

16<sup>th</sup> June 2018

## FYI APPOINTS MINING STUDY MANAGER FOR CADOUX HPA PROJECT

FYI Resources Limited (the “**Company**” or “**FYI**”) is pleased to announce the appointment of Orelogy Consulting Pty Ltd (“**Orelogy**”) as the Company’s mining study manager for the Cadoux project site operations design and scheduling for the high purity alumina (HPA) economic studies.

The appointment follows FYI’s successful test work demonstrating outstanding metallurgical recoveries of 99.99% high purity alumina (ASX announcements 23 October 2017 and 21 February 2018) which underpins the Company’s HPA development strategy utilising kaolin feedstock from the 100% owned Cadoux project in Western Australia.

Orelogy will be responsible for the early stage analysis of the mining aspects of the Cadoux project and provide an overview of the project’s mining requirements, scheduling, stockpiles, waste dumps, tailings storage facilities, and the associated logistics, capital requirements, key challenges and risks and other various operational aspects deemed important to the Company’s decision-making process.

The mining study will include reviewing a range of different scenarios that will provide FYI with alternatives to identify the optimal site-based operations. Orelogy’s deliverables will include:

- Electronic data package of the block model, topography, pit design(s)
- cut-off grade determination, stockpile binning methodology
- ROM/stockpile layout
- waste dumping strategy
- rehandle strategy
- rehabilitation strategy & closure plans
- dewatering plans/issues
- grade control plans
- managing trafficability
- cost estimates

As part of the mining studies, Orelogy will undertake trade-off reviews for the following to determine the most appropriate sized mining fleet for:

- campaign mining
- continuous mining
- single versus double shift

FYI Managing Director, Mr Roland Hill commented on the appointment “As our HPA strategy builds in confidence and momentum, we are comfortable in progressing with broader development aspects of the project. Integral to the overall strategy and the project economics is the mining and other site-based operations at Cadoux. Orelogy have a good reputation in the industry for the mining phase of the study and we are delighted to have them on board and take responsibility for this aspect of our HPA strategy. I am confident that the results from their study will add to the value of the project.”

16<sup>th</sup> June 2018**For more information please contact:****Roland Hill**

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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.

**Competent Person statement****Metallurgy:**

The information in this release that relates to metallurgy and metallurgical test work is based on information reviewed and compiled by Mr Daryl Evans, a Competent Person who is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM). Announcements in respect to metallurgical results are available to view on the Company's website at [www.fyiresources.com.au](http://www.fyiresources.com.au).

Mr Evans is an employee of Independent Metallurgical Operations Pty Ltd, and is a contractor to FYI. Mr Evans has sufficient experience that is relevant to this style of processing and type of deposit under consideration, and to the activity that he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). Mr Evans consents to the inclusion of the information in the form and context in which they appear. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the findings in the relevant market announcements continue to apply and have not materially changed.