



2 May 2017

ASX ANNOUNCEMENT

Remuneration arrangements for New Chief Executive Officer

Variscan Mines Limited (**Variscan** or the **Company**) refers to its announcement earlier today of the appointment of Mr Stewart Dickson as Chief Executive Officer (CEO) of the Company.

Variscan advises that the main terms agreed for Mr Dickson's remuneration package are as follows:

- (a) Annual fee of £172,500 plus VAT
- (b) Short term incentive of £25,000 (in aggregate) on the achievement of agreed Key Performance Indicators (KPI's) for the 2017 calendar year.
- (c) Long term Incentive of the issue of 10,000,000 share options (or equivalent) at a price to be agreed on the achievement of further agreed KPI's. Any issue of options (or other securities) will be subject to Variscan shareholders' approval.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ivo Polovineo'.

Ivo Polovineo
Company Secretary