VENUS METALS
CORPORATION LIMITED

ASX Release: 27 September 2018 **ASX Code: VMC**

PROPOSED DIRECTOR & EMPLOYEE OPTION ISSUE

Venus Metals Corporation Limited (ASX:VMC) (**Company**) is pleased to advise that the Board has resolved, subject to receipt of shareholder approval, to issue a total of 2,500,000 unlisted options at an issue price of $0.0001 per option (each option having an exercise price of $0.25 and an expiry date of 30 November 2021) (**Director Options**) to the Directors (or their nominees) as set out below:

Director/nominee	Number of Director Options
Timothy Hogan, Matthew Hogan and Paul Hogan as trustees for the Hogan Employee Super Fund *(Mr Matthew Hogan's nominee)*	750,000
Mr Barry Fehlberg, or his nominee(s)	750,000
Mr Alan Birchmore, or his nominee(s)	500,000
Mr Selvakumar Arunachalam, or his nominee(s)	500,000
Total	**2,500,000**

In addition, the Board has also resolved to issue a total of 850,000 to employees under the terms of the Company's Employee Share Option Plan (**ESOP**) (as amended) which provides eligible employees with an opportunity to be issued options to acquire fully paid ordinary shares in the Company. The employee options will otherwise be issued on the same terms as the Director Options and at the same time as the proposed issue of the Director Options.

The issue of the Director Options will be subject to shareholder approval which will be sought at the Company's next annual general meeting, expected to be held in late November 2018. Further information on the option issue will be included in the accompanying notice of meeting.

The information required by Listing Rule 3.10.3 is set out in Annexure A.

An Appendix 3B in respect of the options will be issued following receipt of shareholder approvals.

Please Direct Enquiries to:

Matthew Hogan
Managing Director
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Annexure A

Class of securities to be issued	New Options
Number of securities to be issued	Up to 3,350,000 New Options
Principal terms of the securities to be issued	• Unlisted options exercisable at $0.25 each on or before 30 November 2021 (**New Options**). • 50% of the New Options will vest in 12 months and 50% in 24 months from the date of issue. • Shares issued upon exercise of the New Options will rank equally with existing ordinary Shares. • New Options issued to employees will be issued in accordance with the ESOP (as amended) and New Options issued to the Directors will be issued outside the ESOP.
Issue price	$0.0001 per New Option
Purpose of the issue	• The grant of New Options to the executive directors (or their nominees) encourages those Directors to have a greater involvement in the achievement of the Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company through share ownership. • The grant of New Options to Mr Alan Birchmore, the Company's Non-executive Chairman, is designed to retain suitably qualified non-executive directors, and the Directors consider the grant of options represents a cost effective way for the Company to remunerate Mr Alan Birchmore, as opposed to additional cash remuneration. • New Options to be issued to employees will be issued in accordance with the ESOP (as amended). • The funds raised from the exercise of options will primarily be used for general working capital.
Whether the entity will seek security approval for the issue	• Shareholder approval will be sought in connection with the New Options being issued to the Directors of the Company and will be included in the Notice of Annual General Meeting expected to be held in late November 2018 (**AGM**). • The New Options issued to employees will not be subject to shareholder approval, but the Company currently proposes to seek Shareholder approval to refresh the ESOP for the purposes of ASX Listing Rule 7.1 at the forthcoming AGM and approve any changes the Board determines to make to the ESOP.
Whether the issue is to a class of security holders	No