

25 August 2021

**ASX ANNOUNCEMENT**

**COMMITMENT TO LONG-TERM, HIGH-VALUE ESG  
AND SUSTAINABILITY STANDARDS**

VRX Silica Limited (ASX:VRX) (**VRX** or **Company**) is pleased to announce its commitment to a series of ESG initiatives ahead of the release of its FY21 Sustainability Report, the first one to be published by the Company.

VRX Silica Managing Director Bruce Maluish said:

*“As the world moves towards a low-carbon future, VRX is committed to operating our business to the highest standards of ESG performance. Our ESG program will identify new opportunities, reduce risk and promote efficiencies across our projects, particularly in support of potential glass production in Western Australia.*

*“Importantly, our ESG program is the right approach to take as VRX charts a path to play our role in a cleaner world. The release of our maiden Sustainability Report this year will therefore mark a significant first step.”*

Underpinned by a global prospective customer base, VRX applauds the fact that expectations of corporate behaviour are changing and investment capital is being redirected towards more responsible entities. Sustainable investment now tops \$35 trillion globally, including two-year growth of 25% across Australasia.<sup>1</sup> This has transformed the environment in which VRX operates to one with new priorities around climate risk, biodiversity loss and, more recently, COVID-19 and its associated public health and social challenges.

Importantly, in these early stages of VRX developing its world-class silica sand projects, the Company is able to investigate opportunities to limit its impact on the world in which it operates. VRX will build resilience and drive positive outcomes through its commitment to long-term, sustainable value creation for all stakeholders.

The Company will follow the recommendations and goals of the United Nations’ 17 Sustainable Development Goals (**SDGs**) and the World Economic Forum (**WEF**) Stakeholder Capitalism framework to inform sustainability planning and map its progress. VRX has taken a ‘think global, act local’ approach to selecting appropriate frameworks, with the SDGs ensuring that the Company can play its part globally while the WEF framework offers more granular detail on material topics.

To ensure that VRX can measure, assess and communicate progress, the Company has engaged ESG specialist Futureproof Consulting to

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<sup>1</sup> Global Sustainable Investment Review 2020  
(<http://www.gsi-alliance.org/wp-content/uploads/2021/07/GSIR-2020.pdf>)

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**ASX: VRX**

**Capital Structure**

Shares on Issue:

551.9 million

Unlisted Options:

35.4 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.*

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ensure appropriate data disclosures and framework alignment. Following global best-practice, VRX stakeholders have been engaged and a list of material ESG topics has been developed alongside a materiality matrix to prioritise the most critical issues. Focus areas include minesite rehabilitation, health, safety and wellbeing, endangered species, emissions and greenhouse gases and business ethics.

### United Nations' Sustainable Development Goals

VRX will outline the actions its Board and Leadership Team are taking to make a positive contribution to the 17 SDGs and the way the Company will measure the meaningful progress being made towards them. VRX expects to outline these actions in the upcoming Annual Report.

The SDGs promote action in areas that are critical to ending poverty, protecting the environment and improving the prosperity of all people through economic, social and technological progress. The goals are relevant for all countries and sectors of society, including business, and will enable VRX to tailor its approach to best serve the Company's stakeholders.

### World Economic Forum – Stakeholder Capitalism framework

In partnership with the Big 4 accounting firms, the WEF identified a set of global, cross-industry baseline disclosures and ESG metrics for companies to use to analyse their ESG performance and communicate this to their stakeholders on a regular basis. Disclosures were drawn from existing voluntary standards including GRI, SASB and TCFD and across four pillars considered the most critical for business, society and the planet. This makes the framework a logical and appropriate starting point for VRX as the Company begins its ESG journey.

The adoption by VRX of the WEF framework has already highlighted a number of ESG opportunities including the integration of solar and battery capacity into power generation and a purpose-built Vegetation Direct Transfer (**VDT**) mining method. VDT has been designed by VRX for rapid regeneration through continuous rehabilitation that ensures the best outcome for the vast majority of native flora and fauna across the Company's silica sand projects.

These initiatives reflect VRX's commitment to reducing its environmental footprint and building sustainable outcomes for all stakeholders, focusing on the Company's key development assets and the surrounding communities. The Company will update stakeholders regularly on its ESG progress and ensure VRX and its projects remain a responsible investment opportunity.

With the support of Futureproof, VRX will measure, monitor and report on its sustainability progress. Futureproof helps companies adapt to the growing demands of investors and stakeholders to implement and improve their ESG strategies and reporting practices.

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

#### Further information:

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## About VRX Silica

VRX Silica Ltd (ASX: VRX) is developing world-class, high-grade silica sand projects in Western Australia.

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

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

The Boyatup Silica Sand Project, 100km east of Esperance, comprises two adjacent granted exploration licences. Initial indications are that this project can complement the Arrowsmith and Muchea projects and add to the range of silica products VRX Silica may be capable of producing.

## Proven Management

VRX Silica's Board and Leadership Team have extensive experience in mineral exploration and mine development-to-production and in the management of publicly listed mining and exploration companies.

## Project Locations

