



COMMENCEMENT OF NOVALES MINE SURVEY

Variscan Mines Limited ("**Variscan**" or the "**Company**" or the "**Group**") (ASX:VAR) focused on the development of its high quality zinc assets in Spain, especially the Novales-Udias Project located in the Cantabria, northern Spain, announces the commencement of a 3D laser survey of the San Jose – Novales underground mine.

Key Points

- **3D laser survey of the former producing high grade zinc mine commenced**
- **Survey will calculate the extent of mine development as well as identify in-situ and potential extensions of mineralisation**
- **Survey data will enable a depletion model to be applied to the +20,000m historical underground drill-hole database collated**
- **Key enabler to move towards publication of JORC Exploration Target; plan is on track**
- **Survey team expected to be on site for +1 week with results available in early August**
- **Further step forward to high-impact underground drilling and identifying early production opportunities**

Variscan have appointed 3DMSI Limited ("3DMSI") to conduct a 3D laser survey of the San Jose – Novales Mine. 3DMSI have over 10 years experience in surveying and modelling underground mines whose clients include Anglo American, AngloGold Ashanti and Barrick Gold. The highly experienced team from 3DMSI have arrived on site and survey work has commenced.

Variscan has collated a significant and valuable database of 267 historic underground drill-holes for approximately 20,280 metres at the mine. The survey is an important work-stream to understand the extent of mine development and move towards mineral resource estimation. The survey will define the dimensions and spatial relationships between the historical underground adits, drives and mined-out 'bolsas' (ore bags). The survey will also provide an additional level of confirmation as to the geo-referencing of historical drilling data.

The survey, led by Dr. James Jobling-Purser, will be conducted using a combination of traditional precision surveying, mobile mapping for contextual 3D surveying and high-resolution laser scanning to create sealed mesh data that can be used for volumetric calculations and produce a 3D model of the mine. The volumetric results will then be used for the purpose of a depletion model. The depletion model will be applied to the drill hole database to calculate a maiden JORC Exploration Target. The development of the Exploration Target will be used to refine drill targets and test in-situ mineralisation and potential extensions to known mineralisation.

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

'Variscan is on track towards a maiden mineral resource estimate at the San Jose-Novales Mine. The 3D survey is important as it will significantly improve our understanding of the mine and advance our readiness for a high impact underground drilling programme shortly. We look forward to reporting the results of the survey work in early August'.

ENDS

This announcement has been authorised for issue by Mr Stewart Dickson, Managing Director & CEO, 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.