



Prefeasibility Update - Mt Lindsay Project Tasmania

ASX Announcement
Tuesday, 10 August 2010
Ref: /VMS/606/VMS00227

Australian mineral exploration company, Venture Minerals Limited (ASX code: VMS), announces an update on the Company's prefeasibility study at the Mt Lindsay Project. Drilling targeting the Main Skarn has intersected consistent broad zones of high grade tin, confirming the robust nature of mineralization at Mt Lindsay.

Highlights include

- First diamond core drill holes targeting the Main Skarn intersected:
 - 18m @ 1.4% Tin equiv (0.9% Sn)**
 - 16m @ 1.1% Tin equiv (0.8% Sn)**
 - 24m @ 0.6% Tin equiv (0.5% Sn)**
 - 10m @ 0.5% Tin equiv (0.4% Sn)**
 - 14m @ 0.5% Tin equiv (0.2% Sn)**

Refer to Appendix One for further details
- Pre-feasibility drilling has confirmed that high grade mineralization within the Main Skarn is broad, consistent and extensive (Refer cross section).
- Specialist independent consultants have been engaged for all major aspects of the pre-feasibility including:
 - Metallurgy Testwork/Process Design**
 - Mine Design**
 - Geotechnical**
 - Environmental & Permitting**
 - Hydrogeological Modelling**
 - Infrastructure & Logistics**
- All major aspects of the pre-feasibility are well underway with the study scheduled for completion in the 4th quarter of 2010.

Following a very successful independent scoping study, which concluded the Mt Lindsay Project had the potential to be a **highly profitable mining operation generating net cash of approximately \$530 million** over the life of the mine, the Company immediately commenced a pre-feasibility. The pre-feasibility study has been designed to specifically focus on upgrading the resource base to indicated, refining metallurgy and process design, commencement of the environmental permitting process and the completion of geotechnical studies. With five drill rigs on site and all major aspects of the pre-feasibility well underway, the Company is confident that the study will be completed on schedule in the 4th quarter of this year.

Tin

Comparisons

1% Tin = 5.4g/t Gold
1% Tin = 2.8% Copper
1% Tin = 9.9% Zinc
1% Tin = 9.6% Lead
1% Tin = 2,000ppm U₃O₈
Refer to Appendix Two

Tin

Fast Facts

- Tin LME price
\$US20,800 or 2.8 times the price of copper
- The average grade of large hard rock deposits worldwide is 0.4% Sn
- China is the world's largest producer and consumer of Tin
- China has new 10% export tax on Tin
- China is a net importer ("Protect Resources Policy")
- Rare Metal - Tin is 30 times rarer than Copper

Venture Fast Facts

ASX Code: VMS
Shares on Issue: 168 million
Cash: \$10 million (June Quarterly)

Recent Announcements

New Scoping Study
increase margin per tonne by 300%
(ASX: 13/5/2010)
Major tin/tungsten resource upgrade
(ASX: 23/03/2009)

Australia's Third Largest Tin Resource

Located in North-West Tasmania
140 years of mining precedent



Scoping Study Highlights

Margin per tonne increased by 300% to \$80 per tonne

Internal Rate of Return - 55%

Net cash per annum \$80 million
(ASX: 13/05/2010)

Details of the Pre-feasibility

Resource Estimation

The current high grade tin and tungsten inferred resources in the Main and No.2 Skarns will be converted to indicated resources, under the guidance of independent resource estimation consultants.

Metallurgical Testwork /Process Design

ProMet Engineers & Esker Milling and Processing have been co-engaged to design and run further metallurgical testwork, with the results utilized to refine a process flowsheet for tin, tungsten and magnetite. ProMet will focus on magnetite recovery component of the circuit while Esker will look to optimise both the tin and tungsten recovery.

Mine Design

Rock Team have been engaged to complete the open pit and/or underground mine design on the resources at Mt Lindsay. Rock Team is a combination of two companies, Bergteamet AB which is one of the largest suppliers of mining services in Europe and Rapallo Pty Ltd, a West Australian Consulting and Contract Engineering firm.

Geotechnical

Turner Mining and Geotechnical have been engaged through Rock Team to provide the geotechnical input required for the Mt Lindsay mine design. Mike Turner was formerly the Principal Geotechnical Engineer for AMC Consultants for 8 years.

Environmental & Permitting

Pit & Sherry a Tasmanian based consulting engineering firm have been engaged to assist Venture with environmental and permitting aspects for the Mt Lindsay Project. Pitt & Sherry's brief includes, the Mining Lease application, the submission for referral under the Commonwealth EPBC Act, the Notice of Intent (NOI) submission to the Environment Protection Authority (EPA) and submission of the Development Proposal and Environmental Management Plan (DPEMP). Pit & Sherry have extensive experience and a proven track record of environmental management and assessment in Tasmania.

Hydrogeological Modelling

William C. Cromer Pty Ltd has been engaged to develop a Hydrogeological Model for the Mt Lindsay Project to be utilized for mine design, process design and tailings dam design.

Infrastructure & Logistics

Venture Minerals engineering consultant Mr Malcolm Hillbeck will utilise his extensive Tasmanian experience to manage all aspects of infrastructure and logistics by liaising with local government authorities.

Kind regards

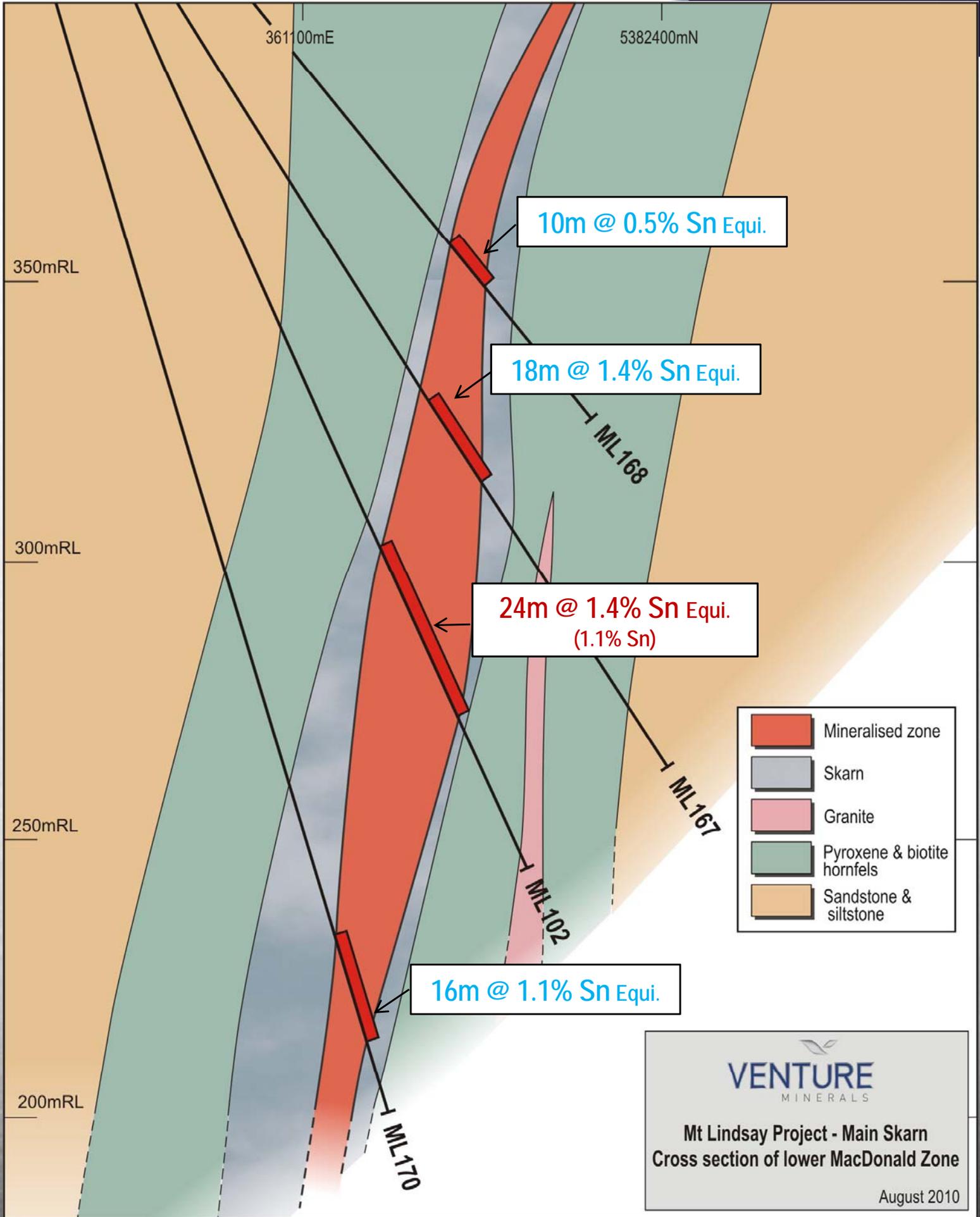
Venture Minerals Limited



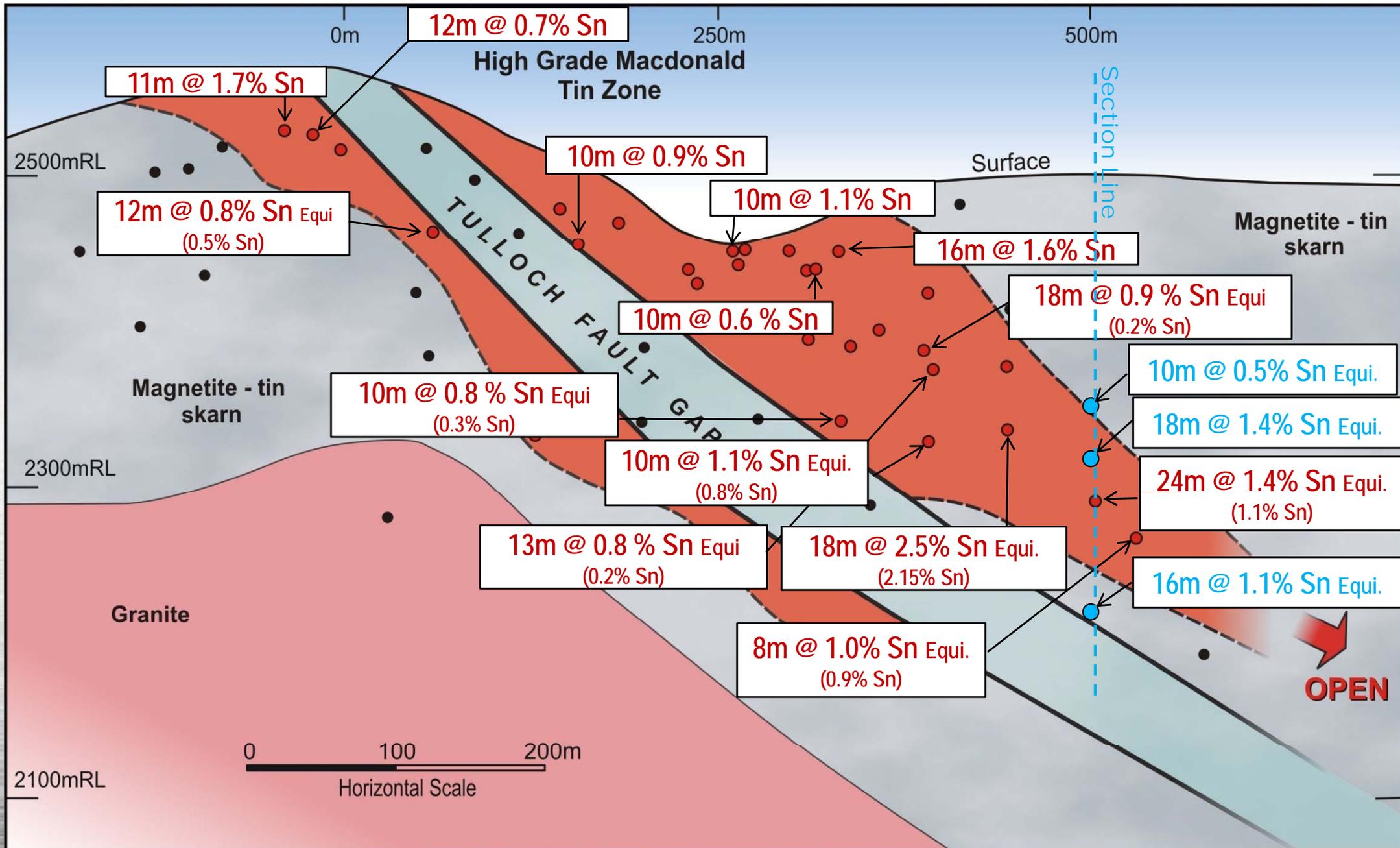
Hamish Halliday
Managing Director

The information in this report that relates to Exploration Results, Exploration Targets, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Radonjic, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Andrew Radonjic is a full-time employee of the company. Mr Andrew Radonjic has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. 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.

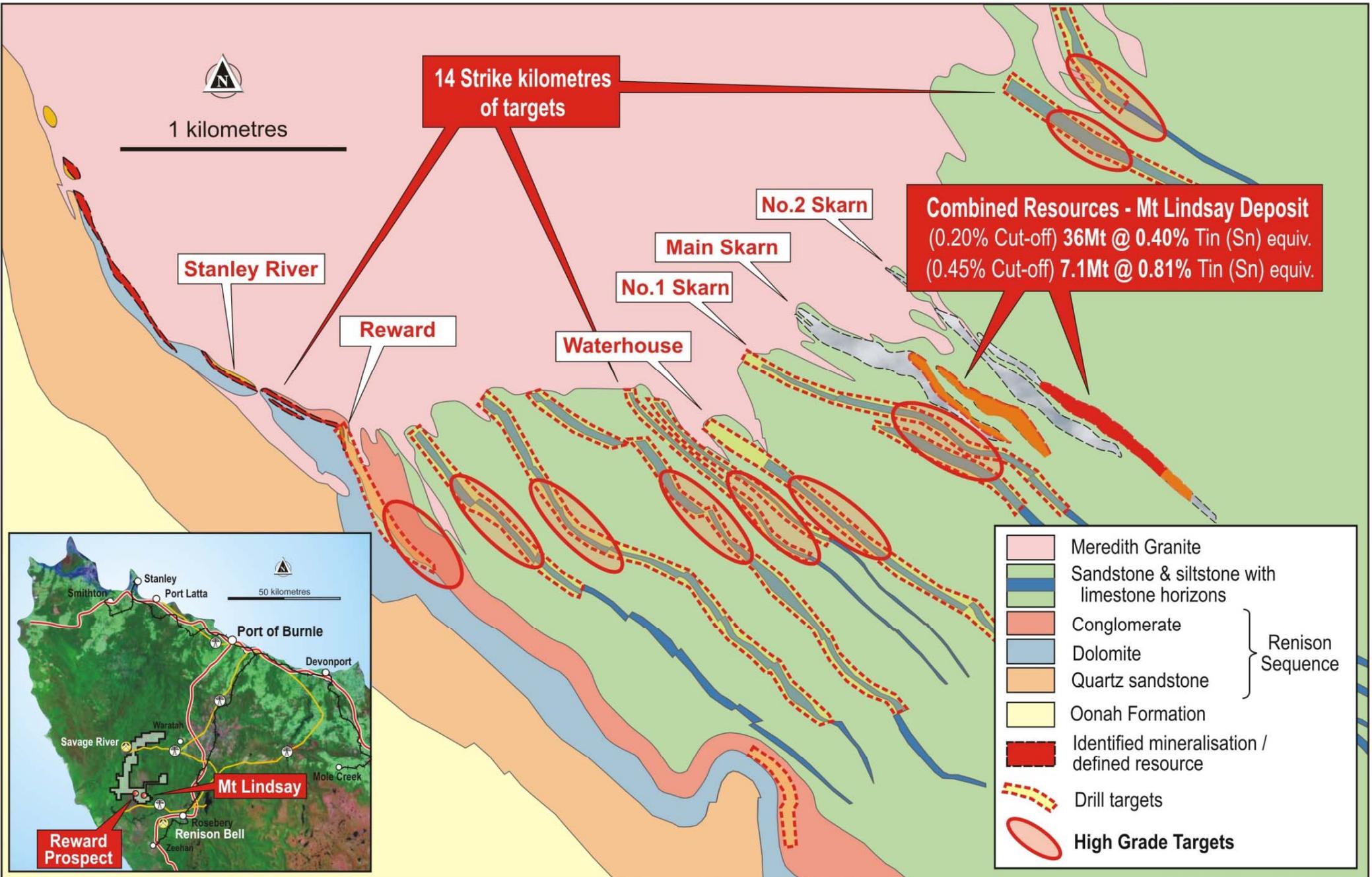
Main Skarn - Cross Section



Main Skarn - Long Section



Priority Exploration Targets



Appendix One - Diamond Core Drill Results - Main Skarn

Hole ID	Location		Dip (°)	Azimuth (°)	Intersection (m)		Interval (m)	Mass Recovery of Magnetic Iron (Fe) %*	Tin (Sn) Grade %	Tungsten Trioxide (WO ₃) Grade %	Tin (Sn) Equivalent Grade %	Intercept Depth below surface (m)
	East (MGA55) (m)	North (MGA55) (m)			From	To						
ML167	361097	5382274	-58	12	168	186	18	9	0.90	0.51	1.44	180
ML168	361096	5382272	-48	9	148	158	10	8	0.37	0.03	0.45	150
ML170	361095	5382271	-73	9	252	268	16	16	0.77	0.20	1.07	280
ML174	361096	5382271	-67	41	189	213	24	7	0.46	0.14	0.64	215
ML178	361024	5382308	-64	27	180	194	14	13	0.18	0.20	0.46	200

Note:

“*” The mass recovery of the magnetic iron is determined from a calculated mag-sus-Davis Tube Results (“DTR”) regression.

- The tin equivalent formula used to calculate the tin equivalent values is as follows: Tin Equivalent (%) = Sn% + (mass recovery% of magnetic Fe x 0.00667) + (WO₃% x 0.94444).
- This formula uses the 69% Fe magnetite concentrate price of US\$120/t, a tin metal price of US\$18,000/t and a minimum 65% WO₃ concentrate price of US\$170/mtu, all are as used in the ASX announcement on the Scoping Study results released on May 14 2010.
- The metallurgical recovery for iron in the form of magnetite is 90%, for tin is 71%, and for WO₃ is 80%. The iron value was from part of the metallurgical testwork from which results were stated in the ASX announcement of February 7 2008. The tin and WO₃ values are from metallurgical testwork results as stated in the ASX announcement of April 28 2009.
- It is the Company’s opinion that the tin, WO₃ and magnetic iron included in the metal equivalent calculations have a reasonable potential to be recovered if the Mt Lindsay Project goes into production.

Appendix Two - Tin Comparisons

Metal Prices as of August 9 2010
Tin = US\$20,800 per tonne as quoted on LME
Gold = US\$1,205 / oz as quoted on Kitco
Copper = US\$7,420 per tonne as quoted on LME
Zinc = US\$2,110 per tonne as quoted on LME
Lead = US\$2,167.50 per tonne as quoted on LME
U ₃ O ₈ = US\$46/lb as quoted on UX Consulting website

Note:

Tin comparison calculations are based on metal prices alone with no account for metallurgical recovery or payability.