

ASX Market Update

DRILLING PROGRAM TARGETS URANIUM PROSPECTS

HIGHLIGHTS

- **FYI's 100% owned Yarlarweelor project in WA is highly prospective for uranium.**
- **The project has over 58 defined uranium anomalies to date.**
- **A diamond drilling program is shortly to commence on three new highly anomalous uranium targets within the Yarlarweelor project.**
- **Three holes are to be drilled to assess the below ground grade and width potential of uranium mineralization at these targets.**

YARLARWEELOR: Uranium project – WA (100% interest)

Perth, Australia. 8 July 2013: FYI Resources Limited (FYI) is pleased to announce a soon to commence drilling program targeting significant uranium mineralization present within the Archaean Despair Granite located 125km north of Meekatharra in Western Australia.

The Yarlarweelor uranium project consists of three granted exploration licences covering a total area of 318km². Two of these exploration licences were recently acquired to cover extensions to uranium anomalies already outlined by the Company.

The style of mineralization at Yarlarweelor appears to be fairly unique in Australia with uranium mineralization, in the form of uraninite, being associated with shearing in granites. Granite hosted uranium deposits are present in other parts of the world, the giant Rossing mine in Namibia being the best known example.

Previous drilling by FYI at Yarlarweelor on the Kangaroo Ridge prospect, has returned high grade drill intersections confirming the prospectivity of the project:

- **35m @ 503ppm U₃O₈ from 125.1m, including 5m @ 1,069ppm U₃O₈, and**
- **7.8m @ 588ppm U₃O₈ from 47.8m, including 1m @ 1,873ppm U₃O₈**

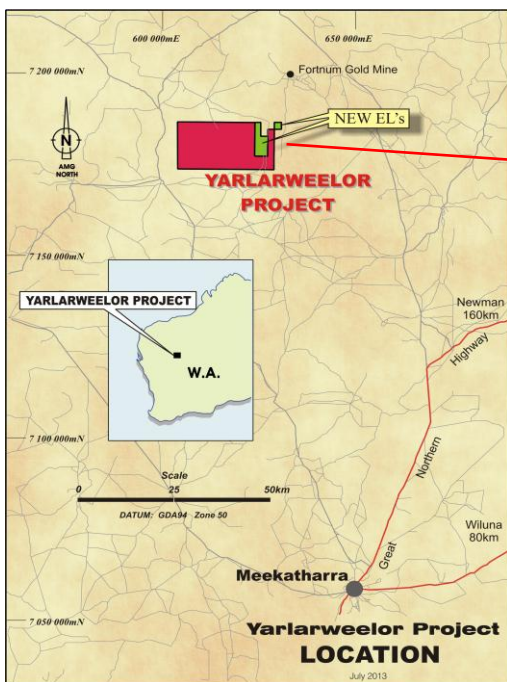
Uranium Targets – Drill Program

FYI has outlined over 58 uranium anomalies on the Yarlarweelor project to date following detailed aerial radiometric surveys and prospecting (see image below). FYI are progressing with the systematic assessment of these anomalies as well as planning to identify new prospects on two recently acquired exploration licences.

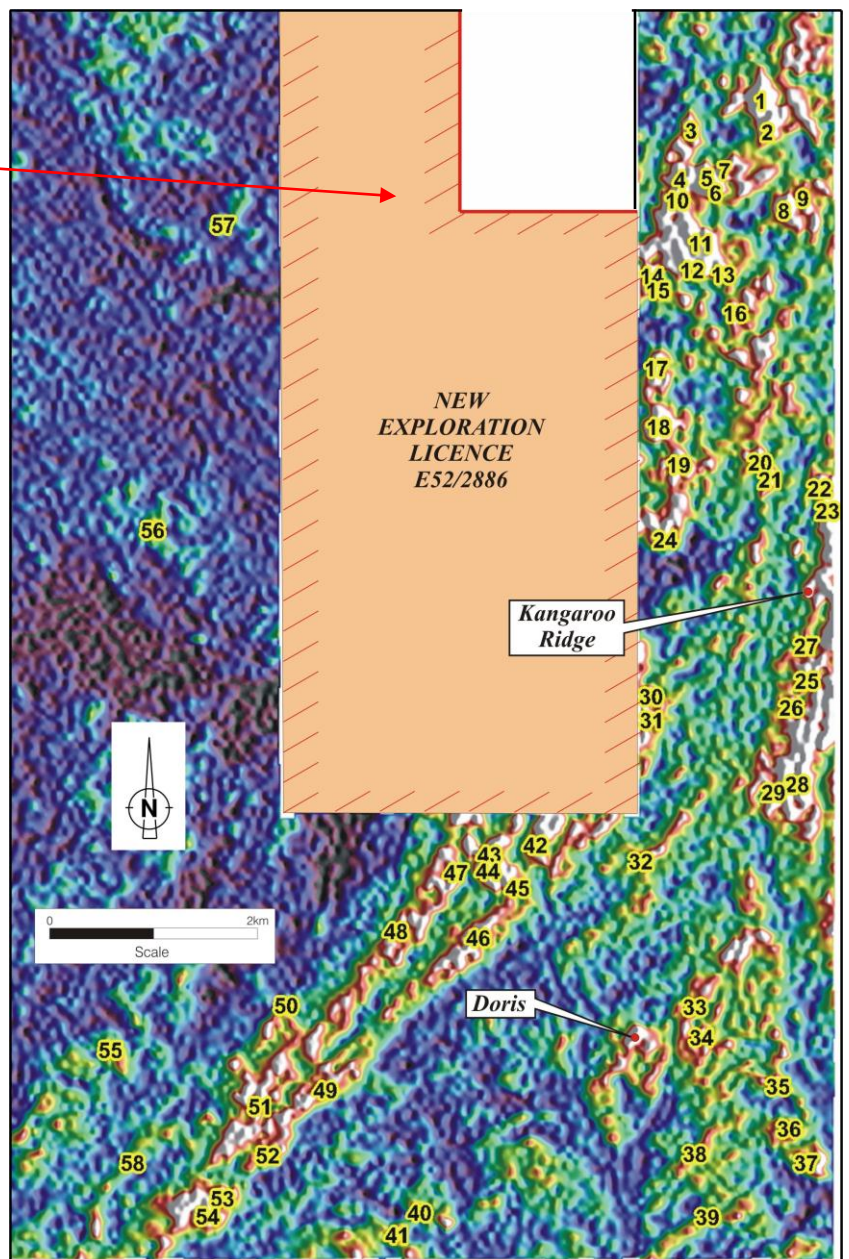
As part of ongoing project evaluation three new drill targets were selected for testing by Company geologists on the basis of the size, grade and geology of the uranium anomalies.

The three hole diamond drilling program, planned to commence in the second week of July, 2013, is designed to assess the below ground grade and width potential of uranium mineralization at the three selected targets.

A summary of the uranium targets to be drilled is outlined below:



Yarlarweelor Location Map



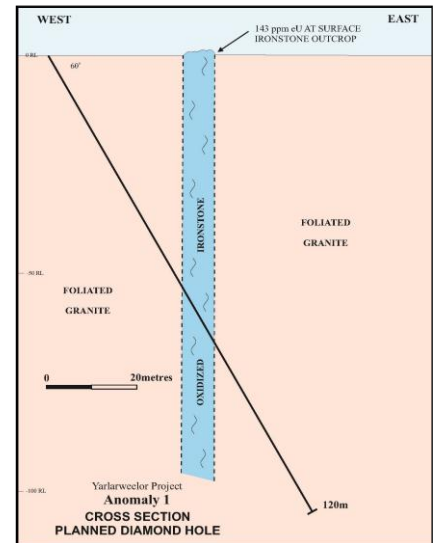
Uranium Anomalies Location Map



Uraniferous Rock Sample from Yarlarweelor

Anomaly 1

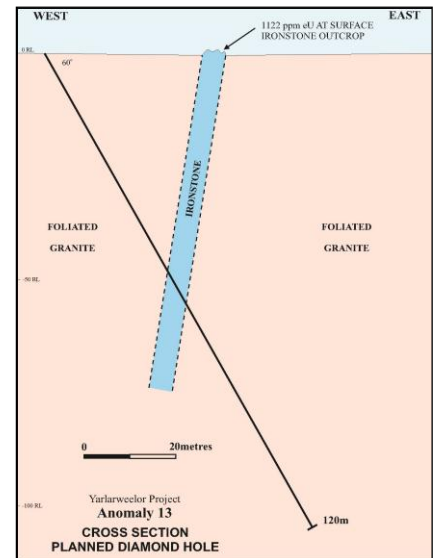
Uranium anomaly 1 is represented at surface by a strongly oxidised ferruginous contact zone between an ironstone outcrop and sheared granites. The ironstone outcrop, approximately 10 metres wide, is being targeted at approximately 60m vertical depth. Spectrometer readings at the site returned up to 143ppm eU.



Anomaly 13

Uranium anomaly 13 is of interest due to its high grade spectrometer response of 1,122 ppm eU and 5m width. It is associated with lateritic ironstone hosted within weathered “hot” Despair Granite.

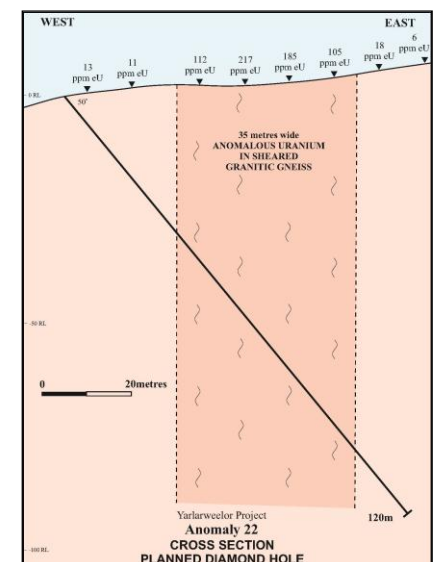
The drilling is designed to test the vertical extent of the high grade, mineralized shear intersecting the target at approximately 50m vertical depth.



Anomaly 22

Uranium anomaly 22 is located one kilometre along strike from the Kangaroo Ridge prospect. The zone of interest is 35m wide and hosted within a vertically dipping granitic gneiss. Surficial spectrometer readings across the zone are consistently above 100ppm eU with a maximum reading of 217ppm eU.

Drilling is designed to determine whether uranium grades increase with depth as has been previously found in drilling similar rocks at the Doris prospect. The hole is designed to a 120m and is expected to intersect the mineralised zone at approximately 30m vertical depth.



Metallurgy and Processing

Previous independent metallurgical test work has confirmed conventional acid leach processing can achieve an 89% recovery of uranium into solution within 12 hours under mild leaching conditions. This would present a potentially viable treatment route in the event commercial quantities of uranium are discovered

The hard rock nature of the uranium mineralization lends itself to more conventional open pit and underground mining methods as the preferred extraction method in the event commercial quantities of uranium are discovered, rather than the commonly utilised practice in Australia of in-situ leaching.

SUMMARY

The drilling program is expected to take 2 to 3 weeks to complete assuming reasonably good drilling rates. The information obtained from the core samples will be significant in terms of the development of the project as a whole.

FYI will continue to keep the market informed as to the progress of the drilling and the results of the mineral analyses, once obtained.

Further Information:

Adrian Jessup

Director

Tel: (08) 9361 3100

Roland Hill

Chief Executive Officer

Tel: 0414666178

eU are values obtained using a calibrated Exploranium GR-135 spectrometer.

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 Ltd. 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.