

29 October 2025

## **Arrowsmith North Land Purchase and Infrastructure Update**

### **Highlights:**

-  **Binding contract to purchase Arramall farm site on freehold land, adjacent to Arrowsmith North**
-  **Infrastructure and processing plant proposed to be built on cleared land at Arramall with potential for a future solar farm to power the project**
-  **Potential for a significant reduction of capex and opex for Arrowsmith North**
-  **Potential for a significant reduction in environmental footprint at Arrowsmith North**

VRX Silica Limited (ASX: VRX) (**VRX** or **Company**) is pleased to announce that it has entered into a conditional binding contract to purchase the Arramall farm site (**Arramall**), which sits on freehold land adjacent to the Company's 100% owned Arrowsmith North Silica Sand Project, 270km north of Perth (**Arrowsmith North**).

Comprising approximately 2,091 hectares over two separate lots, Arramall contains tracts of both cleared land and native vegetation, bordered to the east by the Company's mining lease at Arrowsmith North and to the west by Brand Highway. A map of the site area relative to the project is set out in Appendix A.

The site is suitable for locating the proposed silica sand processing plant and associated infrastructure for Arrowsmith North with easy access to Brand Highway for transportation of products to Geraldton Port. The site is also highly suited for locating a solar farm and a potential future renewable power solution for Arrowsmith North.

Preliminary work undertaken by VRX on Arramall indicates that, given the site's location, there are likely to be significant cost savings for the Company both in the construction phase and once in production, based on the Company's financial modelling for Arrowsmith North<sup>1</sup>. Further and detailed due diligence is being undertaken by the Company to determine the extent of these savings.

<sup>1</sup> See the updated bankable feasibility study released to ASX in 2024 (ASX announcement "Arrowsmith North Updated BFS" dated 6 March 2024)

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### **ASX: VRX**

#### **Capital Structure**

*Shares on Issue:*

*749.9 million*

*Unlisted Options:*

*31.7 million*

#### **Corporate Directory**

**Paul Boyatzis**

*Non-Executive Chairman*

**Bruce Maluish**

*Managing Director*

**Peter Pawlowitsch**

*Non-Executive Director*

**David Welch**

*Non-Executive Director*

**Ian Hobson**

*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.

#### **Geothermal Energy**

**Dandaragan Geothermal Energy Permit**, 145km north of Perth, WA

*The Company is actively assessing other silica sand and downstream processing projects in Australia.*

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In addition, locating the plant on cleared, freehold land close to Brand Highway will reduce the overall environmental impact of Arrowsmith North as less native vegetation will be disturbed both for the plant and roads to the highway. Further surveys and detailed due diligence are currently being undertaken by the Company on the expected reduced environmental impacts.

VRX Managing Director Bruce Maluish said: *“We are pleased to have secured Arramall as it is an ideal location for VRX’s Arrowsmith North processing operations, given its proximity both to the project and the major highway to port.*

*“The expected benefits to flow from this acquisition include a material reduction in estimated capital and operating expenditure, and a substantially smaller environmental footprint for the project with a significant opportunity to use the available cleared space for production of solar power.*

*“Separately, we continue to remain focused on adding to already announced binding offtakes for Arrowsmith North and securing finance for the project from a shortlist of debt financiers, with announcements on both expected in the coming weeks.”*

The contract provides for the purchase by Ventnor Mining Pty Ltd, a 100% owned subsidiary of VRX and owner of the Arrowsmith North mining tenements, of Arramall from an unrelated party. The purchase price is within the range for capital expenditure on land acquisitions for the project provided for in the Company’s financial model for Arrowsmith North<sup>2</sup> and it is proposed that the site will form part of the Company’s overall environmental offset strategy for the project.

The contract is conditional on VRX and its advisers completing detailed due diligence on the site and its suitability for the project, including satisfying the requirements of all relevant government authorities, and the VRX Board of Directors approving a final investment decision (FID) for the project, each within six months. Subject to satisfaction or waiver of those conditions, settlement is to occur within three months thereafter. The contract is otherwise on standard terms and conditions for a transaction of this nature.

Arrowsmith North is a globally significant deposit of high-quality silica sand underpinning a mining project that will enable long term production for the foundry, container glass and flat-glass markets in Asia. As detailed in the updated bankable feasibility study announced in March 2024<sup>2</sup>, Arrowsmith North has a JORC-compliant Proved and Probable Ore Reserve of 221Mt @ 99.5% SiO<sub>2</sub>.<sup>3</sup> VRX is targeting first production in late 2026 following a final investment decision and commencement of construction of the processing plant and associated infrastructure expected in the first half of 2026.

Earlier this month<sup>4</sup> the Company announced it had entered into four binding offtake contracts for the sale of a minimum of 410,000 tonnes per annum of high quality silica sand products from Arrowsmith North to customers in South Korea, Taiwan and the Philippines. These customers are decades long-established, leading suppliers into the automobile foundry industry and glassmaking industries in their respective countries and throughout Asia. The Company is continuing discussions with several other prospective customers and negotiating additional binding offtake contracts.

Separately, interest from potential debt financiers has increased markedly following the granting of key approvals and a shortlist of debt finance proposals is currently being evaluated.

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<sup>2</sup> See the updated bankable feasibility study released to ASX in 2024 (ASX announcement “Arrowsmith North Updated BFS” dated 6 March 2024)

<sup>3</sup> See Appendix B

<sup>4</sup> See ASX announcement “Binding Offtake Contracts Secured for Arrowsmith North” dated 23 October 2025

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

**Further information:**

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## About VRX's target silica sand markets

### *Foundry*

Silica sand is an essential part of both the ferrous and non-ferrous foundry industries. Metal parts ranging from engine blocks to sink faucets are cast in a sand-and-clay mould to produce their external shape, often using a resin coat to create the desired internal shape. Silica's high fusion point (1,760°C) and low rate of thermal expansion produce stable cores and moulds compatible with all pouring temperatures. Its chemical purity also helps prevent interaction with catalysts or affecting the curing rate of chemical binders, for that reason, customers are looking for high quality silica sand that meets their specifications for size and shape.

Another critical specification is the hardness of silica grains to deliver the required crush resistance to high pressure from molten metals.

Arrowsmith North is capable of producing multiple high quality sand products for the foundry industry as confirmed by potential offtake partners in Asia following extensive testwork.

### *Glassmaking*

Silica sand is the primary component of all types of standard and specialty glass. It provides the essential SiO<sub>2</sub> component of glass formulation and its chemical purity is the primary determinant of colour, clarity and strength in glass. Silica sand is used to produce flat glass for building and automotive use, container glass for foods and beverages, and tableware. In its pulverised form, ground silica is required in the production of fibreglass insulation and for reinforcing glass fibres. Specialty glass applications include test tubes and other scientific tools, incandescent and fluorescent lamps, television and computer LCD/LED monitors. Glassmaking physical specifications focus on particle size, as it significantly impacts melting efficiency. Uniform grain size is preferred to reduce energy use and ensure complete melting. In fibreglass production, over 99.5% of raw material grains are smaller than 0.045 mm (45µm), and tighter limits are being considered. Coarse particles are hardest to melt and can cause defects. Grain shape also matters—if too many grains are coarser than specified, incomplete melting and poor product quality can result.

Refractory heavy minerals (RHM)—such as iron, zircon, corundum, chrome spinels, rutile, and staurolite—should generally be avoided in glassmaking because they do not melt at standard glass-making temperatures. This leads to solid inclusions or defects ("stones") in the final glass. Limits on RHM are typically based on their size and amount, with particles larger than 0.25 mm (10 mesh) being the most problematic. These may be restricted by weight percentage or particle count.

## About VRX Silica Limited

**VRX Silica Limited (ASX: VRX)** is the most advanced pureplay silica sand company listed on the ASX, developing its 100% owned silica sand projects at Arrowsmith (North, Brand and Central), Muchea and Boyatup in Western Australia.

Silica sand is the most used commodity on the planet after air and water. It is the main ingredient in foundry casting and in all types of glassmaking, including specialty solar panel and high-tech glass. It is a finite resource that is running out, with the Asia-Pacific region experiencing an ever-growing supply shortfall that will drive up prices in the long term.

VRX has significant Resources to underpin very long-life silica sand projects.

Arrowsmith is located 270km north of Perth. Arrowsmith North boasts a minimum 25-year mine life capable of producing more than 2Mt tonnes per year of high-grade (99.7% SiO<sub>2</sub>)\* silica sand for export to the foundry, container glass and flat glass markets in Asia, with permitting well advanced, and will lead production.

Muchea, located 50km north of Perth, is an ultra-high-grade (99.9% SiO<sub>2</sub>)\* silica sand project capable of producing sand required for ultra-clear glass for solar panels and other high-tech glass applications.

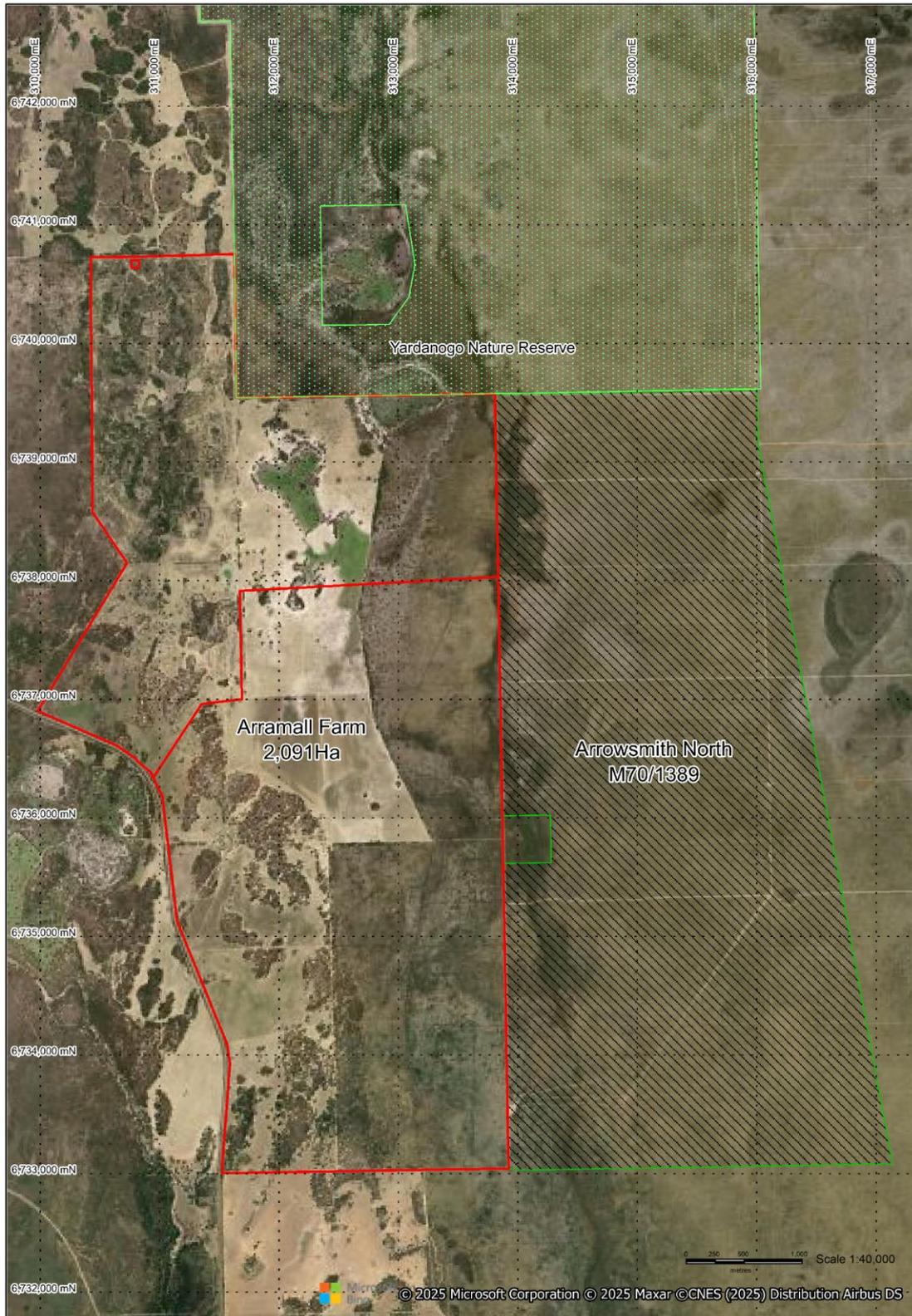
Boyatup, located 100km east of Esperance, is under development and capable of producing sand for the glass market.



\*Information relating to grades are extracted from releases to ASX on 28 August 2019 and 11 November 2022 (Arrowsmith North) and 18 October 2019 (Muchea). The company is not aware of any new information or data that materially affects this information.

## Appendix A

### Arramall and Arrowsmith North Site Location



## Appendix B

### Arrowsmith North Ore Reserves and Grades

Project	Classification	Product	Mt	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	TiO <sub>2</sub> %	LOI %	
Arrowsmith North	Proved	AFS20	0.8	99.5	0.25	0.07	0.05	0.1	
		AFS35	3.9	99.5	0.5	0.06	0.05	0.1	
		AFS55	2.7	99.2	0.5	0.1	0.05	0.1	
		Local	1.8						
	<b>Proved Ore Reserve</b>			<b>9.2</b>	<b>Million Tonnes</b>				
	Probable	AFS20	24.2	99.5	0.25	0.07	0.05	0.1	
		AFS35	102.5	99.5	0.5	0.06	0.05	0.1	
		AFS55	51.1	99.2	0.5	0.1	0.05	0.1	
		Local	34.1						
	<b>Probable Ore Reserve</b>			<b>212</b>	<b>Million Tonnes</b>				
<b>Total Ore Reserves</b>			<b>221</b>	<b>Million Tonnes</b>					

#### Compliance Statement – Ore Reserves and Grades

The information in this document that relates to the estimation and reporting of the Ore Reserves for the Arrowsmith North silica sand project is extracted from releases to ASX on 28 August 2019, 11 November 2022 and 6 March 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and all material assumptions and technical parameters underpinning the estimates in those releases continue to apply and have not materially changed.

#### Compliance Statement – Production Target

The information in this document that relates to the Company's production target for the Arrowsmith North silica sand project is extracted from releases to ASX on 6 March 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in this document and all material assumptions underpinning the production target continue to apply and have not materially changed.

The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the relevant original market announcements.