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ASX Code: VMC

**Venus Metals
Corporation Limited**

ACN 123 250 582

CORPORATE DIRECTORY

Mr Terence Hogan
Non-Executive Chairman

Mr Matthew Hogan
Managing Director & Company Secretary

Mr Kumar Arunachalam
Executive Director

CAPITAL STRUCTURE

Issued Shares (ASX: VMC):
69,636,623

Issued Options (ASX: VMCO):
31,521,561

Market Cap: \$12 million

CONTACT DETAILS

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**POONA LITHIUM PROJECT:
NEW HIGH-GRADE LITHIUM PROSPECT**



Figure 1 – Mineralised pegmatitic units at Poona

HIGHLIGHTS

POONA

- Reconnaissance mapping & sampling has identified a new prospect area at **Poona East**, to the north east of the main Poona Trend, which includes high-grade, pegmatite hosted lithium mineralisation
- Sampling has returned a significant number of **high-grade lithium assays (up to 2.58% Li₂O)**, over more than 1,000 metres of strike,
- Sampling include assays:

P308 1.72% Li₂O & 0.89% Rubidium

P314 1.94% Li₂O & 1.19% Rubidium

P318 2.58% Li₂O & 1.21% Rubidium

- Reconnaissance shows the area to have limited outcrop, however the presence of quartz 'blows' & pegmatites may indicate a significant hydrothermal alteration system, similar to those found associated with Canadian lithium, pegmatite deposits,
- The Poona East prospect area will be drill tested in the coming months as part of the current exploration program.

1.0 Introduction

The Directors of Venus Metals Corporation Limited (ASX: VMC) are pleased to announce that sampling within the Poona lithium-tantalum project area in Western Australia has returned high-grade lithium results and identified a new target area for drill testing.

Venus Metals Corporation Limited ('Venus Metals') holds two tenements (E 20/885 & ELA 20/896) in the Poona region. This project lies within the Murchison Mineral Province in Western Australia (Figure 2).



Figure 2 – Venus Metals lithium-tantalum project locations in Western Australia.

2.0 Poona Lithium-Tantalum Project

The Poona project is located in the Murchison Mineral Field, approximately 560 km to the north-northeast of Perth. The project area is composed of two exploration licenses (E 20/885 & ELA 20/896) covering more than 249 km². These tenements overlie a number of recognised lithium and tantalum occurrences including Patons Lode, Poona Reward and Coodardy North (Figure 3).

Reconnaissance work, away from the historical mining and prospecting areas, has resulted in the delineation of **high-grade lithium mineralisation at Poona East**.

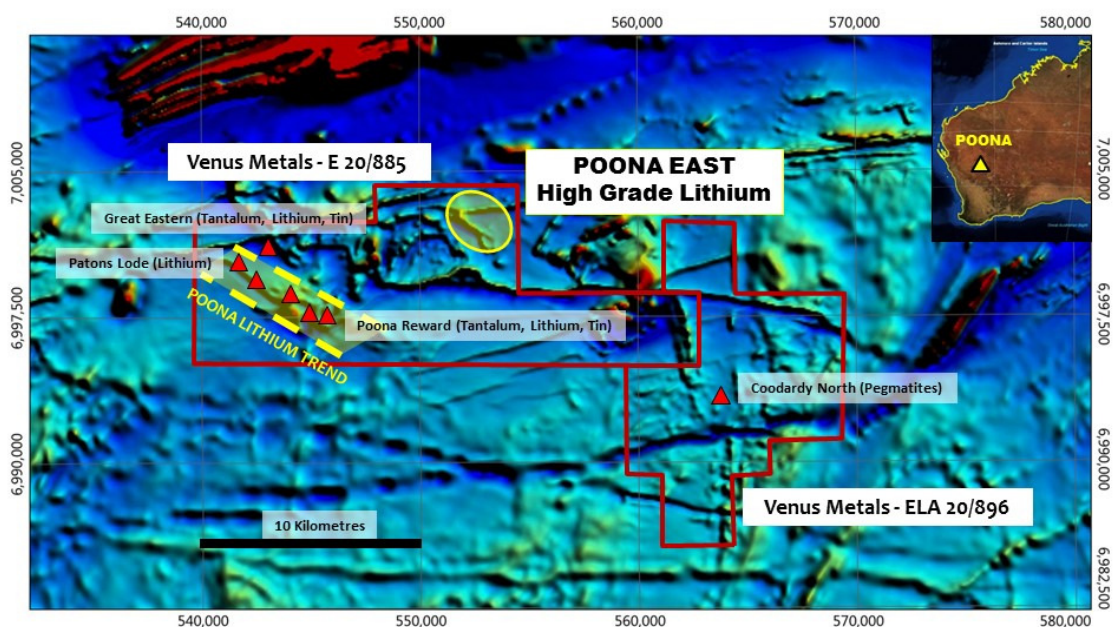


Figure 3 - Poona tenement application areas (red) & prospect locations and mineralised trend (yellow) over regional geophysics – Poona East prospect northeast of main Poona Lithium Trend.

Venus Metal's program of mapping & sampling over the project area has outlined a significant area of mineralised stratigraphy at Poona East, approximately seven kilometres to the northeast of the Poona Lithium Trend. Sampling has returned a significant number of anomalous assays, with high-grade lithium results including:

Sample P308	7,001,156 N/ 552,658 E	1.72% Li₂O & 0.89% Rubidium
Sample P312	7,001,433 N/ 552,385 E	1.08% Li₂O & 0.68% Rubidium
Sample P314	7,001,415 N/ 552,093 E	1.94% Li₂O & 1.19% Rubidium
Sample P318	7,001,630 N/ 551,931 E	2.58% Li₂O & 1.21% Rubidium
Sample P319	7,001,929 N/ 551,664 E	1.29% Li₂O & 0.61% Rubidium

*A full table of sample results and assays can be found in Appendix 1.

The mineralisation at Poona East shows similar characteristics to that of the Poona Lithium Trend, located to the southwest, with lithium-rubidium mineralisation hosted by both the intrusive pegmatites as well as the surrounding biotite-rich schistose and amphibolite units.

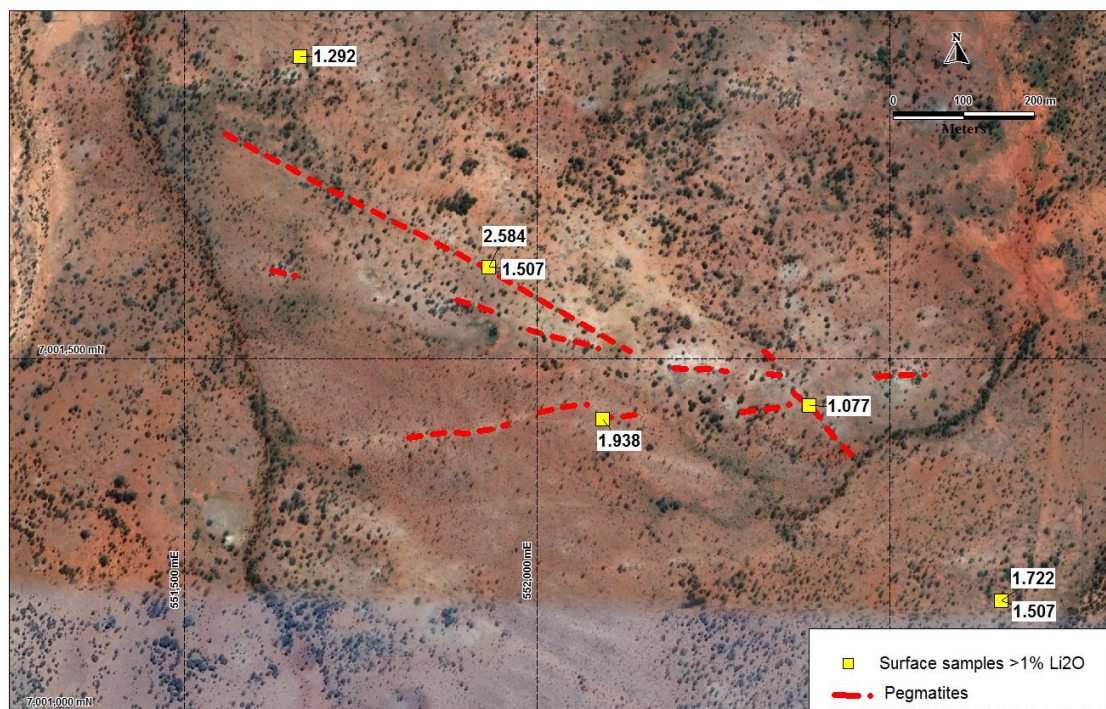


Figure 4 –Poona East prospect area with sampling locations, and >1% Li₂O assays over a Google Earth image.

Outcrop through the Poona East prospect area is limited, however the presence of both intrusive pegmatitic units and quartz ‘blows’ (in both sub and outcrop) is indicative of a significant hydrothermal alteration system. This style of mineralisation is typical of Canadian-style lithium-pegmatite deposits.

Exploration at Poona East will advance significantly in the coming months, with the present mapping and sampling program having outlined a substantial zone of mineralisation and deemed sufficient to allow systematic drill testing to commence.

3.0 Conclusion

Sampling within the Poona lithium-tantalum project area continues to return high-grade lithium assays with recent exploration having outlined a significant zone of lithium mineralisation at Poona East.

Venus Metals looks forward to further updating shareholders as drilling commences at Poona East.



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'. Mr 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 1 – POONA SAMPLING AND ASSAYS

Venus Metals Corporation Limited - Poona East Lithium Prospect, Rockchip Sampling, September 2016

SAMPLE ID	MGA50 North	MGA50 East	Li2O %	Li2O ppm	Li ppm	Rb %	Rb ppm	Ta ppm	Nb ppm	Cs ppm	Sn ppm
P301	7001254.6	547646.5			66.5		5.2	BDL	BDL	1.7	BDL
P302	7001248	547347.1			8.5		2.2	BDL	BDL	0.9	BDL
P303	7001243.9	547241.4			114		82.3	BDL	BDL	45.9	BDL
P304	7001248.2	547129.8			1190		2000	BDL	10	1020	BDL
P305	7000462.6	548246.7			15.7		18.6	BDL	10	4.4	BDL
P306	7000462.6	548246.7			13.6		39.7	BDL	BDL	7.6	BDL
P307	7001156.4	552657.7	1.5071	15071	7000	1.15	>5000	50	145	3150	260
P308	7001156.4	552657.7	1.7224	17224	8000	0.89	>5000	BDL	20	1580	BDL
P309	7001426.4	552337.2			4000	0.73	>5000	BDL	20	597	BDL
P310	7001426.4	552337.2			78.1		547	45	40	19.1	BDL
P311	7001426.4	552337.2			78.5		72.5	BDL	15	7.5	BDL
P312	7001433.1	552385.4	1.0765	10765	5000	0.68	>5000	30	45	353	120
P313	7001433.1	552385.4			1200		3770	75	60	78.9	BDL
P314	7001414.5	552092.8	1.9377	19377	9000	1.19	>5000	55	45	990	BDL
P315	7001414.5	552092.8			377		1530	65	55	24.9	BDL
P316	7001391.7	551864.6			295		2220	140	225	27.7	BDL
P317	7001629.8	551930.8	1.5071	15071	7000	0.49	>5000	175	100	588	BDL
P318	7001629.8	551930.8	2.5836	25836	12000	1.21	>5000	20	30	1300	BDL
P319	7001928.6	551663.7	1.2918	12918	6000	0.61	>5000	165	80	209	120
P320	7000426	545410.3			107		355	125	80	11.9	BDL
P321	7000426	545410.3			2900	0.74	>5000	80	50	337	BDL
P322	7000463.8	545355.7			37.8		93.9	BDL	20	2.7	BDL
P323	7000481.5	545341.7			24.5		435	330	125	14.6	BDL
P324	7000513.7	545329.2			4540		3760	390	145	195	BDL
P325	6998955.4	544689.6			4610	0.48	4860	90	140	131	280
P326	6998955.4	544689.6			695		1960	50	95	37.6	140
P327	6998847.3	544756.5			24.1		24.3	BDL	BDL	1.8	BDL

*BDL = Below Detection Limit



APPENDIX 2 – JORC TABLE 1.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> Rock chip samples (27) were selectively collected within the Poona tenement area for assay, from the the Poona East prospect, with an interest in lithium-tantalum mineralisation. Samples consisted of hand-sized specimens of potentially mineralised pegmatites and schists taken from outcrop and were typically 1-3 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	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done. Hence drilling technique is not applicable.
Drill sample recovery	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done. Hence drill sample recovery is not applicable.
Logging	<ul style="list-style-type: none"> Rock chips taken of potentially mineralised pegmatites and schists as well as hydrothermally altered intrusives and basement rock.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done. Hence sub-sampling techniques and sample preparation cannot be applied.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The laboratory assaying techniques are suitable for the samples submitted. Samples were submitted to SGS Lab in Perth for multi-element analysis utilising IMS90Q for Li, Be, Cs, Nb, Rb, Sn and Ta and ICP90Q for Li₂O and XRF78S for all 45 series of elements.
Verification of sampling and assaying	<ul style="list-style-type: none"> Surface rock chip samples were collected, sampled and verified by independent Geological Consultant in the field. This was further confirmed through photos and physically checked by Company personnel in Perth office before submitting to the Laboratory for assaying. No adjustments to assay were done.
Location of data points	<ul style="list-style-type: none"> Samples were located using a hand held GPS (accurate to <10 metres) in MGA 94, Zone 50.
Data spacing and distribution	<ul style="list-style-type: none"> Samples were taken at surface 'spot' locations and are unsuitable for resource calculations.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Geological strike and continuity is yet to be fully established.
Sample security	<ul style="list-style-type: none"> Samples were bagged and secured by field staff prior to submission to the laboratory.
Audits or reviews	<ul style="list-style-type: none"> At this preliminary stage no audits of sampling technique were done. The high values of Li and Rb in the surface samples assaying were further confirmed using ICP90Q and XRF78S techniques respectively.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Recently granted tenement E20/885 is jointly owned (90% Venus Metals Corporation Ltd and 10% Bruce Legendre)
Exploration done by other parties	<ul style="list-style-type: none"> Compilation of historical data is in progress.
Geology	<ul style="list-style-type: none"> Pegmatite/Schists, hydrothermally altered intrusive and basement rock hosting lithium, tantalum and tin mineralisation.
Drill hole Information	<ul style="list-style-type: none"> Only surface rock chips sampling were carried out in the current programme and no drilling was done.
Data aggregation methods	<ul style="list-style-type: none"> At this stage we had only carried out surface rock chip sampling. No drilling was carried out; hence data aggregation method cannot be applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> At this stage we had only carried out surface rock chip sampling. No drilling was carried out; hence cannot apply relationship between mineralisation widths and intercept lengths.
Diagrams	<ul style="list-style-type: none"> Maps are presented in ASX announcement.
Balanced reporting	<ul style="list-style-type: none"> Sampling was conducted to check on results supplied by prospectors for the target areas.
Other substantive exploration data	<ul style="list-style-type: none"> At this stage we had only carried out surface rock chip sampling, no other exploration was done.
Further work	<ul style="list-style-type: none"> Heritage clearance survey followed by RC drilling (with PoW approvals) is planned.