

**VENUS RESOURCES LIMITED**

ABN 99 123 250 582

29 January 2010

Wade Baggott
Issuers Adviser (Perth)
Australian Securities Exchange
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

Fax: 9221 2020
Attention: Wade Baggott
Email: Wade.Baggott@asx.com.au

Dear Mr Baggott

**VENUS RESOURCES LIMITED - RESPONSE TO ASX LETTER DATED 25
JANUARY 2010**

We refer to your letter sent to me at Venus Resources Limited ("Company") by facsimile dated 25 January 2010 ("Letter") seeking information about matters disclosed in the Company's announcement on 25 January 2010 entitled "Quarterly Report for Period Ending 31 December 2009" ("Quarterly Report"). We note that ASX has now requested a response to the Letter by 10.00am WST on Friday 29 January 2010.

This letter responds to the 5 questions contained in the Letter, using the same numbering and definitions.

1. The Company first became aware of the Exploration Results regarding the Donkey Creek Uranium Project in August 2009. It was at this time that the reported rock chip uranium assay and scintillometer uranium results were made available to the Company's Exploration Manager. This followed a field inspection by the Exploration Manager in July 2009 of Donkey Creek with the permission of the previous title holder, during which rock chip samples were taken.

Registered office: Level 14, BGC Centre, 28 The Esplanade, Perth, WA, 6000
Telephone: 9321 7541 Fax: 9486 9587
PO Box 25160, St Georges Terrace, Perth, WA, 6831

The Company first became aware of the Exploration Results of the Copper Hills Project in November 2009. The Company's Exploration Manager obtained the Exploration Results from a comprehensive, non-confidential data file made available by the previous tenement holder.

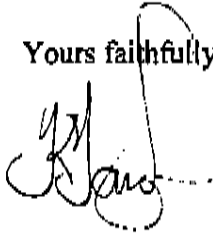
We note that the Company had no rights or title to any tenements included within the Donkey Creek Uranium Project or the Copper Hills Project at such times.

2. The Company does not believe that the Exploration Results are "material" to the Company for the purposes of Listing Rule 3.1, because at no time has the Company had any rights or title to the tenements regarding which the Exploration Results were recorded.

We note that, until an Exploration Licence is granted, the applicant does not have any rights or title with respect to the tenement area.

The Company disclosed details regarding the Exploration Results in the Quarterly Report by way of update to the market regarding its exploration program.

3. Not applicable.
4. Please refer to the response to question 2.
5. The Company confirms that it is in compliance with the Listing Rules and in particular, Listing Rule 3.1

Yours faithfully


Kerry Taylor
Executive Director

**ASX**

AUSTRALIAN SECURITIES EXCHANGE

25 January 2010

Mr Kerry Taylor
Executive Director
Venus Resources Limited
Level 14, BGC Centre
28 The Esplanade
PERTH WA 6000

By facsimile: 9486 9587

Dear Kerry

Venus Resources Limited (the "Company")

We refer to the following:

1. The Company's announcement dated 25 January 2010 titled "*Quarterly Report For Period Ending 31 December 2009*" (the "Announcement") where the Company stated, amongst other activities for the quarter ended 31 December 2009:
 - 1.1. Exploration results including a peak scintillometer uranium "assay" and rock chip samples at the Donkey Creek Uranium Project.
 - 1.2. Exploration results including rock chip samples at the Copper Hills Project.

together (the "Exploration Results")

We wish to draw your attention to the definition of "aware" in chapter 19 of the listing rules which states that:

"an entity becomes aware of information if a director or executive director (in the case of a trust, director or executive officer of the responsible entity or management company) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a director or executive officer of that entity"

Further, we wish to draw your attention to listing rule 3.1 which requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A. Please note that for disclosure not to be required under this listing rule all of the exceptions must apply.

Having regard to the above definition, listing rule 3.1 and Guidance Note 8 - Continuous Disclosure, we ask that you answer the following questions in a format suitable for release to the market in accordance with listing rule 18.7A.

1. When did the Company become aware of the Exploration Results? In your response to this question please indicate the date and approximate time the Company became aware.

2. Please comment on whether the Company believes that the Exploration Results are material to the Company pursuant to listing rule 3.1?
3. If the answer to any part of question 2 is "yes" and the Company became aware of the Exploration Results prior to the release of the Announcement, please advise the following:
 - 3.1. Why an announcement concerning the Exploration Results was not released to the market at an earlier time? Please comment specifically on the application of listing rule 3.1; and
 - 3.2. Why, if the Company was not able to make an announcement concerning the Exploration Results at the earlier time, the Company did not request a trading halt at that time, pending the release of an announcement concerning the Exploration Results?
4. If the answer to question 2 is "no", please advise the basis on which the Company does not consider the Exploration Results to be material.
5. Please confirm that the Company is in compliance with listing rule 3.1.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Please note the ASX reserves its right under listing rule 18.7 to release this letter and the Company's response to the market. Accordingly the Company's response should address each question separately and be in a format suitable for release to the market.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately. Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **5:00pm W.S.T on Thursday 28 January 2010**.

Your response should be sent to ASX by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

If you have any queries regarding any of the above, please contact me.

Yours sincerely,



Wade Baggott
Adviser, Issuers (Perth)