VENUS METALS
CORPORATION LIMITED

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LITHIUM EXPLORATION UPDATE:
HIGH-GRADE LITHIUM IN SAMPLING AT POONA
& ADDITIONAL ELAs PEGGED

The Directors of Venus Metals Corporation Limited (ASX: VMC) are pleased to announce that initial exploration on its lithium-tantalum project areas in Western Australia (Figure 1) has returned high-grade lithium results in surface sampling at Poona.

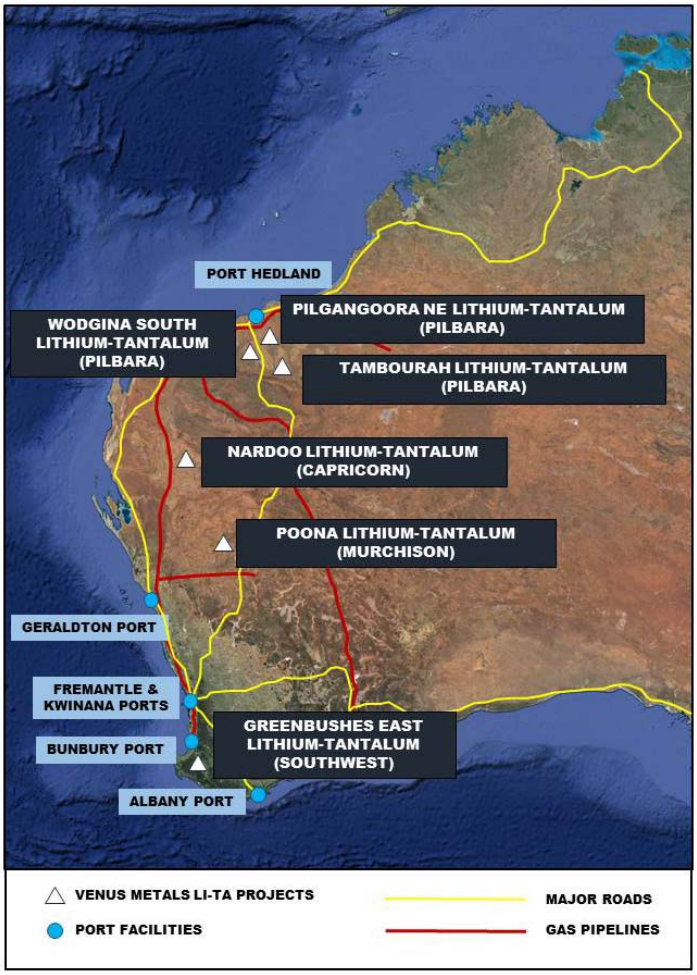

Figure 1 – Pilgangoora, Wodgina South, Tambourah, Nardoo, Poona & Greenbushes lithium project locations.

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1.0 Introduction

Venus Metals Corporation Limited ('Venus ' or 'Venus Metals') has now made applications over six strategic lithium-tantalum project areas in Western Australia - the Pilgangoora Northeast, Wodgina South & Tambourah projects in the Pilbara, the Nardoo project in the Capricorn, the Poona Project in the Murchison and the Greenbushes project in the Southwest of Western Australia.

Recent exploration by Venus has highlighted the potential of these projects, with a significant number of pegmatite targets being identified at Pilgangoora and high-grade (>2% Li_2O) assays being returned from samples at Poona.

2.0 Venus Metals Lithium-Tantalum Projects - Update

Venus has recently completed initial reconnaissance work on several of its project areas. A summary of these activities is detailed below:

2.1 Pilgangoora Northeast Lithium-Tantalum Project, Pilbara Region

The Pilgangoora Northeast Project (ELA 45/4630 & 4684) covers over 350 km^2 and is located 72 km to the southeast of Port Headland in the Pilbara region of Western Australia. The Project lies close to Pilbara Minerals Pilgangoora exploration area which hosts a substantial lithium-tantalum resource.

In February 2016, Venus initiated a joint venture with Lithium Australia to explore both the Pilgangoora and Stannum projects for their commercial potential.

Recent targeting and reconnaissance by Venus, through the Pilgangoora project area, shows the presence of extensive granitic and pegmatitic stratigraphy, in particular two large target areas in the vicinity of McPhees Range. These target areas show strong similarities to the lithium-tantalum mineralisation reported by Dakota Minerals Ltd at Lynas Find, to the northwest of the target area (Figure 2).

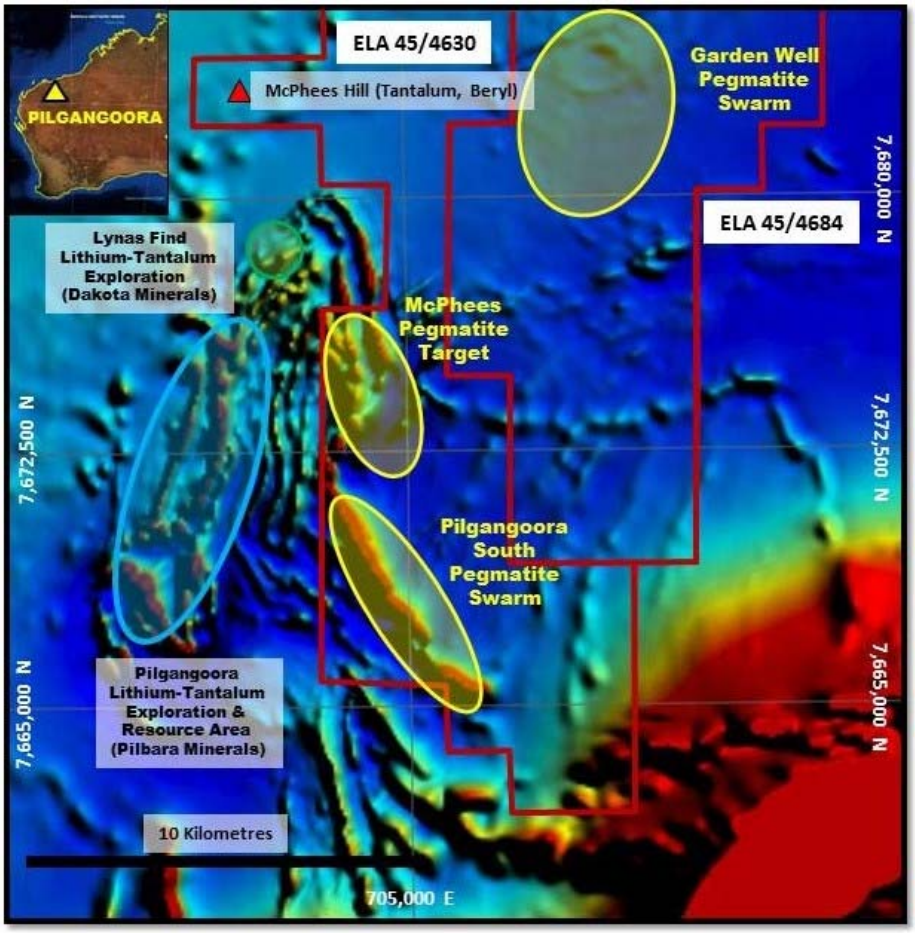

Figure 2 – Pilgangoora tenement and prospect areas, with identified target zone (red).

Venus Metals is planning a program of helicopter-based mapping and sampling across these substantial target areas, in the coming weeks, to facilitate the identification of prospects for drill testing.

2.2 Tambourah Lithium Project, Pilbara Region.

The Tambourah Project (ELA 45/4753) covers over 30 km^2 and is located 160 km to the southeast of Port Headland in the Pilbara region of Western Australia. The Project overlies recognised pegmatitic stratigraphy and the lithium-tantalum occurrence at Tambourah North.

Venus looks forward to updating shareholders on exploration on this project area as the tenement moves towards grant in the coming months**.**

2.3 Poona Lithium Project, Murchison Region.

The Poona project area now covers more than 249 km^2 following the identification of further targets to the east of the original application area (ELA 20/885) and the subsequent application for a second lease – ELA 20/896 (Figure 3). The Poona is located in the Murchison Mineral Field, approximately 560 km to the north-northeast of Perth. The tenement overlies a number of known lithium and tantalum occurrences including Patons Lode and Poona Reward (Figure 3).

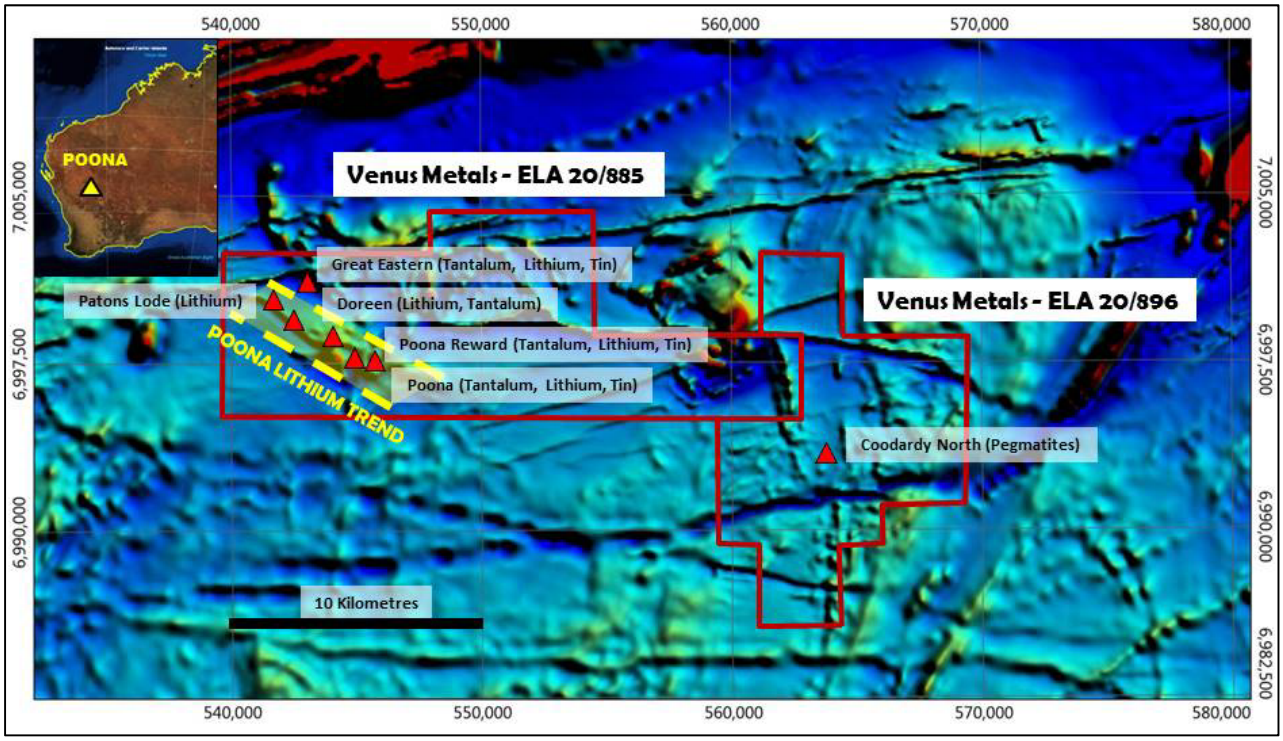

Figure 3 – Poona tenement application areas (red) & prospect locations and mineralised trend (yellow) over regional geophysics.

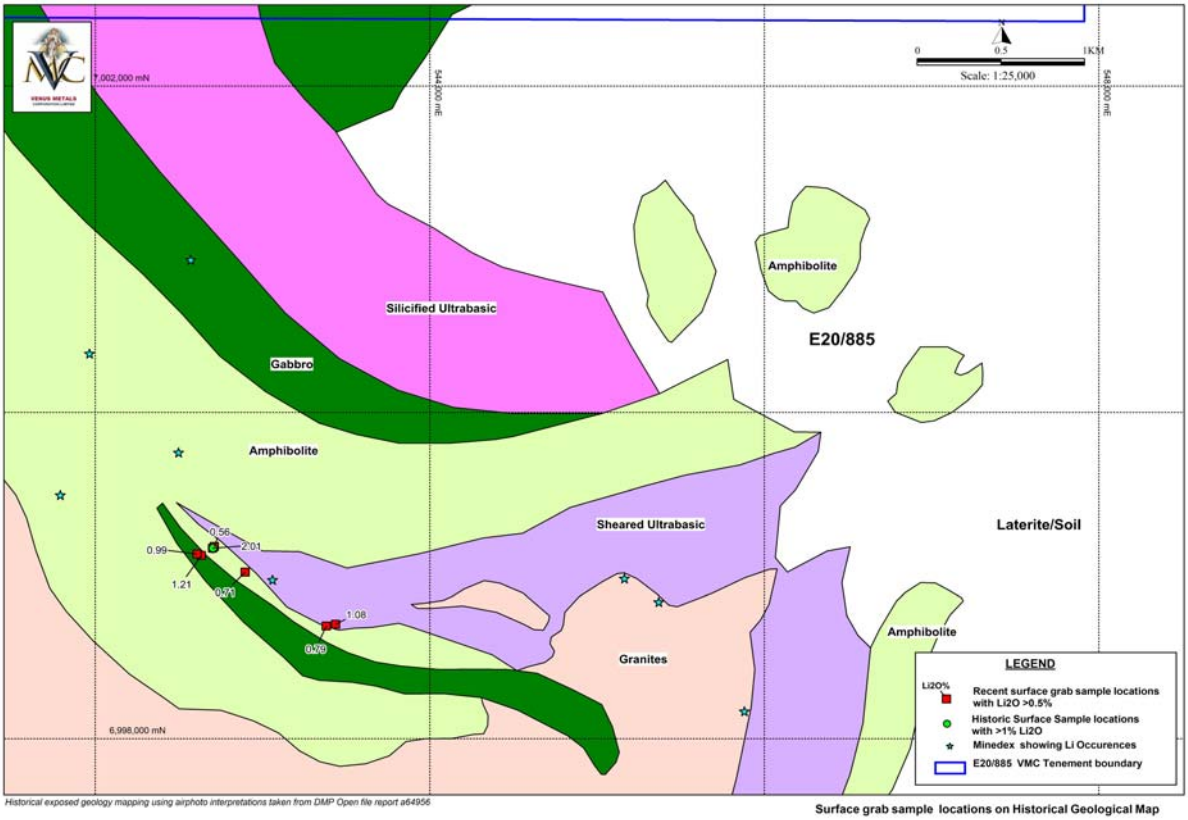

Figure 4 – 'Poona Lithium Trend' Sampling with outcropping geology.

Figure 5 – Poona terrain and outcropping pegmatite (location of Sample P347).

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Venus has recently completed a program of reconnaissance mapping and sampling in the region of Poona Reward. This exploration has outlined a northwest trending zone of mineralisation more than 1,000 metres long, extending through a number of the prospect areas, including Poona & Poona Reward (Figure 3 & 4).

Sampling at Poona has confirmed the presence high-grade lithium mineralisation within the project area, associated with metasomatically altered pegmatites (Figure 5 & 6). Results returned from Poona (above 1% Lithium Oxide – Li_2O) include:

Sample P347B	6,999,168 N/ 542,701 E	2.01% Li_2O & 1.54% Rubidium
Sample P345B	6,999,124 N/ 542,634 E	1.21% Li_2O & 1.31% Rubidium
Sample P362A	6,998,702 N/ 543,436 E	1.08% Li_2O & 1.08% Rubidium

**A full tabulation of sample locations and results is included in Appendix A.*

These results confirm the data provided by previous explorers, while a wider sampling program covering both pegmatitic and basement stratigraphy.

The primary Poona tenement (ELA 20/885) is scheduled to be granted in the coming weeks, following which a detailed program of geological mapping and sampling will be undertaken with a view to testing the extensive Poona Lithium Trend (Figure 3) and to highlight targets for drill testing.

In addition Venus has identified additional targets to the east of the primary tenement area, and has applied for a new exploration licence (ELA 20/896).

2.4 Nardoo Lithium-Tantalum Project , Pilbara Region

The Nardoo tenement (ELA 09/2156) covers over 131 km^2 and is located in the Capricorn region of Western Australia. The Nardoo project overlies the historical Nardoo & Morrissey Hill workings, in a pelitic and gneissic terrain that has been extensively intruded by pegmatites, which host the tantalum-lithium mineralisation.

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The Nardoo tenement is scheduled to be granted in the coming weeks, and a program of reconnaissance geological mapping and sampling is in progress.

2.5 Greenbushes Lithium-Tantalum Project, Southwest Mineral Field

Venus Metals Corporation Limited ('Venus Metals') has made applications for two strategic exploration licences in the Greenbushes region of Western Australia. These new applications cover an area of adjacent to, and east of, the world-class Greenbushes Lithium-Tantalum mine. The tenement areas contain outcropping pegmatitic stratigraphy, the host rock for lithium-tantalum mineralisation in the region.

The region hosts Talison Lithium's world-class Greenbushes Lithium-Tantalum mine, with other tenement holders in region including Lithium Australia NL (ASX: LIT) and Metalicity (ASX: MCT) – Figure 6.

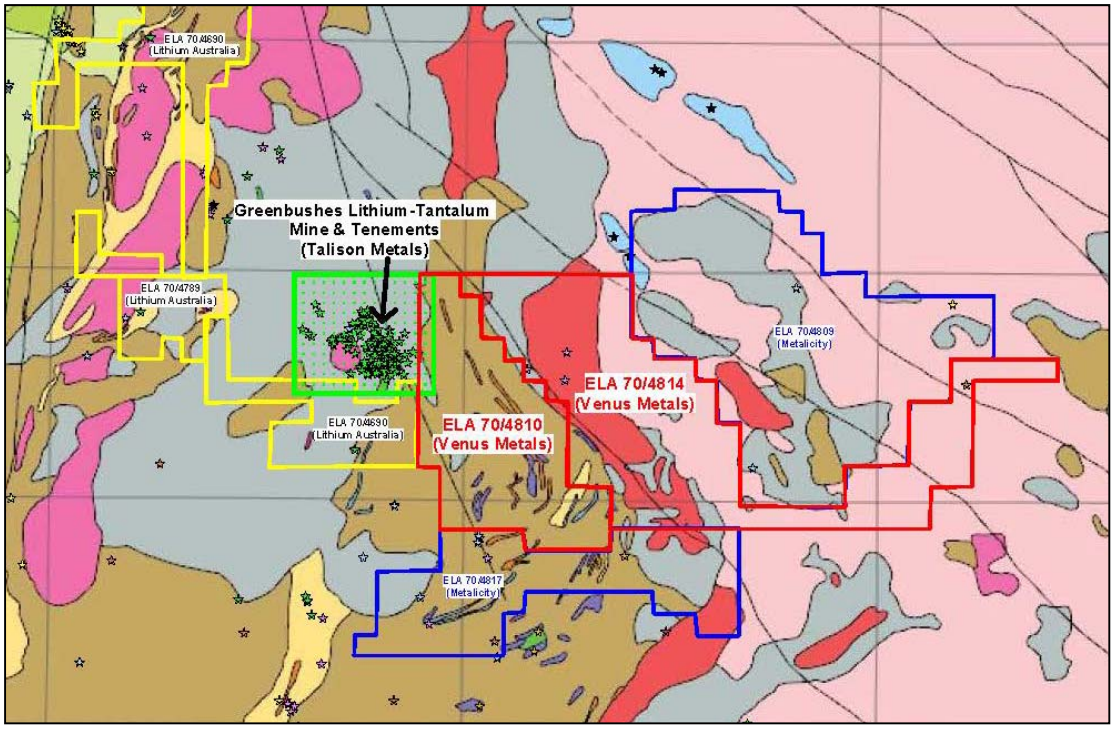

Figure 6 – Greenbushes East tenement applications areas ELA 70/4810 & 4814 (red) with prospect locations over regional geology. The Greenbushes mine area is shown in green, Metalicity applications area in blue whilst Lithium Australia's applications are in yellow.

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Venus is presently undertaking a detailed study of the region and is in the process of acquiring the regional geophysical dataset to assist in targeting in this high prospective terrane.

3.0 Conclusion

Exploration within a number of Venus Metal's Lithium project areas has now commenced. Reconnaissance exploration & studies have confirmed the presence of lithium-tantalum mineralisation within the project areas, with high-grade lithium assays (>2% Li_2O having already been returned from reconnaissance sampling at Poona.

Venus Metals continues to extend and add to its Lithium project portfolio and looks forward to updating shareholders as exploration continues within its project areas.

Competent Person's Statement

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.

Dr Fop Vanderhor, Specialist Consulting Geologist, who is a Member of the Australian Institute of Geoscientists 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'. Dr Vanderhor 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.

Appendix-A

Venus Metals -Assay Results_ Poona Reconnaissance Sampling, May 2016

Sample No	MGA50_North	MGA50_East	Historical Sample No	Li2O %	Rb ppm	Ta ppm	Be ppm	Cs ppm	Sn ppm	Description
P344	6999021.3	542895.8		0.03	97.7	25	587	7		pegmatite - shallow costean
P344B	6999021.3	542895.8	P111	**0.71**	**6860**	45	86.6	479		marginal metasomatic biotite (Zinnwaldite?) schist - shallow costean
P345	6999124.2	542633.5		0.06	3290	30	32.4	60.2		pegmatite
P345B	6999124.2	542633.5	PR173	**1.21**	**13100**	15	6.6	645	150	xenolitic metasomatic biotite (Zinnwaldite?) schist
P347	6999168	542701.6		0.14	2740	35	122	34.6	130	pegmatite
P347B	6999168	542701.6	PR105-P106	**2.01**	**15400**	35	8.9	543	200	xenolitic metasomatic biotite (Zinnwaldite?) schist
P350	6999213.3	542675.4	P109	0.32	2480		366	450	100	small pegmatite in mafic rocks (shallow pit)
P362A	6998702.3	543436.3	PR167	**1.08**	**10800**	20	33.6	438		xenolitic and marginal metasomatic biotite (Zinnwaldite?) schist shallow costean
P362B	6998702.3	543436.3		0.04	482	25	104	14.4		pegmatite - shallow costean
P364A	6998692	543380.4		0.13	2520	70	175	46.3		pegmatite
P364B	6998692	543380.4		**0.79**	**6090**	20	11	1290		biotite rich sample collected form mullock heap around shaft near pegmatite outcrop
P367	6998685	543259.9		0.03	310	70	29.1	26.4		pegmatite
P368A	6998682.4	543217.9		0.22	2170	60	47.1	543	110	pegmatite in strongly foliated mafic rock - shallow pit
P368B	6998682.4	543217.9		0.35	3480		41.7	1060		marginal metasomatic biotite (Zinnwaldite?) schist - shallow pit
P379	6998987.6	543032.8	P113	0.23	2200	25	39.9	200		strongly weathered pegmatite - shallow costean
P384	6999178.5	542711.8	P103-P107	**0.56**	**5000**		9.4	890		metasomatic biotite (Zinnwaldite?) rock associated with patchy pegmatite in small pit in mafics
P384A	6999178.5	542711.8		0.08	601	10	412	83.1		patchy pegmatite in small pit in mafics
P401	6999132.3	542608		0.12	1620	145	123	58.3		pegmatite
P401B	6999132.3	542608		**0.99**	**9030**	155	322	415	220	xenolitic metasomatic biotite (Zinnwaldite?) schist
P408	6999757.6	542470.3		0.02	2760	40	46.2	25.7		9m wide intersection of 45 deg south dipping pegmatite - costean at Ryan LM
P423A	6999495.1	541790.5		0.00	1770	65	18.4	15.4		5-10m wide pegmatite at Minedex Doreen TaLiBri occurrence - feldspar/qtz sample
P423B	6999495.1	541790.5		0.04	3540	30	50.2	68.4	170	5-10m wide pegmatite at Minedex Doreen TaLiBri occurrence - qtz biotite dominated sample
P447	6999397.1	542573.5		0.00	142	75	20.4			2-3m wide 105 trending pegmatite ridge intersecting with 050 trending pegmatite
P465	6999169.3	542678		0.12	**12200**	155	10	300	470	white mica rich enclave in pegmatite; 2-5m wide pegmatite ridge
P466	6999179.8	542632.1		0.02	1030	60	115	18.4		pegmatite
P467	6999183.7	542596.6		0.09	3230	65	25.8	48.8	140	pegmatite

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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.*	• A selection of rock chips were collected for assay within the Poona lithium-tantalum trend. Samples consisted of hand-sized specimens of potentially mineralised pegmatites taken from outcrop and were typically 1-2 kilograms in weight. • These samples show the potential mineralisation in the region but work is at too early a stage to determine whether they are representative of a larger mineralised system.
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).*	• Not Applicable
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.*	• Not applicable

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.* ● *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* ● *The total length and percentage of the relevant intersections logged.*	● Rock chips taken of potentially mineralised pegmatites, as well as hydrothermally altered intrusives and basement rock.
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.*	● Not applicable
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.*	● The laboratory assaying techniques are suitable for the samples submitted. Samples were submitted to SGS Lab in Perth for multi-element analysis utilising DIG90Q& IMS90Q for Li, Be, Cs, Nb, Rb, Sn, Sr and Ta and ICP90Q for Li and XRF78S for few samples to mainly confirm the high values of Rb.
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.*	● Not applicable

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.*	● Samples were located using a hand held GPS (accurate to <10 metres) in MGA 94, Zone 50.
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.*	● Samples were taken at surface 'spot' locations and are unsuitable for resource calculations.
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.*	● Geological strike and continuity is yet to be fully established.
Sample security	● *The measures taken to ensure sample security.*	● Samples were bagged and secured by field staff prior to submission to the laboratory.
Audits or reviews	● *The results of any audits or reviews of sampling techniques and data.*	● Not applicable.

Section 2 Reporting of Exploration Results

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.*	● ELA 09/885 tenement application overlie crown land and are presently moving through the grant process, this will include negotiations in regard to native title.
Exploration done by other parties	● *Acknowledgment and appraisal of exploration by other parties.*	● Compilation of historical data is in progress.
Geology	● *Deposit type, geological setting and style of mineralisation.*	● Pegmatite/ intrusive hosted lithium, tantalum and tin mineralisation.
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.*	● Not applicable
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.*	● Not applicable

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').*	● Not applicable
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.*	● Maps are presented in ASX announcement.
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.*	● Sampling was conducted to check on results supplied by prospectors for the target areas.
Other substantive exploration data	● *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical 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.*	● Not available at this time.
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.*	● Compilation of historical data is in progress, further exploration will be planned once the results of this work have been evaluated.