



Spain's next high-grade Zinc mine

Investor Presentation
November 2023



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Where the Company refers to exploration results and production data it refers to the that information previously advised to the ASX and it confirms that it is not aware of any new information or data that materially affects the information included in that market announcement. The information in this document that relates to the Exploration Target, Exploration results and technical information about the Novales-Udias project is based on, and fairly represents information and supporting documentation reviewed by 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.

OVERVIEW – FOCUS ON ADVANCING THE NOVALES-UDIAS PROJECT



De-risked Project in proven Mining district

- High-grade zinc deposit, with mineralization demonstrating significant potential for expansion
- Centred on former producing San Jose Mine (avg. ROM grade 6.9% Zn¹)



Low-Risk Jurisdiction

- Located in Cantabria, northern Spain
- Project has long history with local communities



Experienced Board & Operational Leadership

- Experienced management with exploration and production assets + successful exits
- Significant technical experience in a small, yet effective technical group



Strong & Comprehensive Social Licence

- Established relationships with key permitting governing bodies
- Project's longevity and relevance within the community



Real Near-Term Potential

- Moving to assess requirements for re-start
- Mining Licence granted
- Mineral Resource Estimate imminent & Mine Re-Start study work underway

CLEAR STRATEGY TO SUPPLY CRITICAL METALS IN EUROPE

Resourcing the energy transition revolution

1 Re-start San Jose Mine

- Assess bringing high-grade San Jose Mine into production
- Objective to establish initial small, profitable mining 'starter' operation
- Provide platform to sustainably finance exploration / replacement tonnes
- Generate consistent operating track record

2 Exploration upside

- Continue exploration through drilling to expand zones of mineralisation along 9km Trend
- Increase Resource inventory in-mine and along strike
- Buenahora Exploration licence presents exploration upside in proven mining district
- Explore new opportunities within existing and new concessions

3 Growth and M&A

- Target value accretive assets
- Maintain focus on Zinc / Base Metals
- Strong Net Zero thematic
- De-risked jurisdictions esp. Europe
- Keep disciplined capital allocation

'Permittable' & 'Permissible'

- | | |
|---|--|
| <ul style="list-style-type: none"> ✓ Existing Mining Licence granted for San Jose Mine ✓ Existing mine-site & regional infrastructure → anticipated lower Capex. ✓ Leveraging the value of sunk capital ✓ Reduced timeframe to get going ✓ Small, high-grade resource may be viable as Capex lower than for greenfield project | <ul style="list-style-type: none"> ✓ Only active explorer/developer in Cantabria, Spain ✓ Mining heritage - local communities have strong buy-in ✓ Initial small underground mining operation reflects what is 'known' ; open pits struggle with permits in EU ✓ Lower environmental impact (incl. no visual impact) from utilising existing mine ✓ Focused on 'Value not Volume' operation ✓ Proximity to markets inc. Glencore smelter |
|---|--|

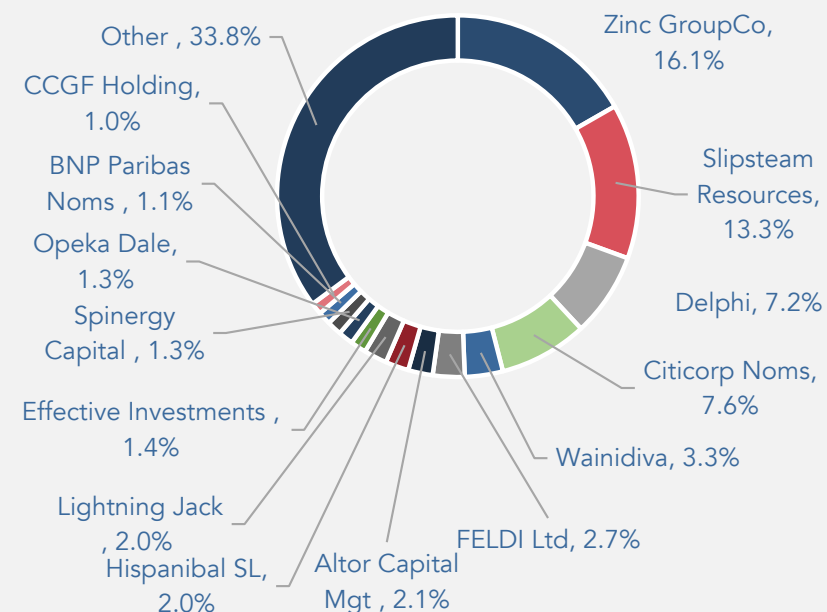
BOARD, CAPITAL STRUCTURE & SHAREHOLDINGS

COMPANY STATISTICS

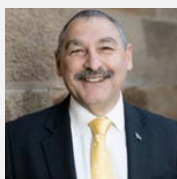
As of 6 November 2023

Shares Outstanding (M)	356.6
Performance Rights (M)	2.5
Options (M)	74.1
Shares Fully Diluted (M)	433.32
Market Cap @\$0.01 (AUD\$M)	3.56
52-Week Trading Range (AUD\$)	0.01 – 0.027
Avg Daily Trading Volume (3-month)	399,696
Cash – Q1 , 30 Sept 2023 (AUD\$M)	1.13

SHARE REGISTRY (+1% shareholders = 62%)



EXPERIENCED BOARD OF DIRECTORS



Anthony Wehby

Non-Executive Chairman



Stewart Dickson

Managing Director & CEO



Nicholas (Nick) Farr-Jones AM

Non-Executive Director

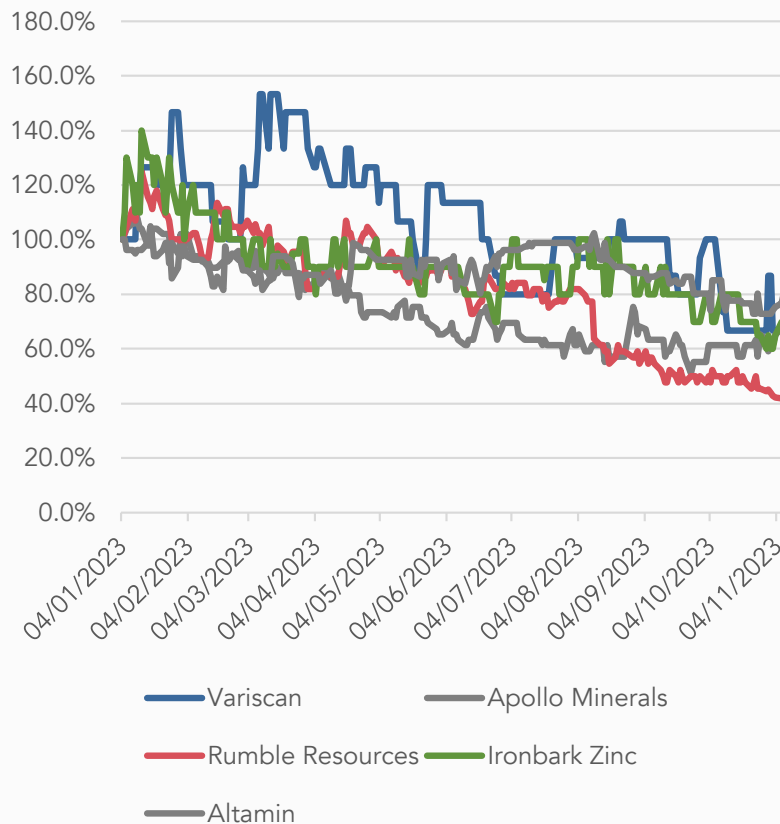


Frank Bierlein

Non-Executive Director

SHARE PRICE AND METAL PRICE PERFORMANCE (YTD)

VAR vs. ASX Zinc Explorers / Developers

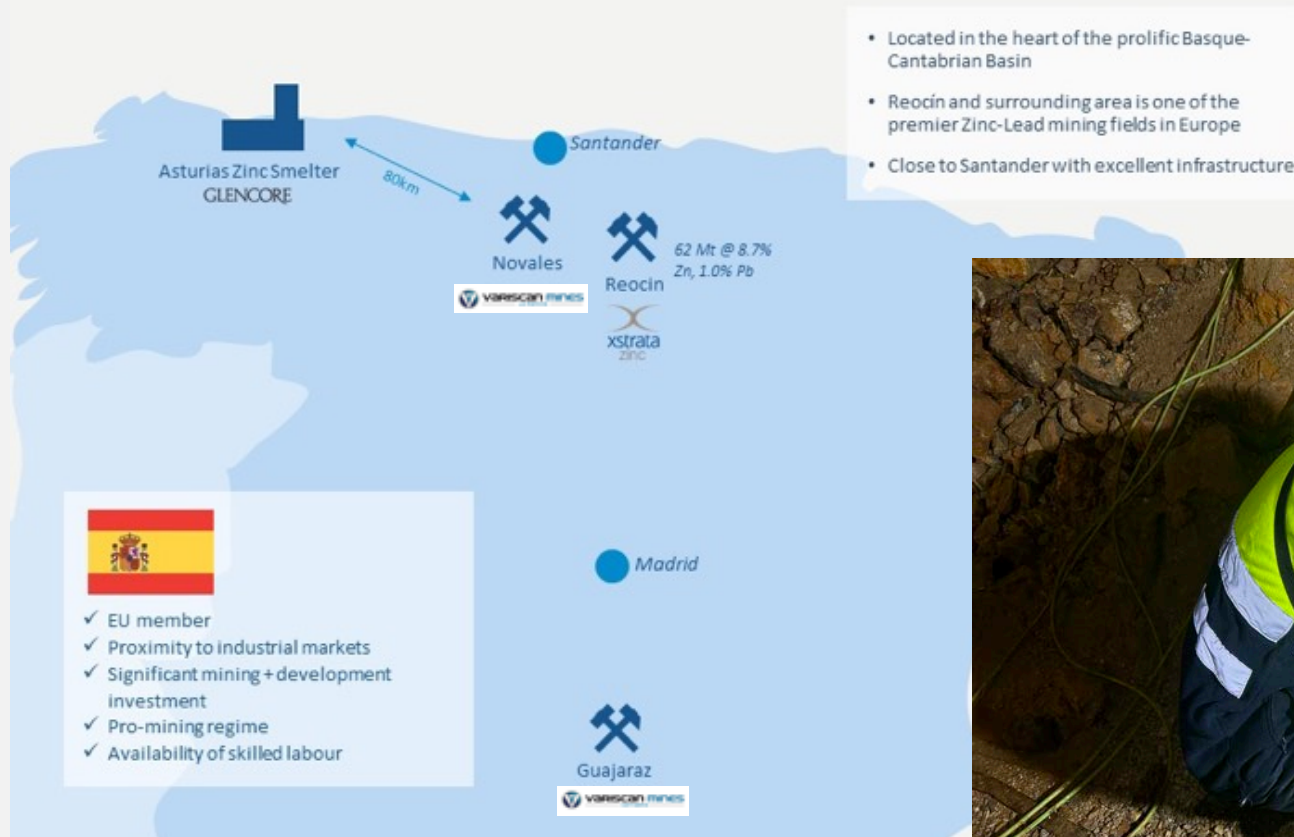


Base Metals Prices



EXPLORING 100% OWNED HIGH GRADE ZINC PROJECTS IN SPAIN

STRATEGICALLY LOCATED HIGH-GRADE ZINC PROJECT IN NORTHERN SPAIN

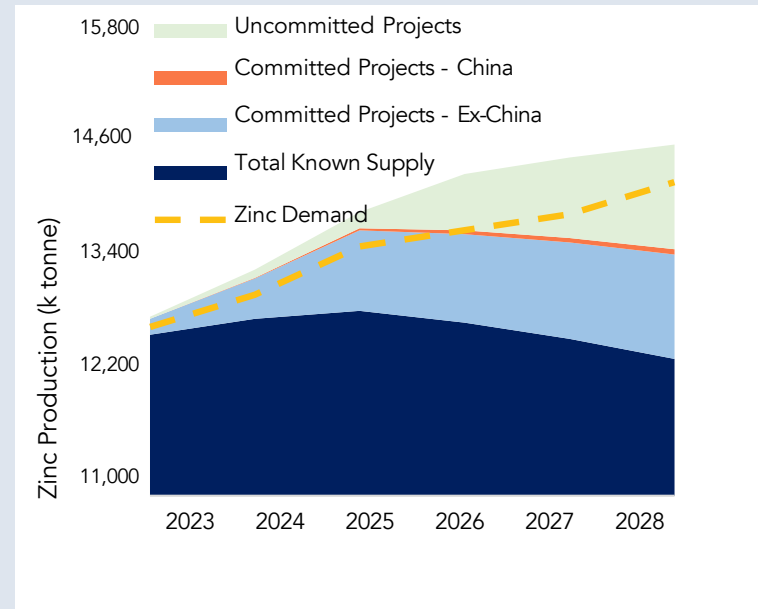


ZINC – KEY ROLE IN ENERGY TRANSITION & MOVE TO NET-ZERO



Structural Demand for Zinc

- Underinvestment in global exploration
- Lower production / shut-downs of existing mines
- Low grade new discoveries & production

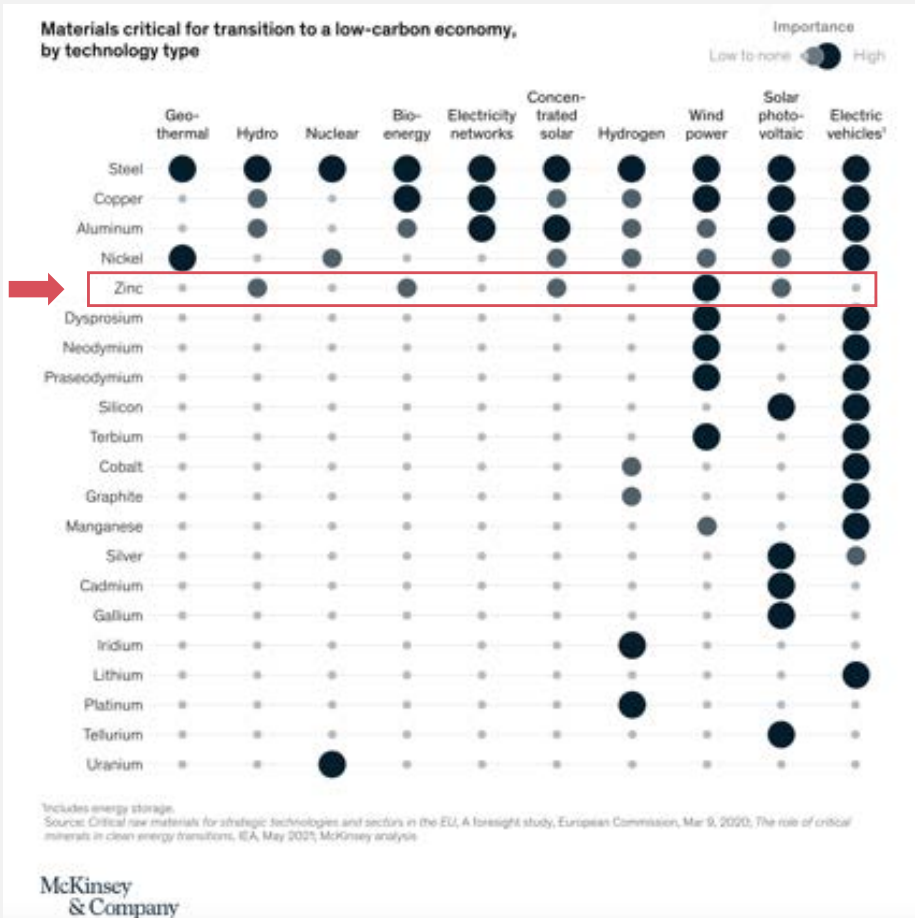


Variscan has been accepted as a member of the EBA250

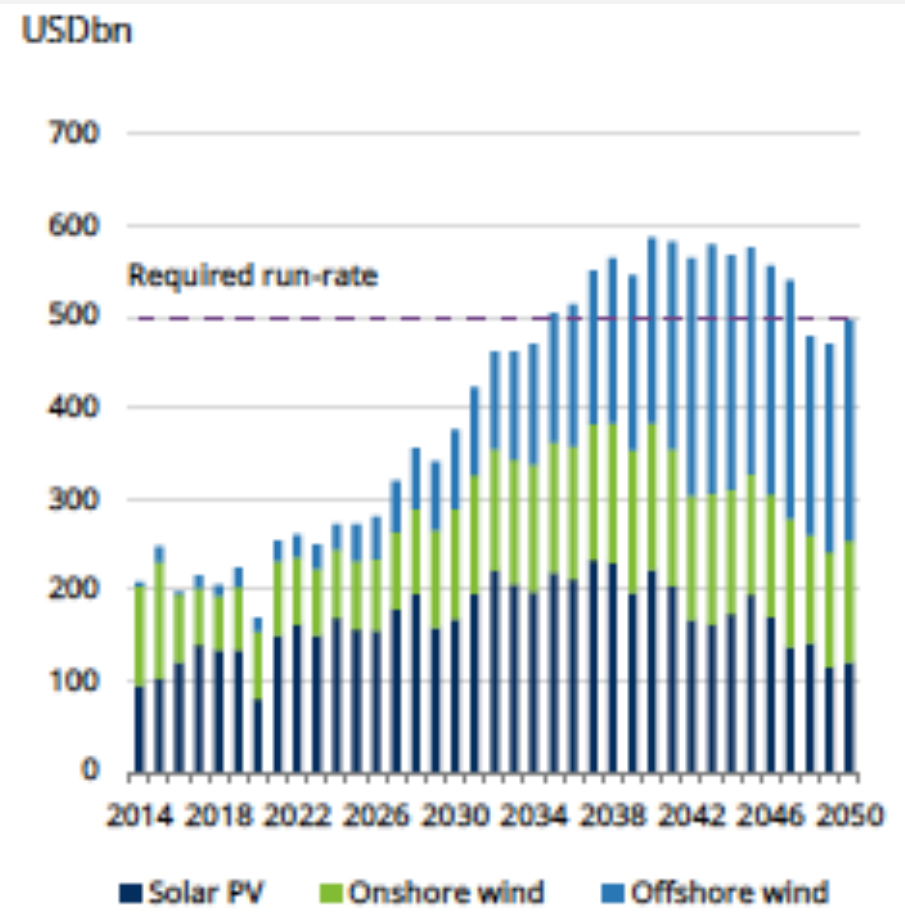


ZINC – KEY ROLE IN ENERGY TRANSITION & MOVE TO NET-ZERO

Critical materials for transition to low carbon economy



Forecast wind & solar investment expenditure



 Zinc designated as a strategic metal by US government in November 2021

 Zinc designated as a strategic metal by Canadian government in February 2022

SPAIN IS A KEY PART OF EUROPEAN MINING RENAISSANCE

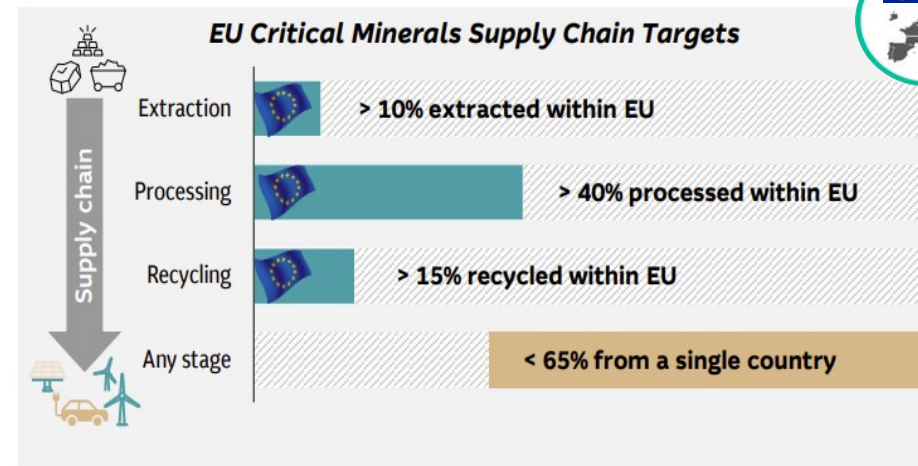
- Entering a period of de-globalisation and resource scarcity.
 - The EU Critical Raw Materials Act in March 2023, provided a set of clear targets and initiatives for the EU to catch up in the global race for metals and mining supply.
- **Exploration** - Member States to draw up / revamp national programs aimed at exploring what CRMs may be available
- **Permitting** - provides for a streamlined process in order to shorten time frames and improve investment security

EU energy transition will require 10–15% more zinc annually than the region uses today

Selected developers & mine operators in Spain



EUROPEAN UNION COMMITS TO SECURING CRITICAL MINERALS

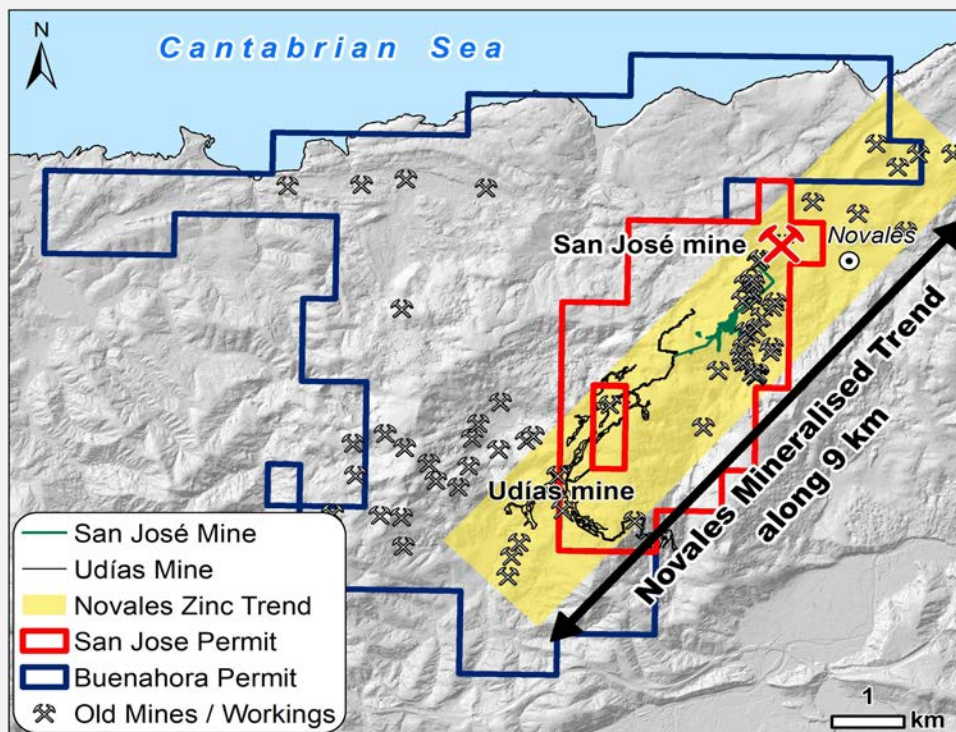
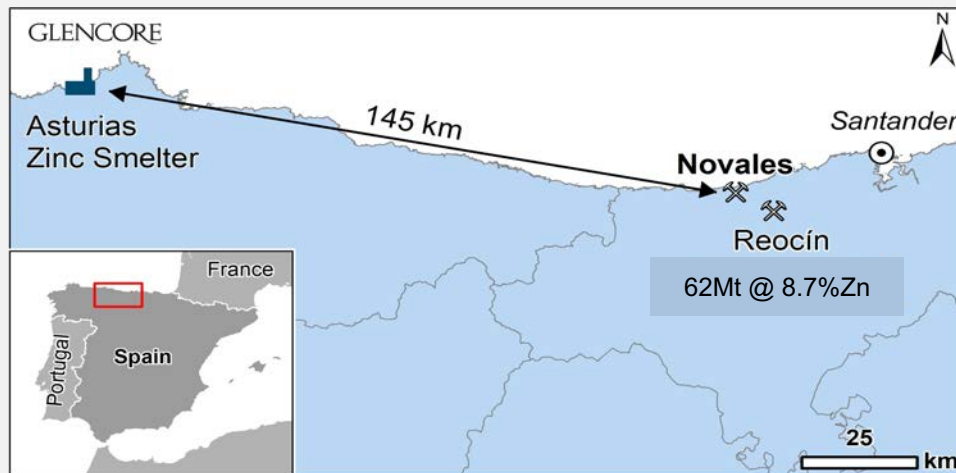


Spanish Parliament Shows Powerful Support for Nation's Critical Minerals Future

by Colin Goodall-Hay, Contributor - The Assay — @marina_ago Reading Time: 2 mins read



NOVALES-UDIAS PROJECT – SITUATED IN PROVEN MINING DISTRICT



- **San Jose** (12km²) Mining Licence hosting former producing San Jose zinc mine
- **Buenahora** (41km²) Exploration Licence hosting +60 historical (mostly artisanal) workings
- Defined and metallurgically simple MVT zinc sulfide deposit along a 9km trend
- Shallow mineralisation (170-240m depth), hosted by dolostone, and consists of stacked flat-lying elongated ore lenses, with good continuity
- High grades, with zinc strongly dominant over lead (c. 10% Zn+Pb).
- Simple mineralogy (sphalerite), easy processing, high quality concentrate
- No exploration for ~30yrs until project acquired by Variscan
- 8km NW of the world-class Reocin zinc deposit (87 Mt @ 11% Zn, 1% Pb).
- Proximity to Glencore's San Juan de Nieva zinc smelter (2nd largest globally)

NOVALES-UDIAS PROJECT: CANTABRIA, NORTHERN SPAIN

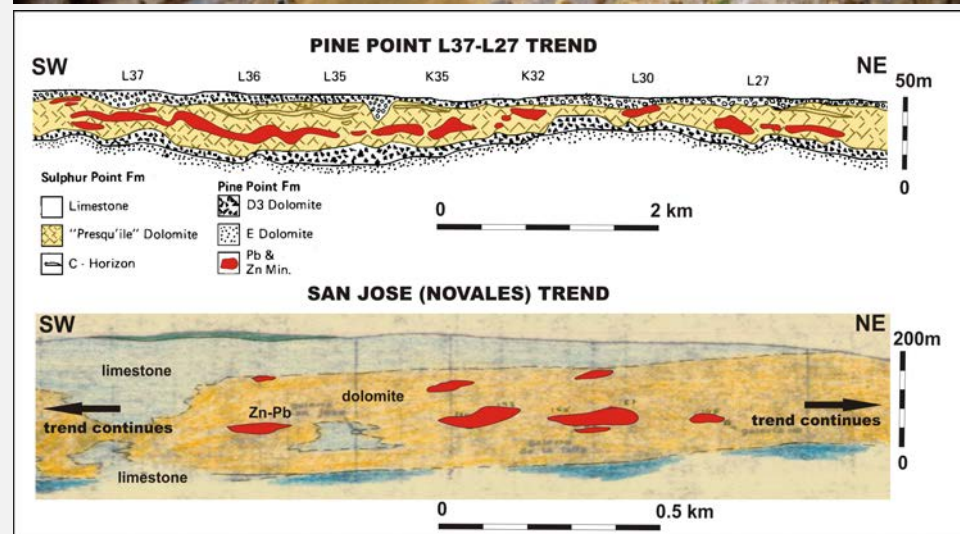



variscan mines

 THICK HIGH GRADE ZINC-LEAD DRILL RESULTS	 MVT MINERALISATION SIGNIFICANT EXPLORATION UPSIDE	 9KM FROM REOCIN MINE 62MT @ 8.7%ZN	 SUPPORTIVE REGIONAL GOVERNMENT & POLICIES
 POTENTIAL MINE RE-START MINING LICENCE GRANTED	 GLENCORE SMELTER DEEP WATER PORT AIRPORT + ROADS POWER + WATER	 STRATEGIC SUPPLY TO EU MARKETS EBA250 MEMBER	 STRONG MINING HERITAGE

MVT DEPOSITS – FAVOURABLE CHARACTERISTICS

- ✓ Flat-lying, tabular orebodies
- ✓ Good lateral continuity
- ✓ Multiple horizons
- ✓ Occur in clusters / ore fields
- ✓ Sizeable resources
- ✓ Grade can be very high
- ✓ Comparatively simple geology
- ✓ Simple mineralogy
- ✓ Simple mining /processing
- ✓ Good quality concentrate
- ✓ Comparatively easy exploration



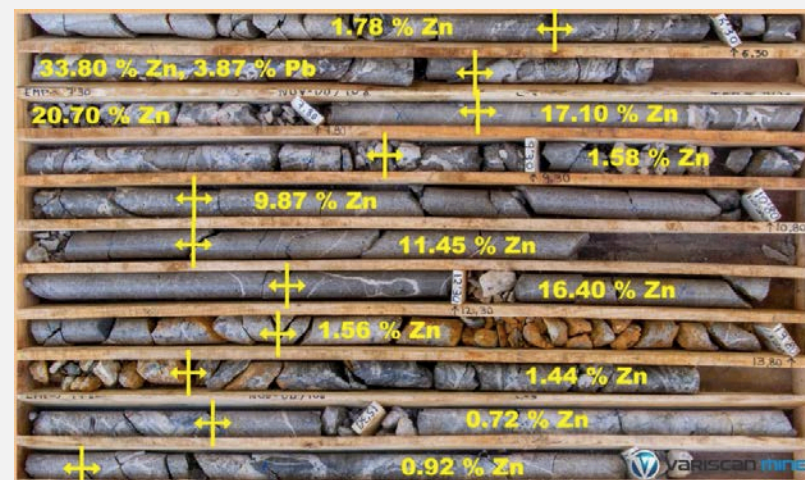
DELIVERING EXPLORATION SUCCESS & DEVELOPMENT PROGRESS

- ✓ Sustained underground drilling success at San Jose
- ✓ Step-out surface drilling success
- ✓ Sizeable, High-grade JORC Exploration Target for the overall project*

Range	Tonnage (Mt)	Zinc (%)	Lead (%)
Lower Estimate	16.5	6.3	1.1
Upper Estimate	34.0	9.1	1.8

- ✓ Development of 3D mineralisation model
 - Follow-up Phase 3 underground drilling well advanced & delivering high-grade intercepts
 - Maiden JORC Mineral Resource Estimate for the San Jose Mine – ERM (formerly CSA) mandated
 - Structural geology framework and exploration targeting study commissioned - world-renowned expert Brett Davis appointed
 - Met test work
 - Mine Re-start Study – Piran Mining appointed

DDH NOV113: 33.0m @ 4.1% Zn + 0.1% Pb



Note: DDH NOV113 Hole Depth shown from 5.40m to 16.90m



ASX:VAR

* The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource. The Exploration Target has been prepared and reported in accordance with the 2012 edition of the JORC Code.

SAN JOSE MINE

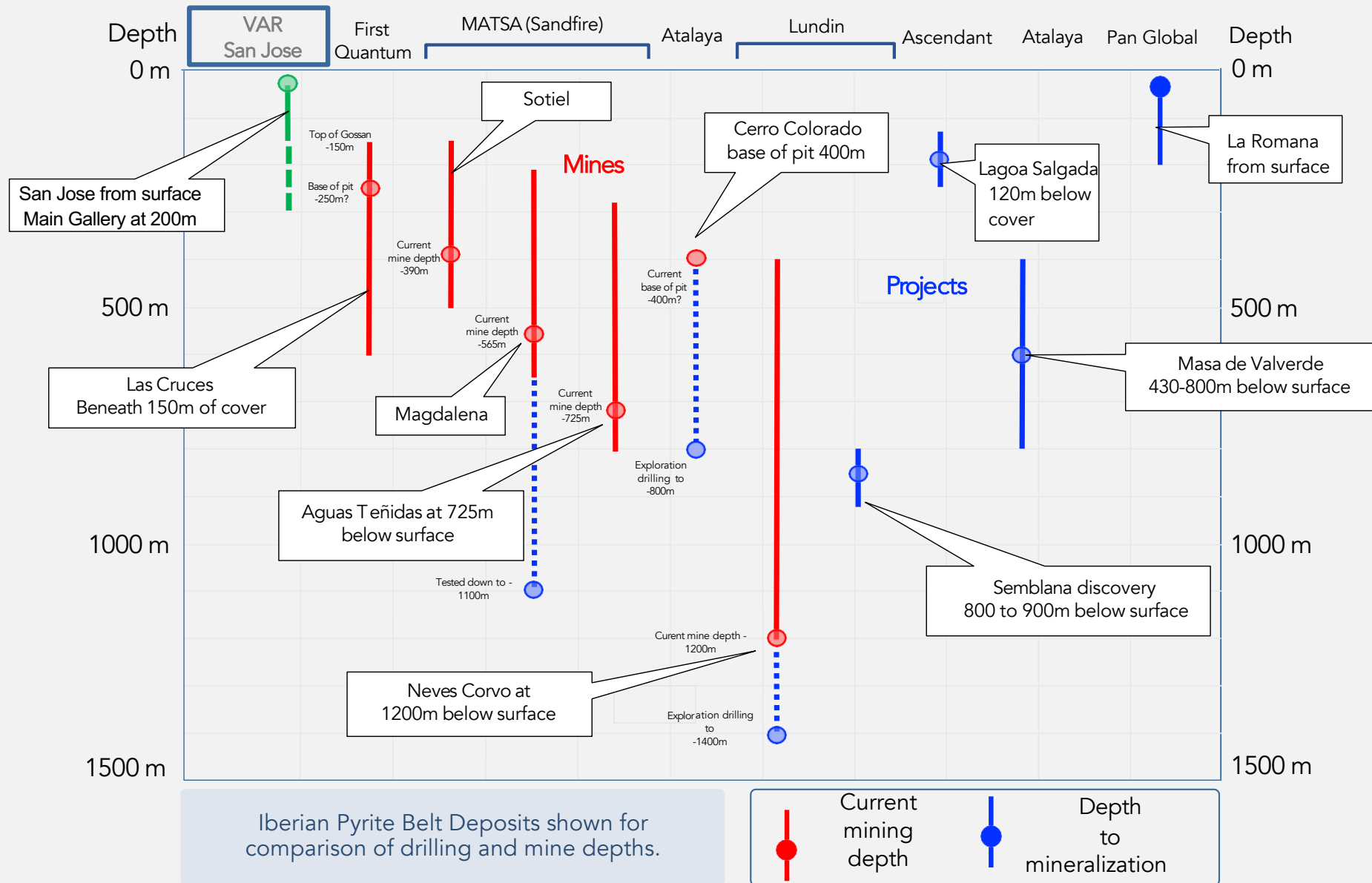
- Former high-grade zinc producing mine; ceased production in late 1990s due to prevailing metal prices
- Excellent condition: underground development extends over a linear length of c. 2.5km
- Links to much larger historical Udias zinc mine complex (> 3.5 km of linear length, within permit area)
- Comprehensive 3D hi-resolution laser topographic survey of stopes and ore passes & development
- 3x underground drilling campaigns conducted to date totaling 177 holes for ~4,806m
- Ongoing underground drilling – flexible, efficient & cost-effective drilling using own portable rig
- 3x step-out surface drill-holes from the San Jose Mine indicate growth potential; followup drilling planned for CY24 with permit applications submitted
- Expanded our extensive & valuable database of 1,105 drillholes for 94,808 m.
- Estimated replacement value of AUD\$~22m¹



Massive replacement zinc sulfide ore

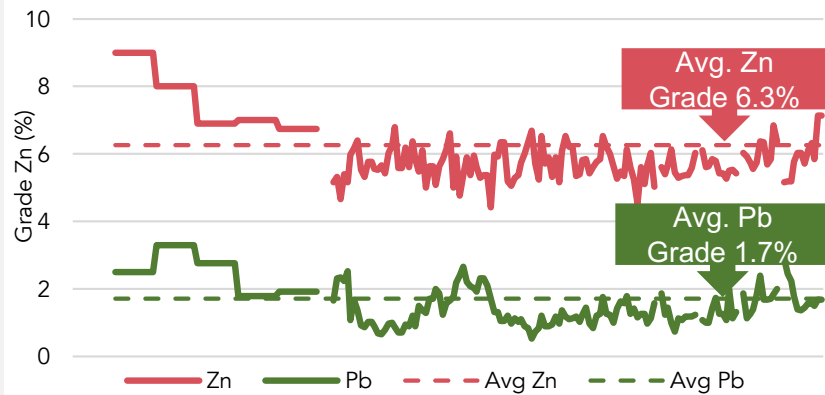


SAN JOSE MINE – SHALLOW DEPOSIT WITH MINE DEVELOPMENT IN PLACE

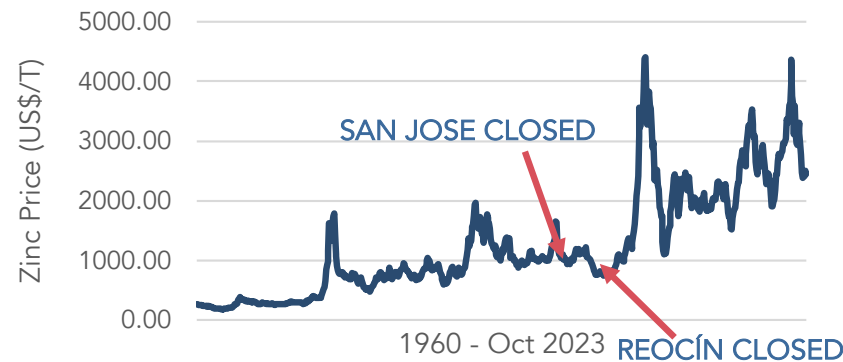


SAN JOSE MINE – PROVEN HIGH-GRADE WITH SIMPLE METALLURGY

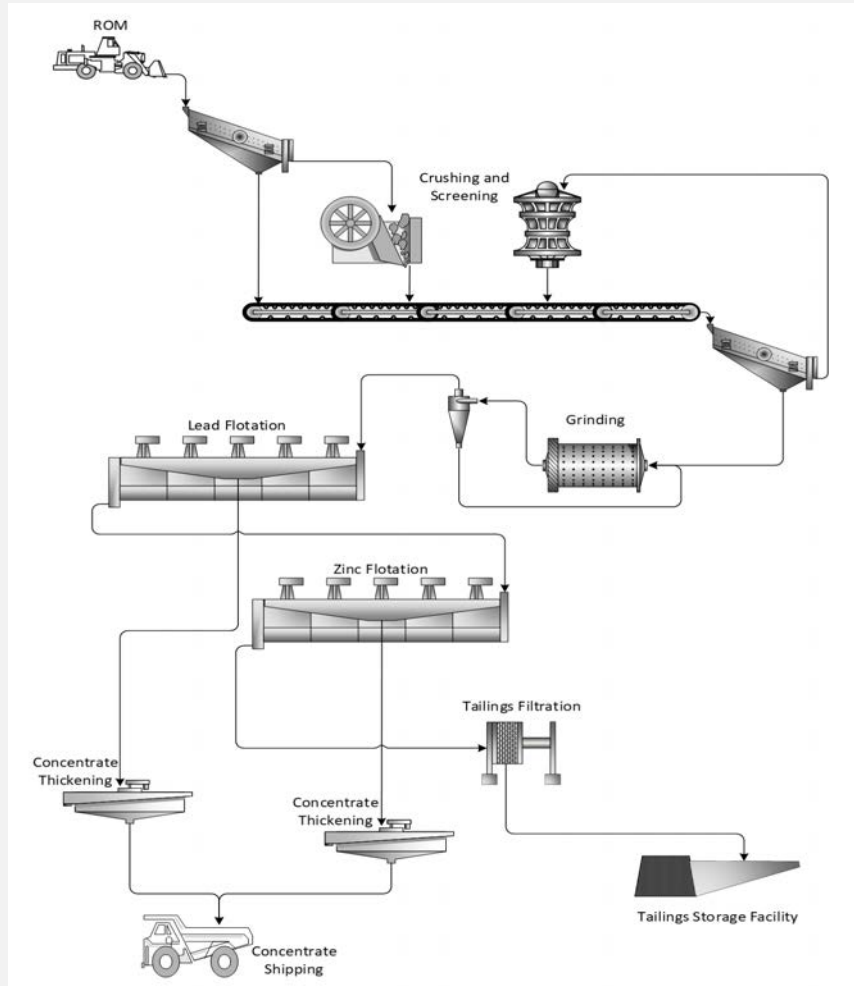
San Jose Mine ROM Grades 1970-1988



Current 'weak' zinc price offers 2x-3x premium



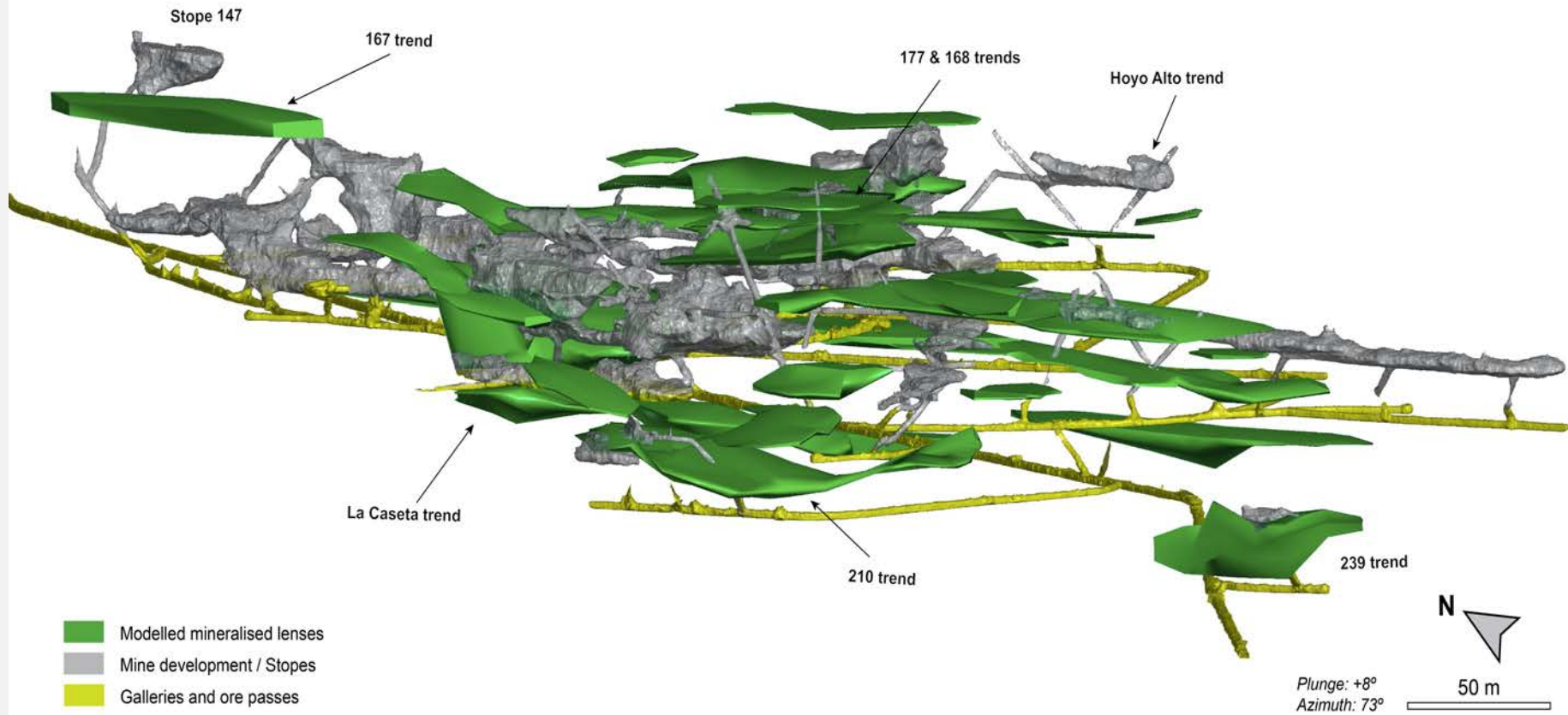
Simplified Historical Processing Flow Sheet



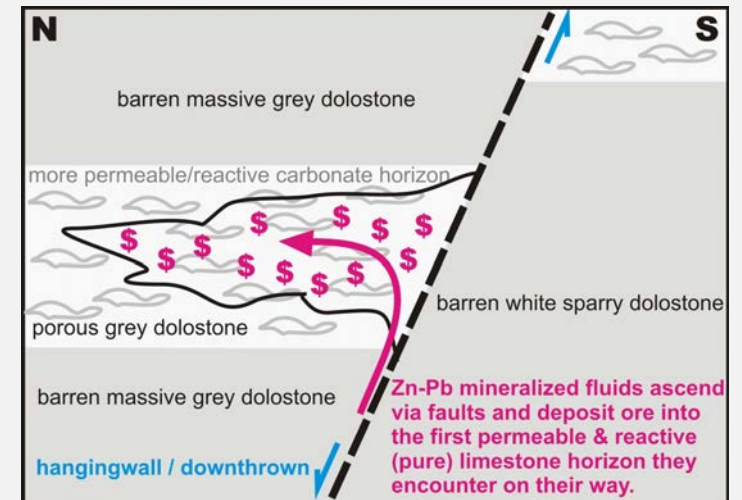
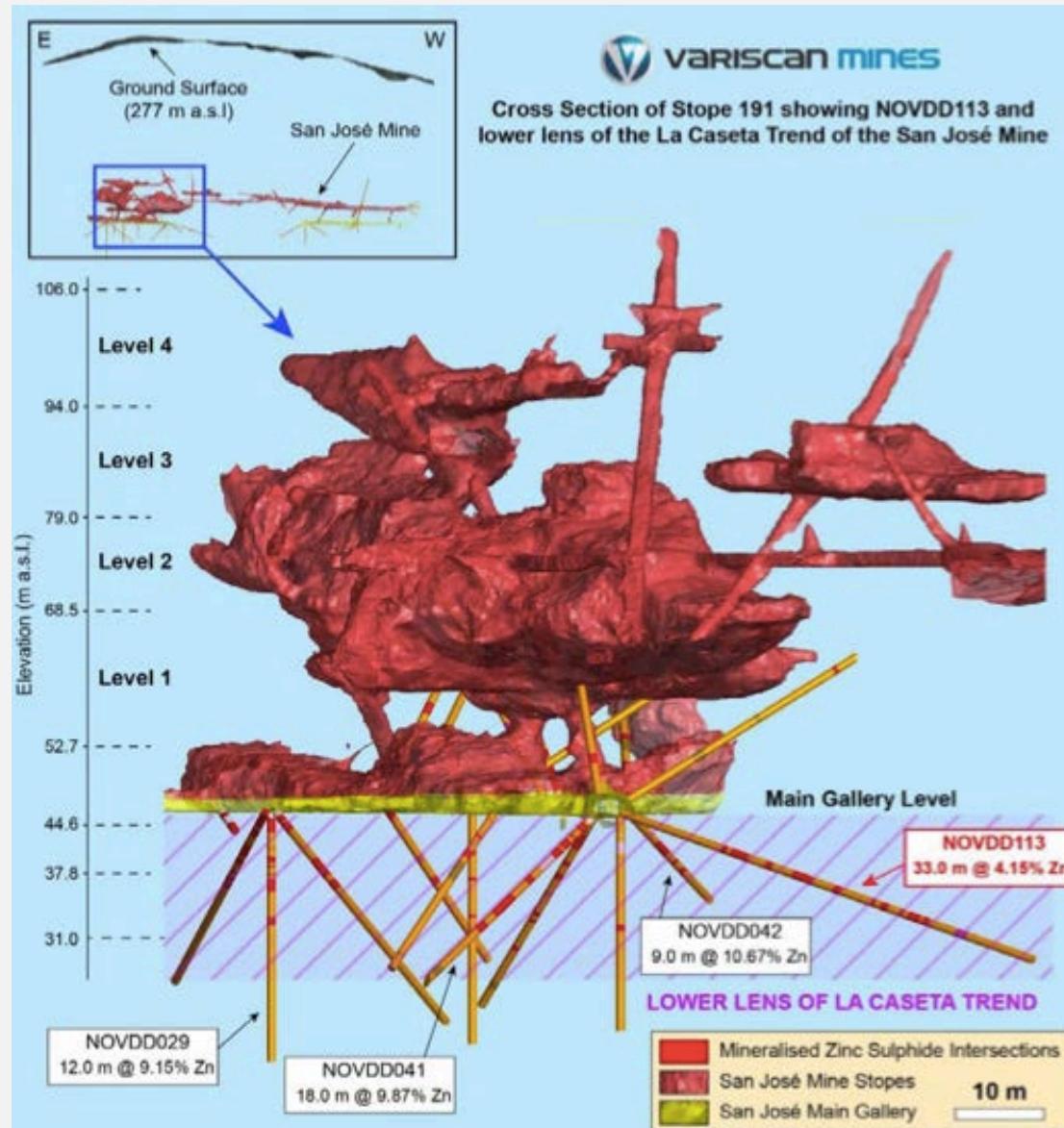
Potential to enhance using modern technology i.e. DMS

DEVELOPED 3D MINERALISATION & DEVELOPMENT MODEL

3D MINERALISATION AND MINE DEVELOPMENT MODEL - ORIENTED VIEW

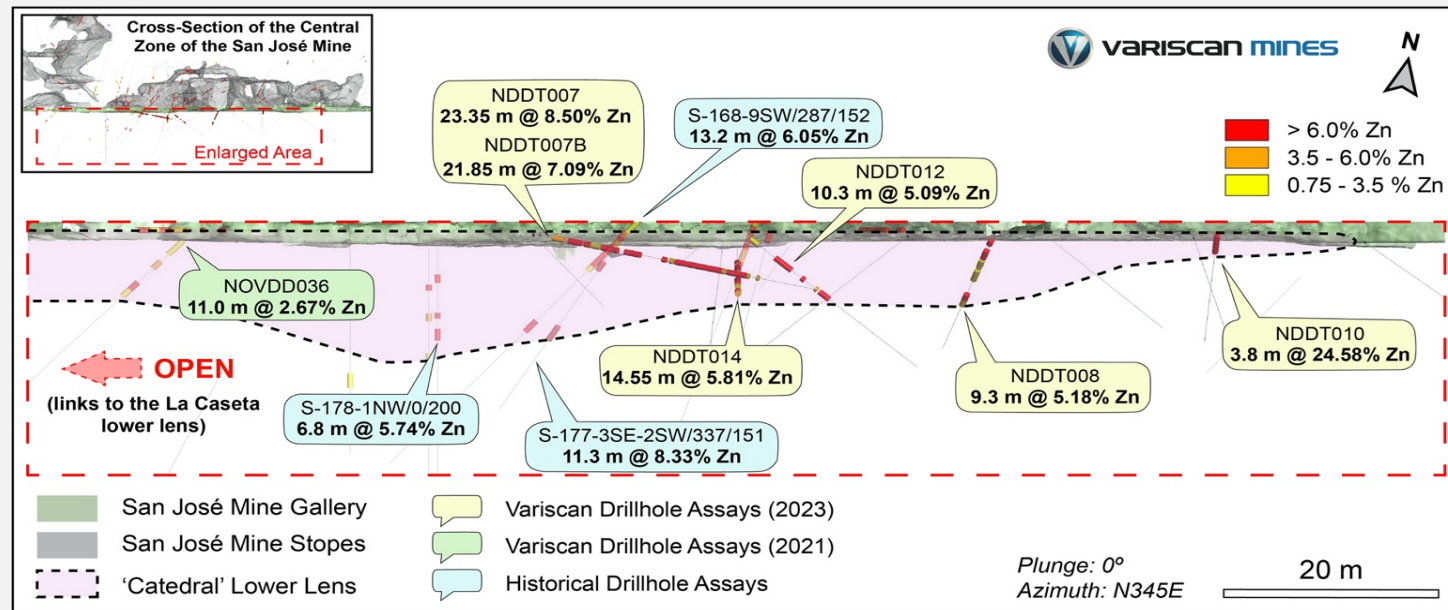
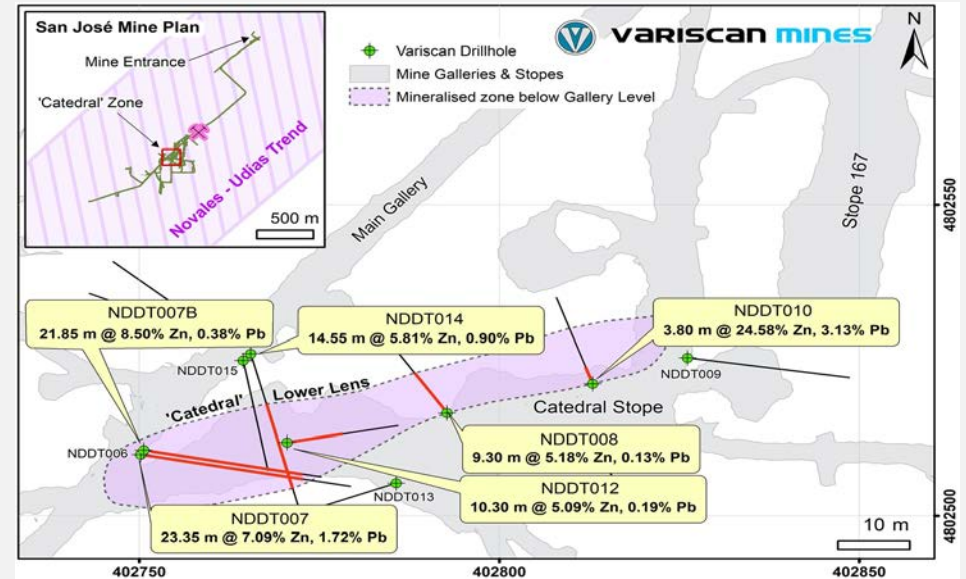


CONTINUED UNDERGROUND DRILLING SUCCESS OVER MULTIPLE HORIZONS

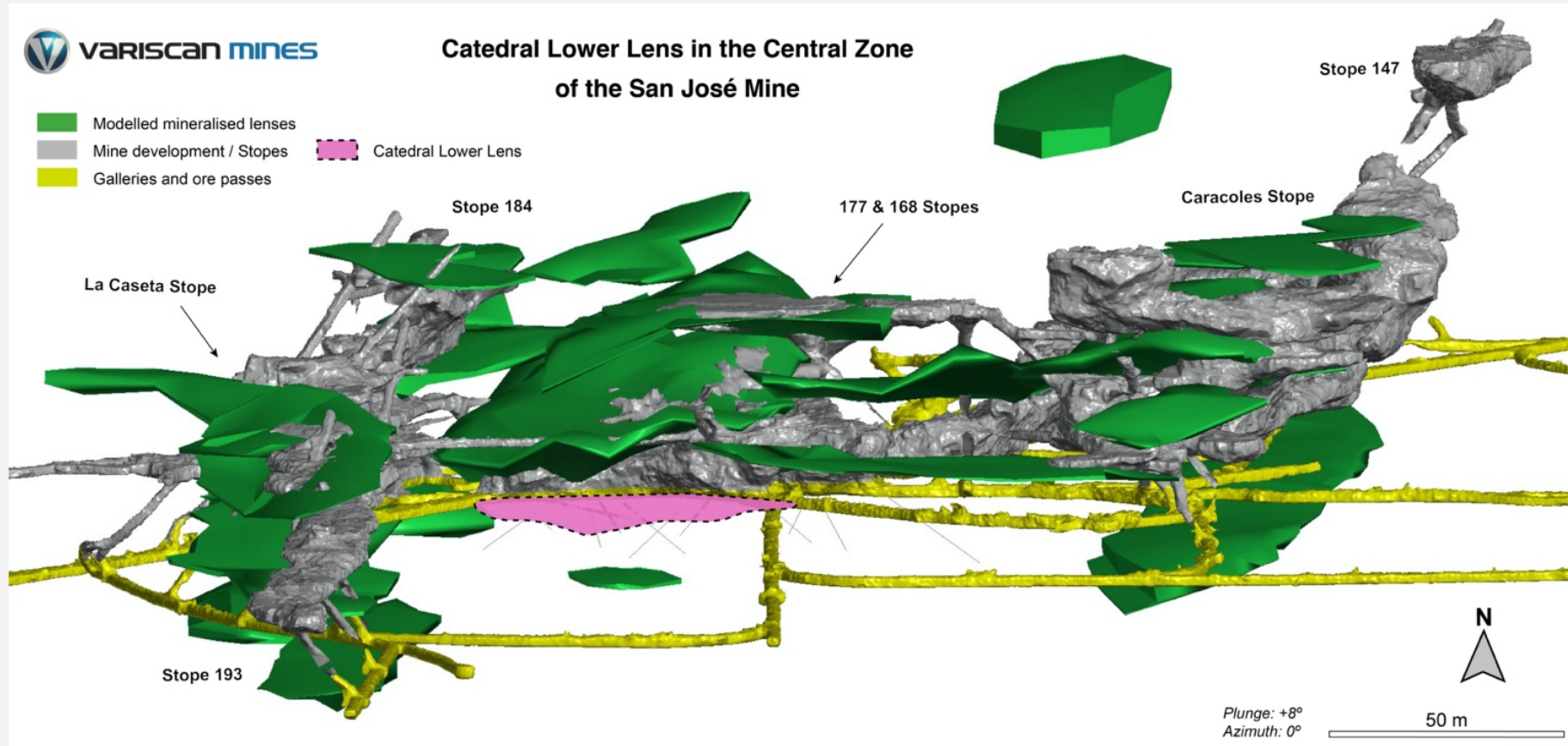


CONTINUED UNDERGROUND DRILLING SUCCESS → NEW LOWER LENS

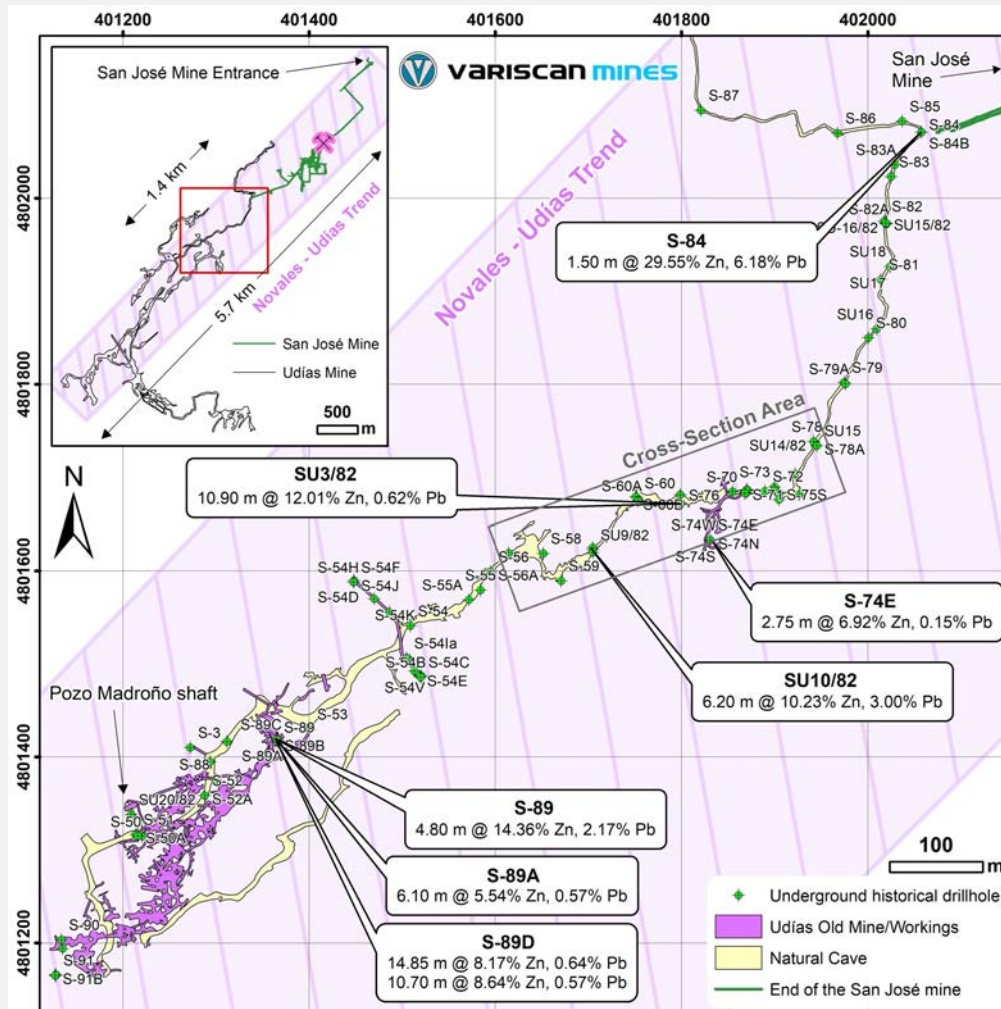
- NDDT007B. 21.85m @ 8.50% Zn, 0.38% Pb
 - including 18.05m @ 10.22% Zn, 0.46% Pb
- NDDT007. 23.35m @ 7.09% Zn, 1.72% Pb
 - including 11.0m @ 11.58% Zn, 3.35% Pb
- NDDT014. 14.55m @ 5.81% Zn, 0.90% Pb
- NDDT012. 10.30m @ 5.09% Zn, 0.19% Pb
- NDDT010. 3.80m @ 24.58% Zn, 3.13% Pb
- NDDT008. 9.30m @ 5.18% Zn, 0.13% Pb



DRILLING SUCCESS → DISCOVERING NEW LOWER LENS AT SAN JOSE

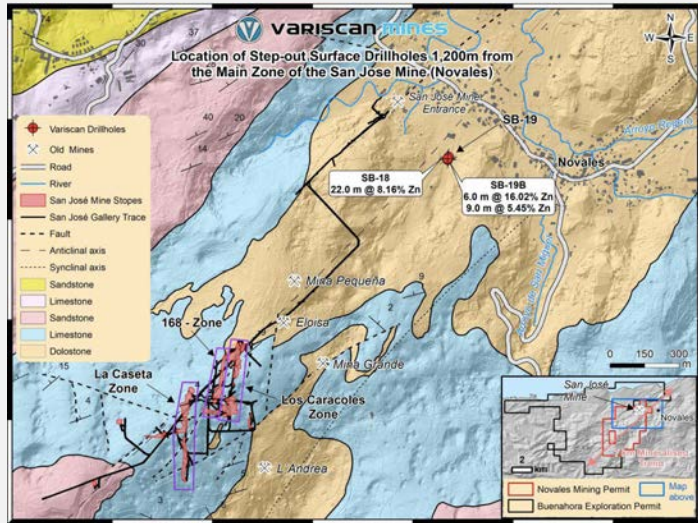


STEPPING OUT - UDIAS HISTORICAL DRILLING EXTENSIONS ON STRIKE

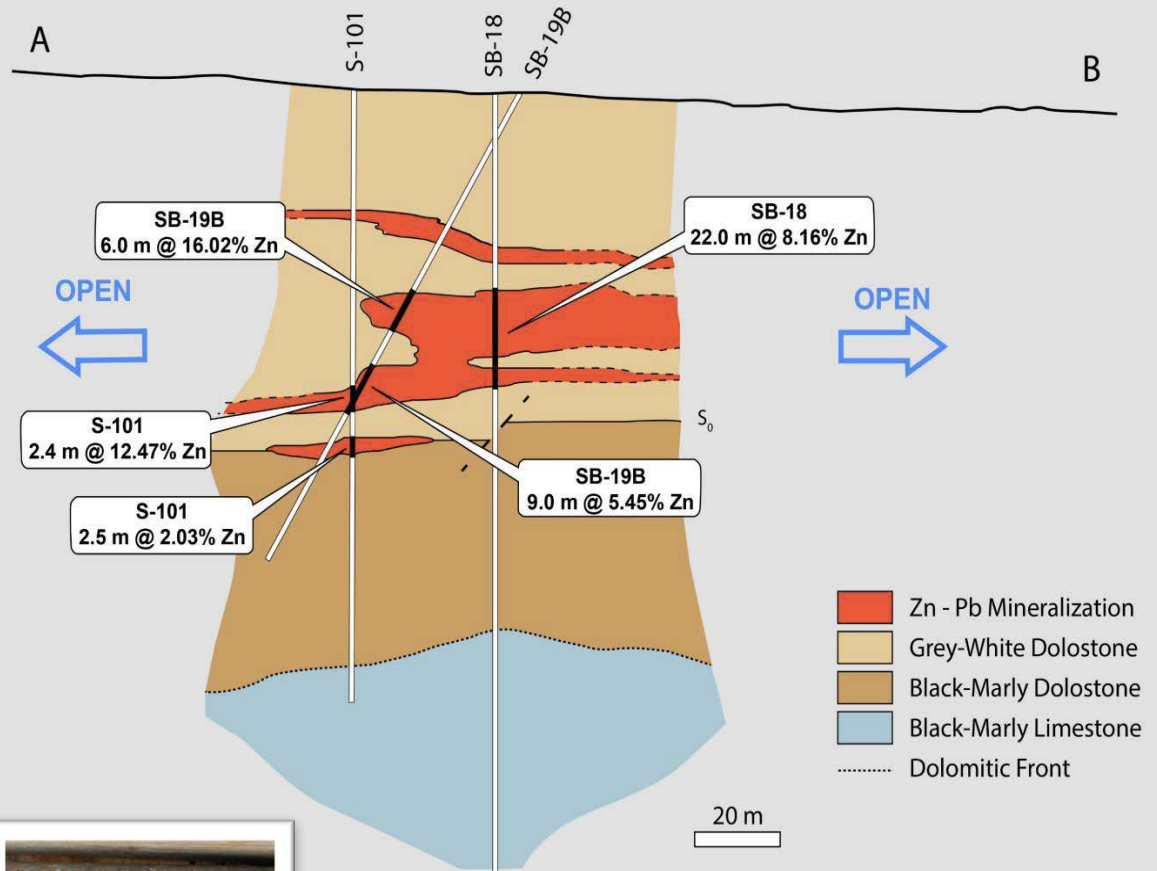


- S-89D 14.85m @ 8.17% Zn, 0.64% Pb
- S-89D 10.70m @ 8.64% Zn, 0.57% Pb
- SU3/82 10.90m @ 12.01% Zn, 0.62% Pb
- SU10/82 6.20m @ 10.23% Zn, 3.00% Pb
- S-89A 6.10m @ 5.54% Zn, 0.57% Pb
- S-89 4.80m @ 14.36% Zn, 2.17% Pb

STEPPING OUT – SURFACE DRILLING EXTENSIONS ON STRIKE

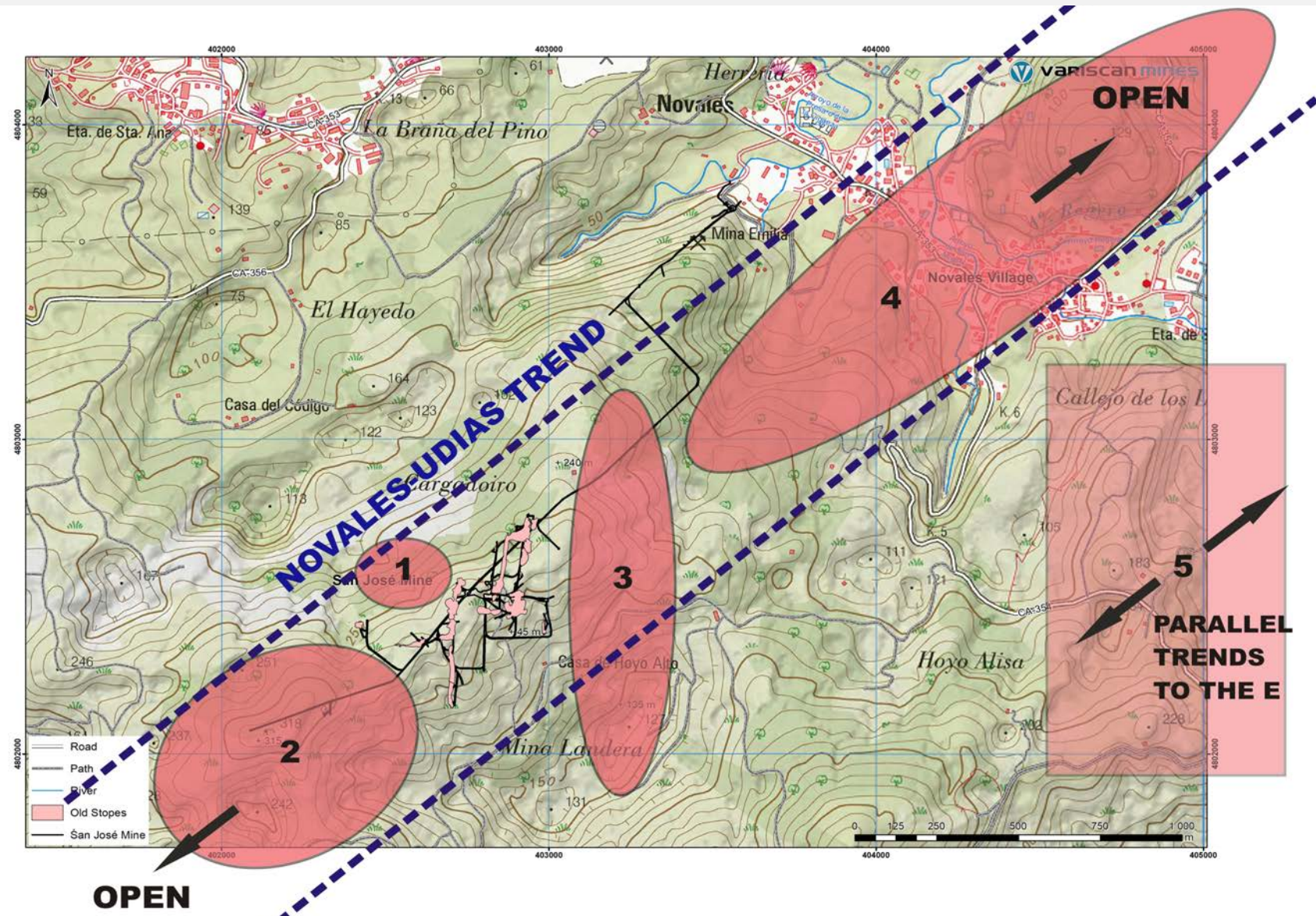


Geological cross-section of the drilled area, with a spatial interpretation of the zinc sulphide lenses

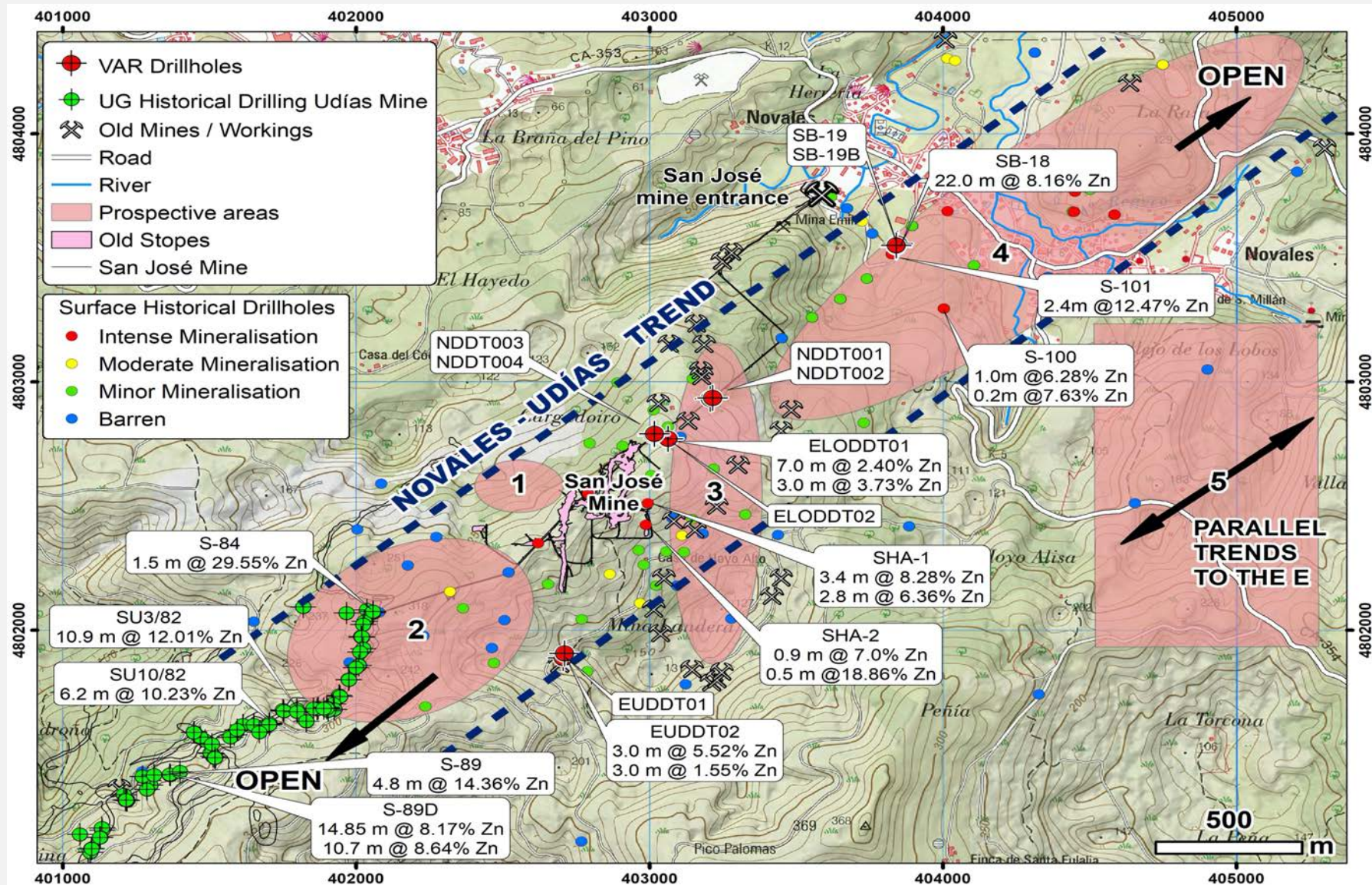


■ Drill-hole SB-18: 22.0m @ 8.16% Zn

SEEKING RESOURCES IN THE VICINITY OF THE SAN JOSE MINE – NOV 22

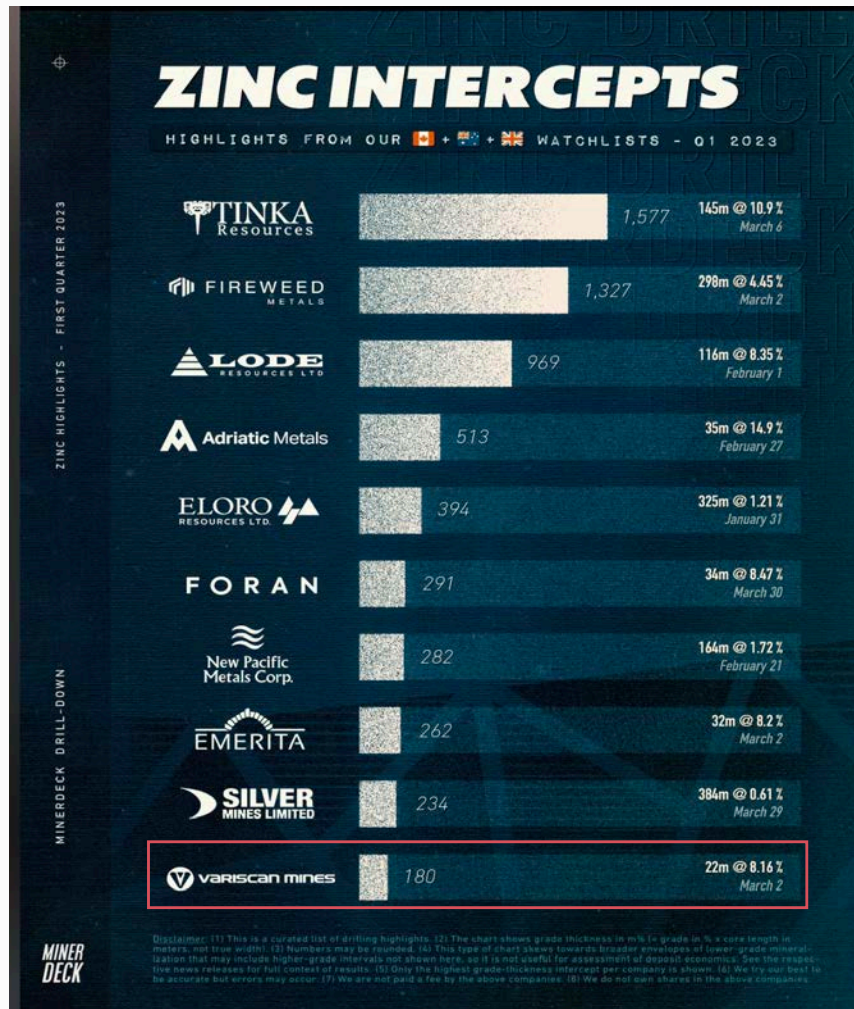


SEEKING RESOURCES IN THE VICINITY OF THE SAN JOSE MINE – NOV 23

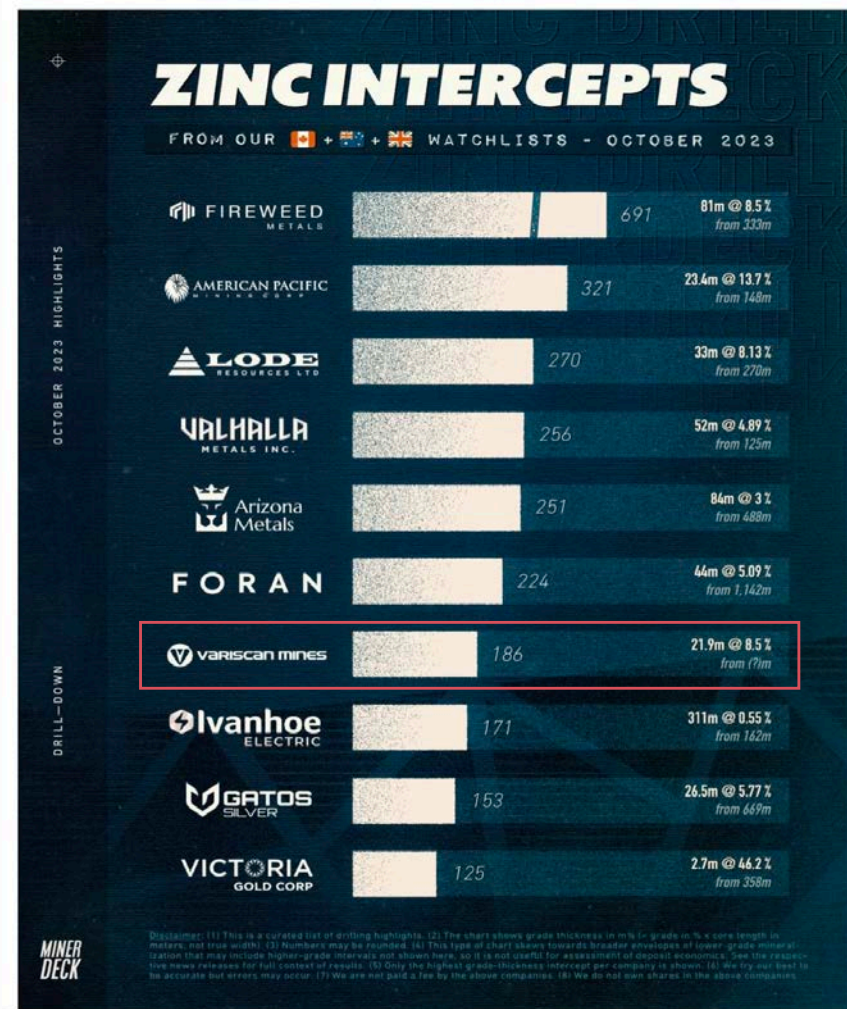


DRILLING RESULTS RANKED AMONGST 'BEST OF THE BEST'

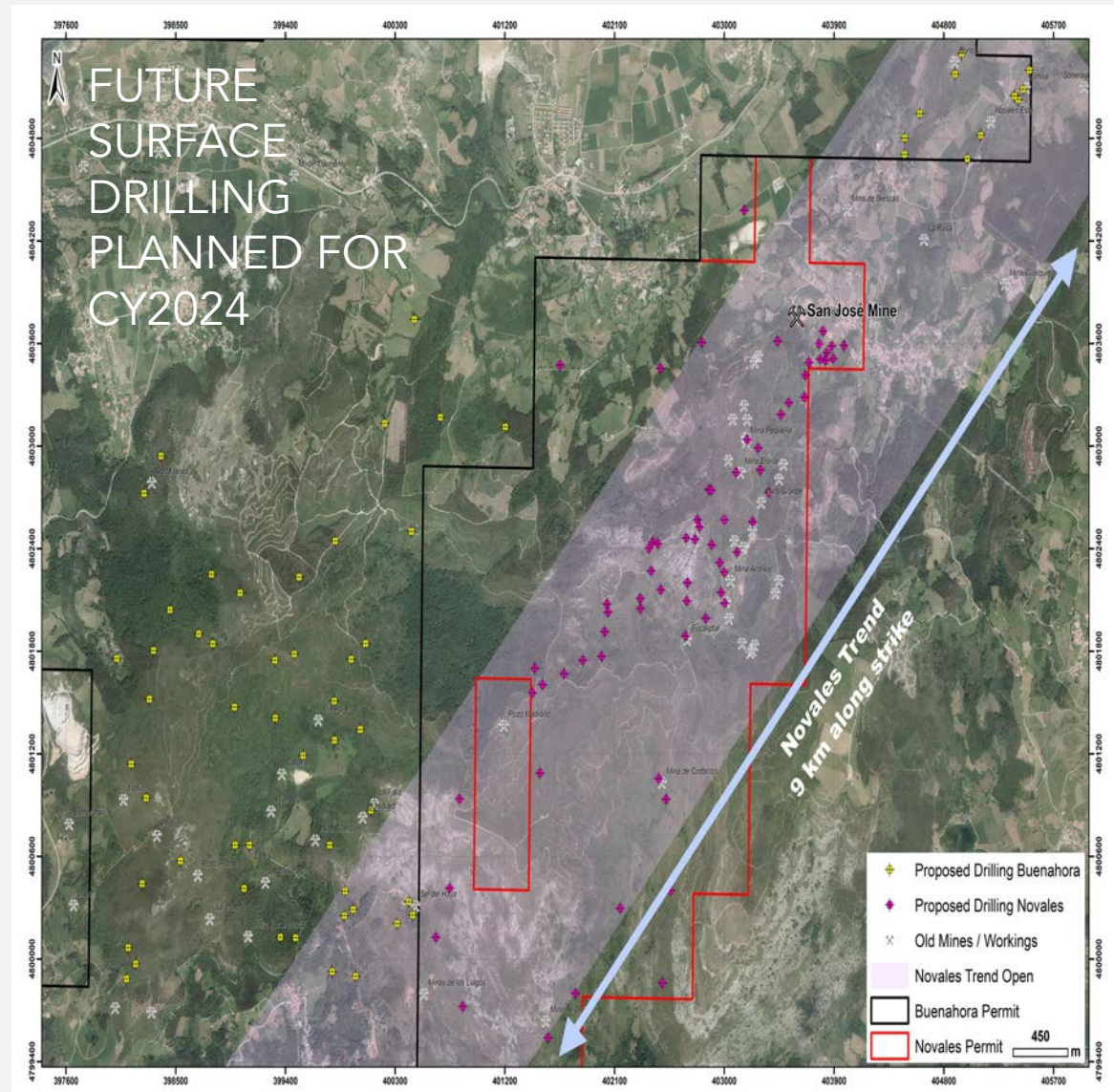
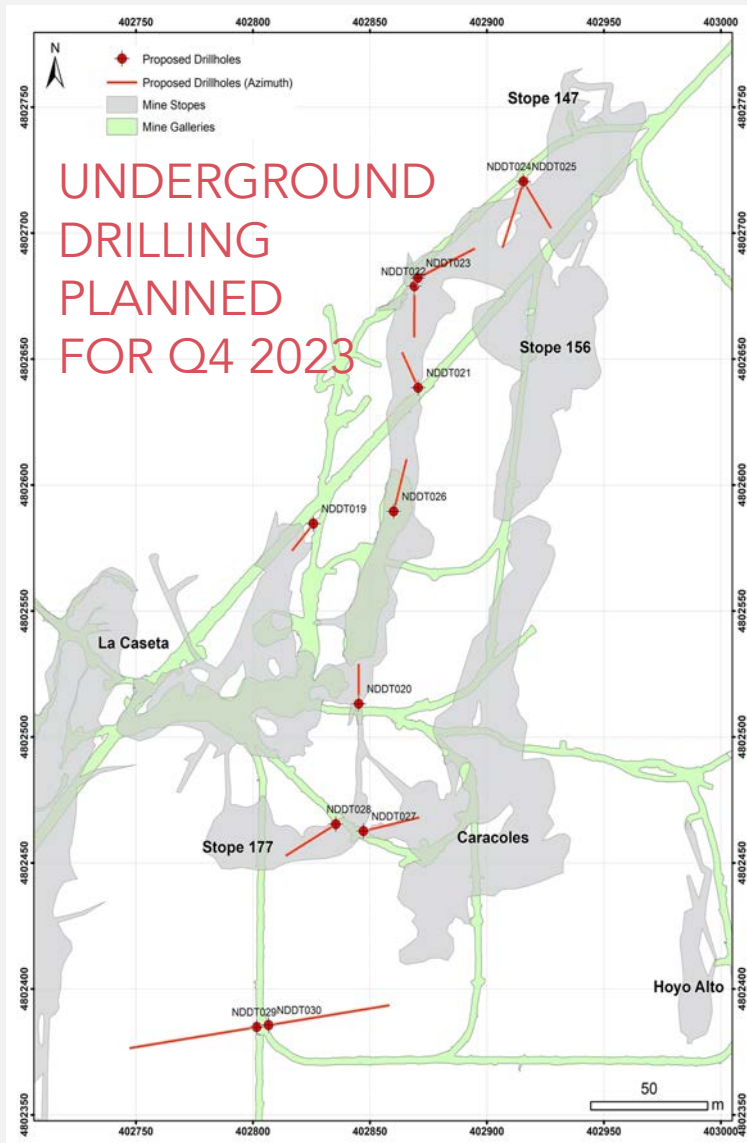
MinerDeck – Top Zinc Intercepts – Q1 2023



MinerDeck – Top Zinc Intercepts – October 2023



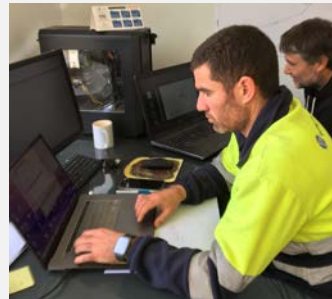
SIGNIFICANT EXPLORATION UPSIDE – FUTURE DRILL TARGETS IDENTIFIED



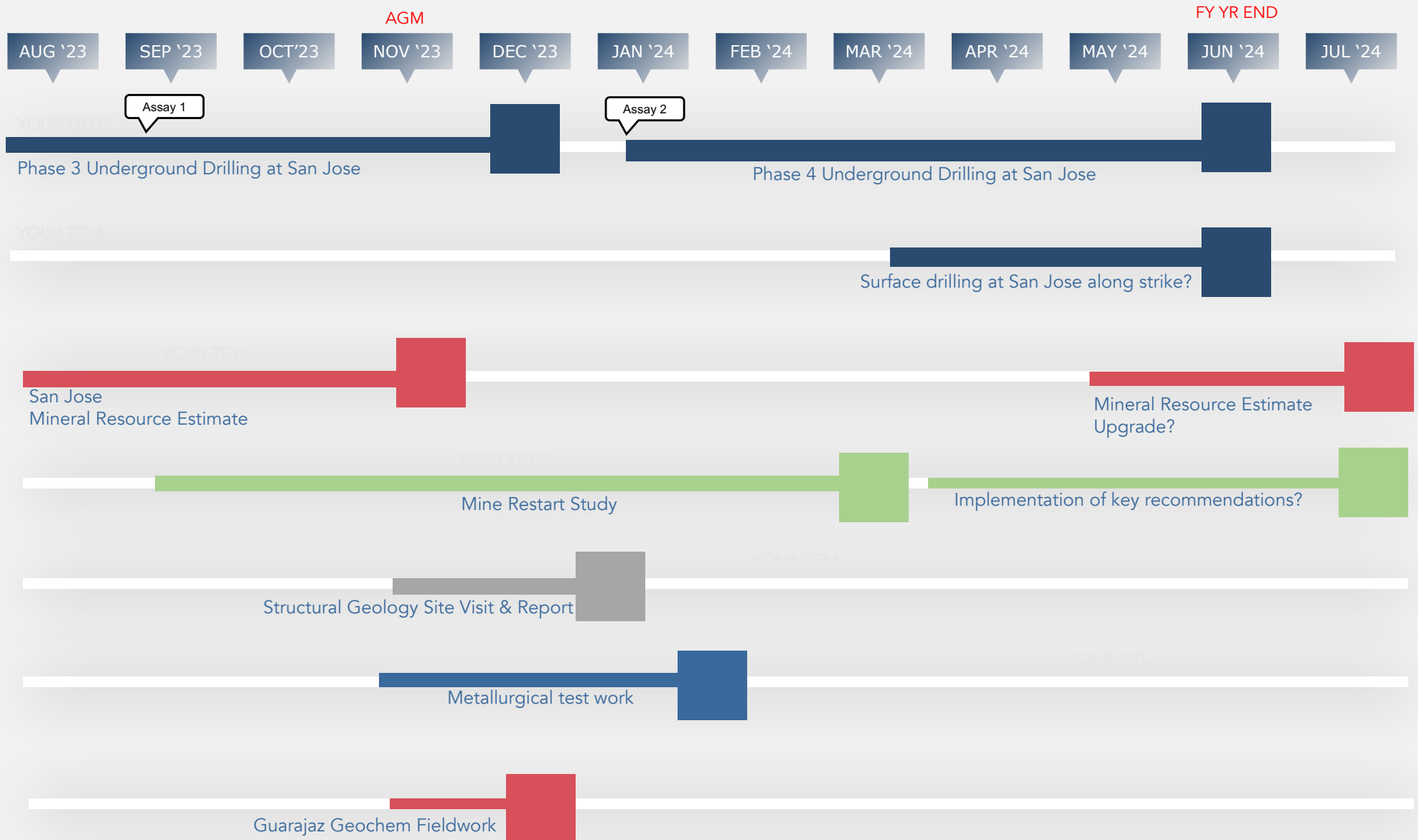
SAN JOSE MINE – INFRASTRUCTURE & FACILITIES



SAN JOSE MINE – INFRASTRUCTURE & FACILITIES



INDICATIVE TIMELINE OF KEY DELIVERABLES





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