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SUSTAINABILITY REPORT

CLIMATE-RELATED
FINANCIAL DISCLOSURES



FY2026

CHAIR'S LETTER

Dear Fellow Shareholders,

I am pleased to present the Fenix Resources Sustainability Report for the financial year ended 30 June 2026, our first prepared under the Australian Sustainability Reporting Standards (AASB S2 Climate-related Disclosures) and the Corporations Act 2001.



A Changing Operating Environment

Two long-term forces now shape the operating environment for every resources company. The first is the physical climate itself, which is changing in ways that matter for businesses whose value depends on infrastructure, logistics and people working in demanding conditions. The second is the global response, a transition in policy, technology and markets whose pace and shape remain uncertain, but whose direction is clear.

Australia's introduction of mandatory climate-related financial disclosure reflects a simple proposition: that investors are entitled to understand how companies are positioned against both forces. Fenix supports that proposition. A disclosure regime that requires companies to test their strategies against plausible climate futures, and to report what they find, serves shareholders well. This report is our first contribution to it, and we have approached it as owners would want us to: rigorously, proportionately and without embellishment.

Two Futures, One Business Model

The future will sit somewhere between two broad paths, and during the year we tested our strategy and business model against both: a world that achieves an orderly transition and limits warming to 1.5°C, and a world in which warming well exceeds 2.5°C and physical impacts intensify. The assessment, supported by external specialists, spanned our operations and value chain from mine to port to shipping, across horizons extending to 2055.

In a higher warming world, our exposures are physical: extreme heat, cyclone and storm events, and flooding, concentrated in our operations and critical logistics infrastructure. These risks are managed today within normal operating parameters through established controls and contingency planning, and they have not produced separately identifiable material financial impacts, though we recognise their potential severity and frequency may increase over time.

In a lower warming world, the considerations are transitional: evolving emissions regulation, including potential exposure to the Safeguard Mechanism, and technology shifts in mining and haulage. Here the assessment also identified opportunity. Our Scope 1 emissions arise primarily from diesel, so greater energy efficiency and the progressive adoption of lower-emission technologies would reduce fuel consumption, improve cost



predictability and strengthen our resilience to energy price volatility. In our business, the path that lowers emissions and the path that lowers costs are substantially the same path.

The conclusion of this work is that climate resilience for Fenix is not a separate agenda. It rests on the same foundations as the business itself: operational discipline, control of our supply chain, and considered capital allocation. That is why climate-related risks and opportunities are governed through the Board's oversight of our existing risk management framework rather than through a parallel structure.

A Disciplined Starting Point

This is a first-year report. We have applied the available transition reliefs, and we have not yet set climate-related targets or adopted a standalone transition plan. We prefer to report our position as it stands rather than announce commitments before the work behind them is done. Our climate analysis and our associated disclosures will continue to evolve and the Board will consider the further development of its climate-related capabilities in the next reporting period as our data and obligations mature.

Acknowledgements

To our people, whose work underpins both the resilience described in this report and the report itself, thank you. And to our shareholders, thank you for your continued support.

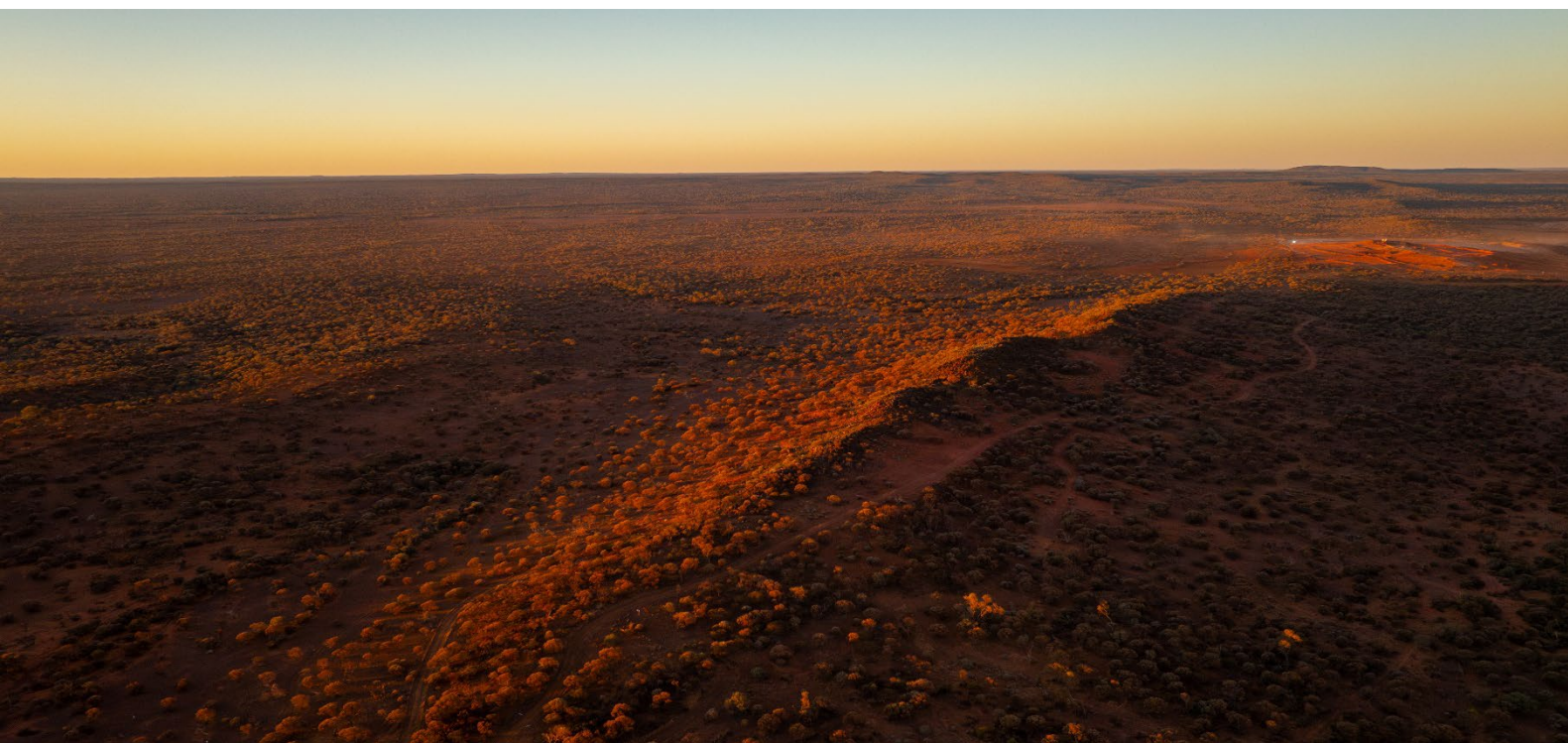
The climate transition will play out over decades. FY26 established our baseline for navigating it, and we will show you the evidence of our progress each year.

Yours faithfully,

A handwritten signature in black ink, appearing to be "Jenn Morris".

Jenn Morris

Chair – Audit and Risk Committee



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1.0 Basis of Preparation

The consolidated entity comprises Fenix Resources Ltd (the '**Company**') and its subsidiaries (together referred to as the '**Group**'). The sustainability report for the Group is for the same reporting entity as the related financial statements.

The Sustainability Report presents the climate-related disclosures for the Group for the financial year ended 30 June 2026, aligned to the same reporting period as the related financial statements.

1.1 Statement of compliance

The sustainability report for the Group has been prepared in accordance with the Australian Sustainability Reporting Standards adopted by the Australian Accounting Standards Board (being AASB S2 *Climate-related Disclosures*) and the *Corporations Act 2001*.

1.2 Transition reliefs

In preparing this report, the Group has applied the following transition reliefs for the first annual reporting period:

- Not to disclose comparative information; and
- Not to disclose Scope 3 emissions

1.3 Jurisdictional relief

The Group has applied jurisdictional relief for the measurement of Scope 1 and 2 greenhouse gas (GHG) emissions for emission sources within facilities reported under the NGER Scheme, measured in accordance with the *National Greenhouse and Energy Reporting Act 2007* (NGER Act).

For other operations, Scope 1 and 2 emissions are measured in accordance with the *GHG Protocol: A Corporate Accounting and Reporting Standard (2004)*.

Further information on the Group's emissions measurement approach is provided in Section 7.5 Boundary and measurement approach.



2.0 Judgements and uncertainties

2.1 Judgements

The preparation and presentation of this report involves applying judgement to determine what information is relevant, reliable and useful to disclose. This includes interpreting reporting requirements and making informed decisions in areas where the standard allows flexibility. Key judgements applied are summarised below.

Topic	Description
Materiality	To identify relevant risks and opportunities and material information, the Company exercised judgement in assessing impacts and dependencies across the value chain that could reasonably be expected to affect the Group's strategy, business model or financial position. These judgements are informed by external views and publications on industry-relevant risks and opportunities, and the scenario analysis undertaken.
Greenhouse Gas (GHG) Emissions	The Group applies jurisdictionally appropriate measurement methodologies for Scope 1 and Scope 2 GHG emissions in accordance with AASB S2. The Group applies the jurisdictional relief permitted under AASB S2 for GHG emission sources reported under the National Greenhouse and Reporting (NGER) Act 2007 ("NGER Act"). Consistent with this relief, the Group uses the NGER (Measurement) Determination 2008 ("NGER Measurement Determination") as the applicable jurisdictional methodology for Scope 1 and Scope 2 GHG emission sources that fall within the NGER Act. Accordingly, emission factors for those emission sources are drawn from the NGER Measurement Determination. Scope 1 and 2 GHG emissions are disclosed as absolute gross emissions, before deducting any carbon offsets, in metric tonnes of carbon dioxide (CO₂) equivalent (tCO₂e). Scope 1 GHG emissions are direct emissions from operations that are owned or controlled by the reporting company. Scope 2 GHG emissions are indirect emissions from the generation of purchased or acquired electricity that are owned or controlled by the reporting company.
Scenario selection	Scenario analysis was undertaken within required parameters of a scenario aligned with keeping global warming to 1.5°C (low warming scenario) and one with warming that well exceeds 2.5°C (high warming scenario). The scenarios applied by the Group are discussed in the Strategy section of this report and were selected with support from an external consultant. They were chosen and applied due to being amongst the most commonly used climate scenarios in the mining and resources sectors.

Table 1 - Judgements

2.2 Measurement uncertainty

Measurement uncertainty in this report arises from data gaps, external factors and forward-looking information. This relates to:

Topic	Description
GHG emission factors (refer to Metrics and Targets)	GHG quantification is unavoidably subject to significant inherent limitations, because of incomplete scientific knowledge and inherent limitations in the nature of, and methods used for, determining emission factors and data. The selection by management of different but acceptable emission factors or measurement techniques could have resulted in materially different GHG emissions reported. Inherent limitations in emissions factors noted in the NGER Measurement Determination in general may affect GHG measurement outcomes.
Resilience assessment	Forward-looking disclosures on transition risks are subject to uncertainty relating to safeguard facility compliance costs and future energy mix, prices and demand. While scenario analysis for climate-related risk/opportunity and resilience assessment has been undertaken by downscaling trends from the global scenarios for carbon pricing and energy prices applied to the Group's corporate plan assumptions, there is a high degree of uncertainty as to the interplay of the assumptions considered in the global scenarios with domestic regulation and government energy transition plans. Importantly, the scenarios considered do not represent forecast assumptions. Physical risk assessments rely on external climate models and internal assumptions about asset vulnerability. The Group engaged an external consultant to generate site specific climate hazard projections derived from multiple credible climate information sources. These inputs involve significant levels of measurement uncertainty due to variability in climate projections and assumptions about adaption measures. Resilience assessment for climate related physical risks has been undertaken with historically observed climate-related physical risk events used to assess anticipated financial effects from such events in the future. However, these effects have not been subject to further quantification beyond this. Physical risk resilience assessment sought to identify the potential areas of exposure from material climate-related hazards identified – e.g. critical infrastructure (such as port and haul road) disruption from extreme weather events – and understand their potential effects as understood by the Group operations personnel to inform a consequence assessment against the Group's risk criteria (insignificant to catastrophic in consequence scale).
Scenario analysis	Where measurement uncertainty affects quantification of climate-related risks and opportunities (CRROs), this has been noted within the discussion of the relevant CRRO in the Strategy section of this report. In some cases, scenario-based quantitative information has been provided where management considers it useful to users of the report, notwithstanding that the information is subject to significant uncertainty and does not represent a forecast. Where the Group has concluded that quantitative information would not be useful, anticipated financial effects have not been quantified.

Table 2 – Measurement uncertainty

3.0 Governance of climate-related risks and opportunities

3.1 Board oversight

The Board of Directors has oversight of climate-related risks and opportunities as part of its broader oversight of the Company's risk management framework. The Board, acting as a whole, is responsible for monitoring material risks that may affect the Company's strategy, operations and financial performance, including climate-related risks where relevant. This responsibility is reflected in the Board Charter that describes the Board's role in overseeing the entity's risk management framework and monitoring material risk exposures, including climate-related risks and opportunities where relevant.

The Board receives information on climate-related risks and opportunities from management through established risk reporting channels, including Board papers and reporting packs prepared for the Company's annual risk management reporting cycle including risk register reporting. This occurs at least annually and material developments – such as significant changes in the Company's risk profile, material regulatory developments, or climate-related implications for major transactions – are escalated outside the scheduled cycle for Board consideration as required.

The Board considers climate-related risks and opportunities in the context of the Company's overall strategy and business planning and, where relevant, major transactions and significant investment decisions. Where relevant, the Board's consideration of climate-related risks and opportunities includes consideration of key trade-offs (for example, between risk mitigation costs, operational resilience and strategic priorities) as part of its broader decision-making. As at the reporting date, the Company has not set specific climate-related targets; accordingly, the Board does not approve or monitor progress against such targets, and climate-related performance metrics are not currently used in remuneration policies.

3.2 Management's role

Management's role in relation to climate-related risks and opportunities is delegated to the Chief Financial Officer (**CFO**). In performing this role, the CFO coordinates with relevant internal functions (e.g., logistics and operations) through the Company's established risk management processes, including risk register maintenance and periodic risk reporting. In this capacity, the CFO is responsible for coordinating the identification and assessment of climate-related risks and opportunities, ensuring these matters are monitored through the Company's existing risk management processes and reporting (including, where applicable, the risk register), and providing updates to the Board through established reporting channels. Oversight of the CFO's role is exercised by the Board through its review and challenge of the CFO's reporting, including follow-up requests for additional analysis or action where required, and consideration of any material matters escalated outside the scheduled reporting cycle.

3.3 Controls and procedures

The Company does not maintain climate-specific controls or procedures that are separate from its broader risk management framework. Climate-related risks are identified, assessed and monitored through existing risk management processes, including the maintenance and periodic review of the Company's risk register.

These processes are designed to support the identification and escalation of material risks to the Board and are applied consistently across the Company's risk profile.

3.4 Skills and competencies

During the reporting period, the Board did not undertake a formal climate-specific capability gap assessment. In the absence of a standalone assessment, the Board formed its view on whether appropriate skills and competencies are available to oversee strategies designed to respond to climate-related risks and

opportunities through consideration of the collective experience of directors in overseeing operational and strategic risks relevant to the Company's activities, together with its ability to obtain external specialist advice where required.

In the next reporting period, the Board will consider whether further assessment of climate-related skills and competencies is required to support its oversight of strategies designed to respond to climate-related risks and opportunities. Any assessment may be undertaken through internal Board evaluation processes, with support from external advisers or consultants as necessary, having regard to the climate-related risks, opportunities and reporting obligations the Board is required to oversee.

Where climate-related capability needs or gaps are identified, the Board will determine an appropriate response to ensure that relevant skills and competencies are available or developed to support its oversight of strategies designed to respond to climate-related risks and opportunities. This may include obtaining external specialist advice, receiving climate-related updates and briefings from advisers or consultants, or participating in targeted development activities where considered appropriate.

Where specialised expertise is required to support the Board's oversight of strategies designed to respond to climate-related risks and opportunities, the Company may obtain advice from external advisers or consultants.

4.0 Strategy

4.1 Materiality approach

The Group identifies climate-related risks and opportunities that could reasonably be expected to affect its strategy, business model and prospects through a structured materiality assessment process. This process considers impacts and dependencies across the Group's operations and value chain, and assesses whether potential climate-related matters could reasonably be expected to influence the Group's cash flows, access to finance or cost of capital over the short, medium and long term.

In performing this assessment, the Group draws on a combination of internal and external inputs, including its existing risk management processes, industry guidance and peer disclosures, and the outputs of its climate scenario analysis. Matters identified are evaluated to determine whether they represent material information for the purposes of this report, having regard to their potential financial effects and relevance to users of the Group's financial statements.

The Group evaluated the climate-related risks and opportunities identified through this process to determine which could reasonably be expected to affect its prospects. Material information about those risks and opportunities forms the basis of the disclosures presented in the Strategy, Risk Management, and Metrics and Targets sections of this report.

The Group has not developed a formal climate transition plan and is not required to develop such a plan under AASB S2. However, climate-related transition considerations are embedded within its broader strategy, risk management processes, and assessment of emissions reduction opportunities.

4.2 Scenario approach

In March 2026, the Group undertook climate-related scenario analysis to evaluate the resilience of its strategy and business model to climate-related changes, developments and uncertainties. The Group then subsequently undertook work to quantify the potential financial impacts of each significant climate-related risk and opportunity on the business and its value chain. The assessment considered identified climate-related risks and opportunities under two plausible future states, using reasonable and supportable information available at the reporting date and an approach commensurate with the Group's circumstances.

The approach involved: (a) identifying climate-related risks and opportunities across the Group's operations and value chain, (b) assessing those matters under selected low warming and high warming scenarios using

external climate data, publicly available transition pathways and internal operational knowledge, and, (c) where reasonably supportable, considering potential financial effects through the Group's planning and risk assessment processes. Material information identified through this process forms the basis of the disclosures in this report. The assessment incorporated both quantitative and qualitative analysis. Quantitative climate hazard modelling informed the assessment of physical climate-related risks, while transition risks and opportunities were assessed primarily qualitatively, with selected scenario-based quantitative analysis undertaken to assess potential financial effects. Management considers this level of analysis appropriate given the Group's current scale, operating footprint, concentrated iron ore business model, available internal data and the extent to which climate-related risks and opportunities are currently managed through the Group's existing risk management, operational planning and capital allocation processes.

The Group expects to review the continued relevance of its climate-related scenario analysis at least annually as part of its climate-related risk assessment and reporting processes. The scenario analysis will be updated where required, including where there are material changes in the Group's operations, strategy, climate-related risk profile, key assumptions, climate data, regulatory settings, market conditions or available technologies. In the absence of such material changes, the Group does not expect to undertake a full refresh of scenario analysis each reporting period.

Climate scenarios are commonly framed as either: (a) high transition and low physical risk or (b) low transition and high physical risk. This reflects the inverse relationship between the intensity of global efforts to reduce greenhouse gas emissions and the extent of climate-related physical impacts. To capture both ends of this spectrum, the Group applied two scenarios: the Intergovernmental Panel on Climate Change's (IPCC) Shared Socioeconomic Pathway (SSP) 1-1.9 scenario, representing high transition ambition and referred to as the low warming scenario in this report, and the IPCC Representative Concentration Pathway (RCP) 8.5 scenario, representing high physical risk and referred to as the high warming scenario in this report.

High warming scenario

The Group assessed climate-related risks under a high-warming scenario representing global average temperature increase well exceeding 2°C above pre-industrial levels by 2100. The IPCC RCP 8.5 used for this scenario reflects very high greenhouse gas emissions, limited further evolution of climate and energy policy, global CO₂ emissions approximately doubling by 2050 and projected warming of about 4.4°C by 2100. This scenario was used primarily to assess operational, asset and supply-chain resilience to acute and chronic physical climate-related hazards.

Low warming scenario

The Group assessed climate-related risks and opportunities under a low-warming scenario aligned with limiting warming to 1.5°C above pre-industrial levels through an orderly transition. The IPCC SSP1-1.9 used for this scenario was further supplemented by the IEA Net Zero Emissions by 2050 scenario. These two scenarios assume a coordinated policy action, rapid emissions reduction, net zero CO₂ around mid-century and subsequent net-negative emissions. This scenario was used primarily to assess the potential impacts on regulation, technology, markets, demand for iron ore and the Group's strategic response. This low-warming scenario is intended to reflect a pathway aligned with the Paris Agreement goal of pursuing efforts to limit global average temperature increase to 1.5°C above pre-industrial levels.

These climate scenarios are equivalent to a 1.5°C temperature scenario compared to pre-industrial levels (for the IPCC SSP1-1.9 and IEA Net Zero by 2050 scenario) and a climate scenario approximately aligned to a 3.7 to 4.9°C temperature rise compared to pre-industrial levels (for the IPCC RCP 8.5 scenario), which meet the requirements of the *Corporations Act 2001*.

These scenarios were considered to represent two transitional and physical extremes of climate change and facilitated the Group to identify relevant climate-related risks and opportunities to the business, and to consider its business resilience to those climate-related risks and opportunities under those scenarios.

Further detail on these scenarios and their implications for the Group's business is provided in Sections 4.3 to 5.2.

External experts were engaged to support the analysis, which incorporated publicly available transition pathways and RCP climate data. The findings from the risk and resilience assessments have informed, and will continue to inform, executive decision-making regarding potential adjustments to the Group's strategy and business planning across short, medium, and long-term horizons. The outputs of the Group's climate-related risk and opportunity assessment have also been integrated into its risk management process and framework, as described later in this report.

Impacts on the Group's business model and value chain

The Group's business model is centred on the extraction, haulage, stockpiling and export of iron ore, supported by associated infrastructure including mine operations, inland port facilities, haul roads and port operations. This model relies on the continuous operation of mining assets, the efficient movement of product through logistics networks, and access to key inputs such as diesel, equipment, labour and contracted services across its upstream and downstream value chain.

Climate-related risks and opportunities affect this business model and value chain in both the current period and over the short, medium and long term. Physical risks, such as extreme heat, flooding and severe weather events, primarily affect the Group's own operations and critical logistics infrastructure. These risks can disrupt production, constrain workforce productivity, and interrupt supply chain continuity, resulting in variability in operating costs, scheduling and asset utilisation. The Group currently manages these impacts through established operational controls, contingency planning and contractual arrangements. At present, these impacts are managed within normal operating parameters and have not resulted in separately identifiable material financial impacts. However, over time, increasing severity or frequency of such events may require adjustments to operating practices, maintenance regimes and infrastructure resilience.

Transition risks, particularly those arising from evolving climate policy, regulation and technological change, affect the Group's cost structure, capital allocation decisions and interactions across its value chain. These risks are primarily concentrated within the Group's operations, with increasing relevance across the downstream value chain as market and technological dynamics evolve. Anticipated effects include potential increases in operating and compliance costs, changes to asset replacement cycles, and the need to consider lower-emissions technologies in future investment decisions. At present, these impacts are limited and have not resulted in separately identifiable material financial impacts. Where future impacts have been identified, these are subject to a high degree of measurement uncertainty and, except where reasonably measurable, have not been quantified.

Climate-related opportunities are primarily concentrated within the Group's operations and relate to improvements in energy efficiency, adoption of lower-emission technologies and enhanced cost competitiveness. Over time, these opportunities may influence the Group's operating model through changes in energy sources, equipment selection and operational practices, with the potential to reduce fuel consumption, improve cost predictability and strengthen resilience to energy price volatility. At present, no material financial impacts have been recognised in relation to these opportunities.

Overall, climate-related risks and opportunities are integrated into the Group's business model through their effects on operational continuity, cost structures, capital allocation and supply chain dependencies. These factors are considered within the Group's strategy, risk management processes and scenario analysis to support decision-making and maintain the resilience of the business model and value chain under a range of climate-related conditions.

These climate-related risks and opportunities also affect the Group's strategy and decision-making. As described further in Sections 4.4, 5.2 and 7.2, physical risks influence operational practices, maintenance priorities, scheduling and contingency arrangements, while transition risks and opportunities influence capital allocation considerations, asset replacement decisions and the review of lower-emissions technologies. The

Group has not developed a formal climate-related transition plan and has not identified any current or anticipated material changes to its business model or resource allocation in response to climate-related risks and opportunities. Instead, climate-related considerations are embedded within the Group's existing operational and capital decision-making processes and are managed within existing operating and capital budgets. This approach will be reassessed over time as regulatory, market and technological conditions evolve.

The Group's current and anticipated responses include direct operational measures to manage physical and transition risks and maintain resilience across its operations, together with indirect actions through engagement with relevant suppliers and other value chain participants where climate-related risks and opportunities may affect operating costs, resilience, technology adoption or supply chain continuity. These responses are embedded within existing operational and capital decision-making processes and will be reassessed over time as conditions evolve.

Scope of operations assessed

The resilience assessment to physical climate risk covered current and planned mining operations, workers' accommodation, iron ore haulage, inland-port stockpiling, port operations and shipping. It also considered critical goods and services in the Group's supply chain and vulnerable downstream third-party assets beyond the export port for sold products. The Group's Perth CBD head office was excluded because management assessed there is no material exposure to physical climate risks at that location. This decision will be reassessed as part of any future reassessment of the Group's climate-related risks.

Planning horizons

The climate scenario analysis assessment has been performed across the following time horizons defined by the Group:

Planning horizon	Time horizon	Rationale and alignment to the Group's corporate planning horizon
Short-term	12 months	Aligned with annual budgeting and short-term planning horizons.
Medium-term	2028 to 2030	Coincides with ready-for-operation of the dedicated haul road and projected pre-production of 10 million tonnes of iron ore by the Group.
Long-term	2030 to 2055	In line with the end date for the right to mine at the Weld Range.

Table 3 - Planning horizons

4.3 Climate-related risks and opportunities overview

The Group has identified climate-related risks and opportunities that could reasonably be expected to affect its operations, supply chain, and broader value chain over the short, medium and long term. Material information about those risks and opportunities is presented below. These risks and opportunities have been categorised as either physical or transition in nature and are assessed using the climate scenarios described in Section 4.2.

Physical risks

The Group has identified several physical climate-related risks that primarily affect its mining operations, logistics infrastructure and supply chain. These include:

- extreme heat and heatwaves, which may affect workforce safety, productivity and mine availability;
- increased intensity and severity of storm and cyclone events, which may disrupt port operations and outbound shipping; and
- rising flood risk, which may impact mine site access, infrastructure, and supply chain continuity.

These risks are concentrated primarily within the Group's own operations and critical logistics infrastructure, including mine sites, inland port facilities and port operations.

Transition risks

The Group has identified transition risks arising from policy, legal, and technological developments associated with the transition to a lower-carbon economy. These include:

- policy and regulatory changes, including evolving emissions regulation and potential exposure to the Safeguard Mechanism, which may increase compliance costs and operational complexity; and
- technological change, including shifts toward lower-emissions technologies, which may affect cost structures, asset replacement cycles and operating models across mining and haulage activities.

These risks primarily affect the Group's operations, with increasing relevance across the downstream value chain as market and technological dynamics evolve.

Climate-related opportunities

The Group has also identified climate-related opportunities associated with the transition to a lower-carbon economy. These include opportunities to enhance energy efficiency, adopt lower-emission technologies, and improve cost competitiveness and resilience to fuel price volatility.

These opportunities are primarily concentrated within the Group's mining and haulage operations and are expected to be realised progressively as technologies mature and become commercially viable.



4.4 Detailed climate-related risks and opportunities

Overview of climate-related risks and opportunities

The table below sets out the climate-related risks and opportunities identified through the Group's materiality assessment process.

Overview of CRROs

CRRO Description			Value Chain Impact	Relevant Time Horizon		
				Short (12 months)	Medium (to 2030)	Long (12 months)
Relevant Scenario: RCP 8.5 (High warming scenario)						
Physical Risks	Extreme heat and heatwaves impact workforce safety, productivity and mine availability	Fenix own operations		✓	✓	
	Increased intensity and severity of storm and cyclone events threatens supply chain continuity	- Fenix own operations - Out-bound shipping of iron ore	✓	✓	✓	
	Rising risk of flooding impacts operations continuity	- Fenix own operations - In-bound receipt of goods	✓	✓	✓	
Relevant scenario: IEA Net Zero by 2050 (Low warming scenario)						
Transitional Risks	Policy and legal impacts arising from evolving climate regulations	Fenix own operations		✓	✓	
	Technology shifts altering commodity economics and operating models	- Fenix own operations - Downstream value chain		✓	✓	
Relevant scenario: IEA Net Zero by 2050 (Low warming scenario)						
Climate-related opportunities	Enhancing energy efficiency, technology adoption and market positioning through low carbon transition initiatives	Fenix own operations		✓	✓	

Table 4 - Overview of CRROs

4.4.1 Physical risks

The Group's physical risks are set out below.

Physical Risk: Extreme heat and heatwaves impact workforce safety, productivity and mine availability

Risk Description	Refer to the high warming scenario. More frequent and severe extreme heat conditions, coupled with prolonged periods of extreme heat (heat waves) could reasonably be expected to disrupt mine operations by increasing heat-stress risks for workers, reducing workforce productivity, and requiring stricter work-rest regimes that can lead to operational downtime. High temperatures can also drive equipment overheating, excessive wear (such as truck haulage tyres) and failures, and restrict safe access to operations.
The assets or business activities vulnerable to this physical risk	Modelling demonstrates that the Beebyn mine operations inclusive of personnel, equipment and campsite as well as the Ruvidini Inland Port could be exposed to more frequent and severe extreme heat conditions.
Impact of Risk on Strategy and Decision-Making	Extreme heat is an acknowledged, persistent risk that impacts Fenix's workforce management. This risk is integrated into operational decision-making processes and safety management systems to maintain safe and reliable operations. Fenix routinely reviews and adjusts operational practices during periods of extreme heat at mining sites to ensure ongoing safety and efficiency.
Existing Operational Controls	Current health and safety systems in place such as PPE, fatigue management, emergency response, crisis communications, and incident reporting are in place to manage extreme heat events. The workforce also undertakes regular heat safety training.
Capital Investment and Infrastructure measures	At present, no capital investments are required to address this risk. The prevailing extreme temperatures remain within the operational limits of mining and haulage equipment; however, ongoing monitoring will be conducted to ensure sustained efficient and safe operation as temperatures continue to rise.
Current financial impacts	At present, the impacts of extreme heat are managed through established, business-as-usual operational and safety controls. As a result, there are no separately identifiable or material financial impacts attributable to this risk for the year ended 30 June 2026. No material change in financial impact is expected in the next 12 months.
Anticipated financial impacts	No additional capital investment to improve asset and operational resilience is expected in the medium to long term.

Physical Risk: Increased intensity and severity of storm and cyclone events threatens supply chain continuity

Risk Description	Refer to the high warming scenario. Severe weather events ranging from tropical cyclones to non-tropical storms could reasonably be expected to disrupt port operations including ship berthing and loading operations, undermining overall operational continuity.
The assets or business activities vulnerable to this physical risk	Whilst climate modelling does not indicate a material increase in cyclone risk for Fenix's port operations in Geraldton under a high warming scenario, port operations are exposed to interruptions and damage from severe storms and cyclones. This results in short-term emergency repairs and delays in shipping.
Impact of Risk on Strategy and Decision-Making	Severe storms impact on port loading operations is a known risk and is reflected in scheduling, shipping freight arrangements and insurance covering Fenix infrastructure.
Existing Operational Controls	Severe storms are an existing cause of port interruptions and established procedures determine berthing priority during these events. Berth users within the port meet regularly to review berthing allocation.
Capital Investment and Infrastructure measures	At present, no capital investments are required to address this risk.
Current financial impacts	During the year ended 30 June 2026, Cyclone Narelle temporarily disrupted the Group's operations and logistics activities in the March quarter. The Group's operational response enabled operations to be restored quickly, with immaterial costs incurred in the order of \$0.1m to repair the W11 haul road. The impacts of severe storms and cyclones continue to be managed through established operational and contractual controls, and no material change in financial impact is expected in the next 12 months.
Anticipated financial impacts	No additional capital investment to improve asset and operational resilience is expected in the medium to long term.

Physical Risk: Rising risk of flooding impacts operations continuity

Risk Description	Refer to the high warming scenario. Flooding events, driven by more intense rainfall and extreme weather, could reasonably be expected to lead to mine site and port facility inundation, leading to asset damage and suspension of operations. Increased precipitation intensity may also elevate the risk of slope instability, affecting the safety and operability of mining activities. Flood events could further disrupt critical logistics and supply chains, including haulage routes between mine sites and port facilities and access routes used for the delivery of essential inputs such as diesel, which may constrain operational continuity and increase costs.
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The assets or business activities vulnerable to this physical risk	Climate modelling indicates that Fenix’s mining operations, accommodation facilities, inland port and camp infrastructure are exposed to increasing heavy precipitation risk. While inland facilities are not currently assessed as having a high flooding risk, port infrastructure may be more exposed under higher warming scenarios. However, projected changes in flood levels at the port are relatively modest, with modelled increases of approximately 2 cm by 2055 relative to a 2005 baseline.
Impact of Risk on Strategy and Decision-Making	Flooding impacts on mining and haulage activities are a known operational risk and are reflected in scheduling, mine planning and contingency arrangements.
Existing Operational Controls	Fenix currently manages disruption from flooding by maintaining stockpiles of iron ore at the mine site, inland port and at the Geraldton port. Fenix also maintains sufficient spares of critical stocks, fuel and camp supplies commensurate with expected disruption from weather events which is typically less than a week. Weather impact on mine production is also addressed in contractual arrangements. Geotechnical studies are also undertaken to monitor slope stability.
Capital Investment and Infrastructure measures	At present, no capital investments are required to address this risk.
Current financial impacts	The iron ore stockpiles maintained at the mines, inland port and port provide operational efficiency and flexibility. Current levels of iron ore stockpiles are not dictated by flooding events. Similarly, levels of critical spares maintained on sites are not set by anticipated disruptions from flooding events.
Anticipated financial impacts	Additional capital investment is being assessed as part of the Definitive Feasibility Study into the Weld Range expansion to improve asset and operational resilience. Capital investment of approx. AU\$0.6 million has been incurred for FY26 to expand diesel storage capacity, enhancing resilience to fuel supply disruptions following recent geopolitical instability, including the Iran–US conflict. This investment would also strengthen resilience to climate-related supply chain disruptions.

4.4.2 Transition risks

The Group’s transition risks are set out below.

Transition Risk: Policy and legal impacts arising from evolving climate regulations

Risk Description	Refer to the low warming scenario. Evolving climate policy and regulations – including changes to the Safeguard Mechanism, emissions limits, accelerated decarbonisation requirements and expanding disclosure obligations – could reasonably be expected to increase compliance complexity, legal exposure and operating costs.
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The assets or business activities vulnerable to this transition risk	At present emissions from Fenix facilities are below the Safeguard Mechanism threshold of 100 ktCO ₂ -e per facility per reporting period. Fenix haulage operations, which management considers the facility most likely to become a covered Safeguard Facility under future production growth scenarios, reported approximately 68 ktCO ₂ -e of Scope 1 emissions during FY26. The Beebyn mine and Fenix haulage may become exposed to carbon and compliance costs in future if production growth or reductions to the Safeguard Mechanism threshold result in either facility becoming a covered Safeguard Facility.
Impact of Risk on Strategy and Decision-Making	This risk could reasonably be expected to require increased engagement with suppliers to assess and support adoption of emissions abatement technologies.
Existing Operational Controls	Fenix monitors operational greenhouse gas emissions through reporting under the National Greenhouse and Energy Reporting Scheme (NGERS) to identify changes in emissions levels and assess the potential exposure to climate regulation. This monitoring is used to inform the Group's assessment of potential Safeguard Mechanism applicability, including threshold exceedance risk, and to support ongoing evaluation of regulatory developments and compliance obligations.
Capital Investment and Infrastructure measures	At present, no capital investments are contemplated to address this risk.
Current financial impacts	During the current reporting period ended 30 June 2026, Fenix incurred \$0.2m million on climate reporting disclosures.
Anticipated financial impacts	The Group may become exposed to Safeguard Mechanism compliance costs in future if production growth, operational expansion, emissions levels or regulatory thresholds result in one or more facilities becoming covered Safeguard facilities. Scenario analysis undertaken for this risk indicates that, depending on future production, emissions and carbon price assumptions, potential annual compliance cost exposure could be in the order of approximately \$0.4 million to \$4.4 million per year from around 2031 under current Safeguard Mechanism settings, and could be higher under a 1.5°C-aligned transition scenario, with indicative exposure of up to approximately \$20 million per year under the IEA Net Zero by 2050 scenario. These amounts are indicative only and are not forecasts. Actual financial effects may differ materially due to uncertainty regarding future production volumes, operational configuration, emissions intensity, Safeguard Mechanism settings, future decline rates, carbon unit prices, the availability and cost of eligible carbon units, and potential mitigation or compliance options available to the Group.

Transition Risk: Technology shifts altering commodity economics and operating models

Risk Description	Refer to the low warming scenario. Rapid advances in low-emissions and alternative technologies could reasonably be expected to reprice commodities and shift cost curves across markets, requiring retooling of operating models, process redesign and new workforce capabilities. Transitioning to cleaner technologies could disrupt existing operations, constrain capacity during transition and ramp-up periods, and introduce supply chain, skills and interoperability challenges. In the near term, these factors could reasonably be expected to reduce operational efficiency and increase costs before anticipated benefits are realised.
The assets or business activities vulnerable to this physical risk	Mining and haulage operations are particularly vulnerable to this transition risk due to their reliance on energy and fuel intensive processes and exposure to technology change.
Impact of Risk on Strategy and Decision-Making	End-of-life asset replacement decisions are informed by the availability and suitability of lower-emission and more efficient technology alternatives.
Existing Operational Controls	Fenix currently tracks maturity of low emission technologies and low carbon operations.
Capital Investment and Infrastructure measures	At present, no capital investments are contemplated to address this risk.
Current financial impacts	There are no separately identifiable or material financial impacts attributable to this risk for the year ended 30 June 2026. No material change in financial impact is expected in the next 12 months.
Anticipated financial impacts	This risk could reasonably be expected to increase capital expenditure through potential early replacement of assets with lower-emission alternatives; however, a high level of measurement uncertainty remains. Potential financial effects depend on uncertain assumptions regarding the timing of technology development, future capital costs, equipment performance, market availability and the extent to which lower-emission technologies become commercially viable for the Group's operations. Given these uncertainties, potential future financial impacts have not been incorporated into cash flow forecasts and have not been quantified.

4.4.3 Transition opportunity

The Group's transition opportunity is set out below.

Transition Opportunity: Enhancing energy efficiency, technology adoption and market positioning through low carbon transition initiatives

Opportunity Description	Refer to the low warming scenario. Mining and haulage operations are highly dependent on diesel fuel. As lower-emission and more energy-efficient technologies mature and become commercially viable, they may provide opportunities to reduce diesel consumption, lower unit operating costs, improve energy security and reduce exposure to fuel-price volatility. These benefits could create value by improving cost competitiveness and margin resilience in a lower-carbon economy.
The assets or business activities affected from this transition opportunity	Mining and haulage operations are expected to be the primary beneficiaries of this opportunity, given their higher energy intensity and exposure to fuel costs.
Impact of Opportunity on Strategy and Decision-Making	Management reviews emerging lower emission and energy efficient technologies to identify commercially viable options that could reduce diesel use, improve fuel efficiency, lower operating costs and enhance operational flexibility.. These considerations inform asset replacement, energy procurement and operational planning decisions where they have the potential to improve cost competitiveness.
Strategic Planning	Strategic planning considers technology maturity, capital allocation, energy supply requirements and asset lifecycle implications to support the phased adoption of low-carbon technologies and enhance long-term cost competitiveness and operational resilience.
Current financial impacts	No commercially viable low-carbon technologies have been identified for deployment at this stage, and no trials or pilot programs are currently underway. Accordingly, there are no operational or capital expenditures attributable to this opportunity at present. As a result, no current financial impacts have been recognised in relation to this opportunity.
Anticipated financial impacts	If commercially viable lower emission or energy efficient technologies are identified and deployed, the Group may realise financial benefits through lower diesel consumption, reduced unit operating costs and lower exposure to fuel price volatility. These benefits may improve margin resilience and cost competitiveness over the medium to long term. However, the timing and quantum of any financial effects remain subject to technology maturity, availability, capital cost and operating performance.

Climate-related risks and opportunities have been assessed for their effects on the Group's financial position, financial performance and cash flows for the reporting period and over the short, medium and long term. For the reporting period, these risks and opportunities have been managed within normal operating parameters and have not resulted in separately identifiable material financial impacts, with any effects reflected within existing operating costs and capital expenditure. The Group has not identified any climate-related risks or opportunities for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements. Where quantitative information about the financial effects of climate-related risks and opportunities has not been provided due to measurement uncertainty or because such effects are not separately identifiable, the Group has considered the potential impacts on its financial statements. These impacts are primarily reflected within existing line items, including operating expenses, property, plant and equipment, inventories and related cash flows, and are managed within normal operating and capital expenditure processes.

Over the medium to long term, climate-related risks and opportunities may influence the Group's financial position through changes in operating costs, capital allocation decisions and asset replacement cycles; however, in most cases these effects are subject to a high degree of measurement uncertainty and, except where reasonably measurable, have not been quantified. The Group has not identified any specific funding requirements to implement its current approach to managing climate-related risks and opportunities. Climate-related considerations are embedded within existing operational and capital decision-making processes and are managed within the Group's existing operating and capital budgets. Accordingly, no separate or dedicated sources of funding have been identified at the reporting date, and this position will be reassessed over time as regulatory, market and technological conditions evolve.

Over the medium and long term, the climate-related risks and opportunities described above may also affect the Group's financial performance and cash flows through changes in operating costs, capital expenditure requirements, asset replacement timing and related cash flow requirements. In particular, transition-related developments may influence the timing and nature of future investment decisions, including decisions relating to asset replacement and lower-emissions technologies, while physical risks may continue to influence operating costs, maintenance requirements and operational continuity. Where these effects are not yet reasonably measurable, they have not been quantified and will continue to be reassessed through the Group's regular risk review, planning and capital allocation processes.

The Group has not provided quantitative information about the combined financial effects of climate-related risks and opportunities with other factors, as it has determined that such information would not be useful. This reflects the high level of measurement uncertainty associated with these effects and the limited extent to which such impacts are currently expected to be material or separately identifiable.

5.0 Resilience

5.1 Scenario approach

In FY26, the Group assessed the resilience of its strategy and business model to climate-related changes, developments and uncertainties. The assessment applied climate-related scenario analysis, as described in Section 4.2, using an approach commensurate with the Group's circumstances and based on reasonable and supportable information available at the reporting date.

The scenario analysis considered both transition and physical climate-related risks and opportunities across the Group's defined short, medium and long-term planning horizons. Key assumptions underpinning the analysis are set out below and applied consistently in the resilience assessment.

Key assumptions applied in the resilience assessment

Key assumptions underpinning the Group's climate-related scenario analysis and resilience assessment include assumptions relating to future climate policy settings (including potential Safeguard Mechanism requirements),

carbon prices, energy mix and energy prices, demand for iron ore, and the availability, cost and operational viability of lower-emissions technologies. These assumptions are informed by downscaled global climate scenarios and aligned, where relevant, with the Group's corporate planning assumptions. The analysis also incorporates assumptions regarding the frequency and severity of physical climate hazards based on external climate models and site-specific projections. Given the inherent uncertainty associated with these inputs, particularly in relation to policy trajectories, market dynamics, and technology development, these assumptions are not intended to represent forecasts but rather reasonable and supportable inputs used to assess potential exposures and resilience under a range of plausible climate-related scenarios.

The scope of operations assessed for resilience purposes is consistent with the scope described in Section 4.2 and is summarised below.

Scope of operations assessed

The scope of operations assessed is described in Section 4.2 and was applied consistently in the resilience assessment.

5.2 Resilience outcomes

The resilience outcomes described below reflect the Group's current strategy and risk management approach (refer to Section 4), and are based on assumptions applied in the scenario analysis described in Section 5.1.

As at the reporting date, the Group has assessed its strategy and business model as resilient to the climate-related risks and opportunities considered in the scenario analysis, having regard to the assumptions, uncertainties and planning horizons described in this report. This assessment indicates that no material changes to the Group's core business model are currently required; however, over time, climate-related risks and opportunities may require adjustments to operational practices, maintenance priorities, capital allocation and asset replacement decisions. The Group will continue to reassess this conclusion as climate-related assumptions, regulatory settings, market conditions and technology pathways evolve.

Physical risks, including extreme heat, flooding and severe weather events, are expected to continue to be managed within the range of current operating practices across mining operations, logistics and port activities. These risks are not currently expected to result in fundamental changes to the Group's strategy.

Under both lower and higher-warming scenarios, the Group expects transition risks to become increasingly relevant over the medium to long term. In particular, evolving regulatory requirements and technological developments may require adjustments to operational practices, capital allocation decisions and asset replacement cycles. While these factors may result in increased costs or changes in investment timing, they are not currently expected to alter the Group's core business model.

There are a number of significant areas of uncertainty considered in this assessment. These include uncertainty regarding the timing and magnitude of future climate-related physical risks, particularly the frequency and severity of extreme weather events and their impact on operations and logistics. There is also uncertainty in relation to future regulatory settings, including the design and application of emissions reduction policies and carbon pricing mechanisms, as well as the timing, cost and operational viability of emerging low-emission technologies.

These uncertainties limit the ability to reliably quantify the financial impacts of certain climate-related risks and opportunities and mean that the scenario analysis should be interpreted as an assessment of potential exposures rather than a prediction of future outcomes.

The Group will continue to monitor climate-related risks and opportunities and update its assessment of resilience as further information becomes available and as market, regulatory and technological conditions evolve.

The Group's current financial resources and capital structure provide sufficient flexibility to support the continued operation of its business under the assessed climate-related scenarios. As described in Section 4,

climate-related risks and opportunities are currently managed within existing operating and capital budgets, and no material incremental funding has been identified as necessary to respond to the effects identified in the scenario analysis.

This approach enables the Group to adjust operational practices and capital allocation decisions over time, as required, to respond to climate-related risks and to consider potential opportunities as they emerge. This supports the Group's capacity to adapt its strategy and business model to climate-related risks and opportunities across the short, medium and long term. The Group will continue to monitor its financial capacity and funding requirements as part of its ongoing assessment of climate-related risks and opportunities, taking into account evolving regulatory, market and technological conditions.

6.0 Risk management

The Group maintains a structured enterprise risk management framework. Climate-related risks and opportunities are managed within this framework and are subject to the same processes for identification, assessment, prioritisation and monitoring. Governance arrangements are described in Section 3.

Climate-related risks and opportunities are assessed using a combination of internal and external inputs. These include operational and logistics knowledge, existing risk register information, corporate planning processes, outputs from climate scenario analysis, regulatory developments, external climate data and information relating to relevant value chain dependencies.

The Group then assesses the nature of each climate-related risk or opportunity, the activities and value chain components affected, and the potential likelihood and magnitude of impact over the short, medium and long term. This assessment is informed by scenario analysis, historically observed conditions where relevant, and the Group's risk criteria, and considers potential effects on operations, cash flows, financial position, capital allocation and business prospects. Where reasonably measurable, quantitative information is used; otherwise, the assessment is undertaken qualitatively.

In FY26, the Group incorporated climate-related risks into its risk register and enhanced its enterprise risk management process to more explicitly consider climate-related risks and opportunities.

Climate-related risks and opportunities are considered through the Group's corporate planning process to inform the business plan and budget allocations. In doing so, the Group considered potential impacts across its value chain, including customer markets, current mining and processing operations, critical infrastructure and logistics dependencies, and projects in execution.

7.0 Metrics and targets

As outlined in Section 3.1, the Group has not established specific climate-related targets as at the reporting date. The Group is not currently subject to any regulatory requirements to meet climate-related targets, as its operations are not covered by the Safeguard Mechanism; however, this position may change in future if emissions increase or regulatory thresholds are revised. Accordingly, the disclosures in this section focus on the measurement of relevant climate-related metrics, including greenhouse gas emissions, to support the monitoring of climate-related risks and opportunities and inform future decision-making. The Group will continue to assess the appropriateness of establishing climate-related targets over time, taking into consideration regulatory developments, data availability and the evolving maturity of its climate-related risk management processes.

7.1 Climate-related risk and opportunity metrics

The Group uses a combination of qualitative and quantitative metrics to assess and manage climate-related risks and opportunities. These metrics include the extent to which the Group's operating assets and business activities are exposed to physical and transition climate-related risks, the extent to which operations are aligned with identified climate-related opportunities, and the Group's Scope 1 and Scope 2 greenhouse gas emissions. These metrics are used to support monitoring of climate-related exposures and to inform operational, risk management and capital allocation decision-making.

The following metrics provide an indication of the extent to which the Group's assets and business activities are exposed to climate-related risks and aligned with climate-related opportunities.

Metric category	Description of exposure / alignment	Proportion of assets / business activities
Climate-related physical risks	Operations exposed to physical hazards including extreme heat, flooding and severe weather events affecting mining operations, haulage, inland port and port infrastructure	Greater than 95% of operating assets by carrying value and the Group's principal business activities assessed, covering mining operations, haulage, inland port and port infrastructure, and excluding the head office in the Perth CBD.
Climate-related transition risks	Operations exposed to policy, regulatory and technological risks, including potential future Safeguard Mechanism obligations and evolving low-emissions technologies affecting mining and haulage activities	Greater than 95% of operating assets by carrying value and the Group's principal business activities assessed, with transition risk exposure primarily concentrated in mining and haulage operations.
Climate-related opportunities	Operations with potential to benefit from energy efficiency improvements, adoption of lower-emission technologies and enhanced cost competitiveness within mining and haulage activities	Greater than 95% of operating assets by carrying value and the Group's principal business activities assessed, with opportunities primarily concentrated in mining and haulage operations.

Table 5 - Climate-related risk and opportunity metrics

Given the Group's business model is concentrated in iron ore mining and associated logistics operations, physical climate risk exposure is assessed primarily by reference to the proportion of operating assets and business activities assessed, rather than by a separate quantified asset value measure. The Perth CBD head office has been excluded from this assessment as no material exposure to physical climate-related risks was identified at the reporting date.

7.2 Capital deployment

The Group has not deployed any material capital expenditure, financing or investment specifically in relation to climate-related risks and opportunities during the reporting period. As described in Section 4, climate-related considerations are currently embedded within the Group's existing operational and capital decision-making processes and are managed within existing operating and capital budgets. Accordingly, no separate or dedicated capital deployment has been identified in relation to climate-related risks and opportunities at the reporting date.

7.3 Internal carbon price

The Group does not currently apply an internal carbon price in its decision-making processes, including for investment decisions, transfer pricing or operational planning. This reflects the current regulatory environment in which the Group operates, as its activities are not presently subject to greenhouse gas emissions limits or carbon pricing mechanisms such as the Safeguard Mechanism.

Notwithstanding this, the Group considers potential future carbon cost exposures in its assessment of climate-related risks and opportunities. In particular, projected market prices for carbon offsets are used as an input in evaluating potential emissions reduction and carbon abatement options, including in the context of scenario analysis and longer-term planning. These inputs are used to inform decision-making; however, they do not constitute the application of a formal internal carbon price.

7.4 Remuneration

Climate-related considerations are not currently factored into executive management remuneration for the reporting period. Accordingly, the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations is nil. The Group will continue to assess the appropriateness of incorporating climate-related considerations into remuneration structures as its climate-related risk management processes evolve.

7.5 Boundary and measurement approach

The Group applies the operational control approach to define its organisational boundary for greenhouse gas (**GHG**) emissions, consistent with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004), except where Australian regulatory reporting requires use of the NGER methodology.

On this basis, the Group accounts for 100 per cent of Scope 1 and Scope 2 GHG emissions from operations over which it has operational control. As all subsidiaries are currently wholly owned, the operational control boundary captures the Group's Scope 1 and Scope 2 emissions for its operations.

The Group's Scope 1 and Scope 2 GHG emissions are measured using the NGER Act and related NGER Measurement Determination, as the Group's identified Scope 1 and Scope 2 emission sources fall within its NGER reporting arrangements. The reporting boundary remains the Group's operational control boundary. The Group also assessed other potential Scope 1 emission sources within its operational control boundary, including land use change and enteric emissions. Following assessment, land use change emissions have been included within the Group's reported Scope 1 GHG emissions for the reporting period. Enteric emissions were also assessed; however, they were determined not to be material and have therefore not been disclosed.

Emissions are measured for the Group's reporting year (1 July to 30 June) and cover Group-wide businesses, including exploration, construction, operations, rehabilitation and corporate activities.

Scope 2 GHG emissions are calculated using a location-based methodology. The Group does not have any electricity-related contractual instruments (including power purchase agreements, renewable energy certificates or similar instruments).

The resulting Scope 1 and Scope 2 GHG emissions are reported on an absolute gross basis in metric tonnes of CO₂-e, separately by scope, in the emissions metrics table in Section 7.6.

7.6 Operational GHG emissions

The Group's operational GHG emissions for the reporting period are presented below, including Scope 1 and Scope 2 emissions measured and disclosed in accordance with the Group's boundary and measurement approach described in Section 7.1.

GHG emissions	FY26 (tCO ₂ -e)
Scope 1 absolute gross emissions	107,991
Scope 2 absolute gross emissions (location-based)	1,541
Total Scope 1 + Scope 2	109,532

Table 6 – Operational GHG emissions

Scope 1 and Scope 2 greenhouse gas emissions disclosed above relate solely to the consolidated accounting group. The Group does not have any associates, joint ventures or other unconsolidated investees with operational emissions requiring separate disclosure.

The Group notes that the NGER Measurement Determination and the GHG Protocol differ in the range of greenhouse gases covered. Specifically, the GHG Protocol includes nitrogen trifluoride (NF₃) which is typically associated with the semiconductor and electronics manufacturing industry. The Group has assessed the difference and determined that the additional greenhouse gas recognised under the GHG Protocol is not relevant in the context of its operations.

Scope 3 greenhouse gas emissions have not been disclosed for the FY26 reporting period. The Group has elected to apply the transition relief available under AASB S2.C2–C4(b), which permits entities not to disclose Scope 3 emissions in the first annual reporting period in which the Standard is applied.

7.7 Calculation methodologies

Scope 1

The Group calculates Scope 1 GHG emissions using methodologies in the NGER Measurement Determination. For purchased fuels, oils and greases, the Group applies Method 1, using the applicable default energy content and emission factors published for the reporting year.

Scope 1 emissions primarily arise from diesel consumed for stationary and mobile equipment across the Group's assets. Combustion emissions are calculated by multiplying fuel consumed by the relevant energy content factor and emissions factor.

Scope 2

Scope 2 GHG emissions are calculated using the location-based method. Electricity for the Group's operations is sourced exclusively from the main electricity grid (South West Interconnected System), and accordingly Scope 2 emissions are calculated using Method A1 under the NGER Measurement Determination, which applies grid-based emission factors to the quantities of purchased electricity.

The Group does not have any electricity-related contractual instruments (including power purchase agreements, renewable energy certificates or similar instruments). Accordingly, no additional information is required to inform users' understanding of the Group's Scope 2 GHG emissions.

As this is the Group's first annual reporting period under AASB S2, there have been no changes during the reporting period to the measurement approach, inputs or assumptions used in measuring and disclosing Scope 1 and Scope 2 GHG emissions.

8.0 Directors Declaration

In the opinion of the Directors of Fenix Resources Ltd (the 'Company'), the Directors have taken reasonable steps to ensure that the substantive provisions of the FY26 Sustainability Report, including:

- the climate statements and notes;
- statements and notes required as at 26 August 2026 by legislative instrument;

for the Group set out on pages 4 to 27, are in accordance with the Corporations Act 2001 (Cth), including sections 296C and 296D, and are in compliance with the Australian Sustainability Reporting Standards (being the AASB S2 Climate-related Disclosures).

Signed in accordance with a resolution of the directors:

Dated 26 August 2026



Jenn Morris

Chair – Audit and Risk Management Committee

9.0 Auditor's Independence Declaration



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Auditor's Independence Declaration

To the Directors of Fenix Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of the specified sustainability disclosures in the Sustainability Report of Fenix Resources Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the specified sustainability disclosures in the Sustainability Report; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

B K Wundersitz
Partner – Audit & Assurance

Adelaide, 26 August 2026

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10.0 Independent Auditors Review Report



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Independent Auditor's Review Report on Specified Sustainability Disclosures of Fenix Resources Limited

To the Members of Fenix Resources Limited

Review conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report Fenix Resources Limited and its controlled entities (the Group) for the year ended 30 June 2026 as required by Australian Standards on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 <i>Climate-related Disclosures</i> (AASB S2) (including related general disclosures required by Appendix D)	Location in the Sustainability Report
Governance	Paragraph 6	Sections 3.1 to 3.4 on pages 7 to 8
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Sections 4.3 to 4.4 on pages 11 to 14 Risk Descriptions per Section 4.4.1 and 4.4.2 and Opportunity Descriptions per Section 4.4.3 on pages 15 to 20
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Sections 7.5 to 7.7 on pages 25 to 26

The requirements of AASB S2 identified in the table above form the criteria relevant to the specified Sustainability Disclosures and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

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Basis for conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Group in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to 'January 2025') (the Code), together with the ethical requirements in the Act, that are relevant to our review of specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

The directors are responsible for the other information. The other information comprises the Group's Annual Report, including the Financial Report and the Sustainability Report, but does not include the specified Sustainability Disclosures and our review report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- a The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- b Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent limitations in preparing the specified Sustainability Disclosures

The sustainability matters have the following inherent measurement or evaluation uncertainty:

- a Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.
- b As discussed on Section 2.2 of the Sustainability Report, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Sustainability Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Auditor's responsibilities for the assurance of the specified Sustainability Disclosures

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- a Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control; and
- b Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In conducting our review, the procedures performed included, but were not limited to:

- a Enquiry of relevant personnel to understand the process for collecting, collating and reporting the specified Sustainability Disclosures during the reporting period;
- b Considering the completeness of the Group's assessment of climate-related risks and opportunities based on management's process and judgements;
- c Assessing the appropriateness of the reporting boundaries applied;
- d Agreeing a sample of specified Sustainability Disclosures in the Sustainability Report with the underlying records;
- e Agreeing a sample of underlying emissions data to supporting documentation, including evaluating the appropriateness of the emissions factors applied in management's calculations;
- f Evaluating whether management has appropriately applied the requirements of AASB S2 and the GHG Protocol in developing estimates used to report emissions, and whether the methods for developing such estimates are appropriate and have been applied consistently;
- g Evaluating the work of management's expert, including their objectivity, competence, capabilities and findings, with respect to selected sustainability information; and
- h Evaluating the presentation and disclosure of the specified Sustainability Disclosures against the requirements of AASB S2.

Our procedures did not include assessing the adequacy of design or operating effectiveness of controls, assessing the adequacy of the Group's governance framework and processes or separately developing our own estimate to compare with the Group's estimates.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B K Wundersitz
Partner – Audit & Assurance

Adelaide, 26 August 2026



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