

ASX: FYI

QUARTERLY REPORT FOR THE PERIOD ENDING 30 June 2015

HIGHLIGHTS

- High level potash concession submission to Lao Government
- FYI Thailand potash applications receive Governor sign-off
- Additional potash opportunities being investigated
- Equity raising for continued project development

REVIEW OF OPERATIONS

Overview

FYI is a Southeast Asian potash explorer with the corporate objective of developing a significant potash presence in the region.

Potash Activities

Laos

Potash Concession Submission

FYI has made a submission to the Lao Government regarding a significant concession area in the South-east region of Laos in Khammouane Province.

The concession covers 190sqkm and is ideally positioned within a highly regarded potash district where the activities of previous parties exploration and drilling activities has proven the existence of a shallow evaporite basin of potash bearing horizons and that currently host potash production from two trial processing facilities.

The concession area is adjacent to the two operating trial processing facilities that separately state high grade, high tonnage deposits.

The concession submission is currently before the various Ministerial departments prior to final consideration by the Prime Minister. A decision is expected during the December quarter.



Corporate

FYI has established a local office and assembled a local technical and administrative management team to supervise the concession submission and to liaise with the Lao Government during the submission process as well as to manage the on-going in-country affairs and business growth.

Thailand

Potash Tenement Applications (SPL)

A significant milestone was passed during the quarter with the Company's West Mekong Minerals (WMM) SPL application being approved by the Governor of the province where the potash interests are held.

The Governor's signing now allows the SPL application to progress to the Department of Mineral Resources (DMR), and the Minerals Committee for approval.

Recent changes in the regularity of the convening of the Committee hearings will result in a more streamlined and quicker deliberation of approvals.

The WMM application areas were selected on the basis of:

- Broad geological merit,
- including historical drilling results conducted by the Mines department in the 1970's that haven't been followed up
- superior operating and logistical criteria

The Thai management team continue to actively manage the SPL application process as well as investigate other potash opportunities within Thailand.

Potash Capabilities

FYI has aligned with a number of key industry groups that can support and increase FYI's capacity to operate within Southeast Asia and enhance the Company's business model from the exploration stage through to resource definition, mine scheduling and design, economic studies, mining, process engineering and off-take.

These relationships are critical for the successful advancing and development of the Companies longer term potash strategy for Southeast Asia.

Broader Potash Opportunities

FYI has achieved considerable progress in both Thailand and Laos since instigating its potash strategy. The Company has established very strong in-country management groups in Thailand and Laos both of whom are technically proficient with good management skills. Both teams also have good country knowledge and connections with various groups and key individuals throughout Southeast Asia. Both management groups are ideally positioned to identify further regional potash opportunities. As a consequence of these relationships, several projects have been introduced to FYI for consideration by management and the Board.

To date, FYI has entered into several early stage Letter Agreements with various parties in Thailand and in Laos. FYI will continue to review and examine these projects and further potash opportunities in Southeast Asia within the context of the Company's original strategy criteria.

Current Quarter Objectives

FYI has the following objectives for the current quarter:

- Manage the Laos potash submission with the Government with the objective of an expedited decision;
- Advance the WMM SPL application process with closer active management;
- Continue to develop key relationships with strategic partners to assist in the progress and development of our Southeast Asian potash strategy; and
- Investigate other potash opportunities in the region.

Capital Raising

Following the end of the June Quarter, FYI has concluded an equity raising to assist the working capital requirements of the Company's potash strategy. The raising was arranged by Peloton Capital in Sydney via the issue of 6,666,667 fully paid FYI shares at an issue price of \$0.03 per share.

About Potash

Potash is the common term used for a group of potassium minerals used principally as agricultural fertilisers. The Company is targeting thick, high grade deposits located in ancient sedimentary basins where potash originally formed by the evaporation of sea water. The FYI Board and the in-country management groups believe the Thai and Laos project areas have the potential to host world class potash deposits.

Potash Outlook

The potash outlook is underpinned by a number of global changes that will continue to contribute to an increase in demand for the commodity and other fertilizer products. The rapidly increasing world population, the increase in disposable incomes for hundreds of millions of people in emerging market regions with associated improving diets, the decline in arable land per capita and the increased interest in alternative (environmentally friendly) fuels, also known as bio-fuels, all combine and result in a positive outlook for potash.



To help meet the increasing demand for agricultural produce, governments, private industry and grower communities are actively using and promoting fertilizers, such as nitrogen, phosphate and potash, to improve crop yields.

According to the International Fertiliser Industry Association, world fertilizer demand is seen as rebounding firmly over the next few years after being impacted by GFC downturns. Potash will most likely be the biggest beneficiary and experience the sharpest rise annually with sustained growth foreseeable over the next 5 years. Within specific regions, demand will be varied with North American consumption down slightly as a result of lower crop prices whilst demand will rise sharply in Oceania, Asia, Latin America and Africa.

About FYI

FYI is an ASX listed natural resources focused public company. The Company's principal interest is the assembling of a quality portfolio of potash projects in Southeast Asia with the view to long term development and production from the assets.

Further Information:

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Interest in Mineral Tenements at 30 June 2015

Tenement	Location	Interest	Change in Interest During Quarter
WMM SPLs (6)	Thailand	100% (under application)	-
ESM SPLs (6)	Thailand	100% (under application)	-

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

FYI Resources Limited

ABN

85 061 289 218

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation of new projects	-	(160)
(b) development	-	-
(c) production	-	-
(d) administration	(33)	(172)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Net R&D rebate + GST refund)	2	27
Net Operating Cash Flows	(31)	(302)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(31)	(302)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(31)	(302)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	245
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (costs of share issue)	(13)	(45)
	Net financing cash flows	(13)	200
	Net increase (decrease) in cash held	(44)	(102)
1.20	Cash at beginning of quarter/year to date	70	128
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter*	26	26

*The Company announced a capital raising of \$200,000 30 July 2015.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements (overdraft facility)	400	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation of new projects	20
4.2 Development	-
4.3 Production	-
4.4 Administration	50
Total	70

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	26	70
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	26	70

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)(cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	69,751,118	69,751,118		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	2,250,000	-	<i>Exercise price</i> 8 cents	<i>Expiry date</i> 22 September 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

