



VARISCAN SECURES SIGNIFICANT TIN DISTRICT

- ❖ **Variscan Mines has been granted its fourth exploration licence in France.**
- ❖ **The Beaulieu licence covers 278 square kilometres over France's most important hard rock tin district including the Abbaretz tin mine.**
- ❖ **From 1951-1957 Abbaretz is recorded to have produced approximately 2,700 tonnes of tin.**
- ❖ **The district shares geological similarities to the Cornwall tin district of England.**
- ❖ **Significant tin mineralisation identified at Beaulieu prospect 4.5 kilometres west of Abbaretz.**
- ❖ **Numerous other prospects have been defined in previous BRGM work.**
- ❖ **Forward programme includes digitizing and interpretation of available data, drilling at key prospects, and possible JORC Resource estimation.**
- ❖ **Enhances Variscan's high quality project portfolio.**
- ❖ **Additional licence applications over other advanced projects are within the approvals process.**

Variscan Mines Limited (ASX: VAR) is pleased to announce that its wholly owned European subsidiary Variscan Mines SAS has received confirmation that it has been granted its fourth exploration licence within Brittany, France.

The Beaulieu licence (PER) covers France's largest hard rock tin district around the Abbaretz tin mine. The licence contains numerous tin prospects including the Beaulieu deposit, 4.5 kilometres to the west of Abbaretz where previous drilling and underground development defined significant, near surface tin mineralisation.

The Company considers the exploration potential of the area for economic vein-hosted tin deposits to be very good and intends commencing work shortly.

Beaulieu Licence and Mining History

The Beaulieu exploration licence (PER) covers an area of 278 square kilometres over a tin rich region 40 kilometres north of the port city of Nantes. The licence was one of the remaining five applications that the Company has within the approvals process.

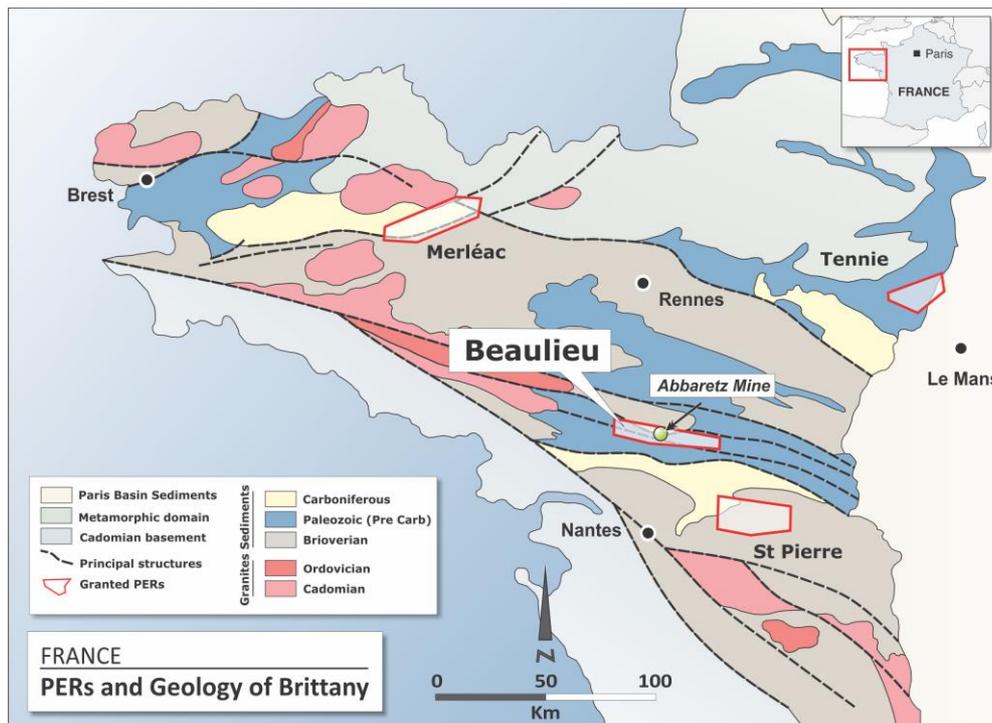


Figure 1 - Location of the Beaulieu exploration licence and other Variscan PERs

Tin is believed to have been mined from the region since 1200BC and it was one of the major production sources for the Roman Empire. Most tin mining was conducted over a 100 kilometre strike length with the most prolific part a 20 kilometre section around the Abbaretz deposit covered by the Beaulieu licence.

During the modern era the Société Nantaise des Minerais de l'Ouest (SNMO) mined the main deposit at Abbaretz in two periods: 1920-1926 (underground mining) and from 1951-1957. During the latter period approximately 2,700 tonnes of tin* is recorded to have been mined from an open pit 650 metres long and up to 70 metres deep (Plate 1).

SNMO also conducted substantial exploration in the region defining several prospects along the Abbaretz belt. During the 1960s and 1970s, following the closure of the mine, the BRGM (Bureau de Recherches Géologiques et Minières - the French geological survey) conducted significant exploration at the SNMO projects and also defined other new tin prospects.

*D. Braud, 2013: *La mine d'Abbaretz: l'exploitation de l'étain des Gaulois à nos jours*, pp132



Plate 1: The old Abbaretz tin mine (lake in background) and remaining tailings heaps from the 1950's

Prospects

The tin deposits in the area are genetically related to a suite of leucogranites that intruded older sediments and deposited tin mineralisation approximately 325 million years ago. Within the licence, numerous prospects of vein-style tin mineralization hosted both within leucogranites and within altered Paleozoic sediments that overlie deeper, unexposed granites have been defined (Figure 2). These include -

Abbaretz - tin mineralisation is controlled by an east-west oriented, anastomosing shear vein-array dipping 30-45° to the south (Plate 2). Tin bearing veins up to 4 metres in width were mined, often containing coarse grained cassiterite. The system is open at depth.

Beaulieu - a large zone of tin mineralisation (700 x 150 x 50 metres) has been outlined by previous SNMO and BRGM work 4.5 kilometres west of Abbaretz. Substantial drilling as well as shallow underground development was completed defining a tin-bearing vein-array within an altered leucogranite. This project will be one of the first drill targets for Variscan.

Chenaie - 700 metres southeast of Abbaretz work by the BRGM during 1969-70 defined a zone of tin-bearing quartz veins directly above a strong resistivity anomaly suggesting close proximity of the mineralizing granite.

Others - a number of other tin occurrences not yet systematically explored are known in the area including Le Bé (quartz-tourmaline veins) and la Villefoucré (granitic cupola).

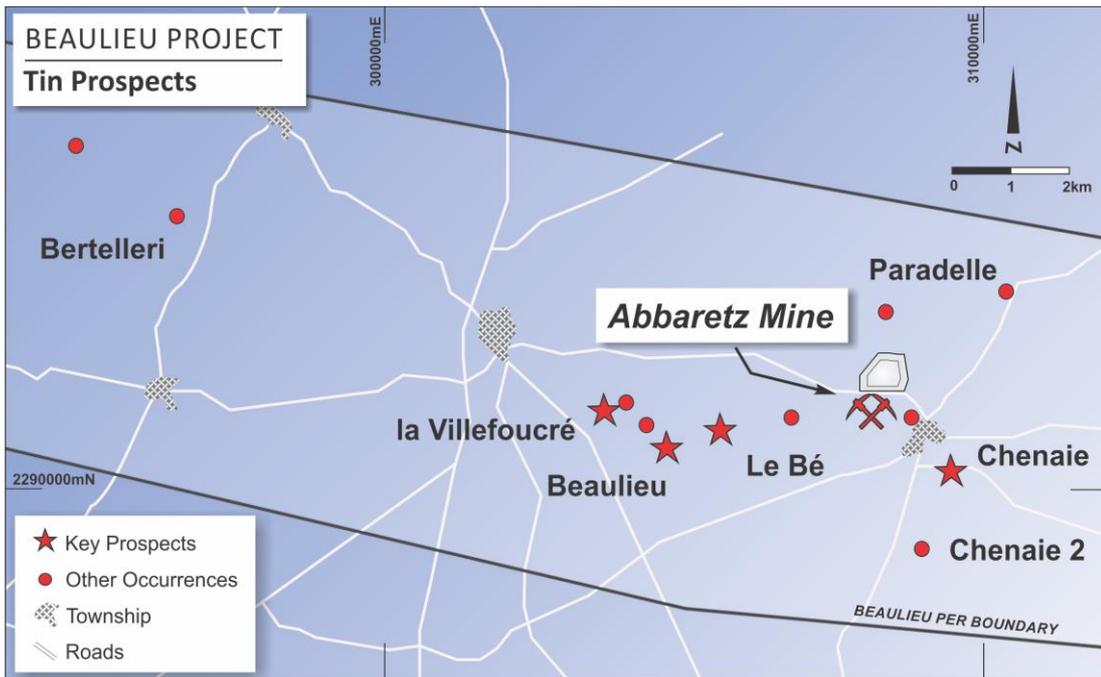


Figure 2: Prospect locations within the western half of the Beaulieu PER.

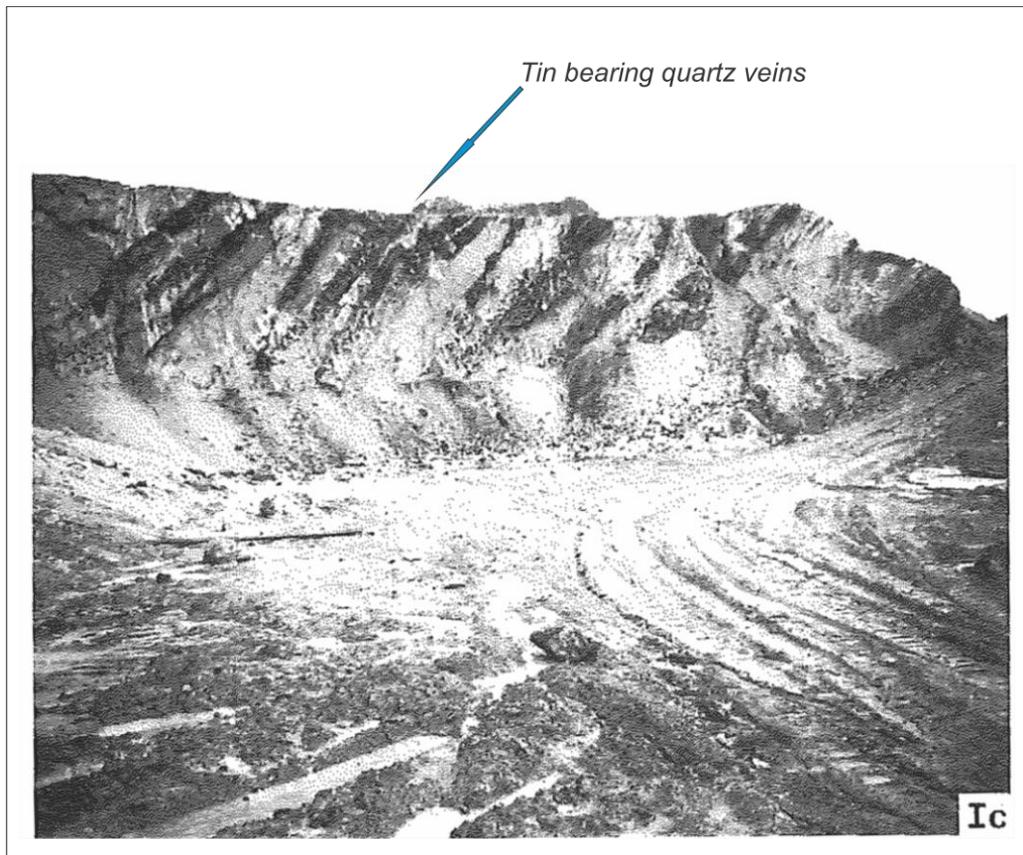


Plate 2: 1950's photo of the Abbaretz pit wall looking west showing south dipping tin-bearing veins (dark grey)

The Company considers the exploration potential for economic tin deposits within the licence to be very good and has commenced work to compile and digitise the large volume of data that has been generated since mining commenced in the 1920s. Immediate priority targets include the Beaulieu and Chenaie prospects where former work by the BRGM generated pre-JORC compliant resources.

The planned work programmes over the next 12 months include -

- Compilation, digitising and interpretation of data
- Drilling of advanced targets to confirm and extend mineralization
- Possible Resource estimates
- Regional exploration programmes including aerial magnetics/radiometrics, mapping, soil sampling and shallow auger/RAB programmes over other tin targets in the licence

Yours faithfully



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 Mines Limited 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.

JORC CODE - TABLE 1

Section 2 - Reporting of Exploration Results

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • Beaulieu PER (Permis Exclusif de Recherche de Mine, a French exploration licence) • No known impediments for future exploration and development
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • Last significant exploration in area is believed to have been conducted by BRGM in the 1970s. • Substantial exploration conducted in the past by SNMO (1920s to late 1950s) and the BRGM (1960s and 1970s) including shallow drilling programmes and underground development of key prospects. • Resource estimates calculated by the BRGM for the Beaulieu and Chenaie (la Ribaudais) prospects • Much of the exploration data is held by the BRGM and will be compiled and assessed by the Company shortly
<i>Geology</i>	<ul style="list-style-type: none"> • Tin deposits associated with leucogranite intrusives.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • No drill core has been observed by Variscan geologists.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • Not applicable
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • No drill holes are reported in this announcement
<i>Diagrams</i>	<ul style="list-style-type: none"> • PER location diagram provided. Old Abbaretz open pit photo taken by SNMO during 1950s.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • Prospect information taken from BRGM reports and published geological data
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • Much of the geological and previous exploration and mining data is currently held by the BRGM and will be reported by the Company as it is accessed, compiled and evaluated.
<i>Further work</i>	<ul style="list-style-type: none"> • Compilation, digitising and interpretation of data • Drilling of advanced targets to confirm and extend mineralization • Possible resource estimates • Regional exploration programmes including aero magnetics/radiometrics, mapping, soil sampling and shallow auger/RAB programmes over other tin targets • Follow-up drilling programs on new targets