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VENUS METALS TO CASH UP AND DECLARES DIVIDEND

- \$2.5million sale for Venus Metals' 50% interest in the Yalgoo Iron Ore project signed with FI Joint Venture Pty Ltd (FIJV).
- FIJV* is an Australian company ultimately controlled by a major Engineering, Procurement, and Construction (EPC) contractor with over three decades' experience in the iron ore sector and expert knowledge of the magnetite iron ore concentrate process, headquartered in Tehran, Iran.
- Yalgoo Iron Ore Pty Ltd, a wholly owned subsidiary of Venus Metals, holds a 0.625% FOB royalty over ALL iron ore magnetite concentrate from the mining tenements being sold.
- Venus Metals announces an unfranked dividend by way of an in-specie distribution of one (1) fully paid ordinary share in Yalgoo Iron Ore Pty Ltd (to be converted into a public company) for every fully paid ordinary share in Venus Metals held on the record date of 20 June 2019.
- Sale puts Venus Metals in a strong position to pursue its existing gold, vanadium and other base-metal interests, as well as having the capacity to generate new wealth opportunities for shareholders.

SALE OUTLINE

The Yalgoo Iron Ore project has been a stranded asset for Venus Metals since iron ore prices retreated in 2012. The Yalgoo Iron Ore project has a total JORC 2012 mineral resource of 698.2 Million tonnes @ 29.3% Fe (311.2Mt @30.7% Fe of indicated and 387Mt @ 28.2% Fe of inferred resources) (refer ASX release 16 February 2015).

The Yalgoo Iron Ore project requires major capital to develop it, far beyond the scope of Venus Metals.

To provide some context, a 572 Million tonnes inferred resource (@27.5% Fe) Magnetite project near Yalgoo (Yogi – previously owned by Ferrowest Limited, refer ASX releases 10 November 2010 and 21 May 2014) was purchased by the FIJV for \$600,000 in 2016.

With a recent renewed interest in magnetite ores, Venus Metals identified FIJV as a likely buyer for its 50% interest in the adjacent Bilberatha Hill magnetite project. Negotiations have led to a successful signing of a binding term sheet with FIJV for the sale of Venus Metals' 50% interest.

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The sale price of \$2,500,000 for Venus Metals 50% of the Yalgoo Iron Ore project is a significant premium to the price paid by FIJV for 100% of the Yogi project.

Venus Metals has received a \$250,000 deposit which is non-refundable on receipt of FIRB approval.

The balance, \$2,250,000 in cash, currently held in escrow, will flow to Venus Metals once conditions precedent items for sales of this type have been satisfied (including FIRB approval as mentioned above and no later than three months from signing).

As reported by the Geraldton Guardian, page 2, May 17, 2019, the FIJV has advised the Mid-West Development Commission of its plan to develop magnetite open cut mines at Yalgoo, producing concentrate for shipment by export through the port of Geraldton.

ROYALTY PROVISIONS

Yalgoo Iron Ore Pty Ltd, a wholly owned subsidiary of Venus Metals, holds a 0.625% FOB royalty over ALL iron ore magnetite concentrate from the mining tenements being sold.

The current magnetite concentrate price is approximately over US\$100 per tonne.

The FIJV has large-scale development capability and is regarded by Venus Metals to provide the much-needed development skills to develop the project.

The issued capital in Yalgoo Iron Ore Pty Ltd is to be distributed to Venus Metals shareholders on a pro rata basis by way of a dividend (further details below) allowing those shareholders to potentially reap the benefit of any royalty payments.

DIVIDEND

Venus Metals has declared an unfranked dividend by way of an in-specie distribution of all of the issued capital of Yalgoo Iron Ore Pty Ltd. Yalgoo Iron Ore Pty Ltd is to be converted to an unlisted public company.

Shareholders in Venus Metals will receive 1 share in Yalgoo Iron Ore Ltd for every share they hold in Venus Metals as at the record date of 20th June 2019.



FUTURE PLANS

Funds from the project sale (\$2,500,000) are to be retained by Venus Metals, giving the company a strong position to explore and advance projects under its current control, as well as focusing on outlining new wealth generating opportunities.

This includes

1. Further drilling and mine planning at the 90% owned Bell Chambers gold project with a 14,000 ounce identified 2012 JORC resource near Youanmi (refer ASX release 20th March 2015). (Assays pending from recent drilling).
2. Further drilling at the contributing 45% owned and managed Currans Find gold project, Youanmi (Assays pending from recent drilling).
3. Active metallurgical work on the 90% owned Youanmi oxide vanadium project with a 134 million tonne @ 0.34% V2O5 oxide JORC Resource (refer ASX release 20th March 2019).
4. Further mapping, sampling and geophysical work at the Doolgunna base metals project abutting Sandfire Resources' DeGrussa Copper Mine (refer ASX release 5th February 2019).
5. Further work on the Youanmi 100% owned zinc project.
6. The Youanmi Gold Mine project acquisition is moving towards settlement /completion where funding is being provided by Rox Resources (refer ASX announcement 10 April 2019).
7. Possible work in the highly prospective Fraser Range where Venus holds two tenement applications subject to ballot determination processes (due in August 2019).

*About FIJV (www.fijv.com.au)

FIJV Pty Ltd is a private mining investment company. We are active in the magnetite iron ore sector in Western Australia (WA) and seek to develop the Yogi magnetite iron ore resources in the Yalgoo area of the mid-west. FIJV has a sole shareholder, FSTA Australia Pty Ltd, which is owned by Fakoor Sanat Company (FST).

FST is an Engineering, Procurement, and Construction (EPC) contractor with over three decades' experience in the iron ore sector and expert knowledge of the magnetite iron ore concentrate process. Through valuing the environment and ensuring positive relationships with the community, FIJV plans to lay the foundations for a project that will benefit the industry, community, the Yalgoo region and ultimately, the state of WA.

As an international company backed by its shareholder with over three decades of industrial experience, FIJV seeks to deliver high quality projects that align with technical and environmental standards in WA.



VENUS METALS
CORPORATION LIMITED



Venus Metals Managing Director Matthew Hogan with FIJV Chairman Mohammad Vahid Sheikhzadeh Najjar on signing the binding term sheet.



Venus Metals Directors and FIJV Directors at the Bilberatha project site, Yalgoo



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.

Competent Persons Statement

The information in this release that relates to the Yalgoo Iron Ore Project is based on information compiled by Mr Barry Fehlberg, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Fehlberg is Exploration Director of Venus Metals Corporation Limited. Mr Fehlberg has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Fehlberg consents to the inclusion in the release of the matters based on his information in the form and context that the information appears.