VENUS METALS
CORPORATION LIMITED

ASX Release: 4 November 2019 **ASX Code: VMC**

Youanmi Gold Project

Significant Gold Mineralization Discovered in Air Core Drilling close to the Youanmi Shear Zone North of Penny West with Hole ending in Mineralization

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Venus Metals Corporation Limited ("Venus" or the "Company") in conjunction with its Joint Venture partner Rox Resources Limited (ASX: RXL), is pleased to announce the results of an air core drilling program at its Youanmi Gold Project (Figure 1), north of the historical Penny West gold mine and the historical Magenta and Columbia gold prospects.

Highlights:

- **High-grade gold mineralization discovered during a Stage 2 Air Core drilling** (AC) that followed up on **anomalous gold identified during the initial AC drilling** (refer ASX release 15 October 2019). Significant results from this latest AC drilling include:

VRAC151	**4m @ 7.02 g/t Au** from 24m, and
	5m @ 2.41 g/t Au from 60m to EOH
VRAC161	**4m @ 0.94 g/t Au** from 32m

- The **strong gold mineralization in deeply weathered mafic rocks in VRAC151** (Figure 2) is **open at depth and along strike;** it is located along a north-northwest trend close to the Youanmi Shear Zone and c. 5km north of the historical Penny West Gold Mine.
- **Immediate RC and further AC drilling to commence** to confirm the extensions of the high-grade mineralization at depth and along strike.

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Project Background

Venus Metals Corporation Limited (VMC) in conjunction with Rox Resources Ltd (RXL) previously reported historical aeromagnetic data showing a magnetic low within which the Penny West gold deposit and the Columbia-Magenta prospects are located (refer ASX release 12 August 2019). This magnetic feature extends north into the VMC Joint Venture tenement (E57/1019) where it appears to diverge into two subparallel trends both of which present highly prospective settings for gold mineralization of the Penny West type.

The initial AC drilling was designed to explore for geochemical anomalies that may indicate the presence of Currans North and Penny West-style high-grade gold mineralization at depth.

The recent AC program mainly targeted the western trend and followed up on gold anomalies broadly associated with anomalous base metals (refer ASX release 15 October 2019).

The AC drilling area is located on E57/1019 that is part of the VMC Joint Venture (VMC 50% and RXL earning 50% - gold rights only). A single AC traverse was drilled on M57/641 (Currans Joint Venture; VMC 45% and RXL).

Summary and Planned Work

The Stage 2 AC drilling program totalling 3,131m in 61 holes explored the strike extensions of the recently discovered gold - base metals anomalies and has discovered **significant new gold mineralization in two holes (VRAC151 and VRAC161)**. The strong gold mineralization in VRAC151 occurs in two separate intervals with the upper one hosted in the clay zone (potentially, after a high-MgO rock), and the lower zone being associated with sheared mafic rock and vein quartz; the AC hole was drilled to blade refusal (rock getting too hard for the AC method) and **the hole ended in gold mineralization of 2m @ 3.08g/t** .

VRAC161 is located along a reconnaissance traverse c. 800m north of VRAC151 and will be further explored using AC drilling.

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The high-grade gold intersections in hole VRAS151 represents the best gold zones encountered to date along the Youanmi Shear Zone south of the Youanmi Gold Mining area and north of the Penny West and Columbia-Magenta prospects. To keep this in perspective, the recent Penny North discovery by Spectrum followed up on an isolated intersection of 1m at 6.47g/t Au from 92m depth (refer ASX release SPX 5 March 2019); the Penny West gold mine discovery started with RAB results of up to 1.5 g/t Au (Radford and Boddington, 2003).

Managing Director Matt Hogan commented

"These significant air core drilling results, particularly in hole VRAC151, highlight the potential of the Youanmi Shear Zone to host significant gold mineralization that does not show at surface. Our drilling may have identified a new corridor of gold mineralization interpreted to be associated with a north-northwest trending splay from the main shear and immediate follow-up RC drilling is planned ".

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YOUANMI GOLD PROJECT OWNERSHIP STRUCTURE

E57/982
E57/985
M57/97
M57/109
M57/165
M57/164
M57/160A
M57/51
M57/135
M57/75
M57/10
M57/167
M57/166
YOUANMI GOLD MINE
E57/1009
(Calcrete)
E57/1103
(Calcrete)
E57/1023
E57/1018
ELA 57/1129
E57/986
E57/983
Pinchers JV
M57/642
MANINDI
Zn Deposit
P57/1366
E57/1019
M57/641
E57/1011
Aircore
drillholes
P57/1365
E57/1078
6,830,000 mN
6,810,000 mN
6,790,000 mN
670,000 mE
690,000 mE
710,000 mE
N
0
5
10 km

VENUS 100% OWNERSHIP
New EL Application

VENUS 100% OWNERSHIP
Granted Tenements

OYG JOINT VENTURE
YOUANMI GOLD MINE
Venus 50%/50% Rox
Rox spending $2M on Exploration over 2 years; Option to acquire further 20% by paying Venus $3M
Rox- Manager of the JV

VMC JOINT VENTURE
Venus 50%/50% Rox (Gold rights only)
Rox earning 50% by spending $800,000 over 2 years then becomes contributing JV
No further option to increase Venus- Manager of the JV

YOUANMI JOINT VENTURE
Venus 45%/45% Rox
10% Prospector (free-carried)
(Gold rights only)
Rox earning 45% by spending $200,000 over 2 years then becomes contributing JV
No further option to increase Venus- Manager of the JV

Agreement between VENUS and Prospector to extract Calcrete for potential future processing
(signed 30/08/2018)

CURRANS FIND & PINCHER JV
Venus 45%
Rox 45%
D Taylor 10% (free-carried)
Contributing Joint Venture
No further option to increase Venus-Manager of the JV

Spectrum Metals Ltd Discovery
(SPX, ASX 5 March 2019)

PENNY WEST GOLD MINE

Figure 1. Location of Aircore drilling and Youanmi Gold Project Ownership Structure

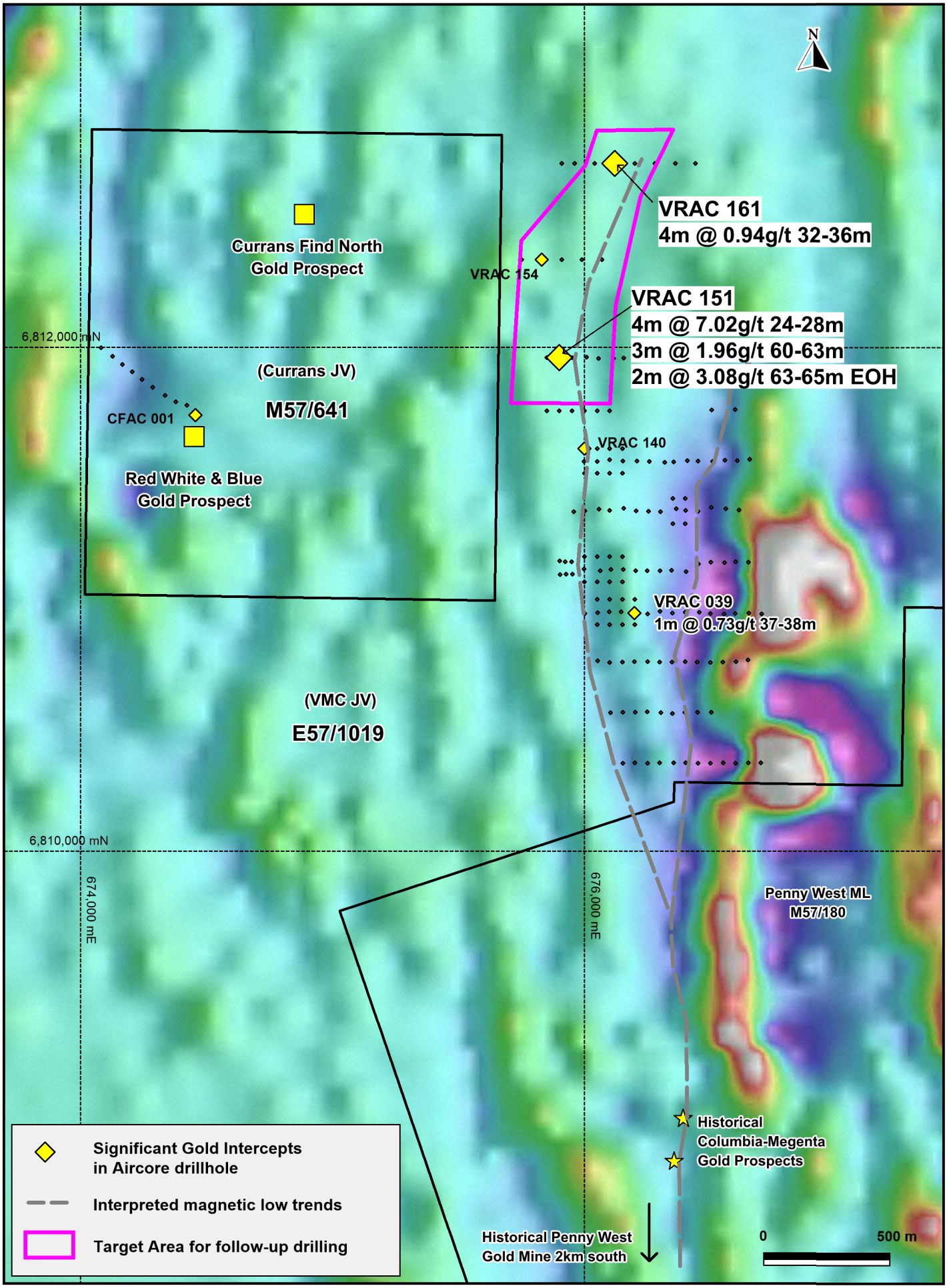

Figure 2. Location of Aircore drillholes shown on regional aeromagnetic image

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References

Radford and Boddington, 2003. Penny West Gold Deposit, Youanmi, WA. crcleme.org.au/RegExpOre/PennyWest.pdf

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 is based on information compiled by Dr M. Cornelius, geological consultant and part-time employee 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.

Table 1. Details of Aircore drillhole collars

Hole ID	Easting	Northing	Depth (m)	Azimuth (deg)
VRAC115	676050	6810900	47	270
VRAC116	676100	6810900	45	270
VRAC117	676150	6810900	44	270
VRAC118	676200	6810900	56	270
VRAC119	676050	6811000	40	270
VRAC120	676100	6811000	42	270
VRAC121	676150	6811000	61	270
VRAC122	676200	6811000	62	270
VRAC123	676000	6811070	59	270
VRAC124	676050	6811070	31	270
VRAC125	676100	6811070	31	270
VRAC126	676150	6811070	23	270
VRAC127	676000	6811170	52	270
VRAC128	676050	6811170	50	270
VRAC129	676100	6811170	47	270
VRAC130	676150	6811170	43	270
VRAC131	676350	6811300	50	270
VRAC132	676400	6811300	61	270
VRAC133	676450	6811350	65	270
VRAC134	676350	6811400	52	270
VRAC135	676400	6811400	54	270
VRAC136	676000	6811500	49	270
VRAC137	676050	6811500	61	270
VRAC138	676100	6811500	59	270
VRAC139	676150	6811500	67	270
VRAC140	676000	6811600	46	270
VRAC141	676050	6811600	56	270
VRAC142	676100	6811600	79	270
VRAC143	676150	6811600	55	270
VRAC144	675850	6811750	59	270
VRAC145	675900	6811750	70	270
VRAC146	675950	6811750	44	270
VRAC147	676000	6811750	70	270
VRAC148	676050	6811750	42	270
VRAC149	676100	6811750	47	270
VRAC150	675850	6811960	62	270
VRAC151	675900	6811960	65	270
VRAC152	675950	6811960	54	270
VRAC153	675750	6812350	53	270
VRAC154	675830	6812350	50	270
VRAC155	675910	6812350	43	270
VRAC156	675990	6812350	52	270
VRAC157	676070	6812350	46	270
VRAC158	675910	6812732	43	270
VRAC159	675960	6812732	38	270
VRAC160	676040	6812732	53	270
VRAC161	676120	6812732	83	270
VRAC162	676200	6812732	44	270
VRAC163	676280	6812732	43	270
VRAC164	676360	6812732	22	270
VRAC165	676440	6812732	38	270
CFAC001	674455	6811733	56	90
CFAC002	674422	6811771	50	90
CFAC003	674378	6811786	57	90
CFAC004	674335	6811811	50	90
CFAC005	674287	6811843	45	315
CFAC006	674244	6811874	52	315
CFAC007	674206	6811904	52	315
CFAC008	674165	6811934	52	315
CFAC009	674127	6811964	56	315
CFAC010	674080	6811999	53	315

Table 2. Analytical results for gold (Au) ≥ 100ppb or 0.1g/t

Hole Id	From (m)	To (m)	Interval (m)	Au (g/t) AR ICP	Au (g/t) Photon
VRAC140	24	28	4	0.18	
VRAC151	24	28	4	**6.92**	**7.02**
	28	32	4	0.35	**0.46**
	32	36	4	0.10	
	36	40	4	0.27	**0.29**
	56	60	4	0.11	
	60	63	3	**1.84**	**1.96**
	63	65	2	**2.87**	**3.08**
VRAC154	28	32	4	0.11	
VRAC161	32	36	4	**0.97**	**0.94**
	36	40	4	0.17	
	40	44	4	0.17	
	44	48	4	0.35	**0.37**
CFAC001	20	24	4	0.10	
	48	52	4	0.11	
	52	56	4	0.19	

Appendix-1

JORC Code, 2012 Edition – Table 1

Youanmi Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• 61 air core (AC) holes for 3131m were completed as part of this program. • Composite samples were collected for four-metre intervals by combining sub-samples taken from drill spoil representing individual one-metre intervals. • Sampling was by using a plastic sampling spear to take two scoops from each drill spoil pile on the ground.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• AC drilling was used to obtain one-meter samples that were passed through a cyclone and collected in a bucket which was then emptied on the ground.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• The sample recovery was visually assessed. • The recovery was considered normal for this type of drilling and samples were generally dry due to minimal groundwater. • All AC holes were drilled to blade refusal.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support*	• A qualified geologist logged all holes in full and supervised the sampling.

Criteria	JORC Code explanation	Commentary
	appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Small sub-samples were washed and stored in chip trays for reference. • Photographs were taken of all chip trays.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The AC samples were collected using a cyclone attached to the drill rig. The sample material was emptied on the ground and a 400-500g sub-sample taken from each one-metre interval using a sampling spear. Sub-samples for four consecutive meters were placed in a numbered calico bag. • All AC samples were analysed at a Perth laboratory using an aqua regia digest on a 10g sample followed by an ICPMS-OES finish for gold and a suite of base metal and pathfinder elements. • Sample preparation included sorting, drying and pulverizing (85% passing 75 µm) in a LM5 steel mill. • Samples with more than 0.25g/t Au were also analyzed using the Photon Gold method which is a fully automated technique designed for the analysis of ores. It uses high energy x-rays to excite the atoms and is non-destructive. The c. 500g single-use jars allow for bulk analysis with no chance of cross contamination between samples.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Quality control procedures include certified reference materials and/or in-house controls, blanks, splits and replicates. • All QC results are considered satisfactory. • The near-total digest and analytical method used (AR ICPMS OES) are considered adequate for a reconnaissance AC program. • Verification of anomalous gold results was by the Photon method and for samples analyzed by this method, the Photon results as well as the original AR ICP results are shown in the attached table. On the front page of this announcement, only the Photon results are shown and are used to calculate average Au concentrations over a combined interval.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• No independent verification of sampling and assaying has been carried out.

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• AC drill collars were located using a handheld GPS with an accuracy of +/- 4m. Grid systems used were geodetic datum: GDA 94, Projection: MGA, Zone 50. • Due to the relatively flat nature of the terrain, topographic control was not deemed necessary at this stage.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• AC drilling was on lines approximately 200 to 400m apart, with holes approximately 50m spaced along lines. Follow-up drilling was on lines 50m north and/or south of previous AC traverses. • The AC drilling was of a reconnaissance nature, designed to test for gold and base metal geochemical signatures in the regolith. • The drilling was not designed for mineral resource calculation.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• AC drilling was inclined at -60^0; for collar details see Table 1. • The drilling was approximately perpendicular to the general strike of the lithology in the area as indicated by the GSWA 100k mapping but due to variable dips and strikes, reported intervals are not necessarily representative of true widths. 10 AC holes were drilled along a NW traverse on M57/641 to test an area west of the Red White and Blue Prospect.
Sample security	• *The measures taken to ensure sample security.*	• All drill samples were transported directly to the Perth laboratory in plastic bags closed with cable ties and inside large Bulka bags.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been carried out to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• E57/1019 is held by Venus Metals Ltd and is part of the VMC Joint Venture (VMC 50% and RXL earning 50% (gold rights only). • VMC and RXL jointly acquired a combined 90% interest in ML 57/641 “Currans Find” of 300ha”. The 90% interest is shared equally between Venus and Rox, with the remaining 10% held by Mr Taylor. • To the best of Venus’ knowledge, there are no known impediments to operate on E57/1019 or M57/641 as Manager of the respective JVs.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historical work in the general area was by WMC in the 1970s followed by Consolidated Goldfields and Carpentaria Exploration, Newmont Pty Ltd, Dampier Mining Company Limited (later BHP) with ICI as manager. CRA carried out further work. Eastmet (later Gold Mines of Australia) continued exploration in the 1990s, followed by Goldcrest (formerly Goldcrest Mines Limited). Despite significant regional work in the past, very little drilling was carried out in the area tested by the AC program.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• This reconnaissance drilling program targeted Archean lode gold associated with quartz veining and sulphides, hosted in shear zones within a structurally controlled setting potentially similar to that at the historical Penny West Gold mine c. 4 to 5km to the south.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• For drill collar information refer to Table 1.
		• All assay results in composite intervals referred to in this announcement are listed in Table 2.
		• All drill hole locations are shown on Figure 2 .

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• All analytical results (>100 ppb Au) are reported in Table 2. • Average grades on the front page are based on the interval lengths and grades listed in Table 2. • No upper cut-off has been applied.
Relationship between mineralisation	• *These relationships are particularly important in the reporting of Exploration Results.*	• The AC drilling was of a reconnaissance nature only.

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Reported downhole lengths and intervals may not represent true widths due to the variable and uncertain dip of the lithology.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Plans are attached to the report (Figures 1 and 2)
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All analytical results (>100ppb Au) are reported in Table 2.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• The main part of the AC drilling program targeted an area located along strike from the high-grade Penny West gold mine some 4km to the south. Other gold prospects (Magenta-Columbia) are located less than 2km to the south. Both, the historical Penny West mine and the Magenta-Columbia prospects, are situated along an aeromagnetic feature that trends north and was specifically tested by this AC program.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Follow-up AC drilling along strike of the reported gold-mineralized AC holes is planned. • RC drilling of specific gold targets is planned to investigate the bedrock for potential gold mineralization beneath the oxide zone.