



2 April 2019

\$2.26 million Capital Raising

VRX Silica Limited (**VRX** or **Company**) (ASX: VRX) is pleased to announce that it has received commitments for a capital raising via a share placement to professional and sophisticated investors to raise approximately \$2.26 million before costs (**Placement**).

The Placement received strong support from a range of sophisticated and institutional investors together with existing shareholders and will result in the issue of 37,666,666 new fully paid ordinary shares at an issue price of \$0.06 per share. The Placement falls within the Company's current placement capacity under Listing Rule 7.1.

VRX directors have committed to subscribe for an aggregate of 4,333,333 shares under the Placement, representing approximately \$260,000, subject to shareholder approval.

VRX's Managing Director, Bruce Maluish commented:

"We are delighted with the strong support received for the Placement from a wide range of investors.

"The Placement positions VRX to continue to rapidly progress both the Arrowsmith and Muchea Silica Sand Projects. Near term activity includes an updated JORC Resource following the completion of our recent drilling program and the release of a bankable feasibility study, currently targeted to be completed in the early part of the September quarter 2019."

Funds raised under the Placement will be allocated to completion of feasibility studies and progression of environmental approvals and mining lease applications at the Company's Arrowsmith and Muchea Silica Sand Projects. A portion of the net Placement proceeds will be directed towards exploration activities at the Company's Boyatup Silica Sand Project and Warrawanda HPQ Project and for general working capital.

The Placement (excluding VRX director participation) is scheduled to settle on 9 April 2019. The Company will convene a general meeting of shareholders to seek approval for the issue of shares to VRX directors as soon as practicable.

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

Further information:

Bruce Maluish
Managing Director
brucem@vrxsilica.com.au
0418940417

Andrew Rowell
Cannings Purple
arowell@canningspurple.com.au
0400466226

ASX ANNOUNCEMENT

ASX: VRX

Capital Structure

Shares on Issue:
366 million

Unlisted Options:
63 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.

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

VRX Silica Limited

A Level 1, 6 Thelma St, West Perth WA 6005 Australia • PO Box 1925, West Perth WA 6872 Australia • ABN 59 142 014 873
P +61 8 9226 3780 • E info@vrxsilica.com.au • W vrxsilica.com.au

For personal use only

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 look to produce.

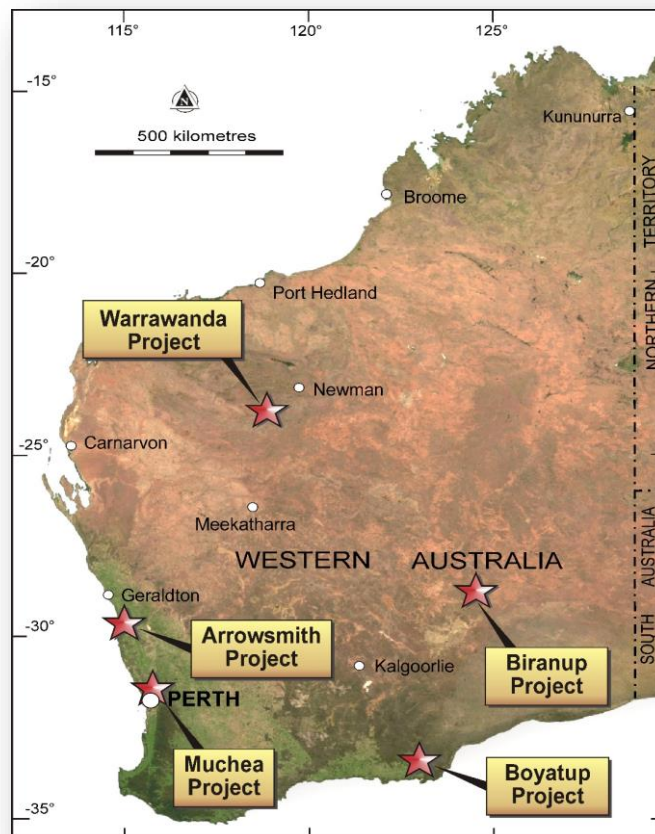
Also, in Western Australia, 40km south of Newman, is VRX Silica's Warrawanda HPQ Project, which is prospective for high purity quartz and nickel sulphides.

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

A Level 1, 6 TheIma St, West Perth WA 6005 Australia • PO Box 1925, West Perth WA 6872 Australia • ABN 59 142 014 873
P +61 8 9226 3780 • E info@vrxsilica.com.au • W vrxsilica.com.au