12 March 2021

ASX ANNOUNCEMENT

Clarification of Arrowsmith North Grade Control Drilling Announcement

VRX Silica Limited (**VRX** or **Company**) (ASX: VRX) wishes to clarify its announcement for the grade control drill program at its Arrowsmith North Silica Sand Project (**Arrowsmith North**) made on 11 March 2021.

In its bankable feasibility study (**BFS**) for Arrowsmith North, VRX has previously reported an Ore Reserve Statement (**ORS**) of 204Mt @ 99.7% SiO_2 within the Mining Lease (M70/1389) area for the project, with the area of the proposed grade control drilling containing a Probable Ore Reserve of approximately 10.2Mt.[1]

The grade control drilling area is wholly within the BFS reported area and is not expected to materially change the tonnage in the ORS or the BFS as reported.

The drill density proposed is, however, expected to increase the geological knowledge and confidence in the estimate of the ORS to a Proven category.

The production target of 6–10 years is consistent with that reported in the BFS. The material assumptions underpinning the production target and detailed in the BFS continue to apply and have not materially changed.

This announcement has been authorised for release to ASX by Managing Director, Bruce Maluish.

ASX: VRX

Capital Structure

Shares on Issue:
504 million

Listed Options:
23.5 million
Unlisted Options:
49.3 million

Corporate Directory

Paul Boyatzis
Non-Executive Chairman

Bruce Maluish
Managing Director

Peter Pawlowitsch
Non-Executive Director

John Geary
Company Secretary

Silica Sand Projects

Arrowsmith Silica Sand Projects, 270km north of Perth, WA.

Muchea Silica Sand Project, 50km north of Perth, WA.

Boyatup Silica Sand Project, 100km east of Esperance, WA.

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

[1] *ASX announcement of 28 August 2019, "Arrowsmith North BFS and Maiden Ore Reserve"*

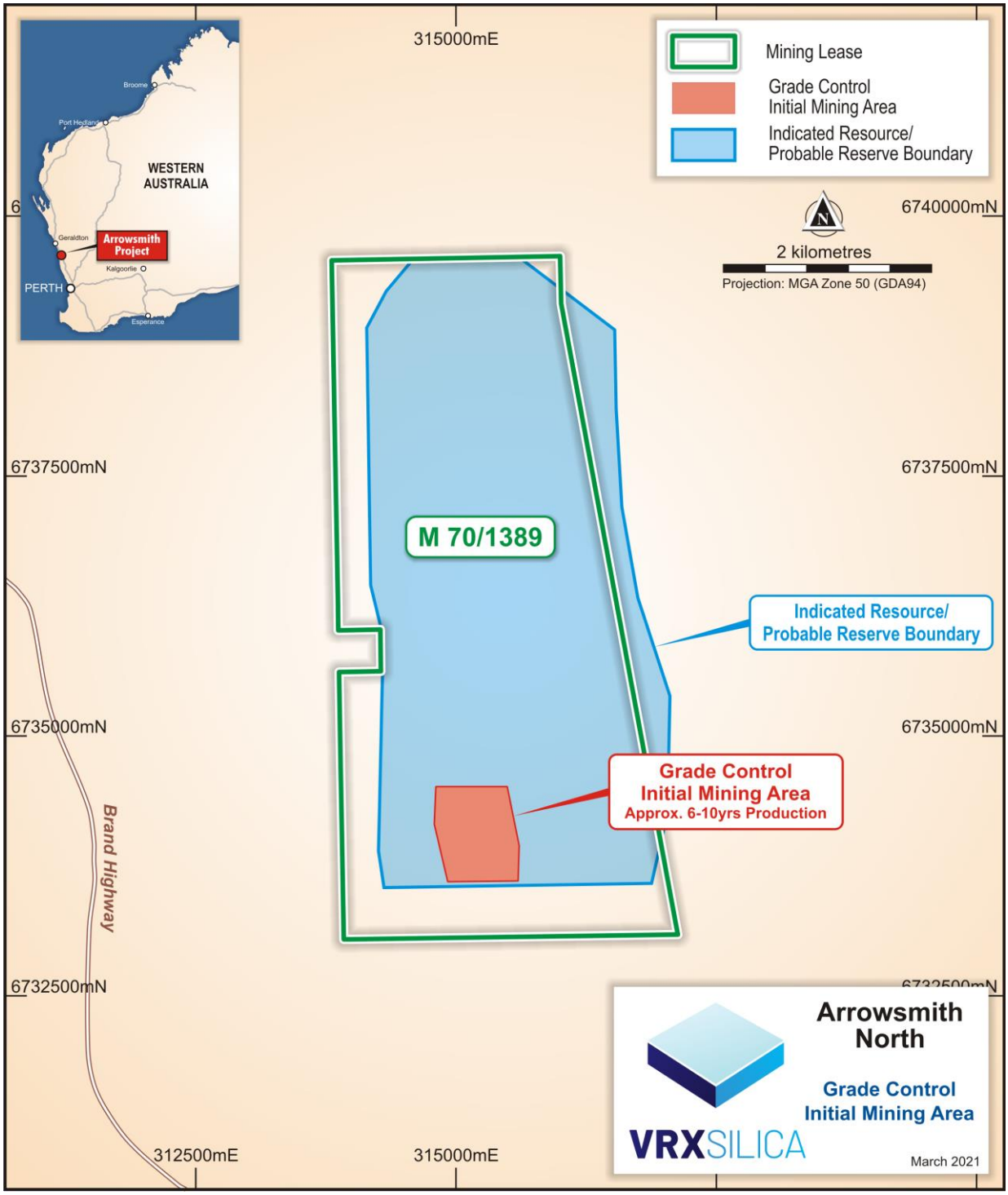

Figure 1: Grade control area within Probable Reserve Boundary

Competent Persons' Statements

The information in this document that relates to Arrowsmith North Exploration Results is based on data collected and compiled under the supervision of Mr David Reid, who is a full-time employee of VRX Silica. Mr Reid, BSc (Geology), is a registered member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person under the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Reid consents to the inclusion of the data in the form and context in which it appears.

The information in this document that relates to Arrowsmith North Mineral Resources is based on information compiled by Mr Grant Louw who was a full-time employee of CSA Global, under the direction and supervision of Dr Andrew Scogings, who is an Associate of CSA Global. Dr Scogings is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. He is a Registered Professional Geologist in Industrial Minerals. Dr Scogings has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources, and Ore Reserves (JORC Code). Dr Scogings consents to the disclosure of information in this report in the form and context in which it appears.

The information in this document that relates to Arrowsmith North Probable Ore Reserves is based on data collected and compiled under the supervision of Mr David Reid, who is a full-time employee of VRX Silica. Mr Reid, BSc (Geology), is a registered member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person under the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Reid consents to the inclusion of the data in the form and context in which it appears.

Further information:

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About VRX Silica

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

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

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

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

Proven Management

The VRX Silica Board and management team have extensive experience in mineral exploration and mine development into production and in the management of publicly listed mining and exploration companies.

Project Locations

