



ASX Release: 18 September 2020

ASX Code: VMC

## YOUANMI GOLD PROJECT HIGH-GRADE GOLD INTERSECTED AT SOVEREIGN PROSPECT

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Venus Metals Corporation Limited (“Venus” or the “Company”) in conjunction with its Joint Venture partner Rox Resources Limited (ASX: RXL), is pleased to announce the results of recent reverse circulation (RC) drilling at **Sovereign Prospect** (50% Venus; 50% RXL -Gold rights only) (Figures 1 and 2).

RC drilling followed up on previous AC and RC results (refer ASX releases 4 November 2019, 28 November 2019 and 27 July 2020) and extended the high-grade gold mineralization down dip (Figure 3). Best results include:

<b>YSRC014</b>	<b>8m @ 5.03 g/t Au</b> from 160m
including	<b>2m @ 15.83 g/t Au</b> from 160m
and	<b>3m @ 2.86 g/t Au</b> from 165m

An interpretation of recent ground-magnetic surveys covering Currans Find (M57/641) and Sovereign Prospect (E57/1019) shows prominent northeast (NE) and north-northeast (NNE) trending structures that align with the orientation of high-grade gold mineralization at the Taylor’s Reef, Currans North and Red White and Blue prospects (Figure 4).

Based on the ground-magnetic data, six priority targets have been identified along NE trends in the eastern part of the survey area (E57/1019) and one of these priority targets is located immediately west of the Sovereign gold discovery.

RC drilling is planned west and southwest of the Sovereign discovery to test this target, and beneath previous high-grade gold intersections in YSRC014 and YSRC010.



## Project background

Sovereign Prospect is located on E57/1019 which is part of the Youanmi Gold Project, VMC JV (VMC 50% and RXL 50% - gold rights only).

An initial Aircore (AC) drilling program in 2019 generated geochemical anomalies (for lead and other base metals) that were interpreted to resemble the geochemical signatures of Currans North and Penny West high-grade gold mineralization (refer ASX release 15 October 2019). Subsequent AC drilling intersected gold mineralization in VRAC151; **4m @ 7.02 g/t Au** from 24m, and **5m @ 2.41 g/t Au** from 60m to EOH, and in VRAC161: **4m @ 0.94 g/t Au** from 32m (refer ASX release 4 November 2019).

Follow-up RC drilling confirmed the gold mineralization with best results as follows (refer ASX releases 28 November 2019 and 27 July 2020):

YSRC05	<b>3m @ 6.61 g/t Au</b> from 78m
including	<b>1m @ 11.61 g/t Au</b> from 79m
YSRC09	<b>4m @ 2.68 g/t Au</b> from 116m
including	<b>1m @ 5.43g/t Au</b> from 118m
YSRC10	<b>7m @ 3.97 g/t Au</b> from 59m
including	<b>1m @ 8.19g/t Au</b> from 64m
	<b>10m @ 3.64 g/t Au</b> from 79m
including	<b>2m @ 10.64 g/t Au</b> from 82m
YSRC11	<b>3m @ 1.24 g/t Au</b> from 56m

Two RC holes were completed recently. YSRC014 targeted the depth extensions of gold mineralization intersected in YSRC010 and intersected the main gold-mineralized lode. Noticeably, **gold grades at Sovereign are increasing with depth and are hosted in multiple lodes.**

Further RC drilling is planned to test the depth extent of the high-grade mineralization at Sovereign and to expand the drilling programme along a newly interpreted trend with the mineralization potentially **open to the west and southwest.**

Table-1. Collar Details of RC Drill holes

Hole ID	Easting (GDA94 Z50)	Northing (GDA94 Z50)	Elevation (m)	Depth (m)	Azimuth (collar)	Dip (collar)
YSRC013	675950	6811890	480	220	270	-60
YSRC014	675940	6811915	480	180	270	-60



This announcement is authorised by the Board of Venus Metals Corporation Limited.

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**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.

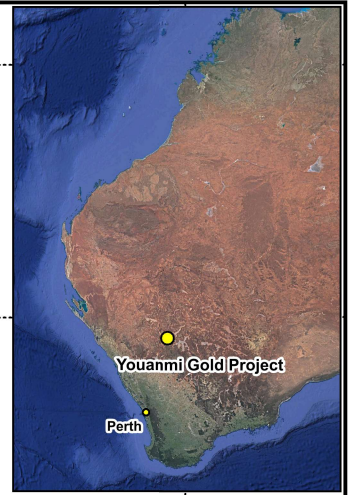
**Competent Person's Statement**

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.

The information in this announcement that relates to HEM Survey Results is based on information compiled by Mr Mathew Cooper who is a member of The Australian Institute of Geoscientists. Mr Cooper is Principal Geophysicist of Core Geophysics Pty Ltd who are consultants to Venus Metals Corporation Limited. Mr Cooper has sufficient experience which is relevant to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Cooper consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



**VENUS METALS**  
CORPORATION LIMITED



Youanmi Gold Project

Perth

YOUANMI GOLD MINE

SOVEREIGN PROSPECT

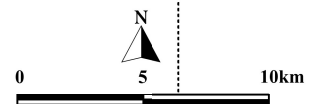
PENNY WEST GOLD MINE

6,820,000 mN

6,800,000 mN

670,000 mE

690,000 mE



**LEGEND**



OYG JV  
Venus 30%; Rox 70%



Youanmi JV



VMC JV  
Venus 50%  
Rox 50% (Gold rights only)



Currans & Pincher JV  
Venus 45%  
Rox 45%



Others Tenements  
(not held by VMC)

Figure 1. Location of Youanmi Gold Project Tenements



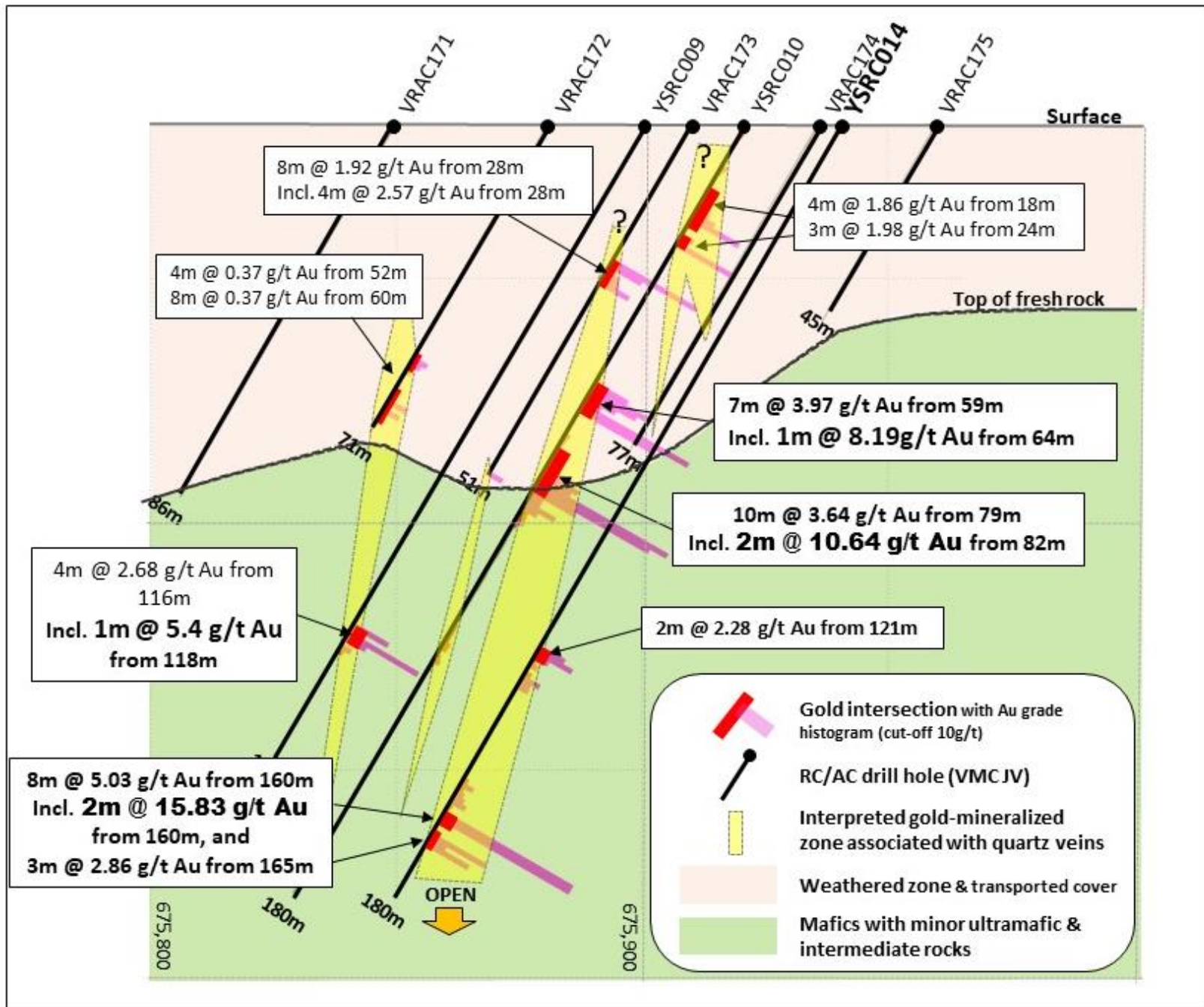


Figure 3. Schematic cross section with AC and RC drill holes along E-W traverse showing significant gold intersections

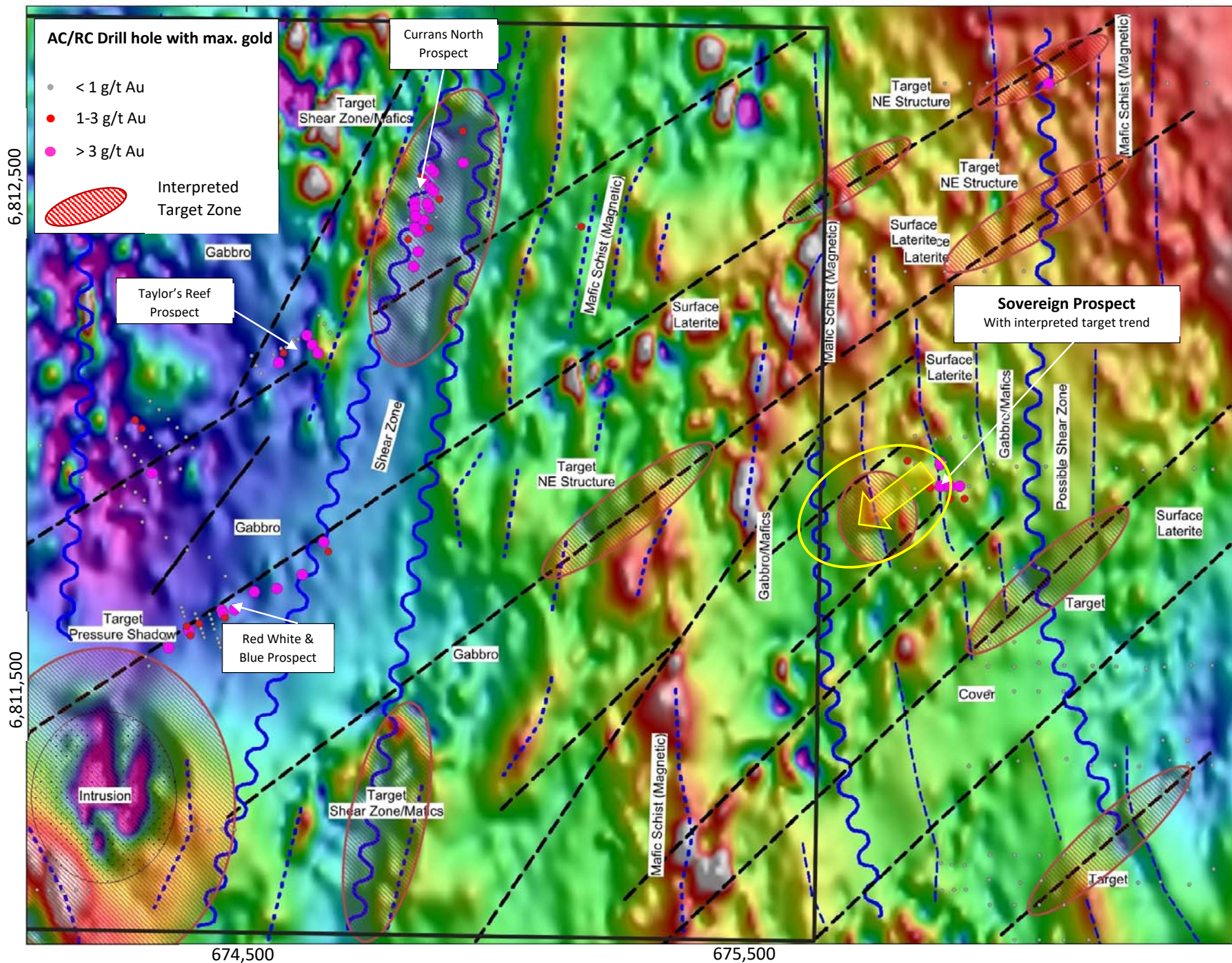


Figure 4. Ground magnetic image with gold prospects, interpreted targets and structures, and recent AC and RC drilling (collars color-coded).

**Table 2. One-metre intervals with Au  $\geq$ 0.5g/t**

Hole ID	From (m)	To (m)	Au (g/t)
YSRC013	126	127	1.32
	148	149	2.04
	149	150	1.95
	152	153	1.43
YSRC014	121	122	1.89
	122	123	2.66
	123	124	1.00
	125	126	0.55
	128	129	1.26
	129	130	0.73
	130	131	0.79
	153	154	0.89
	155	156	0.53
	156	157	0.74
	157	158	1.05
	160	161	<b>14.58</b>
	161	162	<b>17.08</b>
	165	166	<b>4.12</b>
	166	167	1.25
167	168	<b>3.22</b>	

## Appendix-1

### JORC Code, 2012 Edition – Table 1

#### Youanmi Gold Project -

#### Section 1 Sampling Techniques and Data – RC Drilling

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"><li>• 2 RC holes for 400m were drilled at the Sovereign prospect; see Figure 2 in the announcement. Composite samples were collected for 4-meter intervals by combining sub-samples (300-400g) taken from a representative split (c. 3kg) that was taken for every meter drilled using a cone splitter. The individual one-meter samples were temporarily stored on site.</li></ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"><li>• RC holes were first drilled down to 6m depth with a 5.5-inch hammer to fit a PVC collar, and the remainder was drilled with a 5-inch hammer.</li><li>• RC holes were drilled at an angle of -60° to the west and set up using a Suunto compass. Downhole surveys were done for all RC holes using a Gyro instrument.</li></ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"><li>• No recovery issues were reported in the drilling reports.</li><li>• The recovery was good and samples were generally kept dry.</li></ul>
<i>Logging</i>	<ul style="list-style-type: none"><li>• A qualified VMC geologist logged all holes in full and supervised the sampling.</li><li>• Small sub-samples were washed and stored in chip trays for reference.</li><li>• Photographs were taken of all chip trays.</li></ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"><li>• Sampling was by reverse circulation (RC) drilling, with samples collected for every meter through a cyclone and cone splitter.</li><li>• All composite and one-meter samples were analysed for gold at MinAnalytical Laboratory Services Pty Ltd using their Photon Gold assay method on a c. 500g sub-sample (PAAU2).</li><li>• Samples were dried, crushed to nominal minus 3mm, and c. 500g linear split into photon assay jars for analysis.</li></ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"><li>• MinAnalytical is NATA ISO17025 accredited for sample preparation and photon analysis.</li><li>• The Photon Gold assay method is a fully automated technique designed for the analysis of ores. It uses high energy x-rays to excite the atoms and is non-destructive. The c. 500g single-use jars allow for bulk analysis with no chance of cross contamination between samples.</li><li>• Quality control procedures include certified reference materials and in-house controls, blanks, splits and replicates.</li></ul>

Criteria	Commentary
	<ul style="list-style-type: none"> <li>All QC results are satisfactory.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>No independent verification of sampling and assaying has been carried out.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>RC drill holes (collar) were located using a handheld GPS with an accuracy of +/-3m. Grid systems used were geodetic datum: GDA94, Projection: MGA, Zone 50. Distances between holes along traverses were measured by tape.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>RC drilling at Sovereign Prospect was on lines approximately 20-25m apart.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>RC and AC holes were inclined at -60°; for azimuth and collar details see Table 1. The drilling was approximately perpendicular to the strike of the targeted reefs and mineralized zones but due to variable dips and strikes, reported intervals are not necessarily representative of true widths.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>All drill samples were transported directly to the Perth laboratory by VMC staff or contractors.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>No audits or reviews have been carried out to date.</li> </ul>

## Section 1 Sampling Techniques and Data – Ground-Magnetic Geophysical Survey

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>A ground magnetic survey was conducted over the Sovereign prospect area in July 2020.</li> <li>The survey was commissioned by Venus Metals Corporation and completed by Core Geophysics Pty Ltd.</li> <li>A total of 34 line km were collected with the specifications summarised below. <ul style="list-style-type: none"> <li>- Line Spacing: 50m</li> <li>- Line Orientation : 090-270°</li> <li>- Station Spacing: 1m or better</li> <li>- Sensor: GEM GSM19 Overhauser</li> </ul> </li> <li>Other details of sampling techniques is not applicable.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>No Drilling activity undertaken</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>No drill samples collected</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>Geophysical survey and hence no logging</li> </ul>

Criteria	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>The survey was achieved using a two person crew. Field measurements were taken with a GEM GSM-19 Overhauser magnetometer with in-built GPS. A GEM GSM-19 proton magnetometer was used for the base.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>No Assays carried out for this survey</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>All gravity data was transferred to Atlas personnel on a daily basis for verification.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>All data has been collected in GDA94 MGA Zone 50 grid system, automatically by the on-board GPS of the magnetometer. The GPS uses enhanced SBAS and GLONASS constellations to achieve accuracy of the positioning around 1m.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>The line spacing was between 50m with data recorded every 1second to provide stations every 1m. The data density is considered appropriate to the purpose of the survey. The base station recorded every 15 seconds.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	The line path is approximately perpendicular to the regional strike direction of geological formations and is sufficient to locate discrete anomalies.
<i>Sample security</i>	<ul style="list-style-type: none"> <li>Not applicable for geophysical survey</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The data were verified by Core Geophysics.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>E57/1019 is held by Venus Metals Ltd and is part of the VMC Joint Venture (VMC 50% and RXL 50% (gold rights only).</li> <li>To the best of Venus' knowledge, there are no known impediments to operate on E57/1019 as Manager of the JV.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>Historical exploration in the Currans Find area was extensive and dates to the early 1970s. In the early 1980s, several companies including Inca Gold which conducted extensive underground mapping and sampling, Gold Mines of Australia and Black Hill Minerals NL, conducted percussion drilling and soil sampling. Later, CRA, Eastmet (later Gold Mines of Australia) and Goldcrest explored the Currans Find area. Several stages of soil geochemistry, RAB drilling and one program of RC drilling were completed; relevant WAMEX reports are listed in the VMC release dated 23 April 2019.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Archean lode gold associated with quartz reefs in brittle ductile shear zones. The dominant host rocks are mafic, intermediate and ultramafic in composition, comprising amphibolite and amphibolitic schist, diorite-granodiorite and mafic-ultramafic rocks. The distribution of gold appears to be irregular but is generally associated with quartz veining.</li> </ul>

Criteria	Commentary
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• For drill hole collar information refer to Table 1.</li> <li>• All assay results for Au greater than 0.5g/t in one-meter intervals are listed in Table 2.</li> <li>• Drill hole locations are shown on Figures 2 to 4.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• All Au results (<math>\geq 0.5</math> g/t) for one-meter results are reported in Table 2.</li> <li>• Reported significant gold intersections (using a 0.5 g/t Au lower cut-off) are calculated using up to 3m of internal dilution.</li> <li>• No upper cut-off has been applied.</li> <li>• Select high-grade gold intercepts are presented on the front page of the release.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• Based on the latest RC drilling, the gold mineralization appears to be dipping steeply to the west.</li> <li>• Downhole lengths and intervals shown in figures and reported in the announcement do not represent true widths due to variable strike direction and dip of the mineralization.</li> <li>• Based on the limited RC drilling to date, the geometry, lateral extent and tenor of the mineralization is not fully determined yet.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• Plans are attached to the report (Figures 1 to 4)</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• All Au results (<math>\geq 0.5</math>g/t) for one-meter results are presented in Table 2.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• Significant gold mineralization along northeast and north-northeast trending structures has been identified by the Venus/Rox JV in drilling on the Currans Find Mining Lease M57/641 a few hundred meters west of Sovereign Prospect. Refer ASX releases dated 23 April 2019, 13 June 2019, 24 June 2019, 5 August 2019, 27 August 2019, 5 September 2019 and 30 Jan 2020.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• Further RC drilling is planned at the Sovereign gold prospect to explore the down-dip extensions of the respective gold-mineralized lodes as well as the strike extension based on recent modelling of ground magnetic data.</li> </ul>