

Quarterly Report

for the period ending 31 December 2016

Highlights

- **Venture signs joint venture to earn into the Caesar Nickel-Copper Project in Western Australia**
- **First phase of exploration at the Caesar Project successfully doubles nickel-copper target**
- **Venture reviewing funding options for the Riley DSO Project following steady improvement in the iron ore market.**
- **On-going cost cutting continues to preserve Ventures cash position.**

Introduction

During the December Quarter, the Company entered in to a Joint Venture with a private group to earn into a Western Australian, magmatic style nickel-copper exploration project known as the Caesar Project. Venture's first phase of exploration at Caesar immediately doubled the nickel-copper target, which now extends over 6km of strike. During the quarter the Company also reviewed funding options for Riley and continued cost cutting measures to preserve cash.

December Quarter saw the Company secure the Caesar Project which includes an exciting magmatic mafic-hosted nickel-copper target. Previous exploration work indicated the presence of a significant geochemical anomaly, a coincident gravity high and disseminated nickel and copper sulphides at surface. Venture has secured the right to earn up to 90% of the project through funding both exploration and feasibility studies.

December also marked the commencement of the first phase of exploration at the Caesar Project, which included geological mapping and extensional surface geochemical sampling. The program met with immediate success as results saw the nickel-copper target double in size to cover over 6km of strike. Geological mapping also confirmed the target is hosted within a zoned gabbroic intrusive known to contain disseminated nickel and copper sulphides.

During the quarter the Company began re-assessing funding options for the Riley DSO Project, following continued improvement in the iron ore market. Venture intends to look at a number of funding scenarios while following closely the movements in the iron ore market over the coming months.

Venture Fast Facts

ASX Code: VMS
 Shares on Issue: 319 million
 Market Cap: \$9.6 million
 Current Cash: \$1.6 million
 (31 Dec 2016)

Recent Announcements

Venture Doubles Nickel-Copper Target At Caesar Project – Western Australia
 (18/01/2017)

Venture Secures Nickel-Copper Project – Western Australia
 (23/11/2016)

Venture Confirms Lithium Drill Target – Greenbushes District
 (07/09/2016)

Additional High Grade Silver/Zinc/Lead Targets Discovered at Thali - Loei Belt, Thailand
 (29/07/2016)

Thailand Project Update
 (11/05/2016)

Venture Secures Six Lithium Prospects around Greenbushes
 (04/05/2016)

Second Thailand Project Delivers Venture another Zinc Discovery
 (13/04/2016)

High Grade Gold Zone Discovered at Thali Silver/Lead/Zinc/Copper Project
 (30/03/2016)

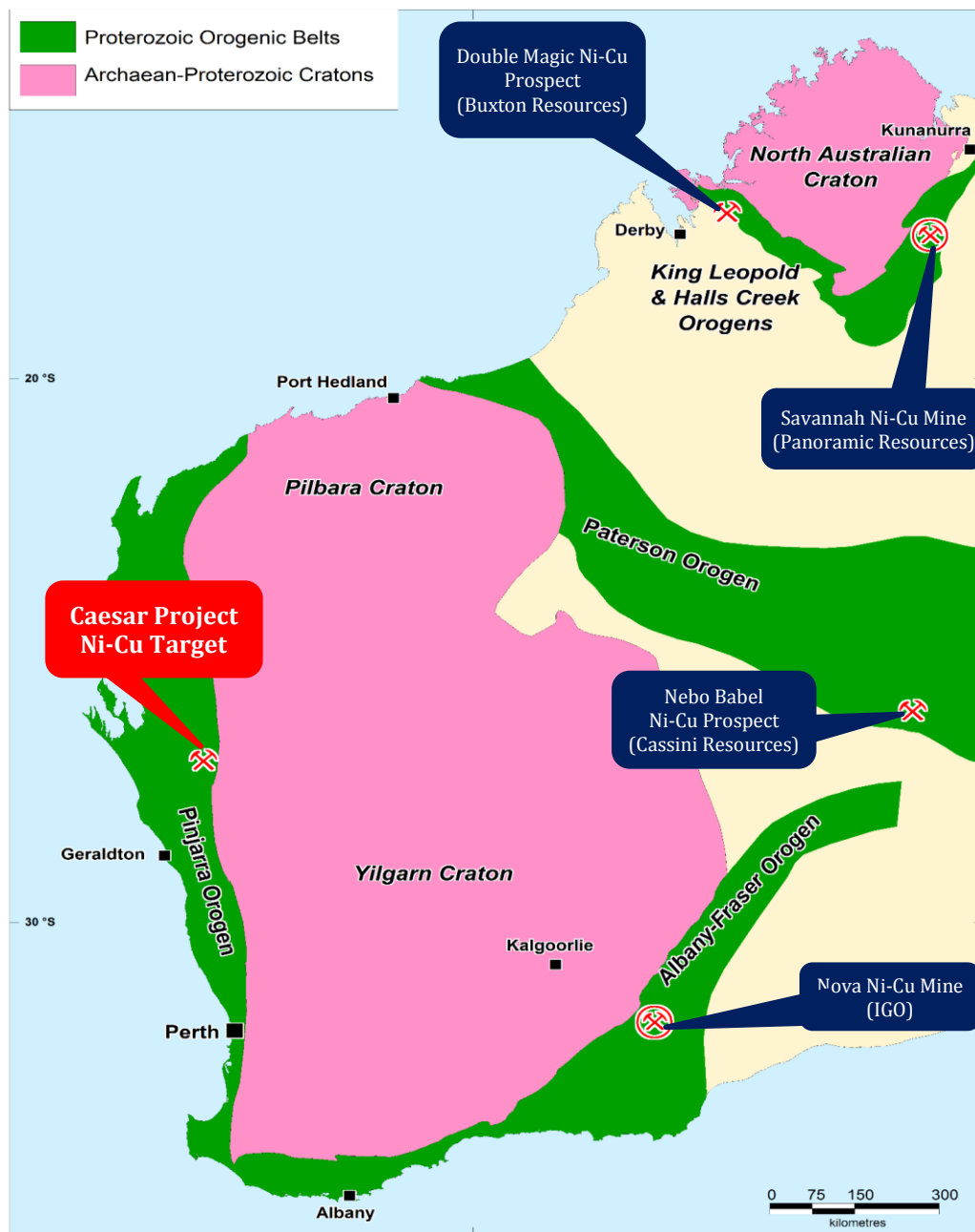
Thali Grows into a Substantial Exploration Project - Two New Discoveries
 (18/02/2016)

Caesar Project, Western Australia

Introduction

The Caesar Project is located approximately 200km north northeast of Geraldton (Refer Figure One) and consists of a granted exploration license covering 49km² as well as an additional 193km² in an exploration license application recently applied for by Venture Minerals.

Figure One | Caesar Project - Location Map



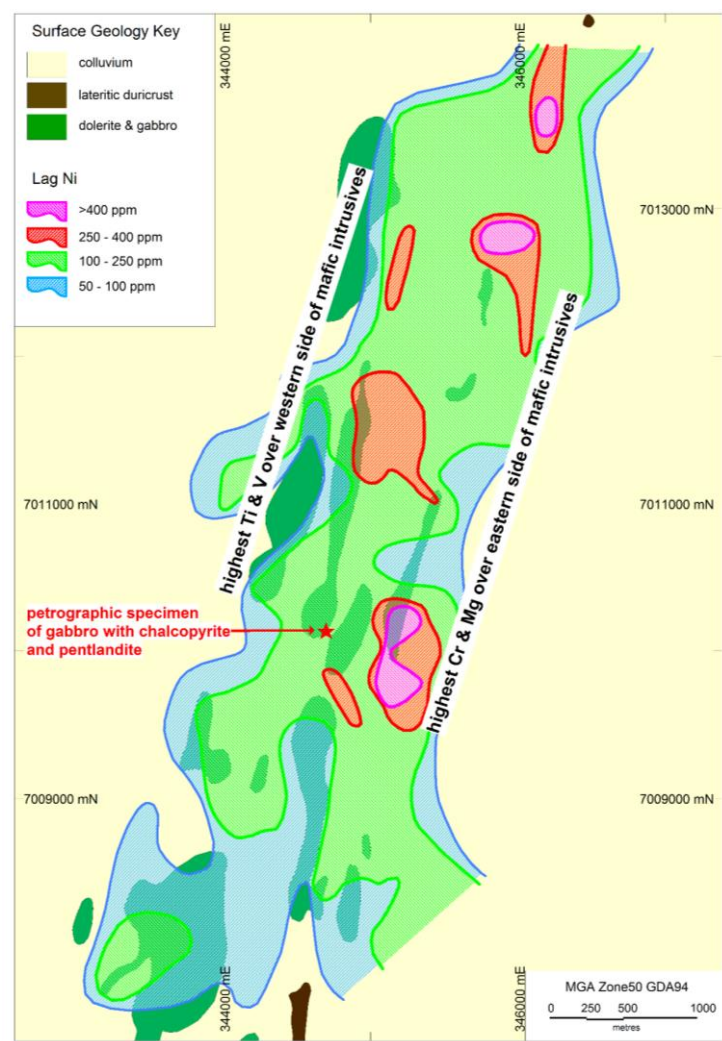
Venture Minerals has entered into an earn agreement with Muggon Copper Pty Ltd, whereby Venture can earn up to a 75% interest in the Caesar Project via exploration expenditure. Should exploration be successful, Venture can increase its ownership to 90% by funding a bankable feasibility study (refer to ASX release dated 23 November 2016).

Previous exploration work on the Caesar Project, including surface geochemistry (lag sampling) and petrology, showed the presence of disseminated nickel and copper sulphides and surface geochemical anomalism associated with a number of gabbroic intrusives.

Activities during the December Quarter

The December Quarter saw Venture complete its due diligence and execute an agreement to earn into the Caesar Project. The Company also then commenced the first phase of exploration at Caesar, which included geological mapping and extensional surface geochemical sampling. Results from the program saw a doubling in size of the nickel-copper surface geochemical anomaly (Refer Figure Two and to ASX release dated 18 January 2017) and the confirmation that the gabbroic host rock is a zoned intrusive containing disseminated nickel (pentlandite) and copper (chalcopyrite) sulphides.

Figure Two | Caesar Project - surface geology with Nickel



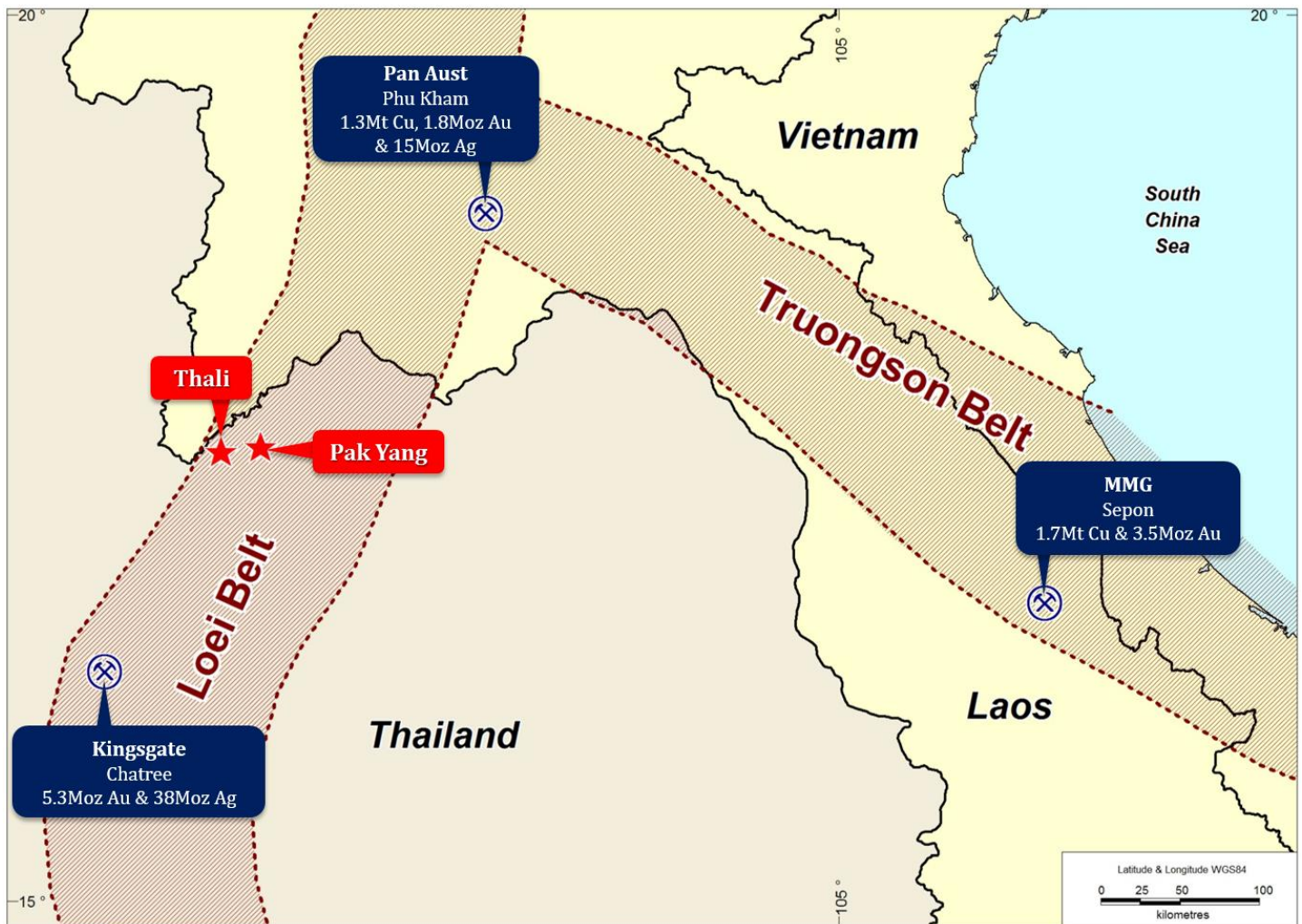
Having successfully completed the first phase of exploration, the Company will now focus on finalising a maiden EM (Electromagnetic) geophysical survey to test the strongest geochemical anomalies for massive sulphide bodies.

South East Asia

Venture continues to progress its strategy of targeting South East Asia for exploration opportunities. Venture has identified an extensive belt of “skarn style” mineralisation throughout the region and continues to target base and precious metal opportunities.

Venture has established a low cost regional office in Bangkok and continues to build a cost-effective portfolio of exploration projects over the medium term. The Company has had licenses granted over two project areas in Thailand (Pak Yang and Thali) and now awaits the granting of several additional licenses covering two other project areas.

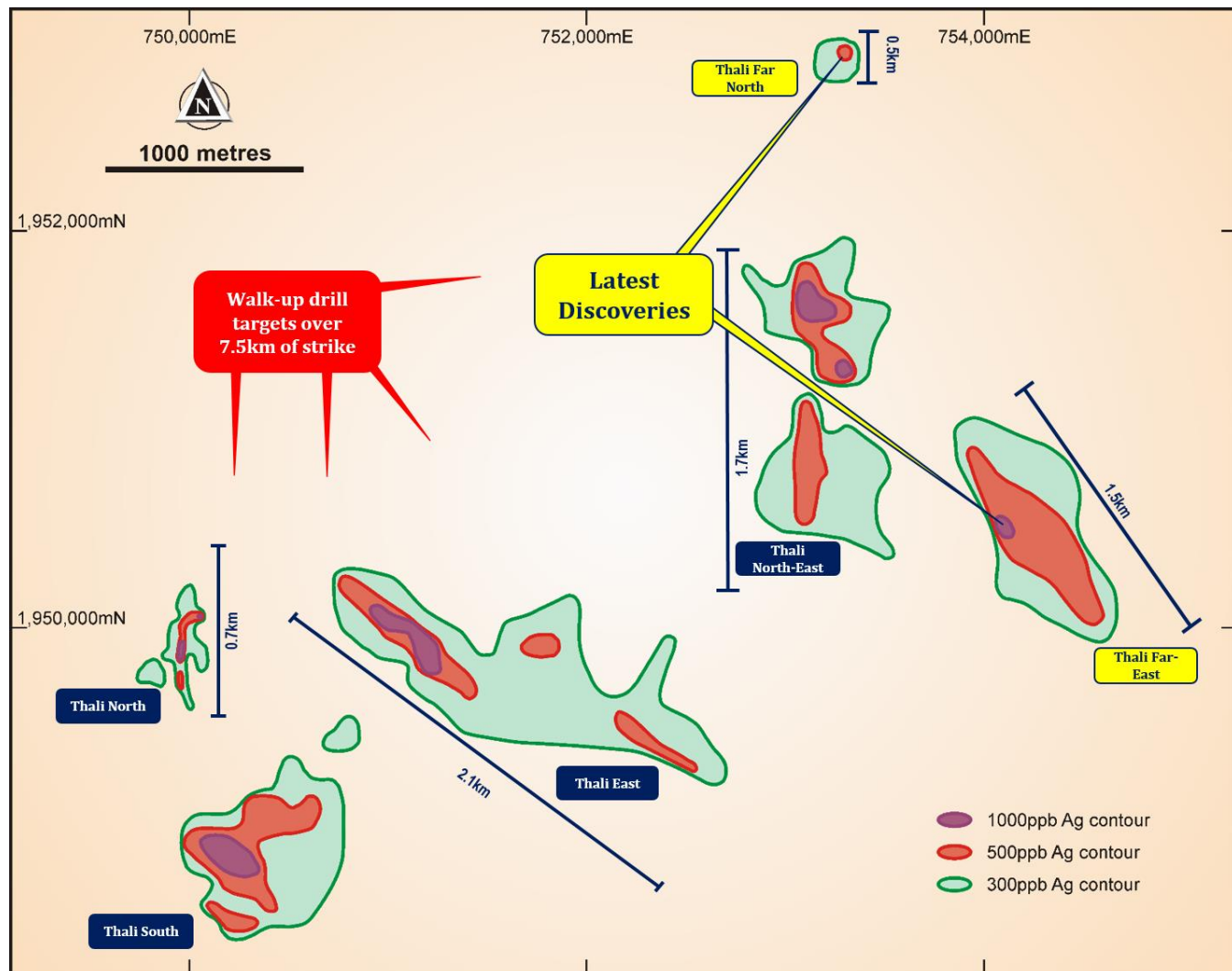
Figure Three: Project Map | Thailand



Thali Project (Silver/Lead/Zinc)

During 2016 the Company finalised exploration targets at the Thali Project, where Venture has identified a total of six “walk up” drill targets covering over 260 hectares of anomalies (Refer Figure Four). During the December Quarter the Company continued to finalise access approval for the maiden drill program. To date the Company has secured local council and land holder approval. The Company now awaits final approval from the Land Reform Office.

Figure Four | Thali Project contoured soils | Silver (Ag)



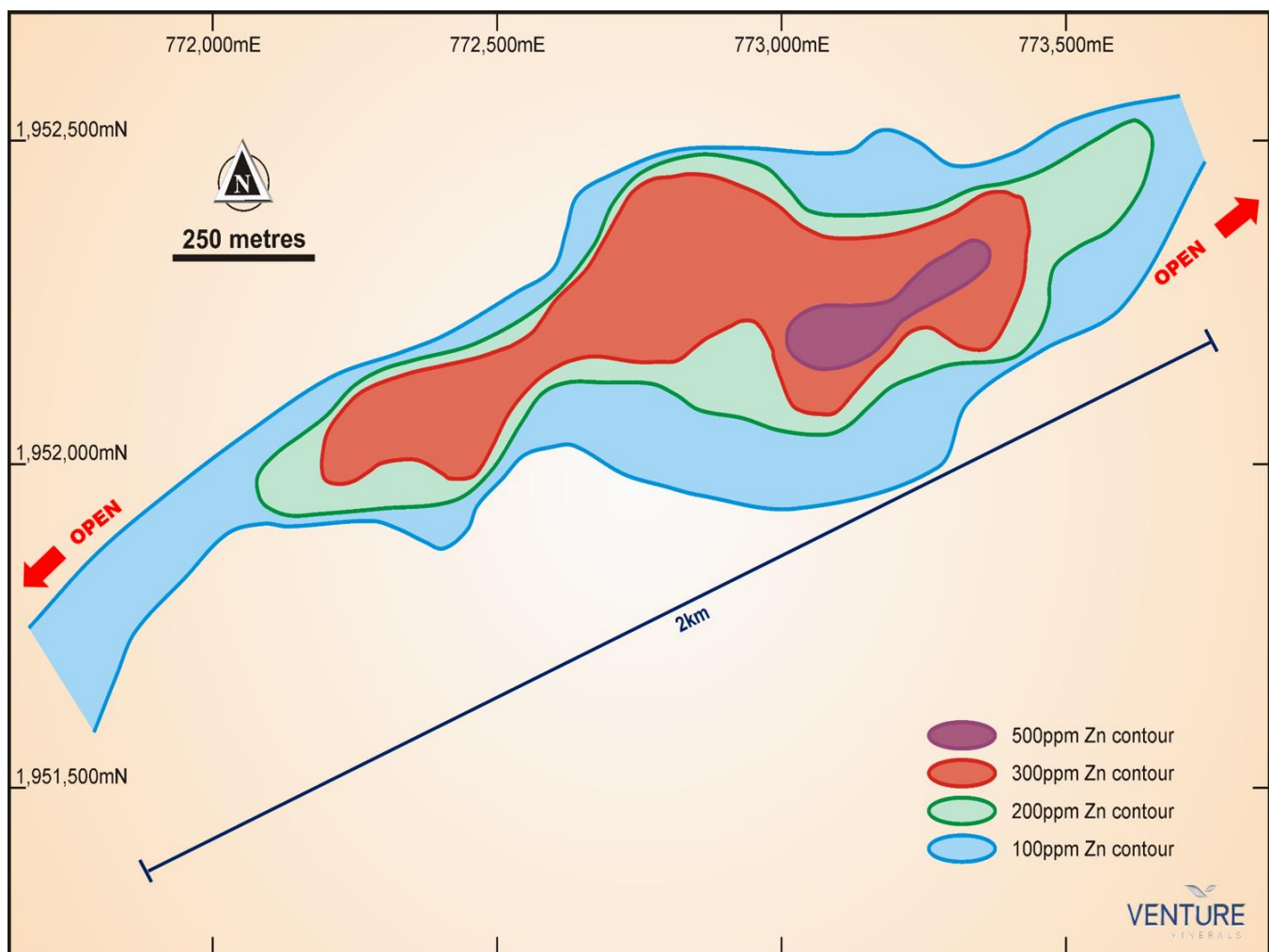
Thali Geology

Venture's geological mapping of the new Thali base metal prospects shows the area is underlain by a mainly north striking sequence of sedimentary rocks, including limestone, intruded by a series of intermediate to felsic porphyries, diorite and granite. The observed base metal mineralisation is associated with gossanous veins and stockwork zones in sericite, silica and sulphide altered igneous rocks (mainly Thali North and Thali South), and with stockwork veined and sulphide-bearing calc-silicate skarn within the sedimentary host rocks (especially Thali East and North-East). Regional scale geological mapping suggests the host sedimentary rocks are of Permian-Triassic age, and the granitic intrusions of Triassic age; the Triassic granitoid suite is widely associated with base and precious metal deposits within the Loei Belt.

Pak Yang Project (Silver/Lead/Zinc/Copper)

The Pak Yang Project is located in the Loei Belt and is situated 20km east of Thali and hosts similar geology and style of mineralization. Results from the first surface sampling program successfully identified a large zinc system extending over 2km of strike (Refer Figure Five).

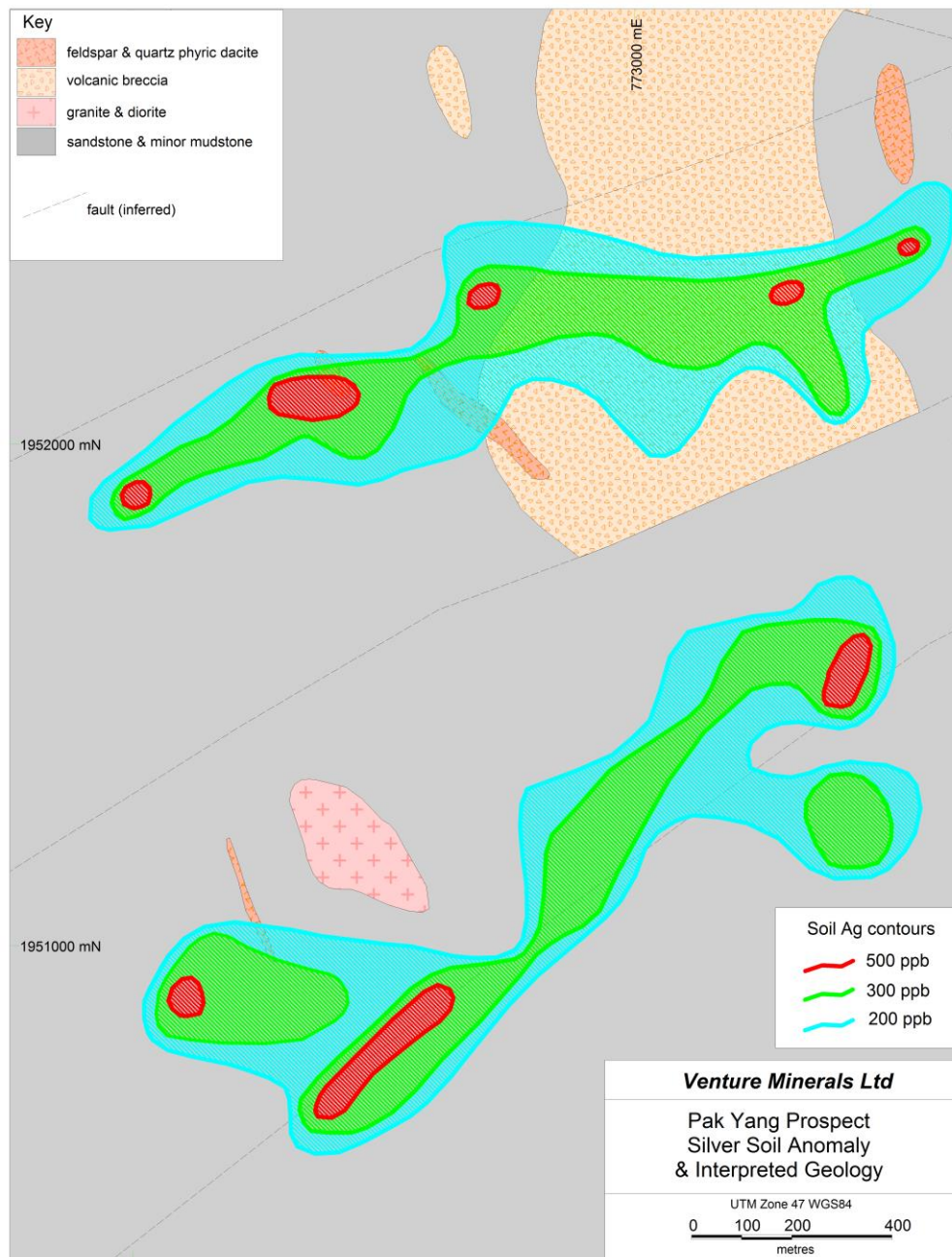
Figure Five | Pak Yang Project | Zinc soil anomaly



Exploration during the second half of 2016 saw the completion of a detailed soil sampling program, the results of which have defined a large silver anomaly which extends over a combined strike of 3.3km (Refer Figure Six). The northern section of the anomaly is coincidental with the previously identified zinc anomaly. Assay results from the soil program peaked at 1,260ppb for silver (Refer to Quarterly Report for the period ending 30 September 2016) and 850ppm for zinc (Refer to ASX announcement 13 April 2016).

Focus for additional exploration at Pak Yang will centre on further geological and structural mapping as well as the extension of known surface mineralization through additional soil sampling.

Figure Six | Pak Yang Project | Silver soil anomaly



Tenure and Government Regulations

Venture has granted Prospecting Licenses over the Pak Yang and Thali Projects under which the Company has the right to prospect for minerals within the Prospecting Licence area. Should the Company discover significant and economically viable mineralization within either project, Venture can then apply for an Extraction License (mining license equivalent) and name which base and/or precious metals the Company is looking to extract.

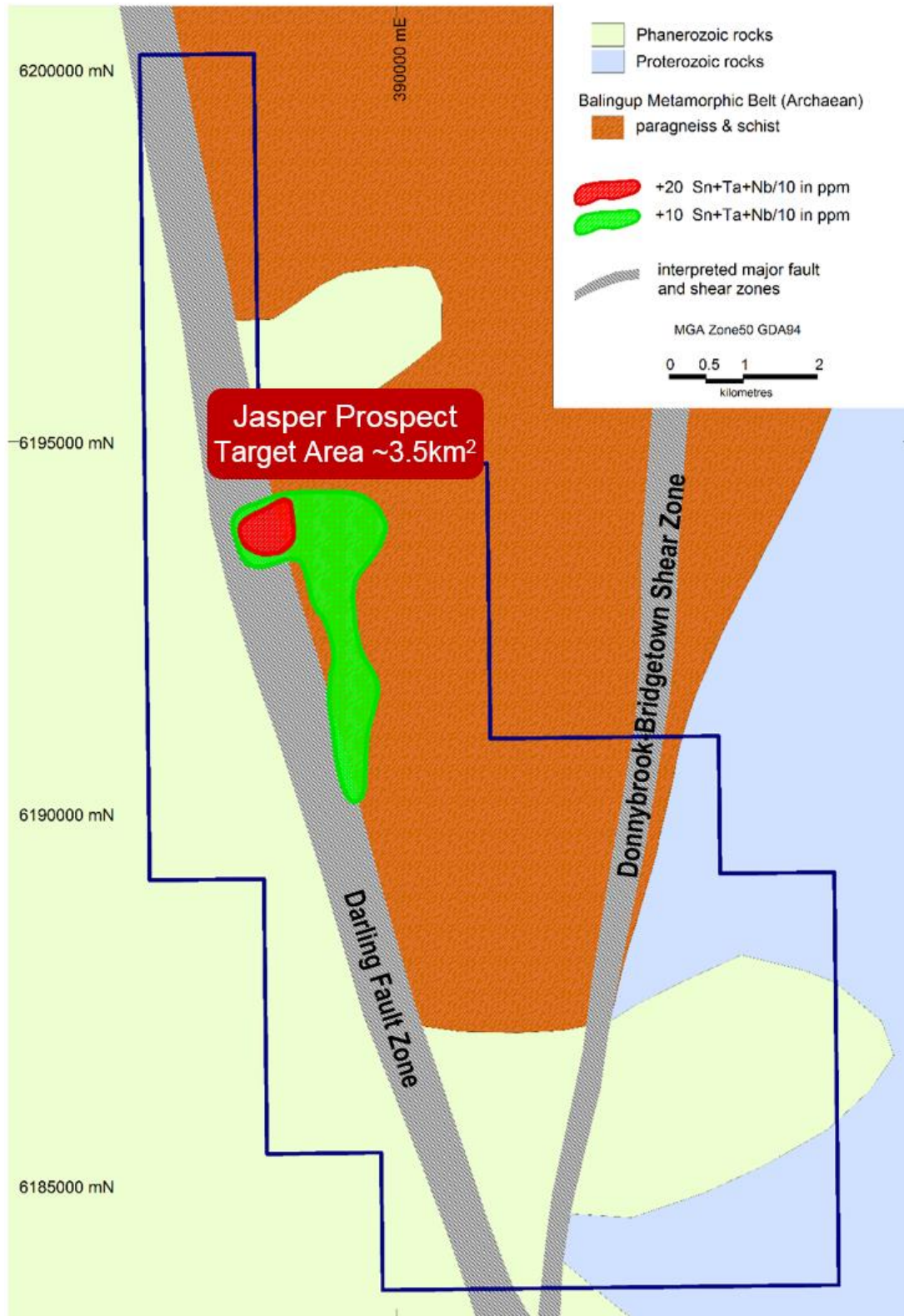
Lithium Prospects – Greenbushes Mineral District, Western Australia

During 2016 Venture secured a number of highly prospective lithium tenements in the Greenbushes Mineral District, which hosts the world class Greenbushes Lithium-Tantalum Mine (produces ~40% of the world's lithium). Venture utilized its extensive tin/tantalum database and tin experience to identify new lithium opportunities and gain exposure to the rapidly growing lithium market. Often hard rock lithium prospects have historically been pegmatite hosted tin/tantalum prospects or mines, as in the case of Greenbushes. As Venture has reviewed multiple tin/tantalum projects from numerous jurisdictions over the past decade, the Company was uniquely placed to identify new lithium opportunities.

Following the recent applications Venture is now the largest land holder in the Greenbushes Mineral District with six prospects already identified within the 1,000km² of tenure. The identified targets demonstrate surface geochemistry analogous to the Greenbushes Lithium-Tantalum Deposit (world's largest hard rock lithium mine).

Recent exploration saw Venture identify its first drill targets at the Jasper Prospect (Ref Figure Seven), following laterite sampling which successfully identified a geochemical anomaly extending over 4km of strike. The significantly elevated levels of tin, tantalum and niobium (approx. 3 to 10 times background) (Refer to ASX announcement 7 September 2016) covering several square kilometres, suggests the Jasper Prospect has the potential to host a lithium bearing pegmatite. Follow up exploration will be finalised following granting of tenure.

Figure Seven | Jasper Prospect Location Map



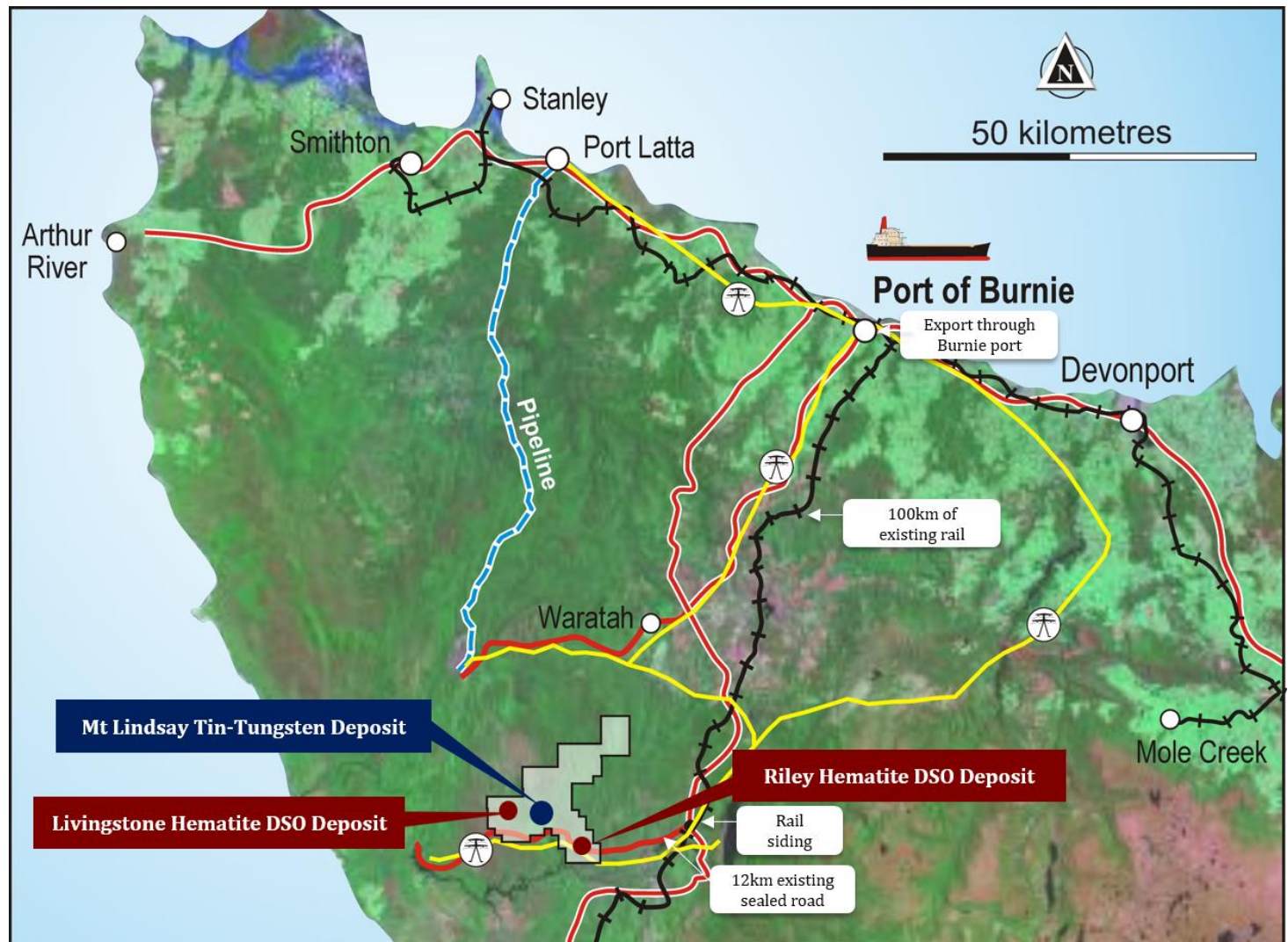
Mt Lindsay Project, North West Tasmania

Introduction

The Mt Lindsay Project (148km²) is located in north-western Tasmania (Refer Figure Eight) 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 >231kt of tin metal produced since 1968) and the Savage River Magnetite Mine (operating for > 45 years, currently producing approximately 2.5 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 hosts both the Mt Lindsay Tin-Tungsten Deposit and all of the surrounding prospects.

Figure Eight | Location Map for Mt Lindsay Tin-Tungsten Deposit/Riley DSO Deposit/Livingstone DSO Deposit



Since commencing exploration on the project in 2007, Venture has completed approximately 83,000m of diamond core drilling at Mt Lindsay and defined JORC compliant Measured, Indicated and Inferred Resources.

Tin-Tungsten Resources

Table One | Resource Statement – Mt Lindsay Tin-Tungsten Project

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. Figures have been rounded and hence may not add up exactly to the given totals. Full details of the estimate are in the ASX announcement for the Quarterly Report on 17 October 2012.

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").
- 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.

Recently, Venture has focussed efforts at Mt Lindsay on identifying additional high grade tin/tungsten targets in close proximity to the Mt Lindsay Deposit. The low cost exploration work is part of a broader strategy focussed on identifying high grade mineralization within trucking distance of the existing deposit that has the potential to further strengthen the economics of the Mt Lindsay Project.

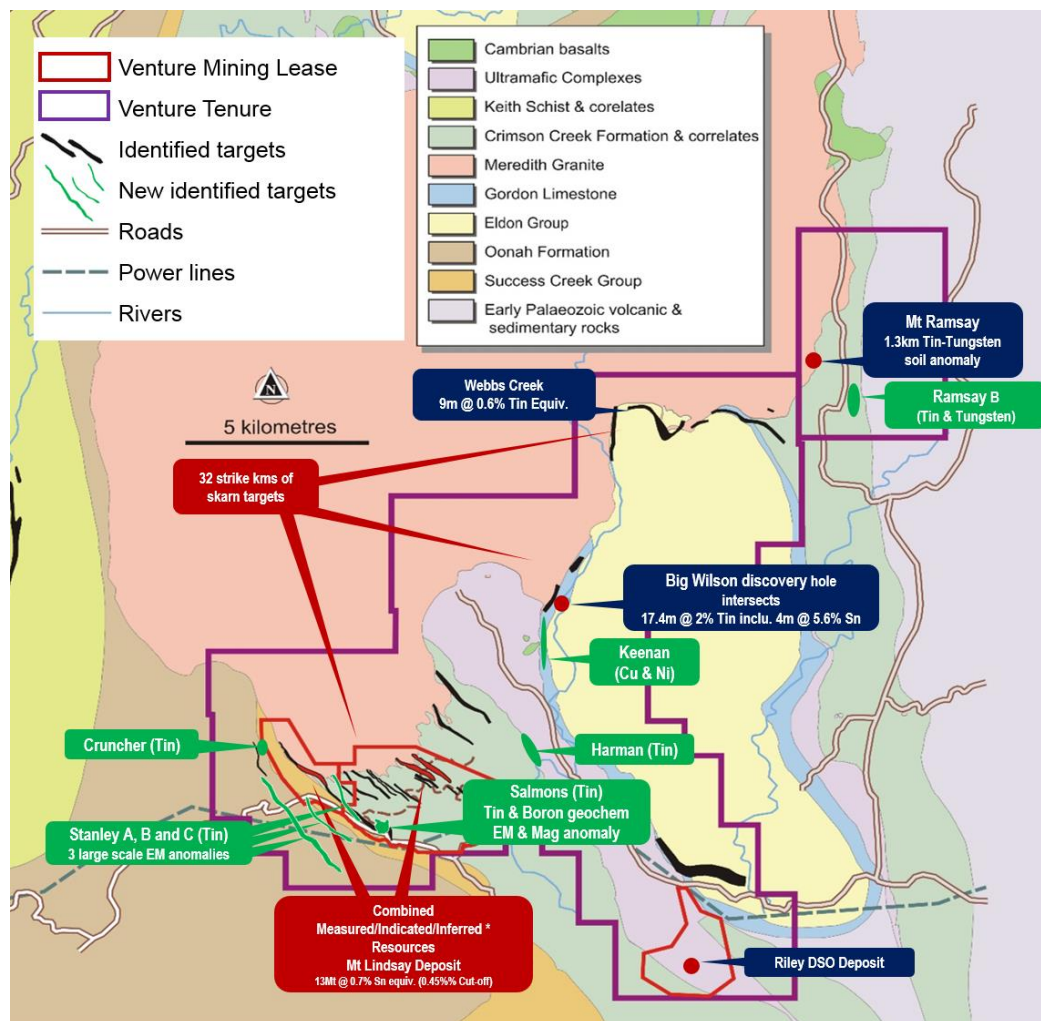
Activities during the December Quarter

In recent quarters, Venture has successfully defined eight new targets considered prospective for high grade tin/tungsten mineralization as well as targets prospective for copper and nickel mineralization (Refer Figure Nine). These targets are hosted within the broader skarn units identified throughout the Mt Lindsay area of which to date only 10% have been drill tested.

During the December Quarter the Company continued to focus on reconnaissance work involving geological and structural mapping and geochemical sampling targeting both the Salmons and Stanley Tin Prospects.

In addition, a request for a judicial review into the State of Tasmania's approval of the Mt Lindsay (7M/2012) and Livingstone (3M/2012) mining leases has been lodged with the Supreme court of Tasmania. This review was requested by a third party and does not relate to actions controlled by Venture. Rather, the action seeks to review the legalities of the Minister's decision to grant the Mt Lindsay and Livingstone Mining Leases. We note that similar actions have previously been taken with the Company's Riley DSO Project, but those actions were unsuccessful and the Riley Project remains fully permitted with granted mining leases.

Figure Nine | Mt Lindsay - recently identified exploration targets



Riley DSO Hematite Project, North West Tasmania

The 100% owned Riley DSO Project is located 10km from the Mt Lindsay Deposit (Refer Figure Eight) 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 statement of 2mt @ 57% Fe was defined in 2012 which resulted in the Company doubling its overall DSO resource base, including the Livingstone Deposit, to 4.4mt @ 57% Fe.

Table Two | 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 ASX announcement on 26 July 2012.

Following completion of the 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 Three | 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

*Refer to ASX announcement on 26 July 2012.

Activities during the December Quarter

Following last year's Federal Court dismissal of the appeal against the environmental approvals for the Riley DSO Project, the Company now has unencumbered approvals for any future development of the Riley iron ore mine.

During the December Quarter the Riley DSO Project remained on hold due to the sharp fall in iron ore prices over the past 2 years. Although the Company made the decision to suspend operations in August 2014, Venture had already completed extensive pre-production work at the Riley Project putting in place all the necessary requirements to commence mining. This work has placed Venture in a strong position should the iron ore price improve and afford the Company the opportunity to commence production with relatively short notice.

In recent months the iron ore market has continued to strengthen and the price has stabilized somewhat around current levels. In response to this the Company has begun re-assessing funding options for the Riley DSO Project, looking at a number of development scenarios. The Company will continue to closely monitor the iron ore market over the coming months and will update shareholders should any development scenarios be advanced.

Livingstone DSO Hematite Project, North West Tasmania

Located only 3.5km from the Mt Lindsay Tin-Tungsten Deposit is the 100% owned Livingstone DSO Hematite Deposit (Refer Figure Eight). 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 statement of 2.2mt @ 58% Fe was defined at Livingstone in 2011, which was followed by a positive and robust scoping study. Additional work later in 2011 included blending and sizing testwork and preliminary mining studies, all of which delivered positive results.

During the second half of 2012 the Company completed a resource upgrade, which resulted in 100% of the inferred resources being converted to the indicated category.

Table Five | 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 ASX announcement on 26 July 2012.

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 Six | 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

*Refer to ASX announcement on 26 July 2012.

Activities during the December Quarter

There was no field activity during the quarter.

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 and Exploration Targets is based on information compiled by Mr Andrew Radonjic, a full time 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 Mineral Resources is based on information compiled by Mr Andrew Radonjic, a full time 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 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. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report 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. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Appendix One| Tenements

Mining tenements held at the end of December 2016 Quarter

Project	Location	Tenement	Interest at December 2016
Mount Lindsay	Tasmania	3M/2012	100%
	Tasmania	5M/2012	100%
	Tasmania	7M/2012	100%
	Tasmania	EL21/2005	100%
	Tasmania	EL45/2010	100%
	Tasmania	EL72/2007	100%
Thali	Thailand	70/2558	100%
	Thailand	71/2558	100%
Pak Yang	Thailand	69/2558	100%
South West WA	Western Australia	E70/4837	100%

Mining tenements acquired and disposed during the December 2016 Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Mining tenements relinquished				
Nil				
Mining tenements acquired				
South West WA	Western Australia	E70/4837	0%	100%

Beneficial percentage interests in joint venture agreements at the end of the Quarter

Project	Location	Tenement	Interest at December 2016
Nil			

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
Mining tenements relinquished				
Nil				
Mining tenements acquired				
Caesar Project ¹	Western Australia	E09/2131	0%	0%

¹ Venture Minerals is earning up to a 90% interest from Muggon Copper Pty Ltd