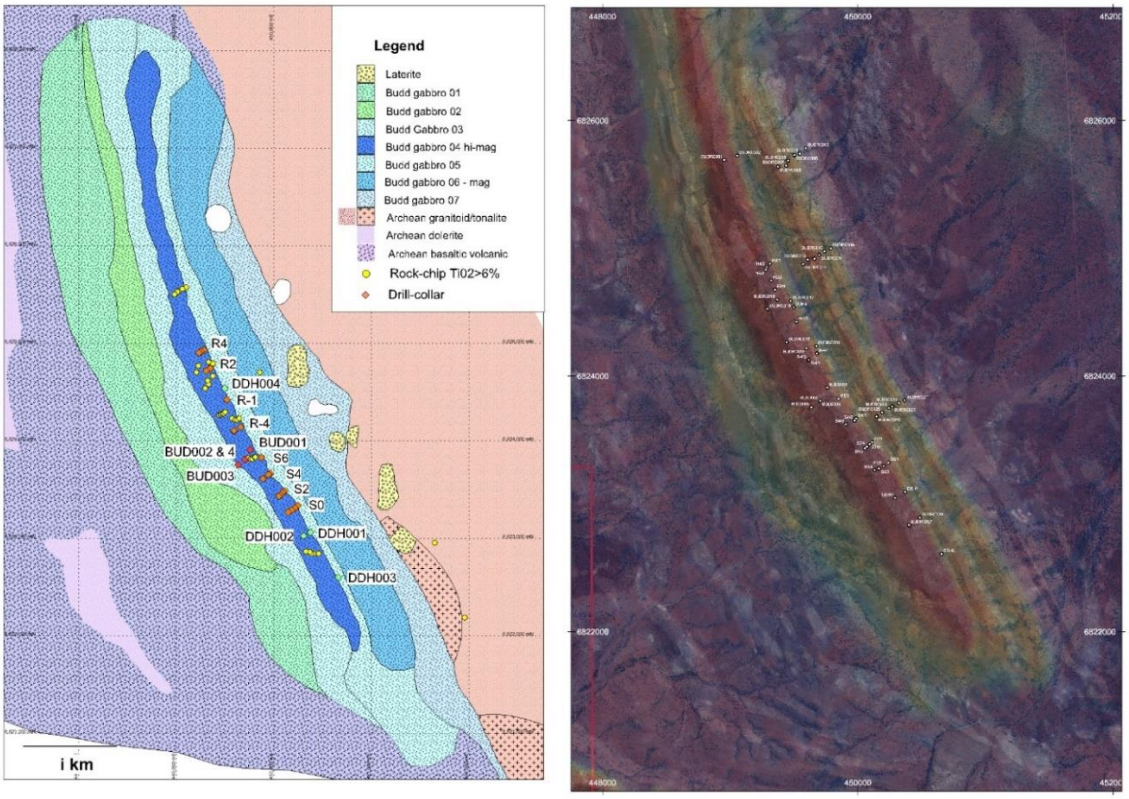
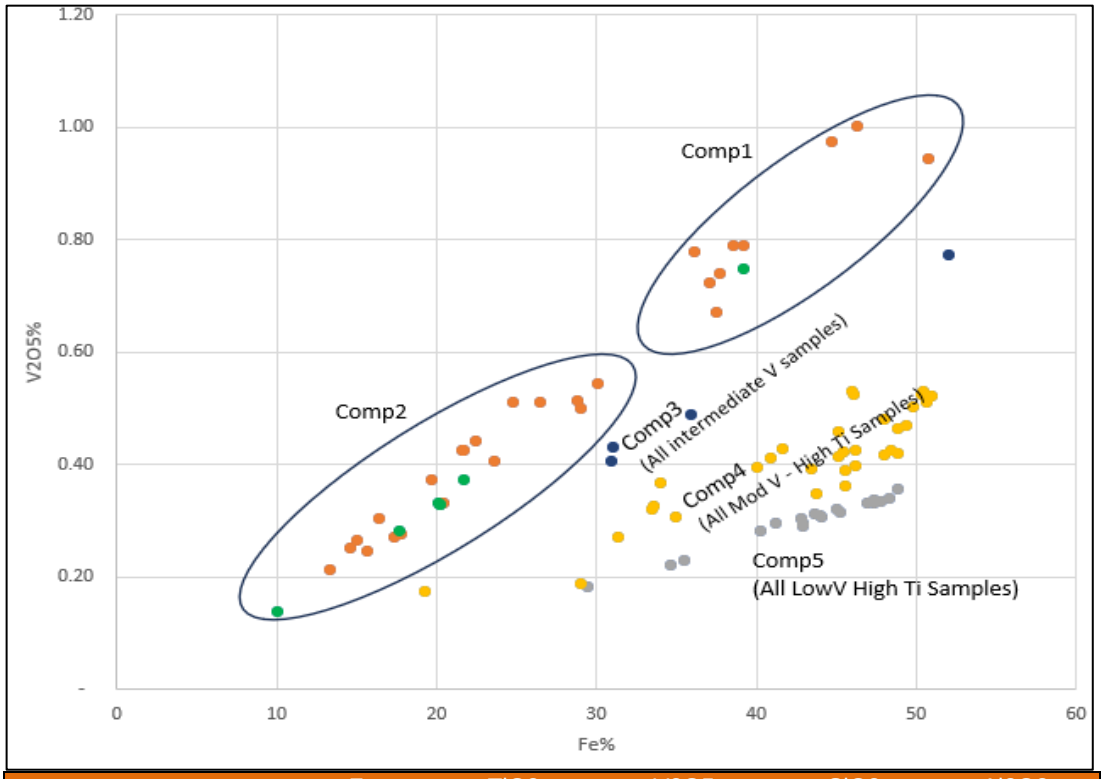


Figure 10 - Buddadoo interpreted geology (left) and magnetics over satellite image (right) with drill hole locations

A total of 57 holes for 6,176m have been drilled into Buddadoo Mafic Complex, with two mineralised zones identified. Significant results include 188m at 0.34% V2O5 from the Main Zone and 22m at 0.47% V2O5 from the Eastern Zone.

Metallurgical test work was completed during 2018 and 2019, with high quality concentrates produced. At -45 microns, Davis Tube Wash (**DTW**) produces magnetite concentrates from Buddadoo reverse circulation (**RC**) samples with 66-68% Fe, 0.8-1.86% V_2O_5, and 1.4-5.7% and TiO_2, with silica and alumina contaminants less than 1% and mass yields up to 46%.[12]

During 2022, CZR prepared additional metallurgical samples from diamond core drilled in 2010. The samples tested separate vanadium and titanium enriched zones, with five composite samples prepared for further metallurgical testwork (Figure 11). The results show the Buddadoo Mafic Complex trends from titanium rich in the west to vanadium rich in the east. Previously reported metallurgical testwork[13] indicates the titanium is hosted in the magnetic fraction, as titano-magnetite, but a high proportion reports to the non-magnetic fraction as ilmenite, and the vanadium enriched zone is entirely hosted within the magnetic fraction.



SAMPLE	Fe %	TiO2 %	V2O5 %	SiO2 %	Al2O3 %
Composite 1	41.5	12.6	0.84	13.3	8.5
Composite 2	20.7	6.2	0.37	33.6	17.7
Composite 3	39.3	13.7	0.56	15.1	8.8
Composite 4	44.3	17.2	0.43	9.5	6.1
Composite 5	43.1	17.6	0.30	10.7	6.6

Figure 11 - Buddadoo VTM composite samples prepared for metallurgical testwork

The focus of current work being undertaken by CZR is to generate geological, geochemical and metallurgical data that can be utilised for the generation of a JORC-compliant Mineral Resource estimate and scoping study for a mining and processing operation. Production options range from producing a titanium-magnetite direct shipping ore (**DSO**), through to down-stream processing to produce a high-grade titanium-magnetite concentrate for export through the Port of Geraldton.

[12] Refer to CZR's ASX announcement entitled "Significant Metallurgical Results - Buddadoo Iron Ore and Vanadium" dated 7 February 2019.
[13] Refer to CZR's ASX announcement entitled "Significant Metallurgical Results - Buddadoo Iron Ore and Vanadium" dated 7 February 2019.

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Outcropping magnetite has been observed along the entire VTM trend, consistent with previous drilling and shows a very strong correlation with the airborne magnetic trend (Figure 12). During FY24, CZR completed a heritage survey over the Buddadoo Mafic Complex, focussed on 200m infill drill lines over the 6km long high grade VTM trend. The infill lines will allow for resource definition RC drilling to commence, with site works scheduled to start once funding for Buddadoo has been received.

CZR also lodged a Mining Licence application covering the Buddadoo Mafic Complex (MLA 59/784) and has commenced discussions with the Yamatji Southern Regional Corporation, representing the Yamatji Nation native title holders over the Buddadoo Project.

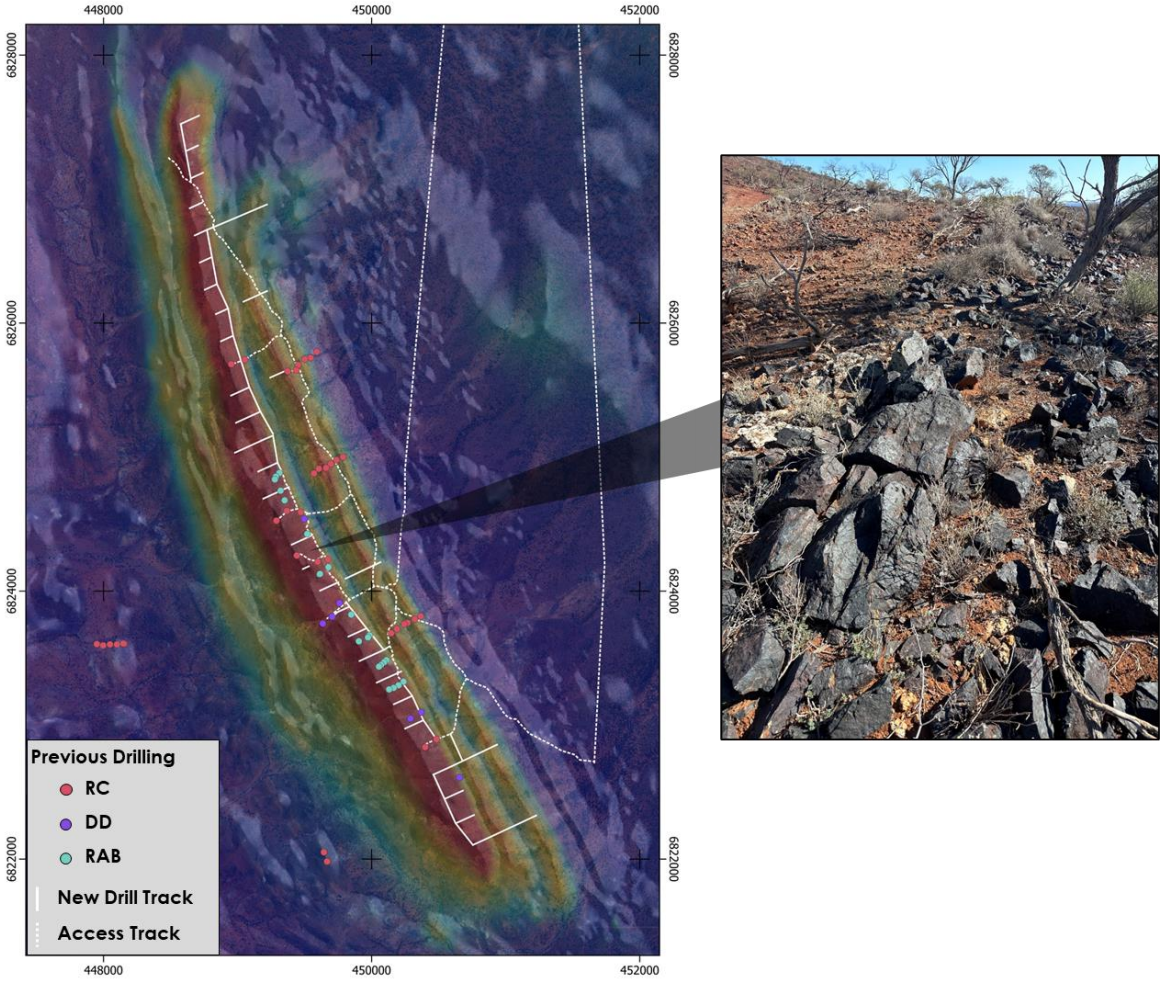

Figure 12 - 6km long magnetic trend (LHS) with existing drilling and planned drill lines. Outcropping VTM along the magnetic trend (photo RHS)

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6.4 CZR's Mineral Resources and Ore Reserves

CZR's Mineral Resource and Ore Reserve estimates provided below are stated on a 100% project basis. As detailed in Section 6.2, CZR holds an 85% interest in the Robe Mesa Project through the Yarraloola joint venture with Mark Creasy, via Yandal holding a 15% interest.

Table 5 - Robe Mesa Mineral Resource Estimate

(see CZR ASX announcement dated 12 December 2022 entitled "Mineral Resource increases a further 20% to 45Mt")

Cut-Off Grade	Category	Tonnes Mt	Fe %	SiO2 %	Al2O3 %	LOI %	P %	S %	Feca[14] %
55% Fe	Indicated	36.0	56.0	5.9	2.8	10.6	0.04	0.02	62.7
	Inferred	9.2	56.1	5.6	2.7	10.8	0.04	0.02	62.9
	Total	**45.2**	**56.0**	**5.8**	**2.8**	**10.7**	**0.04**	**0.02**	**62.7**
50% Fe	Indicated	71.8	54.4	7.5	3.3	10.7	0.04	0.02	61.1
	Inferred	17.8	54.3	7.6	3.3	10.8	0.04	0.02	60.8
	Total	**89.6**	**54.4**	**7.5**	**3.3**	**10.8**	**0.04**	**0.02**	**61.0**

Table 6 - Robe East Mineral Resource Estimate (50% Fe cut-off grade)

(see CZR ASX announcement 26 April 2017 entitled "Yarraloola Project – Robe Mesa Resource Upgrade from 2016 Robe East Extension Drilling")

Category	Mt	Fe%	SiO_2%	Al_2O_3%	TiO_2%	LOI%	P%	S%	Fe_{ca}%
Inferred	4.6	51.8	9.7	3.8	0.2	10.9	0.1	0.02	58.2

Table 7 - P529 (Robe Mesa South) Mineral Resource Estimate (50% Fe cut-off grade)

(see CZR ASX announcement 9 May 2017 entitled "Yarraloola Project – Maiden Inferred Resource for the P529 deposit from 2016 RC Drilling")

Category	Mt	Fe%	SiO_2%	Al_2O_3%	TiO_2%	LOI%	P%	S%	Fe_{ca}%
Inferred	4.2	53.0	9.1	3.9	0.2	10.4	0.04	0.01	59.2

Table 8 - Robe Mesa Ore Reserve Estimate

(see CZR ASX announcement 10 October 2023 entitled "Robe Mesa DFS reveals outstanding financial returns")

Category	Mt	Fe%	SiO2%	Al2O3%	LOI%	P%	S%	TiO2 %	Fe_{ca} %
Probable	33.4	55.0	6.92	3.06	10.7	0.038	0.02	0.10	61.6

[14] Fe_{ca} is the calcined iron-content calculated as (Fe%/(100-LOI%))*100 and represents the amount iron after the volatiles (mainly held as weakly bound water in the structure of the hydrous iron-rich minerals) is excluded from the analysis.

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6.5 CZR's other activities and exploration assets

Ashburton Magnetite Project (85%)

Ashburton Magnetite deposit is an 11km long, outcropping magnetite schist, located 20km north of the Robe Mesa Project, 50km south of Citic Pacific's Sino Iron magnetite mine and close to critical energy, water and transport infrastructure.

An extensive technical review completed by CZR during the September 2023 quarter found Ashburton has the potential to become a substantial deposit, capable of producing high-quality magnetite concentrate.[15]

Drilling at the Ashburton Magnetite deposit, undertaken from 2014-2016, included 29 RC and 3 diamond drill holes for 7,349m, intersecting extensive magnetite mineralisation. Comprehensive Davis Tube Recovery (**DTR**) and bench-scale magnetic separation test work has been completed on drill hole samples, with concentrates reporting +65% Fe on a mass yield ranging from 26% to 39% from magnetite separation.

Further details on the Ashburton Magnetite Project are detailed in CZR's Quarterly Activity Report for the period ended 30 September 2023 as released on the ASX market announcements platform on 31 October 2023.

Shepherd's Well Project (70%)

The Shepherd's Well Project is a multi-commodity (Gold, Nickel and Rare Earths) prospect which covers an area of 77km^2, located 60km south-west of Karratha and covers 15km of a regional shear zone. The Shepherd's Well Project's geology is dominated by mafic volcanics and sediments to west of the shear and a granitic intrusion to the east. All these rocks are overlain in parts by sub-horizontal rocks from the Fortescue Group that forms the base of the Hammersley Basin.

CZR has completed programmes of surface sampling and mapping along sections of the shear zone identifying a nickel prospect at Dorper, a lead-zinc prospect at Suffolk and a rare-earth prospect at Awassi. Refer to CZR's announcements on the ASX market announcements platform on 21 March 2017, 13 September 2016, 11 October 2017 and 25 November 2019 for further information.

Further details on the Shepherd's Well Project are located in CZR's Annual Report for the period ended 30 June 2023 as released on the ASX market announcements platform on 22 September 2023.

Yarrie Project (70%)

The Yarrie Iron Ore Project covers a total of 144km^2, about 160km east of Port Hedland. Yarrie is serviced by bitumen and gravel roads, a natural gas pipeline between Pt Hedland and the Telfer coppergold mine, and a BHP-owned rail connection between Yarrie mining area and Port Hedland.

The Yarrie Project tenements are held for their potential to host high-grade (+62% Fe) iron-ore and have historical high-grade RC drill intercepts at the Cabbage Tree and Kennedy Gap (Y10N) prospects. Refer to CZR's announcement on the ASX market announcements platform on 6 August 2014 for further information. CZR has completed a geophysical review of the Yarrie Project assessing priority iron ore and non-iron ore exploration targets. This resulted in partial tenement relinquishments, with a focus on priority iron ore and rare earth element (REE) targets. CZR has submitted a program of work and heritage clearance notification to drill test some of these targets.

Further details on the Yarrie Project are detailed in CZR's Annual Report for the period ended 30 June 2023 as released on the ASX market announcements platform on 22 September 2023.

[15] Refer to CZR's ASX announcement dated 2 August 2023 for further information.

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6.6 CZR's Directors

As at the date of this Target's Statement, the CZR Directors are:

- Mr Russell Clark – Non-Executive Chairman;
- Mr Stefan Murphy – Managing Director; and
- Ms Hui (Annie) Guo – Non-Executive Director.

Profiles of each of the CZR Directors are available on CZR's website at https://www.czrresources.com/about.

6.7 Historical financial information

(a) Basis of preparation

CZR released its annual financial report for the financial year ended 30 June 2024 on 30 September 2024 and its annual financial report for the financial year ended 30 June 2023 on 22 September 2023 and half year report for the half year ended 31 December 2024. An electronic copy of these reports can be obtained from CZR's website (https://www.czrresources.com) or from the ASX website (www.asx.com.au).

The historical financial information below relates to CZR on a stand-alone basis and does not reflect any impact of the Offer. It is an extract only.

Full consolidated financial accounts, which includes notes to the accounts, can be found in CZR's annual financial reports. Copies of those annual financial reports are available on CZR's website at https://www.czrresources.com.

(b) Consolidated Statement of Financial Position

The consolidated statements of financial position of CZR detailed below have been extracted from the audited financial statements of CZR for the financial years ended 30 June 2024 and 30 June 2023 and the half year ended 31 December 2024, being the last two audited and the most recent half year financial statements prior to the date of this Target's Statement.

	31 December 2024	30 June 2024	30 June 2023
ASSETS			
Current Assets			
Cash and cash equivalents	99,005	588,832	2,169,445
Trade and other receivables	42,042	84,185	164,034
Assets of disposal group classified as held for sale	9,497,021	9,493,707	-
Total Current Assets	**9,638,068**	**10,166,724**	**2,333,479**
Non-Current Assets			
Property, plant and equipment	15,356	21,364	37,461
Exploration assets	4,632,475	4,632,475	14,061,375
Deferred tax	-	27,822,157	-
Total Non-Current Assets	4,647,831	**32,475,996**	**14,098,836**
TOTAL ASSETS	**14,285,899**	**42,642,720**	**16,432,315**

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	31 December 2024	30 June 2024	30 June 2023
LIABILITIES			
Current Liabilities			
Trade and other payables	634,058	1,072,115	855,994
Provisions	73,960	64,159	49,147
Borrowings	1,376,000	-	-
Liabilities directly associated with assets as held for sale	991,670	991,670	-
Income tax	-	12,548,282	-
Total Current Liabilities	**3,075,688**	**14,676,226**	**905,141**
Non-Current Liabilities			
Provisions	16,356	11,632	4,430
Deferred tax	-	384,185	-
Total Non-Current Liabilities	**16,356**	**395,817**	**4,430**
TOTAL LIABILITIES	**3,092,044**	**15,072,043**	**909,571**
NET ASSETS	**11,193,855**	**27,570,677**	**15,522,744**
EQUITY			
Contributed equity	51,905,405	51,905,388	51,905,388
Reserves	5,643,396	6,040,638	4,487,276
Accumulated losses	(46,354,946)	(30,375,349)	(40,869,920)
TOTAL EQUITY	**11,193,855**	**27,570,677**	**15,522,744**

(c) **Consolidated statement of profit or loss and other comprehensive income**

The consolidated statement of profit or loss and other comprehensive income of CZR detailed below for the years ended 30 June 2024 and 30 June 2023 and the half year ended 31 December 2024, being the last two audited and the most recent half year financial statements prior to the date of this Target's Statement.

	Half year ended 31 December 2024 $	Year ended 30 June 2024 $	Year ended 30 June 2023 $
Other Income	8,985	1,040,761	105,860
Depreciation and amortisation expense	(6,008)	(17,618)	(20,111)
Share based payment reversal / (expense)	397,242	(1,553,362)	(542,594)
Compliance and professional fees	(249,079)	(557,312)	(502,826)
Occupancy expenses	(41,318)	(80,035)	(77,070)
Administration expenses	(77,767)	(239,051)	(154,811)
Directors' fees	(72,253)	(338,488)	(139,156)
Finance costs	(33,205)	(10,000)	-
Exploration costs	(979,818)	(2,628,584)	(5,491,181)

Loss on disposal of plant and equipment	-	(215)	(720)
Capitalised exploration and evaluation expenditure impaired	-	-	(285,249)
Share of loss of joint ventures accounted for using the equity method	(36,686)	(11,215)	-
(Loss) before income tax	**(1,089,907)**	**(4,395,119)**	**(7,107,858)**
Income tax benefit / (expense)	(14,889,690)	14,889,690	-
Profit / (loss) after income tax for the year	**(15,979,597)**	**10,494,571**	**(7,107,858)**
Other comprehensive income for the year	**-**	**-**	**-**
T**otal comprehensive profit / (loss) attributable to Owners of CZR Resources Ltd**	**(15,979,597)**	**10,494,571**	**(7,107,858)**

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(d) **Consolidated statement of cash flows**

The consolidated statements of cash flows of CZR detailed below have been extracted from the audited financial statements of CZR for the years ended 30 June 2024 and 30 June 2023 and the half year ended 31 December 2024, being the last two audited and the most recent half year financial statements prior to the date of this Target's Statement.

	Half year ended 31 December 2024 $	Year ended 30 June 2024 $	Year ended 30 June 2023 $
Cash flows from operating activities			
Cash paid to suppliers and employees	(561,199)	(864,402)	(810,364)
Interest received	8,913	39,969	66,545
Other income received	73	792	39,315
Payments for exploration expenditure	(1,273,631)	(2,637,548)	(5,520,918)
Net cash (outflow) from operating activities	**(1,825,844)**	**(3,461,189)**	**(6,225,422)**
Cash flows from investing activities			
Payments for tenement acquisitions	-	(58,858)	(155,000)
Payment for investments	(40,000)	(50,500)	-
Payments for property, plant and equipment	-	(1,986)	-
Proceeds from sale of property, plant and equipment	-	250	-
Proceeds from exclusivity fee – Robe Mesa Transaction	-	1,000,000	-
Net cash inflow / (outflow) from investing activities	**(40,000)**	**888,906**	**(155,000)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares	17	-	5,581,682
Payment of share issue costs	-	-	(152,762)
Proceeds from borrowings	1,376,000	991,670	-
Net cash inflow from financing activities	**1,376,017**	**991,670**	**5,428,920**
Net (decrease) in cash and cash equivalents	(489,827)	(1,580,613)	(951,502)
Cash and cash equivalents at beginning of year	588,832	2,169,445	3,120,947
Cash and cash equivalents at end of year	99,005	**588,832**	**2,169,445**

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6.8 Material changes in CZR's financial position and financial performance

To the knowledge of your CZR Directors, and except as disclosed in this Section 6.8 or elsewhere in this Target's Statement, the financial position and financial performance of CZR has not materially changed since the half year ended 31 December 2024.

(a) Yandal Loan Facility

On 6 December 2023, CZR and Yandal (an entity owned by CZR's major shareholder Mark Creasy) entered into an unsecured loan facility agreement (as amended from time to time) (**Facility Agreement**) pursuant to which Yandal agreed to provide CZR with short-term funding facility of $500,000 (**Yandal Loan Facility**). The Yandal Loan Facility can be drawn down in tranches and the interest rate associated with the Yandal Loan Facility is 12% per annum.

Due to the delays with the Miracle Iron Transaction, the Yandal Loan Facility has been increased over time to a facility limit of $2,500,000 to fund CZR's working capital requirements. With CZR entering into the Fenix Loan Facility on 25 February 2025 (refer to Section 6.8(c)), CZR and Yandal agreed to a further amendment to the Yandal Loan Facility, reducing the facility limit to $1,500,000 and extending the repayment date. As at the date of this Target's Statement, CZR has drawn down the full amount under the Yandal Loan Facility.

Under the Facility Agreement, CZR must repay any outstanding amount (including interest accruing at a rate of 12% per annum) to Yandal by no later than the earlier of:

(i) the repayment date of 30 September 2025;

(ii) within five (5) Business Days after receipt of funds greater than $2,500,000 from any sources; or

(iii) if a change of control event (as defined in the Facility Agreement) occurs, which includes the following events:

(A) CZR announces that CZR Shareholders have at a Court convened meeting of CZR Shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (such as a change of domicile, consolidation, sub-division, reduction or return) of the issued capital of CZR) and the Court, by order, approves the scheme of arrangement;

(B) a takeover bid is announced, has become unconditional and the person making the bid has a Relevant Interest in 50% or more of CZR Shares; or

(C) other than pursuant to paragraphs (A) or (B), any person acquires a Relevant Interest in 50.1% or more of CZR Shares by any other means,

then, within 30 Business Days following:

(D) in respect of paragraph (A), the implementation date of the scheme of arrangement;

(E) in respect of paragraph (B), the end of the offer period for the relevant takeover bid; or

(F) in respect of paragraph (C), the completion of the announced transaction.

If Fenix acquires a Relevant Interest in 50% or more of all CZR Shares and the Offer becomes or is declared unconditional, Fenix will be required to repay the Yandal Loan Facility within 30 Business Days following the end of the Offer Period for the Takeover Bid.

(b) **Miracle Iron Sale Agreement**

On 29 December 2023, CZR entered into the Sale Agreement with Miracle Iron for the sale of Zanthus, a wholly owned Subsidiary that controls an 85% interest in the Robe Mesa Project. The Sale Agreement was subsequently terminated on 24 January 2025.

Following termination of the Sale Agreement, a total amount of $1,376,670 is repayable to Miracle Iron within 10 Business Days of the earlier of:

(i) the date that CZR (or its Related Bodies Corporate) enters into a competing proposal; and

(ii) completion of the first capital raising undertaken by CZR (or its Related Bodies Corporate) following termination of the Sale Agreement (which must be completed within six months of such termination).

A 'competing proposal' is defined in the Sale Agreement to include any offer, proposal or expression of interest, transaction or arrangement under which, if ultimately completed substantially in accordance with its terms, a person (other than Miracle Iron (or its Related Bodies Corporate)) or two or more persons who are Associates would acquire Control of Zanthus or CZR.

CZR entering into the Bid Implementation Agreement with Fenix constitutes a competing proposal for the purposes of the Sale Agreement. Accordingly, CZR is required to repay Miracle Iron approximately $1,376,670 within 10 Business Days of the Announcement Date (being, 11 March 2025).

Refer to Section 8.4 for further details relating to CZR's financial position, the requirement to raise capital and the risks associated with repayment of the Yandal Loan Facility and amounts owed to Miracle Iron.

(c) **Fenix Loan Facility**

CZR and Fenix have entered into an unsecured loan agreement (**Fenix Loan Agreement**) pursuant to which Fenix has agreed to provide CZR with a working capital facility of up to $2,400,000 for the purposes of meeting agreed budgeted expenses (**Fenix Loan Facility**). The interest rate associated with the Fenix Loan Facility is 12% per annum.

The key terms of the Fenix Loan Agreement are as follows:

(i) **Drawdown**

CZR is able to drawdown amounts of no less than $50,000. Fenix is not required to provide any loan to CZR:

(A) to the extent that the loan would exceed $2,400,000; and

(B) at any time after:

(I) the occurrence of an Event of Default; or

(II) the Maturity Date.

(ii) **Maturity Date**

The Maturity Date under the Fenix Loan Agreement means the earlier of the occurrence of:

(A) 30 days after receipt by CZR of a written demand by Fenix in the event of:

(I) a Third Party (other than the Creasy Group in accordance with item 9 of section 611 of the Corporations Act) acquiring 50% or more of CZR Shares or otherwise acquiring Control of CZR;

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(II) the Bid Implementation Agreement being validly terminated (other than pursuant to clauses 10.2(b) or 10.2(d) of the Bid Implementation Agreement) by Fenix in accordance with its terms;

(B) three (3) calendar months after receipt by CZR of a written demand by Fenix in the event of the Bid Implementation Agreement being validly terminated by the Lender in accordance with clause 10.2(d) of the Bid Implementation Agreement;

(C) the date that is three (3) calendar months after the Offer closes; or

(D) the date that is 12 calendar months after the date of the Bid Implementation Agreement,

unless prepaid earlier by CZR (in its sole discretion).

(iii) **Repayment**

CZR must pay the outstanding moneys (including interest accruing at a rate of 12% per annum) to Fenix in full on or before the Maturity Date.

(iv) **Prepayment**

CZR may, if it gives Fenix no less than five (5) Business Days' (or such shorter period as Fenix may agree) prior notice, prepay all of the outstanding moneys (including interest accruing at a rate of 12% per annum) at any time.

(v) **Event of Default**

If an Event of Default occurs and is continuing, Fenix may by written notice to CZR declare that the outstanding moneys are due and payable on the date 45 days from the date of the notice.

Events of Default include:

(A) CZR fails to pay or repay any amount due under the Fenix Loan Agreement within five (5) Business Days of such amount being due;

(B) CZR fails to comply with clause 7 (representations and warranties) or clause 8 (undertakings) of the Fenix Loan Agreement; or

(C) an insolvency event occurs in respect of CZR.

(vi) **Other**

The Fenix Loan Agreement otherwise contains other clauses including representations and warranties, undertakings and assignment provisions that are considered standard for an agreement of this nature.

As at the date of this Target's Statement, CZR has not drawn down on the Fenix Loan Facility.

(d) **Native Title Agreement**

On 21 December 2022, CZR entered into the Robe Mesa Native Title Agreement with Zanthus, ZanF and the Robe River Kuruma Aboriginal Corporation (**RRKAC**). The Native Title Agreement sets out the framework and approvals for the purposes of protecting country, facilitating mining operations at Robe Mesa and developing a meaningful, respectful relationship between CZR and the Robe River Kuruma People.

If there is a change of Control in CZR resulting from the Offer, CZR must pay $250,000 to the Kuruma Marthudunera Direct Benefits Trust on completion of the change of Control.

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6.9 Recent CZR Share price history

As at the Last Practicable Date:

(a) the 10 trading day VWAP of CZR Shares was $0.205;

(b) the 30 trading day VWAP of CZR Shares was $0.195;

(c) the 60 trading day VWAP of CZR Shares was $0.197;

(d) the highest recorded traded price of CZR Shares in the previous three (3) months was $0.245 on 24 February 2025; and

(e) the lowest recorded traded price of CZR Shares in the previous three (3) months was $0.15 on 31 January 2025.

The trading price of CZR Shares on ASX for the past 12 months is presented below.

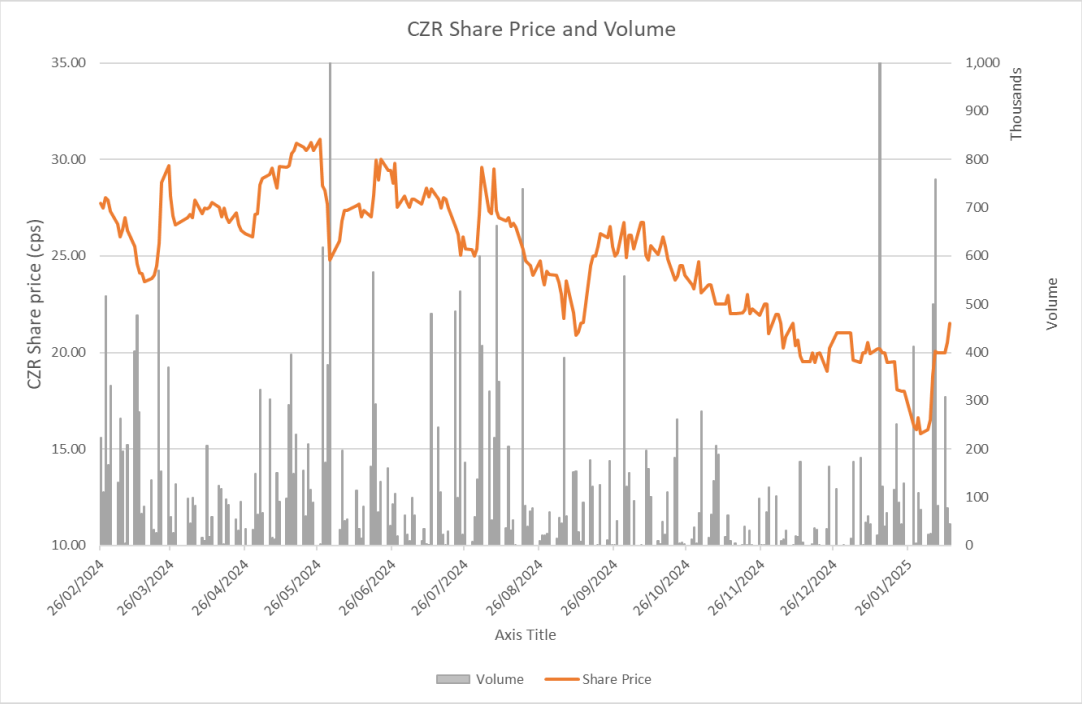

Figure 13 – CZR Share price – past 12 months

It should be noted that these trading prices are affected by the announcement of the Offer. The price of CZR Shares on ASX can be obtained from the ASX website (www.asx.com.au).

6.10 CZR issued securities

As at the date of this Target's Statement, CZR's issued securities consists of:

(a) 236,734,647 CZR Shares;

(b) 11,529,420 CZR Options; and

(c) 3,057,354 CZR Performance Rights.

6.11 CZR Options

The Offer will not extend to the CZR Options.

The terms and conditions of the CZR Options provide that any vesting conditions are automatically waived on a change of control and, therefore capable of exercise in accordance with their terms. CZR Optionholders will be able to exercise those vested CZR Options during the Offer Period and will be able to accept the Offer in respect of the CZR Shares they are issued.

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In accordance with the Bid Implementation Agreement, Fenix has offered CZR Optionholders replacement options in Fenix (**Replacement Fenix Options**), with proportional exercise prices and the same expiry dates as the existing CZR Options, pursuant to cancellation deeds (**Option Cancellation Deeds**).

The Option Cancellation Deeds are conditional upon (or waiver, where applicable):

(a) the Takeover Bid becoming or is declared unconditional;

(b) CZR obtaining all ASX approvals, confirmations or waivers necessary for the parties to undertake and effect the transactions under the Option Cancellation Deeds, including a waiver of any requirement under Listing Rule 6.23 to obtain the approval of CZR Shareholders to cancel the CZR Options under the Option Cancellation Deeds and the satisfaction of the conditions specified in the relevant ASX approval, confirmation or waiver (if any); and

(c) the CZR Optionholder not having dealt with the CZR Options contrary to the Option Cancellation Deeds.

Fenix has made the following offers in relation to the CZR Options:

CZR Options			Replacement Fenix Options		
Number	**Exercise Price**	**Expiry Date**	**Number**	**Exercise Price**	**Expiry Date**
1,764,706[1]	$0.000017	09-Nov-25	1,711,765	$0.000018	09-Nov-25
588,236[2]	$0.000017	30-Nov-27	570,589	$0.000018	30-Nov-27
588,236	$0.272	09-Nov-25	570,589	$0.280412	09-Nov-25
588,236	$0.527	09-Nov-25	570,589	$0.543299	09-Nov-25
4,117,648[2]	$0.476	28-Nov-26	3,994,119	$0.490722	28-Nov-26
411,765[3]	$0.2805	13-Apr-25	399,412	$0.289175	13-Apr-25
1,000,000[4]	$0.476	17-Mar-27	970,000	$0.490722	17-Mar-27
764,708[1]	$0.000017	22-Mar-26	741,767	$0.000018	22-Mar-26
529,412[4]	$0.000017	17-Mar-27	513,530	$0.000018	17-Mar-27
411,766	$0.272	22-Mar-26	399,413	$0.280412	22-Mar-26
411,766[1]	$0.527	22-Mar-26	399,413	$0.543299	22-Mar-26
352,941[1]	$0.000017	16-Sep-26	342,353	$0.000018	16-Sep-26

Notes:

1. 3,000,003 CZR Options remain unvested, and the vesting conditions are deemed to be automatically waived on a change of control which includes an offer for CZR Shares is made pursuant to a takeover bid and is, or is declared, unconditional.
2. 4,705,884 CZR Options remain unvested, and the vesting condition is deemed to be automatically satisfied on a change of control which includes a takeover bid is announced, becomes unconditional and the person making the takeover bid has a Relevant Interest in 50% or more of CZR Shares.
3. 247,059 CZR Options remain unvested, and the vesting conditions are deemed to be automatically waived on a change of control which includes a bona fide takeover bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of CZR Shares.
4. All CZR Options issued under the employee incentive plan and remain unvested. The vesting conditions are deemed to be automatically waived on a change of control which includes a bona fide takeover bid is declared unconditional and the bidder has acquired a Relevant Interest in at least 50.1% of CZR Shares.

CZR intends to apply to ASX for a waiver from Listing Rule 6.23.2 to permit the CZR Options to be cancelled for the above consideration potentially offered by Fenix without requiring the approval of CZR Shareholders.

6.12 CZR Performance Rights

The Offer will not extend to the CZR Performance Rights.

The terms and conditions of the CZR Performance Rights provide that any performance conditions are deemed to be automatically satisfied on a change of control and, therefore capable of conversion in accordance with their terms. A 'change of control' is defined as any of the following events:

(a) CZR announces that its shareholders have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of

arrangement (excluding a merger by way of scheme of arrangement for the purposes of a corporate restructure (such as a change of domicile, consolidation, sub-division, reduction or return) of the issued capital of CZR) and the Court, by order, approves the scheme of arrangement;

(b) a takeover bid is announced, becomes unconditional and the person making the takeover bid has a Relevant Interest in 50% or more of CZR Shares;

(c) any person acquires a Relevant Interest in 50.1% or more of CZR Shares by any other means; or

(d) the announcement by CZR that a sale or transfer (in one transaction or a series of related transactions) of the whole or substantially the whole of the undertaking and business of CZR has been completed.

Upon vesting, the CZR Performance Rights Holder will be able to exercise those CZR Performance Rights during the Offer Period and accept the Offer in respect of the CZR Shares they are issued.

In accordance with the Bid Implementation Agreement, Fenix has offered Performance Rights Holders to replacement performance rights in Fenix (**Replacement Fenix Rights**), with the same expiry dates as the existing CZR Performance Rights pursuant to cancellation deeds (**Rights Cancellation Deeds**).

The Rights Cancellation Deeds are conditional upon (or waiver, where applicable):

(a) the Takeover Bid becoming or is declared unconditional;

(b) CZR obtaining all ASX approvals, confirmations or waivers necessary for the parties to undertake and effect the transactions under the Rights Cancellation Deeds, including a waiver of any requirement under Listing Rule 6.23 to obtain the approval of CZR Shareholders to cancel the CZR Performance Rights under the Rights Cancellation Deeds and the satisfaction of the conditions specified in the relevant ASX approval, confirmation or waiver (if any); and

(c) the CZR Performance Rights Holder not having dealt with the CZR Performance Rights contrary to the Rights Cancellation Deeds.

CZR intends to apply to ASX for a waiver from Listing Rule 6.23.2 to permit the CZR Performance Rights to be cancelled for the consideration potentially offered by Fenix without requiring the approval of CZR Shareholders.

6.13 Dividend Policy

CZR does not currently pay dividends to CZR Shareholders. The CZR Board is not able to indicate if and when dividends will be paid in the future if the Offer is not implemented, as payment of any dividend will depend on the future profitability, financial position and cash requirements of CZR.

6.14 Litigation

Other than as disclosed in this Target's Statement, CZR is not aware of any current or proposed litigation or dispute that is material and to which it is or may be a party.

6.15 Publicly available information

As an ASX listed company and a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act, CZR is subject to regular reporting and disclosure obligations. Broadly, these require it to announce price sensitive information to ASX as soon as it becomes aware of the information, subject to exceptions for certain confidential information.

CZR's most recent announcements are available from CZR's website at https://www.czrresources.com.

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ASX maintains files containing publicly available information about entities listed on their exchange. CZR's files are available for inspection at CZR's registered office during normal business hours and are available on the ASX website (www.asx.com.au).

Additionally, copies of documents lodged with ASIC in relation to CZR may be obtained from or inspected at an ASIC service centre. Please note, ASIC may charge a fee in respect of such services.

The following documents are available for inspection during normal business hours at the registered office of CZR:

(a) CZR's constitution;

(b) CZR's annual financial report which includes CZR's audited financial statements for the financial year ended 30 June 2024;

(c) CZR's half-year financial report for the financial half-year ended 31 December 2024; and

(d) CZR's public announcements.

The annual financial report for the year ended 30 June 2024 and public announcements are available at CZR's website at https://www.czrresources.com, or may be requested to be provided free of charge by contacting CZR's Company Secretary.

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7 Information about Fenix

7.1 Disclaimer

The information on Fenix in this Target's Statement has been prepared by CZR using publicly available information, and has not been independently verified by CZR. Accordingly, subject to the Corporations Act, CZR does not make any representation (express or implied) as to the accuracy or completeness of such information. The information on Fenix in this Target's Statement should not be considered comprehensive. Further information about Fenix is set out in the Bidder's Statement.

7.2 Overview of Fenix

Fenix operates a unique fully integrated mining and logistics business and now operates across three wholly-owned business units:

- **Mining (Westmine):** Exploration, development and mining of mineral tenements across Western Australia's mid-west.
- **Logistics (Newhaul Road Logistics):** Provision of high-quality bulk commodity road and rail haulage logistics solutions to service both Fenix operations as well as third-party customers.
- **Port Services (Newhaul Port Logistics):** Provision of in-loading access via truck or rail for secure storage at Fenix's +400,000 tonnes on-wharf storage facilities (comprising 3 sheds) at Geraldton Port and offering direct ship loading access and services.

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.

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

For more information on Fenix, please refer to section 3 of the Bidder's Statement.

7.3 Overview of Fenix Group principal activities and operations

(a) **Mining**: Section 3.2(a) of the Bidder's Statement provides an overview of Fenix's principal projects, including:

(i) Iron Ridge Iron Ore Mine;

(ii) Shine Iron Ore Mine;

(iii) Beebyn-W11 Iron Ore Deposit; and

(iv) Twin Peaks Iron Ore Mine.

(b) **Logistics**: Section 3.2(b) of the Bidder's Statement provides an overview of Fenix's road and rail haulage operations.

(c) **Port Services**: Section 3.2(c) of the Bidder's Statement provides an overview of Fenix's port services.

7.4 Fenix's Mineral Resources and Ore Reserves

Section 3.3 of the Bidder's Statement provides Fenix's Mineral Resource and Ore Reserve estimates as at the date of this Target's Statement.

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7.5 Fenix Directors

As at the date of this Target's Statement, the directors of Fenix are:

- John Welborn – Executive Chairman and Director;
- Craig Mitchell – Executive Director;
- Garry Plowright – Independent Non-Executive Director; and
- Shannon Coates – Independent Non-Executive Director.

7.6 Historical financial information

The historical financial information for Fenix is set out in section 3.6 of the Bidder's Statement, comprising:

(a) the historical consolidated statement of profit or loss and other comprehensive income for financial years ended 30 June 2023 and 30 June 2024 and the half year ended 31 December 2024;

(b) the historical consolidated statement of financial position for financial years ended 30 June 2023 and 30 June 2024 and the half year ended 31 December 2024; and

(c) the historical consolidated statement of cashflows for financial years ended 30 June 2023 and 30 June 2024 and the half year ended 31 December 2024.

The full financial statements for financial year ended 30 June 2024 and financial year ended 30 June 2023 were audited by Grant Thornton Audit Pty Ltd who issued an unqualified audit opinion. A copy of Fenix's consolidated financial statements can be found on its website: https://fenix.com.au.

7.7 Fenix's interest in CZR

As at the Last Practicable Date, Fenix does not currently have a Relevant Interest in any CZR Shares.

7.8 Fenix's intentions in respect of CZR

Section 6 of the Bidder's Statement sets out Fenix's intentions in respect of the future business and operations of CZR (assuming that the Offer results in Fenix acquiring CZR Shares). CZR Shareholders should carefully consider these intentions when deciding whether to accept the Offer (noting that these are statements of current intention only and may change).

7.9 Publicly available information about Fenix

As an ASX listed company and a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act, Fenix is subject to regular reporting and disclosure obligations. Broadly, these require it to announce price sensitive information to ASX as soon as it becomes aware of the information, subject to exceptions for certain confidential information.

A substantial amount of information about Fenix is available in electronic form from https://fenix.com.au.

ASX maintains files containing publicly disclosed information about all listed companies. Fenix's file is available for inspection at ASX during normal business hours.

In addition, Fenix is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Fenix may be obtained from, or inspected at, an ASIC office.

CZR Shareholders may call the Fenix Offer Information Line on 1300 441 599 (for callers within Australia) or +61 2 9068 1927 (for callers outside Australia), Monday to Friday, between 8:30am and 7:00pm (AEDT) to obtain a copy, free of charge during the Offer Period, of:

(a) the most recent annual financial report lodged with ASIC by Fenix before lodgement of the Bidder's Statement with ASIC;

(b) any half year financial report lodged with ASIC by Fenix after the lodgement of that annual financial report for Fenix referred to above and before lodgement of the Bidder's Statement with ASIC; and

(c) any continuous disclosure notice given to ASX by Fenix since the lodgement with ASIC of that annual financial report for Fenix referred to above and before lodgement of the Bidder's Statement with ASIC.

Fenix's annual financial report to shareholders for the year ended 30 June 2024 was lodged with ASIC and ASX on 29 August 2024. Fenix's annual financial report to shareholders includes the directors' report, remuneration report and auditor's independence declaration, statements of comprehensive income, financial position, changes in equity and cash flows, comprehensive notes to the financial statements and an independent auditor's report.

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8 Risk Factors

8.1 Introduction

CZR and Fenix are subject to a number of investment risk factors which may affect the financial position and financial performance of CZR and/or Fenix and the value of CZR Shares and/or Fenix Shares. Many of the risks are outside the control of CZR, Fenix, the CZR Directors and directors of Fenix, and there can be no certainty that CZR's and/or Fenix's objectives or anticipated outcomes will be achieved.

The risk factors presented in this Section are not an exhaustive list of all risks and risk factors related to CZR, Fenix, the Combined Group and the Offer. Additional risks and uncertainties not currently known to CZR may also have an adverse impact on CZR, Fenix or the Combined Group.

This Section does not take into account the investment objectives, financial situation, position or particular needs of CZR Shareholders. Each CZR Shareholder should consult their legal, financial, taxation or other professional adviser if they have any queries.

8.2 Risks associated with accepting the Offer

(a) **You will be unable to accept any other competing proposal that emerges**

If you accept the Offer, you will be unable to accept any other competing proposal that emerges unless you are able to withdraw your acceptance (refer to Section 9.9 of this Target's Statement for further details about the ability to withdraw an acceptance of the Offer).

As at the date of this Target's Statement, the CZR Directors are not aware of any Superior Proposal.

If a competing proposal arises the CZR Directors will carefully consider the merits of such offer and advise CZR Shareholders of whether the competing proposal affects their recommendation in this Target's Statement.

(b) **You will no longer have the same level of exposure to CZR's assets and operations**

If you accept the Offer and the Offer is or becomes unconditional, you will no longer be a CZR Shareholder.

This will mean that you will not participate in any potential upside associated with CZR's Robe Mesa Project and its other projects to the same extent that you would if you remained a CZR Shareholder, including any increase in the CZR Share price or any benefits that may ultimately be realised by CZR. It will also mean that you will become a Fenix Shareholder such that you will become exposed to the performance of Fenix's projects. The price of Fenix Shares issued as Offer Consideration may be impacted by the future performance of the other parts of Fenix's business.

CZR Shareholders should refer to section 7.3 of the Bidder's Statement for information on the specific risks of an investment in the Combined Group. You will also cease to have a right to influence the future direction of CZR through your voting rights as a CZR Shareholder.

(c) **You will not be able to sell your CZR Shares on-market**

If you accept the Offer, you will no longer be able to trade your CZR Shares on market. There is a possibility that the CZR Share price may exceed the Offer Consideration during part of the Offer Period. Refer to Section 9.10 of this Target's Statement in relation to the effect of accepting the Offer. Refer to Section 8.5 of this Target's Statement in relation to receiving scrip consideration which is not based on a specified market value for the Offer.

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(d) **Issue of Fenix Shares as the Offer Consideration**

CZR Shareholders are being offered a specified number of Fenix Shares (being 0.85 Fenix Shares for every one (1) CZR Share), increasing to 0.98 Fenix Shares for every one (1) CZR Share, if Fenix has a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025, rather than a number of Fenix Shares with a specified market value. As a result, the value of the Offer will fluctuate depending upon the market value of the Fenix Shares.

CZR Shareholders should be aware that if they accept the Offer, then the Offer Consideration may only be issued on or before the earlier of:

(i) one month after the Offer is accepted, or if the Offer is subject to a defeating condition when you accept, within one month after the Offer becomes unconditional; and

(ii) 21 days after the end of the Offer Period,

such that there will be a delay in being able to realise a certain cash value should CZR Shareholders wish to sell some or all of those Fenix Shares (and the value of those Fenix Shares may continue to fluctuate over this period).

Refer to section 7.3 of the Bidder's Statement for further risks of associated with Fenix and the Combined Group.

(e) **Taxation consequences of accepting the Offer**

The taxation consequences of disposing of your CZR Shares pursuant to the Offer depend on a number of factors and your particular circumstances. Acceptance of the Offer may have tax implications for CZR Shareholders. A general and high-level outline of certain Australian tax considerations in respect of the Offer is set out in Section 10. You should seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

8.3 Risks specific to certain Offer outcomes

(a) **Fenix meets 90% compulsory acquisition threshold**

Fenix has indicated that if, as a result of the Takeover Bid, it and its Associates obtain a Relevant Interest in at least 90% of the CZR Shares, Fenix intends to proceed with a compulsory acquisition of the outstanding CZR Shares. If such compulsory acquisition occurs, CZR Shareholders who have their CZR Shares compulsorily acquired will not receive the Offer Consideration until after the compulsory acquisition notices are dispatched to them.

Refer to Section 9.13 of this Target’s Statement for further information.

(b) **Fenix obtains controlling interest in CZR**

If Fenix acquires a Relevant Interest in at least 50.1% but less than 90% of the CZR Shares on issue, it will be able to control the outcome of ordinary resolutions of CZR Shareholders (including resolutions relating to the composition of CZR's Board).

If Control of CZR passes to Fenix, but Fenix does not meet the conditions to proceed to a compulsory acquisition of the remaining CZR Shares, the remaining CZR Shareholders (who have not accepted the Offer) will become minority shareholders in CZR. If this occurs, there may be additional factors that need to be considered, alongside the CZR Directors’ recommendation. These factors may include:

(i) Fenix will be in a position to cast the majority of votes at a general meeting of CZR. This will enable it to control the composition of the CZR Board and senior management and control the strategic direction of CZR's business;

(ii) the CZR Share price may fall immediately following the end of the Offer Period, and it is unlikely that CZR's Share price will contain any takeover premium;

(iii) liquidity of CZR Shares may be lower than at present;

(iv) if the number of CZR Shares or CZR Shareholders is less that that required by the Listing Rules to maintain an ASX listing, then Fenix may seek to have CZR removed from the official list of ASX. If this occurs, CZR Shares will not be able to be bought or sold on ASX, and will only be able to be bought or sold privately;

(v) the synergies referred to by Fenix in the Bidder's Statement may not be achieved and Fenix may not be able to implement its stated intentions in relation to CZR's business;

(vi) if Fenix acquires 75% or more of CZR Shares, Fenix will be in a position to cast the votes required to be able to pass a special resolution of CZR (in respect of which it is entitled to vote) at a meeting of CZR Shareholders. This will enable Fenix to (amongst other things) pass resolutions, for example, to amend CZR's constitution, giving Fenix significant power and control of the operations and strategy of CZR and, may enable Fenix to delist CZR from ASX; and

(vii) CZR may be reliant on Fenix to provide funding or support any capital raising conduct by CZR as a major shareholder of the company. See Section 8.4(a) for further details regarding the funding risks associated with continuing to hold CZR Shares.

8.4 Risks specific to an investment in CZR

In considering whether to accept the Offer, CZR Shareholders should be aware of the risks relating to CZR, its business and assets as well as the general risks associated with an investment in securities markets. These risks include those specific to the industry in which CZR operates and general economic conditions which may affect the future operating and financial performance of CZR.

CZR Shareholders who do not accept the Offer will not receive the premium offered by Fenix. Further, in the absence of the Offer, the price of CZR Shares on ASX may potentially fall below the current trading price. CZR Shareholders will be exposed to the ongoing risks associated with an investment in CZR.

(a) Funding Risks

At the date of this Target's Statement, CZR has cash and cash equivalent of approximately $200,000 and debts relating to loans totalling $2,867,670, which includes:

(i) $1,500,000 due to Yandal pursuant to the Yandal Loan Facility which, on the occurrence of a "change of control event" (as defined in the Facility Agreement) as described in Section 6.8(a), is repayable 30 Business Days following the end of the Offer Period; and

(ii) $1,367,670 due to Miracle Iron as part of the Sale Agreement repayable on 11 March 2025 as described in Section 6.8(b).

For the previous 12 months while CZR had been waiting for completion of the Miracle Iron Transaction pursuant to the Sale Agreement, CZR has primarily been funded through the Yandal Loan Facility provided by Yandal. To give CZR Shareholders a reasonable opportunity to accept into the Offer, CZR and Fenix have agreed in the Bid Implementation Agreement that the Offer can be extended by Fenix for up to three months but any extensions beyond three months require CZR's consent. This is to allow the Offer to be open for a reasonable period of time for CZR Shareholders to accept into the Offer and to ensure a reasonable prospect of success of the Offer.

However, due to CZR's financial circumstances, if the Offer Period extends beyond three months CZR will require additional funding to repay its existing debts, to maintain its tenements and fund corporate, administrative and working capital requirements. CZR estimates that it will need to raise at least $3,000,000. This funding may occur by way of CZR incurring additional debt and/or undertaking an equity capital raising involving the issue of additional CZR Shares. The ability of CZR to meet these future

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funding requirements, when they arise, will be dependent upon its continued capacity to access capital market funding sources and/or financing facilities via credit markets, including any environmental, social and government requirements. Funding via additional equity issues may be dilutive to existing CZR Shareholders and, if available, debt financing may be subject to CZR agreeing to certain debt covenants and encumbering CZR's assets.

A placement (without CZR Shareholder approval) would also require a waiver of Listing Rule 7.9 if made within three (3) months of the Announcement Date. In addition, issuing securities if made within three (3) months of the Announcement Date will constitute a 'CZR Regulated Event' or 'CZR Prescribed Occurrence' under the Bid Implementation Agreement, which may lead to the Takeovers Panel declaring 'unacceptable circumstances' if the actions of CZR Directors cause the Takeover Bid to lapse. To avoid a declaration of 'unacceptable circumstances' under the frustrating action policy, CZR may be required to obtain CZR Shareholder approval to undertake any form of capital raising.

If CZR is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations, postpone or abandon development plans, relinquish or forfeit rights in relation to the CZR's assets, delay, suspend and/or scale back its exploration programs and business strategies, as the case may be, and it may also impact on CZR's financial circumstances and solvency if it is unable to repay its debts. There is however no guarantee that CZR will be able to secure any additional funding as and when required on terms favourable to CZR or at all, the failure of which would thus have a material adverse effect on CZR's financial position, activities, its solvency and its reputation.

In addition, pursuant to the terms of the Fenix Loan Agreement, if CZR draws down on the Fenix Loan Facility, CZR will be required to repay the outstanding amount of the loan within three (3) months after the close of the Offer. Refer to Section 6.8(c) for a summary of the Fenix Loan Agreement.

(b) **Economic Factors, Inflation and Supply Chain Risks**

CZR's performance and the value of CZR Shares may be affected by fluctuations in commodity prices and exchange rates, such as the USD and AUD denominated iron ore prices and the AUD/USD exchange rates. Financial performance will be highly dependent on the prevailing commodity prices, capital costs, operating costs and exchange rates. These prices along with other inputs to capital and operating costs can fluctuate rapidly and widely and are affected by numerous factors beyond the control of CZR including, among others, expectations regarding inflation, the financial impact of movements in interest rates, global economic trends and confidence and conditions, each of which are currently experiencing material changes. The market price for iron ore has historically been volatile and may continue to fluctuate significantly over time. Most iron ore is currently sold into China which may contribute to the future volatility in iron ore prices.

The above factors may have an adverse effect on CZR's exploration and development activities and the potential for future production activities, as well as the ability to source adequate staff and fund those activities. In particular, if activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed or impact on the development of CZR's projects, including Robe Mesa.

CZR's future revenues (if any), the economic viability of its projects, the market price for its listed securities, and its ability to raise future capital and source adequate staff may be affected by these factors, which are beyond CZR's control.

(c) **Access Risks**

It is also possible that, in relation to tenements which CZR has an interest in or will in the future acquire such an interest, there may be areas over which legitimate rights of Traditional Owners or surface rights holders exist. In this case, the ability of CZR to gain access to tenements (through obtaining consent of any relevant Traditional Owner, body, group or landowner), or to progress from the exploration phase to the

development and mining phases of operations may be adversely affected. CZR's mineral titles may also be subject to access by third parties including, but not limited to Traditional Owners. This access could potentially impact CZR's activities and/or may involve payment of compensation to parties whose existing access to the land may be affected by CZR's activities.

(d) **Tax Law and Application**

The application of and changes in relevant tax laws (such as income tax, GST (or equivalent) and stamp duty), rules relating to deductible liabilities, or changes in the way those tax laws are interpreted, will or may impact the tax liabilities of CZR or the tax treatment of a CZR Shareholder's investment. An interpretation or application of tax laws or regulations by a relevant tax authority that is contrary to CZR's view of those laws may increase the amount of tax paid or payable by CZR.

Both the level and basis of tax may change. Any changes to the current rates of taxes and/or any changes in tax rules and tax arrangements may increase the amount of tax paid or payable by CZR and may also impact CZR Shareholders.

(e) **Trading in Securities of CZR may not be Liquid**

There is no guarantee that there will be an ongoing liquid market for securities of CZR. Accordingly, there is a risk that, should the market or CZR's securities become illiquid, CZR's Shareholders will be unable to realise their investment in CZR.

(f) **Environmental Regulation Risk**

The operations and proposed activities of CZR are subject to State and Federal laws and regulations concerning the environment. Government Agencies and other Regulatory Authorities that administer and enforce environmental laws and regulations determine these requirements. As with most exploration projects and mining operations, CZR's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceed. It is CZR's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on CZR's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on CZR for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or noncompliance with environmental laws or regulations. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation.

Further, CZR will require approvals from relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent CZR from undertaking its desired activities. CZR is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase CZR's cost of doing business or affect its operations in any area.

(g) **Licence and Permitting Risks**

CZR's interests in tenements (including tenement applications) situated in Western Australia are governed by legislation as evidenced by the granting of leases and licences by the relevant States. CZR's granted tenements and tenement applications in Western Australia are subject to, without limitation, the *Mining Act 1978* (WA) and *Mining Regulations 1981* (WA). CZR has an obligation to meet the conditions that apply to the tenements under the above-mentioned legislation such as annual expenditure and reporting commitments (in addition to other regulatory requirements). A failure to

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comply with any of the tenement conditions could result in CZR losing to or its interest in the tenements or if insufficient funds are available to meet expenditure commitments. There are no guarantees that the tenements that are subject to renewal will be renewed or that any applications for exemption from minimum expenditure conditions will be granted, each of which could adversely affect the standing of a tenement.

In addition, CZR holds certain permits and licences to conduct operations at the Robe Mesa Project but over time existing permits will need to be extended and additional exploration activities outside the current operating areas will require additional permits.

CZR's future activities are dependent upon the grant, or as the case may be, the maintenance of appropriate permits and licences, governing, amongst other things, prospecting, developments, mining, production, labour standards, mine sublets, occupational health, waste disposal, toxic substance, land use, explosive or hazardous materials, environmental protection and other matters, which may be withdrawn or made subject to limitations. The granting and maintaining of permits and licences, and obtaining renewals, depends on CZR being successful in obtaining the required statutory approvals for its proposed activities. There is also no certainty that the permits and licences it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith. Any inability to conduct CZR's operations pursuant to its existing permits and licences it holds, or obtain additional permits would materially reduce CZR's development activities and cash flow.

Any failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by Regulatory Authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions against CZR. CZR may be required to compensate those suffering loss or damage by reason of CZR's mining operations or mine reclamation and remediation activities and may have civil or criminal fines or penalties imposed upon it for violation of applicable laws or regulations.

Further, CZR is subject to other laws and regulations, including those relating to exploration, mining, processing, development, tax, labour, subsidies, royalties, environmental impact and land access. Any materially adverse changes to government application, policy or legislation in relevant areas, or community or government attitudes could impact the assets, profitability or viability of CZR's projects. Changes in political and community attitudes on matters such as taxation, competition or foreign investment policy and environmental, social and governance issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect CZR's exploration and/or development plans or its rights and obligations in respect of the tenements, permits or licences in which it holds interests. Any such government action may also require increased capital or operating expenditures and could prevent or delay development of the Robe Mesa Project.

(h) **Expected Future Events may not occur**

Certain statements in this Target's Statement constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance and achievements of CZR to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Given these uncertainties, CZR Shareholders should not place undue reliance on such forward-looking statements. In addition, under no circumstances should forward-looking statements be regarded as a representation or warranty by CZR, or any other person referred to in this Target's Statement, that a particular outcome or future event is guaranteed.

(i) **Third Party Risks**

CZR, although it has no litigation on foot, is exposed to the risks of litigation and disputes.

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CZR is and may in the future become a party to further joint venture agreements governing the exploration and development of its projects. There is a risk that one of CZR's joint venture partners or other contractors may default in their joint venture obligations (or that CZR may default in its obligations and become liable) or not act in the best interests of the joint venture. There is a risk of insolvency or managerial failure by any of the contractors or other suppliers used by CZR in any of its activities, or that any of those agreements are terminated in accordance with their terms. There is also a risk of legal or other disputes between CZR and co-venturers or contractors or other suppliers. This may have an adverse effect on the interests and prospects of CZR.

The operations of CZR will require the involvement of a range of third parties, including suppliers, contractors and consultants. With respect to these third parties, and despite applying pre-contracting due diligence, CZR is unable to avoid the risk of financial failure, performance failure or default by a contractor or customer or a delay in services, equipment or supplies.

(j) **Mineral Resource and Ore Reserve Estimation Risks**

The estimation of Mineral Resources and Ore Reserves are expressions of judgement based on knowledge, experience and industry practice. The reported estimates, which were valid when originally estimated, may alter significantly when new information or techniques become available. As CZR obtains new information through additional drilling and analysis, and potentially other factors such as expectations of obtaining government authorisations, Mineral Resources and Ore Reserve estimates are likely to change. This may result in alterations to CZR's exploration, development and production plans which may, in turn, positively or negatively affect CZR's operations and financial position.

(k) **Future Development Risks**

Possible future development of a mining operation at any of CZR's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, and contracting risk from third parties providing essential services and commodity prices.

There can be no guarantee the development studies will be completed on time, on budget, or support an economic development of the Robe Mesa Project.

(l) **Health, Safety and Security Risk**

Mining activities have inherent hazards and risks. CZR is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors including inductions on commencement. CZR provides appropriate instructions, equipment, preventative measures, first aid information, and training to all employees through its health and safety management system.

8.5 General investment risks relevant to holding CZR Shares and/or Fenix Shares

(a) **Global economic conditions**

CZR's and Fenix's funding position, financial performance and ability to execute its strategy is impacted by a variety of general global economic, political, social and business conditions. In addition to commodity prices and currency fluctuations, factors that have the potential to impact CZR's and Fenix's business include inflation, interest rates and other general economic factors. Deterioration in any of these conditions could have an adverse impact on CZR and Fenix.

Domestic and global conditions may affect the value of CZR Shares and Fenix Shares. General worldwide economic conditions, changes in government policies, investor

perceptions, movements in interest rates and stock markets, prices of iron ore, variations in the operating costs and development and sustaining capital expenditure which CZR and Fenix will require in the future will all impact the value of the CZR Shares and Fenix Shares, some outside of the control of CZR and Fenix.

(b) **Force Majeure Risks**

Events may occur within or outside CZR's and Fenix's key markets that could impact upon relevant economies and the operations of CZR and Fenix. The events include, but are not limited to, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that could have an adverse effect on the demand for CZR's and Fenix's services and the ability to conduct business.

(c) **Share market risks**

There can be no guarantee that there will continue to be an active market for CZR Shares or Fenix Shares or that the price of CZR Shares or Fenix Shares will increase. There may be relatively few buyers or sellers of CZR Shares or Fenix Shares on ASX at any given time. This may affect the volatility of the trading price of CZR Shares and Fenix Shares on ASX. It may also affect the prevailing trading price at which CZR Shareholders are able to sell their CZR Shares or Fenix Shares on ASX.

(d) **Tax risks**

Future changes in tax laws and investment interests, including changes in interpretation or application of existing laws by the courts or taxation authorities, may affect taxation treatment of CZR securities or the holding or disposal of those securities. The tax consequences for individual investors in CZR or Fenix will depend on the individual tax profile and circumstances of the investor and all investors should obtain independent taxation advice with respect to their personal position.

(e) **Liquidity of Shares**

There may be relatively few potential buyers or sellers of CZR Shares or Fenix Shares on ASX at any time. This may increase the volatility of the price of CZR Shares or Fenix Shares. It may also affect the prevailing market price at which CZR Shareholders are able to sell their CZR Shares and/or Fenix Shares. This may result in a market price being received which is less than the price that CZR Shareholders paid to acquire their CZR Shares and/or Fenix Shares.

(f) **Adverse changes to government policy and laws**

Changes in relevant laws, interest rates, other legal, legislative and administrative regimes, and government policies, may have an adverse effect on the financial position and operations of CZR and Fenix and ultimately CZR's and Fenix's financial performance. These factors may ultimately affect the market price of CZR Shares and Fenix Shares.

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9 Key Features of the Offer

9.1 Offer Consideration

The Offer Consideration being offered by Fenix is 0.85 Fenix Shares for every one (1) CZR Share, increasing to 0.98 Fenix Shares for every one (1) CZR Share, if Fenix has a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025.

9.2 Offer Period

The Offer is currently open for acceptances and will close at 7:00pm (AEST) on 8 April 2025, unless extended or withdrawn in accordance with the Corporations Act.

Any extension of the Offer Period beyond three months after the date of the Offer first opening for acceptances will only be extended with the prior written consent of CZR (such consent not to be unreasonably withheld, delayed or conditioned).

The circumstances in which Fenix may extend or withdraw the Offer are detailed in Sections 9.8 and 9.9.

9.3 Offer Conditions

The completion of the Offer, and any contract that results from an acceptance of the Offer, is subject to the fulfilment of the conditions outlined in section 10.8 of the Bidder's Statement.

The Offer Conditions are also summarised below in this Section 9.3.

(a) **Minimum Acceptance**

At or before the end of the Offer Period, Fenix has a Relevant Interest in such number of CZR Shares as represents at least 75% in aggregate of all CZR Shares then on issue.

(b) **Regulatory approvals**

Before the end of the Offer Period:

(i) ASIC has issued or provided all such relief, confirmations, consents, approvals, qualifications or exemptions, or does such other acts which are necessary to implement the Takeover Bid on the basis set out in the Bid Implementation Agreement and complete the transactions contemplated by the Bid Implementation Agreement and such relief, waivers, confirmations, consents, approvals, qualifications or exemptions or other acts (as the case may be) have not been withdrawn, suspended, varied or revoked;

(ii) ASX has issued or provided all such relief, confirmations, consents, approvals, waivers or does such other acts which are necessary to implement the Takeover Bid on the basis set out in the Bid Implementation Agreement and complete the transactions contemplated by the Bid Implementation Agreement and such relief, confirmations, consents, approvals, waivers or other acts (as the case may be) have not been withdrawn, suspended, varied or revoked; and

(iii) all other regulatory approvals, waivers, consents, exemptions or declarations that are necessary or required by law, or by any Regulatory Authority, to implement the Takeover Bid on the basis set out in the Bid Implementation Agreement and complete the transactions contemplated by the Bid Implementation Agreement being granted, given, made or obtained and those regulatory approvals or waivers not being withdrawn, cancelled, revoked or varied in a manner that is materially adverse to the parties (or subject to any notice, intimation or indication of intention to do any such thing).

(c) **No restraints**

No judgment, order, decree, statute, law, ordinance, rule of regulation, or other temporary restraining order, preliminary or permanent injunction, restraint or

prohibition, entered, enacted, promulgated, enforced or issued by any court or other Government Agency of competent jurisdiction remains in effect at the end of the Offer Period that prohibits, materially restricts, makes illegal or restrains the completion of the Takeover Bid.

(d) **No CZR Prescribed Occurrence**

From the Execution Date until the end of the Offer Period, no CZR Prescribed Occurrence occurs.

(e) **No CZR Regulated Event**

From the Execution Date until the end of the Offer Period, no CZR Regulated Event occurs.

(f) **No CZR Material Adverse Change**

From the Execution Date until the end of the Offer Period, no CZR Material Adverse Change occurs.

(g) **No breach of CZR representations and warranties**

The CZR representations and warranties are true and correct in all material respects as at the Execution Date and until the end of the Offer Period, except to the extent any such representation or warranty expressly relates to an earlier date.

9.4 Nature and waiver of Offer Conditions

(a) The Offer Conditions are conditions subsequent. The non-fulfilment of any Offer Condition does not, until the end of the Offer Period, prevent a contract to sell CZR Shares from arising, but entitles Fenix by written notice, to rescind the contract resulting from a CZR Shareholders' acceptance of the Offer.

(b) Subject to the Corporations Act, Fenix may (but is not obliged to) declare the Takeover Bid to be free from any Offer Condition (in its absolute discretion) by giving written notice to CZR declaring the Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act.

9.5 Status of Offer Conditions

Section 9.5 of the Bidder's Statement states that Fenix will give the notice on the status of the Offer Conditions on 1 April 2025 (subject to extension in accordance with the Corporations Act if the Offer Period is extended). Fenix is required to detail in the notice:

(a) whether the Offer is free of the Offer Conditions; and

(b) Fenix's Voting Power in CZR at that time.

9.6 Lapse of the Offer

The Offer will lapse if the Offer Conditions are not waived or satisfied by the end of the Offer Period. If, at the end of the Offer Period, the Offer Conditions have not been fulfilled and Fenix has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

9.7 Variation of the Offer

Fenix may vary the terms of the Offer in any manner which is permitted by the Corporations Act, including by extending the Offer Period or by increasing the Offer Consideration, provided the varied terms and conditions are no less favourable to CZR Shareholders than the Offer. If Fenix varies the Offer in any of those ways, it must give written notice to ASIC and CZR and send you a copy of that notice (provided, however, that Fenix will not be required to send you a copy of the notice if, at the time of the variation, you have already accepted the Offer, the Offer is unconditional and the variation merely extends the Offer Period).

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9.8 Extension of the Offer Period

Fenix may extend the Offer Period at any time before giving the notice on the status of the Offer Conditions (refer to Section 9.5 above) while the Offer is subject to the Offer Conditions (and can also extend the Offer Period after giving that notice in certain narrow circumstances involving a competing bid). However, if the Offer is unconditional, Fenix may extend the Offer Period at any time before the end of the Offer Period.

Pursuant to the Bid Implementation Agreement, any extension of the Offer Period beyond three (3) months after the date of the Offer first opening for acceptances will only be extended with the prior written consent of CZR (such consent not to be unreasonably withheld, delayed or conditioned).

In addition, there will be an automatic extension of the Offer Period if, within the last seven (7) days of the Offer Period, Fenix's Voting Power in CZR increases to more than 50% or the Offer is varied to improve the Offer Consideration. In this case the Offer Period will be automatically extended so that it ends 14 days after the relevant event, subject to any further extensions in accordance with the Corporations Act.

9.9 Withdrawal of the Offer

Fenix may not withdraw the Offer if you have already accepted it. However, if the Offer Conditions have not been satisfied or waived at the end of the Offer Period, then all contracts arising from its acceptance will become void. A withdrawal right will arise if, after you have accepted the Offer, Fenix varies the Offer in a way that postpones, for more than one (1) month, the time that Fenix has to meet its obligations under the Offer.

Before you accept the Offer, Fenix may withdraw the Offer with the written consent of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Fenix will give notice of the withdrawal to ASX and CZR and will comply with any other conditions imposed by ASIC.

9.10 Effect of acceptance

Once you have accepted the Offer, you will be unable to revoke your acceptance.

The contract resulting from your acceptance will be binding on you and you will be unable to withdraw CZR Shares from the Offer or otherwise dispose of CZR Shares, except as follows:

(a) if, by the end of the Offer Period, the Offer Conditions have not all been fulfilled or freed, the Offer will automatically terminate and your CZR Shares will be returned to you; or

(b) if the Offer Period is extended for more than one (1) month and the obligations of Fenix to deliver the Offer Consideration are postponed for more than one (1) month and, at the time, the Offer is subject to one (1) or more of the Offer Conditions in Section 9.3, you may be able to withdraw your acceptance and your CZR Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.

If Fenix improves the Offer Consideration, all CZR Shareholders who accept the Offer (whether or not they have accepted prior to that improvement) will be entitled to the benefit of that improved consideration.

The effect of acceptance of the Offer is further detailed in section 10.5 of the Bidder's Statement. You should read those provisions in full to understand the effect that acceptance will have on your ability to exercise the rights attaching to your CZR Shares and the representations and warranties that you are deemed to give to Fenix by accepting the Offer.

9.11 When you will receive the Offer Consideration

In summary, subject to sections 10.4(b), 10.6 and 10.7 of the Bidder's Statement and the Corporations Act, Fenix will provide the Offer Consideration due to you for your CZR Shares on or before the earlier of:

(a) one (1) month after the date of your acceptance or, if the Offer is subject to a defeating Offer Condition when you accept the Offer, within one (1) month after the Offer becomes unconditional; and

(b) 21 days after the end of the Offer Period.

Refer to section 10.6 of the Bidder's Statement for further details on when you will be provided the Offer Consideration by Fenix.

9.12 Ineligible Foreign Shareholders and Small Parcel Shareholders

Ineligible Foreign Shareholders and Small Parcel Shareholders will not be entitled to receive Fenix Shares as consideration for their CZR Shares. Instead, the relevant Fenix Shares (which would otherwise be transferred to Ineligible Foreign Shareholders or Small Parcel Shareholders) will be allotted to the nominee who will sell the Fenix Shares and will distribute to each of those Ineligible Foreign Shareholders and Small Parcel Shareholders the proceeds received (after deducting any applicable brokerage, stamp duty and other taxes and charges), calculated on an average basis per Fenix Share that are being sold in a relevant tranche by the nominee.

Refer to sections 9.10 and 10.7 of the Bidder's Statement for further information.

9.13 Compulsory acquisition

Fenix has indicated in the Bidder's Statement that if it satisfies the required thresholds it intends to compulsorily acquire any outstanding CZR Shares. Fenix will be entitled to compulsorily acquire any outstanding CZR Shares for which it has not received acceptances on the same terms as the Offer if, during, or at the end of the Offer Period, Fenix (and its Associates) together have a Relevant Interest in at least 90% (by number) of CZR Shares and Fenix (and its Associates) have acquired at least 75% (by number) of the CZR Shares for which the offers are made under the Offer.

If the compulsory acquisition thresholds are met, Fenix will have one (1) month from the end of the Offer Period within which to give compulsory acquisition notices to CZR Shareholders who have not accepted the Offer, but it may choose to commence compulsory acquisition as soon as the relevant thresholds are satisfied. A CZR Shareholder has statutory rights to challenge compulsory acquisition, however this will require the relevant CZR Shareholder to establish that the terms of the Offer do not represent fair value for the CZR Shares. CZR Shareholders should be aware that, if their CZR Shares are acquired compulsorily, they are not likely to receive any payment until at least one (1) month after the compulsory acquisition notices are sent.

It is also possible that Fenix will, at some time after the end of the Offer Period, become the beneficial holder of 90% of the CZR Shares. Fenix would then have rights to compulsorily acquire Fenix Shares not owned by it within six (6) months of becoming the holder of 90% of CZR Shares. Fenix's price for compulsory acquisition under this procedure would have to be considered in a report of an independent expert.

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10 Certain Australian Taxation Implications

10.1 Introduction

This Section 10 does not constitute financial product advice as defined in the Corporations Act and does not constitute tax advice and is confined to Australian taxation issues and is only one of the matters you need to consider when making a decision about your investments.

This Section provides a general and high-level overview of the potential Australian income tax (including CGT), goods and services tax (**GST**) and stamp duty consequences that CZR Shareholders need to consider when disposing of their CZR Shares in return for Fenix Shares under the Offer. Any Australian tax comments regarding the subsequent holding of, or subsequent dealings with, Fenix Shares received by CZR Shareholders as part of the Offer is outside the scope of this summary in Section 10 and CZR Shareholders should seek tax advice on those issues as applicable.

This summary does not apply to CZR Shareholders:

(a) who hold their CZR Shares as revenue assets, as trading stock or are subject to the Taxation of Financial Arrangements provisions in Division 230 of the Tax Act;

(b) who acquired their CZR Shares as part of an employee rights, option or share plan arrangement;

(c) who hold their CZR Shares as part of an enterprise carried on, at or through a permanent establishment outside their country of tax residence;

(d) that (except where expressly stated) may be subject to special tax rules, such as financial institutions (including banks), insurance companies, partnerships or individuals who are partners of such partnerships, tax exempt organisations, trusts, superannuation funds, temporary residents or entities under a legal disability; or

(e) that are taken to have acquired their CZR Shares before 20 September 1985; or

(f) that are Australian tax resident corporate entities with a greater than 10% direct or indirect shareholding in CZR or are subject to the Controlled Foreign Company rules contained in Part X of the Tax Act; or

(g) who carry on a business of trading in securities;

(h) that are subject to the Investment Manager Regime under Subdivision 842-I of the Tax Act in respect of their CZR Shares; or

(i) who have their CZR Shares compulsorily acquired under Part 6A.2 of the Corporations Act.

The information in this Section does not take into account the tax law of countries other than Australia and is based on current Australian taxation law and practice in effect as of the date of this Target's Statement. The taxation laws of Australia or their interpretation may change. This summary is general in nature and is not intended to be an authoritative or complete statement or analysis of the taxation laws applicable to the particular circumstances of every CZR Shareholder and does not constitute tax advice and should not be relied upon as such.

CZR Shareholders should seek independent professional advice regarding the taxation consequences of accepting the Offer and disposing of their CZR Shares relevant to their own particular circumstances.

The comments in this summary are also on the basis that Australian Tax Resident CZR Shareholders (as defined below) provide their Australian tax file number (or Australian Business Number as relevant) to CZR or Fenix as applicable under Australian taxation law in respect of the Offer. Furthermore, Foreign Tax Resident CZR Shareholders (as defined below i.e., existing CZR Shareholders who are tax resident of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes)) should take into account the tax consequences of the Offer under the laws of their country of residence, as well as under Australian law.

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10.2 Certain Australian Income Tax Implications of Disposal of CZR Shares by Australian Tax Resident CZR Shareholders

This Section 10.2 provides a general and high-level overview of the Australian income tax consequences of the disposal of CZR Shares by CZR Shareholders who are Australian tax residents for Australian income tax purposes (**Australian Tax Resident CZR Shareholders**) and it specifically applies to Australian Tax Resident CZR Shareholders who hold their CZR Shares on capital account for Australian income tax purposes. Under the Offer, CZR Shareholders will dispose of their CZR Shares to Fenix in exchange for the Offer Consideration. The tax implications for Australian Tax Resident CZR Shareholders who hold their CZR Shares on revenue account for Australian income tax purposes may differ.

If an Australian Tax Resident CZR Shareholder accepts the Offer and their CZR Shares are transferred to Fenix, it should trigger a 'CGT event' for Australian income tax purposes.

Broadly speaking, the CGT event will happen:

(a) at the time CZR Shareholders accept the Offer; or

(b) if the CZR Shareholder does not accept the Offer and the CZR Shares are compulsorily acquired by Fenix, the time at which the CZR Shares are acquired.

The comments that follow are in the context of no CGT rollover relief applying (see separate CGT rollover relief comments in this Section 10.2 under the heading 'CGT scrip for scrip rollover').

In broad terms, Australian Tax Resident CZR Shareholders will:

(a) make a capital gain if the capital proceeds received on the disposal of their CZR Shares are more than the tax cost base of those CZR Shares for CGT purposes; or

(b) make a capital loss if the capital proceeds received on the disposal of their CZR Shares are less than the reduced cost base of those CZR Shares for CGT purposes. Australian Tax Resident CZR Shareholders who make a capital loss can generally only offset the capital losses against capital gains realised in the same or subsequent income years. Specific loss recoupment rules apply to companies and may restrict their ability to utilise capital losses in a future period.

The capital proceeds received by a CZR Shareholder that accepts the Offer will generally be equal to the Offer Consideration.

The cost base of CZR Shares in the hands of the Australian Tax Resident CZR Shareholders will be broadly the sum of the original amount paid to acquire their CZR Shares, any non-deductible incidental costs associated with the acquisition of the CZR Shares (such as brokerage or stamp duty) and any non-deductible incidental costs associated with the disposal of the CZR Shares to Fenix. The reduced cost base of a CZR Share is calculated in a similar, but not identical, manner.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain (or loss) for CGT purposes.

Broadly speaking, a net capital gain may be further reduced by other concessions, where applicable (particularly the CGT discount rules or CGT scrip for scrip rollover as discussed below). If so, that net capital gain after applying any CGT concessions is included in assessable income and subject to Australian income tax as applicable.

CGT scrip for scrip rollover

Any detailed comments in respect of the eligibility of Australian Tax Resident CZR Shareholders to choose CGT scrip for scrip rollover relief under Subdivision 124-M of the Tax Act is outside the scope of this Section 10.2.

As at the date of this Target's Statement, it is intended that CZR will seek a 'Class Ruling' from the Australian Taxation Office with respect to the general eligibility of CZR Shareholders in respect of the CGT scrip for scrip rollover relief as referred to below (**ATO Class Ruling**).

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There can be no guarantees that the Australian Taxation Office will issue a favourable ATO Class Ruling which determines that the CGT scrip for scrip rollover relief will be available for eligible CZR Shareholders.

The eligibility criteria for the CGT scrip for scrip rollover relief is inherently complex (and in broad terms would generally include, amongst other things, Fenix acquiring 80% or more of CZR Shares and Fenix not making a choice under subsection 124-795(4) of the Tax Act to deny CGT scrip for scrip rollover relief where it would otherwise be available). To the extent that the relevant CGT scrip for scrip rollover relief eligibility criteria is satisfied for an Australian Tax Resident CZR Shareholder, that an Australian Tax Resident CZR Shareholder would be eligible to choose CGT scrip for scrip rollover relief in relation to the Offer Consideration.

In the event the Offer becomes unconditional and Fenix does not increase its holding to at least 80% of the CZR Shares on issue as a result of the Offer, CGT scrip for scrip rollover relief will not be available for any Australian Tax Resident CZR Shareholders.

Australian Tax Resident CZR Shareholders can only elect for CGT scrip for scrip rollover relief to apply if it would otherwise make a capital gain on the disposal of their CZR Shares under the Offer.

Any potential benefits of an eligible Australian Tax Resident CZR Shareholder of choosing CGT scrip for scrip rollover relief where applicable, will depend on the individual circumstances of that eligible Australian Tax Resident CZR Shareholder. Consequently, Australian Tax Resident CZR Shareholders should seek Australian tax advice in respect of any such CGT scrip for scrip rollover relief eligibility (and associated Australian tax implications).

Generally speaking, Australian Tax Resident CZR Shareholders who are eligible to apply the CGT scrip for scrip rollover relief do not need to inform the Australian Taxation Office or document their choice to claim CGT scrip for scrip rollover relief in any particular way, other than to complete their income tax return in a manner consistent with their choice to apply the CGT scrip for scrip rollover as applicable. However, any such eligible Australian Tax Resident CZR Shareholders should obtain tax advice in respect of how to make the choice to apply the CGT scrip for scrip rollover relief for the purpose of the Tax Act.

In broad terms, where an Australian Tax Resident CZR Shareholder is eligible to choose the CGT scrip for scrip rollover relief and such rollover relief is subsequently chosen in respect of the Offer Consideration any capital gain in respect of the Offer Consideration that the CZR Shareholder would have otherwise made on disposal of their CZR Shares under the Offer should be disregarded. Additionally, special rules would apply in respect of the tax cost base of the Fenix Shares received by the Australian Tax Resident CZR Shareholder who chooses to apply the CGT scrip for scrip rollover relief in respect of the Offer Consideration. Tax advice should be obtained on these issues as applicable.

Generally speaking (and subject to certain limited exceptions), Foreign Tax Resident CZR Shareholders (as defined below) are not eligible in respect of the CGT scrip for scrip rollover relief.

CGT Discount

A CGT discount may be applied against any capital gain (after reduction of the capital gain by applicable capital losses) in respect of the Offer where the Australian Tax Resident CZR Shareholder which realises the capital gain is an individual, complying superannuation entity or trustee. The CGT discount may generally be applied in these circumstances, provided that the CZR Shares have been held by the Australian Tax Resident CZR Shareholder for at least 12 months before the time of the CGT event resulting in the disposal of the CZR Shares by accepting the Offer (or having their CZR Shares compulsorily acquired) and certain other requirements have been satisfied. Subject to certain exceptions, where the CGT discount applies, any capital gain arising to individuals and entities acting as trustees (other than trustees of a complying superannuation entity) may be reduced by 50%, after offsetting current year or prior year capital losses. For a complying superannuation entity where the CGT discount applies, any capital gain may be reduced by one third, after offsetting any applicable current year or prior year capital losses.

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The CGT discount is not available to Australian Tax Resident CZR Shareholders that are companies (or treated like companies for Australian income tax purposes). The application of the CGT discount rules to an Australian Tax Resident CZR Shareholder that is a trustee of a trust is complex, particularly where distributions to beneficiaries of the trust are attributable to discounted capital gains. Australian Tax Resident CZR Shareholders that are trustees of trusts should obtain specific tax advice.

10.3 Certain Australian Income Tax Implications of Disposal of CZR Shares by Foreign Tax Resident CZR Shareholders

This Section 10.3 provides a general and high-level overview of the Australian income tax consequences of the disposal of CZR Shares by CZR Shareholders who are foreign tax residents i.e. a tax resident of a country other than Australia, for Australian income tax purposes (**Foreign Tax Resident CZR Shareholders**) and it specifically applies to Foreign Tax Resident CZR Shareholders who hold their CZR Shares on capital account for Australian income tax purposes. The tax implications for Foreign Tax Resident CZR Shareholders who hold their CZR Shares on revenue account for Australian income tax purposes may differ.

Foreign Tax Resident CZR Shareholders who dispose of their CZR Shares pursuant to the Offer may have Australian CGT implications if their CZR Shares are an "indirect Australian real property interest" (**IARPI**) for Australian income tax purposes.

In broad terms, a CZR Share held by a Foreign Tax Resident CZR Shareholder who does not carry-on business in Australia at or through a permanent establishment in Australia would be IARPI if:

(a) the Foreign Tax Resident CZR Shareholder (together with its associates as defined under the Tax Act) holds 10% or more of the issued CZR Shares at the time of the CGT event resulting from the disposal of the CZR Shares or for at least twelve months of the last two years preceding the time of the relevant CGT event; and

(b) at the time of the relevant CGT event, more than 50% of the market value of CZR's assets is represented directly or indirectly by 'taxable Australian real property' as defined under the Tax Act (i.e., which includes interests in Australian land (including leases), and certain Australian mining, quarrying and prospecting rights).

Importantly, Foreign Tax Resident CZR Shareholders must assess whether they are subject to CGT at the time of the relevant CGT event resulting from the disposal of their CZR Shares. Foreign Tax Resident CZR Shareholders should obtain tax advice as applicable which should have regard to the impact of any relevant double tax agreement between Australia and their country of residence.

As noted above, this general summary is based upon existing Australian tax law as of the date of this Target's Statement. As a very general observation, the Australian Government has recently flagged changes to the Australian capital gains tax regime as it applies to foreign tax residents for Australian income tax purposes. Whilst the specific scope of the proposed changes is unknown given that it has not been enacted as at the date of this Target's Statement, it is important that Foreign Tax Resident CZR Shareholders obtain specialist taxation advice prior to any sale or other disposition of CZR Shares based on the Australian tax law in force at the time of such sale or other disposition.

As set out at Section 10.2 under the heading 'CGT script for script rollover', generally speaking (and subject to certain limited exceptions), Foreign Tax Resident CZR Shareholders are not eligible in respect of the CGT scrip for scrip rollover relief. Consequently, Foreign Tax Resident CZR Shareholders should obtain specialist taxation advice in respect of any potential relevance of the CGT script for script rollover as applicable in respect of the disposal of CZR Shares pursuant to the Offer.

10.4 Foreign Resident Capital Gains Tax Withholding

The Foreign resident capital gains tax withholding (**FRCGTW**) regime is inherently complex. In very broad terms, FRCGTW at the rate of 15% (recently increased from 12.5%) generally applies to transactions involving the acquisition of the ownership of an asset by a foreign tax

resident that is an IARPI (as that term is defined in Section 10.3) (although it can apply in other circumstances).

Fenix has indicated in the Bidder's Statement that a 'CGT declaration' will be included in the acceptance form which accompanies the Bidder's Statement and will allow CZR Shareholders (irrespective of whether they are an Australian Tax Resident CZR Shareholder or Foreign Tax Resident CZR Shareholder) to provide a 'declaration' for FRCGTW purposes confirming withholding is not required where CZR Shareholders are either an Australian tax resident or not disposing of an IARPI. If a CZR Shareholder does not provide such a 'declaration' for FRCGTW purposes then a withholding may be required under the FRCGTW regime in certain circumstances.

10.5 Australian Stamp Duty

Fenix will pay the stamp duty (if any) payable in Australia on the transfers of CZR Shares under the Offer or on the receipt by CZR Shareholders of Fenix Shares as a portion of the Offer.

10.6 GST

The disposal of CZR Shares by a CZR Shareholder to Fenix pursuant to the Offer should not be subject to GST, regardless of the GST registration status of that CZR Shareholder.

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11 Additional Information

11.1 Bid Implementation Agreement

On 25 February 2025, CZR entered into the Bid Implementation Agreement with Fenix in relation to the Offer.

This Section contains a summary of the material terms of the Bid Implementation Agreement. A full copy of the Bid Implementation Agreement was released together with the joint CZR and Fenix ASX announcement released on 25 February 2025.

(a) **Offer**

Fenix has agreed to offer 0.85 Fenix Shares for every one (1) CZR Share, as the Base Offer Consideration.

This will increase to the Increased Offer Consideration (being, 0.98 Fenix Shares for every one (1) CZR Share), if Fenix acquires a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025.

(b) **Offer Conditions**

The Offer is subject to the Offer Conditions as described in Section 9.3 of this Target's Statement and section 10.8 of the Bidder's Statement.

(c) **CZR Directors recommendation**

CZR represents and warrants to Fenix that:

(i) the CZR Directors will announce to ASX that they unanimously recommend that CZR Shareholders accept the Offer to be made to them under the Takeover Bid, in the absence of a Superior Proposal;

(ii) each CZR Director has given its consent to the inclusion of a statement in the 'agreed public announcement' (as defined in the Bid Implementation Agreement) and in the Target's Statement, that they will accept, or procure the acceptance of, the Offer in respect of all CZR Shares held or controlled by them, in the absence of a Superior Proposal; and

(iii) CZR will use its best endeavours to procure that each CZR Director will not withdraw, revise, revoke or qualify, or make any public statement inconsistent with the recommendation in Section 11.1(c)(i) (above) unless a Superior Proposal emerges (other than as a result of a breach of the exclusivity obligations under the Bid Implementation Agreement) and the matching right procedure has been fully complied with by CZR.

(d) **Business conduct obligations**

Both CZR and Fenix have agreed to certain conduct obligations during the Exclusivity Period, which are set out in clause 5 of the Bid Implementation Agreement.

In addition, during the Exclusivity Period, CZR must (without limitation and subject to a number of exceptions) conduct its business in the ordinary and usual course, consistent with the Agreed Budget, and in respect of activities or expenditure outside the scope of such Agreed Budget in the ordinary and usual manner in which each such business and operations have been conducted in the 12-month period prior to the Execution Date.

(e) **CZR Director Appointment**

As soon as practicable after Fenix has a Relevant Interest in more than 50% of the CZR Shares and the Offer becomes or is declared unconditional, CZR must take (and must ensure the CZR Board takes) all actions necessary to ensure the appointment of up to three (3) new directors nominated by Fenix and the registration of CZR Directors such that the Fenix nominated directors form a majority of the CZR Board. If Fenix (among

other things) obtains a Relevant Interest in 90% or more of all CZR Shares, CZR agrees to procure the resignation of all CZR Directors other than Fenix appointed directors.

(f) **Treatment of CZR Options and CZR Performance Rights**

On or around the date of this Target's Statement, Fenix, CZR and CZR Optionholders and CZR Performance Rights Holders intend to enter into Option Cancellation Deeds and Rights Cancellation Deeds (as applicable) pursuant to which all of the CZR Options and CZR Performance Rights will be cancelled in exchange for the Replacement Fenix Options and Replacement Fenix Rights (as applicable), subject to certain conditions.

See Section 6.11 for further details of the treatment of CZR Options and the terms of the Option Cancellation Deeds and Section 6.12 for further details of the treatment of CZR Performance Rights and the terms of the Rights Cancellation Deeds.

(g) **Exclusivity arrangements**

Subject to the fiduciary exception described in Section 11.1(i), CZR has agreed to exclusivity obligations. The Bid Implementation Agreement contains no shop, no talk and no due diligence restrictions on CZR.

During the Exclusivity Period, CZR must not, and must procure that each of its representatives do not, directly or indirectly:

(i) (**no shop**) solicit, invite, encourage or initiate any Competing Proposal or any Potential Competing Proposal with any Third Party or assist, encourage, procure or induce any person to do any of those things;

(ii) (**no talk**) subject to the fiduciary exception described in Section 11.1(i):

(A) enter into or continue negotiations or discussions with any Third Party in relation to a Competing Proposal or Potential Competing Proposal, or that may reasonably be expected to encourage or lead to a Competing Proposal or Potential Competing Proposal;

(B) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding a Competing Proposal or Potential Competing Proposal;

(C) communicate to any person an intention to do anything referred to in the preceding paragraphs of this Section 11.1(g)(ii); or

(D) assist, encourage, procure or induce any person to do any of the things referred to in the preceding paragraphs of Section 11.1(g)(ii) on its behalf,

even if the Competing Proposal or Potential Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by CZR or any of its representatives or has been publicly announced.

(iii) (**no due diligence**) subject to the fiduciary exception described in Section 11.1(i), make available to any Third Party, or cause or permit any Third Party (other than a Government Agency) to receive, any non-public information relating to CZR or any CZR Group Member that may reasonably be expected to assist such Third Party in formulating, developing or finalising a Competing Proposal or a Potential Competing Proposal or assist, encourage, procure or induce any person to do any of those things.

(h) **Notification and Matching Right**

Subject to the fiduciary exception described in Section 11.1(i), during the Exclusivity Period, CZR must, promptly and without undue delay (and in any event within one (1) Business Day) notify Fenix in writing of the fact (with all material details of the relevant event) of:

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(i) any approach, inquiry or proposal made by any Third Party to CZR or any of its representatives, to initiate any discussions or negotiations that concern a Competing Proposal or Potential Competing Proposal;

(ii) any request made by any Third Party to CZR or any of its representatives, for any non-public information relating to it, CZR Group Members, or any of their businesses and operations, in connection with such person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal, whether oral or in writing.

If the CZR Board determines that a Competing Proposal is a Superior Proposal in accordance with the terms of the Bid Implementation Agreement, Fenix will have the right, but not the obligation, at any time during the period of five (5) Business Days after the day on which Fenix receives notification form CZR, to propose to amend the terms of the Transaction including by increasing the amount of consideration offered under the Transaction or proposing any other form of transaction.

(i) **Fiduciary exception**

The restrictions detailed in Sections 11.1(g)(ii) (no talk), 11.1(g)(iii) (no due diligence) and 11.1(h) (notification obligation) above do not apply to the extent that it restricts CZR or any CZR Director from taking or refusing to take any action with respect to a Competing Proposal or Potential Competing Proposal, provided that:

(i) the Competing Proposal or Potential Competing Proposal is bona fide and is made by or on behalf of a person that the CZR Directors consider is of sufficient commercial standing to implement the Competing Proposal; and

(ii) the CZR Directors have determined in good faith after consultation with its external legal and (if applicable) financial advisors that:

(A) the Competing Proposal is, or could reasonably be expected to lead to, a Superior Proposal;

(B) the Potential Competing Proposal could reasonably be expected to lead to a Superior Proposal if it were to be proposed; or

(C) failing to take the action or refusing to take the action (as the case may be) with respect to the Competing Proposal or Potential Competing Proposal would be reasonably likely to constitute a breach of the fiduciary or statutory obligations of any member of the CZR Board.

(j) **Break fee**

CZR must pay Fenix a break fee of $650,000 (without set-off or withholding) if, during the Exclusivity Period:

(i) a Competing Proposal is announced or made by a Third Party, and within 12 months after the end of the Offer Period the Third Party announcing or making the Competing Proposal:

(A) directly or indirectly acquires Control of CZR or any of its Subsidiaries;

(B) directly or indirectly acquires or becomes the holder of any interest in all or a substantial part of the business or assets of CZR or any of its Subsidiaries; or

(C) otherwise acquires or merges with CZR;

(ii) any CZR Director withdraws or adversely modifies his or her support of the Transaction or his or her recommendation that CZR Shareholders accept the Offer, or makes a public statement indicating that they no longer support the Transaction;

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(iii) any CZR Director accepts or supports (including by way of voting for) or publicly states an intention to accept or support, or recommends that CZR Shareholders accept or support, a Competing Proposal; or

(iv) Fenix is entitled to terminate the Bid Implementation Agreement pursuant to the termination rights described in Sections 11.1(k)(i)(A), 11.1(k)(ii)(A), 11.1(k)(ii)(C), 11.1(k)(ii)(D)(II), 11.1(k)(ii)(D)(III) or 11.1(k)(ii)(E).

(k) **Termination**

(i) Either Fenix or CZR may terminate the Bid Implementation Agreement by written notice to the other party if at any time:

(A) the other party:

(I) is in material breach of the Bid Implementation Agreement which breach is material in the context of the Takeover Bid;

(II) the first party has given written notice to the other party setting out the relevant circumstances of such material breach and stating an intention to terminate the Bid Implementation Agreement; and

(III) the material breach is not remedied to the reasonable satisfaction of the first party within five (5) Business Days from the time such notice is given under Section 11.1(k)(i)(A)(II);

(B) a court or Government Agency has issued an order, decree or ruling, or taken other action, that permanently restrains or prohibits the Takeover Bid, and the action is final and cannot be appealed or reviewed; or

(C) Fenix withdraws the Takeover Bid or the Takeover Bid lapses for any reason, including non-fulfilment of an Offer Condition.

(ii) Fenix may terminate the Bid Implementation Agreement at any time by notice in writing to CZR:

(A) if a Competing Proposal is publicly proposed by a person other than Fenix (or one of its controlled entities) and is recommended, endorsed or otherwise supported by any CZR Director;

(B) if a Third Party that does not have a 20% or more Relevant Interest in CZR at the Execution Date obtains a Relevant Interest in CZR of 20% or more;

(C) if any CZR Director fails to make or withdraws, changes, revises, revokes or qualifies, or makes a public statement inconsistent with, the recommendation referred to in Section 11.1(c) or makes a public statement indicating that they no longer recommend or intend to accept the Offer; or

(D) if:

(I) a CZR Material Adverse Change;

(II) a CZR Regulated Event; or

(III) a CZR Prescribed Occurrence,

has occurred, provided that Fenix has given notice to CZR setting out the relevant circumstances and stating an intention to terminate the Bid Implementation Agreement and the relevant breach continues to exist five (5) Business Days after the date on which the notice is given; or

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(E) in any circumstance (including circumstances permitted by clause 7 of the Bid Implementation Agreement) where CZR enters into a definitive agreement to implement a Competing Proposal.

(iii) CZR may terminate the Bid Implementation Agreement at any time by notice in writing to Fenix:

(A) if:

(I) a Fenix Material Adverse Change; or

(II) a Fenix Prescribed Occurrence,

has occurred, provided that CZR has given notice to Fenix setting out the relevant circumstances and stating an intention to terminate the Bid Implementation Agreement and the relevant breach continues to exist five (5) Business Days after the date on which the notice is given; or

(B) if a majority of the CZR Board changes or withdraws their recommendation of the Offer, provided always that clause 7 of the Bid Implementation Agreement has been complied with.

(iv) The Bid Implementation Agreement automatically terminates on the date which is three (3) months after the Execution Date or such later date as the parties may agree in writing.

(l) **Warranties**

Each of CZR and Fenix have provided a number of representations and warranties that are standard for an agreement of this nature.

CZR and Fenix's representations and warranties in the Bid Implementation Agreement are qualified by matters Fairly Disclosed in the Diligence Materials and public filings of each party on ASX in the 24 months before the Execution Date.

11.2 Interests of CZR Directors

(a) **CZR Director Interests**

The number, description and amount of CZR securities in which each CZR Director has a Notifiable Interest as at the Last Practicable Date are:

CZR Director	No. of CZR Shares held	Percentage shareholding	No. of CZR Options held	No. of CZR Performance Rights held
Russell Clark	-	0%	2,352,942	847,059
Stefan Murphy	588,236	0.25%	3,529,414	1,400,000
Hui (Annie) Guo	-	0%	1,764,706	810,295

Other than as disclosed in this Target's Statement, no other benefits are provided to the CZR Directors under the Offer.

Other than disclosed to ASX, no CZR Director acquired or disposed of a Relevant Interest in any CZR securities in the four-month period ending on the date immediately before the date of this Target's Statement.

However, CZR Directors may indirectly, and without their knowledge, hold CZR Shares through memberships of professional superannuation or investment funds where such funds hold CZR Shares for investment purposes.

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Refer to Sections 6.11 and 6.12 of this Target's Statement for further information in relation to the treatment of CZR Options and CZR Performance Rights in connection with the Offer.

(b) **Fenix marketable securities**

There are no marketable securities of Fenix controlled or held by, or on behalf of, any CZR Director as at the Last Practicable Date.

(c) **Participation in the Offer**

Except as detailed in this Section 11.2 or elsewhere in this Target's Statement, all CZR Directors will be treated in the same way under the Offer as all other CZR Shareholders.

(d) **Interests of CZR Directors in contracts entered into by Fenix**

Except as detailed in this Section 11.2 or elsewhere in this Target's Statement, none of the CZR Directors have any interests in contracts entered into by Fenix.

(e) **Other agreements or arrangements with CZR Directors in connection with the Offer**

Except as detailed in Sections 6.11 or 11.2 or elsewhere in this Target's Statement, there are no other agreements or arrangements between any CZR Director and any other person in connection with or conditional upon the outcome of the Offer, other than in their capacity as a CZR Shareholder, CZR Optionholder or CZR Performance Rights Holder (as applicable).

Except as detailed in Sections 6.11 or 11.2 or elsewhere in this Target's Statement no CZR Director has a material interest in relation to the Offer, other than in their capacity as a CZR Shareholder, CZR Optionholder or CZR Performance Rights Holder (as applicable).

11.3 Agreements or arrangements with CZR Directors and executive officers

(a) **Deeds of indemnity, access and insurance**

In addition to their respective contracts of engagement, CZR has entered into deeds of indemnity, insurance and access with the CZR Directors and various executive officers, on customary terms.

CZR pays premiums in respect of a directors and officers insurance policy for the benefit of the CZR Directors and executive officers.

(b) **Other termination benefits**

Except as detailed in this Section 11.3(b) or elsewhere in this Target's Statement, there are no payments or other benefits that are proposed to:

(i) be made or given to any director, secretary (or other existing key management personnel, details of whose remuneration are included in the Remuneration Report) of CZR as compensation for loss of, or as consideration for or in connection with his or her retirement from, office in CZR or in a Related Body Corporate of CZR; or

(ii) be made or given to any director, secretary (or other existing key management personnel, details of whose remuneration are included in the Remuneration Report) of any Related Body Corporate of CZR as compensation for the loss of, or as consideration for or in connection with his or her retirement from, office in that body corporate or in CZR.

CZR has entered into an executive services agreement with its Managing Director, Mr Stefan Murphy. This agreement entitles Mr Murphy to a three (3) months' notice period in respect of his termination. CZR may elect to pay the equivalent salary and terminate Mr Murphy's agreement immediately.

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11.4 Substantial holders

As at the Last Practicable Date, the following persons had notified CZR through the lodgement of substantial shareholder notices that they had Voting Power in 5% or more of CZR Shares:

CZR Shareholder	No. of Shares	%
Creasy Group[1]	123,529,413	52.18%

Notes:
1. The Creasy Group lodged a Form 604 notice of change of interests of substantial holder on 7 February 2023, disclosing a Voting Power of 53.15% of CZR Shares. The 52.18% figure shown has been calculated to account for the additional CZR Shares issued upon the exercise of CZR Options.
2. Actual Voting Power may differ from that shown above as there is no obligation to publicly disclose changes in Voting Power of less than 1%.

11.5 JORC Compliance Statement

(a) **CZR**

The information in this Target's Statement relating to exploration results, Mineral Resource and Ore Reserve estimates are extracted from the following CZR ASX announcements:

(i) the Buddadoo Project exploration results contained in this Target's Statement are provided in CZR's announcement dated 7 February 2019 entitled "Significant Metallurgical Results - Buddadoo Iron Ore and Vanadium";

(ii) the Yarraloola Project Mineral Resource estimates for Robe Mesa contained in this Target's Statement are provided in CZR's announcement dated 12 December 2022 entitled "Mineral Resource increases a further 20% to 45Mt";

(iii) the Yarraloola Project Mineral Resource estimates for Robe East contained in this Target's Statement are provided in CZR's announcement dated 26 April 2017 entitled "Yarraloola Project – Robe Mesa Resource Upgrade from 2016 Robe East Extension Drilling";

(iv) the Yarraloola Project Mineral Resource estimates for P529 contained in this Target's Statement are provided in CZR's announcement dated 9 May 2017 entitled "Yarraloola Project – Maiden Inferred Resource for the P529 deposit from 2016 RC Drilling";

(v) the Yarraloola Project Ore Reserve estimate for Robe Mesa contained in this Target's Statement are provided in CZR's announcement dated 10 October 2023 entitled "Robe Mesa DFS reveals outstanding financial returns";

(vi) the Robe Mesa DFS results contained in this Target's Statement are provided in CZR's announcement dated 10 October 2023 entitled "Robe Mesa DFS reveals outstanding financial returns";

(vii) the Croydon Project exploration results contained in this Target's Statement are provided in CZR's announcements dated 6 February 2020 entitled "Geological Setting of High Grade Gold Discovery at Croydon" and dated 6 October 2020 entitled "More strong assays of up to 42 g/t further extend limits of known mineralisation; and

(viii) the Ashburton Magnetite Project Exploration Target contained in this Target's Statement are provided in CZR's announcement dated 2 August 2023 entitled "CZR to run strategic partner process amid surging demand for high-quality magnetite".

CZR confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and CZR confirms that all material assumptions and technical parameters underpinning the previous

exploration results, Mineral Resources and Ore Reserve estimates in the relevant ASX announcements continue to apply and have not materially changed.

CZR confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

(b) **Definitive Feasibility Study**

The information in this Target's Statement that relates to production targets and forecast financial information in relation to CZR's Robe Mesa DFS is extracted from its announcement on 10 October 2023 entitled "Robe Mesa DFS reveals outstanding financial returns". All material assumptions and technical parameters underpinning the DFS results referred to in this Target's Statement continue to apply and have not materially changed.

CZR confirms that it is not aware of any new information or data that materially affects the information included in that ASX announcement and that all material assumptions and technical parameters underpinning the production target, and the related forecast financial information derived from the production target in that market announcement continue to apply and have not materially changed.

CZR confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

(c) **Fenix**

CZR has not independently verified the information relating to Fenix's Mineral Resources and Ore Reserve estimates contained in this Target's Statement. Please refer to Fenix's announcements released to ASX on 29 August 2024 entitled "FY24 Annual Report", 5 December 2024 entitled "Iron Ridge Mineral Resource Update" and 25 July 2024 entitled "Beebyn-W11 Feasibility Study and Maiden Ore Reserve", for the Competent Person's Statements relating to Fenix's Mineral Resources and Ore Reserve estimates.

11.6 Consents

(a) **Consents**

The following parties have given and have not withdrawn, before the date of issue of this Target's Statement, their written consent to be named in this Target's Statement in the form and context in which they are named:

(i) Thomson Geer as Australian legal advisers to CZR; and

(ii) Automic Group as the Share Registry.

(b) **Disclaimer**

Each person referred to in Section 11.6(a):

(i) has not authorised or caused the issue of this Target's Statement;

(ii) does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based other than as specified in Section 11.6(a); and

(iii) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for any part of this Target's Statement other than a reference to its name and any statement which has been included in this Target's Statement with the consent of that person referred to in Section 11.6(a).

(c) **CZR Directors**

Each of the CZR Directors has given and not withdrawn their consent to:

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(i) be named in this Target's Statement in the form and context in which they are named; and

(ii) statements attributable to them being included in this Target's Statement in the form and context in which they appear.

(d) **Other**

As permitted by ASIC Corporations (Takeover Bids) Instrument 2023/683, this Target's Statement contains statements that were made, or based on statements made, in documents lodged with ASIC. Pursuant to this ASIC instrument, the consents of person such statements are attributed to is not required for the inclusion of those statements in this Target's Statement. Refer to Section 6.15.

In accordance with ASIC Corporations (Takeover Bids) Instrument 2023/683, any CZR Shareholder who would like to receive a copy of those documents (or relevant extracts from those documents) may obtain a copy free of charge by contacting CZR.

Additionally, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by certain statements:

(i) fairly representing a statement by an official person; or

(ii) from a public official document or published book, journal or comparable publication.

Pursuant to ASIC Corporations (Consents to Statements) Instrument 2016/72, the consent of persons such statements are attributed to is not required for inclusion of those statements in this Target's Statement.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement also contains trading data obtained from IRESS without consent.

11.7 Transaction Expenses

The Transaction will result in CZR incurring fees and expenses that would not otherwise have arisen. The costs and expenses to CZR associated with the Transaction, the Offer (including, fees of external professional advisers to CZR and costs of printing and dispatch of this Target's Statement) are estimated to be up to $350,000 in aggregate.

11.8 Other material information

There is no other information that CZR Shareholders or their professional advisers would reasonably require to make an informed assessment on whether to accept the Offer, being information which:

(a) is reasonable for CZR Shareholders and their professional advisers to expect to find in this Target's Statement; and

(b) is known to any of the CZR Directors.

In deciding what information should be included in this Target's Statement, the CZR Directors have had regard to, amongst other things, the time available to CZR to prepare this Target's Statement and the matters which CZR Shareholders (or their professional advisers) may reasonably be expected to know, including information contained in documents previously sent to CZR Shareholders and information available from public sources such as the ASX, ASIC and CZR's website at https://www.czrresources.com.

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12 Authorisation

This Target's Statement is dated 25 February 2025 and was approved pursuant to a unanimous resolution passed by the CZR Directors.

Signed for and on behalf of CZR Resources Ltd



Russell Clark
Non-Executive Chairman
CZR Resources Ltd

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13 Glossary

In this Target's Statement, unless the context requires otherwise:

$, A$ or AUD means the lawful currency of Australia.

AEDT means Australian Eastern Daylight Time.

AEST means Australian Eastern Standard Time.

Agreed Budget means CZR's budget for the period ending six (6) months after the Execution Date as agreed between Fenix and CZR, as may be amended by written agreement of Fenix and CZR from time to time.

Announcement Date means 25 February 2025, the date on which the Offer was announced on the ASX announcements platform.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as appropriate.

ASX Settlement means ASX Settlement Pty Limited ABN 49 008 504 532.

Base Offer Consideration means 0.85 Fenix Shares for every one (1) CZR Share.

Bid Implementation Agreement means the bid implementation agreement between CZR and Fenix dated 25 February 2025 (as may be amended from time to time).

Bidder's Statement means the bidder's statement dated 25 February 2025 prepared by Fenix in connection with the Takeover Offer in accordance with Chapter 6 of the Corporations Act.

Business Day means a day on which banks are open for business in Perth, Western Australia, excluding a Saturday, Sunday or public holiday.

CGT means Australian capital gains tax.

Combined Group means the group of companies resulting from the combination of the Fenix Group and the CZR Group should the Offer be successful.

Competing Proposal means any proposal, agreement, arrangement or transaction pursuant to which a Third Party (either alone or together with any Associates) will, if entered into or completed:

(a) acquire a Relevant Interest in, become the holder of, or otherwise have a right to acquire a legal, beneficial or economic interest in 20% or more of the share capital of any member of the CZR Group;

(b) acquire (whether directly or indirectly) or become the holder of, or otherwise acquire or have a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of the business of the CZR Group;

(c) acquire Control of any member of the CZR Group;

(d) otherwise acquire or merge with any member of the CZR Group; or

(e) require CZR to abandon, or otherwise fail to proceed with, the Takeover Bid,

whether by way of takeover bid, shareholder approved acquisition, members' or creditors' scheme of arrangement, capital reduction, share buy-back or repurchase, sale of assets, sale or purchase of securities or assets, assignment of assets and liabilities, strategic alliance, dual listed company structure or joint venture or synthetic merger, deed of company arrangement, any debt for equity arrangement or other transaction or arrangement.

Notwithstanding the above, the acquisition of a Relevant Interest in CZR Shares by the Creasy Group in accordance with item 9 of section 611 of the Corporations Act will not constitute a Competing Proposal.

Control has the meaning given to that term in section 50AA of the Corporations Act.

Controlling Participant has the same meaning (in relation to your CZR Shares) as in the ASX Settlement Operating Rules (normally your broker).

Corporations Act means the *Corporations Act 2001* (Cth).

Creasy Group means Mr Mark Gareth Creasy, Yandal and Motwil.

CZR means CZR Resources Ltd ACN 112 866 869

CZR Board means the board of directors of CZR.

CZR Director means a director of CZR.

CZR Group means CZR and each of its Subsidiaries, and a reference to a **CZR Group Member** or a **member of the CZR Group** is to CZR or any of its Subsidiaries.

CZR Key Tenements means the tenements listed under the heading "Robe Mesa" in Schedule 5 of the Bid Implementation Agreement.

CZR Material Adverse Change means a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to Fenix or CZR (in each case whether or not it becomes public) after the Execution Date that:

(a) has or could reasonably be expected to have (whether individually or when aggregated with all such changes, events, facts, circumstances, occurrences, information or matters) the effect of diminishing the consolidated net assets of the CZR Group as stated in the CZR Financial Statements (excluding any reduction in cash incurred in the ordinary course of business or in the course of implementing the Takeover Bid) by $2,500,000 or more;

(b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any CZR Key Tenement (other than planned relinquishment or abandonment); or

(c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a CZR Key Tenement to any person other than the holder(s) of that CZR Key Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that CZR Key Tenement,

but does not include any event, occurrence, change, condition, matter, circumstance or thing:

(a) required or expressly permitted by the Transaction Documents or the Agreed Budget;

(b) done with the prior written consent of Fenix, such consent not to be unreasonably withheld or delayed;

(c) Fairly Disclosed in the CZR Diligence Materials;

(d) Fairly Disclosed in public filings of CZR on the ASX in the 24 months before the Execution Date;

(e) arising as a result of any changes in general economic, industry, regulatory or political conditions, commodity prices (including the iron ore price) or the securities or other capital markets (including changes in interest rates), which impact on the CZR Group Members and their competitors in substantially the same way;

(f) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a CZR Group Member operates;

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(g) resulting from changes in generally accepted accounting principles or the interpretation of them by any Regulatory Authority or Government Agency;

(h) arising as a result of the execution, announcement or performance of the Transaction Documents in accordance with their terms; or

(i) arising as a result of any war, act of terrorism, civil unrest or similar event occurring or any act of God, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide, adverse weather conditions.

CZR Option means an unlisted option to acquire a CZR Share.

CZR Optionholder means a holder of one or more CZR Options.

CZR Performance Rights means a right to acquire a CZR Share.

CZR Performance Rights Holder means a holder of one or more CZR Performance Rights.

CZR Prescribed Occurrence means an event referred to in sections 652C(1) or 652C(2) of the Corporations Act other than to the extent (i) Fairly Disclosed in the CZR Diligence Materials or public filings of CZR with ASX in the 24 months before the Execution Date or (ii) CZR undertaking a capital raising involving the issue of CZR Shares to raise up to $3 million at any time following the date which is three months after the Execution Date.

CZR Register means the register of members of CZR maintained in accordance with the Corporations Act.

CZR Regulated Event means the occurrence of any of the following events:

(a) any member of the CZR Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to its shareholders (other than a direct or indirect wholly owned Subsidiary of CZR declaring, paying or distributing any dividend, bonus or other share of its profits or assets or returning or agreeing to return any capital to CZR or to another direct or indirect wholly owned Subsidiary of CZR);

(b) a member of the CZR Group issuing securities, including without limitation shares, or granting an option over its shares, or agreeing to make such an issue or grant such an option, including pursuant to a dividend reinvestment or other share plan, other than an issue of any shares or other securities:

(i) to a directly or indirectly wholly-owned Subsidiary of CZR; or

(ii) as a result of the exercise of options over unissued CZR Shares, or the conversion or exercise of other rights to acquire CZR Shares, that are on issue as at the Execution Date;

(c) a member of the CZR Group issuing or agreeing to issue securities convertible into shares, including pursuant to a dividend reinvestment or other share plan;

(d) CZR making any change to its constitution;

(e) a member of the CZR Group granting a Security Interest (as that term is defined in the Bid Implementation Agreement), or agreeing to grant a Security Interest, in the whole, or a substantial part, of its business or property;

(f) a member of the CZR Group incurs any financial indebtedness or issues any debt securities, other than in accordance with the Agreed Budget or pursuant to advances under its credit facilities in existence as at the Execution Date where the funds drawn pursuant to those advances are used in the ordinary course of business;

(g) a member of the CZR Group makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in CZR or to another direct or indirect wholly owned Subsidiary of CZR in the ordinary course of business or to Fenix), other than in the ordinary course of business;

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(h) a member of the CZR Group entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the CZR Group as a whole, other than in the ordinary course of business;

(i) a member of the CZR Group entering into or resolving to enter into a transaction with a related entity of CZR (as defined in the Corporations Act, but excluding transactions between members of the CZR Group);

(j) any member of the CZR Group settling or compromising a material dispute;

(k) CZR ceases to be admitted to the official list of ASX or a Regulatory Authority issuing a temporary or permanent cease trading order prohibiting the trading in any class of securities of CZR that has not been lifted or remedied by the end of the Offer Period; or

(l) any member of the CZR Group authorising, committing, announcing or agreeing to take any of the actions referred to in the paragraphs above,

but excludes:

(m) the transactions contemplated by the Bid Implementation Agreement;

(n) matters Fairly Disclosed in the Diligence Materials;

(o) matters Fairly Disclosed in public filings of CZR on the ASX in the 24 months before the Execution Date;

(p) matters done with the prior written consent of Fenix, such consent not to be unreasonably withheld or delayed; or

(q) CZR undertaking a capital raising involving the issue of CZR Shares to raise up to $3 million at any time following the date which is three months after the Execution Date.

CZR Share means a fully paid ordinary share in the capital of CZR.

CZR Shareholder means a holder of one or more CZR Shares.

DFS means a definitive feasibility study.

Diligence Materials means:

(a) in relation to CZR, the information in relation to the CZR Group Fairly Disclosed in writing by or on behalf of CZR to Fenix and its representatives prior to the Execution Date in the Target Data Room or the Target Disclosure Letter (each, as defined in the Bid Implementation Agreement); and

(b) in relation to Fenix, the information in relation to the Fenix Group Fairly Disclosed in writing by or on behalf of Fenix to CZR and its representatives prior to the Execution Date in the Bidder Data Room (as defined in the Bid Implementation Agreement).

EBITDA means earnings before interest, taxes and depreciation.

Exclusivity Period means the period from and including the Execution Date until the earlier of:

(a) the date on which the Offer Period ends;

(b) the date the Bid Implementation Agreement is validly terminated; or

(c) the date which is three (3) months after the Execution Date or such later date as the parties may agree in writing.

Execution Date means the date of the Bid Implementation Agreement, being 25 February 2025.

Facility Agreement has the meaning given in Section 6.8(a).

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Fairly Disclosed means disclosed to Fenix or CZR or any of their respective representatives (as applicable), to a sufficient extent, and in sufficient detail, so as to enable a reasonable and sophisticated party experienced in transactions similar to the Transaction and experienced in a business similar to any business conducted by the party, to identify the nature and scope of the relevant matter, event or circumstance (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).

Fenix means Fenix Resources Ltd ACN 125 323 622.

Fenix Group means Fenix and each of its Subsidiaries, and a reference to a **Fenix Group Member** or a **member of the Fenix Group** is to Fenix or any of its Subsidiaries.

Fenix Key Tenements means the tenements listed under the headings "Iron Ridge" and "W-11" in Schedule 5 of the Bid Implementation Agreement.

Fenix Loan Agreement has the meaning given to that term in Section 6.8(c).

Fenix Loan Facility has the meaning given to that term in Section 6.8(c).

Fenix Material Adverse Change means a change, event, fact, circumstance, occurrence or matter that occurs, is announced or becomes known to CZR or Fenix (in each case whether or not it becomes public) after the Execution Date that:

(a) has or could reasonably be expected to have (whether individually or when aggregated with all such changes, events, facts, circumstances, occurrences, information or matters) the effect of diminishing the consolidated net assets of the Fenix Group as stated in the Fenix Financial Statements (excluding any reduction in cash incurred in the ordinary course of business or in the course of implementing the Takeover Bid) by $30,000,000 or more;

(b) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under any Fenix Key Tenement (other than planned relinquishment or abandonment); or

(c) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of a Fenix Key Tenement to any person other than the holder(s) of that Fenix Key Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by that Fenix Key Tenement;

but does not include any event, occurrence, change, condition, matter, circumstance or thing:

(a) required or expressly permitted by the Transaction Documents;

(b) done with the prior written consent of CZR, such consent not to be unreasonably withheld or delayed;

(c) Fairly Disclosed in the Fenix Diligence Materials;

(d) Fairly Disclosed in public filings of Fenix on the ASX in the 24 months before the Execution Date;

(e) arising as a result of any changes in general economic, industry, regulatory or political conditions, commodity prices (including the iron ore price) or the securities or other capital markets (including changes in interest rates), which impact on Fenix Group Members and their competitors in substantially the same way;

(f) arising as a result of any generally applicable change in law or governmental policy in any of the jurisdictions in which a Fenix Group Member operates;

(g) resulting from changes in generally accepted accounting principles or the interpretation of them by any Regulatory Authority or Government Agency;

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(h) arising as a result of the execution, announcement or performance of the Transaction Documents in accordance with their terms; or

(i) arising as a result of any war, act of terrorism, civil unrest or similar event occurring or any act of God, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide, adverse weather conditions.

Fenix Prescribed Occurrence means an event referred to in sections 652C(1) or 652C(2) of the Corporations Act other than to the extent (i) Fairly Disclosed in the Fenix Diligence Materials or public filings of Fenix with ASX in the 24 months before the Execution Date or (ii) Fenix issuing up to 60,000,000 incentive securities (in aggregate) to certain Fenix directors and/or key management personnel.

Fenix Share means a fully paid ordinary share in the capital of Fenix.

Fenix Shareholder means a person who is registered as the holder of a Fenix Share in the Fenix share register.

Government Agency means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any other federal, state, provincial, local or other government (foreign or Australian).

GST means Australian goods and service tax.

Increased Offer Consideration means 0.98 Fenix Shares for every one (1) CZR Share.

Ineligible Foreign Shareholder means a CZR Shareholder whose address as shown in the CZR Register is located outside Australia or New Zealand, and such other jurisdictions as agreed by the parties in writing, unless Fenix determines (in its absolute discretion) that it is lawful and not unduly onerous or impracticable to issue that CZR Shareholder with the Offer Consideration under the Takeover Bid.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition.

Last Practicable Date means 24 February 2025, being the last practicable date prior to lodgement of this Target's Statement.

Listing Rules means the official listing rules of ASX, as amended from time to time.

Marketable Parcel has the meaning given in the ASX Operating Rules Procedures which, among other things, includes a parcel of Fenix Shares, the value of which is not less than $500.

Mineral Resource has the meaning given to that term in the JORC Code.

Miracle Iron means Miracle Iron Resources Pty Ltd ACN 672 387 030.

Miracle Iron Transaction has the meaning given in Section 1.3.

Motwil means Motwil Pty Ltd ACN 076 409 884.

Mt means million tonnes.

Native Title Agreement means the native title agreement between CZR, Zanthus, ZanF and RRKAC dated 21 December 2022.

Notifiable Interest has the same meaning as the term "notifiable interest of a director" as defined in the Listing Rules.

Offer means the offer by Fenix under Chapter 6 of the Corporations Act contained in the Bidder's Statement.

Offer Conditions means the conditions to the Offer described in section 10.8 of the Bidder's Statement, which are summarised in Section 9.3.

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Offer Consideration means the consideration offered under the Offer. As at the date of this Target's Statement, it is the Base Offer Consideration, which may increase to the Increased Offer Consideration if Fenix has a Relevant Interest in 75% or more of all CZR Shares by 7:00pm (AEDT) on or before 21 March 2025.

Offer Period means the period during which the Offer will remain open for acceptance.

Option Cancellation Deeds means the cancellation deeds to be entered into between CZR, Fenix and the CZR Optionholders on or around the date of this Target's Statement, pursuant to which each CZR Optionholder will separately agree to the cancellation of their CZR Options in consideration for being issued Replacement Fenix Options.

Ore Reserve has the meaning given to that term in the JORC Code.

Potential Competing Proposal means any offer, proposal or expression of interest which is not, but which could reasonably be expected to become, a Competing Proposal.

Register Date means the date set by Fenix under section 633(2) of the Corporations Act, being 7:00pm (AEDT) on 24 February 2025.

Regulatory Authority includes:

(a) a government or governmental, semi-governmental, administrative, fiscal, tax or judicial entity or authority;

(b) a minister, department, office, commission, delegate, instrumentality, tribunal, agency, board, authority or organisation of any Government Agency;

(c) any regulatory organisation established under statute;

(d) any applicable securities commission or stock or securities exchange;

(e) in particular, ASX, ASIC, the Australian Foreign Investment Review Board and the Takeovers Panel; and

(f) any authorised representative of any of the above.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Replacement Fenix Options means the new Fenix options proposed to be issued to CZR Optionholders as consideration for the cancellation of their existing CZR Options in accordance with the terms of the Option Cancellation Deeds.

Replacement Fenix Rights means the new Fenix performance rights proposed to be issued to CZR Performance Rights Holders as consideration for the cancellation of their existing CZR Performance Rights in accordance with the terms of the Rights Cancellation Deeds.

Rights Cancellation Deeds means the cancellation deeds to be entered into between CZR, Fenix and the CZR Performance Rights Holders on or around the date of this Target's Statement, pursuant to which each CZR Performance Rights Holder will separately agree to the cancellation of their CZR Performance Rights in consideration for being issued Replacement Fenix Rights.

RRKAC means the Robe River Kuruma Aboriginal Corporation RNTBC (ICN 7612).

Robe Mesa or **Robe Mesa Project** means CZR's robe mesa iron ore project.

Sale Agreement means the binding share sale agreement between CZR and Miracle Iron dated 29 December 2023.

Section means a section of this Target's Statement.

Share Registry means Automic Pty Ltd ACN 152 260 814.

Small Parcel Shareholder means a CZR Shareholder to whom, if they accept the Offer, the Fenix Shares would be issued which would not constitute a Marketable Parcel.

Subsidiary has the meaning given to that term in Division 6 of Part 1.2 of the Corporations Act and **Subsidiaries** has the corresponding meaning.

Superior Proposal means a bona fide Competing Proposal (and not resulting from a breach of clause 7 of the Bid Implementation Agreement), which the CZR Board, acting in good faith, and after taking written advice from its legal and (if applicable) financial advisors, determines:

(a) is reasonably capable of being valued and completed in a timely basis, taking into account all aspects of the Competing Proposal and the person making it, including without limitation having regard to legal, regulatory and financial matters and any conditions precedents; and

(b) is more favourable to CZR Shareholders (as a whole) than the Transaction, taking into account all terms and conditions of the Competing Proposal.

Takeover Bid means the off-market takeover bid by Fenix for all CZR Shares under Chapter 6 of the Corporations Act.

Target's Statement means this target's statement, being the target's statement prepared by CZR in connection with the Takeover Bid in accordance with Chapter 6 of the Corporations Act.

Tax Act means the *Income Tax Assessment Act 1936* (Cth) and/or *Income Tax Assessment Act 1997* (Cth), as context requires.

Third Party means a person other than Fenix, CZR and their respective Associates.

Transaction means the acquisition by Fenix of all the CZR Shares by means of the Takeover Bid in accordance with the terms of the Bid Implementation Agreement.

Transaction Documents means:

(a) the Bid Implementation Agreement; and

(b) any other document agreed in writing by Fenix and CZR to be a Transaction Document.

Voting Power has the meaning given to that term in the Corporations Act.

VWAP means the volume weighted average price.

Yandal means Yandal Investments Pty Ltd ACN 070 684 810.

Yandal Loan Facility has the meaning given in Section 6.8(a).

ZanF means ZanF Pty Ltd ACN 154 589 152.

Zanthus means Zanthus Resources Pty Ltd ACN 077 454 963.

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CORPORATE DIRECTORY

CZR Directors

Russell Clark – Non-Executive Chairman

Stefan Murphy – Managing Director

Hui (Annie) Guo – Non-Executive Director

Company Secretary

Trevor O'Connor

Registered Office

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Legal Adviser

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Perth WA 6000

Share Registry

Automic Group
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Perth WA 6000

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CZR resources