

Thursday, 27th August 2020

Dry Screening Operations commence at the Riley Iron Ore Mine

HIGHLIGHTS

-  **Dry screening and associated mining operations have commenced at the Riley Iron Ore Mine;**
-  Work on site is focused on establishing steady state dry screening operations utilising the most efficient configuration possible with a view to maximising the economic benefits receivable from the upcoming first shipment of saleable iron ore;
-  Current Riley Mine economics well above August 2019 feasibility numbers which were based on a US\$90/tonne 62% Fe price (Refer to ASX announcement 22 August 2019) due primarily to higher Fe prices (**>US\$125/tonne 62% Fe price***) and lower fuel prices, and further supported by a strong Iron Ore market outlook;
-  At the US\$90/tonne 62% Fe price the August 2019 Feasibility returned a post-tax cash surplus of A\$31M over the two year production life of the Riley Mine, including fully providing for progressive and post-production rehabilitation;
-  Venture continues to work towards finalising discussions on financing of the wet screening plant whilst the dry screening process enables Venture to potentially realise early cash-flow from Riley.

Commenting on reaching yet another key milestone towards full scale Riley Iron Ore Mine production, Venture Minerals' Managing Director Andrew Radonjic, said:

“Venture has successfully commenced dry screening operations at the Riley Iron Ore Mine achieving yet another key milestone in the life of the project as it ramps up towards full scale production. The iron ore price continues to strengthen, and the Company looks forward to delivering the first shipment into this positive demand. The increased activity at the Riley Iron Ore Mine continues to provide further economic benefits to the community of the West Coast of Tasmania at a time when it is greatly needed and Venture is proud to be rewarding the support of the people of Tasmania in bringing this to fruition.”

Venture Minerals Limited (**ASX:VMS**) (“Venture” or the “Company”) is pleased to announce that dry screening and associated mining operations (Refer to Figures 1, 2 & 3) have commenced at the Riley Iron Ore Mine. Over the last two weeks the Riley Mining Team has completed comprehensive preparations for the mining and dry screening activities with hire equipment being brought to site to establish mining areas and allow dry screening operations to proceed quickly.

Currently work on site is focused on attaining steady state dry screening operations utilising the most efficient configuration possible with a view to maximising the economic benefits receivable from the upcoming first shipment of saleable iron ore. To achieve this the top 0.5 metre unconsolidated (loose) ferruginous lateritic gravel layer of the 1.5 metre thick Riley DSO deposit will be mined at a zero strip ratio (iron ore at surface), providing the necessary plant feed.

The dry screening operations at the Riley Mine is part of the ramp-up phase of the project with full production to occur upon successful commissioning of the wet processing plant (which is subject to financing). This affords the Company the opportunity to accelerate production and capture the current iron ore prices before the wet screening plant has been built and commissioned, reducing capital cost requirements.

The outlook for the Iron Ore price remains positive with the continuation of Chinese government infrastructure spending and COVID-19 related disruption of supply from key global producer Brazil.

** Based on spot pricing of US\$126.50 per tonne as at 25 August 2020 referenced to the Metal Bulletin Iron Ore 62% Fines CFR price.*

Venture is now finalising financing option discussions, including a debt facility to fund construction of the wet screening plant at Riley.

The Company also continues to focus on concluding the road haulage tender process as well as achieving more efficient ore handling logistics, including finalising negotiations on gaining access to other on-wharf storage.

As per the Share Purchase Plan Offer Booklet announced to the market on 5 August 2020, the company advises that its Share Purchase Plan (SPP) to raise up to A\$1.5m will close on 5pm (AWST) Wednesday, 2nd September 2020.

The SPP is priced at \$0.031 per share, which is the same price as the recent Share Placement completed on 7th August 2020 through which Venture raised A\$4.0m

The Board of Directors will be participating in the SPP for their full entitlement under the offer.

Figure 1 | Mining Iron Ore at the Riley Mine Site.



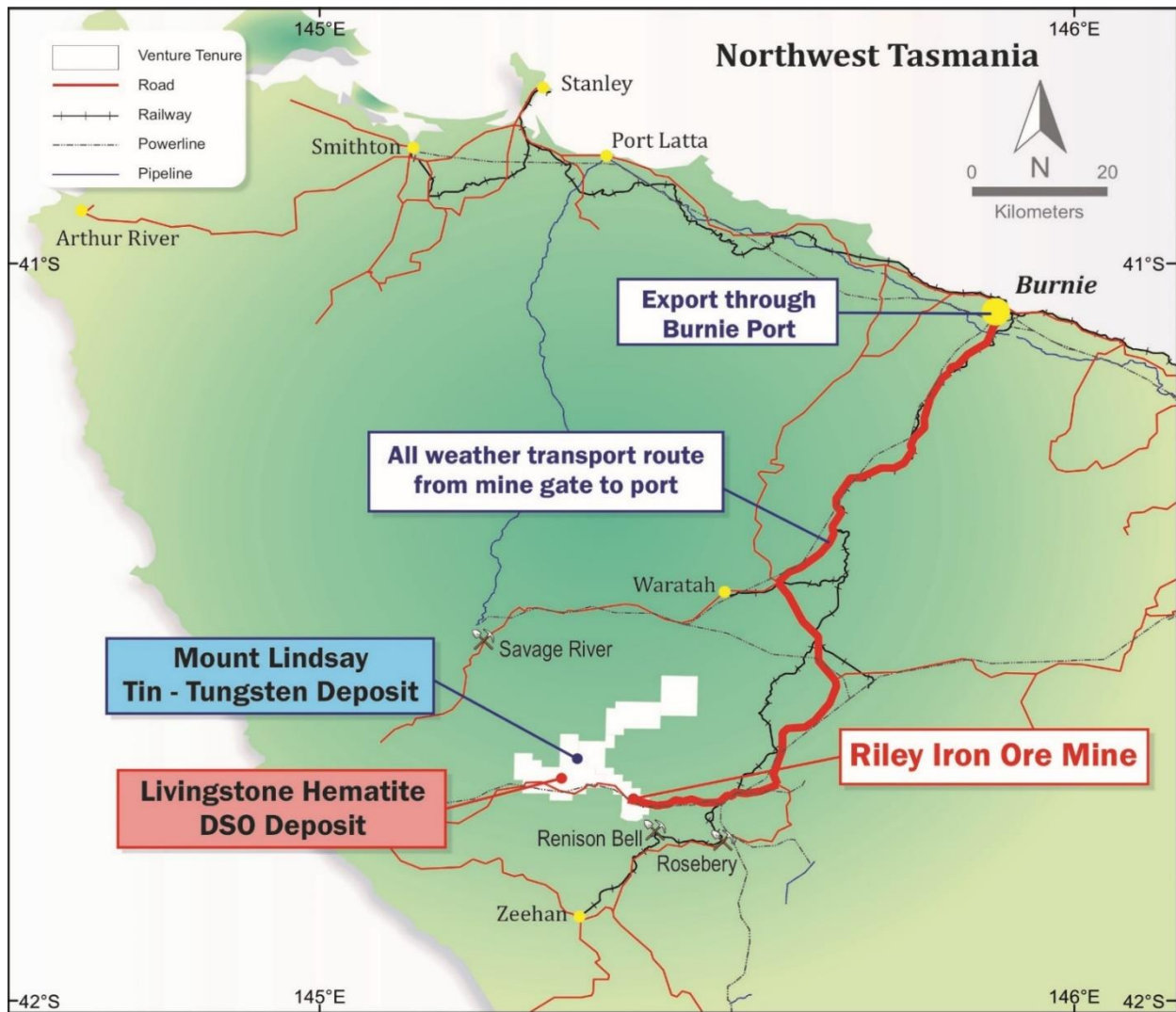
Figure Two | Dry Screening Iron Ore at the Riley Mine Site.



Figure Three | Another view of Dry Screening Iron Ore at the Riley Mine Site.



Figure 4 | Location Map for the Riley Iron Ore Mine with transport route from mine gate to shipping.



Authorised by the Board of Venture Minerals Limited:



Andrew Radonjic

Managing Director

The information in this report that relates to Exploration Results, Exploration Targets and Minerals Resources is based on information compiled by Mr Andrew Radonjic, a fulltime employee of the company and who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Andrew Radonjic has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and 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 Andrew Radonjic 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 report that relates to Ore Reserves is based on information compiled by Mr Peter George, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr George is an independent consultant. Mr George has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and 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 George consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Notes: All material assumptions and technical parameters underpinning the Minerals Resource estimate referred to within previous ASX announcements continue to apply and have not materially changed list last reported. The company is not aware of any new information or data that materially affects the information included in the said announcement.

About Venture

“Venture Minerals Ltd (**ASX:VMS**) is entering an exciting phase as it looks to move from explorer to producer and is production ready at the Riley Iron Ore Mine in northwest Tasmania. At the neighbouring Mount Lindsay Tin-Tungsten Project in North-West Tasmania, higher Tin prices and the recognition of Tin as a fundamental metal to the battery revolution has refocused Venture’s approach to developing Mount Lindsay. Already one of the world’s largest undeveloped Tin deposits, the Company recently commissioned an Underground Scoping Study on Mount Lindsay that will leverage off the previously completed feasibility work. In Western Australia, Chalice Gold Mines (ASX:CHN) recently committed to spend up to \$3.7m in Venture’s South West Project, to advance previous exploration completed by Venture to test a Julimar lookalike Nickel-Copper-PGE target. At the Company’s Golden Grove North Project, it has already identified two new VMS (Volcanogenic Massive Sulfide) Targets discovered along strike to the world class Golden Grove Zinc-Copper-Gold Mine. Venture will also be starting a low-cost drill program designed to bring forward a potential new gold discovery at the Kulin Project.

COVID-19 Business Update

Venture is responding to the COVID-19 pandemic to ensure impacts are mitigated across all aspects of Company operations. Venture continues to assess developments and update the Company’s response with the highest priority on the safety and wellbeing of employees, contractors and local communities. Venture will utilise a local workforce and contractors where possible, and for critical mine employees that are required to fly in and fly out, Venture has obtained the appropriate COVID-19 entry permits into Tasmania.

Authorised by:

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