

**TRIAL SHIPMENT OF SILICA SAND PRODUCT ASQ-GWW1
DISPATCHED TO CHINA**

- 20 tonne trial shipment of silica sand product ASQ-GWW1 shipped by sea container to Shanghai, China from Fremantle on the 1st of April
- Sand purchased by customer on FOB basis at a profitable rate
- Trial shipment expected to be major step in securing ongoing bulk offtake



Fig 1: Bagged ASQ-GWW1 is loaded into a sea container for shipment to China



Fig 2: The loaded sea container is transported to Fremantle Port for export

3 APRIL 2020



**ASX Code: ASQ
AUSTRALIAN SILICA QUARTZ
GROUP LTD**

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In January 2019 Australian Silica Quartz Group Limited (“**The Company**”) executed a binding terms sheet (“**Term Sheet**”) through its wholly owned subsidiary Australian Silica Quartz Pty Ltd (“**ASQ**”) with Urban Resources Pty Ltd (“**Urban**”) to jointly exploit Urban’s Silica Sand deposit located in Bullsbrook, Western Australia (refer to the Company’s ASX release dated 21 January 2019: *Updated Silica Sand Term Sheet*).

A JORC 2012 Inferred Mineral Resource of 10.7 million tonnes @ 99.8% SiO₂ was completed in early 2019 on the raw sand at the Bullsbrook tenement M70/326 (refer to the Company’s ASX release dated 23 April 2019: *Marella Road Silica Sand Deposit Maiden Resource*).

The Company have developed specifications for two silica sand products (ASQ-GWW1 and ASQ-GWSC1), both suitable for export and use in the glass manufacturing, foundry, coatings and electronics industries. (refer to the Company’s ASX release dated 29 January 2019: *Spiral and classifier test work results for the M70/326 silica sand products*).

ASQ-GWW1 is a washed sand product that is presently available in stockpiles produced by the existing Urban washing plant.

ASQ-GWSC1 is a higher-grade product that can be produced following an upgrade of the washing plant to include spiral and classification circuits.

The company have been in negotiation with this Chinese based customer for some time. The customer has received and assessed small samples of the sand products with pricing and terms agreed to in principle.

On the 1 April 2020 a 20 foot sea container with 20 tonnes of bagged ASQ-GWW1 was loaded onto a ship at Fremantle port bound for Shanghai China. The Company has received payment in advance for this trial shipment. The price was agreed on an FOB basis with the sand sold at a premium to the expected bulk sand price to cover the additional costs of bagging and loading into a container.

The sand price, the identity of the customer and the end use of the sand are considered to be commercially sensitive and confidential.

It is the Company’s expectation that once the customer has received and approved the trial shipment, a contract for an initial bulk shipment will be executed.

The company welcomed the opportunity to gain experience in exporting containerised sand as high levels of enquiries for both bulk and containerised shipment continue to be received despite the current slowdown in global business activity due to the COVID-19 virus outbreak.

ASQ-GWW1 – Chemistry Specification

Al	Al ₂ O ₃	Ti	TiO ₂	Fe	Fe ₂ O ₃	SiO ₂ + LOI
112 ppm	0.0212 %	343 ppm	0.0527 %	138 ppm	0.0197 %	99.9 %

ASQ-GWSC1 – Chemistry Specification

Al	Al ₂ O ₃	Ti	TiO ₂	Fe	Fe ₂ O ₃	LOI ₁₀₀₀ ^o c	SiO ₂ + LOI
98 ppm	0.0186 %	166 ppm	0.0277 %	60 ppm	0.009 %	0.08 %	99.94 %

This Announcement has been authorised by the board.

For further information regarding Australian Silica Quartz Group Limited, please visit www.asqg.com.au or contact:

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Competent persons statement

The information in this document that relates to mineral resources is based on data collected under the supervision of Mr Nick Algie, in his capacity as Exploration Manager for Australian Silica Quartz Group Limited. Mr Algie is a registered member of the Australian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience that is relevant to the type of deposit and style of mineralisation under consideration to qualify as a competent person under the 2012 edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Algie consents to the inclusion of the data in the form and context in which it appears.

Forward Looking Statements

This report may include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, or other similar words and may include, without limitation, statements regarding plans, strategies, and objectives of management. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from anticipated results, performance or achievements. Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.