ASX Announcement

23 June 2026

State Government Confirms Support for Land Swap Proposal at Muchea

Highlights:

- **WA State Government confirms support for VRX land swap proposal at Muchea**
- **Substantially increases tonnage of very high-grade silica sand for mining at Muchea over an area with lower environmental impact**
- **Secures Muchea's status as an extensive, long-life, and world-class mineral resource project with 208Mt at 99.6% SiO_2 for production of high-purity silica sand products**
- **Supports potential for establishing a specialist ultra-clear glassmaking industry and other high value downstream industries in Western Australia**
- **Potential for State Government priority project status to fast-track regulatory approvals**

VRX Silica Limited (**VRX** or **Company**) (ASX: VRX) is pleased to announce that the Western Australian State Government has confirmed its support for VRX's land swap proposal (**Proposal**) at its Muchea Silica Sand Project (**Muchea Project**) located 50km north of Perth, WA.

The Proposal substantially increases the volume of high-grade silica sand accessible for mining over an area with lower environmental impact and secures the Muchea Project's status as an extensive, long-life, and world-class silica sand project.

VRX CEO, Tony Swiericzuk commented:

"We are delighted that the Western Australian State Government has formally confirmed its support for VRX's land swap proposal at our world class Muchea silica sand project.

This decision provides certainty for VRX at Muchea, allowing access to areas with substantially greater volume of very high grade silica sand than currently available under our granted mining lease. It also allows us to select areas for mining with a lower environmental impact.

ASX: VRX

Capital Structure

Shares on Issue:
779 million

Options on issue:
43.4 million

Corporate Directory

Paul Boyatzis
Non-Executive Chairman

Bruce Maluish
Managing Director

Tony Swiericzuk
Chief Executive Officer

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.*

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

"With a mineral resource of very high-grade silica sand in excess 200Mt, Muchea is a world class silica sand project and will be of long-term benefit for Western Australia, including the potential for establishing a specialist ultra-clear glassmaking industry and other high value downstream industries.

"The clarity delivered by this decision allows VRX to proceed with the development of Muchea in earnest, including undertaking additional work required to submit referrals for environmental, mining and other regulatory approvals for the project as well updating the 2019 BFS.

"I wish to thank the State Government for formally recognising the significance of VRX's Muchea project and, in particular, acknowledge the Hon Premier Roger Cook MLA and Minister for Mines and Petroleum the Hon David Michael MLA for their ongoing support to VRX."

Background

The Muchea Project contains a JORC-compliant total Mineral Resource estimated at 208 Mt of silica sand at a grade of 99.6% SiO_2. It is a globally significant, very high-grade resource of silica sand suitable for the development of high-quality silica sand products, with a focus on the key raw material to produce ultra-clear glass required for the manufacture of solar panels.

The project has been included in Austrade's Australian Critical Minerals Prospectus since 2022, demonstrating the Federal Government's recognition of silicon and silica sand as critical minerals and the importance of the Muchea Project in this regard.

A substantial portion of the mineral resource at the project sits within the area of File Notatation Area (**FNA**) 17231 (*Proposed Conservation Reserves and Other Lands of Interest Pending Suitability Assessment for Conservation, Restoration and/or Offsets. Proposals Inconsistent with Conservation Land Use May Be Subject to Review*).

FNAs are an indication of areas where additional considerations or limitations may apply to land use, such as areas where the State Government has proposed or is considering some change of land tenure for possible implementation and/or areas of some sensitivity to activities by the mining industry that warrant the imposition of specific tenement conditions.

The project area was impacted by the former *Perth-Peel Green Growth Plan* or PPGGP (also known as the *Strategic Assessment of the Perth & Peel Region* or SAPPR). Both the PPGGP and SAPPR were discontinued by the State Government in December 2022, with the Government instead prioritising regional planning. Despite this, FNA 17231 remains over part of the project area, thereby restricting mining activity in the area.

VRX was granted a partial mining lease at the Muchea Project (being M70/1390), which is only approximately one-third of the area applied for with the balance sitting within the FNA (albeit representing a very small proportion of the overall FNA area). In 2022, the Company applied for a new mining lease (M70/1414) over the area not granted under the original application in contemplation of both the PPGGP and SAPPR being discontinued. That mining lease application has not yet been granted.

The Proposal

Following ongoing consultation with the State Government, VRX submitted a proposal for the Company to apply for a replacement mining lease over an area that straddles parts of the project area within both the existing mining lease and the FNA area. An illustration of the Proposal is contained in figure 1 below. The Proposal is to be facilitated by way of a land swap of ground within the FNA area for ground currently held within the existing mining lease area.

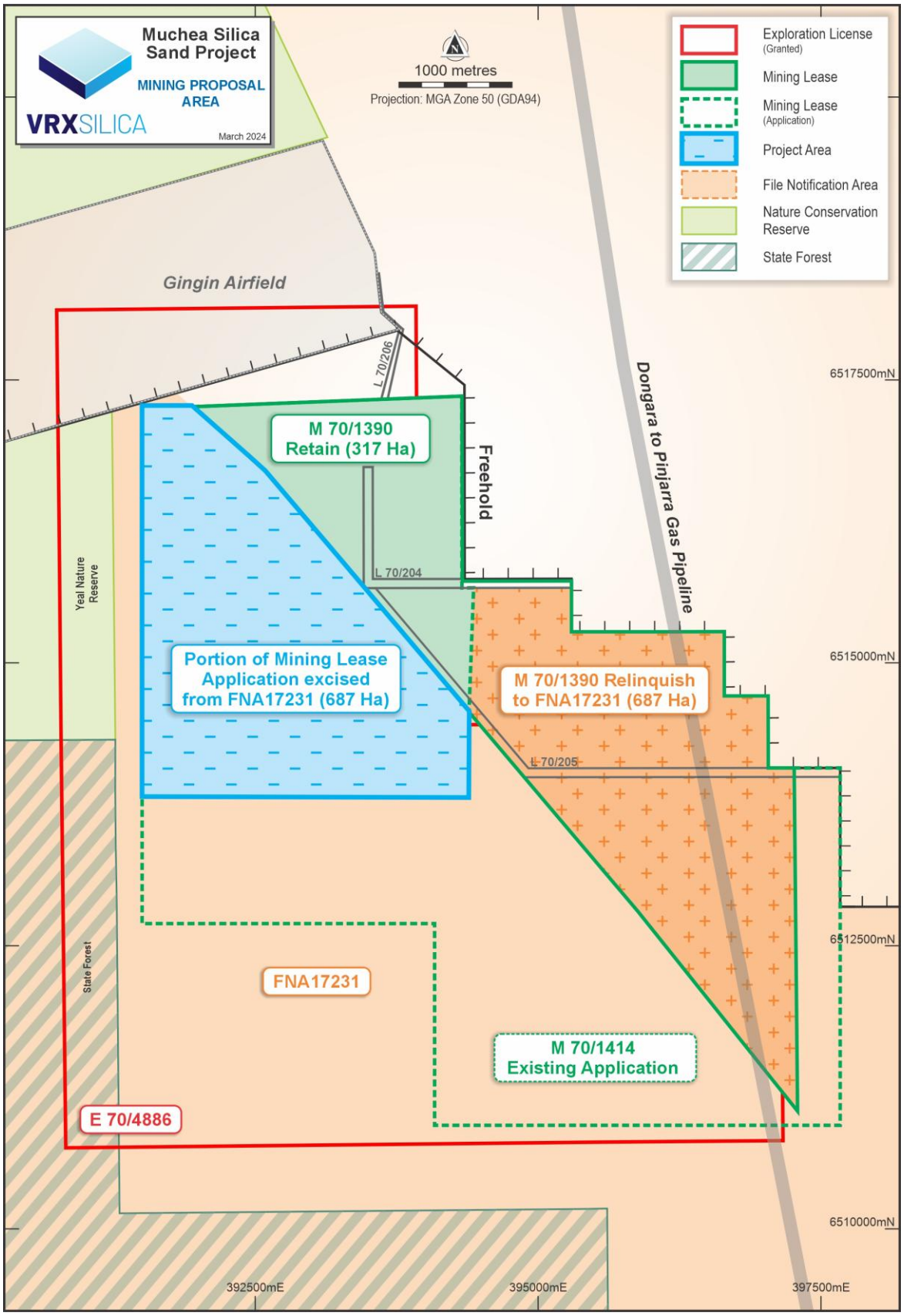

Figure 1: Illustration of land swap proposal

The key features of this are:

- Exploration activities conducted to-date over the Muchea Project have identified a resource with high prospectivity of a significantly greater tonnage of high-grade silica sand in the *new* project area which is necessary to support an industry for the manufacture of solar panels and other downstream industries.
- The Muchea Project is the only silica sand deposit within Australia that hosts the required attributes to support the production of ultra-clear glass for solar panels with access to two gas pipelines and has the capacity to support numerous other downstream manufacturing industries over the long term. Production of ultra-clear glass has the potential to contribute a significant strategic economic advantage to Western Australia with a new manufacturing industry based on the project's resources, increased employment and utilising domestic gas reserves.
- The area is a topographic high which will enable mining to easily maintain the Department of Water and Environmental Regulation requirement for mining to be at least 3 metres above the year 2000 groundwater level. The project will not impact local water resources.
- The conservation value of land to be held by the State will be enhanced by the proposed land swap by maintaining Black-Cockatoo breeding and roosting habitats outside the proposed mining lease area, with minimal impact on foraging value, and increasing the area of land set aside for conservation.
- Previous Aboriginal Cultural Heritage surveys conducted over the project area have not identified any areas of cultural or heritage significance.

Following grant of the replacement mining lease the Company will relinquish the existing granted mining lease and withdraw the current mining lease application. The relinquished mining lease will make available 818 Ha from the existing lease area which, once relinquished, is expected to be incorporated into the FNA area. The new replacement mining lease is proposed over a smaller area, being 712 Ha of land currently in the FNA area.

Figure 2 below shows a schematic profile of the Muchea Project area and the significant impact of the FNA on tonnages. The bulk of the estimated 208 million tonnes aggregate resource lies within the FNA area as illustrated by this diagram.

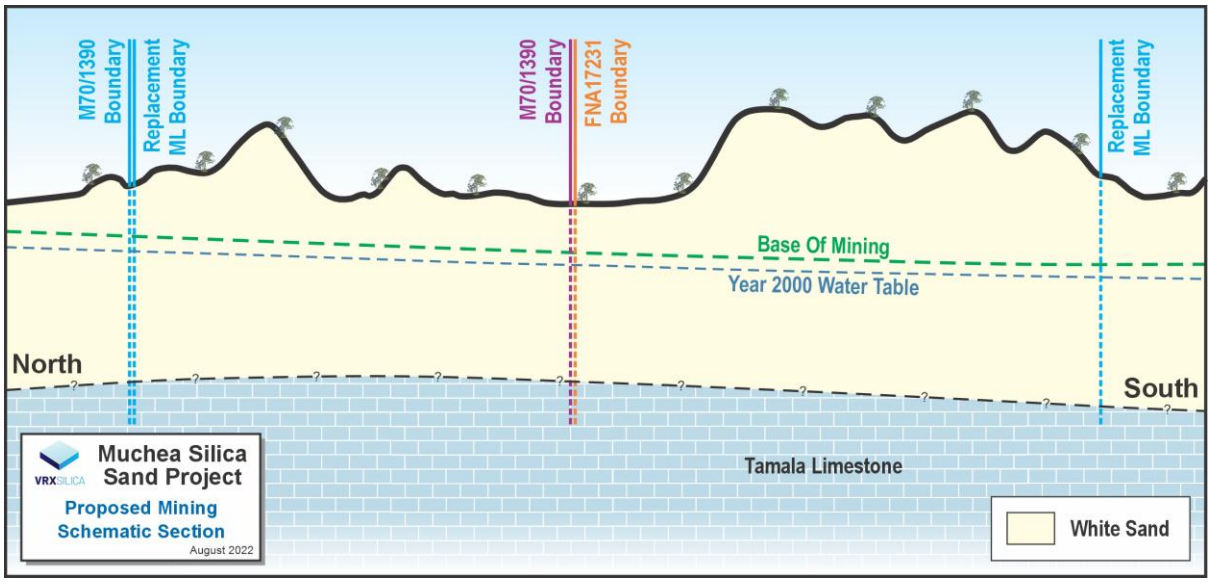

Figure 2: Schematic profile of existing mining lease and replacement lease land areas, and impact of FNA

Downstream Processing Opportunities

Western Australia has the highest potential of any Australian jurisdiction to initiate manufacturing of the required glass used in solar panels as it has numerous economic advantages compared with other States, including a domestic gas reservation policy, proximity to transport corridors, significant resources of silica, lime, dolomite, and potential production of soda ash (all of which are required to manufacture glass) and a skilled workforce.

This underpins potential for establishing a specialist ultra-clear glassmaking industry and other high value downstream industries in Western Australia. The Muchea Project hosts the required attributes to support the production of ultra-clear glass for solar panels and has the capacity to support numerous other downstream manufacturing industries over the long term.

Production of ultra-clear glass has the potential to contribute a significant strategic economic advantage to Western Australia with a new manufacturing industry based on the project's resources, increased employment and utilising domestic gas reserves. Also, a significant number of jobs and employment opportunities would be created for the Western Australian economy.

In addition, VRX has extended its silica test work program to determine further downstream economic production of specialised silica flour and silica powder. These are products that are essential for the manufacturing of LCDs, pharmaceutical glass, epoxy moulding compound (EMC) encapsulant (for solar panels), high tensile fibreglass yarn (for wind turbine blade covers), thermal protection blades (for industrial scale batteries), cristobalite (road marking paint), quartz crucibles (for manufacture of solar panel poly silicon ingots), gorilla glass (for mobile phone glass), and semi-conductors.

The Muchea Project supports the delivery of economic benefits aligned with the State Government's priorities for 2025-2029 and its *Made in WA* plan and, accordingly, potentially may qualify for State Government priority project status that fast-tracks strategic assessments, streamlines government approvals, and reduces duplication.

Next Steps

The Company is now in discussions with the Department of Mines, Petroleum and Exploration on the formal steps required and timing to implement the Proposal.

A number of baseline environmental surveys have been conducted over the Muchea Project area and these are in the process of being reviewed to support targeted surveys ahead of submission of referrals for environmental, mining and other regulatory approvals for the project, planned for Q1CY27.

The Company will also update the 2019 bankable feasibility study for the Muchea Project, which is anticipated for release in Q1CY27.

This announcement has been approved for release by the Board of Directors.

Further information:

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Combined 1.4Bn tonne Mineral Resource

Table 1 Mineral Resource Statement (as at 31 December 2025)

Project	Classification	Mt	SiO_2 %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %	LOI %
Muchea	Indicated	29	99.6	0.1	0.03	0.1	0.2
	Inferred	179	99.6	0.1	0.02	0.1	0.2
	Total	208	99.6	0.1	0.02	0.1	0.2
Arrowsmith North	Measured	10	95.9	1.9	0.7	0.3	0.7
	Indicated	237	97.7	1.0	0.4	0.2	0.5
	Inferred	266	98.4	0.7	0.3	0.2	0.4
	Total	513	98.0	0.9	0.3	0.2	0.4
Arrowsmith Brand	Inferred	523	97.3	1.4	0.4	0.2	0.6
	Total	523	97.3	1.4	0.4	0.2	0.6
Arrowsmith Central	Indicated	28.2	96.6	1.7	0.4	0.2	0.7
	Inferred	48.3	96.9	1.5	0.4	0.2	0.7
	Total	76.5	96.8	1.5	0.4	0.2	0.7
Boyatup	Inferred	60	97.8	0.8	0.2	0.1	0.9
	Total	60	97.8	0.8	0.2	0.1	0.9
Total Mineral Resource		**1,381 Million Tonnes**					

Table 2 Ore Reserve Statement (as at 31 December 2025)

Project	Classification	Product	Mt	SiO_2 %	Al_2O_3 %	Fe_2O_3 %	TiO_2 %	LOI %
Muchea	Probable	F80	10.2	99.9	0.02	0.008	0.03	0.1
		F80C	4.25					
		F150	4.25	99.8	0.07	0.015	0.035	0.1
Muchea Ore Reserve			**18.7**	**Million Tonnes**				
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					
	Proved Ore Reserve		**9.2**	**Million Tonnes**				
	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					
	Probable Ore Reserve		**212**	**Million Tonnes**				
Arrowsmith North Ore Reserve			**221**	**Million Tonnes**				
Arrowsmith Central	Probable	CF400	4.2	99.6	0.25	0.04	0.03	0.1
		C20	8.4					
		C40	4.2					
		High TiO_2	2.2			<1%	2%	
Arrowsmith Central Ore Reserve			**18.9**	**Million Tonnes**				
Total Ore Reserve			**259**	**Million Tonnes**				

Compliance Statement

The information in this document that relates to the estimation and reporting of the Mineral Resource and Ore Reserves for the Company's silica sand projects is extracted from releases to ASX on 27 May 2026 (Arrowsmith North), 17 September 2019 (Arrowsmith Central), 9 May 2023 (Arrowsmith Brand), 18 October 2019 (Muchea) and Boyatup (18 August 2022).

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 continue to apply and have not materially changed.

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

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_2)* silica sand for export to the foundry, container glass and flat glass markets in Asia, with first production planned for late 2027.

Muchea, located 50km north of Perth, is a very high-grade (99.9% SiO_2)* 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 27 May 2026 (Arrowsmith North) and 18 October 2019 (Muchea). The Company is not aware of any new information or data that materially affects this information.