

**Venus Metals
Corporation Limited**

ACN 123 250 582

CORPORATE DIRECTORY

Mr Terence Hogan
Non-Executive Chairman

Mr Matthew Hogan
Managing Director & Company Secretary

Mr Kumar Arunachalam
Executive Director

CAPITAL STRUCTURE

Issued Shares (ASX: VMC):
61,636,623

Issued Options (ASX: VMCO):
31,521,561

Market Cap: \$9.5 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

**POONA LITHIUM PROJECT:
HIGH-GRADE LITHIUM IN SAMPLING**



Figure 1 – Mineralised pegmatite & schistose units at Poona

HIGHLIGHTS

POONA

- The primary tenement at Poona (E 20/885) has now been granted,
- Exploration has commenced with a program of mapping and sampling has been completed,
- Sampling has returned a number of **highly anomalous lithium assays (up to 1.93% Li₂O)**, confirming the potential of the area to host high-grade lithium mineralisation,
- Sampling include assays:

P230 1.93% Li₂O & >0.50% Rubidium

P231 1.62% Li₂O & >0.50% Rubidium

- Exploration has already identified a **lithium-rich trend approximately ten kilometres in length (Poona Lithium Trend)** which hosts a number of known lithium occurrences,
- Targets have been identified for drill testing,
- The project area has been extended to the south east through the pegging of an additional tenement (E 20/896) to cover additional lithium occurrences at Coodardy North.

1.0 Introduction

The Directors of Venus Metals Corporation Limited (ASX: VMC) are pleased to announce that sampling on the Poona lithium-tantalum project area in Western Australia has returned high-grade lithium results and identified targets for drill testing.

Venus Metals Corporation Limited ('Venus Metals') has made applications for two tenements (EL 20/885 & 896) in the Poona area. This project lies within the Murchison Mineral Province in Western Australia (Figure 2).



Figure 2 – Venus Metals lithium-tantalum project locations in Western Australia.

2.0 Poona Lithium-Tantalum Project

The Poona project is located in the Murchison Mineral Field, approximately 560 km to the north-northeast of Perth. The project area is composed of two exploration licenses (E 20/885 & ELA 20/896) covering more than 249 km². These tenements overlie a number of recognised lithium and tantalum occurrences including Patons Lode & Poona Reward, with application ELA 20/896 being recently lodged to cover Coodardy North (Figure 3).

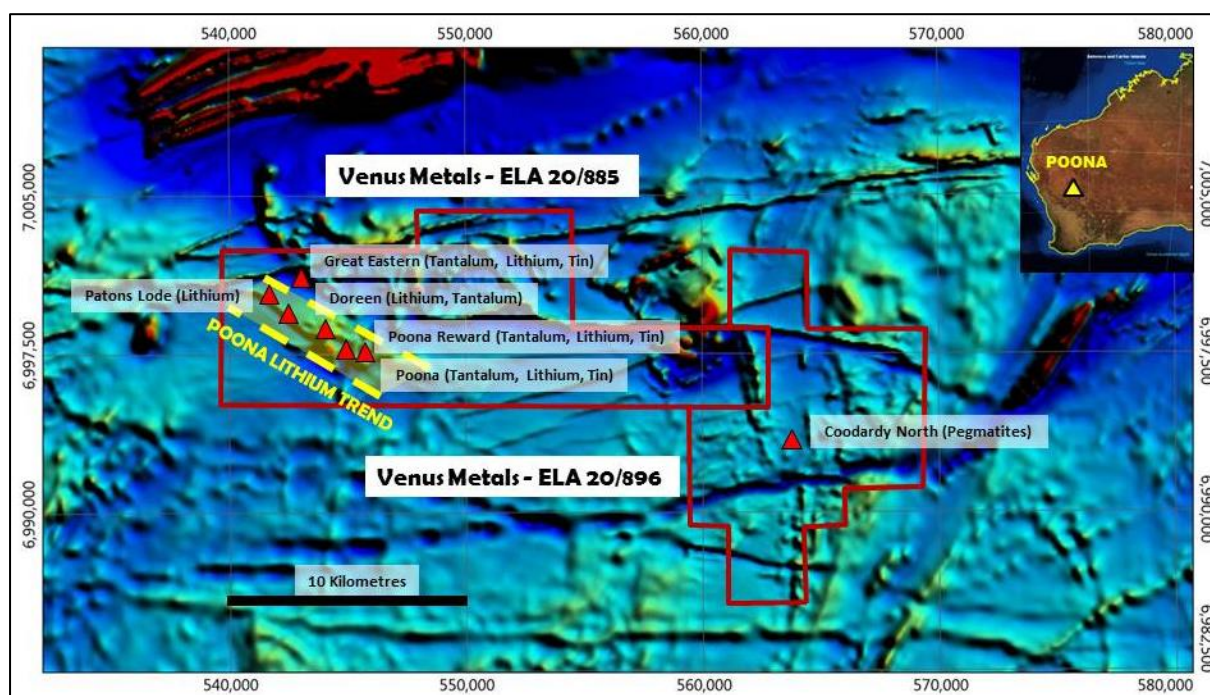


Figure 3 - Poona tenement application areas (red) & prospect locations and mineralised trend (yellow) over regional geophysics.

A program of mapping & sampling has been completed over the project area and identified the extensive mineralised structural and stratigraphic Poona Lithium Trend, which covers approximately ten kilometres of strike (Figure 3).

Sampling has returned a significant number of anomalous assays, with several high-grade lithium results including:

Sample P230	6,998,958 N/ 544,689 E	1.93% Li₂O & >0.50% Rubidium
Sample P231	6,998,791 N/ 544,631 E	1.62% Li₂O & >0.50% Rubidium

**A full table of sample results and assays can be found in Appendix 1.*

The sampling program has focussed on the north eastern end of the Poona Trend within E 20/885 (Figure 4). Historical exploration in the region shows the stratigraphy to consist of sheared gabbroic

and ultrabasic units as well as amphibolitic units. This stratigraphy has been variably intruded by various pegmatitic and quartz vein units.

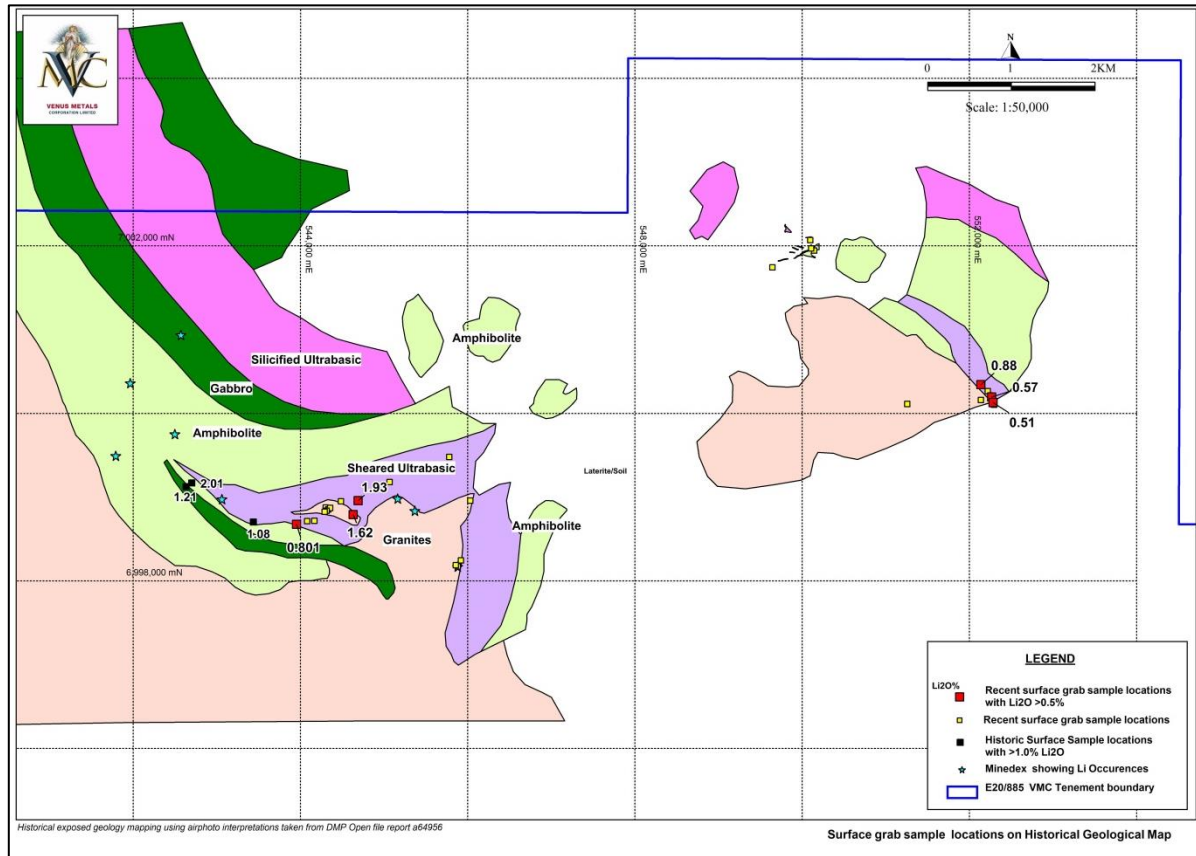


Figure 4 – Northern Poona tenement area showing geology and sampling locations, with key assays.

Sampling initially targeted the pegmatitic units in the region, however the highest grade results were returned from the broader schistose units within the stratigraphy, indicating that the lithium is associated with the micas within the rock, most likely due to later alteration.

This is of particular interest as it indicates that the mineralisation is NOT limited to the narrower pegmatitic units but is hosted in the wider schistose and amphibolite units. Drilling is now being planned to test these units with the potential to outline a significant body of mineralisation.

3.0 Conclusion

Sampling on the Poona lithium-tantalum project area has returned high-grade lithium assays with both mapping and sampling assisting in the definition of targets for drill testing on the Poona Lithium Trend as soon as possible.

Venus Metals looks forward to further updating shareholders as exploration continues at Poona.



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 "Australian Code for Reporting of Exploration Results, Mineral Resource 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.

Dr Fop Vanderhor, Specialist Consulting Geologist, who is a Member of the Australian Institute of Geoscientists has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Vanderhor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.



APPENDIX 1 – POONA SAMPLING AND ASSAYS

Venus Metals Corporation Limited - Poona Lithium Project, Rockchip Sampling, August 2016

SAMPLE ID	MGA50 North	MGA50 East	Li2O ppm	Li2O %	Ta ppm	Nb ppm	Rb ppm	Be ppm	Cs ppm	Sn ppm	Sr ppm
P202	6,999,479	545,780	43.06	0.00	0.0	15.0	20.0	3.4	29.0	BDL	31.0
P203	7,000,111	551,259	376.78	0.04	10.0	20.0	568.0	47.3	37.0	BDL	104.0
P204	7,000,264	552,220	118.42	0.01	25.0	70.0	708.0	6.0	28.5	BDL	32.0
P205	7,000,213	552,249	BDL	0.00	BDL	BDL	15.3	BDL	1.4	BDL	17.2
P206	7,000,194	552,267	5,748.51	0.57	BDL	BDL	4,600.0	132.0	459.0	BDL	35.3
P207	7,000,129	552,284	882.73	0.09	25.0	50.0	1,840.0	10.7	54.6	140	12.4
P208	7,000,129	552,284	5,124.14	0.51	20.0	45.0	4,280.0	10.1	407.0	BDL	14.4
P209	7,000,102	552,295	183.01	0.02	15.0	55.0	458.0	4.7	16.3	BDL	61.4
P210	7,000,157	552,138	1,399.45	0.14	105.0	105.0	3,280.0	8.7	103.0	230	25.6
P211	7,000,341	552,137	366.01	0.04	40.0	55.0	542.0	41.9	17.2	BDL	41.1
P212	7,000,341	552,137	8,805.77	0.88	15.0	30.0	5,000.0	6.8	402.0	BDL	15.3
P213	6,998,874	544,302	269.13	0.03	75.0	50.0	1,700.0	83.9	23.7	BDL	29.8
P214	6,998,853	544,333	269.13	0.03	40.0	60.0	2,840.0	32.8	19.5	BDL	22.1
P215	6,998,871	544,356	247.60	0.02	70.0	85.0	791.0	11.4	12.3	BDL	16.8
P216	6,998,871	544,356	570.55	0.06	BDL	25.0	526.0	5.0	25.9	BDL	17.4
P217	6,998,840	544,314	236.83	0.02	35.0	45.0	1,540.0	37.4	10.8	BDL	17.4
P218	6,998,825	544,291	53.83	0.01	45.0	50.0	2,670.0	63.4	13.3	BDL	39.7
P219	6,998,825	544,291	742.79	0.07	60.0	70.0	939.0	49.9	14.7	BDL	14.5
P220	6,998,676	543,954	258.36	0.03	30.0	25.0	403.0	15.5	10.1	BDL	68.7
P221	6,998,676	543,954	8,009.16	0.80	15.0	30.0	5,000.0	4.9	826.0	BDL	5.0
P222	6,998,713	544,081	688.96	0.07	45.0	55.0	911.0	35.1	22.0	BDL	28.2
P223	6,998,718	544,167	387.54	0.04	25.0	45.0	2,110.0	107.0	23.4	BDL	11.5
P224	6,998,950	544,484	118.42	0.01	20.0	15.0	76.4	78.1	4.2	BDL	68.4
P225	6,999,178	545,067	4,176.82	0.42	BDL	25.0	3,110.0	91.6	653.0	BDL	7.5
P226	6,998,172	545,882	796.61	0.08	BDL	20.0	1,370.0	12.6	161.0	BDL	871.0
P227	6,998,172	545,882	4,628.95	0.46	15.0	25.0	5,000.0	12.9	491.0	BDL	67.5
P228	6,998,187	545,858	96.89	0.01	15.0	25.0	480.0	15.4	27.3	BDL	1,810.0
P229	6,998,245	545,920	139.95	0.01	40.0	55.0	96.1	19.4	3.3	1080	2,990.0
P230	6,998,958	544,689	19,312.41	1.93	45.0	50.0	5,000.0	422.0	352.0	140	50.7
P231	6,998,791	544,631	16,233.62	1.62	10.0	35.0	5,000.0	9.9	400.0	130	17.7
P232	7,001,743	549,645	75.36	0.01	BDL	BDL	78.4	1.2	5.5	BDL	8.3
P233	7,002,069	550,098	21.53	0.00	115.0	45.0	35.0	32.2	3.1	BDL	26.4
P234	7,001,943	550,144	43.06	0.00	BDL	BDL	44.3	2.2	2.5	BDL	8.7
P235	7,001,969	550,108	43.06	0.00	145.0	65.0	48.0	52.7	2.8	BDL	107.0
P236	6,998,957	546,033	3,315.62	0.33	75.0	120.0	3,030.0	9.5	71.1	210	48.7

*BDL = Below Detection Limit



APPENDIX 2 – JORC TABLE 1.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> Rock chip samples (35) were selectively collected within the tenement area for assay in the vicinity of the Poona Reward lithium-tantalum prospect. Samples consisted of hand-sized specimens of potentially mineralised pegmatites and schists taken from outcrop and were typically 1-3 kilograms in weight. These samples show the potential mineralisation in the region but work is at too early a stage to determine whether they are representative of a larger mineralised system.
Drilling techniques	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done. Hence drilling technique is not applicable.
Drill sample recovery	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done. Hence drill sample recovery is not applicable.
Logging	<ul style="list-style-type: none"> Rock chips taken of potentially mineralised pegmatites and schists as well as hydrothermally altered intrusives and basement rock.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done. Hence sub-sampling techniques and sample preparation cannot be applied.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The laboratory assaying techniques are suitable for the samples submitted. Samples were submitted to SGS Lab in Perth for multi-element analysis utilising DIG90Q& IMS90Q for Li, Be, Cs, Nb, Rb, Sn, Sr and Ta and ICP90Q for Li and XRF78S for all 45 series of elements.
Verification of sampling and assaying	<ul style="list-style-type: none"> Surface rock chip samples were collected, sampled and verified by independent Geological Consultant in the field. This was further confirmed through photos and physically checked by Company personnel in Perth office before submitting to the Laboratory for assaying. No adjustments to assay were done.
Location of data points	<ul style="list-style-type: none"> Samples were located using a hand held GPS (accurate to <10 metres) in MGA 94, Zone 50.
Data spacing and distribution	<ul style="list-style-type: none"> Samples were taken at surface 'spot' locations and are unsuitable for resource calculations.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Geological strike and continuity is yet to be fully established.
Sample security	<ul style="list-style-type: none"> Samples were bagged and secured by field staff prior to submission to the laboratory.
Audits or reviews	<ul style="list-style-type: none"> At this preliminary stage no audits of sampling technique were done. The high values of Li and Rb in the surface samples assaying were further confirmed using ICP90Q and XRF78S techniques respectively.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Recently granted tenement E20/885 is jointly owned (90% Venus Metals Corporation Ltd and 10% Bruce Legendre)
Exploration done by other parties	<ul style="list-style-type: none"> Compilation of historical data is in progress.
Geology	<ul style="list-style-type: none"> Pegmatite/Schists, hydrothermally altered intrusive and basement rock hosting lithium, tantalum and tin mineralisation.
Drill hole Information	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done.
Data aggregation methods	<ul style="list-style-type: none"> At this stage we had only carried out surface rock chip sampling. No drilling was carried out; hence data aggregation method cannot be applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> At this stage we had only carried out surface rock chip sampling. No drilling was carried out; hence cannot apply relationship between mineralisation widths and intercept lengths.
Diagrams	<ul style="list-style-type: none"> Maps are presented in ASX announcement.
Balanced reporting	<ul style="list-style-type: none"> Sampling was conducted to check on results supplied by prospectors for the target areas.
Other substantive exploration data	<ul style="list-style-type: none"> At this stage we had only carried out surface rock chip sampling, no other exploration was done.
Further work	<ul style="list-style-type: none"> Heritage clearance survey followed by RC drilling (with PoW approvals) is planned.