



16 August 2023

ASX: **FYI** | OTC: **FYIRF**

IHC Mining appointed to deliver Minhub Rare Earths-Zircon Project Studies

Leading international mining solutions provider appointed to undertake detailed project feedstock and engineering studies

Highlights

- IHC Mining (IHCM) appointed to manage Minhub rare earth-mineral sands project studies and undertake metallurgical testwork, process flowsheet design and detailed engineering.
- IHCM is a globally recognised engineering and mineral sands processing specialist.
- The test work and studies will initially consider the processing of three third-party mineral sands feedstocks (monazite and xenotime) which contain significant rare earths.
- The initial test work and engineering studies will lead into a full feasibility study (FS) which is on track for completion in March 2024 and, subject to a positive outcome, will be followed by Front End Engineering and Design (FEED).
- Subject to a positive FS and satisfactory completion of FEED, IHCM will be the preferred contractor for the delivery of the mineral separation plant at the Minhub Project.
- FYI/MOPL is co-developing the Minhub processing facility in Darwin, NT with Arafura Rare Earths Ltd.

Emerging critical mineral producer FYI Resources (ASX: **FYI**) (or the **Company**) is pleased to announce that Minhub Operations Pty Ltd (**MOPL**) has appointed international engineering group, IHC Mining (**IHCM**) to undertake initial test work and engineering studies on a proposed Mineral Processing Plant (**MSP**) at the Minhub rare earths/zircon project in Darwin, Northern Territory. These preliminary studies will advance the project development towards the full feasibility study. IHCM will apply its world-class minerals processing skills and experience to the project. FYI has a binding heads of agreement to acquire MOPL subject to the satisfaction or waiver of conditions set out in the announcement of 9 May 2023.

FYI Managing Director Roland Hill commented: "Having a high calibre international engineering firm such as IHCM commence the initial Minhub project studies on behalf of FYI/MOPL and project partner Arafura Rare Earths Ltd provides the project with significant development benefits resulting from IHCM's extensive operational experience, metallurgical and engineering capabilities and track record of successful projects. We look forward to working closely with IHCM on our unique downstream rare earths production project."

The Parties

MOPL is co-developing and managing the Minhub rare earths downstream processing facility with ASX-listed Arafura Rare Earths Ltd (ASX: **ARU**). ARU has the option to acquire up to 50% of the Minhub project by contributing 50% of the project costs. MOPL is a privately owned company established specifically to develop, construct, and operate a mineral processing plant, where third-party mineral sands concentrate will be processed to separate rare earth-rich monazite and xenotime from other valuable mineral sands products such as zircon and ilmenite.

IHCM is a subsidiary of Royal IHC, a Dutch supplier of integrated engineering solutions with over a century of experience in the mining sector. As heavy minerals processing specialists, IHCM is uniquely positioned to deliver metallurgical and engineering services to the mineral sands / rare earths industry. IHCM's capabilities include geo/metallurgical services, mining advisory services, engineering services, mining equipment, mineral processing equipment and customised mineral processing plants.

Engineering Services

MOPL has appointed IHCM to complete various metallurgical testwork and preliminary engineering studies as a precursor to a feasibility study for the Darwin MSP. The full feasibility study is scheduled to commence in September 2023 and be completed in March 2024. This study will include:

- Metallurgical process test work for rare earth-rich mineral sands concentrates from multiple third party producers and development projects.
- Flowsheet development and engineering design for the MSP.

The intention is for IHCM to provide an end-to-end integrated engineering solution and fully tailored MSP design for processing different feedstock sources.

Subject to the successful completion of the feasibility study, IHCM will deliver the Front-End Engineering & Design for the MSP. Subject to a positive Final Investment Decision, IHCM will commence detailed engineering design in preparation to deliver an EPC (Engineering, Procurement and Construction) or alternatively an EPCM (Engineering, Procurement and Construction Management) offering.

This announcement is authorised for release by Roland Hill, Managing Director.

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About FYI Resources Limited

FYI Resources is an emerging developer of high-quality critical minerals. FYI is focusing on two potential world-class projects – high purity alumina (HPA) and rare earths downstream production. FYI is positioning itself to be a significant producer of both HPA and rare earths to address growing demand in the rapidly developing high-tech product markets and to contribute to a decarbonising future.

FYI has developed an innovative process design for the integrated production of high quality, high purity alumina (HPA) predominantly for electric vehicles (lithium-ion batteries), sapphire glass (LED) and other broader tech applications.

HPA is increasingly becoming the primary sought-after input material for certain high-tech products, principally for its unique characteristics and chemical properties that address those applications' high specification requirements, such as LEDs and other sapphire glass products.

The longer-term driver for HPA, with forecasts of >17% year-on-year growth (GAGR)*, is the outlook for the burgeoning electric vehicle and static energy storage markets where the primary function is in use as a separator material between the anode and cathode in batteries to increase power, functionality and safety of the battery cells.

FYI is also developing the Minhub third-party downstream heavy mineral sands and rare earths production facility to be based in Darwin. Under a commercial framework, FYI is developing the Minhub

facility in collaboration with Arafura Rare Earth Limited (ASX: ARU), who has the right to own up to 50% via pro-rata funding with FYI. Minhub is designed to work with emerging mineral sands producers to process xenotime and monazite concentrates for select markets and supply ARU with rare earths feedstocks which will be upgraded to a suite of premium products.

FYI applies both an ESG and economic overlay of the Company and its operations to ensure long-term sustainable and shareholder value is created via the development of its projects which have strong alignment to Australia's critical minerals objectives by creating additional opportunity for value capture and downstream processing in Australia of globally strategic critical minerals and future looking industries.

* CRU HPA Industry Report 2021