ASX Release: 29 May 2017 **ASX Code: VMC**

Venus Metals Corporation Limited
ACN 123 250 582

CORPORATE DIRECTORY

Mr Matthew Hogan
Non-Executive Chairman

Mr Kumar Arunachalam
Chief Executive Officer

Mr Terence Hogan
Non-Executive Director

CAPITAL STRUCTURE

Issued Shares (ASX: VMC):
69,964,693

Issued Options (ASX: VMCOA):
31,449,491

Market Cap: $6.30 million

CONTACT DETAILS

Mezzanine Level
BGC Centre,
28 The Esplanade,
Perth
Western Australia, 6000

Tel: +61 (0) 8 9321 7541

Fax: +61 (0) 8 9486 9587

Email: info@venusmetals.com.au

www.venusmetals.com.au

PINCHER WELL ZINC PROSPECT (YOUANMI): SECOND PHASE OF IP DEFINES FURTHER STRONG ANOMALIES TO THE SOUTH OF HIGH GRADE ZINC MINERALISATION

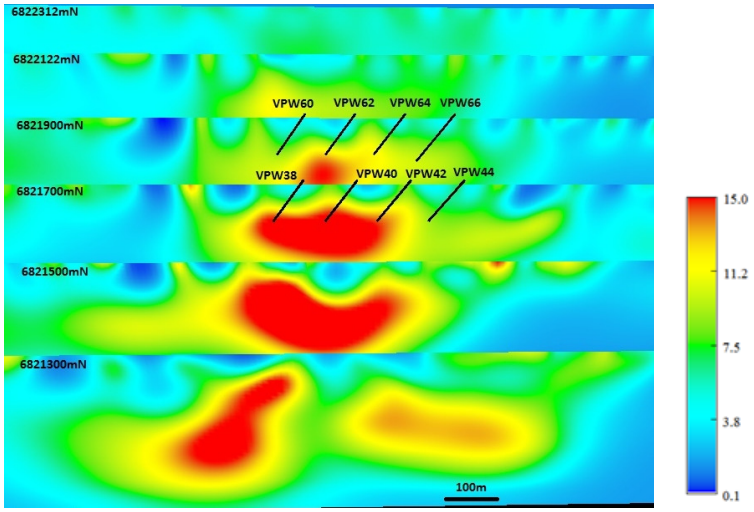

Figure 1. 3D Model of IP Phase 1 and 2 survey lines showing high chargeability

HIGHLIGHTS

PINCHER WELL ZINC-COPPER PROSPECT:

- **The 2nd phase of IP surveying has confirmed the shallow 'up-dip' southern extensions of the North Dome high-grade zinc mineralisation,**
- **The chargeability recorded in recent IP survey along line 6821500N is stronger than the previous IP survey results and the extends the anomaly 400m to the south** (Figure 1)**,**
- **The modelled anomaly remains OPEN and UNTESTED further to the south, potentially extending the target envelope of 1km strike and 250m width,**
- **The bifurcation of IP anomaly on southern line 6821300N interpreted due to the presence of NE trending fault. The eastern part of anomaly is located below the historical Linda and Franca Base Metal Gossans,**
- **A ground magnetic survey is commencing immediately to refine the targets for drilling these exciting anomalies.**

1.0 Introduction

The Directors of Venus Metals Corporation Limited (ASX: VMC) are pleased to announce that the phase 2 Induced Polarisation ('IP') survey was completed by Vortex Geophysics at Pincher Well Volcanogenic Massive Sulphide Trend ('VMS') with excellent survey results as interpreted by Core Geophysics.

The IP survey has expanded the strike length of the previously reported chargeable zone (ASX announcement 14th October 2016) and indicates the extension of the target envelope. Further, the anomaly in the survey is not only open to the south but the area has also never been drill tested or recognised as a potential mineralised zone.

2.0 Pincher Well Zinc-Copper VMS Trend

The Pincher Well VMS Trend is located 600km north-northeast of Perth and forms part of Venus Metals Corporation Ltd.'s ('Venus') Youanmi gold & base metal project. The tenements (E 57/986 & E57/1019) hosting the Trend are situated 15 km southwest of the Youanmi Gold Mine and processing plant. The Youanmi region is well serviced by significant infrastructure associated with historical and ongoing mining operations in the region including those at Windimurra & Sandstone**.**

The Pincher Dome VMS Trend covers more than 5 kilometres of strike and hosts a number of known zinc and copper prospects including the Linda & Franca Gossans, PW17 zinc discovery and a substantial body of zinc mineralisation at **North Dome.**

Recent reconnaissance drilling over the earlier IP anomaly confirmed the presence of significant thick and shallow 'up-dip' extension of the known North Dome zinc-copper mineralisation. Significant intercepts of Zinc mineralisation include:

E-W IP Survey Line 6821700mN

VPW40 10m @ 7.31% Zinc from 52 m including
6m @ 9.5% Zinc from 55 m

E-W IP Survey Line 6821900mN

VPW62 10m @ 5.1% Zinc from 68 m

VPW60 7m @ 4.2% Zinc from 87 m

(refer ASX announcement 27th April 2017)

3.0 North Dome IP Survey (Phase 2)

- IP survey in North Dome was recently carried out on 2 east-west directed survey lines (6821500mN and 6821300mN) each covering a total length of 2.1 km (Figure 2 & Appendix-1). The lines were positioned 200m apart south of the previous surveyed lines (ASX announcement 14th October 2016).
- Out of 6 IP E-W survey lines completed (Phase 1 and Phase 2) in the North Dome mineralisation covering a strike length of 1km has recorded chargeability ranging from 7mV/V (line at 6822312mN) to **19mV/V** (line 6821500mN). The chargeability increases steadily in strength towards the south indicating the shallow 'up-dip' southern extensions of the known North Dome high grade Zinc mineralisation. **The target envelope now potentially covers a strike length of 1km and 250 m width.**
- The IP anomaly bifurcates in the south line (6821300m N) interpreted due to the presence of the NE trending fault. The eastern part of that IP anomaly is located below the historically mapped Linda and Franca Gossans and probably reflects the mineralisation underneath the gossans.
- **The high chargeability recorded in survey lines 6821500mN and 6821300mN** (Figures 1 and 3) **have not been previously subject to any drill testing.**

Conclusion:

The IP survey at North Dome has proven highly successful and POW application has been lodged with WA DMP to expedite and advance the work program. A ground magnetic survey is commencing immediately to refine the targets for drilling these exciting anomalies.

Venus Metals looks forward to updating shareholders exploration continues at North Dome and advances towards the definition of mineral resource.

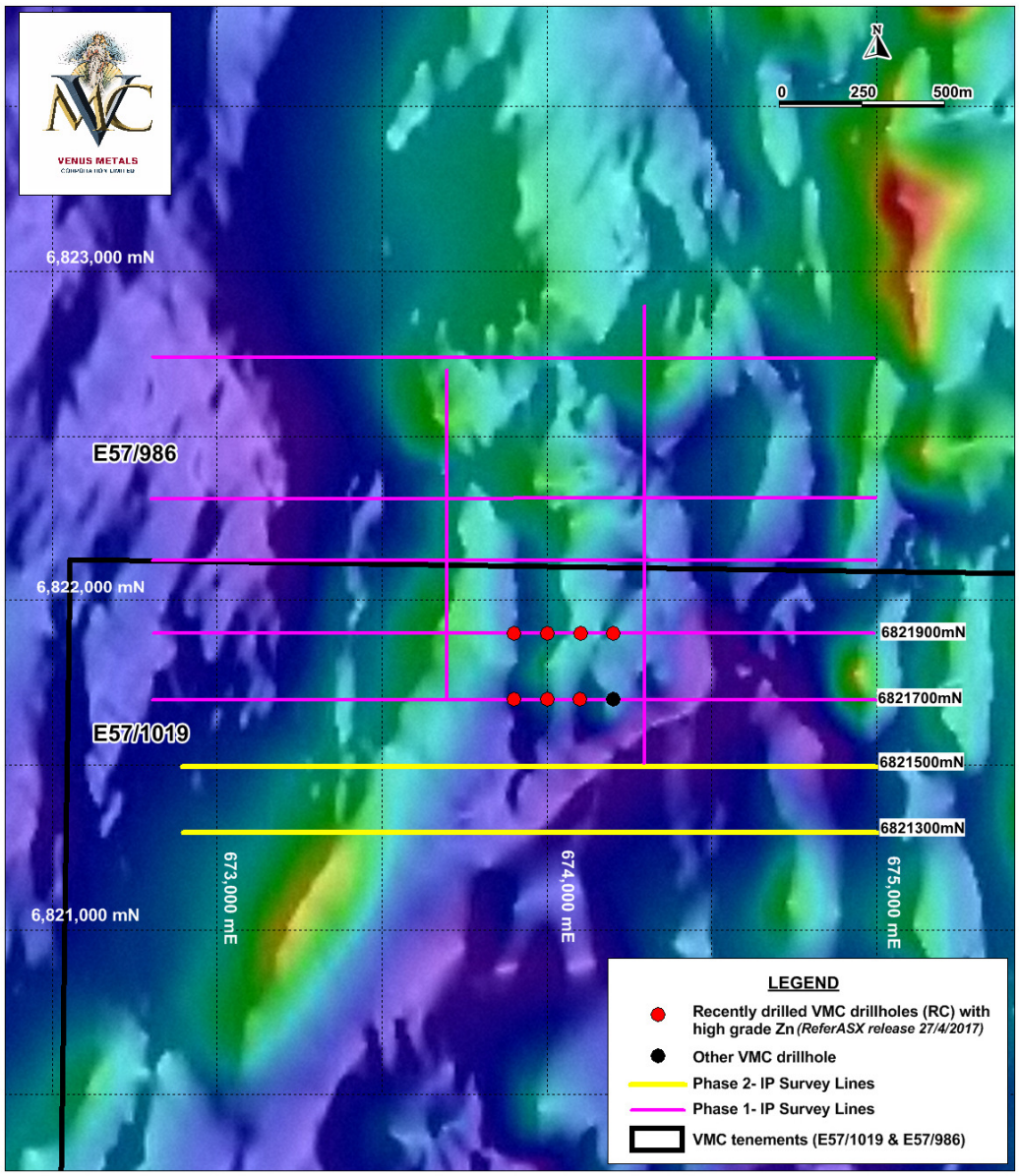

Figure 2. Location IP Survey (Phase 2) Lines shown on Regional Aeromagnetic Anomaly Map

Line	Orientation	Easting Start	Easting End	Line Length m
6821500N	East-West	672900	675000	2100
6821300N	East-West	672900	675000	2100

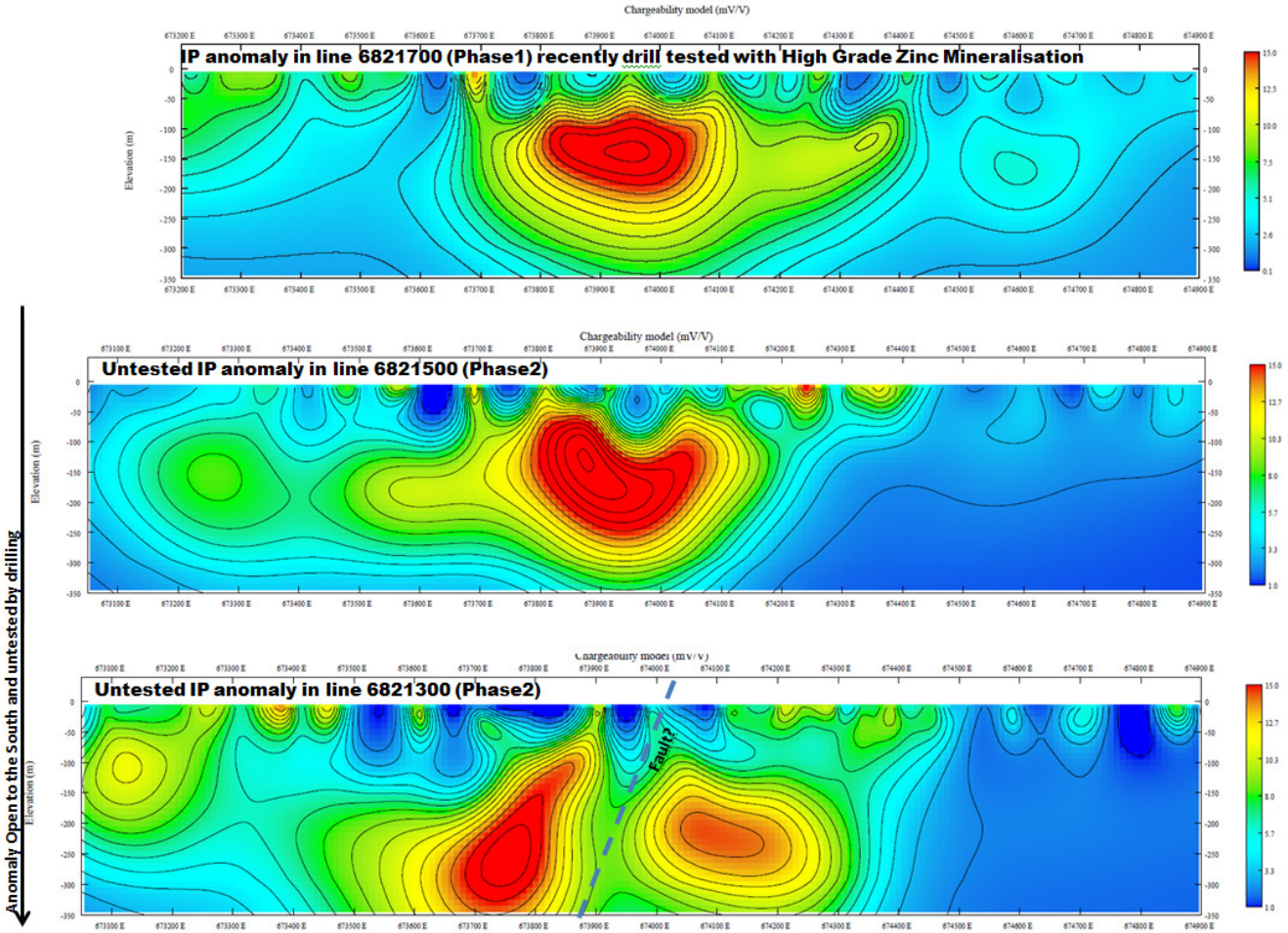

Figure 3. IP Survey Chargeability Inversion Models of Lines 6821700mN (Phase 1 IP survey, drill tested), 6821500mN and 6821300mN (Phase2 IP survey, yet to be drill tested)

Exploration Targets

The term 'Exploration Target' should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2012), and therefore the terms have not been used in this context.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Venus Metals Corporation Limited planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Venus Metals Corporation Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr T. Putt of Exploration & Mining Information Systems, who is a member of The Australian Institute of Geoscientists. Mr Putt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Putt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX-1 JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• In May 2017, Venus Metals Ltd commissioned Vortex Geophysics Pty Ltd to complete a ground based Induced Polarisation (IP) survey over 2 lines covering southern extensions of the North Dome prospect within the Pincher Well Project area. A Dipole-Dipole configuration was used employing : GDD 16 channel receiver Vortex VIP-30 Transmitter 15KVA generator Two east west lines were collected using 100m dipoles recording to at least N=8 At least three readings were acquired at each station in order to ensure data repeatability. Quality assurance and quality control (QA/QC) of the IP data was independently verified by Core Geophysics • Other details of sampling techniques is not applicable
Drilling techniques	• Only IP survey had been carried out. No drilling occurred.
Drill sample recovery	• No sampling/drilling occurred
Logging	• No Logging since no drilling occurred
Sub-sampling techniques and sample preparation	• No sampling/drilling occurred
Quality of assay data and laboratory tests	• The survey parameters and geophysical equipment used by Vortex for the IP survey includes: GDD 16 channel receiver Vortex VIP-30 transmitter 15KVA generator Base Freqency 0.125Hz Porous pot electrodes At least three readings were acquired at each station in order to ensure data repeatability. The IP system is fully calibrated and daily tests were carried out to ensure data quality.
Verification of sampling and	• All primary analytical data acquired by Vortex during the IP survey were recorded digitally and

Criteria	Commentary
assaying	sent in electronic format to Core Geophysics in Perth for independent quality control and evaluation.
Location of data points	• The data points were located using standard GPS positioning. • The expected accuracy is +/- 5 metres for eastings and northing and 10 metres for elevation.
Data spacing and distribution	• The line spacing for the East west lines varied from 200m to 400m. 100m dipoles were used for all lines.
Orientation of data in relation to geological structure	• The orientation of the IP survey lines was designed to cross the targeted geology and mineralised structures in an attempt to minimise the risk of biased or inaccurate sampling.
Sample security	• The chain of custody is managed by Venus Metals Ltd.
Audits or reviews	• The data were independently verified by Brad Morgan of Core Geophysics.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• The survey area falls within Youanmi Tenement E57/986 (90% owned by Venus Metals Corporation Limited and 10% by Bruce Legendre within Wutha claim area) and E57/1019 (100% owned by Venus Metals Corporation Limited in no native title claim area).
Exploration done by other parties	• The tenement area was historically explored by many explorers since 1973. Gold Mine Australia, WMC explored extensively for gold and Base Metals respectively
Geology	• The Pincher Dome tenements form part of Youanmi Project area. The tenements are situated 15 km southwest of the Youanmi Gold Mine and processing plant and are accessed via the Youanmi-Menzies Road and station-mining access tracks. Volcanogenic Massive Sulphide (VMS) mineralisation on the Pincher Dome VMS trend has been identified over an area of more 5 km of strike, associated with volcanoclastic stratigraphy.
Drill hole Information	• Eight exploration RC drillholes were drilled by Venus Metals along two lines in previously identified IP anomalies (refer ASX release 27 April 2017)
Data aggregation methods	• No data aggregation for geophysical survey.
Relationship between mineralisation widths and intercept lengths	• No mineralisation widths and intercept reported for this geophysical survey.

Criteria	Commentary
Diagrams	• Please refer ASX release
Balanced reporting	• No balanced reporting in relation to grades are not applicable
Other substantive exploration data	• No other substantial exploration data at this stage.
Further work	• Venus plans to follow up with targeted drilling of IP anomalies at Pincher North Dome.