VENUS METALS
CORPORATION LIMITED

ASX Release: 11 December 2015 **ASX Code: VMC**

YOUANMI PROJECT

VIDURE NICKEL-COPPER PROSPECT

MULTIPLE UNTESTED EM CONDUCTORS IDENTIFIED AND MODELLED

The Directors of Venus Metals Corporation Limited ("Venus") are pleased to announce the results of the recent review and modelling of historic EM (Moving Loop EM, Fixed Loop EM and Down Hole EM) data of **Vidure Nickel-Copper Prospect** (E57/1011) at Youanmi region by Southern Geoscience Consultants Pty Ltd (SGC).

- **MLEM surveys identify shallow and strongly conductive target at Vidure. Follow-up FLEM surveys confirm shallow conductor and identify deeper conductors (1000 – 6000 Siemens) to the north and east as possible extensions to Vidure Mineralisation.**

- **Modelling of DHEM data for CNRC003 confirms the intersection of the northern margin of the Vidure target (12m @ 0.38% Cu and 0.14% Ni from 88m DH). A strong off-hole anomaly is identified in CNRC004 that is yet to be tested.**

- **High tenor nickel and copper intersections in holes PW0076 and MYDD004 coincide with the shallow conductor defined by the FLEM surveys. Many of the other drill-holes are either too shallow to test the target, or located away from the main conductors (although many have significant sulphide intersections).**

- **Vidure presents a compelling target in a geological setting with strong potential to host conductive nickel-copper sulphides. High-resolution, high-power surface EM surveying is planned.**

Please Direct Enquiries to:

Matthew Hogan
Managing Director
Ph: 08 9321 7541

Kumar Arunachalam
Executive Director
Ph: 08 9321 7541

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Introduction:

The Vidure prospect is located within recently granted Venus Currans Well Project (E57/1011) as part of wider Youanmi Region tenement holdings of VMC (Figure 1). The Youanmi area includes a variety of mineralisation styles and commodities including gold, silver, copper-zinc, titanium-vanadium and nickel-copper-PGEs. The Vidure prospect was identified as a Ni-Cu-PGE geochemical anomaly located on the southern margin of the Youanmi layered mafic intrusive.

Mineralisation was first detected in drill-hole **MYDD004**[1] (WMC 1973) with a 1.22m intersection of massive sulphides **(2.2% Ni and 0.14% Cu from 136.64m).** BHP followed-up in 1985 with another hole collared at a nearby location **(PW0076**[2] **- 7.06 metres @ 1.46% Copper, 0.36% Nickel & 5 gpt Silver from 120.5 metres including 0.71 metres @ 7.01% Copper. 0.80% Nickel & 21 gpt Silver from 122.35 metres)** (refer ASX release 2 November 2015).

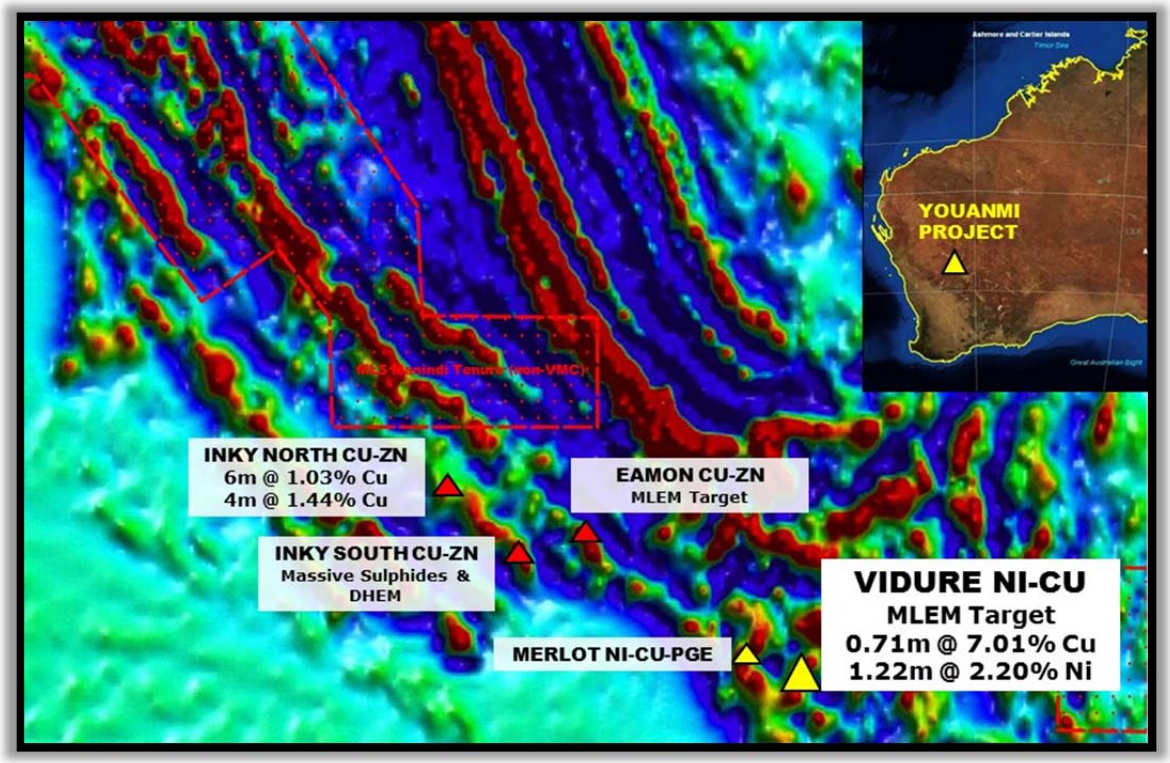

Figure 1. Location of the Vidure Ni-Cu Prospect, Currans Well Project

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Review of Historical EM Data and Plate Modelling:

Venus has commissioned Southern Geoscience Consultants Pty Ltd (SGC) to review and conduct plate modelling of both historical Surface EM (Fixed Loop) and Downhole EM survey data of Vidure Ni-Cu-PGE prospect. A programme of reconnaissance ground moving in-loop EM (MLEM) was undertaken in 2002 and 2003 by Valdera and Ellendale Resources [5&6]. These surveys covered the Vidure and surrounding prospects (Figure 2). The FLEM data from TX Loop3 and 4 along with the DHEM data from CNRC003[3] and CNRC004[3] have been modelled using Maxwell software.

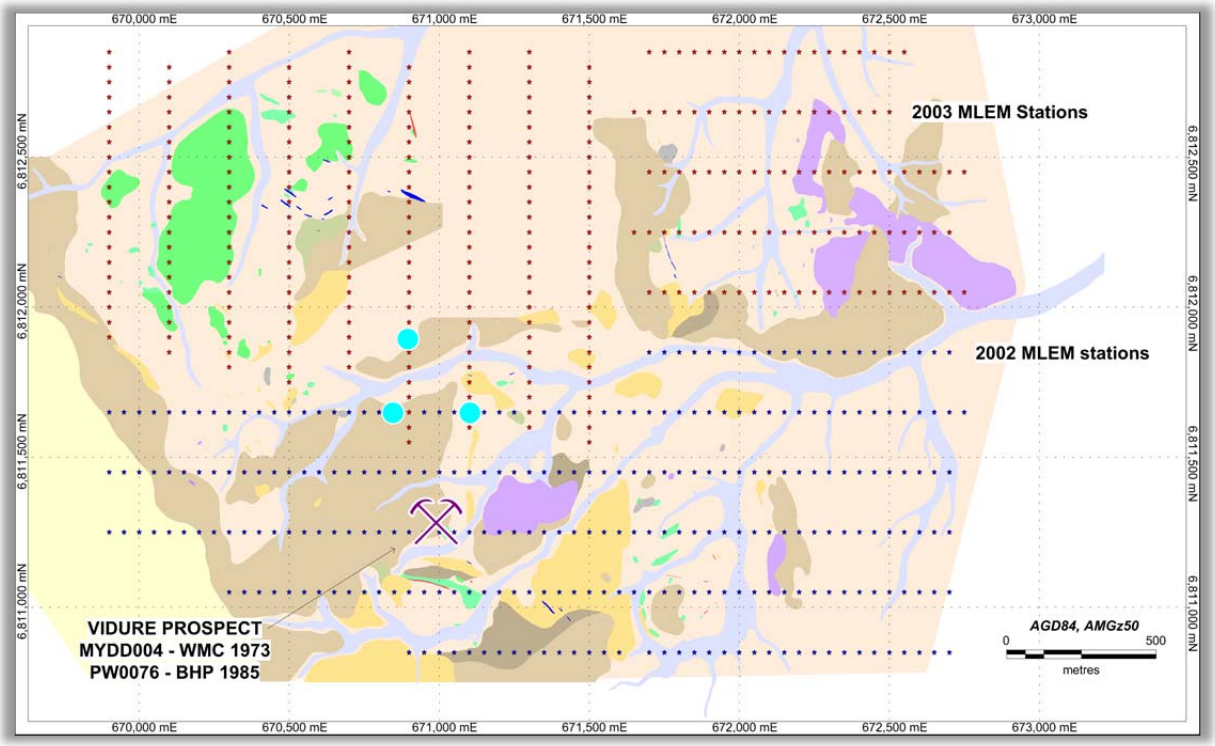

Figure 2. MLEM coverage from the 2002(blue) and 2003 (red) ground TEM surveys over the Currans Well Project

The anomalies observed on lines 6811250mN and 6811450mN show a single strong response from a shallow east dipping conductor. The profile from line 6811450mN possibly shows two separate conductors, the response is weaker and may indicate the conductors are off-line. Follow-up FLEM surveys were conducted

over the Vidure prospect in 2002 and to the north of Vidure in 2003. The FLTEM was used to detail the anomalies and aid drill targeting, survey coverage is shown in Figure 3.

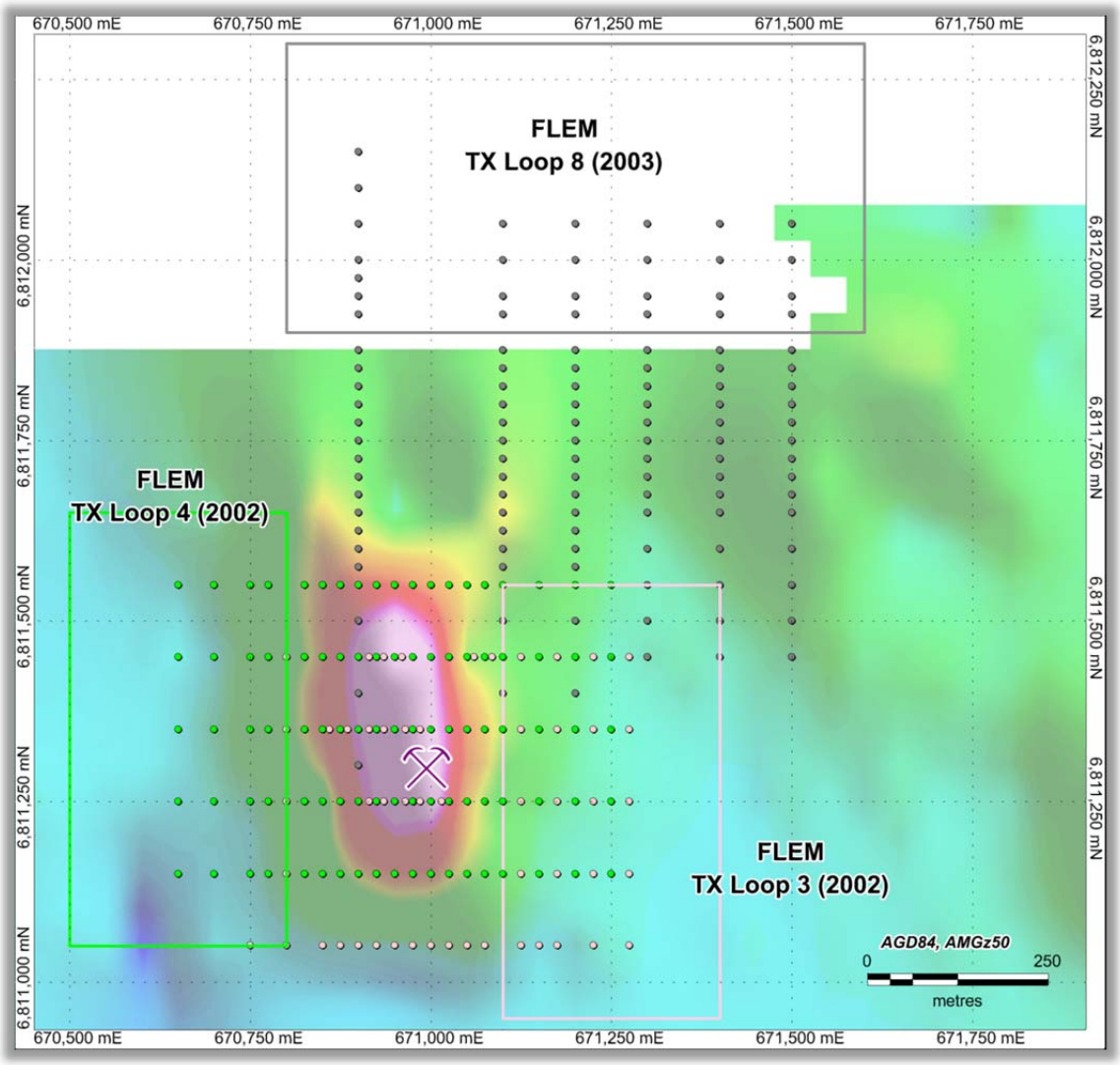

Figure 3. FLEM coverage from the 2002(TX Loop 3 and 4) and 2003 (TX Loop 8) ground TEM surveys over the MLEM channel 25 amplitude showing the location of the Vidure anomaly (magenta high).

A compilation of the historic drilling over and around Vidure is shown below in Figure 4 in relation to the FLTEM data for TX Loop 3.

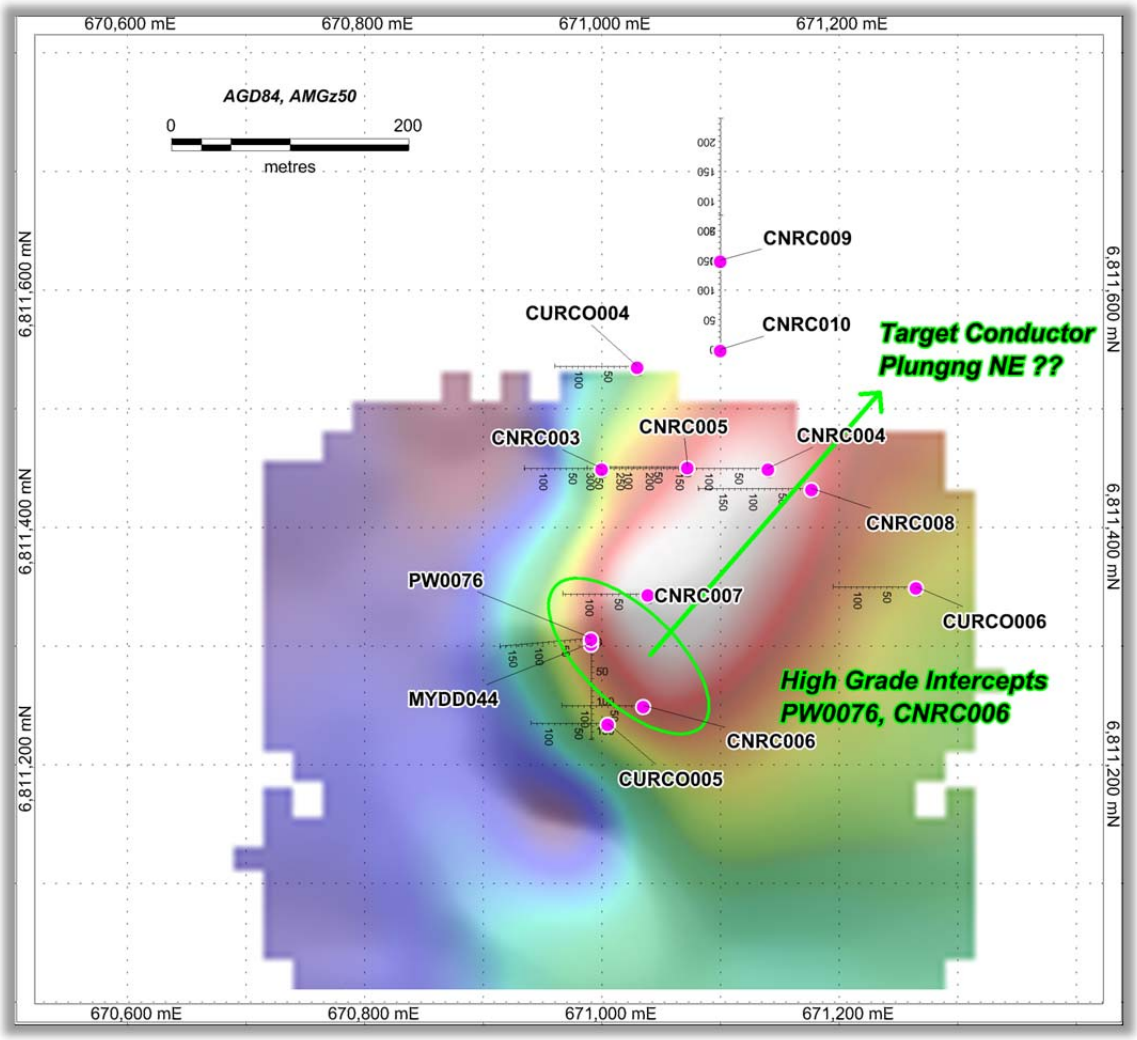

Figure 4. Location of historical drillholes at Vidure Prospect shown on Z component EM channel 25 amplitude from FLEM TX loop 3.

Strong anomalies are observed on TX loops 3 and 4 between 6811250mN and 6811450mN that coincide with the MLEM anomaly observed over Vidure.

The FLEM modelling of data from TX Loop 4 results in a single plate model with 275m strike and 100m width, dipping at 30 degrees to the east, and with a conductance of 4000S. The location of the model is shown in plan-view in Figure 5.

The loop 4 anomaly is well defined, the data quality good and it has produced a good target for drill testing. Only one drill hole (PW0076) has partially intersected this plate model. MYDD044 comes very close to the south edge of the model and CNRC003 has intersected the northern edge of the model. All other holes are too shallow to intersect the target.

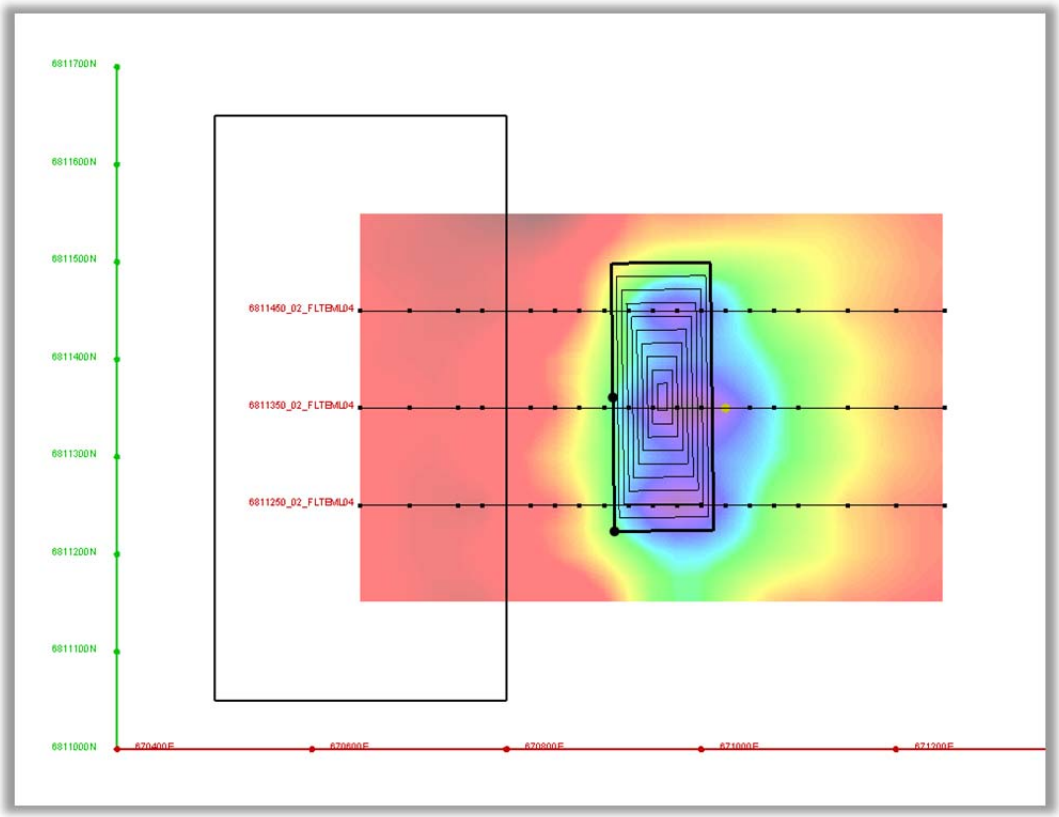

Figure 5. Plan view of the FLEM modelling for TX loop 4. The background image is Z component channel 25 (15 msec) amplitude.

Anomalies detected in loop 3 have been modelled with two conductors, the conductance values from modelling ranges between 1000 Siemens (deep conductor 250m strike length x 250m width) and 6000 Siemens (shallow conductor 250m strike length x 100m width). The modelling is not as well constrained for Loop 3 and modern high powered EM surveying would improve drill targeting.

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Downhole EM Modelling:

Modelling has been completed for the in-hole response observed in CNRC003 and the dominant off-hole response observed in CNRC004. The EM response observed in drillhole CNRC003 is very strong with the modelled plate have a conductance of 9000 Siemens, dip of 16 degrees to the east and a strike of 150m and width of 60m.

The main off-hole conductor at 145m DH in CNRC004 has been modelled as a moderately east dipping plate that is positioned to the north of the drill-hole. This represents a 'near-miss' for this hole as the conductor appears to be merely metres from the hole.

Future Work:

Venus is planning high powered ground EM surveys to define the extent of the conductors identified from the review and modelling of historical EM data as recommended by Southern Geoscience Geophysical Consultants (SGC).

References

1. WA DMP WAMEX Report No A5392, Western Mining Corporation, Youangarra Annual Report, 1973.
2. WA DMP WAMEX Report No A19317, BHP Minerals Ltd, Pincher Well Annual Report, 1985.
3. WA DMP WAMEX Report No A74866, Ellendale Resources NL, Currans Well Annual Report, 2006.
4. WA DMP WAMEX Report No A78024, Ellendale Resources NL, Currans Well Annual Report, 2007.
5. WA DMP WAMEX Report No A66124, Valdera Resources, Currans Well Annual Report, 2002
6. WA DMP WAMEX Report No A68745, Ellendale Resources NL, Currans Well Annual Report, 2003

Competent Person's Statement

The information in this report that relates to Geophysical Results and Interpretation is based on information compiled and/or interpreted by Southern Geoscience Consultants Pty Ltd and reviewed by Ms Karen Gilgallon, a Principal Geophysicist and employee of Southern Geoscience Consultants. Ms Karen Gilgallon is a Member of the Australian Institute of Geoscientists and has sufficient experience to the relevant type of 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 and consents to the inclusion in this report of the matters reviewed by her in the form and context in which they appear.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr T. Putt of Exploration & Mining Information Systems, who is a member of The Australian Institute of Geoscientists. Mr Putt 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 "Australian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Putt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• The 2002 Moving loop EM surveys used a SMARTem receiver with TEM-3 Z component coil with 50m station spacing and 200m line spacing. • The 2003 Moving loop EM surveys used a Crone CRD2 receiver with Crone Z component coil with 50m station spacing and 200m line spacing. • The 2002 Fixed loop EM surveys used a SMARTem receiver with TEM-3 Z component coil with 25m – 50m station spacing and 100m -200m line spacing. • The 2003 fixed loop EM surveys used a Crone CRD2 receiver with Crone Z component coil with 25m – 50m station spacing and 100m -200m line spacing. • The 2003 Downhole EM surveys used a Crone CRD2 receiver with Crone A,U,V component probe with 5m station spacing. • Other details of sampling techniques is not applicable
Drilling techniques	• No Drilling activity undertaken
Drill sample recovery	• No drill samples collected
Logging	• EM survey no logging
Sub-sampling techniques and sample preparation	• Not applicable
Quality of assay data and laboratory tests	• No Assays carried out for this survey
Verification of sampling and assaying	• Not applicable
Location of data points	• The various EM survey data has been retrieved from mines department reports and handheld GPS is commonly used for positioning within Vidure Prospect, Currans Well Project
Data spacing and distribution	• The 2002 Moving loop EM surveys used a 50m station spacing and 200m line spacing • The 2003 Moving loop EM surveys used a 50m station spacing and 200m line spacing • The 2002 Fixed loop EM surveys used a 25m – 50m station spacing and 100m -200m line spacing • The 2003 Fixed loop EM surveys used 25m – 50m station spacing and 100m -200m line spacing • The 2003 Downhole EM surveys used 5m station spacing

Criteria	Commentary
Orientation of data in relation to geological structure	• The line path has attempted to be chosen to be perpendicular to strike direction of geological formations and is sufficient to locate discrete conductive anomalies.
Sample security	• Data is open file and was retrieved from DMP Wamex reports.
Audits or reviews	• The data were independently verified by Southern Geoscience Consultants.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• Currans Well JV Tenement E57/1011 90% owned by Venus Metals Corporation Limited and 10% by Bruce Legendre. No Native Title Claim.
Exploration done by other parties	• The tenement area was historically explored by many explorers since 1973. Salamander Ellendale Resources NL explored extensively for gold/Base Metals resources
Geology	• The Youanmi Intrusion lies along the undefined border of the Murchison and Southern Cross Terranes of the Archaean Yilgarn Craton in Western Australia. The terranes comprise suites of greenstone and granitoids, with a minor ultramafic The Youanmi Intrusion is a layered intrusion comprising dunites, peridotites, pyroxenites, gabbro and diorites . The intrusion is bounded by granitoids, felsic volcanogenic and metamorphosed sedimentary units.
Drill hole Information	• The tenement was granted recently and no exploration drillholes were drilled by Venus Metals.
Data aggregation methods	• No data aggregation for geophysical survey.
Relationship between mineralisation widths and intercept lengths	• No mineralisation widths and intercept reported for this geophysical survey.
Diagrams	• Location of EM data locations are in Figures 2 and 3.
Balanced reporting	• No balanced reporting in relation to grades are not applicable
Other substantive exploration data	• not applicable
Further work	• Venus plans to follow up with high powered electromagnetic surveys.