



DESPATCH OF PROSPECTUS AND ENTITLEMENT AND ACCEPTANCE FORM

The Directors of Variscan Mines Limited (“**Variscan**” or “**Company**”) (ASX: VAR) are pleased to confirm that the Prospectus and the Entitlement and Acceptance Forms were despatched by mail to eligible shareholders today.

I encourage our eligible shareholders to read the Prospectus carefully and to consider the information included as they decide whether they would like to take up the offer. The Entitlement and Acceptance Forms, together with payment, must be received by the Company’s Share Registrar, Boardroom Pty Limited, by no later than 5:00pm AEST on 27 April 2015.

The Prospectus was lodged with ASX on 24 March 2015 and attached to this announcement is a copy of the Entitlement and Acceptance Form. When taking up this offer please use the Acceptance Form mailed to you as it will be personalised with your details.

If you have any queries please phone Boardroom Pty Limited on (02) 9290 9600 or phone our office on (02) 9906 5220.

Yours faithfully

.....

Greg Jones

Managing Director

STOCK BROKER USE ONLY		
Date	Entitlement Reduced to	Signed By

ENTITLEMENT & ACCEPTANCE FORM

Subregister:

HIN / SRN:

Entitlement No:

 Number of Shares held
 At 7:00 pm AEST on 30
 March 2015
 (Record Date):

As an eligible Shareholder you are entitled to participate in the renounceable pro-rata entitlement offer of 4 Shares for every 3 Shares held at an issue price of \$0.015 per New Share, with one attaching New Option for each New Share issued with an exercise price of \$0.015 and an expiry date two years from the date of issue, to raise approximately \$3,514,745.21, pursuant to the Pro-Rata Entitlement Offer ("Offer") as described in the Prospectus dated 24 March 2015.

A Entitlements Acceptance

If you wish to accept your **FULL ENTITLEMENT** please complete and return this form **WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW**. The return of this form by **5.00 pm AEST on 27 April 2015** with payment will constitute acceptance of the Offer. **If paying by BPAY you do not need to return this Form.**

Entitlement to Shares on the basis of 4 Shares for every 3 Shares held	Price Per New Share	Amount Payable for Full Acceptance, at \$0.015 per New Share
	\$0.015 per New Share =	

If you wish to accept **PART ONLY OF YOUR ENTITLEMENT** please complete this form showing in the box below the **NUMBER OF NEW SHARES BEING ACCEPTED** and the appropriate amount payable

Number of New Shares accepted	Price Per New Share	Amount Enclosed
	\$0.015 per New Share =	\$

B Application for Shortfall shares

If you take up your full Entitlement & wish to apply for additional New Shares to your Entitlement above please insert the number of New Shares in the box below and the appropriate amount payable. These additional New Shares will only be allotted if available.

Number of Additional New Shares Applied for	Price Per New Share	Amount Enclosed
	\$0.015 per New Share =	\$

C Payment

Payment may only be made by BPAY or cheque. Cash will not be accepted via mail or at Boardroom Pty Limited. Payments cannot be made at any bank. **If paying by BPAY you do not need to return the Entitlement and Acceptance Form.**

Payment Option 1 - BPAY

	Billers Code: CRN:	Telephone & Internet Banking - BPAY® Contact your bank, credit union or building society to make this payment from your cheque, credit or savings account. More info: www.bpay.com.au © Registered to BPAY Ltd ABN 69 079 137 518
	<ul style="list-style-type: none"> To pay via BPAY please contact your participating financial institution If paying by BPAY you do not need to return this form If paying by BPAY the payment received divided by the Offer Price will be deemed to be the total number of New Shares you are applying for. 	

Payment Option 2 – Cheque (Record cheque details below)

DRAWER	CHEQUE NO.	BSB NO.	ACCOUNT NO.	AMOUNT \$AUD
				\$

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to "Variscan Mines Limited" and crossed Not Negotiable.
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

D Contact Details

CONTACT NAME	EMAIL ADDRESS	TELEPHONE – WORK	TELEPHONE - HOME

Important Information: This document is of value and requires your immediate attention. If in doubt consult your stockbroker, solicitor, accountant or other professional advisor without delay.

The Offer to which this Entitlement and Acceptance Form relates does not constitute an offer to any person who is not an Eligible Shareholder, and in particular is not being made to Shareholders with registered addresses outside Australia, New Zealand or Singapore. This Entitlement and Acceptance Form does not constitute an offer in the United States of America (or to, or for the account or benefit of, US Persons) or in any jurisdiction in which, or to any persons to whom it would not be lawful to make such an offer.

ACCEPTANCE OF THE OFFER

By either returning the Entitlement and Acceptance Form with payment to the Share Registry, or making payment by BPAY, by **5.00pm AEST on 27 April 2015:**

- you represent and warrant that you have read and understood and agree to the terms set out on this form and the Prospectus.
- you represent and warrant that you are not located in the United States or a US Person and are not acting for the account or benefit of a US Person or any other foreign person;
- you provide authorisation to be registered as the holder of New Shares and New Options acquired by you and agree to be bound by the Constitution of Variscan Mines Limited; and
- your application to acquire New Shares is irrevocable and may not be varied or withdrawn except as allowed by law.

HOW TO ACCEPT SHARES OFFERED

1. **BPAY payment method:** The total amount payable to accept your Entitlement in full is shown in section A on the front of this form. Contact your Australian bank, credit union or building society to make this payment from your cheque, savings or credit account. For more information visit: www.bpay.com.au. Refer to the front of this form for the Biller Code and Customer Reference Number. **Payments must be received by BPAY before 5.00 pm AEST on 27 April 2015.**

If the BPAY payment is for any reason not received in full, the Company may treat you as applying for as many New Shares as will be paid for by the cleared funds. Shareholders using the BPAY facility will be bound by the provisions relating to this Offer. **You are not required to submit this Entitlement and Acceptance Form if you elect to make payment using BPAY.**

2. **Cheque payment method:** The total amount payable to accept your Entitlement in full is shown in section A on the front of this form. Complete your payment details in section C and send your cheque/bank draft and the completed form in the reply paid envelope to Boardroom Pty Limited at the address shown below so as to reach the Share Registry before the close of the Offer at 5.00pm AEST on 27 April 2015.

Postal Delivery:

Variscan Mines Limited
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Hand Delivery:

Variscan Mines Limited
C/- Boardroom Pty Limited
Level 7, 207 Kent Street
SYDNEY NSW 2000

TO ACCEPT SOME OF THE NEW SHARES OFFERED AND SELL THE REMAINING ENTITLEMENTS THROUGH A STOCKBROKER

Insert in the boxes on the front of this Entitlement and Acceptance Form:

- the number of New Shares accepted; and
- the amount of the cheque for those New Shares.

Indicate in the "Instructions to Your Stockbroker" section below, the number of New Shares you intend to accept, the amount of your cheque for those New Shares and the number of Entitlements which you intend to sell. Send this form to your stockbroker with your cheque for the New Shares accepted. Sale of your Entitlement must be completed by 4:00 pm AEST 20 April 2015 when Entitlements trading ceases.

TO SELL ALL YOUR ENTITLEMENTS THROUGH A STOCKBROKER

Insert the information required in the "Instructions to Your Stockbroker" section below and forward this form to your stockbroker. Sale of your Entitlement must be completed by 4:00 pm AEST 20 April 2015 when Entitlements trading ceases.

TO DISPOSE OF YOUR ENTITLEMENTS OTHER THAN THROUGH A STOCKBROKER (ISSUER SPONSORED HOLDERS)

A Standard Renunciation Form must be used for an off market transfer of some or all of your Entitlement. Forms may be obtained from your stockbroker or Boardroom Pty Limited. Complete the Standard Renunciation Form with the number of Entitlements you are renouncing, making sure that it is signed by both you and the buyer, and your SRN (Securityholder Reference Number) is noted. If you are accepting some of the New Shares offered, insert in the boxes on the front of this Entitlement and Acceptance Form:

- the number of New Shares accepted, and
- the amount of your cheque for those New Shares.

Lodge both the Standard Renunciation Form and the Entitlement and Acceptance Form with Boardroom Pty Limited by 5pm AEST on 27 April 2015, together with your cheque for any New Shares you are accepting.

Entitlements trading commences on 26 March 2015 and ceases at 4:00 pm AEST 20 April 2015 by which time any sale of part or all of your Entitlement must be completed.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT BOARDROOM PTY LIMITED FOR ASSISTANCE ON (02) 9290 9600.

Instructions to Your Stockbroker

To be completed and sent to your stockbroker only if you wish to sell the whole or part of your Entitlement.

Please insert the appropriate number in each of the boxes below:

Number of the New Shares which I intend to ACCEPT

Number of Entitlements which I intend to SELL

I attach a cheque/draft for the full amount of New Shares accepted.

\$