



## VARISCAN PROVIDES UPDATE TO MAYORS IN NOVALES-UDIAS REGION OF CANTABRIA

Variscan Mines Limited ("**Variscan**" or the "**Company**" or the "**Group**") (ASX:VAR) is pleased to announce that it's local Spanish subsidiary recently held an information meeting at the City Hall of Ruiloba with the Mayors and representatives of Ruiloba, Alfoz de Lloredo, Udías and Comillas.

The formal meeting with the senior representatives was convened to provide information about progress of the Novales-Udias Project, as well as to discuss applications for the forthcoming drilling programme planned by Variscan.

During the meeting, Variscan staff told the municipal Mayors that the Group is ready to commence its maiden drilling programme on the Novales-Udias Project and that drilling permit applications will be made imminently.

Variscan representatives also provided an update on its exploration plan utilising modern, low-impact mineral exploration techniques as well as advanced techniques such as diamond core drilling. Importantly, Variscan set out its Environmental, Social and Governance commitments including its intention to apply best-practice.

The Mayors in attendance were informed of the importance that zinc plays in modern life and its potential contribution to a circular economy including greener forms of energy storage and sustainable construction. Variscan also emphasised its intention to maintain close collaboration and communication with the local City Hall's and their communities.

*"Mining and metals are essential to global economic and social development and are connected to almost all industry value chains. There was a clear understanding at the meeting that we respect the local environment and we share a common view of the importance of metals such as zinc to transition to a greener economy",* said **Gareth Northam, Exploration Manager**.

**Stewart Dickson, Managing Director of Variscan Mines, commented:**

*'This was a really positive meeting which fostered openness and trust. We are committed to informing and engaging with the local communities in Cantabria to establish a genuine and virtuous partnership.'*

A copy of the presentation provided to the Mayors is available on Variscan's website: [www.variscan.com.au](http://www.variscan.com.au).

### Project Summary

The Novales-Udias Project is located in the Basque-Cantabrian Basin, some 30km south west from the regional capital, Santander. The advanced zinc project is centred around the former producing Novales underground mine with a large surrounding area of exploration opportunities which include zinc soil anomalies over 2km long and close to 1km wide and up to 17% Zn. Significantly, the Novales-Udias Project includes a number of granted mining tenements (refer ASX announcement dated 29 July 2019).

### Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory work)
- Large tenement holding of 68.3 km<sup>2</sup> (including a number of granted mining tenements)
- Regional exploration potential for another discovery analogous to Reocin (total past production and remaining resource 62Mt @ 8.7% Zn and 1.0% Pb<sup>12</sup>)

<sup>1</sup> Velasco, F., Herrero, J.M., Yusta, I., Alonso, J.A., Seebold, I. and Leach, D., 2003 - Geology and Geochemistry of the Reocin Zinc-Lead Deposit, Basque-Cantabrian Basin, Northern Spain: in Econ. Geol. v.98, pp. 1371-1396.

- Novales Mine is within trucking distance (~ 80km) from the Asturias zinc smelter
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as ~7% Zn<sup>3</sup>
- Simple mineralogy of sphalerite – galena – calamine
- Ore is strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super high grade ‘bolsas’ (ore bags) commonly 10-20% Zn and in some instances +30% Zn<sup>4</sup>
- Assay results of recent targeted samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb<sup>5</sup>
- Assay results of new samples taken over the licence area recorded<sup>5</sup>:
  - 33.16% Zn and 12.25% Pb at former workings near Brinia
  - 32.85% Zn and 7.69% Pb within the Motilos-Magdalena areas
  - 21.3% Zn and 3.85% Pb at former workings near Mina de Duña
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

### ENDS

*This announcement has been approved for issue by Mr Stewart Dickson, Managing Director, Variscan Mines Limited.*

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#### Notes

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.

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.

#### Competent Person Statement

Where the Company refers to the previous ASX Announcements relating to the Novales-Udias Project, and the historic exploration results and production data previously advised to the ASX, it confirms that it is not aware of any new information or data that materially affects the information included in that market announcement.

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<sup>2</sup> Cautionary Statement: references in this announcement to the publicly quoted resource tonnes and grade of the Project are historical and foreign in nature and not reported in accordance with the JORC Code 2012, or the categories of mineralisation as defined in the JORC Code 2012. A competent person has not completed sufficient work to classify the resource estimate as mineral resources or ore reserves in accordance with the JORC Code 2012. It is uncertain that following evaluation and/or further exploration work that the foreign/historic resource estimates of mineralisation will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code 2012.

<sup>3</sup> Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence supported with historical production data from the School of Mines in Torrelavega historical archives.

<sup>4</sup> Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence.

<sup>5</sup> Refer to ASX Announcement of 19 December 2019