

ASX Release: 11 September 2020

ASX Code: VMC

## YOUANMI GOLD PROJECT

### HIGH-GRADE GOLD MINERALIZATION DISCOVERED AT TAYLOR'S REEF

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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 high-grade gold mineralization intersected in recent reverse circulation (RC) and aircore (AC) drilling at **Taylor's Reef Prospect**, Currans Find (M57/641) (Figures 1 to 3). Taylor's Reef Prospect is a new unworked zone where high-grade gold was recovered from surface workings in recent times by Mr D Taylor (ASX release 23 April 2019). Best results from the recent drilling at Taylor's Reef Prospect include:

CFRC084      **3m @ 19.58g/t Au** from 21m  
                 Incl. **1m @ 55.81g/t Au** from 23m, and  
                 **3m @ 14.30g/t Au** from 73m  
                 Incl. **1m @ 19.86g/t Au** from 74m  
CFAC047      **2m @ 6.67 g/t Au** from 57m  
                 Incl. **1m @ 12.27g/t Au** from 58m

Two recently drilled AC holes c. 50m east-northeast of the original gold-mineralized reef (refer ASX release 23 April 2019) intersected shallow high-grade gold mineralization. A follow-up RC hole, CFRC084, drilled beneath high-grade gold intersections in these AC holes confirmed the extension of the mineralization at depth. In addition, the RC hole discovered a third, very high-grade, lode at shallow depth that is open at depth and along strike (Figure 4).

The high-grade gold discovery at Taylor's Reef Prospect is interpreted as a continuation of high-grade gold lodes at Currans North Prospect, offset by a north-northeast trending fault. With widespread gold anomalies in laterite to the southwest of Taylor's Reef, it forms an approximately 900m long northeast-trending target zone (Figure 5) for further drilling and evaluation.



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### **Project background**

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”. 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. At Currans North Prospect, previous RC drilling intersected multiple high-grade gold intercepts associated with stacked quartz lodes (ASX releases 13 June 2019, 24 June 2019, 5 August 2019, 27 August 2019, 5 September 2019 and 30 Jan 2020).

### **Future work**

RC drilling is planned along strike of Taylor’s Reef Prospect and beneath the recent high-grade gold intersections to explore the potential depth extension of the multiple gold-mineralized quartz veins.

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

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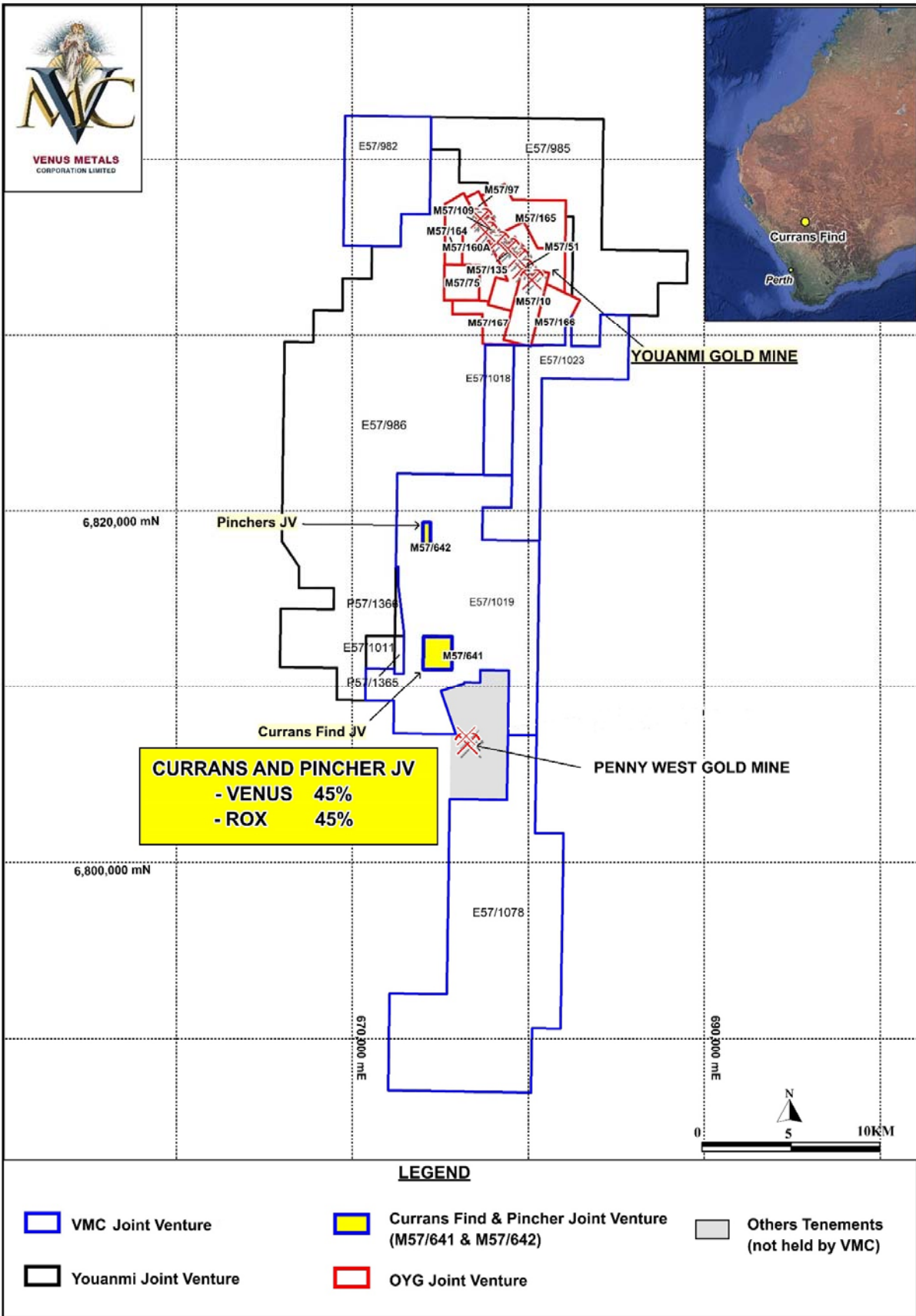


Figure 1. Location of Currans Find and Pincher Mining Leases

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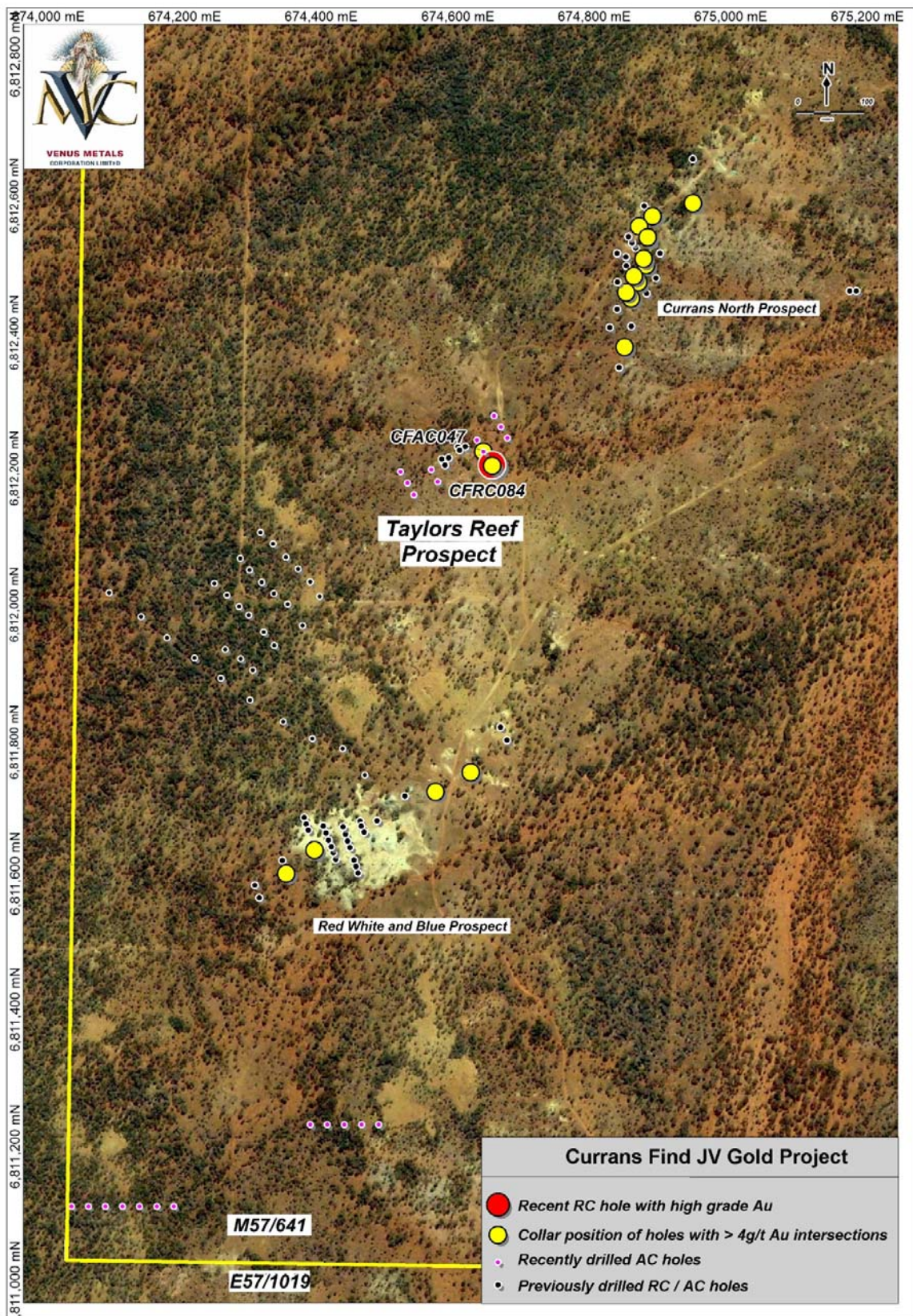


Figure 2. Location of AC and RC holes at Currans Find

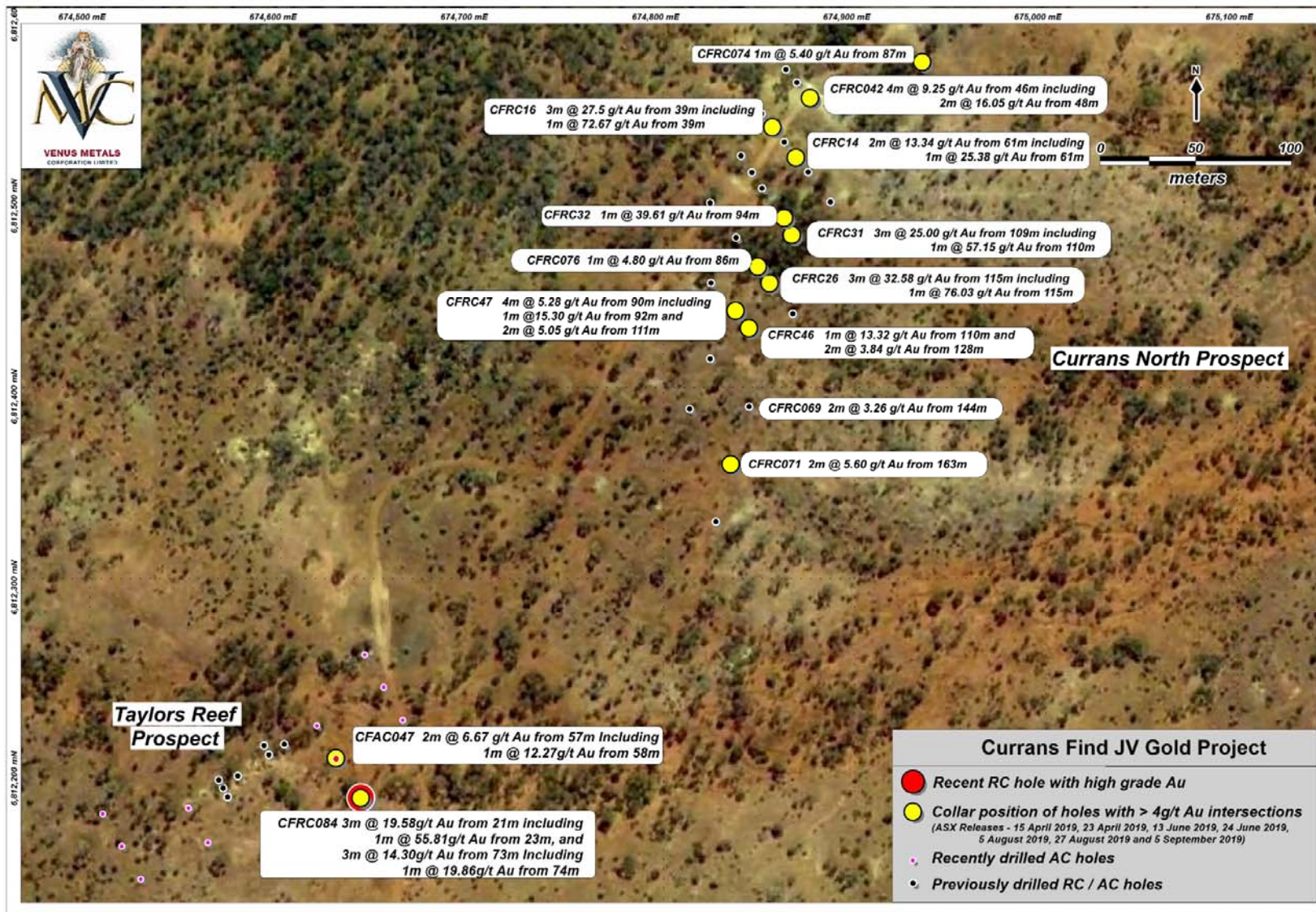


Figure 3. Location of drillholes with high-grade gold intersections at Taylor's Reef and Currans North Prospects

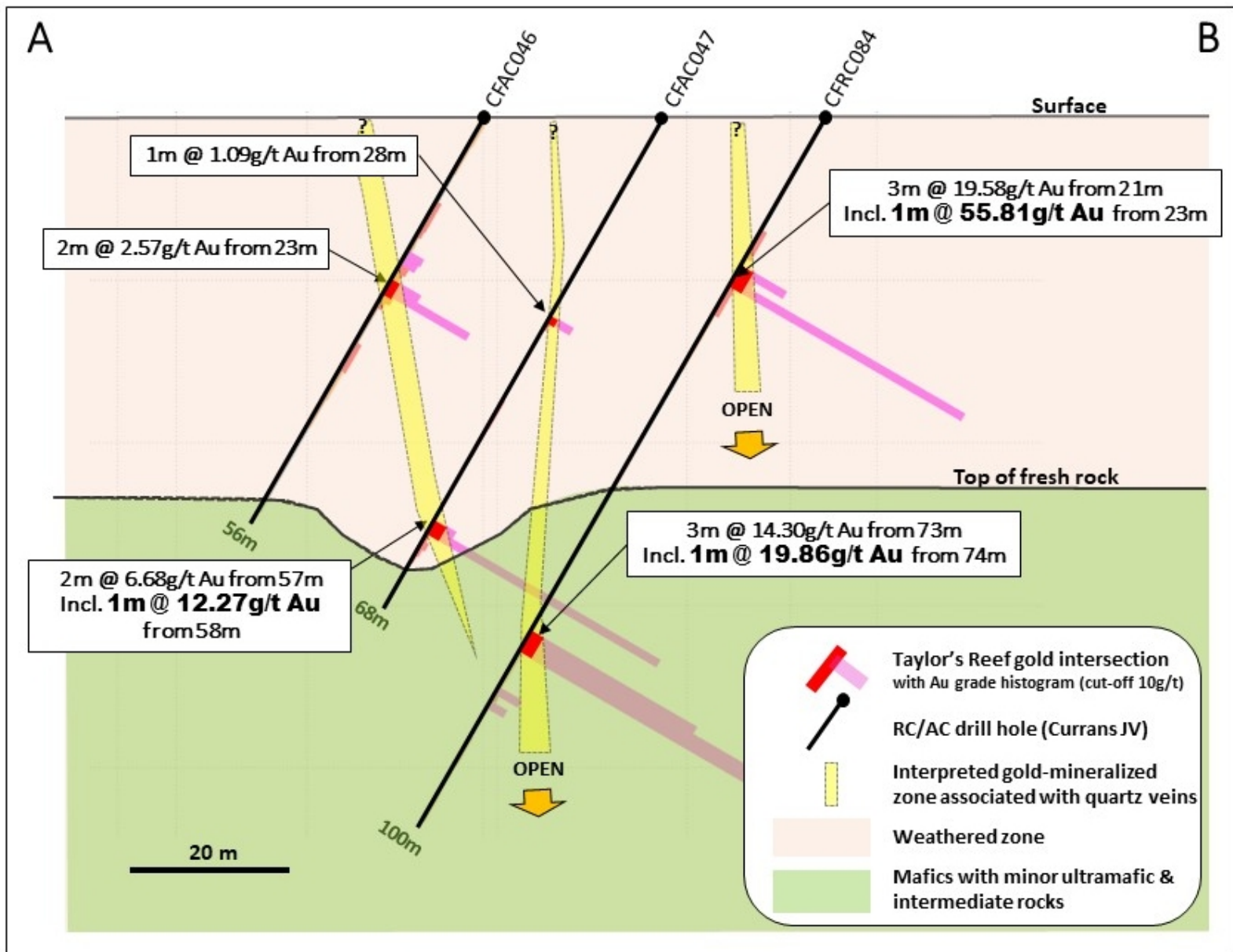


Figure 4. Schematic Cross Section showing AC and RC drill holes along traverse A - B with significant gold intercepts

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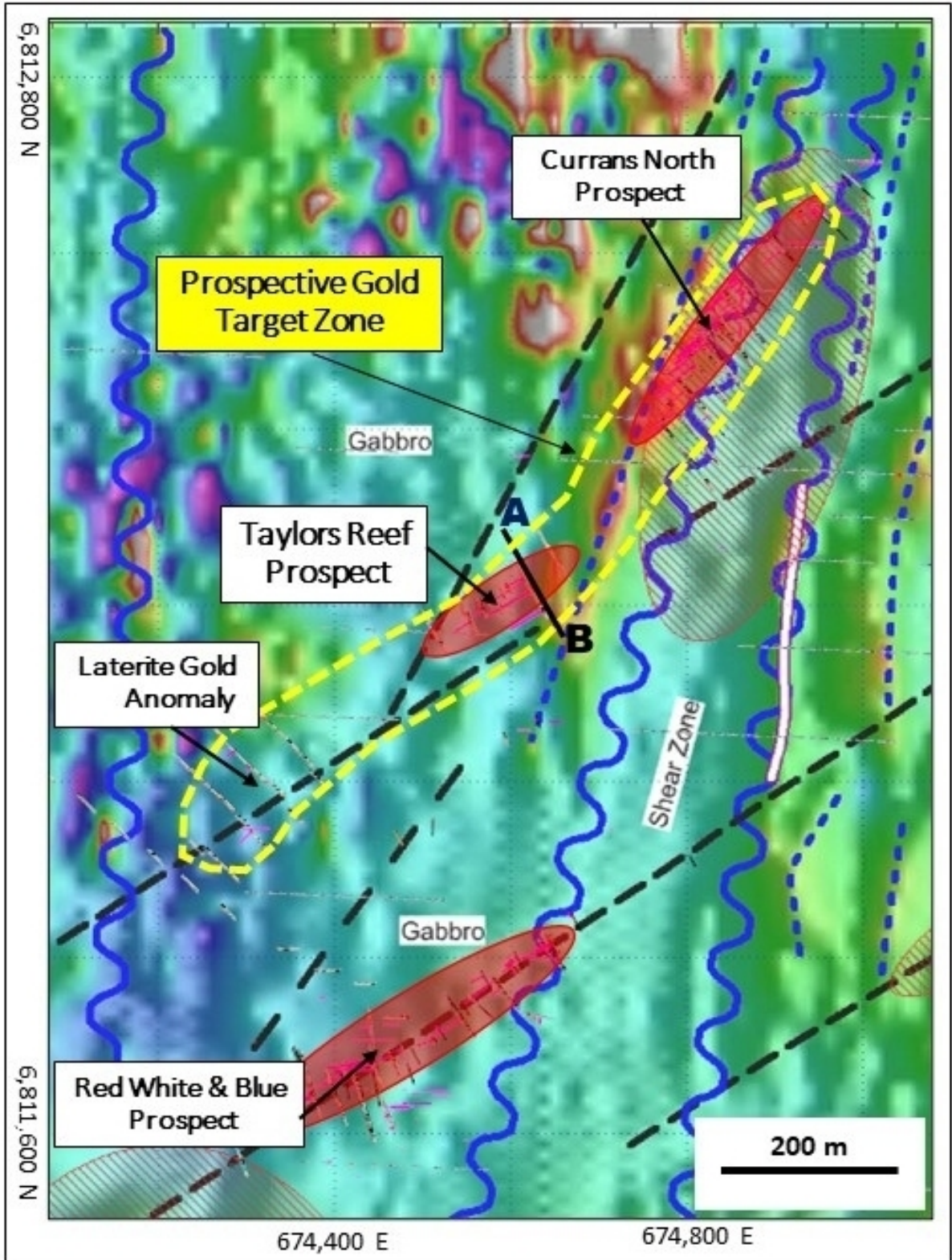


Figure 5. Prospective Gold Target Zone shown on interpreted ground magnetic image

**Table- 1. Details of AC/RC Drillhole Collars**

Prospect	Hole ID	Drill type	Easting (GDA94 Z50)	Northing (GDA94 Z50)	Elevation (m)	Depth (m)	Azimuth (collar)	Dip (collar)
Taylor's Reef	CFRC084	RC	674642	6812185	480	100	330	-60
	CFAC044	AC	674552	6812182	480	45	330	-60
	CFAC045	AC	674563	6812166	480	46	330	-60
	CFAC046	AC	674620	6812221	480	56	330	-60
	CFAC047	AC	674631	6812202	480	68	330	-60
	CFAC048	AC	674644	6812261	480	66	330	-60
	CFAC049	AC	674655	6812244	480	64	330	-60
	CFAC050	AC	674666	6812227	480	65	330	-60
	CFAC051	AC	674517	6812160	480	61	330	-60
	CFAC052	AC	674527	6812144	480	59	330	-60
CFAC053	AC	674508	6812180	480	39	330	-60	
Intrusion Target	CFAC032	AC	674023	6811100	480	41	90	-60
	CFAC033	AC	674047	6811098	480	37	90	-60
	CFAC034	AC	674074	6811100	480	43	90	-60
	CFAC035	AC	674098	6811099	480	39	90	-60
	CFAC036	AC	674126	6811098	480	23	90	-60
	CFAC037	AC	674153	6811100	480	48	90	-60
	CFAC038	AC	674179	6811100	480	42	90	-60
	CFAC039	AC	674375	6811221	480	24	90	-60
	CFAC040	AC	674397	6811223	480	27	90	-60
	CFAC041	AC	674421	6811219	480	30	90	-60
	CFAC042	AC	674447	6811222	480	19	90	-60
	CFAC043	AC	674473	6811221	480	16	90	-60

**Table 2. All one-metre assays with Au >0.80g/t**

Hole ID	From (m)	To (m)	Au (g/t)
CFRC084	21	22	2.12
	22	23	0.81
	23	24	<b>55.81</b>
	73	74	7.84
	74	75	<b>19.86</b>
	75	76	<b>15.21</b>
	81	82	1.02
CFAC 045	34	35	4.05
	35	36	1.6
CFAC 046	23	24	1.31
	24	25	3.83
CFAC047	28	29	1.09
	57	58	1.08
	58	59	<b>12.27</b>

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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.

Appendix-1

JORC Code, 2012 Edition – Table 1

Youanmi Gold Project – Currans Find

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"><li>• 1 RC hole for 100m was drilled at the Taylors Reef 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, bagged and labeled, were temporarily stored on site.</li><li>• 10 AC holes for 569m were drilled at the Taylors Reef prospect and 12 AC holes for 389m were drilled in the southwest of the mining lease (intrusion target); see Figure 2 in the announcement.</li><li>• For all holes, composite samples were collected for four-meter intervals by combining sub-samples taken from drill spoil representing individual one-meter intervals. Sampling was by using a plastic sampling spear to take two scoops from each drill spoil pile on the ground.</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>• AC drilling was by using a 3.5 inch bit. The drill spoil was collected in a bucket and placed on the ground. AC and RC holes were drilled at an angle of -60° and set up using a Suunto compass. Downhole surveys were done for the RC hole 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 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) and aircore (AC) drilling, with samples collected for every meter through a cyclone and cone splitter (RC only).</li></ul>

Criteria	Commentary
	<ul style="list-style-type: none"> <li>All AC composite samples were dried, milled and analyzed at Jinning Pty Ltd laboratory using an aqua regia digest on a 25g sample followed by an ICPMS-OES finish for gold and other elements.</li> <li>All RC composite samples and one-meter splits, as well as one-meter samples of AC composites with more than 0.2g/t Au (by AR ICP) 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 the insertion of 3 different certified reference materials and laboratory in-house controls, blanks, splits and replicates.</li> <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 and AC drill hole locations (collar) were located using a handheld GPS with an accuracy of +/-3m. Grid systems used were geodetic datum: GDA94, Projection: MGA, Zone 50. At Taylor's Reef, distances between holes along traverses were measured by tape.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>A single RC hole was drilled along an AC traverse.</li> <li>At Taylor's Reef, AC drilling was on traverses 40-80m apart with holes approximately 20m spaced along lines. In the SW of the ML, two AC traverses were drilled 120m apart with holes approximately 25m spaced.</li> <li>All RC and AC samples were composited to 2 to 4m intervals, depending on the interval length.</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.</li> </ul> <p>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.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>All drill samples were transported directly to the Perth laboratories 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 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>ML 57/641 is jointly held by Venus Metals Corporation Limited (VMC) , Rox Resources Limited (RXL) and Doug Taylor in the name of Murchison Earthmoving &amp; Rehabilitation Pty Ltd (MER). VMC has acquired jointly with RXL a combined 90% interest in ML 57/641 “Currans Find” of 300ha. The 90% interest is shared equally between VMC and RXL, with the remaining 10% held by Mr D Taylor.</li> <li>To the best of Venus’ knowledge, there are no known impediments to operate on M57/641 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>At Currans Find, Archean lode gold associated with quartz reefs in brittle ductile shear zones. The dominant rocks are mafic and ultramafic in composition, comprising meta-gabbro, meta- quartz gabbro, diorite, pyroxenite and talc-tremolite schists. Minor felsic porphyry intrusions and dykes occur within and about the main workings. The distribution of gold appears to be irregular. The association of high-grade gold mineralization with intermediate and mafic-ultramafic rocks, and structurally controlled emplacement appears to be similar to the setting at the historical Penny West Gold mine, c. 5km south southeast of Currans.</li> </ul>
<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 in one-meter intervals, or in multi-meter averaged intervals referred to in this announcement are listed in Table 2.</li> <li>Drill hole locations are shown on Figures 1, 2 and 3.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>All Au results (<math>\geq 0.8\text{g/t}</math>) for one-meter results are reported in Table 2.</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>At Taylors Reef Prospect, the gold mineralization dips steeply to the southeast. Drilling was at an angle of <math>-60^{\circ}</math> to the northwest, approximately perpendicular to the strike of the targeted quartz reefs.</li> <li>Downhole lengths and intervals may 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, extent and tenor of the mineralization is not fully determined yet.</li> </ul>

Criteria	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Plans are attached to the report (Figures 2 to 5)</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>All Au results (<math>\geq 0.8\text{g/t}</math>) for one-meter intervals are presented in Table 2. Individual one-meter intervals were analysed for all 4-m composites that yielded more than <math>0.2\text{g/t Au}</math>.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Historical mining at the 'Currans North' and 'Red White and Blue Workings': Cancelled GML records show that 6,874 tons were treated at the Red White and Blue battery on site for a recovered average of <math>13\text{ g/t gold}</math>.</li> <li>Excavation of high-grade Au mineralization at Taylor's Reef (see ASX release from 23 April 2019) by the current owner, Mr D Taylor.</li> <li>Previous RC drilling by the Venus/Rox JV at Currans North and Red White and Blue prospects. See ASX releases dated 13 June 2019, 24 June 2019, 5 August 2019, 27 August 2019, 5 September 2019, 21 November 2019, 30 Jan 2020, 28 April 2020 and 19 June 2020</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>Further RC drilling is planned to explore the along strike and down-dip extensions of the gold-mineralized lodes at Taylor's Reef.</li> </ul>