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FYI COMMENCES FURTHER TRIAL HPA PRODUCTION

Key points:

- ***FYI commences additional trial production of HPA from the Company's pilot plant***
- ***Further production of HPA required to support high demand and requests by potential customers for detailed product qualification***
- ***FYI will deliver larger size samples to selected potential off-take parties***
- ***HPA production to incorporate product finished to specialty specifications requested by several parties***
- ***Product qualification expected to expedite long-term supply agreements for FYI's HPA product***
- ***HPA is a critical mineral in multiple growth applications including lithium ion batteries and LED applications.***

FYI Resources Ltd (**ASX: FYI**) ("**FYI**" or "**the Company**") is pleased to announce that following positive feedback and multiple requests from various potential off-take groups for additional HPA product, FYI has commenced a further production campaign of high purity alumina (HPA) from the Company's wholly owned pilot plant facility located in Welshpool, Western Australia.

Commencing today, FYI will start a second stage of production of its superior quality, HPA from the Company's custom-built pilot plant. Trial samples generated from the pilot plant will be sent to prospective customers to further their detailed qualification process.

FYI's metallurgical technical team will operate the plant continuously (24/7) over one week producing at a rate of 1 kilogram per hour. The pilot plant replicates FYI's HPA flowsheet that has been engineered after 2 years of detailed development studies designed to produce high quality HPA at bottom quartile operating and capital costs.

The generated HPA product is expected to be consistent with recovery and efficiency parameters of samples delivered in the stage one piloting phase with an average target grade exceeding 99.995% Al₂O₃.

In working closely with a number of potential customer groups towards developing commercial off-take agreements, FYI will incorporate specially requested finishing processes to half of the HPA material in order to meet specific product specifications for particular applications to facilitate a more favourable and expedient qualification process. The product finishing will be conducted under controlled environment to maintain product purity and quality by one of FYI's project development partners whom is a leading participant in the HPA industry.

FYI Managing Director Roland Hill said "We are delighted to recommence HPA pilot production. This campaign will have the dual purpose of confirming design criteria for our innovative process flowsheet and importantly also for generating additional HPA trial product for customer assessment purposes. This stage of works continues to provide de-risking of the project and further demonstrate our HPA production capabilities using conventional processing technologies.

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We are confident that in combining our innovative process flowsheet and next- generation understanding and development of the HPA product that we are working towards a sustainable and economically competitive advantage.

Importantly, the continued pilot production study demonstrates the consistency and quality of the product in line with the targeted lowest quartile cost production based on the recent DFS estimates."

FYI will continue to provide updates on the pilot plant production and outcome deliverables.

To view the pilot plant in operation during the DFS studies – please see the following link on the Company's website: [Link to video of pilot plant in operation](#)

Authorised for release by Managing Director, Roland Hill.

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About FYI Resources Limited

FYI is developing a long life fully integrated high quality, high purity alumina (HPA) production project for both general and traditional markets. FYI's corporate objective is to position itself to be a significant producer of HPA within these rapidly developing markets which include applications in LED, electric vehicle, smartphone and television screen as well as other associated high-tech product markets.

On the basis of its recently released DFS and the robust economic business case for production of HPA, FYI's Cadoux project, north-east of Perth in Western Australia, entails controlled production of a 100%-owned feedstock source, mined on a schedule to match supply requirements of a proposed refinery at Kwinana, south of Perth. FYI's ability to control the integrated process should ensure product quality, consistency and provenance – an increasingly important product selection criteria for customers who rely on knowing the origins and record of ownership in a product's supply chain.

The foundation of FYI's HPA strategy is the innovative and integrated processing flowsheet utilising moderate temperature and atmospheric pressure technologies. These factors combine resulting in world class HPA project potential.

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Cautionary Statements

Substance of DFS

The DFS referred to in this announcement is a study of the potential viability of the Cadoux Kaolin Project. It has been undertaken to understand the technical and economic viability of the Project.

The DFS assumes as a 25-year Project life based only on Proved and Probable Ore Reserves (100%).

The DFS is based on the material assumptions outlined elsewhere in this announcement and the appended summary of the DFS. These include assumptions about the availability of funding. While the Company considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by this DFS will be achieved.

To achieve the range of outcomes indicated in the DFS, funding in the order of A\$189 million will likely be required. Investors should note that there is no certainty that the Company will be able to raise the amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares.

It is also possible that the Company could pursue other "value realisation" strategies such as a sale, partial sale or joint venture of the Project. If it does, this could materially reduce the Company's proportionate ownership of the Project.

General and forward-looking statements

The contents of this announcement reflect various technical and economic conditions, assumptions and contingencies which are based on interpretations of current market conditions at the time of writing. Given the nature of the resources industry, these conditions can change significantly and without notice over relatively short periods of time. Consequently, actual results may vary from those detailed in this announcement.

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Such forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. When used in this announcement, words such as, but are not limited to, "could", "planned", "estimated", "expect", "intend", "may", "potential", "should", "projected", "scheduled", "anticipates", "believes", "predict", "foresee", "proposed", "aim", "target", "opportunity", "nominal", "conceptual" and similar expressions are forward-looking statements.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

The contents of this release are also subject to significant risks and uncertainties that include but are not limited to those inherent in mine development and production, geological, mining, metallurgical and processing technical problems, the inability to obtain and maintain mine licences, permits and other regulatory approvals required in connection with mining and processing operations, competition for among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of projects and acquisitions, changes in commodity prices and exchange rates, currency and interest rate fluctuations and other adverse economic conditions, the potential inability to market and sell products, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, environmental, native title, heritage, taxation and other legal problems, the potential inability to secure adequate financing and management's potential inability to anticipate and manage the foregoing factors and risks.

All persons should consider seeking appropriate professional legal, financial and taxation advice in reviewing this announcement and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of this announcement nor any information contained in this announcement or subsequently communicated to any person in connection with this announcement is, or should be taken as, constituting the giving of investment or financial advice to any person. This announcement does not take into account the individual investment objective, financial or tax situation or particular needs of any person.