



**VRXSILICA**

**ABN 59 142 014 873**

## **Notice of Annual General Meeting**

**Date of Meeting**

Friday, 8 November 2019

**Time of Meeting**

11.00am (WST)

**Place of Meeting**

The Celtic Club  
48 Ord Street  
West Perth WA 6005

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2019 Annual General Meeting of members of VRX Silica Limited (**VRX** or the **Company**) will be held on Friday, 8 November 2019, commencing at 11.00am (WST) at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

The enclosed Explanatory Statement accompanies and forms part of this Notice of Annual General Meeting.

### AGENDA

#### ORDINARY BUSINESS

##### Accounts and Reports

*To receive and consider the annual financial report for the financial year ended 30 June 2019, together with the reports by directors and auditors thereon.*

#### 1. Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*“That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company’s Annual Report for the financial year ended 30 June 2019 be adopted.”*

**Note: The vote on this resolution is advisory only and does not bind the directors of the Company.**

##### Voting Prohibition

Pursuant to section 250R(4) of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of, either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or
- (b) a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person described in paragraph (a) or (b), and either:

- (c) the person voting is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (d) the person voting is the chair of the meeting and the appointment of the chair as proxy: (i) does not specify the way the proxy is to vote on the resolution; and (ii) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

#### 2. Resolution 2: Re-election of Director (Mr Paul Boyatzis)

To consider, and if thought fit, to pass as an ordinary resolution the following:

*“That Mr Paul Boyatzis, being a Director of the Company who retires by rotation in accordance with Clause 6.3 of the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.”*

## SPECIAL BUSINESS

### 3. Resolution 3: Approval of 10% Placement Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of Equity Securities under this Resolution (except a benefit solely in the capacity of a holder of ordinary securities) or an associate of that person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### 4. Resolution 4: Amendment of Constitution

To consider and, if thought fit, with or without amendment, to pass the following resolution as a **special resolution**:

*“That, for the purpose of section 136 of the Corporations Act and for all other purposes, Shareholders approve the amendment of the constitution of the Company with immediate effect by:*

- (a) replacing all references to “Ventnor Resources Limited” in the constitution to “VRX Silica Limited”*
- (b) adding the following new article to the constitution:*

#### **2.9 Restricted Securities**

*The following provisions apply to restricted securities in the Company:*

- (a) A holder of restricted securities must not dispose of, or agree or offer to dispose of, the securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.*
  - (b) If the restricted securities are in the same class as quoted securities, the holder will be taken to have agreed in writing that the restricted securities are to be kept on the Company’s issuer sponsored subregister and are to have a holding lock applied for the duration of the escrow period applicable to those securities.*
  - (c) The Company will refuse to acknowledge any disposal (including, without limitation, to register any transfer) of restricted securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.*
  - (d) A holder of restricted securities will not be entitled to participate in any return of capital on those securities during the escrow period applicable to those securities except as permitted by the Listing Rules or ASX.*
  - (e) If a holder of restricted securities breaches a restriction deed or a provision of this Constitution restricting a disposal of those securities, the holder will not be entitled to any dividend or distribution, or to exercise any voting rights, in respect of those securities for so long as the breach continues.*
- (c) deleting Articles 4.2(b), 4.5(d), 5.12(h) and 10.1(f).”*

### **Voting at Annual General Meeting**

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on 6 November 2019. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the general meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting.

### **Annual Report Online**

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at [www.vrxsilica.com.au](http://www.vrxsilica.com.au).

**BY ORDER OF THE BOARD**



**John Geary**  
**Company Secretary**

1 October 2019

## EXPLANATORY STATEMENT

### 1. INTRODUCTION

This Explanatory Statement has been prepared for the information of members of VRX Silica Limited (**Company**) in connection with the business to be conducted at the Annual General Meeting of members to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 8 November 2019, commencing at 11.00am (WST).

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

### 2. 2019 ANNUAL REPORT

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2019 Annual Report will be tabled at the Annual General Meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Annual Report. There is no requirement for a formal resolution on this item.

Representatives from the Company's auditors, RSM Australia Partners, will be present to take shareholders' questions and comments about the conduct of the audit and the preparation and content of the audit report.

### 3. ADOPTION OF REMUNERATION REPORT: RESOLUTION 1

#### 3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors.

If at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's next annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (**Spill Meeting**) within 90 days of the relevant annual general meeting. All of the Directors who were in office on the date when the Company's applicable Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this annual general meeting.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ended 30 June 2019.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

### 3.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution 1, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of the Key Management Personnel or Closely Related Party on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

The above note on voting does not apply if the voter is the Chair of the Meeting and the undirected proxy expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

### 3.3 Definitions

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the members spouse;
- (c) a dependent of the member or the members spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

**Remuneration Report** means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2019.

## 4. RE-ELECTION OF DIRECTOR: RESOLUTION 2

Resolution 2 relates to the re-election of Mr Paul Boyatzis as a Director.

In accordance with the requirements of clause 6.3 of the Company's Constitution and the Corporations Act, one-third of the directors of the Company retire from office at this Annual General Meeting of the Company. Mr Boyatzis retires by rotation and, being eligible, offers himself for re-election.

A summary of the qualifications and experience of Mr Boyatzis is provided in the Annual Report.

All the Directors, except for Mr Boyatzis, recommend that Shareholders vote in favour of Resolution 2.

## 5. APPROVAL OF 10% PLACEMENT CAPACITY: RESOLUTION 3

### 5.1 General

Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 3, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out in Section 5.2 below).

The effect of Resolution 3 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the

period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

## 5.2 Listing Rule 7.1A

Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation (as at 30 September 2019) of approximately \$60.6 million

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: VRX).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under this rule; and
  - (iv) less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under Listing Rule 7.1 or 7.4.

## 5.3 Technical information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

### (a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five ASX trading days of the date in Section 5.3(a)(i), the date on which the Equity Securities are issued.

**(b) Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

or such longer period if allowed by ASX (**10% Placement Capacity Period**).

The approval under Resolution 3 for the issue of Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rules 11.1.2 or 11.2.

**(c) Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities currently on issue.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

No. Shares on Issue*	Dilution			
	Issue price per Share	\$0.075	\$0.15	\$0.225
		50% decrease in issue price	Current issue price	50% increase in issue price
404,318,617 <b>(Current)</b>	<b>Shares issued</b>	40,431,862	40,431,862	40,431,862
	<b>Funds raised</b>	\$3,032,390	\$6,064,779	\$9,097,169
606,477,926 <b>(50% increase)</b>	<b>Shares issued</b>	60,647,793	60,647,793	60,647,793
	<b>Funds raised</b>	\$4,548,584	\$9,097,169	\$13,645,753
808,637,234 <b>(100% increase)</b>	<b>Shares issued</b>	80,863,723	80,863,723	80,863,723
	<b>Funds raised</b>	\$6,064,779	\$12,129,559	\$18,194,338

\*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.



The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 30 September 2019.
2. The issue price set out above is the closing price of the Shares on the ASX on 30 September 2019.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
7. Resolution 3 has been approved by Shareholders at the Meeting.

Shareholders should note that there is a risk of economic and voting dilution of existing ordinary security holders that may result from an issue of Equity Securities under Listing Rule 7.1A.2, including the risk that:

- (i) the market price for the Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue, or issued for non-cash consideration for the acquisition of a new asset.

**(d) Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for exploration and evaluation of the company's exploration projects and general working capital; or
- (ii) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

**(e) Allocation under the 10% Placement Capacity**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to a number of factors, including:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing Shareholders and/or new investors who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Capacity will be the vendors of the new assets or investments.

**(f) Previous Approval under Listing Rule 7.1A and Equity Securities Issued**

The Company previously obtained approval under Listing Rule 7.1A at its annual general meeting held on 30 November 2019.

In the 12 months preceding the date of the 2019 Annual General Meeting, the Company issued a total of 59,665,416 Equity Securities, representing 14.3% of the total number of Equity Securities on issue at 30 November 2018.

The Equity Securities issued in the preceding 12 month period comprise of the details of these issues are set out in the Schedule.

**5.4 Voting Exclusion**

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

**6. AMENDMENT OF CONSTITUTION: RESOLUTION 4**

In order to comply with amendments proposed by ASX to the Listing Rules to streamline the escrow regime in Chapter 9 and Appendix 9B of the Listing Rules, the Company seeks approval of Shareholders to amend its constitution.

Restricted securities are defined in Chapter 19 of the Listing Rules as securities issued in circumstances set out in Appendix 9B of the Listing Rules and securities that, in ASX's opinion, should be treated as restricted securities.

The proposed changes to Chapter 9 of the Listing Rules, in particular new Listing Rule 9.1(a), require that an entity which issues restricted securities or has them on issue must include in its constitution the provisions set out in rule 15.12 (being the proposed new Listing Rule 15.12).

The Company currently has no restricted securities on issue and there are no plans to issue restricted securities. However, best practice dictates that the Company's constitution must comply with the Listing Rules and, to avoid the need to amend the constitution at a later date in the event restricted securities are proposed to be issued, the Company seeks to do so at the Annual General Meeting.

The proposed changes in paragraphs (b) and (c) of Resolution 4 introduce the specific wording required by ASX under proposed new Listing Rule 15.12 and remove existing references applicable to restricted securities that will be superseded by the revised Listing Rules. The proposed change in paragraph (a) simply reflects the November 2018 change of name of the Company, which occurred after the adoption of the constitution in September that year.

A copy of the Company's constitution is available for inspection at the Company's offices by contacting John Geary, Company Secretary, on (08) 9226 3780.

## 7. DEFINITIONS

**Annual General Meeting** or **Meeting** means the meeting convened by the Notice.

**Annual Report** means the Directors' Report, the Financial Report, and the Auditor's Report in respect to the year ended 30 June 2019.

**ASX** means ASX Limited ABN 98 008 624 691.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the current directors of the Company.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** include a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

**Explanatory Statement** means this Explanatory Statement.

**Listing Rules** means the official listing rules of ASX.

**Notice** means the notice of Annual General Meeting which forms part of this Explanatory Statement.

**Option** means an option to acquire a Share.

**Proxy Form** means the proxy form attached to this Notice.

**Schedule** means schedule of this Explanatory Statement.

**Section** means section of this Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means the holder of a fully paid ordinary share in the capital of the Company.

**VRX** or **Company** means VRX Silica Limited ABN 59 142 014 873.

## SCHEDULE

### Equity Securities issued since 2018 AGM

Date of issue	Number issued	Class/Type of equity security and Summary of terms	Names of persons who received securities or basis on which those persons was determined	Issue Price / Discount	Consideration	
5/12/2018	11,000,000	Unlisted Options (21.7 cents, 30-Nov 2021)	Paul Boyatzis, Bruce Maluish and Peter Pawlowitsch, Directors	Issue price: nil cents per option. Discount: nil%	Total cash consideration	\$nil
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	\$896,000, BlackScholes calculation based on 15 cent closing price on 30 September 2019
18/02/2019	2,000,000	Fully paid ordinary shares.	Silatec Pty Ltd (vendor of Boyatup silica sand project)	Issue price: N/A Discount: N/A	Total cash consideration	Nil
					Amount of cash consideration spent and description of what consideration was spent on	Consideration for acquisition of Boyatup silica sand project
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	\$300,000, based on 15 cent closing price on 30 September 2019
09/04/2019	33,333,333	Fully paid ordinary shares.	Placement to sophisticated / institutional investors	Issue price: 6 cents per share. Discount: 14%	Total cash consideration	\$1,999,999.98
					Amount of cash consideration spent and description of what consideration was spent on	Approximately \$1.4 million spent on studies and approvals at silica sand projects, and working capital
					Intended use for remaining cash consideration	Studies and approvals at silica sand projects, and working capital
					Non-cash consideration paid and current value of that non-cash consideration	N/A
09/04/2019	5,000,000	Unlisted Options (9 cents, 30-Nov 2021)	Hartleys Limited (AFSL No 230052) as lead manager for placement	Issue price: nil cents per option. Discount: nil%	Total cash consideration	\$nil
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	\$516,500, BlackScholes calculation based on 15 cent closing price on 30 September 2019
04/06/2019	4,332,083	Fully paid ordinary shares.	Paul Boyatzis, Bruce Maluish and Peter Pawlowitsch, being Director participation in the placement of 9 April 2019	Issue price: 6 cents per share. Discount: 14%	Total cash consideration	\$259,924.08
					Amount of cash consideration spent and description of what consideration was spent on	None
					Intended use for remaining cash consideration	Studies and approvals at silica sand projects, and working capital
					Non-cash consideration paid and current value of that non-cash consideration	N/A
04/06/2019	4,000,000	Unlisted Options (9 cents, 30-Nov 2022)	Employees/ consultants under Employee Incentive Plan	Issue price: nil cents per option. Discount: nil%	Total cash consideration	\$nil
					Amount of cash consideration spent and description of what consideration was spent on	N/A
					Intended use for remaining cash consideration	N/A
					Non-cash consideration paid and current value of that non-cash consideration	\$442,800, BlackScholes calculation based on 15 cent closing price on 30 September 2019

## Need assistance?



**Phone:**

1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)



**Online:**

[www.investorcentre.com/contact](http://www.investorcentre.com/contact)



## YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (WST)**  
**Wednesday, 6 November 2019**

# Proxy Form

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### APPOINTMENT OF PROXY

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## SIGNING INSTRUCTIONS FOR POSTAL FORMS

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## ATTENDING THE MEETING

**If you are attending in person, please bring this form with you to assist registration.**

### Corporate Representative

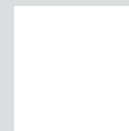
If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

## Lodge your Proxy Form:

### Online:

Lodge your vote online at [www.investorvote.com.au](http://www.investorvote.com.au) using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



**Control Number: 183153**

**SRN/HIN:**

For Intermediary Online subscribers (custodians) go to [www.intermediaryonline.com](http://www.intermediaryonline.com)

### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001  
Australia

### By Fax:

1800 783 447 within Australia or  
+61 3 9473 2555 outside Australia



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark ☒ to indicate your directions

## Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of VRX Silica Limited hereby appoint

☐ the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of VRX Silica Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Friday, 8 November 2019 at 11:00am (WST) and at any adjournment or postponement of that meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

## Step 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director (Mr Paul Boyatzis)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Amendment to Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

**Update your communication details** (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically