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4 September 2023

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SHARE PURCHASE PLAN

Dear Shareholder

On 28 August 2023 VRX Silica Limited (**VRX** or **the Company**) announced a \$1.5 million Share Purchase Plan for eligible VRX shareholders (**SPP Offer**) in conjunction with a \$1.5 million placement to professional and sophisticated investors (**Placement**), for an aggregate \$3 million capital raising.

Under the SPP Offer, **Eligible Shareholders** are VRX shareholders who:

- held VRX ordinary shares at 7:00pm (AEST) on 25 August 2023 (**Record Date**);
- have a registered address in Australia or New Zealand; and
- are not located in the United States, and not acting for the account or benefit of persons in the United States.

Under the SPP Offer, Eligible Shareholders will be able to apply for new ordinary shares (**New Shares**) at the issue price of \$0.12 per New Share, with one free attaching option exercisable at \$0.18 each on or before 31 August 2025 (**New Option**) for every two New Shares issued, without paying any brokerage.

This is the same price paid by participants under the Placement.

Eligible Shareholders may apply for New Shares in the following increments, from a minimum of \$2,000 up to a maximum of \$30,000, with fractional entitlements rounded up:

	SPP Offer Application Amount	No. of New Shares that may be purchased	No. of Free-Attaching Options
Offer A	\$30,000	250,000	125,000
Offer B	\$25,000	208,334	104,167
Offer C	\$20,000	166,667	83,334
Offer D	\$15,000	125,000	62,500
Offer E	\$10,000	83,334	41,667
Offer F	\$7,500	62,500	31,250
Offer G	\$5,000	41,667	20,834
Offer H	\$2,000	16,667	8,334

Participation in the SPP Offer is optional.

Depending on applications received, the Company will undertake a scale back so that no more than \$1,500,000 is raised under the SPP Offer. Scale back decisions are made at the discretion of the VRX Board and are final. In the case of a scale back, an Eligible Shareholder may receive less New Shares than they applied for and, should this occur and subject to the SPP Offer terms and conditions, VRX will refund any excess application funds.

The SPP Offer for the New Shares is subject to the terms and conditions set out in the SPP Offer Booklet. The SPP Offer for the attaching New Options is subject to the terms and conditions set out in a prospectus issued under section 713 of the *Corporations Act 2001* (Cth) (**Prospectus**). Both documents are dated 4 September 2023.

By lodging an application under the SPP Offer you agree to be bound by the terms and conditions set out in the SPP Offer Booklet for the New Shares and the Prospectus for the New Options, respectively. A copy of the SPP Offer Booklet and the Prospectus, along with instructions on how to apply for New Shares and attaching New Options, and submit payment, is available online at www.computersharecas.com.au/vrxspp, or you can request a physical copy of the documents from the Company by following the instructions below.

Please note that there may be delays in the delivery of the SPP Offer Booklet, the Prospectus and your personalised Application Form via post. The Company takes no responsibility for any late delivery of these documents and strongly encourages you to apply online.

This letter is to notify you that the SPP Offer is now open and provide you with instructions as to how to access a copy of the SPP Offer Booklet, Prospectus and your personalised Application Form.

How to access a copy of the SPP Offer Booklet, Prospectus and your personalised Application Form

1. **ONLINE** The SPP Offer Booklet, the Prospectus and your personalised Application Form are available to view online at www.computersharecas.com.au/vrxspp. To access this website, you will need your SRN or HIN, which is displayed at the top of this letter.
2. **PAPER** You can request a paper copy of the SPP Offer Booklet, the Prospectus and your personalised Application Form by contacting Computershare, the Company's share registry, from 8.30am to 5.00pm AEST, Monday to Friday, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia)

**The SPP Offer is scheduled to close at 5:00pm (AEST) on 22 September 2023.
Your application and payment must be received before this time.**

You should read the SPP Offer Booklet and the Prospectus carefully, and in their entirety, before deciding whether to participate in the SPP Offer.

VRX strongly advises that you seek advice from your stockbroker, solicitor, accountant or other professional advisor to determine if this investment is suitable for you.

Key Dates*

SPP Record Date (7.00pm AEST)	Friday, 25 August 2023
Capital raising announced to ASX	Monday, 28 August 2023
SPP Offer Booklet lodged with ASX Options Prospectus lodged with ASIC and ASX Opening Date of SPP Offer and SPP Option Offer Letters sent to Eligible Shareholders	Monday, 4 September 2023
Closing Date of SPP Offer and SPP Option Offer (5.00pm AEST)	Friday, 22 September 2023
Announcement of results of SPP	Thursday, 28 September 2023
Issue of New Shares and New Options under SPP Trading in New Shares issued under SPP commences	Friday, 29 September 2023

* These times and dates are indicative only and may change without notice.
The Directors reserve the right to vary these dates, including the closing dates, without notice.

Action required by Eligible Shareholders

Eligible Shareholders may participate in the SPP Offer by:

- submitting a BPAY® payment if you are an Eligible Shareholder with a registered address in Australia; or
- making a payment by electronic funds transfer (EFT) if you are an Eligible Shareholder with a registered address in New Zealand,

in accordance with the instructions provided.

Application monies must be paid in Australian currency and be received before 5:00pm (AEST) on 22 September 2023 (**Closing Date**). VRX reserves the right to close the SPP Offer early or extend the SPP Offer at its sole discretion.

Participation in the SPP Offer is optional and Eligible Shareholders may elect to do nothing.

If you choose to do nothing, you will continue to hold the same number of VRX shares, however, your interest in VRX will be diluted.

Your right to participate in the SPP Offer is not transferable.

As noted above, you may obtain a copy of the SPP Offer Booklet, the Prospectus and your personalised Application Form along with information about how to apply online at www.computersharecas.com.au/vrxspp.

If you have any questions in relation to the SPP Offer please contact Computershare, the Company's share registry, from 8.30am to 5.00pm AEST, Monday to Friday, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) before the Closing Date.

Yours faithfully



Ian Hobson
Company Secretary
VRX Silica Limited