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ASX Release: 12 March 2020 **ASX Code: VMC**

YOUANMI GOLD PROJECT

STRONG CONDUCTIVE EM ANOMALIES IDENTIFIED ALONG YOUANMI SHEAR ZONE AT PENNY WEST DEEP SOUTH

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 Xcite Heli-borne Electromagnetic survey (HEM) at the Penny West Deep South Project (E57/1078) has been successfully completed (Figure 1).

- **The HEM survey has detected several conductive zones along the prospective Youanmi Shear Zone.**
- **The conductive zones extend over two to three flight lines providing a strike length of 200-400m, which is similar in size to the Penny West open cut mine.**
- **Of significant interest are mid to late time anomalies PWDS1 and PWDS2 which have been delineated in the north of the survey area and are located along strike to the south from the Penny West Deposits, adjacent to the interpreted Youanmi Shear Zone** (Figure 2).
- **These mid to late time anomalies provide a much stronger response in comparison to the previously flown HEM line 950 (north of Penny West Mine) which returned a subtle mid-time response** (Figure 3) (refer ASX release 25 February 2020).

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The HEM survey was flown to target potential conductive horizons along the Youanmi Shear Zone which may represent increased sulphide content related to gold mineralisation which is observed at the historical Youanmi Gold Mine (Munro, 1990) and the historical high-grade Penny West Gold Mine (Radford and Boddington, 2003).

The Xcite survey was completed on 200m-spaced flight lines oriented east-west across the interpreted shear zone covering approximately 12km of prospective strike within E57/1078. Additional lines spaced 400m apart were flown in the south of the EL to extend the coverage over additional areas of interest (Figure 1).

First pass assessment of the preliminary results provided by independent geophysical consultants Core Geophysics indicates that the survey has detected a number of conductive zones along the prospective Youanmi Shear Zone (Figure 2). These conductive zones extend over two to three flight lines providing a strike length of 200-400m which is similar in size to the Penny West open cut mine.

Of significant interest are the mid- to late-time anomalies PWDS1 and PWSD2 which have been delineated in the north of the survey area. Both anomalies are located south and along strike from the Penny West Deposits, and adjacent to the interpreted Youanmi Shear Zone (Figure 2). In comparison to the previously flown HEM line 950 (part of a HEM survey commissioned by Venus Metals in February 2018 that covered the historical Penny West Gold Mine Area) which returned a subtle mid-time response (see VMC ASX release 25 February 2020), anomalies PWDS1 and PWSD2 provide a much stronger response (Figure 3).

Final HEM data is expected to be received in the coming weeks and following interpretation and review of the data, ground follow-up programs will be planned.

Assaying of recently completed reconnaissance aircore drilling in the northern part of EL57/1078 is in progress.

Venus' MD, Matthew Hogan, comments: "we are very pleased with the preliminary results of this latest HEM survey and the prospect of some potentially deep drill targets for Penny West-style gold mineralization".

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References

Munro K D 1990 - Youanmi Gold deposit: in Hughes F E (Ed.), 1990 Geology of the Mineral Deposits of Australia & Papua New Guinea The AusIMM, Melbourne Mono 14, v1 pp 279-282.

Radford, N., Boddington, T. (2003), Penny West Gold Deposit, CRC LEME, 2003.

Youanmi Gold Project Heli-borne EM Survey to commence at Penny West Deep South. VMC ASX Release 25/2/2020.

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 announcement that relates to HEM Survey Results is based on information compiled by Mr Mathew Cooper who is a member of The Australian Institute of Geoscientists. Mr Cooper is Principal Geophysicist of Core Geophysics Pty Ltd who are consultants to Venus Metals Corporation Limited. Mr Cooper has sufficient experience which is relevant to the activity which he is undertaking 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 Cooper 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 Resources is based on information compiled by Dr M. Cornelius, Geological Consultant 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.

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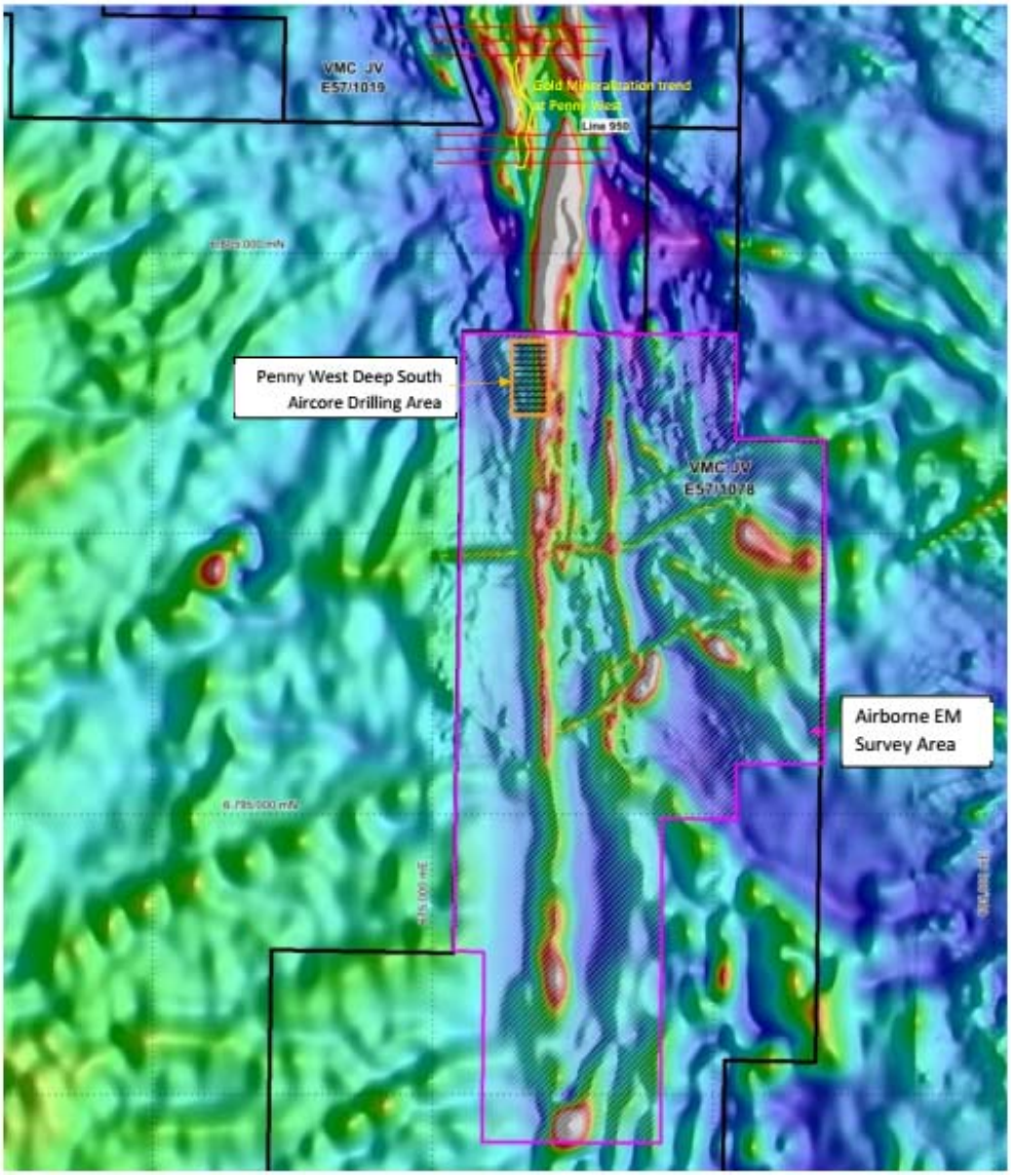

Figure 1: Location of Airborne EM Survey at Penny West Deep South Gold Prospect over magnetic image.

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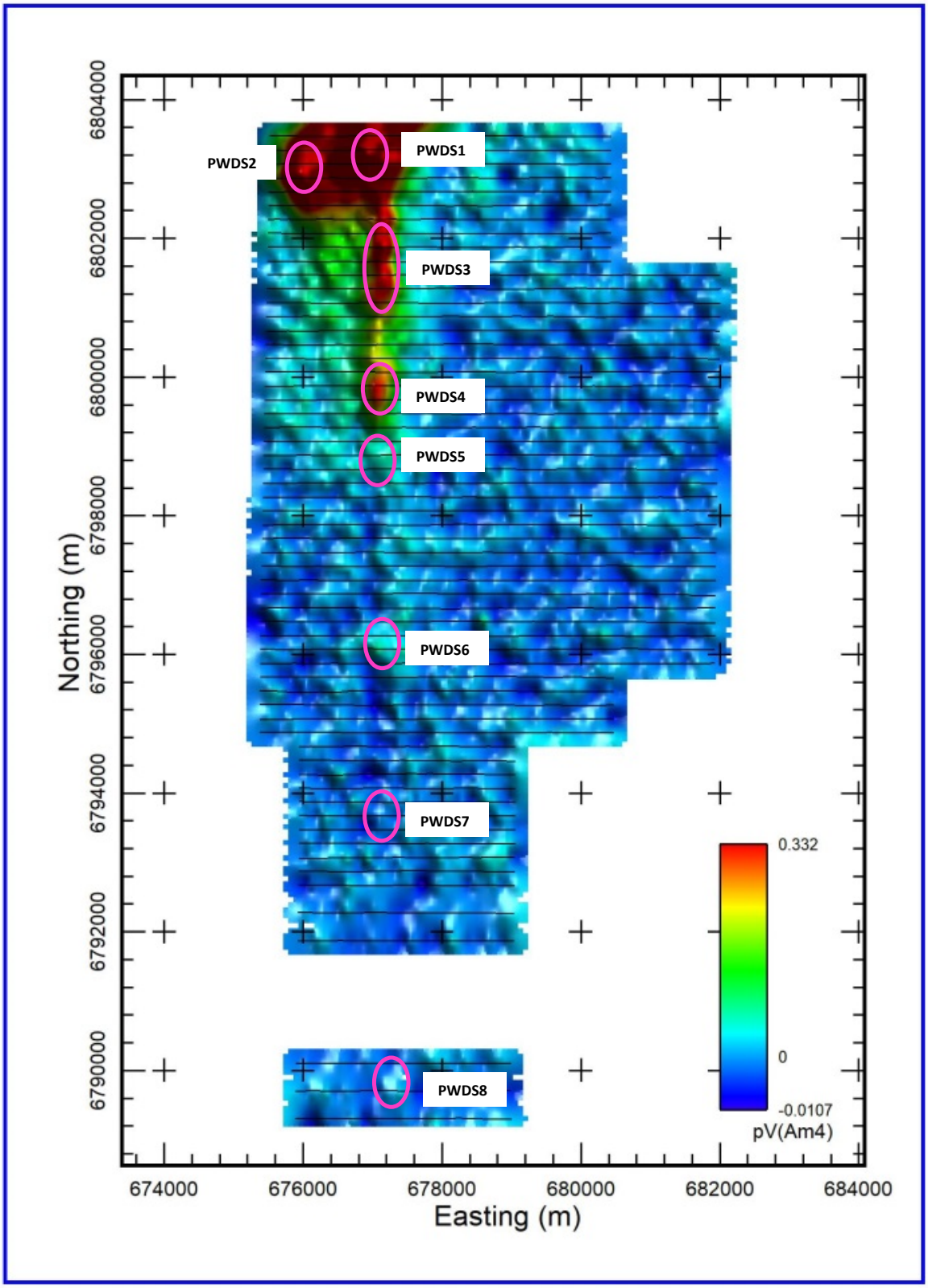

Figure 2: HEM dB/dt Z Channel 20 image showing preliminary anomaly locations

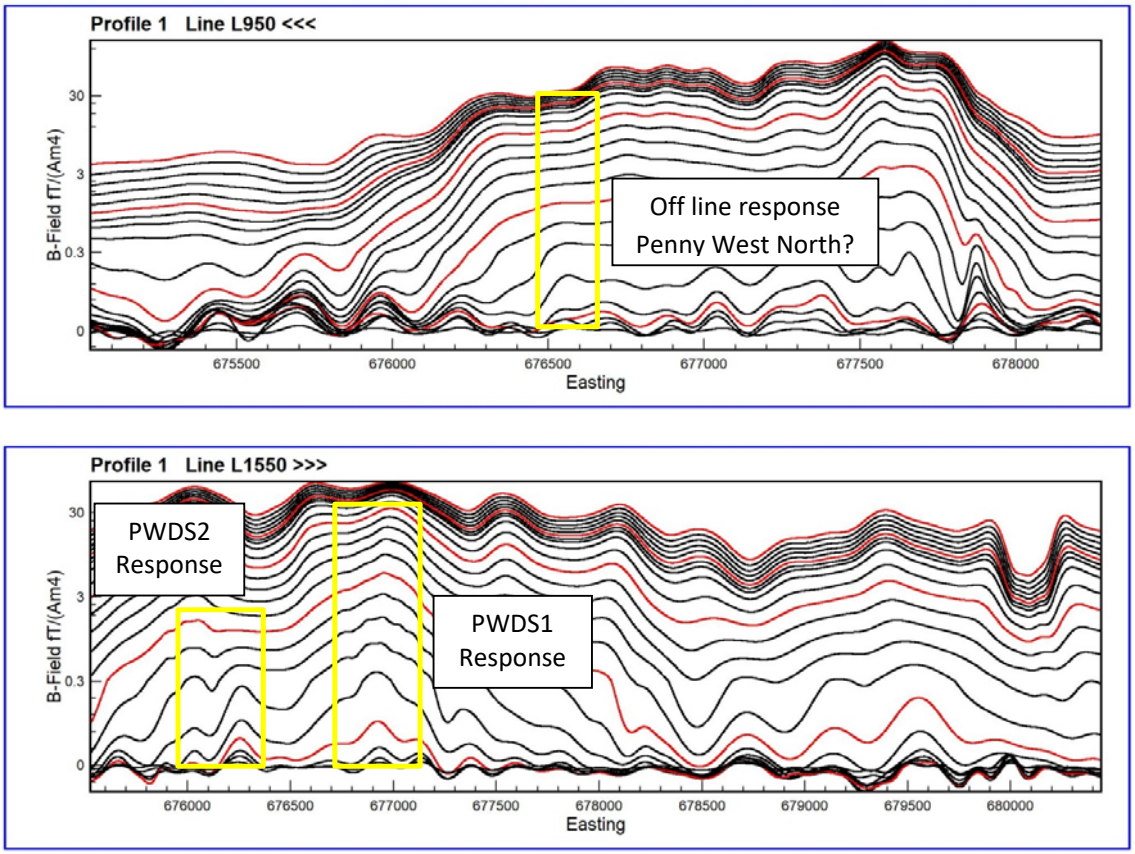

Figure 3: Comparison of Xcite HEM Z component B-Field responses. Top Panel – 2018 Youanmi Survey Line 950 profile response flown to south of Penny West North (see VMC ASX release 25/2/2020). **Bottom Panel – 2020 Penny West Deep South Survey Line 1550.**

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• A HEM survey was conducted over the area as defined in Figure 1. • The survey was commissioned by Venus Metals Corporation and flown by New Resolution Geophysics Australia with the Xcite system on flight lines oriented 090-270° on 200m to 400m spacings, with the system specifications summarised below. <u>Xcite System</u> Transmitter loop diameter – 18.4 meters Number of turns – 4 Current – 235A Peak dipole moment – 250,000NIA Recording Time – 0.04 to >11ms Base Frequency : 25Hz Receiver – Z,X,coils Receiver Diameter – 0.613m(X) and 1m(Z) with 200(X) and 100(Z) turns Magnetic Sensor : on Tx/Rx Loop Flying Height – 60-70 meters EM sensor Height- 30-40 meters Magnetic sensor Height – 75 meters • Other details of sampling techniques is not applicable
Drilling techniques	• No Drilling activity undertaken
Drill sample recovery	• No drill samples collected
Logging	• Airborne survey and hence no logging
Sub-sampling techniques and sample preparation	• The Xcite survey employed a Novatel DL-V3L1L2 receiver measuring up to 12 satellites, employing a 20Hz recording interval an accuracy of 1.2m and to <1m with correction and SF-01 laser altimeter with a 1cm resolution.

Criteria	Commentary
Quality of assay data and laboratory tests	• No Assays carried out for this survey
Verification of sampling and assaying	• Not applicable for Airborne geophysical survey
Location of data points	• All data has been collected in GDA94 MGA Zone 50 grid system. Data points were located using a Novatel DL-V3L1L2 Real Time GPS (recording rate: 20Hz) and SF-01 laser altimeter
Data spacing and distribution	• The spacing between the flight lines is approximately 200 to 400m. Readings sampled to locations every 1-2m along flight lines.
Orientation of data in relation to geological structure	• The flight path is perpendicular to strike direction of geological formations and is sufficient to locate discrete conductive anomalies.
Sample security	• Not applicable for Airborne geophysical survey
Audits or reviews	• The data were independently verified by Core Geophysics.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• E57/1078 is held by Venus Metals Corporation Ltd, comprises 41 blocks and is part of the VMC joint venture (VMC 50% and RXL earning 50% (gold rights only). • The tenure is secure, in good standing and to the best of Venus' knowledge there are no known impediments to operate on E57/1078.
Exploration done by other parties	• Gold Mines of Australia (GMA) 1989 – 1996 carried out significant soil geochemistry and RAB drilling • Aquila Resources 2000 – 2001 • Beacon Minerals Ltd 2013 - 2015
Geology	• The Penny West Deep South Project is located along the southern extension of the Youanmi greenstone belt, a sequence of mafic and ultramafic rocks, minor BIF, chert and other sediments, intrusive and volcanic felsic and intermediate rocks. The Youanmi shear zone is a major structural feature trending north across the tenement. • Exploration by Venus targets Penny West-style high-grade gold mineralization associated with quartz veining and sulphide minerals that are anomalous in base metals and other pathfinder elements.

Criteria	Commentary
Drill hole Information	• No drilling reported
Data aggregation methods	• No data aggregation methods used.
Relationship between mineralisation widths and intercept lengths	• No drilling reported
Diagrams	• See figures in the body of the announcement.
Balanced reporting	• No assay results reported.
Other substantive exploration data	• Aircore drilling in the north of EL57/1078 has been completed and assaying is in progress. No other exploration data to report.
Further work	• Potentially, further drilling of geochemical and/or geophysical targets subject to interpretation and evaluation of geophysical and drill data.