



5 May 2021

FYI COMMENCES TRADING ON US-BASED OTC MARKET

FYI Resources Limited ("FYI" or the "Company") is pleased to announce that FYI is now approved for trading on the US-based OTC market.

Following the clarification of an Australian accounting principle definition, the US securities trading governing body, the Securities and Exchange Commission (SEC) are satisfied and have granted FYI quotation to OTC.

FYI commenced trading on the OTC on 4th May, 2021 in the United States under the stock code **OTCQB: FYIRF**.

FYI looks forward to a long-term relationship with the OTC in engaging with, and building, its North American shareholder base in response to the increase in US investor interest in FYI's fully integrated and innovative flowsheet design which delivers high quality, high purity alumina (HPA) coupled with excellent project financial metrics, a positive ESG impact and increasing investment exposure into electric vehicle and strategic battery minerals supply chain opportunities.

Results of the recently released HPA project updated definitive feasibility study (DFS) include (refer to ASX announcement 8 April 2021):

ITEM	FIGURE
Discount rate	8%
NPV (post tax)	US\$1.014 b
IRR (post tax)	55%
Annual revenue (average for 25 years)	US\$264m
Annual EBITDA (average for 25 years)	US\$186m
Payback period (years) (post tax) (inc ramp up)	3.2
Assumed exchange rate A\$/US\$	0.75
Shares on issue (as at publication of the DFS)	321.09m
Capex (10,000 tpa HPA production)	US\$202m
Opex (Life of Mine C1 costs, FOB Kwinana)	US\$6,661/t
Production Target (tpa) (initial 25 years)	10,000
Proven + Probable Ore Reserves (@ 24.8% Al ₂ O ₃ mt)	3.205
Ore Reserve life (years)	25
JORC Resources (mt)	11.3

As previously advised, FYI is also in the process of seeking eligibility from The Depository Trust and Clearing Corporation ("DTC"). The process of seeking DTC eligibility is independent of trading on the OTC.

DTC manages electronic clearing and settlement of publicly traded companies across the United States and in over 130 other countries, giving investors around the world the opportunity to trade in the securities of member companies electronically from their online accounts. It provides for cost-effective clearing and guaranteed settlement, simplifying and accelerating the settlement process of daily trades. Such eligibility will ensure a more liquid and transparent market for the Company's common shares within the United States as is the case with daily on-market trading on the ASX.

FYI still anticipates the DTC process to be completed during May 2021 and will advise the market accordingly. In the interim OTCQB trading will be conducted through OTC market Maker, B.Riley Financial (brileyfin.com).



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Approved for release by Roland Hill

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About FYI Resources Limited

FYI's is positioning itself to be a significant producer of 4N (99.99%) and 5N (99.999%) high quality, high purity alumina (HPA) through low carbon and environmental footprint production and adhering to high ESG standards.

FYI's innovative and fully integrated HPA refining process is demonstrated via the release of the Company's DFS and subsequent signing of a Memorandum of Understanding with Alcoa of Australia Ltd with the intention to formalize a joint venture on the development of FYI's HPA project.

HPA is increasingly becoming the primary sought-after input material for certain high-tech products principally for its unique properties, characteristics and chemical properties that address that applications high specification requirements.

HPA has principally two major market streams. One is a "traditional" market such as LED's and other sapphire glass products, substrates, electronics and specialty abrasives. The second market, and longer-term driver for HPA, with forecasts of >17% CAGR, is its application in lithium-ion batteries for the burgeoning electric vehicle and static energy storage markets where the primary function is in the use as a separator material between the anode and cathode in batteries to increase power, functionality and safety of the battery cells.

* CRU HPA Industry Report 2021



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Cautionary Statements

Substance of DFS

The DFS referred to in this announcement is a study of the potential viability of the Cadoux Kaolin Project. It has been undertaken to understand the technical and economic viability of the Project.

The DFS assumes a 25-year Project life based only on Proved and Probable Ore Reserves (100%).

The DFS is based on the material assumptions outlined in the announcement made 8th April 2021 and the appended summary of the DFS. These include assumptions about the availability of funding. While the Company considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by this DFS will be achieved.

To achieve the range of outcomes indicated in the DFS, funding in the order of A\$202 million will likely be required. Investors should note that there is no certainty that the Company will be able to raise the amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of the Company's existing shares.

It is also possible that the Company could pursue other "value realisation" strategies such as a sale, partial sale or joint venture of the Project. If it does, this could materially reduce the Company's proportionate ownership of the Project.

Competent Persons Statements

Ore Reserves

The information in this report that relates to Ore Reserves is based on information compiled by Mr. Steve Craig, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Steve Craig is a full-time employee of Orelogy Consulting Pty Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The information is extracted from the Ore Reserve announcement released 29 October 2018, 11 March 2020 and 8 April 2021 and is available to view on the Company's website at www.fyiresources.com.au

Metallurgy

The information in this report 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). 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". Announcements in respect to metallurgical results are available to view on the Company's website at www.fyiresources.com.au.

Mineral Resources

The information in this report that relates to Mineral Resources is based on information compiled by Mr Grant Louw, under the direction and supervision of Dr Andrew Scogings, who are both full-time employees of CSA Global. Dr Scogings is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. He is a Registered Professional Geologist in Industrial Minerals. Dr Scogings has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves". The information is extracted from the PFS announcement dated 25 September 2018 and is available to view on the Company's website at www.fyiresources.com.au.



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General and forward-looking statements

The contents of this announcement reflect various technical and economic conditions, assumptions and contingencies which are based on interpretations of current market conditions at the time of writing. Given the nature of the resources industry, these conditions can change significantly and without notice over relatively short periods of time. Consequently, actual results may vary from those detailed in this announcement.

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Such forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. When used in this announcement, words such as, but are not limited to, "could", "planned", "estimated", "expect", "intend", "may", "potential", "should", "projected", "scheduled", "anticipates", "believes", "predict", "foresee", "proposed", "aim", "target", "opportunity", "nominal", "conceptual" and similar expressions are forward-looking statements.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

The contents of this release are also subject to significant risks and uncertainties that include but are not limited to those inherent in mine development and production, geological, mining, metallurgical and processing technical problems, the inability to obtain and maintain mine licences, permits and other regulatory approvals required in connection with mining and processing operations, competition for among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of projects and acquisitions, changes in commodity prices and exchange rates, currency and interest rate fluctuations and other adverse economic conditions, the potential inability to market and sell products, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, environmental, native title, heritage, taxation and other legal problems, the potential inability to secure adequate financing and management's potential inability to anticipate and manage the foregoing factors and risks.

All persons should consider seeking appropriate professional legal, financial and taxation advice in reviewing this announcement and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of this announcement nor any information contained in this announcement or subsequently communicated to any person in connection with this announcement is, or should be taken as, constituting the giving of investment or financial advice to any person. This announcement does not take into account the individual investment objective, financial or tax situation or particular needs of any person.