

20 November 2020

ASX ANNOUNCEMENT

VRX Silica raises \$7 million

Highlights:

- **\$7 million raised via placement to institutional, professional and sophisticated investors**
- **Follows grant of Mining Leases at Muchea and Arrowsmith Silica Sand Projects**
- **Positions VRX to rapidly advance development of Arrowsmith North Silica Sand Project**

VRX Silica Limited (VRX or **Company**) (ASX: VRX) is pleased to announce that it has received binding commitments for a capital raising via a share placement to institutional, professional and sophisticated investors to raise \$7 million before costs.

VRX's Managing Director, Bruce Maluish said, "We are delighted with the strong support received for the capital raising from a wide range of investors, with bids received well in excess of the amount raised.

"This placement positions VRX to rapidly advance the development of our silica sand projects, in particular at Arrowsmith North for grade control drilling for the first 10 years of production, confirmatory test work, drilling and equipping water bores, port access design, construction of access roads and final engineering."

The placement will be conducted at 18 cents per share, which represents a 23.4% discount to the last closing price of VRX shares on ASX of 23.5 cents and a 13.6% discount to the 10-day VWAP of 20.8 cents as at the same date. A total of 38.9 million new shares will be issued within the Company's current placement capacity under Listing Rule 7.1. The new shares will rank equally with existing VRX fully paid ordinary shares on issue.

Funds raised under the placement will be allocated to pre-production preparatory work at VRX's Arrowsmith North Silica Sand Project, additional drilling at VRX's Muchea and Boyatup Silica Sand Projects, and general working capital.

The placement is scheduled to settle on 27 November 2020.

Euroz Hartleys Limited (AFSL No 230052) acted as lead manager to the placement.

This announcement has been authorised for release to ASX by Managing Director, Bruce Maluish.

Further information:

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ASX: VRX

Capital Structure

Shares on Issue:
445.1 million

Listed Options:
23.9 million

Unlisted Options:
69.5 million

Corporate Directory

Paul Boyatzis

Non-Executive Chairman

Bruce Maluish

Managing Director

Peter Pawlowitsch

Non-Executive Director

John Geary

Company Secretary

Silica Sand Projects

Arrowsmith Silica Sand
Projects, 270km north of
Perth, WA.

Muchea Silica Sand Project,
50km north of Perth, WA.

Boyatup Silica Sand
Project, 100km east of
Esperance, WA.

The Company is actively
assessing other silica sand
projects in Australia.

VRX Silica Limited

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About VRX Silica

VRX Silica Ltd (**VRX Silica**) (ASX: VRX) has significant silica sand projects in Western Australia.

The Arrowsmith North and Arrowsmith Central Silica Sand Projects, located 270km north of Perth, comprise five granted exploration licences and two granted mining leases. Bankable feasibility studies for both projects have been released, each demonstrating exceptional financial metrics.

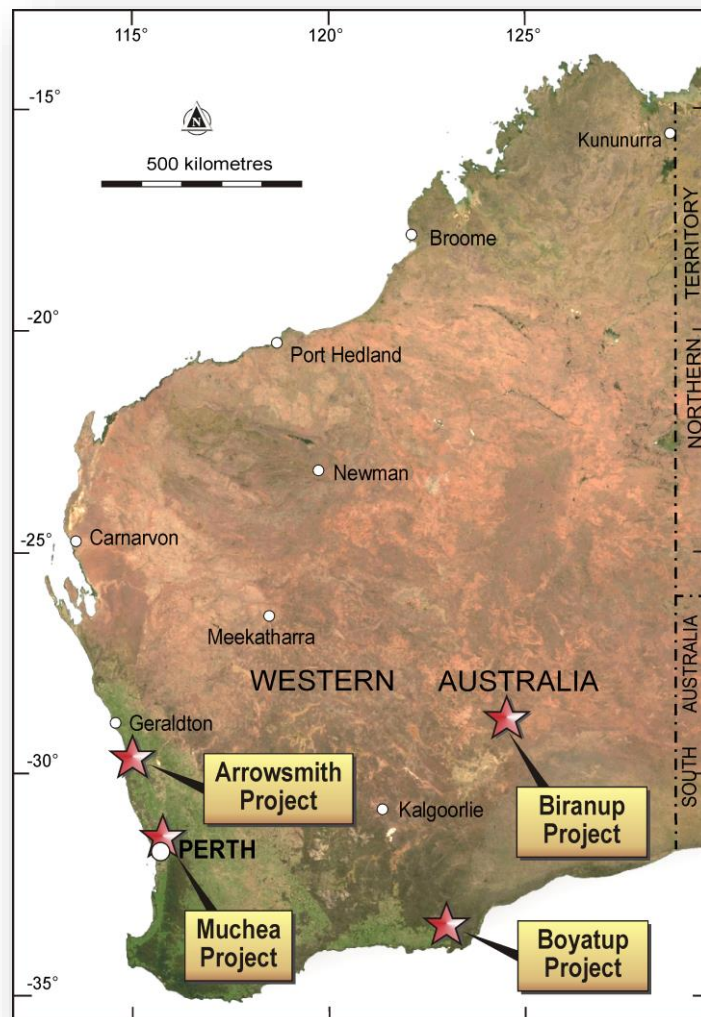
The Muchea Silica Sand Project, located 50km north of Perth, comprises two granted and one application for exploration licences, and one granted mining lease. Muchea is a world-class project with high purity silica sand in situ. A bankable feasibility study for the project has been released demonstrating outstanding financial metrics.

The Boyatup Silica Sand Project, located 100km east of Esperance, comprises two adjacent granted exploration licences. Initial indications are that this project will complement the Arrowsmith and Muchea projects while adding to the range of silica products capable of production.

Proven Management

The VRX Silica Board and management team have extensive experience in mineral exploration and mine development into production and in the management of publicly listed mining and exploration companies.

Project Locations



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