HIGH ZINC GRADES & WIDTHS FROM DRILLING AT BUENAHORA

Variscan Mines Limited ("**Variscan**" or the "**Company**" or the "**Group**") (ASX:VAR) is pleased to report positive assay results from surface and underground diamond drilling and channel sampling programme on the Buenahora exploration licence, located in Cantabria, northern Spain.
Details of visual zinc mineralisation from surface diamond drilling stepping out from the San Jose Mine are also presented.

Highlights

Selected surface and underground diamond drilling results from Buenahora

- **JDDT-02 (u/g hole):** **16.05m @ 5.84% Zn + 1.21% Pb**
- **JDDT-03 (u/g hole):** **10.00m @ 7.46% Zn + 0.81% Pb**
- **JDDT-01 (u/g hole):** **3.30 m @ 14.66% Zn + 6.47% Pb**
- **PEDDT-02 (u/g hole):** **3.95m @ 8.61% Zn + 0.65% Pb**
- **SB-04 (surface hole):** **1.80m @ 11.10% Zn + 2.02% Pb**
- **PEDDT-07 (u/g hole):** **2.00m @ 7.83% Zn + 0.64% Pb**
- **SB-14 (surface hole):** **1.50m @ 3.10% Zn + 0.02% Pb**

Selected channel sample results from the historic Pepita mine, Buenahora permit

- **PC7-PC8:** **3.10m @ 17.21% Zn + 1.35% Pb**
- **PC-17:** **2.20m @ 10.80% Zn + 1.99% Pb**
- **PC-12:** **1.60m @ 14.75% Zn + 3.35% Pb**

Encouraging visual mineralisation recorded from 2 surface, diamond drill holes located c. 1,200m north-east along strike of the San Jose Mine stopes[1]

- **Core logging suggests intervals in excess of 20m of continuous zinc mineralization intersected and appears to be a continuation of the same mineral system**
- **Assay results expected imminently**
- **Database review and modelling work on San Jose advancing**

[1]Further to the observations noted above and the details provided in the announcement and in accordance with the Australian Institute of Geoscientists "AIG" guidance, Variscan wishes to advise that, in spite of its familiarity with mineralisation at San Jose, visual estimates of mineralisation should, never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding potential impurities or deleterious physical properties relevant to valuations of some mineral commodities.

Managing Director & CEO, Stewart Dickson said,

"These results reflect a very busy period of drilling and field exploration through 2022 and into 2023 as the planned programme was extended in duration. The drill campaign over the Buenahora exploration licence was the first significant exploration drilling there for at least three decades.

The underground drilling and channel sampling program confirmed consistently high grade zinc-dominant mineralization in the SW part of the Buenahora exploration license, and its considerable vertical extent, exceeding 20m in places. Surface diamond drilling conducted on untested areas of the licence area targeting new regional prospects intersected mineralisation in most holes. This campaign has confirmed the prospectivity and the complexity of the Buenahora exploration license, further demonstrating the value embodied in the wider Novales-Udias Project.

The step-out drill-holes at the San Jose Mine are encouraging and we look forward to reporting assay results soon. These major intersections indicate wider zones of mineralisation and will be prioritised in future follow-up surface drilling.

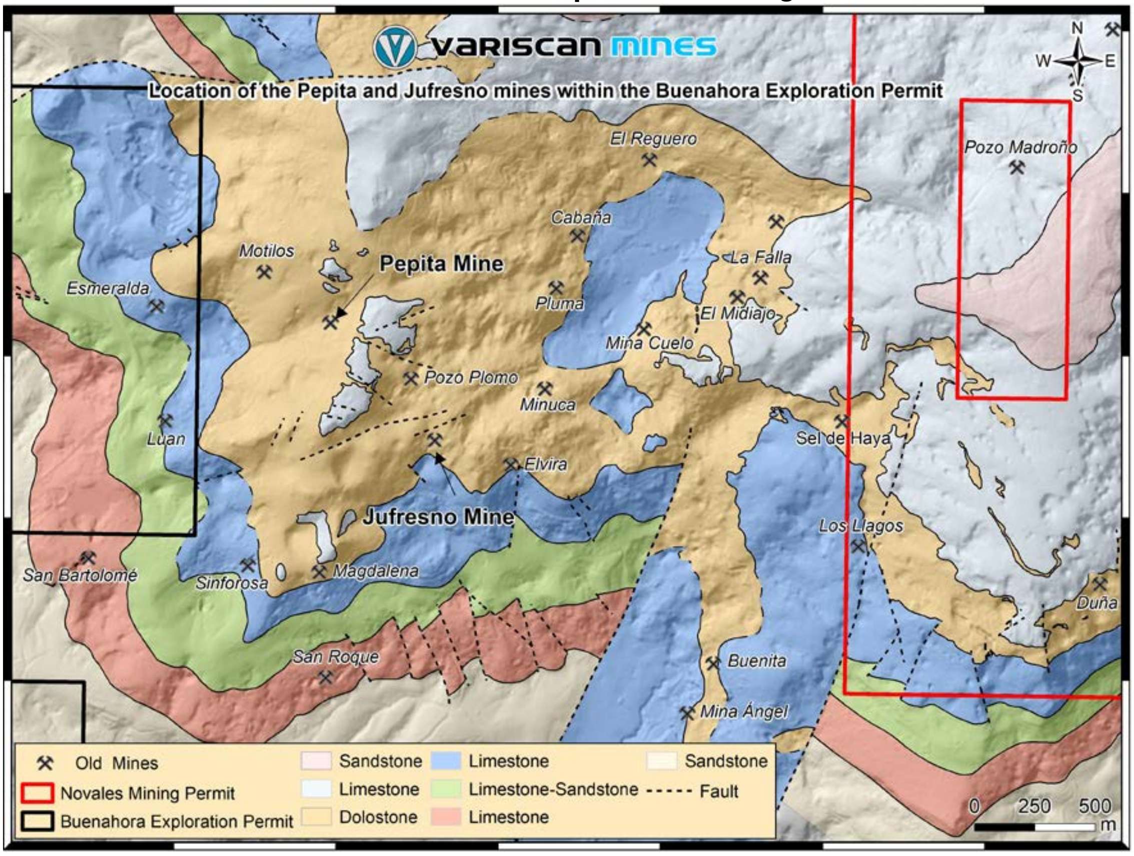
Further underground drilling at the San Jose Mine is anticipated to commence shortly as we proceed with mineral resource definition and a Mine Re-Start Concept Study to identify the potential economics and work-streams to support a re-start of mining at the San Jose Mine.".

Figure 1. Richly mineralised (sphalerite) drillcore from Drillhole SB-18 step-out from the San Jose Mine (refer note [1])

Phase 1 Drilling at Buenahora Exploration Licence

Surface and underground diamond drilling focused on the area between the historic (artisanal) Pepita and Jufresno mines, and was supplemented by vertical channel sampling at various levels of the Pepita mine. Overall, surface diamond drilling comprised 17 holes (totalling 1556.50 m) together with underground core drilling, which comprised 8 holes (totalling 115.25 m) at the Pepita Mine and 3 holes (totalling 31.60 m) at the Jufresno Mine. A total of 19 vertical channel samples were collected at 14 locations spanning all 5 levels of the historic Pepita mine in order to cover most of the mine's footprint.

Figure 2. Map of the Buenahora exploration permit, highlighting the location of the Pepita and Jufresno historic mines, where most of Phase 1 of exploration drilling was concentrated.



Key Findings:

- Confirmation that the Pepita and Jufresno historic mines and their vicinity host high-grade, zinc-dominant, mineralisation, with a vertical extent attaining 20m.
- The style of mineralisation at the Buenahora historic mines varies from stratiform to open-space fill, breccia-hosted and vein-like, and is spatially less regular than that from the San Jose mine, making for more complex surface drill targeting.
- Six of the surface drill holes tested five distinct IP anomalies, occurring in the vicinity of the historic mines. Although zinc mineralisation was intersected in most holes, it was generally modest. The relative paucity of associated galena and iron sulphides makes the zinc-dominant orebodies poorly chargeable. Because of this, follow-up drill targeting needs to rely more on structural interpretations focusing on feeder structures and favourable lithology and stratigraphy as the vectors to ore.
- The Buenahora exploration licence remains prospective, as evidenced by drill results reported, albeit more complex.

Figure 3. Location of surface and underground drilling at the historic Pepita and Jufresno mines, with assay result highlights

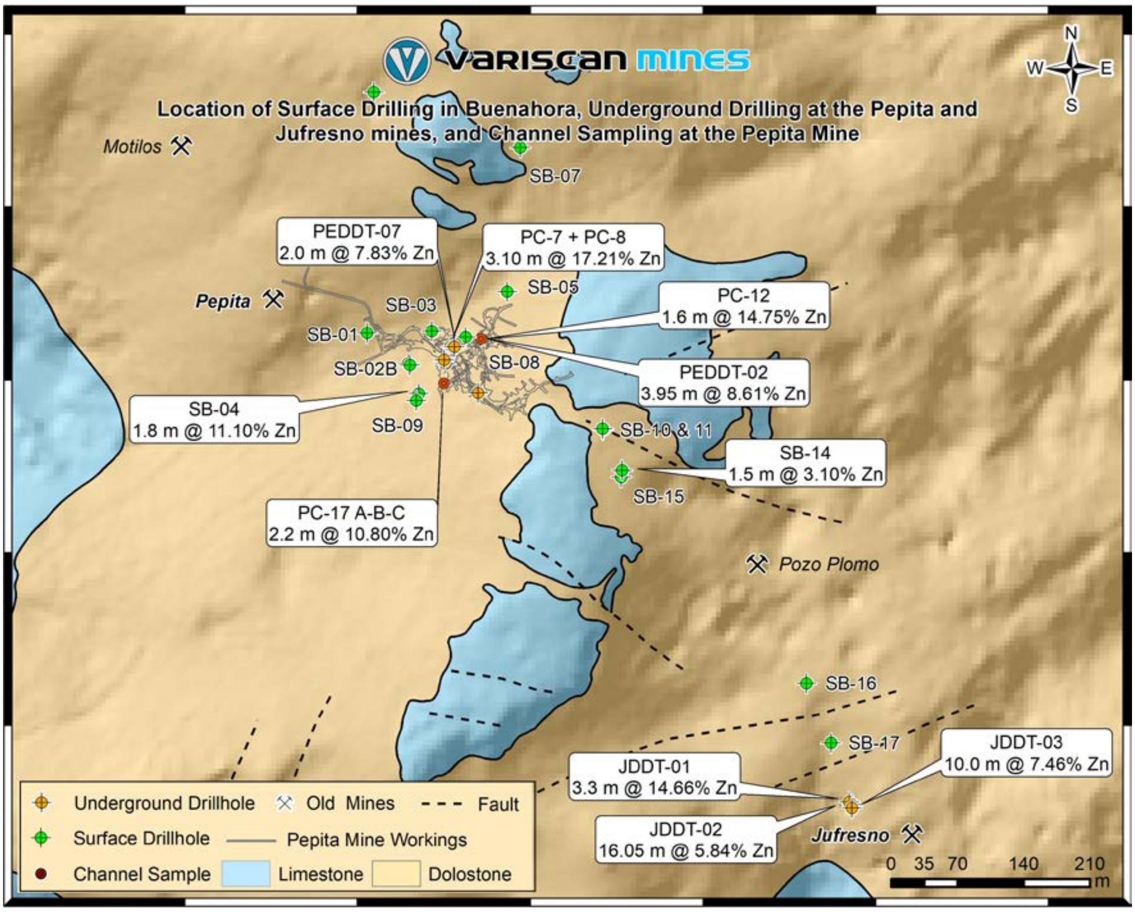
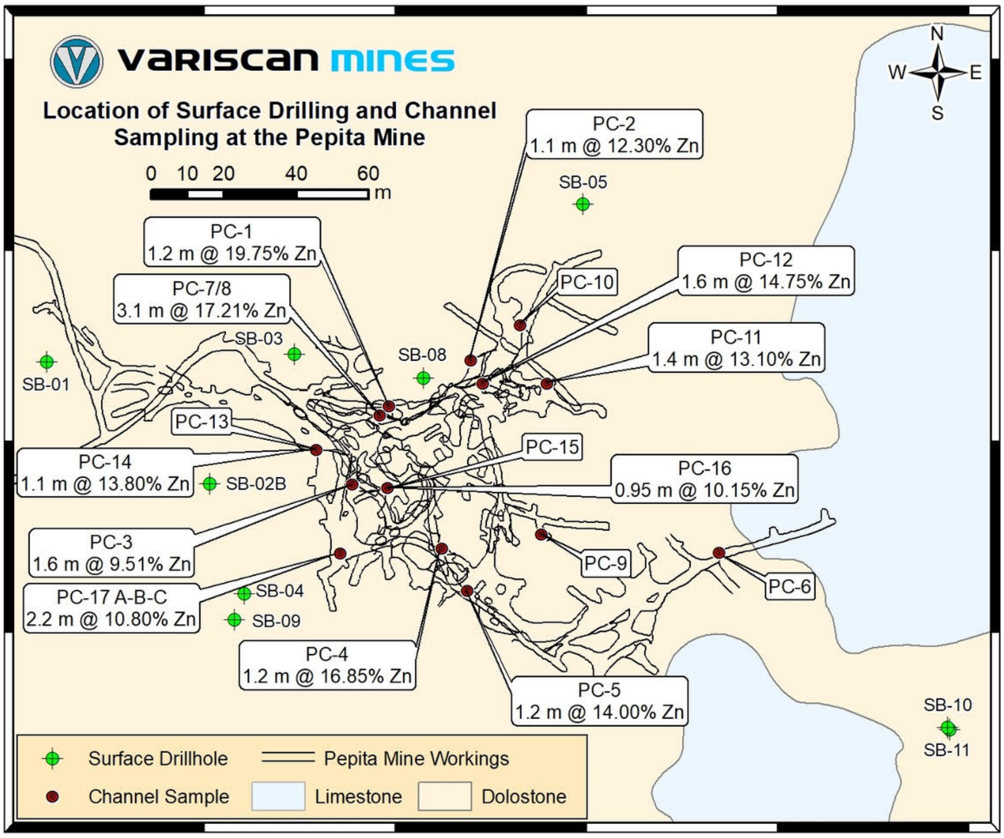


Figure 4. Location of channel samples at the historic Pepita mine, with assay result highlights



Step-Out Drilling at San Jose Mine

The most significant development of the surface drilling campaign has come from 3 holes (totalling 322.12 m) stepping-out approximately 1,200m north-east along strike of the San Jose Mine stopes. Initial core logging indicates 2 diamond drillholes have intersected in excess of 20m of continuous zinc mineralization that appears to be a continuation of the same mineral system. The assay results are pending and should be released shortly.

In spite of Variscan's considerable experience in the area and with the appearance of the mineralisation, the observations noted above and in accordance with the Australian Institute of Geoscientists "AIG" guidance, Variscan wishes to advise that, visual estimates of mineralisation should, never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding potential impurities or deleterious physical properties relevant to valuations of some mineral commodities.

Figure 5. Location of surface drilling near the San Jose Mine in Novales

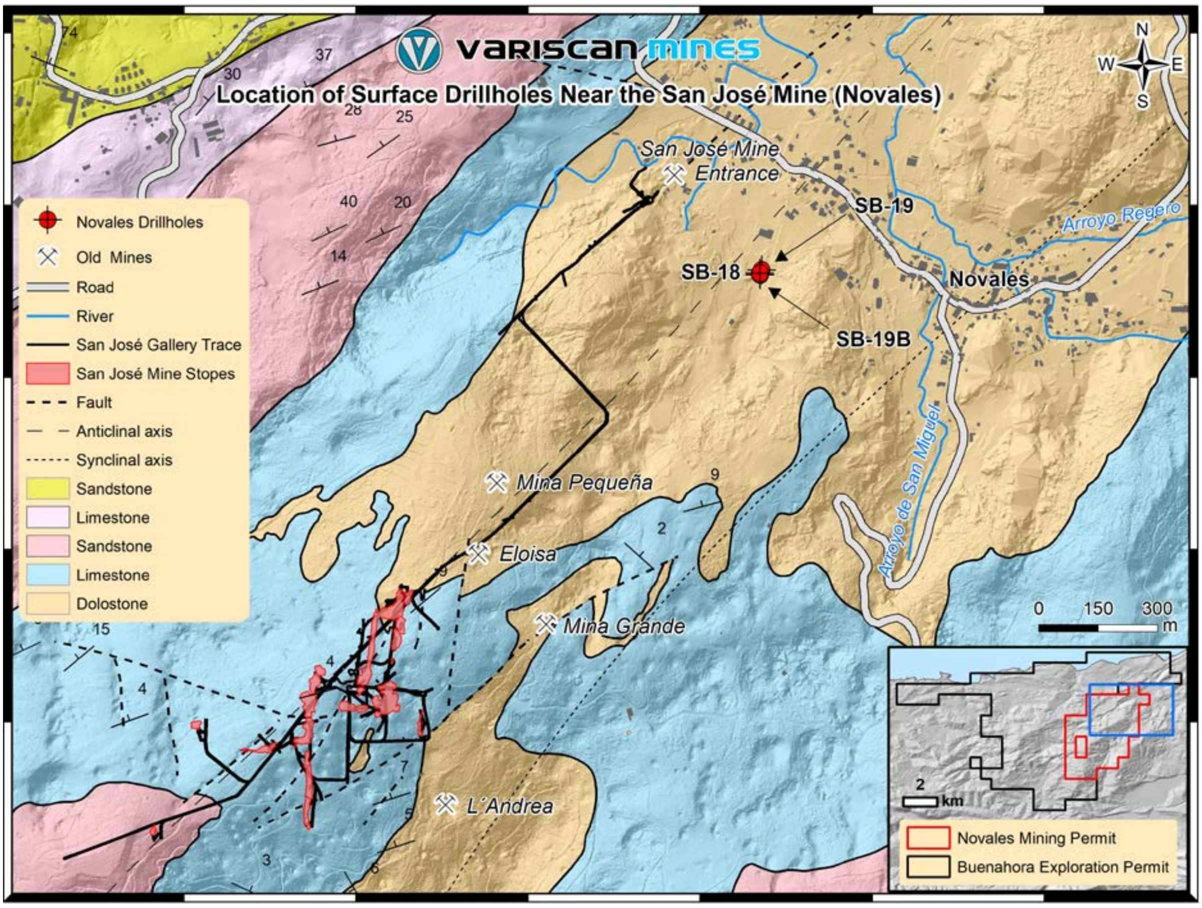


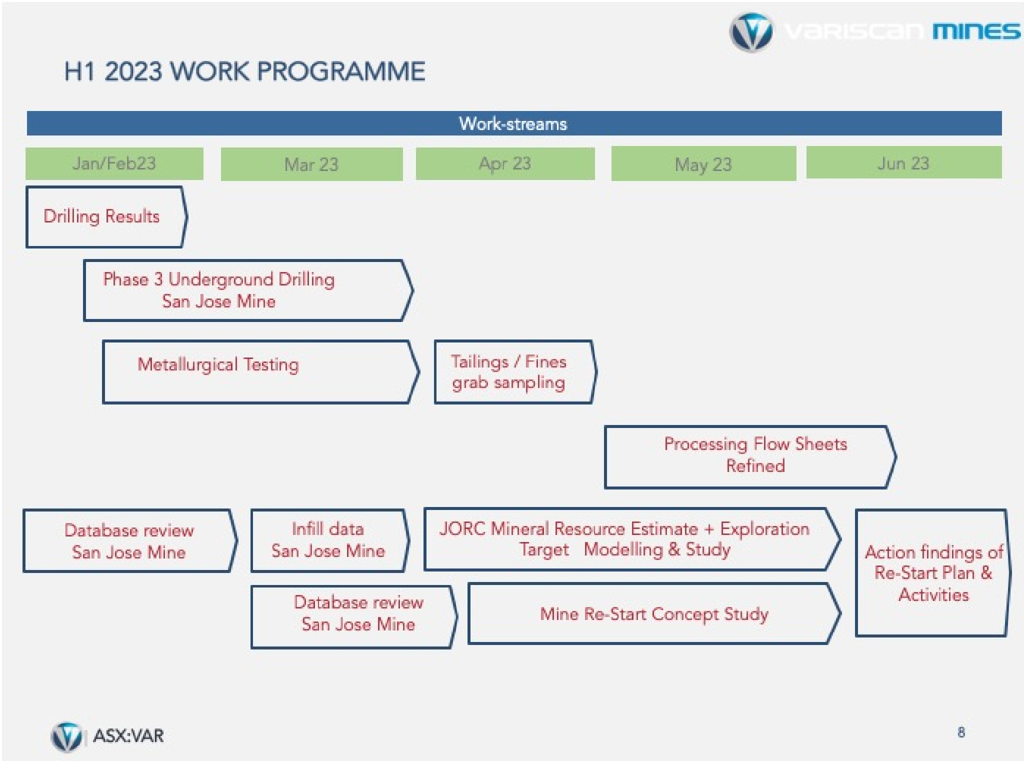
Figure 6. Step-out surface drilling near the San Jose Mine in Novales

Looking Ahead & H1 Workplan

Variscan's immediate focus for H1 of calendar year 2023 is:

- Publishing assay results from the step-out surface drillholes adjacent to the San Jose Mine
- Delivery of approvals to undertake further surface drilling in and around the San Jose Mine to test promising step-out targets
- Phase 3 underground infill and resource definition drilling at the San Jose Mine
- Finalising the ongoing comprehensive 3D wireframe model of all historic and present-day drilling at and around the San Jose Mine, comprising c. 900 drill holes
- Publishing a focused JORC-compliant Mineral Resource estimate for the San Jose Mine
- Reporting a Mine Re-Start Concept Study for San Jose Mine
- In support of the above activities, the delivery of associated environmental, social and governance ("ESG") initiatives

Figure 7. H1 2023 Workplan for Novales-Udias Project



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	_ *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.*	_ Channel samples were collected by Variscan in H2 2022 and were taken as vertical cut channels. _ Samples were cut as a constant width (two parallel cuts) which were chiseled out to the same depth along the channel, efforts were made to keep the width of the channel and the depth of the cuts the same, however, variations occurred with natural variability in the rock. _ Cut channel samples are not considered representative, these sample locations were selected at visually sulphide rich wall rock exposures underground. Furthermore, these samples do not include waste intervals at the periphery of each mineralised sample and therefore are biased. In some cases waste was included when two lenses were stacked on top of each other in a single sample interval, this dilution is accounted for within each sample result where this occurred. _ Overall, the methodology of sample collection is considered to be close to industry best practice for cut channel sampling techniques. _ Drilling being reported has been sampled with industry best practice methods - in the case of the portable Hilti drill used underground, diamond drilled core of 37 mm diameter was assayed in full; in the case of surface drilling, diamond drilled core of PQ and HQ diameter was cut lengthwise to produce half core. Then, 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 southern part of the Buenahora exploration permit. The holes consist of underground diamond drillholes drilled at the historic Pepita and Jufresno mines that were sampled as full core from 95cm to 1.25m sample length (average 1.00m) with a single 1m sample either side to cover the periphery of the mineralised intersection, whenever it was possible. In addition, diamond drillholes drilled from surface using a 'regular' drill rig in the same area were sampled as half core from 40cm to 1.20m 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.
Drilling techniques	_ *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).*	_ The new drillholes referred to in this press release are underground diamond drillholes (core) completed using a Hilti portable drill, at a core diameter of 37mm; as well as surface diamond drillholes (core) completed using a Rolatec RL-1000 drill rig, at a core diameter of PQ and HQ. _ These new holes have not employed oriented core methods.
Drill sample recovery	_ *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.*	_ Cut channel samples have had no recovery (or depth of channel material removed) recorded, however, efforts were made to maintain a consistent depth and width of the channels. _ Core recovery for the drillholes reported 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

Criteria	JORC Code explanation	Commentary
	_ *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.*	part of the detailed logging. The lowest recovery recorded for an entire surface drillhole to date is 89.4% mean recovery; and for an entire underground drillhole it is 66.06%, however, the latter number is hugely anomalous compared to all the other holes with logged recovery. _ No other methods have been used to maximise sample recovery; however, with recovery >90% reported for nearly all the holes detailed in this release the methods currently employed appear sufficient. _ The relationship between sample recovery and grade has not been assessed thus far.
Logging	_ *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.* _ *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* _ *The total length and percentage of the relevant intersections logged.*	_ Detailed geological and geotechnical logging has been carried out for all drillholes. Currently there is insufficient data to support a Mineral Resource estimate, mining study or metallurgical study for the area in question. _ 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. _ No logging has taken place of the cut channels. Only sample intervals were recorded.
Sub-sampling techniques and sample preparation	_ *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 representativity 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.*	_ Cut channel samples were not split in any way during the sampling process. All material removed via cutting and chiseling rock from the channels was collected and sent for analysis. _ The sampling type, QAQC, and the preparation technique is deemed appropriate for the cut channels. Only the selected (bias) locations and lack of adjacent waste interval samples included along the length of each channel are considered as non-typical geological practices. _ New drillholes have been sampled using accepted 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. Owing to the comparatively small diameter of underground diamond drill core (37 mm), the core was sampled in full. In case of the PQ-HQ diamond drill core from surface drilling, core was cut lengthwise using a rotary diamond saw in two equal halves, one of which was sent for assaying. Samples were preferred at 1m lengths, although they were permitted flexibility from 40cm to 1.25m sample lengths typically where geological boundaries exist. In the Variscan SOP for sampling drillholes it was stated that, whenever possible, 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 were 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

Criteria	JORC Code explanation	Commentary
		stage of exploration.
Quality of assay data and laboratory tests	_ *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 (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	_ Cut channel samples, as well as full core and half-core samples were sent to the accredited ALS Seville laboratory to be analysed for Zn/Pb with analytical methods (Zn-OG62h, Pb-OG62h, and Zn-AA07) that are considered suitable for the elements and style of mineralisation in question. For the new drilling reported the sampling was either partial - where half core remained, or complete – where full core had to be used because of its comparatively small diameter (37 mm), in order to ensure representative sampling. Overall, the sample sizes and weights used are considered appropriate in relation to the grain size of the mineralised samples _ No handheld or downhole geophysics data were collected during this campaign. _ The assay results reported herein were processed by the lab as several distinct batches, each of which comprised QAQC samples (e.g., duplicates, standards, and blanks) inserted in the sample stream. The standards included both high-grade CRMs (OREAS 134B) and medium grade CRMs (OREAS 133A) inserted into the mineralised zone, as well as low grade CRMs (OREAS 130) inserted in between barren or weakly mineralised samples. Coarse blanks were typically inserted following high-grade mineralisation to check for proper lab equipment clean-up following the successive sample preparation steps. Also, in-line duplicates were requested to ALS for a selection of mineralised samples and these sample ID's were indicated to the laboratory as samples where the coarsely crushed sample material from the sample bearing the preceding number had to be resampled again, following the full procedure of fine crushing, grinding, and subsequent analytics to ensure a high accuracy of the assay results. The statistics of the QAQC are the following: The channel samples analytical stream included 1 blank, 2 CRMs and 2 duplicates for a total of 25 samples (including QAQC), meaning that QAQC samples comprised 20% of the sample population for this batch. The first batch of drill core assays comprised 3 blanks, 5 CRMs and 3 duplicates for a total of 73 samples (including QAQC), meaning that QAQC samples comprised 15% of the sample population for this batch. The second batch of drill core assays comprised 6 blanks, 17 CRMs and 9 duplicates for a total of 147 samples (including QAQC), meaning that QAQC samples comprised 21.8% of the sample population for this batch. Therefore, in all three batches, the frequency and variety of QAQC samples inserted into the sample stream is considered fully compliant with industry best practice. All of the QAQC sample results have not yet been interpreted, however, the samples reviewed show good repeatability thus far. Note that assay results from 69 half core samples from the San Jose – Novales drilling area will be presented in a separate news release/ Results are being verified with labs. This news release only presents assay results from the Buenahora drilling area.
Verification of sampling and assaying	_ *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.*	_ Assay data for Variscan's H2 2022 drillholes do not include any twinned holes, as no historic drilling is known to have taken place at the locations involved. _ The new diamond drillholes are located in the southern part of the Buenahora exploration permit and consist of 17 surface diamond drilled holes drilled with a Rolatec RL-1000 drill rig, at a core diameter of PQ and HQ, as well as 8 underground diamond drilled holes at the historic Pepita mine and 3 underground diamond drilled holes at the historic Jufresno mine, respectively, drilled with a portable Hilti drill (37 mm diameter drill core).

Criteria	JORC Code explanation	Commentary
		_ Primary data for the channel sampling and drilling campaign on the Buenahora exploration license is currently stored in excel, with suitable assay certifications issued by ALS Seville, and the assay values obtained match well drill core visuals observed ad photographed during drill core processing. _ Analytical processes at the ALS Labs are being supervised by senior ALS staff experienced in mineral assaying and the lab is a renowned, internationally accredited laboratory. _ Assay data for H2 2022 drillholes are reported in two ways within this press release, the first are raw assay values unchanged and unaltered, 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	_ *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.*	_ Surface drill hole collars from the present campaign were surveyed using an ultra-high resolution Hi-target Inno1 GPS unit, and are thus considered highly accurate. _ Channel sample locations and underground drill hole collars were surveyed using an 'all-in-one' Leica laser disto device (incorporating digital compass, clinometer and distance meter) placed on a 4kg tripod to avoid movements and a topographic rod to mark reference points tied to the various mine entrances georeferenced using an ultra-high resolution Hi-target Inno1 GPS unit. Checks have been made with a Brunton compass to verify that there were no measurements errors, and in the case of the Pepita mine the locations were also counter-checked against detailed georeferenced historic mine plans. Therefore, they are considered sufficiently accurate. _ Surface topography was provided by CNIG (IGN) as topographic contours at 25k scale in CRS ETRS89 30N grid, and the contours were used to generate a digital terrain model in 3D in Leapfrog Geo. This is considered satisfactory for the purpose of this news release.
Data spacing and distribution	_ *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.*	_ Cut channel samples are located sporadically in the areas of most visible mineralisation at the five different levels of the historic Pepita mine. Despite a balanced spatial distribution in plan view, the selection of these locations is considered bias. The channel sample distribution is not considered sufficient to establish any geological and grade continuity at this stage. Compositing of samples has been applied where two or three samples occurred in vertical sequence, however, the raw data is presented in the table in Appendix 1. _ The reported underground diamond drillholes have been drilled (using a portable Hilti drill) in a fan pattern from drilling bays underground. These holes have been drilled in various orientations, with the majority upward, because of technical reasons, and their spacing varies significantly - see table in Appendix 2 and Figures 2 and 3. At this stage there is insufficient distribution of drillholes to support geological and grade continuity for the areas investigated. _ The reported surface diamond drillholes have been drilled (using a Rolatec RL-1000 drill rig) in a fence or fan pattern from drill pads prepared on the surface. These holes have been drilled downward in various orientations, with the majority vertical or steeply dipping, and their spacing varies significantly - see table in Appendix 3 and Figure 3. At this stage there is insufficient distribution of drillholes to support geological and grade continuity for the areas investigated. _ Assay data for the new drillholes are reported in two ways within this press release, the first are raw assay values unchanged and unaltered, and the second are calculated significant intersections or aggregated consecutive sample

Criteria	JORC Code explanation	Commentary
		intervals using sample length weighted mean grades for Zn and Pb.
Orientation of data in relation to geological structure	– *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.*	– Mineralisation at the area investigated 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. – The new drillholes have been oriented at a variety of orientations, both drilling downward (surface drilling) and upward (underground drilling), resulting in negative or positive dips, respectively. These orientations are considered appropriate for the geometry of this mostly lenticular MVT mineralisation at Buenahora. In the numerous cases where the drill holes have been oriented vertically, as was the case of most surface drillholes, the sample interval lengths within the sub-horizontal lenticular morphology of the mineralisation are considered to be representative of true thickness and are not considered to include a sampling bias. The same applies to vertically cut channel samples, which also are considered to be representative of true thickness. Now, as the orientation of distinct orebodies at Buenahora is understood to be variable both in terms of strike and dip, and as underground drilling is often radial in nature, no comment can be made on the orientation of drilling in respect of mineralisation orientation in the latter case.
Sample security	– *The measures taken to ensure sample security.*	– 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 close supervision of the responsible Variscan geologist.
Audits or reviews	– *The results of any audits or reviews of sampling techniques and data.*	– No detailed 3rd party audits have taken place regarding the sampling techniques for new drillholes or cut channel samples.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	– *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.*	– The exploration permit "Buenahora" and the adjacent exploitation permit for the Novales-Udias historic mine area are both held by Variscan Mines and are both in good standing. – The author is not aware, at the time of writing this, of any environmental or social license issues that could affect ongoing works within these licences, nor any issues with tenure or permission to operate in this region. On the contrary, the socially and environmentally responsible mineral development undertaken by Variscan Mines has resulted to date in an outstanding social license to operate.
Exploration done by other parties	– *Acknowledgment and appraisal of exploration by other parties.*	– Historic exploration and mining in the Buenahora area were undertaken by historic mining companies operating from pre-WW2 to the mid-1980's. The previous workers include Hispanibal and Asturiana de Zinc (previously a subsidiary of Xstrata / Glencore) and partial records of their work are held at the School of Mines and Energy Engineering at Torrelavega, a faculty of the University of Cantabria.

Criteria	JORC Code explanation	Commentary
Geology	– *Deposit type, geological setting and style of mineralisation.*	– The mineralisation at the project bears all the type features of textbook Mississippi Valley Zinc-Lead type, strongly zinc-dominant, with associated structural- and stratigraphy-controlled carbonate dissolution and sulphide replacement. – Mineralisation at the project occurs as stratiform, sub-horizontal and lenticular / podiform, following sub-vertical trends, and with lateral and vertical extensions, with a key control by steeply-dipping feeder faults.
Drill hole Information	– *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	– In total, 17 surface and 11 underground diamond drillholes have been completed to date in this first drilling campaign of Variscan Mines executed on the Buenahora permit in H2 2022. This press release presents new assay data for 18 drillholes from this campaign, see table in Appendix 4 for raw assay data from the laboratory. – The collar co-ordinates, hole depths and orientations for all the 28 holes drilled in this campaign have been provided in the tables in Appendices 2 and 3. – No information regarding drilling on the Buenahora permit has been excluded.
Data aggregation methods	*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* – *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.*	– 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 4. – 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.
Relationship between mineralisation widths and intercept lengths	– *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').*	– The new drillholes have been oriented at a variety of orientations, both drilling downward (surface drilling) and upward (underground drilling), resulting in negative or positive dips, respectively. These orientations are considered appropriate for the geometry of this mostly flat-lying, stratiform, lenticular MVT mineralisation at Buenahora. In the numerous cases where the drill holes have been oriented vertically, as was the case of most surface drillholes, the sample interval lengths within the sub-horizontal lenticular morphology of the mineralisation are considered to be representative of true thickness of the sub-horizontal lenticular mineralisation and are not considered to include a sampling bias. The same applies to vertically cut channel samples, which also are considered to be representative of true thickness. In the case of many underground drillholes that were drilled upwards at various inclinations, these angles vary significantly and it is expected that mineralisation is encountered at

Criteria	JORC Code explanation	Commentary
		oblique angles and therefore cannot represent true thickness (unless drilled vertically upwards/downwards into a lens directly above or below the drive level).
Diagrams	_ *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.*	_ The information in this news release refers to channel sampling and diamond drilling on the Buenahora exploration permit of Variscan Mines. Maps and figures have been included to illustrate the location of the channel sampling and drilling reported. _ Figure 1. Location of the Pepita and Jufresno mines within the Buenahora exploration permit. _ Figure 2. Location of surface drilling and channel sampling at the Pepita mine. _ Figure 3. Location of surface drilling in Buenahora, underground drilling at the Pepita and Jufresno mines, and channel sampling at the Pepita mine. _ Figure 4. Location of surface drillholes near the San Jose mine in Novales.
Balanced reporting	_ *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.*	_ New drillhole raw assay results including both low and high-grade intersections have been included in the table within Appendix 4
Other substantive exploration data	_ *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.*	_ No other new exploration data referenced in this report is considered sufficiently meaningful or material to warrant further reference.

Further work	_ *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.*
		_ Variscan have exploration plans to advance the Novales-Udias Project. The exploration plan is likely to include:
		o Drilling campaign from surface to test step out extensions
		o Drilling campaign underground to test:
		    o Extensions of mineralised lenses
		o Follow up underground drilling to test:
		    o vertical extensions
		    o new sulphide lenses
		    o infill mineralised lenses

Appendix 1: Table of Co-ordinates and Assay Results of Vertical Channel Samples Collected at the Pepita Mine presented in this News Release

CHANNEL ID	X	Y	Z	LENGTH (m)	Zn % (sulf)	Zn % (ox)	Pb %	Zn+Pb (%) (sulfide)
PC-1	398363.393	4800720.05	242.5	1.20	19.75	<0.01	1.52	21.27
PC-2	398386.095	4800732.53	243.0	1.10	12.30	6.75	0.84	13.14
PC-3	398353.421	4800698.31	243.0	1.60	9.51	1.74	0.72	10.23
PC-4	398377.992	4800680.68	242.0	1.20	16.85	0.19	1.79	18.64
PC-5	398385.087	4800668.98	242.0	1.20	14.00	0.76	1.08	15.08
PC-6	398454.645	4800679.43	241.0	1.30	2.53	1.45	0.25	2.78
PC-7	398360.949	4800717.36	239.0	1.50	24.90	1.97	2.23	27.13
PC-8	398360.949	4800717.36	239.5	1.60	10.00	4.30	0.53	10.53
PC-9	398405.503	4800684.53	238.0	1.20	3.29	0.59	0.16	3.45
PC-10	398399.607	4800742.41	238.0	0.60	6.05	2.02	1.14	7.19
PC-11	398407.173	4800726.17	239.0	1.40	13.10	3.36	1.24	14.34
PC-12	398389.378	4800726.26	235.0	1.60	14.75	1.11	3.35	18.10
PC-13	398343.512	4800707.80	235.0	1.10	3.11	1.08	0.12	3.23
PC-14	398343.512	4800707.80	236.0	1.10	13.80	1.99	1.14	14.94
PC-15	398363.099	4800697.33	253.0	0.80	1.75	0.80	0.05	1.80
PC-16	398363.099	4800697.33	254.0	0.95	10.15	0.66	2.75	12.90
PC-17A	398350.063	4800679.35	259.0	0.60	8.87	1.15	0.78	9.65
PC-17B	398350.063	4800679.35	259.6	0.80	13.05	0.99	1.28	14.33
PC-17C	398350.063	4800679.35	260.4	0.80	10.00	4.19	2.32	12.32

Appendix 2: Table of Underground Drillhole Collar Co-ordinates and Orientations Presented in this News Release. The dip is measured from the horizontal plane up (plus sign) or down (minus sign).

BHID	X	Y	Z	LENGTH (m)	AZIMUTH	DIP
PEDDT01	398362.54	4800720.12	242.0	12.25	347	+39
PEDDT02	398360.63	4800717.27	240.03	20.50	315	+59
PEDDT03	398386.35	4800668.79	242.59	20.50	320	+15
PEDDT04	398351.96	4800700.06	243.04	8.25	220	+44
PEDDT04B	398351.96	4800700.06	243.00	20.40	220	+43
PEDDT05	398350.61	4800703.93	242.91	20.50	296	+15
PEDDT06	398357.78	4800718.14	239.05	4.15	60	+30
PEDDT07	398359.68	4800717.40	239.58	4.50	320	+12
PEDDT08	398361.43	4800717.62	239.84	4.20	355	+37
JDDT01	398781.85	4800234.76	255.50	3.30	25	-3
JDDT02	398778.48	4800237.40	255.12	16.05	15	-3
JDDT03	398781.48	4800230.97	256.30	12.25	118	0

Appendix 3: Table of Surface Drillhole Collar Co-ordinates and Orientations Presented in this News Release. The dip is measured from the horizontal plane down (minus sign).

BHID	X	Y	Z	LENGTH (m)	AZIMUTH	DIP
SB-01	398269.224	4800732.229	255.55	57.75	No azimuth	-90
SB-02B	398314.094	4800698.458	262.76	64.30	No azimuth	-90
SB-03	398337.398	4800734.305	262.72	66.05	No azimuth	-90
SB-04	398323.577	4800668.233	271.84	64.40	No azimuth	-90
SB-05	398417.091	4800775.910	283.07	100.00	135	-64
SB-06	398276.009	4800986.764	304.60	121.30	No azimuth	-90
SB-07	398430.968	4800928.411	303.67	31.35	No azimuth	-90
SB-08	398373.093	4800727.761	272.39	41.75	No azimuth	-90
SB-09	398320.833	4800660.870	272.33	79.45	90	-65
SB-10	398518.174	4800630.630	322.52	134.45	135	-65
SB-11	398517.638	4800631.288	322.59	121.45	No azimuth	-90
SB-12	398824.318	4801825.751	284.16	139.00	300	-68
SB-13	398723.259	4801885.027	266.86	138.95	90	-50
SB-14	398537.181	4800580.236	320.08	109.20	140	-75
SB-15	398538.261	4800587.253	320.55	106.00	13.5	-60
SB-16	398733.345	4800362.359	279.54	109.90	300	-46
SB-17	398759.106	4800299.764	277.92	71.20	100	-45

Appendix 4: Table of New Raw Drillhole Analytical Results from ALS Laboratory Seville

BHID	Sample No	From (m)	To (m)	Length (m)	Zn % (sulf)	Zn % (ox)	Pb %	Zn+Pb (%) (sulfide)
PEDDT02	VAR001530	0.00	1.00	1.00	12.05	1.32	0.66	12.71
PEDDT02	VAR001532	1.00	2.00	1.00	3.41	0.42	0.21	3.62
PEDDT02	VAR001533	2.00	3.00	1.00	18.50	2.46	1.67	20.17
PEDDT02	VAR001535	3.00	3.95	0.95	0.06	0.05	0.01	0.07
PEDDT03	VAR001536	0.00	1.00	1.00	7.10	0.82	0.32	7.42
PEDDT03	VAR001538	1.00	2.00	1.00	0.34	0.16	0.01	0.35
PEDDT03	VAR001540	2.00	3.00	1.00	0.37	0.23	0.01	0.38
PEDDT03	VAR001541	3.00	4.00	1.00	3.81	2.08	0.21	4.02
PEDDT03	VAR001542	4.00	5.00	1.00	0.04	0.04	0.01	0.05
PEDDT06	VAR001543	0.00	1.00	1.00	11.20	1.34	0.95	12.15
PEDDT06	VAR001544	1.00	2.00	1.00	1.30	0.27	0.04	1.34
PEDDT06	VAR001545	2.00	3.00	1.00	0.91	0.40	0.07	0.98
PEDDT04B	VAR001546	0.00	1.00	1.00	1.91	0.21	0.22	2.12
PEDDT04B	VAR001547	9.80	10.80	1.00	0.13	0.13	0.01	0.14
PEDDT04B	VAR001548	10.80	11.80	1.00	0.67	0.21	0.01	0.68
PEDDT04B	VAR001549	11.80	12.80	1.00	0.05	0.02	<0.002	0.05
PEDDT07	VAR001550	0.00	1.00	1.00	0.51	11.10	0.06	0.57
PEDDT07	VAR001551	1.00	2.00	1.00	15.15	0.40	1.22	16.37
PEDDT08	VAR001552	0.00	1.00	1.00	12.15	0.86	0.69	12.84
PEDDT08	VAR001553	1.00	2.00	1.00	0.17	0.14	0.01	0.18
JDDT-01	VAR001661	0.00	1.00	1.00	17.65	2.19	14.80	32.45
JDDT-01	VAR001664	1.00	2.00	1.00	7.72	5.30	3.43	11.15
JDDT-01	VAR001666	2.00	3.30	1.30	17.70	8.51	2.39	20.09
JDDT-02	VAR001668	0.00	1.00	1.00	21.00	14.15	6.98	27.98

JDDT-02	VAR001669	1.00	2.00	1.00	2.22	0.73	0.14	2.36
JDDT-02	VAR001671	2.00	3.00	1.00	0.10	0.08	0.02	0.12
JDDT-02	VAR001672	3.00	4.00	1.00	1.38	0.79	0.01	1.38
JDDT-02	VAR001673	4.00	5.00	1.00	7.22	5.03	0.26	7.48
JDDT-02	VAR001674	5.00	6.00	1.00	2.14	1.26	0.04	2.18
JDDT-02	VAR001675	6.00	7.00	1.00	1.52	1.02	0.02	1.53
JDDT-02	VAR001676	7.00	8.00	1.00	3.77	1.71	0.02	3.79
JDDT-02	VAR001677	8.00	9.00	1.00	10.50	3.33	0.53	11.03
JDDT-02	VAR001678	9.00	10.00	1.00	14.85	7.61	1.72	16.57
JDDT-02	VAR001681	10.00	11.00	1.00	17.55	11.90	9.16	26.71
JDDT-02	VAR001683	11.00	12.00	1.00	0.30	0.19	0.09	0.39
JDDT-02	VAR001684	12.00	13.00	1.00	0.04	0.03	0.01	0.05
JDDT-02	VAR001685	13.00	14.00	1.00	0.96	0.49	0.21	1.17
JDDT-02	VAR001686	14.00	15.00	1.00	8.58	5.68	0.15	8.73
JDDT-02	VAR001687	15.00	16.05	1.05	1.60	1.20	0.02	1.62
JDDT-03	VAR001688	0.00	1.00	1.00	25.70	0.73	3.39	29.09
JDDT-03	VAR001689	1.00	2.00	1.00	14.95	1.10	0.93	15.88
JDDT-03	VAR001690	2.00	3.00	1.00	11.05	2.09	0.89	11.94
JDDT-03	VAR001692	3.00	4.00	1.00	13.80	8.40	2.21	16.01
JDDT-03	VAR001693	4.00	5.00	1.00	0.25	0.15	0.09	0.34
JDDT-03	VAR001694	5.00	6.00	1.00	0.05	0.04	0.01	0.06
JDDT-03	VAR001695	6.00	7.00	1.00	3.78	0.48	0.16	3.94
JDDT-03	VAR001696	7.00	8.00	1.00	4.11	0.41	0.28	4.39
JDDT-03	VAR001697	8.00	9.00	1.00	0.31	0.20	0.02	0.33
JDDT-03	VAR001698	9.00	10.00	1.00	0.63	0.33	0.14	0.77
JDDT-03	VAR001699	10.00	11.00	1.00	0.43	0.20	0.03	0.46
JDDT-03	VAR001700	11.00	12.25	1.25	0.16	0.10	0.03	0.19
SB-02	VAR001481	6.35	7.40	1.05	0.01	0.01	0.01	0.01
SB-02	VAR001482	7.40	8.10	0.70	0.27	0.22	0.03	0.30
SB-02	VAR001483	8.10	8.95	0.85	0.03	0.03	<0.002	0.03
SB-02	VAR001484	18.25	19.30	1.05	0.00	0.01	0.00	0.01
SB-02	VAR001485	19.30	20.10	0.80	0.95	0.57	0.03	0.99
SB-02	VAR001486	20.10	21.00	0.90	1.55	0.76	0.02	1.56
SB-02	VAR001487	21.00	21.95	0.95	0.05	0.04	<0.002	0.05
SB-02	VAR001488	31.95	32.80	0.85	0.01	0.01	<0.002	0.01
SB-02	VAR001489	32.80	33.75	0.95	0.79	0.47	0.05	0.84
SB-02	VAR001490	33.75	34.70	0.95	0.00	0.01	<0.002	0.00
SB-05	VAR001492	25.50	26.40	0.90	0.06	0.04	0.00	0.06
SB-05	VAR001493	26.40	27.25	0.85	0.24	0.17	0.01	0.25
SB-05	VAR001494	27.25	28.15	0.90	0.00	0.01	<0.002	0.00
SB-05	VAR001495	56.10	57.05	0.95	0.00	0.01	<0.002	0.00
SB-05	VAR001496	57.05	57.90	0.85	0.86	0.27	0.02	0.88
SB-05	VAR001497	57.90	58.90	1.00	0.02	0.02	<0.002	0.02
SB-08	VAR001499	0.00	1.00	1.00	0.42	0.34	0.00	0.42
SB-08	VAR001500	1.00	2.00	1.00	0.02	0.02	0.00	0.02
SB-08	VAR001501	2.00	3.00	1.00	0.07	0.06	0.01	0.08
SB-08	VAR001502	3.00	4.00	1.00	0.41	0.13	<0.002	0.41
SB-08	VAR001503	4.00	5.00	1.00	0.04	0.03	<0.002	0.04
SB-08	VAR001505	13.00	14.05	1.05	0.01	0.02	0.00	0.02
SB-08	VAR001506	14.05	15.00	0.95	1.67	1.35	0.17	1.83
SB-08	VAR001507	15.00	16.00	1.00	1.34	1.12	0.10	1.44
SB-10	VAR001508	64.95	65.95	1.00	0.04	0.04	0.01	0.05
SB-10	VAR001509	65.95	66.90	0.95	2.70	1.72	0.28	2.98
SB-10	VAR001510	66.90	67.95	1.05	0.07	0.06	0.01	0.07
SB-10	VAR001512	92.40	93.40	1.00	0.01	0.02	<0.002	0.01
SB-10	VAR001513	93.40	94.30	0.90	0.30	0.14	0.01	0.31

SB-10	VAR001514	94.30	95.30	1.00	0.01	0.01	<0.002	0.01
SB-04	VAR001515	0.00	0.80	0.80	24.90	2.19	4.55	29.45
SB-04	VAR001516	0.80	1.80	1.00	0.06	0.04	0.00	0.06
SB-04	VAR001517	1.80	2.80	1.00	0.04	0.03	0.01	0.06
SB-10	VAR001520	77.10	78.25	1.15	0.01	<0.01	<0.002	0.01
SB-10	VAR001521	78.25	79.10	0.85	0.14	0.10	<0.002	0.14
SB-10	VAR001522	79.10	79.85	0.75	0.03	0.02	<0.002	0.03
SB-10	VAR001523	105.75	106.80	1.05	0.04	0.03	<0.002	0.04
SB-10	VAR001524	106.80	107.45	0.65	0.41	0.32	0.01	0.41
SB-10	VAR001525	107.45	108.30	0.85	0.01	<0.01	<0.002	0.01
SB-10	VAR001526	116.45	117.40	0.95	0.04	0.04	0.01	0.05
SB-10	VAR001527	117.40	118.05	0.65	1.00	0.75	0.12	1.12
SB-14	VAR001554	76.90	78.10	1.20	0.04	0.04	0.00	0.05
SB-14	VAR001555	78.10	78.75	0.65	5.73	4.99	0.02	5.75
SB-14	VAR001556	78.75	79.60	0.85	1.10	0.86	0.01	1.11
SB-13	VAR001557	41.05	42.05	1.00	0.01	0.01	<0.002	0.01
SB-13	VAR001558	42.05	42.60	0.55	0.05	0.02	<0.002	0.05
SB-13	VAR001559	42.60	43.45	0.85	0.01	0.01	<0.002	0.01
SB-06	VAR001560	63.60	64.00	0.40	0.43	0.26	0.01	0.44
SB-15	VAR001561	88.65	89.65	1.00	0.09	0.05	0.00	0.10
SB-15	VAR001562	89.65	90.25	0.60	2.34	0.56	0.23	2.57
SB-15	VAR001563	90.25	91.25	1.00	0.01	0.01	<0.002	0.01
SB-15	VAR001564	95.25	96.25	1.00	0.04	0.04	<0.002	0.04
SB-15	VAR001565	96.25	96.85	0.60	1.03	0.64	0.00	1.03
SB-15	VAR001566	96.85	97.85	1.00	0.75	0.44	0.01	0.76
SB-15	VAR001567	97.85	98.85	1.00	0.07	0.04	0.00	0.08
SB-15	VAR001568	98.85	99.85	1.00	0.00	0.01	<0.002	0.00

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 Spain[1] and one of the world's richest MVT deposits[2]. 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 tenements[3].

Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory work)
- Large tenement holding of 68.3 km^2 (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[4][5])
- 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% Zn[6]
- 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% Zn[7]
- Assay results of recent targeted grab samples taken from within the underground Novales Mine recorded 31.83% Zn and 62.3% Pb[8]
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

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[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