



4 November 2019

\$4 Million Capital Raising to Accelerate Arrowsmith and Muchea Silica Sand Projects

Highlights:

- **Commitments received for a placement to raise \$4 million**
- **Exceptional support from existing shareholders and new sophisticated and institutional investors**
- **Strengthened balance sheet allows VRX to accelerate the development of its Arrowsmith and Muchea silica sand projects**

VRX Silica Limited (**VRX** or **Company**) (ASX: VRX) is pleased to announce that it has successfully completed a bookbuild to raise \$4 million (before costs) through a placement of securities to a range of sophisticated and institutional investors, including existing shareholders and new investors.

Funds raised under the placement will be used to accelerate the advancement of the Company's Arrowsmith North, Arrowsmith Central and Muchea silica sand projects, including for permitting and approvals, long lead capital items, detailed engineering work, hydro and resource drilling, and for working capital purposes.

Commenting on the successful capital raising, VRX's Managing Director Bruce Maluish said, *"We are delighted with the strong demand shown by both new and existing shareholders in this placement, including a number of institutional investors."*

"The recent BFSs for our Arrowsmith North, Arrowsmith Central and Muchea silica sand projects demonstrate the world class potential of our projects and the funds raised will allow us to rapidly advance their development."

The placement will result in the issue of 34,782,610 new fully paid ordinary shares at an issue price of 11.5 cents each. Participants in the placement will also be issued with one option for every two shares subscribed for in the placement exercisable at 18 cents and expiring 18 months from their date of issue. The Company will apply for quotation of the options on ASX subject to meeting ASX listing rule requirements.

The placement falls within the Company's current placement capacity under Listing Rule 7.1 and is scheduled to settle on Tuesday, 12 November 2019.

Hartleys Limited (AFSL No 230052) acted as lead manager to the placement.

ASX ANNOUNCEMENT

ASX: VRX

Capital Structure*

Shares on Issue:
409 million

Top 20: 47%

Unlisted Options:
67 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.

Warrawanda HPQ Project south of Newman, WA.

Biranup base metals and gold Project adjacent to the Tropicana Gold Mine, WA.

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

**Subject to change as a result of placement announced on 4 November 2019*

VRX Silica Limited

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About VRX Silica

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

The Arrowsmith North and Arrowsmith Central Silica Sand Projects, located 270km north of Perth, comprise five granted exploration licences and two mining lease applications pending. Bankable feasibility studies for both projects have been released, each demonstrating exceptional financial metrics.

The Muchea Silica Sand Project, located 50km north of Perth, comprises one granted exploration licence, with one mining lease application pending. Muchea is a world-class project with high purity silica sand in situ. A bankable feasibility study for the project has been released demonstrating outstanding financial metrics.

The Boyatup Silica Sand Project, located 100km east of Esperance, comprises two adjacent granted exploration licences. Initial indications are that this project will complement the Arrowsmith and Muchea projects while adding to the range of silica products capable of production.

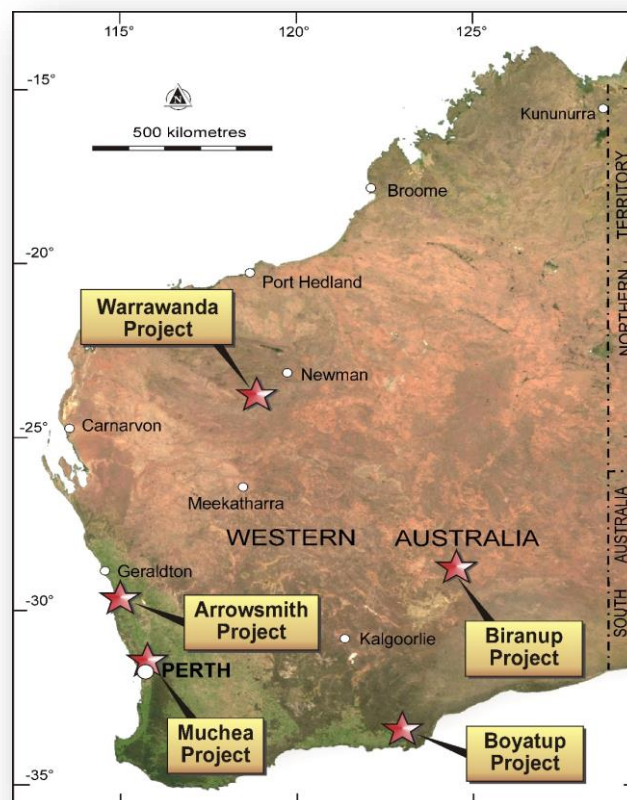
The Warrawanda Project, 40km south of Newman, WA is prospective for nickel sulphides.

The Biranup Project, adjacent to the Tropicana Gold Mine in WA's Goldfields, is 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



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