

ASX Announcement | 11 March 2025
Variscan Mines Limited (ASX:VAR)

GOVERNMENT SUPPORT FOR NOVALES-UDIAS ZINC PROJECT

Highlights

- **The Government of Cantabria fully supports the Company’s plans to recommence mining**
- **The Company has held a positive meeting with the President of the Government of Cantabria, Ms. María José Sainz de Buruaga and the Regional Minister for Industry, Employment, Innovation and Trade, Mr. Eduardo Arasti Barca**
 - **“The Government of Cantabria will do "everything possible" to re start zinc mining”**
 - **“Minister Arasti affirms that the Executive will "facilitate" the project, which aims to reopen the old Udías and Alfoz de Lloredo (San Jose) exploitation”**

Variscan Mines Limited (ASX:VAR) (“**Variscan**” or “**the Company**”) is pleased to advise that a meeting held with senior officials in the Government of Cantabria confirmed their very positive support for the Company’s plans to recommence mining.

High-level meeting with President of Cantabria and Minister responsible for Mining

Stewart Dickson (MD & CEO, Variscan Mines) and Martin Silvan (Legal Representative, Variscan Mines Cantabria) recently met with the President of the Government of Cantabria, Ms. María José Sainz de Buruaga and the Regional Minister for Industry, Employment, Innovation and Trade, Mr. Eduardo Arasti Barca, who is responsible for mining.

The meeting was scheduled as part of the Company’s ongoing communication with local government and to discuss permitting and the planned mine re-start. The President expressed strong interest in the Novales-Udias Project and declared the commitment of the Government of Cantabria to help deliver the Project.

The Regional Minister suggested, and the President endorsed, the formation of a small, specifically-focused coordination group to assist as much as possible to ensure that the project can be expedited as efficiently as possible. The Government of Cantabria have adopted this model of success with international chemicals company, Solvay Group, who operate in Torrelavega (16km from the San Jose Mine).

Positive statements by Government of Cantabria reported in regional media

Statements made by Government officials in and following the meeting with Variscan were reported in an article on 5 March 2025 in El Diario Montañés, the daily regional newspaper serving the region of Cantabria. The headlines were:

- **“The Government of Cantabria will do "everything possible" to re start zinc mining”**
- **“Minister Arasti affirms that the Executive will "facilitate" the project of the Australian company Variscan, which aims to reopen the old Udías and Alfoz de Lloredo (San Jose) exploitation”**

Figure 1. El Diario Montañés article of 05 March 2025 with headline: “The Government of Cantabria will do "everything possible" to re-start zinc mining”

Q **EL DIARIO MONTAÑÉS**

El Gobierno de Cantabria hará «todo lo posible» para recuperar la minería de zinc

El consejero Arasti afirma que el Ejecutivo «facilitará» el proyecto de la australiana Variscan, que pretende reabrir la antigua explotación de Udías y Alfoz de Lloredo



Vista aérea del municipio de Udías. En concreto, de la zona en la que se pretende recuperar la mina subterránea. *Javier Rosendo*

Web link article is available at: eldiariomontanes.es/region/occidental/gobierno-cantabria-hara-posible-recuperar-mineria-zinc-20250306195720-nt.html#vca=fixed-btn&vso=eldiariomontanes&vmc=unknow&vli=region

The Government of Cantabria has created a working group led by the Directorate General for Industry, Energy and Mines to ‘facilitate as much as possible’ the development of the Project. The first meeting has been scheduled for this month.

The Mayor of Udías, Fernando Fernández, was also quoted, *“It is a project for the future that will generate employment. We are delighted and very accustomed to mining activity”*. He points out the ‘great acceptance’ of the Project among the local community, who are very used to mining activity despite the fact it ceased several decades ago. The Company recently reported very high-grade maiden drilling results from the Udías Mine¹.

Figure 2. Meeting between Variscan Mines and the President of the Government of Cantabria, Ms. María José Sainz de Buruaga and the Regional Minister for Industry, Employment, Innovation and Trade, Mr. Eduardo Arasti Barca.



¹ Refer ASX Announcement 23 February 2025

Variscan’s Managing Director & CEO, Stewart Dickson, said:

“This public commitment by the Government of Cantabria to work with Varsican on permitting and the re-start of mining by 2027 is very encouraging.

In my meeting with the new President and Minister I was impressed with their positive 'can do' attitude and will be working with them closely to deliver our project. It is the regional governments in Spain that are key to unlocking mineral resource projects and we have a first-class relationship forged over years of local commitment, communication and delivery.

Further, it highlights the importance and value of having a de-risked, former producing asset with a granted mining licence in place and excellent routes to market.

This bodes extremely well for the future as our ambitions to re-start production advance. I am in no doubt we have the most exciting high grade zinc development asset in Europe”.

ENDS

This ASX announcement has been approved by the Board and authorised for issue by Mr Stewart Dickson, Managing Director and CEO, Variscan Mines Limited

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About Variscan Mines Limited (ASX:VAR)

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. 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

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Competent Person Statement

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

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.