






19 July 2023

Grant of Arrowsmith Brand Mining Lease

Highlights:

-  **Mining Lease M70/1418 granted for Arrowsmith Brand Silica Sand Project**
-  **Includes Mineral Resource Estimate for silica sand within the Mining Lease boundary of 312 Mt @ 97.2% SiO₂.**
-  **Prior testwork demonstrates that the Resource can be processed to high-quality glassmaking sand**

VRX Silica Limited (**VRX Silica** or **Company**) (ASX: VRX) is pleased to announce the Company has been granted its fourth silica sand Mining Lease at its new Arrowsmith Brand Silica Sand Project, which is located 270km north of Perth in the VRX Silica Arrowsmith Silica Sand Projects precinct.

The Mining Lease includes a portion of the previously announced Arrowsmith Brand Resource of 523 Mt @ 97.3% SiO₂¹.

VRX Silica Managing Director Bruce Maluish said: *"This application for a Mining Lease at Arrowsmith Brand is another extensive application of 1,995 hectares and substantially covers the previously identified Mineral Resource. The combined Mining Leases over the Company's Arrowsmith Silica Sand Projects now amount to 5,623 Ha with a significant inventory of over 1.11Bt² of silica sand at an average 97.6% SiO₂ which can be upgraded to glassmaking quality."*

"The Arrowsmith Brand Mining Lease is part of the very long-term planning that VRX Silica has at Arrowsmith that allows for flexibility in selecting low impact areas for development", said Maluish.

ASX: VRX

Capital Structure

Shares on Issue:

560.4 million

Unlisted Options:

48.5 million

Corporate Directory

Paul Boyatzis

Non-Executive
Chairman

Bruce Maluish

Managing Director

Peter Pawlowitsch

Non-Executive Director

David Welch

Non-Executive Director

Ian Hobson

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

¹&² ASX announcement of 9 May 2023, "Arrowsmith Brand Mineral Resource Estimate". ²See Resource table on page 5

This is the last of three approved Mining Lease Applications that the Company has lodged at Arrowsmith.

The Arrowsmith Brand Mining Lease M 70/1418 has an area of 1,995 Ha, see Table 1 below, and covers part of and wholly within Exploration Licence E70/5027. It is contiguous with and to the south of the Arrowsmith North Mining Lease M70/1389, see Figure 1 below.

Table 1: Arrowsmith Brand Mining Lease details

Tenement	Holders	Grant Date	Term	Area (Ha)
M 70/1418	Ventnor Mining Pty Ltd	18/07/2023	21 Years	1,995

On 9 May 2023 VRX Silica announced a Mineral Resource Estimate for Arrowsmith Brand², see Table 2.

Arrowsmith Brand Mineral Resource Estimate – as at 09/05/2023

Classification	Zone	Mt	SiO ₂ %	Al ₂ O ₃ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %
Inferred	White	144	98.4	0.8	0.2	0.2	0.4
	Yellow	379	96.9	1.6	0.5	0.2	0.7
	Total	523	97.3	1.4	0.4	0.2	0.6

**Note: Interpreted mineralisation is above a basal layer of clay and/or limestone. Depletion zones include the upper 0.3 m excluded for rehabilitation purposes. Only areas with a minimum sand depth of 1m were included. Differences may occur due to rounding.*

Table 2: Arrowsmith Brand Silica Sand Mineral Resource Estimate

Mining Lease M70/1418 contains a portion of the total Mineral Resource Estimate at Arrowsmith Brand presented in Table 2. This portion is presented below in Table 3.

Arrowsmith Brand Mineral Resource Estimate – within M70/1418

Zone	Mt	SiO ₂ %	Al ₂ O ₃ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %
White	80	98.2	0.8	0.2	0.2	0.4
Yellow	232	96.9	1.5	0.5	0.2	0.7
Total	312	97.2	1.4	0.4	0.2	0.6

Table 3: Arrowsmith Brand Mineral Resource Estimate within M70/1418

² ASX announcement of 9 May 2023, "Arrowsmith Brand Mineral Resource Estimate".

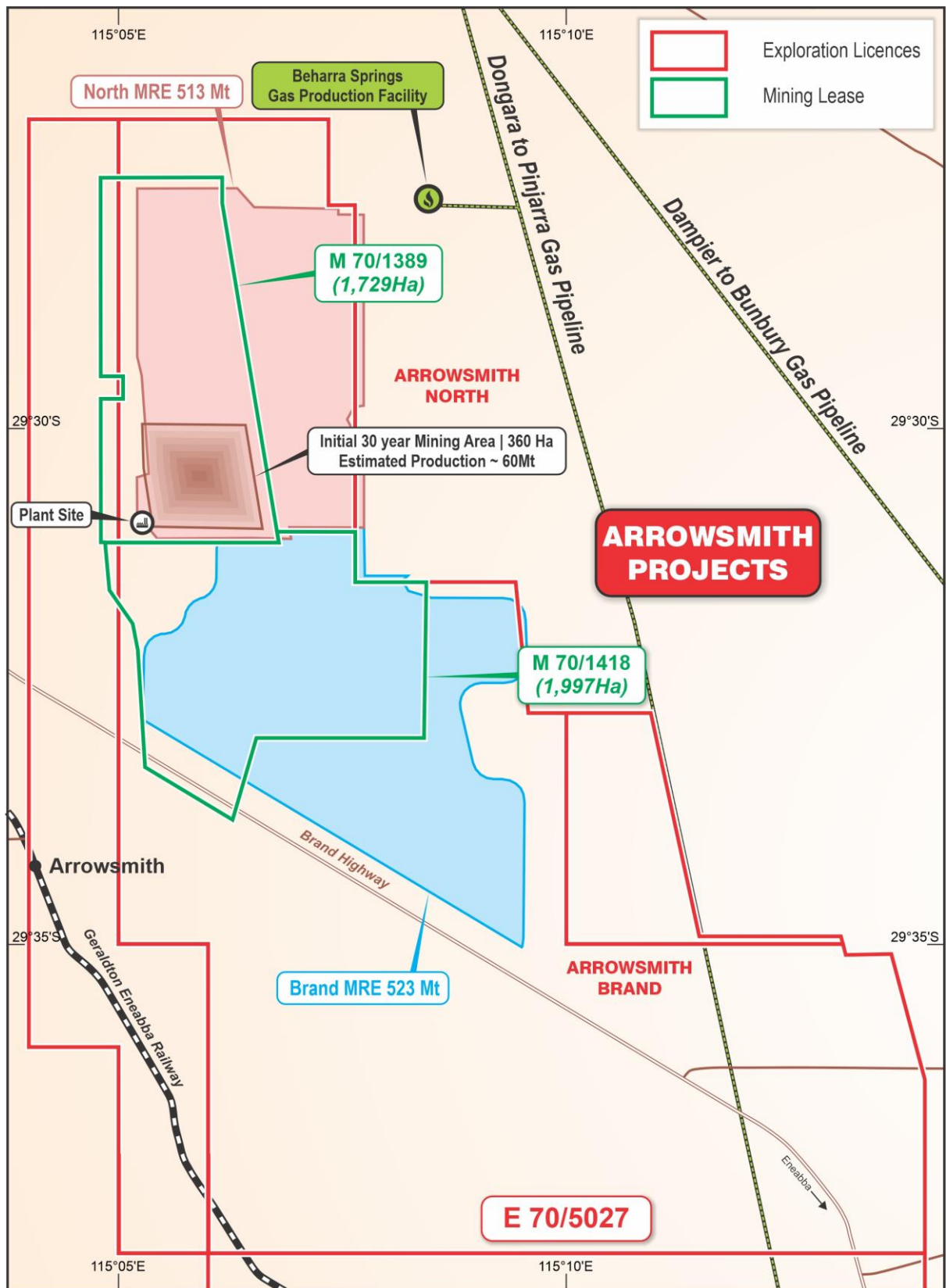


Figure 1: Arrowsmith Brand Silica Sand Project Location

Future Work

VRX expects to advance Arrowsmith Brand using the well-developed process that has been followed at its other silica sand projects currently being actively developed.

These activities include environmental surveys, further metallurgical testwork, marketing studies and mine planning studies, which will inform scoping and pre-feasibility studies.

Notice regarding estimates and reporting

The information in this document that relates to the estimation and reporting of the Mineral Resources and Ore Reserves for the Company's projects are extracted from the Company's announcement to ASX lodged 9 May 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Mineral Resources - as at 09/05/2023

Project	Classification	Mt	SiO ₂ %	Al ₂ O ₃ %	Fe ₂ O ₃ %
Muchea	Indicated	29	99.6	0.1	0.0
	Inferred	179	99.6	0.1	0.0
	Total	208	99.6	0.1	0.0
Arrowsmith North	Measured	10	95.9	1.9	0.7
	Indicated	237	97.7	1.0	0.4
	Inferred	266	98.4	0.7	0.3
	Total	513	98.0	0.9	0.3
Arrowsmith Brand	Inferred	523	97.3	1.4	0.4
	Total	523	97.3	1.4	0.4
Arrowsmith Central	Indicated	28.2	96.6	1.7	0.4
	Inferred	48.3	96.9	1.5	0.4
	Total	76.5	96.8	1.5	0.4
Boyatup	Inferred	60	67.8	0.8	0.2
	Total	60	67.8	0.8	0.2

Total Mineral Resource 1,381 Million Tonnes

Ore Reserves

Project	Classification	Product	Mt	SiO ₂ %	Al ₂ O ₃ %	Fe ₂ O ₃ %	TiO ₂ %	LOI %
Muchea	Probable	F80	10.2	99.9	0.02	0.008	0.03	0.1
		F80C	4.25					
		F150	4.25	99.8	0.07	0.015	0.035	0.1
Muchea Ore Reserve			18.7	Million Tonnes				
Arrowsmith North	Proved	AFS20	0.8	99.5	0.25	0.07	0.05	0.1
		AFS35	3.9	99.5	0.5	0.06	0.05	0.1
		AFS55	2.7	99.2	0.5	0.1	0.05	0.1
		Local	1.8					
	Proved Ore Reserve		9.2	Million Tonnes				
	Probable	AFS20	24.2	99.5	0.25	0.07	0.05	0.1
		AFS35	102.5	99.5	0.5	0.06	0.05	0.1
		AFS55	51.1	99.2	0.5	0.1	0.05	0.1
		Local	34.1					
Probable Ore Reserve		212	Million Tonnes					
Arrowsmith North Ore Reserve			221	Million Tonnes				
Arrowsmith Central	Probable	CF400	4.2	99.6	0.25	0.04	0.03	0.1
		C20	8.4					
		C40	4.2					
		High TiO ₂	2.2			<1%	2%	
Arrowsmith Central Ore Reserve			18.9	Million Tonnes				
Total Ore Reserve			259	Million Tonnes				

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

About VRX Silica Limited

VRX Silica Limited (ASX: VRX) is the most advanced pureplay silica sand company listed on the ASX, developing its 100% owned silica sand projects at Arrowsmith (North, Brand and Central), Muchea and Boyatup in Western Australia.

Silica sand is the most used commodity on the planet after air and water. It is the main ingredient in all types of glassmaking, including specialty solar panel and high-tech glass, and foundry casting. It is a finite resource that is running out, with the Asia-Pacific region experiencing an ever-growing supply shortfall that is driving up prices.

Arrowsmith is located 270km north of Perth. Arrowsmith North boasts a minimum 25-year mine life capable of producing more than 2Mt tonnes per year of high-grade (99.7% SiO₂)* silica sand for export to the foundry, container glass and flat glass markets in Asia, with permitting well advanced, and will lead production.

Muchea, located 50km north of Perth, is an ultra-high-grade (99.9% SiO₂)* silica sand project capable of producing sand required for ultra-clear glass for solar panels and other high-tech glass applications.

Boyatup, located 100km east of Esperance, is under development and capable of producing sand for the glass market.



*Information relating to grades are extracted from releases to ASX on 28 August 2019 and 11 November 2022 (Arrowsmith North) and 18 October 2019 (Muchea). The company is not aware of any new information or data that materially affects this information.