

ASX:VYS



16 December 2020

PENTIUM RECEIVES NOTICE OF CONTRACT AWARD WITH ROY HILL IRON ORE PTY LTD

Vysarn Limited (ASX:VYS) (**Company**) is pleased to advise that its wholly owned subsidiary Pentium Hydro Pty Ltd (**Pentium**) has received a Notice of Contract Award for Hydrogeological Drilling (**Contract**) with Roy Hill Iron Ore Pty Ltd (**Roy Hill**).

Key details of the Contract are:

- Estimated revenue based on the initial Scope of Work of approximately \$12 million
- General Works Contract providing for the issue of individual Work Requests for the supply of one or more drill rigs;
- A three-year and five-month Contract term starting from 1 January 2021 with a one-year extension option by Roy Hill;
- The Scope of Work as defined under the Contract is to provide the drilling and installation of production, injection and monitoring bores to support mining and exploration activities across Roy Hill mine site locations, within the Pilbara Region of Western Australia.

Revenue from these works is based on a schedule of rates. The Company estimates that total revenue based on one rig, the schedule of rates and average metres drilled per month to be approximately \$12 million over the initial three-year and five-month Contract period.

Pentium currently has one Dual Rotary drill rig and associated ancillary equipment on a Roy Hill mine site working under the terms of the previous contract announced on the ASX on 1 November 2019. This drill rig and/or similar drill rigs in the Pentium fleet will start the execution of the Scope of Work defined within the new Contract from 1 January 2021. As outlined within the Annual General Meeting Presentation¹ rig utilisation currently remains at 7 deployed rigs.

This announcement has been authorised by the Board of Vysarn Limited.

For further information:

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¹ Refer to ASX announcement dated 19 November 2020 – “Annual General Meeting Presentation”