



# Spain's next high-grade zinc mine

Powering the energy transition

Variscan Mines Limited (ASX:VAR)  
Mineral Resource Update Presentation  
December 2024



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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.

Where reference is made to previous releases of exploration results and mineral resource estimates in this presentation, the Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of mineral resources, that all material assumptions and technical parameters underpinning the mineral resource estimates included in the relevant market announcements continue to apply and have not materially changed.

## Investment Highlights



**Zinc focused, de-risked development projects in Spain**



**3x growth in Mineral Resource Estimate ('MRE') at Novales-Udias Project**



**3.4Mt @ 7.6% Zn, 0.9 % Pb**



**Defined Measured + Indicated confidence categories at San Jose Mine → basis for Mine Re-Start Study**



**2<sup>nd</sup> highest grade zinc development project on ASX**



**Significant MRE upside potential & near-term value drivers**





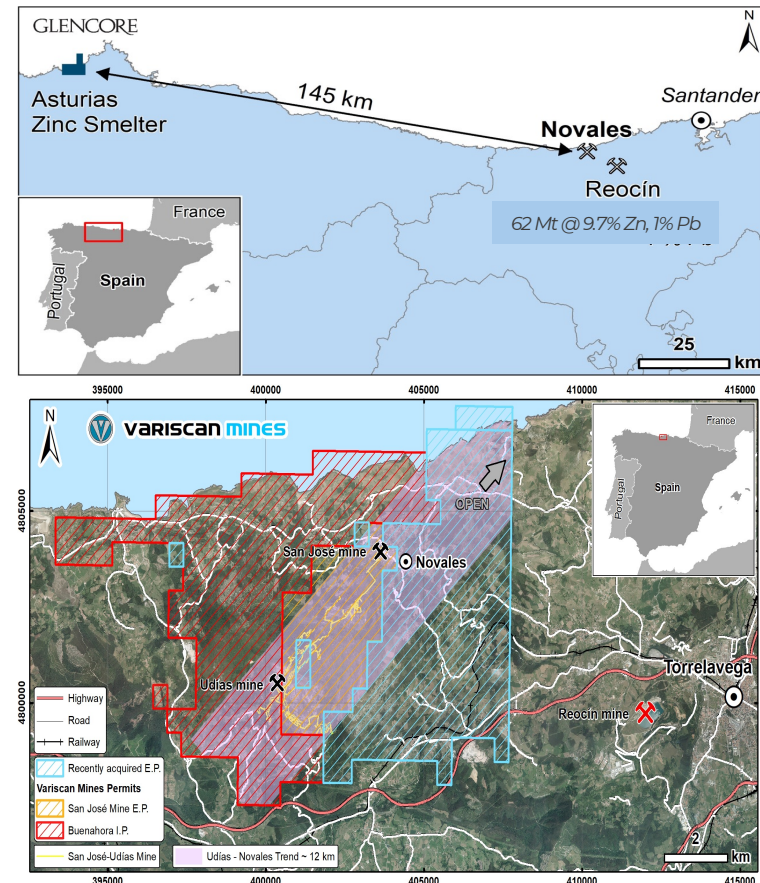
## Novales-Udias Zinc Project



- Brownfield project in proven mining district
- Basque-Cantabrian basin is one of Europe's premier Zn-Pb regions
- 8km NW of the world-class historic Reocin zinc deposit
- 62 Mt @ 9.7% Zn, 1% Pb
- VAR is only active explorer / developer in Cantabria
- Project centred on former producing San Jose Zn Mine
- 3x growth in Mineral Resource Estimate
- 3.4Mt @ 7.6% Zn, 0.9 % Pb
- Proximity to Glencore's San Juan de Nieva zinc smelter
- 2nd largest zinc smelter globally
- Defined and metallurgically simple MVT zinc sulfide deposit along ~12 km trend
- Shallow mineralisation (170-240m depth)
- Excellent infrastructure at project & regional levels
- Santander has deep port, rail, air and road networks to markets
- 100% owned project with no NSR
- Project has long history with local communities – strong social licence



Watch former mining operations at San Jose: <https://www.youtube.com/watch?v=88riUxv0ZiE>



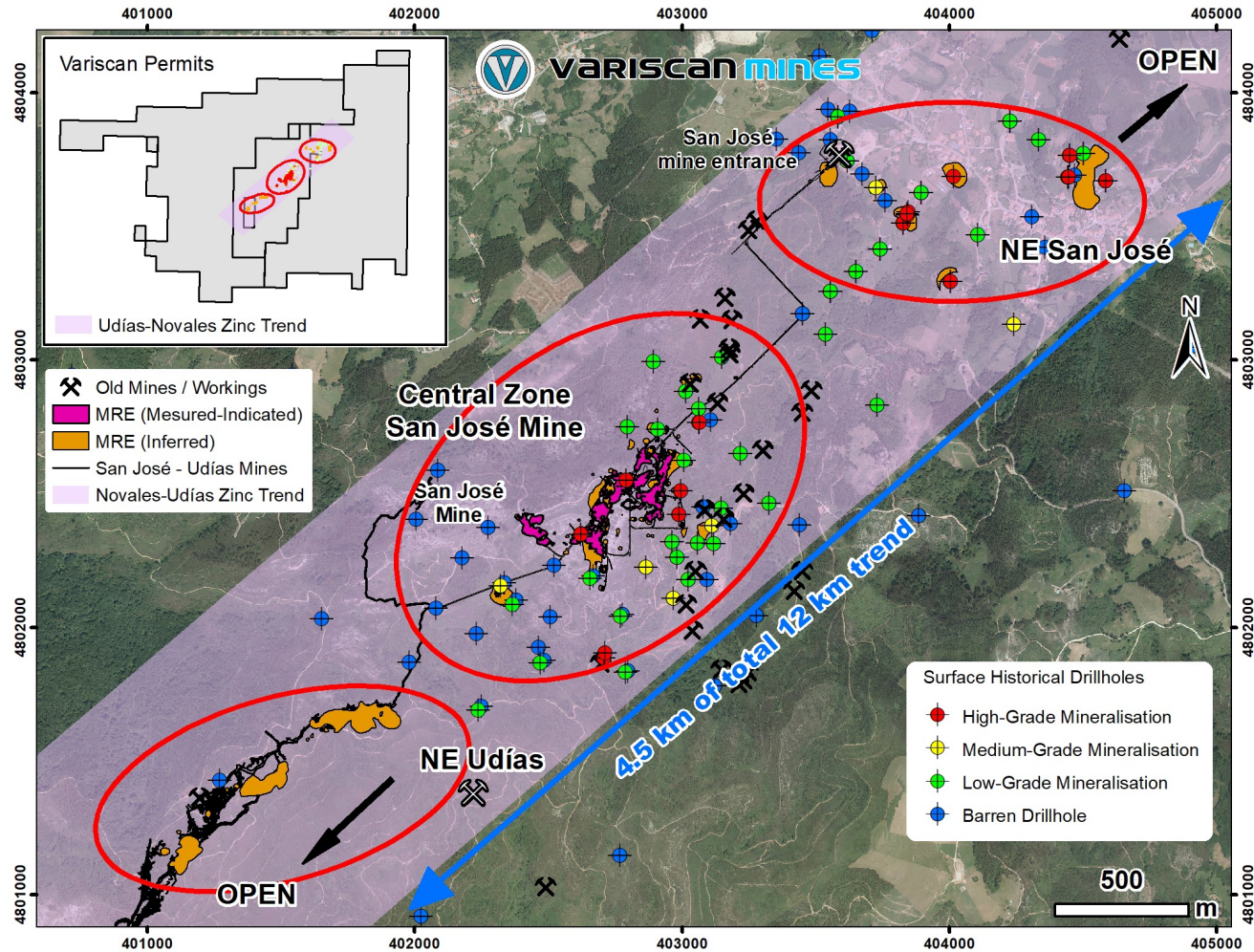


## JORC Mineral Resource Estimate: Novales-Udias Project

Deposit	Mineral Resource Classification	Tonnage (t)	Zinc (%)	Grade		Contained Metal		
				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
	<i>Measured &amp; Indicated</i>	<i>1,122,135</i>	<i>8.90</i>	<i>1.63</i>	<i>10.53</i>	<i>99,845</i>	<i>18,262</i>	<i>118,107</i>
	Inferred	615,304	8.15	1.03	9.18	50,121	6,356	56,477
	<i>Sub-total</i>	<i>1,737,439</i>	<i>8.63</i>	<i>1.42</i>	<i>10.05</i>	<i>149,966</i>	<i>24,618</i>	<i>174,584</i>
San Jose (NE)	Inferred	931,608	5.72	0.20	5.92	53,306	1,860	55,165
Udias* (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
	<i>Measured &amp; Indicated</i>	<i>1,122,135</i>	<i>8.90</i>	<i>1.63</i>	<i>10.53</i>	<i>99,845</i>	<i>18,262</i>	<i>118,107</i>
	Inferred	2,256,445	6.97	0.51	7.48	157,342	11,532	168,874
<b>Total</b>		<b>3,378,580</b>	<b>7.61</b>	<b>0.88</b>	<b>8.49</b>	<b>257,187</b>	<b>29,794</b>	<b>286,981</b>

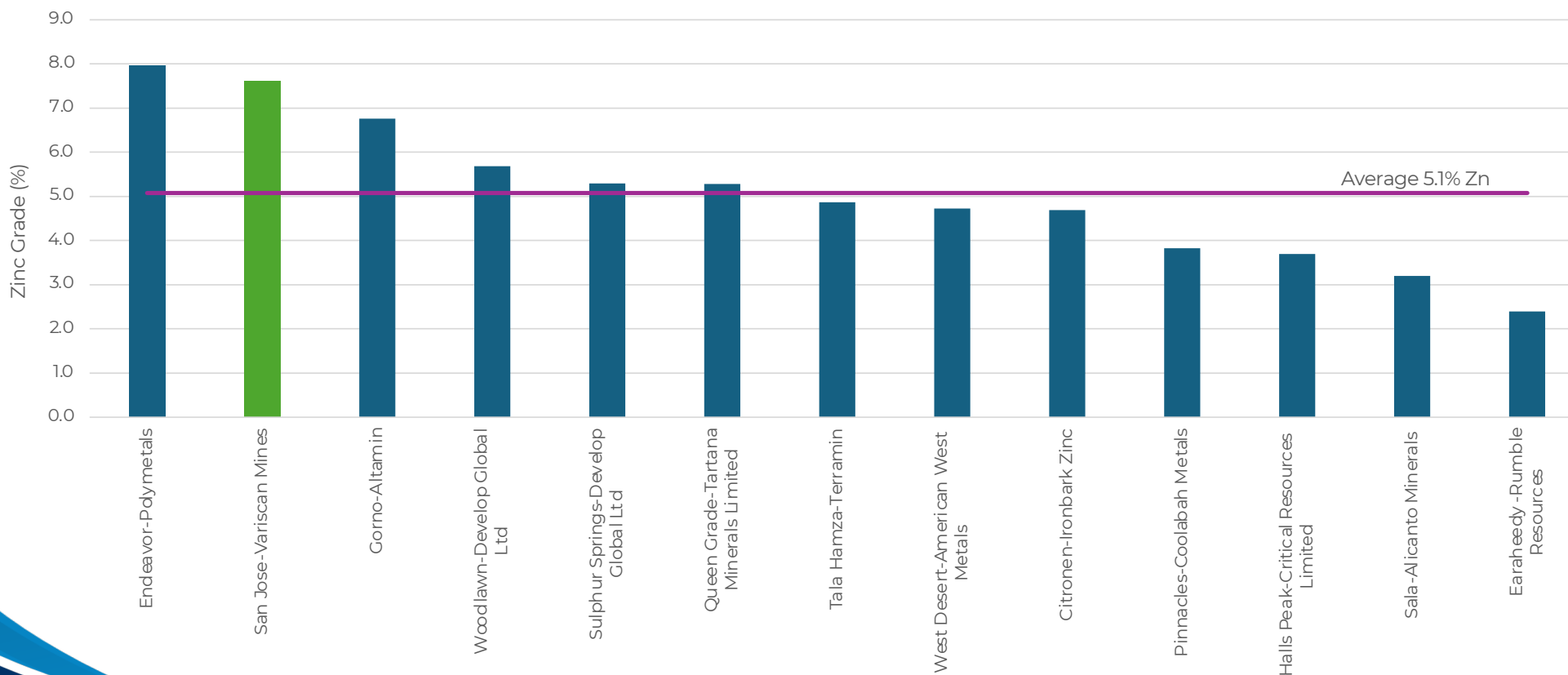
- ✓ **Defined Measured Resources over the Novales-Udias Project for the 1st time**
- ✓ **Measured & Indicated Resources represent 67% of the Mineral Resource Estimate for San Jose Mine**
- ✓ **Grades in the Measured category are higher (9.18% Zn) than any other category / deposit**

## Mineral Resource Estimate: 3 constituent zones; unchanged from Nov 2023



## Mineral Resource Estimate: one of the highest grade Zn projects on ASX

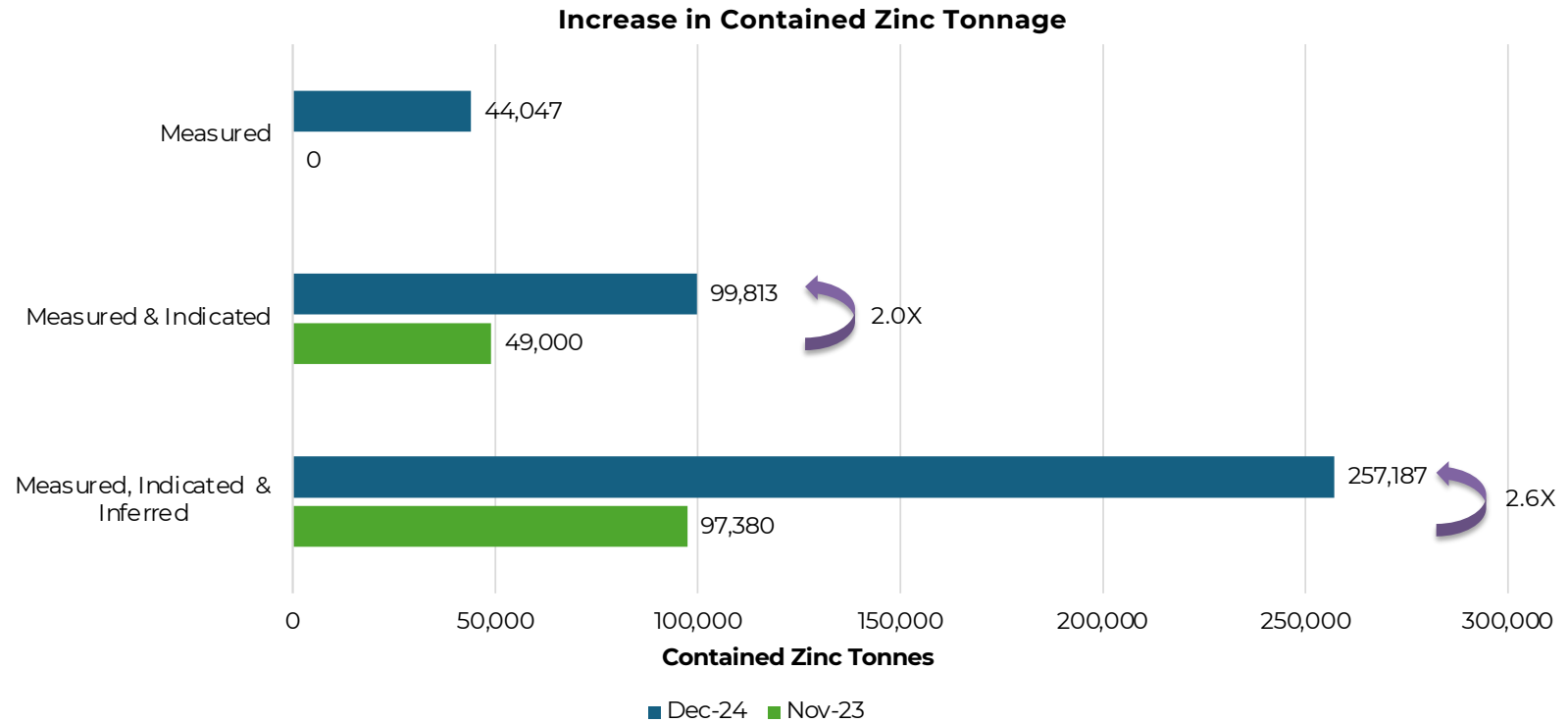
### Grade Curve of Pre-Production ASX Zinc Deposits (Measured, Indicated & Inferred Resources)





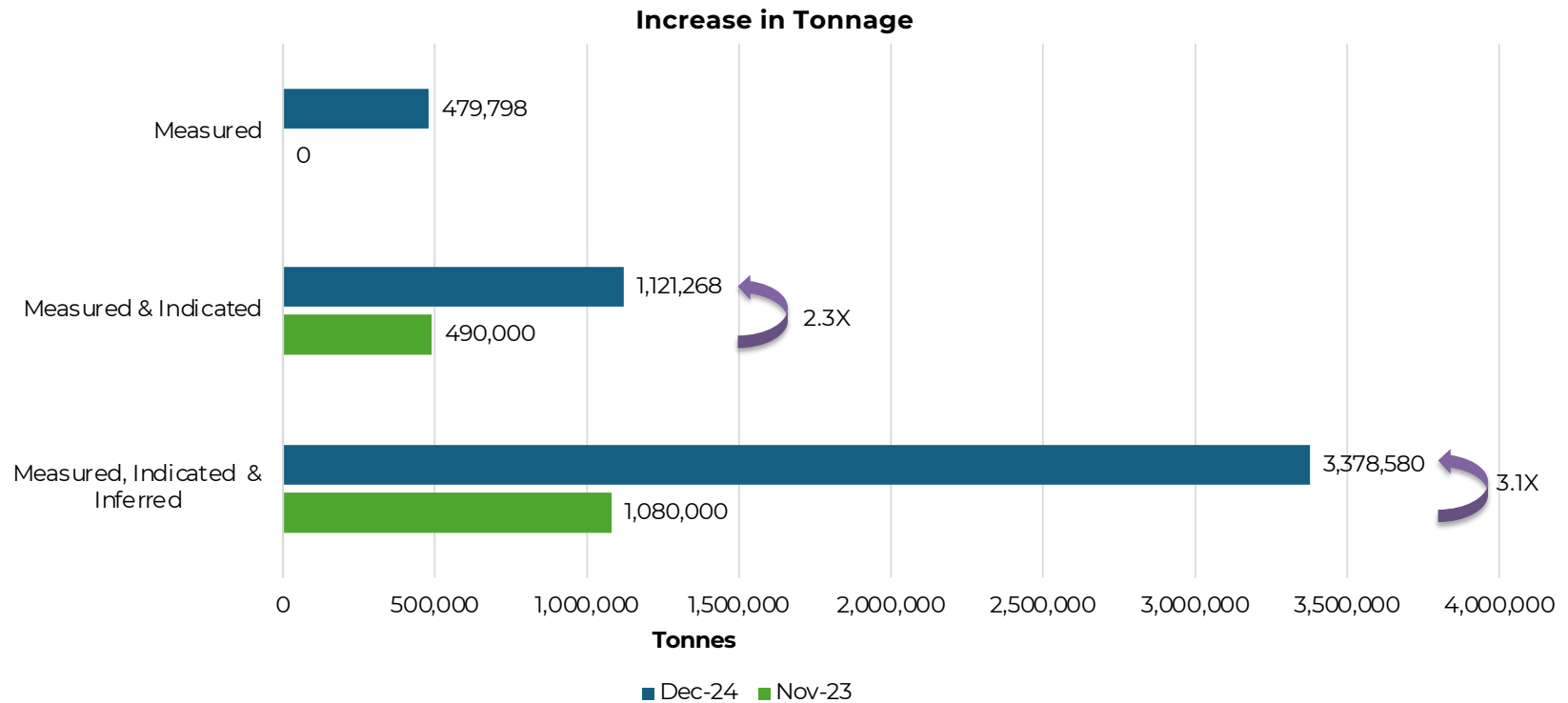
## Mineral Resource Estimate: YoY comparison; Significant growth

**2.6x growth in total contained zinc**



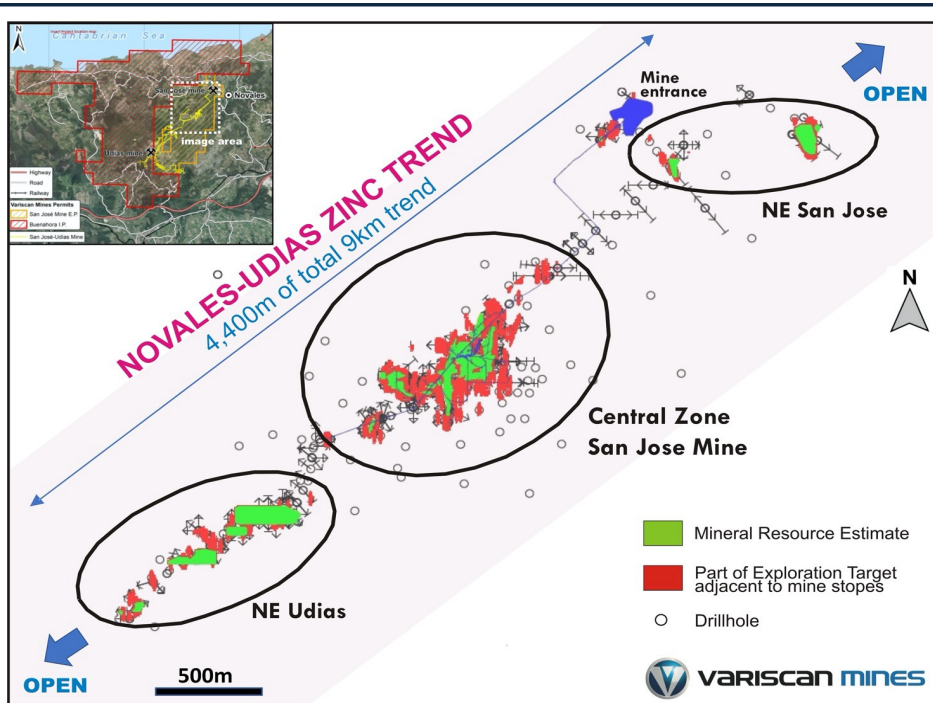
## Mineral Resource Estimate: YoY comparison; Significant growth

### 3.1x growth in total tonnage

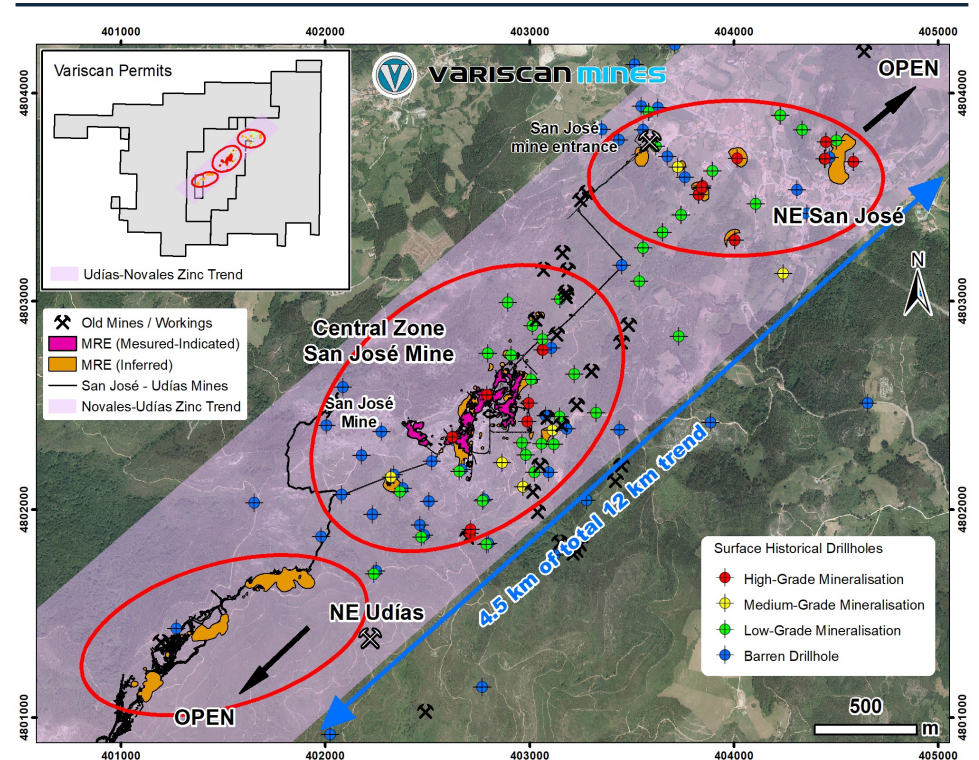


## Mineral Resource Estimate: YoY comparison; Resource zones unchanged

November 2023



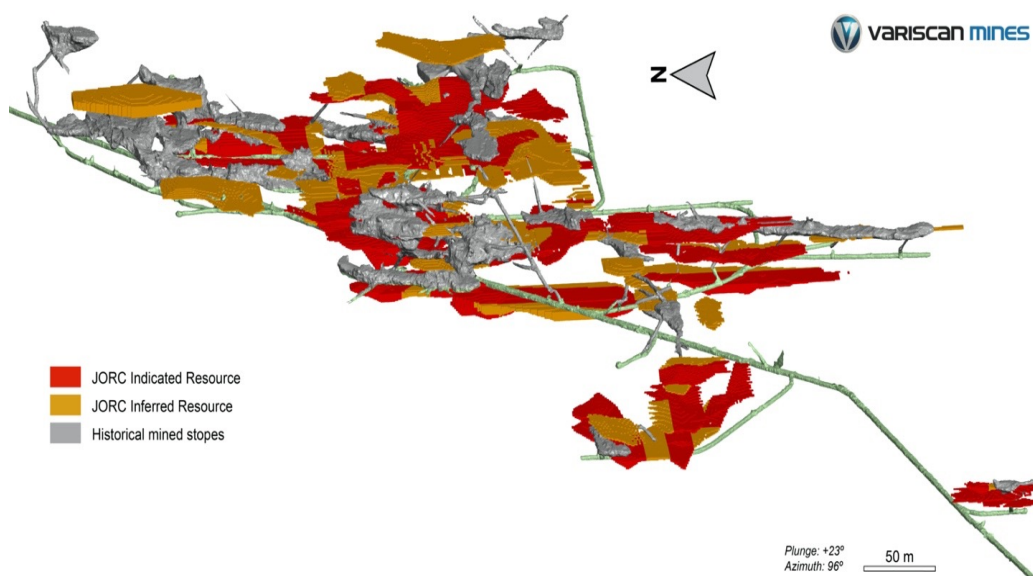
December 2024



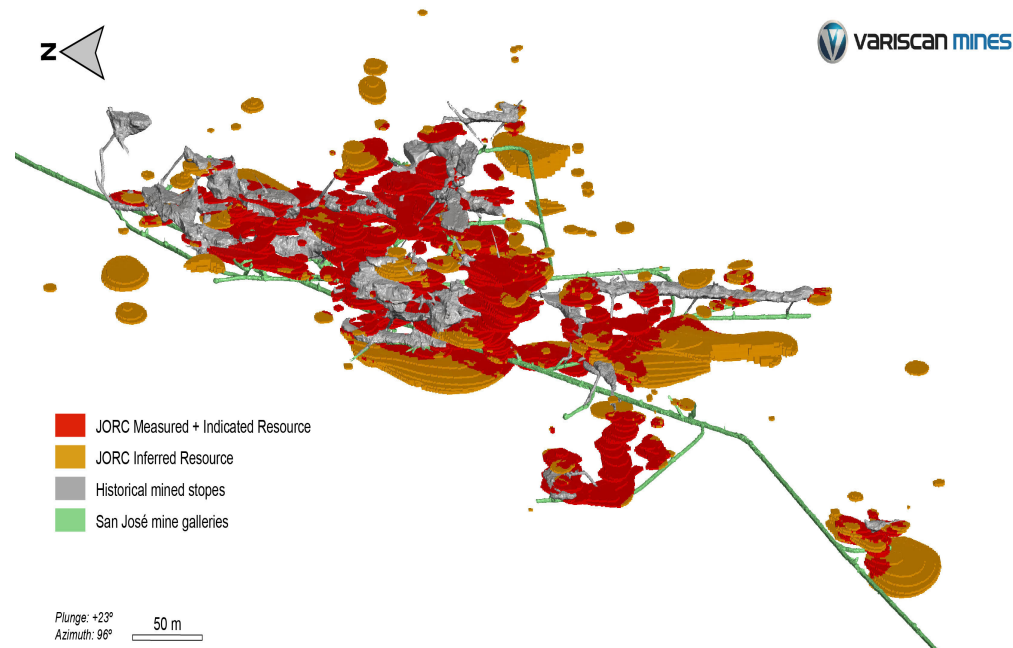


## Mineral Resource Estimate: YoY comparison; Confidence Increase at San Jose

November 2023

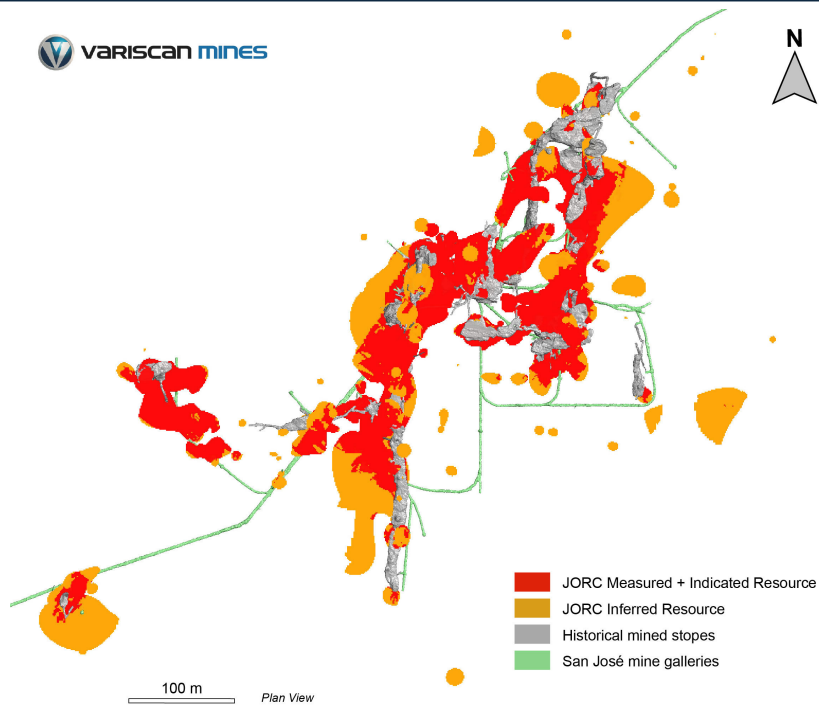


December 2024

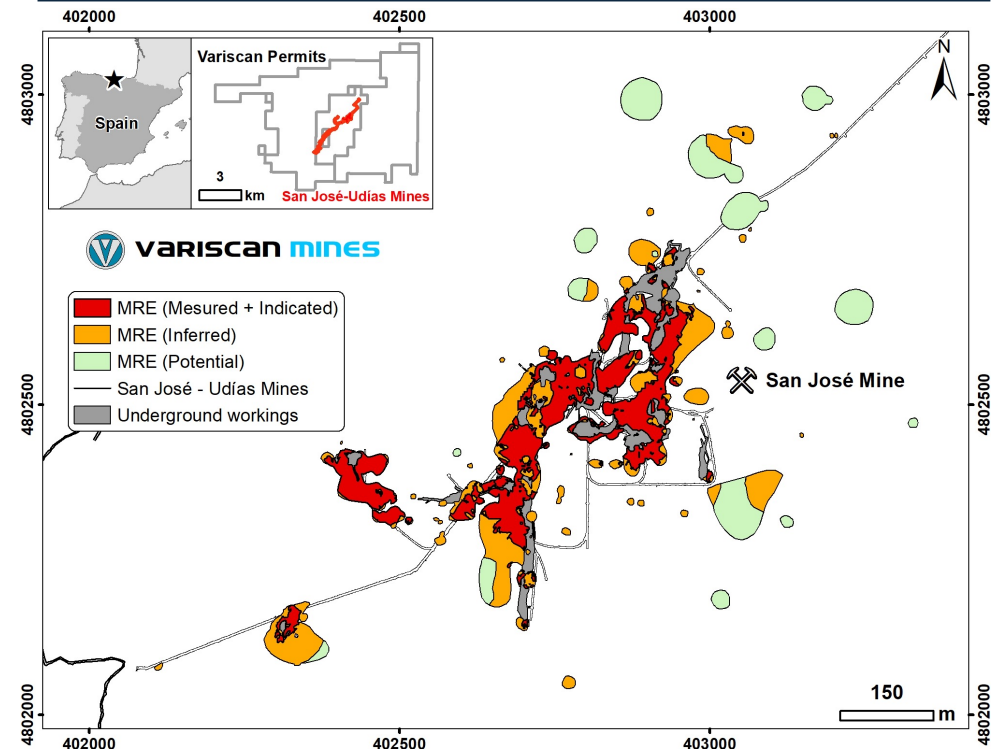


## San Jose Mine: Measured & Indicated Resources → basis for Mine Re-Start Study

Plan View of MRE December 2024

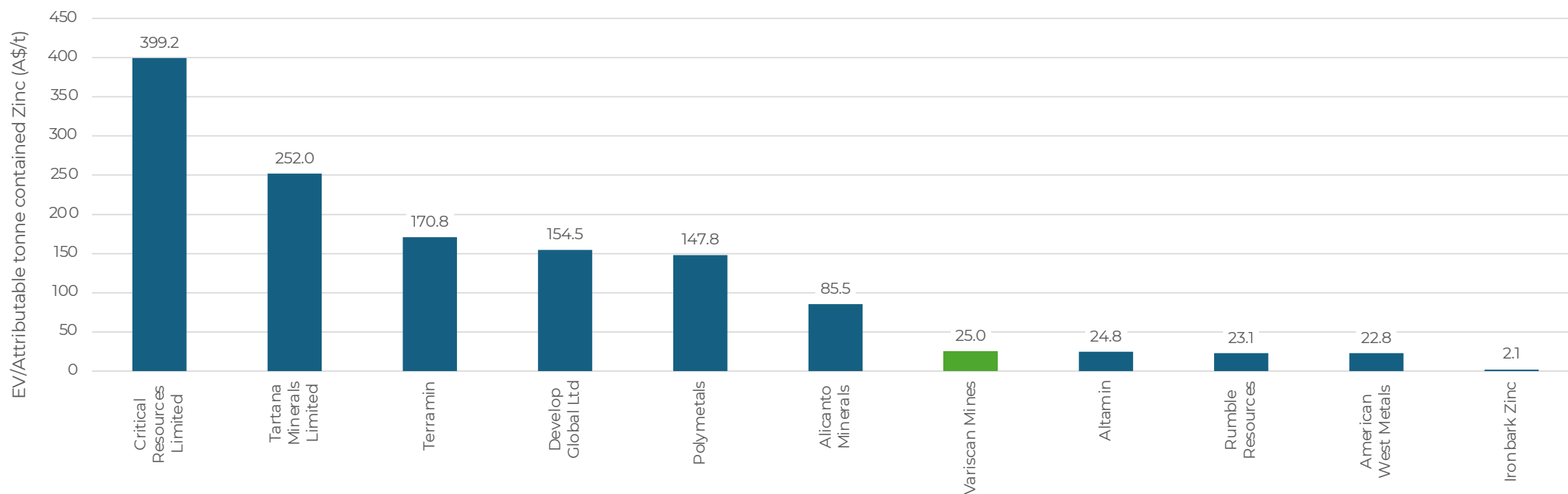


Plan View of MRE + high potential step-out zones



## Value Opportunity: EV / Resource

### Enterprise Value Per Attributable tonne Contained Zinc (M, I & I): VAR vs. ASX Zinc Pre-Production Companies

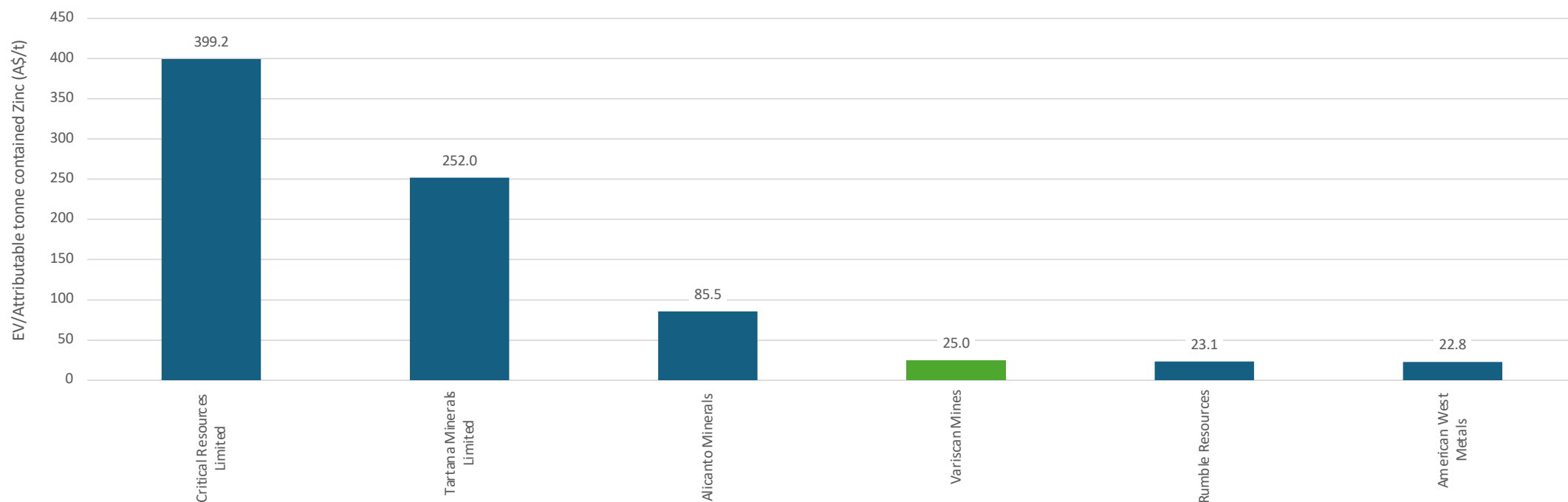


**Peer comparable analysis indicates value upside**



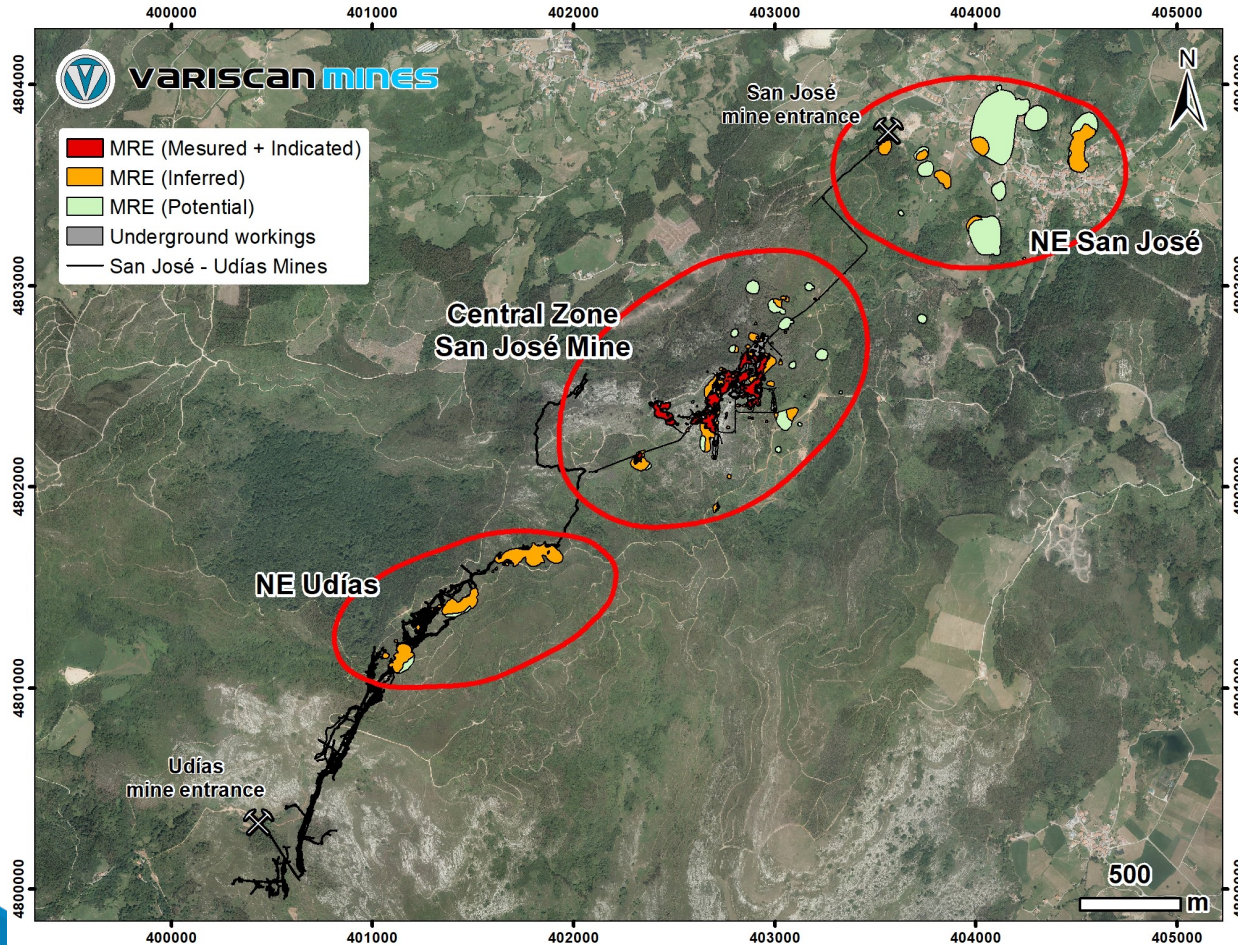
## Value Opportunity: EV / Resource

### Enterprise Value Per Attributable tonne Contained Zinc (M, I & I): VAR vs. ASX Zinc Resource Stage Projects



**Peer comparable analysis indicates value upside**

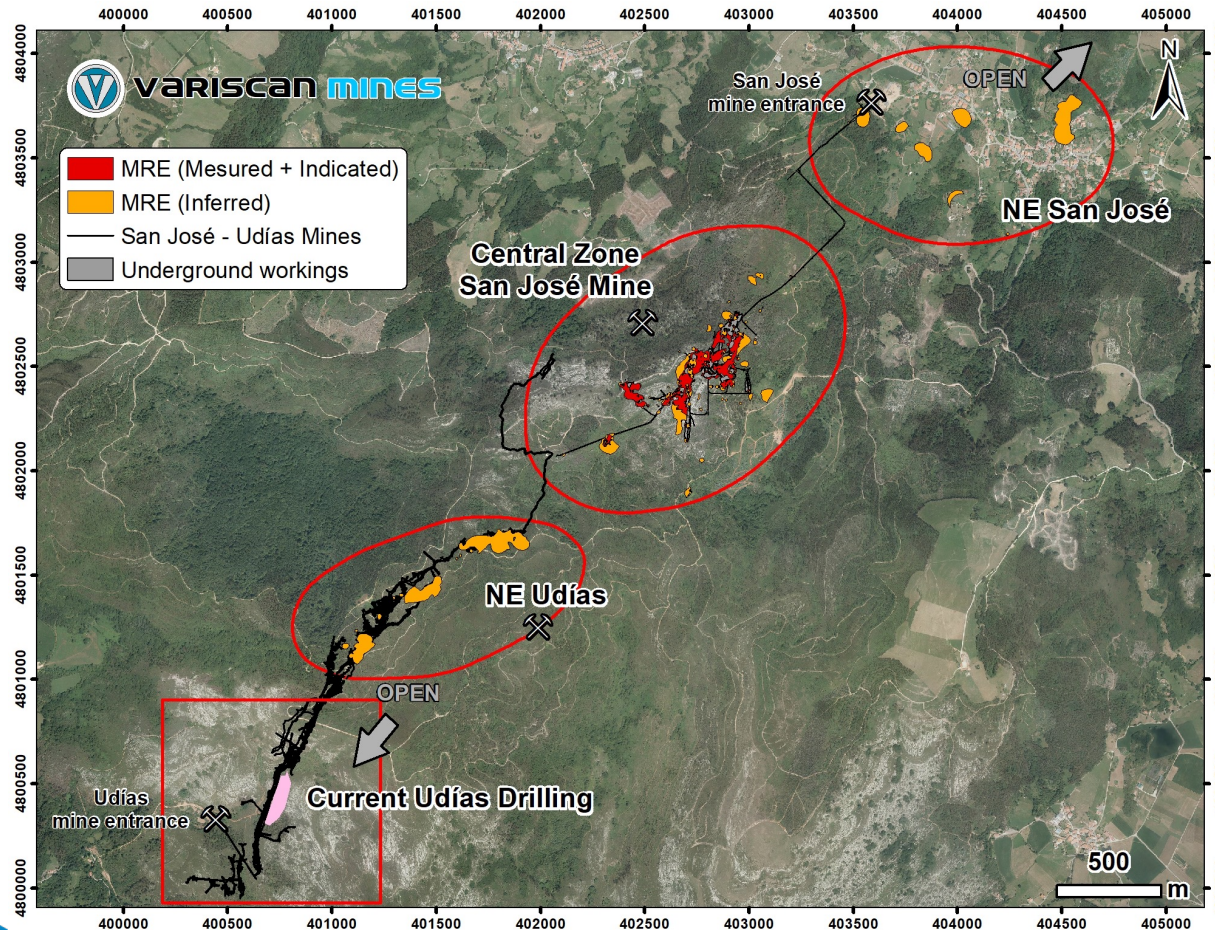
## Upside potential: high potential step-out zones around MRE



- Competent Person identified additional tonnage within targets not currently included in the updated MRE
- Targets located more than 50m from sample data in the MRE ore domains
- Highlights the presence of mineralisation with lower confidence...
- .... targets are ready to convert into JORC resource categories with appropriate drilling



## Upside potential: Current drilling at Udías Mine



➤ **Udías Mine is several times greater in size than San Jose Mine**

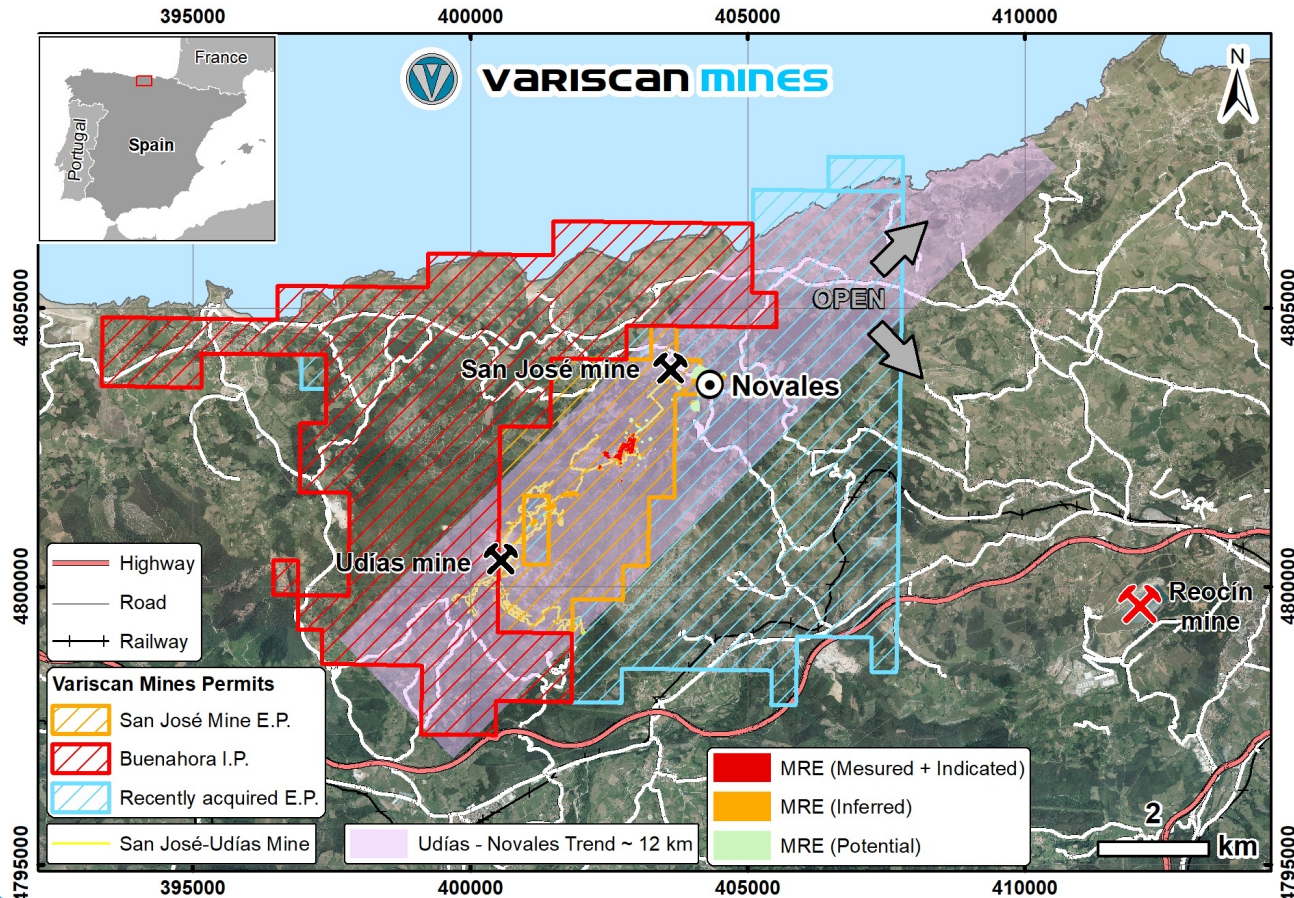
➤ **Same elevation and style of mineralization at San Jose Mine**

➤ **Drilling is outside of published Mineral Resource Estimate**

➤ **Further Mineral Resource Estimate update in 2025**



## Upside potential: wider licence areas



➤ Only 4.5km of 12km Novales Trend in Mineral Resource Estimate

➤ Trend remains open on strike and laterally

➤ Licence areas increased +70% during 2024 to +100km<sup>2</sup>

➤ Historical drilling, workings & exploration indicate prospectivity

## Investment Highlights: 4x Near Term, Value Drivers

### DRILLING IN UDIAS MINE



- Maiden drilling by Variscan underway
- Potential game changer; Udias Mine is an order of magnitude greater than San Jose Mine
- No mining since 1930
- Historical drilling shows continuity & connectivity with San Jose
- Drill testing underground Face Sampling +40%Zn <sup>(1)</sup>
- Priority drill targets outside of existing MRE

**\* Game changer for scale \***

### MINERAL RESOURCE UPDATE



- MRE is one of the highest grade Zinc projects on ASX
- 3x growth in MRE tonnage in ~12 months
- 3.4Mt @ 7.61% Zn, 0.88.%Pb <sup>(2)</sup>
- Defined Measured + Indicated confidence categories at San Jose Mine → basis for Mine Re-Start Study
- Asturmine in Spain delivered updated Mineral Resource Estimate; significant zinc experience; retained by Glencore /KazZinc

**\* Undervalued high grade resource \***

### PORTFOLIO DEVELOPMENT



- Evaluation of new assets
- Irish assets under DD
- Apply for additional licences in northern Spain; 70% growth in last year

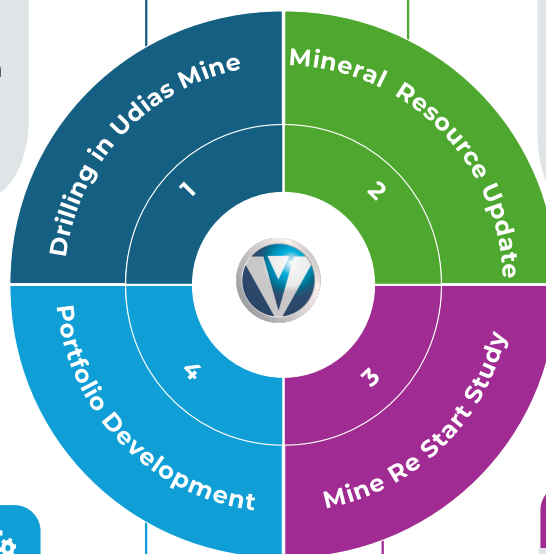
**\* Blue sky potential \***

### SAN JOSE MINE RE-START STUDY

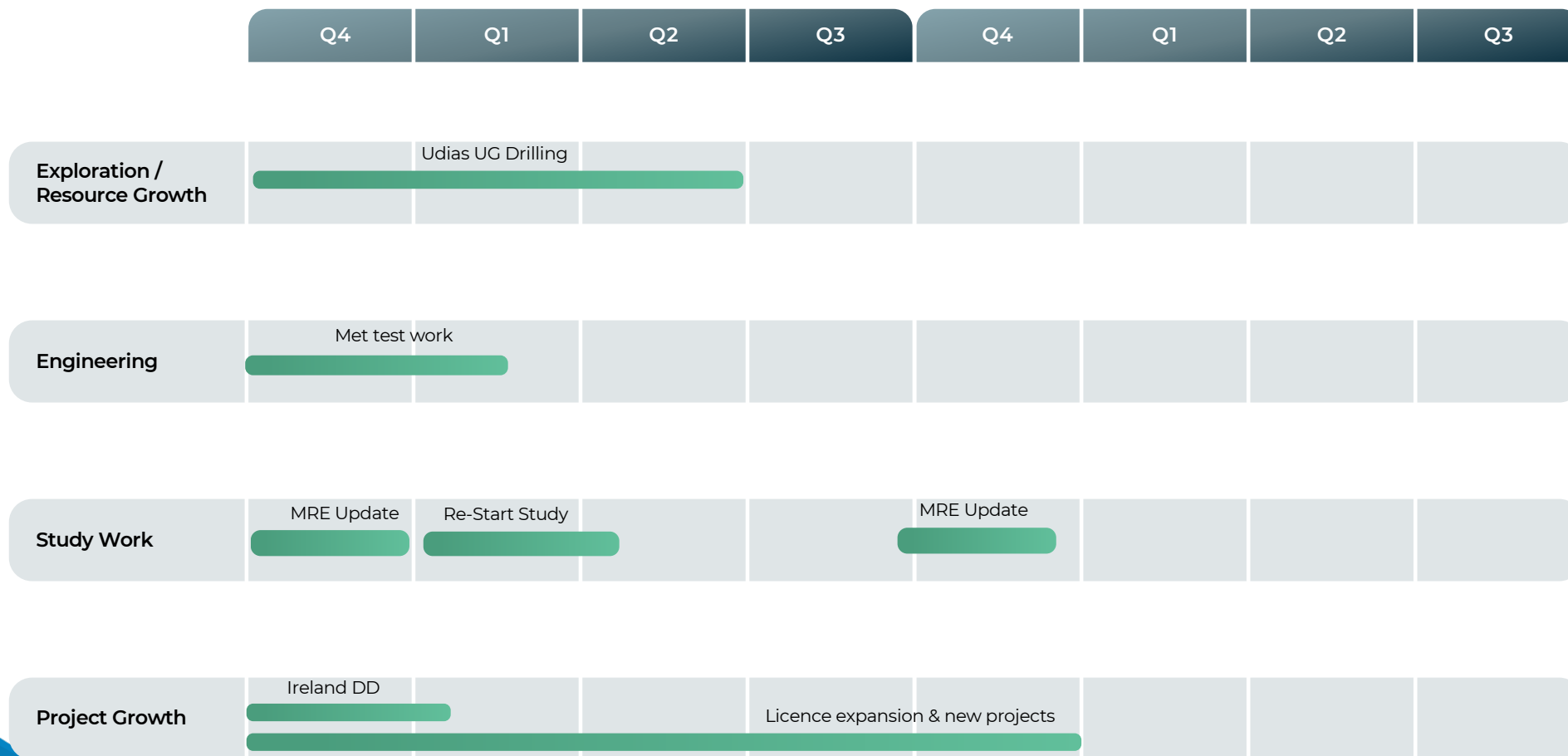


- Enablers are in place for near-term Mine Re-Start
- Piran Mining in Australia mandated to conduct Mine Re Start Study; JORC Scoping Level report delivering production targets, economics and execution plan
- Updated Met test work being conducted by GSL in UK

**\* Moving towards production \***



## Near Term plan & catalysts towards re-starting production





## Investment Summary



### LOCATION

- Proven zinc mining district
- Excellent access to infrastructure



### UNLOCKING POTENTIAL

- Resource upgrade highlights orebody quality
- Enables Mine Re-Start Study for San Jose Mine



### ENERGY TRANSITION

- Zinc designated critical metal
- Demand increase from climate technologies & renewables



### MANAGEMENT TEAM

- Proven track record of project development, financing operational experience & successful financial exits



### RAPID ADVANCEMENT

- Resource upgrade completed on time
- Strategy devised for re-starting zinc production at San Jose Mine



### ATTRACTIVE VALUE

- Project appears to be very robust
- Very inexpensive EV / Resource
- Undervalued de-risked zinc development opportunity





## Appendix 1 – Data sources for grades of ASX listed zinc projects

Company	Market	Deposit	Exploratio n Stage	Resource Category								Source
				Measured		Indicated		Inferred		Total		
				Tonnes	Grade (Zn%)	Tonnes	Grade (Zn%)	Tonnes	Grade (Zn%)	Tonnes	Grade (Zn%)	
Polymetals	ASX	Endeavor	MRS	4,400,000	8.3	8,800,000	7.9	3,100,000	7.7	16,300,000	8.0	<a href="https://pol.live.irmau.com/pdf/8fd0dbcf-575b-4c2b-aeab-8f6b527cc36a/Endeavor-Silver-Lead-Zinc-Mine-Restart-Study-completed.pdf">https://pol.live.irmau.com/pdf/8fd0dbcf-575b-4c2b-aeab-8f6b527cc36a/Endeavor-Silver-Lead-Zinc-Mine-Restart-Study-completed.pdf</a>
Variscan Mines	ASX	San Jose	Resource	480,254	9.2	641,881	8.7	2,256,445	7.0	3,378,580	7.6	<a href="https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02891909-6A1242402">https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02891909-6A1242402</a>
Altamin	ASX	Gorno	SS	-	-	5,660,000	6.6	2,130,000	7.2	7,790,000	6.8	<a href="https://wcsecure.weblink.com.au/pdf/AZI/02451883.pdf">https://wcsecure.weblink.com.au/pdf/AZI/02451883.pdf</a>
Develop Global Ltd	ASX	Sulphur Springs	DFS	-	-	12,398,000	5.6	1,401,000	6.4	13,799,000	5.7	<a href="https://wcsecure.weblink.com.au/pdf/DVP/02681240.pdf">https://wcsecure.weblink.com.au/pdf/DVP/02681240.pdf</a>
Tartana Minerals Limited	ASX	Queen Grade	Resource	-	-	-	-	734,000	5.3	734,000	5.3	<a href="https://www.r3dresources.com.au/pdf/2f3c9931-a442-4d36-bcf1-371cf8904328/Maiden-Queen-Grade-Zinc-Resource.pdf">https://www.r3dresources.com.au/pdf/2f3c9931-a442-4d36-bcf1-371cf8904328/Maiden-Queen-Grade-Zinc-Resource.pdf</a>
Terramin	ASX	Tala Hamza	DFS	-	-	44,200,000	5.5	8,900,000	4.0	53,100,000	5.3	<a href="https://static1.squarespace.com/static/637d667ba746ad764c544b1a/t/63db07b7eb459261596343da/1675298770919/180829+ASX+Release+Tala+Hamza+DFS.pdf">https://static1.squarespace.com/static/637d667ba746ad764c544b1a/t/63db07b7eb459261596343da/1675298770919/180829+ASX+Release+Tala+Hamza+DFS.pdf</a>
Develop Global Ltd	ASX	Woodlawn	MP	1,293,000	5.2	68,330,000	4.7	3,135,000	8.5	72,758,000	4.9	<a href="https://wcsecure.weblink.com.au/pdf/DVP/02787687.pdf">https://wcsecure.weblink.com.au/pdf/DVP/02787687.pdf</a>
Ironbark Zinc	ASX	Citronen	BFS	34,286,284	4.4	28,368,103	5.3	22,047,974	4.6	84,702,361	4.7	<a href="https://ironbark.gl/wp-content/uploads/2021/07/20210719-CITRONEN-BFS-ANNOUNCEMENT-ASX-1.pdf">https://ironbark.gl/wp-content/uploads/2021/07/20210719-CITRONEN-BFS-ANNOUNCEMENT-ASX-1.pdf</a>
Coolabah Metals	ASX	Pinnacles	CAM	168,000	4.2	847,000	4.7	4,956,000	4.7	5,971,000	4.7	<a href="https://img1.wsimg.com/blobby/go/2aa6b717-791b-41dd-91fd-c7e96f8df9fd/downloads/2024%2009%2017%20-%20MATERIAL%20TRANSACTION%20-%20CBH%20to%20Acq.pdf?ver=1731457429236">https://img1.wsimg.com/blobby/go/2aa6b717-791b-41dd-91fd-c7e96f8df9fd/downloads/2024%2009%2017%20-%20MATERIAL%20TRANSACTION%20-%20CBH%20to%20Acq.pdf?ver=1731457429236</a>
American West Metals	ASX	West Desert	Resource	-	-	27,349,163	3.8	6,318,875	4.0	33,668,038	3.8	<a href="https://americanwestmetals.com/wp-content/uploads/2024/04/238MillionOuncesofIndiumDefinedatWestDesert.pdf">https://americanwestmetals.com/wp-content/uploads/2024/04/238MillionOuncesofIndiumDefinedatWestDesert.pdf</a>
Critical Resources Limited	ASX	Halls Peak	Resource	-	-	-	-	840,000	3.7	840,000	3.7	<a href="https://wcsecure.weblink.com.au/pdf/CRR/02681839.pdf">https://wcsecure.weblink.com.au/pdf/CRR/02681839.pdf</a>
Alicanto Minerals	ASX	Sala	Resource	-	-	-	-	9,700,000	3.2	9,700,000	3.2	<a href="https://wcsecure.weblink.com.au/pdf/AQI/02541518.pdf">https://wcsecure.weblink.com.au/pdf/AQI/02541518.pdf</a>
Rumble Resources	ASX	Earaheedy	Resource	-	-	-	-	94,000,000	2.4	94,000,000	2.4	<a href="https://app.sharelinktechnologies.com/announcement/asx/4dfc0e25308ba7fb6d8cd8b9ff992193">https://app.sharelinktechnologies.com/announcement/asx/4dfc0e25308ba7fb6d8cd8b9ff992193</a>

## Appendix 2 – Data sources Enterprise Value Per Attributable tonne Contained Zinc: VAR vs. ASX Companies

Company	Market	Market Cap (AUD)	Net Cash/ (Debt) (AUD)	EV (AUD)	Project Ownership	Deposit	Exploration Stage	Tonnes (t)	Grade Zn (%)	Contained Metal Zn (t)	EV per attributable tonne Zn (AUD/t)	Source
Critical Resources Limited	ASX	14.6	2.2	12.4	100%	Halls Peak	Resource	840,000	3.7	31,080	399.2	<a href="https://wcsecure.weblink.com.au/pdf/CRR/02681839.pdf">https://wcsecure.weblink.com.au/pdf/CRR/02681839.pdf</a>
Tartana Minerals Limited	ASX	8.2	-1.6	9.8	100%	Queen Grade	Resource	734,000	5.3	38,900	252.0	<a href="https://www.r3dresources.com.au/pdf/2f3c9931-a442-4d36-bcf1-371cf8904328/Maiden-Queen-Grade-Zinc-Resource.pdf">https://www.r3dresources.com.au/pdf/2f3c9931-a442-4d36-bcf1-371cf8904328/Maiden-Queen-Grade-Zinc-Resource.pdf</a>
Terramin	ASX	196.8	-36.7	233.6	49%	Tala Hamza	DFS	53,100,000	5.3	2,790,000	170.8	<a href="https://static1.squarespace.com/static/637d667ba746ad764c544b1a/t/63db07b7eb459261596343da/1675298770919/180829+ASX+Release+Tala+Hamza+DFS.pdf">https://static1.squarespace.com/static/637d667ba746ad764c544b1a/t/63db07b7eb459261596343da/1675298770919/180829+ASX+Release+Tala+Hamza+DFS.pdf</a>
Develop Global Ltd	ASX	654.6	-14.4	668.9	100%	Sulphur Springs	DFS	13,799,000	5.7	783,952	154.5	<a href="https://wcsecure.weblink.com.au/pdf/DVP/02681240.pdf">https://wcsecure.weblink.com.au/pdf/DVP/02681240.pdf</a>
					100%	Woodlawn	MP	72,758,000	4.9	3,545,221		<a href="https://wcsecure.weblink.com.au/pdf/DVP/02787687.pdf">https://wcsecure.weblink.com.au/pdf/DVP/02787687.pdf</a>
Polymetals	ASX	193.9	1.9	192.0	100%	Endeavor	MRS	16,300,000	8.0	1,299,100	147.8	<a href="https://pol.live.irmau.com/pdf/8fd0dbcf-575b-4c2b-aeab-8f6b527cc36a/Endeavor-Silver-Lead-Zinc-Mine-Restart-Study-completed.pdf">https://pol.live.irmau.com/pdf/8fd0dbcf-575b-4c2b-aeab-8f6b527cc36a/Endeavor-Silver-Lead-Zinc-Mine-Restart-Study-completed.pdf</a>
Alicanto Minerals	ASX	28.4	1.8	26.6	100%	Sala	Resource	9,700,000	3.2	311,300	85.5	<a href="https://wcsecure.weblink.com.au/pdf/AQI/02541518.pdf">https://wcsecure.weblink.com.au/pdf/AQI/02541518.pdf</a>
Variscan Mines	ASX	6.6	0.2	6.4	100%	San Jose	Resource	3,378,580	7.6	257,141	25.0	<a href="https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02891909-6A1242402">https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02891909-6A1242402</a>
Altamin	ASX	13.8	0.7	13.1	100%	Gorno	SS	7,790,000	6.8	528,000	24.8	<a href="https://wcsecure.weblink.com.au/pdf/AZI/02451883.pdf">https://wcsecure.weblink.com.au/pdf/AZI/02451883.pdf</a>
Rumble Resources	ASX	40.7	1.6	39.0	75%	Earaheedy	Resource	94,000,000	2.4	2,256,000	23.1	<a href="https://app.sharelinktechnologies.com/announcement/asx/4dfc0e25308ba7fb6d8cd8b9ff992193">https://app.sharelinktechnologies.com/announcement/asx/4dfc0e25308ba7fb6d8cd8b9ff992193</a>
American West Metals	ASX	34.5	5.1	29.4	100%	West Desert	Resource	33,668,038	3.8	1,290,904	22.8	<a href="https://americanwestmetals.com/wp-content/uploads/2024/04/238MillionOuncesofIndiumDefinedatWestDesert.pdf">https://americanwestmetals.com/wp-content/uploads/2024/04/238MillionOuncesofIndiumDefinedatWestDesert.pdf</a>
Ironbark Zinc	ASX	8.8	0.4	8.4	100%	Citronen	BFS	84,702,361	4.7	4,001,574	2.1	<a href="https://ironbark.gl/wp-content/uploads/2021/07/20210719-CITRONEN-BFS-ANNOUNCEMENT-ASX-1.pdf">https://ironbark.gl/wp-content/uploads/2021/07/20210719-CITRONEN-BFS-ANNOUNCEMENT-ASX-1.pdf</a>

Market Cap and Net Cash as at 11.12.2024 09:15 GMT



**variscan mines**

Spain's next high-grade zinc mine

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