

3rd April 2018

FYI commences HPA project permitting

FYI Resources Limited (ASX: FYI) (the “**Company**” or “**FYI**”) is pleased to announce the commencement of the Company’s 100%-owned Cadoux Kaolin Project (“**Project**”) Environmental Impact Assessment (EIA) and supporting permitting process for mining and high purity alumina (HPA) processing approval.

The Company has appointed highly experienced and well qualified environmental and permitting group, Botanica Consulting Pty Ltd (“**Botanica**”), to prepare the Mining Proposal and Mine Closure Plan for FYI’s Cadoux Kaolin Project in Western Australia.

FYI is positioning itself to be a significant producer of high purity alumina (4N or HPA) in a rapidly developing LED, electric vehicle, smartphone and television screen as well as other associated high-tech product markets.

The Company is developing a world class high purity alumina (HPA) processing strategy with feedstock derived from aluminous clay (kaolin) then refined via FYI’s proprietary designed and simplified processing flowsheet utilising atmospheric pressure, moderate temperature and “off-the-shelf” equipment.

The HPA strategy is based entirely within Western Australia, where there is a receptive mining culture and standardised permitting process. This allows the approval and permitting phase of the Project development to advance at a steady and more predictable rate than many other jurisdictions.

The Company’s HPA strategy has two main operational sites under FYI’s development proposal that will require the approval under the various statutory planning schemes. The two operational sites are *Cadoux*, where kaolin mining and beneficiation will take place and *Kwinana Strategic Industrial Area (SIA)*, where the HPA is proposed to be refined.

At Cadoux, mining will take place on a large open, slightly undulating freehold land, currently under wheat pasture. The positioning of the Project footprint is immediately adjacent to major sealed roads, power, water, telephone and rail.

Kwinana is a Western Australian state-owned premier specialist industrial park, which has been assigned for the chemical and resource-based processing industries that are deemed strategically important to the state. The park is fully serviced, well-buffered and has appropriately zoned land in close proximity to Fremantle Port. FYI’s proposed HPA footprint would be considered low impact to other proponents at this site.

Mr Roland Hill, FYI Resources’ Managing Director commented: “Commencing the Cadoux Kaolin Project permitting process now is significant in terms of our project development and speaks volumes about our confidence and merit of the project. Starting the mine planning and approval studies now, provides us with the necessary interdisciplinary project management ability to assess and address, with confidence, all environmental and social impacts, both positive and negative, and implement all reasonable alternatives before they occur as we progress to more definitive economic studies”.

“We look forward to advancing through the permitting process and keeping the market informed as to our progress.”

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Botanica was selected on the basis of the firm possessing particularly strong requisite skills and qualifications in Environmental Impact Assessment along with its excellent industry track record of project approvals.

FYI maintains an ongoing commitment to the environment, a sustainable mining future and to its stakeholder engagement. Through the appointment of Botanica in the early stages of the planning process, FYI will be able to:

- make informed project decisions and risk mitigation
- have increased accountability and transparency
- provide reduced environmental and social impact
- achieve improved project design, integration and economics

Environmental Impact Assessment is the process of examining the anticipated environmental effects of a proposed project - from consideration of environmental aspects at design stage, through consultation and preparation of an Environmental Impact Assessment Report (EIAR), evaluation of the EIAR by a competent authority, the subsequent decision as to whether the project should be permitted to proceed, encompassing public response to that decision.

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About FYI Resources Limited

FYI is positioning itself to be a significant producer of high purity alumina (4N or HPA) in a rapidly developing LED, electric vehicle, smartphone and television screen as well as other associated high-tech product markets.

The foundation of the HPA strategy is the superior quality aluminous clay (kaolin) deposit at Cadoux and the exceptional positive metallurgical response that the feedstock has to the Company's moderate temperature, atmospheric pressure and straightforward HCl flowsheet. The strategy's superior quality attributes combine resulting in world class HPA project potential.