VENUS METALS
CORPORATION LIMITED

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YALGOO GOLD PROJECT
SIGNIFICANT NEW GOLD DISCOVERY

82 METRE INTERSECTION GRADING 4.12 g/t Au
ASSAY RESULTS RECEIVED FROM FOUR OTHER HOLES OVER A 6KM STRIKE LENGTH INDICATES POTENTIAL FOR MULTIPLE DISCOVERIES

The Directors of Venus Metals Corporation are pleased to announce the receipt of **very significant gold assays from detailed sampling of drillhole YGRC 156** completed at the Yalgoo Gold Project, together with excellent results from selected composite sampling in four other holes.

DETAILED ONE METRE SAMPLING (YGRC 156)

One metre assays intervals from 96 to 178m gave the following result:

YGRC 156 from 96 to 178m 82m grading 4.12 g/t Au

(Note: Assays started in mineralization grading 3.98 g/t and ended in mineralisation grading 2.75 g/t End of Hole. Further assays and drilling may well extend the size of this intersection).

COMPOSITE FIVE METRE SAMPLING FROM 4 HOLES

***Hole YGRC 137**	**from 0 to 68m**	**68m grading 1.86g/t Au**
(assays ended in mineralisation of 2.44 g/t)		
***Hole YGRC 144**	**from 195 to 215m**	**20m grading 1.4g/t Au**
***Hole YGRC 141**	**from 98 to 114m**	**16m grading 1.88 g/t Au**
	from 166 to 172m	**6m grading 1.19 g/t Au**
***Hole YGRC 140**	**from 58 to 72m**	**14m grading 1.65 g/t Au**

* Indicates results are subject to confirmation assays from individual 1 metre samples

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BACKGROUND and COMMENT

The Venus Yalgoo Gold tenements are host to a number of small scale near surface historical gold workings. However, past exploration has not produced any intersections of any significance until now.

In the last quarter, a program of gold assaying was initiated based on selecting drill hole intervals (Table-1) that showed quartz veining and / or disseminated sulphides in the drill logs. The assay program was designed to test for the presence of any gold values in five selected drillholes.

The distance between the most northerly drill hole assayed (YGRC 144) and the most southerly (YGRC 156) (Figure 1 and 2) is more than 6 kilometres. They both have deep intersections in the sulphide zone. How deep they will eventually go is unknown. The potential would seem to be large.

Because every drill hole assayed gave good gold results, they are believed to be collectively very significant.

Table 1: Details of RC drill hole intersected with high Au values

HOLEID	EASTING	NORTHING	RL	Total Drill Depth (m)	Au mineralisation intervals (m)	DIP	AZIMUTH
YGRC0137	476383	6853441	351	124	0-68	60	220
YGRC0140	475432	6853634	351	172	58-72	60	220
YGRC0141	475521	6854290	342	166	98-114 166-172	60	220
YGRC0144	473987	6855373	341	214	195-215	60	220
YGRC0156	477261	6850091	345	178	96-178	60	220

They indicate

1. **the project area hosts very consistent gold grades over large widths in a number of areas;**
2. **the gold is associated with quartz veined disseminated and massive sulphides (which drilling has shown to be relatively common);**
3. **consistent gold values occur both in oxide and fresh rock zones; and**
4. **the gold values show strong continuity with depth.**

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These factors lead the Company to believe that further intensive exploration will likely lead to the identification of a number of gold discoveries within the Yalgoo Gold Project area.

Large numbers of already completed drill holes will now be assayed for gold to determine the spread of gold values in all areas drilled. A project team will be assembled by the Company to advance the new gold development opportunities these result indicate.

“We are very excited by these results" said Matthew Hogan, MD for Venus. “While I have always believed our tenements had gold potential, the size and scope of these results are significant. The Yalgoo project has two major opportunities - iron ore and now gold ".

Competent Persons Declaration:

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Barry Fehlberg, who is a Member of The Australasian Institute of Mining and Metallurgy and is a Technical Director/Senior Expert Exploration Advisor of the Company. Mr Fehlberg 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Fehlberg consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report has also been prepared by Mr Kumar Arunachalam, who is a Member of The Australasian Institute of Mining and Metallurgy and is a General Manager (Operations)/ Executive Director of the Company. Mr Arunachalam 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 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Arunachalam consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

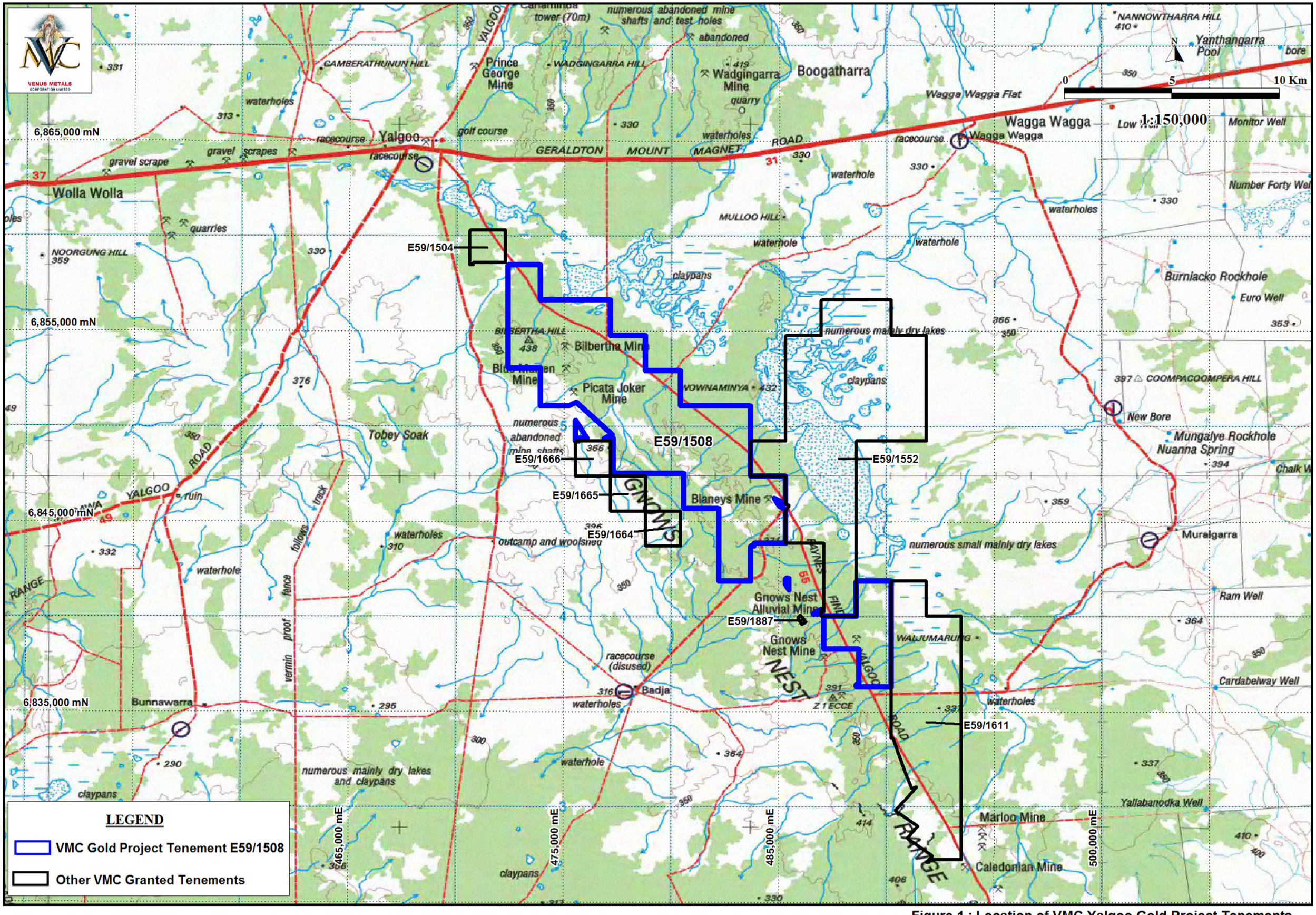

Figure 1 : Location of VMC Yalgoo Gold Project Tenements

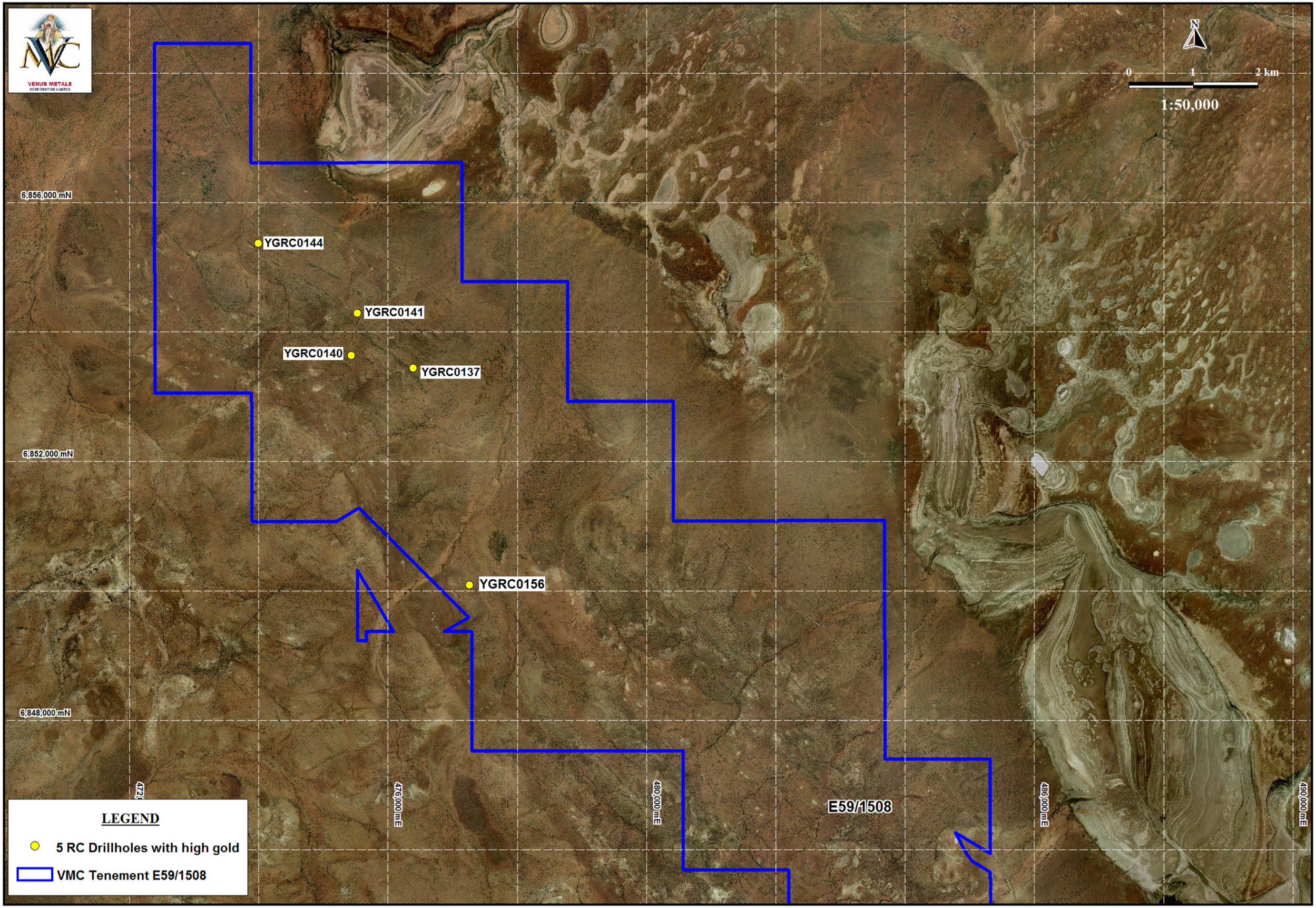

Figure 2 : Drillhole location plan showing 5 RC drillholes with high Gold values