

**March 2024 Quarterly Report | 30 April 2024**

**Variscan Mines Limited (ASX:VAR)**

**High-grade Zinc Assay results from recent drilling campaign  
Revised Structural and Geological assessment highlights continuity and  
new drill targets at San Jose Mine**

**Lease of San Jose Mine Site & Facilities Extended**

**Award of new licenses substantially increases size of  
Novales-Udias Project**

### **Highlights during the Quarter**

- High grade zinc assay results from current underground drilling campaign
- Selected drilling results:
  - NDDT027 14.5 m @ 8.93% Zn, 0.50% Pb
  - NDDT029 11.6 m @ 8.43% Zn, 1.61% Pb
  - NDDT026 7.0 m @ 5.30% Zn, 0.04% Pb
  - NDDT028 6.0 m @ 6.59% Zn, 0.62% Pb
  - NDDT020 3.0 m @ 5.55% Zn, 0.41% Pb
- Existing Mineral Resource Estimate model is well supported by these infill drill intercepts
- Comprehensive geological assessment and structural targeting study completed by world-renowned expert, Dr. Brett Davis
- Work has resulted in a significantly improved understanding of the controls on multi-phase Zn-Pb mineralization at San Jose
- High-priority regional targets will be tested as part of the planned surface drilling campaign for 2024
- Signed a new agreement to lease the San Jose Mine site and facilities for a period of 3 years, extendable up to 6 years
- Site is already permitted for mineral exploration, development and mining activities

### **Subsequent to the end of the Quarter**

- 5 new licences awarded, with an area of 36.66 km<sup>2</sup>, are immediately adjacent to the existing San Jose and Buenahora tenements
- 70% increase to the land package of the newly enlarged Novales-Udias Project

**Variscan Mines Limited (ASX:VAR) (“Variscan” or “the Company”)** is pleased to announce its Appendix 5B for the quarter ended 31 March 2024 and an accompanying operational update for this period.

**Variscan’s Managing Director & CEO, Stewart Dickson said,**

*“Variscan’s March 2024 quarter was a very productive one, which saw further development of the structural and geological knowledge of the San Jose Mine, as well as more high-grade results from infill drilling to support the existing Mineral Resource Estimate.*

*Additionally, we achieved several important hurdles, namely the extension of the lease of the San Jose Mine Site and infrastructure facilities and, shortly after the end of the quarter, were awarded 5 additional licenses adjacent to the Novales-Udias project which has increased the land holding. Most importantly, these licenses cover the NE trend to approximately 12km in strike length.*

*The drilling permits over these new licenses have already been submitted, and we look forward to reporting to shareholders the results of future programs on these exciting prospects.”*

## **OPERATIONS REVIEW**

Variscan’s exploration and development strategy for the Novales-Udias Project continued to be advanced over the March 2024 quarter.

### **Spain – Novales-Udias Zinc Project**

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 over the 9km Novales Trend, which includes a number of satellite underground and surface workings.

This project, which is highly prospective across multiple fronts and located in close proximity to both major infrastructure requirements and zinc consumers, continued to be the major focus of Variscan’s exploration and development activities over the three months to 31 March 2024.

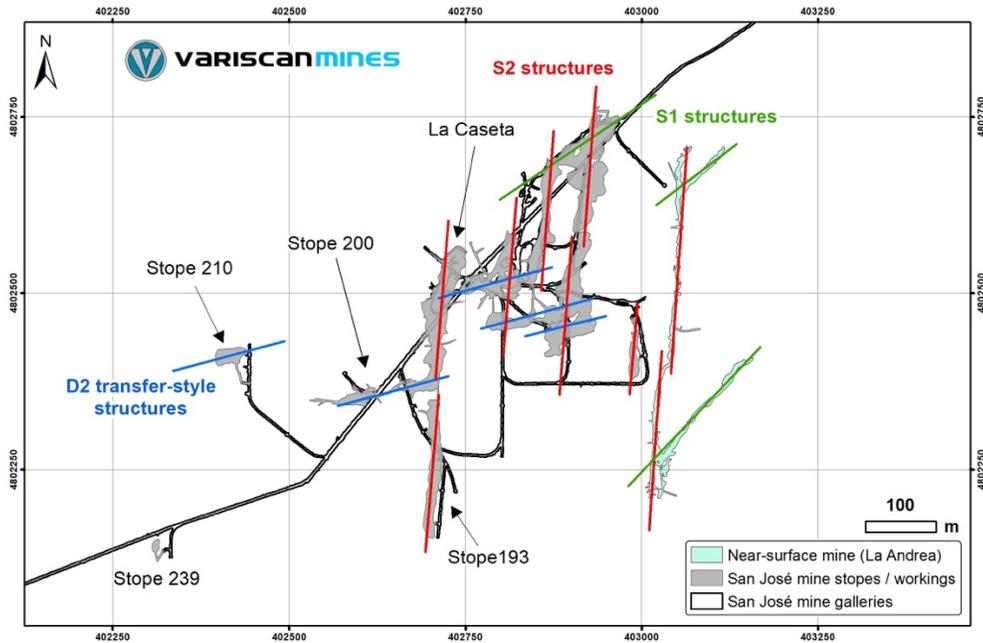
### **Geological and structural controls point to new targets within the San Jose Mine**

In December of 2023, Variscan commissioned Dr. Brett Davis, a highly respected independent consultant, who is widely regarded in the exploration and mining industry for his application of applied structural geology, to work alongside the Company’s in-country technical team as well as Dr. Frank Bierlein, a Variscan Non-Executive Director. This work was completed during the quarter and announced to the market on 19 February 2024.

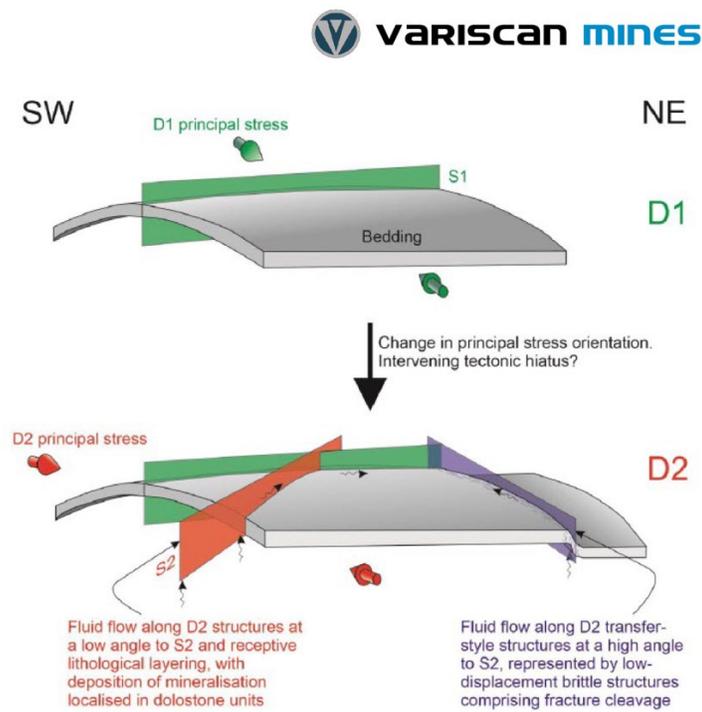
The fieldwork identified four principal elements that are critical in controlling fluid ingress and mineralization at San Jose, in addition to the favorable composition of the ore-hosting dolostone sequence. As illustrated in Figures 1 to 3, these are:

- Bedding orientation
- S1 - the axial plane of conspicuous macroscale folds (products of the D1 stress regime)
- D2 faults, in particular E-W trending transfer-style structures
- S2 (typically a fracture cleavage)

**Figure 1.** Approximate orientation of the dominant D1 and D2 structures overlaid with existing mine development at the San Jose Mine

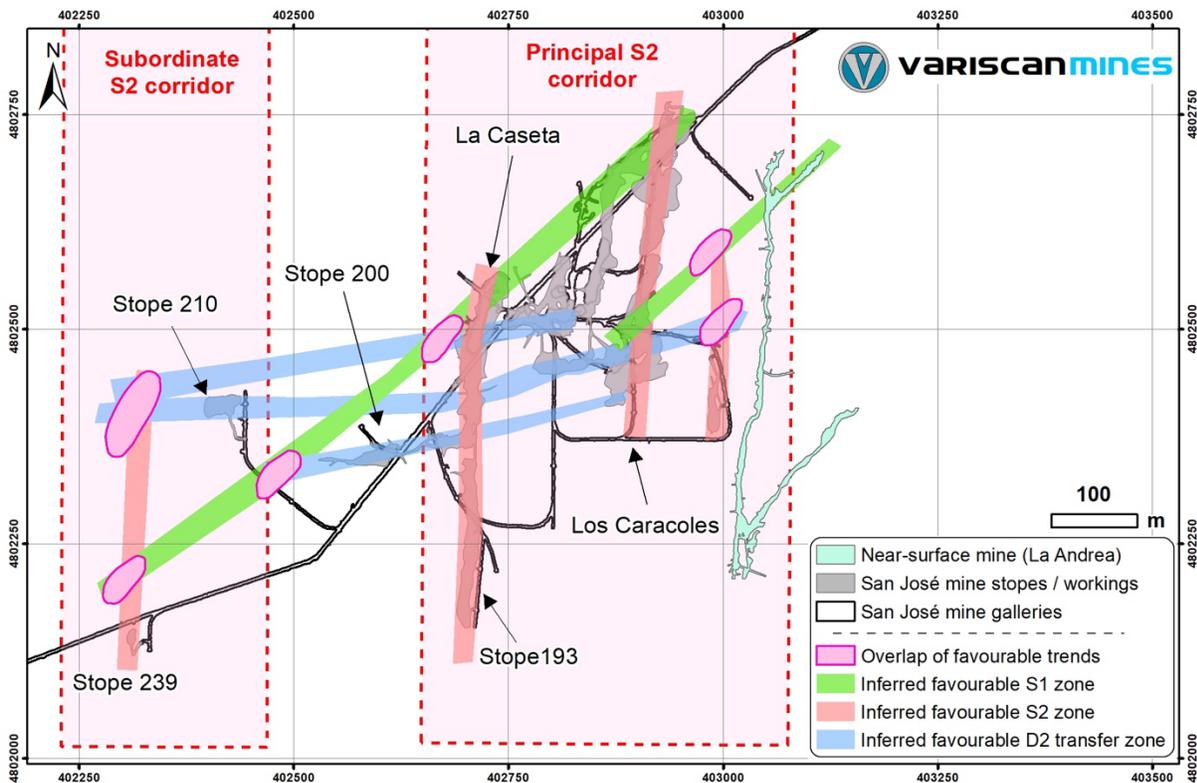


**Figure 2.** Interpreted tectonic evolution of the structurally controlled -mineralization-fluid flow system at San Jose



The extrapolation of structural trends highlights priority exploration targets, in particular where D1 and D2 structures intersect. These zones of increased permeability favoured the deposition of Zn-Pb mineralization and as such are considered a high priority target for in-mine drill-testing (see Figure 3).

**Figure 3.** Extrapolation of structural trends in the San Jose Mine, based on the relative timing of mineralization associated with the development of S1 and S2 planes, respectively; these features are major contributors to the permeability network, and are delineated by structures exposed in mine development and by zones of historical exploitation.



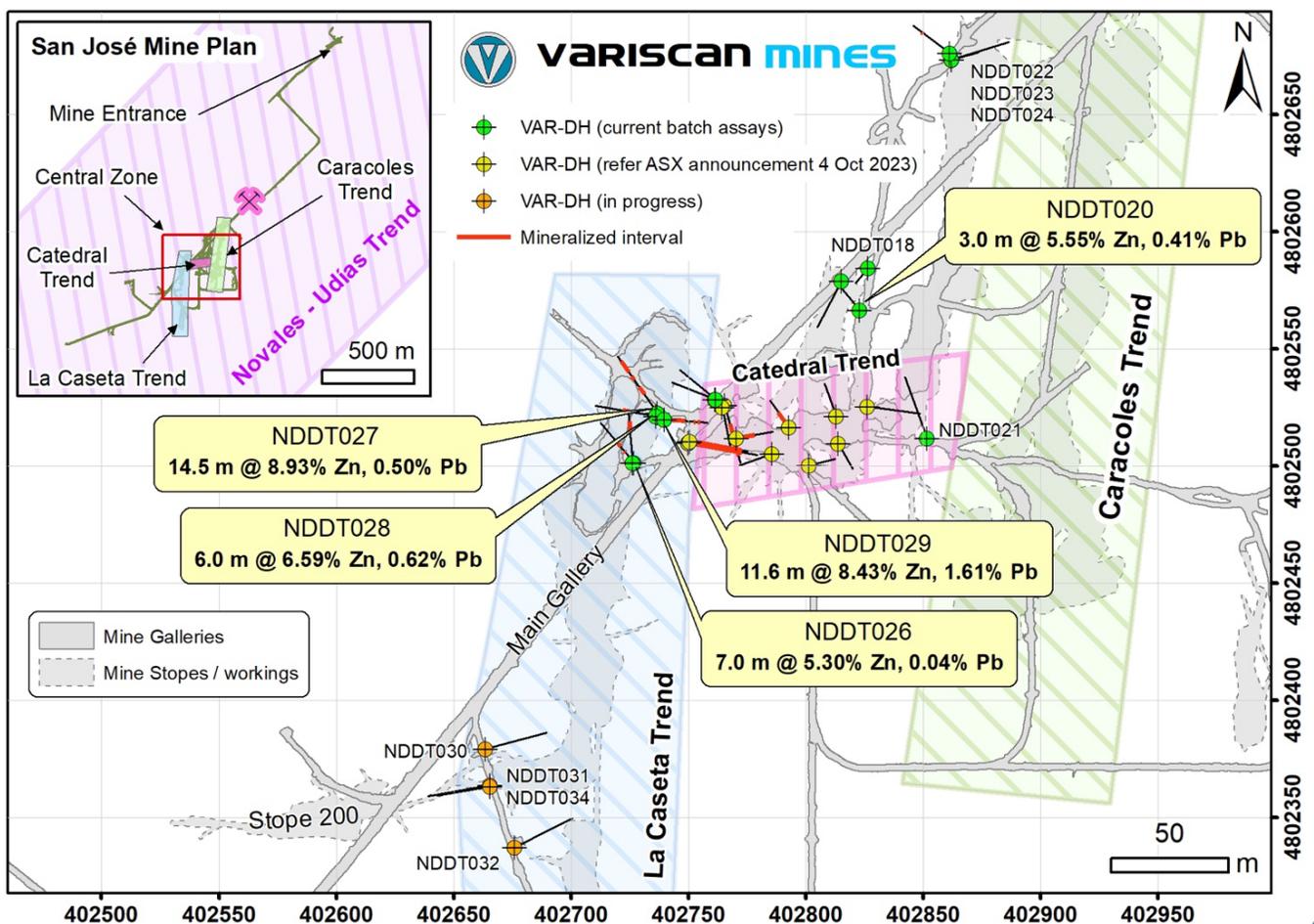
## High-grade Zn assay results received

In March 2024, Variscan announced the results of continuing underground drilling in the San Jose Mine (refer ASX announcement 4 March 2024). This underground drilling program has been upscaled in duration and meterage. It is focused on expanding known zones of mineralization and discovering new zones with a view to supporting an upgraded Mineral Resource Estimate in the future. Ongoing drilling is testing:

1. prospective zones that have been identified from the development of our 3D modelling;
2. structures within and beyond the defined Mineral Resource Estimate ("MRE") area which have seen limited exploration drilling; and
3. above or below previously-mined stopes where historical production had ceased

The drilling results reported here have targeted areas of known Zn-Pb structures that were previously underexplored or underexploited. The high-grade intercepts are mainly associated with the La Caseta Trend within the Central Zone of the San Jose Mine.

**Figure 4.** Plan view of new drill-hole data over the Central Zone, San Jose Mine

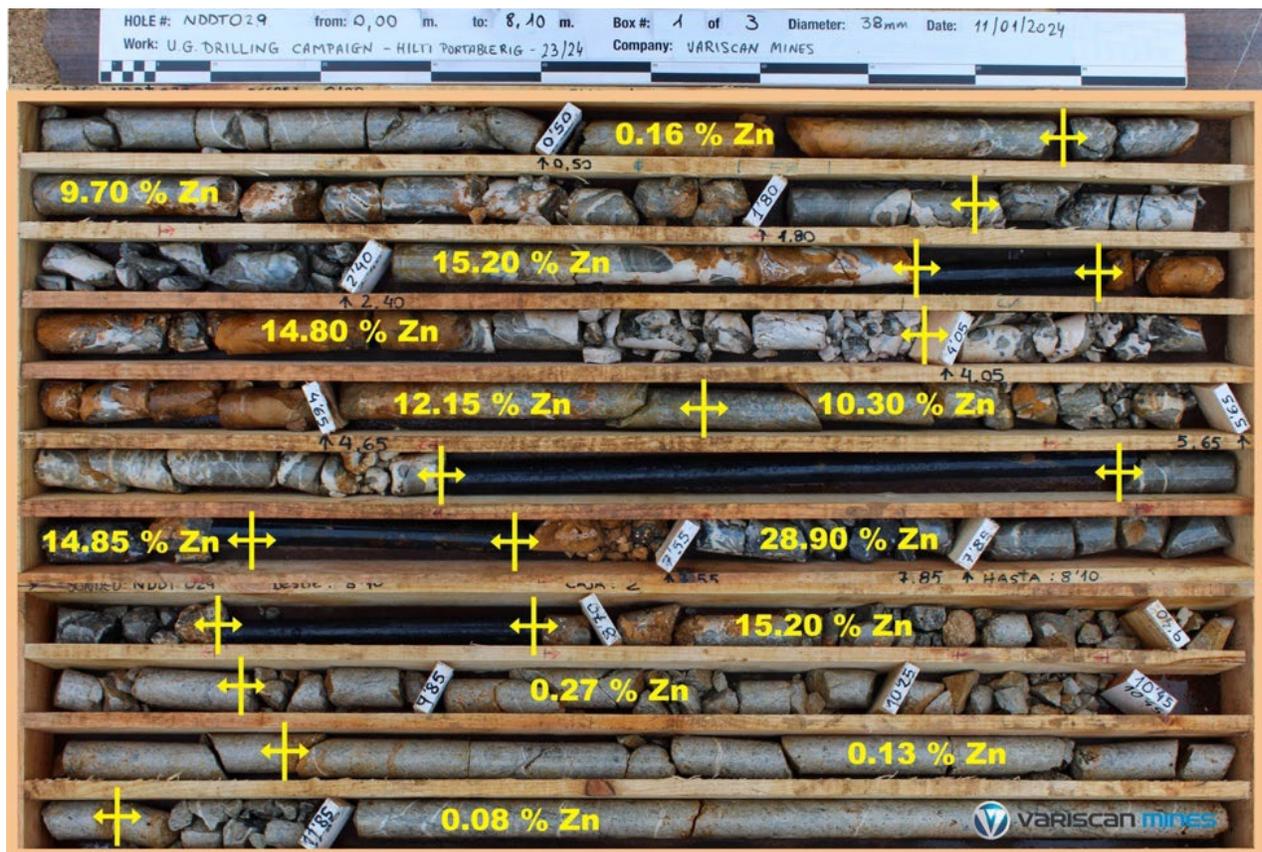


### Current drilling is testing new structural targets in the San Jose Mine

The recently released geological assessment and structural targeting study (refer ASX announcement 19 February 2024) resulted in a significantly improved understanding of the controls on multi-phase Zn-Pb mineralization at the San Jose Mine.

The new assay results from the La Caseta trend were obtained from the intercept of a prominent D2 structure. Newly identified targets within the San Jose Mine arising from the study are being drill-tested as part of the ongoing underground drilling campaign. In particular the cross-cutting D2 structure linking Stope 200 and the La Caseta trend is being drilled currently. This target area lies outside of the existing MRE model.

**Figure 5.** Diamond Drill Core from NDDT029 illustrating interval of massive sphalerite hosted in dolostone



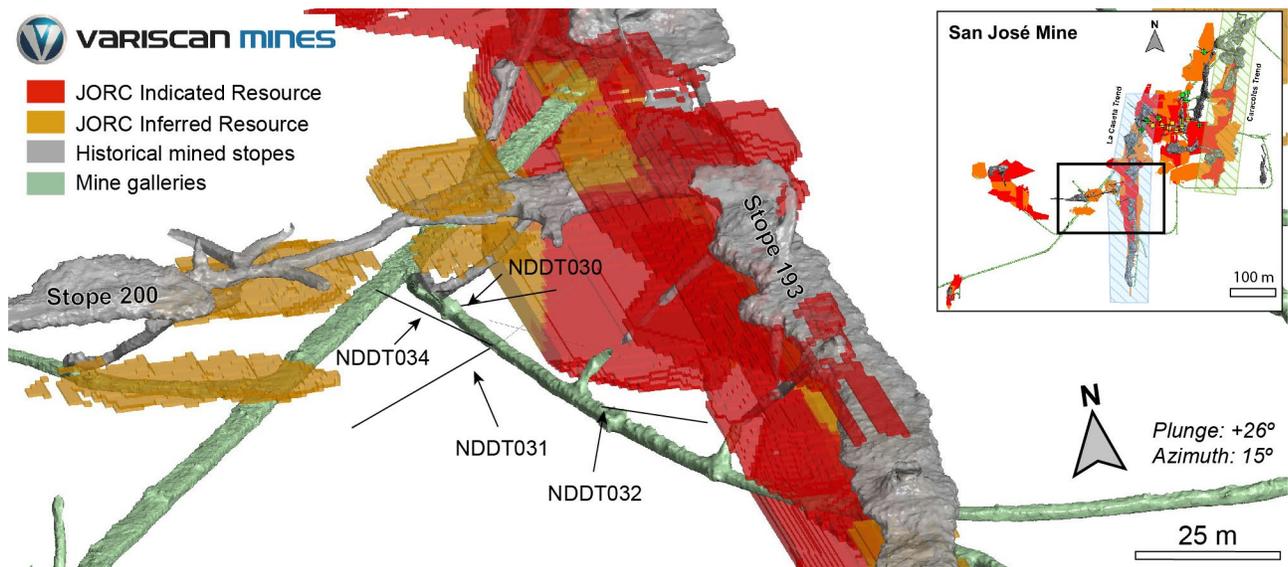
Note: Hole depth shown is from 0m to 12.5m

Key assay results from this drilling program included:

- NDDT027 14.5 m @ 8.93% Zn, 0.50% Pb
- NDDT029 11.6 m @ 8.43% Zn, 1.61% Pb
- NDDT026 7.0 m @ 5.30% Zn, 0.04% Pb
- NDDT028 6.0 m @ 6.59% Zn, 0.62% Pb
- NDDT020 3.0 m @ 5.55% Zn, 0.41% Pb

Drilling has continued to return thick intercepts of significant zinc mineralization and consequently expand and infill zones of high-grade zinc mineralization within the Central Zone of the San Jose Mine

**Figure 6.** 3D view of drill-hole locations testing D2 structural targets between Stope 200 and the La Caseta Trend in the San Jose Mine



### San Jose Mine Site Lease

Shortly after the acquisition of the Spanish zinc projects in 2019 the Company entered into certain agreements with Hispanibal S.L. (“HSP”) (refer ASX announcement 26 September 2019) which included a Cooperation & Partnership Agreement. Under the terms of the Cooperation & Partnership Agreement, HSP agreed for Variscan to use the San Jose mine site and its facilities for a 4 year period for nil consideration. During which time Variscan invested in the upgrade of site and its buildings, especially its offices, core logging and storage facilities.

The Company has now signed a new agreement to lease the site and facilities for a period of 3 years and extendable up to 6 years, at the option of Variscan, at a competitive, commercial rate in line with prevailing local norms for industrial sites.

## San Jose Mine Site with infrastructure in place is advantageous

The site confers a number of advantages to Variscan:

- 31,199m<sup>2</sup> site adjacent to the village of Novales is already permitted for use for mineral exploration, development and mining activities (see Figures 7 & 8)
- Access to the main portal of the underground San Jose Mine;
- The site comprises 5 permanent buildings. The total area of constructed buildings is 1,157m<sup>2</sup> with the ability add more warehouse area if required;
- The property has existing water supply, which is being upgraded and single-phase power. The site was previously supplied with overhead 3-phase power, re-connection will be assessed during Mine Re-Start Study work;
- Excellent core logging and storage facilities established (see Figure 9);
- Direct access via sealed roads capable of taking heavy goods vehicles;
- Site is within trucking distance (~145km) from the San Juan de Nieva zinc smelter operated by Asturiana de Zinc (100% owned by Glencore).
- Site is ~30km southwest from the regional capital, Santander which has an international airport and a deep water port with freight terminals.

**Figure 7.** Aerial view of San Jose Mine Site & Facilities



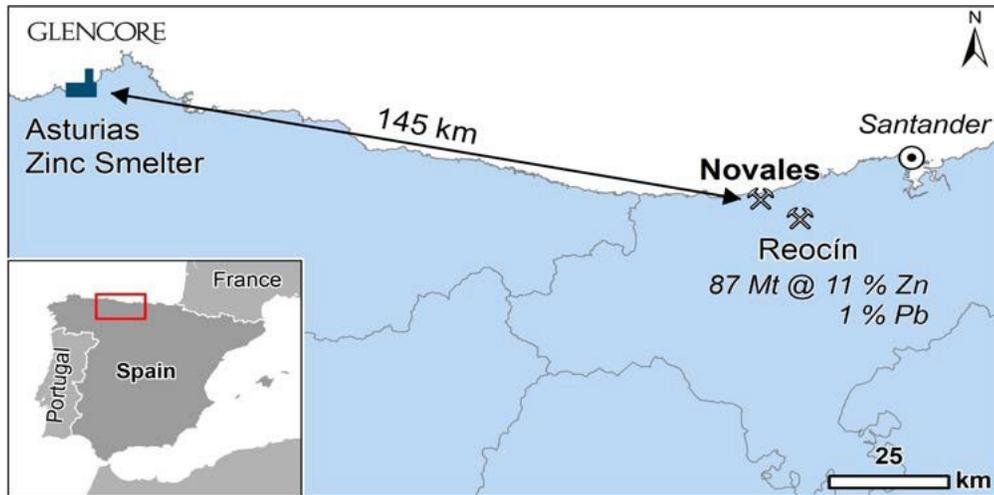
**Figure 8.** Ground view of San Jose Mine Site & Facilities (looking North)



**Figure 9.** San Jose Mine Site Core Logging



**Figure 10.** San Jose Mine site proximal to San Juan Smelter and regional capital, Santander

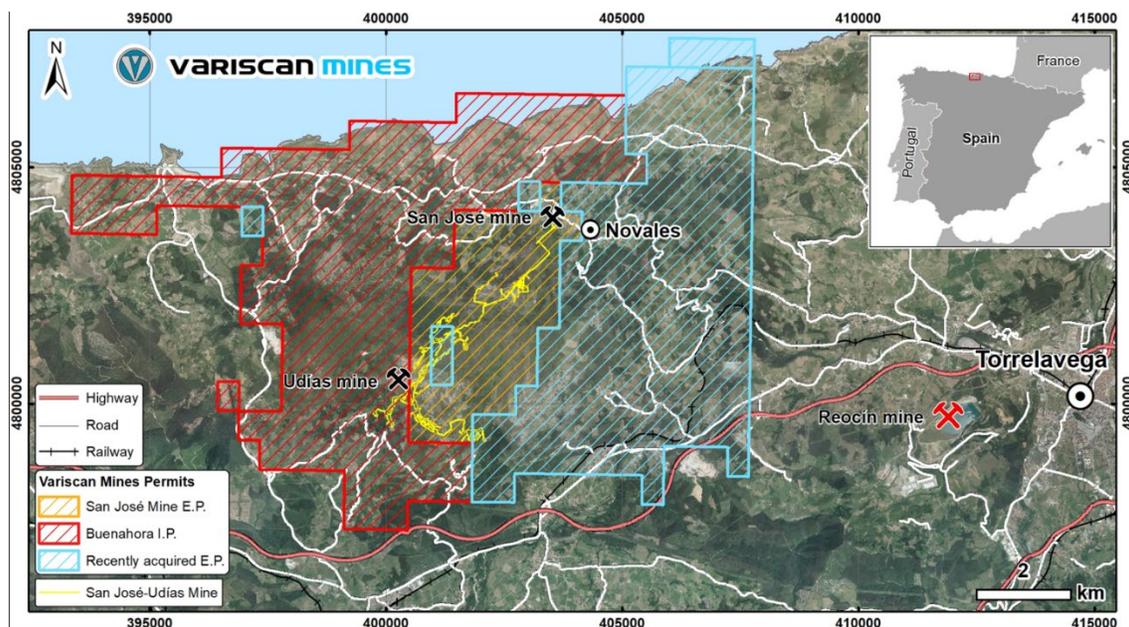


### New Licences Awarded

Shortly after the end of the quarter on 8 April 2024, Variscan announced the award of new exploration licenses within the Novales-Udias region. The 5 new licences, together termed as the ‘Caborredondo’ licences, (see Figure 11 and Table 1) are for a three year period and can be extended for an additional three years by the Ministry of Industry subject to compliance by filing a report of results of the exploration program.

Formal ratification of the licences will be made following the review of certain supplementary information to be supplied by Variscan, including annual work plans, to the satisfaction of the Government of Cantabria. The award of the licences does not carry a minimum financial spending commitment.

**Figure 11.** Map of enlarged licence areas including the Caborredondo licences



**Table 1.** Licence areas awarded comprising the Caborredondo Licences

Licence Area	Size (km <sup>2</sup> )
Esperanza	34.44
Estela	0.56
Elena	0.28
Candela	1.11
Valeria	0.28
<b>Total</b>	<b>36.66</b>

### Geology and Mineralization

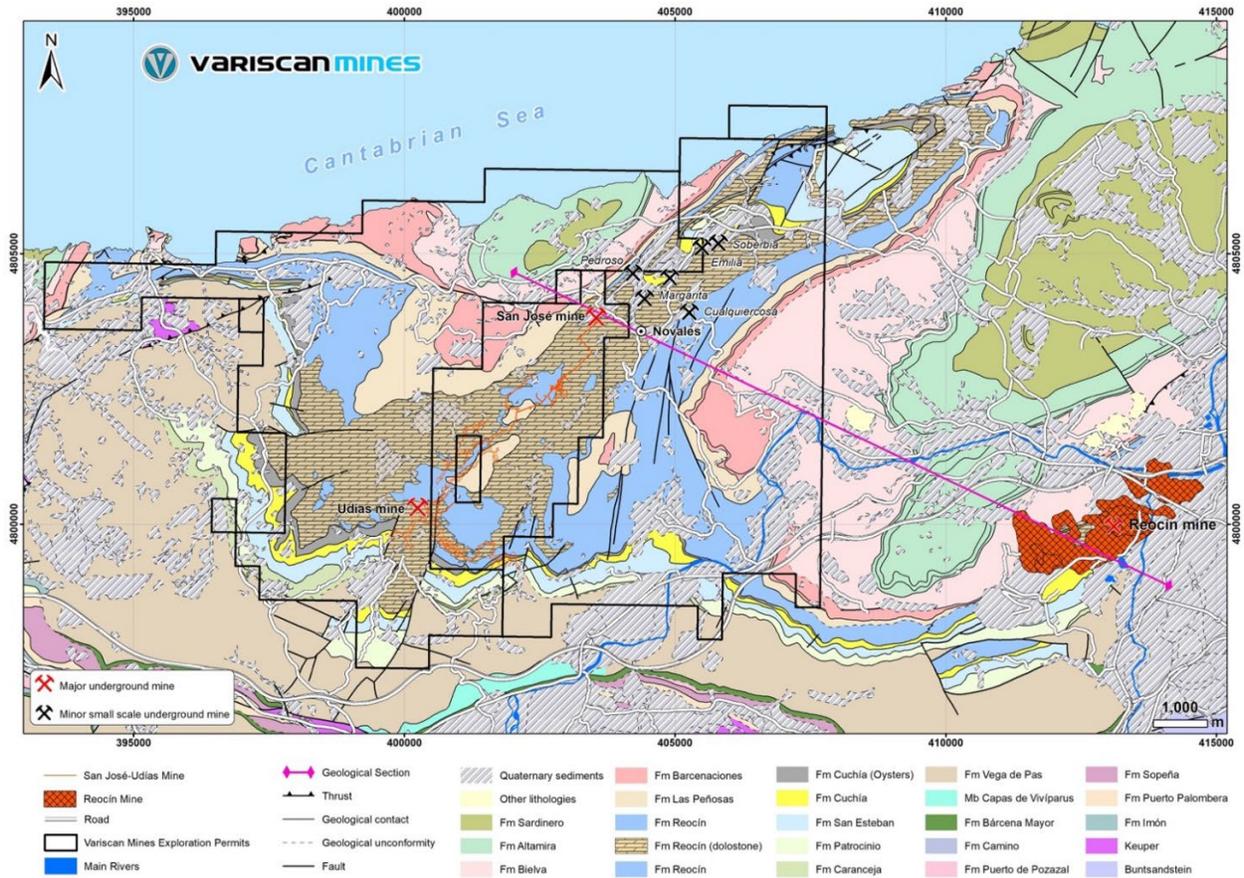
The principal geological feature is a wide synclinal structure that characterizes the western end of the Basque-Cantabrian Basin, named the Santillana syncline, striking NE-SW. The Caborredondo Licences cover a significant part of the Santillana syncline, where multiple zinc ore deposits occur. The former producing world-class Reocín Mine is located on the southeast flank of the syncline, whereas the newly gained ground occupies a symmetrical position on the northwest flank of the syncline, where dolomitic alteration and zinc mineralization are well developed in the same Gargasian (Upper Aptian) carbonate beds as found at the nearby Reocín Mine.

The Reocín deposit is one of the largest known stratabound, carbonate-hosted, zinc-lead deposits in Europe. The total metal endowment of the deposit, including past production and remaining reserves, is c. 87 Mt of ore grading 11 percent Zn and 1 percent Pb. (Velasco, 2003).<sup>1</sup>

The large licence area (34.4km<sup>2</sup>) to the east (auspiciously named 'Esperanza', i.e., 'hope' in Spanish) has extended the Novales-Udias Trend of zinc mineralization to approximately 12km in length. The Novales-Udias Trend is characterised by the former producing, sizeable San Jose and Udias Mines, as well as numerous historical small-scale mines and workings. The Esperanza licence hosts over a dozen historical small-scale mines and workings and has multiple positive exploration data, whereas the small licence in the centre of the already held San Jose mining licence (named 'Estela') hosts the main shaft of the Udias mine (Pozo Madroño) and some major underground developments of the historical Udias Mine.

<sup>1</sup> 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.

**Figure 12.** Map of enlarged licence areas and underlying geology



### De-risked exploration opportunity to scale-up the Novales-Udías Project

The new licence areas have been explored to a limited extent by Asturiana de Zinc in the 1980's. The data uncovered to date indicates there is an opportunity to grow the scale of the tonnage of the Novales-Udías Project.

#### Historical drilling

The Variscan exploration team have identified the location of 53 drillholes over the Esperanza licence area. Early work has confirmed historical drill intercepts over the licence areas that include (refer ASX announcement 8 April 2024):

- DDH S-21: 6.0m @ 9.62% Zn
- DDH S-163: 7.3m @ 6.50% Zn
- DDH S-162: 3.2m @ 9.57% Zn
- DDH S-162: 3.3m @ 6.33% Zn
- DDH S-162: 2.0m @ 6.73% Zn
- DDH S-100: 1.0m @ 6.28% Zn

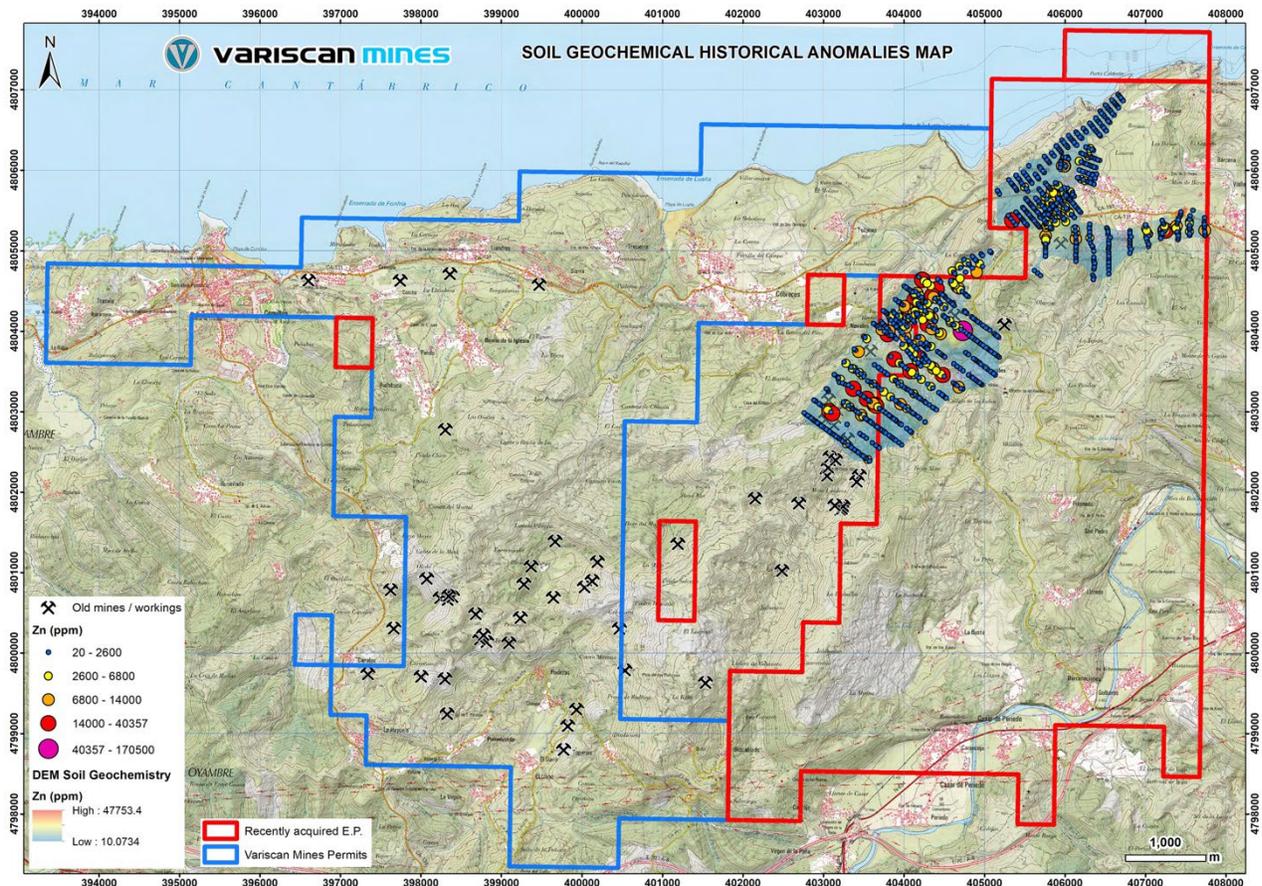
A large amount of regional historical archives, including drillhole data, is currently under review and will be reported as soon as practicable.

It is very clear that the Esperanza licence area hosts the eastern part of the high-zinc-grade Novales Trend, which is open to the north-east, and also that the favourable dolomitic strata on the western limb of the Santillana syncline and dipping east are prime exploration ground for large-scale 'Reocin-type' zinc systems, with all the tell-tale exploration vectoring signs being very encouraging for drilling this area.

### Geochemistry

Limited geochemical sampling was conducted by Asturiana de Zinc in the 1980s and shows high grade zinc results extending northeast from the area of the San Jose Mine and highlighting the extensive length and width of the Novales Trend as it outcrops on surface (see Figure 13). The more significant zinc anomalies typically range 4,000 – 9,000 ppm Zn (maximum 33,600 ppm Zn) and 380 – 2280 ppm Pb, making for compelling drill targets.

**Figure 13.** Geochemistry shows continuity from San Jose eastwards into the new Esperanza Licence.



### ***Former mine workings***

The new licence areas also host numerous historical near-surface and underground workings for zinc, such as the historical small-scale mines of Margarita, Emilia, Soberbia, Pedroso, Cualquiercosa, and a number of unnamed ones. An area of notable significance is the Estela licence, which hosts the main shaft of the Udias Mine (Pozo Madroño) and some major underground developments in the central part of the historical Udias Mine. The award of this licence infills a previous gap in the San Jose mining licence.

### **Spain – Guajaraz Zinc Project**

The Guajaraz Project is a prospective brown-field zinc-rich polymetallic opportunity with known mineral occurrences. The project is located in the highly mineralised Central Zone of the Iberian Massif, which ranks as one of the most mineralised geological units globally and represents the internal zone of the prolific European Variscan Orogenic belt.

The project area lies within a primary igneous and metamorphic crystalline plateau that hosts abundant hydrothermal vein networks that have a long history of exploration. Brittle-fault related vein and silicified breccia ore deposits are of the BPGC type (zinc-galena-pyrite-chalcopyrite).

While the main focus over the March 2024 quarter was again the exploration and eventual development of the Novales-Udias project, Guajaraz remains a core asset in Variscan's portfolio.

In late October 2023, Variscan announced that the Consejería de Desarrollo Sostenible (Department of Sustainable Development) of the Junta de Comunidades de Castilla-La Mancha (the regional Government of Castile-La Mancha) had approved a 3-year extension of the "Guajaraz" Permiso de Investigación (Exploration License), located in central Spain (see ASX announcement dated 26 October 2023).

The design of a future long-term work program for the Guajaraz Project, which will extend across the 2023 through 2026 lifespan of the now renewed Exploration License, includes:

- soil geochemistry.
- geophysical survey.
- initial drilling campaign.

## PROJECT SUMMARIES

### Spain – Zinc-rich Novales-Udias Project

The Novales-Udias Project is located in the Basque-Cantabrian Basin, some 30 kilometres 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 for a number of satellite deposits based on underground and surface workings, our substantial database of historic drilling and multiple areas of zinc anomalism identified from recent and historic geochemical surveys. Variscan has defined the NE-SW Novales Trend over 9 kilometres with a parallel mineralised trend over at least 3 kilometres of strike.

Key highlights of the Novales-Udias Project:

- Near term zinc production opportunity
- Large tenement holding of 68.3 km<sup>2</sup> (including several 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<sup>2,3</sup>)
- San Jose Mine is within trucking distance of the Glencore zinc smelter in the neighboring region of Asturias
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as around 7% Zn<sup>4</sup>
- Simple mineralogy of sphalerite – galena – calamine
- Ore is strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super high grade ‘bolsas’ (ore bags) commonly 10-20% Zn and in some instances +30% Zn<sup>5</sup>
- Assay results of targeted grab samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb<sup>6</sup>
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

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<sup>2</sup> 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: in Econ. Geol. v.98, pp. 1371-1396.

<sup>3</sup> 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.

<sup>4</sup> Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives

<sup>5</sup> 4 Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives.

<sup>6</sup> Refer to ASX Announcement of 19 December 2019.

## Spain – Guajaraz Zinc-rich Polymetallic Project

The Guajaraz Project is a prospective brown-field zinc-rich polymetallic opportunity with known mineral occurrences. The project is located in the highly mineralised Central Zone of the Iberian Massif, which ranks as one of the most mineralised geological units globally and represents the internal zone of the prolific European Variscan Orogenic belt. Variscan believes Guajaraz represents an excellent, de-risked brownfield polymetallic project. Reflective of this belief in the prospectivity of this Project, the Company filed an application with the authorities in Castilla-La Mancha during the year for a 3-year extension of the current exploration licence over the Guajaraz tenement area. This 3-year extension, covering the period 2023 through 2026 was granted to Variscan Mines' local Spanish subsidiary, Variscan La Mancha in late October 2023.

## FINANCIAL & CORPORATE

### CASH

Cash at bank at the end of the quarter was \$375,000. The Group continues to enjoy the support of its key shareholders and the Board is currently in discussions to raise additional capital that it believes will be successful.

### SUMMARY OF EXPENDITURE ON EXPLORATION ACTIVITIES

For the quarter, the Group spent \$470,000 on exploration activities, substantively all of which related to the Group's Spanish zinc projects. These exploration activities related to:

- Surface and underground drilling;
- Geological mapping and modelling;
- Technical consulting fees;
- Tenement administration, reporting and management; and
- Directly-attributable corporate overheads and administration costs.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

### DEFERRED SETTLEMENT SHARES

In accordance with the acquisition of the Spanish Zinc projects, the Company must issue additional shares upon the satisfaction of certain exploration milestones. These milestones are for the definition, in accordance with JORC 2012, of an Inferred Mineral Resource (or greater) of:

- Milestone 1: 4 million tonnes at 7% Zn
- Milestone 2: 8 million tonnes at 7% Zn
- Upon satisfaction of each of these milestones, the Company must issue 27,500,000 ordinary shares to the vendors of Slipstream Spain Pty Ltd and Slipstream Spain 2 Pty Ltd, and 2,426,471 shares to Hispanibal S.L. as the vendor of the "Hispanibal Option", for a total of 59,852,941 Ordinary Shares if both milestones are met.

There is currently no obligation to issue the milestone shares.

## OTHER

During the quarter, the Company made payments to related parties of \$38,000, represented by remuneration paid to Directors.

## ENDS

This ASX announcement has been authorised by the Variscan Mines Limited

### For further information, please contact:

#### **Variscan Mines Limited (ASX:VAR)**

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Managing Director & CEO

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### 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](http://www.variscan.com.au)

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## COMPETENT PERSONS STATEMENT

The information in this document that relates to the Exploration Target, exploration results and technical information is based on, and fairly represents information and supporting documentation 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.

Where reference is made to previous releases of exploration results and mineral resource estimates in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results and mineral resource estimates included in those announcements continue to apply and have not materially changed.

Reference is made to the following ASX announcements: 29 January 2024; 19 February 2024; 4 March 2024; 8 April 2024.

LISTING OF TENEMENTS HELD AT 31 MARCH 2024

Tenement	Tenement No.	Interest	Joint Venture Details
<b>SPAIN – Note 5</b>			
<u>Cantabria</u>			
Buenahora Fraction 1	IP 16.662-01	100%	
Buenahora Fraction 2	IP 16.662-02	100%	
San José	EC 94	100%	
La Torra	EC 512	100%	
Tres Amigos	EC 1565	100%	
Torpeza	EC 2557	100%	
Andrea	EC5220	100%	
Andrea-demásía a	EC5374	100%	
Es	EC8049	100%	
Dudosa	EC8165	100%	
Cargadoiro	EC11589	100%	
Tres amigos-demásía a	EC11594	100%	
Flor del pueblo	EC12942	100%	
Torpeza-demásía a	EC12952	100%	
Torpeza-3ª demásía a	EC13079	100%	
Torpeza-2ª demásía a	EC13080	100%	
Flor del pueblo-demásía a	EC13154	100%	
Dudosa-demásía a	EC13170	100%	
Andrea-3ª demásía a	EC13175	100%	
Andrea-2ª demásía a	EC13176	100%	
Cargadoiro-demásía a	EC13260	100%	
Ampliación a Matilde	EC13641	100%	
Aumentada	EC14238	100%	
Campitos	EC14554	100%	
Campitos-demásía a	EC14640	100%	
Carmenchu	EC14945	100%	
Amelita	EC14949	100%	
Eloísa	EC14947	100%	
Ampliación a Matilde-demásía a	EC14948	100%	
Cargadoiro 2	EC14954	100%	
Amelita-demásía a	EC14979	100%	
Carmenchu-demásía a	EC14980	100%	
Eloísa-demásía a	EC14981	100%	
Carmenchu-2ª demásía a	EC14982	100%	
6º Aumento a porvenir	EC15672	100%	
Ampliación a Matilde-demásía a	EC13641-10	100%	
Campitos-segunda demásía a	EC14554-20	100%	
Cargadoiro 2- demásía a	EC14954-10	100%	
Carmenchu-tercera demásía a	EC14980-30	100%	

Tenement	Tenement No.	Interest	Joint Venture Details
6º Aumento a porvenir-demásía a	EC15672-10	100%	
Torpeza-tercera demásía a	EC2557-30	100%	
<u>Toledo</u>			
Guajaraz	IP 4.203	100%	

#### CHILE

<b>Rosario</b>			
Rosario 6 1-40	0310259624	10.4%	Note 4
Rosario 7 1-60	0310259632	10.4%	Note 4
Rosario 101	03102N2229	10.4%	Note 4
Salvadora	0310231355	10.4%	Note 4
Abandonara	0310248487	10.4%	Note 4

#### NEW SOUTH WALES

Willyama	EL 8075	0%	Note 1
Hillston	EL 6363	39.2%	Perilya can earn 80%, Eaglehawk 9.8%
Native Dog	EL 8236	0%	Note 1
Woodlawn South	ELs 7257 and 7469	0%	Royalty interest only

#### SOUTH AUSTRALIA

Junction Dam	EL 5682	0%	Marmota acquired 100% ownership. See Note 2
Callabonna	EL 5360	49%	Red Metal 51%, can earn 70%

#### FRANCE

St Pierre	PER	100%	
Beaulieu	PER	100%	

- EL = Exploration License
- PER = Permis Exclusif de Recherche (France)
- IP = Investigation Permit (Spain)
- EC = Exploration Concession (Spain)

Note 1: Under an agreement with Silver City Minerals Limited, Broken Hill Operations and Eaglehawk Geological Consulting Pty Ltd Variscan has converted its interest in parts of these tenements to a NSR (Net Smelter Return).

- Note 2: Marmota has earned 100% of the uranium rights only in EL 5682. Variscan has a 0.5% net profits royalty on production from a uranium mine.
- Note 3: The remaining exploration licenses owned by Variscan Mines SAS (excluding the Couflens PER) have been conditionally acquired by a new wholly owned subsidiary, Variscan Mines Europe Limited. Pursuant to the approval for the Subsidiary Sale, the Ministry of Economy and Finance has imposed, without prior consultation, the compulsory relinquishment of the remaining licenses. The Company has approved the relinquishment request and has yet to receive a response. The timetable for the completion of the relinquishment process is unknown.
- Note 4: On 1 July 2019 the Company announced it had successfully renegotiated the terms of the existing Option Agreement to provide the Company with a participating interest of 10.4%. The Company can earn up to 90% of the project through payment of amounts totaling approximately US\$2.25 million.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Variscan Mines Limited

ABN

16 003 254 395

Quarter ended ("current quarter")

31 March 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(5)	(14)
(b) development	-	-
(c) production	-	-
(d) staff costs	(38)	(112)
(e) administration and corporate costs	(83)	(319)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
- Net VAT refunded – Spanish Operations	-	270
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(124)</b>	<b>(116)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(470)	(995)
(e) investments	-	-
(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(470)</b>	<b>(995)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	190	523
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>190</b>	<b>523</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	784	1,016
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(124)	(166)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(470)	(995)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	190	523

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	(3)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>375</b>	<b>375</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	375	779
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>375</b>	<b>779</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	38
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(124)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(470)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(594)
8.4 Cash and cash equivalents at quarter end (item 4.6)	375
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	375
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.63
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The Company is planning on remaining active, however future exploration activity is discretionary and exploration programs will be dependent on available cash.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Group continues to enjoy the support of its key shareholders and the Board is currently in discussions to raise additional capital that it believes will be successful.	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the entity expects that it will be able to continue its operations and meet its business objectives based on the entity's responses in item 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....30 April 2024.....

Authorised by: .....The Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.