VENUS METALS
CORPORATION LIMITED

ASX Release: 27 March 2018 **ASX Code: VMC**

YOUANMI VANADIUM PROJECT

MINERAL ENGINEERING TECHNICAL SERVICES PTY LTD (METS)

COMMISSIONED FOR METALLURGICAL TEST WORK

The Directors of Venus Metals are pleased to announce:

- **Appointment of Mineral Engineering Technical Services Pty Ltd (METS) as metallurgical consultants to assess vanadium concentrate quality and recovery.**
- **Testwork to be undertaken on the historical diamond core samples from the Company's JORC 2012 Vanadium Mineral Resource (330.6 Million Tonnes @ 0.29% V_2O_5, 5.95% Titanium (TiO_2) and 19.41% Fe including 167.7 Million tonnes @ 0.41% V_2O_5, 7.52% TiO_2 and 24.6% Fe) at Youanmi.**

The Company has engaged Mineral Engineering Technical Services Pty Ltd ("METS") as its metallurgical consultant tasked with planning, managing and reporting on the scoping study metallurgical testwork based on diamond core samples. METS has substantial global experience with vanadium projects including work on the Barrambie, Mount Peake, Windimurra and Gabanintha projects.

METS will design a testwork program based on a number of diamond core composite samples from varying mineralised sections of the resource. This initial round of testwork has been designed to assess the comminution characteristics and the viability of the production of a vanadium-bearing concentrate. Initial testwork will be based on Davis Tube Recovery ("DTR") testing to assess the recovery of vanadium and grade of concentrate produced at different grind sizes for the composites. Wet Low Intensity Magnetic Separation ("LIMS") will then be undertaken to confirm the findings of the initial DTR work under conditions that are similar to those that would occur in a processing plant.

These metallurgical studies are planned to be followed by engineering and processing studies designed to determine the Project's processing options, as well as postulate early assumptions on the potential commercial viability of these options.

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Youanmi Vanadium Project Overview

Venus's Youanmi Vanadium deposit is located on tenement E57/986 (198.5 km^2) which is about 42km southeast of the world class vanadium mine at Windimurra, owned by Atlantic, a subsidiary of Droxford International Limited (Figure 1). Youanmi Vanadium has good access to major infrastructure such as gas pipeline, roads and port facilities. Venus holds a 90% interest and the prospector holds a 10% interest in this tenement.

JORC 2012 Vanadium Resource:

Widenbar and Associates ("WAA") has reviewed the historical drilling (Figure 2), sampling and assaying data and produced a **JORC 2012 compliant Inferred Mineral Resource estimate of 330.6 Million Tonnes @ 0.29% V_2O_5, 5.95% Titanium (TiO_2) and 19.41% Fe** (0.10% V_2O_5 cut-off, 350m RL base) for **951,000 tonnes of Vanadium Pentoxide resource**.

This mineral resource includes a high-grade Inferred Resource of **167.7 Million tonnes @ 0.41% V_2O_5, 7.52% TiO_2 and 24.6% Fe** (0.25% V_2O_5 cut-off) for a **Vanadium Pentoxide resource of 683,000 tonnes** (ASX release dated 6 Feb 2015).

Vanadium Exploration Potential:

WAA has estimated Vanadium exploration target potential for E57/986 based on existing drillhole data and aeromagnetic signatures. The drilled and modelled area of the Youanmi Vanadium deposit has a strike length of approximately 3.5 km, and it has been compared to the aero-mag data. Areas to the south of the current model with similar aeromagnetic signatures have been delineated and these have a strike length of 14 to 15 km (Figure 3).

Assuming the untested 14 to 15 km of strike length hosts similar mineralisation to the Inferred Resource in the drilled area, **a target potential of 1.0 to 1.3 Billion tonnes at 0.25% to 0.30% V_2O_5%** (Lower Cut-Off: 0.1% V_2O_5) has been postulated (refer ASX release dated 6 Feb 2015).

An estimate of the exploration target potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade, relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.

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The Youanmi Project area has major exploration and development upsides in regards to battery associated minerals: Venus is in a very enviable position with the recently announced results of thick high-grade intersections of cobalt-nickel at Estonia Prospect (ASX release 2 March 2018), high-grade zinc mineralisation at Pincher Well and the JORC 2012 world-class vanadium-titanium Inferred Resource, and with further exploration target potential.

Bibliography

1. L. Widenbar, 2015, "Youanmi Vanadium Project Resource Estimate Summary Report January 2015"- Internal Communications

2. VMC ASX releases dated 6 February 2015 and 2 March 2018.

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.

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Competent Person's Statement

The information in this report that relates to the Youanmi Vanadium Project is based on and fairly represents, information and supporting documentation compiled by Damian Connelly who is a Fellow, CP (Met) of The Australasian Institute of Mining and Metallurgy and a full time employee of METS. Damian Connelly has sufficient experience 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 Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Damian Connelly 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 Mineral Resources has been compiled by Mr L Widenbar. Mr Widenbar, who is a Member of the Australasian Institute of Mining and Metallurgy, is a full time employee of Widenbar and Associates and produced the Mineral Resource Estimate and exploration target potential based on data and geological information supplied by Venus. Mr Widenbar 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 Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Widenbar consents to the inclusion in this report of the matters based on his information in the form and context that the information appears.

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.

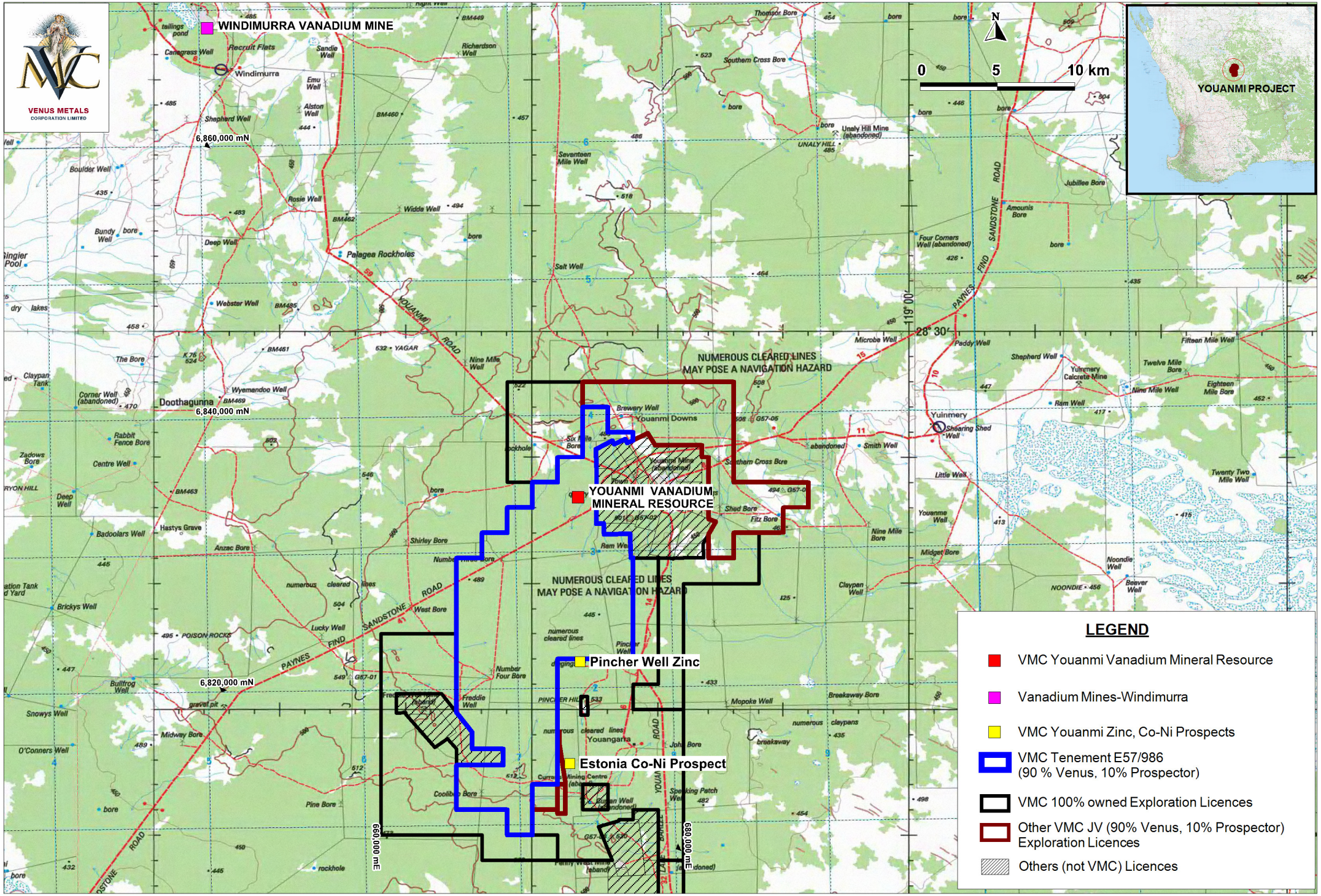

Figure 1. VMC Youanmi Vanadium Project Location Map

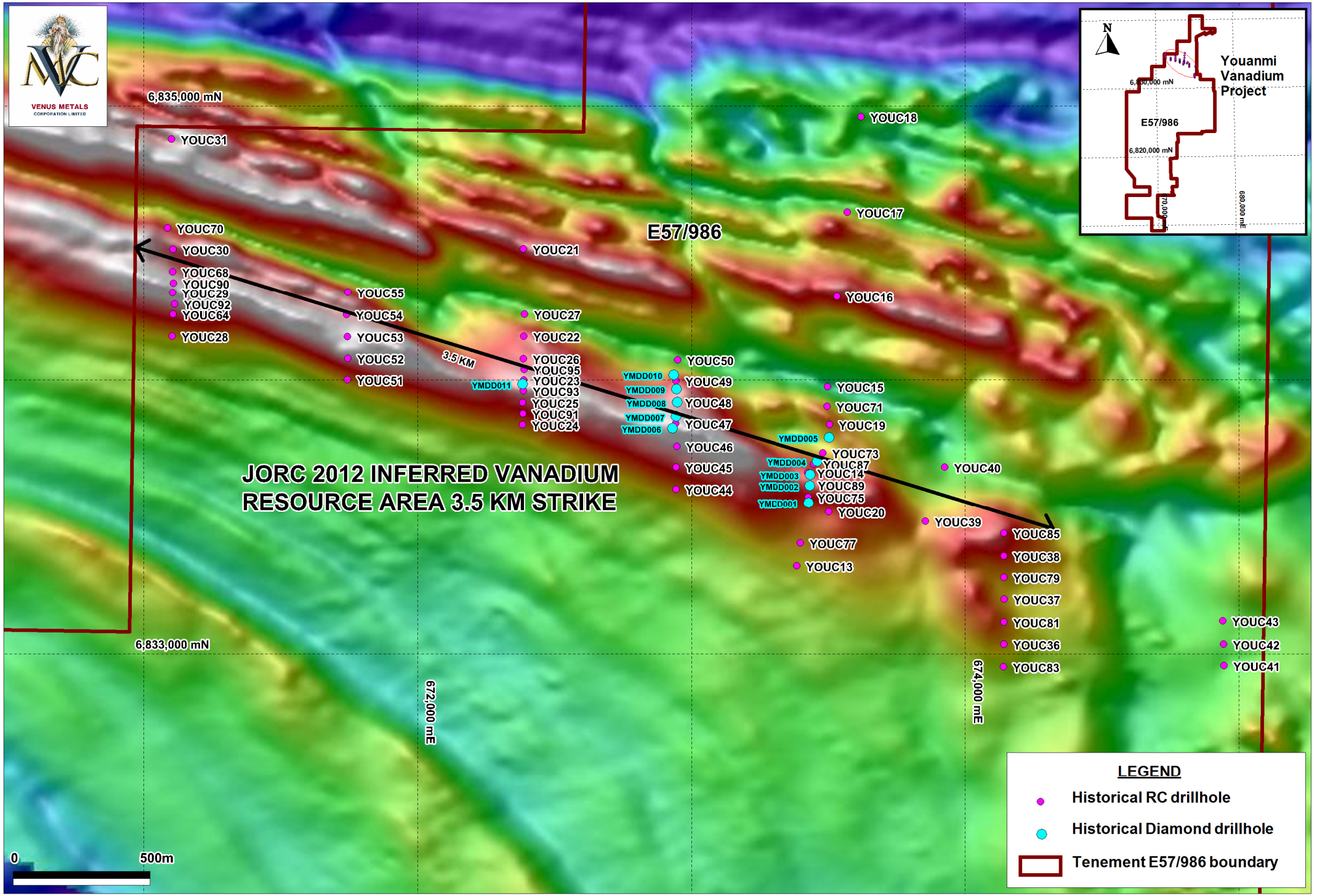

Figure 2. Location of Historical RC and Diamond Drilholes in Youanmi Vanadium Resource Area shown on Areomagnetic TMI Image

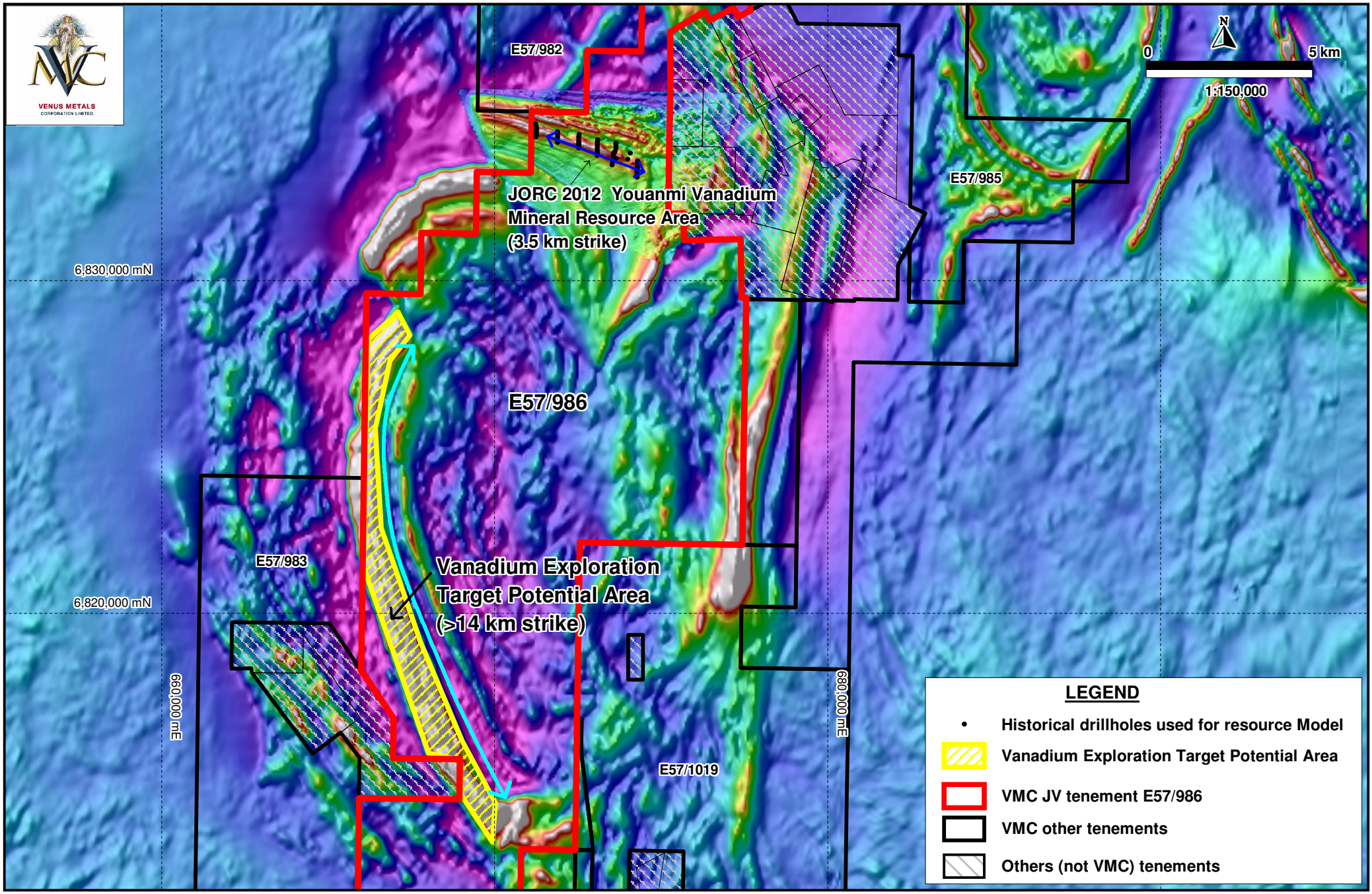

Figure 3. Location of Youanmi Vanadium Exploration Target Potential Area shown on Aermagnetic Anomaly Map