



ASX Release: 31 October 2017

ASX Code: VMC

**Venus Metals
Corporation Limited**
ACN 123 250 582

CORPORATE DIRECTORY

Mr Matthew Hogan
Non-Executive Chairman

Mr Kumar Arunachalam
Chief Executive Officer

Mr Terence Hogan
Non-Executive Director

CAPITAL STRUCTURE
Issued Shares (ASX: VMC):
76,764,693

Issued Options (ASX: VMCOA):
31,449,491

Market Cap: \$7.29 million

CONTACT DETAILS

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**QUARTERLY REPORT
FOR PERIOD ENDING 30 SEPTEMBER 2017**

Venus Metals Corporation Limited's activities conducted during the quarter ending 30th September 2017 include

Youanmi Gold Project:

- Exploration targeting identified **five significant gold targets** (Pincher Hill area and Youanmi North) within **the highly prospective/mineralised Youanmi Shear Zone** and structural splays in the Youanmi Greenstone Belt of Western Australia (Figure 1).
- High-grade gold ('Au') has been intersected in a number of drill holes completed by previous explorers at Pincher Hill including:

PWP 577² 6m @ 11.15 g/t Au from 36m
Incl. 2m @ 23 g/t Au from 38m

PWP 393³ 3m @ 10.43 g/t Au from 56m
PW 096¹ 1m @ 26.3 g/t Au from 5m
and 2m @ 18.45 g/t Au from 16m

(refer ASX release 25 August 2017)

- These high-grade gold intersections have yet to be followed up and tested utilising modern exploration methods. Venus is planning an aggressive exploration programme to test these high-grade gold targets including IP, EM and RAB /RC drilling.

Pincher Well (Youanmi) Zinc-Copper Project:

- The 2nd phase of drilling was completed which comprised of 10 RC holes for total 945m (Figure 3). Out of 10 RC holes, 4 holes partially tested a high chargeability IP anomaly at North Dome's southern extensions and remaining 6 holes were vertically infill drilled to understand the structural disposition of the Zn-rich orebody within North Dome.
- The 4 drillholes at Southern extensions recorded anomalous Zn mineralisation and also **intersected Au within the thick sulphide rich zone in VPW70 (3m @ 2.08g/t Au from 87m).**
- The 6 vertical infill drilling intersected variable thickness and grades of the Zn mineralisation including **1m @6% Zn, 2% Pb and 1.31g/t Au from 85m in VPW 78.**
- The phase 2 infill drilling at North Dome confirms folded and highly structurally controlled nature of the Zn mineralisation as reported in historical drilling.
- A close spaced EM survey is planned to define the spatial and structural disposition of Zn ore body before next drilling phase.

Lithium-Tantalum Projects:

- A reconnaissance geological mapping and surface sampling at Greenbushes East, Pilgangoora East-Wodgina South Li-Ta projects are in progress.



The exploration activities conducted by Venus Metals Corporation Limited (VMC) during the quarter ending 30th September 2017 are as detailed below:

1.0 YOUANMI GOLD PROJECT

The Youanmi Shear Zone is located 600km north-north east of Perth and forms part of Venus Youanmi gold & base metal project. The Venus tenements, E57/986, E57/1019, E57/1018, E57/1023 and E57/985 cover the 26 km of the Youanmi Shear Zone. This highly prospective, gold rich, structural trend runs entirely within the Venus tenement package, on the Youanmi Greenstone Belt in the Yilgarn Craton of Western Australia. The Youanmi region is well serviced by significant infrastructure associated with historical mining operations in the region including those at Windimurra, Youanmi and Sandstone.

Work carried out during the current quarter at Youanmi includes:

- A review of the historical data has identified three major highly potential gold targets (Pincher North, Pincher Hill and Pincher South) at Pincher Hill and two additional gold targets (Youanmi North 1 & 2) within the Venus Youanmi tenements E57/986, E57/1019 and E57/985 respectively (Figure 1).
- The significant high-grade gold intersections at Pincher North, Pincher Hill and Pincher South include:

PWP577² 6m @ 11.15g/t Au from 36m including 2m @23g/t Au from 38m;

PWP 393³ 3m @ 10.43g/t Au from 56m including 2m@12.8g/t Au from 56m;

PW 096¹ 1m @ 26.3 g/t Au from 5m and 2m @ 18.45 g/t of Au from 16m;

PW 026¹ 2m @ 6.0 g/t Au;

PW0062² 2.71m @ 5.60g/t Au from 128.78m

The best gold intersections in historical drill holes at Youanmi North 1& 2 (Figures 2a and 2b) include:

YUR391⁵ 8m @ 1.31 g/t Au form 48m including 4m@1.98g/t Au from 48m;

YUR044⁶ 4m@1.85g/t Au from 16m including 1m @ 3.11g/t Au from 19m.

A number of RC holes recently completed at the Pincher Well Zinc prospect have also returned anomalous gold values >1g/t (Refer ASX release 25th August 2017).



2.0 PINCHER WELL (YOUANMI) ZINC-COPPER PROJECT

The Pincher Dome VMS Trend covers more than 5 kilometres of strike and hosts a number of known zinc and copper prospects including the Linda & Franca Gossans and a substantial body of zinc mineralisation at North Dome.

A review of the exploration data, and Phase 1 IP survey, over the North Dome area resulted in a reconnaissance drilling program over the IP anomaly which confirmed the presence of the significant wide intercepts of zinc mineralisation within the shallow 'up-dip' extensions of the North Dome zinc-copper prospect (*refer ASX announcement 27th April 2017*).

The successful drilling resulted in a second phase of IP, targeted south of the previous surveyed lines, with further lines on 200 m spacing. The survey was completed by Vortex Geophysics with outstanding results, as interpreted by Core Geophysics (*refer ASX announcement 29th May 2017*). The 2nd phase of IP surveying has confirmed the shallow 'up-dip' southern extensions of the North Dome high-grade zinc mineralisation. The chargeability recorded in recent IP survey along line 6821500N is stronger than the previous IP survey results and extends the anomaly an additional 400m to the south (*refer ASX announcement 31st July 2017*).

Work carried out during this quarter at Pincher Well includes

- **Phase 2 RC drilling**

The recently completed Phase 2 drilling comprises 10 RC holes for a total depth of 945 m. The Phase 2 drilling focused mainly on two aspects; partial testing of high chargeability IP anomaly by 4 RC holes at the southern extensions of the North Dome and infill vertical drilling of 6 RC holes in the North Dome area to understand the structural disposition of Zn mineralisation. The details of RC drill hole collar and assay results are given in Tables 1a and 1b and JORC Table-1. The location of drill holes are shown in Figure 3.

Out of 4 drill holes drilled to test the IP anomaly (of Phase 2 IP survey), one RC hole (VPW 70) also **intersected anomalous gold mineralisation** (3m of 2.08g/t Au from 87m) in the thick sulphide rich zone. The remaining drill holes intersected anomalous grades of Zn mineralisation but suggest that drilling may be along the fringes of the southern extension of the Zn ore body.

The vertical 6 RC drill holes were also drilled and intersected variable thickness of Zinc mineralisation including **1m @ 6% Zn, 2% Pb and 1.31g/t Au from 85m in VPW 78**. These infill drill holes were vertically drilled in contrast to Phase 1 oriented drilling (@270° azimuth, -60° dip) to understand the



structural controls over Zinc mineralisation. The drilling results indicate that there can be significant variation in the intercepted grades and thickness of the zinc mineralisation at Pincher Well, which may be attributed the structural architecture of the mineralised system.

The drilling confirmed mineralisation to be pre-deformational and consequently the variation in thickness of the mineralisation is ascribed to the folding resulting from the prevalent deformation. The highly folded nature of the rocks (steeply to gentle dipping formations), a significant part of which is undercover, has been inferred based on analysis of the current drilling and inferences made from historical reports.

During current drilling program, along the assumed dip of the folded limbs, often resulted in the intersection of same lithological formations but on the fringes of the mineralized horizon, often resulting in significant grade variation.

A close spaced electromagnetic survey and structural analysis is planned to define all major structural features as well as structural disposition of the high-grade ore body.

4.0 LITHIUM PROJECTS

GREENBUSHES EAST LITHIUM PROJECT

Venus ELs 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. An evaluation of Venus Metals Greenbushes project has delineated a number of priority targets within the tenement area.

Work carried out during this quarter at Greenbushes includes:

- A broad potassic rich area (>9 km²) was identified from regional radiometric data (in E70/4810) which is located south east of Talison Lithium's world-class Greenbushes Lithium-Tantalum mine (*refer ASX release 26th June 2017*).
- A Reconnaissance geological mapping and surface sampling is currently in progress.

PILGANGOORA EAST- WODGINA SOUTH (PILBARA) LITHIUM PROJECT:

The Pilgangoora Northeast Project (E45/4630 & E45/4684) now covers over 350km² and is located 72km to the southeast of Port Headland in the Pilbara region of Western Australia and lies to the northeast of Pilbara Minerals Pilgangoora project area which hosts a substantial lithium-tantalum



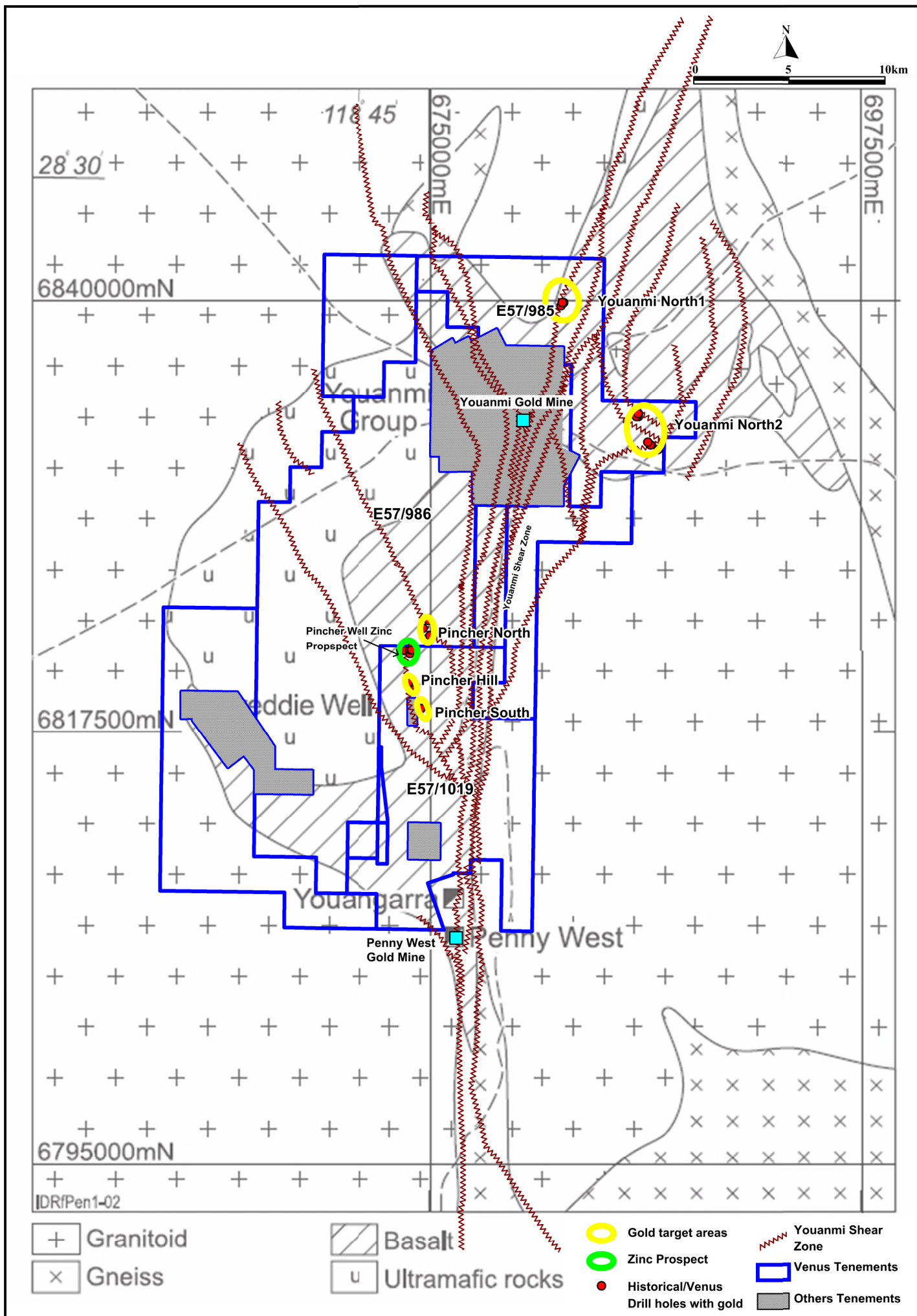
resource. Initial reconnaissance survey by Venus, shows the presence of extensive granitic and pegmatitic stratigraphy (in particular two large target areas) with strong spatial similarities to the lithium-tantalum mineralisation reported by Dakota Minerals Ltd at Lynas Find (*ASX releases 11 July 2016 and 9 September 2016*).

The Wodgina South (Stannum) Project is composed of two tenements (E45/4627 and P45/3004) covering more than 100 km². The project is located 98 km to the south of Port Headland. The tenement areas contain outcropping pegmatitic stratigraphy, the host rock for lithium-tantalum mineralisation in the region. Geological mapping and reconnaissance sampling across three identified target areas has returned a significant number of surface samples hosting anomalous lithium oxide (Li₂O) up to 0.66% associated with pegmatite and their host stratigraphy (*refer ASX release 11 July 2016*).

Recent interpretation of regional geophysical data (aeromagnetic & radiometric) over Pilgangoora East and Wodgina South has identified a number of potassic-rich, pegmatite target areas (*refer ASX Release 26 June 2017*).

Work carried out during this quarter at Pilbara East Li-Ta Project:

- Lithium Australia NL (under MoU) is currently conducting a reconnaissance geological mapping and surface sampling to refine the target locations for drilling at Pilgangoora East and Wodgina South tenements.



Source map: Modified from Nigel et al, 2003, Penny West Gold Deposit, Youanmi, CRC LEME publication

Figure 1. Location of Youanmi high grade gold targets

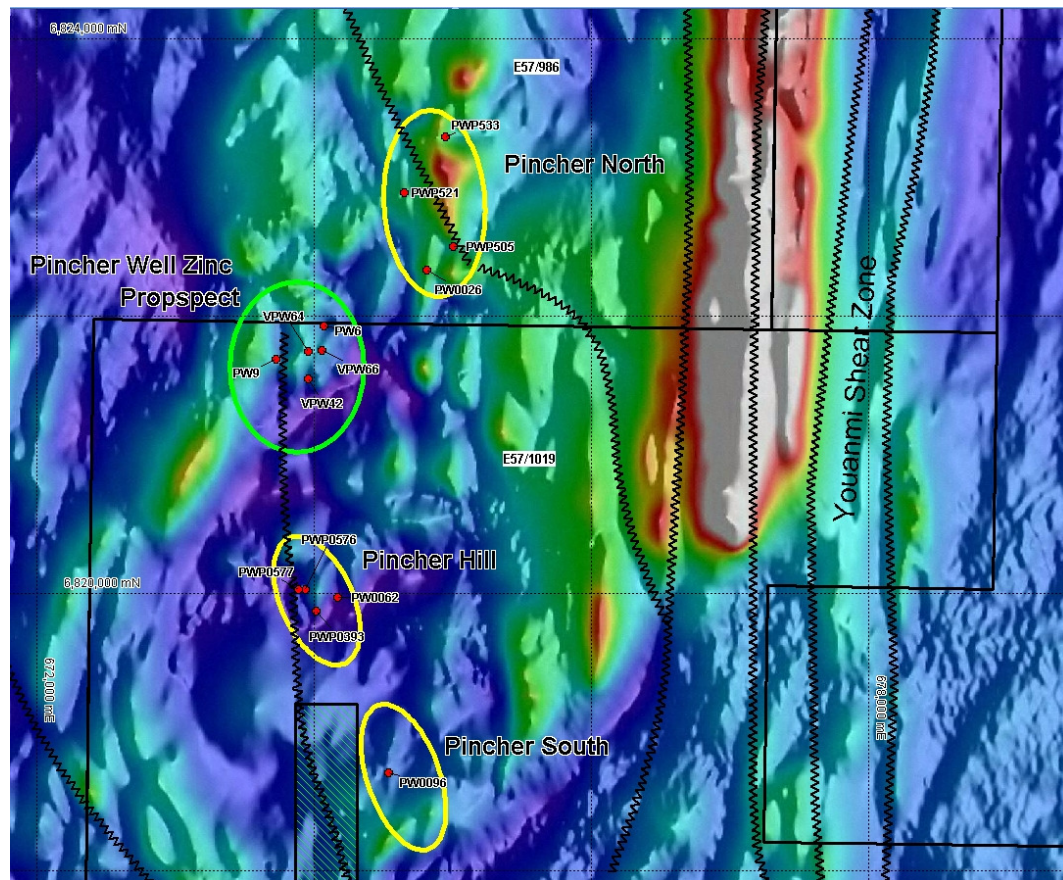


Figure 2a. Location of Historical drillholes with gold mineralisation and target areas at Pincher Hill shown on Regional aeromagnetic anomaly image

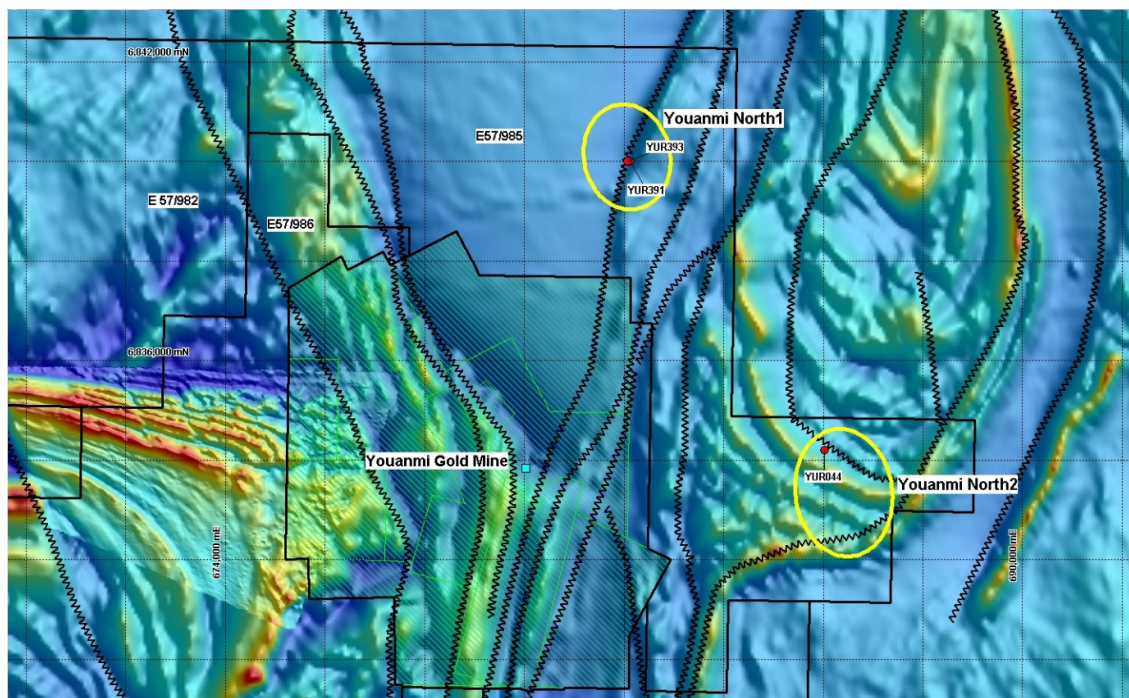


Figure 2b. Location of Historical drillholes with gold mineralisation and target areas at Youanmi North shown on Regional aeromagnetic anomaly image

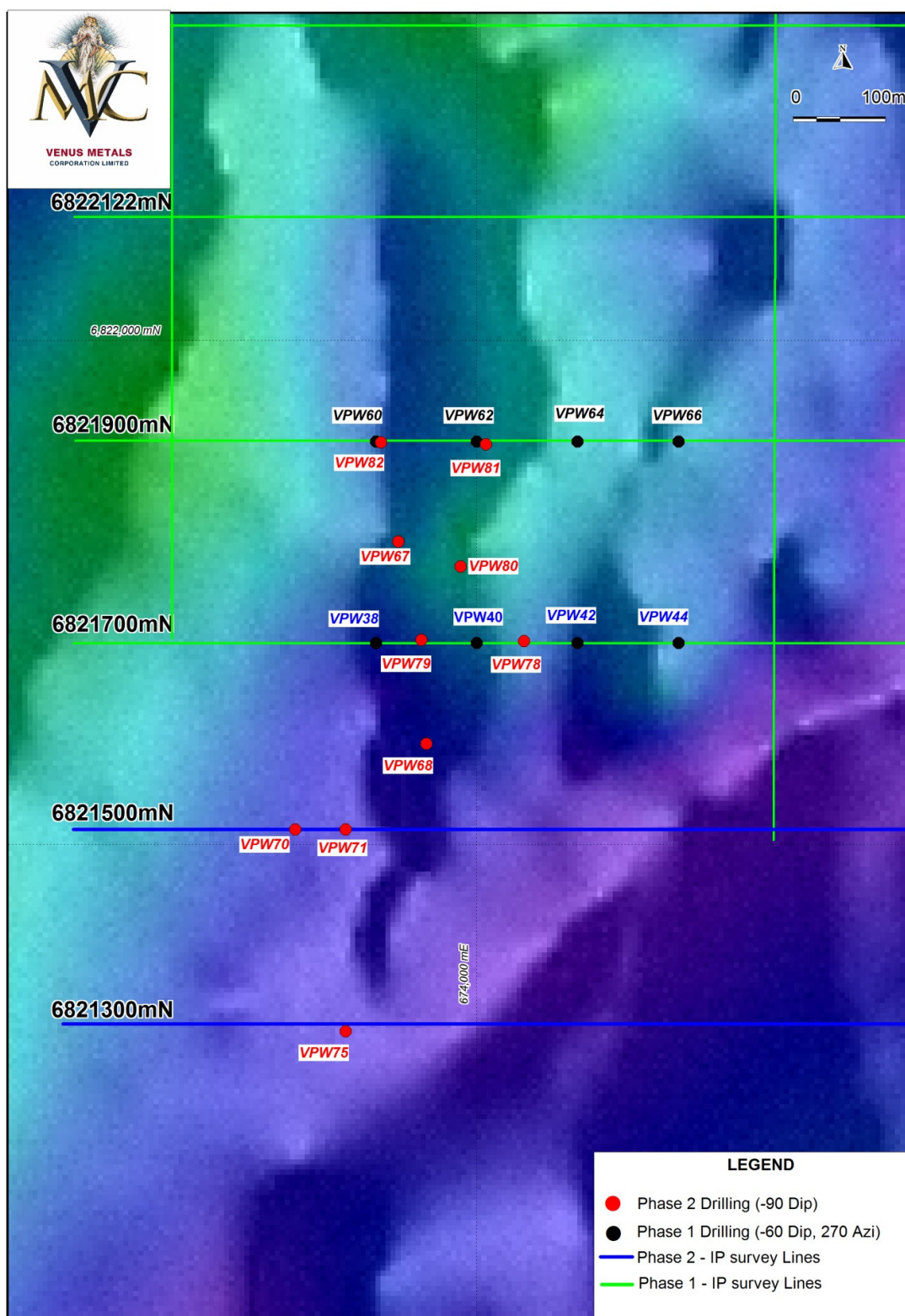


Figure 3. Location of Phase 1 and Phase 2 RC Drillholes at Pincher Well



Bibliography

1. WAMEX Report A66606, 2003, *Pincher Hill Project Annual Report*, Snowpeak Nominees Pty Ltd
2. WAMEX Report A16704, 1985, *Gold Exploration in E57/23 Pincher Well*, BHP
3. WAMEX Report A16703, 1985, *Mapping and Bedrock Geochemistry PW62-PW17 Area Pincher Well*, BHP
4. WAMEX Report A42431, 1994, *Pincher Mapping Project Progress Report*, Gold Mines of Australia Limited
5. WAMEX Report A76122, 2007, *Annual Report*, La Mancha Resources Australia Pty Ltd (formerly Mines and Resources Australia Pty Ltd)
6. WAMEX Report A97579, 2013, *E57/524 Final Surrender Report*, Empire Resources Ltd
7. WAMEX Report A69231, 2004, *Youinmery Project Annual Report*, Mines and Resources Australia Pty Ltd
8. WAMEX Report A88022, 2010, *Annual Report*, La Mancha Resources Australia Pty Ltd

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, 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources 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.

Table 1a. Pincher Well Phase-2 RC drill hole collar

HoleID	East_MGA94	North_MGA94	RL	Depth_m	Azi	Dip
VPW67	673922	6821800	478.53	96	0	-90
VPW68	673950	6821600	482.37	100	0	-90
VPW70	673820	6821515	483.3	102	0	-90
VPW71	673870	6821515	484.01	120	0	-90
VPW75	673870	6821315	475.94	130	0	-90
VPW78	674047	6821702	477.92	100	0	-90
VPW79	673945	6821703	483.69	78	0	-90
VPW80	673984	6821776	480.51	100	0	-90
VPW81	674009	6821897	471.55	96	0	-90
VPW82	673905	6821899	471.11	96	0	-90

Table 1b. Pincher Well Phase-2 RC drill holes with anomalous Zn and Au

Hole ID	From_m	To_m	Zn_ppm	Au_ppm	Au(R) _ppm	Ag_ppm	Cu_ppm	Pb_ppm	S %	As_ppm
VPW71	45	48	1250	0.03			200	300	0.08	
VPW71	48	51	1840	0.02		6	115	135	0.05	
VPW71	51	54	1430	0.02		5	160	90	0.05	
VPW71	54	57	895	0.04		9	760	350	1.55	
VPW71	57	60	1010	0.04		5	520	290	1.64	
VPW70	57	60	1120	0.02		9	95	765	1.79	
VPW70	63	66	1470	0.03			70	740	1.19	
VPW70	66	69	1080	0.03			65	575	0.62	
VPW70	87	90	5380	1.85	2.08	6	400	490	2.37	
VPW70	90	93	1910	0.85	0.59		190	20	1.44	
VPW70	93	96	1030	0.29			250		2.12	
VPW70	96	99	2560	0.18			75	25	0.21	
VPW70	99	102	1110	0.01			25		0.07	
VPW68	36	38	120	0.09		16	3600		2.81	
VPW68	50	52	2250	0.04			325	150	0.26	
VPW68	52	54	3840	0.01			775	70	0.21	
VPW67	56	57	10600	0.11			340	45	3.04	
VPW67	57	58	37100	0.4	0.46		420	55	4.48	
VPW67	58	59	2310	0.13		5	920	100	>10	35
VPW67	59	60	7480	0.04			65	1930	2.46	
VPW67	60	61	1380	0.03			80	895	3.37	
VPW67	61	62	13200	0.06		6	425	190	5.31	
VPW67	62	63	7910	0.18		7	70	195	0.19	
VPW67	63	64	6230	0.03			85	80	0.36	
VPW67	64	65	6650	0.01		7	70	60	0.24	
VPW67	65	66	1120	0.03		7	40	55	0.26	
VPW67	69	72	2120			7	55	50	0.43	
VPW67	72	75	1130	0.04			145	65	1.9	
VPW67	84	85	1860	0.02			345	65	1.81	35
VPW67	85	86	3130	0.05			670	30	4.32	40
VPW67	86	87	8150	0.02			195	70	1.23	
VPW78	58	59	2310	0.24			220	75	2.95	
VPW78	59	60	7980	0.17	0.17		235	40	2.97	
VPW78	63	64	3170	0.06			85	40	0.5	
VPW78	64	65	1000	0.02			50		0.17	
VPW78	65	66	785	0.81	0.81	29	105	175	1.51	
VPW78	67	68	1790	0.04			125	40	1.95	
VPW78	68	69	18500	0.05			180	25	2.84	
VPW78	69	70	19500	0.06			245	40	4.14	
VPW78	70	71	10300	0.05			285	55	3.85	
VPW78	71	72	3480	0.04			205	60	2.68	
VPW78	72	73	2670	0.07			255	50	3.42	
VPW78	73	74	1980	0.05			200	105	3.18	
VPW78	74	75	1800	0.1			1010	175	>10	30
VPW78	77	78	4910	0.24		5	1130	185	>10	
VPW78	78	79	540	0.44			845	125	>10	
VPW78	79	80	400	0.39	0.35		605	275	4.94	
VPW78	80	81	1140	0.13			410	345	6.34	
VPW78	81	82	450	0.26			695	195	9.44	
VPW78	83	84	1260	0.13			670	285	8.36	40
VPW78	84	85	7770	0.15			610	370	>10	
VPW78	85	86	60100	0.88	1.31	36	2150	21300	>10	
VPW78	86	87	3210	0.23		5	585	1170	>10	
VPW79	48	49	1180	0.02			170	25	0.04	
VPW79	49	50	2690	0.03			80		0.02	
VPW79	50	51	2580	0.02			40		0.03	
VPW79	51	52	9710	0.08			75	30	1.04	
VPW79	52	53	13300	0.04			150		2.57	
VPW79	53	54	18600	0.03	0.03		235		4.17	
VPW79	54	55	4740	0.1			215	20	3.94	
VPW79	56	57	1400	0.09			360	45	6.71	
VPW79	57	58	1630	0.1			665	55	7.89	
VPW79	58	59	23500	0.14			875	65	9.88	
VPW79	59	60	8760	0.13			320	175	3.65	
VPW79	60	61	2150	0.06		5	475	180	3.43	
VPW79	61	62	1100	0.62	0.37	7	750	65	5.66	
VPW79	62	63	1370	0.06			295	175	2.16	
VPW79	66	67	1280	0.12		6	675	60	6.63	
VPW79	67	68	1050	0.04			295	100	1.69	

Table 1b. Pincher Well Phase-2 RC drill holes with anomalous Zn and Au

Hole ID	From_m	To_m	Zn_ppm	Au_ppm	Au(R) _ppm	Ag_ppm	Cu_ppm	Pb_ppm	S %	As_ppm
VPW80	72	73	1970	0.02				25	0.14	
VPW80	73	74	1220	0.01			40		0.12	
VPW80	74	75	2910	0.02			75		1.52	
VPW80	75	76	13800	0.08			70		2.5	
VPW80	76	77	11600	0.04			75	25	2.86	
VPW80	77	78	1360	0.04			180		7.7	
VPW80	78	79	7690	0.06			160		6.36	
VPW80	79	80	4230	0.03			65		1.69	
VPW80	80	81	1940	0.06			275		8.82	
VPW80	81	82	1210	0.04			70		1.77	
VPW80	82	83	1510	0.05			100		2.52	
VPW80	83	84	1690	0.05			135		2.53	
VPW80	84	85	1300	0.06			110	30	3.51	
VPW80	86	87	2140	0.03			225	55	2.56	
VPW80	87	88	7910	0.06			685	80	5.44	
VPW80	88	89	3380	0.2			860	75	7.07	
VPW80	89	90	1180	0.09		5	1190	80	7.85	
VPW80	90	91	1170	0.1		5	1030	95	6.43	
VPW80	91	92	4650	0.03			440	60	4.81	
VPW80	92	93	6260	0.07			415		6.12	
VPW80	93	94	2120	0.04			370		3.13	
VPW81	66	67	535	0.7	0.62		135	30	1.92	
VPW81	67	68	1740	0.14			85	50	0.81	
VPW81	68	69	2900	0.36			115	65	1.61	
VPW81	69	70	3910	0.12			175	25	2.6	
VPW81	70	71	8300	0.03			325	50	5.39	
VPW81	71	72	6750	0.18			405		8.1	
VPW81	72	73	8540	0.23			430		8.37	
VPW81	73	74	8450	0.12			425	35	7.68	
VPW81	74	75	19700	0.36			430	30	7.9	
VPW81	75	76	13500	0.07			175		3	
VPW81	76	77	13000	0.15			400	40	9.66	35
VPW81	77	78	24000	0.78			150	30	6.3	
VPW81	78	79	4080	0.11			365	30	4.6	
VPW81	79	80	2650	0.09			560	25	>10	
VPW81	80	81	3880	0.08			540		7.45	
VPW81	81	82	6340	0.05			70		1.45	
VPW81	82	83	11700	0.04			50	45	1.74	
VPW81	83	84	1180	0.04			35	25	0.11	
VPW81	84	85	4030	0.07			25	30	0.32	
VPW81	85	86	7570	0.1			425		5.67	
VPW81	87	88	2800	0.09			195	20	5.06	
VPW81	88	89	26300	0.04			535		8.48	
VPW81	89	90	19900	0.06			875	40	8.92	
VPW81	90	91	10700	0.07			725		8.09	
VPW81	91	92	8780	0.09			800	30	9.15	
VPW81	92	93	2460	0.08			275		7.86	
VPW81	93	94	1350	0.02		9	70	45	0.94	
VPW82	60	61	5010				50		0.05	
VPW82	61	62	4790				60	45	0.12	
VPW75	36	37	1410	0.01			125		1.39	
VPW75	37	38	3180	0.03			815	25	7.97	
VPW75	38	39	1230	0.01			100	30	1.25	
VPW75	39	40	1670	0.01			90		1.14	
VPW75	40	41	1320	0.01			40		0.61	
VPW75	41	42	1480	0.05			35		0.44	
VPW75	42	43	1380	0.01			50		0.45	
VPW75	43	44	1380				30		0.14	
VPW75	44	45	1130				25	25	0.08	
VPW75	45	48	1330	0.01			75	40	0.39	
VPW75	51	54	1100	0.02			90		0.61	
VPW75	54	55	1350	0.01			65		0.42	
VPW75	55	56	3130	0.03			150	25	0.99	
VPW75	56	57	1440	0.01			75		0.73	
VPW75	57	60	1120	0.01			105		0.61	

JORC Code, 2012 Edition – Table 1 for RC drilling at Pincher Well (E57/1019)

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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"> Venus Metals Corporation (VMC) carried out Reverse Circulation (RC) drilling program comprising of 10 holes within Pincher Well tenement (E57/1019). RC samples were collected from the rig-mounted rotary splitter and the composites were prepared using spear method. Rock chip samples from the RC drilling were sampled for all the drill holes using a combination of 4m, 3m and 2m composite chip samples and 1m chip samples. 1 m sample intervals were selected for assaying using elevated Zinc values based on a handheld XRF instrument. <p>All the drill hole samples were sent for assay at SGS Lab, Perth.</p>
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"> RC drilling of 10 drill holes (VPW67, 68, 70, 71, 75, 78, 79, 80,81 and 82) for total 945m. All the RC drill holes were drilled vertical.
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"> Visual assessment of the RC chip samples suggests good recovery with minimal losses. Relationship between the sample recovery and grade is difficult to establish in this initial phase of RC drilling.
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 appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	<ul style="list-style-type: none"> The drill holes have been qualitatively logged using visual findings by the Company Geologist. The logged information can support in future resource estimation models.

Criteria	JORC Code explanation	Commentary
	<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. 	
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 RC samples were collected from the rig-mounted rotary splitter. The RC chip samples (dry) were sampled using the Spear method and 2-3 kg of samples were collected and placed in calico bags labelled with respective Sample ID's. For the 4m, 3m and 2m composite samples, two scoops of samples from each meter were collected using the Spear method and the samples were placed in the calico bags labelled with the Sample ID. The calico bags were secured and a series of 5 calico bags were further placed in each plastic bags. All the plastic bags were placed together in a bulka Bag and sent for assay to SGS Lab, Perth. To ensure QC, all these samplings were carried out by field staff and monitored by our company geologist at field.
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"> The SGS, Perth laboratory assaying techniques utilized for analysis were appropriate for the submitted drill hole samples. Samples were prepared by drying and pulverizing the samples using SGS -PRP86 method. Sample digestion using Sodium Peroxide fusion method (DIG90Q) followed by ICP-OES analysis (ICP90Q) for Al, Ag, As, Ba, Ca, Co, Cr, Cu, Fe, K, Mg, Ni, Pb, S, Sb, Si, Zn and Fire Assay method (FAA303) for Au.
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"> All drill hole composite and 1m split samples were verified by the Company Geologist in the field before submitting to the Laboratory for assaying. No adjustments to assay were done.
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. 	<ul style="list-style-type: none"> The drill hole collars were located using a hand held GPS (accurate to <5-10m) in MGA 94, Zone 50.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	
<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"> • The drill holes were drilled along the previous drill lines adjacent to Phase 1 drillholes and in between the east-west oriented lines (6821700 N and 6821900 N) as infill drillholes (6 drill holes) while the other 4 drill holes extended to the south to 6821314mN.
<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"> • All the drill holes were drilled vertically
<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"> • RC chip samples were collected and properly secured in calico bags labelled with respective Sample ID's by the Field staff and checked by the Company Geologist. Further, a series of 5 calico bags were grouped together and placed in plastic bags and secured with zip ties. All the plastic bags were placed together in a Bulka Bag and sent securely to SGS Lab, Perth for assaying.
<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"> • In this preliminary exploratory phase of drilling, no audits of sampling techniques were conducted.

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> 	<ul style="list-style-type: none"> • Pincher Well Project exploration License (E57/1019) is granted by DMP and is 100% owned by VMC.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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> 	
<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 exploration drilling data (Diamond, RC, PER, RAB), and geophysical data by previous companies were utilised.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Pincher Well Project area covers a part of Youanmi Greenstone Belt. The Pincher Formation is mostly volcanogenic with multiple eruptive cycles ranging in composition from felsic to mafic, and including tuffaceous rocks of bi-modal origin, and minor interbedded BIF-chert. The mineralisation at Pincher is VHMS-styled Zn-Cu-Au deposit within felsic to intermediate volcano-sedimentary tuff sequence and commonly associated with exhalative BIF and chert layers.
<i>Drill hole Information</i>	<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"> The drill hole collar data and assays are summarised in Table 1a and Table 1b.
<i>Data aggregation methods</i>	<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 intercepts of >1000 ppm Zinc are reported along with anomalous Au, Ag, Pb and Cu
<i>Relationship</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of</i> 	<ul style="list-style-type: none"> Mineralisation intersected in the drillholes represents downhole

Criteria	JORC Code explanation	Commentary
<i>between mineralisation widths and intercept lengths</i>	<p><i>Exploration Results.</i></p> <ul style="list-style-type: none"> <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> 	length and true thickness and width of mineralization is yet to be ascertained.
<i>Diagrams</i>	<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 include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Maps are presented in ASX announcement.
<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"> Drill hole assay results including high and low grades of Zn% is reported in Table 1b, no balanced reporting is required.
<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 current exploration drilling was aimed to test the inferred IP anomaly recorded in Phase 2 IP survey (refer ASX release 29 May 2017). The drilling also aimed to understand the structural disposition of the Zinc rich orebody within the North Dome. No other current exploration work is reported. Reports on historical exploration drilling and geophysical survey reports of previous companies are available.
<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"> The current exploration drilling results confirms strongly folded ore body plunging to the north with weak mineralization to the south defining the southern limit of the orebody.

Details of Mining tenements at Quarter ended 30 September 2017

(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
E57/983	Youanmi	100%	100%
E57/986	Youanmi	90%	90%
E57/984	Bellchambers/Sandstone	90%	90%
E57/965	Sandstone	100%	0%
E57/1011-I	Currans Well	90%	90%
P57/1365	Youanmi	90%	90%
P57/1366	Youanmi	90%	90%
E57/1019-I	Pincher Well	100%	100%
E52/3068	Rathbone Well	100%	100%
E52/3069	Curara Well	100%	100%
E57/985	Youanmi	90%	90%
E20/885	Poona	90%	90%
E57/981	Bellchambers/Sandstone	100%	100%
E57/982	Youanmi	100%	100%
E57/1023-I	Youanmi	100%	100%
E57/1018	Pincher Well	100%	100%
E 45/4627	Wodgina South	100%	100%
P 45/3004	Wodgina South	100%	100%
E 52/3320-I	Orient Well (Curara East)	100%	100%
E 70/4810	Greenbushes East	100%	100%
E 70/4814	Greenbushes East	100%	100%
E09/2156	Nardoo Hill	100%	100%
E45/4630	Pilgangoora East	100%	100%
E45/4684	Pilgangoora East	100%	100%

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")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(164)	(164)
(b) development	-	-
(c) production	-	-
(d) staff costs	(99)	(99)
(e) administration and corporate costs	(70)	(70)
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 (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(332)	(332)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	(30)	(30)
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(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	(30)	(30)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	639	639
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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	639	639

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	538	538
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(332)	(332)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(30)	(30)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	639	639
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	814	814

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	814	45
5.2 Call deposits	-	909
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)	814	954

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
78
-

Directors' salaries, fees and superannuation

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000
-
-

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.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	100
9.2 Development	-
9.3 Production	-
9.4 Staff costs	60
9.5 Administration and corporate costs	80
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	240

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: 30/10/2017

Print name: Dean Calder

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.