

ASX ANNOUNCEMENT

17 March 2025

AGREEMENT REACHED WITH CZR CONVERTIBLE SECURITY HOLDERS

HIGHLIGHTS

- Fenix Resources Ltd (ASX:FEX) (**Fenix**) is pleased to announce the Company has executed Option Cancellation Deeds and Performance Right Cancellation Deeds with substantially all CZR option holders[1] and all CZR performance right holders.
- CZR shareholders are reminded that under Fenix's off-market takeover bid to acquire all CZR shares, CZR shareholders will be entitled to receive 0.85 Fenix shares for every CZR share held, increasing to 0.98 Fenix shares for every CZR share held if Fenix acquires a 75% relevant interest in CZR shares on or before 7:00pm (AEDT) on 21 March 2025.
- **CZR directors unanimously recommend that all CZR shareholders accept Fenix's offer**, and the CZR directors have committed to accept, or procure the acceptance of, Fenix's offer in respect of all CZR shares held or controlled by them, in each case, in the absence of a superior proposal.[2]

On 25 February 2025, Fenix Resources Ltd (ASX:FEX) (**Fenix** or the **Company**) announced it had entered into a Bid Implementation Agreement (**BIA**) with CZR Resources Ltd (ASX:CZR) (**CZR**) pursuant to which the Company made a conditional off-market takeover bid under Chapter 6 of the *Corporations Act 2001* (Cth) to acquire all of the ordinary shares in CZR (**Takeover Bid**).

Pursuant to the terms of the BIA and in connection with the Takeover Bid, the Company and CZR agreed to enter into:

- option cancellation deeds (**Option Cancellation Deed**) with each CZR option holder to give effect to the cancellation of existing CZR options in consideration for the issue of new Fenix options on materially the same terms (as further detailed in Schedule 1 of this announcement); and
- performance right cancellation deeds (**Performance Right Cancellation Deed**) with each CZR performance right holder to give effect to the cancellation of existing CZR performance rights in consideration for the issue of new Fenix performance rights on materially the same terms (as further detailed in Schedule 1 of this announcement).

Fenix is pleased to announce it has now executed Option Cancellation Deeds and Performance Right Cancellation Deeds with substantially all CZR option holders[1] and all CZR performance right holders.

[1] Agreements have been entered with all CZR option holders except in respect of 264,706 Options that expire on 13 April 2025 for which no Cancellation Deed has been executed, due to the imminent expiry of these options.
[2] Refer to section 11.2 of the Target's Statement (announced to ASX on 25 February 2025) for details of the interests CZR directors have in the Company.

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The Option Cancellation Deeds and Performance Right Cancellation Deeds are subject to certain conditions, including:

- the Takeover Bid becoming or being declared unconditional;
- ASX granting CZR a waiver of Listing Rule 6.23 (which has been granted as at the date of this announcement) and the satisfaction of the conditions specified in the ASX waiver which includes, amongst others, that Fenix acquires a voting power in CZR of at least 75%; and
- the holder not having dealt with their securities contrary to the Option Cancellation Deed or Performance Right Cancellation Deed (as applicable).

CZR shareholders are reminded that under Fenix's Takeover Bid:

- CZR shareholders will be entitled to receive 0.85 Fenix shares for every CZR share held (**Base Offer Consideration**), increasing to 0.98 Fenix shares for every CZR share held if Fenix acquires a 75% relevant interest in CZR shares on or before 7:00pm (AEDT) on 21 March 2025 (**Increased Offer Consideration**) (**Offer Price**).
- CZR's largest shareholder Mark Creasy (together with his associates, the **Creasy Group**) has provided Fenix with an intention statement that the Creasy Group intends to accept the offer at the Offer Price, subject to no superior proposal being made (as determined by the Creasy Group), 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, being 18 March 2025.
- CZR directors unanimously recommend that all CZR shareholders accept Fenix's offer, and the CZR directors have committed to accept, or procure the acceptance of, Fenix's offer in respect of all CZR shares held or controlled by them, in each case, in the absence of a superior proposal.[3]
- The offer under the Takeover Bid is dated 25 February 2025 and expires at 7:00pm (AEST) on 8 April 2025, unless extended or withdrawn.

An Appendix 3B in respect of the abovementioned convertible securities has been lodged with ASX. The terms and conditions of the replacement options and performance rights are included in the schedules to this announcement.

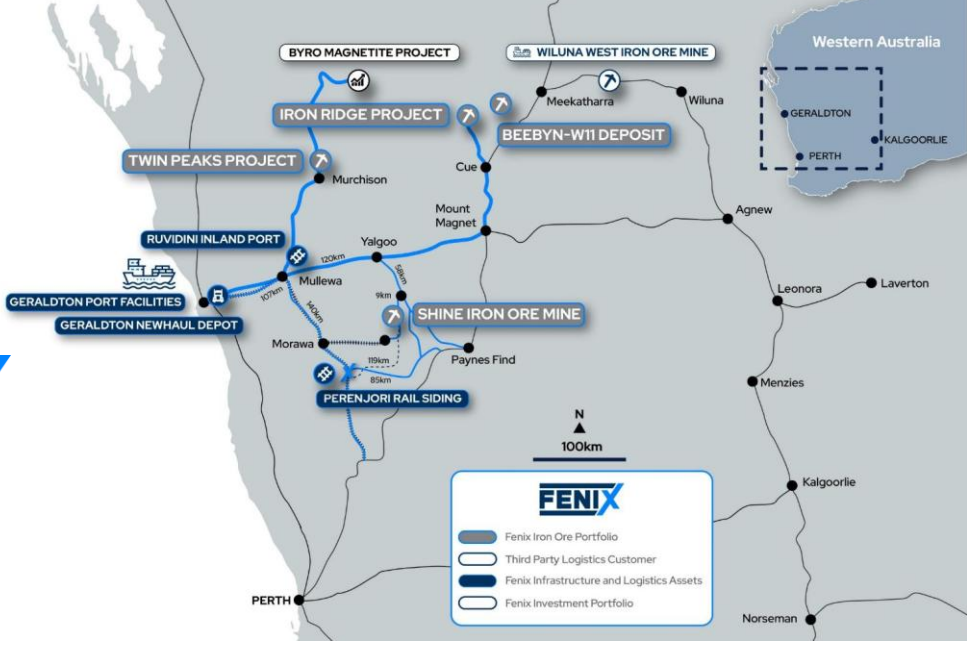
This joint announcement has been authorised for release to the ASX by the Board of Directors of Fenix and CZR.

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[3] Refer to section 11.2 of the Target's Statement (announced to ASX on 25 February 2025) for details of the interests CZR directors have in the Company.



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ABOUT FENIX

Fenix Resources (**ASX: FEX**) is a fully integrated mining, logistics and port services business targeting to achieve an annual production rate of 4 million tonnes of iron ore during 2025 from its assets in the Mid-West region of Western Australia. High quality iron ore products are transported by road to Geraldton using the Company's 100% owned Newhaul Road Logistics business. Fenix's wholly owned Newhaul Port Logistics business operates its own loading and storage facilities at the Geraldton Port, with storage capacity of more than 400,000 tonnes and loading capacity of more than 5 million tonnes per annum (Mtpa).

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

The Company's 100% owned, flagship Iron Ridge Iron Ore Mine is a premium high grade, high margin, direct shipping iron ore operation located approximately 360km northeast of Geraldton that hosts some of the highest-grade iron ore in Western Australia. Production commenced at Iron Ridge in December 2020 and is operating at the production run rate of 1.4 Mtpa. The Shine Iron Ore Mine commenced production during 2024 and is operating at the production run rate of 1.2 Mtpa. Production is expected to commence from the Beebyn-W11 Iron Ore Project during 2025 at the production rate of 1.5Mtpa.

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

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SCHEDULE 1 REPLACEMENT FENIX OPTIONS AND PERFORMANCE RIGHTS

Replacement Options

CZR options		Replacement Fenix Options		
Number	**Exercise Price**	**Number**	**Exercise Price**	**Expiry**
352,941	$0.000017	345,882	$0.0000173	16-Sep-26
529,412	$0.000017	518,824	$0.0000173	17-Mar-27
1,000,000	$0.476	980,000	$0.486	17-Mar-27
764,708	$0.000017	749,414	$0.0000173	22-Mar-26
411,766	$0.272	403,531	$0.278	22-Mar-26
411,766	$0.527	403,531	$0.538	22-Mar-26
4,117,648	$0.476	4,035,295	$0.486	28-Nov-26
588,236	$0.000017	576,471	$0.0000173	30-Nov-27
147,059	$0.2805	144,118	$0.2862	13-Apr-25
1,764,706	$0.000017	1,729,412	$0.0000173	9-Nov-25
588,236	$0.272	576,471	$0.278	9-Nov-25
588,236	$0.527	576,471	$0.538	9-Nov-25

** Assuming 100% acceptance of the offer under the Takeover Bid and the Company obtaining a relevant interest in 75% or more of all CZR shares by 7:00pm (AEDT) on or before 21 March 2025 such that CZR shareholders are entitled to the Increased Offer Consideration. Subject to the effects of rounding.*

Replacement Performance Rights

CZR Performance Rights	Replacement Fenix Performance Rights	
Number	**Number**	**Expiry Date**
2,800,000	2,744,000	30-Nov-27
257,354	252,207	28-Nov-26

** Assuming 100% acceptance of the offer under the Takeover Bid and the Company obtaining a Relevant Interest in 75% or more of all CZR shares by 7:00pm (AEDT) on or before 21 March 2025 such that CZR shareholders are entitled to the Increased Offer Consideration. Subject to the effects of rounding.*

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SCHEDULE 2 TERMS AND CONDITIONS OF REPLACEMENT FENIX OPTIONS

The key terms and conditions of the replacement options as set out in Schedule 1 (**Options**) are set out below:

(a) (**Entitlement**): Each Option shall entitle the holder (**Holder**), on exercise, the right to subscribe for one (1) fully paid ordinary share (**Share**) in the capital of Fenix Resources Ltd (ACN 125 323 622) (the **Company**).

(b) (**Exercise Price**): The exercise price of each Option is as set out in Schedule 1 (**Exercise Price**) subscribed for on exercise of each Option.

(c) (**Expiry Date**): Each Option will expire on the date as set out in Schedule 1 at 5:00pm (AWST) (**Expiry Date**).

(d) (**Exercise**): At any time prior to the Expiry Date, the Holder may apply to exercise Options by providing the Company a written notice of exercise specifying the number of Options to be exercised and converted into Shares (**Notice of Exercise**) accompanied by payment in full of the relevant number of Options being exercised, being the Exercise Price per Option.

Upon receipt of a Notice of Exercise from the Holder, the Company must allot and issue, or transfer, the relevant number of Shares for which the Holder is entitled to acquire upon exercise in accordance with paragraph (g).

(e) (**Share ranking**): Each Share allotted as a result of the exercise of an Option will, subject to the constitution of the Company, upon issue rank pari passu in all respects with other Shares.

(f) (**Quotation**) The Options will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on exercise of an Option on ASX within the time period required by the ASX Listing Rules.

(g) (**Timing of issue of Shares on Exercise**): Within 5 Business Days of the receipt of a Notice of Exercise from the Holder, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options exercised;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Options.

If the Company is unable to issue a notice under paragraph (g)(ii) or a notice delivered under paragraph (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Options may not be traded until the earlier of (i) 12 months after their issue and (ii) the issue of a prospectus pursuant to section 708A(11) of the Corporations Act, and the Company must, no later than 20 Business Days after the issue of the Shares or becoming aware of such notice being ineffective (as applicable), lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. The Company is authorised by the Holder to apply a holding lock on the relevant Shares during the period of such restriction from trading until a prospectus pursuant to section 708A(11) of the Corporations Act has been issued by the Company.

(h) (**Transfer of Options**): The Options are not transferable.

(i) (**Participation in new issues**) There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the Expiry Date unless and until Options are exercised.

(j) (**Adjustment for reorganisation**) If at any time the issued capital of the Company is reorganised, all rights of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules and the Corporations Act at the time of the reorganisation.

(k) (**Adjustment for rights issues**): If the Company is listed on ASX and makes a pro rata issue (except a bonus issue) to the holders of Shares, the exercise price of each Option shall be amended in accordance with the formula set out in ASX Listing Rule 6.22.2.

(l) (**Adjustment for bonus issues**): If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend investment) the number of Shares over which the Option is exercisable may be increased by the number of Shares which the Holder would have received if the Option had been exercised by the Holder before the record date for the bonus issue. No change will be made in such circumstances to the Exercise Price of each Option.

(m) (**Dividend and Voting Rights**): A Holder will not be entitled to receive dividends or vote at any meetings of the members of the Company unless they are shareholders of the Company.

(n) (**Deferral of exercise if resulting in a prohibited acquisition of Shares**): If the exercise of an Option would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the exercise of that Option shall be deferred until such later time or times that the exercise would not result in a contravention of the General Prohibition. In assessing whether an exercise of an Option would result in a contravention of the General Prohibition:

(i) Holders may give written notification to the Company if they consider that the exercise of an Option may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition; and

(ii) the Company may (but is not obliged to) by written notice to an Holder request an Holder to provide the written notice referred to in paragraph (n)(i) within seven days if the Company considers that the exercise of an Option may result in a contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the exercise of an Option will not result in any person being in contravention of the General Prohibition.

(o) (**Cash Settlement**):

(i) At any time after an Option has been exercised (if applicable), the Board may (in its sole and absolute discretion) elect to settle the Holder's Options in cash rather than Shares in accordance with paragraph (iii).

(ii) Subject to the Board's overriding discretion in paragraph (i), a Holder may request that the Company consider the settlement of its exercised Options in cash rather than Shares by specifying in the Notice of Exercise the number of exercised Options it wishes to have settled in cash. The Board has absolute discretion on whether the Company agrees to cash settle any exercised Options requested by the Holder.

(iii) Following receipt of the Notice of Exercise of Options and the accompanying payment in full of the relevant number of Shares being subscribed, if the Board determines to exercise its discretion to cash settle the exercised Options:

A. it must give notice of any such election to the Holder (or its nominee) specifying the number of Options to be settled in cash (**Option Cash Settlement Notice**); and

B. the cash payment will be equivalent of the value of the Shares that would otherwise have been issued to the Holder, in respect of the exercised Options which are subject to the Option Cash Settlement Notice, calculated by applying a 10% discount to the VWAP of Shares over the 15 Trading Days up to and including the

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date the relevant Options are exercised.

(p) (**No rights to return of capital**) An Option does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(q) (**Rights on winding up**) An Option does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.

(r) (**Tax Deferral**) For the avoidance of doubt, Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on Options, applies (subject to the conditions in that Act) to the Options.

(s) (**No other rights**) An Option gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

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SCHEDULE 3 TERMS AND CONDITIONS OF REPLACEMENT FENIX PERFORMANCE RIGHTS

The key terms and conditions of the replacement performance rights as set out in Schedule 1 (**Performance Rights**) are set out below:

(a) (**Entitlement**): Each Performance Right shall entitle the holder (**Holder**), on conversion, the right to subscribe for one (1) fully paid ordinary share (**Share**) in the capital of Fenix Resources Ltd (ACN 125 323 622) (the **Company**).

(b) (**Expiry Date**): Each Performance Right will expire on the date as set out in Schedule 1 (**Expiry Date**). Each Performance Right may be exercised at any time prior to 5:00pm (AWST) on the Expiry Date and any Performance Right not so exercised shall automatically expire on the Expiry Date.

(c) (**Exercise**): A Performance Right is exercisable by the Holder prior to the Expiry Date by providing the Company a written notice of exercise specifying the number of Performance Rights to be exercised and converted into Shares (**Notice of Exercise**).

Upon receipt of a Notice of Exercise from the Holder, the Company must allot and issue, or transfer, the number of Shares for which the Holder is entitled to acquire upon conversion in accordance with paragraph (g).

(d) (**Share ranking**): All Shares allotted as a result of the conversion of a Performance Right will, subject to the constitution of the Company, upon issue rank pari passu in all respects with other Shares.

(e) (**Application to ASX**) The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(f) (**Timing of issue of Shares on Conversion**): Within 5 Business Days of the receipt of a Notice of Exercise from the Holder, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If the Company is unable to issue a notice under paragraph (f)(ii) or a notice delivered under paragraph (f)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Performance Rights may not be traded until the earlier of (i) 12 months after their issue and (ii) the issue of a prospectus pursuant to section 708A(11) of the Corporations Act, and the Company must, no later than 20 Business Days after the issue of the Shares or becoming aware of such notice being ineffective (as applicable), lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors. The Company is authorised by the Holder to apply a holding lock on the relevant Shares during the period of such restriction from trading until a prospectus pursuant to section 708A(11) of the Corporations Act has been issued by the Company.

(g) (**Transfer of Performance Rights**): The Performance Rights are not transferable.

(h) (**Participation in new issues**) A Performance Right does not entitle a Holder (in their capacity as a Holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(i) (**Reorganisation of capital**) If at any time the issued capital of the Company is reorganised, all rights

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of a Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules and the Corporations Act at the time of the reorganisation.

(j) (**Adjustment for bonus issue**) If the Company makes a bonus issue of Shares or other securities to existing shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend investment) the number of Shares over which the Performance Right is exercisable may be increased by the number of Shares which the Holder would have received if the Performance Right had been exercised by the Holder before the record date for the bonus issue.

(k) (**Dividend and Voting Rights**): A Holder will not be entitled to receive dividends or vote at any meetings of the members of the Company unless they are shareholders of the Company.

(l) (**Deferral of conversion if resulting in a prohibited acquisition of Shares**): If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the Corporations Act (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

(i) Holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the Holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and

(ii) the Company may (but is not obliged to) by written notice to a Holder request a holder to provide the written notice referred to in paragraph (l)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(m) (**Cash Settlement**)

(i) At any time after the Performance Rights have been exercised (if applicable), the Board may (in its sole and absolute discretion) elect to settle the Holder's exercised Performance Rights in cash rather than Shares in accordance with paragraph (iii).

(ii) Subject to the Board's overriding discretion in paragraph (i), the Holder may request the Company consider the settlement of its exercised Performance Rights in cash rather than Shares, by specifying in the Notice of Exercise, the number of exercised Performance Rights it wishes to have settled in cash. The Board has absolute discretion on whether the Company agrees to cash settle any exercised Performance Rights requested by the Holder.

(iii) If the Board determines to exercise its discretion to cash settle the exercised Performance Rights:

A. it must give notice of any such election to the Holder (or its nominee) specifying the number of Performance Rights to be settled in cash (**Performance Rights Cash Settlement Notice**); and

B. the cash payment will be equivalent of the value of the Shares that would otherwise have been issued to the Holder, in respect of the exercised Performance Rights which are subject to the Performance Rights Cash Settlement Notice, calculated by applying a 10% discount to the VWAP of Shares over the 15 Trading Days up to and including the date the relevant Performance Rights are exercised.

(n) (**No rights to return of capital**) A Performance Right does not entitle the Holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(o) (**Rights on winding up**) A Performance Right does not entitle the Holder to participate in the surplus profits or assets of the Company upon winding up.

(p) (**Tax Deferral**) For the avoidance of doubt, Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, applies (subject to the conditions in that Act) to the Performance Rights.

(q) (**No other rights**) A Performance Right gives the Holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

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