ABN: 99 123 250 582

ASX Release: 10 September 2009 **ASX Code: VNS**

WAGIN SALT LAKES LITHIUM BRINE PROJECT

ASX ANNOUNCEMENT

- **New Venus tenement application E70/3685 covers a 50 kilometre long salt lake system immediately west of and abutting Lake Dumbleyung where Reward Minerals Ltd recently reported the presence of salt lake brine with a Lithium concentration of 530 mg/litre (530 ppm).**

- **A Venus in-house spatial drainage study shows that Lake Dumbleyung and salt lakes west of the lake covered by the Venus Exploration Licence application area (the "Wagin-Dumbleyung salt lake system") formed at the western confluence of a very extensive catchment area draining Archaean granites**

- **The drainage study concluded that the Venus E70/3685 application area is down-drainage of Lake Dumbleyung, and as such is considered by Venus to be prospective for lithium brines.**

- **South America is the world's major supplier of Lithium Carbonate, all sourced from salt lake brines; the Lake Dumbleyung lithium brine occurrence may be the first such Australian occurrence, and so the Wagin-Dumbleyung salt lake system is potentially very significant.**

Venus Resources Limited is pleased to advise that it has lodged an application to the Department of Mines and Petroleum for Exploration Licence E70/3685 of 39 graticular blocks near the township of Wagin in the South West Mineral Field of Western Australia (Figure 1).

Venus application E70/3685 covers a 50 kilometre long part of the Wagin-Dumbleying salt lake system west of and abutting Lake Dumbleyung where Reward Minerals Ltd recently identified lithium-bearing brines within Exploration Licence application E70/3679. Reward Minerals, by way of an ASX announcement of the 26 August 2009, reported that a survey of lake systems throughout Australia for potash resources returned a "surprising" composite brine sample lithium concentration result of 530 mg/litre (530 ppm) from Lake Dumbleyung "equivalent to 5.1 kg of Lithium carbonate per cubic metre of brine"

LITHIUM BACKGROUND

Lithium-bearing brines account for most of the world's economic lithium production. Lithium carbonate is recovered from the brines by simple evaporation pond treatment systems. It is widely used for the production of lithium batteries for mobile phones, computers and hybrid or electric vehicles with the global demand growing significantly as world-wide demand for lithium-ion battery increases. Lithium is needed for both the cathode material and the electrolyte of a lithium-ion battery. Demand for lithium carbonate is predicted by SQM, the world's largest producer of Lithium to rise from 85,000 tonnes in 2007 to 160,000 tonnes in 2015 based on 20% of new vehicles being powered by lithium-ion batteries by 2020 (Evans, 2008)

VENUS WAGIN-LAKE DUMBLEYUNG SALT LAKE SYSTEM SPATIAL DRIANAGE STUDY

An in-house Venus spatial drainage study of the region containing the Wagin-Dumbleyung salt lake system showed that the salt lakes occur at the western confluence of a very extensive catchment area of approximately 7000km2 (Figure 2). Aeromagnetic imagery and government geological mapping show the catchment drains extensive Archaean granite of the Yilgarn Craton where the lithium may have originated from dissolution of lithium-bearing minerals like spodumene (LiAl(SiO3)2 and lepidolite mica, postulated to be widespread as trace amounts in the granitic bedrock.

Based on the results of the drainage catchment study Venus believes that lithium-bearing brines may be present in the salt lake system down drainage from Lake Dumbleyung within the Venus Exploration Licence application area.

REFERENCES

Evans, K.E., 2008. Lithium Abundance- World Lithium Reserve, 2006.

For and on behalf of the Board

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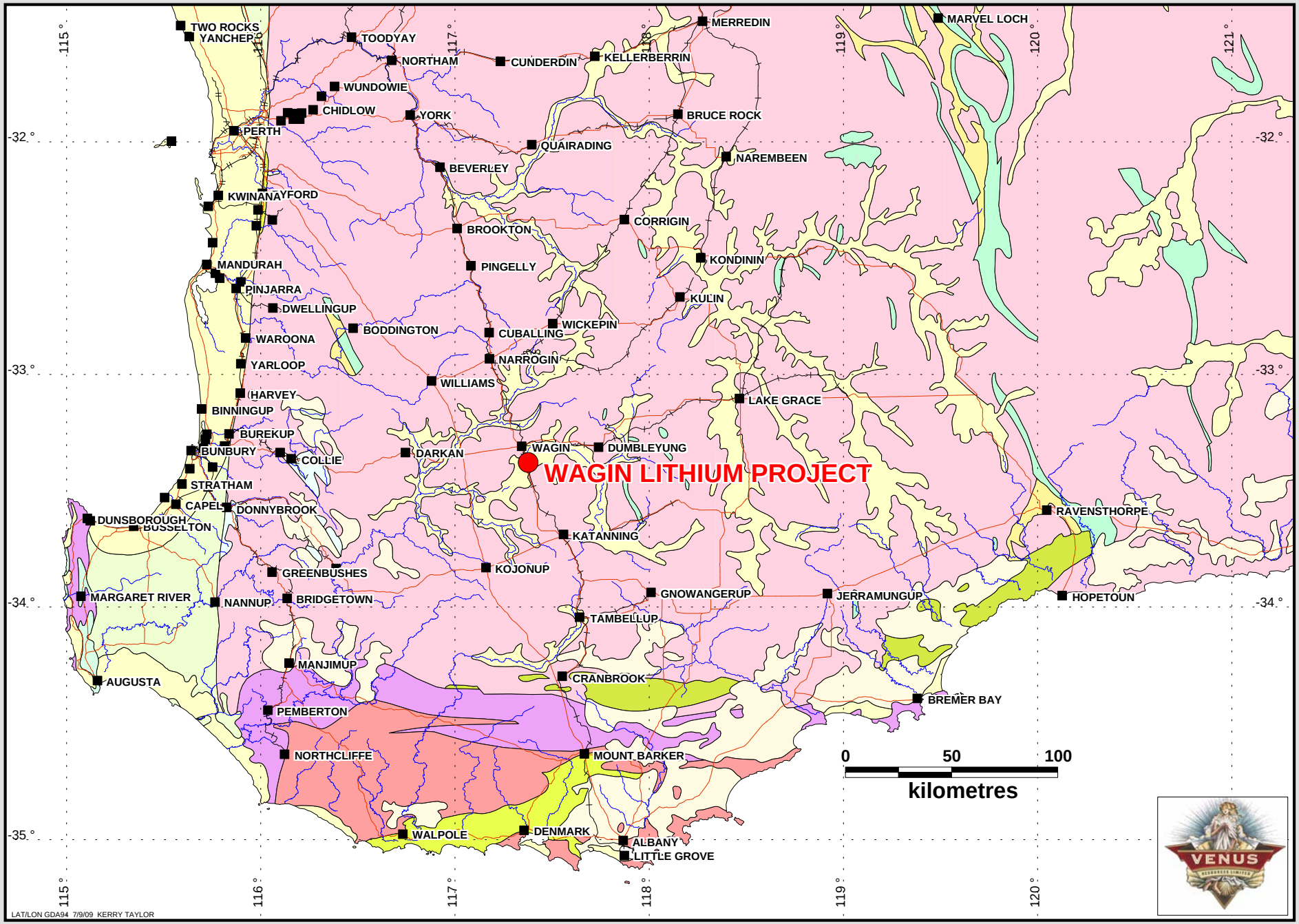
"COMPETENT PERSONS STATEMENT"

The information in this report that relates to Exploration and Geological Work and Concepts is based on information compiled by Venus Executive Director Kerry Taylor who is a member of the Australian Institute of Geoscientists. Mr Taylor has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.



Principal drainage

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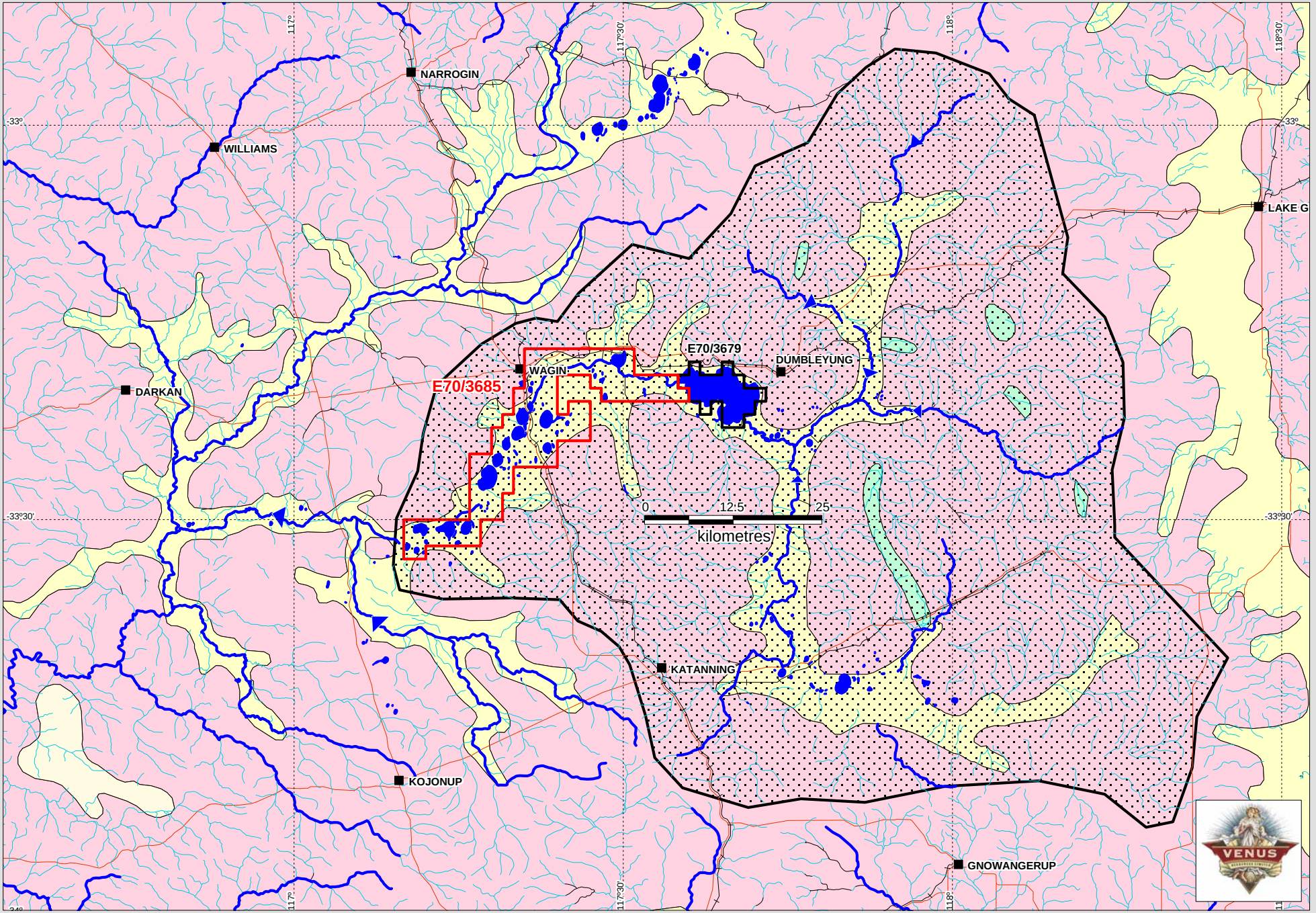
Figure 1. Generalised Western Australian GSWA geology showing the location of the Venus Wagin Lithium project



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VENUS RESOURCES LIMITED WAGIN LITHIUM PROJECT

- Drainage, major, showing interpreted drainage direction
- Drainage, minor
- Salt Lake
- Interpreted Wagin-Dumbleyung drainage catchment
- Venus tenement application
- Reward Minerals tenement application
- Archaean metamorphosed basic/ultrabasics
- Archaean granitie-gneiss basement
- Phanerozoic alluvium

Figure 2. Wagin-Dumbleyung hydrography showing interpreted drainage catchment area