



POSITIVE STEP-OUT AND INFILL DRILLING RESULTS FROM THE SAN JOSE MINE

Variscan Mines Limited (“**Variscan**” or the “**Company**” or the “**Group**”) (ASX:VAR) is pleased to report further 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 Phase 2 underground drilling at the San Jose Mine have:

- Continued to expand zones of high-grade zinc mineralization in the La Caseta and Los Caracoles trends within the Central Zone;
- Extended the 168 Trend, now linking it up with the adjacent richly mineralized La Caseta and Los Caracoles trends; and
- Identified new zones of mineralization in adjacent near-surface mines (Eloisa and El Eucaliptal) stepping out up to 600m from the San Jose Mine, increasing scale potential.

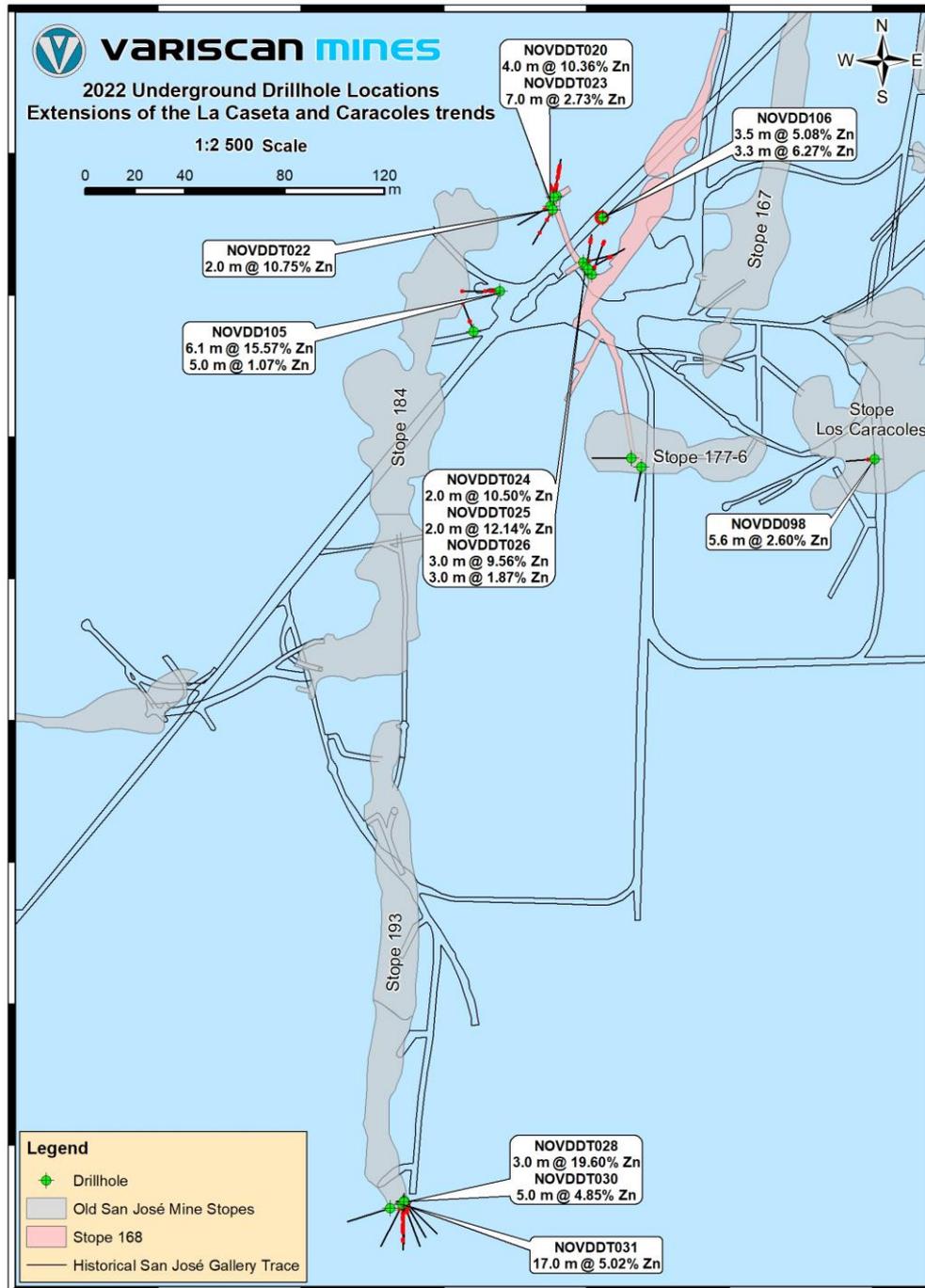
Selected drill results from La Caseta & Los Caracoles (Central Zone):

- DDH NOVDD105: 6.1m @ 15.6% Zn + 0.8% Pb
- DDH NOVDDT031: 17.0m @ 5.0% Zn + 0.4% Pb
- DDH NOVDDT028: 3.0m @ 19.6% Zn + 2.3% Pb
- DDH NOVDDT020: 4.0m @ 10.4% Zn + 1.0% Pb
- DDH NOVDDT026: 3.0m @ 9.6% Zn + 1.8% Pb
- DDH NOVDDT025: 2.0m @ 12.1% Zn + 1.1% Pb
- DDH NOVDDT030: 5.0m @ 4.9% Zn + 0.1% Pb
- DDH NOVDDT024: 2.0m @ 10.5% Zn + 0.1% Pb

Selected drill results from step-out testing of adjacent near-surface mines (Eloisa & El Eucaliptal):

- DDH EUDDT02: 3.0m @ 5.5% Zn + 0.3% Pb
- DDH ELODDT01: 7.0m @ 2.0% Zn + 0.1% Pb
- DDH ELODDT01: 3.0m @ 3.7% Zn + 0.0% Pb
- DDH EUDDT02: 3.0m @ 1.5% Zn + 0.2% Pb

Figure 1. Plan view of selected mineralised intersections from drilling in the La Caseta Trend, 168 Trend and the Los Caracoles 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
- The final set of assay results from this underground diamond drilling is expected this month, with encouraging zinc mineralization observed in samples
- The first phase of the surface drilling campaign over Buenahora licence area is complete with approximately 880m drilled. An underground rig has been

deployed to test lower-lying targets more efficiently and enhance geological understanding. Second phase of the surface drilling campaign is scheduled for mid-August.

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

"We are pleased to deliver another set of positive drilling results at the San Jose Mine, which continue to confirm the expectations we had on the exploration potential of this former producing asset.

Our drilling has expanded zones of mineralization and is also realising the opportunity to expand tonnages by connecting mineralised trends over multiple levels within the deposit. There is significant upside potential in the areas surrounding San Jose. Testing of step-out targets in near-surface mines adjacent to the San Jose Mine has confirmed zinc mineralisation, expanding the footprint of the mineralised system with strong prospectivity for further extensions. We intend investigating the potential of these targets in coming months.

We are very well advanced in our work on defining the mineral resource potential of the Novales-Udias Project within which both the San Jose Mine and Buenahora Licence Area (currently being drilled) are situated. We look forward to publishing that shortly.

Meanwhile, we have made significant progress on the surface drilling at Buenahora having completed the first phase of planned drilling. We are deploying an underground rig to test lower-lying targets more efficiently and will resume surface drilling in mid-August. Looking ahead, we are now eagerly awaiting pending results of further assays from our San Jose and Buenahora drilling campaigns, which we will pass onto the market as soon as practicable. Everything is moving in the right direction for future development and mining restart scenarios for San Jose move closer to reality".

Phase 2 Drill Programme Expands San Jose's Mineralisation Footprint

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 project;
- The 168 Trend is an area of significant high-grade zinc mineralisation that with infill drilling now links the important La Caseta and Los Caracoles trends over multiple elevations;
- Testing of step-out targets in near-surface mines adjacent to the San Jose Mine has confirmed zinc mineralisation, expanding the footprint of the mineralised system with strong prospectivity for further extensions;
- 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.

Step-out targets mineral trends in old near-surface mines

Figure 2. Plan view illustrating step-out mineral trends in old near-surface mines adjacent to San José Mine

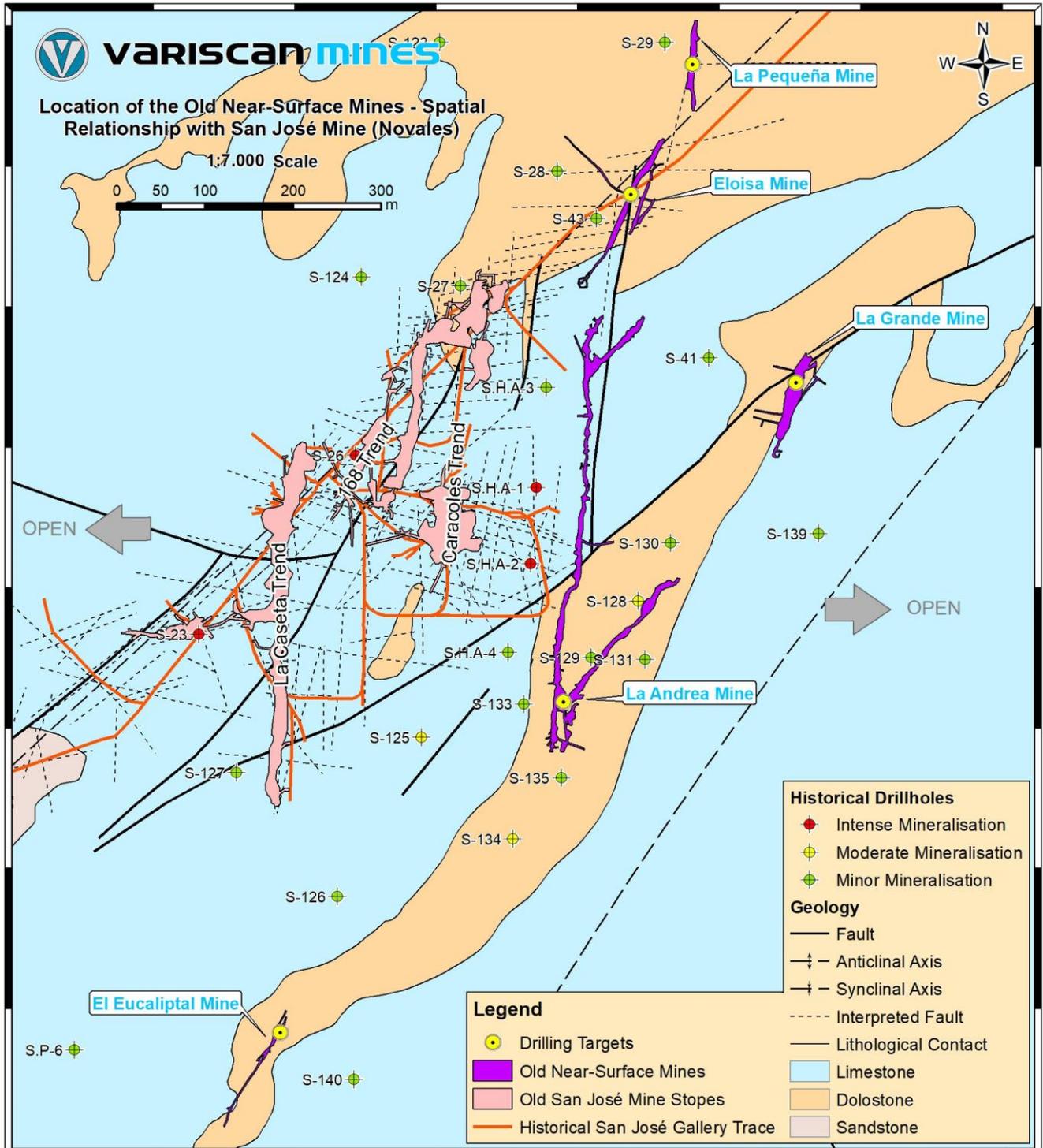


Figure 3. Plan view illustrating step-out mineral trends in old near-surface mines adjacent to San José Mine and drilling results from EL Eucaliptal Mine

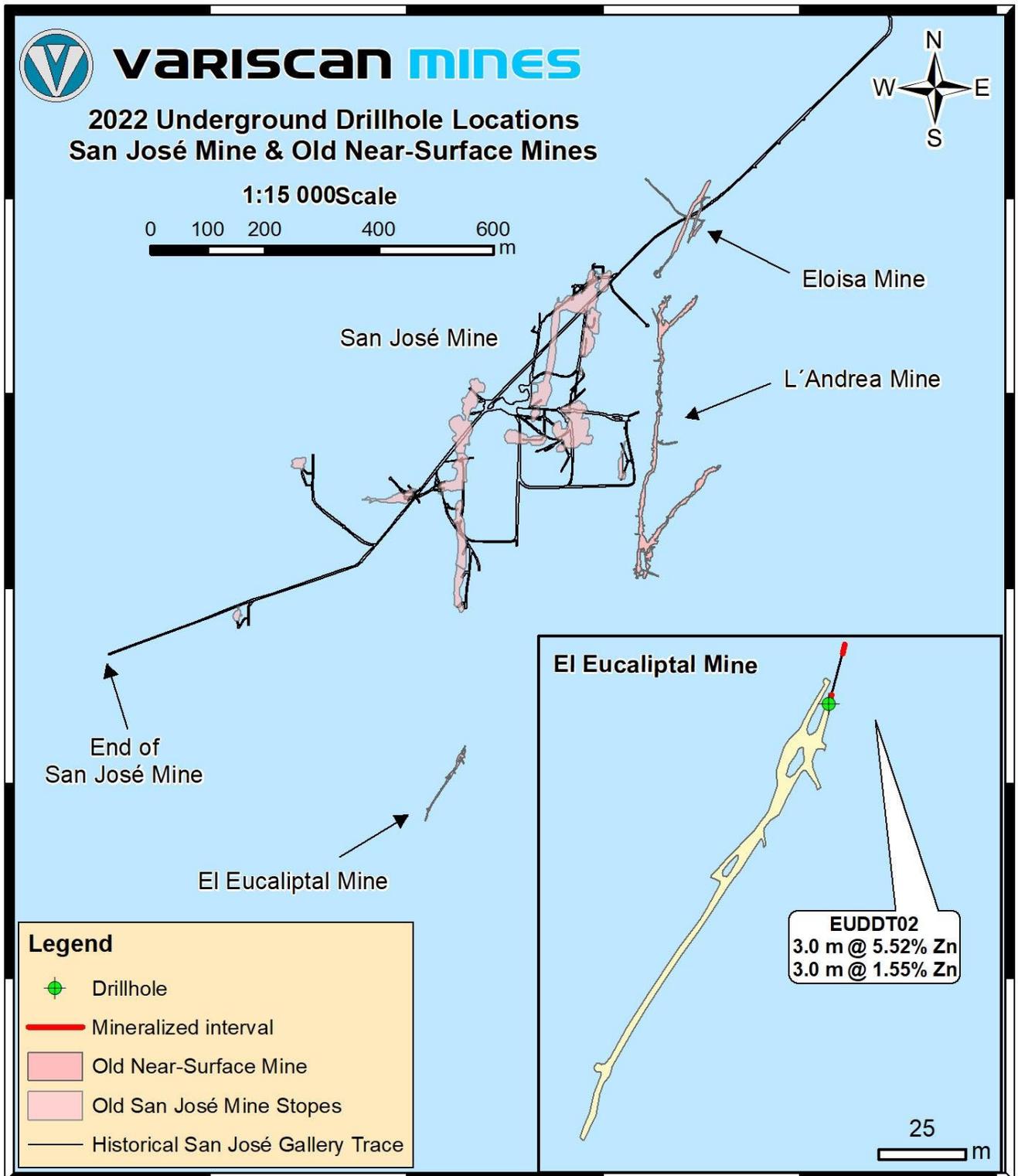
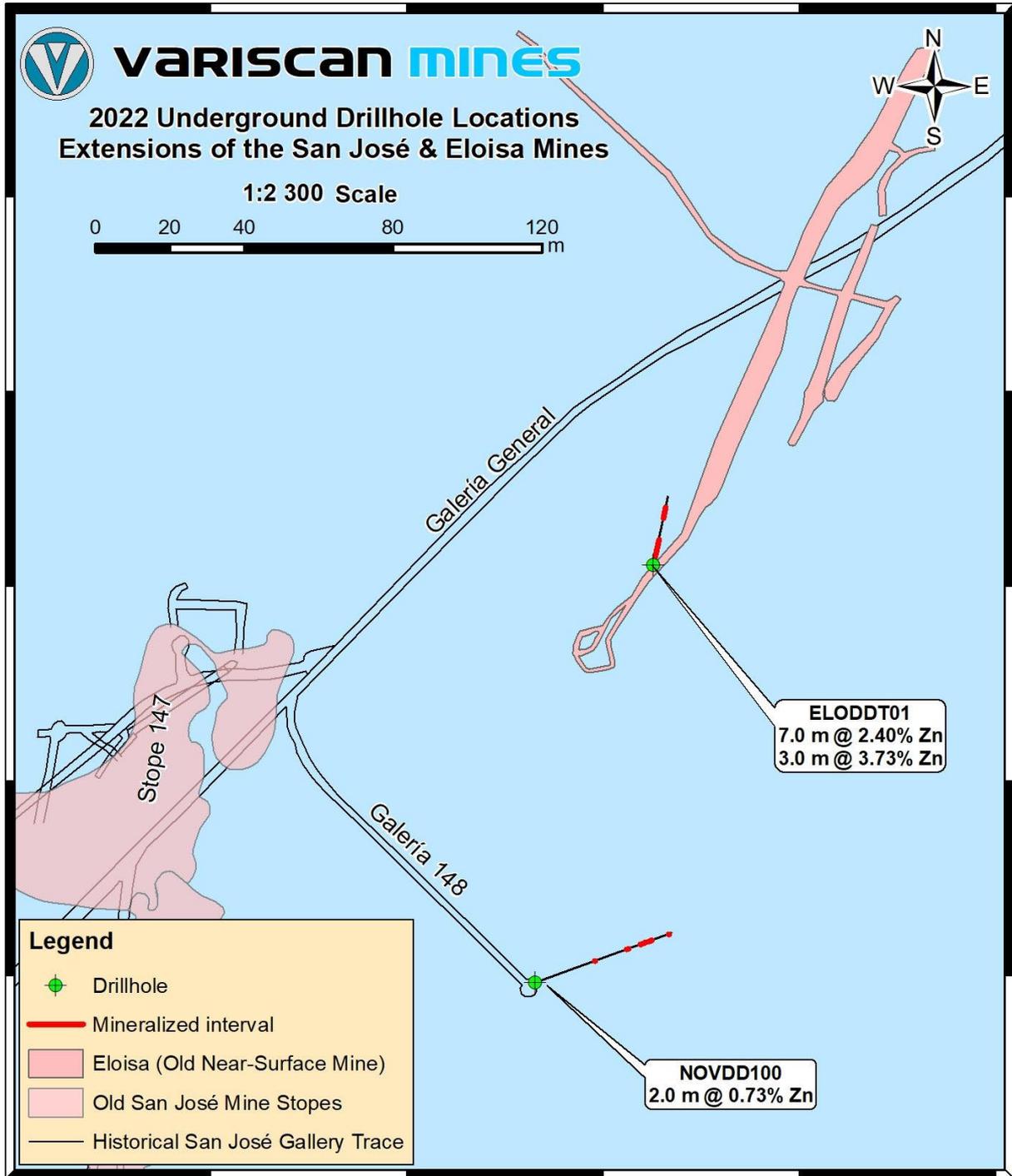


Figure 4. Plan view illustrating easterly extension of the San José Mine and drilling results from Eloisa



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:

- Reporting final assay results from Phase 2 underground drilling campaign at San Jose Mine
- Publishing mineral resource potential of the Novales-Udias project
- Commencing a Mine Re-start Concept Study
- Returning assay results from the current Buenahora drilling campaign as soon as possible for market reporting
- Delivery of approvals to undertake surface drilling in and around the San Jose Mine to test step-out targets
- In support of the above activities, the delivery of associated environmental, social and governance (“ESG”) initiatives

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 (eg 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 (eg '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 (eg 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 Eucalptal mines. All holes consist of underground diamond drillholes and were sampled as half core from 40cm to 1.25m sample length 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 (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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 may have occurred due to preferential loss/gain of fine/coarse material. 	<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 detailed in this release the methods currently employed appear sufficient. 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

Criteria	JORC Code explanation	Commentary
		www.variscanmines.com.au
Logging	<ul style="list-style-type: none"> • 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. 	<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"> • 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. 	<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 40cm to 1.25m 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 laboratory tests	<ul style="list-style-type: none"> • 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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable 	<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) and the techniques for Zn/Pb (Zn-OG62h, Pb-OG62h, and Zn-AA07) are considered suitable for the elements in question. • No handheld or downhole geophysics data were collected during this campaign. • QAQC Procedures adopted for this batch of drilling results include twenty-one total QAQC samples inserted into the sample stream (total 207 drillhole samples, not including QAQC). These included three high-grade CRMs (OREAS 134B) inserted into the mineralised zone, seven medium grade CRMs (OREAS 133A) and one 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 six mineralised samples and these sample ID's were indicated to the laboratory. In total, of the 228 new samples reported within this

Criteria	JORC Code explanation	Commentary
	<p>levels of accuracy (ie lack of bias) and precision have been established.</p>	<p>press release the QAQC samples comprise 9.21% 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.</p>
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 Eucalptal mines. Some of the holes are located near existing historical drillholes, however, they cannot be considered twinned holes at this stage. • Primary data for the ongoing drilling, 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 Q1 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. • 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. 	<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 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. • 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. 	<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.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> 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. 	<p>Due to the irregular and/or variable nature of the mineralisation, an estimate of potential bias through orientation of sampling has not been made.</p> <ul style="list-style-type: none"> 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. The results of all of these holes are not available currently (assays pending); thus, it is not possible to comment on the relationship between drilling orientation and the orientation of key mineralised structures or sampling bias. 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 land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The exploration permit "Buenahora" is held by Variscan Mines. The author is not aware, at the time of writing this, of any environmental issues that could affect ongoing works within these licences. The exploitation permit for the Novales-Udias historic mine area is owned by Variscan Mines. The author is not aware, at the time of writing this, of any issues with tenure or permission to operate in this region.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> 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). 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.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The mineralisation at the project is considered a Mississippi Valley Type Lead-Zinc type deposit with associated structural- and stratigraphy-controlled carbonate dissolution

Criteria	JORC Code explanation	Commentary
		<p>and replacement Lead-Zinc type mineralisation.</p> <ul style="list-style-type: none"> 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.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth 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. 	<ul style="list-style-type: none"> In total, 65 underground drillholes have been completed to date in this second underground drilling campaign of Variscan Mines started in Q3 2021. This press release presents new assay data for 24 drillholes from this campaign, see table in Appendix 2 for raw assay data from the laboratory. Drill core from subsequent holes is currently being processed. All 24 collar co-ordinates, hole depths and orientations for the holes reported in this announcement have been provided in the table in Appendix 1. No information has been excluded.
Data aggregation methods	<p><i>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</i></p> <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"> 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. 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 (eg '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 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 	<ul style="list-style-type: none"> The information in this news release drill results within and adjacent to the San Jose Mine. Plan view maps and figures

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	<p>have been included to illustrate the location of the drilling reported.</p> <ul style="list-style-type: none"> Maps utilise a background of simplified 25k IGME geology.
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 results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<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 further reference.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Variscan have exploration plans to advance the Novales-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
NOVDD098	402893,60	4802446,25	46,6	23,80	265	-60
NOVDD100	403033,03	4802655,10	44,5	45,00	80	+30
NOVDD104	402734,10	4802503,82	47,0	28,40	339	+61
NOVDD105	402749,40	4802519,46	46,7	36,40	270	+65
NOVDD106	402785,10	4802547,79	46,9	44,90	n.a.	+90
NOVDDT016	402798,59	4802451,97	66,4	19,00	270	-34
NOVDDT018	402802,52	4802448,46	63,0	18,30	190	-40
NOVDDT020	402768,38	4802558,06	63,5	19,00	330	-36
NOVDDT021	402767,03	4802552,54	63,3	19,00	210	-32
NOVDDT022	402766,25	4802554,04	63,3	19,10	240	-37
NOVDDT023	402767,53	4802557,63	63,5	18,60	10	-34
NOVDDT024	402782,67	4802526,37	65,6	18,70	20	40
NOVDDT025	402779,23	4802531,11	64,8	19,20	75	45
NOVDDT026	402780,58	4802529,23	64,8	19,20	8	46
NOVDDT027	402781,14	4802528,45	64,2	19,20	61	-29
NOVDDT028	402700,52	4802151,26	70,6	19,10	207	1,5
NOVDDT029	402701,11	4802151,20	70,7	18,60	135	-1
NOVDDT030	402700,90	4802151,20	70,7	19,00	160	1
NOVDDT031	402700,68	4802151,24	70,7	19,00	180	5
NOVDDT032	402701,40	4802151,12	70,6	17,20	150	4
NOVDDT033	402698,29	4802152,67	70,5	18,30	252	8
NOVDDT034	402700,91	4802151,17	70,9	18,60	180	25
ELODDT01	403063,40	4802768,91	210,0	19,00	12	2
EUDDT02	402711,10	4801906,19	189,0	19,00	10	-20

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
NOVDDT018	VAR000970	6,00	7,00	1,00	0,106	0,050	0,004	0,110
NOVDDT018	VAR000971	7,00	8,00	1,00	0,017	0,010	0,002	0,019
NOVDDT018	VAR000972	8,00	9,00	1,00	0,032	0,020	0,003	0,035
NOVDDT018	VAR000973	9,00	10,00	1,00	0,017	0,010	<0.002	0,017
NOVDDT018	VAR000974	10,00	11,00	1,00	0,006	0,010	0,003	0,009
NOVDDT018	VAR000975	11,00	12,00	1,00	0,033	0,020	<0.002	0,033
ELODDT01	VAR000976	0,00	1,00	1,00	6,270	4,870	0,062	6,332
ELODDT01	VAR000977	1,00	2,00	1,00	1,965	1,710	0,710	2,675
ELODDT01	VAR000978	2,00	3,00	1,00	1,675	1,040	0,005	1,680
ELODDT01	VAR000979	3,00	4,00	1,00	0,500	0,390	0,004	0,504
ELODDT01	VAR000980	4,00	5,00	1,00	0,170	0,120	0,024	0,194
ELODDT01	VAR000981	5,00	6,00	1,00	1,815	1,200	0,008	1,823
ELODDT01	VAR000982	6,00	7,00	1,00	1,870	1,500	0,003	1,873
ELODDT01	VAR000983	7,00	8,00	1,00	0,383	0,300	0,015	0,398
ELODDT01	VAR000984	8,00	9,00	1,00	0,203	0,170	0,002	0,205
ELODDT01	VAR000985	9,00	10,00	1,00	0,113	0,060	0,002	0,115
ELODDT01	VAR000986	10,00	11,00	1,00	1,195	0,980	0,005	1,200
ELODDT01	VAR000987	11,00	12,00	1,00	0,056	0,030	0,003	0,059

ELODDT01	VAR000988	12,00	13,00	1,00	0,046	0,020	0,004	0,050
ELODDT01	VAR000989	13,00	14,00	1,00	3,400	2,940	0,004	3,404
ELODDT01	VAR000990	14,00	15,00	1,00	5,190	4,860	0,010	5,200
ELODDT01	VAR000991	15,00	16,00	1,00	2,610	2,030	0,005	2,615
ELODDT01	VAR000992	16,00	17,00	1,00	0,182	0,140	0,006	0,188
ELODDT01	VAR000993	17,00	18,00	1,00	0,256	0,200	0,003	0,259
ELODDT01	VAR000994	18,00	19,00	1,00	0,279	0,180	0,002	0,281
EUDDT02	VAR000995	0,00	1,00	1,00	10,800	5,080	0,362	11,162
EUDDT02	VAR000996	1,00	2,00	1,00	3,400	2,840	0,103	3,503
EUDDT02	VAR000997	2,00	3,00	1,00	2,360	1,820	0,070	2,430
EUDDT02	VAR000998	3,00	4,00	1,00	0,167	0,120	0,005	0,172
EUDDT02	VAR000999	4,00	5,00	1,00	0,056	0,040	0,007	0,063
EUDDT02	VAR001000	15,00	16,00	1,00	0,191	0,140	0,021	0,212
EUDDT02	VAR001001	16,00	17,00	1,00	0,778	0,510	0,048	0,826
EUDDT02	VAR001002	17,00	18,00	1,00	1,110	0,610	0,086	1,196
EUDDT02	VAR001003	18,00	19,00	1,00	2,750	1,860	0,225	2,975
NOVDDT020	VAR001004	0,00	1,00	1,00	2,390	0,170	0,004	2,394
NOVDDT020	VAR001005	1,00	2,00	1,00	0,302	0,100	0,021	0,323
NOVDDT020	VAR001006	2,00	3,00	1,00	17,350	0,360	3,290	20,640
NOVDDT020	VAR001007	3,00	4,00	1,00	21,400	0,750	0,740	22,140
NOVDDT020	VAR001011	4,00	5,00	1,00	0,234	0,130	0,008	0,242
NOVDDT020	VAR001012	5,00	6,00	1,00	0,190	0,090	0,003	0,193
NOVDDT024	VAR001013	2,00	3,00	1,00	0,064	0,050	0,016	0,080
NOVDDT024	VAR001014	3,00	4,00	1,00	19,200	0,420	0,148	19,348
NOVDDT024	VAR001015	4,00	5,00	1,00	1,805	0,130	0,009	1,814
NOVDDT024	VAR001016	16,00	17,00	1,00	0,318	0,100	0,003	0,321
NOVDDT024	VAR001017	17,00	17,70	0,70	8,460	0,300	0,007	8,467
NOVDDT025	VAR001018	0,00	1,00	1,00	0,030	0,020	0,002	0,032
NOVDDT025	VAR001019	1,00	2,00	1,00	6,680	0,250	1,605	8,285
NOVDDT025	VAR001020	2,00	3,00	1,00	17,600	0,420	0,931	18,531
NOVDDT025	VAR001021	3,00	4,00	1,00	0,123	0,080	0,019	0,142
NOVDDT026	VAR001022	0,00	1,00	1,00	0,039	0,030	0,006	0,045
NOVDDT026	VAR001023	1,00	2,00	1,00	6,120	0,220	0,975	7,095
NOVDDT026	VAR001025	2,00	3,00	1,00	14,500	0,390	3,080	17,580
NOVDDT026	VAR001028	3,00	4,00	1,00	8,070	0,290	0,071	8,141
NOVDDT026	VAR001029	4,00	5,00	1,00	0,028	0,020	0,007	0,035
NOVDDT026	VAR001030	13,00	14,00	1,00	0,119	0,060	0,009	0,128
NOVDDT026	VAR001031	14,00	15,00	1,00	4,450	0,290	0,006	4,456
NOVDDT026	VAR001032	15,00	16,00	1,00	0,052	0,040	0,006	0,058
NOVDDT026	VAR001033	16,00	17,00	1,00	1,120	0,180	0,006	1,126
NOVDDT026	VAR001034	17,00	18,00	1,00	0,173	0,090	0,012	0,185
NOVDDT027	VAR001035	10,00	11,00	1,00	0,235	0,140	0,078	0,313
NOVDDT027	VAR001036	11,00	12,00	1,00	0,816	0,320	0,063	0,879
NOVDDT027	VAR001037	12,00	13,00	1,00	0,589	0,310	0,202	0,791
NOVDD105	VAR001038	0,00	0,40	0,40	9,650	0,690	1,440	11,090
NOVDD105	VAR001039	1,10	2,10	1,00	23,800	4,050	2,060	25,860
NOVDD105	VAR001041	2,10	3,10	1,00	15,650	1,840	1,745	17,395
NOVDD105	VAR001043	3,10	4,10	1,00	16,000	3,590	0,302	16,302
NOVDD105	VAR001044	4,10	5,10	1,00	22,200	2,540	0,066	22,266
NOVDD105	VAR001046	5,10	6,10	1,00	13,450	0,310	0,013	13,463
NOVDD105	VAR001047	6,10	7,10	1,00	0,069	0,030	0,002	0,071
NOVDD105	VAR001050	8,10	9,10	1,00	0,672	0,220	0,010	0,682
NOVDD105	VAR001051	9,10	10,10	1,00	0,010	0,010	0,006	0,016
NOVDD105	VAR001052	13,00	14,00	1,00	1,945	0,180	0,041	1,986
NOVDD105	VAR001053	14,00	15,00	1,00	1,060	0,530	0,003	1,063
NOVDD105	VAR001054	15,00	16,00	1,00	1,010	0,580	0,013	1,023
NOVDD105	VAR001055	34,00	35,00	1,00	0,031	0,020	0,005	0,036
NOVDD105	VAR001056	35,00	36,00	1,00	1,325	0,120	0,004	1,329
NOVDDT022	VAR001057	2,00	3,00	1,00	10,000	0,520	0,407	10,407
NOVDDT022	VAR001058	3,00	4,00	1,00	11,500	0,190	0,312	11,812

NOVDDT022	VAR001059	4,00	5,00	1,00	0,052	0,030	0,003	0,055
NOVDDT028	VAR001060	0,00	1,00	1,00	23,000	0,210	0,549	23,549
NOVDDT028	VAR001062	1,00	2,00	1,00	30,100	0,260	4,040	34,140
NOVDDT028	VAR001064	2,00	3,00	1,00	5,700	0,200	0,030	5,730
NOVDDT028	VAR001065	3,00	4,00	1,00	0,043	0,020	0,004	0,047
NOVDDT028	VAR001067	4,00	5,00	1,00	0,029	0,010	0,004	0,033
NOVDDT029	VAR001068	0,00	1,00	1,00	7,130	0,950	0,121	7,251
NOVDDT029	VAR001069	1,00	2,00	1,00	0,231	0,100	0,030	0,261
NOVDDT029	VAR001070	2,00	3,00	1,00	0,109	0,060	0,012	0,121
NOVDDT029	VAR001071	3,00	4,00	1,00	0,350	0,200	0,085	0,435
NOVDDT030	VAR001072	0,00	1,00	1,00	12,800	0,240	0,447	13,247
NOVDDT030	VAR001073	1,00	2,00	1,00	4,270	0,240	0,139	4,409
NOVDDT030	VAR001075	2,00	3,00	1,00	4,180	0,280	0,082	4,262
NOVDDT030	VAR001076	3,00	4,00	1,00	2,020	0,090	0,005	2,025
NOVDDT030	VAR001077	4,00	5,00	1,00	0,994	0,280	0,009	1,003
NOVDDT030	VAR001078	5,00	6,00	1,00	0,067	0,060	0,010	0,077
NOVDDT031	VAR001079	0,00	1,00	1,00	19,400	0,490	0,925	20,325
NOVDDT031	VAR001080	1,00	2,00	1,00	5,600	0,370	0,467	6,067
NOVDDT031	VAR001081	2,00	3,00	1,00	0,831	0,380	0,016	0,847
NOVDDT031	VAR001082	3,00	4,00	1,00	1,185	0,180	0,220	1,405
NOVDDT031	VAR001083	4,00	5,00	1,00	9,760	0,340	0,846	10,606
NOVDDT031	VAR001084	5,00	6,00	1,00	5,920	0,300	0,595	6,515
NOVDDT031	VAR001085	6,00	7,00	1,00	16,450	0,360	0,182	16,632
NOVDDT031	VAR001086	7,00	8,00	1,00	0,038	0,020	0,005	0,043
NOVDDT031	VAR001087	8,00	9,00	1,00	3,580	0,220	0,013	3,593
NOVDDT031	VAR001088	9,00	10,00	1,00	7,740	0,280	0,018	7,758
NOVDDT031	VAR001089	10,00	11,00	1,00	4,160	0,250	0,008	4,168
NOVDDT031	VAR001090	11,00	12,00	1,00	6,260	0,300	0,012	6,272
NOVDDT031	VAR001091	12,00	13,00	1,00	0,281	0,060	0,010	0,291
NOVDDT031	VAR001092	13,00	14,00	1,00	0,211	0,050	0,010	0,221
NOVDDT031	VAR001093	14,00	15,00	1,00	1,175	0,190	0,052	1,227
NOVDDT031	VAR001094	15,00	16,00	1,00	2,110	0,240	0,244	2,354
NOVDDT031	VAR001095	16,00	17,00	1,00	0,667	0,100	0,006	0,673
NOVDDT032	VAR001096	0,00	1,00	1,00	6,720	0,300	0,320	7,040
NOVDDT032	VAR001098	1,00	2,00	1,00	0,133	0,090	0,013	0,146
NOVDDT032	VAR001099	2,00	3,00	1,00	0,110	0,050	0,012	0,122
NOVDDT032	VAR001100	3,00	4,00	1,00	0,148	0,100	0,028	0,176
NOVDDT032	VAR001101	4,00	5,00	1,00	0,045	0,030	0,013	0,058
NOVDDT032	VAR001102	5,00	6,00	1,00	0,086	0,040	0,010	0,096
NOVDDT032	VAR001103	6,00	7,00	1,00	0,017	0,020	0,005	0,022
NOVDDT032	VAR001104	7,00	8,00	1,00	0,022	0,020	0,007	0,029
NOVDDT032	VAR001105	8,00	9,00	1,00	0,025	0,020	0,007	0,032
NOVDDT032	VAR001106	9,00	10,00	1,00	0,022	0,010	0,004	0,026
NOVDDT032	VAR001107	10,00	11,00	1,00	0,028	0,020	0,006	0,034
NOVDDT032	VAR001108	11,00	12,00	1,00	0,125	0,030	0,010	0,135
NOVDDT032	VAR001109	12,00	13,00	1,00	0,372	0,070	0,030	0,402
NOVDDT032	VAR001110	13,00	14,00	1,00	0,090	0,020	0,016	0,106
NOVDDT032	VAR001111	14,00	15,00	1,00	0,477	0,100	0,018	0,495
NOVDDT032	VAR001112	15,00	16,00	1,00	0,075	0,040	0,007	0,082
NOVDDT032	VAR001113	16,00	17,00	1,00	0,010	0,010	0,002	0,012
NOVDDT021	VAR001114	0,50	1,80	1,30	0,173	0,040	0,004	0,177
NOVDDT021	VAR001115	1,80	2,80	1,00	5,140	0,300	0,057	5,197
NOVDDT021	VAR001116	2,80	3,80	1,00	0,358	0,150	0,010	0,368
NOVDDT021	VAR001117	5,00	6,00	1,00	0,059	0,020	0,002	0,061
NOVDDT021	VAR001118	6,00	7,00	1,00	0,010	<0.01	<0.002	0,010
NOVDDT021	VAR001119	12,00	13,00	1,00	0,015	0,010	0,002	0,017
NOVDDT021	VAR001120	13,00	14,00	1,00	0,007	<0.01	<0.002	0,007
NOVDD104	VAR001121	8,00	9,00	1,00	0,008	<0.01	0,003	0,011
NOVDD104	VAR001122	9,00	10,00	1,00	0,076	0,030	0,004	0,080
NOVDD104	VAR001123	24,00	25,00	1,00	0,030	0,020	0,007	0,037

NOVDD104	VAR001124	25,00	26,00	1,00	2,610	1,110	0,028	2,638
NOVDD104	VAR001125	26,00	27,00	1,00	0,028	0,020	0,003	0,031
NOVDDT033	VAR001126	0,70	1,30	0,60	5,840	2,840	0,185	6,025
NOVDDT033	VAR001128	1,30	2,30	1,00	0,820	0,540	0,044	0,864
NOVDDT033	VAR001129	2,30	3,30	1,00	0,564	0,370	0,125	0,689
NOVDDT016	VAR001130	12,00	13,00	1,00	0,009	0,010	0,003	0,012
NOVDDT016	VAR001131	13,00	14,00	1,00	0,011	<0.01	0,002	0,013
NOVDDT016	VAR001132	14,00	15,00	1,00	0,043	0,030	0,006	0,049
NOVDDT016	VAR001133	15,00	16,00	1,00	0,007	0,010	0,002	0,009
NOVDDT016	VAR001134	16,00	17,00	1,00	0,008	0,010	<0.002	0,008
NOVDDT016	VAR001135	17,00	18,00	1,00	0,043	0,020	0,006	0,049
NOVDDT016	VAR001136	18,00	19,00	1,00	0,023	0,020	0,003	0,026
NOVDD098	VAR001137	0,00	0,60	0,60	0,725	0,080	0,041	0,766
NOVDD098	VAR001138	0,60	1,60	1,00	7,570	0,310	0,291	7,861
NOVDD098	VAR001140	1,60	2,60	1,00	0,048	0,040	0,004	0,052
NOVDD098	VAR001141	2,60	3,60	1,00	4,630	0,310	0,038	4,668
NOVDD098	VAR001143	3,60	4,60	1,00	0,033	0,030	0,002	0,035
NOVDD098	VAR001144	4,60	5,60	1,00	1,840	0,200	0,003	1,843
NOVDD098	VAR001145	5,60	6,60	1,00	0,072	0,050	0,003	0,075
NOVDD098	VAR001146	6,60	7,60	1,00	0,023	0,020	<0.002	0,023
NOVDD098	VAR001148	21,00	22,00	1,00	<0.002	<0.01	<0.002	<0.002
NOVDD098	VAR001149	22,00	23,00	1,00	1,300	0,400	0,030	1,330
NOVDD100	VAR001150	33,00	34,00	1,00	0,098	0,040	<0.002	0,098
NOVDD100	VAR001151	34,00	35,00	1,00	0,715	0,320	<0.002	0,715
NOVDD100	VAR001152	35,00	36,00	1,00	0,735	0,260	<0.002	0,735
NOVDDT023	VAR001153	0,00	1,00	1,00	1,800	0,180	<0.002	1,800
NOVDDT023	VAR001154	1,00	2,00	1,00	0,366	0,130	<0.002	0,366
NOVDDT023	VAR001155	2,00	3,00	1,00	4,420	0,350	<0.002	4,420
NOVDDT023	VAR001156	3,00	4,00	1,00	2,370	0,140	<0.002	2,370
NOVDDT023	VAR001157	4,00	5,00	1,00	1,560	0,170	<0.002	1,560
NOVDDT023	VAR001158	5,00	6,00	1,00	4,370	0,240	0,005	4,375
NOVDDT023	VAR001159	6,00	7,00	1,00	4,210	0,610	0,018	4,228
NOVDDT023	VAR001160	7,00	8,00	1,00	0,441	0,270	0,007	0,448
NOVDDT023	VAR001161	8,00	9,00	1,00	0,030	0,020	<0.002	0,030
NOVDDT023	VAR001162	9,00	10,00	1,00	0,406	0,090	<0.002	0,406
NOVDDT023	VAR001163	10,00	11,00	1,00	0,281	0,100	<0.002	0,281
NOVDDT023	VAR001164	11,00	12,00	1,00	0,195	0,100	0,007	0,202
NOVDDT023	VAR001165	12,00	13,10	1,10	0,330	0,190	<0.002	0,330
NOVDDT023	VAR001166	13,50	14,50	1,00	4,460	0,200	<0.002	4,460
NOVDDT023	VAR001167	14,50	15,50	1,00	0,128	0,040	<0.002	0,128
NOVDDT023	VAR001168	15,50	16,35	0,85	0,089	0,040	<0.002	0,089
NOVDDT023	VAR001169	16,80	17,35	0,55	0,145	0,080	<0.002	0,145
NOVDDT023	VAR001170	17,85	18,60	0,75	0,161	0,070	0,003	0,164
NOVDDT034	VAR001171	0,00	1,00	1,00	4,300	0,220	0,926	5,226
NOVDDT034	VAR001173	1,00	2,00	1,00	0,263	0,080	0,005	0,268
NOVDDT034	VAR001174	2,00	3,00	1,00	1,470	0,140	0,005	1,475
NOVDDT034	VAR001175	3,00	4,00	1,00	0,010	0,010	<0.002	0,010
NOVDDT034	VAR001176	4,00	5,00	1,00	0,010	0,010	<0.002	0,010
NOVDD106	VAR001177	20,00	21,00	1,00	0,032	0,030	0,002	0,034
NOVDD106	VAR001178	21,00	22,00	1,00	0,084	0,060	0,017	0,101
NOVDD106	VAR001179	22,00	23,00	1,00	10,050	0,710	0,079	10,129
NOVDD106	VAR001180	23,00	23,95	0,95	7,350	4,740	0,254	7,604
NOVDD106	VAR001181	24,25	25,50	1,25	0,605	0,440	0,046	0,651
NOVDD106	VAR001182	25,50	26,50	1,00	0,327	0,260	0,009	0,336
NOVDD106	VAR001183	26,50	27,50	1,00	0,015	0,010	0,005	0,020
NOVDD106	VAR001184	32,30	33,30	1,00	0,163	0,050	0,005	0,168
NOVDD106	VAR001185	33,30	34,30	1,00	0,419	0,050	0,003	0,422
NOVDD106	VAR001186	34,30	35,30	1,00	0,012	0,010	0,002	0,014
NOVDD106	VAR001187	35,30	36,30	1,00	0,008	0,010	<0.002	0,008
NOVDD106	VAR001188	36,30	37,30	1,00	0,007	0,010	<0.002	0,007

NOVDD106	VAR001189	37,30	38,20	0,90	0,011	0,010	<0.002	0,011
NOVDD106	VAR001190	38,20	39,20	1,00	0,040	0,030	0,002	0,042
NOVDD106	VAR001191	39,20	40,40	1,20	3,410	0,350	0,021	3,431
NOVDD106	VAR001193	40,40	41,50	1,10	11,000	0,510	0,082	11,082
NOVDD106	VAR001194	41,50	42,50	1,00	4,500	0,680	0,032	4,532
NOVDD106	VAR001196	42,50	43,50	1,00	0,029	0,020	0,004	0,033
NOVDD106	VAR001197	43,50	44,50	1,00	0,014	0,010	0,002	0,016

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