

2 May 2019

## ASX ANNOUNCEMENT

### High Recoveries from Silica Sand Process Plant Design

#### Highlights:

- **Confirmation of high recoveries of commercial silica sand products from Arrowsmith and Muchea Silica Sand Projects**
- **Demand for these products strong across the Asia Pacific region.**
- **Full catalogue of products available for customers**

VRX Silica Limited (**VRX Silica** or **Company**) (ASX: VRX) is pleased to announce the results of testwork and confirmation assays for recoveries of silica sand commercial products from its Arrowsmith (**Arrowsmith**), located 270km north of Perth, WA, and Muchea (**Muchea**), 50km north of Perth, WA Silica Sand Projects.

The Company has now conducted three iterations of the testwork, with the final iteration completed in March of this year by CDE Global, a renowned testwork laboratory and process plant fabricator based in Northern Ireland.

The Company has since completed confirmation assays on final products from that testwork through Nagrom Laboratories in Perth, WA.

The Company recently released a process circuit design, engineering and cost estimate by CDE Global for a plant which was based on this testwork<sup>1</sup> and the final determination of recoveries is based on this circuit design, which included the attritioning step being conducted twice.<sup>1</sup>

Attritioning is a high energy interaction of grains rubbing on grains which liberates attached fine particles and reduces particle size by breakage on corners and grain boundaries. This reduces contaminants and improves particle shape.

VRX Silica Managing Director Bruce Maluish said: *"We are now confident in the process circuit design and the final silica sand products capable of production, which have been compiled into our products catalogue."*

*"We will continue to distribute our catalogue and gauge the response, which to-date has been extremely positive,"* said Maluish.

<sup>1</sup> See ASX announcement of 27 March 2019.

#### ASX: VRX

##### Capital Structure

Shares on Issue:  
400 million

Unlisted Options:  
68 million

##### Corporate Directory

**Paul Boyatzis**

Non-Executive Chairman

**Bruce Maluish**

Managing Director

**Peter Pawlowitsch**

Non-Executive Director

**John Geary**

Company Secretary

##### Company Projects

*Arrowsmith Silica Sand Project, 270km north of Perth, WA.*

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

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

*Biranup base metals and gold Project adjacent to the Tropicana Gold Mine, WA, (subject to option with MCT).*

*Warrawanda HPQ Project south of Newman, WA.*

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

Based on the testwork and process circuit mass balance data, the following table summarises the recovered products:

#### Arrowsmith North

<i>Product</i>	<i>Industry</i>	<i>Recovery</i>
Arrowsmith - N20	Foundry	24%
Arrowsmith - N40 / NF500	Foundry/Glass	60%
Local Market/Filter/Bunker	Filter/Bunker	6%

#### Arrowsmith Central

<i>Product</i>	<i>Industry</i>	<i>Recovery</i>
Arrowsmith - C20	Foundry	34%
Arrowsmith - C50/CF400	Foundry/Glass	34%
High TiO <sub>2</sub>	Mineral Sands	9%

#### Muchea

<i>Product</i>	<i>Industry</i>	<i>Recovery</i>
Muchea F80C	LCD/Foundry	20%
Muchea F80	Glassmaking	48%
Muchea F150	Glassmaking	20%

**Recoveries based on CDE Global/Nagrom Testwork Mass Balance Data**

The Company has had strong interest for potential offtake of silica sand products from the Asian region.<sup>2</sup>

These recoveries are of products which will comply with the requirements from interested customers to date.

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<sup>2</sup> See ASX announcement of 16 April 2019.

## About VRX Silica

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

The Arrowsmith Silica Sand Project, located 270km north of Perth, comprises four granted exploration licences with one exploration licence and two mining lease applications pending. The Muchea Silica Sand Project, located 50km north of Perth, comprises one granted exploration licence, with one exploration licence and one mining lease applications pending. Testwork has confirmed a range of silica sand products which are capable of production at both projects. Further work is underway to enable feasibility studies to be completed.

The recently purchased Boyatup Silica Sand Project, located 100kms east of Esperance, comprises one granted exploration licence and since acquisition the Company has applied for an additional Exploration License to extend the holding. Initial indications are that this project will complement both Arrowsmith and Muchea while adding to the silica products VRX Silica will potentially produce.

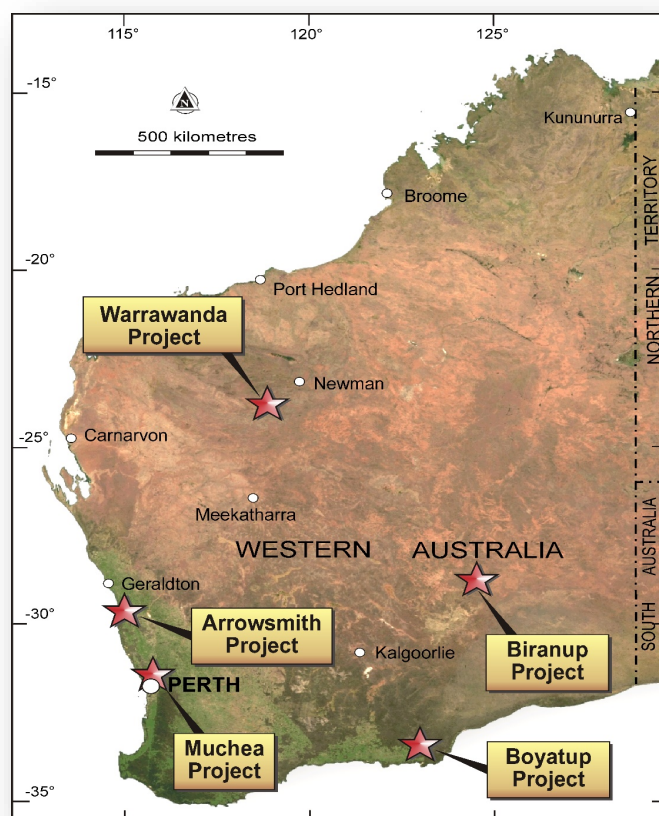
Also, in Western Australia, 40km south of Newman, is VRX Silica's Warrawanda HPQ Project, which is prospective for high purity quartz and nickel sulphides.

VRX Silica also has granted tenements at its Biranup Project, adjacent to the Tropicana Gold Mine in Western Australia's Goldfields that are prospective for gold and base metals.

## 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



### VRX Silica Limited

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