VENUS METALS
CORPORATION LIMITED

ASX Release: 29 April 2019 **ASX Code: VMC**

QUARTERLY REPORT
FOR PERIOD ENDING 31 MARCH 2019

Venus Metals Corporation Limited's (VMC) activities conducted during the quarter ending 31 March 2019 include:

YOUANMI GOLD PROJECT

- VMC has entered into a binding term sheet with Rox Resources Ltd (RXL) to enable VMC to settle the Youanmi Gold Mine purchase with RXL funding aggressive exploration in the project area through three Joint Ventures formed with VMC (ASX release 10 April 2019): the Youanmi Gold Mine Joint Venture (**OYG JV**), the **Venus Joint Venture (Venus JV)** and the **Youanmi Joint Venture (Youanmi JV)**.
- VMC and RXL entered into a purchase agreement with Murchison Earthmoving & Rehabilitation Pty Ltd (MER) to acquire jointly a combined 90% interest in ML 57/641"Currans Find" and a combined 90% interest in ML 57/642 "Pinchers" (see ASX release 15 April 2019). The 90% interest is shared equally between VMC and RXL, with the remaining 10% held by MER. Venus is the manager of the **Currans Find and Pinchers Joint Venture (Currans JV)**.
- **RC drilling programme is scheduled to commence at the Currans JV targeting potentially gold-rich reefs on the Currans Find Mining Leases** (ASX release 23 April 2019). RC testing of other gold targets (ASX release 22 March 2019) is also scheduled. Drilling will start as soon as all approvals are in place, expected to be very shortly.

YOUANMI VANADIUM PROJECT

- **The new JORC 2012 total resource estimate is 134.73 million tonnes grading 0.34% V205.**
- **The measured, indicated and inferred resources contain 458,900 tonnes (approximately 1,011,415,600 lbs) of V205 (Vanadium Pentoxide)** (ASX release 20 March 2019).
- **Initial hydro-metallurgical leach tests at atmospheric pressures show that 81.6% of the vanadium can be recovered by leaching of the oxide material using acid solutions** (ASX release 29 January 2019).

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YOUANMI GOLD MINE PROJECT (under Option Agreement and new OYG JV Agreement with RXL)

PROJECT BACKGROUND

VMC has an extensive tenement holding in the Youanmi Greenstone belt in Western Australia and VMC holds all the exploration rights north and south of the Penny West deposit where high-grade gold discovery extensions have recently been announced by Spectrum Metals Limited (Figure 1).

In 2018, VMC entered into two option agreements to enable it to purchase the historical Youanmi Gold Mine Mining Leases, and all associated infrastructure and the mine village (ASX release 28 May 2018). The Youanmi Gold Mine is located 480km to the northeast of the city of Perth, Western Australia, and is accessed by the sealed Great Northern Highway for a distance of 418km from Perth to Paynes Find and thence for 150km by the unsealed Paynes Find to Sandstone road.

Widenbar and Associates produced **a total JORC 2012 compliant resource estimate for the Youanmi Gold Mine of 1,190,600 ounces of gold (combined Near Surface and Youanmi Deeps)** (refer ASX releases 28 May and 29 June 2018) (Tables 1 and 2).

Table 1. Youanmi Near-Surface Deposits JORC2012 Mineral Resource Estimate

Resource	Cut-off	Tonnes	Au	Au
Classification	g/t Au	(Millions)	g/t	Ounces
Indicated	0.5	4.72	1.76	266,200
Inferred	0.5	5.36	1.55	266,500
Total	**0.5**	**10.07**	**1.65**	**532,700**

Table 2. Youanmi Deeps JORC2012 Mineral Resource Estimate

Resource	Cut-off	Tonnes	Au	Au
Classification	g/t Au	(Millions)	g/t	Ounces
Indicated	4.0	0.808	8.1	210,200
Inferred	4.0	1.605	8.7	447,700
Total	**4.0**	**2.413**	**8.5**	**657,900**

(refer ASX release 29 June 2018)

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EXPLORATION POTENTIAL AROUND THE MINE

In addition to the above resources, considerable potential remains within the Youanmi Project to further define additional gold resources, both near surface and underground. Five separate open pits occur over a 2km strike length. The gold mineralization occurs in multiple shear zone lodes throughout and at the current gold price there is potential to develop a single "super pit" to connect the separate open pits into one big open cut. Significant drill intersections from some 200m below the defined underground resources indicate that the main ore shoots may have strong continuity down plunge.

Widenbar and Associates estimate a near-surface exploration target* of 2.0 to 2.6 million tonnes at 1.05 to 1.30 g/t Au and a Deeps exploration target* of 135,000 to 200,000 tonnes at 10 to 15 g/t Au. Importantly, these targets are in addition to the JORC 2012 Resource Estimates already provided (ASX release 29 June 2018).

* 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.

YOUANMI GOLD MINE JOINT VENTURE (OYG JV, VENUS JV & YOUANMI JV)

VMC has entered into a binding term sheet with RXL to enable VMC to settle the Youanmi Gold Mine purchase with RXL funding aggressive exploration in the project area (ASX release 10 April 2019). The binding term sheet entered into between VMC and RXL is subject to various conditions precedent, usual for a transaction of this nature; completion is expected to take place as soon as possible (completion date).

The OYG JV is managed by RXL and a substantial RC drilling programme has been scheduled to commence on the Youanmi Mining Leases as soon as all required statutory approvals have been received and after the completion date.

The VMC JV and the Youanmi JV will be managed by VMC and will be fully funded by RXL (for details ASX release 10 April 2019).

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CURRANS JV

Recently, VMC and RXL entered into a purchase agreement with Murchison Earthmoving & Rehabilitation Pty Ltd, a wholly-owned company of Mr Doug Taylor, to acquire jointly a combined 90% interest in ML 57/641 "Currans Find" of 300ha and a combined 90% interest in ML 57/642 of 59ha "Pinchers" (Figure 1). The 90% interest is shared equally between VMC and RXL, with the remaining 10% held by Mr Taylor. VMC is the manager of the joint ventures (ASX release 15 April 2019).

The Currans Find Mining Lease is a historical high-grade gold producer. Cancelled GML records show that 6,874 tons were treated at the Red White and Blue battery on site for a recovered average grade of 13 g/t Au.

Gold mineralization at Currans Find is hosted in multiple ENE-trending quartz veins within mafic and ultramafic rocks. These rock types are also host to the Penny West and Columbia –Magenta deposits south of Currans Find. It is a feature of the deposits hosted in the ultramafic rocks that they show significant high grades.

There are 11 historically known quartz reefs associated with old workings and mineralized with a significant amount of gold. The auriferous quartz reefs are striking 040 deg – 090 deg and almost all of them are dipping to the south east. Many of these quartz reefs are either truncated or offset by sinistral faults or shears that could be also mineralized between offset reefs. According to information provided by Mr Taylor, new and important further auriferous quartz reefs, none of which have been tested, have been identified. **A near-surface untested strongly gold-mineralized quartz reef has recently been discovered** by Mr Taylor (ASX release 23 April 2019). This reef, informally named 'Taylor's Reef', occurs in an area where almost no historical drilling has taken place and it therefore forms a high-priority target for the upcoming drilling program.

REGIONAL EXPLORATION POTENTIAL

A Heli-borne EM XciteTM (HEM) survey was carried out over the VMC Joint Venture tenements in February 2018 (ASX release 21 February 2018). The HEM survey targeted potential conductive horizons along 23 kilometres of the Youanmi Shear Zone. Several EM conductors were identified (ASX release 23 March 2018) and may represent increased sulphide contents related to gold

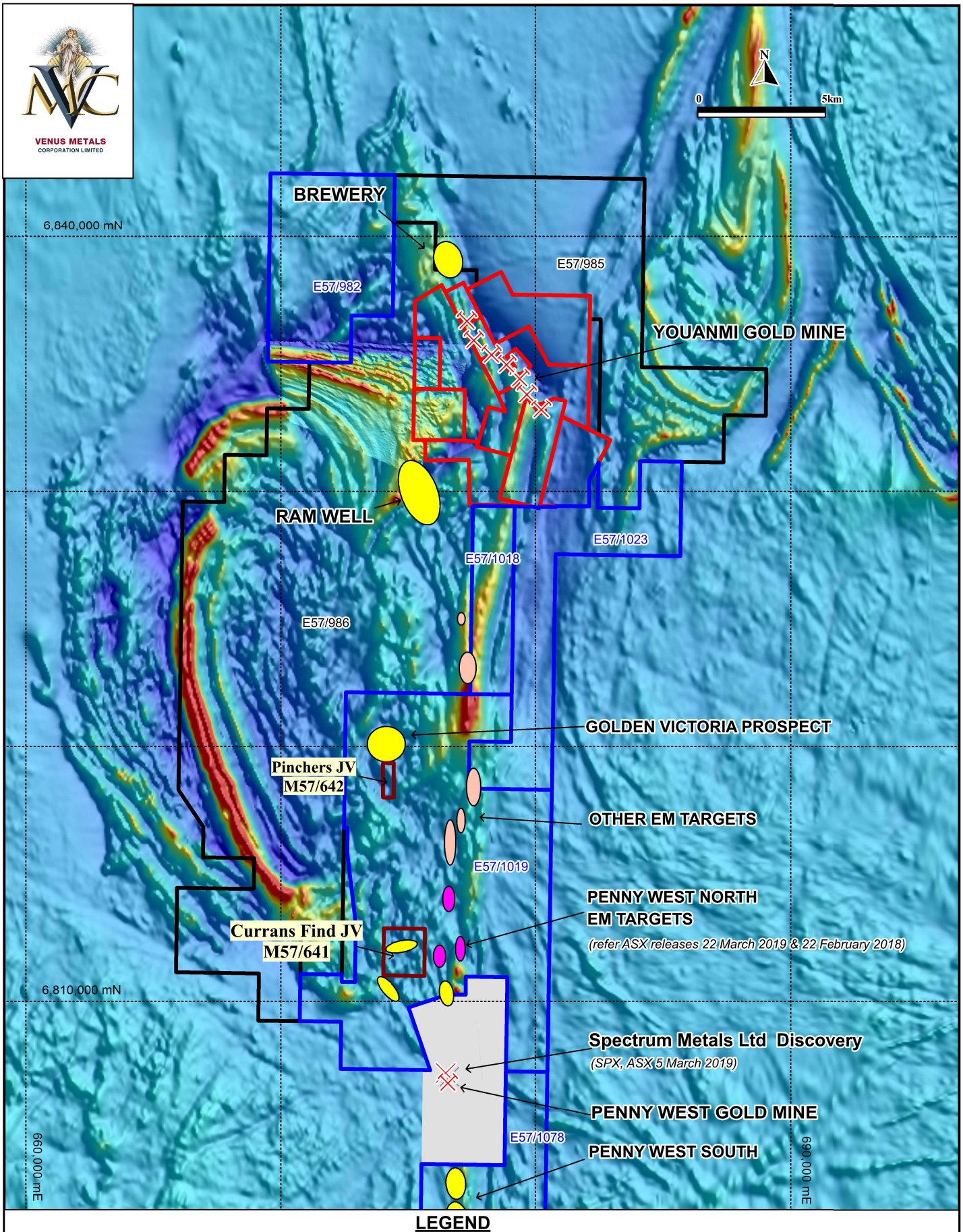

Figure 1. Location of Currans Find and Pincher Mining Leases and Gold Exploration Target Areas on Youanmi Regional Aeromagnetic image

mineralisation such as at the historical Youanmi Gold Mine and the high-grade Penny West Gold Mine, both located along the Youanmi shear zone.

WORK PLANNED

The VMC JV is planning to drill test priority HEM conductor targets along the Youanmi Shear Zone north of the recent discovery by Spectrum Metals Limited (Figure 1) near the historical Penny West Gold Mine (SPX: ASX release 5 March 2019). In addition, several other priority targets north and south of the Penny West Gold Mine and within the Youanmi greenstone sequence have been identified from historical geochemical and drill data, and will also be drill tested.

A substantial RC drilling programme has been scheduled to commence as soon as all statutory approvals are in place and after the completion date of the joint venture agreement (see ASX release 22 March 2019).

The Currans Find JV is scheduling a substantial RC drilling programme, targeting potentially gold-rich reefs on the Currans Find Mining Lease. The drilling will start as soon as all approvals have been received, expected to be shortly.

YOUANMI VANADIUM PROJECT

PROJECT OVERVIEW

Venus' Youanmi Vanadium deposit is located on the exploration licence 57/986 (198.5 km^2), located about 42km southeast of the very substantial vanadium mine at Windimurra, owned by Atlantic, a subsidiary of Droxford International Limited. The Youanmi Vanadium deposit 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. The prospector interest is free carried to a decision to mine, after which the interest becomes contributing or reverts to a 1.25% NSR.

In December 2018, Venus carried out an infill drilling resource definition program; 139 RC holes for a total of 5,919m were drilled, bringing the total drilling to 199 holes for a total of 9,187m. Venus' resource definition drilling was confined to the weathered, oxide component of the resource.

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WORK CARRIED OUT DURING THE QUARTER:

- **NEW JORC 2012 TOTAL RESOURCE ESTIMATE**

New JORC 2012 Vanadium Oxide Resources (Table 3) were calculated by Company Consultant Widenbar and Associates (see ASX release 20 March 2019), based on the recent 139 RC holes for 5,919m and 49 historical RC and 11 Diamond holes for 3,268m (Figure 2). Significantly, the large measured resource status enables Venus to confidently proceed with metallurgical testwork and scoping studies to rapidly advance the project.

Table 3. Youanmi Vanadium Oxide JORC 2012 Mineral Resource Estimates -2019

Resource Classification	Cut-off V_2O_5%	Tonnes (Millions)	V_2O_5 %
Measured	0.1%	31.55	0.33
Indicated	0.1%	54.37	0.33
Inferred	0.1%	48.82	0.36
Total	0.1%	134.73	0.34

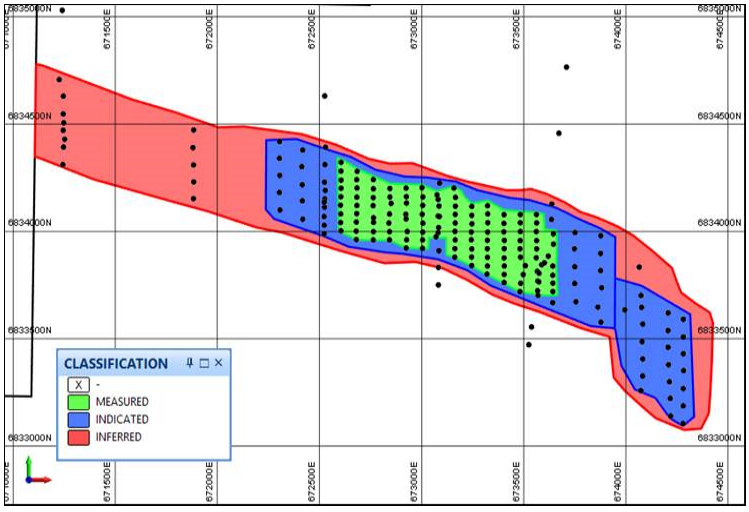

Figure 2. Plan View showing Measured, Indicated and Inferred Resources area

- **Initial hydro-metallurgical leach tests at atmospheric pressures show that 81.6% of the vanadium can be recovered by leaching of the oxide material using acid solutions** (ASX release 29 January 2019).

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Venus has received a positive report from METS Engineering Group regarding additional sighter test work leaching of the vanadium oxide ores at the Company's Youanmi vanadium project (see ASX release 29 January 2019). The test work was designed to give further understanding of the metallurgical characterization of the vanadium oxide ores at Youanmi.

A composite sample (Composite 2) totalling some 48kg from five historical oxide diamond drill cores was prepared and utilized in this test work. METS report the following positive conclusions (Table 4):

1. The ore is amenable to beneficiation, recovering 80% of the vanadium and rejecting 40% of the mass (the beneficiation results have been previously reported in the ASX release dated 16 October 2018).
2. Vanadium extractions up to 81.6% using sulphuric acid from crushed oxide samples are technically achievable and indications are that results are repeatable.
3. These extractions are better than the results reported in the ASX release dated 5 September 2018 where initial sulphuric acid test leaching shows 67% vanadium extraction.
4. Multiple acid systems may be capable of enhancing these extractions.

Table 4 Acid Leach Recovery

Composite 2. Crushed to -1mm

Test ID	% of Solids	Residence Time (hr)	Leach Feed Grade V_2O_5%	Recovered Grade V_2O_5%	V_2O_5 Recovery (%)
T7 Sulphuric acid at 80^0 C	10	24	0.58	0.47	**81.6**

Composite 2 -1mm +0.75mm (beneficiated)

Test ID	% of Solids	Residence Time (hr)	Head Grade V_2O_5 %	Recovered Grade V_2O_5 %	V_2O_5 Recovery (%)
T8 Sulphuric acid at 80^0C	10	24	0.76	0.60	**79.9**

(refer ASX release 29 January 2019)

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FORWARD PROGRAM

Further development of the hydro-metallurgical process is being planned and contracts have been prepared with a renowned Metallurgical Process Development team of experts to implement this strategy.

- Venus is planning and scheduling the following project development stages:
- Intensive hydrometallurgical studies and pilot scale development,
- Further drilling to define a mining reserve as well as target drill the additional 25km of mineralized strike
- Scoping studies, prefeasibility studies, marketing studies, environmental studies, definitive engineering studies and all other works to rapidly advance the project.

RC Drilling Update – Vanadium Extensions

The Company completed scout drilling of 10 RC holes for 363m on two separate lines 400m apart at Kangaroo Kaves Prospect, 12km southwest of the Central Vanadium Oxide Prospect (ASX announcement 13 December 2018).

The drilling confirms the continuity of vanadium mineralisation within the magnetic trends associated with the previously announced exploration target. Drill hole details, a drill location plan and assay results for the holes are attached to ASX release dated 22 March 2019.

Widenbar has previously defined an exploration target potential* at a 0.1% V2O5 cut-off of 1 billion to 1.3 billion tonnes at 0.25 to 0.3% V2O5 (both oxide and hard rock) over 14-15km strike length (refer ASX release 6th February 2015).

*The exploration target potential quantity and grade is conceptual in nature, that there has been insufficient exploration to estimate a mineral resource and that it is uncertain if further exploration will result in the Estimation of a mineral resource.

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DEGRUSSA NORTH COPPER PROJECT:

PROJECT OVERVIEW

VMC holds a 100% interest in E52/3068 and E 52/3486 located 3km north of Sandfire Resources high-grade DeGrussa Copper Mine.

Residual gravity anomalies evident in the regional government gravity data are located within E52/3068 and E52/3486. Given their proximity to DeGrussa, the anomalies were considered prospective by VMC.

The GSWA geology over the tenements of interest comprise mostly of small outcrops of granitic rocks with significant areas of recent cover of soils, colluvium and lateritised colluvium. The residual anomalies within the government gravity data survey suggests the presence of mafic rocks, volcanic rocks or sediments, hidden beneath the recent cover. Major fault structures are shown on the regional GSWA 1:100,000 scale geological maps which may have implications for mineralisation occurrences.

A reconnaissance ground gravity survey was conducted in December 2018 to validate the anomalies. Core Geophysics (CORE) were commissioned to plan the survey, process the results and make recommendations for follow up works.

The reconnaissance gravity survey was completed by Atlas Geophysics from 4th – 8th December 2018. Survey lines were approximately 400m apart with stations recorded every 200m. Additional traverses in the north and the east were completed over a subtle feature with E52/3068 and a geochemistry anomaly within E52/3486.

SURVEY RESULTS

The gravity survey has validated the regional government data and defined two main anomalous zones, together with two additional zones of gravity anomalism (Figure 3). These are comprised of +1mgal anomalies which are considered significant as the geology over the area is interpreted to be dominantly granitic and the anomalous zones may indicate the presence of mafic, volcanic or sedimentary rocks. 3D inversion modelling of the data along with 2D modelling of Anomaly 1 indicates a depth to a gravity source with a density of 3.5g/cc at approximately 200-250m (refer ASX release 14 December 2018).

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The GSWA regional geochemical survey (Peak Hill) data shows a Cu concentration of 108ppm in rock chips in the vicinity of the DeGrussa Mine. The highest Cu value recorded in the Venus survey area is 210 ppm Cu in a quartz vein located within Venus' E52/3486, adjacent to identified gravity anomaly 'Zone 2'. High-powered Ground EM surveys are being planned to refine the targets.

WORK CARRIED OUT DURING THE CURRENT QUARTER

VMC conducted field reconnaissance at the DeGrussa North project area to investigate the extent of cover over the gravity anomalies defined by previous surveys (see ASX announcement dated 14 December 2018) and to search for evidence of outcropping mineralization, particularly in the vicinity of the reported high-copper anomaly (refer ASX release 14 December 2018).

Most of the area investigated is covered by colluvial and alluvial soil and scree. However, intermittent outcrops and subcrops of weathered sedimentary rocks (BIF) and mafic rock were identified along the most easterly field traverse. This included the discovery of sub-cropping gossans and gossan float at two separate locations near the historical GSWA rock chip copper anomaly as previously reported.

Assay results of wide-spaced preliminary soil sampling delineate a cluster of slightly elevated Cu and Mo concentrations (75th percentiles of 25ppm and 0.7ppm respectively) that are broadly coincident with the gravity high shown as 'Additional Zone 1', and also coincide with previous geochemical results (ASX release 14 December 2018). Copper concentrations are also slightly elevated in soils over the gravity target 'Additional Zone 2'. Two of the rock chip samples taken earlier this year (ASX release 5 February 2019) returned copper concentrations of 243ppm and 112ppm respectively, and are located within the 'Additional Zone 1' gravity high (Figure 3).

The combination of gravity highs, geochemical signatures in soil and elevated Cu concentrations in rock specimens is encouraging. Detailed follow-up soil sampling at closer spacing, and a high-powered ground EM survey are planned across the gravity highs to identify potential drill targets.

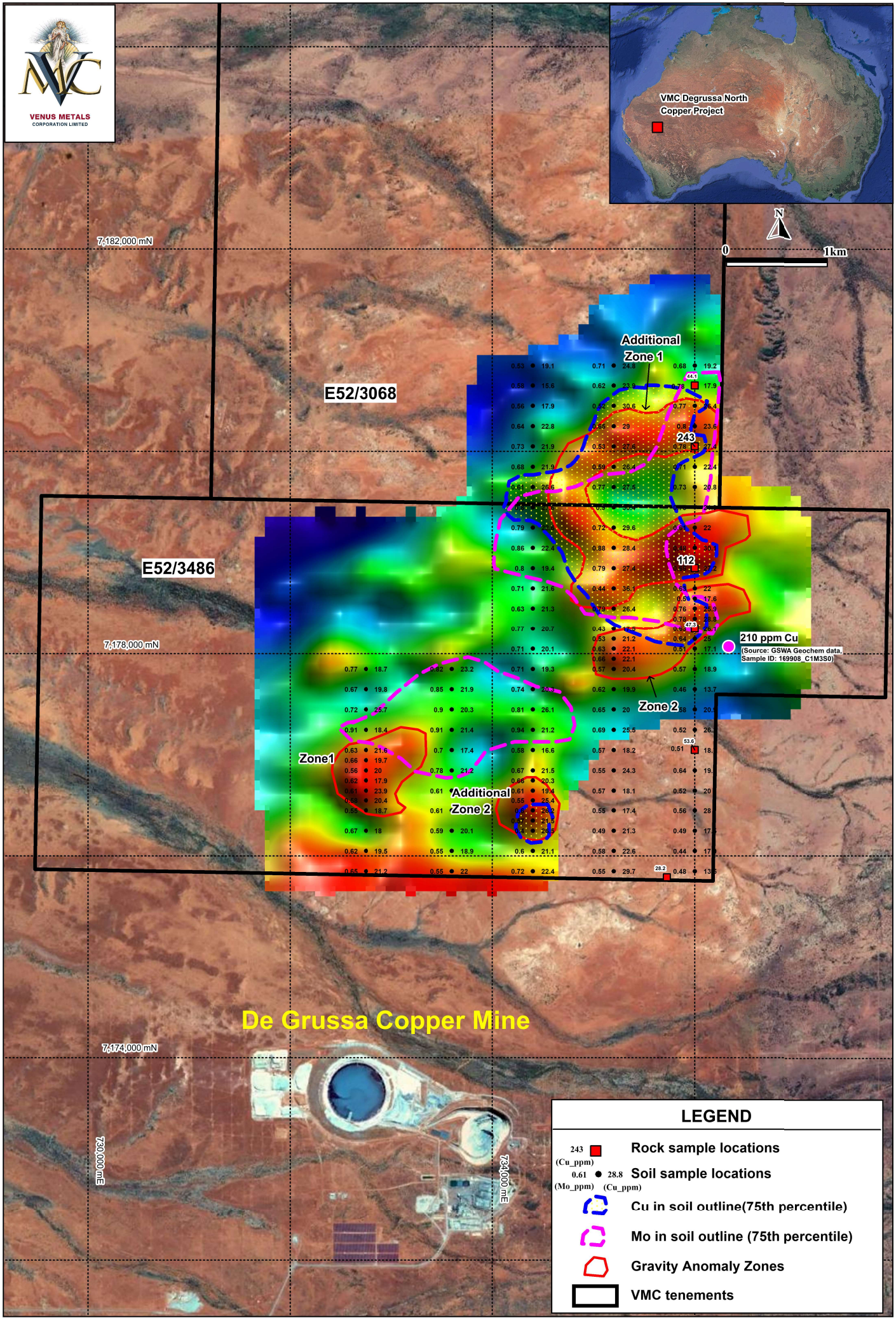

Figure 3. Cu and Mo in soil outlines (75th percentiles) and rock samples on Bouger Gravity image at Curara well

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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 the Processing and Metallurgy 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 and Exploration Targets has been compiled by Mr Lynn 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 based on data and geological information supplied by Venus Metals Corporation Limited. 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 release that relates to both the Youanmi Vanadium Project and the Youanmi Gold Project, and Exploration Results is based on information compiled by Mr Barry Fehlberg, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fehlberg is Exploration Director of Venus Metals Corporation Limited. Mr Fehlberg has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken 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 Fehlberg consents to the inclusion in the release of the matters based on his information in the form and context that the information appears.

The information in this release that relates to the VMC DeGrussa North Copper Project is based on information compiled by Dr Matthias Cornelius, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fehlberg is Exploration Director of Venus Metals Corporation Limited. Mr Fehlberg has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken 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 Fehlberg consents to the inclusion in the release of the matters based on his information in the form and context that the information appears.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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.*	• 111 soil samples were collected at 100-200m spacing on lines 800m apart from a depth of 5 to 15cm. C. 300-400g of material was collected using a plastic trowel. • Six rock specimens of 1-3kg were collected from subcrop and float at irregular spacing. • Soil and rock samples were submitted to SGS laboratories, Perth. Preparation was 'industry standard', ie, crushing rock samples to minus 6mm and sieving soil samples to minus 2mm. Rock and soil samples were then pulverized to -75 micron in a Cr steel mill. Eleven elements were analysed by ICP-MS following an Aqua Regia digest.
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).*	• No drilling reported
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.*	• No drilling reported
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• All rock and soil samples were briefly described; samples and sample sites were photographed. • No drilling reported

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
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.*	• Soil samples and rock samples were submitted to SGS laboratories, Perth. Preparation was by crushing rock samples and sieving soils to minus 2mm. Rock and soil samples were then pulverized to -75 microns in a Cr steel mill. Ag, As, Au, Bi, Cu, Mn, Mo, Ni, Sb, Sn and Zn were analysed by ICP-MS following an Aqua Regia digest. • Rock samples are specimens only. Soil samples are considered adequate in size for the analytical method used and the suite of elements analysed at this reconnaissance stage.
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.*	• Aqua Regia digest is a near-total digestion and is considered adequate for the detection of base metals, most pathfinder elements and gold in soil. • The laboratory quality control procedures included standards, blanks and repeats; the results are considered satisfactory. No external checks were applied at this reconnaissance stage.
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.* • *Discuss any adjustment to assay data.*	• No verification has taken place at this reconnaissance stage. • No drilling reported. • Primary data were recorded in field books and entered into a digital database. Photos (with GPS coordinates) were taken of all sample points.
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.*	• A handheld Garmin GPS was used to locate sample points with an estimated relative accuracy of +/- 5m. • All measurements were in MGA-GDA94 Zone 50.

Criteria	JORC Code explanation	Commentary
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.*	• The sample spacing was 100 to 200m along traverses 800m apart. • Sampling was for reconnaissance only. • Sampling not used for Mineral Resource estimation. • No sample compositing applied.
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.*	• Sampling was designed to intersect a geophysical feature and was approximately perpendicular to the interpreted strike of the general stratigraphy based on GSWA mapping. • At this early stage, it is unclear whether the sampling has introduced a sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• All samples were bagged in self-seal plastic bags and transported inside large plastic bags. All handling was by company contractors and samples were taken directly to the Perth laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been undertaken at this stage.

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.*	• The DeGrussa North project area is located on Exploration Licences E52/3068 and E52/3486, 100% owned by Venus Metals Corporation.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historical exploration in the project area included minor RAB drilling peripheral to the project area.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The targeted style is VHMS-hosted base metals mineralization and, potentially, Plutonic-style gold mineralization.

Criteria	JORC Code explanation	Commentary
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	• No drilling reported.
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.*	• No averaging techniques applied. • No aggregating of results. • No metal equivalents used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *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').*	• No drilling reported.
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.*	• Refer to figures in the release.
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 results discussed in the release are shown on figures attached to the release.
Other substantive	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical*	• No other exploration data to be reported.

Criteria	JORC Code explanation	Commentary
exploration data	*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.*	
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.*	• Further work is planned and may include follow-up and closer spaced soil sampling and the use of selective extraction methods in the areas of elevated Cu. High-powered ground EM surveying is planned to investigate the bedrock potential for sulphide mineralization at depth.

Details of Mining tenements at Quarter ended 31 March 2019			
(ASX Listing Rule 5.3.3)			
Tenement ID	**Project Location in WA**	**% of Interest at the beginning of quarter**	**% of Interest at the end of quarter**
R59/1	Yalgoo	50% interest in Iron and 100% interest in other minerals	50% interest in Iron and 100% interest in other minerals
E59/1508-I	Yalgoo	50% interest in Iron and 100% interest in other minerals	50% interest in Iron and 100% interest in other minerals
E59/2187	Yalgoo	50% interest in Iron and 100% interest in other minerals	50% interest in Iron and 100% interest in other minerals
E57/986	Youanmi	90%	90%
E57/985	Youanmi	90%	90%
P57/1365	Youanmi	90%	90%
P57/1366	Youanmi	90%	90%
E57/1011-I	Currans Well	90%	90%
E57/983	Youanmi	100%	100%
E57/982	Youanmi	100%	100%
E57/1023-I	Youanmi	100%	100%
E57/1078	Youanmi South	100%	100%
E57/1018	Pincher Well	100%	100%
E57/1019-I	Pincher Well	100%	100%
E57/981	Bellchambers/Sandstone	100%	100%
E57/984	Bellchambers/Sandstone	90%	90%
E52/3068	DeGrussa North	100%	100%
E52/3486	DeGrussa North	100%	100%
E52/3069	Curara Well	100%	100%
E52/3488	Curara Well	100%	100%
E52/3489	Curara Well	100%	100%
E52/3487	Jenkin Well	100%	100%
E 52/3320-I	Orient Well (Curara East)	100%	100%
E20/885	Poona	90%	90%
E20/896	Poona	100%	100%
E 45/4627	Wodgina South	100%	100%
P 45/3004	Wodgina South	100%	100%
E45/4630	Pilgangoora East	100%	100%
E45/4684	Pilgangoora East	100%	100%
E70/4810	Greenbushes East	100%	100%
E70/4814	Greenbushes East	100%	100%
E09/2156	Nardoo Hill	100%	100%

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

VENUS METALS CORPORATION LIMITED

ABN	**Quarter ended ("current quarter")**
99 123 250 582	31 March 2019

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	23	96
1.2	Payments for		
	(a) exploration & evaluation	(401)	(916)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(193)	(604)
	(e) administration and corporate costs	(138)	(465)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (Option fees received & GST)	(5)	180
1.9	**Net cash from / (used in) operating activities**	**(714)**	**(1,708)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(5)
	(b) tenements (see item 10)	-	(50)
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	126
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**71**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	602	602
3.2	Proceeds from issue of options	-	1
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	400
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from / (used in) financing activities**	**602**	**1,003**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	342	864
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(714)	(1,708)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	71
4.4	Net cash from / (used in) financing activities (item 3.10 above)	602	1,003
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**230**	**230**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	230	342
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**230**	**342**

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	125
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Directors' salaries and superannuation

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	150
9.2	Development	-
9.3	Production	-
9.4	Staff costs	180
9.5	Administration and corporate costs	100
9.6	Other – Capital raising/JV Option/R&D Tax	(541)
9.7	**Total estimated cash outflows/(inflows)**	**(111)**

10.	**Changes in tenements (items 2.1(b) and 2.2(b) above)**	**Tenement reference and location**	**Nature of interest**	**Interest at beginning of quarter**	**Interest at end of quarter**
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		Refer attachment		
10.2	Interests in mining tenements and petroleum tenements acquired or increased		Refer attachment		

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: ..... Date: 29/04/2019
(Company secretary)

Print name: Patrick Tan

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.