



DRILLING COMMENCES AT ST PIERRE GOLD PROJECT

- ❖ **Drilling has commenced at the St Pierre gold project**
- ❖ **16 RC holes for 1,000 metres will test the Belleville prospect, a 900 x 400 metre bedrock gold anomaly where previous sampling recorded rock chips up to 21.5g/t gold and soil values up to 2.4g/t gold**
- ❖ **Two core holes are planned at the Ville Tirard prospect where historic drilling is reported to have intersected thick zones of near-surface gold mineralisation with grades averaging around 3-4g/t gold**

Variscan Mines Limited (ASX: VAR) is pleased to announce that drilling has commenced to test highly prospective gold targets within its St Pierre Gold Project. The Company (through its wholly owned subsidiary, Variscan Mines SAS) plans to complete approximately 1,300 metres of core and RC drilling over the next 3-4 weeks to test the Ville Tirard and Belleville prospects which lie along strike from and to the south of the La Bellière gold mine, believed to be France's third largest gold mine, recorded to have produced 334,000 ounces of gold until 1952.

At Belleville, previous exploration has defined a 900 x 400 metre zone of strongly anomalous gold values up to 2.4g/t gold in soils displaying a similar gross orientation to the gold bearing shear structure at the La Bellière mine (ASX announcement 2 June 2015 and September 2015 Quarterly). Two traverses of 16 inclined, 60 metre deep RC holes (for around 1,000 metres) are planned to test the anomaly across the interpreted east-north-east striking shear zone.

At Ville Tirard, two shallow core holes will test an area where old drilling (1952) at the western end of the main gold field is recorded to have intersected broad zones (estimated >15-20 metres true width) of gold mineralisation with individual assays between 0.5 to 33g/t gold, averaging in the range of 3-4g/t Au.

Given the age of the drilling, the precise position of the collars is uncertain, so Variscan plans to drill two shallow inclined core holes, each to about 150 metres, to cross the projected position of the shear and to attempt to intersect the mineralisation.

Core drilling commenced at the Ville Tirard prospect with initial assay results from ALS Geochemistry, Ireland expected during March.

Yours faithfully


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Greg Jones

Managing Director

Competent Persons Statement

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.

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