



6 May 2021

FYI AND ALCOA ENTER 90-DAY EXCLUSIVE PERIOD FOR HPA JOINT VENTURE NEGOTIATIONS

FYI Resources Limited (**ASX: FYI**) ("FYI" or the "Company") is pleased to announce it has entered into an exclusivity agreement with Alcoa Australia Limited ("Alcoa") to facilitate detailed negotiation of the terms of a possible high purity alumina (HPA) project joint venture.

During the 90-day exclusivity period, which is aligned with the Memorandum of Understanding (MoU) formed in September 2020, the parties will undertake further due diligence to establish the technical and commercial viability of establishing a joint venture for the future development and commercialisation of FYI's HPA project.

The 90-day exclusivity period started on 5th May 2021.

HPA MoU Background

FYI announced on 8 September 2020 that it had entered into a MoU with Alcoa to explore the possible joint development of FYI's HPA project. The MoU established a pathway to progress to a joint venture following the satisfaction of conditions precedent and successful negotiation of mutually beneficial terms.

The conditions precedent cover further HPA pilot plant variability trials being successful and continued cooperation between the parties having commercial benefits for both parties.

Any commercial arrangement between FYI and Alcoa should provide a clear path for the HPA project development, funding, operation and product marketing.

FYI will continue to develop its HPA strategy during the discussions.

Managing Director of FYI, Mr Roland Hill commented: "I am extremely pleased we have progressed the HPA MoU to a period of exclusive discussions with Alcoa, under which we will negotiate towards a potential JV for FYI's HPA project.

"We believe there is a highly complementary fit between the corporate objectives, cultures and operational expertise of FYI and Alcoa. Any commercial agreement would also seek to leverage the corporate capabilities of Alcoa, who are globally recognised as a leading producer of alumina, and FYI who have developed and demonstrated an innovative, fully integrated and environmentally conscious HPA refining process.

"We view Alcoa as an ideal partner in which to assist us achieve our goal of developing the HPA project into a major world-class asset to produce and supply high quality, ultra-pure HPA to meet the increasing global requirements for HPA market related applications."

Approved for release by FYI Resources Managing Director, 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