



EXTENSIVE HIGH ORDER ANOMALIES FROM NEW INFILL SOIL GEOCHEMISTRY

Highlights

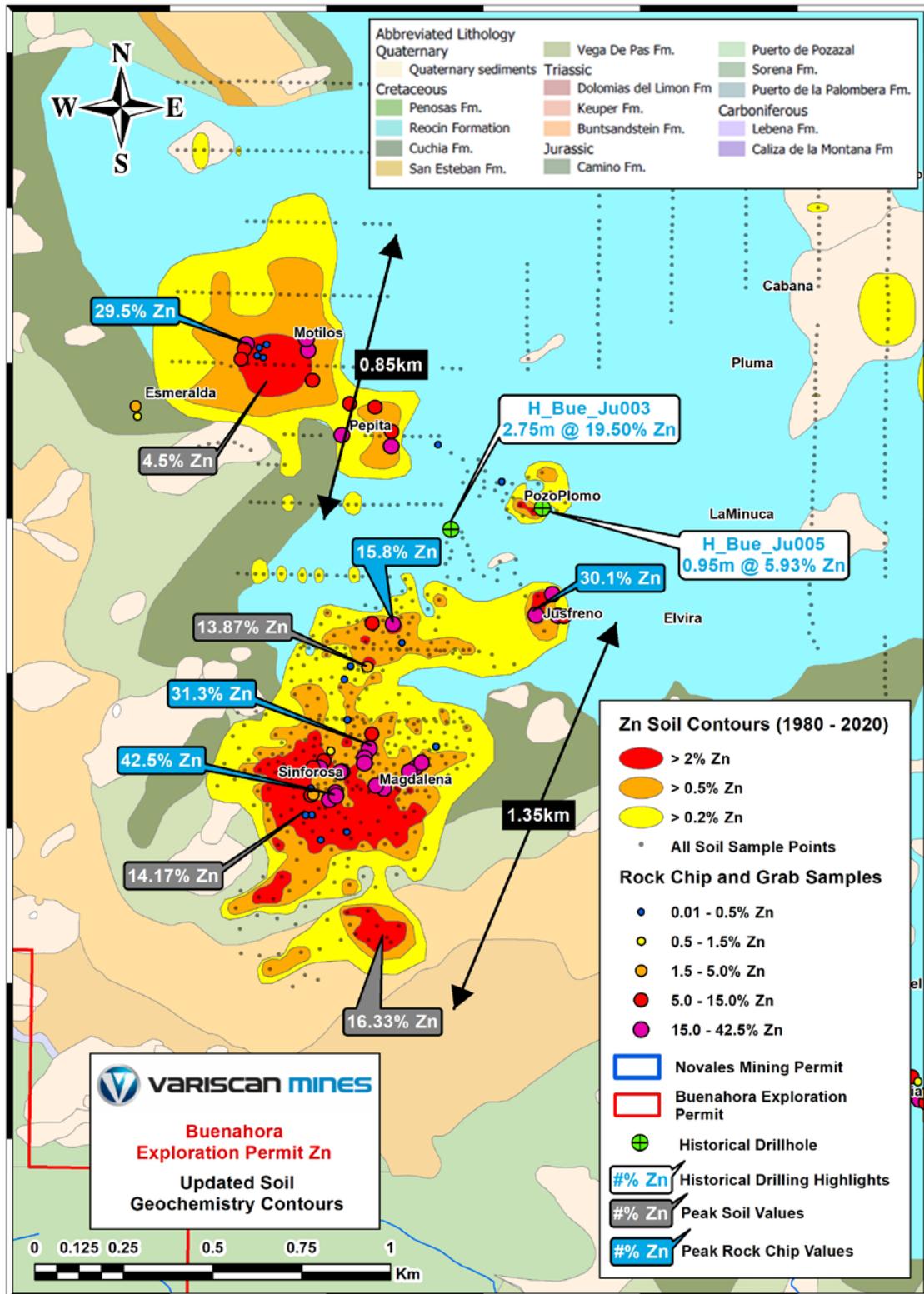
- **379 new soil samples, covering four prospective targets over the Buenahora licence;**
- **Geochemical Zn anomaly 1.35km length x 0.65km width (+0.2% Zn);**
- **Sinforosa and Magdalena encompassed within single anomalous zone (+0.5% Zn);**
- **Peak soil result of 16.33% Zn;**
- **30% of soil samples +1% Zn;**
- **18% of soil samples +2% Zn;**
- **Mean soil sample grade of 1.74% Zn;**
- **Increased definition of soil anomalies; and**
- **Southwest of the Buenahora licence is a very high priority area for future drilling.**

Variscan Mines Limited ("**Variscan**" or the "**Company**" or the "**Group**") (ASX:VAR) is pleased to announce new infill geochemical soil sampling results conducted on prospects within the Buenahora licence area of the Novales-Udias Project in Cantabria, northern Spain. A total of 379 samples were analysed from four separate prospects, all indicating the surficial extent of in-situ high-grade stratiform mineralisation.

Stewart Dickson, MD & CEO of Variscan Mines, commented:

"Once again, Variscan have delivered another set of high-grade results through our step-wise approach to exploration at the Novales-Udias project. The project has consistently demonstrated its quality and evidence of high-grade potential over substantially sized areas. It is clear that the southwest of the Buenahora licence is a very high priority area and a must for future drilling".

Figure 1. Soil geochemistry contours with highlighted peak soil, rock chip values and historical drilling in the southwest of the Buenahora exploration permit



Key Findings

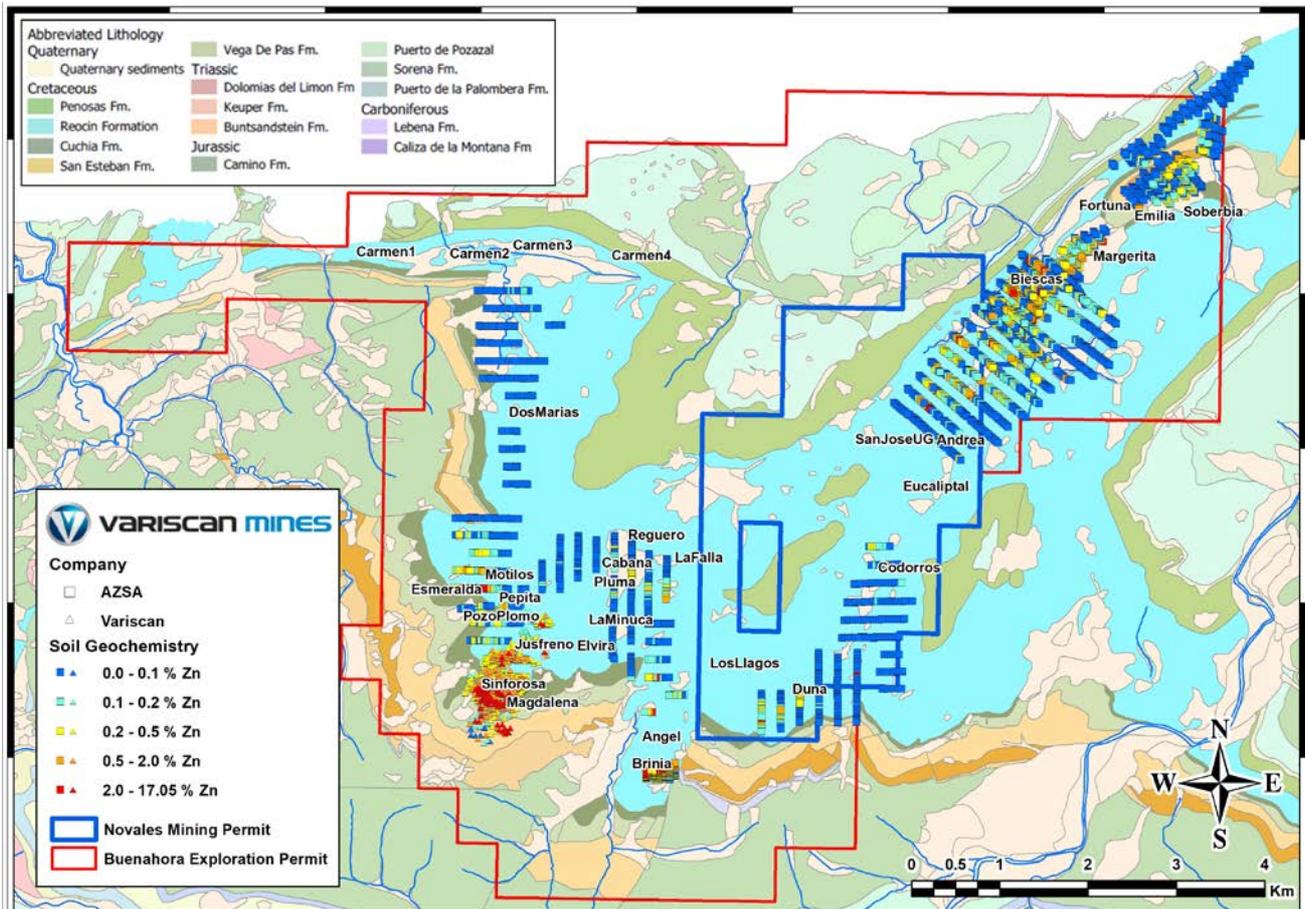
- 379 new soil samples, covering four prospective areas;
- Geochemical Zn anomaly 1.35km length x 0.65km width (+0.2% Zn);
- Sinforosa and Magdalena encompassed within single anomalous zone (+0.5% Zn);
- Peak soil result of 16.33% Zn;
- 30% of soil samples + 1% Zn;
- **18% of soil samples +2% Zn;**
- Mean soil sample grade of 1.74% Zn;
- **Increased definition of soil anomalies;** and
- **Southwest of the Buenahora licence is a very high priority area for future drilling.**

Work Programme

The soil sampling programme conducted by Variscan has supplemented historical soil geochemistry from AZSA (1980s) and delineated anomalies surrounding prospects in the south west of the Buenahora exploration permit that have been tested previously with rock grab (refer ASX Announcement 19 December 2019) and rock chip sampling (refer ASX Announcement 28 July 2020).

The area covered by these new soil samples extends 1.65km in length by 0.7km width and includes a total of 379 samples. The sample spread encompasses four separate prospects, including Pozo Plomo, Jusfreno, Sinforosa and Magdalena that has been previously demonstrated as highly prospective for zinc and lead.

Figure 2. Novales and Buenahora permits with all soil geochemistry point data showing the spread of historic (AZSA 1980) and contemporary Variscan (2020) data



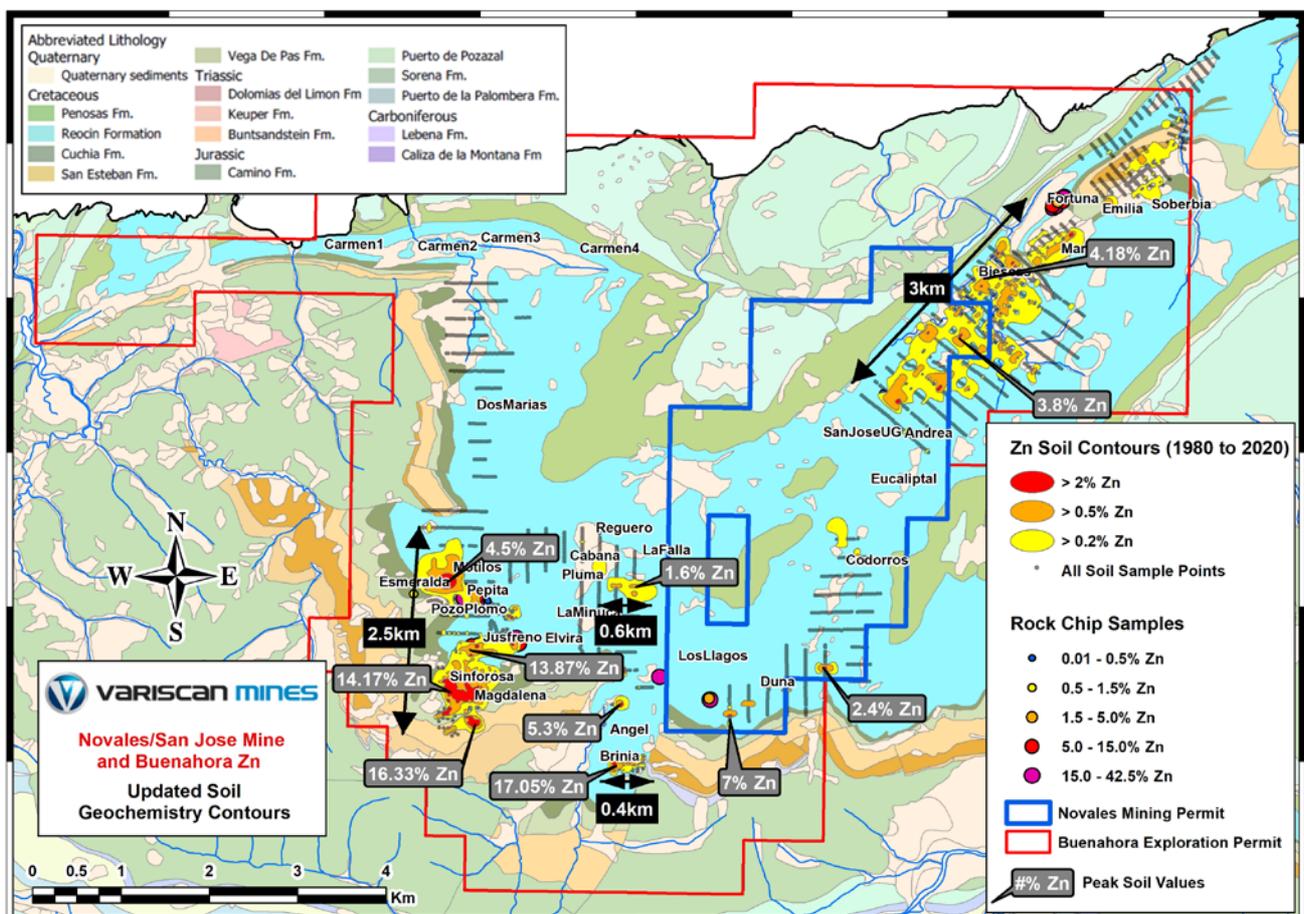
Soil Geochemistry Sampling

Soil samples were taken in a clustered pattern and the sample spacing is varied, between 20m and 70m, with an average of 45m. Samples were collected below the subsoil horizon where possible and 200g to 300g were taken at each point and analysed with a handheld XRF tool (Vanta). QA/QC was carried out on 10% of the samples which were sent to ALS laboratory in Sevilla for analysis. Reliability was confirmed for the handheld XRF results; however, a discrepancy in correlation was observed as a bias arose between the handheld XRF and ALS results, i.e. results from the handheld XRF were consistently lower than those analysed by ALS. This discrepancy has been accounted for, and all data quoted in this press release have zinc results from the handheld XRF normalised to align with the ALS laboratory results, which are considered more accurate at higher grades. All soil geochemistry values used in this announcement represent the normalised values and a table with all new soil results before and after adjustment has been applied can be found in Appendix 1.

Some samples were collected adjacent to historic workings and in a small number of cases, on top of historic waste dumps, this may account for a portion of the higher-grade soil samples above 5% Zn.

A map showing all soil geochemistry contours (historic and recent) is shown in Figure 2 with anomalous zinc zones highlighted within the Buenahora and Novales permits held by Variscan. Figure 2 also provides annotation of peak soil values from historical and new geochemistry for comparative purposes.

Figure 3. Historic and recent soil sampling contours with highlighted peak values and anomaly extents

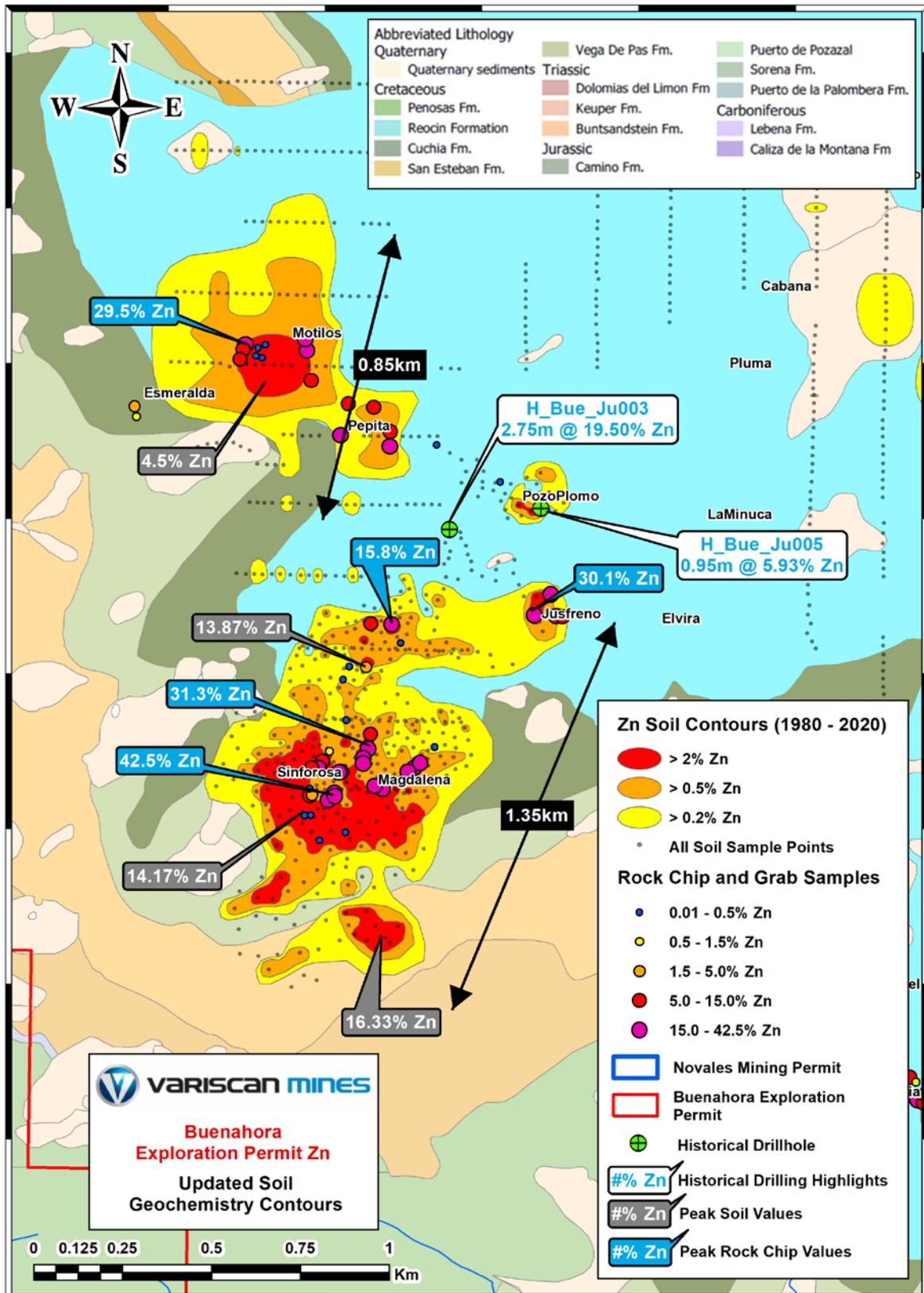


Prospect Analysis & Commentary

A map showing the Variscan soil sample contours at +0.2%, +0.5% and +2% Zn covering Pozo Plomo, Jusfreno, Sinforosa and Magdalena just to the south of historic soil sampling surrounding Esmeralda, Motilos and Pepita are shown in Figure 3. Both peak soil sample results and rock chip samples are

highlighted to outline the high proportion supporting results from these two separate sampling campaigns.

Figure 4. Variscan soil geochemistry contours (Jusfreno, Magdalena and Sinforosa prospects) with highlighted peak soil, rock chip and drilling results



Pozo Plomo

The Pozo Plomo prospect (Figure 3) has anomalous soil sample results spanning an area **0.2km by 0.17km (+2% Zn)** within the Reocín formation, this prospect appears small at surface but has significant historic workings. Peak values at this prospect from soils samples include a sample with **13.87% Zn** and one with **5.9% Zn** only 40m apart. Two historical drillholes located situated in close proximity to the prospect (**H_Bue_Ju003 2.75m @ 19.50% Zn** and **H_Bue_Ju005 0.95m @ 5.93% Zn**) provide evidence of Zn and Pb mineralisation at depth, and therefore further exploration potential. The drillhole **H_Bue_Ju003** lies outside the **+2% Zn** soil geochemistry contours, indicative that mineralisation is present below surface with lower grade soil anomalies at surface (between **0.05 and 0.18% Zn** for **H_Bue_Ju003**).

Jusfreno

The Jusfreno soil anomaly (Figure 3) is similar in extent to Pozo Plomo (**0.2km by 0.12km**) with greater than **0.2% Zn**. This prospect has been sampled previously with four rock chips samples (refer ASX Announcement 28 July 2020) which range between **5.9% Zn to 30.1% Zn** and correlate well with the soil geochemistry analysis. Peak soil values reach up to **4.9% Zn** and are indicative of intense surface expression of the stratiform MVT style (Mississippi Valley Type) mineralisation.

Magdalena and Sinforosa

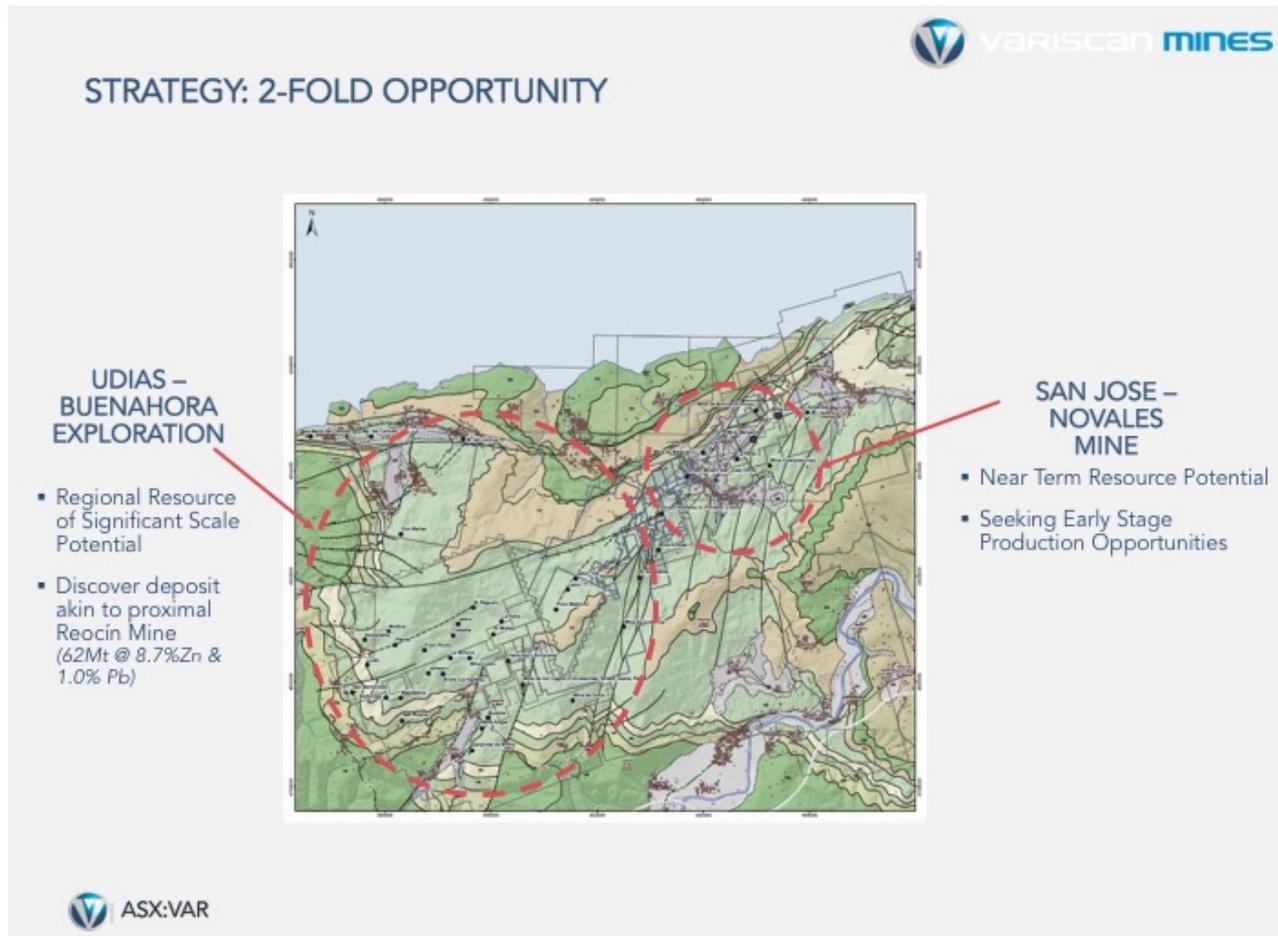
Both the Magdalena and Sinforosa prospects have been mined historically with minor workings and have returned some very high-grade rock chip results (refer ASX Announcement 28 July 2020) including one value of **42.5% Zn and 1.5% Pb (CBRC0068)**.

The soil geochemistry campaign in this area has delineated an extensive anomaly spanning between west of Jusfreno, Magdalena and Sinforosa with a 1.35km length and width of 0.65km. This large anomaly links broadly with historical (AZSA) soil sampling at Esmeralda, Motilos and Pepita, which combined spans **2.5km** in length by 1 km in width to provide an encouragingly sized target for additional exploration. The highest-grade samples above **2% Zn** are concentrated at the base of the Reocín formation and covers an area of **0.5km by 0.28km**, these values are considered very high for soil samples and this zone presents a very promising area for drill target generation to confirm the extent of mineralisation at depth.

Next Steps

The Company is progressing its work-plan for H2 2020 (refer ASX Announcement 02 June 2020) to execute the 2-fold opportunity that the Novales-Udias project presents:

1. Seek near term zinc production opportunities at the San Jose-Novales Mine
2. Strategy to define a regionally significant mineral resource over the Buenahora licence akin to the former producing and proximal Reocín Mine



Near-term actions to deliver these strategic objectives:

San Jose - Novales Mine

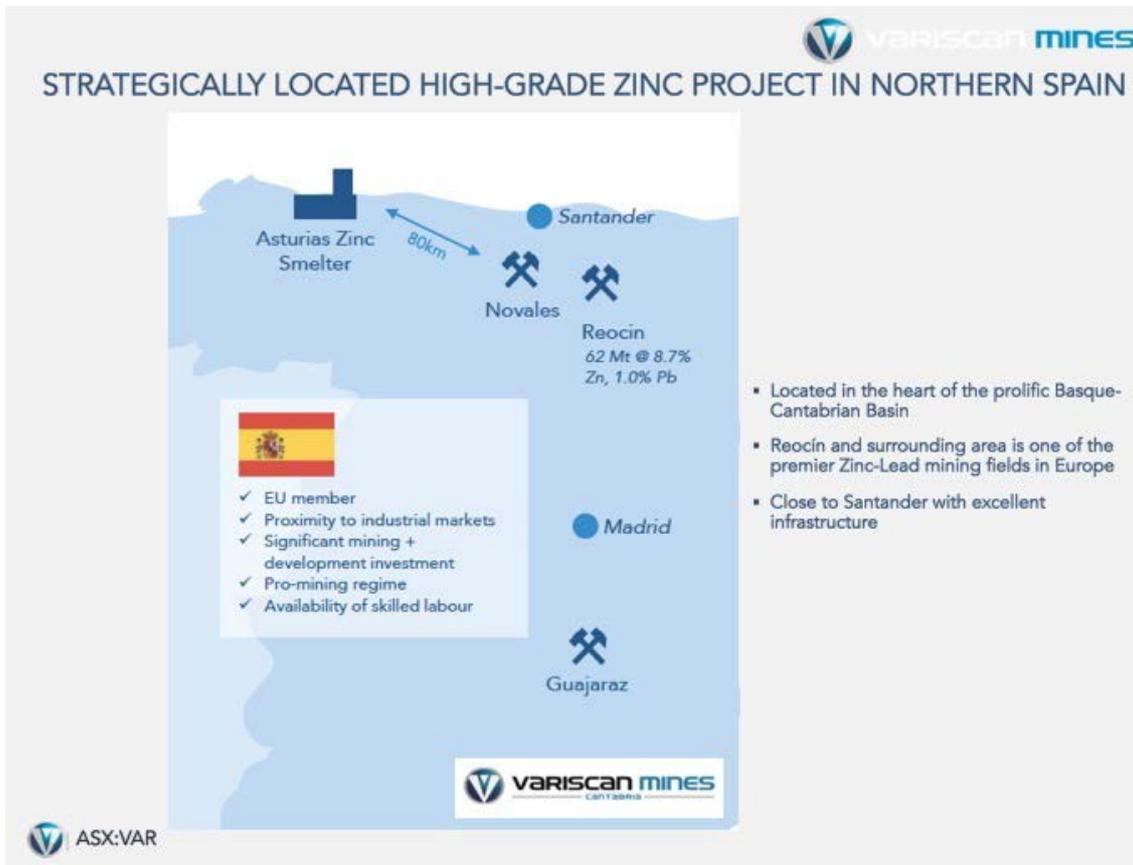
- Expansion of significant historical drillhole database;
- Development of the geological model;
- Underground 3D laser survey is currently completed and being processed;
- Development of an Exploration Target in accordance with JORC 2012 accounting for underground depletion using laser survey;
- New underground channel sampling;
- Confirmatory underground geological mapping; and
- Refinement of drill targets to test unmined mineralisation identified.

Udias – Buenahora Exploration Tenement

- Report remaining infill soil sample results;
- Continue with the processing of historic data; and
- Development of drill targets.

Other activities

In support of the above activities, Variscan are continuing to develop environmental, social and governance initiatives.



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 San Jose - Novales underground mine with a large surrounding area of exploration opportunities across the Buenahora exploration licence.

¹Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory work)
- Large tenement holding of 68.3 km² (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^{1 2})
- 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% Zn³
- Simple mineralogy of sphalerite – galena – calamine

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.

² 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.

³ 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.

- 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% Zn⁴
- Assay results of recent targeted samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb⁵
- Assay results of new samples taken over the licence area recorded⁵:
 - 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
- Dataset of historical surface and underground drilling results over 39,000m collated⁶
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

ENDS

For further information:

Variscan Mines Limited	Stewart Dickson	T: +61 8 9316 9100 E: info@variscan.com.au
FUNDEXA	Bill Kemmery	T: +61 400 122 449 E: Bill@fundexa.com

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

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

The information in this document that relates to exploration results and technical information about the Novales-Udias project is based on, and fairly represents information and supporting documentation compiled and reviewed by Mr. Ché Osmond, an employee of Wardell Armstrong International. Mr. Osmond is a Chartered Geologist (CGeol) and Fellow of the Geological Society of London, and European Geologist (EurGeol) of the European Federation of Geologists, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ('JORC Code'). Mr Osmond consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

⁴ Anecdotal evidence from original Novales miners interviewed during the WAI Due Diligence.

⁵ Refer to ASX Announcement of 19 December 2019

⁶ Refer to ASX Announcements of 01 April 2020, 16 March 2020 and 3 March 2020

JORC Table 1, Sections 1 and 2 in reference to Soil Sampling

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	Soil Samples <ul style="list-style-type: none"> Soil samples were collected from the subsoil (Horizon B), below the organic and surface Horizons (Horizon O and Horizon A respectively) Soil cover is often thin or exposure of limestone or dolomite prevents a soil sample being taken, therefore the sampling team collected samples in random locations rather than in a gridded pattern to allow selectivity of soil in areas with bedrock at surface. Soil samples consisted of approximately 200 to 300 grams of soil and placed into a plastic zip lock bag before transportation to the company office. No efforts were made to account for moisture in soils before analysis (with handheld XRF) In some cases samples were collected near historic mine workings and waste dumps and as such are not representative of natural soil horizons.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> N/A – drilling not conducted
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> N/A – drilling not conducted
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Soil samples were not described or logged in any industry standard way.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	Soil Samples <ul style="list-style-type: none"> Soil samples were sampled both wet and dry depending on the ground conditions at the time of sampling. Samples were not dried prior to analysis by handheld Vanta pXRF. No attempt was made to split or homogenise samples when analysing with handheld Vanta pXRF. Approximately 10% of the soil samples were dispatched to the ALS laboratory in Sevilla as a part of the QAQC programme (described below) Laboratory preparation (ALS) for the analysis of these samples included drying, weighing, and pulverization. A pulp was split by rotary splitter for analysis.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	Analysis of Soil Samples with Vanta Handheld XRF <ul style="list-style-type: none"> All soil samples reported here were analysed with an Olympus Vanta handheld XRF instrument. Three readings were taken for each sample with the average value reported. This analysis procedure included daily calibration of the equipment Due to the nature of the soil sampling campaign no further company quality control procedures were adopted. Analysis of Soil Samples by ALS <ul style="list-style-type: none"> The laboratory (ALS) assay procedures (10% of samples) are considered appropriate to the mineralisation style at this project and the purpose of this element of the soil sampling campaign. A 4-acid digest is considered a “near total” method for analysis and is considered appropriate for the mineralisation style at this project. Two analytical methods were employed by ALS, these included ME-ICP61 and OG62h. Internal standards, blanks and pulp duplicates were inserted by ALS and performed within acceptable limits.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Some high-grade soil samples analysed with the handheld XRF were sent for re-analysis at an accredited laboratory (ALS Sevilla). The repeatability was poor for the 10% of the 379 total samples sent to ALS and a negative bias was observed between the handheld XRF samples and the ALS ME-ICP61 and OG62h methods. A representative from Olympus (Todd Houlahan) gave VAR guidance on this issue and four linear regressions were plotted at different grade ranges (<2% Zn, 2-7.1% Zn, 7.1-12.9%, 12.7 – 18.55% Zn). The equations for each regression were applied to the appropriate grade ranges to normalise the values to align with the ALS

Criteria	JORC Code explanation	Commentary
		<p>results, thus increasing the values.</p> <ul style="list-style-type: none"> A table with all new soil samples both before and after correction can be found in Appendix 1.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Rock and soil sample locations were recorded with a handheld GPS with an accuracy of approximately $\pm 5m$.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Soil sample locations were determined in the field by the geologist using a handheld GPS. Sample spacing for the new soils samples was at the discretion of the sampling geologists and was not based on a typical gridded system. Soil cover in many places in the licence is thin or non-existent due to exposure of limestone or dolomite, where exposure was observed sample locations were selected at an adjacent site with soil cover. No sample compositing has been applied.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Data spacing is not aligned with the orientation of mineralisation as the pattern of soil points are sporadically selected. However, the deposit is predominantly stratiform with only selected areas with interpreted structural control and may not necessitate standard gridded soil geochemistry sampling methods to define mineralisation for additional exploration.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples were collected in polyweave bags that were analysed by handheld XRF then sealed and sent directly to the laboratory (ALS Sevilla) via a recorded courier.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews of the sampling techniques and data have been undertaken of the historical records

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The exploration permit "Buenahora" is held by Variscan Mines. The author is not aware, at the time of writing this, of any environmental issues that could affect ongoing works within these licences. The exploitation permit for the Novales-Udias historic mine area is owned by Variscan Mines. The author is not aware, at the time of writing this, of any issues with tenure or permission to operate in this region.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Historic exploration in the area was undertaken by RCA de Minas until the early 1980s, Asturiana de Zinc SA until the late 1990s (AZSA) and Hispanibal until circa 2002.

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> • The mineralisation at the project is considered a Mississippi Valley Type Lead-Zinc type with associated structural and stratigraphic controlled carbonate dissolution and replacement Lead-Zinc mineralisation. • Mineralisation at the project has been reported as following subvertical structures and more commonly as stratiform, sub horizontal and lenticular with lateral and vertical bleeding. Some mineralisation has been reported as faulted and fractured, with a significant influence with the development of karsts. Mineralisation in this setting presents as 'bags' with lenticular form.
Drill hole Information	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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. 	<ul style="list-style-type: none"> • This report does not cover drilling results in detail. • Historic drilling on the properties undertaken by previous mining and exploration companies are detailed in the News Release from the 1st April 2020 "Further Multiple High-Grade Zinc Historic Drilling Results".
Data aggregation methods	<p><i>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</i></p> <ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Aggregation of sampling intervals have not been taken for these soil samples. • No metal equivalent grades have been used for reporting of rock chip grades. • No capping of high-grade samples has been used for these exploration results.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • 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'). 	<ul style="list-style-type: none"> • Samples may not representative of true width of mineralisation and are a snapshot only of visibly high-grade mineralisation at each prospect and were stopped arbitrarily at the edges of each soil sampling pattern. • Geometry of mineralisation at each prospect is inferred at this stage (until detailed mapping, drilling and interpretation has been completed) and samples may not represent true thickness and orientation of structures with significant Zn and Pb grades.

Criteria	JORC Code explanation	Commentary
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> GIS maps of the locations of all 379 new soil samples and 2,318 historical samples with X and Y co-ordinates are demonstrated in Figures 1 through 4.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All new soil samples have been tabulated for all prospects in Appendix 1 at the end of this document.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report often eludes to assay values from multiple historic underground drill holes. These drillholes have been reported in the News Release from the 1st April 2020 “Further Multiple High-Grade Zinc Historic Drilling Results”. No other exploration data referenced in this report is considered sufficiently meaningful or material to warrant further reference.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Subsequent planned exploratory work includes <ul style="list-style-type: none"> Geological mapping of prospects within the Buenahora licence area; Compilation of additional records of historical drillholes; and Underground 3D mine survey. Generation of drilling targets and subsequent drilling to delineate extents of mineralisation.

Appendix 1

TABLE OF SOIL SAMPLE RESULTS

Note: A negative bias was observed between the handheld XRF and the results from the ALS assay laboratory. The Company engaged a representative from Olympus (the XRF manufacturer) to provide guidance on this issue and normalised values which correlate to the ALS results are shown at 'Zn_ppm_Cal'.

New Soil Results, Before and After Correction				
SAMPLE	X	Y	Zn_ppm	Zn_ppm_Cal
CB1SS0172	397913	4799218	183	590
CB1SS0173	397909	4799288	223	666
CB1SS0171	397964	4799211	268	751
CB1SS0170	398018	4799215	339	886
CB1SS0176	398066	4799300	346	899
CB1SS0015	398128	4799143	354	914
CB1SS0370	398262	4800207	417	1034
CB1SS0321	398507	4800437	420	1040
CB1SS0175	398014	4799317	451	1098
CB1SS0320	398492	4800414	473	1140
CB1SS0322	398533	4800416	482	1157
CB1SS0275	398666	4800456	505	1201
CB1SS0279	398783	4800480	525	1239
CB1SS0319	398490	4800386	525	1239
CB1SS0044	397911	4799395	533	1254
CB1SS0252	398242	4800024	541	1269
CB1SS0251	398233	4799996	542	1271
CB1SS0284	398748	4800554	550	1286
CB1SS0268	398549	4800588	553	1292
CB1SS0013	398092	4799156	613	1406
CB1SS0324	398549	4800378	623	1425
CB1SS0296	398536	4800557	629	1436
CB1SS0295	398583	4800517	650	1476
CB1SS0294	398598	4800589	667	1508
CB1SS0273	398647	4800505	668	1510
CB1SS0297	398579	4800622	671	1516
CB1SS0253	398259	4800018	672	1518
CB1SS0234	397903	4799902	677	1527
CB1SS0174	397958	4799326	691	1554
CB1SS0271	398626	4800534	720	1609
CB1SS0325	398554	4800352	724	1617
CB1SS0314	398526	4800283	727	1622
CB1SS0318	398504	4800362	744	1655
CB1SS0332	398685	4800338	747	1660
CB1SS0368	398291	4800200	752	1670
CB1SS0326	398563	4800333	759	1683
CB1SS0328	398594	4800291	759	1683

CB1SS0235	397955	4799906	769	1702
CB1SS0019	398256	4799437	770	1704
CB1SS0269	398560	4800555	784	1731
CB1SS0330	398633	4800310	790	1742
CB1SS0358	398350	4800187	790	1742
CB1SS0270	398595	4800542	792	1746
CB1SS0014	398058	4799123	795	1751
CB1SS0323	398535	4800399	824	1806
CB1SS0329	398632	4800278	829	1816
CB1SS0267	398536	4800622	835	1827
CB1SS0291	398675	4800553	835	1827
CB1SS0363	398366	4800248	835	1827
CB1SS0021	398350	4799442	839	1835
CB1SS0045	397974	4799436	845	1846
CB1SS0293	398595	4800560	859	1873
CB1SS0315	398493	4800289	874	1901
CB1SS0081	398150	4799702	879	1911
CB1SS0310	398438	4800197	891	1934
CB1SS0177	398093	4799351	892	1936
CB1SS0266	398503	4800641	913	1975
CB1SS0287	398728	4800533	915	1979
CB1SS0272	398659	4800526	919	1987
CB1SS0334	398698	4800267	921	1991
CB1SS0249	398224	4800039	922	1992
CB1SS0364	398349	4800223	935	2017
CB1SS0286	398720	4800571	936	2019
CB1SS0362	398374	4800282	939	2025
CB1SS0361	398389	4800255	949	2044
CB1SS0233	397921	4799867	958	2061
CB1SS0232	397889	4799836	964	2072
CB1SS0274	398660	4800480	966	2076
CB1SS0333	398682	4800299	976	2095
CB1SS0018	398155	4799313	981	2104
CB1SS0022	398400	4799456	998	2137
CB1SS0331	398640	4800332	1006	2152
CB1SS0086	398143	4799665	1012	2163
CB1SS0316	398487	4800326	1038	2213
CB1SS0250	398205	4800028	1049	2234
CB1SS0145	398444	4799847	1051	2237
CB1SS0327	398565	4800308	1055	2245
CB1SS0245	398265	4799969	1061	2256
CB1SS0292	398631	4800557	1074	2281
CB1SS0228	397895	4799713	1087	2306
CB1SS0262	398168	4800003	1147	2420
CB1SS0231	397906	4799802	1161	2446
CB1SS0020	398290	4799406	1169	2461

CB1SS0317	398500	4800342	1171	2465
CB1SS0229	397846	4799694	1224	2566
CB1SS0012	398134	4799230	1233	2583
CB1SS0004	398193	4799256	1241	2598
CB1SS0280	398801	4800476	1280	2672
CB1SS0158	398324	4799815	1330	2767
CB1SS0303	398507	4800072	1335	2776
CB1SS0359	398363	4800202	1348	2801
CB1SS0311	398436	4800238	1355	2814
CB1SS0146	398428	4799820	1389	2879
CB1SS0236	397982	4799897	1396	2892
CB1SS0154	398357	4799845	1399	2898
CB1SS0360	398394	4800220	1410	2919
CB1SS0335	398712	4800234	1421	2940
CB1SS0377	398072	4800066	1422	2942
CB1SS0147	398400	4799804	1431	2959
CB1SS0290	398677	4800513	1480	3052
CB1SS0298	398624	4800033	1486	3063
CB1SS0230	397866	4799758	1506	3101
CB1SS0313	398486	4800255	1547	3179
CB1SS0162	398383	4799930	1662	3397
CB1SS0152	398331	4799788	1687	3445
CB1SS0302	398528	4800059	1687	3445
CB1SS0379	398054	4799992	1716	3500
CB1SS0278	398768	4800482	1728	3522
CB1SS0309	398467	4800173	1745	3555
CB1SS0347	398238	4800163	1746	3557
CB1SS0281	398824	4800500	1756	3576
CB1SS0179	398175	4799420	1773	3608
CB1SS0178	398131	4799389	1774	3610
CB1SS0366	398332	4800184	1779	3619
CB1SS0181	398430	4799516	1795	3650
CB1SS0180	398211	4799464	1799	3657
CB1SS0124	398463	4799807	1811	3680
CB1SS0283	398783	4800530	1826	3708
CB1SS0288	398713	4800510	1836	3727
CB1SS0244	398244	4799942	1840	3735
CB1SS0254	398310	4800022	1914	3875
CB1SS0339	398680	4800040	1919	3885
CB1SS0241	398166	4799958	1964	3970
CB1SS0226	397934	4799768	1991	4022
CB1SS0300	398581	4800076	2002	4043
CB1SS0261	398207	4800068	2009	4056
CB1SS0129	398371	4799735	2025	4086
CB1SS0142	398517	4799833	2032	4099
CB1SS0133	398530	4799888	2033	4101

CB1SS0148	398383	4799831	2036	4107
CB1SS0237	398027	4799913	2044	4122
CB1SS0035	398214	4799488	2049	4132
CB1SS0276	398704	4800462	2051	4136
CB1SS0166	398455	4799885	2053	4139
CB1SS0136	398563	4799783	2060	4153
CB1SS0372	398188	4800175	2065	4162
CB1SS0132	398509	4799906	2087	4204
CB1SS0137	398550	4799751	2095	4219
CB1SS0144	398484	4799845	2105	4238
CB1SS0189	398176	4799888	2105	4238
CB1SS0308	398460	4800137	2112	4251
CB1SS0143	398520	4799803	2121	4268
CB1SS0371	398214	4800158	2122	4270
CB1SS0375	398115	4800121	2139	4303
CB1SS0065	398128	4799697	2143	4310
CB1SS0299	398617	4800068	2169	4360
CB1SS0165	398426	4799885	2171	4363
CB1SS0263	398136	4799997	2172	4365
CB1SS0160	398322	4799931	2179	4379
CB1SS0223	398027	4799817	2185	4390
CB1SS0378	398054	4800028	2185	4390
CB1SS0153	398346	4799809	2191	4401
CB1SS0365	398329	4800207	2198	4415
CB1SS0155	398376	4799881	2204	4426
CB1SS0138	398519	4799743	2209	4435
CB1SS0135	398555	4799825	2217	4451
CB1SS0376	398089	4800093	2245	4504
CB1SS0139	398495	4799725	2248	4509
CB1SS0123	398489	4799811	2251	4515
CB1SS0127	398401	4799771	2301	4610
CB1SS0125	398442	4799796	2302	4612
CB1SS0374	398137	4800154	2314	4635
CB1SS0036	398174	4799473	2327	4659
CB1SS0184	398474	4799698	2328	4661
CB1SS0340	398088	4800037	2357	4716
CB1SS0264	398107	4799992	2366	4733
CB1SS0282	398806	4800527	2460	4912
CB1SS0341	398124	4800055	2461	4914
CB1SS0066	398140	4799724	2463	4918
CB1SS0212	397948	4799639	2488	4965
CB1SS0265	398104	4799972	2519	5024
CB1SS0191	398214	4799880	2530	5045
CB1SS0134	398546	4799860	2534	5052
CB1SS0369	398311	4800164	2543	5069
CB1SS0099	398239	4799890	2570	5121

CB1SS0150	398342	4799755	2570	5121
CB1SS0238	398064	4799954	2581	5142
CB1SS0227	397923	4799738	2600	5178
CB1SS0357	398362	4800174	2600	5178
CB1SS0126	398424	4799784	2602	5181
CB1SS0190	398213	4799920	2604	5185
CB1SS0159	398305	4799883	2624	5223
CB1SS0167	398490	4799875	2635	5244
CB1SS0149	398368	4799795	2640	5254
CB1SS0105	398282	4799758	2696	5360
CB1SS0373	398155	4800186	2703	5373
CB1SS0040	398048	4799395	2711	5388
CB1SS0151	398321	4799742	2764	5489
CB1SS0248	398244	4800042	2765	5491
CB1SS0346	398236	4800142	2826	5607
CB1SS0017	398217	4799413	2858	5667
CB1SS0242	398192	4799975	2878	5705
CB1SS0156	398336	4799889	2884	5717
CB1SS0356	398394	4800174	2906	5759
CB1SS0121	398443	4799752	2916	5777
CB1SS0342	398153	4800067	2930	5804
CB1SS0140	398488	4799757	2938	5819
CB1SS0353	398390	4800083	2949	5840
CB1SS0239	398098	4799922	2952	5846
CB1SS0343	398154	4800105	2954	5850
CB1SS0307	398447	4800102	3005	5946
CB1SS0141	398514	4799777	3006	5948
CB1SS0163	398398	4799870	3009	5954
CB1SS0120	398441	4799772	3020	5975
CB1SS0168	398478	4799906	3048	6028
CB1SS0352	398369	4800101	3060	6051
CB1SS0338	398765	4800134	3061	6053
CB1SS0100	398293	4799848	3120	6165
CB1SS0285	398758	4800585	3145	6212
CB1SS0111	398348	4799729	3178	6275
CB1SS0306	398442	4800067	3190	6298
CB1SS0164	398406	4799852	3283	6474
CB1SS0068	398118	4799744	3300	6506
CB1SS0157	398329	4799847	3369	6637
CB1SS0258	398285	4800097	3425	6744
CB1SS0101	398288	4799806	3476	6840
CB1SS0098	398260	4799873	3483	6854
CB1SS0354	398382	4800126	3501	6888
CB1SS0169	397994	4799173	3542	6966
CB1SS0128	398373	4799751	3548	6977
CB1SS0256	398351	4800086	3560	7000

CB1SS0185	398010	4799839	3567	7013
CB1SS0110	398318	4799712	3611	7097
CB1SS0096	398263	4799843	3670	7209
CB1SS0122	398477	4799780	3695	7256
CB1SS0344	398174	4800122	3734	7330
CB1SS0102	398297	4799784	3750	7361
CB1SS0078	398283	4799733	3771	7400
CB1SS0243	398223	4799959	3808	7471
CB1SS0355	398385	4800158	3835	7522
CB1SS0108	398299	4799719	3877	7602
CB1SS0112	398342	4799708	3893	7632
CB1SS0118	398420	4799744	3923	7689
CB1SS0080	398183	4799692	3956	7752
CB1SS0069	398163	4799736	4042	7915
CB1SS0043	397898	4799347	4053	7936
CB1SS0183	398441	4799663	4147	8114
CB1SS0188	398134	4799894	4186	8188
CB1SS0071	398176	4799708	4191	8198
CB1SS0192	398230	4799863	4275	8357
CB1SS0016	398081	4799221	4293	8391
CB1SS0070	398196	4799722	4328	8458
CB1SS0193	398222	4799841	4339	8479
CB1SS0064	398128	4799671	4388	8572
CB1SS0260	398227	4800088	4423	8638
CB1SS0103	398300	4799758	4460	8708
CB1SS0030	398374	4799674	4556	8891
CB1SS0210	397990	4799597	4560	8898
CB1SS0213	397959	4799679	4622	9016
CB1SS0349	398284	4800136	4680	9126
CB1SS0350	398355	4800118	4683	9132
CB1SS0348	398262	4800164	4697	9158
CB1SS0305	398472	4800078	4833	9416
CB1SS0104	398280	4799780	4854	9456
CB1SS0345	398213	4800131	4861	9469
CB1SS0196	398207	4799783	4942	9623
CB1SS0240	398128	4799943	4959	9656
CB1SS0161	398356	4799955	4988	9711
CB1SS0094	398252	4799809	4989	9712
CB1SS0075	398210	4799752	5058	9843
CB1SS0130	398364	4799719	5061	9849
CB1SS0225	397965	4799786	5086	9897
CB1SS0117	398404	4799718	5129	9978
CB1SS0301	398554	4800081	5180	10075
CB1SS0116	398383	4799703	5247	10202
CB1SS0106	398259	4799741	5299	10301
CB1SS0257	398321	4800104	5315	10331

CB1SS0197	398236	4799775	5479	10643
CB1SS0034	398253	4799524	5491	10665
CB1SS0107	398277	4799707	5508	10698
CB1SS0351	398311	4800131	5534	10747
CB1SS0304	398494	4800103	5685	11034
CB1SS0038	398130	4799456	5695	11053
CB1SS0090	398153	4799835	5739	11136
CB1SS0119	398416	4799758	5861	11368
CB1SS0048	398069	4799483	5978	11590
CB1SS0082	398176	4799668	6031	11690
CB1SS0182	398401	4799563	6137	11892
CB1SS0113	398330	4799694	6153	11922
CB1SS0011	398218	4799299	6291	12184
CB1SS0029	398355	4799655	6359	12313
CB1SS0187	398095	4799861	6364	12322
CB1SS0109	398309	4799691	6379	12351
CB1SS0186	398053	4799844	6440	12467
CB1SS0059	398043	4799564	6523	12624
CB1SS0074	398176	4799763	6613	12795
CB1SS0224	398001	4799784	6616	12801
CB1SS0312	398469	4800223	6681	12924
CB1SS0255	398336	4800055	6723	13004
CB1SS0097	398245	4799838	6800	13150
CB1SS0202	398049	4799805	6909	13357
CB1SS0023	398379	4799505	6932	13401
CB1SS0222	398028	4799786	6954	13442
CB1SS0039	398092	4799421	7276	14054
CB1SS0028	398370	4799632	7607	14682
CB1SS0091	398158	4799802	7796	15041
CB1SS0037	398167	4799513	8112	15641
CB1SS0052	398187	4799619	8257	15916
CB1SS0024	398317	4799529	8433	16250
CB1SS0053	398213	4799641	8513	16402
CB1SS0077	398248	4799723	8528	16430
CB1SS0195	398230	4799803	8761	16872
CB1SS0049	398080	4799532	9135	17582
CB1SS0201	398093	4799825	9398	18082
CB1SS0087	398138	4799812	9475	18228
CB1SS0246	398282	4800002	9546	18363
CB1SS0073	398149	4799784	9598	18461
CB1SS0083	398155	4799651	9603	18471
CB1SS0211	397986	4799641	9867	18972
CB1SS0033	398273	4799556	10140	27236
CB1SS0027	398398	4799622	10196	27352
CB1SS0115	398348	4799688	10805	28614
CB1SS0259	398263	4800105	11154	29337

CB1SS0131	398271	4799676	11242	29519
CB1SS0079	398212	4799706	11248	29532
CB1SS0042	397962	4799378	11446	29942
CB1SS0067	398086	4799722	12495	32115
CB1SS0010	398295	4799296	12781	32708
CB1SS0089	398120	4799830	12901	32956
CB1SS0092	398254	4799760	13159	33491
CB1SS0218	398009	4799732	13341	33868
CB1SS0220	397990	4799756	14708	36700
CB1SS0206	398062	4799690	14869	37034
CB1SS0060	398088	4799589	15114	37541
CB1SS0214	397964	4799740	15144	37604
CB1SS0219	398001	4799708	15489	38318
CB1SS0203	398066	4799770	15578	38503
CB1SS0008	398334	4799249	16545	40506
CB1SS0217	398032	4799757	16833	41103
CB1SS0050	398114	4799565	16847	41132
CB1SS0046	398016	4799526	16935	41314
CB1SS0025	398350	4799558	17008	41465
CB1SS0209	398025	4799609	17648	42791
CB1SS0003	398235	4799273	17948	43413
CB1SS0337	398745	4800169	18249	44036
CB1SS0208	398054	4799626	18313	44169
CB1SS0061	398099	4799617	19013	45619
CB1SS0207	398060	4799662	19066	45729
CB1SS0063	398109	4799685	19210	46027
CB1SS0336	398747	4800234	20834	49392
CB1SS0198	398239	4799694	21183	50115
CB1SS0095	398275	4799820	21629	51039
CB1SS0085	398121	4799607	22905	53683
CB1SS0031	398328	4799634	23180	54253
CB1SS0076	398217	4799732	23273	54445
CB1SS0194	398209	4799819	23465	54843
CB1SS0026	398373	4799606	23622	55168
CB1SS0221	398016	4799763	23821	55581
CB1SS0055	398169	4799567	24692	57385
CB1SS0247	398265	4800036	24815	57640
CB1SS0277	398733	4800477	25501	59061
CB1SS0062	398132	4799630	26874	61906
CB1SS0088	398117	4799806	27866	63961
CB1SS0200	398087	4799793	28185	64622
CB1SS0205	398051	4799717	28399	65065
CB1SS0005	398270	4799256	28476	65225
CB1SS0056	398204	4799568	28814	65925
CB1SS0047	398027	4799436	28885	66072
CB1SS0006	398322	4799263	28973	66254

CB1SS0051	398148	4799606	30853	70149
CB1SS0054	398206	4799603	31243	122255
CB1SS0216	398024	4799735	31708	122399
CB1SS0199	398119	4799780	33281	122885
CB1SS0215	397991	4799686	36781	123966
CB1SS0204	398044	4799748	40297	125053
CB1SS0093	398266	4799788	42235	125652
CB1SS0057	398222	4799545	42981	125882
CB1SS0114	398323	4799669	46662	127020
CB1SS0009	398356	4799296	58518	130683
CB1SS0032	398298	4799593	60627	131335
CB1SS0041	398003	4799372	65783	132928
CB1SS0058	398249	4799590	66017	133000
CB1SS0367	398340	4800155	68095	133642
CB1SS0072	398151	4799753	75348	135884
CB1SS0002	398269	4799338	82537	138105
CB1SS0001	398211	4799334	84409	138683
CB1SS0289	398697	4800493	84549	138727
CB1SS0084	398150	4799632	94168	141699
CB1SS0007	398296	4799231	164170	163330