



QUARTERLY REPORT

for the period ending 30 September 2012

Highlights

- **Mt Lindsay resource upgrade sees 73% of the resource now in the measured and indicated category:**

Measured & Indicated Resources	9.5Mt @ 0.8% Tin equivalent
Inferred Resources	3.9Mt @ 0.6% Tin equivalent
Total Resources	13Mt @ 0.7% Tin equivalent

See Tables 1 & 2 for further details

- **First drill hole targeting the Big Wilson Prospect hits 17m @ 2% tin**
- **Venture completes \$17m capital raising and welcomes the Elphinstone Group as a substantial shareholder.**
- **Pilot scale metallurgical program confirms excellent recoveries at Mt Lindsay.**

Introduction

The September Quarter saw some exciting developments for the Company, including the discovery of the high grade Big Wilson Prospect, an upgrade of the Mt Lindsay resource estimate and the completion of a \$17m capital raising. In addition the Company completed the pilot scale metallurgical test program for Mt Lindsay.

Exploration during the quarter delivered some excellent results with the discovery of the Big Wilson Prospect. The discovery followed the commencement of a maiden drill program in which the first hole intersected a substantial high grade tin zone, assaying at 17m @ 2% tin. The Company believes this is a very significant discovery particularly given that it is the first hole into a prospect which contains extensive historical tin workings that extend over 1.1km of strike.

As part of the final stages of the Mt Lindsay Bankable Feasibility Study ("BFS") the Company completed a resource upgrade which saw 73% of the resource now in the measured and indicated category. The upgrade also sees 50% of the November 2010 resource base now converted to the measured category.

Venture Fast Facts

ASX Code: VMS
Shares on Issue: 287 million
Market Cap: \$83 million
Current Cash: \$18.6 million
(30 September 2012)

Recent Announcements

Venture Minerals Share
Purchase Plan Oversubscribed
(12/09/2012)

Pilot Scale Metallurgy
Confirms Excellent Recoveries
at Mt Lindsay
(31/08/2012)

Venture Announces
\$17M Equity Raising
(15/08/2012)

Major New High Grade
Tin Discovery
(02/08/2012)

DSO Projects Deliver 4mt
Ore Reserve
(26/07/2012)

Located in North-West
Tasmania
140 years of mining precedent



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Mt Lindsay: Latest Resource Estimate

Table 1: Tin-Tungsten Resources October 2012

Lower Cut (Tin equiv)	Category	Tonnes	Tin Equiv. Grade	Tin Grade	Tungsten Grade (WO ₃)	Mass Recovery of Magnetic Iron (Fe) Grade	Copper Grade	Contained Tin Metal (tonnes)	Contained Tin/ Tungsten Metal (tonnes)
0.45%	Measured	4.3Mt	0.8%	0.3%	0.2%	18%	0.1%	12,000	22,000
	Indicated	5.2Mt	0.7%	0.3%	0.2%	15%	0.1%	14,000	22,000
	Inferred	3.9Mt	0.6%	0.3%	0.1%	9%	0.1%	12,000	17,000
	TOTAL	13Mt	0.7%	0.3%	0.2%	14%	0.1%	38,000	61,000

Note: Reporting to two significant figures as per the JORC code. Figures have been rounded and hence may not add up exactly to the given totals. Full details of estimate are in Appendix Two

With the majority of the resource now in the measured and indicated category the Company can focus on finalising a reserve statement as part of the Mt Lindsay BFS.

The September Quarter also saw the Company complete a significant capital raising involving a private placement to sophisticated investors and a Share Purchase Plan for a total raising of \$17 million. The funds will be utilised to commence production on the Company's DSO Projects following a decision to mine and to fund a comprehensive drill program at the Big Wilson Prospect. The Company would like to thank existing and new shareholders for their on-going support.

Mt Lindsay Project, North West Tasmania

Introduction

The Mt Lindsay Project (~300km²) is located in western Tasmania (Refer to Fig 1) within the contact metamorphic aureole of the highly perspective Meredith Granite. The project sits between the world class Renison Bell Tin Mine (Metals X Ltd/Yunnan Tin Group > 200,000t of tin metal produced since 1960) and the Savage River Magnetite Mine (operating for > 44 years, currently producing 2.3 Mtpa of iron pellets). Mt Lindsay has excellent access to existing infrastructure including hydro-power, water, sealed roads, rail and port facilities.

Venture owns 100% of the tenure that host Mt Lindsay Tin-Tungsten Deposit and the Riley and Livingstone DSO Deposits. In addition to its 100% owned tenure, Venture has earned 76% interest from Bass Metals Ltd on the iron, tin and tungsten rights on EL31/2003 & EL36/2003.

Since commencing exploration on the project in mid-2007, Venture has completed +77,000m of diamond core drilling at Mt Lindsay and defined a JORC compliant Measured, Indicated and Inferred Resources of:

Tin-Tungsten Resources

Table 2: Tin-Tungsten Resources October 2012

Lower Cut (Tin equiv)	Category	Tonnes	Tin Equiv. Grade	Tin Grade	Tungsten Grade (WO ₃)	Mass Recovery of Magnetic Iron (Fe) Grade	Copper Grade	Contained Tin Metal (tonnes)	Contained Tin/Tungsten Metal (tonnes)
0.20%	Measured	8.1Mt	0.6%	0.2%	0.1%	17%	0.1%	18,000	29,000
	Indicated	17Mt	0.4%	0.2%	0.1%	15%	0.1%	32,000	43,000
	Inferred	20Mt	0.4%	0.2%	0.1%	17%	0.1%	32,000	41,000
	TOTAL	45Mt	0.4%	0.2%	0.1%	17%	0.1%	81,000	113,000
0.45%	Measured	4.3Mt	0.8%	0.3%	0.2%	18%	0.1%	12,000	22,000
	Indicated	5.2Mt	0.7%	0.3%	0.2%	15%	0.1%	14,000	22,000
	Inferred	3.9Mt	0.6%	0.3%	0.1%	9%	0.1%	12,000	17,000
	TOTAL	13Mt	0.7%	0.3%	0.2%	14%	0.1%	38,000	61,000

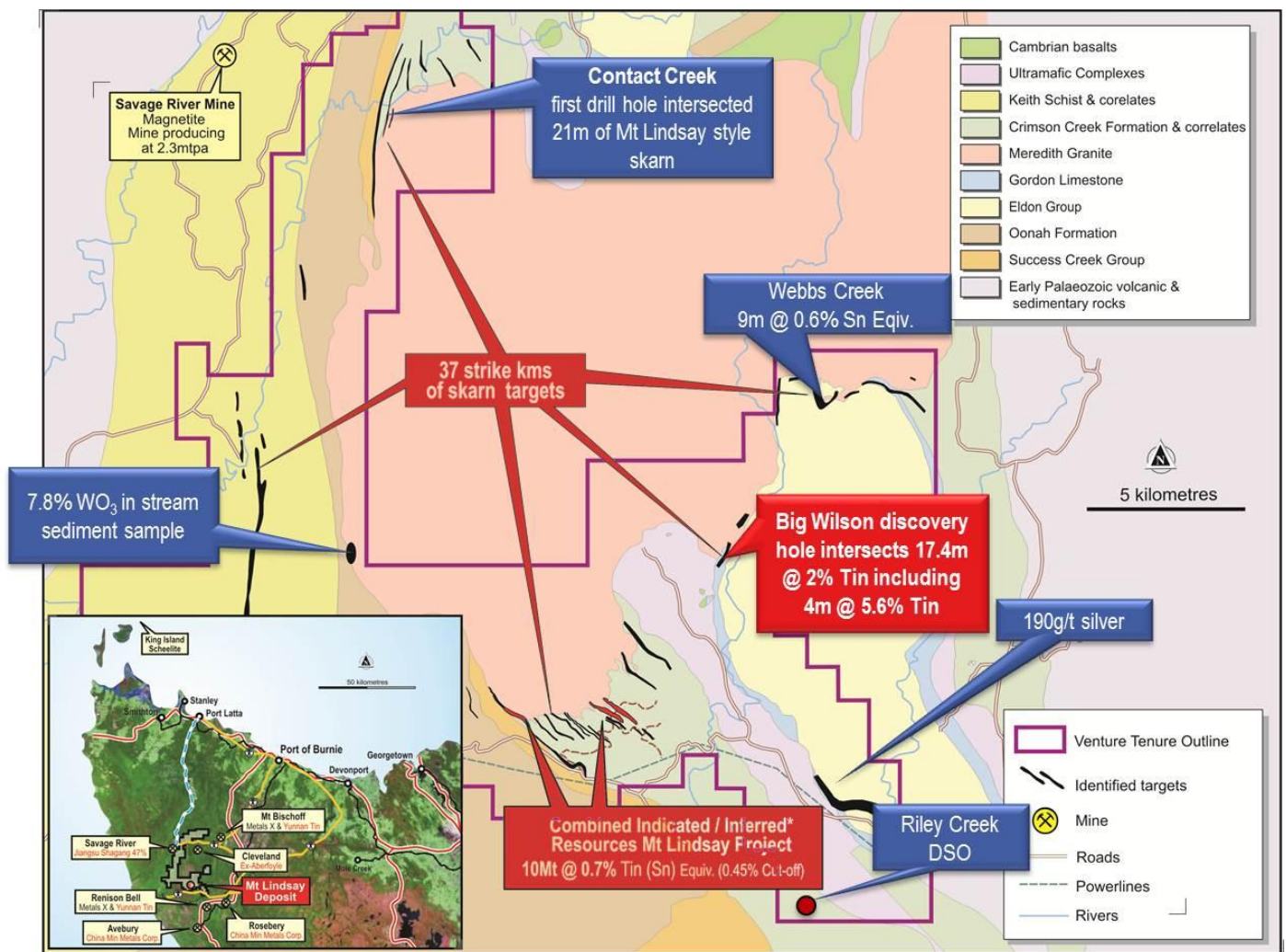
Note: Reporting to two significant figures as per the JORC code. Figures have been rounded and hence may not add up exactly to the given totals. Full details of estimate are in Appendix Two.

Notes:

- The Sn equivalent formula used to calculate the Sn equivalent values for the Main and No.2 Skarns is as follows: Sn Equivalent (%) = Sn% + (WO₃% x 1.90459) + (mass recovery % of magnetic Fe x 0.006510) + (Cu% x 0.28019). Whereas for the Sn equivalent formula used to calculate the Sn equivalent values for the Stanley River South and Reward Skarns is as follows: Sn Equivalent (%) = Sn% + (WO₃% x 1.65217) + (Cu% x 0.34783).
- The mass recovery of the magnetic iron is determined mostly by Davis Tube Results ("DTR"). Full details are in Appendix Two.
- The Sn equivalent formulae uses a tin metal price of US\$23,000/t, an APT (Ammonium Para Tungstate) price of US\$380/mtu (1mtu =10kgs of WO₃), a magnetite concentrate price of US\$110/t and a copper metal price of US\$8,000/t.
- Pilot scale metallurgical testwork has been completed on the Main and No.2 Skarns with results indicating the metallurgical recovery for tin is 72%, for WO₃ is 83%, for iron in the form of magnetite is 98% and for copper is 58%. The results of this testwork are stated in the ASX announcement of August 31 2012.
- It is the Company's opinion that the tin, WO₃ and copper as included in the metal equivalent calculations for the Stanley River South and Reward Skarns have a reasonable potential to be recovered for when the Mt Lindsay Project goes into production.

The resource base at Mt Lindsay is hosted within two magnetite rich skarns (Main Skarn and the No.2 Skarn) which extend over a total strike of 2.8kms and remain open at depth. Additional indicated and inferred resources have been defined at the Reward and Stanley River South Prospects, which extend over an additional 1.1km of strike. The skarns drill tested to date represent approximately 10% of the total skarns identified by the Company, with an additional 37 strike kilometres of interpreted magnetite skarns still to be tested within the project area (Ref fig 1).

Figure 1: Regional Exploration Targets



During 2011 the resource base at Mt Lindsay was the subject of a detailed independent pre-feasibility study which concluded that the project was robust in terms of margin per tonne and internal rate of return. The study entertained a 1.3million tonne per annum operation, producing concentrates of tin, tungsten, copper and magnetite.

Activities during the September Quarter

During the September Quarter the Company focussed on completing the final stages of the Mt Lindsay BFS, including finalising studies in mine design, metallurgy, resource estimation and significantly advancing the development approvals process. Work completed over the quarter included:

Metallurgical Testwork /Process Design

Bench/pilot scale testwork for the tin, tungsten and magnetite concentration circuits is completed for the individual skarns (Main and No.2 Skarn) as well as a blended sample. GR Engineering has completed the plant design work.

Mine Design & Geotechnical

The mine design work is very near completion.

Environmental & Permitting

The Company continues its diligent approach to the approval process, striving to exceed its environmental obligations for the development of the Mt Lindsay Project. Venture is progressing well through the approval process working closely with both the State and Federal Governments.

Independent environmental consultants, Pitt & Sherry, continued to assist Venture throughout the September Quarter, with all environmental and permitting aspects of the Mt Lindsay Project development. The Company has received the guidelines from the EPA for preparing a Development Proposal and Environmental Management Plan (DPEMP) for the development of the Mt Lindsay Project. Work continues on completing the DPEMP with the final document to be submitted shortly.

As previously noted in our Letter to Shareholders (May 2012), campaigns run by various NGO's including GetUp! and the Tarkine National Coalition (TNC), continue to seek additional environmental protection for the Tarkine/northwest region of Tasmania. On numerous occasions we have been approached by the media and other interest groups to comment on these campaigns. Given that we are currently going through an exhaustive approval process, which the Company fully supports, we believe it is not appropriate for Venture to comment on these campaigns.

It is noted that Mt Lindsay is located in the heart of the northwest mining district, in an area which formally recognises the value of mineral exploration and mining. This area is Crown Land with no restrictions on mining activity, other than standard environmental and planning approval processes required for any development in Tasmania. The Company is not aware of any decision by the government to grant any additional environmental protection for the Tarkine/northwest region of Tasmania. The Company will however continue to monitor any developments within the broader region and will inform shareholders if any such developments become material to Ventures operations.

Hydrogeological Modelling

William C. Cromer Pty Ltd developed a Hydrogeological Model for the Mt Lindsay Project which was utilized for mine design, process design and tailings dam design work during the BFS.

Infrastructure & Logistics

GHD has finalised the Tailings Dam Design for the DPEMP. All logistical components for the BFS have now been completed.

Financial Modelling

The Financial Model is currently being finalised.

Sales & Marketing

Penfold continues to assist Venture in advancing off-take discussions with potential parties for the tin and tungsten concentrates. This Quarter concentrate samples of the tungsten ore (scheelite) were dispatched to various potential off-take parties, the same will be done for the tin ore (cassiterite) next quarter.

Exploration

Exploration during the quarter delivered some excellent results with the discovery of the Big Wilson Prospect. The discovery followed the commencement of a maiden drill program in which the first hole intersected a substantial high grade tin zone, assaying at 17m @ 2% tin (Ref fig 3).

Table 3: BW001 High Grade Intersections

Hole ID	Interval (metres)	Tin (Sn) Grade
BW001	35.4	1.0%
includes	17.4	2.0%
includes	4.0	5.6%

Note: Please see ASX Announcement of 2 August 2012 for full details

Venture believes this is a very significant discovery particularly given that it is the first hole into a prospect which contains extensive historical tin workings that extend over 1.1km of strike (Ref fig 2).

The Big Wilson Prospect is located 6 kilometres from the Pieman Road and the Mt Lindsay Deposit. The prospect area saw substantial alluvial mining activities from the late 1800s to the early 1900s. Renison Limited cut access tracks to explore the area in the 1980s which Venture has utilised to complete the recent soil sampling and maiden drill program.

The Big Wilson discovery highlights the potential of the greater Mt Lindsay area, the majority of which has been grossly underexplored, but remains located in the heart of a 120-year-old, world class mining district. With very few new tin projects around the world, this kind of high-grade tin mineralization represents an important new discovery.

Figure 2: Big Wilson Location Map

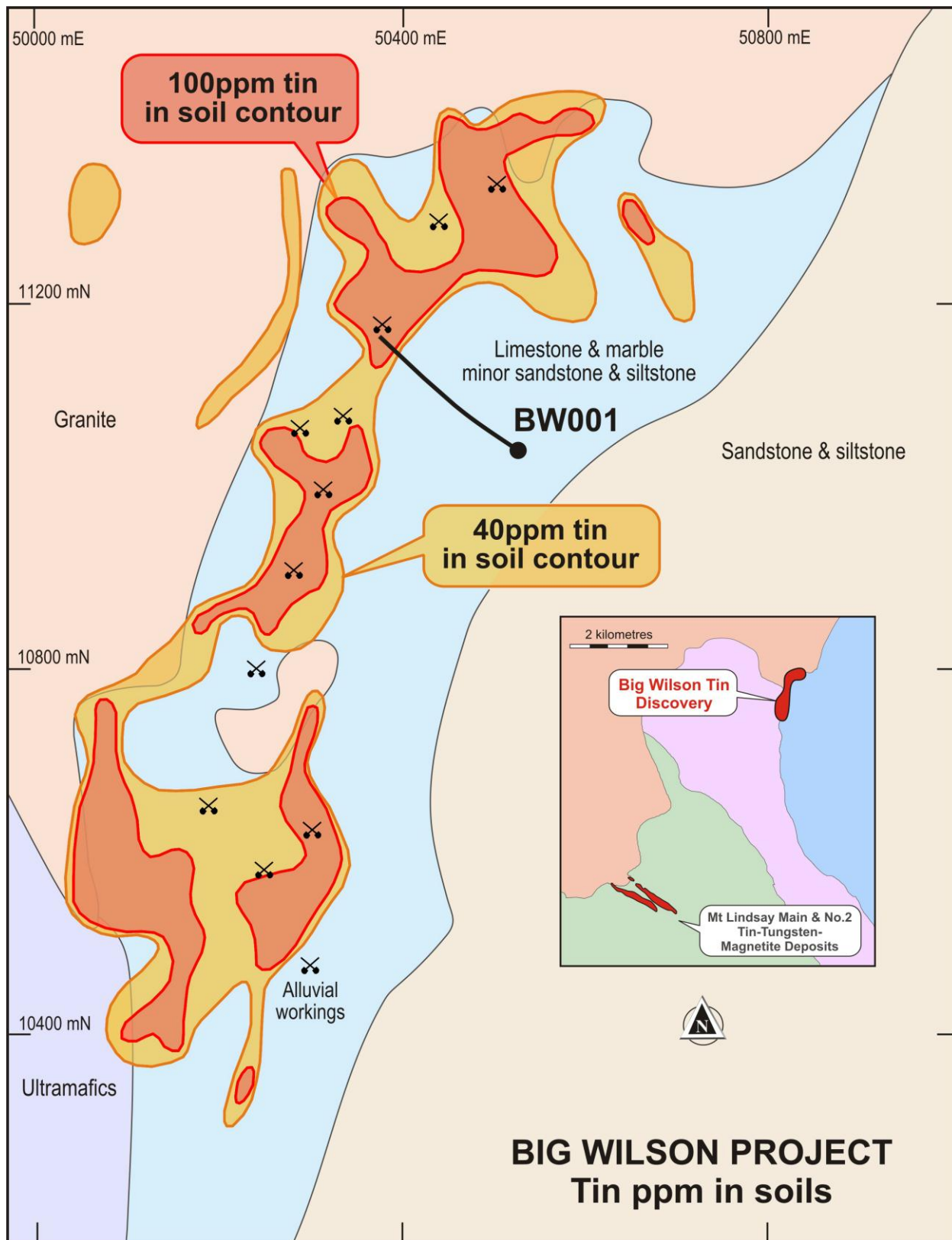
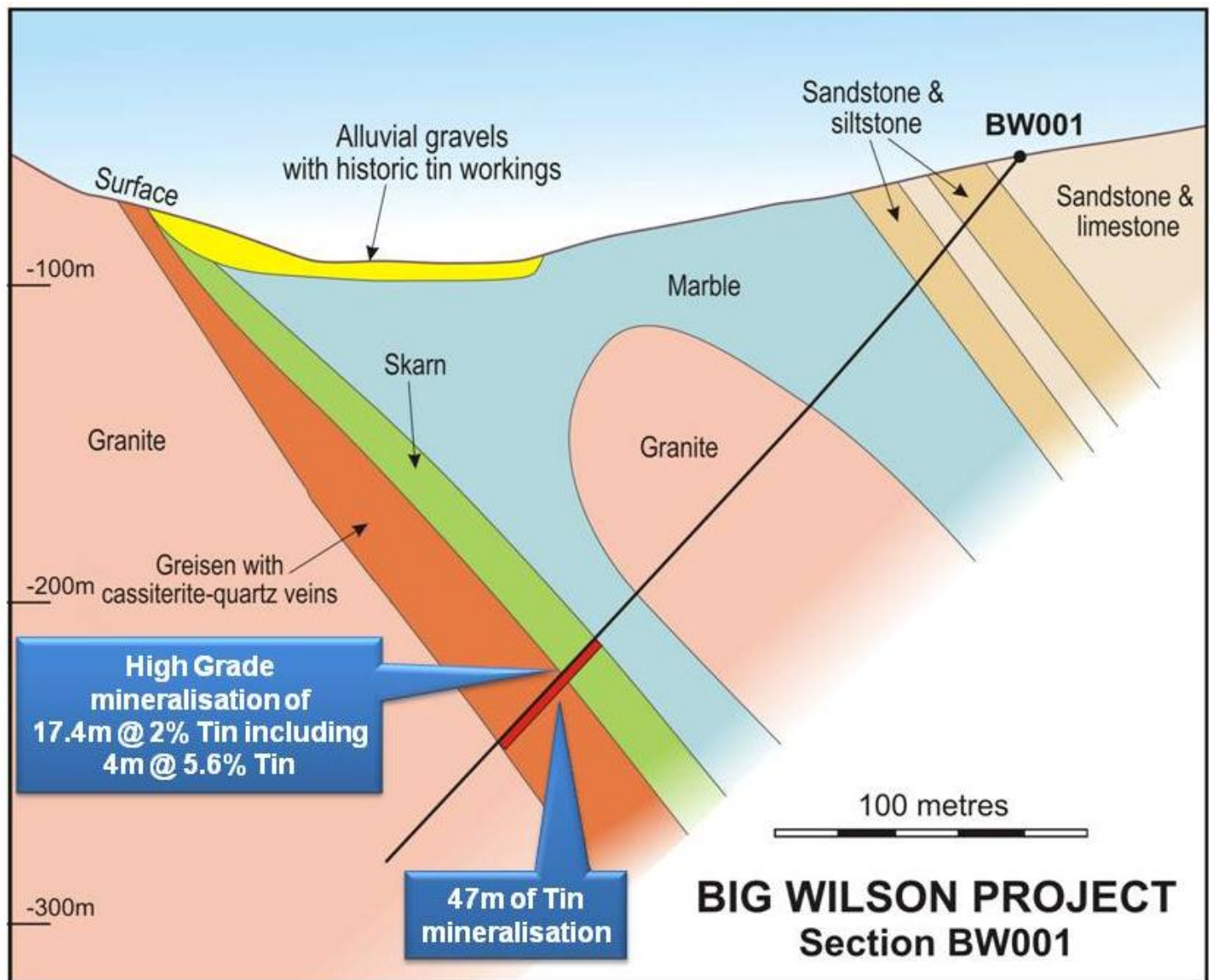


Figure 3: Big Wilson Discovery Hole Cross-Section



Riley DSO Hematite Project

The Riley DSO Project is located 10km from the Mt Lindsay Project (Ref fig 4) and occurs as a hematite rich pisolitic and cemented laterite. The deposit is all at surface, located less than two kilometres from a sealed road that accesses existing rail and port facilities.

A maiden resource of statement of 2mt @ 57% Fe was defined earlier this year which resulted in the Company doubling its overall DSO resource base to 4.4mt @ 57% Fe.

The previous quarter saw Venture complete a new resource estimate which resulted in 100% upgrade from the inferred to indicated category.

Table 4 – Resource Statement – Riley DSO Project

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Indicated	2.0mt	57	61	3.7	2.6	0.03	0.08	2.8	7.7

*Refer to Appendix One for parameters

Having completed the new resource Venture engaged independent mining engineers, Rock Team to complete mining studies on the deposit and produce a reserve statement. With all the hematite resources at Riley located at or near surface, the study delivered a 90% conversion rate of resource to reserve.

Table 5 – Reserve Statement – Riley DSO Project

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Probable	1.8mt	57	61	3.7	2.6	0.03	0.07	2.8	7.8

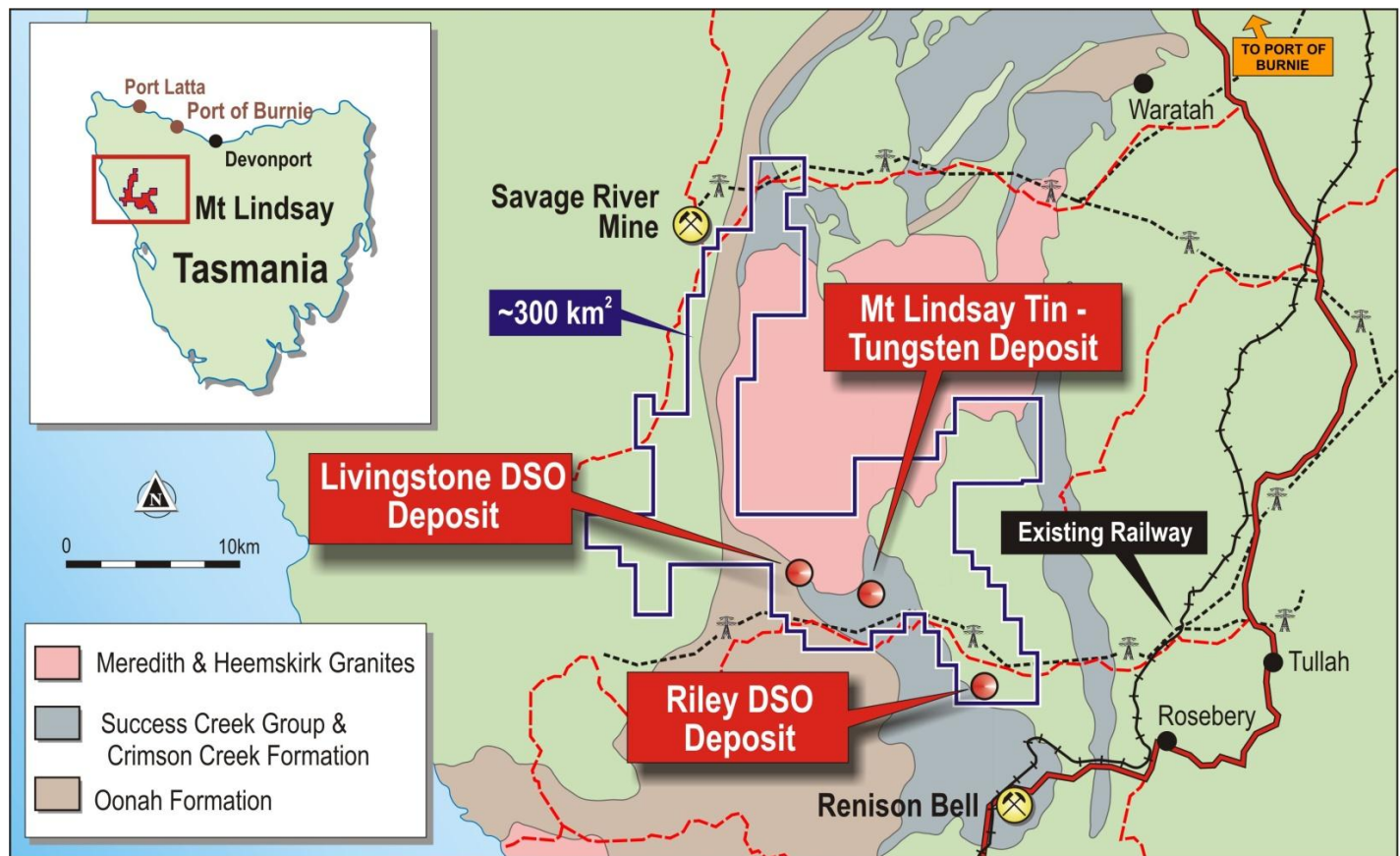
Notes:

- An Ore Reserve estimate for the Riley DSO deposit has been determined using accepted industry practices.
- The deposit will be mined using conventional excavator and truck mining methods. Due to the nature of the deposit no drilling and blasting is expected to be required.
- The same cost and revenue assumptions were used as in the Scoping Study (refer to ASX announcement on April 19 2012).

Activities during the September Quarter

Having now completed all the technical work at Riley, the September Quarter has seen the Company focus its efforts on the approval process. Following the recent recommendation by the Commonwealth that environmental and development approval at Riley should be assessed by the Tasmanian Government under the bi-lateral agreement, the Company is now working with the EPA to finalise the Development Proposal and Environmental Management Plan (DPMP). In addition to the approvals process Venture will also continue to focus on advancing mining contracts, ore transport contracts and off-take agreements over the coming quarter.

Figure 4: Location Map for Mt Lindsay Tin-Tungsten Deposit/ Riley DSO Deposit/Livingstone DSO Deposit



Livingstone DSO Hematite Project

Located only 3.5km from the Company's flagship Mt Lindsay Tin-Tungsten Deposit is the Livingstone DSO Hematite Deposit. Livingstone consists of an outcropping hematite cap overlaying a magnetite rich skarn. The hematite occurs from surface, is consistent in grade and located only 2km from a sealed road which accesses existing rail and port facilities.

A maiden resource of statement of 2.2mt @ 58% Fe was defined at Livingstone in August last year, which was followed by a positive and robust scoping study. Additional work later in the year included blending and sizing testwork and preliminary mining studies all of which delivered positive results.

During the previous quarter the Company completed its latest resource upgrade, which resulted in 100% of the inferred resources being converted to the indicated category.

Table 6 – Resource Statement Livingstone DSO Project

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Indicated	2.4mt	57	61	5.4	1.9	0.07	0.05	7.0

*Refer to Appendix One for parameters

Immediately following the resource upgrade Venture engaged independent mining engineers, Rock Team to complete mining studies on the deposit and produce a reserve statement. With the hematite resources at Livingstone consistent in nature and outcropping at surface the study delivered a 90% conversion rate of resource to reserve.

Table 7 – Reserve Statement – Livingstone DSO Project

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Probable	2.2mt	57	62	5.3	1.9	0.08	0.03	7.1

NOTES:

- The open pit for the Livingstone deposit was optimised using the Whittle Four-X implementation of the Lerchs–Grossman algorithm. Ore selection within Whittle has been based on cashflow. Ore is selected by comparing the cash flow which would be produced by processing versus the cashflow produced by mining it as waste. If the cashflow from processing is higher, the material is treated as ore. If not, it is treated as waste. Material is defined as ore when revenue less fixed, mining, processing and realisation costs is greater than zero.
- The 100% revenue factor shell has the highest undiscounted cash flow and is generated at the base DSO selling price. This shell has been used as the basis of detailed open pit designs.
- The same cost and revenue assumptions were used as in the Scoping Study (refer to ASX announcement on April 19 2012).

Activities during the September Quarter

With the completion all the technical work at Livingstone including the reserve statement, the Company's focus during the September Quarter centred on the approval process. Following the recent recommendation by the Commonwealth, that environmental and development approval at Livingstone should be assessed by the Tasmanian Government under the bi-lateral agreement, the Company has been working with the EPA to finalise the DPEMP. In addition to the approvals process Venture also continued to advance mining contracts, ore transport contracts and off-take agreements.

South East Asia Initiative

As noted in our annual report the Company continues to progress its strategy of targeting South East Asia for exploration opportunities. Venture has identified an extensive belt of "skarn style" mineralization throughout the region specifically targeting strategic metals such as tin and tungsten as well as other base and precious metals.

The Company has established a low cost regional office in the region and will look to continue to build a cost effective portfolio of exploration projects over the medium term.

Maitland Channel Uranium Project, Western Australia (Venture Minerals has 100%)

Venture's Maitland Channel Project (137km²) covers over 28kms of the Tertiary channel system along strike from the Lake Maitland (Mega Uranium Limited) and Centipede & Lake Way (Toro Energy Limited) calcrete-hosted uranium deposits, in the North Eastern Goldfields of Western Australia. The Project includes radiometric anomalies analogous to the Lake Maitland deposit.

There was no field activity during the quarter.

Paulsens South Project, Western Australia

(Venture Minerals has 100%)

The Paulsens South Project (covering 68km²) flanks and covers a similar stratigraphic and structural setting to Northern Star Resources Ltd's high grade Paulsens Gold Mine, (current Measured, Indicated and Inferred Resources of 2.418Mt at 5.0g/t for 403k oz Au, has produced over 450,000 ozs in 6 years and is currently producing ~80,000 oz gold per annum) in the Ashburton Mineral Field of Western Australia.

Rumble Resources Limited ("Rumble") continues to be in a joint venture with the Company on the Paulsens South Project in which Rumble has the right to earn at least 70% of the project. Late this quarter Rumble commenced drilling a Reverse Circulation ("RC") program anticipated to consist of 15 drill holes for approximately 1,500m to test targets at both the Melrose and Highway Fault Zones. The drilling will test a combination of geophysical (Magnetics & recently completed Induced Polarisation), structural and geochemical targets identified at the project. The targets are considered prospective for Paulsens-style sulphide quartz-vein hosted gold mineralisation. Assay results from the drilling are expected to be received by mid-November.

Rumble plans to follow up the initial RC program with additional electrical geophysics techniques including VTEM which are aimed at providing additional drill targets for Q1 2013.

Harris Bluff Project, South Australia

(Venture Minerals has 51% whilst earning up to 90%, except for the uranium rights)

The Harris Bluff Project (167km²) is situated within the south-eastern part of the Gawler Craton, an area considered prospective for Pb-Zn and epithermal Au-Ag mineralisation. Very sparse historic drilling in the immediate vicinity of the Project returned up to 180 ppb Au and 6 g/t Ag.

Mega Hindmarsh Pty Ltd ("Mega") a subsidiary of Toronto listed Mega Uranium Limited continues to be in a uranium joint venture with the Company on the Harris Bluff Project.

Mega completed a soil sampling program over most of the project area with final assays due next month.

Detailed information on all aspects of Venture Minerals' projects can be found on the Company's website www.ventureminerals.com.au.

Yours faithfully



Hamish Halliday
Managing Director

The information in this report that relates to Exploration Results, Exploration Targets or Mineral Resources 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

The information in this letter that relates to Ore Reserves is based on information compiled by Mr Denis Grubic, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Grubic is an independent consultant employed by Rock Team Pty Ltd. Mr Grubic qualifies 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 Grubic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

APPENDIX One:

Riley & Livingstone Resource Estimation Parameters

- The Resources have been allocated entirely into the Indicated category with the Livingstone resource reported above a 46% Fe cut-off with no top cut applied, whilst the Riley resource is reported for +1mm screened product above a 53% Fe cut-off with no top cut applied.
- The reported grades and tonnages are rounded to two significant figures in accordance with recommendations of the JORC code.
- This Resource estimation covers approximately 750 m strike extent of the Livingstone iron deposit and an area approximately 1100 m by 1200 m (c. 130 ha) of the Riley iron laterite deposit. The Livingstone deposit includes a range of shallow dipping to vertical bodies. The Riley laterite deposit is a gently sloping surficial veneer.
- A total of 59 diamond core drill holes for a total of 8,247 m and one 20 m adit channel sample were used to define the geological model and hematite mineralized zones for the Livingstone resource estimate. Of this drilling some 35 holes for 5,048 m pierced the mineralised zone, including 34 holes for 4,914 m of NQ and HQ size (47.6 mm and 63.5 mm diameter respectively) and 134 m of BQ size (36.5 mm diameter). Drill hole intercept density in the Livingstone deposit ranges from approximately 5 m by 50 m to c. 50 m by 75 m.
- Some 312 test pits were excavated by a 20 t excavator on c. 50 m spacings along lines 50 m apart to an average depth of 2.5m to define the Riley resource.
- The entire Livingstone resource is within 200 m of surface, and all of the Riley resource is within 4 m of surface.
- The Livingstone drill core was sampled by core saw in a continuous and volumetrically consistent basis generally in 1.5 m to 2 m intervals (average 1.8 m) across the mineralised zones.
- The Livingstone samples were submitted to ALS Global, Perth for assay by XRF on fused glass beads made with a lithium metaborate flux for Fe, Si, Al, K, Na, Mg, Ca, Ti, P, S, LOI and an extensive suite of minor and trace elements.
- The Riley test pits were sampled in lithological intervals between 0.1 and 5.4 m (average 0.9 m) thickness and submitted to Bureau Veritas, Perth where all samples were dried, crushed to -10 mm then screened at 1 mm to produce +1mm and -1mm fractions. Weight proportions of the two fractions were determined, and both +1 mm and -1mm fractions were assayed by XRF on fused glass beads using a lithium metaborate flux for Fe, Si, Al, K, Na, Mg, Ca, Ti, P, S, Ni, Cr, LOI and a board suite of trace elements.
- Venture Minerals Limited's QAQC samples included standards and field duplicates which were submitted with each drill hole and at a rate of 1 per 10 samples with the pitting samples. The QC data is considered to be very acceptable for the current resource estimate.
- All diamond drill core and all test pits were geologically logged.
- Density for the Livingstone resource was based on 1,270 dry specific gravity measurements made on the diamond drill core and estimated to the block model using Inverse Distance Weighting to the power of two. Average density for the Livingstone iron resource at a 46% Fe lower cut off is 2.79 t/m³.
- Seven test pits were excavated within the Riley resource area to determine dry density (by volume and weight) of the lateritic materials and an average density has been assigned to the resource block model according to the modelled lithology. 2.48 t/m³ was assigned to gravelly material, 2.56 t/m³ for cemented laterite.
- All drill hole collars and test pits used in the resource estimate were surveyed in MGA Zone 55 GDA94 by licensed surveyors using a combination of differential GPS and total station survey systems. Some 63% of drill holes were down hole surveyed with non-magnetic instruments (Gyroinclinometer and Deviflex) and 19% with conventional magnetic instruments (all plunge but only selected azimuth data were accepted).
- Terrain models for both the Livingstone and Riley deposits were triangulated from data collected by a high quality airborne laser scanning LiDAR survey conducted in 2011. Project specifications and technical processes were designed to achieve vertical data accuracy of 0.30 m and horizontal data accuracy of <0.30 m.
- Two mineralisation wireframes representing the hematite zone >50% Fe within the Livingstone Skarn were constructed from geological cross section interpretation for this Resource estimate. The wireframes were filled with blocks of 10x5x2.5 m xyz dimensions with 4x2x2 m sub-blocking. The iron grades were then interpolated to the blocks by Inverse distance Weighting to the power of two with an initial 25x26x19 m search ellipse oriented parallel to the strike and dip of the mineralised skarn followed by progressively more relaxed searches until all blocks were assigned an iron grade. Four sectors were used for each search ellipse with a maximum of 6 points per sector, and a minimum of 3 points per sector for the first, third, fifth, sixth and seventh search, two points for second, fourth and eighth search, and one point for the ninth and last search.
- Two mineralisation wireframes representing the hematite zone >50% Fe were constructed for the Riley deposit from geological cross section interpretation. The wireframes were filled with blocks of 25x25x1 m xyz dimensions with 5x5x4 m sub-blocking. The iron grades were then interpolated to the blocks by Inverse Distance weighing with an initial 50x50x1 m search ellipse oriented parallel to the strike of the mineralised material. Progressively more relaxed searches followed until all blocks were assigned an iron grade. A flattening function was used in the interpolation to account for the strong influence of the topography on the deposit. Four sectors were used for each search ellipse, with a maximum of 10 points per sector and a minimum of 4 points for the first two searches, 3 points for third and fourth search, two points for fifth and sixth search and one point of the seventh and last search.

APPENDIX Two:

Mt Lindsay Resource Estimation Parameters:

- For the Main and No.2 Skarns, the classification of the Resources has been based on the variography run during the Ordinary Kriging estimation process for tungsten. Measured Resources are for continuous areas where the majority of blocks are estimated within the range of the variograms, and which coincide with high levels of data quality, quantity and confidence in the geological interpretation. Indicated Resources are for continuous areas where the majority of blocks are estimated within twice the range of the variograms, and which coincide with an appropriate level of data quality, quantity and confidence in the geological interpretation. All areas outside of the Measured and Indicated Resources have been classified as Inferred.
- For Reward, the classification of the Resources has been based on the estimation run during the Inverse Distance Weighted estimation process. Indicated Resources are for continuous areas where the majority of blocks are estimated within the range of the minimum drill hole spacing and which coincide with higher levels of data quality, quantity and confidence in the geological interpretation. All areas outside of the Indicated Resources have been classified as Inferred.
- All resources for Stanley River South have been classified as Inferred.
- The Resources are reported above the 0.20% and 0.45%Sn equivalent grade cut-off with no top cut applied for the Stanley River South and Reward Skarns, whereas for Main and No.2 Skarns a top cut of 10% was applied to the tin grades and a top cut of 4% was applied to the tungsten grades.
- The reported grades and tonnages are rounded to two significant figures in accordance with recommendations of the JORC code.
- This Resource estimation covers approximately 1,300 m strike extent of the Main Skarn, 1,600 m strike extent of the No. 2 Skarn and 1,700 m strike extent of the Stanley River South-Reward Skarn. The Main and No.2 Skarns are near vertical tabular bodies with local off-sets by late-stage faulting, whereas the Stanley River South and Reward Skarns vary from being near vertical tabular bodies to shallow dipping and curved lenses.
- Some 428 diamond core drill holes for a total of 78,556 m were used to define the mineralised zones for this resource estimate, including 49 holes for 11,787m drilled by previous explorers. Of this drilling some 122 holes for 25,582 m pierced the Main Skarn, 134 holes for 27,650 m pierced the No.2 Skarn (note that six holes pierced both skarns), 52 holes for 7,198m pierced the Stanley River South Skarn and 20 holes for 2,953 m pierced the Reward Skarn. Of the total 323 drill holes used for the current Resource estimation some 21 holes for 4,761 m core of mainly BQ size (36.5mm diameter) were drilled by the previous owners Aberfoyle Tin Development Partnership and Renison Limited; the other 302 drill holes for 56,965 m were drilled by Venture Minerals Limited with most of the core used in the resource estimate being HQ size (63.5mm diameter, 51% of samples) and NQ size (47.6mm diameter, 40% of samples). The rest of samples were taken from BQ size core (36.5mm diameter, 7% of samples), PQ size core (85mm diameter, 1% of samples) and less than 1% combined of samples taken from other drill methods (AX size core, percussion drilling and adit channel sampling).
- Petrography indicates the widespread occurrence of cassiterite (the saleable oxide of tin) in the three skarns. Logging with an ultraviolet lamp and petrography indicates the main tungsten mineral is scheelite.
- Pilot scale metallurgical testwork has been completed for tin, tungsten and magnetite on the Main and No.2 Skarns with results indicating that economic extraction is highly likely. The results of this testwork are stated in the ASX announcement of August 31 2012. Similarly pilot scale metallurgical testwork was completed for copper on the Main and No.2 Skarns resulting in an average recovery of 58%. Initial metallurgical testwork has been completed for tin only on the Reward Skarn with similar results to that achieved for the Main and No.2 Skarns.
- Drill hole density in the Main Skarn ranges from approximately 25m by 10m to a maximum of c. 120m, and the No.2 Skarn from approximately 20m by 10m to a maximum of c. 120m. Overall drill hole spacing for both skarns is very approximately 40m by 25m. The drill hole density in the Stanley River South and Reward Skarn ranges from approximately 25m by 10m to a maximum of c. 100m.
- Some of the previous owners' drill core from both the Main Skarn and No.2 Skarn is still available and where possible re-sampled in 6 feet or 2m intervals as appropriate by Venture Minerals Limited and assayed for a broader suite of elements including tin, tungsten and iron. The remaining core was ¼ core sampled with core saw, or in cases where only quarter core was available the entire remaining core was sampled.
- The Venture Minerals Limited drill core (NQ and HQ) was sampled by core saw in a continuous and volumetrically consistent basis in 2m intervals across the mineralised skarns.
- Documentation on the analytical techniques used by the previous owners was unavailable. Original assays from 18 of the previous owners' holes were used in the resource estimate (c.4% of total assays). The Venture Minerals Limited drill core samples were submitted to ALS Chemex (quality system complies with international standards ISO 9001:2000 and ISO 17025:2005) and SGS Renison for crushing, pulverising and assaying. All of Venture Minerals Limited's assays used for the resource estimation were done by XRF.
- There was no QC information available on the assays from the previous owners' drilling. Venture Minerals Limited's QAQC samples included standards and field duplicates which were submitted with each drill hole. The QC data is considered adequate for the current resource estimate.
- All diamond drill core was geologically logged. When the drill core was orientated then it was also structurally logged.
- The densities used in the resource estimation were based on 7,319 specific gravity measurements made on the diamond core at one metre intervals within the mineralised zones. Weathered materials which account for only c. 2% of the Sn equivalent resource estimate were assigned to a separate domain with an average density 1.7 in the Main and No.2 Skarns. Fresh rock density for the Main and No.2 Skarns was interpolated to the block model using the same technique as for grade estimation. The mean density for the Main Skarn was 3.39 t/m³, whilst for the No. 2 Skarn it was 3.58 t/m³. Densities for the Stanley River South and Reward Skarns were interpolated to the block model using the same technique as the grade estimation. Average densities were 2.58 t/m³ for the Stanley River South Skarn and 2.21 t/m³ for the Reward Skarn.

- Drill hole collar positions for the previous owners' drilling were transformed to the MGA grid after several of the holes were relocated and surveyed. Of Venture Minerals Limited's 393 drill hole collars some 367 (93%) were surveyed in the MGA Zone 55 GDA94 grid and datum by licensed surveyors using a combination of differential GPS and total station survey systems and the remaining 26 collars (7%) were surveyed using handheld GPS.
- Some 57% of the previous owners drill holes were surveyed with a down hole camera, for which all plunge measurements and some azimuth measurements were accepted. All of Venture Minerals Limited's drill holes were surveyed with conventional magnetic instruments and, as for previous explorer data, all plunge and only consistent azimuth data were accepted. Some 2% of Venture Minerals Limited's drill holes were also surveyed by north-seeking gyroinclinometer tool by independent contractor Northern Exploration Pty Ltd, and some 63% of Venture's drill holes were surveyed with a deviflex tool by Venture personnel using tools hired from DH Surveys Pty Ltd with another 3% receiving collar orientations only.
- The tin, tungsten and magnetite mineralisation in the Main and No.2 Skarns is not completely coincident, consequently a different set of wireframes was created for each commodity from geological cross section interpretation for this resource estimate. Four discrete wireframes were created for the magnetite and tin resources in the Main and No. 2 Skarns, three for the tungsten resource. The wireframes were then divided into geometrical subdomains, resulting in a total of 16 domains (6 for tin, 5 each for tungsten and magnetite). The wireframes were filled with blocks of 10m x 5m x 2.5m xyz dimension with 2.5x2.5x1.25m sub-blocking. The tin, tungsten trioxide, and iron grades were then interpolated to the blocks using Ordinary Kriging for each commodity separately, with an initial search ellipse of 69x53x6m for magnetite, 68x70x8m for tin and 73x40x8m for tungsten, oriented parallel to the strike and dip of the mineralised skarn and as indicated by the variography, followed by progressively more relaxed searches until all blocks were assigned a tin, tungsten trioxide, and iron grade. Four sectors were used for each search ellipse with a maximum of 10 points per sector, and a minimum of 4 points for the first search followed by more relaxed search criteria down to a minimum of 2 points for subsequent searches. The three separate block models were then combined into one model and the copper grades estimated into the new model with the Inverse Distance Squared method with an initial search ellipse of 50x25x8m oriented parallel to the strike and dip of the mineralised skarn.
- For the Stanley River South Skarn two separate wireframes were created from geological cross section interpretation. The wireframes were filled with blocks of 10m x 5m x 2.5m xyz dimensions with 2.5x2.5x1.25m sub-blocking. The tin and tungsten grades were estimated to the blocks by Ordinary Kriging, with an initial search ellipse of 30x10x7m for tin and 25x15x9m for tungsten oriented parallel to the strike and dip of the mineralised skarn and as indicated by the variography. Copper was estimated to the blocks using the Inverse Distance Squared method with an initial search ellipse of 25x25x9m oriented parallel to the strike and dip of the mineralised skarn. Four sectors were used for each search ellipse with a maximum of 6 points per sector, and a minimum of 3 points for the first search followed by more relaxed search criteria down to a minimum of one point for subsequent searches.
- For the Reward Skarn four separate wireframes were created from geological cross section interpretation. The wireframes were filled with blocks of 10m x 5m x 2.5m xyz dimensions with 2.5x2.5x1.25m sub-blocking. The tin, tungsten and copper grades were estimated to the blocks using the Inverse Distance Squared method with an initial search ellipse of 25x25x5m oriented parallel to the strike and dip of the mineralised skarn. Four sectors were used for each search ellipse with a maximum of 6 points per sector, and a minimum of 3 points for the first search followed by 2 points for subsequent searches.
- The weight (or mass) recovery ("MR") of the iron in the Main and No.2 Skarns was determined by Davis Tube Recovery tests ("DTR") for 90% of the composited assay intervals used for the estimation. MR for the remaining assay intervals was calculated by regression of the magnetic susceptibility (7% of assay composites). It was not possible to regress MR data for approx. 3% of the assay composite intervals (historic drill holes without Fe grade or magnetic susceptibility data). MR was interpolated to the block model using the same technique as for grade estimation.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

VENTURE MINERALS LIMITED

ABN

51 119 678 385

Quarter ended ("current quarter")

30 September 2012

Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	(3 Months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(3,326)	(3,326)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(859)	(859)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	115	115
1.5	Interest and other costs of finance paid	(6)	(6)
1.6	Income taxes	-	-
1.7	Other	-	-
Net Operating Cash Flows		(4,076)	(4,076)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(2)	(2)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other – Security Deposits	-	-
Net investing cash flows		(2)	(2)
1.13	Total operating and investing cash flows (carried forward)	(4,078)	(4,078)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(4,078)	(4,078)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	13,429	13,429
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Costs of issuing shares	(809)	(809)
	Net financing cash flows	12,620	12,620
	Net increase (decrease) in cash held	8,542	8,542
1.20	Cash at beginning of quarter/year to date	10,096	10,096
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	18,638	18,638

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	321
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payments to Directors	
	Salaries, Fees and Superannuation	218
	Payments to Director related entities	
	Allos Property Group Pty Ltd (Rent & outgoings for Premises)	72
	Gryphon Minerals Limited (Recharge of shared resources)	31

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,300
4.2 Development	-
4.3 Production	-
4.4 Administration	800
Total	2,100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	5,638	2,096
5.2 Deposits at call	13,000	8,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	18,638	10,096

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities	-	-	-	-
7.2	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary securities	275,787,870	275,787,870	-	-
7.4	Changes during quarter				
	(a) Increases through issues	22,959,968	22,959,968	\$0.31	\$0.31
		13,907,732	13,907,732	\$0.31	\$0.31
		6,451,578	6,451,578	\$0.31	\$0.31
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	+Convertible debt securities	-	-	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	Options <i>(description and conversion factor)</i>	11,375,000	-	<i>Exercise price</i> 45.0 cents	<i>Expiry date</i> 15 August 2014
		500,000	-	55.0 cents	20 March 2013
		10,550,000	-	70.0 cents	20 March 2013
		1,000,000	-	45.0 cents	See note "A"
		2,000,000	-	45.0 cents	14 August 2014
		2,000,000	-	50.0 cents	See note "B"
		2,500,000	-	55.0 cents	See note "C"
7.8	Issued during quarter	1,000,000	-	45.0 cents	See note "A"
		2,000,000	-	45.0 cents	14 August 2014
		2,000,000	-	50.0 cents	See note "B"
		2,500,000	-	55.0 cents	See note "C"
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-

Note A: Options vest upon successfully obtaining project finance for the Mt Lindsay Tin/Tungsten project and expire 18 months after vesting date.

Note B: Options vest upon first shipment of DSO ore and expire 18 months after vesting date.

Note C: Options vest upon company announcement that it has made a decision to proceed with mining tin in Tasmania and expire 18 months after vesting date.

7.11	Debentures (totals only)	-	-
7.12	Unsecured notes (totals only)	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 17 October 2012
(Chief Financial Officer & Joint Company Secretary)

Print name: Jon Grygorcewicz

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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