



VARISCAN ACCEPTED AS A MEMBER OF THE EUROPEAN BATTERY ALLIANCE

Highlights

- **Variscan has been accepted as a member of the European Battery Alliance (EBA250);**
- **EBA250 brings together interested stakeholders and industry participants across the European Union's battery value chain to drive a competitive and sustainable battery industry in Europe by 2025 to capture a new market worth €250Bn/year;**
- **Significant potential benefits for Variscan of joining EBA250 include:**
 - **access to European supranational and institutional funding e.g. EIT InnoEnergy**
 - **industry insight**
 - **value-chain connectivity**
- **Zinc is commonly used in renewable energy through electric and hybrid cars, solar panels, and wind turbines;**
- **Rechargeable zinc batteries are competing with lithium-ion based batteries for use in hybrid cars, electric cars, e-bikes and energy storage.**

Variscan Mines Limited ("**Variscan**" or the "**Company**" or the "**Group**") (ASX:VAR) is pleased to announce that it has been accepted as a member of the European Battery Alliance (EBA250), an organisation committed to driving a competitive and sustainable battery industry in Europe by 2025.

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

"We are very pleased that Variscan has been accepted as a member of the European Battery Alliance. Variscan is seeking to supply high-grade zinc from the historic mining region of Cantabria, northern Spain which hosts deposits of European significance. The Novales-Udias Project is centred around the former producing Mina San Jose and very close to the former Reocin Mine and San Juan Smelter in Asturias. We are in an excellent area with strong political support and hope to fast-track the development of mining operations.

Zinc has the potential to make a big difference in the battery and energy storage revolution. A secure and ethical supply of zinc into European technology companies will be important. Zinc is 100% recyclable and so is potentially one of the cleanest metals for battery use available.

We welcome the opportunity to collaborate with industry partners to make a positive contribution to a greener, cleaner and more secure energy future. Providing the next generation of high grade zinc supply will be important and we look forward to working with the EBA".

Benefits of membership of the European Battery Alliance

- Access to EIT InnoEnergy funding and financing partners;
- Insight to European and national financial institutions and funding;
- Support in navigating and decoding in the publicly funded landscape (EU, national and regional);
- Access to a network of industry, innovation and academic partners from the entire battery value chain (from mining to recycling);
- Match-making to find partners, clients and investors;
- Alignment with the European Strategic Action Plan for Batteries; and
- Unique insight in ongoing activities in the battery sector from the European Commission, Member States, industry and academia

European Battery Alliance

The objective of EBA250 is to build a strong pan-European battery industry that is able to help Europe capture a growing market worth €250 billion per annum by 2025. This industrial development programme supports the European Green Deal, which is the European Union's roadmap for making the EU's economy sustainable.

For more about the European Battery Alliance, please visit: www.eba250.com

EIT InnoEnergy

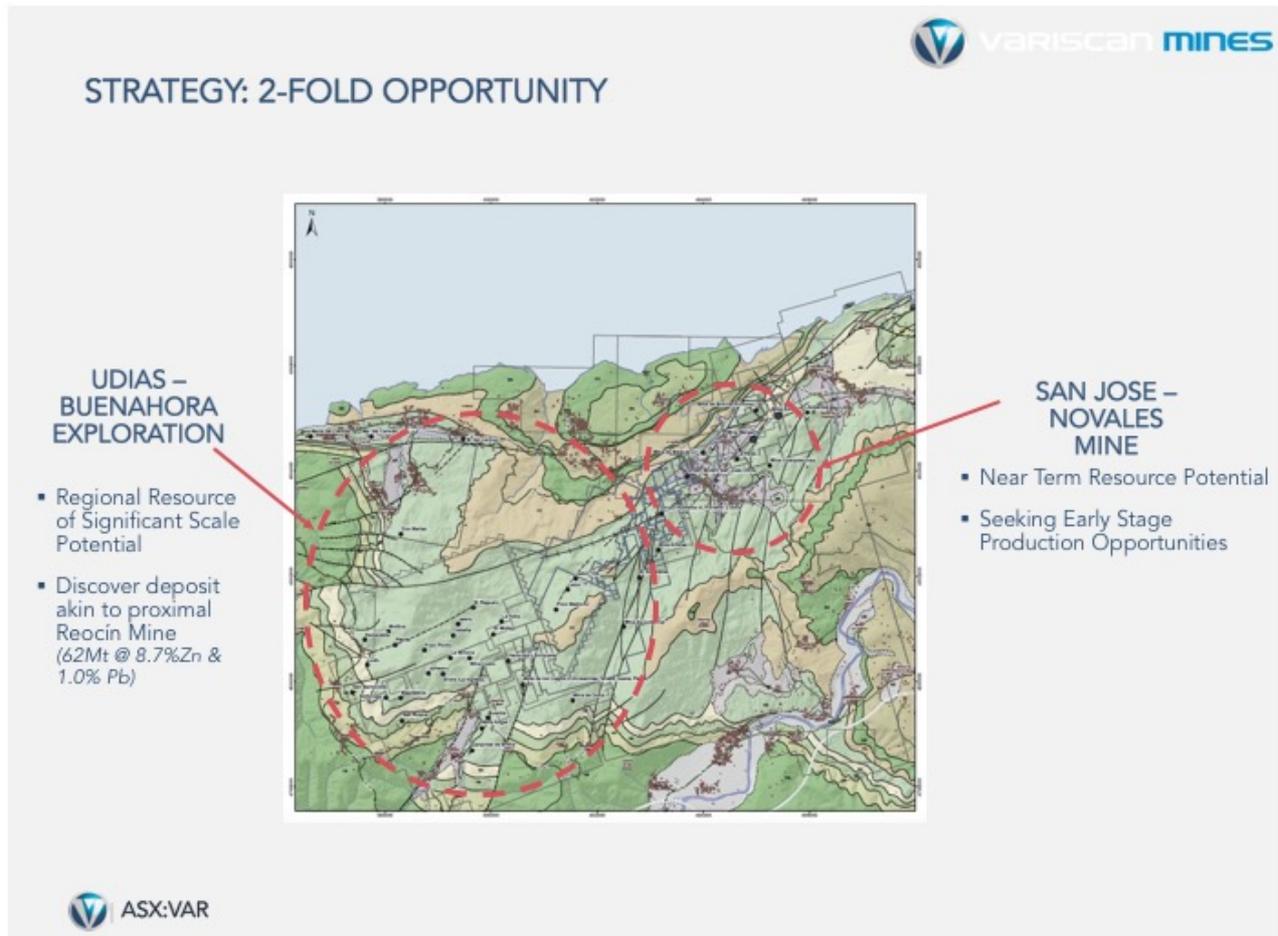
The industrial development programme the EBA250 is managed by EIT InnoEnergy. EIT InnoEnergy is the innovation engine for Europe's energy industry. They invest in businesses and help develop innovative solutions that have high commercial potential. Additionally they provide access to a deep pool of complementary skills and resources, as well as connections to markets and commercial opportunities.

For more about the EIT InnoEnergy, please visit: www.innoenergy.com

Strategy

The Company is progressing with the execution of 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



Next Steps

Near-term actions to deliver these strategic objectives:

San Jose - Novales Mine

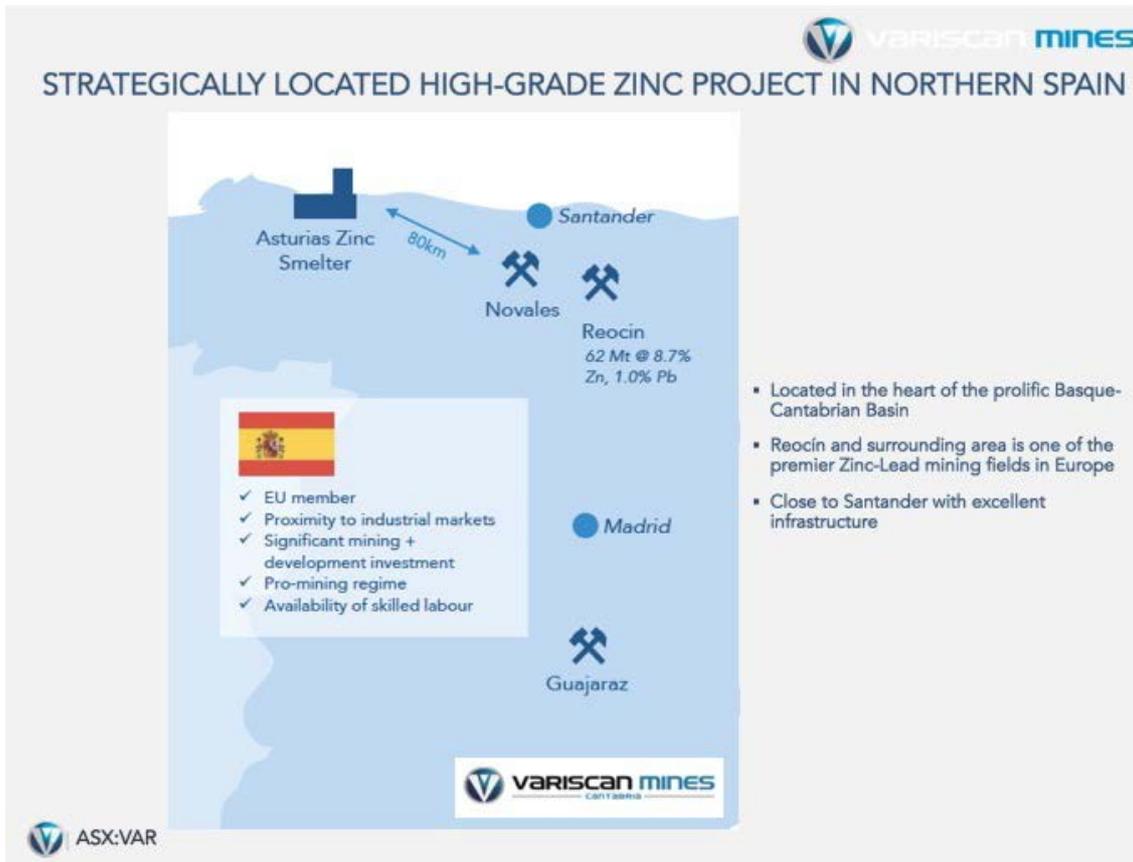
- Expansion of significant historical drillhole database;
- Development of the geological model;
- Underground 3D laser survey is currently completed and being processed;
- Development of an Exploration Target in accordance with JORC 2012 accounting for underground depletion using laser survey;
- New 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

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.

- 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
- 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

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

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.

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.

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