

ASX ANNOUNCEMENT

14 October 2022



LETTER TO SHAREHOLDERS REGARDING ANNUAL GENERAL MEETING

Dear Shareholder

Fenix Resources Limited (ASX:FEX) (**Fenix** or **Company**) confirms its Annual General Meeting will be held at 10:00am (WST) on Tuesday, 15 November 2022 (**Meeting**) at Grant Thornton, Level 43, Central Park, 152 -158 St Georges Terrace, Perth WA 6000.

In accordance with section 110D of the *Corporations Act 2001* (Cth) (as amended by the *Corporations Amendments (Meetings and Documents) Act 2022* (Cth)), the Company will not be sending hard copies of the Notice of Meeting to Shareholders unless they have made a valid election to receive documents in hard copy. Instead, the Notice of Meeting can be viewed and downloaded from the website link:

<https://fenixresources.com.au/asx-announcements/>

Voting at the Meeting will occur by a poll. A copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's share registry, Automic Group by:

Online:

Use your computer or smartphone to appoint a proxy at:

<https://investor.automic.com.au/#/loginsah>

Mail:

Automic
GPO Box 5193
Sydney NSW 2001

Person:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

Email:

meetings@automicgroup.com.au

Facsimile:

+61 2 8583 3040

Your proxy voting instruction must be received by 10:00am (WST) on Sunday, 13 November 2022, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the Notice of Meeting please contact the Company's share registry, Automic Group on, 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

The Company will advise Shareholders as soon as practicable, if any of the above circumstances change. If any changes are required, the Company will advise Shareholders by way of announcement on ASX and the details will also be made available on our website at <https://fenixresources.com.au/>

Authorised by the Board of Fenix Resources Limited.

For further information, contact:

John Welborn

Chairman

Fenix Resources Limited

john@welborn.com.au

Dannika Warburton

Investor & Media Relations

Investability

dannika@investability.com.au

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FENIX RESOURCES LIMITED

ACN 125 323 622

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00am (WST)
DATE: Tuesday, 15 November 2022
PLACE: Grant Thornton
Central Park, Level 43
152 -158 St Georges Terrace
PERTH WA 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (WST) on Sunday, 13 November 2022.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9322 1587.

IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at Grant Thornton, Central Park, Level 43, 152-158 St Georges Terrace, Perth on Tuesday, 15 November 2022 at 10:00am (WST).

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Proxy vote if appointment specifies way to vote: Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances: Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

Subject to the following paragraph, if the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on any of the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

If the Chair is a person referred to in the voting prohibition statement applicable to a Resolution (under section 224 of the Corporations Act), the Chair will only be able to cast a vote as proxy for you on the relevant Resolution if you are entitled to vote and have specified your voting intention in the Proxy Form.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial period ended 30 June 2022 including the declaration of the Directors, the Directors' report, the Remuneration Report, and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a non-binding ordinary resolution:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2022."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting prohibition statement

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel (**KMP**), details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the KMP.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

If you are a member of the KMP of the Company or a Closely Related Party of such person (or are acting on behalf of any such person) and purport to cast a vote (other than as a proxy as permitted in the manner set out above), that vote will be disregarded by the Company (as indicated above) and you may be liable for an offence for breach of voting restrictions that apply to you under the Corporations Act.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR JOHN WELBORN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of clause 12.8 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr John Welborn, a Director who was appointed casually on 16 November 2021, retires and, being eligible, is elected as a Director."

4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR CRAIG MITCHELL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of clause 12.8 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Craig Mitchell, a Director who was appointed casually on 1 September 2022, retires and, being eligible, is elected as a Director."

5. RESOLUTION 4 – AMENDMENTS TO THE CONSTITUTION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

"That, pursuant to and in accordance with section 136 of the Corporations Act and for all other purposes, the Constitution be amended, on the terms and conditions in the Explanatory Memorandum."

6. RESOLUTION 5 – APPROVAL OF EMPLOYEE SECURITIES INCENTIVE PLAN AMENDMENTS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, pursuant to and in accordance with Listing Rule 7.2, Exception 13 and for all other purposes, Shareholders approve the Amendments to the Employee Securities Incentive Plan and the issue of up to a maximum of 54,621,392 Equity Securities under that Plan on the terms and conditions in the Explanatory Statement."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who is eligible to participate in the Employee Securities Incentive Plan or any of their associates.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with the directions given to the proxy or attorney to vote on this Resolution in that way; or
- (b) the Chairperson as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the Chairperson to vote on this Resolution as the Chairperson decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and

- (ii) the Shareholder votes on this Resolution in accordance with the directions given by the beneficiary to the Shareholder to vote in that way.

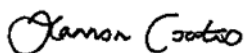
In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the KMP or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairperson and the appointment does not specify how the Chairperson is to vote but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected with the remuneration of a member of the KMP.

Dated: 14 October 2022

By order of the Board



Shannon Coates
Company Secretary

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2022 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://fenixresources.com.au>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company. The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year. The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting, the votes cast against the Remuneration Report considered at the annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR JOHN WELBORN

3.1 General

Clause 12.7 of the Company's Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, provided the total number of Directors does not exceed the maximum number allowable under the Company's Constitution. Pursuant to clause 12.8 of the Company's Constitution, a Director appointed under Clause 12.7 of the Company's Constitution holds office until the conclusion of the next annual general meeting of the Company following their appointment but is eligible for election at that meeting.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Mr John Welborn was appointed as an additional Director of the Company on 16 November 2021 and has since served as a Non-Executive Director of the Company.

In accordance with Listing Rule 14.4 and clause 12.8 of the Company's Constitution, and being eligible, Mr John Welborn offers himself for election as a Director of the Company.

Mr Welborn is a highly accomplished and internationally respected mining company director and senior executive with a successful track record of leading strategic growth strategies and generating exceptional returns for shareholders. A Fellow of the Institute of Chartered Accountants in Australia, a Fellow of the Australian Institute of Management, and a member of the Australian Institute of Mining and Metallurgy, Mr Welborn is a former investment banker who has operated in the resources sector for more than twenty years.

Mr Welborn was Managing Director and CEO of Resolute Mining Limited over a five-year period which saw the company's market capitalisation grow from less than \$200 million to more than \$1 billion corresponding with the Company joining the ASX200 and an increase in the share price during his tenure as CEO of more than 300%. Under Mr Welborn's leadership, Resolute was transformed through the development, acquisition, and operation of new mining operations which resulted in production of more than 1.7 million ounces of gold. Additional achievements included the successful execution of value creative corporate transactions, comprehensive refinancing and investment activities, and the admission of the company's shares for trading on the main board of the London Stock Exchange.

In addition to his experience at Resolute, Mr Welborn has been responsible for an increase in share price of more than 300% in his role as Chairman of Orbital Corporation Limited and has previous iron ore experience as a Director of Equatorial Resources Limited. Mr Welborn is Director of Apollo Minerals Limited and is a former Director of the World Gold Council, the Australia-Africa Minerals and Energy Group, and a former Commissioner of Tourism Western Australia. Mr Welborn is a champion for responsible and sustainable mining development and was named by MiningMx as one of the 100 Most Influential People in Africa's Mining Industry.

Mr Welborn has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

If elected, the Board considers Mr Welborn to be an independent Director.

Resolution 2 is an ordinary resolution.

3.2 Board Recommendation

The Board (other than Mr John Welborn) recommends Shareholders vote in favour of Resolution 2 on the basis that Mr Welborn's skills and experience will support the Company in achieving its strategic objectives.

4. RESOLUTION 3 – ELECTION OF DIRECTOR – MR CRAIG MITCHELL

4.1 General

Clause 12.7 of the Company's Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an additional Director, provided the total number of Directors does not exceed the maximum number allowable under the Company's Constitution. Pursuant to clause 12.8 of the Company's Constitution, a Director appointed under Clause 12.7 of the Company's Constitution holds office until the conclusion of the next annual general meeting of the Company following their appointment but is eligible for election at that meeting.

ASX Listing Rule 14.4 also provides that each additional director appointed during the year is to hold office until the next annual general meeting and is then eligible for election as a Director of the Company.

Mr Craig Mitchell was appointed as an additional Director of the Company on 1 September 2022 and has since served as a Non-Executive Director of the Company.

In accordance with Listing Rule 14.4 and clause 12.8 of the Company's Constitution, and being eligible, Mr Craig Mitchell offers himself for election as a Director of the Company.

Mr Mitchell founded Mitchell Corp in 1997, which became one of Australia's largest bulk haulage businesses operating in four states and servicing some of Australia's largest energy and mining businesses, before its sale to Toll Group in 2011. Mr Mitchell has a proven track record of positive engagement with local communities through many successful community initiatives. A proven innovator, Mr Mitchell was awarded the Ernst and Young Western Australian Young Entrepreneur of the Year 2006. In 2019, Mr Mitchell founded trucking and logistics company Newhaul Pty Ltd, which formed a joint venture with the Company, Fenix-Newhaul Pty Ltd.

If elected, the Board does not consider Mr Mitchell to be an independent Director as he is engaged in an executive capacity.

Resolution 3 is an ordinary resolution.

4.2 Board Recommendation

The Board (other than Mr Craig Mitchell) recommends Shareholders vote in favour of Resolution 3 on the basis that Mr Mitchell's skills and experience will support the Company in achieving its strategic objectives.

5. RESOLUTION 4 – AMENDMENTS TO THE CONSTITUTION

Since the Company adopted its current Constitution, there have been changes to the Corporations Act relating to virtual meetings and greater flexibility to provide notice to Shareholders. The Directors believe it is desirable to update the Constitution to reflect current corporate practice and to ensure it is in line with the present legislation and regulatory requirements in Australia.

Resolution 4 seeks Shareholder approval for the amendments to the constitution in accordance with section 136 of the Corporations Act.

A copy of the amended constitution will be sent to any Shareholder on request and will also be available for inspection at the office of the Company during normal business hours prior to the Annual General Meeting and available for inspection at the Meeting.

The amended constitution will be effective from the close of the Meeting.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 4.

5.1 Summary of Proposed Amendments

Virtual Meetings

10.2A is proposed to be added to the Constitution after article 10.2 to read as follows:

10.2A Meeting of Members by virtual meeting

A meeting of Members may be held using virtual technology only and Members attending virtually are present for the purposes of determining whether a quorum is present.

Methods of service

Article 21.2 is proposed to be amended to read as follows:

21.2 Methods of service

The Company may give a document to a member:

- a) personally;
- b) by delivering it or sending it by post to the address for the Member in the Register or an alternative address nominated by the Member;
- c) by sending it to a fax number or electronic address or by other electronic means nominated by the Member;
- d) by notifying the Member by any electronic means (including providing a URL link to any document or attachment) nominated by the Member:
 - i. that the document is available; and
 - ii. how the Member may access the document;
- e) by posting (pursuant to article 21.2(a)) or faxing (pursuant to article 21.2(b)), a document notifying the Member:
 - i. that a document is available; and
 - ii. how the Member may access the document; or
- f) such other means as permitted by the Corporations Act.

5.2 Reasons for Proposed Amendments

The proposed amendments to the Constitution are to permit the Company to hold wholly virtual meetings and provide alternative means of providing notice to Shareholders. This improved flexibility is necessary to ensure the Company is able to hold general meetings at times where physical meetings may not be practicable (such as during pandemics) and provide flexibility in the means of providing notice to a Shareholder.

5.3 Board Recommendation

The Board recommends Shareholders vote in favour of Resolution 4.

6. RESOLUTION 5 – APPROVAL OF EMPLOYEE SECURITIES INCENTIVE PLAN AMENDMENTS

6.1 Background and Explanation

The Company has adopted the Fenix Resources Limited Employee Securities Incentive Plan (**Employee Securities Incentive Plan** or **Plan**) under which eligible participants are offered the opportunity to be issued Equity Securities to attract, motivate and retain key Directors, employees and consultants and provide them with the opportunity to participate in the future growth of the Company.

In accordance with Listing Rule 7.2, Exception 13(b), Resolution 5 seeks Shareholders' approval to amend the Employee Securities Incentive Plan to align the plan with recent changes made to the Corporations Act and the rules relating to employee incentive plans. It is proposed that the Employee Securities Incentive Plan is amended to:

- (a) expand the persons who are eligible to participate in the plan to any Director, employee, consultant, contractor, service provider (irrespective of hours worked) or any other person the Board determines to be eligible;
- (b) permitting the issue of Equity Securities for non-monetary consideration to not be subject to the previous 5% cap, but still subject to the cap on the number of the Equity Securities approved by Shareholders pursuant to Listing Rule 7.2, Exception 13(b); and
- (c) other minor amendments to ensure the plan is consistent with the amendments to the Corporations Act,

(the **Amendments**).

The material terms of the Employee Securities Incentive Plan (including the Amendments) are summarised in Schedule 1. Additionally, a copy of the Employee Securities Incentive Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Employee Securities Incentive Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 5 is an ordinary resolution.

6.2 Listing Rule 7.1 and Listing Rule 7.2, Exception 13

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to convert to equity (such as an Option or Performance Right), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.2, Exception 13 provides an exception to Listing Rule 7.1. The effect of Shareholder approval under Listing Rule 7.2, Exception 13 is that any issues of securities under the Employee Securities Incentive Plan are treated as having been made with the approval of shareholders for the purposes of Listing Rule 7.1. Approval under Listing Rule 7.2, Exception 13 lasts for a period of three years.

If Shareholder approval for Resolution 5 is obtained, the Company will implement the Amendments to the Employee Securities Incentive Plan and enable the Company to issue Equity Securities under the Employee Securities Incentive Plan without using the Company's 15% annual placement capacity under Listing Rule 7.1.

If Shareholder approval for Resolution 5 is not obtained, the Company will not proceed with implementing the Amendments to the Employee Securities Incentive Plan. The Company may continue to issue Equity Securities pursuant to the existing Employee Securities Incentive Plan (without the Amendments) based on the previous approval obtained on 9 November 2020.

Specific information required by Listing Rule 7.2

In accordance with Listing Rule 7.2, Exception 13, information is provided as follows:

- (a) The material terms of the Employee Securities Incentive Plan (including the Amendments) are summarised in Schedule 1.
- (b) The Employee Securities Incentive Plan was last approved under Listing Rule 7.2, Exception 13 on 9 November 2020.
- (c) No Equity Securities have been issued under the Employee Securities Incentive Plan since it was last approved by Shareholders on 9 November 2020.
- (d) The maximum number of Employee Incentives proposed to be issued under the Employee Securities Incentive Plan following Shareholder approval is 54,621,392 Equity Securities. The approval of the Employee Securities Incentive Plan will be valid for a period of three years.
- (e) A voting exclusion statement is included in the Notice for Resolution 5.

6.3 Board Recommendation

The Board recommends Shareholders vote in favour of Resolution 5.

The Chair will cast all available proxies in favour of Resolution 5.

GLOSSARY

\$ means Australian dollars.

Amendments has the meaning given in Section 6.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice, and any other **Article** means an article of the Constitution.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given by section 12 of the Corporations Act.

Associated Entity has the meaning given in the Corporations Act.

ASX means ASX Limited (ACN 008 624 691).

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, or a day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Change of Control Event means:

- (a) a change in Control of the Company;
- (b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of issued Shares;
- (c) where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of issued Shares;
- (d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of issued Shares; or
- (e) where a Takeover Bid is made to acquire more than fifty per cent (50%) of issued Shares (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates) already owns will amount to more than 50% of issued Shares) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of issued Shares,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;

(b) a child of the member's spouse;

(c) a dependent of the member or the member's spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

(e) a company the member controls; or

(f) a person prescribed by the *Corporations Regulations 2001 (Cth)* for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Fenix Resources Limited (ACN 125 323 622).

Constitution means the Company's constitution.

Control has the same meaning as in section 50AA of the Corporations Act.

Convertible Security means an Equity Security exercisable for Shares in accordance with the terms of the Employee Securities Incentive Plan.

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

Directors means the current directors of the Company.

Eligible Participant has the meaning given in Schedule 1.

Employee Securities Incentive Plan or **Plan** has the meaning given in Section 6.1.

Equity Securities has the meaning given in the Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

Group means the Company and each of its Associated Entities.

Key Management Personnel or **KMP** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Meeting means the annual general meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Participant means an Eligible Participant who has been granted securities under the Employee Securities Incentive Plan.

Proxy Form means the proxy form accompanying the Notice.

Relevant Interest has the meaning given in the Corporations Act.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2022.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Spill Meeting has the meaning given in Section 2.2.

Spill Resolution has the meaning given in Section 2.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 - SUMMARY OF EMPLOYEE SECURITIES INCENTIVE PLAN

A summary of the key terms of the Plan is set out below:

1. (Eligible Participant) Eligible Participant means a person that:

- (a) is a Director, employee, consultant, contractor, service provider of the Company or member of the Group; or
- (b) any other person who the Board determines in its sole and absolute discretion to be eligible to participate in the Plan,

and has been determined by the Board to be eligible to participate in the Plan from time to time.

(Eligible Participant).

2. (Purpose): The purpose of the Plan is to:

- (a) assist in the reward, retention, and motivation of Eligible Participants;
- (b) link the reward of Eligible Participants to Shareholder value creation; and
- (c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

3. (Plan administration): The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

4. (Eligibility, invitation and application): The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

5. (Grant of Securities): The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of securities (being a Share, option, performance right or other Convertible Security), subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

6. (Terms of Convertible Securities): Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

7. (Vesting of Convertible Securities): Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant

by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

- 8. (Exercise of Convertible Securities and cashless exercise):** To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

- 9. (Delivery of Shares on exercise of Convertible Securities):** As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
- 10. (Forfeiture of Convertible Securities):** Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

- (a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and
 - (b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
- 11. (Change of control):** If a Change of Control Event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.
- 12. (Rights attaching to Plan Shares):** All Shares issued under the Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank

pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

- 13. (Disposal restrictions on Plan Shares):** If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

- (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or
- (b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

- 14. (Adjustment of Convertible Securities):** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

- 15. (Participation in new issues):** There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

- 16. (Amendment of Plan):** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

- 17. (Plan duration):** The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.



Fenix Resources Ltd | ACN 125 323 622

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.00am (WST) on Sunday, 13 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBCHAT: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

