

Friday 16th September, 2016

ASX Release (ASX code: "FYI")

FYI Potash Strategy Update

FYI Resources Limited (FYI or the Company) has a stated strategy to become a substantial potash producer in southeast Asia. The Company is progressing this with negotiations for the establishment of a production joint venture between FYI and the Yuntianhua Group ("YTH") based on the Sino-Lao potash project in Laos.

A detailed project due diligence review is currently being conducted by FYI as a condition of the joint venture negotiations.

The review included an underground mine inspection and a recently completed diamond drilling program and geophysical surveys.

Due diligence investigations have been favourable to date and FYI is advancing the joint venture discussions with the Company recently meeting with YTH in their headquarters in Kunming, China, to further progress and refine the joint venture terms. The positive outcomes of the meeting and mutual support for the project culminated in the decision to move to commercial terms for the joint venture.

The two groups are scheduled to meet again in October to progress the transaction details further.

FYI will release the results of the recently completed drilling and a summary of the underground review as the results become available.

END.

Further Information:
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Drilling in the village square at Natan Project, Laos – looking through temple gates



Drilling in the village square at Natan Project, Laos



Logging and sampling mineralised core at Natan Project, Laos