# HIGH GRADE GOLD ASSAYS AT ST PIERRE PROJECT

- **Rock chip and grab sampling has recorded high grade gold assays in a number of areas within the St Pierre gold exploration licence, France.**
- **St Pierre covers 386 square kilometres over an important gold district believed to have been the third largest producer in France. Within the PER, the La Bellière gold mine is recorded to have produced about 334,000 ounces of gold (plus silver) up to a maximum depth of 170 metres intermittently over a strike length of about 1.6 kilometres**
- **Recent field work has included detailed traversing and chip sampling of the La Bellière mine structure and the other sub-parallel shears identified within the exploration licence.**
- **Five main areas of interest were identified in the rock chip work with assays up to 159g/t gold recorded as well as a number of +10g/t gold results on subsidiary shears to the main La Bellière mine structure.**
- **The results confirm the belief that significant high grade, shear hosted gold deposits could be discovered within the licence.**
- **Detailed soil sampling programmes over key prospects have been initiated and are expected to provide targets for follow up work including trenching and drilling.**
- **Compilation and electronic conversion of available records from the old mining area to help target surface core drilling of the la Bellière structure at depth and along strike is now well advanced.**

Variscan Mines Limited (ASX: VAR) is pleased to announce that its wholly owned European subsidiary Variscan Mines SAS has received gold assays from a recently completed rock chip sampling programme within its St Pierre exploration licence (PER) in Brittany, France. High grade gold assays were recorded in five areas within an important gold district believed to have been the third largest gold producer in France (Figure 1).

The St Pierre PER covers 386 square kilometres around the La Bellière gold mine which, from 1906 to 1952, is recorded to have produced about 334,000 ounces of gold* (plus silver) up to a maximum depth of 170 metres intermittently over a strike length of about 1.6 kilometres. The average production grade is reported to have been 12g/t gold, mined from a series of steeply south dipping quartz-sulphide veins varying in true thickness from 1 to 16 metres.

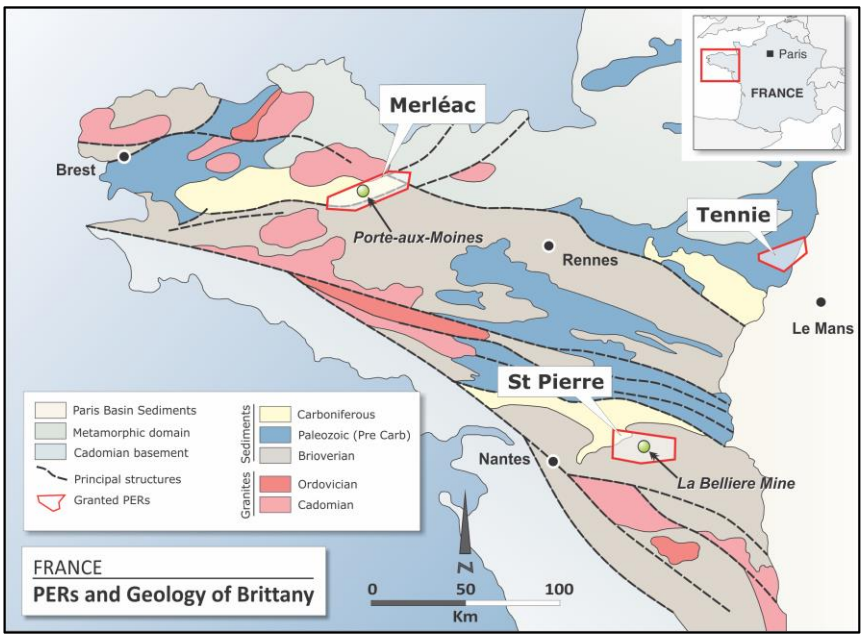



***Figure 1 - Location of the Saint Pierre PER and other Variscan PERs***

Within the region most gold mineralisation is hosted by brittle-ductile, east-west to east-north-east striking shear zones cutting across gently dipping Brioverian aged siliclastics (largely greywackes and phyllites).

Recent field work by Variscan has included a broad auger soil programme to help identify arsenic / antinomy / lead anomalism associated with auriferous shear zones and detailed traversing and rock chip sampling of the La Bellière mine structure and the other numerous sub-parallel shears identified within the exploration licence (Figure 2).

Highly encouraging ALS assay results have now been received from the chip sampling programme, with seven samples grading above 10g/t gold including a peak assay of 159g/t gold recorded.

Five areas of interest were identified in the work (Figure 2). Four are associated with subsidiary shears to the La Bellière mine structure and are outside the main area of settlement:

1. A number of high grade results up to 18.8g/t gold were generated from sampling of remnant quartz vein material preserved at the at the top of the La Bellière mine, confirming the gold tenor of veining within remnant blocks.
2. An assay of 159g/t gold was recorded in quartz veining, possibly within a parallel shear to the La Bellière structure at the Autriche prospect, to the north of the gold mine.
3. The Belleville prospect is located in an east-west oriented shear zone defined over a 1.8

** C Louis. Les exploitations minières dans le Massif Armoricain. Déclin ou progrès. In: Norois. N°141, 1989. pp. 5-32*

kilometre strike length. Former BRGM work included soil sampling, trenching and shallow RAB drilling defining a gold anomalous zone. Rock chip assays of 28.6g/t gold and 3.04g/t gold were recorded on the shear structure 1.1 kilometres apart (Figure 2).

4. A rock chip gold assay of 21.5g/t gold was recorded in the eastern extension of the Bégrolle shear zone located approximately two kilometres south of La Bellière. Bégrolle operated in the 1910's as a small underground mine near the Evre River.

5. A rock chip assay of 37g/t gold was recorded in a sample taken from a strongly oxidised breccia containing limonite, goethite, pyrite and visible gold to the north of the La Rouillère shear zone (believed to be the western extension of the Bégrolle shear zone). The BRGM conducted significant work in this area including shallow RAB and core drilling. The results of this work are currently being complied and interpreted.

A programme of detailed follow-up soil sampling has commenced at the Belleville prospect to identify targets for trenching and / or drilling. This work will also be extended to the other prospects as required.

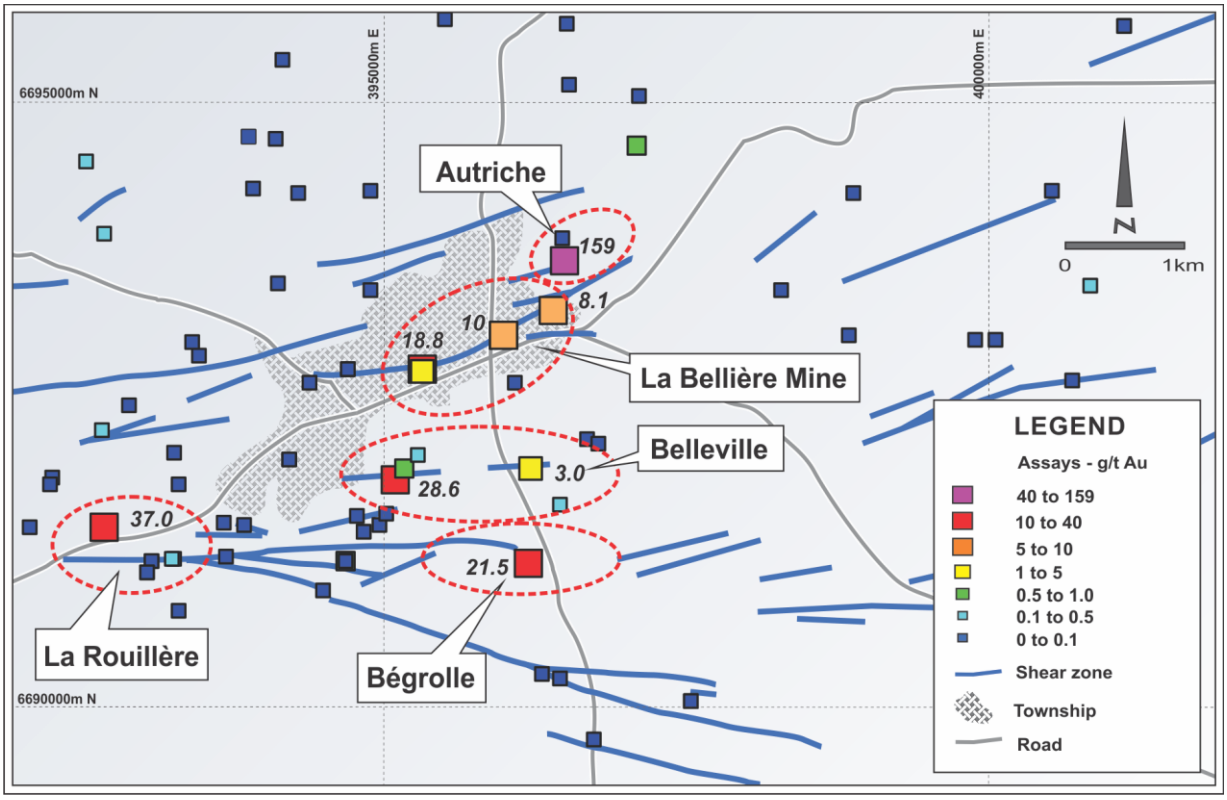


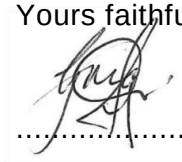

***Figure 2 - Key prospects and gold assays from rock chip sampling in St Pierre PER. Numerals represent peak gold grades - g/t gold. Further details are provided in Table A.***

Commenting on the latest results, Variscan's Managing Director, Greg Jones said: "The new gold assays are highly encouraging and support our belief that significant high grade, shear hosted gold deposits will be discovered within the licence. Four of the prospects sampled are outside the old mine area and highlight the prospectivity of the region for new deposits in other shear zones.

In addition, Variscan is compiling and electronically converting all available records from the old mining area as well as former exploration conducted by groups during the 1980's and 1990's. The

Company is constructing a 3D model of the mine which will be used to help elucidate the structural controls on mineralisation and target surface core drilling to test the La Bellière mine structure at depth and along strike. This work is now well advanced.

Yours faithfully



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Greg Jones

**Managing Director**

*The information in this report that relates to Exploration Results is based on information compiled by Greg Jones, BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. Mr Jones is a Director of Variscan NL and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

**Table A – St Pierre ALS results**

| Sample Number | Easting (m) | Northing (m) | Ag ppm | As ppm | Bi ppm | Pb ppm | Sb ppm | Zn ppm | Gold g/t |
|---|---|---|---|---|---|---|---|---|---|
| 14_06_19_01 | 394,810 | 6,697,476 | <0.5 | 101 | <2 | 24 | 411 | 17 | 0.01 |
| 14_06_24_14 | 394,591 | 6,691,218 | 2.4 | 8 | 9 | 344 | 84 | 15 | 0.02 |
| DGSTP024 | 395,009 | 6,691,893 | 8.7 | 7 | 24 | 749 | 6 | 560 | **21.50** |
| DGSTP724 | 394,876 | 6,691,524 | <0.5 | 703 | 3 | 89 | 15 | 16 | 0.06 |
| DGSTP734 | 394,742 | 6,691,471 | 0.7 | 882 | 2 | 5 | 94 | 19 | 0.15 |
| DGSTP738 | 394,742 | 6,691,471 | <0.5 | 1300 | <2 | 14 | 63 | 23 | 0.05 |
| DGSTP742 | 394,586 | 6,691,226 | 4.2 | 18 | 11 | 298 | 25 | 997 | 0.85 |
| DGSTP743 | 394,586 | 6,691,226 | 26.9 | 12 | 70 | 1885 | 16 | 1170 | 0.47 |
| DGSTP745 | 394,586 | 6,691,226 | 7.7 | 203 | 15 | 388 | 59 | 1390 | 0.39 |
| DGSTP746 | 395,229 | 6,692,805 | <0.5 | 192 | <2 | 278 | <5 | 354 | **1.23** |
| DGSTP750 | 395,229 | 6,692,805 | 2.3 | 52 | <2 | 1195 | 16 | 1540 | **18.80** |
| DGSTP751 | 395,229 | 6,692,805 | 3.6 | 405 | <2 | 2860 | <5 | 3190 | **15.70** |
| DGSTP753 | 395,229 | 6,692,805 | <0.5 | >10000 | <2 | 79 | <5 | 51 | 0.78 |
| DGSTP759 | 391,488 | 6,688,787 | <0.5 | 118 | <2 | 27 | 11 | 139 | 0.03 |
| DGSTP767 | 395,069 | 6,691,985 | <0.5 | 629 | 2 | 357 | 5 | 349 | 0.71 |
| FCSTP205 | 394,590 | 6,691,228 | 2.3 | 82 | 2 | 75 | 34 | 7 | 0.13 |
| FCSTP206 | 395,232 | 6,692,797 | <0.5 | 1290 | <2 | 62 | <5 | 43 | 0.41 |
| FCSTP207 | 395,232 | 6,692,797 | 1.1 | 107 | <2 | 1410 | 9 | 561 | **2.08** |
| FCSTP208 | 395,232 | 6,692,797 | 14.5 | 256 | 6 | 25800 | 11 | 12500 | NSS |
| FCSTP209 | 395,232 | 6,692,797 | 1.1 | >10000 | <2 | 1125 | 5 | 114 | **2.45** |
| FCSTP211 | 394,932 | 6,691,611 | <0.5 | 12 | <2 | 11 | 12 | 65 | 0.01 |
| FCSTP213 | 394,678 | 6,691,599 | <0.5 | 46 | <2 | 3 | 9 | 11 | 0.02 |
| FCSTP239 | 400,750 | 6,693,506 | 1.8 | 1045 | 4 | 77 | >10000 | 7 | 0.19 |
| FCSTP244 | 400,428 | 6,694,283 | 1.6 | 23 | 2 | 22 | 2730 | 16 | <0.005 |
| FCSTP246 | 396,595 | 6,692,237 | <0.5 | 9 | <2 | 5 | 25 | 27 | 0.02 |
| FCSTP252 | 393,599 | 6,691,271 | <0.5 | 48 | 5 | 67 | 17 | 33 | 0.08 |
| MG134 | 394,299 | 6,692,698 | <0.5 | 49 | <2 | 2 | 6 | 23 | <0.005 |
| MG177A | 392,981 | 6,691,222 | <0.5 | <5 | 2 | 6 | 20 | 2 | 0.08 |
| MG177B | 392,981 | 6,691,222 | <0.5 | 6 | <2 | 8 | 196 | 7 | 0.01 |
| MG178 | 392,595 | 6,691,514 | 2.9 | 61 | 160 | 91 | 74 | 31 | **37.00** |
| MG229 | 393,173 | 6,691,239 | 3.7 | 271 | <2 | 85 | 59 | 21 | 0.09 |
| MG242B | 394,118 | 6,692,068 | <0.5 | 47 | 2 | 40 | 19 | 71 | 0.09 |
| MG242F | 394,118 | 6,692,068 | <0.5 | 134 | <2 | 14 | 28 | 29 | 0.08 |
| MG257 | 395,138 | 6,690,150 | 9.7 | 48 | 6 | 260 | 136 | 58 | 0.03 |
| MG259A | 397,451 | 6,690,080 | <0.5 | <5 | <2 | 2 | 16 | 3 | 0.16 |
| MG259B | 397,451 | 6,690,080 | <0.5 | 52 | 2 | 5 | <5 | 147 | 0.01 |
| MG265 | 396,306 | 6,693,289 | 4.0 | >10000 | <2 | 654 | 17 | 17 | **8.07** |
| MG268 | 394,409 | 6,690,975 | <0.5 | 186 | <2 | 19 | 17 | 7 | 0.02 |
| MG278 | 394,620 | 6,692,802 | 2.5 | 356 | <2 | 326 | >10000 | 296 | 0.14 |
| MG278B | 394,620 | 6,692,802 | <0.5 | 66 | <2 | 6 | 168 | 18 | 0.01 |
| MG279 | 396,123 | 6,691,993 | <0.5 | 30 | <2 | 5 | 30 | 23 | **3.04** |
| MG317 | 394,032 | 6,693,512 | <0.5 | 265 | <2 | 19 | 42 | 4 | 0.09 |

| Sample Number | Easting (m) | Northing (m) | Ag ppm | As ppm | Bi ppm | Pb ppm | Sb ppm | Zn ppm | Gold ppm |
|---|---|---|---|---|---|---|---|---|---|
| MG320 | 391,485 | 6,688,770 | 0.6 | 4030 | <2 | 44 | 32 | 215 | 0.02 |
| MG337A | 396,108 | 6,691,203 | 48.1 | 8 | 209 | 63 | 8 | 6 | **28.60** |
| MG344A | 395,895 | 6,693,084 | 0.7 | >10000 | 3 | 389 | <5 | 25 | **>10.0** |
| MG344B | 395,895 | 6,693,084 | 1.0 | 336 | 3 | 124 | <5 | 5 | **9.11** |
| MG71 | 394,590 | 6,691,228 | 30.6 | 31 | 86 | 2150 | 177 | 5130 | 0.84 |
| MG71B | 394,590 | 6,691,228 | <0.5 | 160 | <2 | 14 | 88 | 30 | 0.03 |
| PLSTP0490 | 393,511 | 6,696,513 | <0.5 | 504 | <2 | 2 | 48 | 10 | 0.04 |
| PLSTP1034 | 395,039 | 6,698,836 | 3.9 | 77 | <2 | 70 | 6610 | 41 | 0.03 |
| PLSTP1035 | 396,443 | 6,695,166 | <0.5 | 71 | <2 | 7 | 159 | 11 | 0.01 |
| PLSTP1036 | 393,157 | 6,691,243 | 0.5 | 2000 | 4 | 14 | 263 | 8 | 0.27 |
| PLSTP1088 | 395,215 | 6,697,492 | <0.5 | 13 | 2 | 12 | 119 | 120 | 0.01 |
| PLSTP1120 | 393,815 | 6,696,132 | <0.5 | 37 | <2 | 5 | 99 | 5 | 0.01 |
| PLSTP1236 | 395,031 | 6,695,888 | 2.9 | 105 | 4 | 181 | >10000 | 19 | 0.02 |
| PLSTP1241 | 396,991 | 6,694,650 | 2.3 | 3690 | <2 | 119 | 6210 | 29 | 0.64 |
| PLSTP1251 | 396,387 | 6,693,892 | 6.1 | 355 | <2 | 886 | >10000 | 92 | 0.08 |
| PLSTP1252 | 396,403 | 6,693,699 | 29.8 | 8 | 44 | 6730 | 12 | 2 | **159.00** |
| PLSTP1413 | 396,415 | 6,695,669 | 25.0 | 66 | 69 | 1075 | 54 | 2 | 0.03 |
| PLSTP1415 | 394,013 | 6,694,712 | <0.5 | 6820 | 4 | 27 | 36 | 20 | 0.01 |
| PLSTP1416 | 394,801 | 6,694,290 | <0.5 | 140 | 3 | 10 | 9 | 22 | <0.005 |
| PLSTP1539 | 393,822 | 6,694,307 | <0.5 | 1620 | <2 | 6 | 6 | 14 | 0.02 |
| PLSTP1779 | 395,182 | 6,692,104 | <0.5 | 620 | <2 | 25 | 218 | 6 | 0.14 |
| PLSTP1801 | 395,987 | 6,692,706 | <0.5 | 372 | 3 | 10 | 71 | 3 | 0.09 |
| PLSTP1836 | 396,367 | 6,691,698 | 0.5 | 1005 | <2 | 4 | 184 | 7 | 0.12 |
| PLSTP1862 | 392,166 | 6,691,922 | 1.7 | 94 | <2 | 92 | 3240 | 33 | 0.02 |
| PLSTP1891 | 392,159 | 6,691,868 | 4.4 | 293 | <2 | 615 | 237 | 6 | 0.03 |
| PLSTP1967 | 392,453 | 6,694,522 | 27.3 | 15 | 63 | 3190 | 68 | 46 | 0.19 |
| PLSTP1970 | 392,597 | 6,693,929 | 9.7 | 100 | 23 | 1250 | 30 | 42 | 0.11 |
| PLSTP1987 | 391,779 | 6,690,940 | <0.5 | 38 | 34 | 29 | 131 | 18 | 0.08 |
| PLSTP2060 | 391,001 | 6,691,546 | 1.5 | 650 | <2 | 33 | 23 | 13 | 0.03 |
| PLSTP2072 | 390,966 | 6,691,127 | <0.5 | 152 | <2 | 11 | 56 | 10 | 0.34 |
| PLSTP2205 | 391,176 | 6,691,735 | 1.3 | 401 | 2 | 97 | 2050 | 24 | 0.04 |
| PLSTP2208 | 391,163 | 6,691,698 | 3.5 | 87 | 3 | 14 | 8910 | 16 | 0.03 |
| PLSTP2363 | 391,180 | 6,691,534 | <0.5 | 23 | <2 | 14 | 277 | 3 | <0.005 |
| PLSTP742 | 393,174 | 6,692,118 | 0.5 | 263 | 3 | 20 | 735 | 4 | 0.07 |
| PLSTP743 | 392,579 | 6,692,300 | <0.5 | 890 | <2 | <2 | 156 | 10 | 0.17 |
| PLSTP744 | 392,812 | 6,692,505 | 0.7 | 39 | <2 | 194 | 9340 | 119 | 0.03 |
| PLSTP746 | 398,746 | 6,693,081 | <0.5 | 110 | <2 | 3 | 9 | 449 | <0.005 |
| PLSTP778 | 391,779 | 6,691,135 | 4.8 | 346 | <2 | 95 | 67 | 88 | 0.04 |
| PLSTP790 | 391,566 | 6,690,930 | <0.5 | 212 | 4 | 26 | 122 | 14 | 0.10 |
| PLSTP859 | 393,387 | 6,692,914 | <0.5 | <5 | 2 | 14 | 28 | 59 | <0.005 |
| PLSTP916 | 393,330 | 6,693,032 | 5.6 | 105 | <2 | 26 | 6740 | 44 | 0.03 |
| PLSTP919 | 393,204 | 6,690,821 | 7.1 | 76 | <2 | 46 | >10000 | 29 | 0.01 |
| PLSTP968 | 393,166 | 6,690,320 | 1.5 | 659 | <2 | 54 | 5320 | 18 | 0.05 |

*NSS - not sufficient sample, Bold >1.0 g/t gold*

## Background

*Variscan (formerly PlatSearch NL) is a diversified resource company with exploration projects in eastern Australia and France and a strong portfolio of investments within a number of ASX-listed resource companies.*

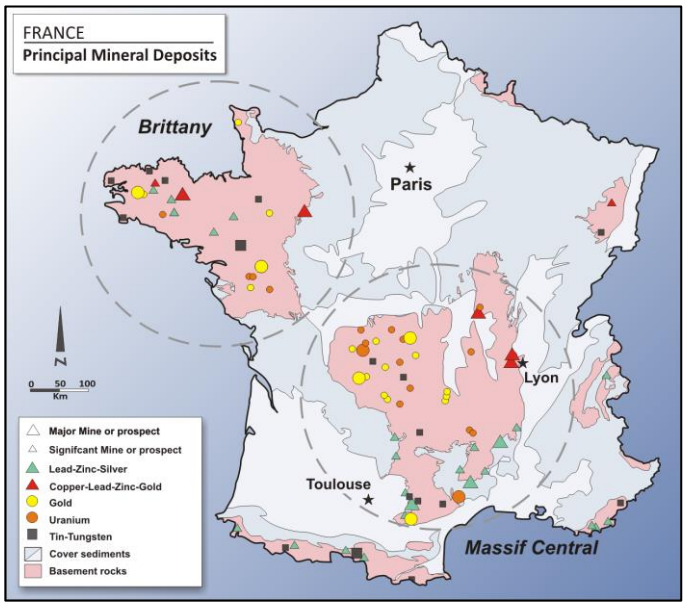
*In mid-2010 Variscan expanded its project search to include advanced and brown-field opportunities to meet its business objective of becoming a producer. The Company identified a range of opportunities within Europe and has progressed substantial evaluation and acquisition work. Variscan has incorporated a wholly owned European subsidiary, Variscan Mines SAS, established and equipped an office in Orleans, France, and employed a team of experienced French geologists to assist in the work.*

*It is one of the most active resource companies in the region.*

*Variscan has targeted Europe due to its favourable geology, strong mineral endowment, good infrastructure and relatively modest sovereign risk. Europe has a long and rich history of mining stretching from pre early Greek and Roman times through to the present day and is well endowed with mineral deposits that have helped to dramatically shape the history of the region. Mineral deposits which have been a crucial part of the development and industrialisation of the Europe include –*

- *the rich silver deposits of Laurion on the Greek Attica coast,*
- *the world-class copper, silver and iron deposits of Rio Tinto which were the most important source of metals for the Roman empire,*
- *the tin deposits of Cornwall, source of much raw material used in the Bronze age,*
- *the rich silver/copper/lead deposits of Rammelsberg which were an indispensable factor in the European resurgence after the Dark Ages, the Renaissance.*

*One of the key regions of interest for Variscan is France. Formerly one of the larger European producers of metals such as lead-zinc-silver, gold and uranium, production and interest in mining within France declined rapidly from about the mid 1980's. The last significant metal mine closed around 2002 and no new exploration licences had been granted for more than two decades until the Tennie PER was granted to Variscan in June 2013. Large parts of the main mineral provinces of France are essentially unexplored, with little modern exploration or application of recent advances in the concepts of ore deposit formation.*




***Principal Mineral Deposits of France***

# JORC Code – Table 1

## Section 1 - Sampling Techniques and Data

| Criteria | Commentary |
|---|---|
| ***Sampling techniques*** | • Rock samples were either collected as grab/chip samples from outcrops, or as float in absence of outcrop in heavily vegetated areas<br>• The samples were part of early stage exploration where Company geologists field checked outcrops identified in previous mapping by the BRGM (Bureau de Recherches Géologiques et Minières - the French geological survey) or other sources<br>• Altered or quartz-rich rock samples were selected by qualified geologists<br>• Sample size was around 1 kilogram<br>• No field duplicates were collected<br>• An independent consultant geologist experienced in assessment and sampling auriferous material was used to assist in the selection, logging and interpretation of samples |
| ***Drilling techniques*** | • No drilling undertaken |
| ***Drill sample recovery*** | • No drilling undertaken |
| ***Logging*** | • Each sample was briefly described with details entered into the geological database |
| ***Sub-sampling techniques and sample preparation*** | • Samples were transported to e-Mines sample prep./assay laboratory located in Dun, southern France<br>• Samples were dried and crushed to -2 mm<br>• Samples were then split down with a riffle box<br>• The sample splits were pulverized in a hammer mill to -80 µm<br>• 100 grams of the material per sample was packaged and sent to the ALS Geochemistry laboratory - Ireland for analysis<br>• Sample sizes and preparation techniques employed are considered to be appropriate for the generation of early stage exploration results |
| ***Quality of assay data and laboratory tests*** | • Samples were analysed at the ALS lab by 33 elements four acid ICP-AES.<br>• Gold was analysed by gold 50g fire assay and AA finish. When high grade gold results were recorded, additional gold assays were completed by fire assay and a gravimetric finish.<br>• 10% of samples were analysed as duplicates for QA/QC control. |
| ***Verification of sampling and assaying*** | • Data storage in Excel spreadsheets and GIS database<br>• Further field checking of samples with anomalous pathfinder or precious metal assays is planned |
| ***Location of data points*** | • GPS coordinates captured with Garmin GPS in latitude-longitude decimal degrees<br>• Projection and recording of data points into the GIS database into the RGF93-Lambert93 system |
| ***Data spacing and distribution*** | • Random rock sampling (no fixed grid) over the permit |
| ***Orientation of data in relation to geological structure*** | • Rock samples were taken as spot measurements.<br>• Due to relatively poor outcrop and previous old mining of quartz rich outcrops, definition of insitu material was sometimes difficult and it was often not possible to clearly define the size or orientation of the underlying mineralisation. |
| ***Sample security*** | • Samples were transported to the Dun facility by Variscan geologists |
| ***Audits or reviews*** | • There has been no external audit or review of the Company's techniques or data. |

## Section 2 - Reporting of Exploration Results

| Criteria | Commentary |
|---|---|
| ***Mineral tenement and land tenure status*** | • St Pierre PERM (Permis Exclusif de Recherche de Mine, a French exploration licence)<br>• No known impediments for future exploration and development |
| ***Exploration done by other parties*** | • Last significant exploration in area is believed to have been conducted by BRGM in the 1980s and by Normandy La Source in 1996.<br>• Core drilling by both groups was completed on the central-eastern end of the La Bellière structure in an attempt to intersect along strike and down-plunge projections from the old workings. Much of the drilling is believed to have not effectively tested the area.<br>• The BRGM also conducted soil sampling programmes and shallow RAB/RC/core drilling on a number of regional prospects. Variscan is in the process of compiling and interpreting the data. |
| ***Geology*** | • Orogenic shear hosted gold deposits. |
| ***Drill hole Information*** | • No drill core has been logged by Variscan geologists to date. The bulk of technical data for old |

| Criteria | Commentary |
|---|---|
| | drill holes is held by the BRGM and has been accessed by Variscan geologists. |
| ***Data aggregation methods*** | • No aggregation or high grade cuts have been applied to the data reported. |
| ***Relationship between mineralisation widths and intercept lengths*** | • No drill holes are reported in this announcement. |
| ***Diagrams*** | • Diagrams for the La Bellière mine have been taken from BRGM reports. |
| ***Balanced reporting*** | • All rock chip samples taken are published within the report. |
| ***Other substantive exploration data*** | • Much of the previous exploration data held by the BRGM. It is currently being complied and evaluated. |
| ***Further work*** | • Detailed auger soil sampling over key prospects outlined from Variscan work.<br>• Trenching where possible in areas of soil/rock chip anomalism.<br>• Completion of 3D modelling work for La Bellière mine<br>• Logging of old BRGM and other core, notably over the La Bellière mine<br>• Core drilling of La Bellière mine targets.<br>• Core/RC drilling of regional targets. |