ASX Release: 5 October 2016 **ASX Code: VMC**

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):
69,636,623

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

Market Cap: $12million

CONTACT DETAILS

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YOUANMI PROJECT: GEOPHYSICAL SURVEYING COMMENCES AT PINCHER WELL

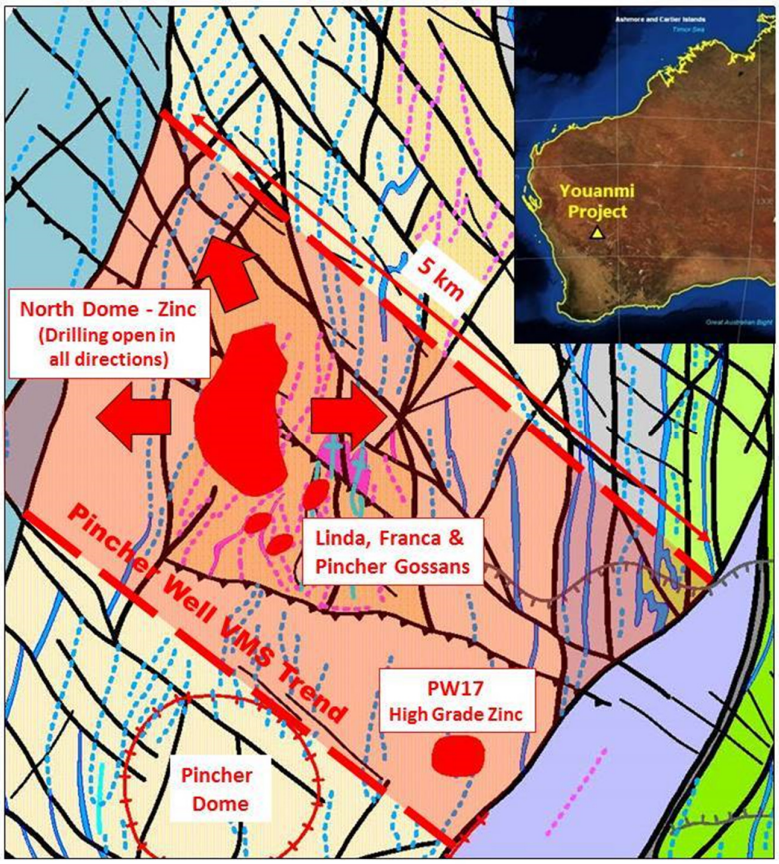

Figure 1 – Interpretive geology of the Pincher Well showing the outline of VMS trend (pink) and prospect locations.

HIGHLIGHTS

PINCHER WELL

- The Pincher Well Volcanogenic Massive Sulphide Trend ('VMS') is located on granted Exploration Licences E 57/986 & 1019 in the Murchison Mineral Field,
- Exploration at North Dome has previously outlined **a substantial body of zinc mineralisation**, with associated copper sulphides,
- Venus Metals has commissioned a induced polarisation ('IP') geophysical survey over the **'North Dome'** prospect to test the extents, structural architecture and orientation of the mineralised system.

1.0 Introduction

The Directors of Venus Metals Corporation Limited (ASX: VMC) are pleased to announce that geophysical surveying, utilising induced polarisation, of the Pincher Well Volcanogenic Massive Sulphide Trend ('VMS') Trend has commenced.

The Induced Polarisation ('IP') survey will test the extents of the substantial zinc-copper mineralisation at North Dome, as well as its surrounds, with a view to outlining the existing mineralisation, it's possible extensions and the position of high-grade lenses of zinc mineralisation (>10%) identified in previous drilling.

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 (Figure 1). The tenements (E 57/986 & 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** (Figure 1).

Drilling at North Dome, during the 1970s, outlined a shallowly dipping body of mineralisation up to 20 metres thick at more than 2% contained zinc. This body covers more than 1,000 metres of strike and is over 500 metres wide. Little exploration has been completed at North Dome since that time, however a recent study by Venus Metals indicates that this mineralised body may host an array of 'stacked' higher grade lodes, whose presence would greatly enhance the economics of the system (Figure 2).

An IP geophysical survey has been designed to test the North Dome prospect area with a view to:

- **Testing and identifying the lateral extents of the North Dome zinc-copper mineralisation,**
- **Identifying possible repetitions and the depth extensions of the mineralised lodes,**
- **Outlining the structural architecture of the mineralised system and orientation of the high grade lodes within the system.**

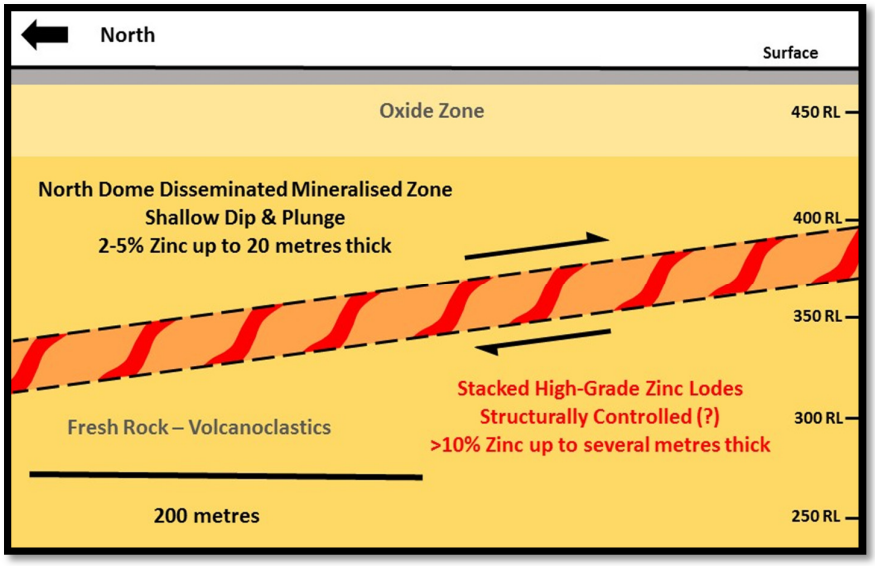

Figure 2–Venus Metals interpretation of the North Dome mineralisation.

The IP survey will take the form of a number of north-south survey lines along the strike length of the North Dome prospect, with east-west 'tie lines' as required (Figure 3).

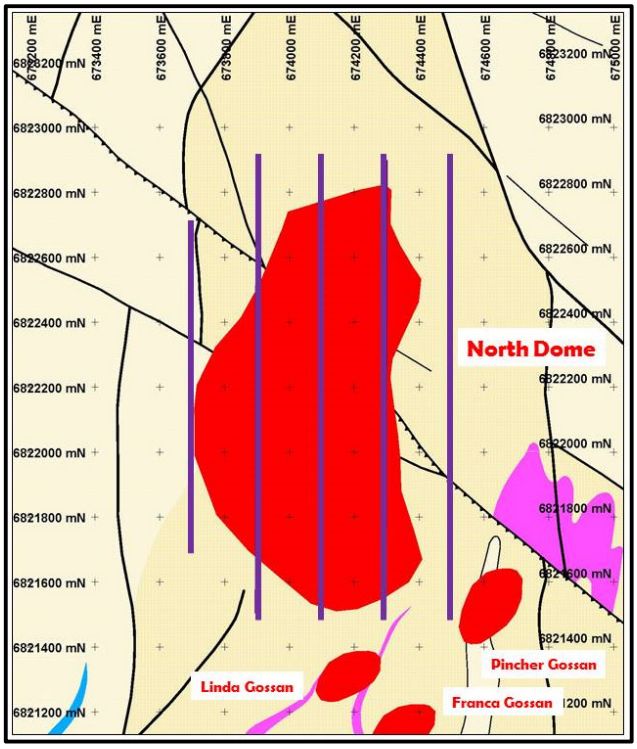

Figure 3–Proposed north-south IP survey lines (purple) over North Dome mineralisation outline (red) and interpreted bedrock geology.

2.1 Induced Polarisation Geophysical Surveys

Induced polarisation ('IP') is a geophysical surveying technique utilising electricity to identify conductive, or non-conductive, units within the subsurface rock strata. The method uses a number of electrodes to both transmit and receive electrical currents, measuring the time taken and the signal response to identify geological units enriched in metallic sulphides.

3.0 Conclusion

The IP survey at North Dome is expected to be completed over the coming weeks with results then sent to the Company's geophysical consultants for imaging and interpretation.

Venus Metals looks forward to updating shareholders as the results of the Pincher Well IP survey are made available.

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.

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.