ASX Announcement | 9 December 2024
Variscan Mines Limited (ASX:VAR)

THREE FOLD INCREASE IN THE HIGH GRADE MINERAL RESOURCE ESTIMATE FOR NOVALES-UDIAS PROJECT TO 3.4Mt

Highlights

- **Updated Mineral Resource Estimate ('MRE') published for the Novales-Udias Project in Cantabria, northern Spain of: 3.4Mt @ 7.6% Zn, 0.9 %Pb**
- **Total mineral resource growth in only 13 months from initial, maiden MRE**
- **Defined Measured Resources over the Novales-Udias Project for the 1st time**
- **Substantial increase in geological confidence; Measured & Indicated Resources represent 67% of the contained tonnes for San Jose Mine**
- **Forthcoming Mine Re-Start Study to be based on 1.7Mt @ 8.6% Zn, 1.4 %Pb utilizing Measured + Indicated mineral resources**
- **Updated MRE maintains Novales-Udias as one of the highest grade zinc mineral deposits currently owned by an ASX listed company**
- **Mineralization remains open along strike, and at depth; +60% of the 12km Novales Trend yet to be included in a MRE**
- **Current drilling underway at the Udías Mine together with complementary exploration activities will be included in a further MRE update in 2025**

Variscan Mines Limited (ASX:VAR) ("Variscan" or "the Company") is pleased to report an updated JORC (2012) compliant Mineral Resource Estimate ("MRE") for the Novales-Udias Project, located in Cantabria, northern Spain.

Updated JORC Mineral Resource Estimate delivers substantial growth

Asturmine, an established Spanish mining services company with extensive experience with mineral resource modelling of zinc deposits, was engaged by Variscan to report an updated MRE for the Novales-Udias Project which includes the San Jose Mine and the adjacent north-eastern part of the Udías deposit.

The updated MRE is **3.4Mt @ 7.6% Zn, 0.9 %Pb** at a cut-off grade of 2% Zn+Pb.

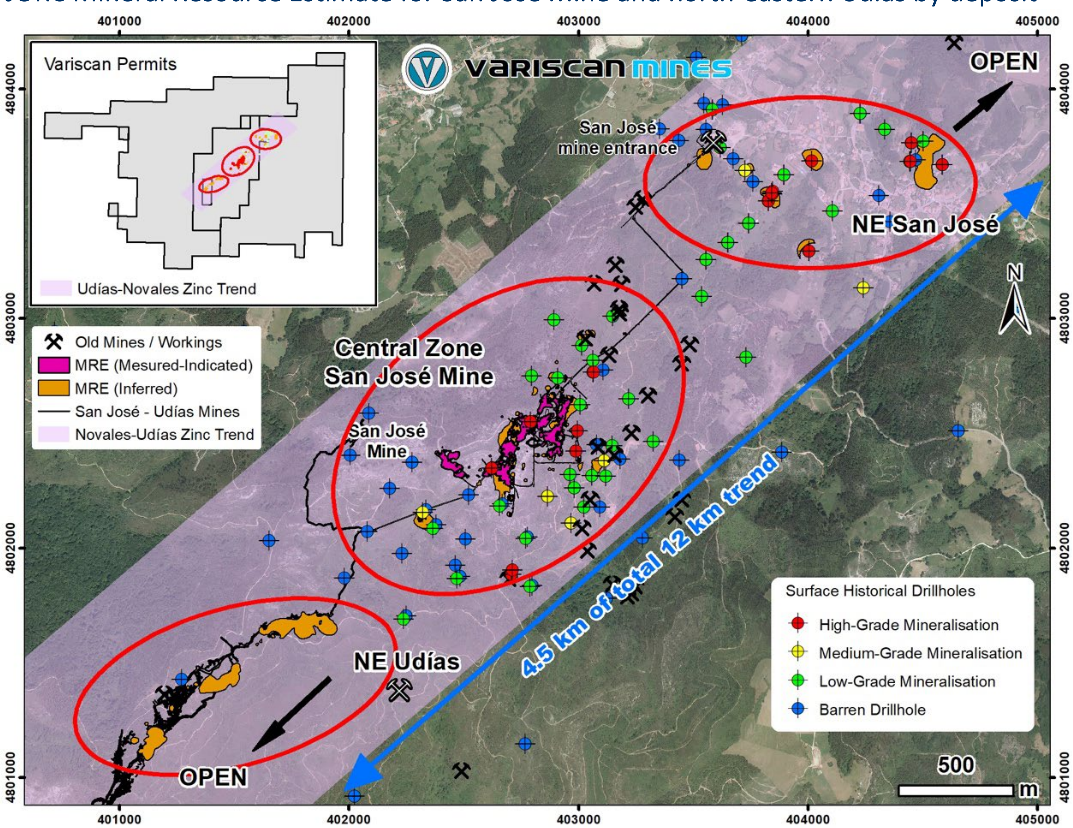
Table 1. JORC Mineral Resource Estimate for San Jose Mine and north-eastern Udías by deposit and classification reported above a 2% Zn+Pb cut-off

Deposit	Mineral Resource Classification	Tonnage (t)	Grade			Contained Metal		
			Zinc (%)	Lead (%)	Zinc + Lead (%)	Zinc (t)	Lead (t)	Zinc + Lead (t)
San Jose	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	Measured & Indicated	*1,122,135*	*8.90*	*1.63*	*10.53*	*99,845*	*18,262*	*118,107*
	Inferred	615,304	8.15	1.03	9.18	50,121	6,356	56,477
	Sub-total	*1,737,439*	*8.63*	*1.42*	*10.05*	*149,966*	*24,618*	*174,584*
San Jose (NE)	Inferred	931,608	5.72	0.20	5.92	53,306	1,860	55,165
Udías* (NE)	Inferred	709,533	7.60	0.47	8.07	53,915	3,316	57,232
Total	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	Measured & Indicated	*1,122,135*	*8.90*	*1.63*	*10.53*	*99,845*	*18,262*	*118,107*
	Inferred	2,256,445	6.97	0.51	7.48	157,342	11,532	168,874
	Total	**3,378,580**	**7.61**	**0.88**	**8.49**	**257,187**	**29,794**	**286,981**

Notes:

- *Mineral Resource table classified by deposit and reported in accordance with the JORC Code (2012).*
- *Note that no 3D underground mining model is available for the Udías NE deposit, as a result, all resources in this area have been classified as Inferred and their actual value may be lower than reported.*

Figure 1. JORC Mineral Resource Estimate for San Jose Mine and north-eastern Udías by deposit



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

"This substantial increase to our updated mineral resource estimate centered around the San Jose Mine is a significant milestone for the Company. It delivers both an increase in size of tonnage and in resource confidence whilst maintaining high-grade.

We have grown our total mineral resources by over 3x in only 13 months from the initial maiden, MRE. We have achieved this with exceptional capital efficiency largely due to having in-house underground drilling capability and making judicious use of our extremely valuable database of historical information. It validates the success of our exploration activities to date and establishes a platform upon which we can continue to build a significant high-grade resource inventory as well as advance the Mine Re-Start Study.

It is very satisfying to report mineral resources in the higher Measured category for the first time since we acquired the Novales-Udias project. This upgrade is significant. Measured & Indicated Resources represent 67% of the contained tonnes for the San Jose Mine where the highest grade (9.18% Zn) is also found in the Measured category. Having these mineral resources in the higher confidence Measured and Indicated categories is necessary for the forthcoming Mine Re-Start Study which will be based on 1.7Mt @ 8.6% Zn, 1.4% Pb to ensure a reasonable basis for future production targets and economics published. That remains on track for delivery by H1 2025.

The upside potential to increase the size of the resource is particularly exciting. Mineralization remains open along strike and at depth. The Competent Persons confirmed low-risk, high priority zones with the presence of mineralization beyond the MRE model ready to convert to JORC mineral resources with further drilling.

More broadly, the Company has a number of paths to additional resource inventory growth including:

- *our enlarged licence areas cover over 100km^2 and are highly prospective offering considerable exploration upside;*
- *only 40% of the 12km Novales Trend is incorporated into this updated MRE;*
- *we are currently drilling for the first time in the Udías Mine, which is outside of the MRE model and is several times bigger than the San Jose Mine.*

We look forward to reporting assay results from the current drill program in early 2025 and anticipate that a further MRE update will be published in 2025 to incorporate these and other drilling results.

We are continuing to rapidly advance the Novales-Udias Project which is one of the highest-grade, development stage zinc deposits in Europe. This MRE is an important milestone in our progress towards achieving our objective of re-starting zinc production."

Executive Summary

The Company engaged specialist Independent Consulting Group, Asturmine[1] to undertake a full review and assist with preparation of an updated Mineral Resource Estimate.

Asturmine has prepared a Mineral Resource Estimate for the Novales-Udías Project, located in Cantabria, Spain. This project centres on the historically mined San José Mine deposit, with additional potential in the surrounding Udías area. The estimation was completed in accordance with the JORC Code (2012)[2], integrating both historical and modern exploration data to provide a comprehensive evaluation of the deposit.

The Novales-Udías Project is characterised by Mississippi Valley-Type (MVT) zinc-lead mineralisation hosted within stratiform dolomitic units. The mineralisation, predominantly zinc with subordinate lead, is epigenetic in origin and occurs as sub-horizontal lenses controlled by steeply dipping fault zones. These geological features, along with the straightforward nature of the deposit's mineralogy, underscore its potential for resource development and eventual economic extraction.

A robust database of 1,331 drill holes forms the basis of the MRE. Historical drilling accounts for 81.7% of the data, while modern campaigns conducted between 2020 and 2024 contribute the remaining 18.3%. Modern drilling adhered to strict QA/QC protocols, achieving over 90% core recovery, and all samples were analysed at an accredited laboratory. This has ensured that the data used for modelling is both reliable and representative of the deposit.

Resource estimation was conducted using Leapfrog Geo and Leapfrog Edge software, employing an octree block model with a parent block size of 5 x 5 x 5 metres. Zinc and lead grades were interpolated using ordinary kriging (OK) after compositing assay samples to 1-metre intervals, the most common length in the database. The resources were classified into Measured, Indicated, and Inferred categories based on data quality and geological continuity.

Table 1 presents the estimated Mineral Resources for the Novales-Udías Project, with resources reported separately for each deposit. It is important to note that no depletion has been applied to the Udías deposit due to the absence of a 3D underground mining model. Consequently, the resources for Udías have been classified as Inferred, and their actual value may be lower than reported.

A cut-off grade of 2% Zn was applied to the Mineral Resource Estimate, reflecting industry standards for similar MVT deposits. To illustrate how different cut-off grades affect the tonnage and average grade of the mineral resources, a grade-tonnage curve has been generated (refer Figure 11).

Although detailed metallurgical studies are pending, historical records indicate that the ores are suitable for straightforward processing, producing high-grade zinc and lead concentrates. The deposit's favourable location within Cantabria, a region with established mining infrastructure, further enhances the project's development prospects.

[1] Further details on Asturmine available at: https://www.asturmine.com/en/index.html

[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Figure 2. Mineral Resource Estimate categories at the San Jose Mine in 3D View

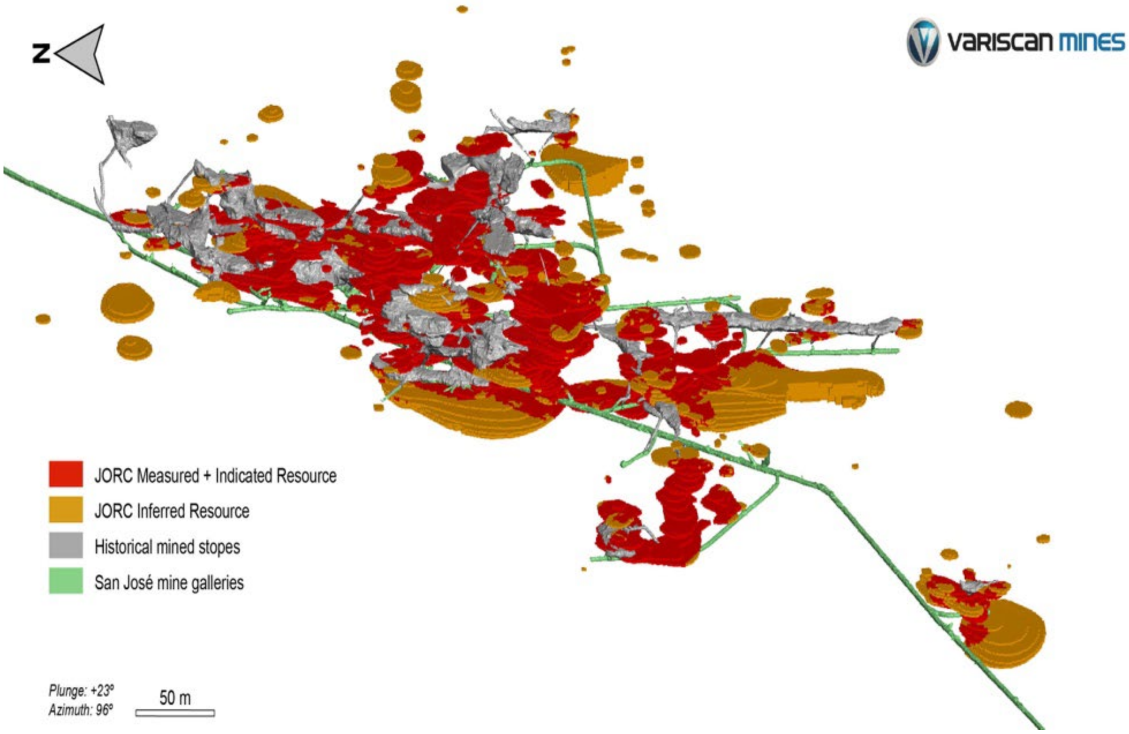
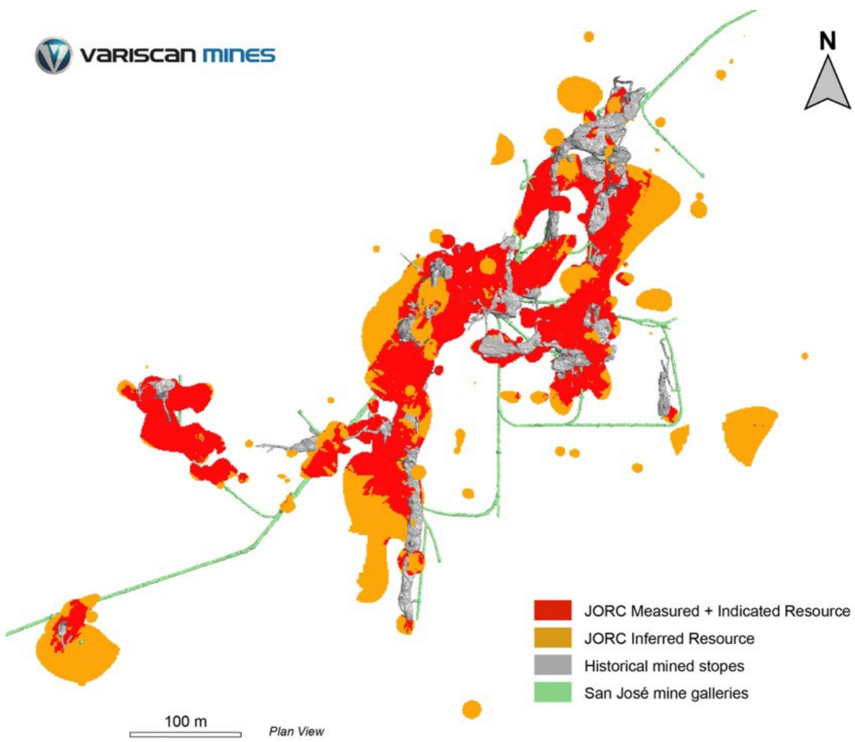


Figure 3. Mineral Resource Estimate categories at the San Jose Mine in Plan View



3.1x growth in tonnage & 2.6x growth in contained zinc yet maintains high grade

In just over a year from publication of the project's maiden MRE (refer ASX Announcement 28 November 2023), Variscan's exploration success, including highly effective underground drilling which has returned excellent high-grade results, has directly contributed to notable increases in the size of the MRE illustrated in Figures 4 and 5.

Figure 4. Growth in contained zinc tonnage from maiden, initial MRE in November 2023 to updated MRE in December 2024

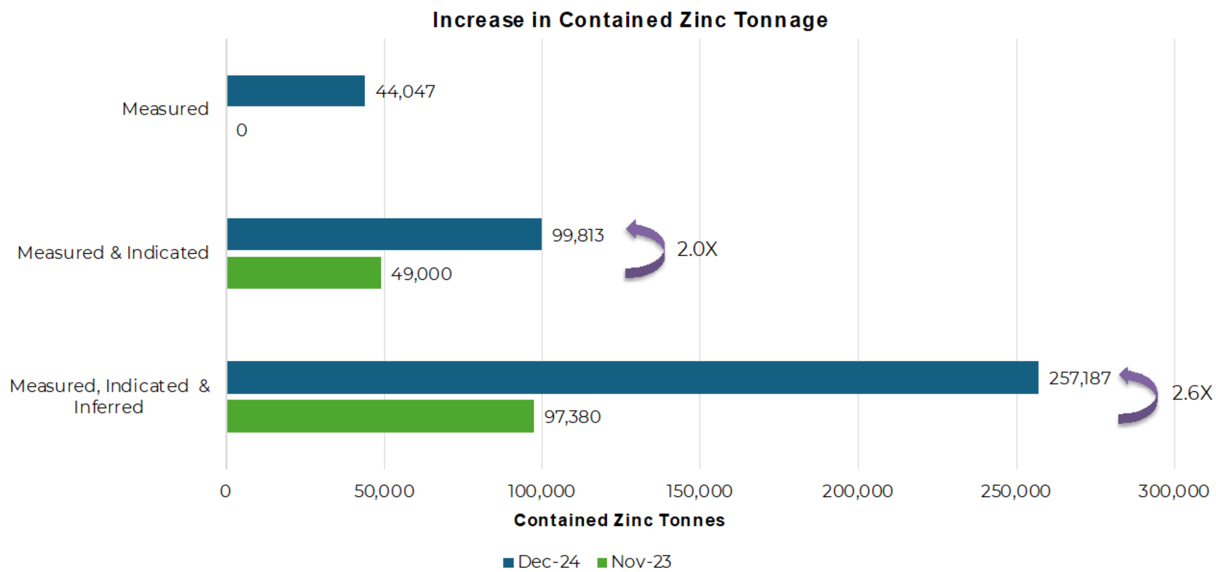
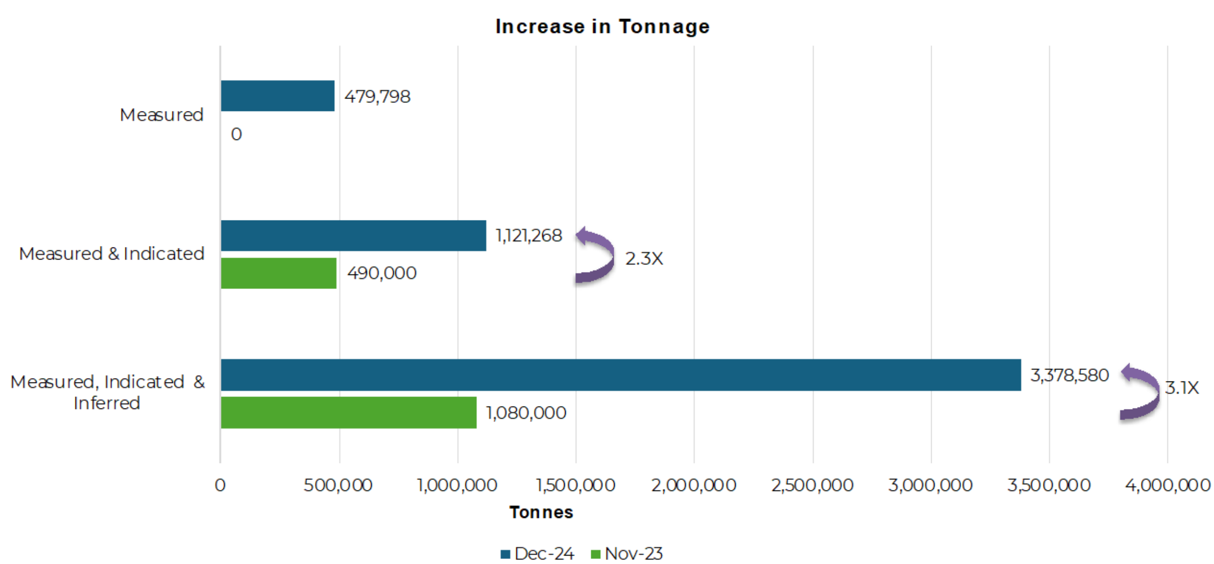


Figure 5. Growth in resource tonnage from maiden, initial MRE in November 2023 to updated MRE in December 2024



Upside potential for future resource growth & Mineral Resource Estimate updates

Zones of mineralization adjacent to MRE deposits

In addition to the resources defined in the MRE, Asturmine identified additional tonnage which does not currently meet the JORC classification standards but highlights the presence of mineralization with lower confidence. These represent mineralized material located more than 50 metres from sample data in the ore domains. These are assessed to be low-risk, high priority zones beyond the MRE model ready to convert in JORC mineral resources with appropriate drilling and exploration.

Figure 6. Plan view of potential resources stepping out from MRE deposits

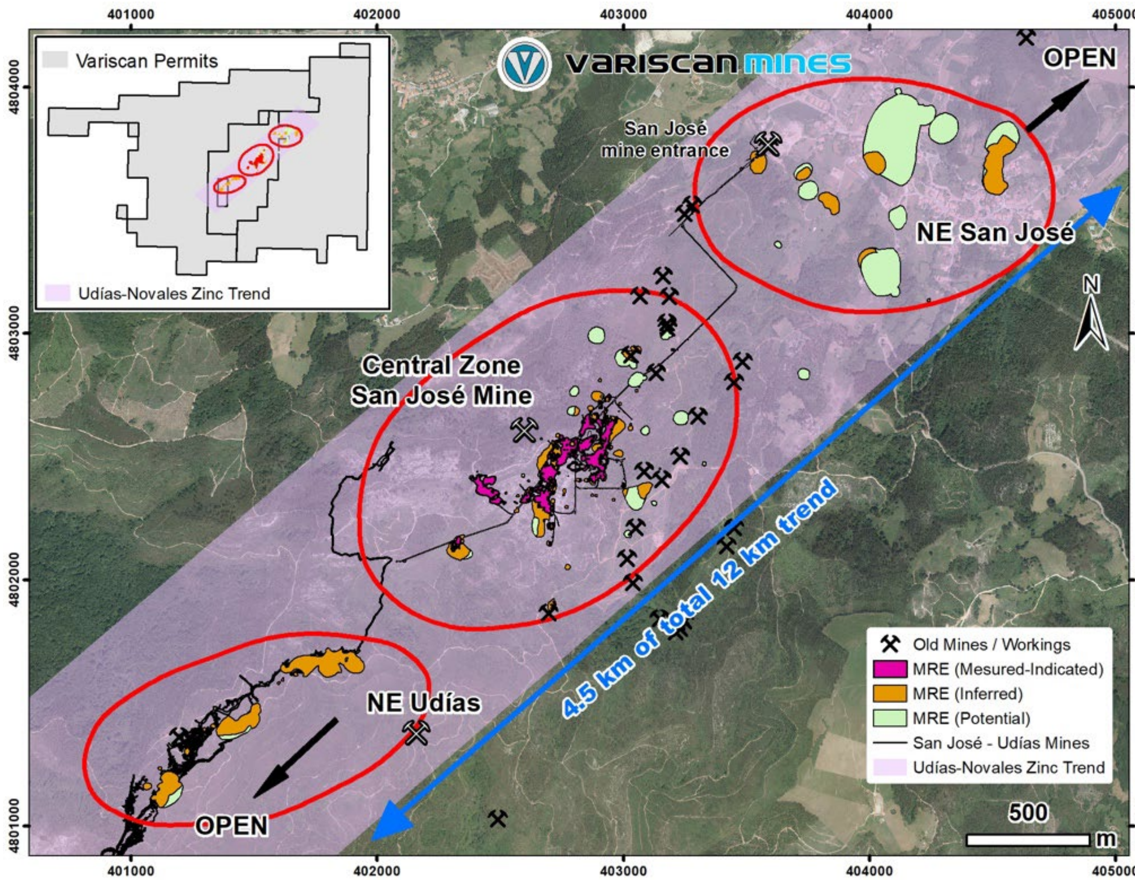
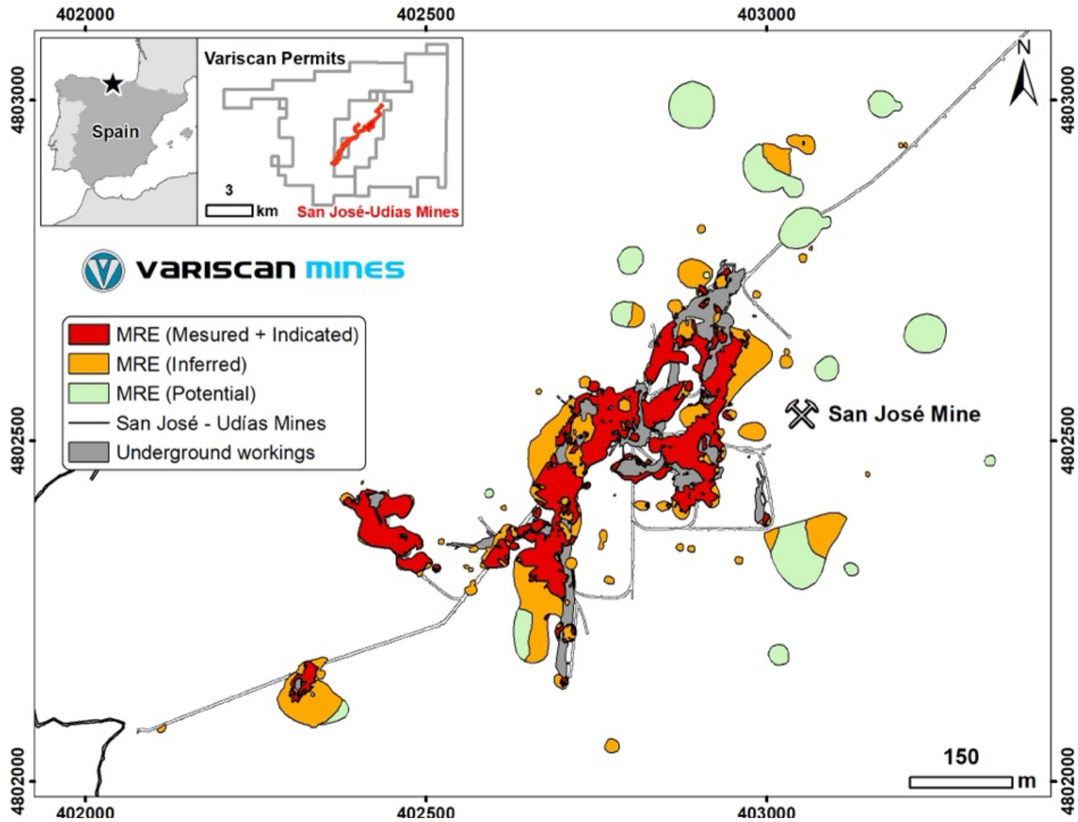


Figure 7. Plan view of potential resources stepping out from San Jose MRE deposit

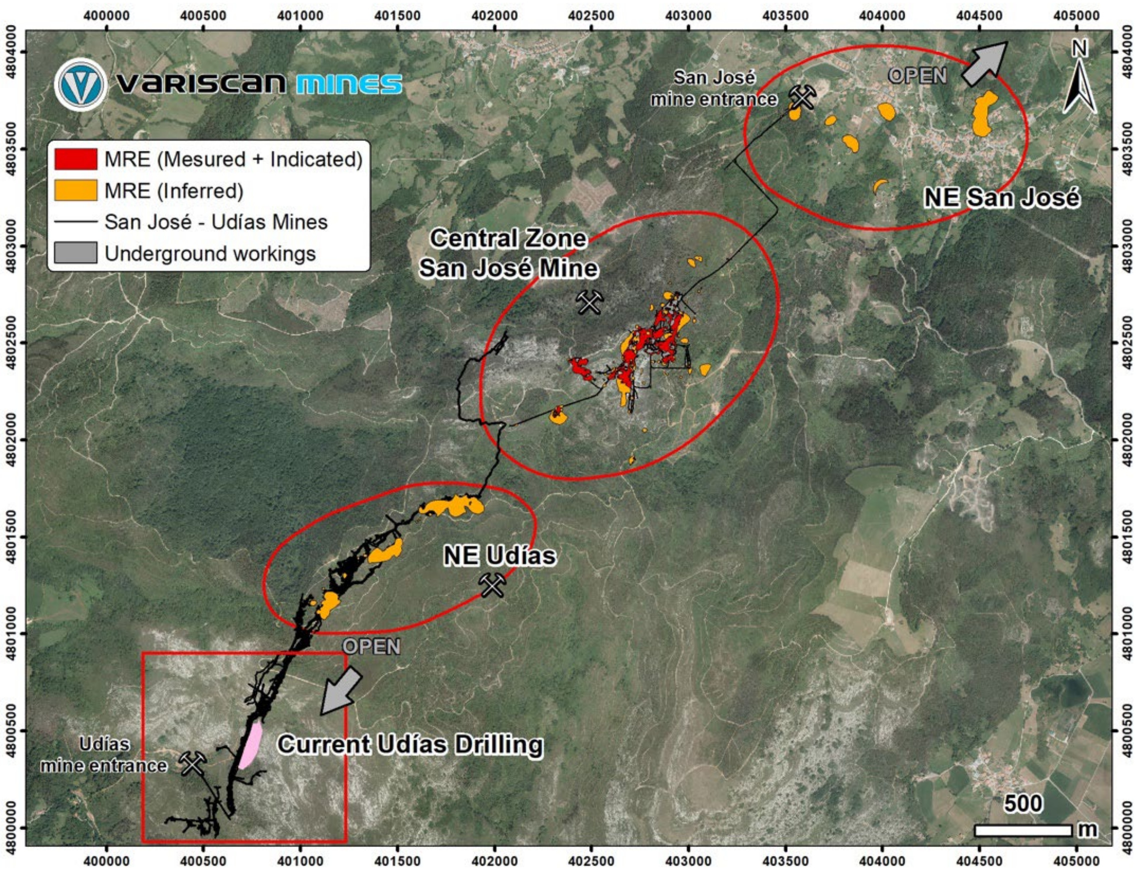


Current drilling at the Udías Mine

Variscan has commenced underground drilling in the Udías Mine (refer ASX Announcement 14 November 2024). The Udías Mine complex is several times bigger than San Jose Mine and has not been previously drill-tested by the Company. The southern part of the Udías Mine, exceeding 1.4 km in length, has never been drilled at all. The Udías Mine complex is directly linked underground to the San Jose Mine near Novales, and both mines sit on the 12km-long Novales Trend.

The drilling is located outside of the MRE model. First assay results are expected in January 2025. It is anticipated that a further MRE update will be published in 2025 to incorporate these and other drilling results.

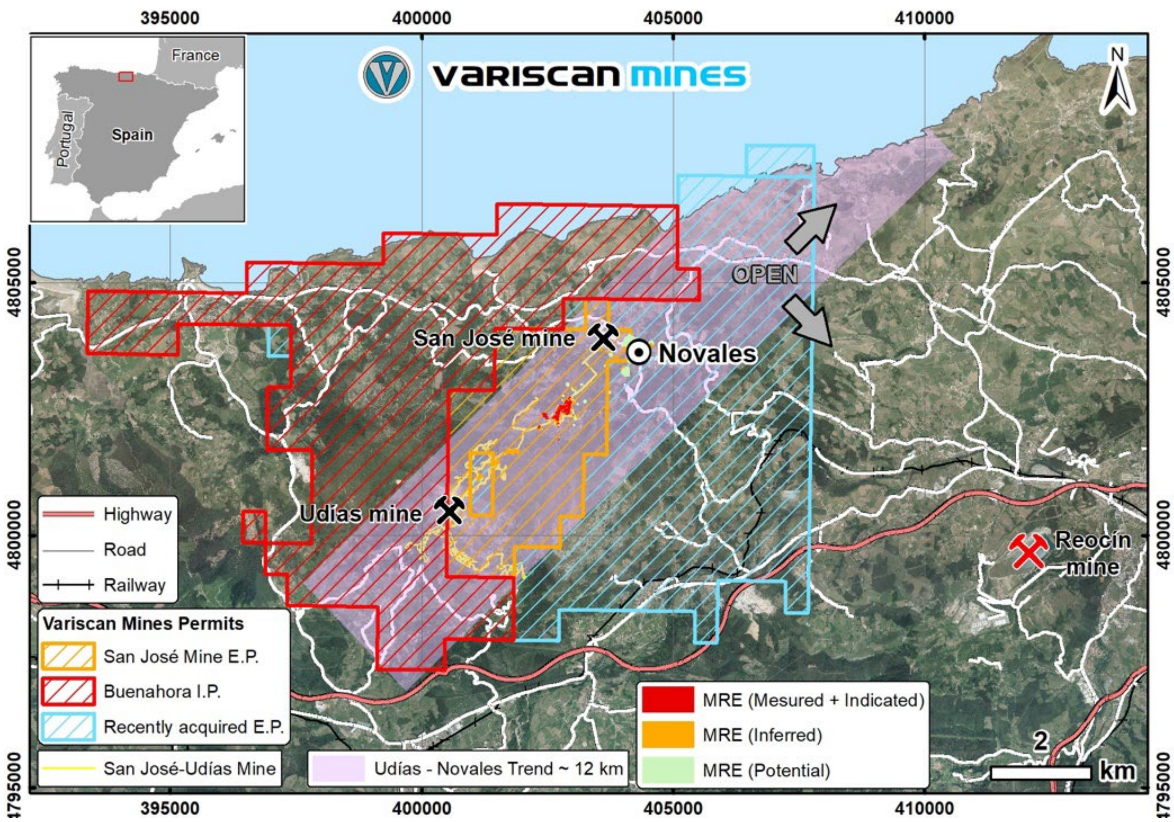
Figure 8. Plan view indicating the location of drilling at Udías Mine being beyond the Mineral Resource Estimate



Wider Licence Areas

During 2024, 5 new licences, with an area of 36.66 km^2, immediately adjacent to the existing San Jose and Buenahora tenements were granted to Variscan (refer ASX Announcement 8 April 2024). The enlarged licence areas total over $100km^2$. They are highly prospective and offer exploration upside; +60% of the 12km Novales Trend has yet to be incorporated into the MRE. The enlarged licence areas have historical drilling, workings and some exploration data on them. Variscan will test these areas in due course.

Figure 9. Variscan licence areas offer significant exploration potential to increase the Mineral Resource Estimate



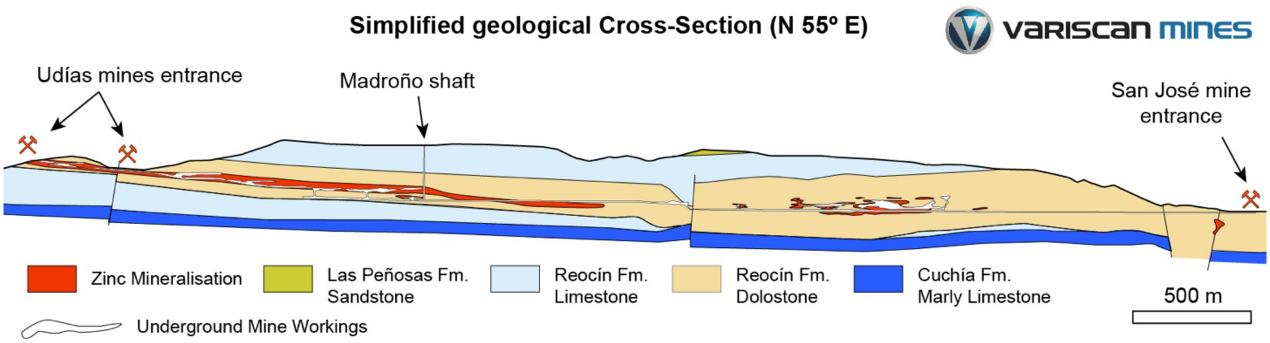
Mine Re-Start Study will focus on higher confidence Mineral Resources at San Jose Mine

The Mine Re-Start Study will focus on the San Jose Mine using the upgraded Mineral Resource Estimate of **1.7Mt @ 8.6% Zinc, 1.4%Pb** for that deposit. Measured & Indicated Resources represent 67% of the contained tonnes for the San Jose Mine where the highest grade (9.18% Zn) is also found in the Measured category. Having mineral resources in the higher confidence Measured and Indicated categories is necessary for the Mine Re-Start Study to ensure a reasonable basis for future production targets and economics published. Delivery of the study remains on track for delivery by H1 2025.

It is logical to focus on the San Jose Mine as the starting point for potential production as a mining licence is already granted and infrastructure is in place. Historically San Jose Mine was operated as single, standalone entity and is today the best geologically understood part of the project.

As the San Jose Mine is directly linked underground to the Udias Mine complex and both mines sit on the 12km-long Novales Trend subsequent, updated MRE and mine studies, may consider combining the deposits operationally.

Figure 10. Simplified geological cross-section showing connectivity and continuity between San Jose Mine and Udias Mine (refer ASX Announcement 10 September 2024)



Supplementary Information for the Mineral Resource Estimate

The following subsections are provided consistent with ASX Listing Rule 5.8.1, with further information provided in the JORC Code (2012) – Table 1, which is attached to this announcement.

Geology and Geological Interpretation

The San José-Udías Project is situated in Cantabria, Spain, and is characterised by Mississippi Valley-Type (MVT) mineralisation hosted within stratiform dolomitic units. The deposit is predominantly zinc-lead, with zinc being the dominant commodity.

The mineralisation is epigenetic, resulting from hydrothermal fluids migrating along steeply dipping fault zones and replacing the carbonate host rock. This mineralisation is stratabound and occurs as sub-horizontal lenses, pods, and veins, often with significant lateral extensions controlled by the fault structures. The lenses are stacked and separated by barren dolostone units, highlighting the stratiform nature of the deposit.

Dolomitisation is a key geological process in the formation of the deposit, occurring in multiple stages. The mineralisation is primarily associated with the later phases of dolomitisation. Mineralogical composition is relatively simple, with zinc sulphides (sphalerite) as the main ore mineral, accompanied by subordinate lead sulphides (galena) and occasional marcasite. In the oxidised zones of the deposit, Zn is also present as "calamine", a term locally used to refer to a rock composed of smithsonite and hemimorphite.

Geological interpretation of the deposit integrates historical and recent drilling data, supported by detailed 3D geological modelling. This work has delineated the geometry and continuity of the mineralisation, allowing for the identification of key zones of economic interest. The deposit is spatially related to the Novales Trend, which includes multiple prospects with similar geological characteristics, indicating potential for further resource development along strike and at depth.

Drilling Techniques

The San José-Udías Project integrates historical (1950s–1990s) and modern (2020–2024) drilling campaigns to support resource estimation. Historical drilling, predominantly diamond core, includes 666 underground holes (52,148 m) at San José and 154 surface holes (31,238 m) across the project area. While valuable, the historical data is partially limited due to incomplete documentation of techniques implemented.

Modern drilling by Variscan Mines employed advanced diamond drilling methods with rigs such as Hagby Onram 100 and Atlas Copco Diamec 252, achieving over 90% core recovery. A total of 200 underground holes (5,499 m) and 3 surface holes (322m) were drilled, focusing on mineralisation continuity. The campaigns adhered to rigorous quality standards, addressing data gaps and ensuring reliable input for resource modelling.

Sampling Techniques

Historical Sampling

Historical sampling methods, conducted between the 1950s and 1990s by previous operators, lack comprehensive documentation. Core samples were predominantly split into half-core for assay, with sampling intervals varying widely (0.5 m to 3.0 m). In some cases, larger composite samples of up to 10 m were reported. Due to the absence of QA/QC protocols and limited records, the reliability of historical samples cannot be fully validated, though their general trends were incorporated into the resource model.

Modern Sampling

Modern sampling, conducted by Variscan Mines from 2020 to 2024, followed strict protocols to ensure representative and reliable data.

Variscan drill core were sampled as half core with sample lengths ranging between 0.15 m and 1.6 m, averaging 1.0 m, and include at least 1 m of core adjacent to the start and finish of logged mineralisation. Variscan Mines samples were selected by geologists based on the logging of mineralised intervals. Sample recoveries are typically >90%. Detailed geological logging was carried out for all Variscan drill holes, with all holes photographed before and after cutting of core. Samples were logged for lithology, veins and veining intensity, alteration and mineralisation.

Representativity and Limitations

While historical sampling provides broader context, modern sampling practices ensure robust and representative data for mineral resource estimation. The combination of these datasets allows for a comprehensive understanding of the deposit, though historical limitations are acknowledged.

Sample Analysis Method

All Variscan half core samples were sent directly to the ALS Seville laboratory for preparation and subsequent analysis according to industry standards with crushing, pulverizing and splitting prior to sample analysis. The sample sizes taken for the drilling reported are considered suitable for the deposit type and style of mineralisation at this stage of exploration. The laboratory is accredited (ALS Seville) and the techniques for Zn and Pb are considered suitable.

No descriptions of the historical assaying and laboratory procedures used have been located by Variscan. It is unknown whether the techniques used were partial or total.

Estimation Methodology

The resource estimation for the San José-Udías Project was conducted using Leapfrog Geo and Leapfrog Edge, employing an octree block model. The parent block size was set at 5 x 5 x 5 metres, with a minimum cell size of 1.25 metres applied through octree subdivision to ensure precision in areas with complex mineralisation. Ordinary kriging (OK) was used to estimate zinc and lead grades.

To ensure consistency and reliability in the estimation process, assay samples were composited into regular 1-metre intervals prior to interpolation. This compositing length was selected as it represents the most frequent sample interval in the assay database, providing a uniform basis for grade estimation.

The estimation process was designed to balance confidence in well-sampled areas with broader coverage in less informed zones. Four passes of ordinary kriging were applied, with progressively relaxed data and search criteria:

Passes 1 and 2 focused on well-informed areas, excluding historical samples longer than 3 metres due to limited confidence in these data, which likely represent composited intervals. Only reliable, modern data were utilised in these passes.

Passes 3 and 4 extended the estimation to sparsely sampled areas, incorporating all available data, including historical samples, regardless of length, to maximise spatial coverage.

This structured approach ensured that the highest-confidence zones were prioritised, while areas with limited data were also included in the resource estimate, maintaining a balance between reliability and comprehensiveness.

Mineral Resource Classification

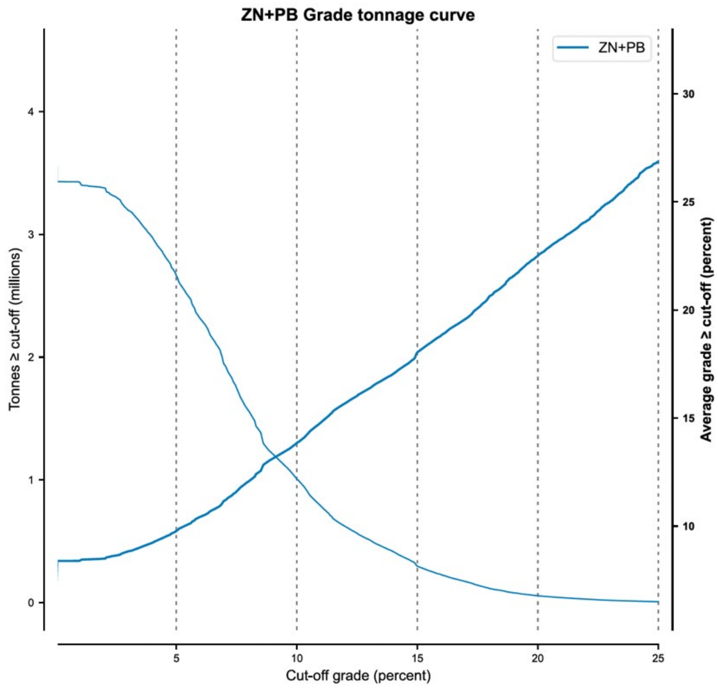
The classification of Mineral Resources is based on the results of ordinary kriging (OK) passes. Classification was applied to blocks within the mineral domain as follows:

- Measured Resources: Blocks estimated in the first pass were classified as measured.
- Indicated Resources: Blocks estimated in the second pass were classified as indicated.
- Inferred Resources: Blocks estimated in the third and fourth passes were classified as inferred, provided they were within 50 metres of sample data.

Cut-off Grades

The Mineral Resource report for the deposit was prepared applying a cut-off grade of 2% Zn+Pb. This threshold, commonly used in Mississippi Valley-Type (MVT) deposits, reflects industry standards for Zn-Pb mining operations. As the project is still in the exploration phase, insufficient cost and revenue data exist to precisely calculate an economic cut-off grade. However, the selected value provides a reasonable benchmark for the current stage of the project.

Figure 11. Cut-off grade sensitivity: Zn+Pb Grade Tonnage Curve



Mining and Metallurgical Methods

Mining Methods

The deposit's geometry, consisting of stratiform, sub-horizontal lenses, is well-suited for underground mining methods, similar to those employed during historical operations. Future mining is anticipated to use modern mechanised techniques to improve efficiency and reduce costs. Detailed mining studies will be required to evaluate the economic viability of extraction and confirm the suitability of specific methods.

Metallurgical Methods

Preliminary metallurgical assessments indicate that the simple mineralogy of the deposit, dominated by zinc sulphides with subordinate lead sulphides and minor iron sulphides, supports straightforward processing.

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

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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.

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Competent Person Statement

The information in this report that relates to Mineral Resources is based on, and fairly represents, information compiled by Mr Juan Antonio Fernández García and Dr Mike Mlynarczyk.

Mr Juan Antonio Fernández García is a Principal Consultant and Competent Person at Asturmine and is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM(CP)). Mr Fernández García has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, as well as the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Fernández García assumes responsibility for matters related to Section 3 of the JORC Table 1 and consents to the disclosure of the information in this report in the form and context in which it appears.

Dr Mike Mlynarczyk is the Principal of Redstone Exploration Services, a geological consultancy acting as an external consultant to Variscan Mines. He is a Professional Geologist (PGeo) of the Institute of Geologists of Ireland and the Spanish Official Professional Association of Geologists, as well as a European Geologist (EurGeol) of the European Federation of Geologists, and a Fellow of the Society of Economic Geologists (SEG). With over 13 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 relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 assumes responsibility for matters related to Sections 1 and 2 of the JORC Table 1 and consents to the disclosure of the information in this report in the form and context in which it appears.

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 Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg 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 representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.	• The drilling data of the San Jose mine and adjacent area that is referenced in this report relate to historical surface and underground drilling conducted by previous operators, as well as to the underground and surface drilling conducted in the area by Variscan Mines in the years 2020-2024. The complete information on the multiple drilling campaigns of various vintages is extensive and can be found in ASX press releases by Variscan Mines of 3rd February 2020, 3rd March 2020, 16th March 2020, 1st April 2020, 9th March 2021, 25th May 2021, 15th June 2021, 4th August 2021, 15th March 2022, 7th July 2022, 25th August 2022, 2nd March 2023, 7th August 2023, 5th October 2023, and 11th July 2024 on the website www.variscanmines.com.au. • Historical data is sourced from previous project operator exploration activities, performed from the 1950's to the late 1990's. Historical data includes both underground and surface core drilling, of which the paper-format core logs and location maps are held at the School of Mines and Energy Engineering at Torrelavega, a faculty of the University of Cantabria, Spain. • Due to the incomplete nature of the historical drill hole data, including procedures, a comment on the sample representativity or calibration of measurement tools or systems used by historical

Criteria	JORC Code explanation	Commentary
		workers cannot be made, and these cannot be considered 'industry standard' by modern standards. • Historical drilling includes 666 holes (52,148 m) drilled underground at San Jose; 105 holes (6,294 m) drilled underground at Udías; and 154 holes (31,238 m) drilled from surface. All underground drill collars from San Jose have been located and re-surveyed by Variscan and the hole azimuth and dips measured at the collar positions. Also, a selection of drill holes from Udias and selected surface drill holes have been located and re-surveyed in the field, as part of vetting the historical datasets. • Variscan Mines underground drilling data referenced in this report comprises 200 diamond drill holes (totalling 5,499 m). Details of Variscan's underground drilling campaigns were provided in Variscan Mines ASX press releases. • In addition to underground drilling, limited surface diamond drilling was conducted by Variscan Mines. Drilling consisted of 3 surface drill holes (totalling 322 m of core), and details were provided in the Variscan Mines ASX press release of 2nd March 2023. • All diamond drilling of Variscan Mines was sampled using industry best practice methods: most diamond drilled core was cut along its length to produce half core, which was then assayed, except for the last 60 holes (totalling 1502m) drilled with a portable drill that were assayed as full core owing to the comparatively small drill core diameter of 37mm. The samples were sent to the accredited ALS Seville laboratory for analysis. Samples are considered

Criteria	JORC Code explanation	Commentary
		representative and include waste intervals on the periphery of mineralised intersections. It is assumed that the equipment used was calibrated correctly as per the internal SOP's at ALS Seville.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).	• The majority of Variscan Mines drill core was drilled using a Hagby Onram 100 or an Atlas Copco Diamec 252 drill rig, producing BQTK diamond drill core (40.77mm diameter). Subsequently, a Hilti portable drill was used and produced drill core with a diameter of 37 mm. Lastly, in the surface drilling campaigns, PQ and HQ diamond core was drilled using a Rolatec RL-1000 drill rig. • Neither Variscan Mines drillholes nor the historical drillholes have employed oriented core methods. • The historic surface and underground drilling is understood to be all core drilling. No details of the drilling techniques employed have been identified in the historic data. This includes reference to core diameters, 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 between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Core recovery for the Variscan Mines drill holes is typically >90%. Core recovery is routinely recorded for all drill holes and recorded in drill hole logs. The lowest drill hole recovery recorded is 63.7% mean recovery; this value is anomalous compared to recoveries recorded for the remaining drill holes. As a rule, drill holes with such low recoveries have been re-drilled.

Criteria	JORC Code explanation	Commentary
		• No other methods have been used to maximise sample recovery. The relationship between sample recovery and grade has not been assessed. • 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 historical assays may be marginally incorrect. 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.	• Detailed geological and geotechnical logging has been carried out for all of Variscan Mines drill holes. There is sufficient geotechnical and geological logging data to support the Mineral Resource estimate. • All Variscan Mines drill holes were logged for lithology, veins, alteration and mineralisation; logged for recovery and geotechnical measurements; and were photographed before and after core cutting. • No geotechnical logs have been identified for historical drillholes, but the bulk of geological logs were retrieved and digitised, with the vast majority of historical holes having assay and lithology downhole data. No core photography has been identified.

Criteria	JORC Code explanation	Commentary
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 representivity 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 Variscan Mines drillholes have been sampled using industry procedures for logging (of mineralisation), sampling and QAQC that are considered appropriate for the style of mineralisation. • Variscan Mines samples were selected by geologists based on the logging of mineralised intervals. Half core samples were cut using a rotary diamond saw along the length of the drill core, but when the drillcore diameter was deemed too small (37 mm) full core was assayed. Samples were predominantly 1 m in length and ranged from 15 cm to 1.6 m to accommodate geological boundaries. As per Variscan Standard Operating Procedures (SOP), a minimum of three samples were taken for each mineralised intersection, the first sample encompassing the mineralised zone and the remaining two samples selected either side to ensure waste intervals were sampled and the extent of mineralisation defined. Additionally, when a separate geological zone or rubble or broken core began, a new sample was taken, and when solid core resumed the next samples was selected. In zones of poor recovery (<50%) the default sample interval were the drillers depth markers. The nature and quality of sampling techniques are considered appropriate for this deposit and drilling type. • All Variscan Mines drill core samples were sent directly to the ALS Seville laboratory for preparation and subsequent analysis according to industry standards with crushing, pulverizing and splitting prior to sample analysis. Sample sizes are considered suitable for the deposit type and style of mineralisation.

Criteria	JORC Code explanation	Commentary
		• Historical sampling was selective, mainly guided by visual observation and clearly neither low-grade mineralisation, trace mineralisation, nor "apparent" waste were sampled. No sample preparation techniques nor procedures are available from historical records. It is not known whether ¼, ½ or whole core was submitted for analysis, though assaying half-core was routinely used by Asturiana de Zinc Sociedad Anonima, with sampling intervals ranging from 0.5 m to 3.0 m. Larger assay sample intervals, up to 10 m, are observed for historic logs, and are likely to represent sample composites. Historical compositing techniques are not described. The appropriateness of historical sub-sampling techniques and samples are not known. • No Quality Control procedures or data is provided for historical drill hole samples. 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 for 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	• For the drilling conducted by Variscan Mines the sampling is considered partial - where half core remained or total – where full core was assayed. The laboratory is accredited (ALS Seville) and the techniques for Zn/Pb (Zn-OG62h, Pb-OG62h, and Zn-AA07), as well as Zn-AA07 for non-sulphide ('oxide') zinc and are considered suitable for the elements in question.

Criteria	JORC Code explanation	Commentary
	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 checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	• QAQC Procedures adopted by Variscan Mines for drill core assaying include the use of CRMs (OREAS 134B, OREAS 133A, and OREAS 130; i.e., high, medium, and low grade) inserted into the sample stream, along with coarse/pulp blanks and internal duplicates, where a single coarsely crushed sample is further processed as two separate splits. The frequency and variety of QAQC samples inserted into the sample stream has typically been in the order of 10-20% and is considered fully compliant with industry's best practice, with the samples reviewed showing good repeatability. • Assay data referenced in this report are raw elemental assay data. • In the case of historical drilling, 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 at least one of the main project operators, Asturiana de Zinc Sociedad Anonima, as a general rule assayed half core. No descriptions of quality control procedures adopted for historical drilling by the laboratory, nor any results of Quality Control data have been identified. Therefore, no comment can be made on whether acceptable accuracy or precision of results 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.	• The analytical processes related to Variscan Mines' drilling campaigns have been supervised by senior ALS staff experienced in mineral assaying. • Most of Variscan Mines drillholes consist of underground diamond drillholes located within the San Jose Mine, and 3 surface diamond

Criteria	JORC Code explanation	Commentary
	• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	drill holes in the vicinity of the mine's entrance, south of the Novales village. Some of the holes are located near existing historical drillholes, however, they cannot be considered twinned holes. • The data for all of Variscan Mines' drilling campaigns are stored in excel and all assay certificates and final assay results provided by ALS Seville have been reviewed. • In the case of historical drilling campaigns, owing to the lack of preserved drill core, 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. The historical data does not include any twinned holes. No documentation or records of primary data (other than paper logs), data entry procedures, data verification, data storage (physical and electronic) protocols have been identified. Historical records consist largely of 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. Variscan intends to transfer this data to an industry standard drill hole database during ongoing exploration of the project. • Given the absence of detailed historical information relating to the historical assay data, no adjustment to the assay data has been made. The data has been reported as it was recorded in the original

Criteria	JORC Code explanation	Commentary
		documentation. Variscan have no reason to exclude data presented in the historical logs. • Of the total 666 historical underground drill holes located at San Jose, and inventoried by Variscan Mines from historical drill records (and totaling 52,148m) the collar locations and drill traces of 634 drill holes were located and resurveyed. The remaining 32 drill holes either could not be located, were destroyed or are inaccessible, and these holes were not used to support the Mineral Resource estimate.
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 collars of historical underground drillholes from the San Jose mine were surveyed in minute detail by Variscan Mines geologists using the 3D laser survey of the San Jose mine drifts and stopes realized by Variscan Mines in the years 2020-2022. These collar locations were then cross-checked with detailed historical mine plans. In addition, for each drill hole, the drill trace azimuth and inclination were measured in situ using a Brunton compass and checked across the historical drill records, for consistency. • Variscan Mines underground drill collars were initially surveyed using the Nortop Ingenieros S.L.U Total Station which survey points using an 'all-in-one' laser disto device (incorporating a digital compass, clinometre and distance metre) placed on a 4kg tripod to avoid movements and a topographic rod (with bubble level) to mark the position of the Nortop points. Checks were made with a Brunton compass to verify that there were no measurements errors. Several checks were made with Nortop points bases

Criteria	JORC Code explanation	Commentary
		obtaining the same results. These are considered relatively accurate. • Subsequently, both the Variscan Mines and all of the historical underground drill collars from the San Jose mine were systematically resurveyed by physical in-situ inspection and using the 3D laser survey of the San Jose mine drifts and stopes realized by Variscan Mines in the years 2020-2022. All of the collar locations were then cross-checked with detailed historical mine plans. In addition, for every drill collar surveyed, the drill trace azimuth and inclination were measured in situ using a Brunton compass and checked across the historical drill records. • Variscan Mines surface drill hole collars were surveyed using an ultra-high resolution Hi-target Inno1 GPS unit (highly accurate). • The method of recording surface drill collar coordinates by the historical operating companies has not been identified. Historical drilling was undertaken prior to the use of GPS devices, and drill collars positions were constrained using 'traditional' geodesy and topography surveying. The historical surface drill collar coordinates were initially 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. The accuracy of reported surface drill hole collars appears reasonable, though, as about a dozen historical surface drill hole collars marked by concrete slabs were identified in the field and

Criteria	JORC Code explanation	Commentary
		resurveyed using an ultra-high resolution Hi-target Inno1 GPS unit, showing a reasonable degree of relative geospatial correlation. • All the maps and 3D models referenced in this report have been made with ETRS89. • Surface topography was provided by CNIG (IGN) as topographic contours at 25k scale, the contours were used to generate a digital terrain model in 3D after transformation to the local mine grid to conform to the majority of drillhole data in Leapfrog Geo and Datamine StudioRM. It is considered satisfactory for these purposes. • The San Jose mine 3D underground laser survey was conducted by 3DMSI using a robotic total station to take the in-situ pre-existing historical survey pin locations to use as reference points. A "Z+F Imager 5050C laser scanner", as well as a "Leica Geosystems TS16 01 total station" for controlling positional accuracy and a "Leica geosystems BLK-2-GO laser scanner" for detailed mapping of the tunnels and drives were used to capture data inside stopes and drives at San Jose, and these data were registered as a point cloud. The BLK-2-GO was controlled with targets positioned with the TS16 on the corners of the drives. The point cloud was simplified and wireframes created from this data set.
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	• The underground diamond drilling referenced in this report was drilled in a fence or fan pattern from drilling pads underground. These holes were drilled in various orientations (the majority upward) and their spacing varies significantly. There is sufficient

Criteria	JORC Code explanation	Commentary
	Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	distribution of drill holes to support geological and grade continuity for the main San Jose mine area. However, the smaller peripheral zones require further exploration to establish geological continuity and improve the confidence of the interpretation. • The surface diamond drilling referenced in this report was drilled downward from drill pads duly prepared on the surface, either vertically or as inclined drill holes. The surface drill holes are not located in a grid pattern, and it is believed that many historical drill holes were placed based on accessibility of the drill sites. The areas peripheral to the San Jose mine require further exploration to determine geological and grade continuity.
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 is stratiform, 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 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 trend is following a broad NNE strike, the orientation of distinct orebodies on this trend is understood to be variable both in terms of strike and dip. Underground drilling is often radial in nature, and no comment can be made on the orientation of drilling in respect of mineralisation orientation. Surface drilling is often vertical and/or dipping steeply.

Criteria	JORC Code explanation	Commentary
		• Variscan Mines underground diamond drillholes have been oriented at a variety of orientations drilling both above and below the main gallery level, similar to those drilled historically to intersect mineralised lenses and corridors above and below the main gallery level. These orientations are considered appropriate for the geometry of this mostly lenticular MVT mineralisation at San Jose. In some cases where the drill holes have been oriented vertically both above and below the main gallery, the sample interval lengths within the sub-horizontal lenticular morphology of the mineralisation are considered to be representative of true thickness and are not considered to include a sampling bias. • Variscan Mines surface diamond drill holes have been oriented downward, dipping at either 90 or 60 degrees. These orientations are considered appropriate for the geometry of this mostly lenticular MVT mineralisation. In the case of the vertical downward drill hole, the sample interval lengths within the sub-horizontal lenticular morphology of the mineralisation are considered to be representative of true thickness and are not considered to include a sampling bias.
Sample security	• The measures taken to ensure sample security.	• Variscan Mines samples were securely stored at the locked on-site core shed and were handed directly to a courier for transport to ALS Seville. Samples were logged and collected on site under supervision of the responsible Variscan Mines geologist. • Regarding historical drilling, no records relating to the sample security have been identified.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No detailed 3rd party audits have taken place regarding the sampling techniques for Variscan Mines drillholes. • No audits or reviews of the sampling techniques and data have been undertaken for the historical records.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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 tenure of Variscan Mines in Cantabria consists of several distinct mineral permits: (1) In the center is the San Jose (Novales) mining permit that encompasses the historical San Jose mine. It is composed of 44 mining quadrangles ('cuadriculas mineras' – each c. 617m x 470m in size) and totals a surface area of 12.22 km2. The San Jose exploitation permit is in good standing and valid until 12/07/2035, with the possibility of further extensions until 2065. (2) In the west is the more sizeable Buenahora exploration permit composed of 146 mining quadrangles and totalling a surface area of 40.55 km2. It is valid until 24/02/2025 and currently in the process being renewed. (3) In the east is the large Esperanza exploration permit composed of 124 mining quadrangles and totalling a surface area of 34.44 km2. It has been conditionally granted to Variscan Mines in 2024 and is pending publication in the official gazette. (4) In addition to the above, four other exploration permits have been

Criteria	JORC Code explanation	Commentary
		conditionally granted to Variscan Mines in 2024. These are: Candela (0.83 km2), Elena (0.28 km2), Estela (0.56 km2), and Valeria (0.28 km2). These are either filling gaps in the San Jose mining permit or are directly adjacent to the Buenahora exploration permit and are pending publication in the official gazette. • 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 report refer to exploration undertaken by historic mining companies operating the Project from the 1950's to the mid 1980's. The previous workers include Hispanibal and Asturiana de Zinc Sociedad Anonima / Real Compania Asturiana de Minas (previously a subsidiary of Xstrata / Glencore). • The historical data referenced in this report 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 represent the Mississippi Valley Lead-Zinc Type, with structural control by steeply-dipping feeder faults and stratigraphy-controlled carbonate dissolution and replacement of the carbonate host rock by lead-zinc

Criteria	JORC Code explanation	Commentary
		sulphide mineralisation, where zinc strongly predominates over lead. Mineralisation occurs as stratiform / lenticular and is generally sub-horizontal, forming trends of 'stacked' sub-horizontal lenses following the inferred feeder faults, and with significant lateral extensions. Open space-fill and breccia-hosted mineralisation is also very common, with subordinate mineralised veins, indicating a long-lived hydrothermal system with discrete zinc mineralisation episodes.
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 report, the Competent Person should clearly explain why this is the case.	• All holes, except for the historical holes for which no survey information is available, were used to support the Mineral Resource estimate. • No records of specific gravity or density measurements have been identified for historical drillholes. On the other hand, Variscan Mines has been systematically measuring specific gravity of drill core obtained in all of its drilling campaigns. • It is noted that some of the historical drilling was undertaken prior to the cessation of mining activities on the project, and as such some of the mineralisation intersected may have been mined out. Using the high-resolution 3D mine stope model for the San Jose mine, these 'mined-out' volumes were used to deplete the mineral resource model presented herein. No information has been excluded.

Criteria	JORC Code explanation	Commentary
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.	• Exploration results are not reported here.
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 known').	• Underground historical drill holes have typically been inclined upwards from the main San Jose mine drives in a fan pattern from single and multiple bays to intersect sub horizontal mineralised lenses present at the mine. These angles vary significantly, and it is expected that mineralisation is encountered at oblique angles and therefore cannot represent true thickness unless drilled vertically upwards/downwards into a lens directly above or below the main drive level. • Variscan Mines underground drill holes have been drilled both vertically upwards (+90° dip) and downwards (-90° dip), as well as inclined at varied dips and azimuths in between, to target mineralisation above and below the main San Jose mine drive levels. Where vertical holes have been drilled by Variscan, it is

Criteria	JORC Code explanation	Commentary
		considered these most closely represent true thickness of the sub-horizontal lenticular mineralisation. • The same geometrical relationships apply to surface diamond drill holes, whether historical or conducted by Variscan Mines, i.e., only in the case of vertical downward drill holes, the sample interval lengths within the sub-horizontal lenticular morphology of the mineralisation are considered to be representative of true thickness and are not considered to include a sampling bias. Therefore, many interval widths reported refer to downhole length not true thickness.
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.	• Maps and figures supporting this Mineral Resource estimate are included in the announcement.
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.	• Exploration results are not reported here.
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.	• No other exploration data referenced in this report is considered sufficiently meaningful or material to warrant further reference.

Criteria	JORC Code explanation	Commentary
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 Mines have exploration plans to advance the Novales-Udías Project. These exploration plans include: ○ An extensive underground drilling campaign at the Udias mines, aimed to: (1) Infill mineralised lenses, as much of the strike length of the Udias mine has never been drilled; (2) Test the lateral extensions of the mineralised lenses; (3) Test for underlying or overlying mineral horizons, for the presence of which there is ample geological evidence. ○ A drilling campaign from surface at Udias to test step out extensions from the Udias mines, as well as further compelling drill targets identified from geological mapping and structural analysis of the area. ○ A 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.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• The database of the Udías-Novales deposit contains a total of 1,331 drill holes, divided into two categories: historical drill holes (81.7% of the total) and Variscan drill holes (18.3% of the total). The available files include Assays, Collar, Density, Geology, Geotech, and Survey. • An exhaustive review of the collar coordinate data was conducted. A total of 77 drill holes with incomplete or inconsistent data in this aspect were discarded. • Furthermore, a visual validation of the data was performed. Leapfrog software tools were used to identify errors and conflict points. • Throughout the process, was maintained constant communication with the database managers to resolve doubts or make clarifications, ensuring that any discrepancies or uncertainties were promptly addressed.
Site visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• Two site visits have been conducted by the Competent Person. • First visit (October 4, 2024): A meeting was held with the current staff to discuss various aspects of the local geology, existing mineralisation, and the historical exploitation of the mine. Impressions about the new exploration were also shared. The process of drill core logging was observed, including the drill hole being worked on at that time. Photographs of some drill holes of interest were also shown, and their characteristics were explained in detail.

Criteria	JORC Code explanation	Commentary
		• Second visit (October 20, 2024): A visit to the San José mine was conducted. During this visit, the mineralisation within the mine was observed, which helped compare and guide the construction of the geological model.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• The confidence in the geological interpretation of the Novales-Udías Zn-Pb deposit is high due to the extensive history of exploration and exploitation in the area. There is detailed geological data from previous and current campaigns, which has allowed for the development of a solid geological model. • The data used include historical and Variscan drill holes, geological surface and underground mapping, and historical sections from mining advances. Lateral continuities of the mineralised units have been assumed based on lithological correlations between drill holes and observations made during site visits. Given that dolomitisation is very intense and the original lithology has been completely replaced, the entire dolomite package has been assumed as a single unit for modeling purposes and the ore wireframe has been confined to this unit. • Due to the difficulty in interpreting structures such as fault displacements, alternative interpretations could affect the resource estimation in terms of the extent and continuity of the mineralised zones. However, by considering the mineralisation confined to the dolomite package and modeling this package as a single unit, the impact of alternative interpretations is expected to be minimal on the global resource estimation. • Geology has been fundamental in guiding and controlling the resource estimation. The limestone and marly limestone units that bound the deposit above and below have been used to define the footwall and hanging wall of

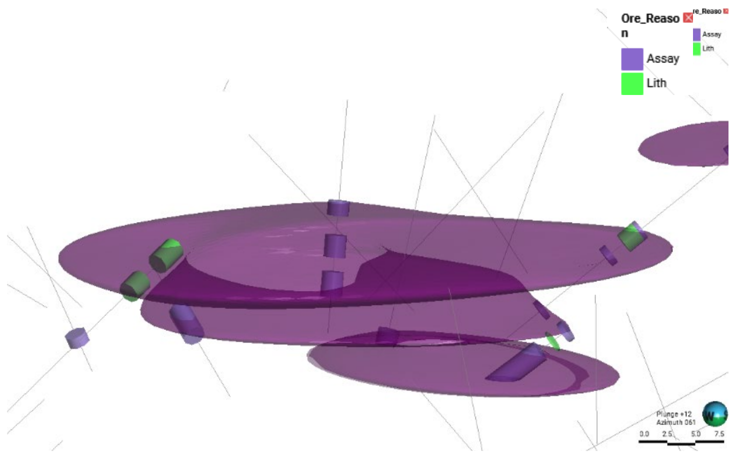
Criteria	JORC Code explanation	Commentary
		the orebody. The mineralisation, of MVT type, occurs in horizontal bands (lenses) within the dolomites, and although there is great variability within these, they have been modeled as a single unit due to the complexity of their lateral correlation. • The lateral continuity of the mineralised lenses is variable due to changes in the thickness of the bands, which can range from a few metres to just a few centimetres. The intense dolomitisation makes it difficult to interpret structures such as faults, which can affect the continuity of the mineralisation. Additionally, variations in dolomitisation and porosity within the dolomites may influence the distribution and concentration of the mineralisation.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The mineralisation extends in a NE-SW direction over approximately 5,000 metres, where different mineralised bodies (lenses) are currently identified. In the perpendicular NW-SE direction, the mineralisation is less extensive, spanning approximately between 300 and 600 metres. Vertically, the mineralisation extends about 300 metres. The mineralisation occurs entirely underground, typically located around 150 metres below the topographic surface. • The deposit being open along strike. These dimensions correspond solely to the known part of the deposit, and the full extent of mineralisation remains uncertain. • The deposit has been subdivided into three distinct study areas: ○ San José: This is the primary zone of interest, where the principal mineralisation is concentrated and where the most significant historical mining activities took place. The data here is more robust,

Criteria	JORC Code explanation	Commentary
		including underground mine survey topography and a relatively well-defined 3D model. ○ San José (NE): Representing the northeastern continuation of the San José mineralisation, this area is less well-documented and has not been historically mined. ○ Udías (N): Located southwest of the San José area, this area is part of the larger Udías deposit, which also experienced historic mining activities. However, a 3D interior mine model is not yet available for this area. The designation Udías (N) reflects that only the northern section has been modeled, due to the current lack of drilling data for the southern portion of the deposit. Although resources have been estimated, it is possible that a significant portion of the resource (classified as inferred) has already been mined due to the lack of detailed drilling data and the presence of past mining activities. Therefore, caution is advised when considering these inferred resources, as historical mining could affect their current validity.

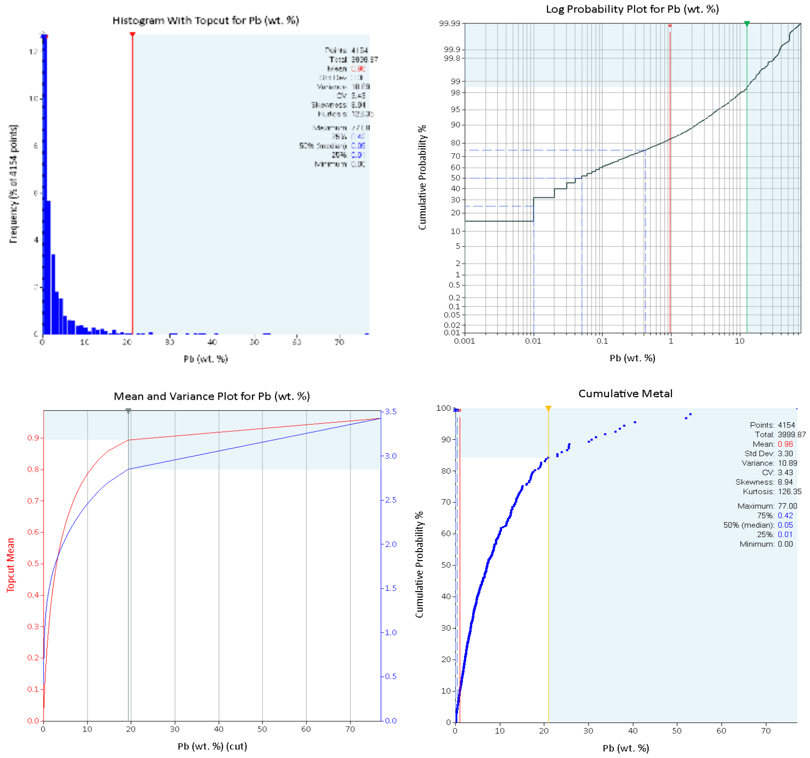
Criteria	JORC Code explanation	Commentary
		 *Figure 1. Division of the deposit into zones: San José (light blue), San José NE (dark blue), and Udías N (yellow). The red wireframes represent the underground labours, including stopes and drifts in the San José area.*
Estimation and modeling techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parametres and maximum distance	• The modeling and estimation of the mineral resources were conducted using Leapfrog Geo and Leapfrog Edge, specialized software tools for geology and resource modeling. Leapfrog Geo was used for constructing mineral surfaces

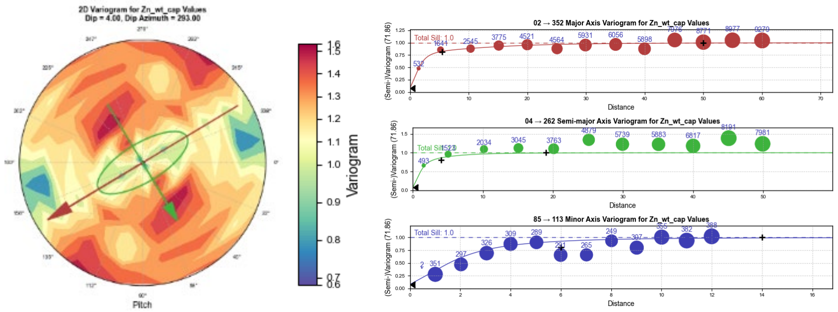
Criteria	JORC Code explanation	Commentary
	of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parametres used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modeling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	through the Radial Basis Function (RBF). The estimation was carried out using ordinary kriging (OK) in Leapfrog Edge. The modeling and estimation were performed jointly for the San José, San José NE, and Udías N zones. • Prior to the wireframing and domain creation, an Exploratory Data Analysis (EDA) was performed on the assay data to understand the statistical properties and spatial distribution of Zn and Pb grades. The EDA involved: • Statistical analysis: Generating histograms, box plots, probability plots, scatter plots and Q-Q plots to assess grade distributions, detect skewness, and identify outliers. • Correlation assessment: Spearman's rank correlation coefficient was used to evaluate the relationship between Zn and Pb grades, yielding a high coefficient of 0.77. • In relation to domain wireframing, a single ore domain was created where Zn and Pb were estimated. For the creation of the ore domain the following steps were followed: • Generation of economic composites: Samples were classified as "Mineral" or "Waste" based on the sum of Zn+Pb, applying a cutoff of 1% Zn+Pb. The compositing parametres were: minimum composite length of 1 m, allowing up to 3 m of waste within the mineral composite, and retaining short intervals as mineral if their linear grade was 2 % Zn+Pb. • Consideration of geological intervals: intervals classified as mineralised in the geological lithology records were incorporated into the ore domain along the economic composites, provided that no assay data contradicted their

Criteria	JORC Code explanation	Commentary
		mineralisation. This approach ensured that all geologically identified mineralised zones were included in the model, even in cases where analytical confirmation was unavailable. • Creation of the ore domain: Using the intrusion tool in Leapfrog, a mineral envelope was created based on the previously defined intervals. • Application of a planar trend: Since the mineralisation is stratabound and relatively flat in this deposit, a planar trend was applied based on the general orientation of the strata of the associated lithologies, limestones and dolomites. • Restriction to the dolomitic body: The ore domain was laterally constrained to the dolomitic body previously modeled in a separated geological model, as the mineralisation is spatially associated with dolomitisation generated over limestones.

Criteria	JORC Code explanation	Commentary
		 *Figure 2. Intervals used for mineral domain definition. Purple represents intervals with available samples and Zn+Pb values > 1%, while green indicates mineralized intervals identified in drill logs without available samples*. • Regarding the interpolation and extrapolation of the ore domain, a linear interpolant was used with a maximum range of 75 m and a constant drift.

Criteria	JORC Code explanation	Commentary
		• Prior to estimation, assay samples were composited into regular intervals of 1 metre. This length was chosen because it is the most frequent sample length in the assay database. • A top-cut study was performed using Snowden Supervisor software on the composited samples. The presence of potential outliers was determined using log probability plots, mean and variance plots, cumulative metal plots, and histograms. As a result of the study, it was decided to apply a top-cut on the composited samples, cutting Pb values at 18% (representing 8% of the metal cut), while no top-cut was deemed necessary for Zn values.

Criteria	JORC Code explanation	Commentary
		 *Figure 3. Top cut analysis plots for Pb (lead), including histogram, log-probability plot, mean and variance plot, and cumulative metal plot.* • Zn and Pb grades were estimated within the ore domain using ordinary kriging. Hard boundaries were applied during the estimation to ensure that only data within the ore domain influenced the grade estimates.

Criteria	JORC Code explanation	Commentary
		• Variogram studies were conducted for both Zn and Pb. After analysis, it was decided to apply the Zn variogram model for both elements due to their high correlation and similar spatial behaviour within the deposit.  *Figure 3. Zn radial plot and variograms.* • The estimation process involved four passes of ordinary kriging for each variable, each with different input data and search ellipsoid parametres: • Passes 1 and 2: Excluded historical samples longer than 3 metres due to limited confidence in these data, as they might represent composited samples. Only reliable samples were used to estimate grades in well-informed areas. • Passes 3 and 4: Included all available samples, incorporating historical data regardless of sample length, to estimate grades in areas with sparse data coverage.

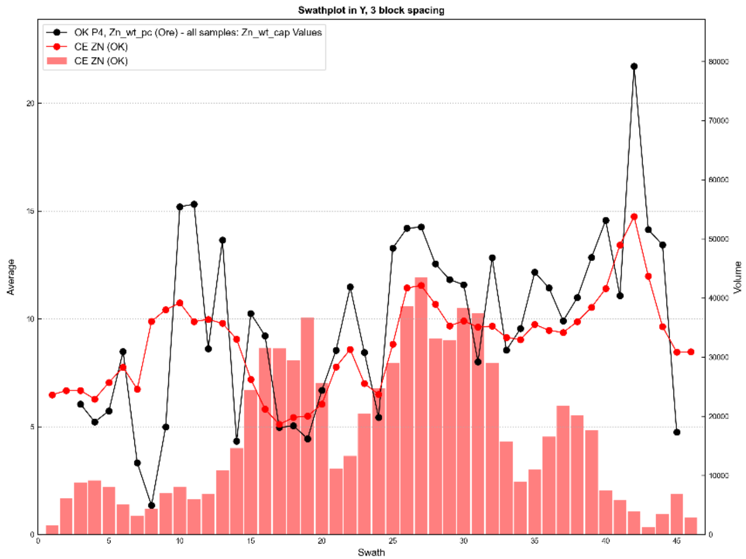
Criteria	JORC Code explanation	Commentary
		• The following table shows the search ellipsoid and sample declustering parametres for each ordinary kriging pass:

OK Pass	Ellipsoid ranges			Number of samples		Sector Search (octants)	Max. Samp. per DH
	Maximum	Intermed.	Minimum	Minimum	Maximum		
1	25	25	12.5	5	24	Yes	2
2	50	50	25	5	24	Yes	2
3	75	75	50	5	24	Yes	2
4	100	100	75	2	20	No	1

Table 1. Search ellipsoid and sample declustering parameters for every ordinary kriging pass.

- A discretisation grid of 3 x 3 x 3 points per block was used during the estimation
- Zn and Pb estimation were conducted using an octree block model. The parent block size was set at 5 x 5 x 5 metres, with a minimum cell size of 1.25 metres after octree subdivision. This cell size was selected considering the planned underground mining method, which involves stopes and access galleries with approximate cross-sectional dimensions of 2.5 x 2.5 metres. Due to the highly irregular distribution of drill holes and sampling the block size was not directly determined based on average sample spacing. Instead, the block size was chosen to suit the anticipated mining dimensions.
- A comprehensive validation process was conducted to ensure the accuracy and reliability of the block model. This process included:
- Grade validation using Swath Plots: Swath plots were utilized to compare the estimated block grades with the actual sample grades along defined slices in

Criteria	JORC Code explanation	Commentary
		the northing, easting, and elevation directions. Additionally, the results from the ordinary kriging estimation were compared with those from alternative estimation methods, such as nearest neighbour and inverse distance weighting (IDW), to evaluate the consistency and robustness of the estimated grades. • Visual validation: The block model was visually compared against the original drill hole samples in cross-sectional and plan views.

Criteria	JORC Code explanation	Commentary
		• Statistical Validation: Statistical analyses were performed to compare the global statistics of the estimated block grades with those of the input sample data. This included evaluating histograms, mean and variance comparisons.  Figure 4.Swath Plots in Y for Zn grades. The black dotted line shows the average Zn grade of the samples for each slice, the red dotted line shows the average Zn grade of the estimated blocks for each slice, and the histogram (in red) indicates the volume of blocks in each slice.

Criteria	JORC Code explanation	Commentary
		• An earlier Mineral Resource estimate was conducted by the consulting firm CSA Global. While the resource values they reported are known, detailed information on the procedures or methodologies they employed in their estimation is not available. The current Mineral Resource estimate has been compared to CSA's previous results in terms of resource quantities and grades. Any significant differences have been carefully evaluated to ensure the accuracy and reliability of the current estimation. • The estimation has been internally reviewed and verified by other qualified professionals within the company to ensure methodological soundness and validity of the results. No external third-party reviews or audits have been conducted beyond this internal verification. • The Mineral Resource estimate does not incorporate or adjust for historical production data. The estimation is based solely on the available exploration data and the methodologies described. • No assumptions have been made regarding the recovery of by-products, as no by-products are expected to be recovered in this project. The Mineral Resource estimation focuses exclusively on the primary economically significant elements, zinc (Zn) and lead (Pb). • No estimation of deleterious elements or other non-grade variables of economic significance has been performed. The Mineral Resource estimation focuses exclusively on the primary economic elements, zinc (Zn) and lead (Pb).

Criteria	JORC Code explanation	Commentary
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• The tonnages are estimated on a dry basis. During the density determination process, samples are dried in an oven at 110 °C for 30 minutes to eliminate natural moisture.
Cut-off parametres	• The basis of the adopted cut-off grade(s) or quality parametres applied.	• A 2% Zn+Pb cut-off grade was applied for the Mineral Resource estimation. Given that the project is still in the exploration phase, there is insufficient cost and revenue data to conduct a precise calculation of the cut-off grade. The 2% threshold was selected based on industry standards, as it is a common value employed in similar Mississippi Valley-Type deposits and by companies engaged in Zn-Pb mining operations.
Mining factors or assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parametres when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• As the project is still in the exploration phase, no specific mining factors or assumptions regarding potential mining methods, minimum mining dimensions, or internal and external dilution have been considered at this stage.
Metallurgical factors or assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parametres made when reporting Mineral Resources may not always be rigorous.	• As the project is currently in the exploration phase, no specific assumptions or studies have been conducted regarding metallurgical amenability or potential treatment processes. These factors will be evaluated in more detail as the project advances to further stages of study and assessment.

Criteria	JORC Code explanation	Commentary
	Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• No assumptions or studies have been conducted to date regarding waste and process residue disposal options or potential environmental impacts, given that the project remains in the exploration phase. These environmental considerations will be assessed in future stages, as the project progresses toward more detailed evaluation.
Bulk density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• Bulk density data exists from both historical campaigns and those conducted by Variscan. The data from historical campaigns are scarce and unreliable, as they involve very large samples that appear to be average values. Therefore, historical density data have been discarded. • Systematic density data collection commenced with the Variscan exploration campaigns initiated in 2020. Density samples are collected from all drill holes, with whole core fragments selected based on observed lithological changes and mineralised zones. In each batch of density measurements, two rock samples are used as standards, whose densities were previously determined with precision in an external laboratory.

Criteria	JORC Code explanation	Commentary
		• Density measurements were made according to the following criteria: (1) lithological changes, (2) mineralized zones. • Samples are dried in an oven for 30 minutes at 110°C and then weighed with a precision balance. Then, the fragment is weighed while submerged in water. In this way, density is obtained using the formula: • Density (g/cm³) = mass in air / (mass in air - mass in water) • A statistical analysis was conducted on the density samples classified as either ore or waste. Due to the limited number of density measurements, it was decided to apply the average density values derived from this analysis to the block model. Blocks within the mineral domain were assigned the average ore density of 2.96 g/cm³, while blocks outside the mineral domain were assigned the average waste density of 2.76 g/cm³.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	• The classification of Mineral Resources is based on the results of ordinary kriging (OK) passes. Classification was applied to blocks within the mineral domain as follows: • Measured Resources: Blocks estimated in the first pass were classified as measured. • Indicated Resources: Blocks estimated in the second pass were classified as indicated. • Inferred Resources: Blocks estimated in the third and fourth passes were classified as inferred, provided they were within 50 metres of sample data.

Criteria	JORC Code explanation	Commentary
		• Resource blocks in Udías Norte were classified as inferred due to the lack of interior mine topography needed to deplete the model in this area. Likewise, resources in San José Noreste were classified as inferred due to the low density of modern drill holes in this area. • Data quality and reliability were key factors in resource classification. For this reason, measured and indicated resources do not incorporate historical samples longer than 3 metres. These longer samples, collected in early campaigns, were classified as unreliable due to their length and the possibility of being composited intervals. • Geological continuity was also considered in the classification process. Blocks more than 50 metres from actual samples were excluded from classification as measured, indicated, or inferred resources to ensure an appropriate level of confidence. • This classification approach accurately reflects the Competent Person's view of the deposit, taking into account the confidence in tonnage and grade estimations, the quality and distribution of input data, and the geological continuity of the mineralisation.

Criteria	JORC Code explanation	Commentary

Zones	Resource categorisation	Mass	Average Value			Material Content		
			ZN	PB	ZN+PB	ZN	PB	ZN+PB
		t	%	%	%	t	t	t
San José	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	Mea+Ind	**1,122,135**	**8.90**	**1.63**	**10.53**	**99,845**	**18,262**	**118,107**
	Inferred	615,304	8.15	1.03	9.18	50,121	6,356	56,477
	Total	**1,737,439**	**8.63**	**1.42**	**10.05**	**149,966**	**24,618**	**174,584**
San José (NE)	Measured	0	—	—	—	0	0	0
	Indicated	0	—	—	—	0	0	0
	Mea+Ind	**0**	**—**	**—**	**—**	**0**	**0**	**0**
	Inferred	931,608	5.72	0.20	5.92	53,306	1,860	55,165
	Total	**931,608**	**5.72**	**0.20**	**5.92**	**53,306**	**1,860**	**55,165**
Udías (N)	Measured	0	—	—	—	0	0	0
	Indicated	0	—	—	—	0	0	0
	Mea+Ind	**0**	**—**	**—**	**—**	**0**	**0**	**0**
	Inferred	709,533	7.60	0.47	8.07	53,915	3,316	57,232
	Total	**709,533**	**7.60**	**0.47**	**8.07**	**53,915**	**3,316**	**57,232**
Total	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	Mea+Ind	**1,122,135**	**8.90**	**1.63**	**10.53**	**99,845**	**18,262**	**118,107**
	Inferred	2,256,445	6.97	0.51	7.48	157,342	11,532	168,874
	Total	**3,378,580**	**7.61**	**0.88**	**8.49**	**257,187**	**29,794**	**286,981**

Table 2. Resource table for the three zones, applying a 2% Zn+Pb COG. It is important to note that the Udías (N) area is not depleted, so tonnage and grades may vary.

- Although not recognized as a formal JORC category, mineral material within the mineral domain but located more than 50 metres from sample data were designated as potential ore. This label reflects areas where mineralisation is present but confidence levels do not meet the requirements for classification under JORC. In this way, a total of 600,000 tonnes grading 6.40% Zn and 0.30% Pb of potential ore have been estimated.

Criteria	JORC Code explanation	Commentary
Audits or reviews	• The results of any audits or reviews of Mineral Resource estimates.	• No audits or external reviews of the Mineral Resource estimates have been conducted.
Discussion of relative accuracy/ confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The relative accuracy and confidence level of the Mineral Resource estimate have been assessed based on the classification criteria applied and the available data quality. This estimate is intended as a global estimate for the deposit and reflects the overall confidence in the distribution and continuity of the mineralisation within the defined mineral domain.

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[1]. 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[1.]

Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory work)
- Large tenement holding of +100 km^2 including a number of granted mining tenements
- Updated MRE of 3.4Mt @ 7.6% Zn, 0.9 %Pb published in Q4 2024
- Regional exploration potential for another discovery analogous to Reocin (total past production and remaining resource 62Mt @ 8.7% Zn and 1.0% Pb[11])
- Novales Mine is within trucking distance (~ 145km by highway) from the San Juan inc smelter operated by Glencore in Asturias
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as ~7% Zn[1]
- Simple mineralogy of sphalerite – galena – calamine
- Mineralization is strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super high grade 'bolsas' (mineralized pods and lenses) commonly 10-20% Zn and in some instances +30% Zn[1]
- 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.
[1] 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
[1] Refer to ASX announcement of 29 July 2019
[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.
[1] 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.
[1] These figures have been taken from historical production data from the School of Mines in Torrelavega historical archives.
[1] 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)
[1] Refer to ASX Announcement of 19 December 2020

Figure 12. Map of Novales-Udias Project Licence Areas

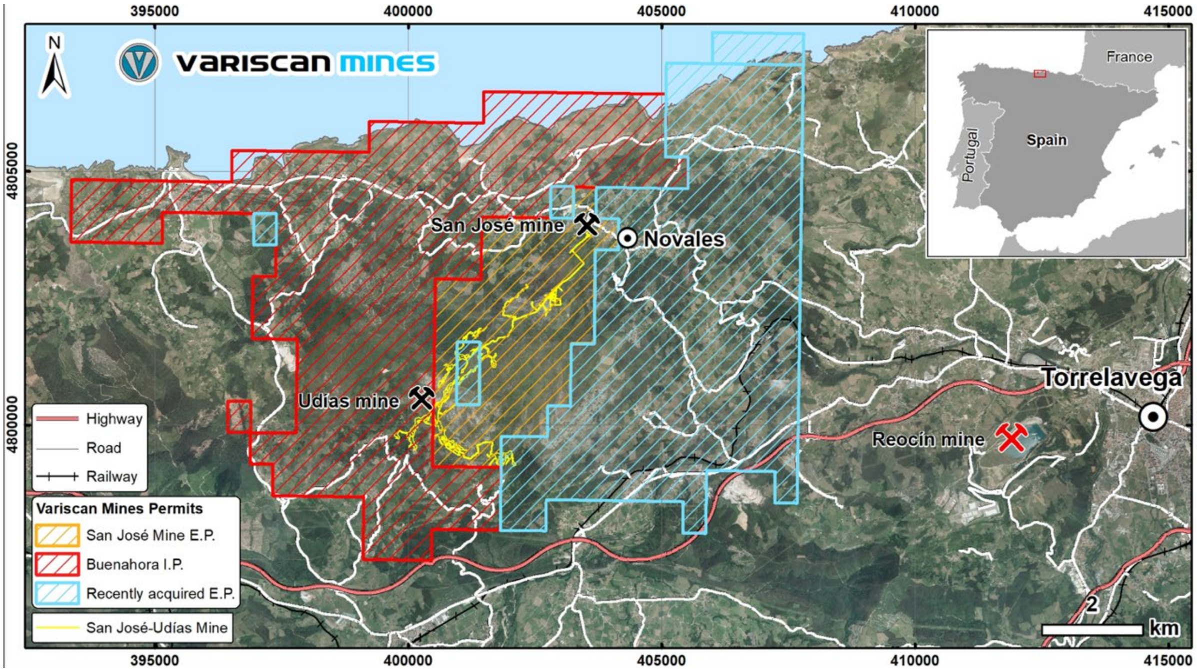


Figure 13. Map of Novales-Udias Project Licence Areas and local infrastructure