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20 December 2022

**Ferro-Alloy Resources Limited**  
**(“Ferro-Alloy” or “the Company”)**

**Balasausqandiq Feasibility Study Update**

Ferro-Alloy Resources Limited (LSE:FAR), the vanadium producer and developer of the large Balasausqandiq vanadium deposit in Southern Kazakhstan, is pleased to announce an update on the ongoing feasibility study (“Feasibility Study”) into the large Balasausqandiq vanadium project.

**Drilling**

As previously announced, the drilling programme for Phase 1 of the Feasibility Study has been completed and an updated resource estimate for Phase 1 will be announced during Q1 2023. Similarly, the drilling programme for Phase 2 of the Feasibility Study has been completed as far as possible and the Company is assessing drilling options for a residual area of difficult topography.

**Metallurgy**

Metallurgical test-work continues to advance at SGS Lakefield under the supervision of TetraTech.

Extraction of vanadium during acid leaching continues to be above expectations with 94-97% vanadium extraction into solution. The test-work programme will also complete subsequent phases of vanadium, uranium, molybdenum and potassium alum extraction stages, and solid liquid separation tests.

**Carbon**

Additional technical studies are advancing to understand and validate the potential use of the carbon-rich tailings for the production of a carbon black substitute for the making of rubber and as a feed for the production of ferro silicon.

**Feasibility Study Engineering**

The open pit geotechnical drilling has commenced and will continue into 2023. The results of the drilling and subsequent mechanical testing programme will be used to confirm the open pit slope design. In addition, a geophysical survey of the water supply bore field area is underway. The results of the survey will be used to define the fieldwork programme required to define the water extraction bore field required to support the projects water needs.

The open pit hydrogeology drilling is currently being contracted per the scope defined by SRK Consulting (Kazakhstan) Limited. The drilling is expected to commence in early 2023.

### **Publication Timetable**

As previously announced, the Company's Feasibility Study for Phase 1 of the project (processing 1 million tonnes of ore per year) was expected to be published during the middle of 2023.

Following unscheduled delays during the course of 2022, in the main as a result of capacity issues within the mineral analysis industry, the Company now expects the Feasibility Study for Phase 1 of the project to be published during Q4 of 2023 as opposed to the middle of 2023 as previously reported.

**ENDS**

**For further information, visit [www.ferro-alloy.com](http://www.ferro-alloy.com) or contact:**

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**About Ferro-Alloy Resources Limited:**

The Company's operations are all located at the Balasausqandiq deposit in the Kyzylordinskaya Oblast in the South of Kazakhstan. Currently the Company has two main business activities:

- a) the high grade Balasausqandiq vanadium project (the "Project"); and
- b) an existing vanadium concentrate processing operation (the "Existing Operation").

Balasausqandiq is a very large deposit, with vanadium as the principal product together with several by-products. Owing to the nature of the ore, the capital and operating costs of development are very much lower than for other vanadium projects.

A reserve on the JORC 2012 basis has been estimated only for the first ore-body (of five) which amounts to 23 million tonnes, not including the small amounts of near-surface oxidised material which is in the Inferred resource category. In the system of reserve estimation used in Kazakhstan the reserves are estimated to be over 70m tonnes in ore-bodies 1 to 5 but this does not include the full depth of ore-bodies 2 to 5.

There is an existing concentrate processing operation at the site of the Balasausqandiq deposit. The production facilities were originally created from a 15,000 tonnes per year pilot plant which was then adapted to treat concentrates and expanded. Further expansion is being undertaken which is expected to result in annualised production capacity of around 1,500 tonnes of contained vanadium pentoxide plus significant by-product molybdenum.

The strategy of the Company is to develop both the Project and the Existing Operation in parallel. Although they are located on the same site and use some of the same infrastructure, they are separate operations.