



ASX Release: 31 January 2020

ASX Code: VMC

QUARTERLY REPORT FOR PERIOD ENDING 31 DECEMBER 2019

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

YOUANMI GOLD PROJECT

(Four JVs with Rox Resources Ltd- refer ASX releases 10 April 2019 and 21 June 2019) (Figure 1)

- **Youanmi Gold Mine - OYG JV**: Drilling at the Youanmi Gold Project (by Rox Resources Limited) has discovered a new zone of mineralisation (now named Grace Prospect) and has intersected spectacular grades; it has defined a southerly plunging lode system, along strike from the historical Peru Lode and Airstrip Lode. The best results include:
RXRC114: 14m @ 31.31 g/t Au from 1m including: **5m @ 77.03 g/t Au** from 1m; including **3m @ 123.66 g/t Au** from 2m

RXRC111: 4m @ 32.51 g/t Au from 6m including: **2m @ 57.25g/t Au** from 7m
(refer RXL ASX release 24 December 2019)

- **Currans JV**: Previous RC drilling confirmed the presence of two stacked lodes with bonanza-grade gold intersections. Additional RC drilling at the Currans North Prospect during the quarter extended the gold-mineralized zone; best results from Currans North include **CFRC071 2m @ 5.60 g/t** from 163m, **CFRC074 1m @ 5.40 g/t** from 87m, **CFRC076 1m @ 4.80 g/t** from 86m, **CFRC069 2m @ 3.26 g/t** from 144m (refer ASX release 21 November 2019). Infill RC drilling is planned to establish indicated and measured resources for the Currans North Prospect.

- **Sovereign Gold Prospect - Penny West Shear Target**:

A follow-up AC drilling program totalling 3,131m in 61 holes explored the strike extensions of the recently discovered gold - base metals anomalies and discovered significant new gold mineralization in two holes, VRAC151 and VRAC161 (refer ASX release 4 November 2019) at the Sovereign Gold Prospect. Significant results from this follow-up AC drilling include:

VRAC151	4m @ 7.02 g/t Au from 24m, and 5m @ 2.41 g/t Au from 60m to EOH
VRAC161	4m @ 0.94 g/t Au from 32m
VRAC173	8m @ 1.92 g/t Au from 28m

Immediate follow-up drilling to verify gold mineralization comprised 3 RC holes for 310m and results from YSRC05 (refer ASX release 28 November 2019) confirm the presence of significant gold mineralization previously encountered in hole VRAC151.

YSRC05 3m @ 6.61 g/t Au from 78m including **1m @ 11.61 g/t Au** from 79m



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YOUANMI GOLD PROJECT OWNERSHIP STRUCTURE

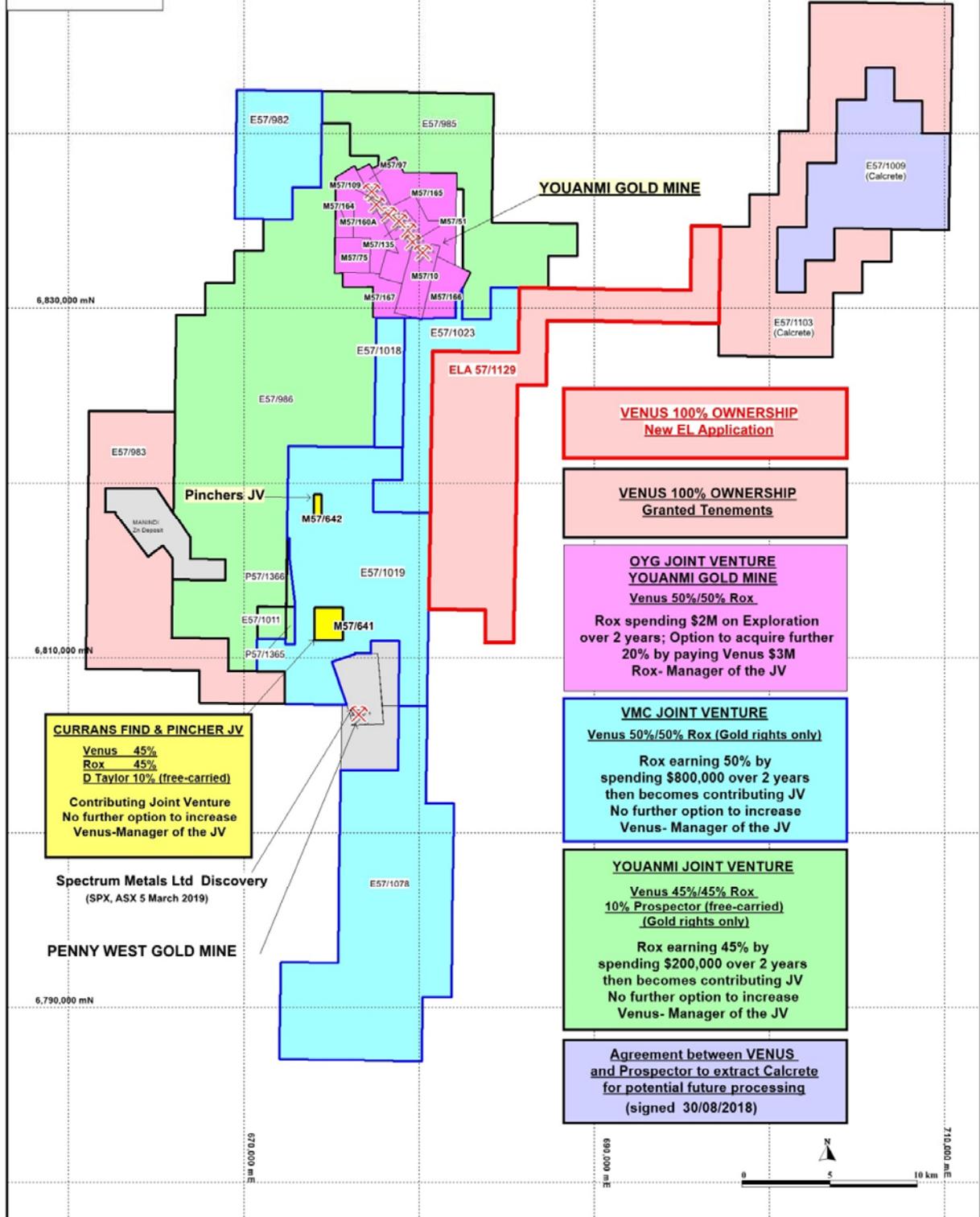


Figure 1



YOUANMI GOLD PROJECT (Four JVs with Rox Resources Ltd)

YOUANMI GOLD MINE - OYG JOINT VENTURE

The total JORC 2012 compliant resource estimate for the Youanmi Gold Mine stands at 1,190,600 ounces of gold (refer ASX release 29 June 2018). In addition to the above resources, considerable potential remains within the Youanmi Project to define additional gold resources, both near surface and underground. Five separate open pits occur over a 2km strike length. Significant drill intersections from some 200m below the defined underground resources indicate that the main ore shoots remain open at depth.

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 - OYG Joint Venture is owned 50% by Venus and 50% by Rox (manager of the JV) (refer ASX Release 10 April 2019).

The OYG Joint Venture has commenced a RC drilling program in the Youanmi Gold Mine leases and Rox has completed approximately 15,485m to date.

Drilling at the Youanmi Gold Project has intersected exceptional gold grades. Results received from shallow drilling to the south of the Youanmi Plant include:

MLRC020: 5m @ 125.68 g/t Au from 0m

Including: **2m @ 311.46 g/t Au from 2.5m**

including **1m @ 591.89 g/t Au from 3m**

including **0.5m @ 1058.49 g/t Au from 3m** (refer ASX release 19 Nov 2019)

A series of RC holes to the north drill hole MLRC020 were drilled to test the continuity of new zone of mineralisation intersected in that hole (ASX 19 Nov 2019). Drilling beneath and along strike from the new zone of mineralisation (now named Grace Prospect) has intersected spectacular grades and has defined a southerly plunging lode system on a steep westerly dipping structure that is broadly along strike from the historic Peru Lode and Airstrip Lode (Figure 2).

The best results include:

RXRC114: 14m @ 31.31 g/t Au from 1m

Including: **5m @ 77.03 g/t Au from 1m**

including **3m @ 123.66 g/t Au from 2m**

RXRC111: 4m @ 32.51 g/t Au from 6m

Including: **2m @ 57.25g/t Au from 7m** (refer RXL ASX release 24 December 2019)

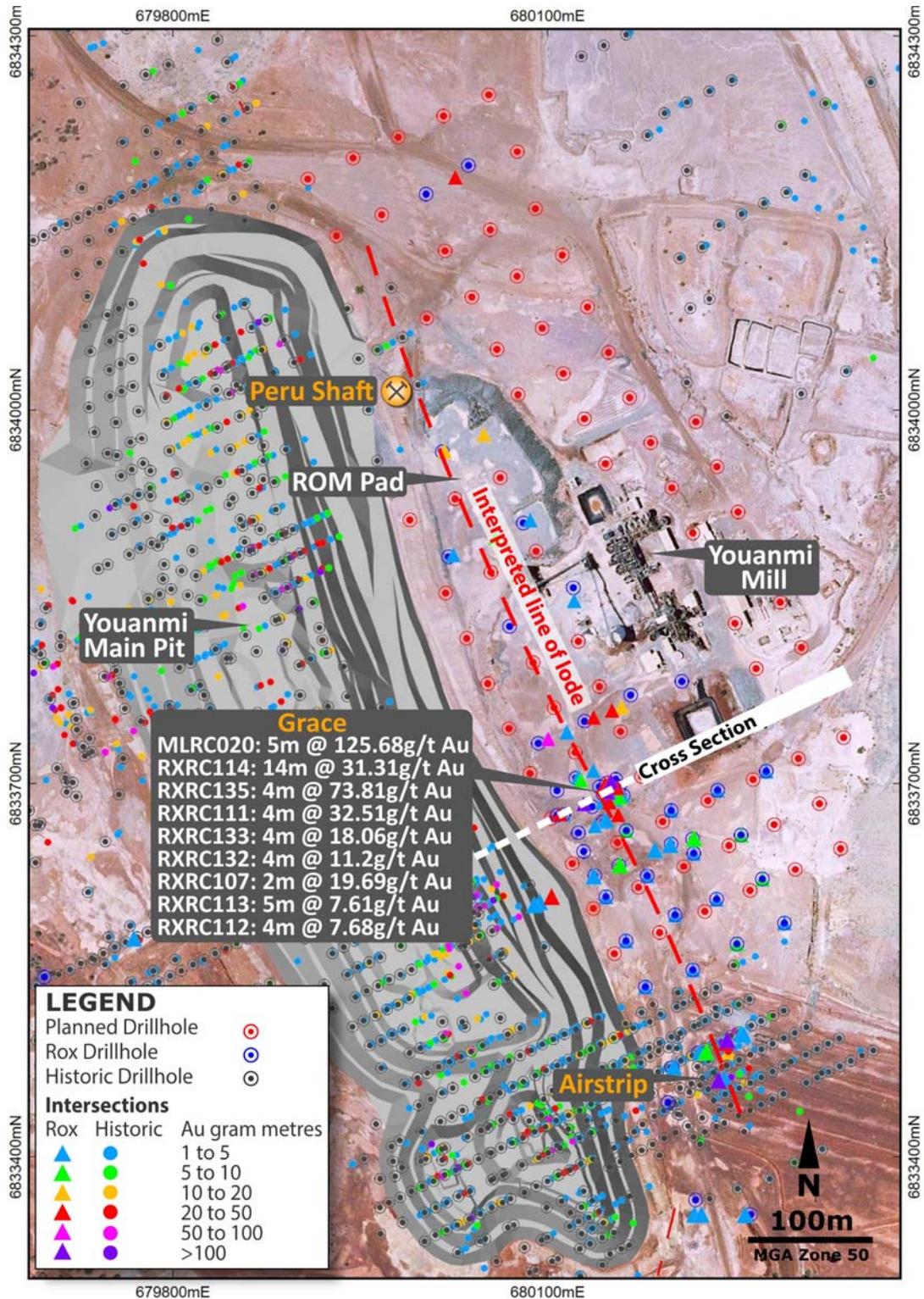


Figure 2. Aerial photo with drill collars and intersections overlaid
(Source: RXL ASX release 20 January 2020)



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Results received from drilling along strike to the north and down dip of the initial discovery holes at Grace Prospect has returned results including:

RXRC135: 8m @ 37.25 g/t Au from 44m (Grace)

Including: **4m @ 73.81 g/t Au** from 48m (Grace)

4m @ 9.96 g/t Au from 4m (new HW zone)

RXRC133: 4m @ 18.06 g/t Au from 16m (Grace)

RXRC132: 4m @ 11.02 g/t Au from 48m (new FW zone)

4m @ 5.13 g/t Au from 12m (new FW zone) (refer RXL ASX release 20 January 2020)

These results are interpreted to be close to true width and define a series of moderate west-dipping quartz hosted gold lodes in granite that remain open at depth and along strike (Figures 2&3). This drilling has identified new gold bearing veins which are yet to be tested both above and below the Grace Lode previously identified in recent drilling.

Gold mineralisation at the Grace Prospect is interpreted to be shear / fracture zone related occurring in the granite footwall rocks adjacent to the historically mined Youanmi gold mine sequence (Figure 3). Grades seen at Grace Prospect are high relative to historical mining grades and given the quartz hosted nature ore is likely to be free milling in nature.

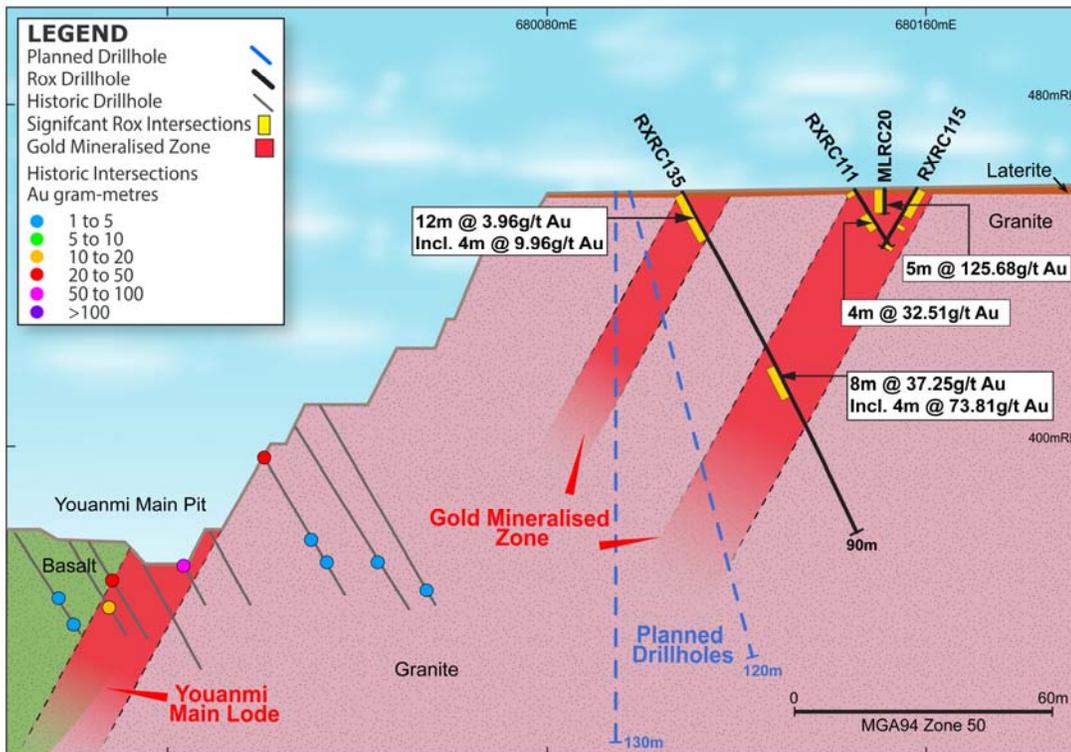
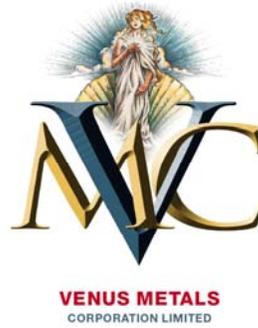


Figure 3. Cross Section through Main Pit and Grace Prospect showing depth extension and new HW mineralisation (Source: RXL ASX release 20 January 2020)



CURRANS JV

VMC and RXL jointly acquired 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 venture (ASX release 15 April 2019).

The Currans Find Mining Lease is a historical high-grade gold producer. Gold mineralization at Currans Find is hosted in multiple ENE-trending quartz veins within mafic, intermediate 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.

The initial RC drilling programs targeted shallow high-grade gold mineralization beneath historical workings at the two main gold prospects ‘Currans Find North’ and ‘Red White and Blue Workings’ and their interpreted down-plunge extensions.

CURRANS FIND NORTH GOLD PROSPECT

Previous RC drilling (3 stages) confirmed the presence of two stacked lodes at Currans North and showed an increase in gold grade and width in the Upper Lode (Figure 4).

Significant high-grade gold intersections from the Stage 1, 2 and 3 RC drilling programs (ASX releases 13 June 2019, 24 June 2019, 5 August 2019, 27 August 2019 and 5 September 2019) include:

- CFRC14 **2m @ 13.34 g/t Au** from 61m including **1m @ 25.38 g/t Au** from 61m
- CFRC16 **3m @ 27.5 g/t Au** from 39m including **1m @ 72.67 g/t Au** from 39m
- CFRC26 **3m @ 32.58 g/t Au** from 115m including **1m @ 76.03 g/t Au** from 115m
(previously reported **8m @ 7.81g/t Au** from 112m (refer ASX release 5 August 2019))
- CFRC31 **3m @ 25.00 g/t Au** from 109m including **1m @ 57.15 g/t Au** from 110m
- CFRC32 **1m @ 39.61 g/t Au** from 94m
- CFRC42 **4m @ 9.25 g/t Au** from 46m including **2m @ 16.05 g/t Au** from 48m
- CFRC46 **1m @ 13.32 g/t Au** from 110m and **2m @ 3.84 g/t Au** from 128m
- CFRC47 **4m @ 5.28 g/t Au** from 90m including **1m @15.30 g/t Au** from 92m
and **2m @ 5.05 g/t Au** from 111m

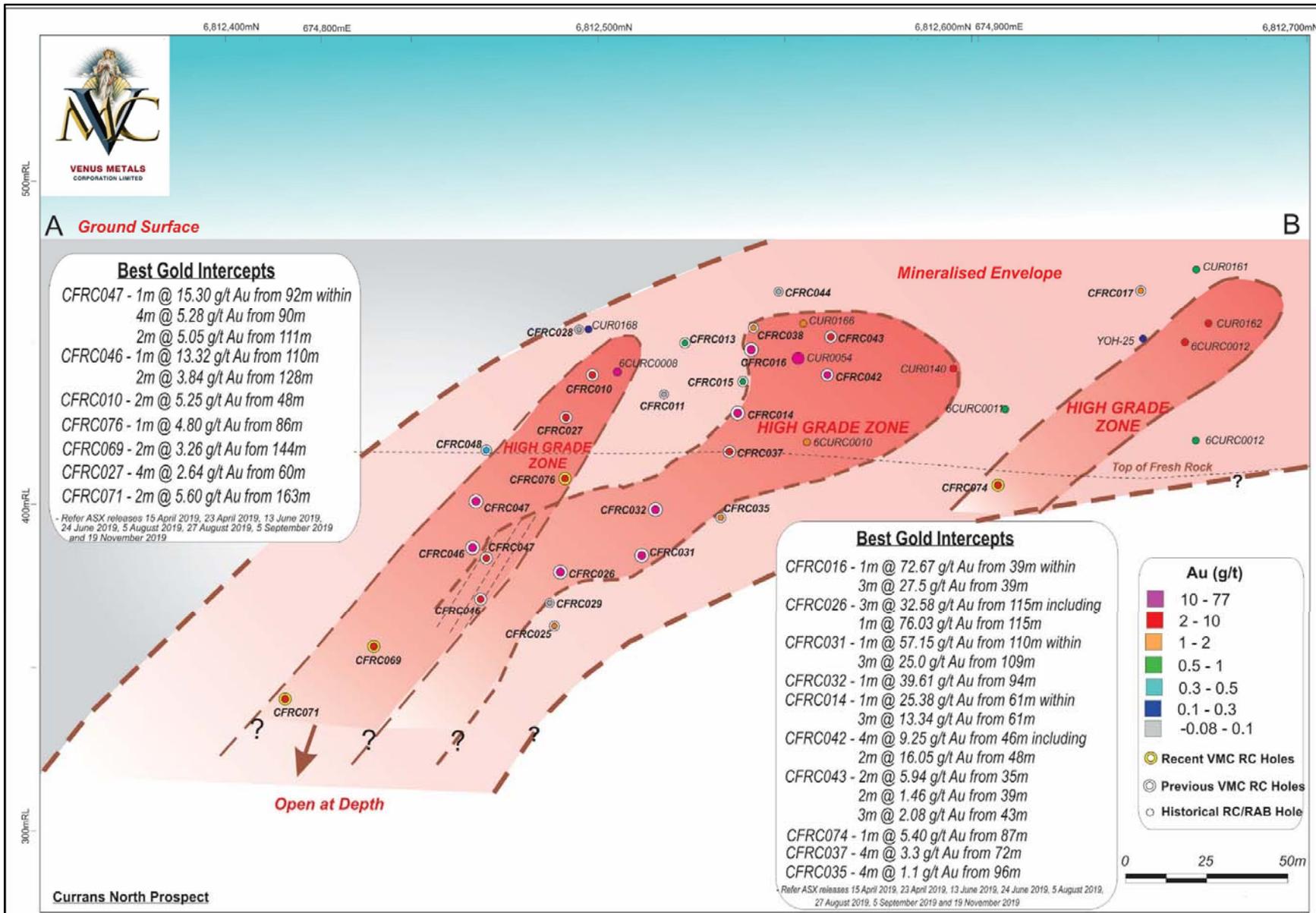


Figure 4. Interpreted Longitudinal Section showing High-grade Gold Mineralisation with best Au intercepts at Currans North



Additional RC drilling at the Currans North Prospect during the quarter extended the gold-mineralized zone (Figure 4); best results from Currans North include:

CFRC071	2m @ 5.60 g/t from 163m
CFRC074	1m @ 5.40 g/t from 87m
CFRC076	1m @ 4.80 g/t from 86m
CFRC069	2m @ 3.26 g/t from 144m

Importantly, the gold mineralization remains open at depth and warrants further drilling to target potential high-grade zones down plunge. Infill RC drilling is planned to establish indicated and measured resources for the Currans North Prospect.

RED WHITE AND BLUE GOLD PROSPECT

At the Red White and Blue Prospect, recent RC drilling (totalling 1,446 m in 15 holes; ASX release 21 November 2019) intersected multiple quartz lodes hosted in dominantly intermediate and mafic rocks. Significantly, the best intersection of **2m @ 8.35 g/t Au** in hole **CFRC051** (Figure 5) shows anomalous concentrations of copper and lead and associated pathfinder elements, a geochemical signature that is very similar to that commonly associated with high-grade and bonanza-grade gold zones at Currans North, and that is also characteristic of the gold mineralization at the historical Penny West gold mine.

Best results from the recent RC drilling at the Red White and Blue Prospect include:

CFRC051	9m @ 3.27 g/t from 35m including
	2m @ 8.35 g/t from 38m

The Red White and Blue gold lode so far only extends to a vertical depth of approximately 55m. Further RC drilling is planned to explore the down-plunge extension of the high-grade gold lode. It is also planned to test several other quartz lodes at Red White and Blue for potential high-grade gold mineralization at depth.

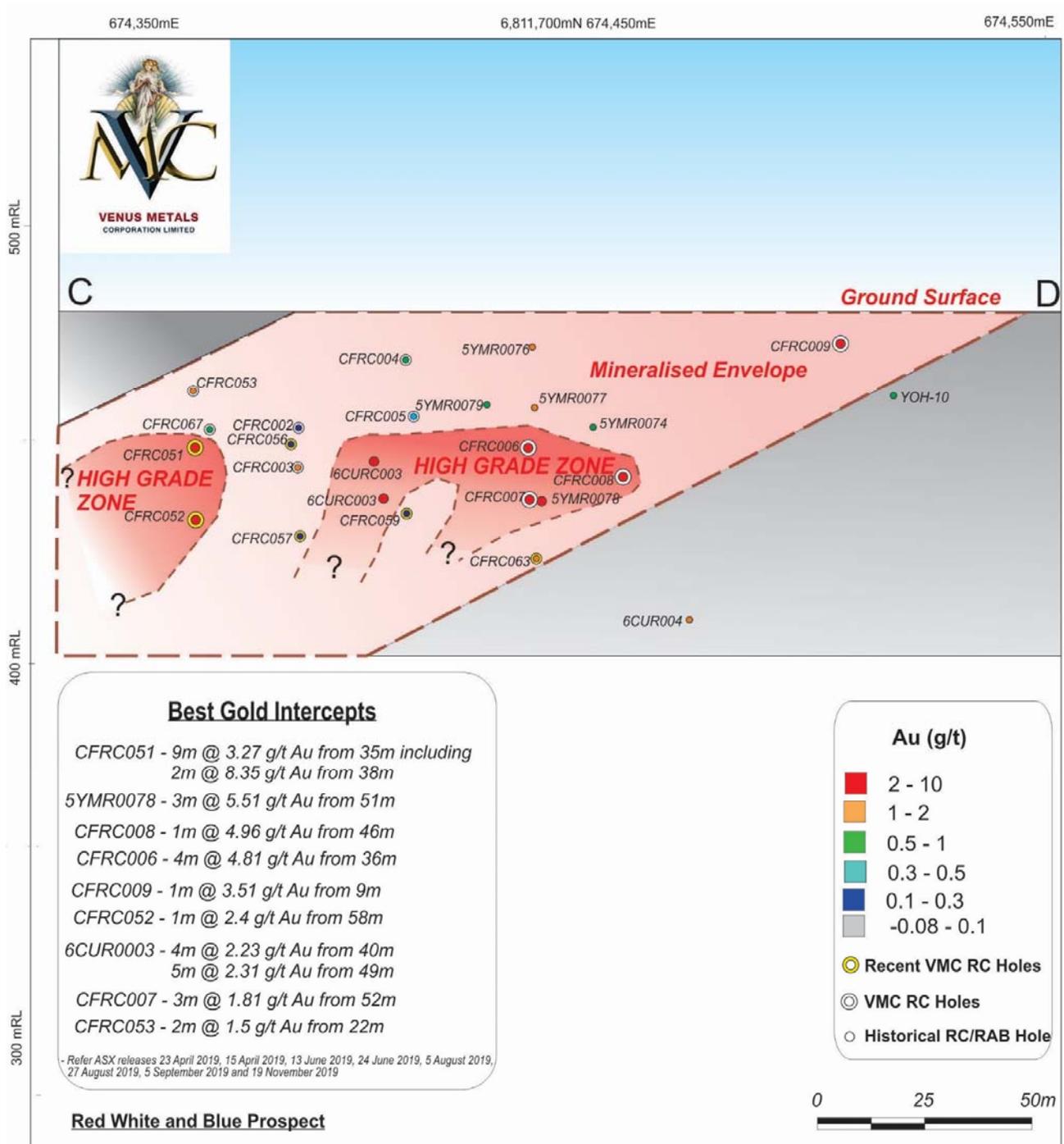


Figure 5. Interpreted Longitudinal Section showing High-grade Gold Mineralisation with Best Au intercepts at RWB Prospect



NEWLY DISCOVERED SOVEREIGN PROSPECT ALONG PENNY WEST SHEAR TARGET-VMC

Historical drilling in the Penny West Shear target area immediately north of the historical Penny West gold mine and gold prospects north of it is limited. Transported soil cover has rendered historical surface exploration mostly ineffective, hence, this area remains largely unexplored for gold. A HEM survey conducted by the Company in 2018 (see ASX release 23 March 2018) identified several HEM anomalies along the Youanmi Shear zone. Two of these EM anomalies are located within the target area and were high-priority drill targets.

An initial 5,774m air core (AC) drilling program was completed along a prominent magnetic low within Venus' JV tenement E57/1019 (refer ASX release 12 August 2019) that had been identified as a highly prospective target for Penny West-style high-grade gold mineralization.

The AC drilling discovered **two gold anomalies (max. 0.73 g/t and 0.17 g/t Au** in VRAC039 and VRAC085 respectively), spatially associated with anomalous lead concentrations of up to 0.15% and zinc concentrations of up to 0.28% in VRAC055 (Figure 6). A third gold anomaly (max. 0.16 g/t Au) in hole VRAC079 is associated with anomalous copper concentrations with a maximum of c. 0.23% copper within an interval of 24m at c. 0.1% Cu from 32m depth (refer ASX release 15 October 2019).

A follow-up AC drilling program totalling 3,131m in 61 holes explored the strike extensions of these gold - base metals anomalies and discovered **significant new gold mineralization in two holes, VRAC151 and VRAC161** (refer ASX release 4 November 2019). The strong gold mineralization in VRAC151 occurs in two separate intervals with the upper one hosted in the clay zone (potentially, after a high-MgO rock), and the lower zone being associated with sheared mafic rock and vein quartz; the AC hole was drilled to blade refusal and **the hole ended in gold mineralization of 2m @ 3.08g/t**. VRAC161 is located along a reconnaissance traverse c. 800m north of VRAC151 (Figure 7).

Significant results from this follow-up AC drilling include:

VRAC151 **4m @ 7.02 g/t Au** from 24m, and
 5m @ 2.41 g/t Au from 60m to EOH
VRAC161 **4m @ 0.94 g/t Au** from 32m

Following the discovery of significant gold mineralization at **Sovereign Prospect**, immediate follow-up drilling commenced in early November to verify gold mineralization encountered in AC holes VRAC151 and VRAC161. The drilling program comprised 3 RC holes for 310m and results from YSRC05 (refer ASX release 28 November 2019) confirm the presence of significant gold mineralization previously encountered in hole VRAC151.

YSRC05 **3m @ 6.61 g/t Au** from 78m including
 1m @ 11.61 g/t Au from 79m



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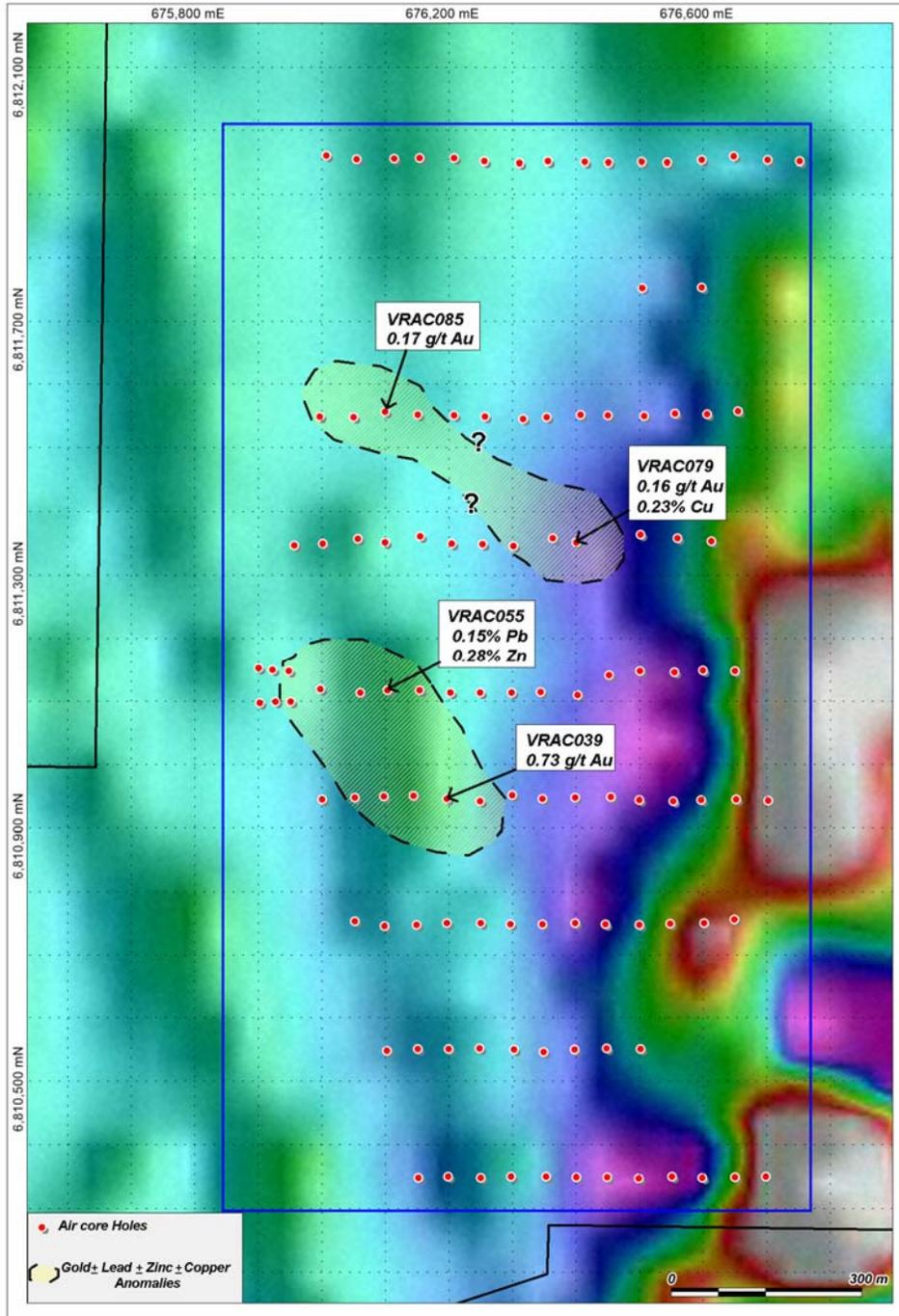


Figure 6. Air core drilling shown on regional aeromagnetic image with gold anomaly trends and specific gold and base metal anomalies.

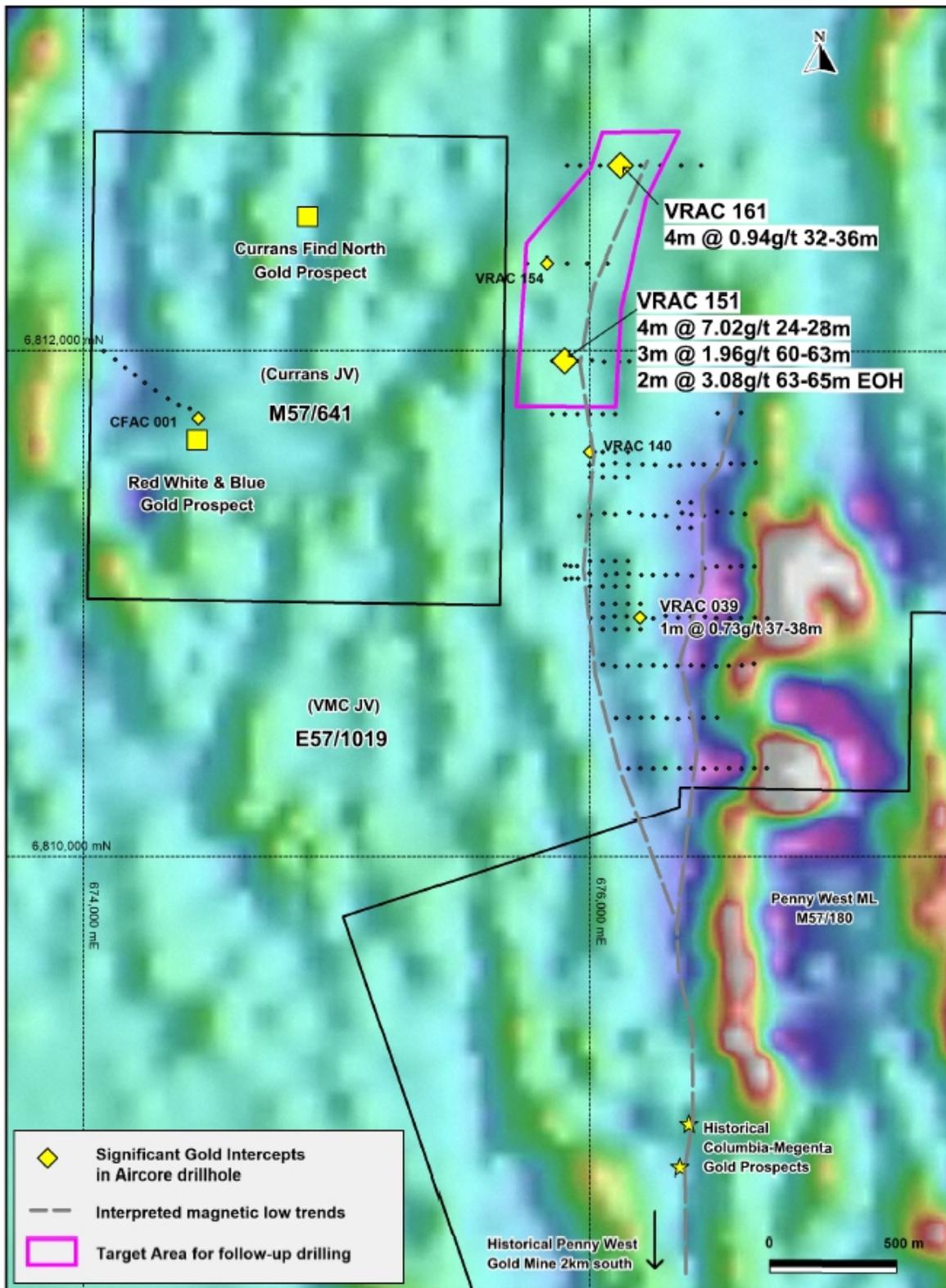


Figure 7. Location of Aircore Drillholes shown on regional aeromagnetic image

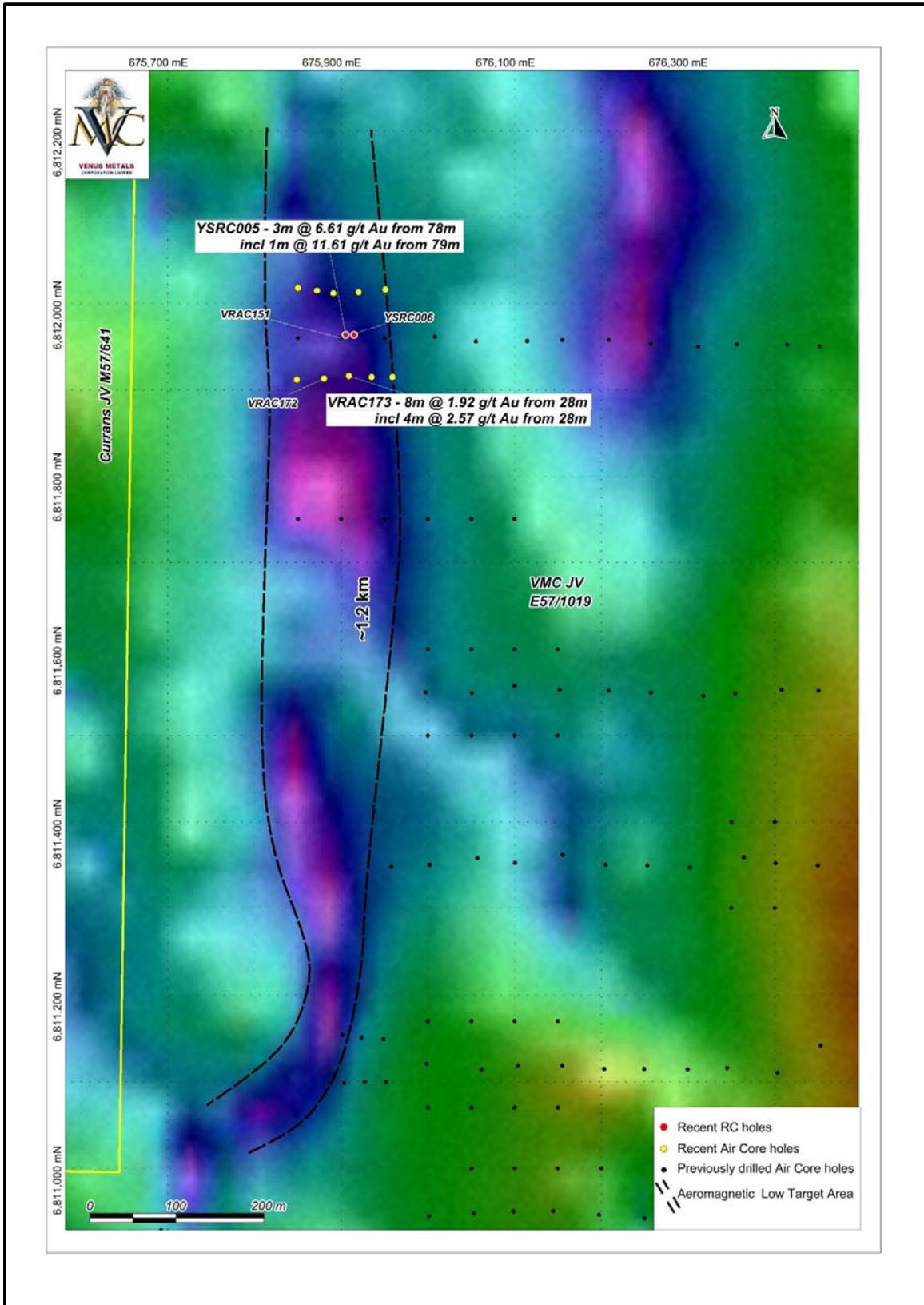


Figure 8. Location of Gold Mineralised intersections in recent RC and AC drillholes shown on detailed aeromagnetic image

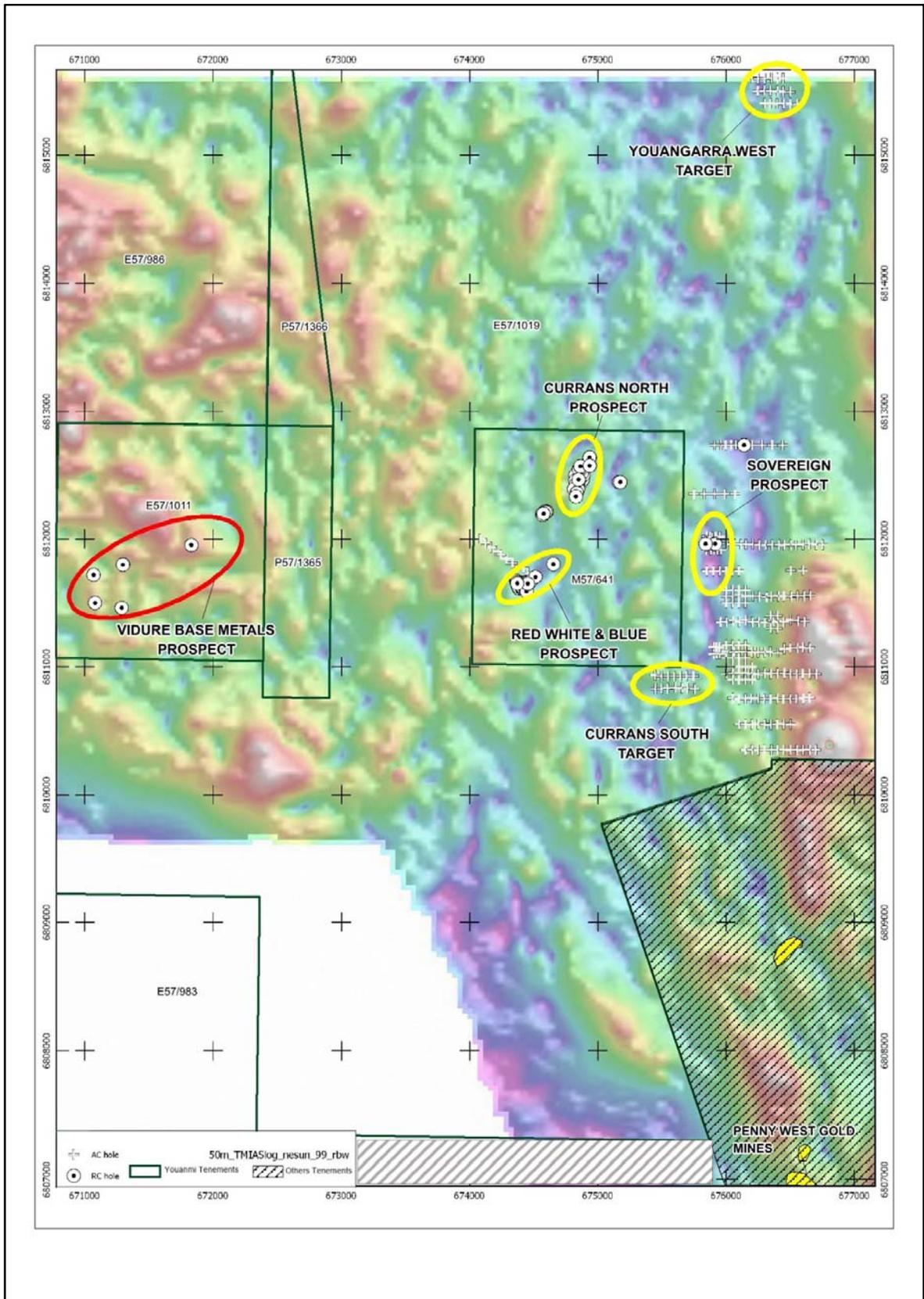


Figure 9. Youanmi Drilling Overview Map shown on detailed aeromagnetic image



In addition, ten AC holes for 716m were completed along lines 50m north and south of the initial hole VRAC151 to determine the potential strike extent and direction of the mineralized zone. Along the southern traverse, hole VRAC173 intersected gold mineralization with a best interval of **8m @ 1.92g/t** from 28m depth (Figure 8). AC holes drilled 25m to the east and to the west of VRAC173 also show anomalous gold (0.1-0.49g/t) in 4m composite samples.

The newly discovered gold mineralization at Sovereign Prospect is associated with quartz veining in dominantly mafic schist with some ultramafic rocks. The gold mineralization broadly corresponds with anomalous lead and other base metal concentrations. This is considered significant as it resembles the association of gold with base metals observed at the Currans North and Red White and Blue Prospects (both Currans Find), and the historical Penny West gold mine¹.

Follow up AC drilling is planned north and south of the gold discovery at Sovereign Prospect as soon as all statutory approvals have been received.

AC drilling in other target areas

Two other areas, Youangarra West and Currans South, were identified as prospective gold targets along the Youanmi Shear Zone and tested using AC drilling totalling 32 holes for 1,536m (Table 1 and Figure 9). The results (Table 2) show promising gold results at Youangarra West, an area approximately 3.5km north of the Sovereign Prospect, and further AC drilling is planned to define the outline of the gold mineralization and to generate potential RC drill targets.

YOUANMI BASE METALS PROJECT

VIDURE Cu-Ni-PGE PROSPECT

The Vidure prospect is part of the Company's Youanmi Base Metals Project and is within the Youanmi tenement holdings. The base metals project on E57/1011 is 90% owned by Venus with the remaining 10% owned by the Prospector.

A ground FLEM survey was commissioned over the Vidure prospect to follow up on historical EM surveys that were conducted with low-powered systems and generated poorly-constrained deeper targets that appear to represent potential down dip and down plunge extensions of the known mineralisation. The ground FLEM survey successfully identified four new EM conductors (VDEM1-4) (refer ASX release 23 October 2019) that were the target for a follow-up RC drilling programme.

Stage 1 drilling at the Vidure Prospect comprised four inclined RC holes for a total of 821 metres (VDRC001-004). Holes VDRC001, VDRC002 and VDRC004 intersected the modelled conductors with significant Cu-Ni mineralization encountered in VDRC001 and VDRC002, extending the known mineralization at Vidure by at least 100 metres to the north. The conductor tested with hole VDRC004 relates to pyrite-rich quartzite that is not anomalous in base-metals.



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Hole VDRC003 was stopped at 257m because of excess water. The hole did not reach the depth of the modelled conductor (Plate 3; 365m) but did intersect a thick zone of “Vidure-Style” ultramafic-hosted Ni-Cu mineralization at shallow depth.

Significant intersections include:

- VDRC001** 10m @ 0.46 %Cu, 0.25 %Ni from 103m,
Including 1m @ 0.89 %Cu, 0.33 %Ni from 104m,
- VDRC002** 22m @ 0.28 %Cu, 0.14 %Ni from 102m,
- VDRC003** 38m @ 0.78 g/t PGE, 0.16 %Cu, 0.25 %Ni from 20m
Including 12m @ 1.32 g/t PGE, 0.17 %Cu, 0.37 %Ni, from 45m

(refer ASX Release: 29 November 2019)

Three diamond tails were drilled at VDRC001, VDRC003 and VDRC004 for a total depth of 245.8m. Review of assays in progress.

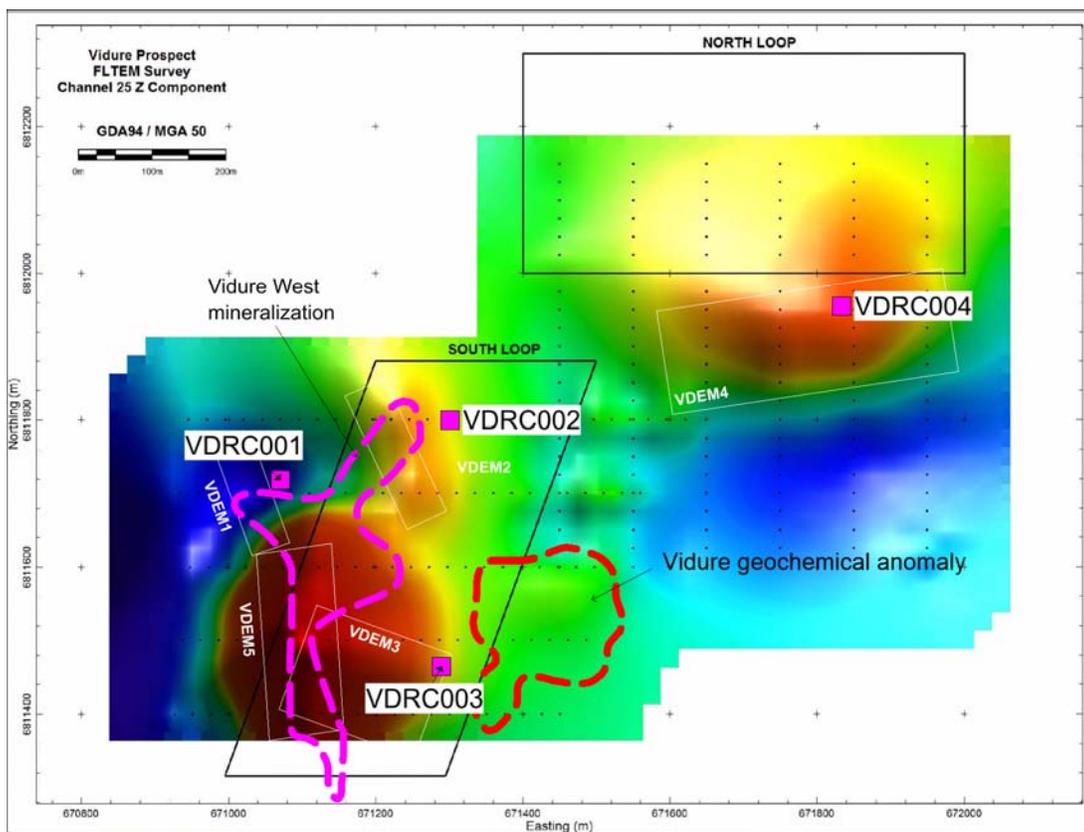


Figure 10. FLEM Channel 25 Z component image with modelled conductors (VDMEM1-5) and collars of drilled RC holes (VDRC001-004).



OPTION OVER NARDOO HILL MINERAL TENEMENT

VMC announced the grant of an option to Ascan Capital Pty Ltd to purchase Nardoo Hill mineral tenement E09 /2156, for an option fee of A\$50,000. The option period commenced on execution of the agreement and lasts 90 days and extended recently until 31 January 2020 (refer ASX releases 9 October 2019 and 8 January 2020). The Option holder has notified that they are not going to exercise their option.

DEGRUSSA NORTH COPPER-GOLD PROJECT

Company has been awarded a \$142,500 grant* under the WA Government Exploration Incentive Scheme (Co-funded Exploration Drilling Program). The grant is for drilling of previously identified promising gravity anomalies (refer ASX release 14 December 2018) at the DeGrussa North Copper-Gold Project (E52/3486 and E52/3068, both 100% Venus). Venus' project area abuts Sandfire Resources NL's high-grade DeGrussa Cu-Au mine area in the Doolgunna Region of Western Australia (Figure 11).

A high-powered ground EM survey is currently in progress to refine drill target locations. Venus looks forward to updating shareholders as exploration progresses at the DeGrussa North Copper-Gold Project.

CORPORATE

VMC entered into an underwriting agreement with Ord Minnett Limited (Ord Minnett) (Underwriting Agreement) pursuant to which Ord Minnett underwrote the Company's listed options (ASX:VMCOA) up to a value of \$5.7 million (Underwritten Amount) (refer ASX release 8 November 2019).

Subsequently, VMC issued 28,500,000 fully paid ordinary shares at a price of \$0.20 per share to Ord Minnett for the shortfall shares pursuant to the Underwriting Agreement dated 8 November 2019 between VMC and Ord Minnett (refer ASX release 9 December 2019).

Venus's cash balance as at 31 December 2019 is \$6,118,000



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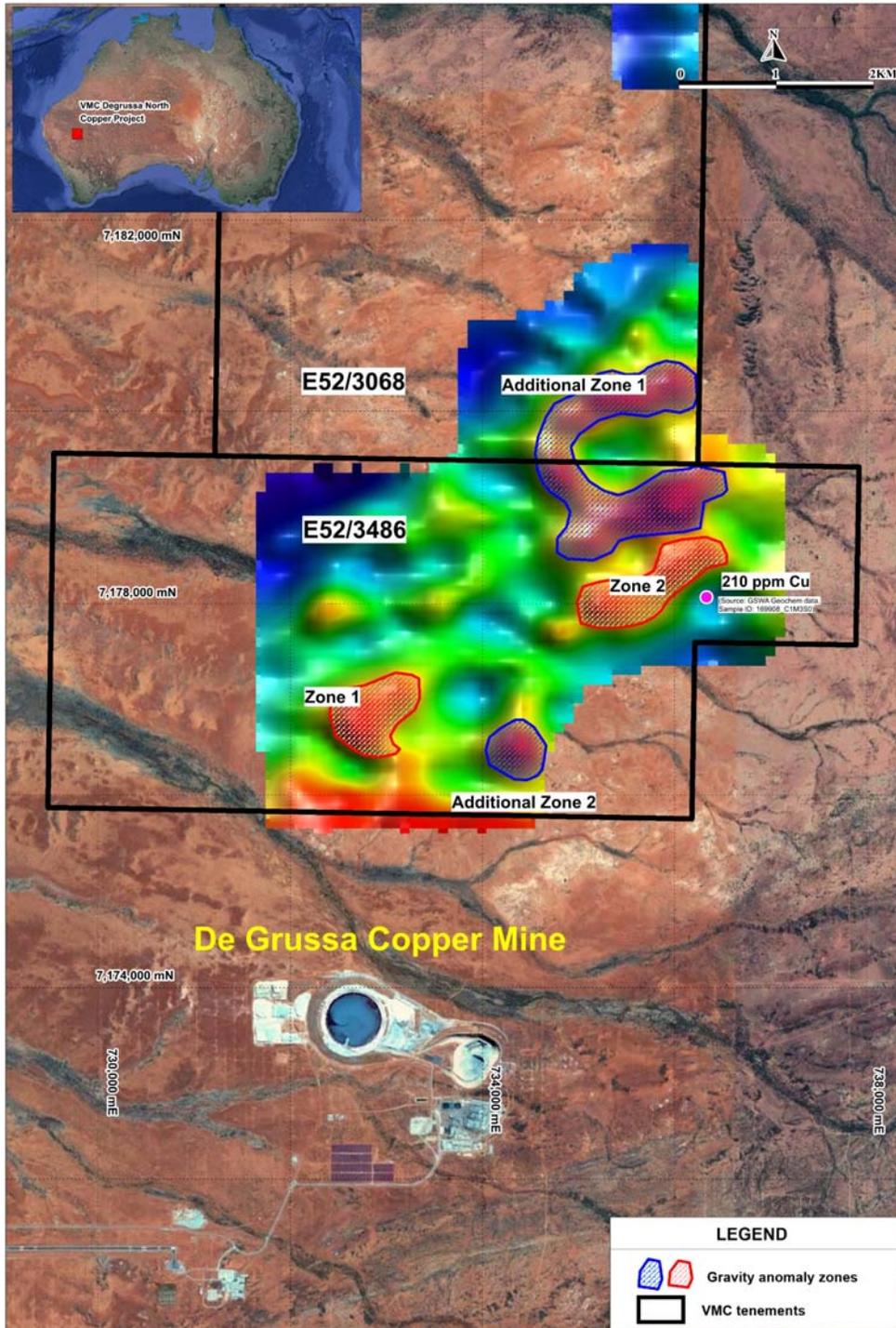


Figure 11. DeGrussa North Copper-Gold Project- Gravity Anomaly Map



References

¹Radford and Boddington, 2003. Penny West Gold Deposit, Youanmi, WA. crclme.org.au/RegExpOre/PennyWest.pdf

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 Exploration Results is based on information compiled by Dr M. Cornelius, geological consultant and part-time employee of Venus Metals Corporation Ltd, who is a member of The Australian Institute of Geoscientists (AIG). Dr Cornelius 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Cornelius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Details of Mining tenements at Quarter ended 31 December 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%	0%
E70/4814	Greenbushes East	100%	0%
E09/2156	Nardoo Hill	100%	100%
E57/1103	Youanmi East	100%	100%
M57/641	Currans Find JV	45%	45%
M57/642	Pinchers JV	45%	45%
M57/164	Youanmi ML	50%	50%
M57/165	Youanmi ML	50%	50%
M57/166	Youanmi ML	50%	50%
M57/167	Youanmi ML	50%	50%
M57/51	Youanmi ML	50%	50%
M57/109	Youanmi ML	50%	50%
M57/75	Youanmi ML	50%	50%
M57/97	Youanmi ML	50%	50%
M57/10	Youanmi ML	50%	50%
M57/135	Youanmi ML	50%	50%
M57/160A	Youanmi ML	50%	50%

Table-1. Aircore drillhole collars

Target	Hole ID	Drill type	Easting (GDA94 Z50)	Northing (GDA94 Z50)	Elevation (m)	Depth (m)	Azimuth (collar)	Dip (collar)
Youangarra West Target	VRAC178	AC	676201	6815601	480	68	270	-60
	VRAC179	AC	676251	6815597	480	61	270	-60
	VRAC180	AC	676303	6815597	480	46	270	-60
	VRAC181	AC	676353	6815600	480	40	270	-60
	VRAC182	AC	676401	6815599	480	55	270	-60
	VRAC183	AC	676445	6815598	480	57	270	-60
	VRAC184	AC	676248	6815497	480	38	270	-60
	VRAC185	AC	676295	6815502	480	46	270	-60
	VRAC186	AC	676345	6815501	480	42	270	-60
	VRAC187	AC	676399	6815499	480	52	270	-60
	VRAC188	AC	676445	6815495	480	55	270	-60
	VRAC189	AC	676500	6815493	480	57	270	-60
	VRAC204	AC	676301	6815404	480	19	270	-60
	VRAC205	AC	676346	6815404	480	44	270	-60
	VRAC206	AC	676396	6815399	480	43	270	-60
	VRAC207	AC	676448	6815401	480	62	270	-60
	VRAC208	AC	676501	6815399	480	64	270	-60
VRAC209	AC	676558	6815398	480	66	270	-60	
Currans South Target	VRAC190	AC	675450	6810828	480	42	270	-60
	VRAC197	AC	675445	6810934	480	44	270	-60
	VRAC198	AC	675496	6810928	480	47	270	-60
	VRAC199	AC	675550	6810927	480	55	270	-60
	VRAC200	AC	675597	6810926	480	42	270	-60
	VRAC201	AC	675645	6810927	480	48	270	-60
	VRAC202	AC	675692	6810929	480	47	270	-60
	VRAC203	AC	675746	6810927	480	39	270	-60
	VRAC191	AC	675497	6810829	480	45	270	-60
	VRAC192	AC	675546	6810831	480	43	270	-60
	VRAC193	AC	675604	6810836	480	52	270	-60
	VRAC194	AC	675656	6810834	480	49	270	-60
	VRAC195	AC	675702	6810833	480	33	270	-60
	VRAC196	AC	675755	6810827	480	35	270	-60

Table 2. Aircore Assays

Target	Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)
Youangarra West	VRAC178	16	20	4	0.10
	VRAC207	56	60	4	0.50

All 4m intervals with >0.10 g/t Au

Appendix-1

JORC Code, 2012 Edition – Table 1

Youanmi Gold Project

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 32 air core (AC) holes for 1536m were completed as part of this program. Composite samples were collected for four-metre intervals by combining sub-samples taken from drill spoil representing individual one-metre intervals. Sampling was by using a plastic sampling spear to take two scoops from each drill spoil pile on the ground.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> AC drilling was used to obtain one-meter samples that were passed through a cyclone and collected in a bucket which was then emptied on the ground.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The sample recovery was visually assessed. The recovery was considered normal for this type of drilling and samples were generally dry due to minimal groundwater. All AC holes were drilled to blade refusal.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support 	<ul style="list-style-type: none"> A qualified geologist logged all holes in full and supervised the sampling.

Criteria	JORC Code explanation	Commentary
	<p>appropriate Mineral Resource estimation, mining studies and metallurgical studies.</p> <ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Small sub-samples were washed and stored in chip trays for reference. Photographs were taken of all chip trays.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The AC samples were collected using a cyclone attached to the drill rig. The sample material was emptied on the ground and a 400-500g sub-sample taken from each one-metre interval using a sampling spear. Sub-samples for four consecutive meters were placed in a numbered calico bag. All AC samples were analysed at a Perth laboratory using an aqua regia digest on a 10g sample followed by an ICPMS-OES finish for gold and a suite of base metal and pathfinder elements. Sample preparation included sorting, drying and pulverizing (85% passing 75 µm) in a LM5 steel mill.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Quality control procedures include certified reference materials and/or in-house controls, blanks, splits and replicates. All QC results are considered satisfactory. The near-total digest and analytical method used (AR ICPMS OES) are considered adequate for a reconnaissance AC program.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No independent verification of sampling and assaying has been carried out.
Location of data points	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> AC drill collars were located using a handheld GPS with an accuracy of +/- 4m. Grid systems used were geodetic datum: GDA 94, Projection: MGA, Zone 50. Due to the relatively flat nature of the terrain, topographic control was not

Criteria	JORC Code explanation	Commentary
	<i>control.</i>	deemed necessary at this stage.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • AC drilling was on lines approximately 100 to 200m apart, with holes approximately 50m spaced along lines. • The AC drilling was of a reconnaissance nature, designed to test for gold and base metal geochemical signatures in the regolith. • The drilling was not designed for mineral resource calculation.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • AC drilling was inclined at -60°; for collar details see Table 1. • The drilling was approximately perpendicular to the general strike of the lithology in the area as indicated by the GSWA 100k mapping but due to variable dips and strikes, reported intervals are not necessarily representative of true widths.
<i>Sample security</i>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • All drill samples were transported directly to the Perth laboratory in plastic bags closed with cable ties and inside large Bulka bags.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits or reviews have been carried out to date.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • E57/1019 is held by Venus Metals Ltd and is part of the Venus Joint Venture (VMC 50% and RXL earning 50% (gold rights only). • To the best of Venus' knowledge, there are no known impediments to operate on E57/1019 as Manager of the JV.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Historical work in the general area was by WMC in the 1970s followed by Consolidated Goldfields and Carpentaria Exploration, Newmont Pty Ltd, Dampier Mining Company Limited (later BHP) with ICI as manager. CRA carried out further work. Eastmet (later Gold Mines of Australia) continued exploration in the 1990s, followed by Goldcrest (formerly Goldcrest Mines Limited). Despite significant regional work in the past, very little drilling was carried out in the area tested by the AC program.

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • This reconnaissance drilling program targeted Archean lode gold associated with quartz veining and sulphide, hosted in shear zones within a structurally controlled setting potentially similar to that at the historical Penny West Gold mine c. 4 to 5km to the south.
Drill hole Information	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • For drill collar information refer to Table 1. • All assay results in composite intervals referred to in this announcement are listed in Table 2. • All drill hole locations are shown on Figure 9
Data aggregation methods	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • All analytical results (>0.1g/t Au) are reported in Table 2. • Average grades on the front page are based on the interval lengths and grades listed in Table 2. • No upper cut-off has been applied.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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’).</i> 	<ul style="list-style-type: none"> • The AC drilling was of a reconnaissance nature only. • Reported downhole lengths and intervals may not represent true widths due to the variable and uncertain dip of the lithology.
Diagrams	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should</i> 	<ul style="list-style-type: none"> • Plans are attached to the report (Figure 9)

Criteria	JORC Code explanation	Commentary
	<i>include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • All analytical results (>100ppb Au) are reported in Table 2.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • The main part of the AC drilling program targeted an area located along strike from the high-grade Penny West gold mine some 4km to the south. Other gold prospects (Magenta-Columbia) are located less than 2km to the south. Both, the historical Penny West mine and the Magenta-Columbia prospects, are situated along an aeromagnetic feature that trends north and was specifically tested by this AC program.
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Follow-up AC drilling along strike of the reported gold-mineralized AC hole is planned.

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

99 123 250 582

Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	232	755
1.2 Payments for		
(a) exploration & evaluation	(637)	(1,195)
(b) development	-	-
(c) production	-	-
(d) staff costs	(205)	(456)
(e) administration and corporate costs	(576)	(944)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other -GST	(46)	(50)
1.9 Net cash from / (used in) operating activities	(1,231)	(1,889)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(35)
(b) tenements	-	-
(c) investments	-	(535)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	14
	(b) tenements	55	55
	(c) investments	574	1,997
	(d) other non-current assets	-	-
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	629	1,496

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	5,700	6,900
3.2	Proceeds from issue of options	-	-
3.3	Proceeds from exercise of share options	270	270
3.4	Transaction costs related to issues of shares, convertible notes or options	(855)	(855)
3.5	Proceeds from borrowings	-	-
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	5,115	6,315

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,605	196
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,231)	(1,889)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	629	1,496
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,115	6,315
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,118	6,118

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	6,118	1,605
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)	6,118	1,605

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	107
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	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	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	200
9.2 Development	-
9.3 Production	-
9.4 Staff costs	200
9.5 Administration and corporate costs	300
9.6 Other – R&D Tax Offset	(228)
9.7 Total estimated cash outflows/(inflows)	472

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:
(Company secretary)

Date: 31/01/2020

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.