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18 July 2024

Ferro-Alloy Resources Limited

("Ferro-Alloy" or the "Group" or the "Company")

Q2 2024 Production Results

Ferro-Alloy Resources Limited (LSE:FAR), the vanadium producer and developer of the large Balasausqandiq vanadium deposit in Southern Kazakhstan, announces the production results of the Group's existing operation for Q2 2024.

Q2 Production Results

	2023				2024				
	Q1 2023	**Q2 2023**	**H1 2023**	**FY 2023**	**Q1 2024**	**Q2 2024**	**Q1 / Q2 % change**	**H1 2024**	**H1 % change**
Tonnes of concentrate processed	194.1	1,016.6	1,210.7	2,228.0	668.6	**777.5**	**+16.3%**	**1,446.1**	**+19.4%**
Tonnes of vanadium pentoxide produced*	31.3	141.4	172.7	310.5	81.6	**87.6**	**+7.4%**	**169.2**	**-2.0%**
Tonnes of molybdenum produced**	6.5	14.1	20.6	34.4	7.1	**6.9**	**-2.8%**	**14.0**	**-32.0%**
Tonnes of nickel produced***	9.7	50.8	60.5	111.4	33.4	**38.8**	**+16.2%**	**72.2**	**+19.3%**

* partly contained in ammonium metavanadate

** in ferro-molybdenum

*** in nickel concentrate

Commentary

During the quarter the Company continued to build on the improvements made to the plant in Q1 2024, in order to enhance its processing capabilities, including the expansion of the solution ponds which will allow the Company to increase the purity of its vanadium pentoxide product and, therefore, improve resulting selling prices.

Production of vanadium pentoxide during Q2 2024 was 7% greater than Q1 2024, largely driven by a higher tonnage of concentrate processed during the period. H1 2024 vanadium pentoxide production was at similar levels to H1 2023 but, as a result of different grades of concentrate being treated, a 32% reduction in molybdenum output.

Production Outlook

The Company will continue to treat raw materials partly on a trading basis and partly on a tolling basis, eliminating the risk of price movements between the time of purchase of concentrates and the sale of the product.

The Company has been stockpiling nickel-rich concentrates which are the residues from the prior production of vanadium and molybdenum from concentrates. Some 4,000 tonnes are now on site. These residues can be sold at low prices as low-grade nickel concentrates. However, the Company has developed new technology to upgrade these residues to standard nickel grades and to recover further amounts of vanadium and molybdenum which were not recovered in the initial processing. Laboratory testing has showed good results and trial processing at a commercial scale has commenced. After a period of optimisation of operating regimes, and provided the results are in line with laboratory test-work, the Company will commence full production during Q3 2024.

Processing of these residues will use the full capacity of the plant for several months, with monthly production of vanadium and molybdenum expected to be only a little lower than that achieved from the treatment of bought-in concentrates.

Once the stockpile of nickel-rich concentrates is used up, the treatment of concentrates will resume, with periodic treatment of the resultant nickel-rich residues. Overall recovery of vanadium and molybdenum from the bought-in concentrates will therefore rise as well as yielding the increased revenue from the nickel concentrates.

Commenting on the production results, Nick Bridgen, CEO of Ferro-Alloy Resources said:

"Current trading conditions are difficult but the innovative approach of our technical team to find alternative routes to profitability are bearing fruit and we look forward to seeing the results come through."

For further information, visit www.ferro-alloy.com or contact:

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Notes to Editors

About Ferro-Alloy Resources Limited:

The Company's operations are all located at the Balasausqandiq deposit in Kyzylordinskoye 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.

The most recent mineral resource estimate for ore-body one (of seven) provided an Indicated Mineral Resource of 32.9 million tonnes at a mean grade of 0.62% V_2O_5 equating to 203,364 contained tonnes of vanadium pentoxide ("V_2O_5"). 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 or the remaining ore-bodies which remain substantially unexplored.

The Project will be developed in two phases, Phase 1 and Phase 2, treating 1m tonnes per year and an additional 3m tonnes per year. Production will be some 5,600 tonnes of V_2O_5 from Phase 1, rising to 22,400 tonnes V_2O_5 after Phase 2 is commissioned.

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 expanded and adapted to recover vanadium, molybdenum and nickel from purchased concentrates.

The existing operation is located on the same site and uses some of the same infrastructure as the Project, but is a separate operation which will continue in parallel with the development and operation of the Project.