



COUFLENS PROJECT UPDATE

The Board of Variscan Mines Limited ("Variscan" or the "Company") (ASX:VAR), notes the announcement made by Apollo Minerals (Apollo") (ASX:AON) stating the passing of resolutions at its EGM of 21 June in connection with the acquisition of an 80% interest in the Couflens tungsten-copper-gold project ("Couflens Project").

As detailed in the Company's announcement on 14 March 2017, Variscan retains a 20% interest and is free-carried until a DFS is completed or total expenditure of €25 million is reached (whichever is less).

Variscan and Apollo hold their respective interests in the Couflens Project via the joint venture company, Mines du Salat ("MdS"). Under the terms of the MdS Shareholder Agreement, Variscan (through its wholly owned French subsidiary, Variscan Mines SAS) is working to transfer the Couflens PER to MdS (a condition precedent of Apollo's acquisition of the 80% interest in the Couflens Project).

Stewart Dickson, CEO, said, *"This is a positive step forward in the joint venture over the Couflens Project. We're working hard to progress the Couflens PER transfer through the appropriate French authorities and note that Apollo expect to complete the acquisition of their interest shortly. We look forward to working with Apollo on this high-quality project"*.

COUFLENS PROJECT HIGHLIGHTS

- The Couflens Project covers the Salau mine which was discovered in 1964 by the BRGM (Bureau de Recherches Géologiques et Minières). Les Mines d'Anglade (LMA) operated the mine from April 1971 to November 1986.
- Salau was formerly one of the world's highest grade tungsten mines having produced approximately 930,000 tonnes at 1.5% WO₃.
- Production grades were 2.0 to 2.5% WO₃ in the mines latter years.
- The deposit is recorded to contain significant copper-gold values.
- Former drilling confirmed the continuation of the mineralised system which remains open at depth.
- Substantial expected work programme announced by Apollo.
- Tungsten is an essential industrial metal categorised by the European Union as a "Critical Raw Material".

For further information:

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