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## **HIGH PRIORITY NI-CU-AG-ZN SULPHIDE DRILL TARGETS IDENTIFIED AT INKY AND EAMON PROSPECTS YOUANMI PROJECT, MURCHISON AREA**

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### **HIGHLIGHTS**

- A geological and geophysical review of recently granted E57/986 owned 90% by Venus Metals Corporation Limited (Venus) has identified two substantial massive sulphide Ni-Cu-Ag-Zn target areas in the southern area of the Youanmi Greenstone Belt.
- The Inky Prospect has a defined target area of over 2km of strike with promising good grade Nickel-Copper-Silver sulphide intersections made by previous explorer Sirius Resources NL (JV with Creasy Group's Youanmi Metals Ltd) in initial drilling.

Intersections over an 80m strike zone at the Inky Prospect include

- 6m@ 1.03% Cu, 0.96% Ni and 6.6g/t Ag (incl. 1.7 m @2.15% Ni from 158.3 m) in SYMD0006<sup>1</sup>.
- 4m@ 1.44% Cu, 0.82% Ni and 7.07g/t Ag from 209-213m in SYMD0011<sup>2</sup>.
- 3.56m@ 0.87%Cu,0.87% Ni and 3.0g/t Ag (incl. 1.27m @ 0.96% Cu, 1.03% Ni and 3.06g/t Ag) from 254.58-258.14m in SYMD0026<sup>3</sup>.
- The Ni-Cu-Ag intersections are associated with sulphide rich shear zones in mafic rocks, are open 2km southeast along strike and down plunge and are associated with untested downhole EM conductors. The potential exists for an increase in width and grade of Ni-Cu-Ag values down plunge along the shear zone.

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- At the south east end of the Inky Prospect Zone, a very strong downhole EM conductor (15,000-25,000 Siemens) has been identified associated with a 40m (144-184m) intersection of semi-massive to massive pyrrhotite and minor chalcopyrite / pyrite in SYMD007. This untested high conductive anomaly has potential for both Ni-Cu massive sulphides as well as Cu-Zn Volcanogenic massive sulphides as the target area is also along strike from the Manindi Cu-Zn massive sulphide deposits being explored by Metals Australia Ltd.
- The Eamon target area has is an untested 3 km long coincident magnetic and two new EM targets beneath cover with good potential for Cu-Zn massive sulphides. Both the Inky and Eamon target areas lies under 10 to 20m of transported cover and have never been subjected to systematic geochemical RAB drilling.

## **PROJECT BACKGROUND**

The tenement E57/986 falls within Youanmi Intrusive Complex in the Archean Yilgarn Craton of WA. It covers a substantial strike length of the Youanmi intrusive gabbroic complex that has intruded the poorly exposed Youanmi greenstone sequences. The Youanmi Intrusion occupies an oval shaped area about 20 kilometres north-south by 10 kilometres east-west bounded by marginal greenstone lithologies and granitic rocks.

The Youanmi greenstone belt has a widespread distribution of precious and base metals. These include two substantial gold mines (Youanmi, Penny West) with past



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production of some 800,000 ounces from both open pit and underground. Numerous other gold occurrences are known. Significantly, the Penny West ore body grading 22g/t Au was discovered beneath 10m of transported cover. Volcanogenic Zn –Cu massive sulphides have been discovered at Manindi and Pincher Well and exploration continues for these metals.

The Currans Well area has given numerous drill intersections of sulphide rich Ni –Cu and PGE group metals in outcropping mafic/ultramafic rocks. The recent Inky prospect Ni-Cu-Ag intersections below cover show that substantial potential for new discoveries remains.

Venus recently announced a very large JORC 2012 resource of Vanadium Pentoxide in the Youanmi layered intrusion (refer ASX release 6 February 2015) which is currently being evaluated by Venus. Midas Engineering Group (formerly Mineral Engineering Services Pty Ltd “METS”) has been commissioned to conduct a technical review and metallurgical test work for Venus Youanmi Vanadium Project (refer ASX release 16 February 2015).

The Venus evaluation shows however that some 50% of the greenstone belt is under transported cover (Figure 2), and records show that very minimal drilling has taken place in these areas. Venus has been acquiring critical tenements in these covered areas and believes that they hold the potential for major discoveries due to their unexplored status. The Inky and Eamon Prospects are located in these areas.



## **PROSPECT TARGET ZONES IDENTIFIED BY VENUS**

The tenement area was previously explored by Sirius Resources NL (JV with Creasy Group's Youanmi Metals Ltd) excluding the Vanadium, Titanium and Iron rights. Ground EM (MLEM) surveys were conducted on 200m line spacing using 200m x 200m loops. These parameters were considered sufficient to detect highly conductive responses to 200m depth. However, IP effects seen on each line may reduce this considerably and even mask conductors where effects are strong (Cooper, 2015).

MLEM surveys identified 3 conductors (MNC01-MNC03) at Manindi North and 3 conductors at Manindi south area. Manindi South MSC01 and MSC02 conductors, now identified as the Inky Prospect Target Zone, were considered valid and strong and partially drill tested by Sirius. The location of historical drillholes and conductors MSC01 and MSC02 are presented in Figure 3.

Venus commissioned Geophysical Consultants Core Geophysics to review the historical geophysical survey data (both MLEM and DHEM). Core Geophysics identified the following:

### **MSC01 Conductor:**

- Drill tested by two Diamond Drillholes namely SYMD007 and SYMD008.
- SYMD007 drilled to 194m intersected 40m (144-184m) of massive sulphide-pyrite, pyrrhotite and chalcopyrite. Downhole EM of SYMD007 (modelled by Southern Geoscience Consultants for Sirius Resources) indicates an untested high conductance (15000-25,000 Siemens) below the hole (Sykes, 2011) (Figure 4).



The sulphide intersection likely explains the surface MLEM response, however the DHEM in SYMD007 indicates that there are additional untested high conductors at depth.

- SYMD008 was drilled 80m to the southeast, but stopped at 60m and the EM conductor was not tested. The hole was also not surveyed with DHEM.

#### **MSC02 Conductor:**

A Double peaked anomaly over 4 lines (3550N-4150N), best developed on line 3750N. Sirius drilling discovered massive and disseminated Ni-Cu-Ag sulphides with encouraging grades. The prospect is open to depth with a southeast plunge. Drilling to date over 80m of strike and MLEM data suggests the EM anomaly also continues 400m to the north at depth (Cooper, 2015).

Based on recent geophysical and geological review of historical data, Venus demarcated a 2km long Inky Target area including MSC01 and MSC02.

Future Exploration Plans by Venus include

1. Conducting high powered ground EM surveys and using Slingram mode to reduce the IP effects (The previous MLEM surveys shown IP effects due to the presence of clay rich regolith. These have reduced the ability of the MLEM).
2. Diamond drilling to test the down plunge extent of the massive sulphides.
3. RAB drilling along strike to define geochemical anomalies in the target zone.

#### **Eamon Prospect:**

The Eamon Prospect Target area is located 300m east of Inky Prospect and extends more than 3km strike along southeast. The target area includes recently identified two additional conductors (from MLEM data) with coincident magnetic anomalies.



The target areas of Inky and Eamon prospects on the aeromagnetic anomaly map are shown in Figure 5. The plan view and long projection of Inky prospect showing the existing historical drillholes and Venus proposed drillholes are presented in Figure 6 and Figure 7 respectively. The mineralised core photos of SYMD0006 and SYMD0011 are shown in Figure 8a and 8b.

## **SUMMARY**

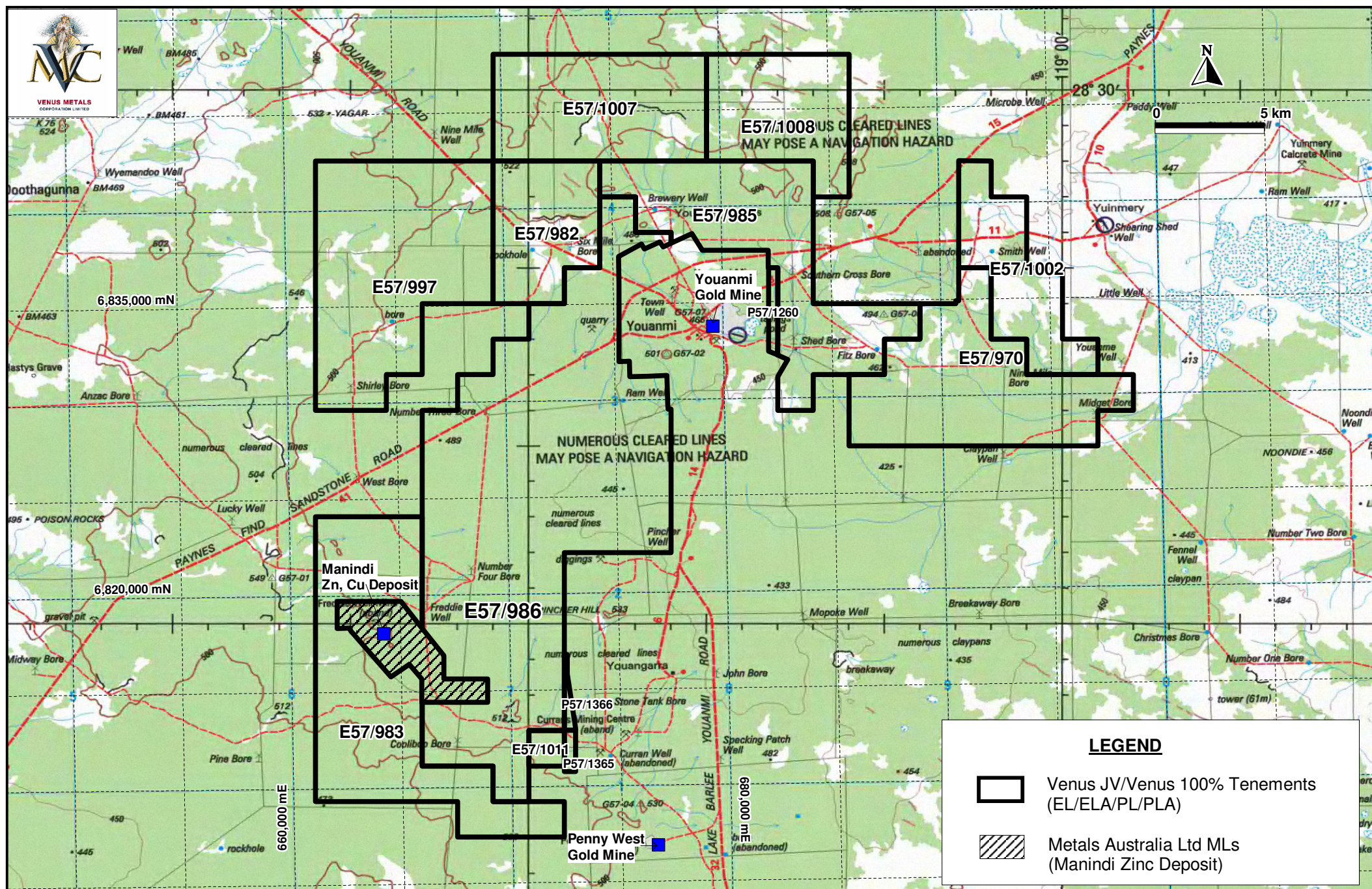
The Youanmi greenstone belt is a proven, very well endowed mineral rich province with many promising new discoveries. The company believes that mineralisation is the best guide to ore. With much of the belt hidden beneath cover the Youanmi Greenstone belt is believed to be pregnant with promise for major new discoveries within the extensive Venus tenements.

## **References**

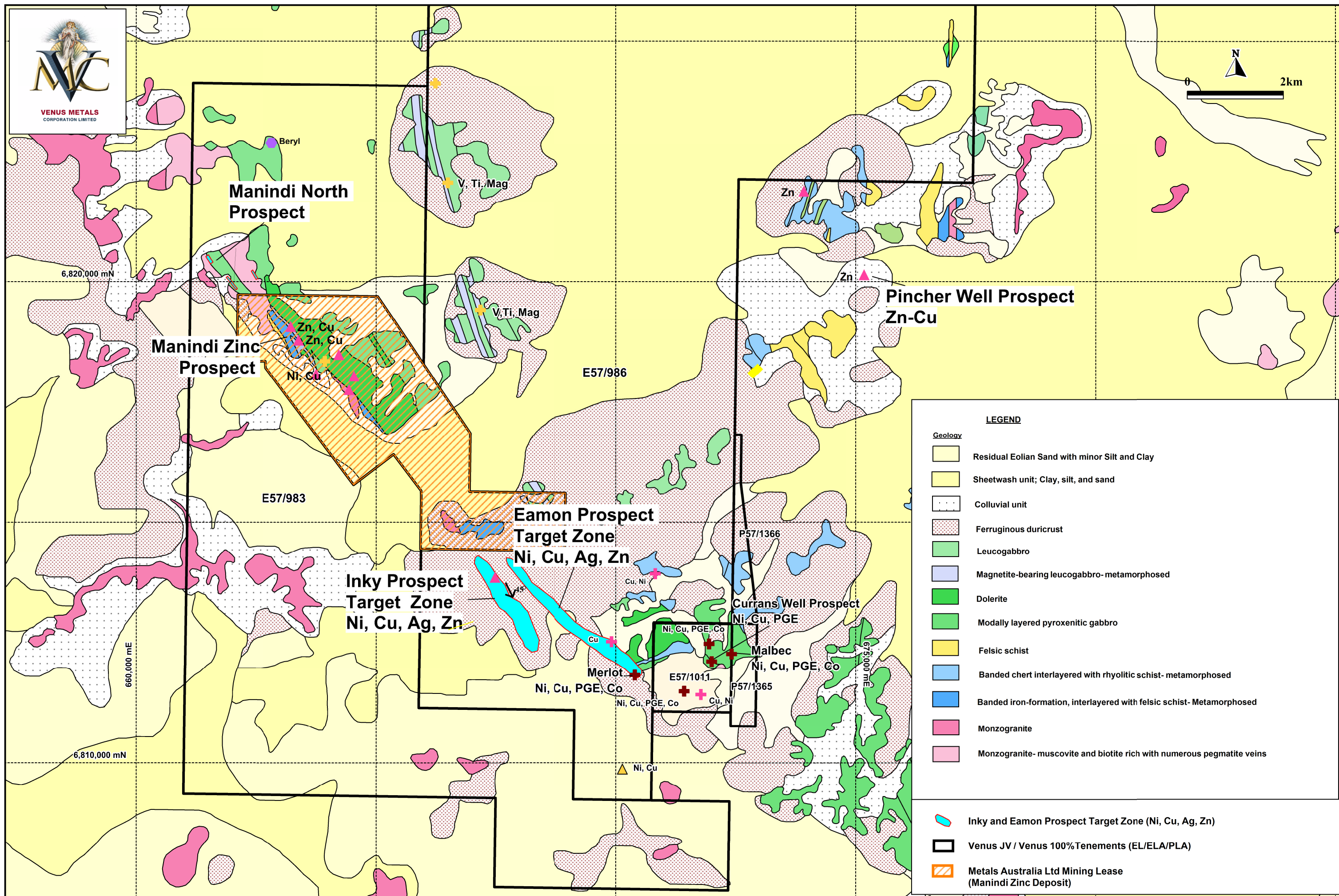
1. Sirius Resources NL ASX release 23May 2011
2. Sirius Resources NL ASX release 13 October 2011
3. Sirius Resources NL ASX release 2 April 2013
4. Provins, N. 2014, Final Surrender Report C244/2008 for Tenements E57/699, E57/700, E57/701, E57/702 by Youanmi Metals Pty Ltd and VMS Metals Pty Ltd, WAMEX Open File Report A102426
5. Sykes, M. 2011, Youanmi DHTM Survey, Southern Geoscience Consultants Report, Appendix-6, WAMEX A102426.
6. Digital (Geological and Geophysical) Data and Reports from WAMEX A102426.
7. Cooper, M. 2015, Manindi EM Review, Core Geophysics Internal Memorandum

## **Competent Person's Statement**

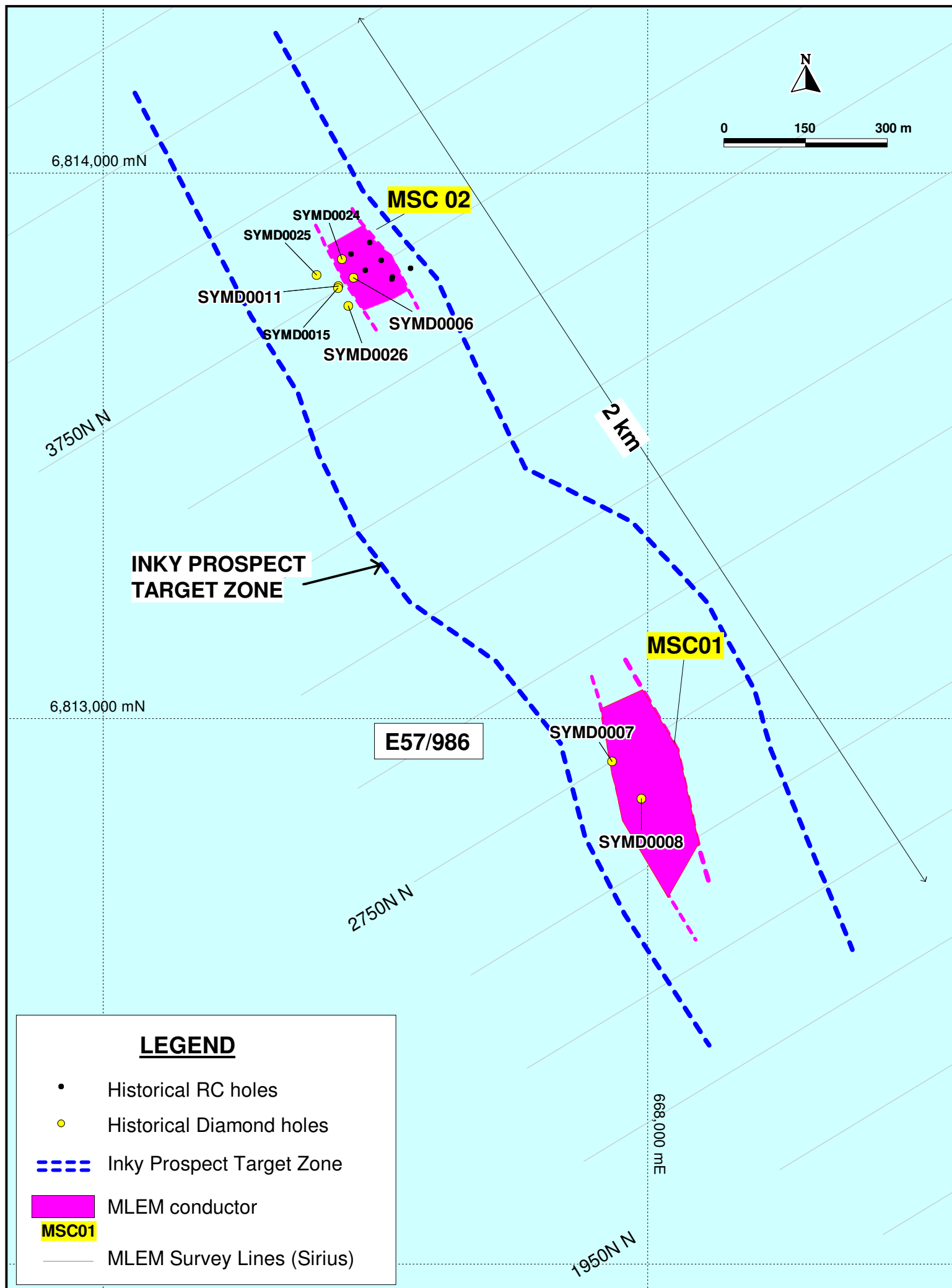
The information in the report to which this statement is attached that relates to Exploration Targets, Exploration Results, Target Potential and Mineral Resources is based on information compiled by Mr Fehlberg, Consulting Geologist, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fehlberg has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Barry Fehlberg 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. Location of Venus Youanmi Tenements shown on 250k Topo Map**

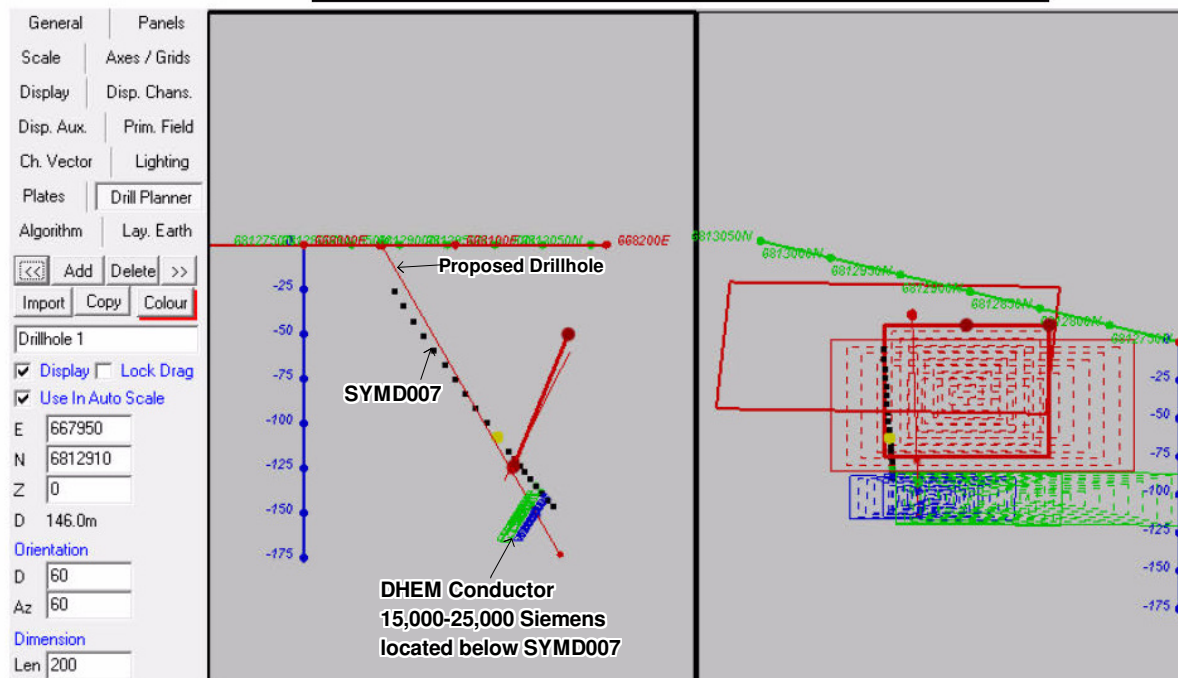


**Figure 2. Location of Inky and Eamon Ni-Cu-Ag-Zn Prospect Target Zones shown on GSWA 100k Geology Map**



**Figure 3. Inky Prospect MLEM Conductors and Historical Drillholes**

# SYMD007 Late time anomaly



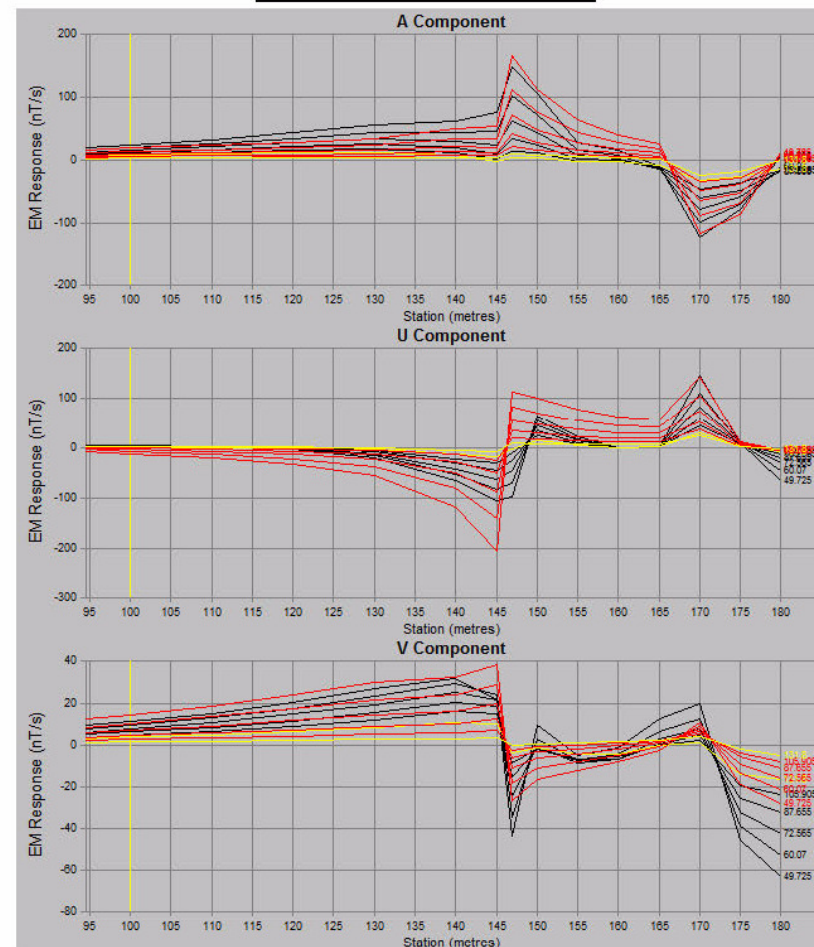
## Cross Section

## Perpendicular to Target

### PLATE PARAMETERS

Name	1a	1b	1c	2a	2b	2c
X	668065	668062	668034.2188	668042	668056	668032
Y	6812890	6812930	6812949.4045	6812920	6812938	6812947
Z	-139	-60	-142.7663	-138	-50	-143
Length	175.4284	183.626	57.6777	100	100	100
Depth Extent	32.009	80	26.371	32.009	80	26.371
Dip	57.5	62.9131	57.5	57.5	67.5	57.5
Dip Dir.	239.2387	237.7134	239.0603	239.2387	237.7134	239.0603
Plunge	0	0	0	0	0	0
Cond-Th.	26224.7679	2934.0079	15638.8752	26224.7679	2934.0079	15638.8752

# Model Fit Ch 38 - 43



(Map modified from Sykes,2011)

Figure 4- Modelled Target and Proposed Drillhole targeting a High DHEM Conductor (15,000-25,000 Siemens) located below SYMD007

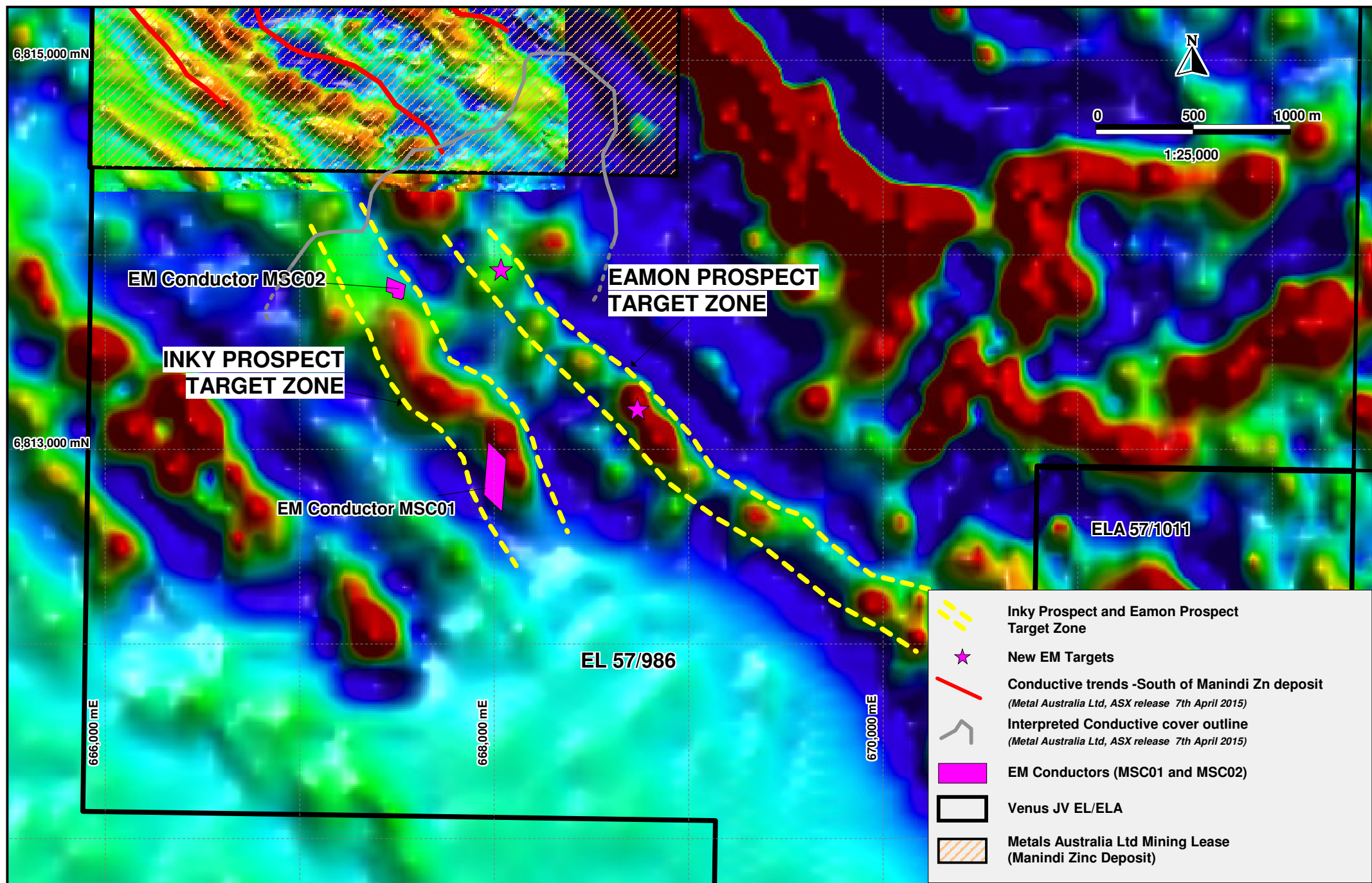
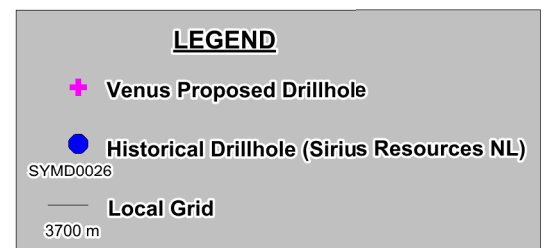
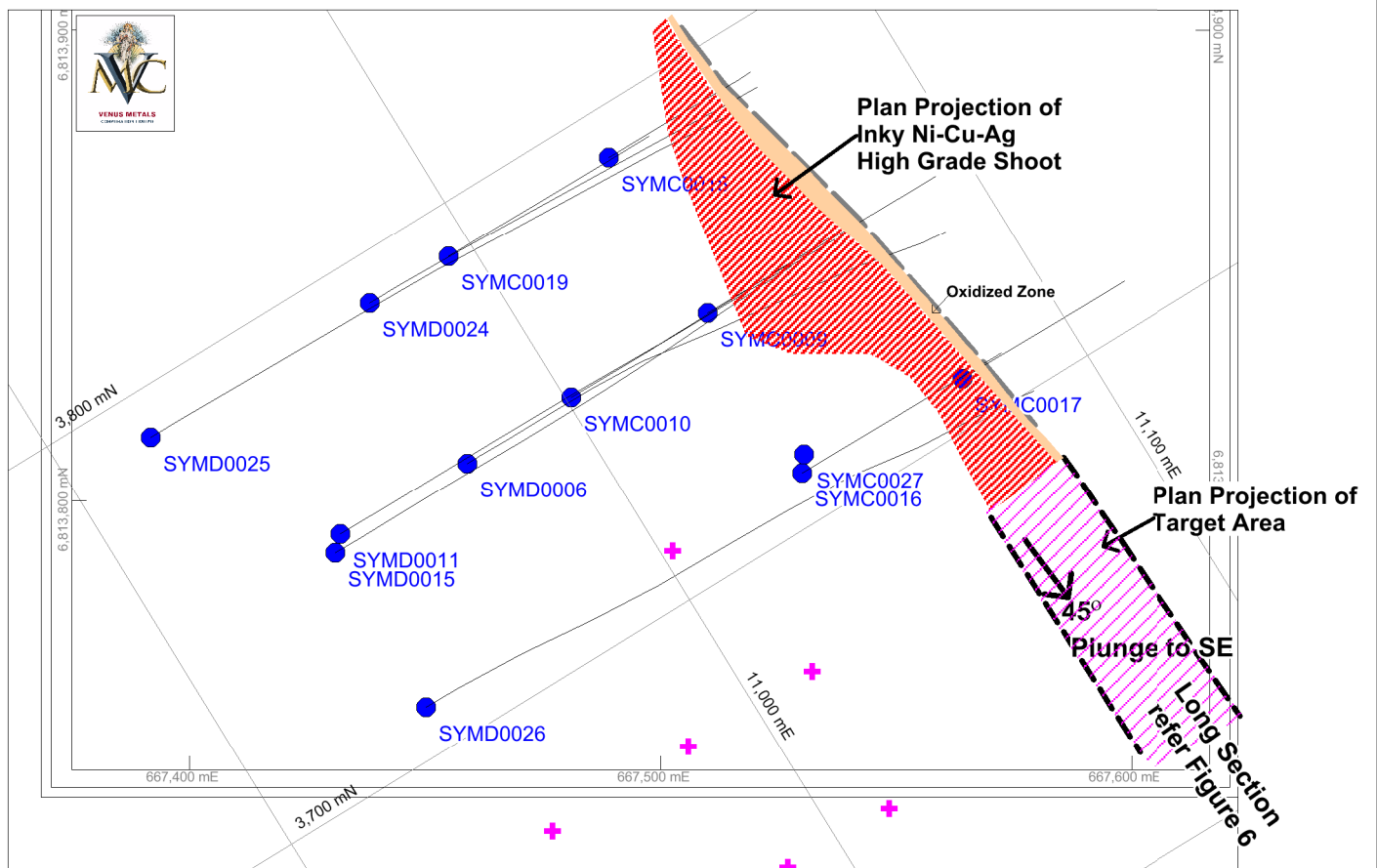


Figure 5. Inky Prospect and Eamon Prospect Target Zones shown on Aeromagnetic Anomaly Map



**Figure 6. Plan View Inky Prospect showing Existing Drillholes and Venus Proposed Drillholes**

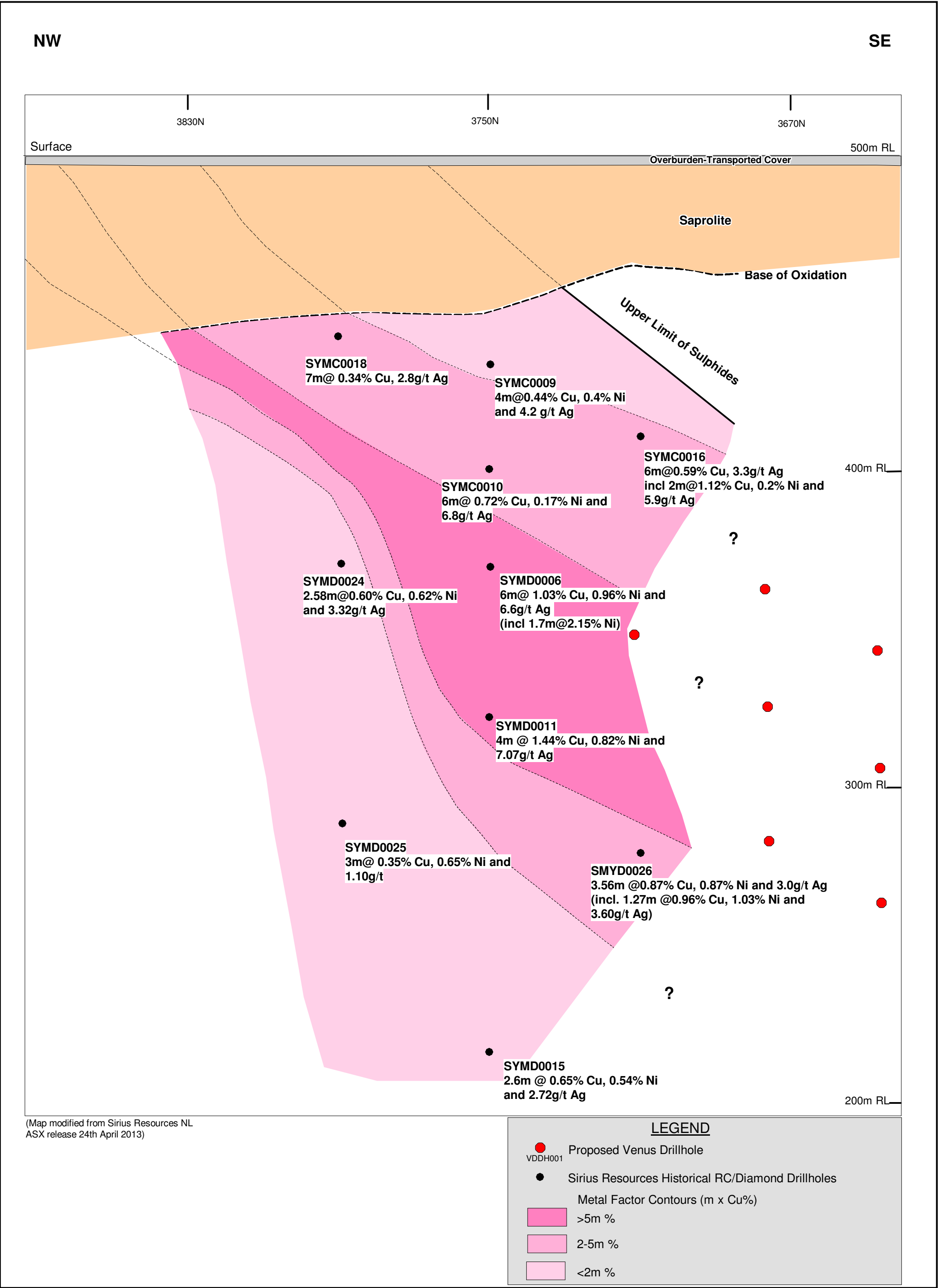




Figure 8 a. Photo of nickel-bearing breccia sulphide and disseminated chalcopyrite in SYMD0006, Inky prospect, Youanmi (Source: Sirius ASX release 23 May 2011)

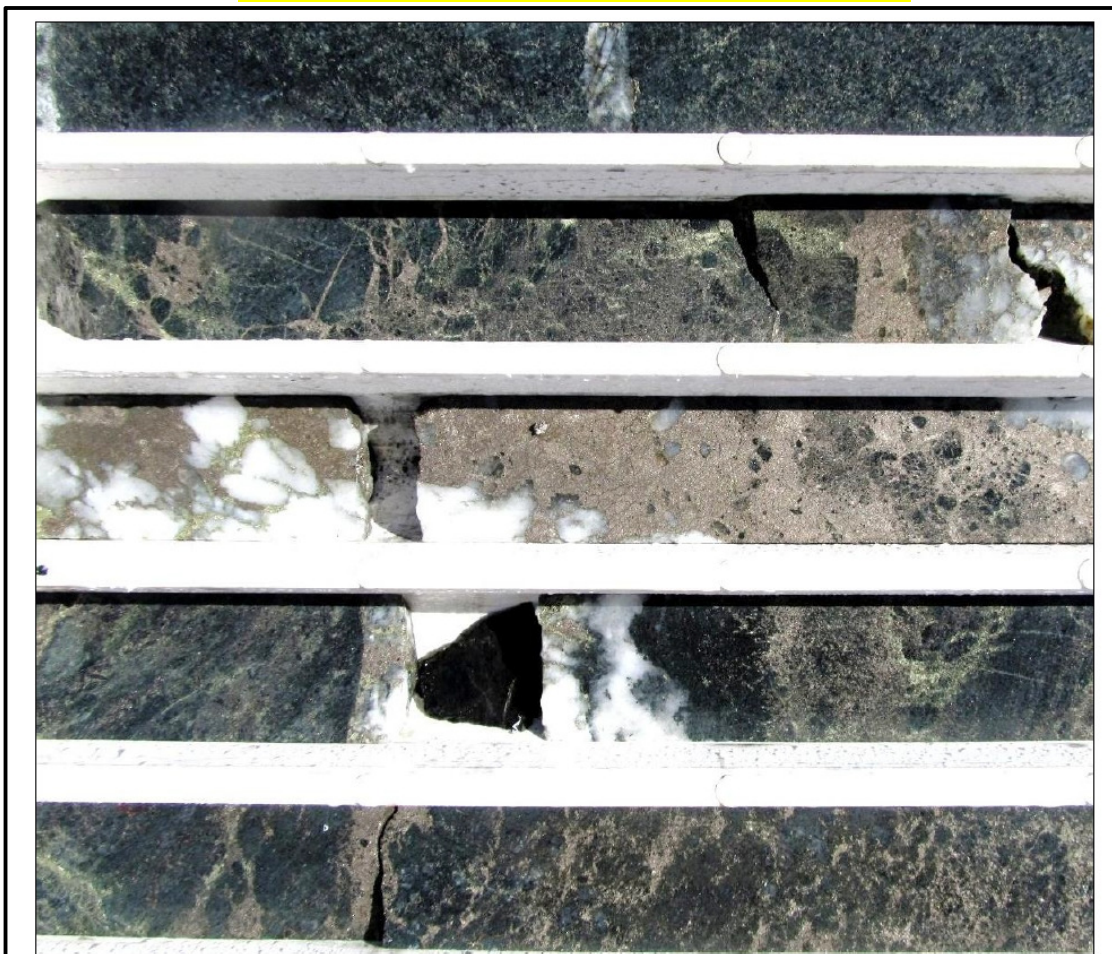


Figure 8 b. Photo of mineralised core from SYMD0011 showing disseminated, breccia, net-textured and blebby zones of pyrrhotite-pentlandite-chalcopyrite in brecciated and quartz veined gabbro. (Source: Sirius ASX release 13 Oct 2011)