VRX SILICA LTD

ACN 142 014 873

PROSPECTUS

For offers of up to 17,391,305 Options to participants in the Placement (**Placement Offer**) and 6,548,220 Options to Brokers in connection with the Placement (**Broker Offer**), together the **Offers**.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The securities offered under this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Mr Paul Boyatzis (Non Exec. Chairman)
Mr Bruce Maluish (Managing Director)
Mr Peter Pawlowitsch (Non Exec. Director)

Company Secretary

Mr John Geary

Registered Office

Level 1, 6 Thelma Street
WEST PERTH WA 6005

Telephone: +61 (0)8 9226 3780
Facsimile: +61 (0)8 9226 3764

ASX Code: VRX

Website: www.vrxsilica.com.au

Solicitors

Milcor Legal
6 Thelma Street
WEST PERTH WA 6005

Share Registry*

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
PERTH WA 6000

**This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.*

2. TIMETABLE

Lodgement of Prospectus with ASIC	15 January 2020
Lodgement of Prospectus & Appendix 2A with ASX	15 January 2020
Opening Date	15 January 2020
Closing Date	29 January 2020
Issue of Options	31 January 2020
Despatch of holding statements	3 February 2020
Quotation of Options issued under the Offers	4 February 2020

** The above dates are indicative only and may change without notice. The Directors reserve the right to vary these dates, including the Closing Date, without notice.*

3. IMPORTANT NOTES

This Prospectus is dated 15 January 2020 and was lodged with ASIC on that date. ASIC, ASX and each of their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The securities offered under this Prospectus should be considered highly speculative.

Applications for Options offered pursuant to this Prospectus can only be submitted on an Application Form.

This Prospectus is a transaction specific prospectus for the offers of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

4. DETAILS OF THE OFFERS

4.1 The Offers

(a) **Placement Options Offer**

On 4 November 2019, the Company announced that it had entered into binding terms for a share placement to raise $4 million through the issue of 34,782,610 Shares at an issue price of $0.115 per Share. These Shares were issued on 13 November 2019.

The terms of the Placement provided that one free-attaching listed Option will be issued for every two Shares subscribed for under the Placement.

Under this Prospectus, the Company offers, for nil cash consideration, up to 17,391,305 Options on the basis of one free-attaching Option for every two Shares subscribed for by subscribers under the Placement. A maximum of 17,391,305 Options will be issued pursuant to the Placement Offer.

(b) **Broker Options Offer**

Hartleys Limited (AFSL No 230052) acted as lead manager to the Placement and, as part consideration for acting as lead manager to the Placement, the Company will issue up to 6,548,220 Options to Hartleys Limited and its nominees.

All of the Options offered under this Prospectus will be issued on the terms and conditions set out in Section 6.1.

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 5.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of these Offers and the intended use of funds raised are set out in Section 5.1.

4.2 Minimum subscription

There is no minimum subscription.

4.3 Conditional Offers

The Offers are conditional upon Shareholders approving the Resolutions at the General Meeting.

If the condition is not satisfied then the Company will not proceed with the Offers and the Options will not be issued under this Prospectus.

4.4 Application for Offers

Application for the Placement Offer must only be made by Placement participants using the relevant Application Form accompanying this Prospectus.

Application for the Broker Offer is only open to the Brokers and their nominees and must be made using the relevant Application Form accompanying this Prospectus.

By completing an Application Form, Applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled for 29 January 2020.

If you require assistance in completing an Application Form, please contact the Company Secretary on +61 8 9226 3780.

4.5 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by ASIC), the Company will not issue any Options under the offer set out in this Prospectus.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

4.6 Issue

Options issued pursuant to the Offers will be allotted in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

As the Options are to be issued for free pursuant to the terms of the Placement, the Company will not hold any funds in respect of applications made by Applicants.

Holding statements for Options issued under the Offers will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

4.7 Overseas shareholders

These Offers do not, and are not intended to, constitute offers in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such offers or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas investors, the number and value of Options offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, these Offers are not being extended and Options will not be issued to investors with a registered address which is outside Australia, New Zealand, Singapore, Germany or People's Republic of China (to the extent that such investors are qualified domestic institutional investors).

New Zealand

The Options are not being offered to the public within New Zealand other than to Applicants with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This document and any other materials relating to the Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Options, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of invitation for subscription or purchase, whether directly or indirectly, to person in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures ACT, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not an existing holder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Germany

Information in this Prospectus has been prepared on the basis that all offers of Options will be made pursuant to an exemption under the Directive 2003/71/EC (**Prospectus Directive**), as amended and implemented in Germany, from the requirement to produce a prospectus for offers of securities.

An offer to the public of securities of the Company has not been made, and may not be made, in Germany except pursuant to one of the following exemptions under the Prospectus Directive as implemented in Germany:

- to any legal entity that is authorised or regulated to operate in the financial markets or whose main business is to invest in financial instruments;

- to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);

- to any person or entity who has requested to be treated as a professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2004/39/EC, "MiFID");

- to any person or entity who is recognised as an eligible counterparty in accordance with Article 24 of the MiFID;

- to fewer than 150 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the Company or any underwriter for any such offer; or

- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of securities shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.

China

The information in this document does not constitute a public offer of the Options, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph only, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Options may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".

Nominees and custodians

Nominees and custodians may not submit an Application Form on behalf of any Applicant resident outside Australia, New Zealand, Singapore, Germany or People's Republic of China without the prior consent of the Company, taking into account relevant securities law restrictions. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.8 Enquiries

Any questions concerning the Offer should be directed to the Company Secretary on +61 8 9226 3780.

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Purpose of the Offers

The primary purpose of the Placement was to raise $4 million (before costs). The funds raised by the Placement will be applied towards accelerating 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. The Placement Offer gives effect to the Company's commitment to subscribers under the Placement for the issue of free-attaching Options to the Shares on a one-for-two basis.

The purpose of Broker Offer is to facilitate the issue of Options as part consideration for services provided by the Brokers in connection with the Placement.

No funds will be raised from these Offers. The Options offered under the Placement Offer will be issued free-attaching to the Shares issued on a one-for-two basis under the Placement and the Options offered under the Broker Offer are issued as part consideration for services provided.

5.2 Effect of the Offers

The principal effect of the Offers, assuming all Options offered under the Prospectus are issued, will be to increase the number of Options on issue from 69,500,000 as at the date of this Prospectus to 93,439,525 Options.

The cash reserves of the Company were increased by $4 million (before costs) by virtue of completion of the Placement.

The Company will pay for the expenses of the Offers (estimated to be $24,425) out of its current cash reserves. Refer to Section 8.7 for further details relating to the estimated expenses of the Offers.

5.3 Pro-forma balance sheet

The audited balance sheet as at 30 June 2019 and the unaudited pro-forma balance sheet as at 30 June 2019 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Options offered under the Prospectus are issued.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

VRX SILICA LIMITED

PRO-FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited at 30 Jun 2019	Subsequent Events	Pro-forma Adjustments	Pro-forma Unaudited 30 Jun 2019
	$	$	$	$
ASSETS				
Current Assets				
Cash and cash equivalents	1,545,418	3,928,350	(24,425)	5,449,343
Trade and other receivables	2,593	0	0	22,593
Total Current Assets	1,768,011	3,928,350	(24,425)	5,671,936
Non-Current Assets				
Trade and other receivables	45,794	0	0	45,794
Plant and equipment	11,016	0	0	11,016
Deferred exploration expenditure	6,972,573	0	0	6,972,573
Total Non-Current Assets	7,029,383	0	0	7,029,383
Total Assets	8,797,394	3,928,350	(24,425)	12,701,319
LIABILITIES				
Current Liabilities				
Trade and other payables	303,215	0	0	303,215
Provisions	59,365	0	0	59,365
Total Current Liabilities	362,580	0	0	362,580
Total Liabilities	362,580	0	0	362,580
Net Assets	**8,434,814**	**3,928,350**	**(24,425)**	**12,338,739**
EQUITY				
Issued capital	30,796,699	3,928,000	(318,243)	34,406,456
Reserves	4,188,356	333,600	318,243	4,840,199
Accumulated losses	(26,550,241)	(333,250)	(24,425)	(26,907,916)
Total Equity	**8,434,814**	**3,928,350**	**(24,425)**	**12,338,739**

Subsequent events

The following events occurred subsequent to 30 June 2019:

(a) in October and November a total of 6,000,000 options to subscribe for Shares at 2.8 cents each were exercised and a corresponding number of Shares were issued;

(b) in November the Company issued 34,782,610 Shares under the Placement raising $4 million less costs; and

(c) in November the Company issued 3,500,000 options to subscribe for Shares at 15 cents each, expiring 23 October 2023, to advisers and consultants.

Pro-forma Adjustments

The pro forma statement of financial position has been prepared based on the audited statement of financial position as at 30 June 2019 that has been adjusted to reflect the following transactions and events:

(a) issue of 17,391,305 Options under this Prospectus pursuant to the Placement terms (see Section 4.1(a)); and

(b) issue of 6,548,220 Options under this Prospectus pursuant to the Broker Options Offer (see Section 4.1(b)).

5.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares

	No.
Shares currently on issue	445,101,227
Shares offered pursuant to the Offers	-
Total Shares on issue after completion of the Offers	**445,101,227**

Options

Class	No.
Options currently on issue:	
Unquoted, exercisable at $0.072 on or before 30 November 2020	15,250,000
Unquoted, exercisable at $0.10 on or before 30 June 2021	25,000,000
Unquoted, exercisable at $0.10 on or before 30 November 2021	5,750,000
Unquoted, exercisable at $0.217 on or before 30 November 2021	11,000,000
Unquoted, exercisable at $0.09 on or before 30 November 2021	5,000,000
Unquoted, exercisable at $0.09 on or before 30 November 2022	4,000,000
Unquoted, exercisable at $0.15 on or before 23 October 2023	3,500,000
New Options offered pursuant to the Offers:	
Quoted, exercisable at $0.18 within 18 months of their issue date	17,391,305
Quoted, exercisable at $0.18 within 18 months of their issue date	6,548,220
Total Options on issue after completion of the Offers	**93,439,525**

The capital structure, on a fully diluted basis, as at the date of this Prospectus, would be 514,601,227 Shares and on completion of the Offers (assuming all Applications are accepted and no Options are exercised prior to the Record Date) would be 538,540,752 Shares.

5.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are as follows.

Name	No. Ordinary Shares	% of Issued Capital
Australian Silica Pty Ltd	62,008,065	13.9%
Peter Pawlowitsch	25,841,769	5.8%

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Option will be $0.18 (**Exercise Price**)

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is 18 months from their date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6.2 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being the underlying securities of the Options to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(j) **Proportional Takeover Provisions**

The Constitution contains provisions in relation to proportional takeover approval. The effect of these provisions will be to prohibit the transfer of Shares as a result of acceptance of an offer made under a proportional takeover bid unless and until a resolution is passed by the Company approving the proportional takeover bid.

7. RISK FACTORS

7.1 Introduction

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Specific Risks

(a) **Title risk**

The ability of the Company to carry out successful exploration and mining activities on its tenements will depend on it obtaining and maintaining the appropriate approvals and permits to operate, including exploration licences, programs of work, environmental approvals, mining leases and other approvals and permits necessary to carry out these activities.

The grant, maintenance and renewal of such licences, permits and approvals is regulated by the applicable State legislation, such as the Mining Act 1978 (WA). No guarantee can be given that any such licence, permit or approval will be granted and/or maintained or, if granted, any attaching conditions are acceptable to the Company or their grant is not overturned or restricted. There is also no guarantee that a renewal will be automatically granted other than in accordance with the applicable mining legislation or granted without new conditions, including relinquishment of ground.

Each tenement carries with it annual expenditure and reporting commitments as well as other conditions requiring compliance. There is a risk that the Company could lose title to one or more of its tenements if tenement conditions or annual expenditure commitments are not met.

(b) **Granting of licences, permits etc**

The Company will require numerous governmental, environmental, mining permits, water rights and approvals authorising operations for mining and processing facilities. A decision by a governmental agency or other third party to deny or delay issuing a new or renewed permit or approval, or to revoke or substantially modify an existing permit or approval, could have a material adverse effect on the ability to continue operations. Furthermore, state and local governments could impose a moratorium on mining operations in certain areas. Expansion of operations is also predicated on securing the necessary environmental or other permits, water rights or approvals, which may not be received in a timely manner or at all.

(c) **Exploration and Development Risks**

Mineral exploration, development and mining are high-risk enterprises, only occasionally providing high rewards. In addition to the normal competition for prospective ground, and the high average costs of discovery of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing difficulties, foreign currency fluctuations and technical problems all affect the ability of a company to profit from any discovery.

There is no assurance that exploration of the mineral interests currently held by the Company, or any other projects that may be acquired in the future will result in the discovery of an economically viable mineral deposit. Even if an apparently viable mineral deposit has been identified, there is no guarantee that it can be profitably exploited.

(d) **Resource and Reserve Estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that are valid when made may change significantly when new information becomes available through drilling, sampling and similar examinations.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

Reserve and resource estimates are expressions of judgment based on drilling results and other exploration observations, along with a competent person's experience working with relevant mining properties, and other factors. Estimates based on available data and interpretations and thus estimations may prove to be inaccurate or may change substantially when new information becomes available.

The actual quality and characteristics of mineral deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop resources.

Reserves are value based financial and operational forecasts and, consequently, the actual reserves and resources may differ from those estimated either positively or negatively.

(e) **Operational Risks**

The operations of the Company may be affected by various factors including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and

unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

(f) **Environmental Risks**

The operations and proposed activities of the Company are subject to regulations concerning the environment. The government and other authorities that administer and enforce environmental laws determine these requirements. As with all exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds, and the Company will require approval from the relevant authorities before it can undertake such activities. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Environmental matters applicable to the Arrowsmith Projects, Boyatup Project and Muchea Project are within the remit of Commonwealth and State authorities, including under legislation in the form of the Environment Protection and Biodiversity Conservation Act 1999 (Cth) (**EPBC Act**) and the Environmental Protection Act 1986 (WA). The Company will need to seek pre-approval on environmental matters for any mining operations and the Environmental Protection Authority will, among other things, assess the impact of proposed activities on flora and fauna and matters of national environmental significance under the EPBC Act as part of an accredited assessment. The Muchea Project area in particular is likely to contain flora of conservation significance (including Banksia and Marri woodlands) and threatened and endangered fauna (including Carnaby's black cockatoo).

The assessment process requires interaction between Commonwealth and State authorities and there is no fixed time for the process to complete. Significant delays in the process can potentially have a material adverse effect on the Company's business, financial condition and operations and affect the Company's ability to pursue the projects. In addition, there is no guarantee that the assessments undertaken by these authorities will be favourable or the approvals sought will be granted. Failure to obtain such approvals will prevent the Company from undertaking its desired activities and this will have a material adverse effect on the Company's business, financial condition and operations.

The Muchea Project area lies outside existing conservation reserves, however a portion of the Company’s mining lease application area for the

Muchea Project is overlain by State Government File Notation Area 12671 (**FNA**) for the proposed "Perth and Peel Green Growth Plan for 3.5 million". The FNA was lodged by the Department of Premier and Cabinet (**DPC**) following a Strategic Assessment of the Perth and Peel Regions to determine the areas to be managed within the Conservation and Land Management Act 1984 (WA) to protect conservation and recreation values of local or regional significance. The Green Growth Plan is currently under review by the State Government.

The Company has been in discussions with both the DPC and the Department of Jobs, Tourism, Science and Industry to identify options for the Company to gain access to the FNA area within the proposed mining lease area so as to extend the project's mine life to well beyond the currently modelled 25 years.

This is a process that may take a significant period of time. Again, significant delays in the process can potentially have a material adverse effect on the Company's business, financial condition and operations and affect the Company's ability to develop the Muchea Project. In addition, there is no guarantee that a resolution will be forthcoming and this may have a material adverse effect on the value of the Muchea Project and the Company's business, financial condition and operations generally.

Future legislation and regulations governing mineral exploration and production may impose significant environmental obligations on the Company. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(g) **Metallurgy**

Mineral recoveries are dependent upon the metallurgical process, and by its nature contain elements of significant risk such as:

(i) identifying a metallurgical process through test work to produce a saleable product;

(ii) developing an economic process route to produce a product; and

(iii) changes in mineralogy in the deposit can result in inconsistent recovery, affecting the economic viability of a project.

(h) **Changes to glassmaking industry in Asia**

Prices for silica sand will be subject to glass demand in Asia. A reduction in flat glass and/or container glass production would generally depress the demand, development, production, and mining activity for silica sand the Company may produce. Such a decline could have a material adverse effect

on the Company's business, results of operations and financial conditions generally.

The development and use of new technology for effective alternatives for glass, or the development of new processes to replace silica sand, could also cause a decline in demand for the products produced and could have a material adverse effect on the Company's business, results of operations and financial conditions generally.

(i) **Changes to demand for silica sand generally**

Demand for silica sand products can be affected generally by advances in industry and the development and use of new technology or new processes that reduce or eliminate the need for silica sand products, including as a material for metal casting, metallurgical processes, chemical production, paint and coatings, ceramics, filtration and water production and proppant.

Such events could cause a decline in demand for the products produced and could have a material adverse effect on the Company's business, results of operations and financial conditions generally.

(j) **Fluctuations in market pricing**

Supply agreements involving the sale of silica sand products may be fixed or have market-based pricing mechanisms, or a combination of both. Accordingly, in periods with decreasing prices, results of operations may be lower if prices under these agreements are not fixed. In periods with increasing prices, some agreements may permit an increase in prices; however, some customers may elect to cease purchasing products if they do not agree with price increases or are able to find alternative, cheaper sources of supply. Furthermore, certain volume-based supply agreements may influence the ability to fully capture current market pricings. Depending on the pricing provisions, there may be significant variability in results of operations and cash flows from period to period.

(k) **A significant reduction in purchases by major buyers**

Major customers may not continue to purchase the same levels of products in the future due to a variety of reasons. The Company is likely to sell products to customers on a purchase order basis and pursuant to supply agreements that will contain customary termination provisions for bankruptcy related events and uncured breaches of the applicable agreement. If any of these major customers substantially reduces or altogether ceases purchasing products and the Company is not able to generate replacement sales into the market, the business, financial condition, and results of operations could be adversely affected for a short-term period until such time as the Company can generate replacement sales in the market.

(l) **Credit risk of major international export customers**

The Company is subject to the risk of loss resulting from non-payment or non-performance by customers, many of whose operations are concentrated solely in the Asian market which is subject to volatility and therefore credit risk. Credit procedures and policies may not be adequate to fully reduce

customer credit risk. If the Company fails to adequately assess the creditworthiness of customers or unanticipated deterioration in their creditworthiness, any resulting increase in non-payment or non-performance by them and the inability to re-market or otherwise use the production could have a material adverse effect on the Company's business, financial condition, and results of operations.

(m) **Increasing logistics costs for rail, port and shipping**

Transportation and handling costs are a significant component of the total delivered cost of products. In many instances, transportation costs can represent 50% to 60% of the delivered cost of silica sand. The high relative cost of transportation could favour suppliers located in close proximity to the customer. The Company will contract with rail, wharf and ship services to move products from the production facilities to customers. Labour disputes, derailments, adverse weather conditions or other environmental events and other changes to rail freight systems could interrupt or limit available transportation services or result in a significant increase in transportation service rates. Increased costs resulting from these types of events that the Company is not able to pass on to customers could impair the ability to deliver the products economically to customers or to expand the markets.

(n) **Maintaining effective quality control at the mining and processing operation**

The performance and quality of the products are critical to the success of the business. These factors depend significantly on the effectiveness of the quality control systems, the quality-training program, and the ability to ensure that employees adhere to the quality control policies and guidelines. Any significant failure or deterioration of the quality control systems could have a material adverse effect on the Company's business, financial condition, results of operations, and reputation.

(o) **Interruptions or failures in information technology systems**

The Company's operations may rely on sophisticated information technology systems and infrastructure to support the business, including process control technology. Any of these systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, usage errors by employees, computer viruses, cyber-attacks or other security breaches, or similar events. The failure of any of the information technology systems may cause disruptions in operations, which could adversely affect product supply, sales and profitability.

(p) **Extreme seasonal weather conditions**

Unexpected weather conditions may result in having insufficient stockpiles to supply feedstock for rail and ship operations and result in being unable to satisfy customer requirements during these periods. As a result of potential seasonal supply impacts, cash flows from operations can fluctuate if plant operations must remain shut down due to extreme weather conditions.

(q) **Insurance Risks**

The Company intends to adequately insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and, where available, the costs can be prohibitive.

(r) **Key personnel**

The ability of the Company to achieve its objectives depends on the retention of key employees and contractors who provide technical expertise. If the Company cannot secure technical expertise (for example to carry out drilling) or if the services of the present technical panel cease to become available to the Company, this may affect the Company's ability to achieve its objectives either fully or within the timeframes and the budget the Company has decided upon.

Whilst the ability of the Company to achieve its objectives may be affected by the matters mentioned above, the Company believes that appropriately skilled and experienced professionals would be available to provide services to the Company at market levels of remuneration in the event key external contractors cease to be available.

(s) **Shortage of labour or labour disputes**

Efficient mining using modern techniques and equipment requires skilled operators, preferably with several years of experience and proficiency in multiple mining tasks, including processing of mined minerals. If a shortage of experienced labour is encountered or subject to labour disputes or if the Company is unable to train the necessary number of skilled operators, there could be an adverse impact on productivity and costs and the ability to maintain production. An inability to maintain good relations with the workforce could cause a material adverse effect on the operations and financial position.

(t) **No Profit To-Date**

The Company has incurred losses since its inception and it is therefore not possible to evaluate its prospects based on past performance. As the Company intends to continue investing in exploration and development program, the Company anticipates making further losses in the foreseeable future.

While the Company has confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(u) **Changes in laws and regulations related to mining and processing**

Mining operations are subject to a variety of federal, state and local regulatory legislative requirements affecting the mining and mineral processing industry, including among others, those relating to employee health and safety, environmental permitting and licensing, air and water emissions, greenhouse gas emissions, water pollution, waste management, remediation of soil and groundwater contamination, land use, reclamation and restoration of properties, hazardous materials, and natural resources. Some environmental laws impose substantial penalties for non-compliance, and liability for the remediation of releases of hazardous substances. Liability under federal and state laws, may be imposed as a result of conduct that was lawful at the time it occurred or for the conduct of, or conditions caused by, prior operators or other third parties. Failure to properly handle, transport, store or dispose of hazardous materials or otherwise conduct operations in compliance with environmental laws could expose us to liability for governmental penalties, cleanup costs and civil or criminal liability associated with releases of such materials into the environment, damages to property or natural resources and other damages, as well as potentially impair the ability to conduct operations. In addition, future environmental laws and regulations could restrict the ability to expand the facilities or extract mineral reserves or could require the Company to acquire costly equipment or to incur other significant expenses in connection with business. Future events, including changes in any environmental requirements (or their interpretation or enforcement) and the costs associated with complying with such requirements, could have a material adverse effect on the Company.

(v) **Facility shutdowns due to environmental regulatory actions**

Any failure by the Company to comply with applicable environmental laws and regulations may cause governmental authorities to take actions that could adversely impact operations and financial condition, including issuance of administrative, civil, and criminal penalties denial, modification, or revocation of permits or other authorisations, imposition of injunctive obligations or other limitations on operations, including cessation of operations; and requirements to perform site investigatory, remedial, or other corrective actions.

(w) **Commodity Price Volatility and Foreign Exchange Risk**

In the event that the Company enters into production on any of its projects, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price risks.

Commodity prices fluctuate and are affected by numerous factors beyond the control of the Company. These factors include a reduction in demand for silica sand, forward selling by producers, and production cost levels in major metal-producing regions.

Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, the commodity as well as general global economic conditions. These factors may have an adverse effect on the

Company's exploration, development and production activities, as well as on its ability to fund those activities.

Furthermore, international prices of various commodities are denominated in United States Dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States Dollar and the Australian Dollar as determined in international markets.

(x) **Native title**

The Native Title Act recognises and protects the rights and interests in Australia of Aboriginal and Torres Strait Islander people in land and waters, according to their traditional laws and customs. There is significant uncertainty associated with Native Title in Australia and this may impact on the Company's operations and future plans.

Native Title can be extinguished by valid grants of land (such as freehold title) or waters to people other than the Native Title holders or by valid use of land or waters. It can also be extinguished if the indigenous group has lost its connection with the relevant land or waters. Native Title is not necessarily extinguished by the grant of mining leases, although a valid mining lease prevails over Native Title to the extent of any inconsistency for the duration of the title.

Tenements granted before 1 January 1994 are valid or validated by the Native Title Act. For tenements to be validly granted (or renewed) after 1 January 1994, the future act regime established by the Native Title Act must be complied with. The existence of a Native Title claim is not an indication that Native Title in fact exists on the land covered by the claim, as this is a matter ultimately determined by the Federal Court.

The Company must also comply with Aboriginal heritage legislation requirements which require heritage survey work to be undertaken ahead of the commencement of mining operations.

(y) **Future Capital Needs and Additional Funding**

There can be no guarantees that the Company's cash reserves will be sufficient to successfully achieve all the objectives of the Company's overall business strategy.

Any additional equity financing may be dilutive to the Company's existing shareholders and any debt financing, if available, may involve restrictive covenants, which limit the Company's operations and business strategy, and may restrict the ability to finance future operations or capital needs or to engage in, expand, or pursue the business activities. The ability to obtain financing or to access the capital markets for future equity or debt offerings may be limited by the financial conditions at the time of any such financing or offering, the covenants contained in credit facilities, term loans or future debt agreements, adverse market conditions or other contingencies and uncertainties that are beyond our control. Failure to obtain the funds necessary to maintain, develop, and increase the asset base, could adversely impact the Company's growth and profitability. Even if the

Company is able to obtain financing or access the capital markets, incurring debt will incur interest expense and increase financial leverage, and the level of indebtedness could restrict the ability to fund future development and acquisition activities.

(z) **Conditional Offers**

The Offers are conditional upon Shareholders approving the Resolutions at the General Meeting.

There is a risk that this condition is not satisfied. If the condition is not satisfied, the Company will not proceed with the Offers and the Options will not be issued under this Prospectus.

7.3 General risks

(a) **Economic Risk**

Changes in the general economic climate in which the Company will operate may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption and the rate of growth of gross domestic product in Australia and other jurisdictions in which the Company may acquire mineral assets.

(aa) **Changes in Government Policies and Legislation**

Any material adverse changes in government policies or legislation of Australia or any other country that the Company may acquire economic interests may affect the viability and profitability of the Company.

(bb) **Risk of litigation, claims and disputes**

The Company is exposed to the risk of actual or threatened litigation or legal disputes in the form of claims by contract counterparties, personal injury and property damage claims, environmental and indemnity claims, employee claims and other litigation and disputes. There is a risk that such litigation, claims and disputes could materially and adversely affect the Company's operating and financial performance due to the cost of defending and/or settling such claims, and could affect the Company's reputation.

The Company is not aware of any legal proceedings pending or threatened against it or any of its subsidiary companies.

(cc) **Global credit and investment markets**

Global credit, commodity and investment markets can experience a high degree of uncertainty and volatility. The factors which lead to this situation are outside the control of the Company and may result in volatility and uncertainty in world stock markets (including ASX). This may impact the price at which the Company's shares trade regardless of operating performance and affect the Company's ability to raise additional equity and/or debt to achieve its objectives, if required. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general, and resources

securities in particular. Neither the Company, nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

7.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Options offered under this Prospectus

Therefore, the Options be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Options.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

  (i) the annual financial report most recently lodged by the Company with ASIC;

  (ii) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC; and

(iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below.

Date	Description of Announcement
23.12.19	Notice of General Meeting/Proxy Form
18.11.19	Appendix 3B and Section 708A Notice
13.11.19	Appendix 3B and Section 708A Notice
08.11.19	Results of Meeting
04.11.19	$4 million Capital Raising
31.10.19	Quarterly Activities Report
31.10.19	Quarterly Cashflow Report
31.10.19	Trading Halt
30.10.19	Company Presentation - Amended
29.10.19	Change of Director's Interest Notice
29.10.19	Change of Director's Interest Notice
29.10.19	Change of Director's Interest Notice
29.10.19	Appendix 3B and Section 708A Notice
29.10.19	Company Presentation
18.10.19	Muchea BFS and Maiden Ore Reserve
15.10.19	Trading Halt
07.10.19	Notice of Annual General Meeting/Proxy Form
25.09.19	Corporate Governance Statement
25.09.19	Appendix 4G

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.vrxsilica.com.

8.2 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the 12 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

	($)	Date
Highest	$0.17	18 October 2019
Lowest	$0.056	18 April 2019
Last	$0.099	14 January 2020

8.3 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Options
Paul Boyatzis	4,480,000	6,000,000[(2)]
Bruce Maluish	14,810,535	10,000,000[(3)]
Peter Pawlowitsch	25,841,769	6,000,000[(4)]

Notes:

1. Securities are held directly or indirectly by the Director or a related party of the Director.
2. Comprises 3,000,000 unlisted options each exercisable at $0.072 on or before 30 November 2020 and 3,000,000 unlisted options each exercisable at $0.217 on or before 30 November 2021.

3. Comprises 5,000,000 unlisted options each exercisable at $0.072 on or before 30 November 2020 and 5,000,000 unlisted options each exercisable at $0.217 on or before 30 November 2021.
4. Comprises 3,000,000 unlisted options each exercisable at $0.072 on or before 30 November 2020 and 3,000,000 unlisted options each exercisable at $0.217 on or before 30 November 2021.

None of the Directors are taking part in the Offers.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed $250,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Year	Salary and fees $	Super-annuation $	Share based payments Options $	Total $
Paul Boyatzis	2019/2020[1]	30,000	-	-	30,000
	2018/2019	60,000	-	237,600	297,600
	2017/2018	30,000	-	60,900	90,900
Bruce Maluish	2019/2020[1]	125,000	11,875	-	136,875
	2018/2019	245,000	19,000	396,000	660,000
	2017/2018	100,000	9,500	101,500	211,000
Peter Pawlowitsch	2019/2020[1]	18,265	1,735	-	20,000
	2018/2019[2]	71,530[2]	3,470	237,600	312,600
	2017/2018	18,265	1,735	60,900	80,900

Notes:

1. From 1 July 2019 to 31 December 2019 (inclusive)
2. Includes consulting fees for services provided by a related entity

8.4 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(f) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offers.

Milcor Legal has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Milcor Legal $6,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Milcor Legal has been paid fees totalling $295,540 (excluding GST and disbursements) for legal services provided to the Company.

8.5 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as Proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus, Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section;

Milcor Legal has given its written consent to being named as the solicitors to the Company in this Prospectus. Milcor Legal has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

8.6 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately $24,425 (excluding GST) and are expected to be applied towards the items set out in the table below:

	$
ASIC fees	3,206
ASX fees	13,719
Legal fees	6,000
Miscellaneous	1,500
Total	**$24,425**

8.7 Electronic prospectus

If you have received this Prospectus as an electronic prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company Secretary on +61 8 9226 3780 and the Company will send you, for free, either a hard copy or an electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.8 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.9 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.10 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.



Bruce Maluish
Managing Director

10. GLOSSARY

$ means the lawful currency of Australia.

Applicant means an applicant who applies for Options pursuant to the Offers.

Application Form means the relevant application form annexed to or accompanying this Prospectus for the Offers.

Arrowsmith Projects means the silica sand projects known as "Arrowsmith North", "Arrowsmith Central" and "Arrowsmith South", comprising Western Australia exploration licences E70/5027, E70/4987, E70/4986 and E70/5109, exploration licence application ELA70/5197 and mining lease applications MLA70/1389 and MLA70/1392, among other tenements.

ASIC means the Australian Securities and Investments Commission.

ASX Listing Rules means the listing rules of the ASX.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Boyatup Project means the silica sand project comprising Western Australian exploration licence E69/3560.

Brokers means Hartleys Limited (AFSL No 230052).

Broker Offer means the offer of up to 6,548,220 Options to the Brokers and its nominees in connection with the Placement.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means VRX Silica Ltd (ACN 142 014 873).

Constitution means the constitution of the Company as at the date of this Prospectus.

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

Directors means the directors of the Company as at the date of this Prospectus.

General Meeting means the general meeting of Shareholders scheduled to be held on 29 January 2020, and any postponement or adjournment thereof.

Muchea Project means the silica sand project comprising Western Australia exploration licence E70/4886, Western Australia exploration licence application ELA70/5157 and mining lease application MLA70/1390, among other tenements.

Offers means the Placement Offer and the Broker Offer the subject of this Prospectus, or either of them.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share on the terms and conditions set out in Section 6.1.

Optionholder means a holder of an Option.

Placement means the placement of 34,782,610 Shares at an issue price of $0.115 per Share completed by the Company on 13 November 2019.

Placement Offer means the offer of up to 17,391,305 Options on the basis of one free-attaching Option for every two Shares subscribed for by subscribers under the Placement.

Prospectus means this prospectus.

Resolutions means resolutions 2 and 3 set out in the notice of general meeting dated 23 December 2019 for the General Meeting.

Section means a section of this Prospectus.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

VRX SILICA LIMITED
ACN 142 014 873

PLACEMENT OFFER APPLICATION FORM

This is an Application Form for Options in VRX Silica Limited (ACN 142 014 873) (**Company**) pursuant to the Placement Offer under the terms set out in the prospectus issued by the Company and dated and lodged with the Australian Securities and Investments Commission on 15 January 2020 (**Prospectus**). The Placement Offer is a personalised offer to the subscribers under the Placement (as that term is defined in the Prospectus). Accordingly, do not complete this Application Form unless instructed to do so by the Company.

The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Options. If you are in doubt as to how to deal with this Placement Offer Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus and any supplementary document. The Corporations Act 2001 (Cth) prohibits any person from passing onto another person an Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus. While the Prospectus is current, the Company will send paper copies of the Prospectus, any supplementary document and the Application Form, on request and without charge.

1 **Number of Options you are applying for**

, ,

2 **Total amount payable** (no amount is payable for the Options)

A$ Nil

I/We whose full name(s) and address appear below hereby apply for the number of Options shown above pursuant to the Placement Offer, on the terms set out in the Prospectus.

3 **Write the name(s) you wish to register the Options in** (see reverse for instructions)

Name of Applicant 1

Name of Applicant 2 or <Account Designation>

Name of Applicant 3 or <Account Designation>

4 **Write your postal address here** – to be registered against your holding

Number/Street

Suburb/Town

State

Postcode

5 **CHESS Participants and existing holders of Securities in the Company** (*insert your HIN or existing SRN below – including the "X" or "I" - (eye)*)

Note: *if the name and address details in sections 3 & 4 above do not match exactly with your registration details held, any Options issued as a result of your application will be held on a new Issuer Sponsored number.*

6 **Email Address** (*see reverse of form – this is for all communications legally permissible and despatched by the Company*)

7 **TFN/ABN/Exemption Code**

Applicant #1 Applicant #2 Applicant #3

If NOT an individual TFN/ABN, please note the type in the box
C = Company; P = Partnership; T = Trust; S = Super Fund

8 **Payment Details**

No amount is payable by you for the Options

9 **Contact Details**

Please insert details of where we can contact you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

Telephone Number ( )

Contact Name (PRINT)

DECLARATION

This Application Form does not need to be signed. By lodging this Application Form this Applicant hereby:

(1) applies for the number of Options specified in this Application Form or such lesser number as may be issued by the Company's Directors;
(2) agrees to be bound by the Constitution of the Company;
(3) authorises the Company's Directors to complete or amend this Application Form and any other documentation where necessary to correct any errors or omissions;
(4) acknowledges that he/she received a copy of the Prospectus attached to this Application Form before applying for Options pursuant to the Placement Offer;
(5) acknowledges that he/she will not provide another person with this Application Form unless it is attached to or accompanied by the Prospectus; and
(6) acknowledges that the Company will send his/her a paper copy of the Prospectus and any supplementary prospectus (if applicable) free of charge he/she requests so during the currency of the Prospectus.

If an Application Form is not completed correctly, it may still be accepted. Any decision of the Company's Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final. An Application Form will not however, be treated as having offered to subscribe for more Options pursuant to the Placement Offer than to which the Applicant is entitled to apply for pursuant to any underlying agreement with the Company pursuant to which this offer is being made to the Applicant.

INSTRUCTIONS TO COMPLETION OF THIS APPLICATION FORM

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM

Please complete all relevant sections of this Application Form using BLOCK LETTERS. The below instructions are cross-referenced to each section of the Application Form.

1 Number of Options

The Application Form must only be completed in accordance with instructions included in Prospectus. If you are in doubt in relation to the amount of Options you may be entitled, please contact the Company on + 61 8 9226 3780.

2 Payment Amount

No amount is payable for the Options.

3 Name(s) in which the Options are to be registered

Note that ONLY legal entities can hold Options. The application must be in the name of one or up to three natural persons, companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

4 Postal Address

Enter into section 4 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person(s) and address shown.

5 CHESS HIN or existing SRN Details

The Company participates in CHESS. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Options issued to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave section 5 blank and on allotment, you will be sponsored by the Company and allocated a Securityholder Reference Number (SRN).

6 Email Address

As permitted under the Corporations Act, the Company will only be forwarding printed annual reports to members electing to receive one. The Company's annual report and company information will be available on the Company's website. You may elect to receive all communications despatched by the Company electronically (where legally permissible) such as a notice of meeting, proxy form and annual report via email.

7 TFN/ABN/Exemption

If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details in section 7. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application Form.

8 Payment Details

No amount is payable for the Options.

9 Contact Details

Please enter contact details where we may reach you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

HOW TO LODGE YOUR APPLICATION FORM

Mail or deliver your completed Application Form to the following address.

VRX Silica Limited
Level 1
6 Thelma Street
West Perth WA 6005

VRX SILICA LIMITED
ACN 142 014 873

BROKER OFFER APPLICATION FORM

This is an Application Form for Options in VRX Silica Limited (ACN 142 014 873) (**Company**) pursuant to the Broker Offer under the terms set out in the prospectus issued by the Company and dated and lodged with the Australian Securities and Investments Commission on 15 January 2020 (**Prospectus**). The Broker Offer is a personalised offer to Brokers (as that term is defined in the Prospectus) and their nominees. Accordingly, do not complete this Application Form unless instructed to do so by the Company.

The Prospectus contains important information relevant to your decision to invest and you should read the entire Prospectus before applying for Options. If you are in doubt as to how to deal with this Broker Offer Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus and any supplementary document. The Corporations Act 2001 (Cth) prohibits any person from passing onto another person an Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus. While the Prospectus is current, the Company will send paper copies of the Prospectus, any supplementary document and the Application Form, on request and without charge.

1 **Number of Options you are applying for**

, ,

2 **Total amount payable** (no amount is payable for the Options)

A$ Nil

I/We whose full name(s) and address appear below hereby apply for the number of Options shown above pursuant to the Broker Offer, on the terms set out in the Prospectus.

3 **Write the name(s) you wish to register the Options in** (see reverse for instructions)

Name of Applicant 1

Name of Applicant 2 or <Account Designation>

Name of Applicant 3 or <Account Designation>

4 **Write your postal address here** – to be registered against your holding

Number/Street

Suburb/Town

State

Postcode

5 **CHESS Participants and existing holders of Securities in the Company** (*insert your HIN or existing SRN below – including the "X" or "I" - (eye)*)

Note: *if the name and address details in sections 3 & 4 above do not match exactly with your registration details held, any Options issued as a result of your application will be held on a new Issuer Sponsored number.*

6 **Email Address** (*see reverse of form – this is for all communications legally permissible and despatched by the Company*)

7 **TFN/ABN/Exemption Code**

Applicant #1 Applicant #2 Applicant #3

If NOT an individual TFN/ABN, please note the type in the box
C = Company; P = Partnership; T = Trust; S = Super Fund

8 **Payment Details**

No amount is payable by you for the Options

9 **Contact Details**

Please insert details of where we can contact you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

Telephone Number ( )

Contact Name (PRINT)

DECLARATION

This Application Form does not need to be signed. By lodging this Application Form this Applicant hereby:
(1) applies for the number of Options specified in this Application Form or such lesser number as may be issued by the Company's Directors;
(2) agrees to be bound by the Constitution of the Company;
(3) authorises the Company's Directors to complete or amend this Application Form and any other documentation where necessary to correct any errors or omissions;
(4) acknowledges that he/she received a copy of the Prospectus attached to this Application Form before applying for Options pursuant to the Broker Offer;
(5) acknowledges that he/she will not provide another person with this Application Form unless it is attached to or accompanied by the Prospectus; and
(6) acknowledges that the Company will send his/her a paper copy of the Prospectus and any supplementary prospectus (if applicable) free of charge he/she requests so during the currency of the Prospectus.

If an Application Form is not completed correctly, it may still be accepted. Any decision of the Company's Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final. An Application Form will not however, be treated as having offered to subscribe for more Options pursuant to the Broker Offer than to which the Applicant is entitled to apply for pursuant to any underlying agreement with the Company pursuant to which this offer is being made to the Applicant.

INSTRUCTIONS TO COMPLETION OF THIS APPLICATION FORM

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Please complete all relevant sections of this Application Form using BLOCK LETTERS. The below instructions are cross-referenced to each section of the Application Form.

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2 Payment Amount

No amount is payable for the Options.

3 Name(s) in which the Options are to be registered

Note that ONLY legal entities can hold Options. The application must be in the name of one or up to three natural persons, companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

CORRECT FORMS OF REGISTRABLE TITLE

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith or John Smith Deceased
Minor (a person under the age of 18) Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships Use the partners personal names.	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund

4 Postal Address

Enter into section 4 the postal address to be used for all written correspondence. Only one address can be recorded against a holding. With exception to annual reports, all communications to you from the Company will be mailed to the person(s) and address shown.

5 CHESS HIN or existing SRN Details

The Company participates in CHESS. If you are a CHESS participant (or are sponsored by a CHESS participant) and you wish to hold Options issued to you under this Application on the CHESS Subregister, enter your CHESS HIN. Otherwise, leave section 5 blank and on allotment, you will be sponsored by the Company and allocated a Securityholder Reference Number (SRN).

6 Email Address

As permitted under the Corporations Act, the Company will only be forwarding printed annual reports to members electing to receive one. The Company's annual report and company information will be available on the Company's website. You may elect to receive all communications despatched by the Company electronically (where legally permissible) such as a notice of meeting, proxy form and annual report via email.

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If you wish to have your Tax File Number, ABN or Exemption registered against your holding, please enter the details in section 7. Collection of TFN's is authorised by taxation laws but quotation is not compulsory and it will not affect your Application Form.

8 Payment Details

No amount is payable for the Options.

9 Contact Details

Please enter contact details where we may reach you between the hours of 9:00am and 5:00pm should we need to speak to you about your application.

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Mail or deliver your completed Application Form to the following address.

VRX Silica Limited
Level 1
6 Thelma Street
West Perth WA 6005