

8th January, 2018

ASX Release (ASX code: "FYI")

## **FYI advances HPA project; Engineering study manager appointed**

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FYI Resources Limited (the "**Company**" or "**FYI**") is pleased to announce the appointment of GR Engineering Services Limited ("**GRES**") (ASX:GNG) as the engineering study manager to progress the Company's high purity alumina ("**HPA**") project.

The appointment follows FYI's

- achievement of a 99.99% alumina (HPA), and
- outstanding metallurgical recoveries achieved. \*

GRES's appointment is to refine the proprietary HPA flowsheet with preliminary economic parameters.

The scope of works will be to a Pre-feasibility Study (PFS) standard for a processing facility supporting a treatment capacity of 120,000 t/y of kaolin ore for feed to a specially designed beneficiation and refining plant to produce up to approximately 10,000 t/y of HPA.

The engineering study will dovetail into the enhanced metallurgical studies currently being undertaken for FYI's HPA strategy.

GRES were selected from a panel of engineering firms on the basis of their expertise and experience in this style of processing and successful commissioning of projects over the past decade.

GRES have an extensive in-house database on previous projects, scopes of work, equipment, schedules, costs and specifications, that ensures the efficient use of personnel and relevant data.

The study work produced by GRES is well regarded by leading financiers and lending institutions. GRES has completed a large number of bankable feasibility studies and achieved a successful and proven industry track record in executing project design and construction developments that have been delivered on time and within budget.

FYI believes it has assembled a first-class study team between the engineering and metallurgical study managers, to deliver a world class HPA project.

### **Company statement**

FYI Managing Director, Mr Roland Hill said "FYI is progressing its stated HPA strategy rapidly and in-line with the project development timeline.

*The appointment of GRES as the engineering manager is a positive addition to the study team and will result in not only the delivery of a first class engineering component to the PFS, but also in a world class HPA project."*

### **Further information:**

Roland Hill  
Managing Director  
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*\* Please refer to previous ASX Releases dated 5<sup>th</sup> September 2017, and 23<sup>rd</sup> October 2017*

### **Engineering Study Criteria**

The engineering study is designed to include:

- Optimised/rationalised Process Design Criteria (including beneficiation plant effectiveness, kaolin dissolution/leaching and the process for 4N HPA production at 99.99% purity);
- Optimisation of process flow sheet (at high level);
- Process design criteria, mass, water and energy balances, mechanical equipment list, flowsheets, preliminary engineering drawings required to adequately define, describe and cost the Project at the PFS level of accuracy;
- Capital cost estimate to +/- 20-25% accuracy;
- Operating cost determination and model development to +/- 20-25% accuracy;
- Project facilities, input supply chains and infrastructure definition (including evaluation of reagent supply options);
- PFS report complete with appendices and supporting documentation.

### **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.