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ASX Release (ASX code: "FYI")

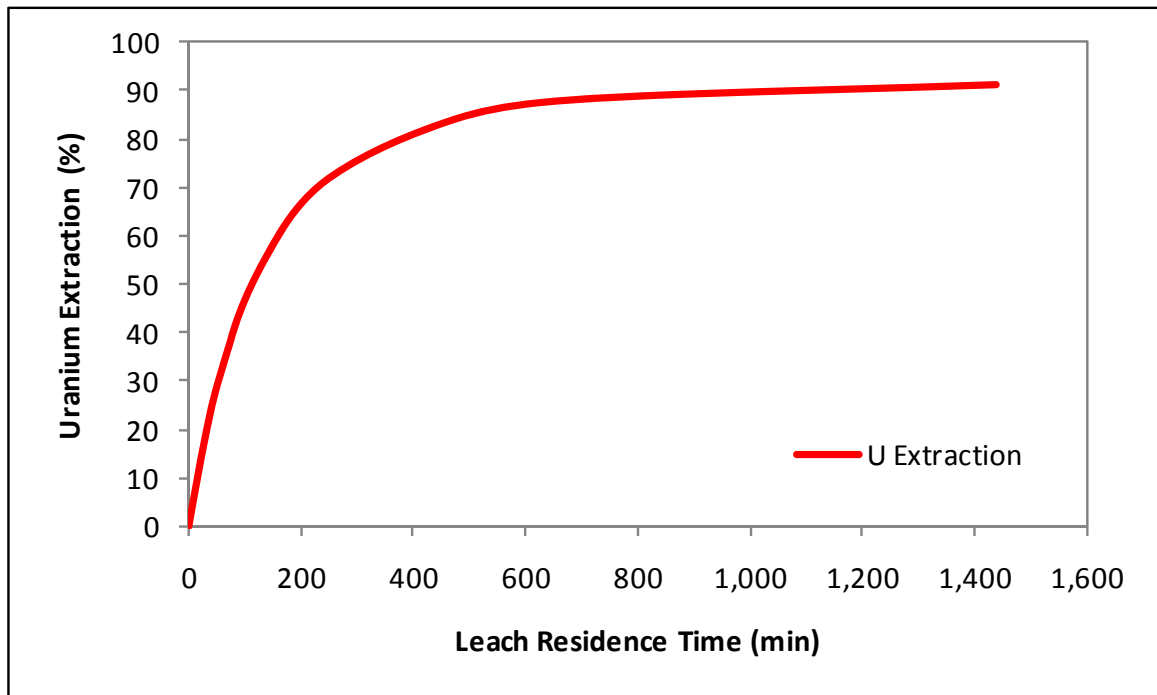
Tests confirm processing potential of Yarlarweelor Uranium Project in Western Australia

- **Metallurgical testwork results confirm potential for conventional processing of uranium mineralization at the Yarlarweelor project**
 - **Initial results from tests on diamond drill core indicate uranium recovery rates of more than 90%**
 - **Follows positive initial drilling results released to the ASX 23rd June 2010**
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Testwork has confirmed the potential for metallurgical simple acid leach processing of uranium mineralization at FYI Resources Limited's (ASX code: "FYI") Yarlarweelor uranium project in Western Australia.

The results emerged from preliminary metallurgical testwork conducted by Perth-based Independent Metallurgical Operations (IMO) (a professional advisor on the development of comparable uranium projects), who assessed the amenability of the Company's Yarlarweelor ore to uranium extraction by conventional metallurgical processing techniques.

The testwork indicated that leaching the Yarlarweelor mineralization is potentially a viable treatment option. The core sample received assayed 450 parts per million (ppm) uranium, with the preliminary tests indicating that almost 90% of the uranium in the sample was extracted to liquor in 12 hours under mild leaching conditions.



"In terms of metallurgical profile, you can't get anything simpler than this. These results augur well for possible future economic, engineering and operational modelling for prefeasibility and BFS directives," FYI Director, Mr Adrian Jessup, said today.

"In particular, it is an important project confidence milestone and has emerged at a time when Western Australia's pro-uranium mining environment can help attract ongoing domestic or international investment to greenfields uranium projects such as Yarlalweelor", Mr Jessup said.

The metallurgical testwork was carried out on a composite sample from core in the first diamond drill hole drilled into the Yarlalweelor prospect. A more detailed account of the work carried out will be presented in the June 2010 quarterly report.

Today's results follow the announcement last week by the Company that the first analytical data from the project's maiden diamond drilling program, returned in excess of 1,800 ppm uranium oxide (U_3O_8).

The wide zones of uranium mineralization intersected in the drilling included:

- 7.8m @ 588ppm U_3O_8 including 1m @ 1,873ppm U_3O_8 , from 47.8 metres in drill hole KRD10-01, and
- 35m @ 503ppm U_3O_8 including 5m @ 1,069ppm U_3O_8 , from 125.1 metres in drill hole KRD10-02.

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The information in this report that relates to Metallurgical Results has been compiled by Mr. Daryl Evans who is an employee of Independent Metallurgical Operations Limited. He is a member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience which is relevant to the style of mineralization and type of metallurgical processing under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Daryl Evans consents to the inclusion in the public release of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results has been compiled by Mr. David Ross B.Sc(Hons), M.Sc. who is an employee of Empire Resources Limited. He is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity to which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". David Ross consents to the inclusion in the public release of the matters based on his information in the form and context in which it appears.

