ASX Announcement | 7 August 2023

Variscan Mines Limited (ASX:VAR)

CONTINUITY OF HIGH-GRADE MINERALISATION EXTENDING SOUTH-WEST FROM SAN JOSE MINE CONFIRMED

Highlights

- **Variscan Mines confirms south-west extension and continuity of mineralisation from the San Jose Mine, on the 9km Novales-Udias Trend**
- **The extension of mineralisation, along strike, was revealed from new data collated by Variscan Mines which comprised, 131 historical drillholes for 7,398 metres**
- **These results materially enlarge the Company's drillhole database at San Jose Mine; it now consists of 1,114 drill-holes for 95,553 metres**
- **Selected historical diamond drilling results over largely unmined areas which connect the San Jose Mine and the Udias Mine workings:**
  - SU3/82 10.90m @ 12.01% Zn, 0.62% Pb
  - S-89D 14.85m @ 8.17% Zn, 0.64% Pb
  - S-89D 10.70m @ 8.64% Zn, 0.57% Pb
  - S-89 4.80m @ 14.36% Zn, 2.17% Pb
  - SU10/82 6.20m @ 10.23% Zn, 3.00% Pb
  - S-89A 6.10m @ 5.54% Zn, 0.57% Pb
- Recent work has established zinc mineralisation extends both south-westerly and north-easterly, on strike, stepping out from the San Jose Mine and will be incorporated into Mineral Resource Estimation work-streams which are underway.

Variscan Mines Limited (ASX:VAR) ("Variscan" or "the Company") is pleased to announce further progress and exploration work at the San Jose Mine, near Novales, located in Cantabria, northern Spain.

South-west extension and continuity of mineralisation from the San Jose Mine confirmed

The drill-hole data indicates that there is excellent continuity of mineralisation extending, along strike, in a south-westerly direction (Figure 1). The style of zinc mineralisation is identical to that found at the San Jose Mine as it is predominately high-grade zinc sulphides and occurs at the same elevation (i.e., no vertical offset, Figure 2). The data from this drilling extends over an area of natural caves typical of the karstic limestone structures and which has only seen limited mining activity. The findings reported herein are significant as they indicate a linkage over 1.4km between the San Jose Mine and the far more extensive Udias workings (Figure 1).

Figure 1. Plan view of drill-hole data illustrating significant exploration potential as mineralisation extends on strike to the south west of San Jose Mine

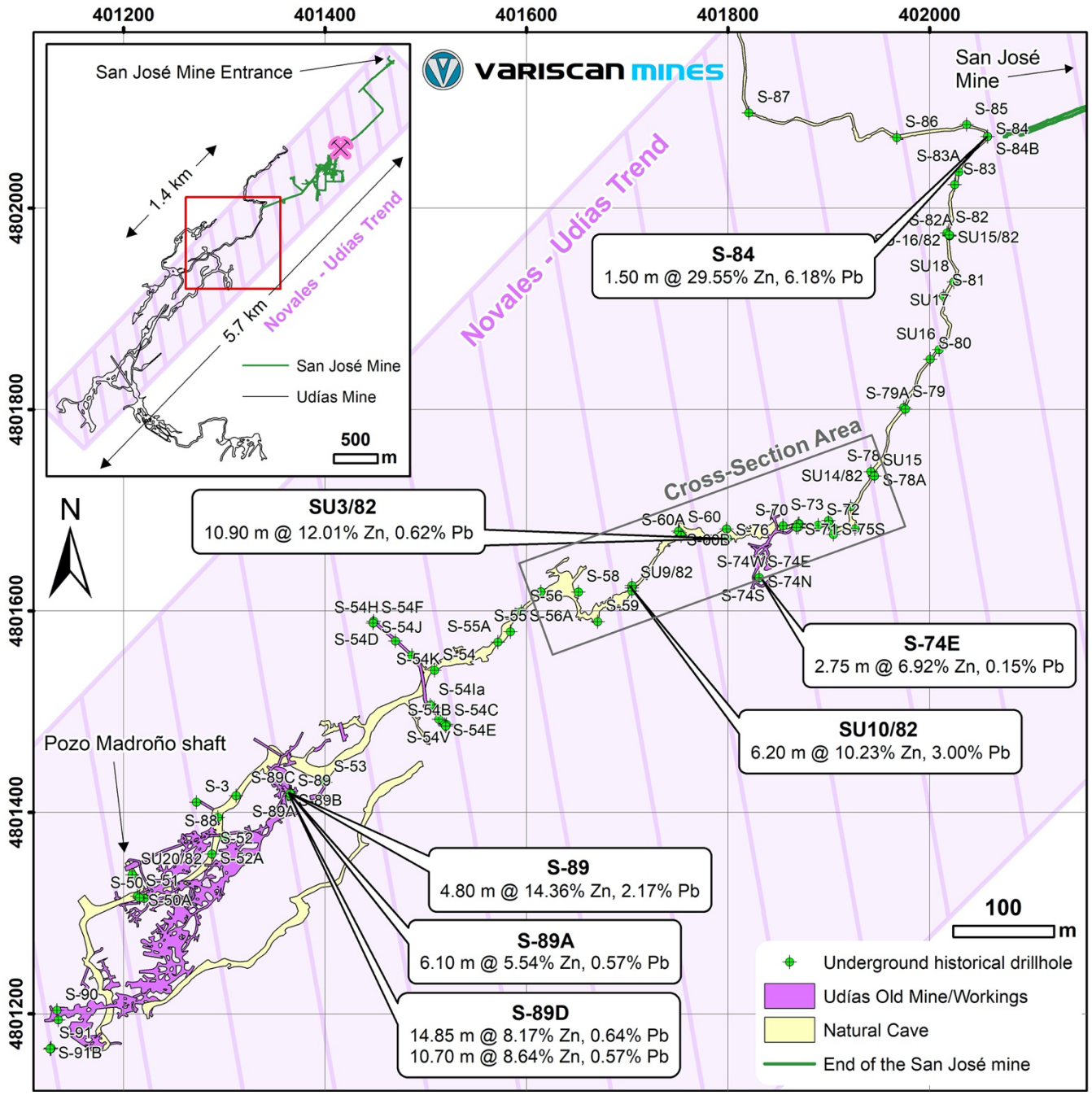
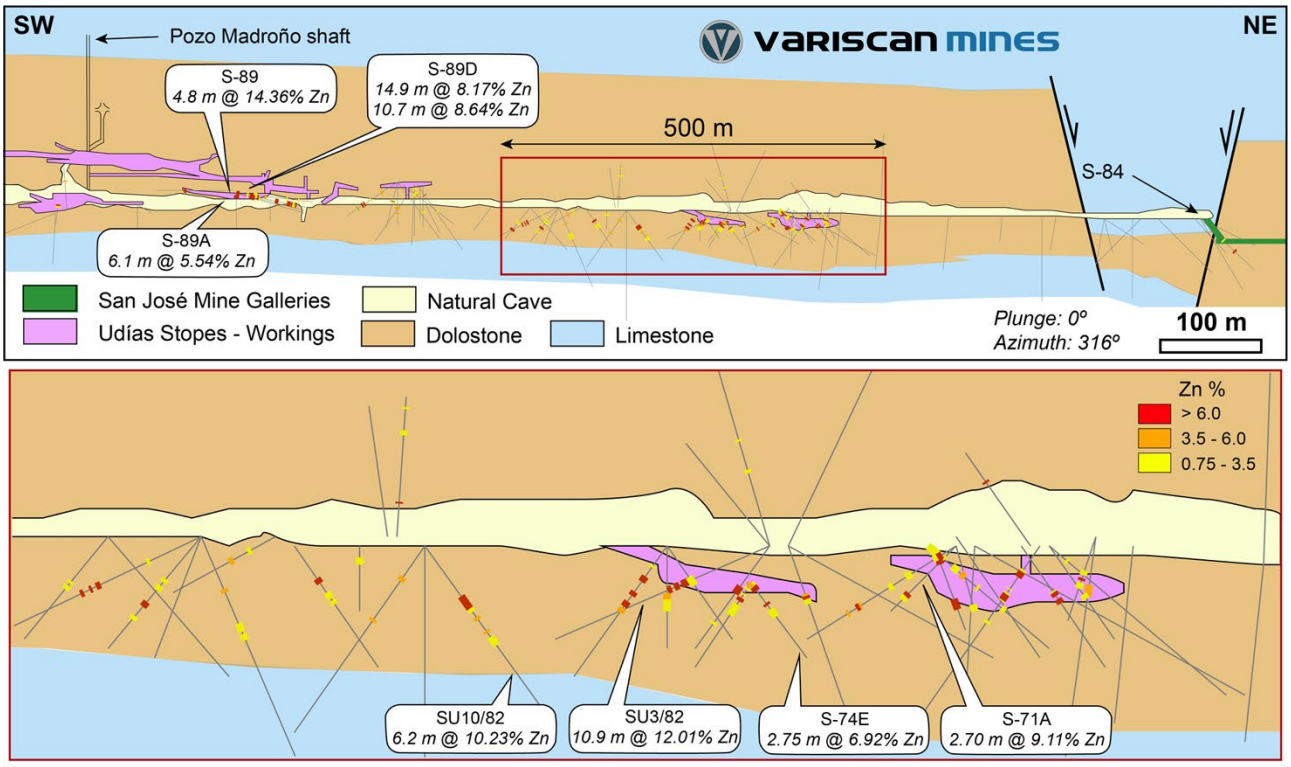


Figure 2. Cross-section of drill-hole data



Exploration & Tonnage Upside Potential

These results indicating significant exploration potential to the south west of the San Jose Mine follow on from the confirmed significant strike potential of the San Jose mineralised system to the north east, as demonstrated by the previously reported high grade drilling results from Variscan's step-out drilling (see ASX announcement dated 2 March 2023) and additional data (see ASX announcement dated 25 May 2023). These data and the new findings will be incorporated in the ongoing work-streams and delineation of a JORC-compliant Mineral Resource Estimate, which is underway.

Valuable project drill-hole dataset enlarged

Variscan has collated and interpreted 131 historical underground drill-holes for approximately 7,398 metres. The enlarged project dataset has now been increased to 1,114 drill-holes for 95,553 metres providing an extremely cost-effective and time-saving approach to progressing towards mineral resource estimation for within and around the San Jose Mine. The newly incorporated data were generated from drilling conducted by Real Compañía Asturiana de Minas ("RCAM"). RCAM was acquired by Asturiana de Zinc, SA ("AZSA") in 1983. AZSA is now owned by Glencore.

Variscan's Managing Director & CEO, Stewart Dickson said,

"This additional drill-hole data shines an even brighter light on the upside potential to the south west of the San Jose Mine. *Together with our own drilling and supplementary drill-hole data to the north-east* ***we are now seeing a clear and more robust picture of the scale, continuity and quality of the zinc mineralisation*** *beyond the immediate workings of the San Jose Mine and* ***onto the wider 9km Novales-Udias Trend.*** *This provides* ***significant exploration and tonnage upside potential*** *as well as supports our near-term objectives of mine restart evaluation."*

ENDS

This ASX announcement has been approved by the Board and authorised for issue by Mr Stewart Dickson, Managing Director and CEO, Variscan Mines Limited

For further information, please contact:
Variscan Mines Limited (ASX:VAR)
Stewart Dickson
Managing Director & CEO
E: stewart.dickson@variscan.com.au
T: +44 (0) 7799 694195

Media & Investor Enquiries
The Capital Network
Julia Maguire
E: julia@thecapitalnetwork.com.au
P: +61 2 8999 3699

About Variscan Mines Limited (ASX:VAR)

Variscan Mines Limited (ASX:VAR) is a growth oriented, natural resources company focused on the acquisition, exploration and development of high-quality strategic mineral projects. The Company has compiled a portfolio of high-impact base-metal interests in Spain, Chile and Australia. Its primary focus is the development of its advanced zinc projects in Spain. The Company's name is derived from the Variscan orogeny, which was a geologic mountain building event caused by Late Paleozoic continental collision between Euramerica (Laurussia) and Gondwana to form the supercontinent of Pangea.
To learn more, please visit: www.variscan.com.au

For more information

Follow us on LinkedIn

Follow us on Twitter

Visit our investor website: www.variscan.com.au

Competent Person Statement

The information in this document that relates to technical information about the Novales-Udias project is based on, and fairly represents information and supporting documentation compiled and reviewed by Dr. Mike Mlynarczyk, Principal of the Redstone Exploration Services, a geological consultancy acting as an external consultant for Variscan Mines. Dr. Mlynarczyk is a Professional Geologist (PGeo) of the Institute of Geologists of Ireland, and European Geologist (EurGeol) of the European Federation of Geologists, as well as Fellow of the Society of Economic Geologists (SEG). With over 10 years of full-time exploration experience in MVT-style zinc-lead systems in several of the world's leading MVT provinces, Dr. Mlynarczyk 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 December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ('JORC Code'). Dr. Mlynarczyk consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

The information in this document that relates to previous exploration results was prepared pre-2012 JORC code. It is the opinion of Variscan that the exploration data is reliable. Although some of the data is incomplete, nothing has come to the attention of Variscan that causes it to question the accuracy or reliability of the historic exploration.

Forward Looking Statements

Forward-looking statements are only predictions and are not guaranteed. They are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of the Company. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ from those referred to in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, the Company, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this announcement will occur as contemplated.

JORC Table 1, Sections 1 and 2

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representativity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public News release.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.*	• The historical sample data referenced in this report relates to exploration undertaken by Real Compania Asturiana de Minas – a mining company operating the Project from the 1950's to the early 1980's. This historical data consists of underground core drilling, of which the paper-format core logs and detailed location maps are held at the School of Mines and Energy Engineering at Torrelavega, a faculty of the University of Cantabria. It is understood that all historic drilling was core drilling. • Due to the incomplete nature of the historic drilling data and records, including procedures, a comment on the sample representativity or calibration of measurement tools or systems used by historic workers cannot be made. Further comment regarding specific components of the historic drilling is provided in subsequent sections of this table. The data cannot be considered 'industry standard' by modern standards. It is understood that most if not all assaying carried out by Real Compania Asturiana de Minas (who carried out the drilling program) was carried out at their own laboratory (Laboratorio Central) in Torres, and that the practice of assaying half-core was the general rule. • It has been assumed that all reported assays are representative of technology available at the time, but no reliance has been put on it.
Drilling techniques	• *Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• This release relates to 131 historical underground drill holes realised by Real Compania Asturiana de Minas within the historical Udias mine system, which are totalling 7397.87m. The records recently obtained, and that were not previously reported by Variscan Mines, are only partially complete with detailed drill collar coordinates not available for 18 holes, hole length information not available for 8 holes, and azimuth+dip information not available for 21 holes, respectively. • The historical underground drilling is understood to be all core drilling. No details of the drilling techniques employed have been identified in the historical data. This includes reference to core diameter(s), core orientation methods, and downhole survey data. No records of the type of drill rig used have been identified.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists*	• No records of drill core recovery have been identified for most of the historical drillholes and no historical drill core has been preserved. Where recovery data is available, it typically includes recoveries >90%, however, recoveries as low as 60% have also been recorded. Given the absence of core recovery data, it is not possible to assess the potential relationship between sample recovery and grade. The absence of drill recovery data means that the referenced grades may be subject to either over- or

Criteria	JORC Code explanation	Commentary
	between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	under-estimation. No assessment or estimation of these effects has been made due to the lack of detailed data.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Hardcopy geological logs have been digitised for the historical holes reported in this news release. No geotechnical logs have been identified. In the absence of detailed data, no comment on whether the logging, where observed, is qualitative or quantitative has be made. • The geological logs have varying degrees of detail. However, basic intervals were digitised. • The historical holes reported in this press release have hard copy logs which include detailed information including: lithological logging, stratigraphic column, downhole deviation, collar XYZ positions, hole orientation, assay results and detailed descriptions. Note that drill collar coordinates are not available for 18 holes, hole length information not available for 8 holes, and azimuth+dip information not available for 21 holes, respectively. No core photography has been identified.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The historical approach to sampling appears selective, mainly guided by visual observation and clearly neither low-grade mineralisation, trace mineralisation, nor "apparent" waste were sampled. No details of the sample preparation techniques have been identified from the historical records, and no supporting sampling procedures have been identified. In many cases, it is not known whether half or whole core was submitted for analysis, though assaying half-core was practised as a rule by Real Compania Asturiana de Minas, with sampling intervals normally ranging from 0.5 to 3.0m. In the absence of data related to the sub-sampling techniques and sample preparation, no comment on the appropriateness of the sample preparation techniques can been made. • No evidence of Quality Control procedures has been identified for the historical holes. This includes evidence of field duplicates or other current industry standard quality control procedures, such as Certified Reference Materials and blanks. In the absence of sample size data, no comment on whether the sample size is appropriate to the grain size of the sampled material can been made for these historical drillholes.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometres, handheld XRF instruments, etc, the parametres used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory*	• No descriptions of the assaying and laboratory procedures used have been found. It is unknown whether the techniques used were partial or total, though there is evidence that half-core was typically assayed by Real Compania Asturiana de Minas. • No descriptions of quality control procedures adopted for historical drilling by the laboratory, nor any results of any related Quality Control data, have been identified. No comment can be made on whether acceptable accuracy or precision of results has been established.

Criteria	JORC Code explanation	Commentary
	checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Due to the historic nature of the results reported, it has not been possible to verify significant intersections. It is not known whether verification of intersections was undertaken by previous operators at the time of drilling. No remaining core from these programmes has been identified to date. • The historic data does not include any twinned holes. It is understood that Variscan may consider twinning historic drill holes as part of the company's upcoming exploration plans. • No documentation or records of data entry procedures, data verification, data storage (physical and electronic) protocols have been identified. • Historic records consist largely of hardcopy handwritten drill hole summaries. This data was identified and transcribed to Microsoft Excel © and then imported into Leapfrog Geo and Datamine Studio RM for drill hole database validation, significant intersections, and 3D viewing. • Given the absence of detailed historical information relating to the assay data, no adjustment to the assay data has been made. The data has been reported as it was recorded in the original documentation. Variscan have no reason to disbelieve the data as presented in the historical logs, however, understand the limitations of the data for use in reliable and classified mineral resource estimations going forward until assay verification has been achieved to a satisfactory standard.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The method of recording collar coordinates by the historic operating companies has not been identified, but is inferred to have consisted of the use of high-resolution optical geodetic surveying instruments. It is noted that much of the drilling was undertaken prior to the ubiquitous use of modern GPS by industry. The reported underground drillhole collar coordinates have not yet been independently resurveyed, yet a physical check by Variscan geologists confirms their locations are reasonably accurate. • Collar coordinates relating to the historic drill holes reported were identified in a local grid and transformed to the European Terrestrial Reference System 1989 (ETRS89), an earth-centre, earth-fixed geodetic Cartesian reference frame for GIS work. Thus, 2D maps (Figures) used in this report have been made with ETRS89. • Collation and cross-reference of detailed historical maps, level plans and log/tabular hardcopy datasets show a very reasonable degree of relative geospatial correlation.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The historical underground drillholes reported in this news release are not located on a grid pattern, as they were sighted based on accessibility underground, i.e., making use of a laterally extensive network of voluminous natural karstic caves. • Underground collars are generally within 20-60 m of each other with numerous holes from each collar in a radial pattern (fanned out from UG drilling bays). The data is closely spaced due to accessibility underground and the majority of the holes point downwards. • An assessment of the data spacing with regards to its use in the estimation of a Mineral Resource or Ore Reserve has not yet been

Criteria	JORC Code explanation	Commentary
		made. • It is not known whether sample compositing was applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Mineralisation at the project occurs as stratabound, sub-horizontal and lenticular, following sub-vertical trends, and with lateral and vertical extensions with a significant control by steeply-dipping feeder fault zones. Mineralisation in this setting presents as 'bags' (pods) composed of 'stacked' sub-horizontal lenses. Due to the irregular and/or variable nature of the mineralisation, an estimate of potential bias through orientation of sampling has not been made. • While the location of mineralisation centres on the Novales-Udias trend follows a broad NNE strike, the orientation of distinct orebodies on this trend is understood to be variable both in terms of strike and dip. UG drilling is often radial in nature, and no comment can be confidently made on the orientation of drilling in respect of mineralisation orientation, though, as a general rule vertical downward holes are more likely to represent the true thickness of the intersected sub-horizontal mineralised strata.
Sample security	• *The measures taken to ensure sample security.*	• No records relating to the sample security of historical drilling programs have been identified.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of the sampling techniques and data have been undertaken for the historical records presented herein.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The exploitation permit for the Novales-Udias historical mine area that encompasses the San Jose and Udias mines is owned by Variscan Mines and is in good standing. • The author is not aware, at the time of writing, of any environmental issues that could affect ongoing works within these licences. • The author is not aware, at the time of writing, of any environmental or social license issues that could affect ongoing works within these licences, nor any issues with tenure or permission to operate in this region. On the contrary, the socially and environmentally responsible mineral development undertaken by Variscan Mines has resulted to date in an outstanding social license to operate.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The historical data referenced in this news release refer to exploration undertaken by Real Compania Asturiana de Minas – a mining company operating the Project from the 1950's to the early 1980's. • The historical data referenced in this news release and undertaken by the historic workers is held at the School of Mines and Energy Engineering at Torrelavega, a faculty of the University of Cantabria.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The mineralisation at the project is considered to be of the Mississippi Valley Type Lead-Zinc with associated structural- and stratigraphy-controlled carbonate dissolution and replacement Zinc-Lead type sulphide mineralisation, where Zinc strongly predominates over Lead. • Mineralisation at the project occurs as stratiform, sub-horizontal

Criteria	JORC Code explanation	Commentary
		and lenticular, following sub-vertical trends, and with lateral and vertical extensions, with a significant control by steeply-dipping feeder faults. Mineralisation in this setting presents as 'bags' (pods) composed of 'stacked' sub-horizontal lenses.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the news release, the Competent Person should clearly explain why this is the case.*	• The historical underground data relates to 131 historical drill holes drilled prior to 1983. However, there may be more data that has not been located yet. • Collar information (easting, northing, elevation, dip, azimuth, hole length) for the 131 underground drill holes reported is detailed in Appendix 1. Note that collar coordinates are not available for 18 holes, hole length information not available for 8 holes, and azimuth+dip information not available for 21 holes, respectively. Collar information is detailed as it has been identified in historic records. Collar information has not been verified beyond cross-checking with georeferenced detailed plans of the Udias mine and a physical inspection underground to visually confirm their locations. • No records of specific gravity or density measurements have been identified. • It is noted that some of the drilling was undertaken prior to the cessation of mining activities on the project, and as such some of the mineralisation referenced in this announcement may have been mined out. It is understood that this area will be assessed under the proposed exploration activities which include further assessment of historic mining records and the completion of an underground survey in order to understand the extent of mining activity and the scale of in-situ mineralisation remaining in those zones. • No information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Historical drill hole data in this announcement has been reported as it was presented in historical records. • No records relating to the use of weighted averaging techniques, maximum and / or minimum grade truncations (e.g. cutting of high grades) have been identified. • Aggregated intersections stated in the main text of this news release have been calculated as a weighted average based on the sample lengths. They were generally undertaken for consecutive intervals with reported assay data, however, in some cases short intervening intersections were missing assay data, and it was assumed that their zinc and lead grades were zero (which is why, it is inferred, these intervals were not assayed). • No metal equivalent grades have been stated.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not*	• Due to the irregular form of the mineralisation style which can range from horizontal and gently dipping stratiform mineralisation to vertical, structurally-controlled mineralisation, and the absence (or records) of orientated core, true widths cannot be accurately reported for the historic underground drilling. • For vertical underground drillholes the thickness of mineralisation is likely close to true thickness in the case of sub-horizontal lenticular morphology of sulphide accumulations. • Therefore, interval widths reported refer to downhole length not

Criteria	JORC Code explanation	Commentary
	known').	true thickness in many cases.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• The information in this news release does not refer to a new discovery; however, maps and cross-sections have been included to illustrate the location of the drill holes referenced herein. • Figure 1. Plan view of drillhole data illustrating significant exploration potential as mineralisation extends on strike to the south-west of the San Jose mine. • Figure 2. Cross-section of the area hosting the drillhole data referenced in this news release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The drill hole collar data relating to the 131 underground drill holes reported here are tabulated in Appendix 1. • The raw intersections from historical drillholes reported in this news release are shown in the table in Appendix 2.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• This report refers to the 131 historical underground drill holes reported for the north-eastern end of the Udias mine area, near its junction with the San Jose mine. • No other exploration data referenced in this report is considered sufficiently meaningful or material to warrant further reference.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Variscan have exploration plans to advance the Novales-Udias Project. These exploration plans include: ○ Ongoing preparation of a JORC-compliant maiden mineral resource estimate for the San Jose mine ○ Drilling campaign from surface to test step out extensions from the San Jose mine, as well as further compelling drill targets identified from historical or Variscan surface drilling. ○ Drilling campaign underground at the San Jose mine to test: ○ Extensions of mineralised lenses ○ vertical extensions ○ new lower lying lenses ○ infill mineralised lenses ○ Drilling campaign underground at near-surface historical artisanal mines neighbouring the San Jose mine, in order to test for underlying mineralised lenses, likely to occur at lower elevations.

Appendix 1: Table of Underground Drillhole Collar Coordinates and Orientations of the Historical Drillholes Presented in this News Release

HOLE ID	X	Y	Z	LENGTH (m)	AZIMUTH	DIP
S-1	400900.19	4800797.80	*n.a.*	81.00	*n.a.*	*n.a.*
S-2	*n.a.*	*n.a.*	*n.a.*	42.00	*n.a.*	*n.a.*
S-3	401272.47	4801410.27	*n.a.*	81.00	*n.a.*	*n.a.*
S-4	*n.a.*	*n.a.*	*n.a.*	82.50	*n.a.*	*n.a.*
S-5	*n.a.*	*n.a.*	*n.a.*	114.00	*n.a.*	*n.a.*
S-6	401058.28	4801177.08	*n.a.*	64.50	35	*n.a.*
S-7	*n.a.*	*n.a.*	*n.a.*	51.50	*n.a.*	*n.a.*
S-8	*n.a.*	*n.a.*	*n.a.*	76.50	*n.a.*	*n.a.*
S-9	*n.a.*	*n.a.*	*n.a.*	36.00	*n.a.*	*n.a.*
S-10	*n.a.*	*n.a.*	*n.a.*	19.50	*n.a.*	*n.a.*
S-11	*n.a.*	*n.a.*	*n.a.*	57.00	*n.a.*	*n.a.*
S-12	*n.a.*	*n.a.*	*n.a.*	40.50	*n.a.*	*n.a.*
S-13	*n.a.*	*n.a.*	*n.a.*	13.00	*n.a.*	*n.a.*
S-14	*n.a.*	*n.a.*	*n.a.*	19.50	*none*	-90
S-15	*n.a.*	*n.a.*	*n.a.*	54.00	*n.a.*	0
S-16	*n.a.*	*n.a.*	*n.a.*	45.00	*n.a.*	*n.a.*
S-17	*n.a.*	*n.a.*	*n.a.*	21.00	*n.a.*	*n.a.*
S-18	*n.a.*	*n.a.*	*n.a.*	75.00	*n.a.*	*n.a.*
S-19	*n.a.*	*n.a.*	*n.a.*	66.00	*n.a.*	*n.a.*
S-20	*n.a.*	*n.a.*	*n.a.*	40.50	*n.a.*	*n.a.*
S-21	*n.a.*	*n.a.*	*n.a.*	60.00	*n.a.*	*n.a.*
S-50	401220.41	4801314.54	89.39	52.50	138	-25
S-50A	401216.07	4801315.17	81.00	60.25	138	-60
S-51	401213.93	4801316.75	81.00	80.25	253	-20
S-52	401287.63	4801358.65	89.00	31.65	*none*	-90
S-52A	401287.63	4801358.65	89.00	19.95	0	-25
S-53	401400.32	4801429.98	87.50	24.25	135	-45
S-54	401508.63	4801541.04	86.00	41.80	110	-40
S-54A	401520.48	4801487.24	108.00	68.55	90	-45
S-54B	401519.77	4801485.85	108.00	49.95	160	-60
S-54C	401519.77	4801485.85	108.00	79.95	180	-25
S-54D	401448.32	4801589.76	108.00	89.95	0	-45
S-54E	401518.74	4801487.30	108.00	40.00	*none*	-90
S-54F	401447.66	4801587.91	108.00	78.50	270	-45
S-54G	401508.34	4801504.15	108.00	83.00	90	-30
S-54H	401447.66	4801587.91	108.00	76.15	310	-51
S-54I	401506.04	4801504.78	108.00	46.30	*none*	-90
S-54Ia	401504.53	4801506.50	108.00	77.85	0	-45
S-54J	401447.66	4801587.91	108.00	49.45	*none*	-90
S-54K	401469.76	4801570.26	108.00	32.00	*none*	-90
S-54L	401486.35	4801555.77	108.00	41.20	*none*	-90
S-54V	401513.10	4801492.40	108.00	42.05	*none*	-90

S-55	401583.96	4801579.48	*n.a.*	*n.a.*	*n.a.*	*n.a.*
S-55A	401571.47	4801569.11	*n.a.*	*n.a.*	*n.a.*	*n.a.*
S-56	401594.81	4801599.22	85.00	46.60	180	-40
S-56A	401594.81	4801599.22	85.00	64.95	0	-40
S-57	401614.28	4801618.98	85.00	43.60	180	-60
S-57A	401614.28	4801618.98	86.00	53.75	180	-40
S-57B	401614.28	4801618.98	86.00	88.85	180	-20
S-57C	401614.28	4801618.98	86.00	91.40	0	-60
S-58	401651.39	4801618.83	82.50	48.85	90	-45
S-58A	401651.39	4801618.83	82.50	54.05	0	-45
S-59	401670.50	4801589.36	82.00	42.80	180	-20
S-60	401752.03	4801677.76	81.00	29.70	*none*	-90
S-60A	401753.55	4801674.71	81.00	54.90	180	-45
S-60B	401750.64	4801679.08	81.00	36.70	0	-45
S-70	401854.77	4801684.50	79.50	58.25	0	-30
S-70A	401854.77	4801684.50	79.54	28.15	0	-60
S-71	401867.87	4801682.97	81.50	38.40	125	-35
S-71A	401867.87	4801682.97	81.69	36.85	180	-35
S-72	401889.52	4801685.14	81.50	55.70	0	-45
S-73	401899.65	4801689.80	80.40	40.10	0	-45
S-73A	401899.92	4801686.36	80.40	82.05	180	-45
S-74E	401830.87	4801633.13	70.00	33.65	90	-45
S-74N	401830.87	4801633.13	70.00	28.60	0	-45
S-74S	401830.87	4801633.13	70.00	34.95	180	-45
S-74W	401830.87	4801633.13	70.00	23.00	270	-45
S-75N	401904.69	4801682.73	80.40	90.10	0	-30
S-75S	401904.53	4801675.90	80.40	38.75	180	45
S-76	401799.29	4801671.81	81.00	41.95	180	-45
S-77	401921.84	4801703.69	79.00	86.75	310	-35
S-78	401941.92	4801738.39	76.00	53.60	310	-35
S-78A	401945.25	4801734.02	76.00	98.70	140	-35
S-79	401974.57	4801802.03	77.58	48.85	310	-35
S-79A	401976.08	4801800.44	77.58	96.90	140	-35
S-80	402000.53	4801850.12	76.35	46.60	310	-35
S-81	402013.92	4801912.70	75.59	57.45	310	-35
S-82	402017.38	4801975.32	74.22	79.75	310	-35
S-82A	402019.76	4801972.38	74.22	40.70	140	-35
S-83	402024.93	4802023.21	75.13	78.80	270	-35
S-83A	402028.87	4802036.02	76.13	97.50	90	-35
S-84	402057.49	4802070.89	74.50	89.85	90	-35
S-84A	402057.49	4802070.89	74.50	79.95	90	-20
S-84B	402057.49	4802070.93	74.50	94.75	90	-50
S-85	402036.66	4802082.84	74.65	57.20	0	-35
S-86	401967.47	4802069.99	73.82	76.65	*none*	-90
S-87	401820.64	4802094.62	74.07	79.30	*none*	-90
S-88	401299.54	4801375.93	102.33	91.20	11.5	0

S-89	401365.69	4801416.07	98.84	51.60	*none*	-90
S-89A	401365.43	4801418.92	98.84	36.35	332	-6
S-89B	401365.43	4801418.92	98.84	77.75	35	-6
S-89C	401365.43	4801418.92	98.84	69.55	35	-15
S-89D	401367.44	4801417.02	98.83	85.10	80	-10
S-90	401133.82	4801203.60	122.00	80.20	*none*	-90
S-90A	401133.82	4801203.60	122.00	71.95	332	-50
S-90B	401133.82	4801203.60	122.00	76.85	332	37.5
S-90C	401135.27	4801193.94	122.00	51.90	305	-25
S-91	401127.89	4801165.49	130.00	76.25	*none*	-90
S-91A	401128.08	4801166.13	130.00	80.50	55	-39
S-91B	401127.24	4801165.18	130.00	54.75	266	-39
S-92	401098.87	4801119.98	132.00	25.40	*none*	-90
S-92A	401098.30	4801120.59	132.00	96.70	306.5	-35.5
S-92B	401098.03	4801119.53	132.00	62.35	269.5	-42.5
S-93	401094.30	4801105.66	*n.a.*	*n.a.*	*none*	-90
SU1/82	401798.50	4801681.42	81.50	61.50	0	-64
SU2/82	401798.50	4801681.42	81.50	94.00	0	-21
SU3/82	401799.29	4801671.81	81.50	95.00	180	-18
SU4/82	401798.50	4801681.42	81.50	70.50	0	55
SU5/82	401799.29	4801671.81	81.50	45.00	180	40
SU5bis/82	401799.29	4801671.81	81.50	72.35	180	66
SU6/82	401869.75	4801683.30	80.40	73.00	180	-23
SU7/82	401869.51	4801686.48	80.40	125.00	0	-20
SU8/82	401870.70	4801686.88	80.40	7.50	*none*	-90
SU8bis/82	401870.70	4801686.88	81.40	58.50	310	-57
SU9/82	401704.68	4801622.79	80.00	107.50	*none*	-90
SU10/82	401704.53	4801625.33	80.00	68.80	0	-45
SU11/82	401704.53	4801619.77	80.00	80.50	180	-45
SU12/82	401926.28	4801681.62	83.00	87.50	156	-70
SU13/82	401926.28	4801681.62	83.00	54.00	148	-30
SU14/82	401941.92	4801738.39	69.00	100.50	320	60
SU15/82	402019.67	4801972.54	74.22	60.00	90	-25
SU16/82	402019.47	4801973.35	74.22	35.75	90	-70
SU17/82	401695.95	4801618.13	82.50	46.77	126	65
SU18/82	401690.02	4801619.82	85.00	45.00	305	56
SU19/82	401688.75	4801611.57	83.50	21.30	*none*	-90
SU20/82	401208.79	4801338.25	83.50	44.00	150	69
SU-15	401945.25	4801734.02	*n.a.*	*n.a.*	65	40
SU-16	402009.46	4801859.37	*n.a.*	*n.a.*	130	-30
SU-17	402024.17	4801926.72	*n.a.*	*n.a.*	120	-70
SU-18	402024.17	4801926.72	*n.a.*	*n.a.*	120	-30
S-U-19	401293.72	4801395.06	*n.a.*	*n.a.*	120	*n.a.*

(n.a. – not available)

Appendix 2: Table of Newly Reported Raw Historical Drillhole Analytical Results

HOLE ID	From (m)	To (m)	Length (m)	Zn (%)	Non-sulfide Zn (%)	Pb (%)	Zn+Pb (%)
S-54	7.60	10.05	2.45	0.70	0.14	0.04	0.74
S-54	22.10	23.00	0.90	0.66	0.45	0.03	0.69
S-54B	20.85	21.15	0.30	14.84		5.74	20.58
S-54B	21.15	21.40	0.25	9.77			9.77
S-54B	21.40	21.65	0.25	3.21		0.18	3.39
S-54B	21.65	22.00	0.35	1.85			1.85
S-54C	22.95	23.50	0.55	3.90		0.19	4.09
S-54C	39.75	39.95	0.20	2.06			2.06
S-54C	50.10	51.10	1.00	3.24	1.59	0.02	3.26
S-54C	53.00	53.85	0.85	13.78		0.42	14.20
S-54C	61.15	61.60	0.45	4.36			4.36
S-54C	61.95	62.55	0.60	1.15		0.03	1.18
S-54D	14.70	14.80	0.10	14.27	5.10	7.00	21.27
S-54D	57.00	57.50	0.50	1.96	0.08	0.14	2.10
S-54E	23.50	25.50	2.00	3.24			3.24
S-54E	29.65	29.90	0.25	6.61			6.61
S-54G	20.95	21.65	0.70	4.46	1.17	0.07	4.53
S-54G	21.65	23.70	2.05	0.78	0.52	0.04	0.82
S-54G	24.85	25.00	0.15	4.69	1.17		4.69
S-54G	57.05	57.30	0.25	1.14	0.17	0.04	1.18
S-54H	43.50	43.85	0.35	0.55		0.14	0.69
S-54I	0.80	1.25	0.45	4.80		0.50	5.30
S-54I	3.65	4.95	1.30	0.04	0.10	0.06	0.10
S-54I	24.00	24.15	0.15	3.75		0.10	3.85
S-54J	3.65	4.95	1.30	0.85	0.10	0.06	0.91
S-54K	26.80	28.10	1.30	0.32	0.03	0.04	0.36
S-54K	28.10	30.00	1.90	0.37	0.13	0.08	0.45
S-54L	27.10	28.10	1.00	2.75	0.32	0.14	2.89
S-54L	28.10	28.30	0.20	1.25	0.25	0.07	1.32
S-54V	23.75	25.50	1.75	4.30	0.30	0.52	4.82
S-54V	25.50	26.50	1.00	0.34	0.08	0.03	0.37
S-54V	29.65	30.10	0.45	3.80	0.30	0.15	3.95
S-54V	31.55	31.65	0.10	5.95	0.10	0.82	6.77
S-56	16.20	17.00	0.80	0.31	0.09	0.02	0.33
S-56	22.25	22.50	0.25	0.80	0.45	0.10	0.90
S-56	24.15	24.30	0.15	5.15	0.34	0.25	5.40
S-56	24.30	25.30	1.00	1.45	0.34	0.01	1.46
S-56	34.40	36.00	1.60	6.30	2.47	1.19	7.49
S-57A	22.05	23.00	0.95	1.21	0.36	0.05	1.26
S-57A	23.00	23.80	0.80	0.67			0.67
S-57A	24.95	25.15	0.20	0.60			0.60
S-57A	25.15	27.05	1.90	1.81	0.12		1.81

S-57A	32.85	34.45	1.60	6.15	1.69	0.08	6.23
S-57A	38.90	40.45	1.55	1.93		0.07	2.00
S-57B	24.95	25.55	0.60	1.60	0.15	0.18	1.78
S-57B	47.50	48.35	0.85	18.00		0.20	18.20
S-57B	48.35	48.90	0.55	0.35		0.22	0.57
S-57B	51.25	51.50	0.25	15.00		0.24	15.24
S-57B	54.80	55.50	0.70	7.50		0.24	7.74
S-57C	20.00	20.45	0.45	4.10	1.32	0.21	4.31
S-57C	31.90	33.40	1.50	0.87	0.11	0.19	1.06
S-57C	33.40	34.60	1.20	1.95	0.11	0.29	2.24
S-57C	35.30	37.35	2.05	1.35	0.18	0.20	1.55
S-58	15.75	17.55	1.80	6.66	0.95	0.79	7.45
S-58A	21.65	24.05	2.40	1.83	0.69	0.08	1.91
S-58A	24.55	26.00	1.45	1.90	1.11	0.01	1.91
S-59	8.45	9.00	0.55	0.95	0.62	0.09	1.04
S-59	16.30	17.85	1.55	5.50	5.00	0.36	5.86
S-60	14.40	16.10	1.70	4.80	1.20	0.29	5.09
S-60	16.10	19.60	3.50	2.90	0.60	0.10	3.00
S-60A	8.70	9.20	0.50	2.53	0.24	0.03	2.56
S-60A	13.25	15.35	2.10	6.75	0.57	0.10	6.85
S-60A	19.90	20.20	0.30	17.00	2.40	0.07	17.07
S-60A	20.75	21.00	0.25	11.65	6.70	0.13	11.78
S-60A	24.00	25.25	1.25	11.75	2.90	0.17	11.92
S-60A	25.70	26.10	0.40	11.60	6.75	0.10	11.70
S-60A	27.00	28.25	1.25	4.00	1.71	0.05	4.05
S-60B	14.50	16.10	1.60	1.05	0.25	0.05	1.10
S-60B	16.10	16.20	0.10	10.08	1.10	0.54	10.62
S-60B	16.20	17.60	1.40	0.25	0.08	0.02	0.27
S-70	0.95	3.65	2.70	2.70	1.59	0.80	3.50
S-70	3.65	4.60	0.95	3.44	2.59	0.33	3.77
S-70	6.00	6.30	0.30	3.46	3.02	0.35	3.81
S-70	10.75	13.30	2.55	1.76	0.57	0.04	1.80
S-70	14.85	16.40	1.55	5.64	2.40	0.03	5.67
S-70	22.85	23.55	0.70	1.29	0.60	0.02	1.31
S-70	24.20	25.70	1.50	0.68	0.24	0.01	0.69
S-70	35.10	36.70	1.60	2.42	0.08	0.12	2.54
S-70A	4.00	5.75	1.75	6.77	5.69	0.17	6.94
S-70A	5.75	6.50	0.75	0.37	0.16	0.01	0.38
S-70A	12.80	13.60	0.80	0.61	0.13	0.02	0.63
S-70A	18.00	21.50	3.50	9.06	2.01	0.90	9.96
S-71	21.50	22.90	1.40	11.29		0.09	11.38
S-71	22.90	24.10	1.20	9.18		0.09	9.27
S-71	24.10	25.00	0.90	0.37			0.37
S-71	25.00	26.00	1.00	0.74			0.74
S-71	26.00	27.60	1.60	0.25			0.25
S-71	36.50	38.40	1.90	1.86		0.41	2.27
S-71A	28.00	29.50	1.50	13.90		0.10	14.00

S-71A	29.50	30.70	1.20	3.12			3.12
S-72	22.10	22.30	0.20	0.93			0.93
S-72	22.30	22.40	0.10	16.78		0.55	17.33
S-72	22.40	23.50	1.10	7.23		0.07	7.30
S-72	25.00	26.50	1.50	6.29		0.28	6.57
S-73	20.90	22.40	1.50	4.25	2.05	0.07	4.32
S-73	29.50	29.90	0.40	0.70		0.08	0.78
S-73A	12.00	12.50	0.50	2.91			2.91
S-73A	13.10	14.70	1.60	16.01		2.01	18.02
S-73A	20.00	20.15	0.15	3.35	0.70	0.13	3.48
S-73A	21.80	22.30	0.50	1.21			1.21
S-73A	22.30	24.80	2.50	6.31		0.46	6.77
S-73A	24.80	25.00	0.20	1.94		0.09	2.03
S-73A	25.75	33.55	7.80	0.15	0.15	0.05	0.20
S-73A	33.55	34.30	0.75	1.04	0.38	0.09	1.13
S-74E	1.00	1.70	0.70	1.20	0.15	0.01	1.21
S-74E	1.70	2.00	0.30	6.00	0.24	0.64	6.64
S-74E	2.00	2.60	0.60	15.50	0.15	0.28	15.78
S-74E	2.60	3.05	0.45	0.20	0.12	0.01	0.21
S-74E	3.05	3.75	0.70	10.00	0.18	0.05	10.05
S-74E	9.30	10.00	0.70	13.58	1.22	0.89	14.47
S-74E	10.00	11.00	1.00	0.25	0.10	0.01	0.26
S-74E	11.95	13.40	1.45	0.80	0.25	0.04	0.84
S-74E	13.40	14.20	0.80	0.82	0.06	0.01	0.83
S-74N	0.00	0.40	0.40	7.34		0.09	7.43
S-74N	13.95	14.90	0.95	3.42	0.24	0.03	3.45
S-74S	2.90	3.30	0.40	5.95	0.25	0.25	6.20
S-74S	8.45	9.65	1.20	7.45	0.30	0.76	8.21
S-74S	12.15	12.35	0.20	0.47	0.15	0.06	0.53
S-74W	0.70	2.00	1.30	3.17	0.27	1.72	4.89
S-74W	6.30	6.55	0.25	3.42	0.13	1.70	5.12
S-74W	10.65	14.80	4.15	2.35	1.50	0.07	2.42
S-75N	9.60	10.40	0.80	3.30	1.92	0.02	3.32
S-75S	25.95	26.15	0.20	12.80	2.80	0.63	13.43
S-76	18.25	21.15	2.90	9.14	0.48	0.93	10.07
S-76	33.50	34.50	1.00	3.41	0.36	0.34	3.75
S-79A	70.45	70.90	0.45	0.24	0.03	0.03	0.27
S-84	36.80	37.80	1.00	0.28	0.09	0.06	0.34
S-84	37.80	38.35	0.55	0.48	0.07	0.07	0.55
S-84	38.35	39.00	0.65	0.10	0.05	0.03	0.13
S-84	39.00	40.00	1.00	0.52	0.07	0.06	0.58
S-84	40.00	41.00	1.00	0.76	0.10	0.06	0.82
S-84	41.00	41.40	0.40	0.15	0.07	0.05	0.20
S-84	58.60	59.40	0.80	26.10	0.40	5.20	31.30
S-84	59.40	60.10	0.70	33.50	1.00	7.30	40.80
S-88	30.50	32.45	1.95	14.00	13.85	0.25	14.25
S-89	2.00	2.30	0.30	20.20	19.60	0.20	20.40

S-89	2.30	4.30	2.00	22.30	0.47	3.95	26.25
S-89	4.30	5.00	0.70	24.40	23.20	3.40	27.80
S-89	5.00	6.80	1.80	0.66	0.50	0.05	0.71
S-89A	0.00	1.50	1.50	12.00	11.70	1.94	13.94
S-89A	1.50	2.85	1.35	4.95	3.90	0.21	5.16
S-89A	2.85	6.10	3.25	2.80	2.00	0.08	2.88
S-89A	6.10	7.50	1.40	0.54	0.38	0.05	0.59
S-89B	14.20	16.80	2.60	0.57	0.27	0.08	0.65
S-89B	16.80	18.70	1.90	3.40	2.06	0.12	3.52
S-89B	18.70	20.40	1.70	0.89	0.39	0.10	0.99
S-89B	28.25	29.55	1.30	5.04	3.73	0.48	5.52
S-89B	50.15	50.85	0.70	3.20	2.75	0.79	3.99
S-89B	62.00	62.80	0.80	2.94	0.65	0.34	3.28
S-89C	15.75	18.15	2.40	19.41	12.94	0.09	19.50
S-89D	12.20	13.40	1.20	1.67	1.34	0.14	1.81
S-89D	15.25	18.25	3.00	16.54	7.35	0.87	17.41
S-89D	18.25	18.90	0.65	1.20	0.93	0.05	1.25
S-89D	18.90	20.00	1.10	24.63	0.72	0.83	25.46
S-89D	24.75	26.20	1.45	28.01	2.59	3.88	31.89
S-89D	26.40	27.05	0.65	1.98	1.12	0.17	2.15
S-89D	46.20	46.50	0.30	9.47	5.54	0.05	9.52
S-89D	46.85	49.60	2.75	11.71	0.48	0.15	11.86
S-89D	60.60	62.90	2.30	12.36	11.94	0.33	12.69
S-89D	62.90	64.30	1.40	19.00	5.65	2.35	21.35
S-89D	65.40	67.00	1.60	13.04	5.08	0.40	13.44
S-89D	67.00	68.65	1.65	1.45	1.20	0.05	1.50
S-89D	70.60	71.30	0.70	20.28	14.75	1.84	22.12
SU1/82	17.00	17.50	0.50	3.60	2.30	0.19	3.79
SU1/82	17.50	18.50	1.00	16.00	5.00	0.90	16.90
SU1/82	18.50	19.50	1.00	3.25	1.14	0.10	3.35
SU1/82	19.50	20.00	0.50	2.20	0.85	0.05	2.25
SU3/82	35.00	37.00	2.00	3.52	1.07	0.33	3.85
SU3/82	37.00	39.00	2.00	16.35	9.73	1.10	17.45
SU3/82	39.15	40.10	0.95	16.23	2.48	0.79	17.02
SU3/82	41.40	42.80	1.40	20.90	3.79	1.14	22.04
SU3/82	42.80	43.40	0.60	13.50	12.86	0.40	13.90
SU3/82	44.50	45.45	0.95	32.07	6.39	1.04	33.11
SU3/82	45.45	45.90	0.45	17.50	17.00	0.61	18.11
SU5bis/82	22.70	23.70	1.00	2.15	1.65	0.34	2.49
SU5bis/82	32.95	33.25	0.30	1.38	0.43	0.03	1.41
SU6/82	10.50	12.40	1.90	21.45	16.80	0.25	21.70
SU6/82	12.40	13.60	1.20	0.80	0.48	0.05	0.85
SU6/82	13.60	13.85	0.25	1.80	0.75	0.04	1.84
SU6/82	13.85	15.10	1.25	0.29	0.20	0.02	0.31
SU6/82	24.60	26.30	1.70	1.40	1.24	0.12	1.52
SU6/82	26.30	27.10	0.80	1.20	0.37	0.02	1.22
SU6/82	33.50	34.00	0.50	0.80	0.29	0.01	0.81

SU6/82	34.00	35.00	1.00	1.70	0.95	0.01	1.71
SU6/82	48.70	49.50	0.80	5.20	2.10	0.30	5.50
SU6/82	49.50	50.30	0.80	6.30	1.35	3.80	10.10
SU6/82	54.50	54.85	0.35	3.80	1.25	0.20	4.00
SU10/82	19.20	20.50	1.30	14.60	14.20	2.40	17.00
SU10/82	20.50	22.00	1.50	6.50	2.50	4.30	10.80
SU10/82	22.00	24.00	2.00	16.20	2.00	4.35	20.55
SU10/82	24.00	25.40	1.40	1.65		0.24	1.89
SU10/82	28.00	28.65	0.65	4.20		0.08	4.28
SU10/82	33.80	34.15	0.35	5.70		0.10	5.80
SU10/82	36.35	38.30	1.95	2.35	1.40	0.96	3.31
SU10/82	38.30	39.50	1.20	2.50	1.00	0.15	2.65
SU11/82	9.80	12.00	2.20	0.54	0.25	0.07	0.61
SU11/82	12.00	13.50	1.50	4.15	2.60	0.13	4.28
SU11/82	29.85	30.50	0.65	5.70	1.62	0.03	5.73
SU12/82	16.45	17.50	1.05	4.00	0.28	0.03	4.03
SU12/82	17.50	20.10	2.60	3.60	2.60	0.06	3.66
SU13/82	23.40	24.30	0.90	1.15	0.25	0.04	1.19
SU13/82	27.35	28.40	1.05	19.50	13.90	0.74	20.24
SU13/82	30.00	32.50	2.50	1.25	0.70	0.10	1.35
SU17/82	12.35	12.75	0.40	19.20	6.80	2.05	21.25
SU17/82	34.75	36.00	1.25	1.00	0.40	0.05	1.05
SU17/82	43.30	43.55	0.25	1.25	0.75	0.07	1.32
SU19/82	3.45	6.00	2.55	0.35	0.20	0.12	0.47
SU19/82	6.42	8.15	1.73	0.90	0.05	0.18	1.08
SU20/82	5.00	5.20	0.20	0.35	0.12	0.02	0.37
SU20/82	29.40	29.80	0.40	3.90	1.28	0.16	4.06

Project Summary

The Novales-Udias Project is located in the Basque-Cantabrian Basin, some 30km southwest from the regional capital, Santander. The project is centred around the former producing San Jose underground mine with a large surrounding area of exploration opportunities which include a number of satellite underground and surface workings and areas of zinc anomalism identified from recent and historic geochemical surveys. Variscan has delineated a significant 9km mineralised trend and a sub-parallel 3km trend from contemporary and historical data across both the Buenahora exploration and Novales mining permits.

The San Jose Mine is nearby (~9km) to the world class Reocin Mine which is the largest known strata-bound carbonate-hosted Zn-Pb deposit in Spain[1] and one of the world's richest MVT deposits[2]. Further it is within trucking distance (~80km) from the San Juan de Nieva zinc smelter operated by Asturiana de Zinc (100% owned by Glencore).

Significantly, the Novales-Udias Project includes a number of granted mining tenements[3].

Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory work)
- Large tenement holding of 68.3 km^2 (including a number of granted mining tenements)
- Regional exploration potential for another discovery analogous to Reocin (total past production and remaining resource 62Mt @ 8.7% Zn and 1.0% Pb[4][5])
- Novales Mine is within trucking distance (~ 80km) from the zinc smelter in Asturias
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as ~7% Zn[6]
- Simple mineralogy of sphalerite – galena – calamine
- Mineralisation is strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super high grade 'bolsas' (mineralised pods and lenses) commonly 10-20% Zn and in some instances +30% Zn[7]
- Assay results of recent targeted grab samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb[8]
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

---

[1] Velasco, F., Herrero, J.M., Yusta, I., Alonso, J.A., Seebold, I. and Leach, D., (2003) 'Geology and Geochemistry of the Reocin Zinc-Lead Deposit, Basque-Cantabrian Basin, Northern Spain' Econ. Geol. v.98, pp. 1371-1396.

[2] Leach, D.L., Sangster, D.F., Kelley, K.D., Large, R.R., Garven, G., Allen, C.R., Gutzner, J., Walters, S., (2005) 'Sediment-hosted lead-zinc deposits: a global perspective'. Econ. Geol. 100th Anniversary Special Paper 561 607

[3] Refer to ASX announcement of 29 July 2019

[4] Velasco, F., Herrero, J.M., Yusta, I., Alonso, J.A., Seebold, I. and Leach, D., 2003 - Geology and Geochemistry of the Reocin Zinc-Lead Deposit, Basque-Cantabrian Basin, Northern Spain: in Econ. Geol. v.98, pp. 1371-1396.

[5] Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not completed sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012.

[6] These figures have been taken from historical production data from the School of Mines in Torrelavega historical archives.

[7] Reports of the super high-grade mineralisation are supported with historical production data from the School of Mines in Torrelavega historical archives. (Refer ASX release 29 July 2019)

[8] Refer to ASX Announcement of 19 December 2020