



Building a next-generation mineral development and mining company

AGM Presentation - 2017

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This presentation incorporates by reference the ASX announcement relating to the Porte-aux-Moines Mineral Resource estimation which was released to the market on 20 June 2016. The announcement is available from the Company's website at www.variscan.com.au or from the ASX. It contains the Competent Persons statements and the JORC Table 1 relating to the JORC 2012 Mineral Resource estimation. Variscan confirms that it is not aware of any new information or data that materially affects the information included in the announcement and that all material assumptions and technical parameters underpinning the resource estimate continue to apply and have not materially changed.

The information in this presentation that relates to Exploration Results is based on information compiled by Greg Jones, BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Jones is a Director of Variscan Mines Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jones consents to the inclusion in this report of the information compiled by him in the form and context in which it appears.

Delivery in 2017

2017 – Progress

- **Attractive Asset Portfolio:**
 - 7x advanced exploration & development projects in France
 - Published Independent Technical Assessment Report
 - **Merléac: High quality Zinc development project** (2.2Mt @ ~13% Zn Eq)
 - Lack of political clarity delayed proposed drilling
 - Extensive engagement with French authorities & stakeholders
 - Field work suspended – working to unlock the situation & will preserve and enhance value where possible
 - **Couflens: Former Tungsten mine - Potential to be the next French mine**
 - JV with Apollo Minerals (AON:ASX) declared unconditional
 - Licence transfer underway
 - Review of significant historical database related to the high grade Salau tungsten mine
 - Considerable exploration potential for tungsten-copper-gold within the Couflens licence area
 - **St Pierre: Prospective Gold project around former La Bellière gold mine**
 - Focus of fieldwork during 2016 and 2017
 - Completed diamond drilling and reverse circulation programme
 - Some promising intercepts but further work required to advance geological understanding
 - **Corporate**
 - Leadership changes in Australia & France
 - Sale of non-core investments to raise non-dilutive capital
 - Well positioned for dual-listing on LSE at appropriate time
 - Identification of new opportunities outside of France to mitigate operational delays and re-balance sovereign exposure well advanced
-

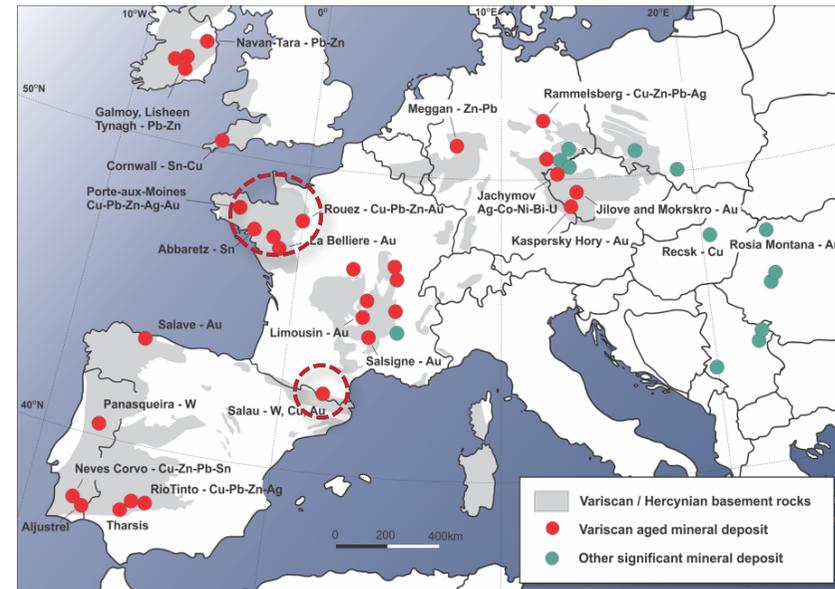
Company Overview

Overview

- Ambitious exploration & development mineral company
- Focus on:
 - High-grade Zinc deposit at Merléac (2.2Mt @ 13% Zn Eq)
 - High-grade WO₃ Couflens project (free-carried)
- Further value:
 - Portfolio of advanced exploration & development projects in France
 - Significant investment in ASX listed Thompson Resources
- Corporate transition from project generation to project development
- Identification of new opportunities outside of France - selectively pursuing other development opportunities in low risk regions which are undervalued
- Capital discipline and resource allocation to support value creation

Source: Company

Located in the heart of Europe



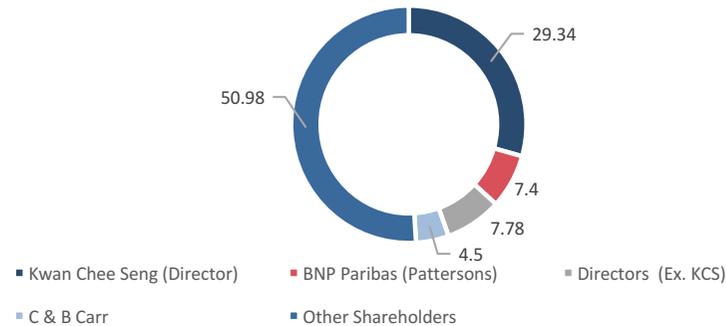
- The projects are hosted by the right geology...
- ...in the right locations

Source: Company

Demonstrable progress in building a next-generation mineral development and mining company

Corporate & Capital Structure

Shareholder Ownership (%)



Source: Company; Boardroom

Capital Structure

Number of Shares in issue	674,088,999
Share Price	A\$0.007
Market Capitalisation	A\$4.7m
Cash	A\$0.5m
Debt	Nil

Source: Bloomberg

Share Price Performance YTD 2017



Source: Financial Times

Options

- Listed Options
 - Nil
- Unlisted Options
 - 15,650,000 with an exercise price of A\$0.07
Expiry 4 December 2017
 - 12,450,000 with an exercise price of A\$0.05
Expiry 3 December 2018
 - 29,347,830 with an exercise price of A\$0.05
Expiry date 29 January 2018

Source: Company

- Pricing data as 20 October 2017
- Cash as at 30 September 2017

Board of Directors

 <p>Patrick Elliott</p>	<p>Non-Executive Chairman</p>	<ul style="list-style-type: none"> 35+ years experience in investment and corporate management. Previous experience: Consolidated Gold Fields Australia Limited, Head of Corporate Finance for Morgan Grenfell Australia, MD of Natcorp Current Chairman of Argonaut Resources NL (ASX), Cap-XX Limited (AIM) and Tamboran Resources (private) Non-Executive Director of Global Geoscience Limited (ASX), Kirrama Resources (private) and various privately owned companies.
 <p>Stewart Dickson</p>	<p>Chief Executive Officer</p>	<ul style="list-style-type: none"> 10+years investment banking experience. Most recently, Managing Director and Head of Metals & Mining at Cantor Fitzgerald Europe, based in London. Former British Army officer Non-Executive Director of Trans-Siberian Gold plc (TSG.LN) MBA from Henley Business School
 <p>Greg Jones</p>	<p>Executive Technical Director</p>	<ul style="list-style-type: none"> Geologist. 30+ years of exploration and operational experience Held senior positions in Western Mining Corporation and Sino Gold Mining Limited. Awarded the Institute Medal for academic excellence whilst at the University of Technology, Sydney UTS Credited with economic discoveries including the Blair nickel and the Orion gold deposits in Western Australia. Director of Eastern Iron Limited, Silver City Minerals Limited, Thomson Resources Ltd* and Moly Mines Limited
 <p>Dr. Jack Testard</p>	<p>Executive Director</p>	<ul style="list-style-type: none"> French geologist. 40+ years of experience in Europe, Africa, CIS countries, Turkey, Saudi Arabia and Guyana Formerly Head of the Minerals Resources Division of the BRGM (Bureau de Recherches Géologiques et Minières - the French Geological Survey), President of GIP GEODERIS and Manager of the Ovacik gold mine in Turkey President of Variscan Mines SAS, the wholly owned French subsidiary of Variscan Mines Limited Current President of the French Chamber of Mines, Treasurer of the Federation of Minerals and Non Ferrous Metals (FEDEM) and a Director of the Société de l'Industrie Minérale (SIM)
 <p>Kwan Chee Seng</p>	<p>Non-Executive Director</p>	<ul style="list-style-type: none"> Successful entrepreneur and investor (29% shareholder in VAR) Holds investments in the renewable sustainable energy, base metal resources and the biotechnology businesses Executive Director of private equity firm, Luminor Capital
 <p>Dr. Foo Fatt Kah</p>	<p>Non-Executive Director</p>	<ul style="list-style-type: none"> 20+ years experience in the investment banking, fund management and advisory businesses spanning Europe and Asia. Previously Head of Asian Equities and Co-Head of the Investment Bank for SG Securities Asia, Executive Director of CyberVillage Holdings Ltd Currently Managing Director of private equity firm, Luminor Capital and Lead Independent Director of PEC Ltd. Qualified in Medicine (MB, BCh BAO) and holds MBA from the Queen's University, United Kingdom
 <p>Mike Moore</p>	<p>Non-Executive Director</p>	<ul style="list-style-type: none"> 15+ years operational and executive management experience in Australia, West Africa and France. Previously held senior and executive management roles at Rock Australia Mining & Civil Pty Ltd, Carnegie Minerals PLC and Montezuma Mining Previously been a director of Carnegie Minerals Gambia Ltd and Cordier Mines SAS (France). Qualified Mining engineer from the Camborne School of Mines

▪ • Company in which Variscan has material investments

Investment Case

Compelling value drivers

Equity is undervalued

- Significant discount to asset value
- Low EV/Resource valuation

Strong shareholders

- Supportive cornerstone investor
- Invested A\$ 6.9m to date
- Directors hold ~37%

Favourable jurisdiction

- G7 / OECD / EU member
- BRGM holds data and core
- 1st mover advantage
- Largest holder of exploration permits
- €0.7m R&D rebates (CIR) for scientific /exploration work
- Proximity to regional and export markets
- Excellent infrastructure & labour

Merléac : High quality Zinc development project

- First quartile grade ~13% Zn Eq
- 2.2Mt @ 6% Zn, 1.3%Pb, 0.8% Cu, 81g/t Ag, 0.9g/t Au
- Strong opportunity to increase resource size
- Rare zinc exposure for equity investors



Experienced Board

- Multi-disciplinary skillset with local and international experience
- Experience in the evaluation, financing and development of mining projects
- Extensive knowledge of managing listed companies in the UK and Australia

Couflens: Next French mine?

- High grade 1-5% - 2.5% WO₃ former mine
- Smart deal making
- 20% interest & JV with Apollo Minerals (AON:ASX)
- €25m free carry to DFS

Attractive Asset Portfolio

- 7 licences in France
- St Pierre – RC Drilling recently completed
- Beaulieu – Former Abbaretz Sn mine – non-JORC resource conversion potential
- Realisation of investments & JVs in Australia add further value

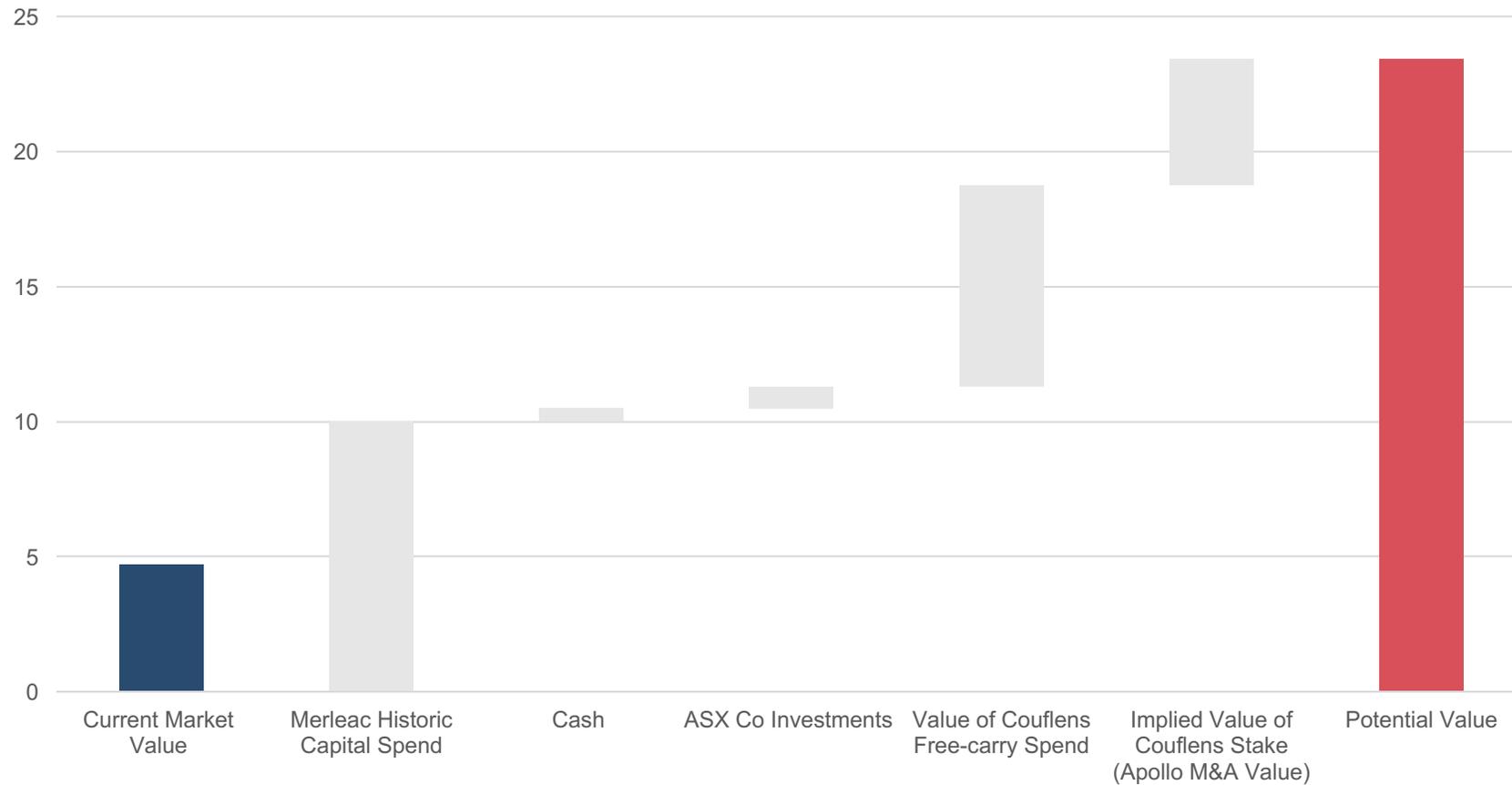
Growth Opportunities

- Mining industry re-shaping presents opportunities
- Will selectively pursue other development opportunities in low risk regions which are undervalued

Undervalued with significant upside – excellent investment entry point

Valuation

Breaking out the value: The replacement cost to replicate Varsican's assets



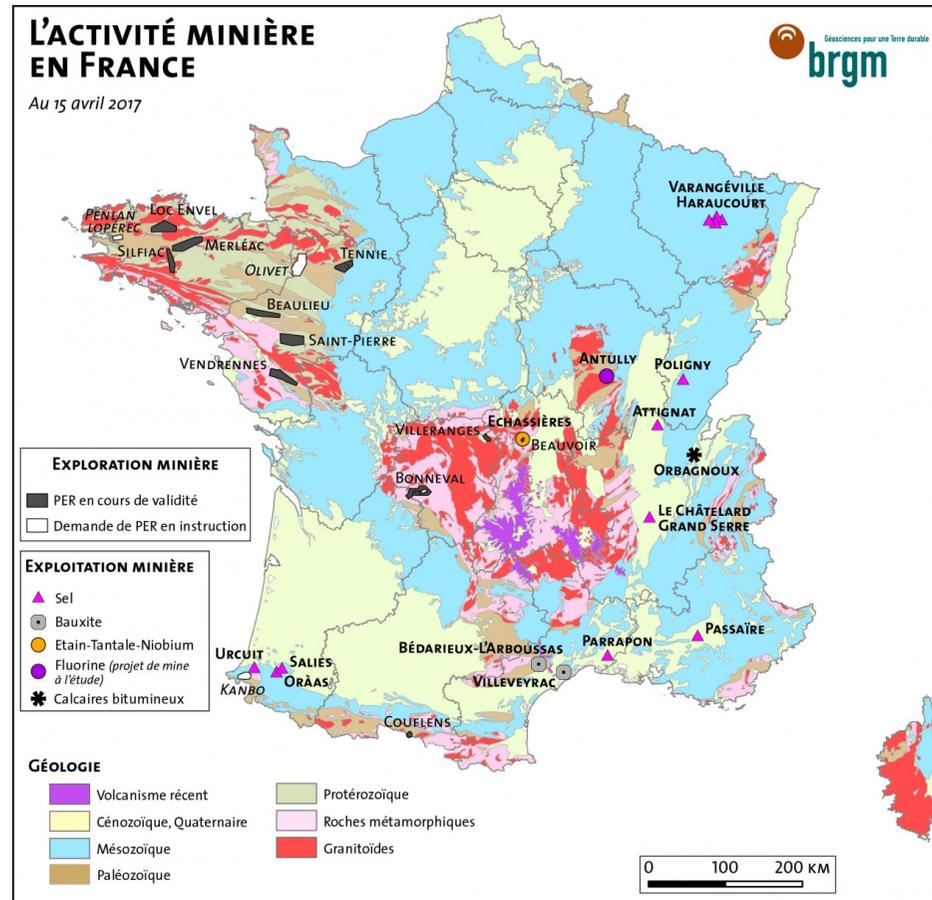
Source: Company estimates, Company announcements

Equity markets haven't fully appreciated the value in the Company

▪ Merleac historic capital spend is an estimate by the Directors of capital spend by BRGM: Bureau de Recherches Géologiques et Minières

Operating in France

Exploration and development activity in France



Source: BRGM

Increasing activity and licence applications

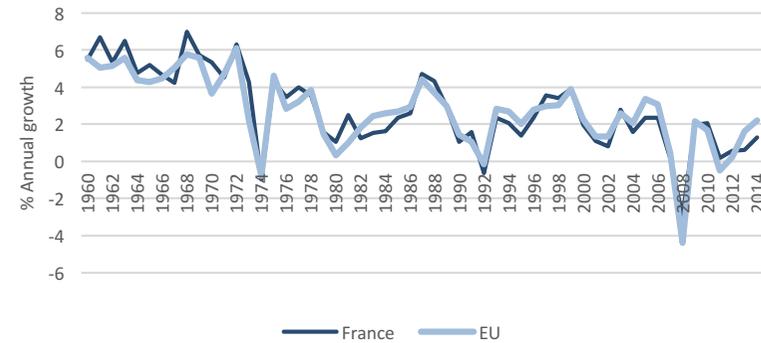
France – Fundamentals

Overview

- Population: 66.5m
- GDP: \$2,419 trillion
- GDP growth: 1.3%
- Inflation: 0.2%
- Currency: € / Euro
- President Emmanuelle Macron elected: 07 May 2017
- Local Parliamentary Elections: 11 & 18 June 2017

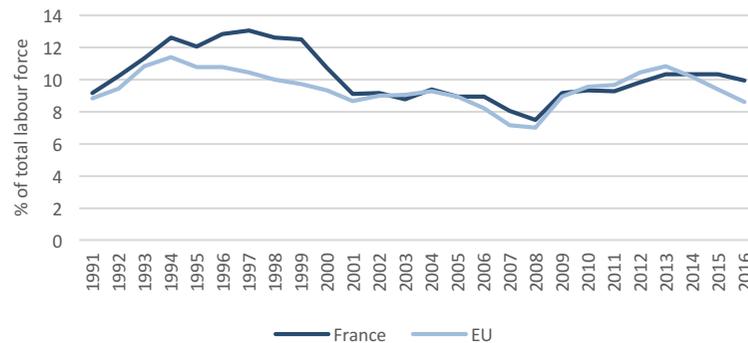
Source: World Bank

GDP Annual Growth



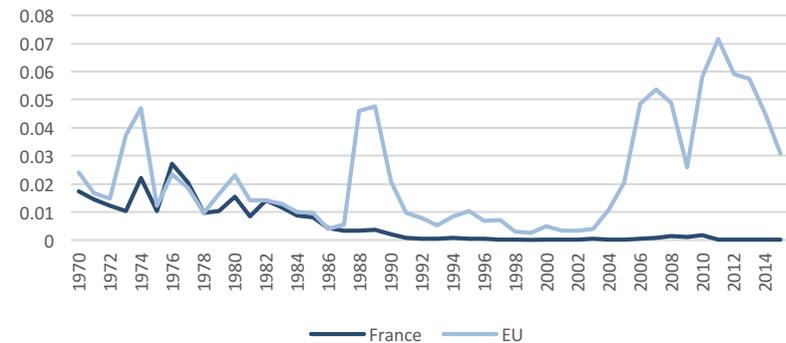
Source: World Bank

Unemployment



Source: ILO, World Bank

Mineral Rents (% of GDP)



Source: World Bank

France is a favourable jurisdiction

Operating in France

Bringing the latest industry technology to France (e.g. VTEM)



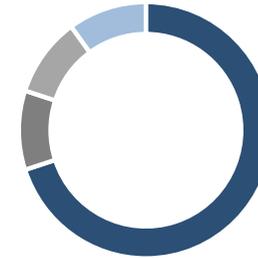
Source: Company

The first company to conduct RC drilling in France



Source: Company

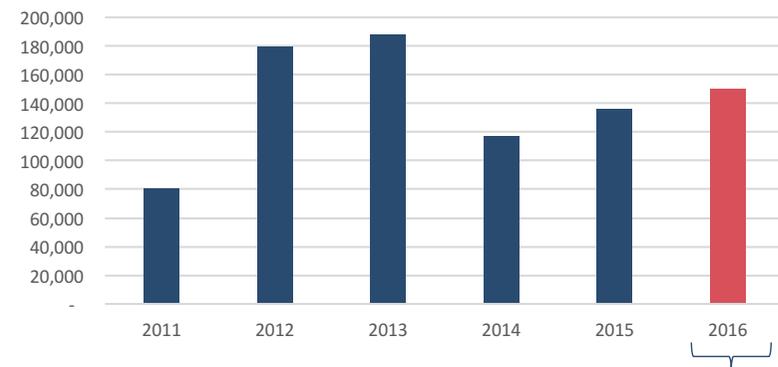
VAR is the largest holder of exploration permits (PER) in France



■ Variscan ■ Immerys ■ La Mancha ■ Montezuma

Source: www.mineralinfo.fr, Company

VAR receives R&D rebates (CIR) for scientific /exploration work



Source: Company

Application pending

Leading the renaissance of the mining industry, developing understanding and transferring skills

- VTEM: Versatile Time Domain Electromagnetic survey
- PER: permis exclusive de recherché

Key Assets

Prioritising our portfolio

Project	Area (kmsq ²)	Metal	Former Mine	High grade exploration results	 BRGM data available	Historical Mineral Resource Estimate	JORC Mineral resource Estimate
Merléac	411	Zn, Pb , Cu, Ag, Au					
Couflens	208	W, Cu, Au					
St Pierre	386	Au					
Beaulieu	278	Sn,W					
Silifac	173	Zn, Pb, Ag, Ge					
Tennie	205	Zn, Pb, Cu, Au					
Loc Envel	336	W, Cu					

Source: Company

Highly focused approach exercising capital discipline

Merléac (100% interest)

Merléac – Overview

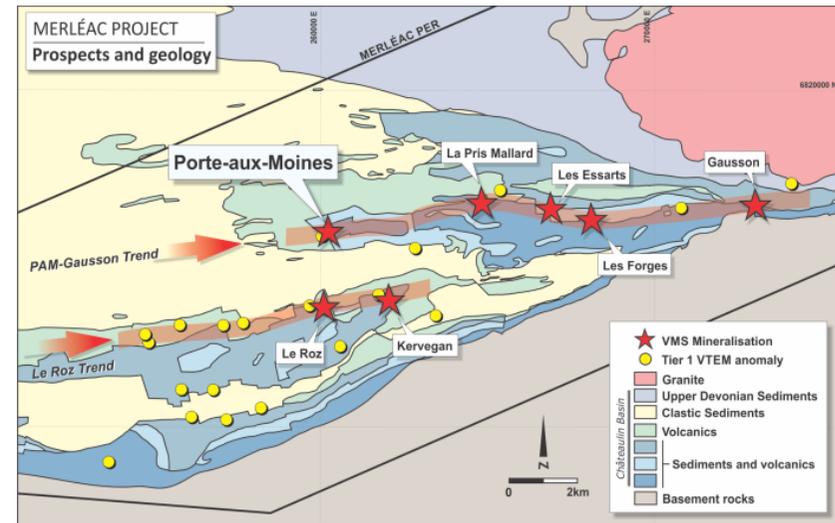
- Licence granted November 2014
- Volcanogenic Massive Sulphide
- Well-defined high grade Zn-Pb-Cu-Ag-Au deposit at **Porte-aux-Moines**
- Access to extensive work by BRGM from 1975 to 1985
 - ~6,843m surface drilling
 - ~2,830m underground drilling
 - ~2km underground development
- JORC Resource: 2.2Mt @ 6% Zn, 1.3%Pb, 0.8% Cu, 81g/t Ag, 0.9g/t Au
- Value of work completed to date estimated to be >A\$10M

Merléac – Field view



Source: Company

Merléac – Exciting Prospects with ore grade drill intersections



Source: Company

Merléac is the highest priority mineral project

Volcanogenic Massive Sulphides

Overview

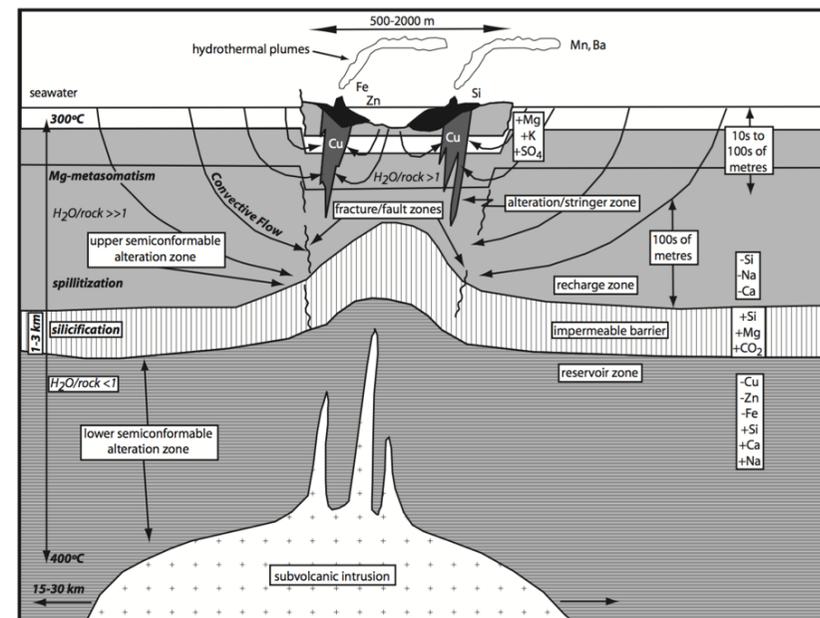
- VMS deposits contributed ~22% of historical global Zn production
- 1000+ significant (>200,000T) VMS deposits globally (USGS database)
- CSA Global consider the sediment-associated continental back-arc setting of the Armorican VMS deposits to be particularly prospective because the average size of this type of VMS deposit (7.1 Mt) is larger than any other. The VMS deposits in the Iberian Pyrite Belt, with which they have been correlated, are amongst the largest in the world.

Sources: Piercy et al (2010); Franklin et al (2005), Competent Person Report

VMS deposits are attractive exploration projects

- Mix of base and precious metals (Zn, Pb, Cu, Ag, Au)
- Limits downside risk to metal price fluctuations
- VMS deposits tend to be large & occur in clusters
- Simple geology and relative ease of targeting and exploration
- Additional discoveries typically follow
- Large, discrete lenses of high grade ore enables cost-effective mining
- Well understood technical characteristics such as metallurgy and concentrate quality

Schematic cross-sectional model of the architecture & genesis of VMS deposits



Source: Piercey et al (2015)

VMS deposit at Merleac has significant mine potential

Merléac – Porte-aux-Moines – JORC Mineral Resource Estimate

JORC (2012) Mineral Resource Estimate

As at 31 May 2016	Tonnes	Zinc %	Lead %	Copper %	Silver g/t	Gold g/t
INDICATED						
Main	291,000	6.1	1.2	0.8	7.65	0.9
HW1	-	0.0	0.0	0.0	0.0	0.0
HW2	-	0.0	0.0	0.0	0.0	0.0
Total	291,000	6.1	1.2	0.8	7.65	0.9
INFERRED						
Main	1,505,000	6.1	1.3	0.9	86.0	0.9
HW1	361,000	5.1	1.3	0.3	61.3	0.8
HW2	44,000	5.4	2.0	0.1	82.3	0.0
Total	1,910,000	5.9	1.3	0.8	81.2	0.9
TOTAL						
Main	1,796,000	6.1	1.3	0.9	84.4	0.9
HW1	361,000	5.1	1.2	0.3	61.3	0.8
HW2	44,000	5.4	2.0	0.1	82.3	0.0
Total	2,201,000	6.0	1.3	0.8	80.6	0.9

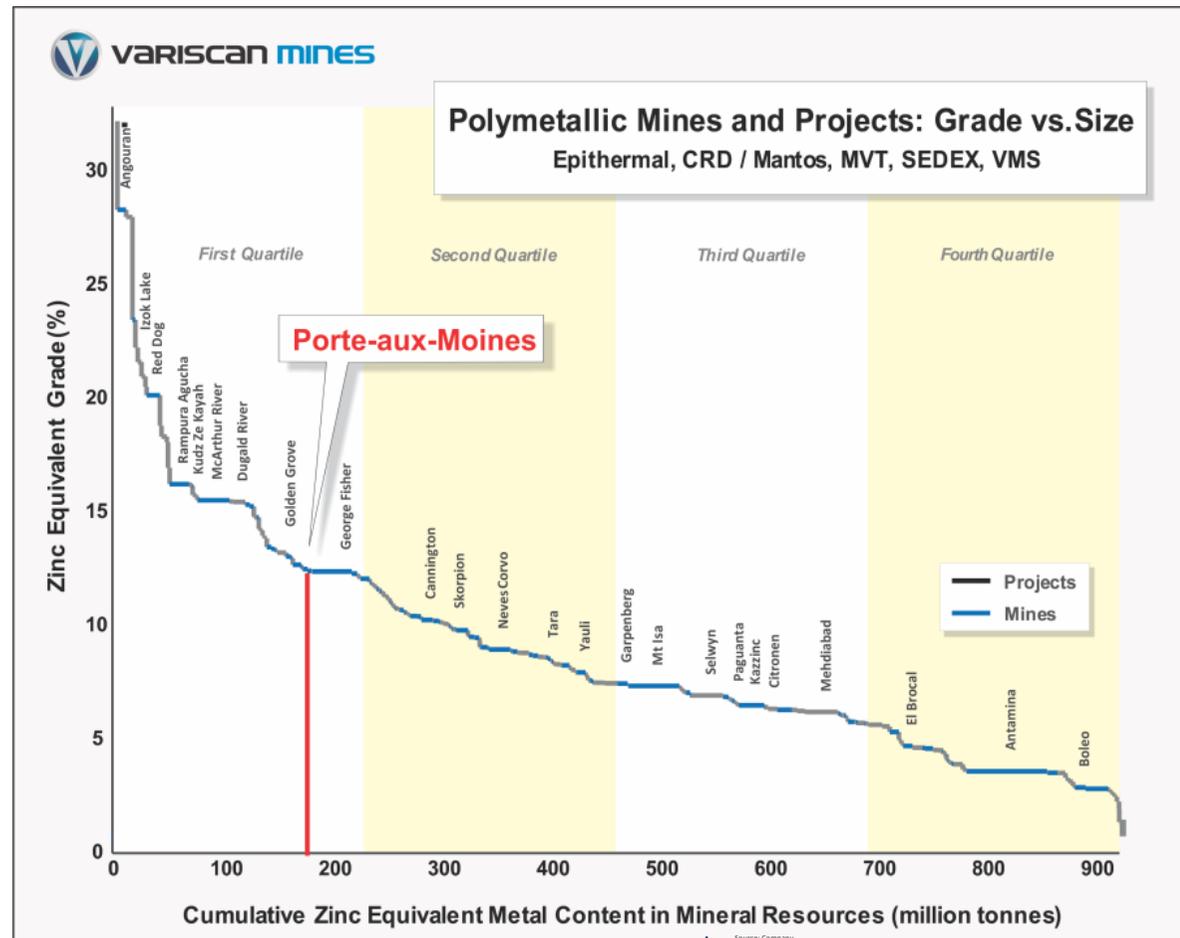
- Announced 06 June 2016
- Confirmed previous BRGM (non- JORC) mineral resource estimate
- CSA Global agrees with the general approach adopted towards estimation and classification of the Mineral Resource and review supports their conclusion that it is appropriate for the data and current level of knowledge about the deposit.
- Conservative estimate using 8% Zn Eq cut-off grade
- Objective to increase size of the resource to 3.5Mt+
- Subsequent feasibility studies

Source: Company, Competent Persons Report

Promising polymetallic resource defined with high-grade Zinc component

Merléac– Porte-aux-Moines – Zinc Rich, High grade Polymetallic VMS Deposit

High grade underpins further development

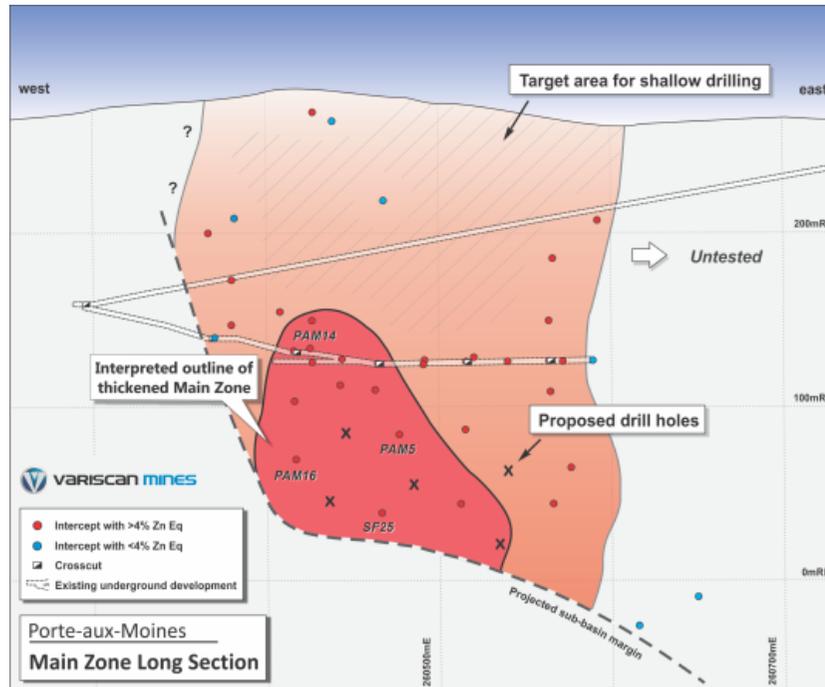


Source: Company

Top Quartile Grade Zinc Deposit

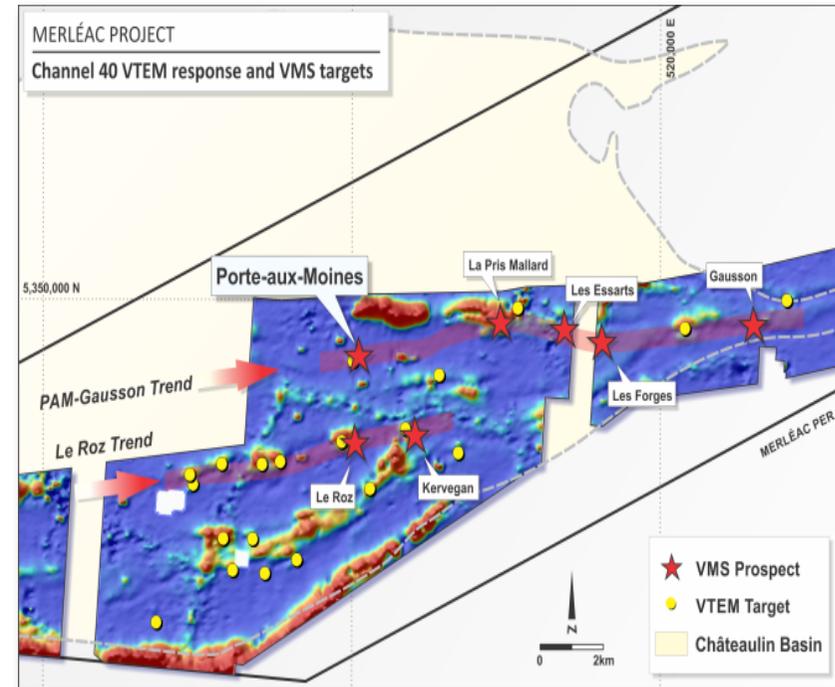
Merléac – Outlook – seeking to increase JORC Resource to 3.5Mt+

Drilling (3x DDH) delayed



Source: Company

Further exploration applied to VMS targets confirmed by VTEM

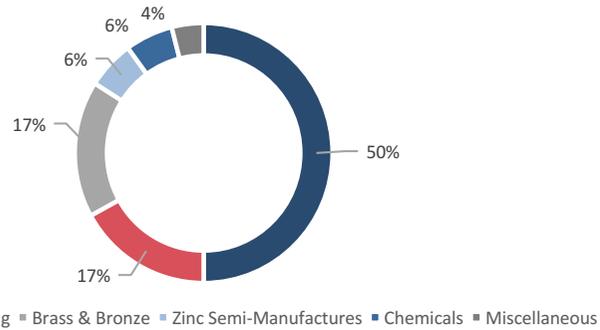


Source: Company

Focus on Resource expansion before commencing feasibility studies

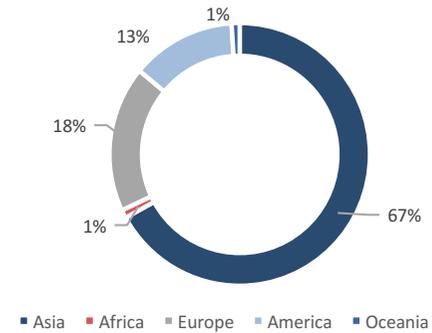
Zinc – Fundamentals

Zinc - End Uses



Source: International Lead & Zinc Study Group

Zinc - Usage by region (2015)



Source: International Lead & Zinc Study Group

World Refined Zinc Supply and Usage (2012 – 2017)

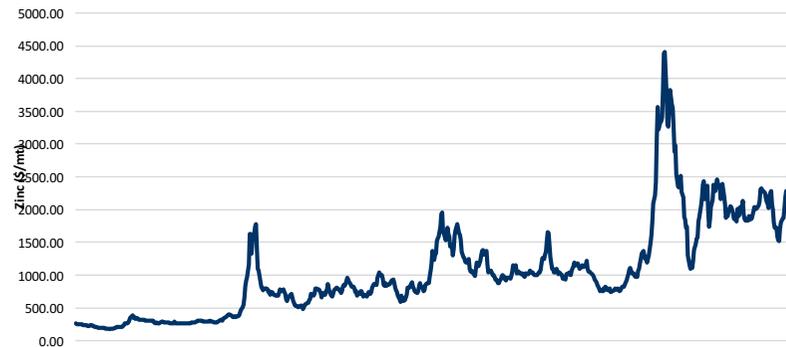
000 tonnes	2012	2013	2014	2015	2016	2016	2017	2016/2017			
						Jan-Feb	Nov	Dec	Jan	Feb	
Mine Production	12892	13045	13499	13581	12848	1926	2200	1107.5	1140.6	1101.8	1097.8
Metal Production	12607	13004	13485	13651	13673	2181	2280	1186.1	1175	1161.2	1118.7
Metal Usage	12378	13160	13735	13462	13885	2137	2282	1204.7	1113.1	1183.5	1098.9

Source: International Lead & Zinc Study Group

Zinc is an essential metal but in short supply

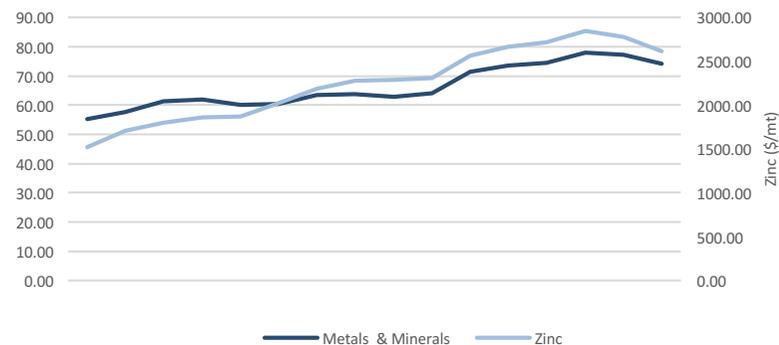
Zinc – Pricing & Outlook

Long Term Pricing (1960-2017)



Source: World Bank

Short Term Pricing (Jan 2016 – Apr 2017) vs. Metals & Minerals Index



Source: World Bank

Outlook & Price Drivers

- 2016: 60%+ price rise
- 2017: price sustained: Median 2017 forecast of \$2,700/mt
- Market expected to remain tight with favourable prices due to:
 - Permanent mine closures
 - Limited investment in new zinc capacity
 - Short term supply reliant on Glencore re-starting suspended production
 - New capacity not expected to enter market until 2018
- **“Zinc remains our preferred commodity. We believe the market has moved into deficit and will remain in deficit throughout our forecast period, drawing inventories down below critical levels and leading to very strong pricing.”**

Source: Bloomberg, RBC Capital Markets

Favourable Zinc pricing environment looks set to continue

Couflens (20% interest)

Couflens – Overview

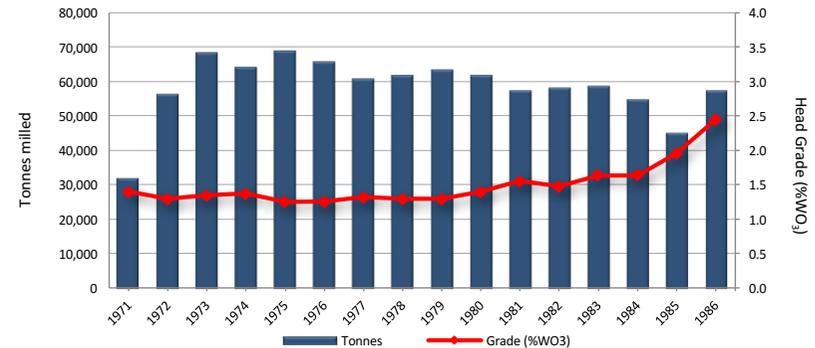
- Licence granted February 2017
- Salau scheelite skarn tungsten deposit discovered in 1960s by BRGM
- Les Mines d’Anglade operated the mine from Apr 1971- Nov 1986
- Mine produced 0.93Mt at 1.5% WO₃ for around 11,500 tonnes of WO₃ in concentrate
- Production grades were 2.0 - 2.5% WO₃ in the mine’s latter years
- Significant copper and gold values (~10g/t Au in some parts)
- Further exploration potential incl. JORC Resource Mineral Estimate

Couflens - Field view



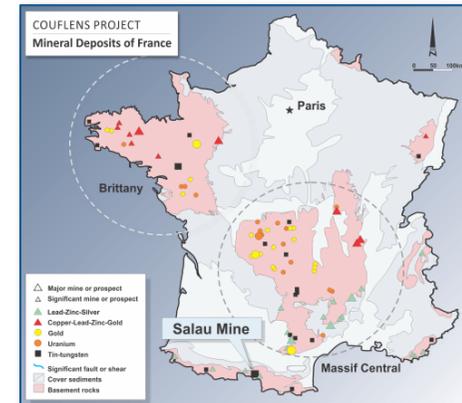
Source: Company

Former mining area – Salau Mine produced 930,000t at 1.5% WO₃



Source: Company

Couflens – Licence & Geology



Source: Company

Couflens has the potential to be the next operational mine in France

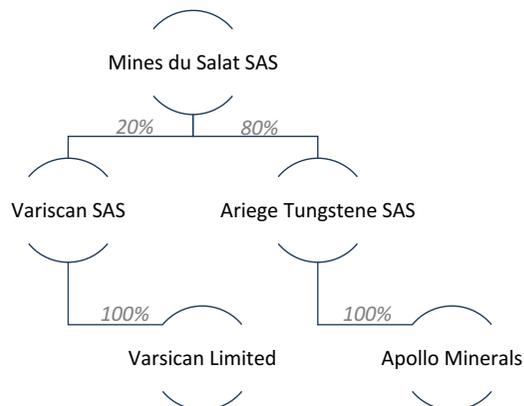
Couflens – Outlook

Joint Venture with Apollo Minerals (ASX:AON)

- Mines du Salat (MdS) JV company between Ariege Tungstene SAS and Variscan (80:20)
- Ariege Tungstene purchased by Apollo Minerals
- Variscan to transfer the Couflens PER into MdS, subject to regulatory approvals (pending)
- Ariege Tungstene required to spend minimum of €2.5m over 3 years
- Variscan free carried until completion of DFS or total expenditures reaching €25m

Source: Company

Simple JV Structure



Source: Company

Exploration Plan & Outcomes

- Apollo initial work plan includes:
 - Acquire & digitise data
 - Risk assessments
 - Access & assess of existing mine development and stoping areas
 - Map & sample exposed mineralisation
 - Generate 3D geological model
 - Underground drilling
 - Reporting of a JORC Mineral Resource
 - Surface exploration programs
 - Further exploration
- **New JORC Mineral Resource Estimate is a short-term priority**

Source: Apollo Minerals ASX Announcement 14 March 2017

Through active JV management Variscan benefits from rapid project progress and news-flow

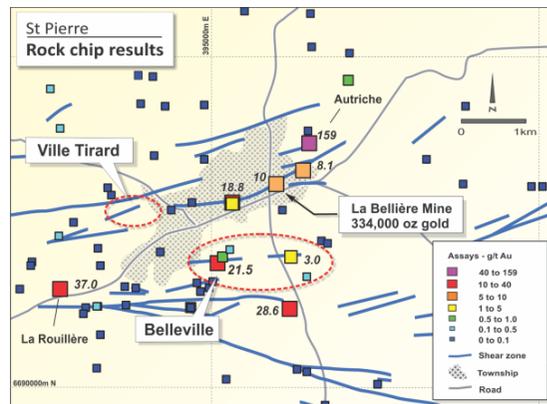
Saint-Pierre-Montlimart (100% interest)

St Pierre – Overview

- Licence granted February 2014
- Shear zone - quartz veins - production grade of 12g/t Au
- 3rd largest goldfield in France
- La Belliere Mine operated 1905-1952 - produced 334,000oz Au
- Variscan has access to data set from BRGM
- 2 new prospects defined: Ville Tirard & Belleville
- High grade outcrop chip samples (up to 159g/t Au) & strong soil anomalies

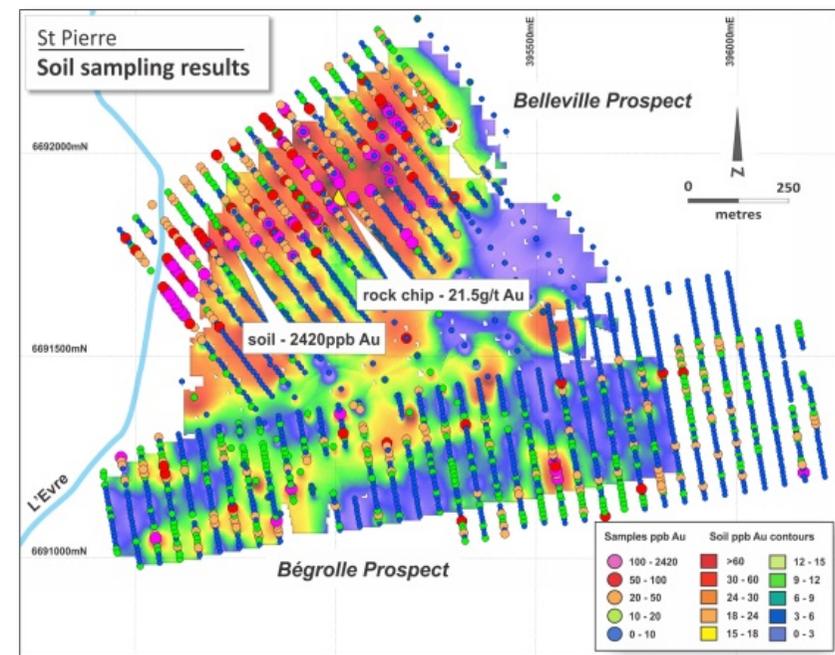
Source: Company

St Pierre – Rock chip samples



Source: Company

St Pierre – Soil Sampling Results followed up with RC drill traverse



Source: Company

St Pierre is a promising gold project on the site of a former mine

Saint-Pierre-Montlimart – Outlook

Drilling (2x DDH) complete at Ville Tirard



Source: Company

Drilling (RC) complete at Belleville



Source: Company

Outcomes

- Overall drill programme successfully completed
- Ville Tirard
 - DDH: SCSTP001: 100.7m deep
 - DDH: SCSTP002: 143.8m deep
 - Sheared, highly silicified volcanics
 - Pyrite bearing in part
 - Waiting for assay results from ALS Laboratory in Ireland
 - DDH: SCSTP001: 99 samples
 - DDH: SCSTP002: 142 samples
- Belleville
 - 15 holes completed
 - 923m drilled
- Further project work to advance geological understanding

Source: Company

Awaiting assay results from recent drill programme

Beaulieu (100% interest)

Beaulieu – Overview

- Licence granted April 2015
- Variscan has access to access to data set from BRGM
- Societe Nantaise des Minerais de l'Ouest mined the deposit until 1957
- 1000+ shallow holes drilled by BRGM
- Two prospects where BRGM calculated non-JORC resources
- Some geological analogies to Cornwall
- Conversion of data set to electronic format and compilation ongoing

Beaulieu – Outlook

- Drilling to validate BRGM data
- Detailed geological mapping and soil chemistry
- Potential for maiden JORC Mineral Resource Estimate
- Partnership or other monteisation

Former mining town – Abbaretz Tin Mine produced 2,700t Sn



Source: Company

Successful restoration not an inhibitor to re-development



Source: Company

Strong potential for shallow mineralised deposits

Summary & Outlook

Summary

- **Ambitious** exploration & development mineral company
- **Vision** to build a profitable and sustainable mid-tier base and precious metals company for the benefit of all stakeholders
- **Corporate transition** from project generation to project development
- **Attractive Asset Portfolio:** 7x advanced exploration & development projects in France
- **Merléac: High quality Zinc development project** (2.2Mt @ ~13% Zn Eq)
- **Couflens: Potential to be the next French mine**
- **Equity is undervalued**
- **Strong shareholders**
- **Favourable jurisdiction**
- **Experienced Board**
- **Growth Opportunities**

Near Term Objectives ...

- **Corporate**
 - Selectively pursuing other development opportunities in low risk regions which are undervalued
 - London Stock Exchange dual-listing
 - Further reduction of fixed costs
- **Merléac**
 - Unlock political situation to enable proposed fieldwork
 - 3xDDH drilling
 - Resource Update
 - Economic Benefits Study
 - Scoping Study
- **St Pierre**
 - Further work to advance geological understanding
 - Potential partnership or monetisation
- **Couflens**
 - Mine access work at Salau
 - Commencing JORC Resource Estimate workstreams
 - Scoping Study

Clear direction and plan



Q&A session

AGM Presentation - 2017