

ASX:VYS



1 November 2019

VYSARN SECURES CONTRACT WITH ROY HILL IRON ORE PTY LTD

Vysarn Limited (ASX:VYS) (**Company**) is pleased to advise that its wholly owned subsidiary Pentium Hydro Pty Ltd (**Pentium**) has entered into a General Works Contract for Dual Rotary and Reverse Circulation Water Bore Drilling Services (**Contract**) with Roy Hill Iron Ore Pty Ltd (**Roy Hill**).

Under the Contract, Roy Hill may at any time over an initial period of 2 years (which may be extended by Roy Hill for a further year), submit a work request to Pentium to perform works which may include dual rotary and RC water bore drilling services, minor civil earthworks and/or rotary air and conventional drilling services, at locations as instructed by Roy Hill. If Roy Hill issues a work request to Pentium:

- Pentium must respond to the work request within 2 business days advising whether it accepts the request, and providing such information as requested by Roy Hill including its price for performing the requested works (which must not exceed the sum calculated by using the rates and prices in the Contract pricing schedule); and
- if Pentium accepts the work request, Roy Hill may issue a purchase order in respect of the relevant works, following which Pentium must perform the works in accordance with the terms of the work request and purchase order.

Following execution of the Contract, the Company is pleased to advise that Pentium has also received and accepted the first work request from Roy Hill for dual rotary drilling and construction dewatering production bores with depths of up to 100 metres at Roy Hill's iron ore mine in Western Australia's Pilbara region. The estimated value of this work request is approximately \$2,000,000.

Dependant on the timing of receipt of the Purchase Order and subject to mobilisation of the rig prior to Christmas it is expected that this work request package based on the current scope would be complete within four to five months.

Pentium Managing Director Mr Sheldon Burt said, *"Pentium Hydro is delighted with the award of a contract with a client of Roy Hill Iron Ore's standing. We are committed to building strong relationships and the development of these relationships is a core component of Pentium's long-term strategy to be a leading hydrogeological water well service provider in Australia"*.

Sheldon Burt
Executive Director
Vysarn Limited
Telephone: +61 8 9486 7244

Investor Relations:
Andrew Rowell
Cannings Purple
Tel: +61 400 466 226