



VENUS METALS
CORPORATION LIMITED

ASX Release: 26 July 2018

ASX Code: VMC

YOUANMI LITHIUM PROJECT

VENUS ALIGNS WITH LEPIDICO

The Directors of Venus Metals Corporation Limited (“Venus” or the “Company”) are pleased to announce that they have entered into an Option Agreement with Lepidico Ltd (ASX:LPD) (“Lepidico”) on terms under which Lepidico is to explore for lithium mineralisation in Lepidolite bearing pegmatites on exploration licence E57/983 located in the Murchison District in Western Australia, approximately 20 km southwest of the historical Youanmi gold mine (under option to purchase by Venus). Lepidico owns the technology to a metallurgical process (L-Max[®] Process) that has successfully produced lithium carbonate from non-conventional sources, specifically lithium-rich mica minerals including lepidolite and zinnwaldite.

HIGHLIGHTS:

- On signing: **Venus to receive \$50,000 cash and \$120,000 in Lepidico fully paid ordinary shares.** Lepidico earns a 12-month option to explore the tenement.
- During the option period the parties intend to negotiate the terms of a farm-in and joint venture agreement on the following indicative terms:
 - **Venus to receive \$350,000, comprising 50:50 cash and shares; shares issued at 5 day VWAP. Lepidico will have a 4-year period to complete a full Feasibility Study leading to a Decision to Mine to earn an 80% interest in the Lithium Rights.**
 - **Venus’s 20% will be free-carried to a Decision to Mine and Venus will be carried through project finance, with cost of finance to be repaid from 100% of Venus’s share of production.**
 - **Venus is to receive a benefit linked to the price of lithium carbonate equivalent received by Lepidico on sale of L-Max[®] products from material sourced from the Rights.**
 - **If at any time in the 4-year period, Lepidico spends \$2 million on project expenditure Lepidico will earn a 51% interest in the Rights.**

The deal with Lepidico gives Venus a guaranteed path to market for its share of any lithium concentrate produced should exploration be successful. For further details of Youanmi Lithium Project please refer Lepidico ASX release 26 July 2018.

Please Direct Enquiries to:

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr M. Cornelius, Consultant Geologist of Venus Metals Corporation Ltd, who is a member of The Australian Institute of Geoscientists (AIG). Dr Cornelius 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. Dr Cornelius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Kumar Arunachalam, who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee 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 as defined in the 2012 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.