



FURTHER HIGH-GRADE ZINC RESULTS FROM UNDERGROUND DRILLING AT SAN JOSE – UP TO 20% ZINC INTERSECTED

Variscan Mines Limited (“**Variscan**” or the “**Company**” or the “**Group**”) (ASX:VAR) is pleased to report another set of positive assay results from the completed Phase 2 underground diamond drilling programme at the San Jose Mine, located in Cantabria, northern Spain.

Highlights

The latest set of assay results from the now completed, highly successful Phase 2 underground drilling programme at the San Jose Mine have:

- Continued to expand and infill zones of high-grade zinc mineralisation in the La Caseta Trend within the Central Zone of the San Jose Mine;
- Linked new richly mineralised intersections in between known areas of workings (Stopes 200, 191 and 193) indicating continuity within and beyond the La Caseta Trend.

Selected drill results from the La Caseta Trend (Central Zone):

- | | |
|------------------|---------------------------|
| • DDH NOVDD113: | 33.0m @ 4.1% Zn + 0.1% Pb |
| • DDH NOVDD108: | 12.0m @ 9.8% Zn + 0.7% Pb |
| • DDH NOVDDT037: | 9.7m @ 9.1% Zn + 0.9% Pb |
| • DDH NOVDD109: | 14.0m @ 5.4% Zn + 0.6% Pb |
| • DDH NOVDDT036: | 13.3m @ 2.4% Zn + 0.1% Pb |
| • DDH NOVDDT025: | 1.1m @ 20.0% Zn + 0.3% Pb |

An additional encouraging drill result from step-out testing of adjacent near-surface mines (El Eucaliptal):

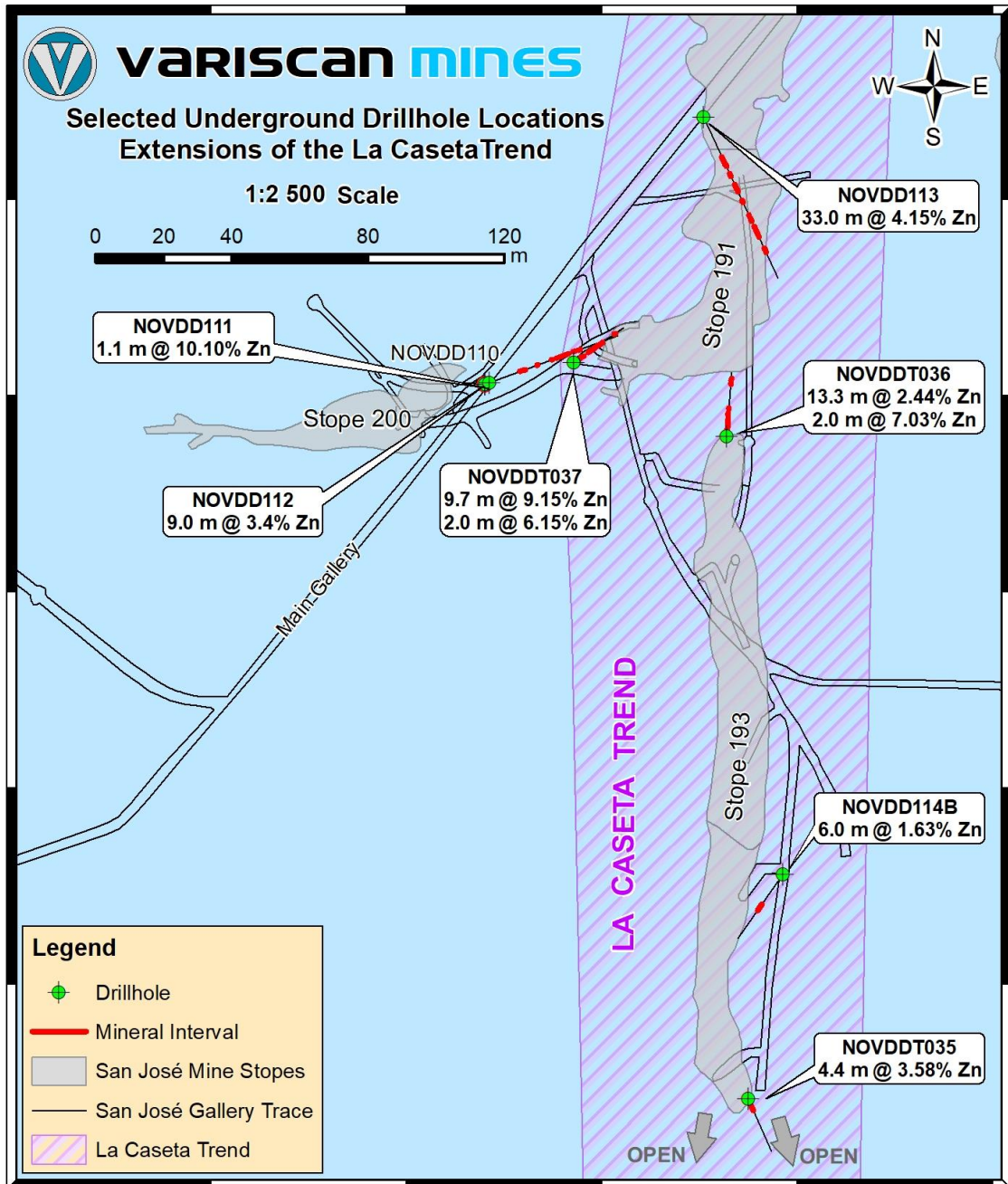
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| • DDH EUDDT01: | 2.0m @ 4.1% Zn + 0.1% Pb |
|----------------|--------------------------|

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

“This latest batch of high-grade drilling results adds to the already impressive body of evidence and data confirming this former producing asset hosts significant zinc-lead mineralisation. The success of the drilling at San Jose has now allowed us to focus on drill testing new regional target prospects in the Buenahora Exploration Licence which has already commenced. This work is aimed at demonstrating the value embodied in the overall Novales-Udias Project, as the San Jose Mine covers just 15% of the entire strike length of the mineralised structure of the Novales Trend and the recently published JORC Exploration Target confirms the mid-large scale, high grade potential of the project.”

Further drilling at the San Jose Mine is anticipated as we proceed with mineral resource definition and a Mine Re-Start Concept Study to identify the potential economics and work-streams to support a re-start of initial, small-scale mining at San Jose. Strong news flow is expected over the coming months as results from our drilling and field exploration over Buenhora is combined with drilling and studies on San Jose.”

Figure 1. Plan view of new, selected mineralised intersections from drilling in the La Caseta Trend.



Drilling Programme Update

- The Phase 2 underground drilling campaign at the San Jose Mine has been completed for a total of 2,278 metres.
- Future underground and surface drilling campaigns are expected to be conducted in Q3 and Q4 of this year.
- An underground rig has been deployed to test lower-lying targets at the Pepita target in the Buenahora licence area. Second phase of the surface drilling campaign is scheduled to commence at the end of the month.

Figure 2. Diamond drillcore from NOVDD108 illustrating massive sphalerite in dolostone.



Note: Hole depth shown from 5.40m to 16.90m, hole 108.

Figure 3. Cross-section of Stope 191 illustrating new drillhole NOVDD113 and the lower lens of the La Caseta Trend.

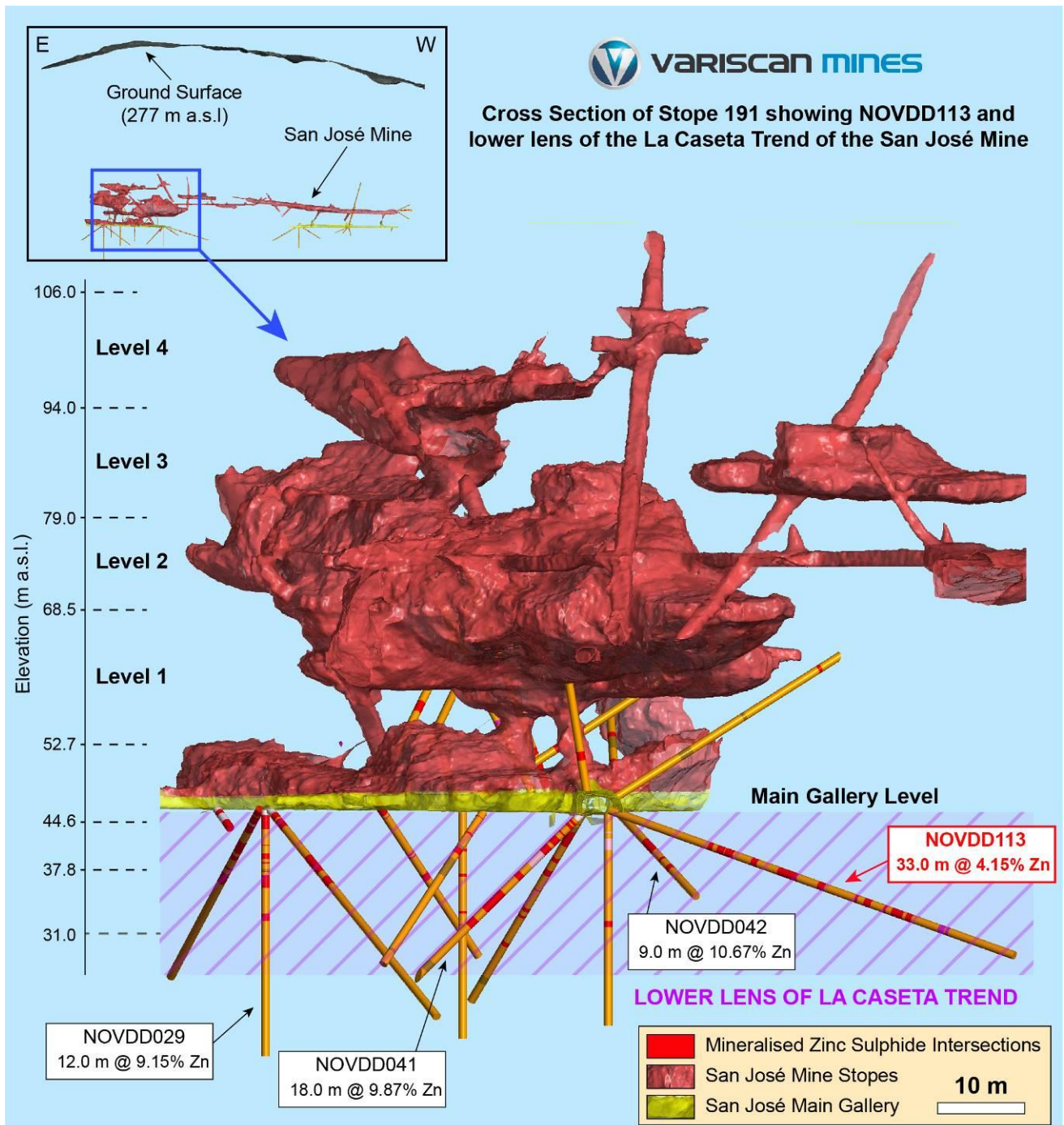
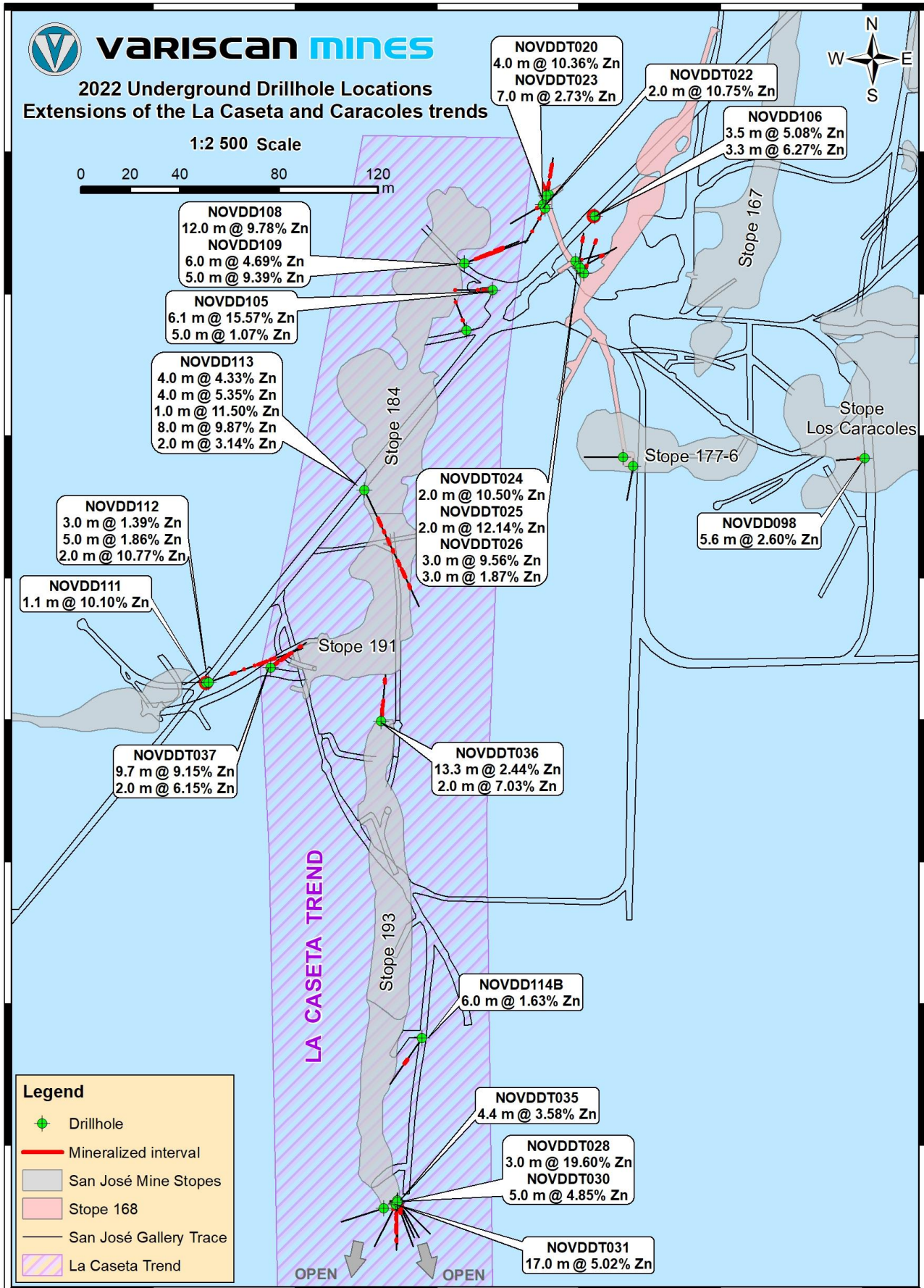


Figure 4. Plan view of selected mineralised intersections from drilling in the La Caseta Trend in Phase 2 drilling campaign illustrating extensions and infill to the mineralisation footprint.

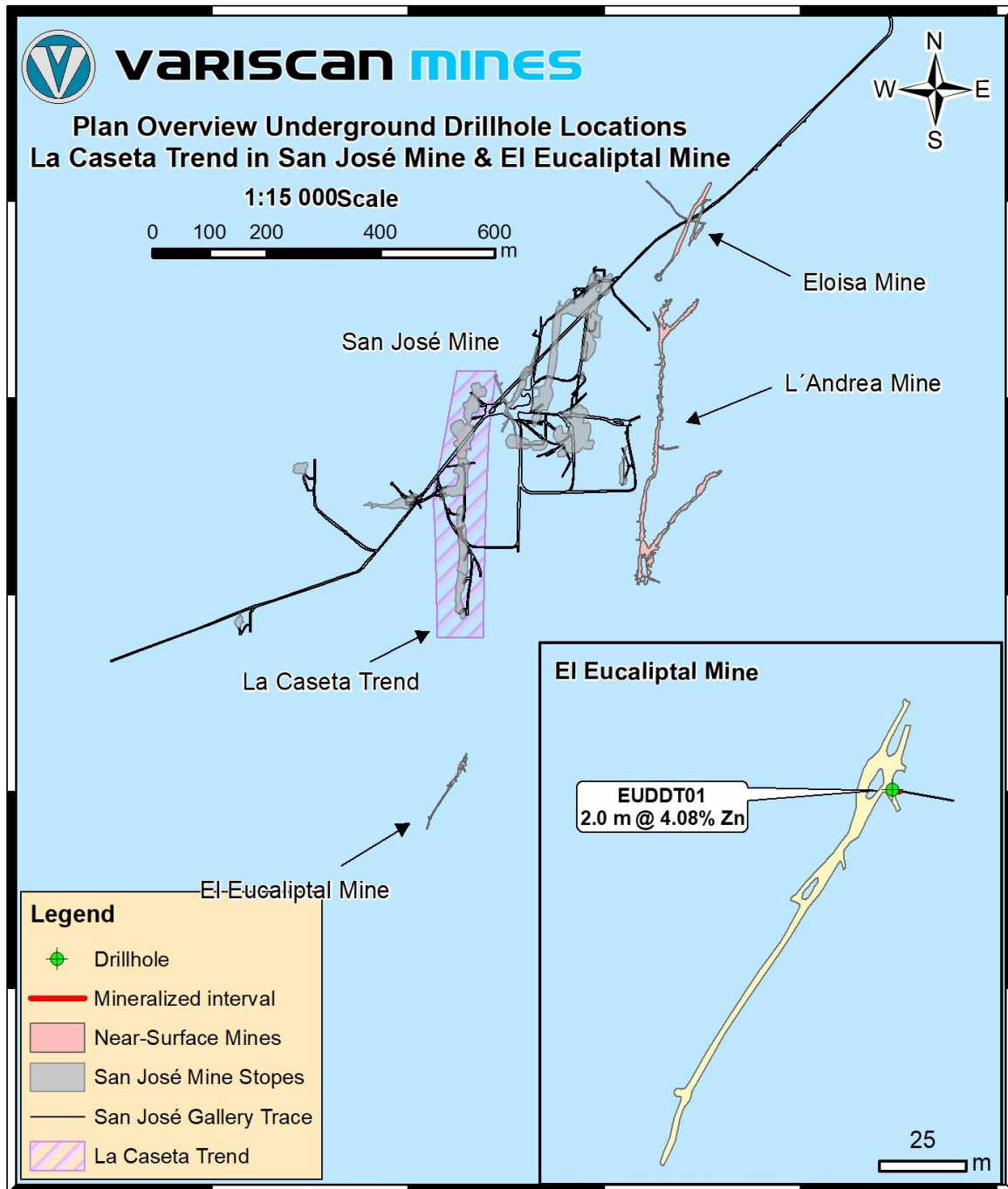


Phase 2 Drill Programme Expands and Infills San Jose's Mineralisation

Key Findings:

- The Phase 2 diamond drilling programme, which has been completed, has achieved its primary objective of expanding the footprint of Zn-Pb mineralisation at the San Jose Mine and surrounding areas; the results of which will greatly contribute to the evaluation of the mineral resource potential of the mine;
- Expansion and infill zones of high-grade zinc mineralisation in the La Caseta Trend confirm the significance of the discovery of the lower-lens made last year;
- New richly mineralised areas intersected are in between known areas of workings (Stopes 200, 191 and 193) indicating continuity within and beyond the La Caseta Trend;
- Underground drilling to date has focussed around the San Jose Mine which only represents approximately 15% of the entire strike length of the mineralised structure of the 9km Novales Trend; Variscan has already commenced the application process with local authorities to commence surface drilling in the vicinity of San Jose and surrounding areas;
- Drilling results confirm the San Jose Mine's continued exploration potential; new assay information provides important data that will be included in the estimation of a mineral resource that can potentially be exploited by a future resumption of underground operations.

Figure 5. Plan view of San Jose Mine indicating La Caseta Trend and step-out drilling at El Eucaliptal Mine.



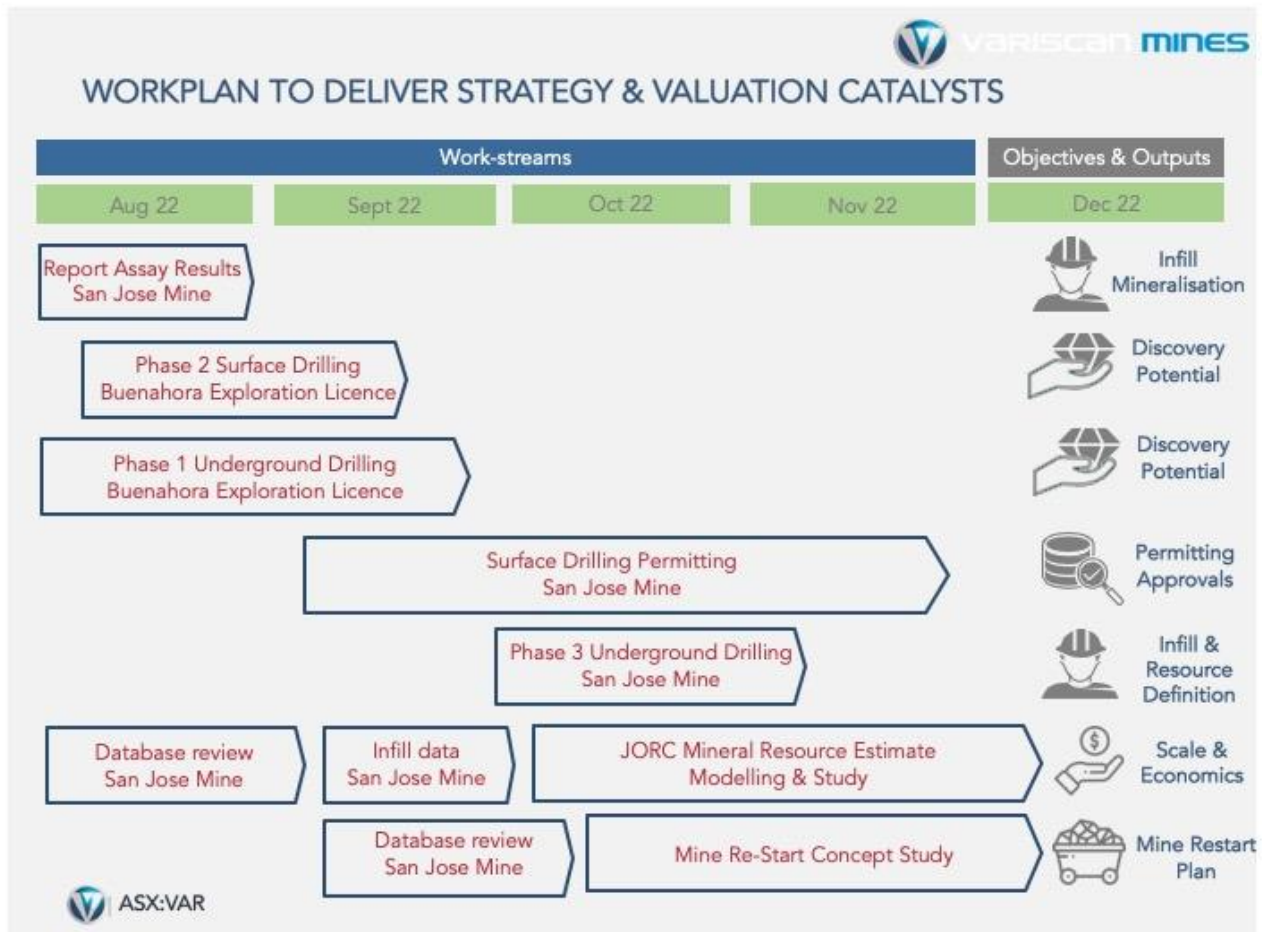
Looking Ahead

Variscan's immediate focus is progressing with the following activities; all of which are expected to be completed by the end of calendar year 2022:

- Returning assay results from the current Buenahora surface drilling campaign together with supplementary exploration results.
- Reporting results of underground drilling at the Pepita target within the Buenahora Exploration Licence.
- Publishing a focused JORC compliant Mineral Resource estimate for the San Jose Mine.

- Reporting a Mine Re-Start Concept Study for the San Jose Mine.
- Delivery of approvals to undertake further surface drilling in and around the San Jose Mine to test step-out targets.
- Phase 3 underground infill and resource definition drilling at the San Jose Mine.
- In support of the above activities, the delivery of associated environmental, social and governance (“ESG”) initiatives. Recent activities have included supporting the Novales Lemon Fiesta and employing local staff in geological and administrative roles.

Figure 6. Summary of Workplan for period ended 31 Dec 2022.



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. Its primary focus is the development of its advanced zinc projects in Spain.

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.

To learn more, please visit: www.variscan.com.au

Competent Person Statement

The information in this document that relates to technical information about the Novales-Udias project is based on, and fairly represents information and supporting documentation compiled and reviewed by Dr. Mike Mlynarczyk, Principal of the Redstone Exploration Services, a geological consultancy acting as an external consultant for Variscan Mines. Dr. Mlynarczyk is a Professional Geologist (PGeo) of the Institute of Geologists of Ireland, and European Geologist (EurGeol) of the European Federation of Geologists, as well as Fellow of the Society of Economic Geologists (SEG). With over 10 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 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'). Dr. Mlynarczyk consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

The information in this document that relates to previous exploration results was prepared pre-2012 JORC code. It is the opinion of Variscan that the exploration data is reliable. Although some of the data is incomplete, nothing has come to the attention of Variscan that causes it to question the accuracy or reliability of the historic exploration.

Forward Looking Statements

Forward-looking statements are only predictions and are not guaranteed. They are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of the Company. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to differ from those referred to in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, the Company, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this announcement will occur as contemplated.

JORC Table 1, Sections 1 and 2

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> – Nature and quality of sampling (e.g. 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 representativity 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 (e.g. ‘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 (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> – Drilling being reported has been sampled with industry best practice methods (diamond drilled core cut along its length to produce half core) and samples were sent to the accredited ALS Seville laboratory for analysis. The samples are considered representative and include waste intervals on the periphery of mineralised intersections. It is assumed that the equipment used was calibrated correctly as per the internal SOP’s at ALS. – The new drillholes reported are located in the central and southern parts of the San Jose Mine, with one additional hole reported each from the nearby, near-surface historic Eloisa mine and Eucalyptal mines. All holes consist of underground diamond drillholes and were sampled as half core from 15cm to 1.40m sample length (average 1.00m) with at least a single 1m sample either side to cover the periphery of the mineralised intersection. The analytical method used by ALS is Zn-OG62h for Zinc and Pb-OG62h for Lead, as well as Zn-AA07 for non-sulphide (‘oxide’) zinc. These are considered appropriate for the deposit type. – Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020, 1st April 2020 on the website www.variscanmines.com.au
Drilling techniques	<ul style="list-style-type: none"> – Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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"> – The new drillholes referred to in this press release are underground diamond drillholes (core) completed using an Atlas Copco Diamec 252 rig and a Hilti portable drill, both at a core diameter of 40.7mm (BQTK). – These new holes have not employed oriented core methods. – Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020 and 1st April 2020 on the website www.variscanmines.com.au
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 	<ul style="list-style-type: none"> – Core recovery for these drillholes has been typically high >90% as observed by drillers and geologists, this data has been formally recorded for all drillholes at this time, as it forms part of the detailed logging. The lowest recovery recorded for an entire drillhole to date is 89.4% mean recovery; however, this is anomalous compared to the other holes with logged recovery thus far. – No other methods have been used to maximise sample recovery; however, with recovery >90% reported for nearly all the holes

Criteria	JORC Code explanation	Commentary
	<p><i>may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>detailed in this release the methods currently employed appear sufficient.</p> <ul style="list-style-type: none"> – The relationship between sample recovery and grade has not been assessed thus far. – Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020 and 1st April 2020 on the website www.variscanmines.com.au
Logging	<ul style="list-style-type: none"> – <i>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.</i> – <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> – <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> – Detailed geological and geotechnical logging has been carried out for all drillholes. Currently there is sufficient geotechnical and geological logging data to support a Mineral Resource estimate. However, mining studies and metallurgical testwork are still required. – Total percentage of holes that have been logged for lithology, veins, alteration, and mineralisation is 100% and the total percentage of new drillholes that has detailed recovery and geotechnical logging is 100% at this stage (based on all logs available). All drillholes were photographed before and after cutting core. – Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020 and 1st April 2020 on the website www.variscanmines.com.au
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> – <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> – <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> – <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> – <i>Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.</i> – <i>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.</i> – <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> – New drillholes have been sampled using reasonable industry procedures for logging (of mineralisation), sampling and QAQC for this project. – Samples were selected by geologists for these new drillholes based on logging of mineralised intervals, core was cut using a rotary diamond saw along the long axis in halves. Samples were preferred at 1m lengths, although they were permitted flexibility from 15cm to 1.40m sample lengths typically where geological boundaries exist. In the Variscan SOP for sampling drillholes it was stated that a minimum of three samples were taken for any mineralised intersection, the first sample will encompass the mineralised zone and the other two samples will be selected either side to ensure waste intervals were sampled to define the boundaries of mineralisation. Additionally, when a separate geological zone or rubble or broken core begins, a new sample will be taken and when solid core resumes the next samples will be selected. In zones of poor recovery <50% the default sample interval will be the drillers depth markers. The nature and quality of sampling techniques are considered appropriate for this deposit and drilling type. – All half core samples are sent directly to ALS Seville laboratory for preparation and subsequent analysis according to industry standards with crushing, pulverizing and splitting prior to sample analysis. – Sample sizes taken for the drilling reported are considered suitable for the deposit type and style of mineralisation at this stage of exploration.
Quality of assay data and	<ul style="list-style-type: none"> – <i>The nature, quality and appropriateness of the assaying and</i> 	<ul style="list-style-type: none"> – For the new drilling reported the sampling is considered partial as half core remains. The laboratory is accredited (ALS Seville)

Criteria	JORC Code explanation	Commentary
laboratory tests	<p>laboratory procedures used and whether the technique is considered partial or total.</p> <ul style="list-style-type: none"> – 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<p>and the techniques for Zn/Pb (Zn-OG62h, Pb-OG62h, and Zn-AA07) are considered suitable for the elements in question.</p> <ul style="list-style-type: none"> – No handheld or downhole geophysics data were collected during this campaign. – QAQC Procedures adopted for this batch of drilling results include twenty-four total QAQC samples inserted into the sample stream (total 259 drillhole samples, not including QAQC). These included one high-grade CRMs (OREAS 134B) inserted into the mineralised zone, three medium grade CRMs (OREAS 133A) and six low grade CRM (OREAS 130) inserted in between waste rock or barren samples, and four pulp blanks (lab blank). Also, internal duplicates were requested to ALS for ten mineralised samples and these sample IDs were indicated to the laboratory. In total, of the 259 new samples reported within this press release the QAQC samples comprise 8.48% of the sample population for this batch. This frequency and variety of QAQC samples inserted into the sample stream is considered reasonable; however, industry best practice typically requires 20% of the sample population to be QAQC samples in the sample stream. All of the QAQC sample results have not yet been interpreted, however, the samples reviewed show good repeatability thus far.
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"> – Analytical processes are being supervised by senior ALS staff experienced in mineral assaying. – The new diamond drillholes are located in the historic stopes of the San Jose underground mine, with one additional hole reported each from the nearby, near-surface historic Eloisa mine and Eucaliptal mines. Some of the holes are located near existing historical drillholes, however, they cannot be considered twinned holes at this stage. – Primary data for this second underground drilling campaign, which started in Q3 2021 is currently stored in excel and all assay certifications and final assay results provided by ALS Seville have been reviewed. – Assay data for Q2 2021 drillholes are reported in two ways within this press release, the first are raw assay values unchanged or altered and the second are calculated significant intercepts or aggregated consecutive sample intervals using sample length weighted mean grades for Zn and Pb.
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"> – Drillhole collars from the present campaign were surveyed using the Nortop Ingenieros S.L.U Total Station determined points and using an 'all-in-one' laser disto device (incorporating digital compass, clinometer and distance meter) placed on a 4kg tripod to avoid movements and a topographic rod (with bubble level) to mark the position of the Nortop points. Checks have been made with a Brunton compass to verify that there were no measurements errors. Several checks were made with Nortop points bases) obtaining the same results. These are considered relatively accurate. – Surface topography was provided by CNIG (IGN) as topographic contours at 25k scale, the contours were used to generate a digital terrain model in 3D after transformation to the local mine grid to conform to the majority of drillhole data in Leapfrog Geo and Datamine StudioRM. It is considered satisfactory for these purposes.
Data spacing and distribution	<ul style="list-style-type: none"> – Data spacing for reporting of Exploration Results. 	<ul style="list-style-type: none"> – The reported drillholes have been drilled in a fence or fan pattern from drilling pads underground. These holes have been

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<p>drilled in various orientations (the majority downward) and their spacing varies significantly (see table in Appendix 1). At this stage there is sufficient distribution of drillholes to support geological and grade continuity for the main San Jose mine area. However, the smaller peripheral zones require further exploration to improve geological confidence in interpretation.</p> <ul style="list-style-type: none"> Assay data for the new drillholes are reported in two ways within this press release, the first are raw assay values unchanged or altered and the second are calculated significant intersections or aggregated consecutive sample intervals using sample length weighted mean grades for Zn and Pb. Please note, there are occasional sample intervals where recovery was low, these intervals were manually set to 0% Zn and 0% Pb prior to calculating mean grades for intersections.
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"> Mineralisation at the project occurs as stratabound, sub-horizontal and lenticular, following sub-vertical trends, and with lateral and vertical extensions with a significant control by steeply-dipping feeder fault zones. Mineralisation in this setting presents as 'bags' (pods) with sub-horizontal lenticular form. Due to the irregular and/or variable nature of the mineralisation, an estimate of potential bias through orientation of sampling has not been made. While the location of mineralisation centres on the Novales trend follows a broad NNE strike, the orientation of distinct orebodies on this trend is understood to be variable both in terms of strike and dip. UG drilling is often radial in nature, and no comment can be made on the orientation of drilling in respect of mineralisation orientation. Surface drilling is often vertical and/or dipping steeply. New drillholes have been oriented at a variety of orientations both drilling above and below (positive and negative dips) from the main gallery level at present, similar to those drilled historically to intersect mineralised lenses and corridors above and below the main gallery level. These orientations are considered appropriate for the geometry of this mostly lenticular MVT mineralisation at San Jose. In some cases where new holes have been oriented vertically both above and below the main gallery, the sample interval lengths within the sub-horizontal lenticular morphology of the mineralisation is considered to be representative of true thickness and is not considered to include a sampling bias.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Samples are securely stored at the locked on-site core shed and were handed directly to a courier for transport to ALS Seville. Samples were logged and collected on site under supervision of the responsible Variscan geologist.
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 detailed 3rd party audits have taken place regarding the sampling techniques for new drillholes.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including 	<ul style="list-style-type: none"> The exploration permit "Buenahora" is held by Variscan Mines.

Criteria	JORC Code explanation	Commentary
land tenure status	<p><i>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.</i></p> <p>– <i>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.</i></p>	<p>– The author is not aware, at the time of writing this, of any environmental issues that could affect ongoing works within these licences.</p> <p>– The exploitation permit for the Novales-Udias historic mine area is owned by Variscan Mines.</p> <p>– The author is not aware, at the time of writing this, of any issues with tenure or permission to operate in this region.</p>
Exploration done by other parties	<p>– <i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>– The historical data referenced in this report refer to exploration undertaken by historic mining companies operating the Project from the 1950's to the mid 1980's. The previous workers include Hispanibal and Asturiana de Zinc (previously a subsidiary of Xstrata / Glencore).</p> <p>– The historic data referenced in this report and undertaken by the historic workers is held at the School of Mines and Energy Engineering at Torrelavega, a faculty of the University of Cantabria.</p>
Geology	<p>– <i>Deposit type, geological setting and style of mineralisation.</i></p>	<p>– The mineralisation at the project is considered a Mississippi Valley Type Lead-Zinc type deposit with associated structural- and stratigraphy-controlled carbonate dissolution and replacement Lead-Zinc type mineralisation.</p> <p>– Mineralisation at the project occurs as stratiform, sub-horizontal and lenticular, following sub-vertical trends, and with lateral and vertical extensions, with a significant control by steeply-dipping feeder faults. Mineralisation in this setting presents as 'bags' (pods) with sub-horizontal lenticular form.</p>
Drill hole Information	<p>– <i>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:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <p>– <i>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.</i></p>	<p>– In total, 80 underground drillholes have been completed to date in the second underground drilling campaign of Variscan Mines started in Q3 2021. This press release presents new assay data for 15 drillholes from this campaign, see table in Appendix 2 for raw assay data from the laboratory.</p> <p>– All 15 collar co-ordinates, hole depths and orientations for the holes reported in this announcement have been provided in the table in Appendix 1.</p> <p>– No information has been excluded.</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated</i></p>	<p>– Aggregated intersections stated in the main body of this announcement have only been undertaken for consecutive downhole intervals with reported assay data, these aggregated intersections have been calculated as a weighted average based on the sample lengths. All raw assay data on which these were based is shown in Appendix 2.</p>

Criteria	JORC Code explanation	Commentary
	<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"> No metal equivalent grades have been stated. New drillhole assays have been reported both as raw assays from ALS Sevilla and also as aggregated consecutive intersections using length weighted averaging method. Where drilling has encountered a void or cavity, an artificial interval was inserted, prior to compositing, with a zero (0) % value for Zn and Pb. Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020 and 1st April 2020 on the website www.variscanmines.com.au
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 (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Historical drillholes have typically been inclined upwards from the main drive (positive dip) in a fan pattern from single and multiple bays to intersect sub horizontal mineralised lenses present at the San Jose mine. These angles vary significantly, and it is expected that mineralisation is encountered at oblique angles and therefore cannot represent true thickness unless drilled vertically upwards/downwards into a lens directly above or below the main drive level. Recent drillholes have been drilled both vertically upwards (+90° dip) and downwards (-90° dip) and inclined at varied dips and azimuths' in between to target mineralisation above and below the main mine drive levels. Where vertical holes have been drilled by Variscan, it is considered these most closely represent true thickness of the sub-horizontal lenticular mineralisation.
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"> The information in this news release refers to a discovery both above and below the main gallery levels. Maps and figures have been included to illustrate the location of the drilling reported. Figure 1. Plan view of new, selected mineralised intersections from drilling in the La Caseta Trend. Figure 2. Diamond drillcore from NOVDD108 illustrating massive sphalerite in dolostone Figure 3. Cross-section of Stope 191 illustrating new drillhole NOVDD113 and the lower lens of the La Caseta Trend Figure 4. Plan view of selected mineralised intersections from drilling in the La Caseta Trend in Phase 2 drilling campaign illustrating extensions and infill to the mineralisation footprint Figure 5, Plan view of San Jose Mine indicating La Caesta Trend and step-out drilling at El Eucaliptal Mine Figure 6. Summary of Workplan for period ended 31 Dec 2022
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"> Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020 and 1st April 2020 on the website www.variscanmines.com.au New drillhole raw assay results including both low and high-grade intersections have been included in the table within Appendix 2
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 	<ul style="list-style-type: none"> Details of any historical drilling referenced in this document can be found in prior ASX press releases by Variscan Mines from the following dates: 3rd Feb 2020, 3rd March 2020, 16th March 2020 and 1st April 2020 on the website www.variscanmines.com.au No other exploration data referenced in this report is considered sufficiently meaningful or material to warrant

Criteria	JORC Code explanation	Commentary
	<i>results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	further reference.
Further work	<ul style="list-style-type: none"> – <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> – <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> – Variscan have exploration plans to advance the Novaes-Udias Project. The exploration plan is likely to include: <ul style="list-style-type: none"> ○ Drilling campaign from surface to test step out extensions ○ Drilling campaign underground to test: <ul style="list-style-type: none"> ○ Extensions of mineralised lenses ○ Follow up underground drilling to test: <ul style="list-style-type: none"> ○ vertical extensions ○ new lower lying lenses ○ infill mineralised lenses

Appendix 1: Table of Underground Drillhole Collar Co-ordinates and Orientations of New Drillholes Presented in this News Release

BHID	X	Y	Z	LENGTH	AZI	DIP
NOVDD102	403032	4802655,03	44,5	60,40	40	30
NOVDD103	402782,8	4802548,66	46,9	29,80	No azimuth	90
NOVDD107	402734,3	4802532,48	45,76	25,30	80	-45
NOVDD108	402734,3	4802532,52	46,11	29,10	70	+20
NOVDD109	402734,2	4802532,64	46,4	33,60	68	+45
NOVDD110	402631	4802363,49	45,81	22,50	No azimuth	-90
NOVDD111	402631	4802363,49	48,04	60,30	No azimuth	+90
NOVDD112	402633,2	4802363,34	47,78	56,80	70	+45
NOVDD113	402701,3	4802449,24	45,06	54,60	155	-18
NOVDD114B	402716,9	4802218,16	49,5	60,70	214	+68
NOVDDT035	402701,38	4802151,68	69,9	19,50	156	-32
NOVDDT036	402703,19	4802349,15	82,9	19,00	5	8
NOVDDT037	402653,80	4802367,06	71,8	17,70	55	2
ELODDT02	403063,8	4802769,4	210	16,30	252	-14
EUDDT01	402706,5	4801887,71	191	18,80	175	-19

Appendix 2: Table of New Raw Drillhole Analytical Results from ALS Laboratory Seville

BHID	Sample No	From (m)	To (m)	Length (m)	Zn	Zn (ox)	Pb	Zn+Pb
NOVDDT035	VAR001198	0,60	1,00	0,40	4,21	0,35	2,37	6,58
NOVDDT035	VAR001199	1,00	2,00	1,00	4,32	0,23	1,31	5,63
NOVDDT035	VAR001200	2,00	2,80	0,80	4,58	0,24	0,15	4,73
NOVDDT035	VAR001201	2,80	3,60	0,80	2,46	0,44	0,46	2,92
NOVDDT035	VAR001202	3,60	5,00	1,40	2,95	0,23	0,16	3,11
NOVDDT036	VAR001203	0,00	0,30	0,30	5,56	0,45	0,04	5,60
NOVDDT036	VAR001204	0,90	1,60	0,70	8,09	3,12	0,09	8,18
NOVDDT036	VAR001205	2,30	3,30	1,00	7,80	0,31	0,05	7,85
NOVDDT036	VAR001206	3,30	4,30	1,00	1,67	0,19	0,02	1,69
NOVDDT036	VAR001207	4,30	5,40	1,10	4,07	0,26	0,03	4,10
NOVDDT036	VAR001208	5,80	7,00	1,20	2,22	0,49	0,03	2,25
NOVDDT036	VAR001210	7,30	8,30	1,00	1,17	0,14	0,22	1,39
NOVDDT036	VAR001211	8,30	9,30	1,00	1,05	0,32	0,05	1,10
NOVDDT036	VAR001212	9,30	10,30	1,00	0,69	0,20	0,03	0,72
NOVDDT036	VAR001213	10,30	11,30	1,00	2,59	1,43	0,16	2,75
NOVDDT036	VAR001214	11,30	12,30	1,00	2,03	0,73	0,06	2,09
NOVDDT036	VAR001215	12,30	13,30	1,00	1,02	0,19	0,02	1,04
NOVDDT036	VAR001217	13,30	14,30	1,00	0,03	0,02	0,00	0,04
NOVDDT036	VAR001218	14,30	15,30	1,00	0,08	0,05	0,01	0,09
NOVDDT036	VAR001219	15,30	16,30	1,00	2,16	0,29	0,06	2,22
NOVDDT036	VAR001220	16,30	17,30	1,00	11,90	4,54	0,82	12,72
NOVDDT036	VAR001221	18,30	19,00	0,70	0,29	0,19	0,04	0,33
NOVDDT037	VAR001222	0,00	1,00	1,00	8,57	0,62	1,36	9,93
NOVDDT037	VAR001223	1,00	2,00	1,00	21,00	0,35	0,61	21,61
NOVDDT037	VAR001225	2,00	3,00	1,00	6,97	2,09	0,60	7,57
NOVDDT037	VAR001226	3,00	4,80	1,80	6,59	0,25	0,94	7,53
NOVDDT037	VAR001227	4,80	5,90	1,10	0,81	0,60	0,22	1,03
NOVDDT037	VAR001228	5,90	6,80	0,90	13,40	2,89	0,51	13,91
NOVDDT037	VAR001229	6,80	8,00	1,20	9,33	0,59	0,35	9,68
NOVDDT037	VAR001230	8,00	9,00	1,00	3,67	0,72	1,33	5,00
NOVDDT037	VAR001231	9,00	9,70	0,70	17,85	1,62	3,12	20,97

NOVDDT037	VAR001232	10,00	11,00	1,00	1,32	0,78	0,02	1,34
NOVDDT037	VAR001233	11,00	12,00	1,00	0,22	0,10	0,03	0,25
NOVDDT037	VAR001235	12,00	13,00	1,00	0,31	0,17	0,01	0,32
NOVDDT037	VAR001236	13,00	14,00	1,00	0,59	0,22	0,70	1,30
NOVDDT037	VAR001237	14,00	15,00	1,00	11,70	0,36	3,51	15,21
NOVDDT037	VAR001239	15,00	16,00	1,00	0,11	0,04	0,01	0,12
NOVDDT037	VAR001240	16,00	17,00	1,00	1,11	0,83	0,04	1,15
NOVDDT037	VAR001241	17,00	17,70	0,70	0,04	0,03	<0.002	0,04
ELODDT02	VAR001242	1,50	2,50	1,00	0,32	0,17	0,04	0,36
ELODDT02	VAR001243	2,50	3,80	1,30	0,20	0,12	0,01	0,21
ELODDT02	VAR001244	3,95	4,50	0,55	0,79	0,48	0,05	0,84
ELODDT02	VAR001245	11,00	12,00	1,00	0,02	0,02	<0.002	0,02
ELODDT02	VAR001246	12,00	13,00	1,00	0,12	0,09	<0.002	0,12
ELODDT02	VAR001247	13,00	14,00	1,00	0,47	0,25	<0.002	0,47
ELODDT02	VAR001248	14,00	14,85	0,85	0,38	0,18	0,01	0,38
ELODDT02	VAR001249	15,20	15,50	0,30	0,49	0,25	0,02	0,51
ELODDT02	VAR001250	16,00	16,30	0,30	0,50	0,26	0,02	0,52
NOVDD103	VAR001251	0,00	1,00	1,00	0,05	0,03	0,00	0,06
NOVDD103	VAR001252	1,00	2,00	1,00	0,09	0,04	0,02	0,11
NOVDD103	VAR001253	2,00	3,00	1,00	0,38	0,17	0,12	0,50
NOVDD103	VAR001254	3,00	4,30	1,30	0,26	0,13	0,05	0,30
NOVDD103	VAR001255	4,80	5,80	1,00	0,04	0,01	<0.002	0,04
NOVDD103	VAR001256	5,80	6,30	0,50	0,25	0,14	0,05	0,30
NOVDD103	VAR001257	7,20	8,20	1,00	0,24	0,12	0,04	0,28
NOVDD103	VAR001258	8,20	9,40	1,20	0,22	0,11	0,05	0,27
NOVDD103	VAR001259	10,10	10,45	0,35	0,31	0,15	0,05	0,37
NOVDD103	VAR001260	11,35	12,50	1,15	0,38	0,22	0,09	0,47
NOVDD103	VAR001261	13,20	14,20	1,00	0,21	0,12	0,03	0,24
NOVDD103	VAR001262	14,30	15,30	1,00	0,08	0,04	0,01	0,08
NOVDD103	VAR001263	15,30	16,30	1,00	0,16	0,08	0,01	0,18
NOVDD103	VAR001264	16,30	17,30	1,00	0,14	0,07	0,00	0,15
NOVDD103	VAR001265	17,30	18,30	1,00	0,22	0,08	0,01	0,22
NOVDD103	VAR001266	18,30	19,30	1,00	0,15	0,06	0,01	0,16
NOVDD103	VAR001267	19,30	20,30	1,00	0,06	0,04	0,01	0,08
NOVDD103	VAR001268	20,30	21,30	1,00	0,05	0,03	0,01	0,06
NOVDD103	VAR001269	21,30	22,60	1,30	0,49	0,37	0,10	0,59
NOVDD103	VAR001270	22,90	24,00	1,10	19,95	9,75	0,28	20,23
NOVDD103	VAR001272	24,00	25,00	1,00	0,10	0,07	0,02	0,12
NOVDD108	VAR001273	5,00	6,00	1,00	1,78	0,06	0,00	1,78
NOVDD108	VAR001274	6,00	7,00	1,00	33,80	0,35	3,87	37,67
NOVDD108	VAR001276	7,00	8,00	1,00	20,70	0,33	0,07	20,77
NOVDD108	VAR001277	8,00	9,00	1,00	17,10	0,23	0,07	17,17
NOVDD108	VAR001278	9,00	10,00	1,00	1,58	0,08	0,01	1,59
NOVDD108	VAR001279	10,00	11,00	1,00	9,87	0,18	0,19	10,06
NOVDD108	VAR001281	11,00	12,00	1,00	11,45	0,22	0,03	11,48
NOVDD108	VAR001282	12,00	13,00	1,00	16,40	0,24	0,97	17,37
NOVDD108	VAR001283	13,00	14,00	1,00	1,56	0,39	0,97	2,52
NOVDD108	VAR001284	14,00	15,00	1,00	1,44	0,15	1,21	2,65
NOVDD108	VAR001285	15,00	16,00	1,00	0,72	0,05	0,29	1,02
NOVDD108	VAR001286	16,00	17,00	1,00	0,92	0,07	0,33	1,24
NOVDD108	VAR001287	17,00	18,00	1,00	0,01	0,01	0,00	0,02
NOVDD108	VAR001288	27,70	29,10	1,40	0,28	0,06	0,02	0,30
NOVDD113	VAR001289	12,00	13,00	1,00	0,01	<0.01	<0.002	0,01
NOVDD113	VAR001290	13,00	14,00	1,00	0,97	0,12	0,04	1,01
NOVDD113	VAR001291	14,00	15,00	1,00	3,50	0,73	0,32	3,82
NOVDD113	VAR001292	15,00	16,00	1,00	5,93	1,28	0,27	6,20
NOVDD113	VAR001293	16,00	17,00	1,00	6,91	0,18	0,01	6,92
NOVDD113	VAR001295	17,00	18,00	1,00	0,05	0,02	0,00	0,06
NOVDD113	VAR001296	18,00	19,00	1,00	0,02	0,01	<0.002	0,02
NOVDD113	VAR001297	19,00	20,00	1,00	0,85	0,07	0,01	0,86

NOVDD113	VAR001411	20,00	21,00	1,00	0,01	0,01	0,00	0,01
NOVDD113	VAR001298	21,00	22,00	1,00	0,02	0,02	<0.002	0,02
NOVDD113	VAR001299	22,00	23,00	1,00	1,94	0,11	0,00	1,94
NOVDD113	VAR001301	23,00	24,00	1,00	15,10	0,23	0,02	15,12
NOVDD113	VAR001302	24,00	25,00	1,00	2,83	0,17	0,02	2,85
NOVDD113	VAR001303	25,00	26,00	1,00	1,53	0,11	0,01	1,54
NOVDD113	VAR001304	26,00	27,00	1,00	0,02	0,01	0,00	0,02
NOVDD113	VAR001305	27,00	28,00	1,00	0,02	0,02	<0.002	0,02
NOVDD113	VAR001306	28,00	29,00	1,00	11,50	0,25	0,05	11,55
NOVDD113	VAR001307	29,00	30,00	1,00	0,05	0,03	0,00	0,05
NOVDD113	VAR001308	30,00	31,00	1,00	0,04	0,03	0,00	0,04
NOVDD113	VAR001309	31,00	32,00	1,00	0,02	0,02	0,00	0,03
NOVDD113	VAR001310	32,00	33,00	1,00	0,07	0,03	<0.002	0,07
NOVDD113	VAR001311	33,00	34,00	1,00	10,85	0,23	0,02	10,87
NOVDD113	VAR001312	34,00	35,00	1,00	23,10	0,33	0,02	23,12
NOVDD113	VAR001314	35,00	36,00	1,00	2,88	0,16	0,01	2,89
NOVDD113	VAR001315	36,00	37,00	1,00	0,09	0,05	0,00	0,09
NOVDD113	VAR001316	37,00	38,00	1,00	3,36	0,42	0,05	3,41
NOVDD113	VAR001412	38,00	39,00	1,00	6,74	0,20	0,16	6,90
NOVDD113	VAR001317	39,00	40,00	1,00	15,95	0,27	0,32	16,27
NOVDD113	VAR001318	40,00	41,00	1,00	16,00	0,29	0,34	16,34
NOVDD113	VAR001320	41,00	42,00	1,00	0,09	0,05	0,01	0,09
NOVDD113	VAR001321	42,00	43,00	1,00	0,12	0,05	0,01	0,12
NOVDD113	VAR001322	43,00	44,00	1,00	0,05	0,02	0,00	0,05
NOVDD113	VAR001323	44,00	45,00	1,00	4,58	2,64	0,00	4,58
NOVDD113	VAR001324	45,00	46,00	1,00	1,69	0,16	<0.002	1,69
NOVDD113	VAR001325	46,00	47,00	1,00	0,02	0,01	<0.002	0,02
NOVDD109	VAR001326	4,00	5,00	1,00	0,02	0,01	<0.002	0,02
NOVDD109	VAR001327	5,00	6,30	1,30	1,83	0,12	0,28	2,10
NOVDD109	VAR001328	6,70	7,70	1,00	5,41	0,15	0,00	5,41
NOVDD109	VAR001329	7,70	8,70	1,00	0,03	0,02	0,00	0,03
NOVDD109	VAR001330	8,70	9,70	1,00	0,43	0,05	0,00	0,44
NOVDD109	VAR001331	9,70	10,70	1,00	0,87	0,07	0,11	0,98
NOVDD109	VAR001332	10,70	11,70	1,00	3,17	0,12	0,00	3,17
NOVDD109	VAR001334	11,70	12,70	1,00	1,81	0,09	0,01	1,82
NOVDD109	VAR001335	12,70	13,70	1,00	0,04	0,01	0,00	0,04
NOVDD109	VAR001336	13,70	14,70	1,00	17,40	0,36	6,67	24,07
NOVDD109	VAR001338	14,70	15,70	1,00	4,86	0,21	1,67	6,53
NOVDD109	VAR001339	15,70	16,70	1,00	0,02	0,01	0,01	0,03
NOVDD109	VAR001340	16,70	17,70	1,00	0,02	0,02	0,00	0,02
NOVDD109	VAR001341	17,70	18,70	1,00	0,38	0,14	<0.002	0,38
NOVDD109	VAR001342	18,70	19,70	1,00	7,06	0,20	0,01	7,07
NOVDD109	VAR001343	19,70	20,70	1,00	8,67	0,24	0,14	8,81
NOVDD109	VAR001344	20,70	21,70	1,00	15,50	0,22	0,02	15,52
NOVDD109	VAR001345	21,70	22,70	1,00	3,29	0,16	0,00	3,29
NOVDD109	VAR001346	22,70	23,70	1,00	12,45	0,26	0,01	12,46
NOVDD109	VAR001347	23,70	25,00	1,30	0,06	0,01	0,00	0,06
NOVDD107	VAR001348	0,00	1,00	1,00	16,35	0,33	0,01	16,36
NOVDD107	VAR001349	1,00	2,00	1,00	5,53	0,23	0,00	5,53
NOVDD107	VAR001350	2,00	3,00	1,00	0,37	0,05	<0.002	0,37
NOVDD107	VAR001351	3,00	4,00	1,00	0,03	0,01	<0.002	0,03
NOVDD107	VAR001352	4,00	5,00	1,00	0,02	0,01	<0.002	0,02
NOVDD107	VAR001353	5,00	6,00	1,00	0,03	0,02	0,00	0,03
NOVDD107	VAR001354	6,00	7,00	1,00	0,02	0,01	<0.002	0,02
NOVDD107	VAR001355	7,00	8,00	1,00	0,05	0,03	<0.002	0,05
NOVDD107	VAR001356	8,00	9,00	1,00	1,14	0,10	0,02	1,16
NOVDD107	VAR001358	9,00	10,00	1,00	0,01	<0.01	<0.002	0,01
NOVDD107	VAR001359	10,00	11,00	1,00	0,01	<0.01	<0.002	0,01
NOVDD107	VAR001360	11,00	12,00	1,00	11,55	0,28	0,03	11,58
NOVDD107	VAR001361	12,00	13,00	1,00	7,85	0,22	0,09	7,94

NOVDD107	VAR001363	13,00	14,00	1,00	0,03	0,02	0,00	0,03
NOVDD112	VAR001364	0,00	1,00	1,00	0,06	0,04	<0.002	0,06
NOVDD112	VAR001365	1,00	2,00	1,00	0,66	0,08	<0.002	0,66
NOVDD112	VAR001366	2,00	3,00	1,00	0,01	0,01	<0.002	0,01
NOVDD112	VAR001367	12,00	13,00	1,00	0,01	0,01	<0.002	0,01
NOVDD112	VAR001368	13,00	14,00	1,00	1,50	0,12	<0.002	1,50
NOVDD112	VAR001370	14,00	15,00	1,00	1,24	0,16	0,00	1,24
NOVDD112	VAR001371	15,00	16,00	1,00	1,44	0,09	0,00	1,44
NOVDD112	VAR001372	16,00	17,00	1,00	0,29	0,04	<0.002	0,29
NOVDD112	VAR001373	17,00	18,00	1,00	0,02	0,01	<0.002	0,02
NOVDD112	VAR001374	18,00	19,00	1,00	0,03	0,02	0,02	0,04
NOVDD112	VAR001375	19,00	20,20	1,20	0,01	0,01	<0.002	0,01
NOVDD112	VAR001376	20,50	21,50	1,00	0,15	0,05	<0.002	0,15
NOVDD112	VAR001377	21,50	22,50	1,00	0,03	0,02	<0.002	0,03
NOVDD112	VAR001378	22,50	23,50	1,00	0,02	0,01	<0.002	0,02
NOVDD112	VAR001379	23,50	24,50	1,00	0,03	0,03	<0.002	0,03
NOVDD112	VAR001380	24,50	25,50	1,00	0,01	0,01	<0.002	0,01
NOVDD112	VAR001413	25,50	26,50	1,00	0,04	0,01	<0.002	0,04
NOVDD112	VAR001381	26,50	27,50	1,00	0,27	0,09	<0.002	0,27
NOVDD112	VAR001382	27,50	28,40	0,90	0,80	0,12	<0.002	0,80
NOVDD112	VAR001383	29,00	30,00	1,00	0,12	0,07	0,00	0,13
NOVDD112	VAR001384	30,00	31,00	1,00	2,46	0,18	<0.002	2,46
NOVDD112	VAR001386	31,00	32,00	1,00	1,98	0,94	0,03	2,00
NOVDD112	VAR001387	32,00	33,00	1,00	1,64	0,22	<0.002	1,64
NOVDD112	VAR001388	33,00	34,00	1,00	2,70	0,24	0,00	2,70
NOVDD112	VAR001389	34,00	35,00	1,00	0,53	0,16	<0.002	0,53
NOVDD112	VAR001390	35,00	36,00	1,00	0,11	0,06	<0.002	0,11
NOVDD112	VAR001391	36,00	37,00	1,00	0,04	0,03	0,00	0,04
NOVDD112	VAR001392	37,00	38,00	1,00	15,80	0,83	4,82	20,62
NOVDD112	VAR001394	38,00	39,00	1,00	5,73	0,25	0,03	5,76
NOVDD112	VAR001395	39,00	40,00	1,00	0,13	0,03	0,00	0,13
NOVDD112	VAR001396	40,00	41,00	1,00	0,04	0,02	0,00	0,04
EUDDT01	VAR001397	0,00	1,00	1,00	5,32	0,98	0,02	5,34
EUDDT01	VAR001398	1,00	2,00	1,00	2,84	1,77	0,09	2,93
EUDDT01	VAR001399	2,00	3,00	1,00	0,16	0,08	<0.002	0,16
EUDDT01	VAR001400	3,00	4,00	1,00	0,17	0,09	<0.002	0,17
EUDDT01	VAR001401	4,00	5,00	1,00	0,58	0,39	0,05	0,62
EUDDT01	VAR001402	5,00	5,55	0,55	0,32	0,23	0,02	0,34
EUDDT01	VAR001403	5,75	6,75	1,00	0,53	0,10	0,02	0,54
EUDDT01	VAR001404	6,75	8,00	1,25	2,39	1,75	0,03	2,42
EUDDT01	VAR001405	14,00	15,00	1,00	0,03	0,01	0,00	0,03
EUDDT01	VAR001406	15,00	15,50	0,50	0,08	0,05	0,00	0,09
EUDDT01	VAR001407	16,00	17,00	1,00	0,01	0,01	<0.002	0,01
EUDDT01	VAR001408	17,00	18,00	1,00	0,09	0,03	<0.002	0,09
EUDDT01	VAR001409	18,00	18,80	0,80	0,18	0,04	<0.002	0,18
NOVDD111	VAR001414	19,00	20,00	1,00	0,03	0,02	<0.002	0,03
NOVDD111	VAR001415	20,00	21,00	1,00	0,48	0,10	0,01	0,49
NOVDD111	VAR001416	21,00	22,00	1,00	0,25	0,08	0,01	0,26
NOVDD111	VAR001417	22,00	22,70	0,70	1,90	0,74	0,04	1,93
NOVDD111	VAR001418	22,90	23,90	1,00	1,36	0,50	0,05	1,41
NOVDD111	VAR001419	23,90	24,90	1,00	0,45	0,21	0,01	0,46
NOVDD111	VAR001420	24,90	25,90	1,00	0,04	0,03	0,01	0,06
NOVDD111	VAR001421	25,90	26,90	1,00	0,06	0,05	0,02	0,08
NOVDD111	VAR001422	26,90	28,00	1,10	10,10	0,29	2,68	12,78
NOVDD111	VAR001424	28,50	29,50	1,00	2,73	0,17	0,33	3,06
NOVDD111	VAR001425	29,50	30,50	1,00	0,04	0,04	0,01	0,04
NOVDD111	VAR001426	30,50	31,50	1,00	0,07	0,02	0,01	0,08
NOVDD110	VAR001427	8,00	9,00	1,00	0,05	0,01	<0.002	0,05
NOVDD110	VAR001428	9,00	10,00	1,00	0,22	0,03	0,00	0,22
NOVDD110	VAR001429	10,00	11,00	1,00	0,19	0,03	<0.002	0,19

NOVDD110	VAR001431	11,00	12,00	1,00	0,07	0,02	0,01	0,08
NOVDD110	VAR001432	12,00	13,00	1,00	0,03	0,01	0,01	0,04
NOVDD114B	VAR001433	27,00	28,00	1,00	0,01	0,01	<0.002	0,01
NOVDD114B	VAR001434	28,00	29,00	1,00	0,59	0,07	0,00	0,59
NOVDD114B	VAR001435	29,00	30,00	1,00	2,09	0,12	0,13	2,22
NOVDD114B	VAR001436	30,00	31,00	1,00	0,69	0,09	0,03	0,72
NOVDD114B	VAR001437	31,00	32,00	1,00	1,93	0,13	0,01	1,94
NOVDD114B	VAR001438	32,00	33,00	1,00	0,03	0,02	0,00	0,04
NOVDD114B	VAR001439	33,00	34,00	1,00	4,44	0,28	0,51	4,95
NOVDD114B	VAR001440	34,00	35,00	1,00	0,39	0,06	0,02	0,41
NOVDD114B	VAR001441	35,00	36,00	1,00	0,01	0,01	0,00	0,02
NOVDD114B	VAR001442	36,00	37,00	1,00	0,02	0,01	<0.002	0,02
NOVDD114B	VAR001443	37,00	38,00	1,00	0,03	0,03	0,00	0,03
NOVDD114B	VAR001444	38,00	39,00	1,00	0,16	0,03	0,00	0,16
NOVDD114B	VAR001445	39,00	40,00	1,00	0,11	0,02	<0.002	0,11
NOVDD114B	VAR001446	40,00	41,00	1,00	0,44	0,08	0,03	0,47
NOVDD114B	VAR001447	41,00	42,30	1,30	1,84	0,19	0,04	1,88
NOVDD114B	VAR001448	42,60	43,60	1,00	0,03	0,01	<0.002	0,03
NOVDD114B	VAR001449	43,60	44,60	1,00	0,36	0,10	<0.002	0,36
NOVDD114B	VAR001450	44,60	45,60	1,00	0,17	0,04	<0.002	0,17
NOVDD102	VAR001451	13,40	14,60	1,20	0,01	<0.01	<0.002	0,01
NOVDD102	VAR001452	18,70	19,90	1,20	0,02	<0.01	<0.002	0,02
NOVDD102	VAR001453	33,00	34,00	1,00	0,02	<0.01	<0.002	0,02
NOVDD102	VAR001454	34,00	35,00	1,00	0,05	0,02	<0.002	0,05
NOVDD102	VAR001455	35,00	35,55	0,55	0,18	0,06	<0.002	0,18
NOVDD102	VAR001456	35,75	36,70	0,95	0,12	0,03	0,00	0,12
NOVDD102	VAR001457	36,70	37,50	0,80	0,13	0,05	0,00	0,13
NOVDD102	VAR001458	37,60	38,60	1,00	0,01	<0.01	<0.002	0,01
NOVDD102	VAR001459	38,60	39,60	1,00	0,05	0,01	<0.002	0,05
NOVDD102	VAR001460	39,60	40,60	1,00	0,21	0,07	0,00	0,21
NOVDD102	VAR001461	40,70	41,70	1,00	0,06	0,01	<0.002	0,06
NOVDD102	VAR001462	41,70	42,20	0,50	0,17	0,07	0,00	0,18
NOVDD102	VAR001463	42,50	42,65	0,15	0,07	0,02	0,00	0,07
NOVDD102	VAR001464	43,45	44,35	0,90	0,13	0,05	0,00	0,13
NOVDD102	VAR001465	45,35	46,35	1,00	0,11	0,03	<0.002	0,11
NOVDD102	VAR001466	46,35	47,60	1,25	0,31	0,13	0,00	0,31
NOVDD102	VAR001467	48,35	48,90	0,55	0,24	0,09	0,01	0,25
NOVDD102	VAR001468	49,05	50,00	0,95	0,13	0,06	<0.002	0,13
NOVDD102	VAR001469	50,00	51,00	1,00	0,03	0,01	<0.002	0,03
NOVDD102	VAR001470	51,00	52,00	1,00	0,28	0,06	<0.002	0,28
NOVDD102	VAR001471	52,00	53,00	1,00	0,08	0,03	<0.002	0,08
NOVDD102	VAR001473	53,00	54,00	1,00	0,07	0,02	0,00	0,07
NOVDD102	VAR001475	54,00	55,00	1,00	0,04	0,01	<0.002	0,04
NOVDD102	VAR001476	55,00	56,00	1,00	0,36	0,05	0,00	0,36
NOVDD102	VAR001477	56,00	57,40	1,40	0,23	0,09	0,01	0,23
NOVDD102	VAR001478	57,60	58,60	1,00	0,35	0,20	0,01	0,36
NOVDD102	VAR001479	58,60	59,60	1,00	0,10	0,06	<0.002	0,10
NOVDD102	VAR001480	59,60	60,40	0,80	0,34	0,15	<0.002	0,34

Project Summary

The Novales-Udias Project is located in the Basque-Cantabrian Basin, some 30km southwest from the regional capital, Santander. The project is centred around the former producing San Jose underground mine with a large surrounding area of exploration opportunities which include a number of satellite underground and surface workings and areas of zinc anomalism identified from recent and historic geochemical surveys. Variscan has delineated a significant 9km mineralised trend and a sub-parallel 3km trend from contemporary and historical data across both the Buenahora exploration and Novales mining permits.

The San Jose Mine is nearby (~9km) to the world class Reocin Mine which is the largest known strata-bound carbonate-hosted Zn-Pb deposit in Spain¹ and one of the world's richest MVT deposits². Further it is within trucking distance (~80km) from the San Juan de Nieva zinc smelter operated by Asturiana de Zinc (100% owned by Glencore).

Significantly, the Novales-Udias Project includes a number of granted mining tenements³.

Novales-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% Pb⁴⁵)
- Novales Mine is within trucking distance (~ 80km) from the zinc smelter in Asturias
- Classic MVT carbonate hosted Zn-Pb deposits
- Historic production of high-grade zinc; average grade reported as ~7% Zn⁶
- Simple mineralogy of sphalerite – galena – calamine
- Mineralisation is strata-bound, epigenetic, lenticular and sub-horizontal
- Reported historic production of super high grade 'bolsas' (mineralised pods and lenses) commonly 10-20% Zn and in some instances +30% Zn⁷
- Assay results of recent targeted grab samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb⁸
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

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' Econ. Geol. v.98, pp. 1371-1396.

² Leach, D.L., Sangster, D.F., Kelley, K.D., Large, R.R., Garven, G., Allen, C.R., Gutzner, J., Walters, S., (2005) 'Sediment-hosted lead-zinc deposits: a global perspective'. Econ. Geol. 100th Anniversary Special Paper 561 607

³ Refer to ASX announcement of 29 July 2019

⁴ 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.

⁵ 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.

⁶ These figures have been taken from historical production data from the School of Mines in Torrelavega historical archives.

⁷ Reports of the super high-grade mineralisation are supported with historical production data from the School of Mines in Torrelavega historical archives. (Refer ASX release 29 July 2019)

⁸ Refer to ASX Announcement of 19 December 2020