

**QUARTERLY ACTIVITIES REPORT***For the period ending 30 June 2025***Highlights****Novales-Udias Project**

- **Underground drilling at Udias Mine delivered high-grade zinc and lead intercepts currently outside the existing Mineral Resource Estimate including:**
  - **UDDT016: 8.00m @ 9.60% Zn, 0.02%Pb & 10.00m @ 5.58% Zn, 0.52% Pb**
  - **UDDT009: 7.10m @ 3.85% Zn, 0.47%Pb & 5.00m @ 5.32% Zn, 0.59% Pb**
  - **UDDT010: 5.40m @ 5.06% Zn, 0.20% Pb**
  - **UDDT017: 4.00m @ 4.93% Zn, 0.04% Pb**
- **Two new exploration licences (Ana Isabel & Hipólita) awarded over 21.9km<sup>2</sup>**
- **Novales-Udias Project tenement area expanded to 111.1km<sup>2</sup> in proven zinc district; now doubled in size since project acquisition**
- **Ana Isabel license is immediately adjacent to existing tenements held by Variscan offering advanced exploration and development potential**
- **Hipólita license covers part of former producing, world-class, Reocín Mine and its extensions**
- **Reocín Mine produced approximately 62 Mt of ore grading 8.7% Zn and 1.0% Pb. In 2003, at mine closure, average production grades were 8.5% Zn and 0.9%Pb with Reserves of 2.5Mt remaining<sup>1</sup>**
- **Metallurgical and geotechnical test work progressing**
- **Ore sorting and flotation testing underway**

**Variscan Mines Limited (ASX:VAR) (“Variscan” or the “Company”)** is pleased to provide shareholders and investors with an operations overview to accompany the Appendix 5B for the quarter ending 30 June 2025 (“**Quarter**” or the “**Reporting Period**”).

During the Quarter, the Company made further progress at its flagship Novales-Udias Zinc Project in Northern Spain. The Company was granted two additional exploration licenses by the Consejería de Innovación, Industria, Turismo y Comercio del Gobierno de Cantabria (the Government of Cantabria). These licenses cover a combined area of 21.9km<sup>2</sup>, increasing the total project area to 111.1km<sup>2</sup> and further consolidating the Company’s strategic landholding in a proven zinc district.

During the Reporting Period, the Company also delivered a second batch of assay results from its ongoing underground drilling campaign at the Udias Mine, part of the Novales-Udias Project. Drilling results at Udias demonstrated strong geological similarity with mineralisation in the San Jose Mine, indicating they are part of the same mineral system.

<sup>1</sup> 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.

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**Variscan’s Managing Director & CEO, Stewart Dickson said,**

*“It has been another busy quarter for Variscan both in the field with a very promising maiden drill campaign unfolding at the Udías Mine together with advancing study work streams and securing new licences expanding our footprint. We are making demonstrable progress on all fronts.*

*We have much to look forward to as our approach is designed to leverage the Novales-Udías Project’s inherent advantages as a de-risked, former producing mine, while recognising the potential opportunities in and around it that remain underexplored. The development strategy is underpinned by the goal of generating early cash flow to support ongoing exploration and development, creating a self-sustaining cycle of value creation.*

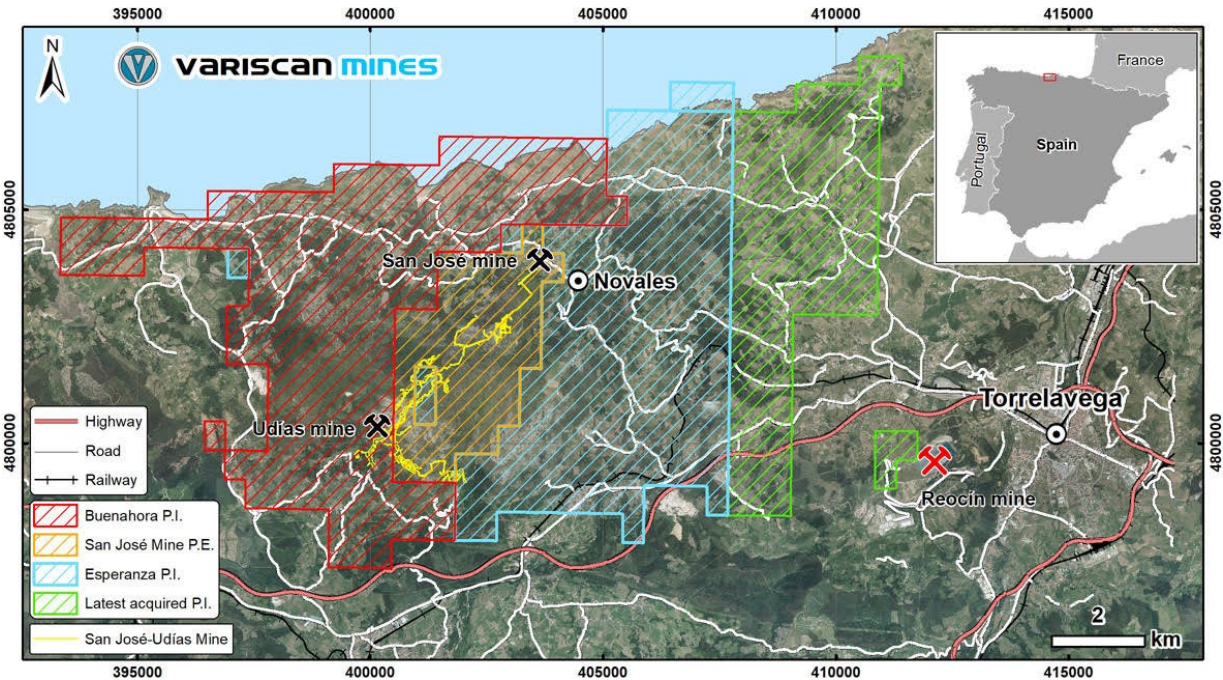
*We look forward to reporting drilling results and study outcomes, especially metallurgical test work and geotechnical test work in the coming period”.*

**Novales-Udías Project**

During the Reporting Period, the Company announced the conditional award of two new exploration licenses by the Consejería de Innovación, Industria, Turismo y Comercio del Gobierno de Cantabria (the Government of Cantabria) in northern Spain. The two licences cover a combined area of 21.9km<sup>2</sup>, expanding the total tenement area of the Novales-Udías Project to 111.1km<sup>2</sup>.

The two new licences, Ana Isabel & Hipólita, collectively referred to as the ‘Caborredondo II’ licences (Figure 1 and Table 1) have been granted for an initial three-year period, with the option for a further three-year extension, subject to standard compliance requirements, including the submission of exploration progress reports.

Formal ratification of the licences is expected upon the submission and approval of supplementary documentation by Variscan, including annual work programs, to the satisfaction of the Government of Cantabria. Importantly, the award of these licences does not carry any minimum financial expenditure obligations, proving Variscan with flexibility in planning and execution of exploration activities.



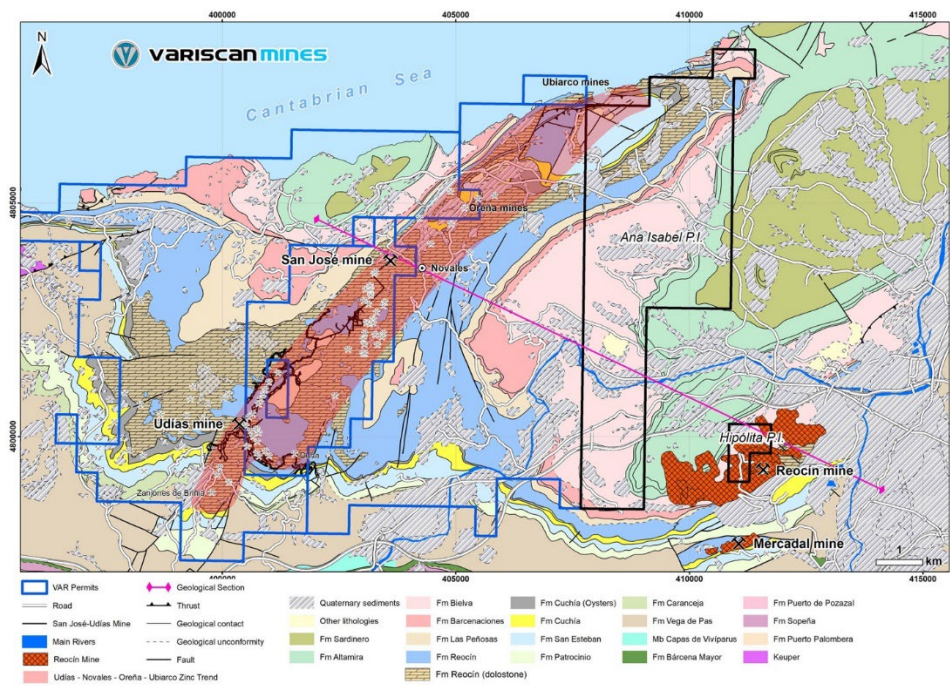
**Figure 1:** Map of enlarged licence areas including the Caborredondo II licences (new licence areas show in hatched green)

**Table 1:** Licence areas awarded comprising the Caborredondo II Licences

Licence Area	Size (km <sup>2</sup> )
Hipólita (Reocin)	0.83
Ana Isabel	21.10
<b>Total</b>	<b>21.93</b>

The former producing world-class Reocin Mine is located on the southeast flank of the syncline, whereas the newly gained ground within the Ana Isabel licence occupies a symmetrical position on the northwest flank of the syncline, where dolomitic alteration and zinc mineralization are well developed in the same Gargasian (Upper Aptian) carbonate beds as found at the nearby Reocin Mine.

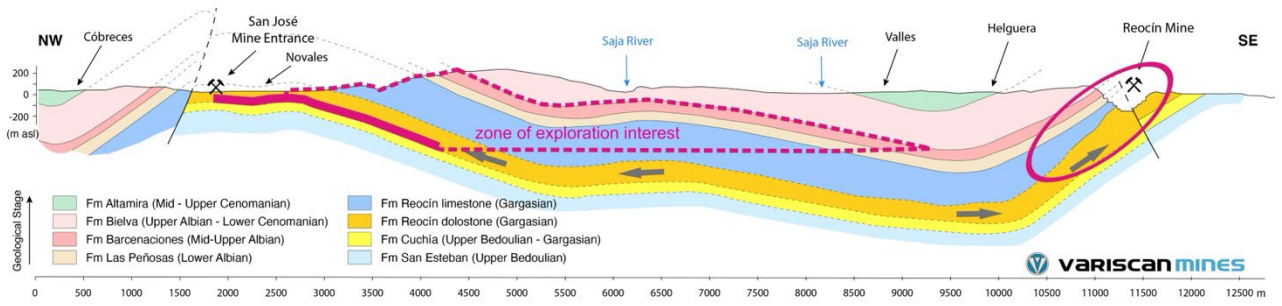
The Reocin deposit is one of the largest known strata-bound, carbonate-hosted, zinc-lead deposits in Europe. The total metal endowment of the deposit, including past production and remaining reserves, is approximately 62 Mt of ore grading 8.7% Zn and 1.0% Pb<sup>2</sup>. It is reported that Reserves of 2.5Mt were remaining at the end of mining operations in 2003<sup>3</sup>.



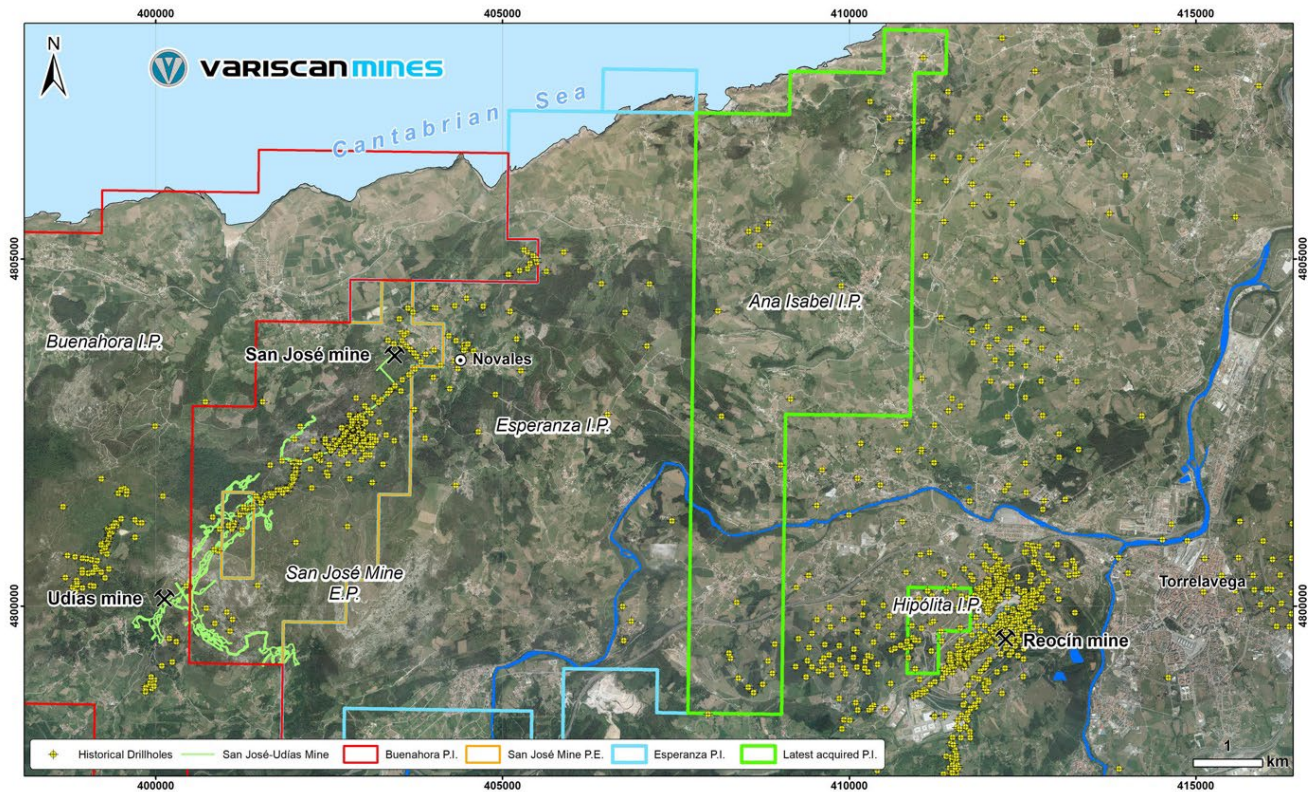
**Figure 2:** Map of enlarged licence areas and underlying geology

<sup>2</sup> 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.

<sup>3</sup> Ibid

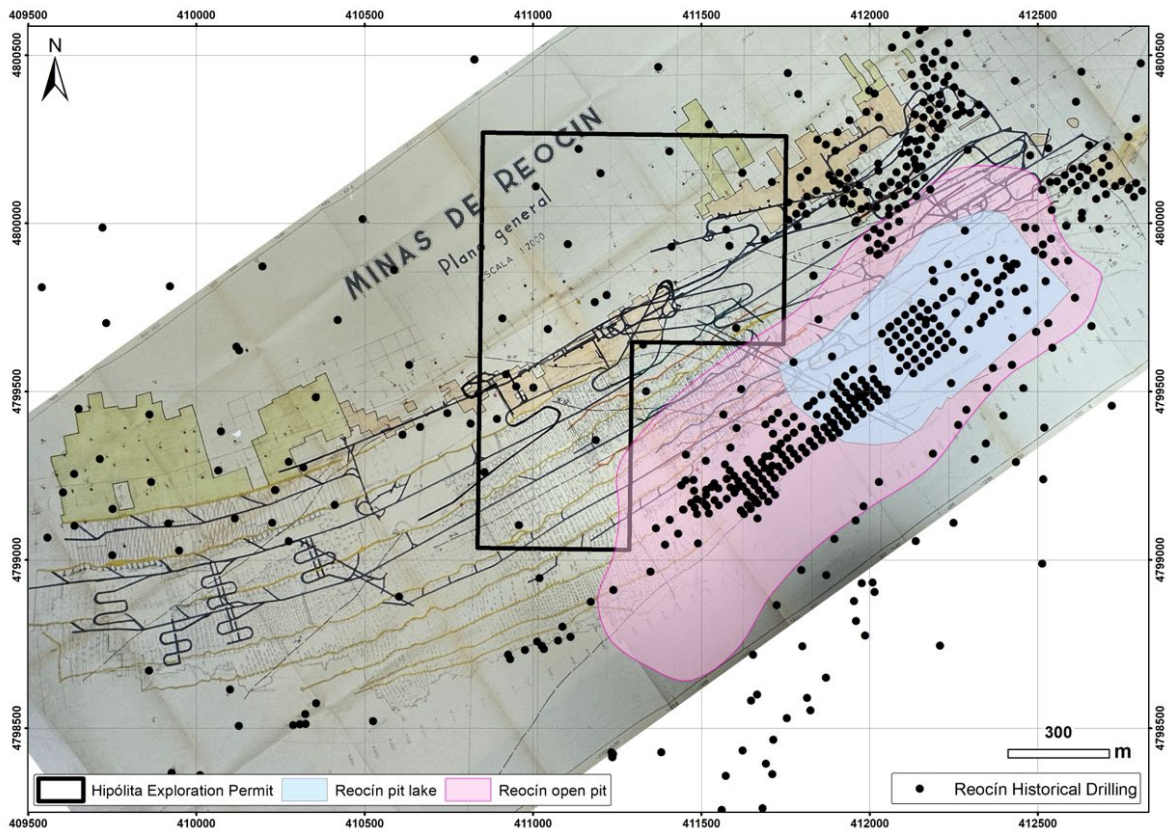


**Figure 3:** Geological cross-section of the Santillana syncline with exploration interest highlighted



**Figure 4:** Map of enlarged Novales-Udias Project licence areas and location of historical drillholes.

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**Figure 5:** Plan view of Reocín Mine workings overlain with Hipólita licence and location of historical.

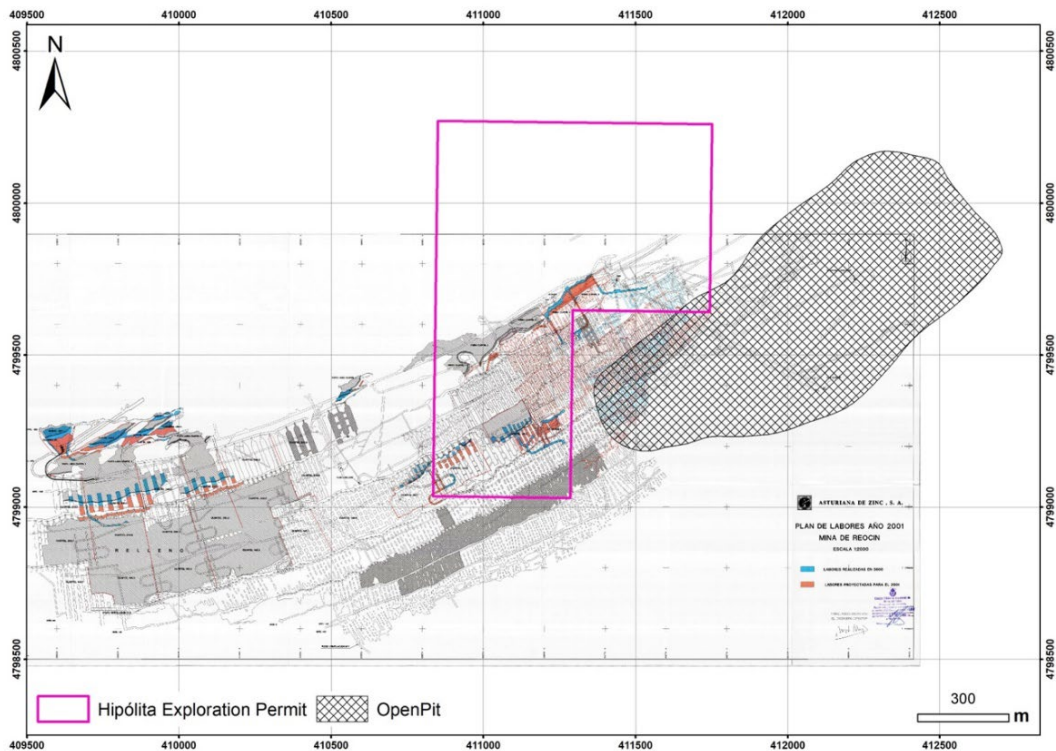
The Reocín Zn-Pb Mine is located within the Santillana synclinal in the Basque-Cantabrian basin, about 30km southwest of Santander. It is the largest known strata-bound carbonate-hosted Zn-Pb deposit in Spain<sup>4</sup> and one of the world's largest known Mississippi Valley Type (MVT) deposits<sup>5</sup>. It produced approximately 62Mt of ore with grades of approximately 8.7% Zn and 1.0% Pb. At the end of the mine life in 2003, average grades were 8.5% Zn and 0.9% Pb with remaining reserves of 2.5Mt<sup>6</sup>.

<sup>4</sup> 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.

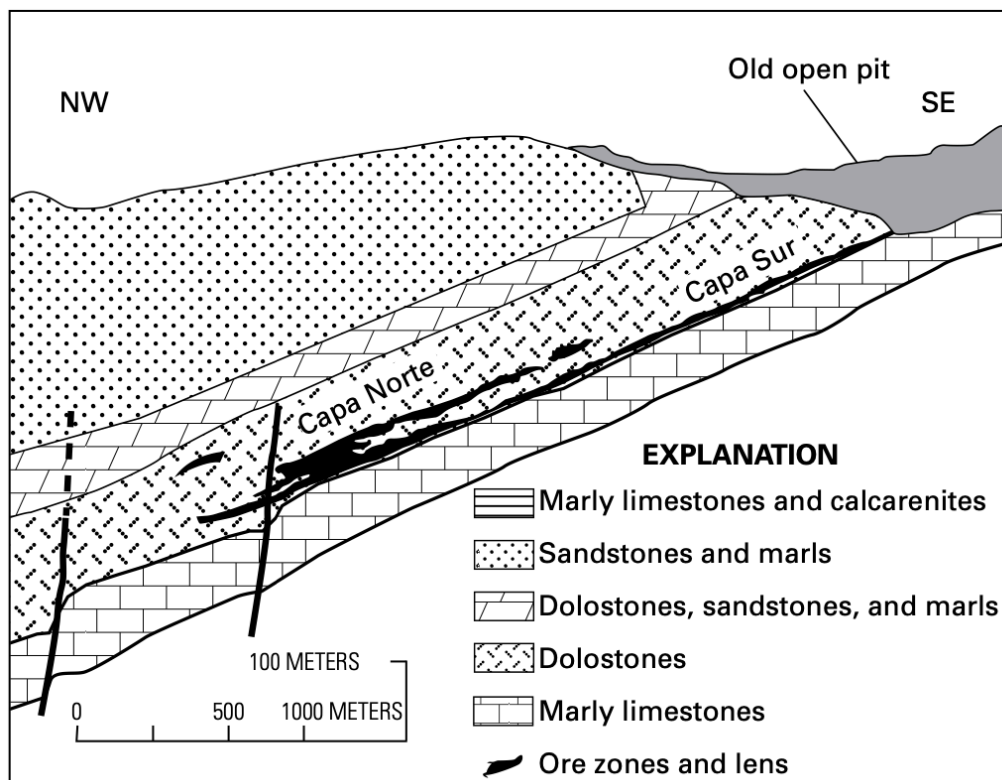
<sup>5</sup> Leach, D.L., Sangster D.F., Kelley, K.D., Large D.D., Garven, G., Allen, C.R., Gutzmer, J., Walters, S., (2005) 'Sediment-hosted lead zinc deposits: a global perspective' *Econ. Geol.* 100th Anniversary Special Paper pp. 561-607

<sup>6</sup> 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.

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**Figure 6:** Plan view of Reocín Mine workings overlain with Hipólita licence



**Figure 7:** Cross section through the central part of the Reocín deposit, showing the relation of the ore lenses and the host dolostones<sup>7</sup>

<sup>7</sup> US Geological Survey (2010) 'A Deposit Model for Mississippi Valley Type Lead-Zinc Ores' Scientific Investigations Report 2010-5070-A from Leach et al, 2005; modified from Velasco et al, 2003.

The Cantabria region is a proven multi-deposit zinc district. MVT zinc-lead deposits usually occur in extensive districts consisting of several to as many as 400 deposits<sup>8</sup>. The addition of the new Caborrendo II licences adds to the significant land package secured by Variscan. This presents a district scale advanced exploration and development opportunity over multiple mines and proven mineralized areas which are typically high-grade as well as very prospective under-explored targets. This supports the company's Explorer-Producer strategy which aims to scale up production, initially at the San Jose Mine, to multiple deposits and develop the long-term opportunity funded by those operations.

### **Underground Drilling at Udias Mine**

During the Quarter, (ASX announcement 2 June 2025) the Company announced a second batch of assay results from the maiden underground drilling campaign at the Udias Mine, part of the Novales-Udias Project. The underground drilling campaign was designed to test priority discovery targets in previously undrilled areas. It successfully discovered new zones of mineralisation and corroborated well with historical face sampling data<sup>9</sup>, confirming that past production from Zn-oxide did not fully exploit the high-grade, zinc-rich sulphide mineralisation.

The Udias Mine complex has a large footprint of under-explored workings which is along strike, however currently outside the existing Mineral Resource Estimate (MRE). Assay results returned from the latest round of diamond drilling indicated that mineralised zones extend well beyond the current geological and MRE model and remain open.

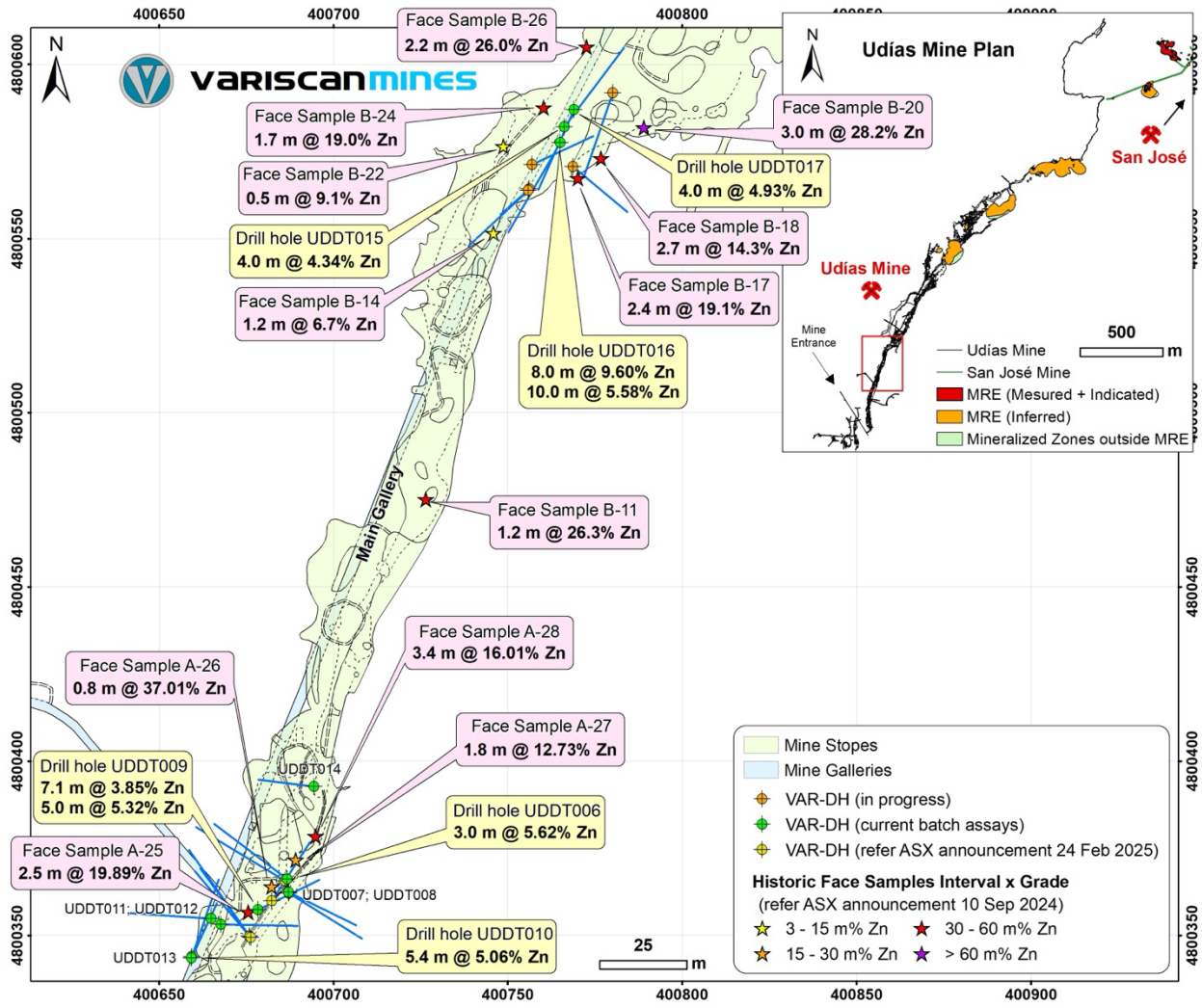
The drilling at Udias also demonstrated strong geological similarity with mineralisation in the San Jose Mine, indicating they are part of the same mineral system. Drilling continued during the Reporting Period, to confirm the upside of the largely under-explored yet highly mineralised area.

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<sup>8</sup> US Geological Survey (2010) 'A Deposit Model for Mississippi Valley Type Lead-Zinc Ores' Scientific Investigations Report 2010-5070-A

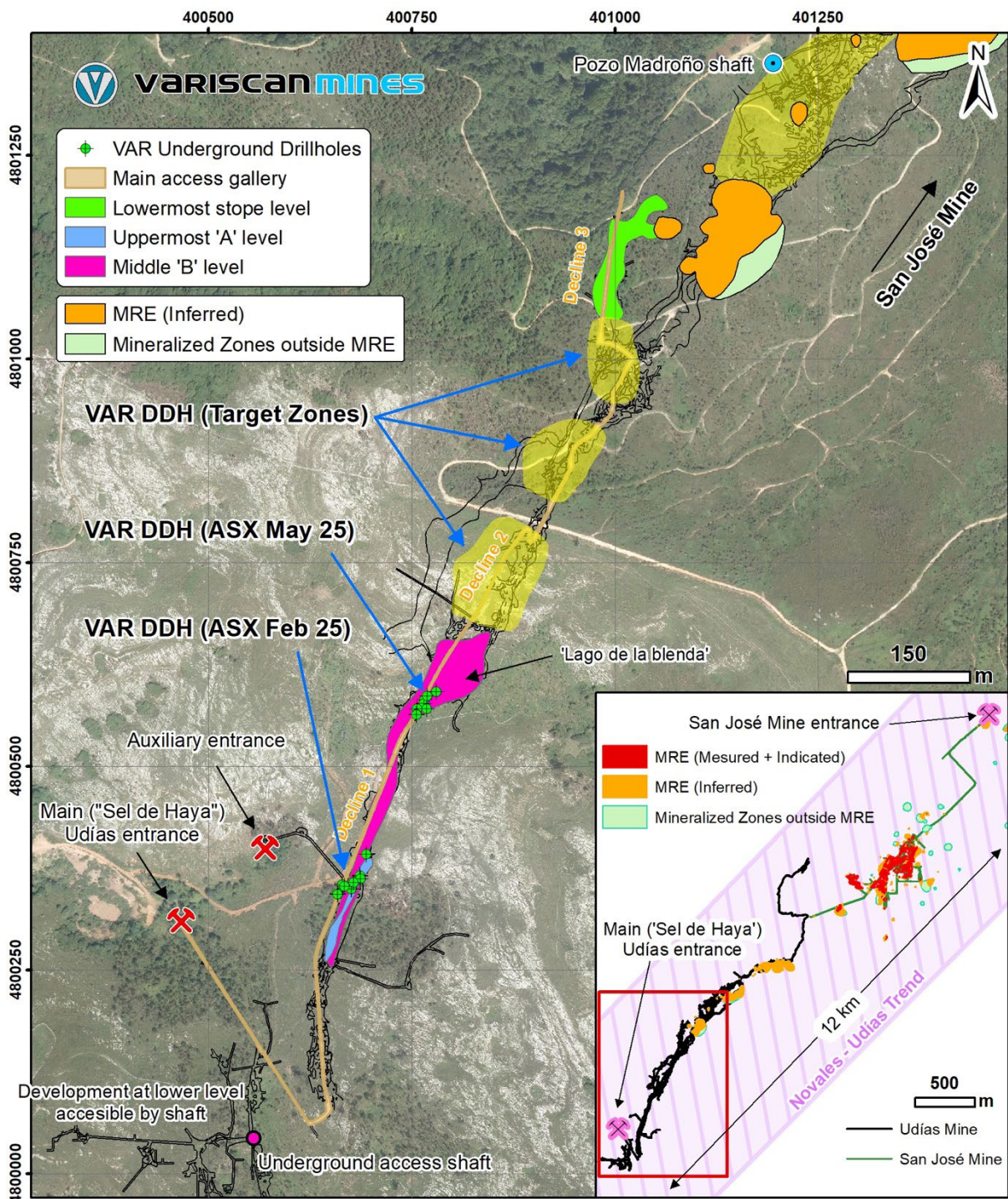
<sup>9</sup> Refer ASX announcement 10 September 2024

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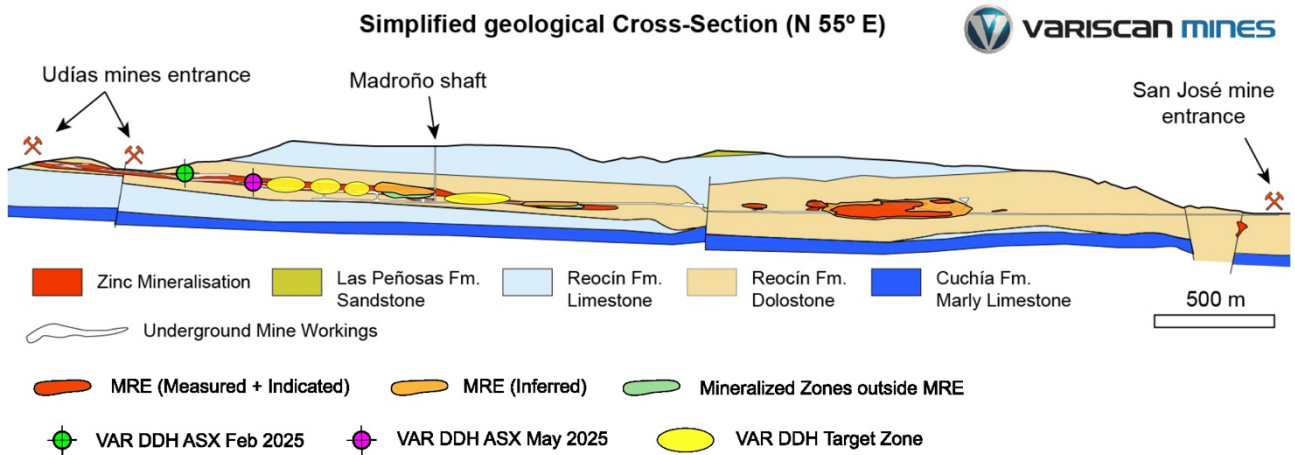
**Figure 8:** Plan view of southern part of the Udías Mine indicating locations of underground diamond drillholes (new results shown in yellow boxes), mine development and historical face samples. Insert shows location relative to the size and scale of the Udías Mine, as well the continuation into the San Jose/Novales Mine to the northeast.

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**Figure 9:** Plan view of southern part of the Udías Mine indicating areas of drilling results, mine development , future drilling targets to link with zones of current Mineral Resources in north-eastern Udías.

Current & planned drilling at Udías mine outside of existing MRE



**Figure 10:** Section view indicating Udías Mine drilling results, future drilling target zones to link with the current Mineral Resources and San Jose Mine.

Drilling at Udías is ongoing. The Udías Mine is highly prospective and under-explored. The target areas are all located outside of the existing MRE model and are expected to add to an updated MRE anticipated for 2H 2025.

### Mine Re-Start Study

The Company continued progressing key technical workstreams forming part of the Mine Re-Start Study during the quarter. Metallurgical test work, comprising four distinct phases, was progressed across European laboratories. They included sample preparation prior to pre-concentration, ore sorting trials with TOMRA in Germany, heavy liquid separation trials in the UK, comminution testing, and flotation optimisation.

Geotechnical work also progressed, with uniaxial compressive strength (UCS) testing and stope stability assessments underway. Early results support previous assumptions of strong, competent host rock and indicate minimal ground support requirements for initial mining areas. This data will inform mine design and scheduling considerations.

### Explorer-Producer Strategy

Variscan continues to implement its Explorer-Producer strategy, centered on advancing the high-grade Novales-Udías Project towards restarting production while simultaneously growing the resource base through targeted exploration. This dual-track approach is designed to leverage the Project's unique position as a de-risked, former producing mine, while recognising the potential opportunities in and around it that remain underexplored. The phased development strategy is underpinned by the goal of generating early cash flow to support ongoing exploration and development, creating a self-sustaining cycle of value creation.

## FINANCIAL & CORPORATE

### SUMMARY OF EXPENDITURE ON EXPLORATION ACTIVITIES

For the quarter, the Group spent \$314,000 on exploration activities, substantively all of which related to the Group's Spanish zinc projects. These exploration activities related to:

- Underground drilling;
- Geological mapping and modelling;
- Technical consulting fees;
- Tenement administration, reporting and management; and
- Directly-attributable corporate overheads and administration costs.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

### DEFERRED SETTLEMENT SHARES

In accordance with the acquisition of the Spanish Zinc projects, the Company must issue additional shares upon the satisfaction of certain exploration milestones. These milestones are for the definition, in accordance with JORC 2012, of an Inferred Mineral Resource (or greater) of:

- Milestone 1: 4 million tonnes at 7% Zn
- Milestone 2: 8 million tonnes at 7% Zn
- Upon satisfaction of each of these milestones, the Company must issue 27,500,000 ordinary shares to the vendors of Slipstream Spain Pty Ltd and Slipstream Spain 2 Pty Ltd, and 2,426,471 shares to Hispanibal S.L. as the vendor of the "Hispanibal Option", for a total of 59,852,941 Ordinary Shares if both milestones are met.

There is currently no obligation to issue the milestone shares.

### OTHER

During the quarter, the Company made payments to related parties of \$33,000, represented by remuneration paid to Directors.

### ENDS

*This ASX announcement has been approved by the Board and authorised for issue by Mr Stewart Dickson, Managing Director and CEO, Variscan Mines Limited*

#### **For further information, please contact:**

**Variscan Mines Limited (ASX:VAR)**

**Stewart Dickson**

Managing Director & CEO

E: [stewart.dickson@variscan.com.au](mailto:stewart.dickson@variscan.com.au)

T: +44 (0) 7799 694195

#### **Media & Investor Enquiries**

**Jane Morgan Management**

Chloe Hayes / Jane Morgan

E: [chloe@janemorganmanagement.com.au](mailto:chloe@janemorganmanagement.com.au) / [jm@janemorganmanagement.com.au](mailto:jm@janemorganmanagement.com.au)

P: +61 (0) 458619317/ +61 (0) 405 555 618


We encourage all investors to share questions on this announcement via our interactive investor hub: <https://variscan.com.au/announcements>

Or scan the QR code.

Subscribe to our news alert service: <https://variscan.com.au/s/8d46e7>






## About Variscan Mines Limited (ASX:VAR)






**Purpose** Our mission is clear: to develop our high-grade zinc assets to transition to a producing mining company

**Strategy** Our Explorer-Producer Strategy is designed to deliver: early cashflow from production at the San Jose and Udias Mines, achieve attractive financial returns and sustainably fund ramp-up production growth, exploit exploration upside and the overall development of our project portfolio.

**Focus Points**

 <p><b>Zinc Focused</b> Structural opportunity to supply local markets as demand driven by energy transition tailwinds</p>	 <p><b>Proven Assets</b> San Jose &amp; Udias Mines have proven track record of high-grade zinc production</p>	 <p><b>Ready for Mine Re-Start</b> Near term production opportunity for cashflow to sustainably fund ramp-up growth and exploration upside</p>
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**Delivery**

 <p><b>1</b> Near Term Production</p>	 <p><b>2</b> District Scale Exploration</p>	 <p><b>3</b> Selective &amp; Accretive M&amp;A</p>
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## Novales-Udias Project Summary

The Novales-Udias Project is an advanced, zinc-lead project located in the Basque-Cantabrian Basin, some 30km southwest from the regional capital, Santander. The project is centred around the former producing San Jose and Udias underground mines with a large surrounding de-risked, district scale exploration and development area. This includes a number of satellite underground and surface workings and areas of zinc anomalism. Variscan has delineated the significant 12km mineralised Novales Trend the majority of which is over valid, granted mining tenements<sup>10</sup>.

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 Spain<sup>11</sup> and one of the world's richest MVT deposits<sup>12</sup>. It is within trucking distance (~80km) from the San Juan de Nieva zinc smelter operated by Asturiana de Zinc (owned by Glencore).

## Novales-Udias Project Highlights

- Near term zinc production opportunity (subject to positive exploratory & development work)
- Updated JORC compliant Mineral Resource Estimate of 3.4Mt @ 7.6% Zn, 0.9 %Pb released in December 2024
- Expanded tenement holding of 111 km<sup>2</sup> (including a number of granted mining tenements)
- Regional exploration potential for another discovery analogous to Reocin Mine (total past production and remaining resource 62Mt @ 8.7% Zn and 1.0% Pb<sup>13 14</sup>)
- Trucking distance (~ 80km) from the San Juan de Nieva smelter (Glencore owned)
- Classic MVT carbonate hosted Zn-Pb district
- Historic production of high-grade zinc from San Jose Mine; average grade reported as ~7% Zn<sup>15</sup> with super high grade 'bolsas' (mineralised pods and lenses) commonly 10-20% Zn and in some instances +30% Zn<sup>16</sup>
- Maiden drilling at Udias Mine
- Simple mineralogy of sphalerite – galena – calamine
- Mineralisation is strata-bound, epigenetic, lenticular and sub-horizontal
- Access and infrastructure all in place
- Local community and government support due to historic mining activity

<sup>10</sup> Refer to ASX announcement of 29 July 2019

<sup>11</sup> 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.

<sup>12</sup> 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

<sup>13</sup> 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.

<sup>14</sup> 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.

<sup>15</sup> These figures have been taken from historical production data from the School of Mines in Torrelavega historical archives.

<sup>16</sup> 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)

## Mineral Resource Estimate for Novales-Udias Project

JORC Mineral Resource Estimate for San Jose Mine and north-eastern Udías by deposit and classification reported above at 2% Zn+Pb cut-off (ASX announcement 9 December 2024)

Deposit	Mineral Resource Classification	Tonnage (t)	Zinc (%)	Grade		Contained Metal		
				Lead (%)	Zinc + Lead (%)	Zinc (t)	Lead (t)	Zinc + Lead (t)
San Jose	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	<i>Measured &amp; Indicated</i>	<i>1,122,135</i>	<i>8.90</i>	<i>1.63</i>	<i>10.53</i>	<i>99,845</i>	<i>18,262</i>	<i>118,107</i>
	Inferred	615,304	8.15	1.03	9.18	50,121	6,356	56,477
	<i>Sub-total</i>	<i>1,737,439</i>	<i>8.63</i>	<i>1.42</i>	<i>10.05</i>	<i>149,966</i>	<i>24,618</i>	<i>174,584</i>
San Jose (NE)	Inferred	931,608	5.72	0.20	5.92	53,306	1,860	55,165
Udías* (NE)	Inferred	709,533	7.60	0.47	8.07	53,915	3,316	57,232
Total	Measured	480,254	9.18	1.80	10.98	44,064	8,654	52,718
	Indicated	641,881	8.69	1.50	10.19	55,782	9,607	65,389
	<i>Measured &amp; Indicated</i>	<i>1,122,135</i>	<i>8.90</i>	<i>1.63</i>	<i>10.53</i>	<i>99,845</i>	<i>18,262</i>	<i>118,107</i>
	Inferred	2,256,445	6.97	0.51	7.48	157,342	11,532	168,874
<b>Total</b>		<b>3,378,580</b>	<b>7.61</b>	<b>0.88</b>	<b>8.49</b>	<b>257,187</b>	<b>29,794</b>	<b>286,981</b>

### Competent Person Statement

The information in this document that relates to the exploration results and technical information is based on, and fairly represents information and supporting documentation 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.

Where reference is made to previous releases of exploration results and mineral resource estimates in this announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results and mineral resource estimates included in those announcements continue to apply and have not materially changed.

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.

LISTING OF TENEMENTS HELD AT 30 JUNE 2025

Tenement	Tenement No.	Interest	Joint Venture Details
<b>SPAIN – Note 5</b>			
<u>Cantabria</u>			
Buenahora Fraction 1	IP 16.662-01	100%	
Buenahora Fraction 2	IP 16.662-02	100%	
San José	EC 94	100%	
La Torra	EC 512	100%	
Tres Amigos	EC 1565	100%	
Torpeza	EC 2557	100%	
Andrea	EC5220	100%	
Andrea-demasía a	EC5374	100%	
Es	EC8049	100%	
Dudosa	EC8165	100%	
Cargadoiro	EC11589	100%	
Tres amigos-demasía a	EC11594	100%	
Flor del pueblo	EC12942	100%	
Torpeza-demasía a	EC12952	100%	
Torpeza-3ª demasía a	EC13079	100%	
Torpeza-2ª demasía a	EC13080	100%	
Flor del pueblo-demasía a	EC13154	100%	
Dudosa-demasía a	EC13170	100%	
Andrea-3ª demasía a	EC13175	100%	
Andrea-2ª demasía a	EC13176	100%	
Cargadoiro-demasía a	EC13260	100%	
Ampliación a Matilde	EC13641	100%	
Aumentada	EC14238	100%	
Campitos	EC14554	100%	
Campitos-demasía a	EC14640	100%	
Carmenchu	EC14945	100%	
Amelita	EC14949	100%	
Eloísa	EC14947	100%	
Ampliación a Matilde-demasía a	EC14948	100%	
Cargadoiro 2	EC14954	100%	
Amelita-demasía a	EC14979	100%	
Carmenchu-demasía a	EC14980	100%	
Eloísa-demasía a	EC14981	100%	
Carmenchu-2ª demasía a	EC14982	100%	
6º Aumento a porvenir	EC15672	100%	
Ampliación a Matilde-demasía a	EC13641-10	100%	
Campitos-segunda demasía a	EC14554-20	100%	
Cargadoiro 2- demasía a	EC14954-10	100%	
Carmenchu-tercera demasía a	EC14980-30	100%	
6º Aumento a porvenir-demasía a	EC15672-10	100%	
Torpeza-tercera demasía a	EC2557-30	100%	
Esperanza	IP 16674	100%	
Estela	IP 16672	100%	
Elena	IP 16673	100%	
Candela	IP 16676	100%	
Valeria	IP 16675	100%	

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Tenement	Tenement No.	Interest	Joint Venture Details
Hipolita (Reocin)	IP 16680	100%	
Ana Isabel	IP 16679	100%	
<u>Toledo</u>			
Guajaraz	IP 4.203	100%	

<b>NEW SOUTH WALES</b>			
Willyama	EL 8075	0%	Note 1
Hillston	EL 6363	39.2%	Perilya can earn 80%, Eaglehawk 9.8%
Native Dog	EL 8236	0%	Note 1
Woodlawn South	ELs 7257 and 7469	0%	Royalty interest only
<b>SOUTH AUSTRALIA</b>			
Junction Dam	EL 5682	0%	Marmota acquired 100% ownership. See Note 2
Callabonna	EL 5360	49%	Red Metal 51%, can earn 70%
<b>FRANCE</b>			
St Pierre	PER	100%	
Beaulieu	PER	100%	

EL = Exploration License

PER = Permis Exclusif de Recherche (France)

IP = Investigation Permit (Spain)

EC = Exploration Concession (Spain)

Note 1: Under an agreement with Silver City Minerals Limited, Broken Hill Operations and Eaglehawk Geological Consulting Pty Ltd Variscan has converted its interest in parts of these tenements to a NSR (Net Smelter Return).

Note 2: Marmota has earned 100% of the uranium rights only in EL 5682. Variscan has a 0.5% net profits royalty on production from a uranium mine.

Note 3: The remaining exploration licenses owned by Variscan Mines SAS (excluding the Couflens PER) have been conditionally acquired by a new wholly owned subsidiary, Variscan Mines Europe Limited. Pursuant to the approval for the Subsidiary Sale, the Ministry of Economy and Finance has imposed, without prior consultation, the compulsory relinquishment of the remaining licenses. The Company has approved the relinquishment request and has yet to receive a response. The timetable for the completion of the relinquishment process is unknown.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Variscan Mines Limited

ABN

16 003 254 395

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	(2)
(b) development	-	-
(c) production	-	-
(d) staff costs	(32)	(273)
(e) administration and corporate costs	(64)	(440)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(96)</b>	<b>(709)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(314)	(1,529)
(e) investments	-	-
(f) other non-current assets	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(314)</b>	<b>(1,529)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,367
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(216)
3.5	Proceeds from borrowings	250	250
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
	- Receipt of Director Working Capital loans	-	32
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>250</b>	<b>2,433</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	608	250
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(96)	(709)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(314)	(1,529)

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	250	2,433
4.5	Effect of movement in exchange rates on cash held	4	7
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>452</b>	<b>452</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	452	608
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>452</b>	<b>608</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	33
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

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## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	250	250
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	250	250
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Unsecured Loan drawn repayable at the earlier of 18 months from advance date or the completion of the next major capital raise by the Company. Interest is payable at 10% per annum at maturity.		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(96)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(314)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(410)
8.4 Cash and cash equivalents at quarter end (item 4.6)	452
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	452
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.10
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes, the entity anticipates operating at a similar level to the current quarter should funding be available, noting that future exploration activity is largely discretionary and further exploration programs will be dependent on available cash.	

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company is actively reviewing its options to raise further capital and notes that it enjoys the support of its Board and key shareholders. It believes that if and when it resolves to raise additional capital it will be successful.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes, the entity expects that it will be able to continue its operations and meet its business objectives based on the entity's responses in items 8.8.1 and 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....31 July 2025.....

Authorised by: .....The Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.