

# Quarterly Report for the period ending 31 December 2017

## Highlights

- **New Project (named Pingaring) secured immediately along strike from Golden Mile Resources' Quicksilver Nickel-Cobalt Discovery, Western Australia;**
- **The Pingaring Project landholding was quadrupled adjacent to and along strike to the Nickel-Cobalt Discovery;**
- **A single deep diamond drill hole testing the coincidental EM and geochemical anomaly has been completed at the Caesar Project, targeting nickel and copper sulphides, with assays pending;**
- **Landholder approval secured to drill test the Odin Prospect, a substantial lithium target in the Greenbushes Mineral District.**

## Introduction

The Company had a successful December Quarter by bolstering its Western Australian portfolio when it secured a new project (Pingaring) with an exploration license adjacent to and immediately along strike from Golden Mile Resources' recent Quicksilver Nickel-Cobalt Discovery. This was further supported by quadrupling the project's landholding with new additional exploration licenses around and along strike from Quicksilver. Venture has completed a single deep diamond drill hole testing the coincidental EM and geochemical anomaly at the Caesar Project and secured landholder approval to drill test the Odin Prospect.

This Quarter marked the emergence of the Pingaring Project as the Company secured a dominant land position in a new Nickel-Cobalt province in Western Australia. The project now has applications totalling in excess of 800 km<sup>2</sup> and is only 4 km along strike of the Quicksilver Nickel-Cobalt Discovery and contains 145 strike kilometres of ultramafic targets interpreted to be the same host unit that the Ni-Co deposit sits within.

A single deep diamond drill hole testing the coincidental EM and geochemical anomaly for nickel and copper sulphides has been completed at the Caesar Project. Assay results are pending.

Work on the Odin Project during the December Quarter saw Venture secure landholder approval to drill test the Odin Prospect, a substantial lithium target located ~35 km south of the world's largest hard rock lithium mine (Greenbushes).

### Venture Fast Facts

ASX Code: VMS  
Shares on Issue: 419million  
Market Cap: \$18.9 million  
Cash: \$1.7m (31 Dec 17)

### Recent Announcements

Appendix 3B & Notice Under Section 708A (12/01/2018)

Access granted to drill at Lithium Target near Greenbushes (14/12/2017)

Management Update (15/12/2017)

Project Secured Directly along Strike of G88 Ni-Co Discovery (16/11/2017)

Drilling Commenced at Caesar Ni-Cu Project, WA (13/11/2017)

Quarterly Report for period ending 30 September 2017 (31/10/2017)

Appendix 3B & Notice Under Section 708A (30/10/2017)

Results of General Meeting (26/10/2017)

Notice of AGM (25/10/2017)

Annual Report (29/09/2017)

Notice of General Meeting/Proxy Form (22/09/2017)

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## Pingaring Project, Nickel-Cobalt, Western Australia

During the December Quarter the Company secured exploration licences around and along strike from Golden Mile Resources' (ASX: G88) recent Quicksilver Nickel-Cobalt Discovery located ~300 km east of Perth in Western Australia (Refer Figure One), and named it the Pingaring project. The Pingaring project is only 4 km along strike to the south-east of the Quicksilver Nickel-Cobalt Discovery and contains 145 strike kilometres of ultramafic targets interpreted using geophysical data and surface geochemistry to be the same host unit that the Quicksilver Ni-Co deposit sits within (Refer Figure Two).

All but one of the four exploration licence applications that make up the project is 100% unencumbered. The initial application (of 191 km<sup>2</sup>), which is adjacent to Quicksilver has 38 km<sup>2</sup> that overlaps with a competing application with the tenure now subject to a two-way ballot to determine the outright holder in the coming months. Regardless of the outcome of the ballot, Venture will have the dominant land position within an emerging new Nickel-Cobalt province in Western Australia, that is only 100 km west of the Forrestania Greenstone Belt which contains the Spotted Quoll and Flying Fox Nickel Deposits. Once the tenements are granted in the coming months, the company will commence a detailed surface mapping and sampling program to define priority drill targets.

**Figure One | Pingaring Project - Location Map**

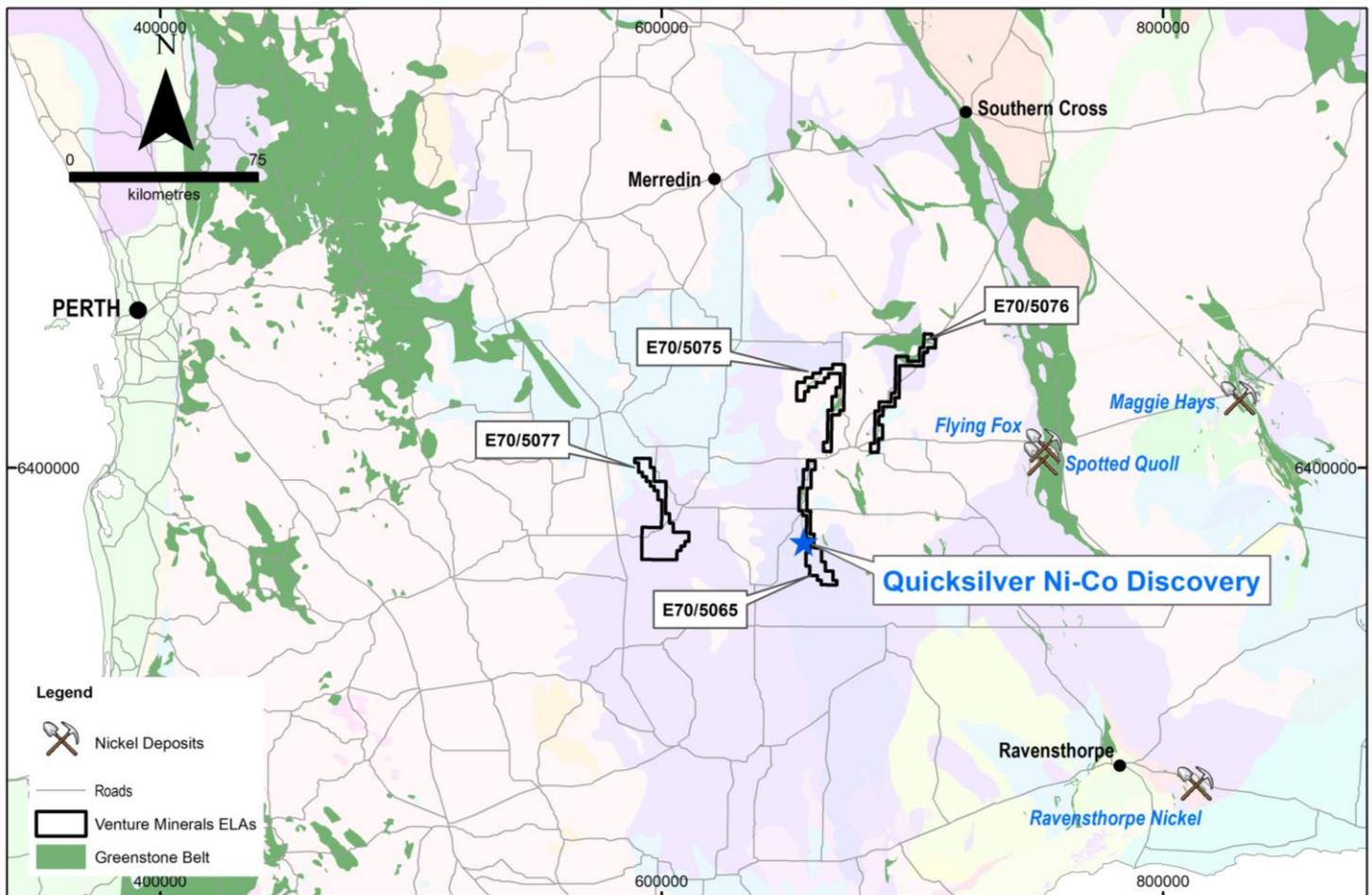
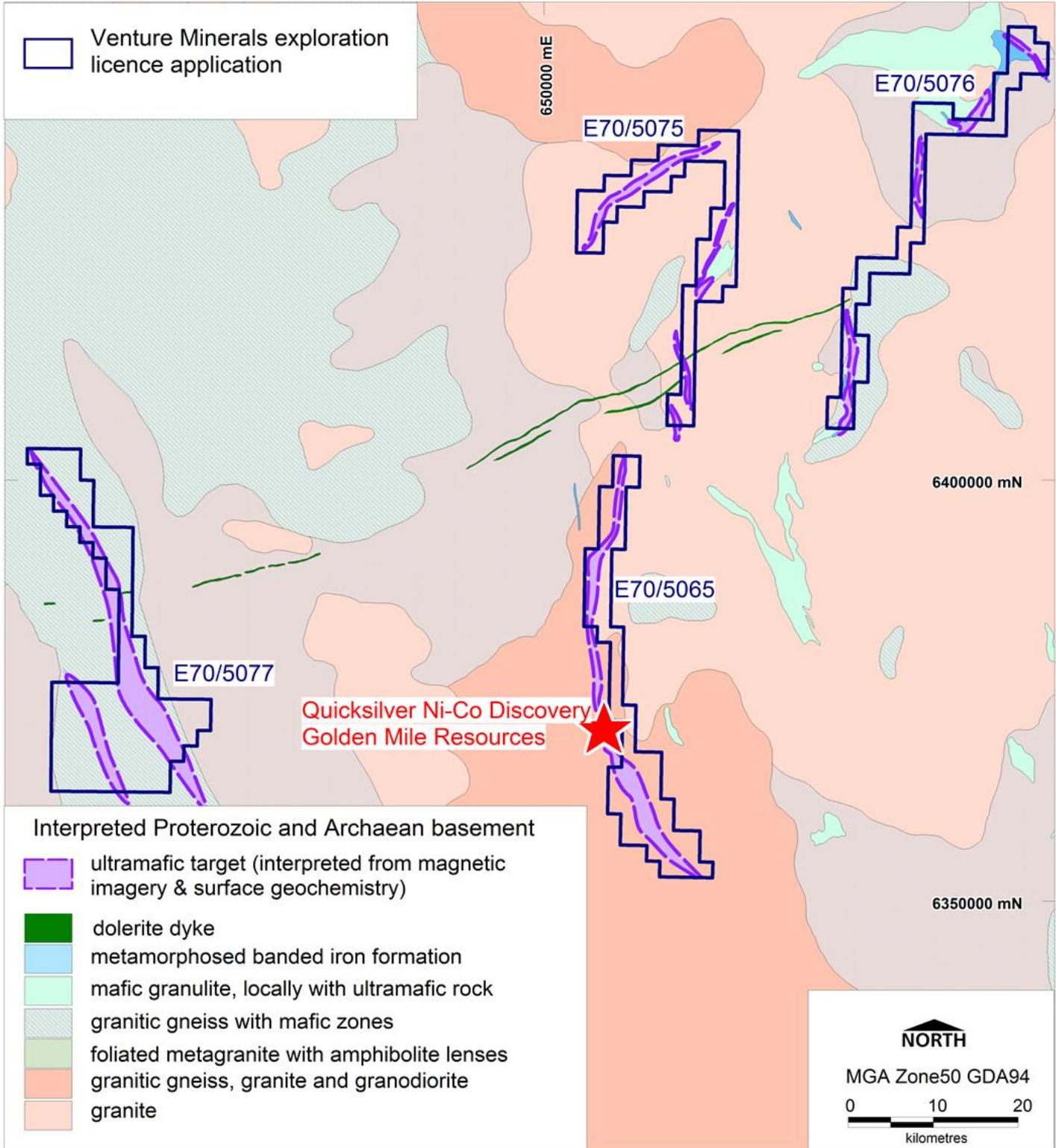


Figure Two | Pingaring Project - Geological Setting

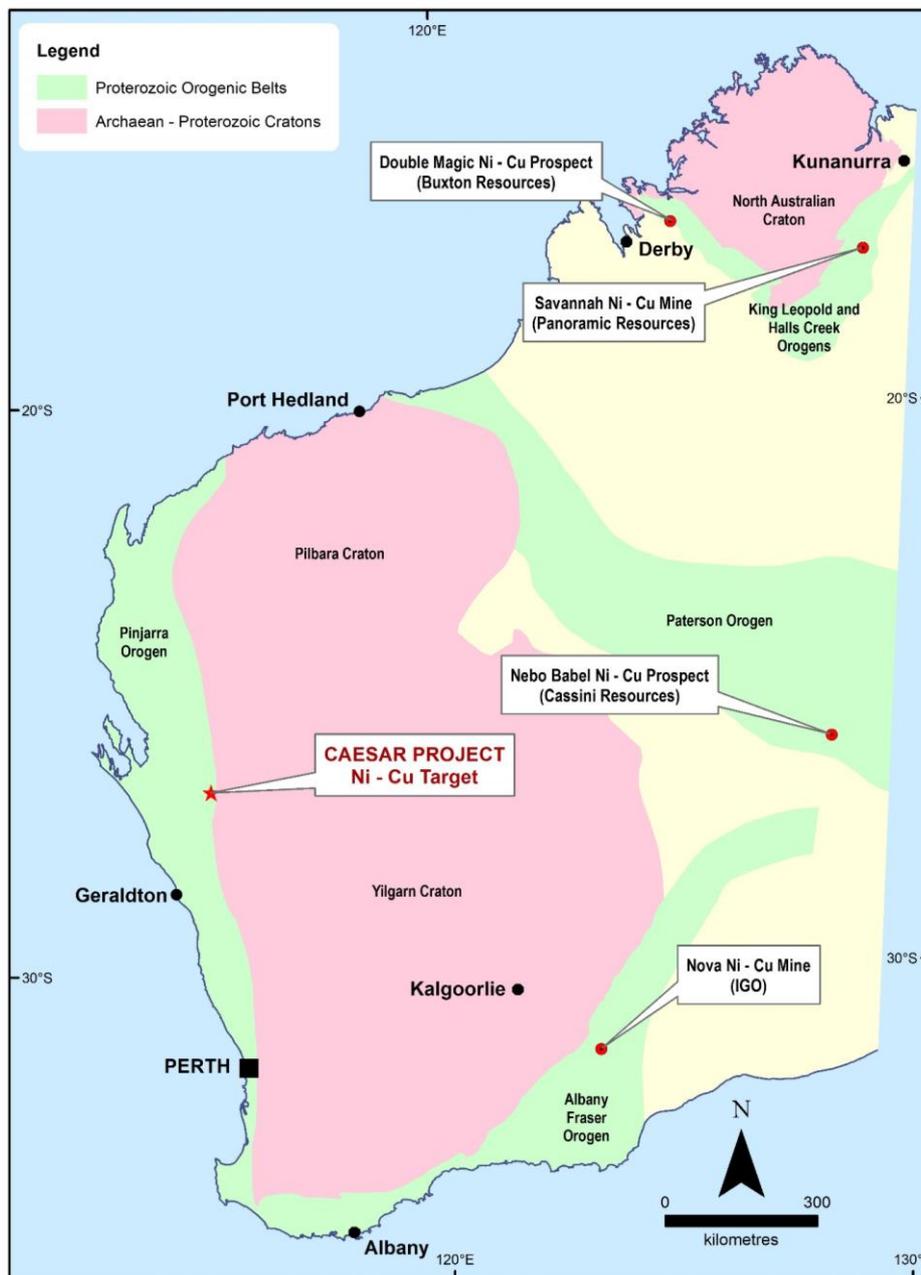


## Caesar Project, Nickel-Copper, Western Australia

### Introduction

The Caesar Project is located approximately 200 km north northeast of Geraldton (Refer Figure Three) and consists of a granted exploration license covering 49 km<sup>2</sup> as well as an additional 193 km<sup>2</sup> in an exploration license recently granted to Venture Minerals.

Figure Three | Caesar Project - Location Map



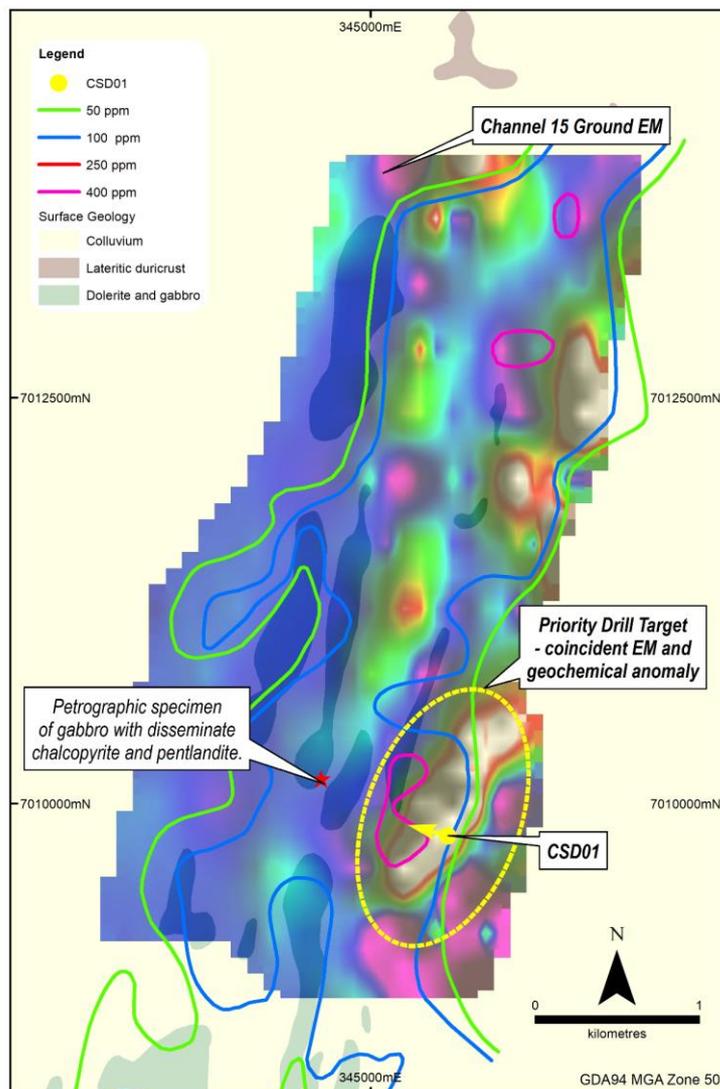
Venture Minerals has entered into an earn-in agreement with Muggon Copper Pty Ltd, whereby Venture can earn up to a 75% interest in the Caesar Project via exploration expenditure. Should exploration be successful, Venture can increase its ownership to 90% by funding a bankable feasibility study (Refer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

Previous exploration work on the Caesar Project, including surface geochemistry (lag sampling) and petrology that showed the presence of disseminated nickel and copper sulphides, and surface geochemical anomalism associated with a number of gabbroic intrusives. Subsequent exploration programs completed by Venture have included infill and extensional lag sampling, detailed geological mapping and petrology and the completion of a high-powered EM survey study (Refer Figure Four).

### Activities during the December Quarter

A single deep diamond drill hole (CSD01) which was co-funded by the Western Australian State Government has been completed at the Caesar Project. The drill hole was designed to test the coincidental EM and geochemical anomaly for nickel and copper sulphides (Refer Figure Four). Assay results are awaiting.

**Figure Four | Caesar Project - surface geology with Nickel geochemical results and EM response**



## **Thor Prospect, Base Metals, Western Australia**

### **Introduction**

The Thor Prospect is located 240 km south of Perth (Refer Figure Five), hosted within the in the Balingup Gneiss Complex. A joint venture between Teck Cominco and BHP Billiton, first identified this area as being prospective for base and precious metals hosted within the complex. The joint venture completed surface sampling and airborne EM surveys which culminated in the discovery of a base and precious metals deposit (Kingsley Prospect) (Refer Figure Six) which Teck identified as a meta-VMS (Volcanogenic Massive Sulphide) system in high grade metamorphic rocks. Venture's nearby Thor prospect hosts a strong and coherent arsenic in laterite anomaly with locally elevated levels of Cu, Zn, Sn, Bi and Sb, elements that are typically elevated in VMS systems.

### **Activities during the December Quarter**

The December Quarter saw the Company continue to move forward on drilling access documentation for the Thor Prospect and was successful in securing co-funding from the State Government for the maiden drill program.

In addition, Venture's exploration team has recently secured the northern extension of the Thor target with up to an additional 14 strike km of prospective VMS host unit occurring within the new tenement application (Refer Figure Five). This has resulted in a further 62 km<sup>2</sup> of tenure to the project area.

Figure Five | Thor & Odin Prospect Location Plan

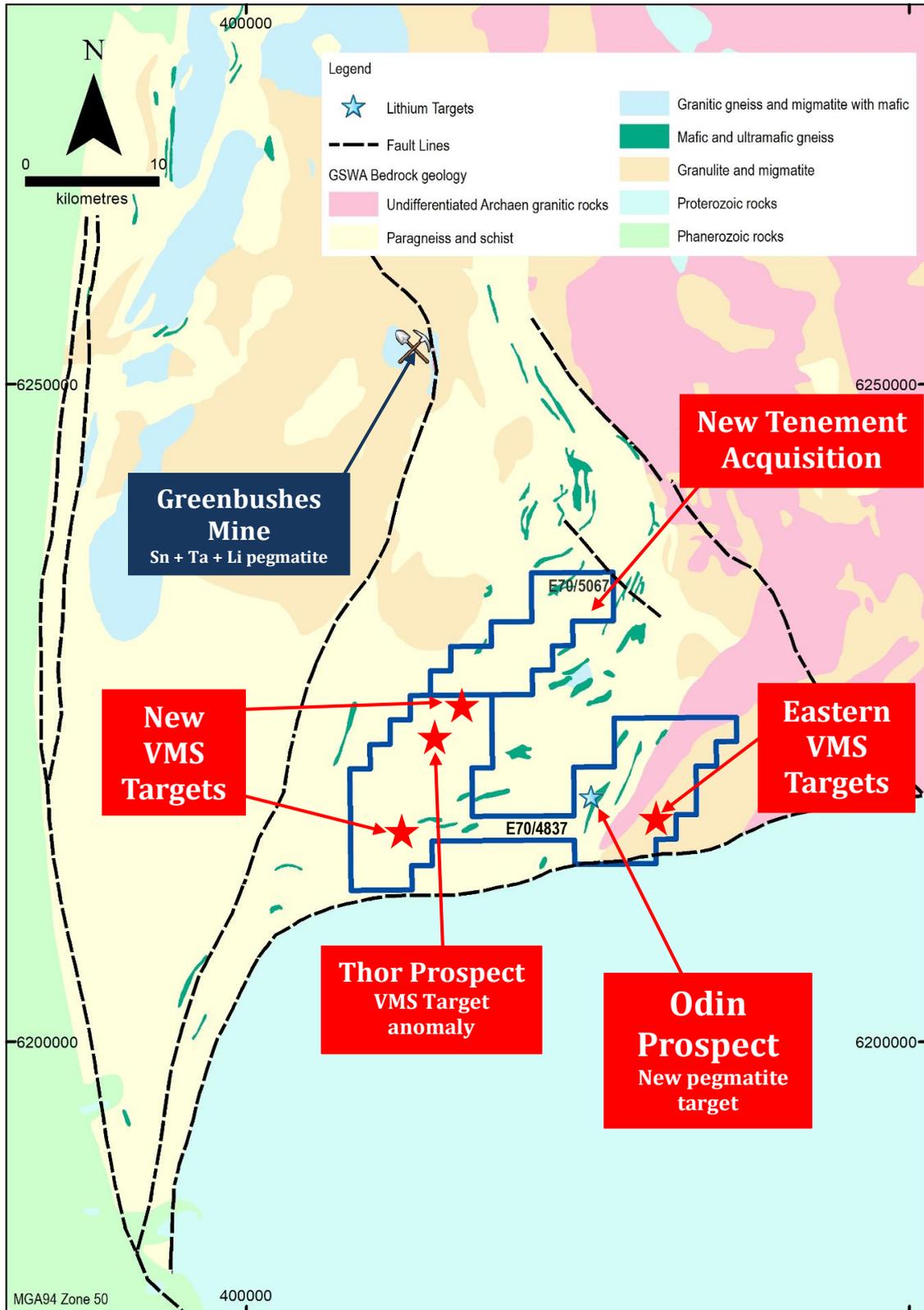
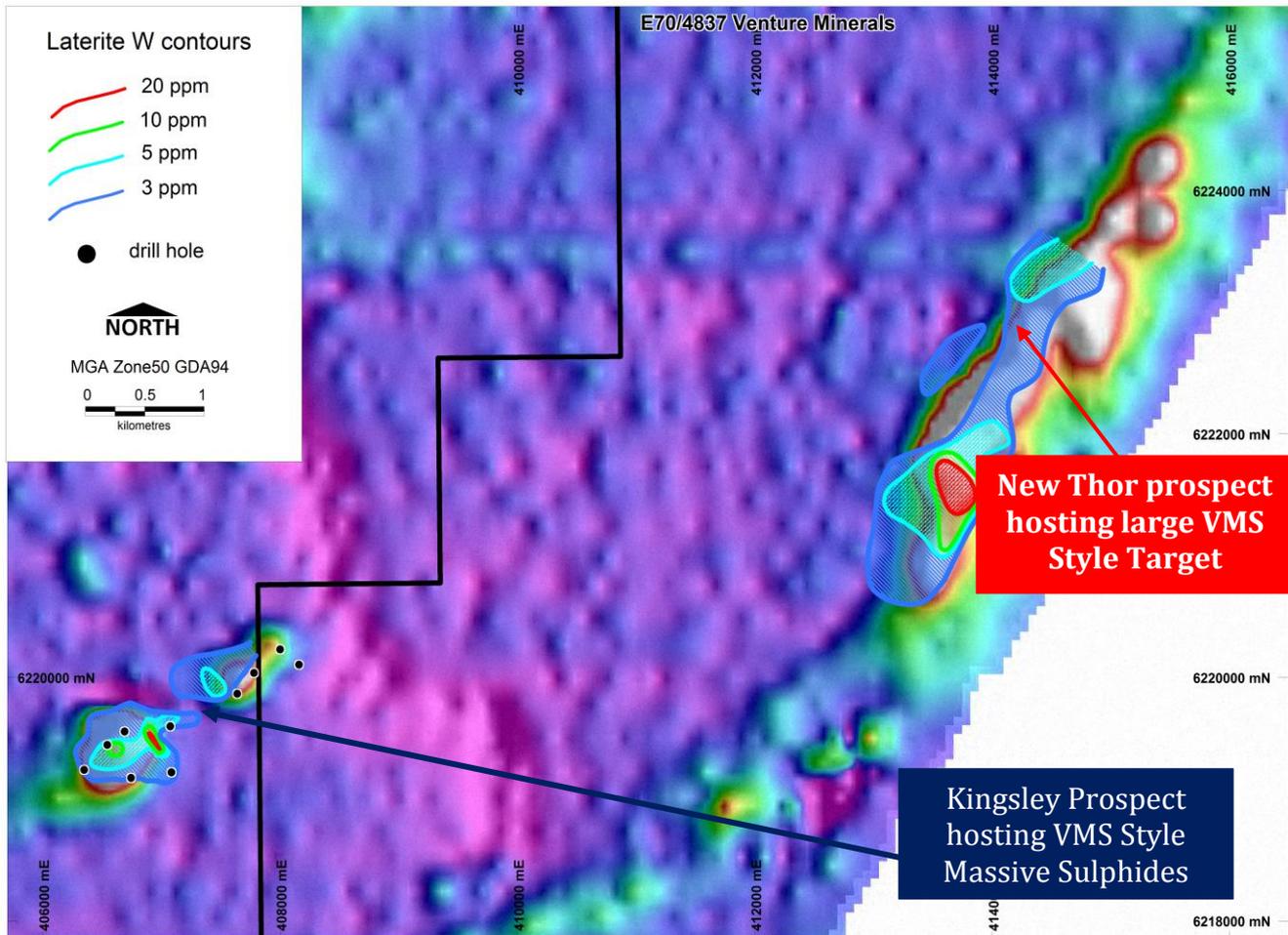


Figure Six | Thor and Kingsley Tungsten in laterite anomalies over airborne EM image conductivity



## Odin Prospect, Lithium, Western Australia

### Introduction

The Odin prospect is located in the Company's Southwest tenement package, which encompasses 281 km<sup>2</sup> of the Balingup metamorphic belt (Refer Figure Five). The newly discovered lithium target is situated ~35 km south of Greenbushes, the world's largest hard rock lithium mine (produces ~40% of the world's lithium). Odin was discovered following a detailed geological mapping and surface geochemical program, which identified a potentially lithium bearing pegmatite system.

Results from the first two phases of surface exploration identified a target which extends over 1.9 km of strike and is up to 150 m wide. The geochemistry in the laterite is analogous to Greenbushes with significantly elevated levels of tin, tantalum and niobium.

In addition to the geochemistry, mapping has confirmed the presence of coarse “books” of muscovite (Refer Figure Seven) within the laterite which, in conjunction with the tin, tantalum and niobium anomalism is considered indicative of pegmatites in a deeply weathered environment.

### Activities during the December Quarter

The December Quarter saw the Company secure landholder approval to drill test the Odin Prospect. In addition, Venture has also successful in receiving co-funding from the Western Australian State Government, which will effectively halve the cost of the Company’s maiden drill program.

In preparation for drill testing the Company’s exploration team continued to do follow up sampling to fully define the geochemical signature of the lithium target in preparation for drill testing in early 2018.

**Figure Seven | Odin Prospect - “books” of muscovite indicating pegmatite occurrence**

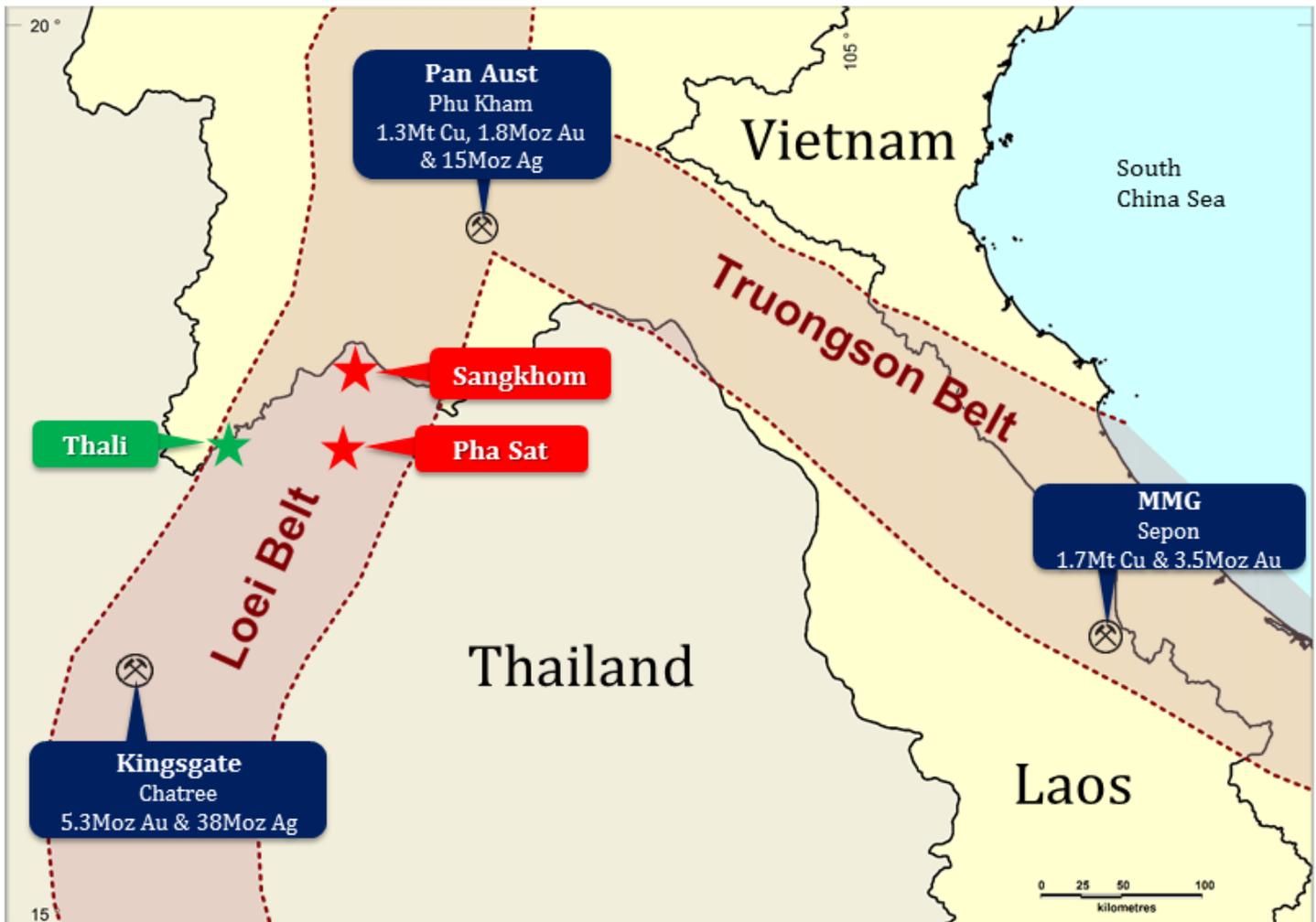


### South East Asia

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 built a cost-effective portfolio of exploration projects with the Company already receiving granted licenses over the Thali Project (Refer Figure Eight) and awaits the granting of several additional licenses covering two other project areas.

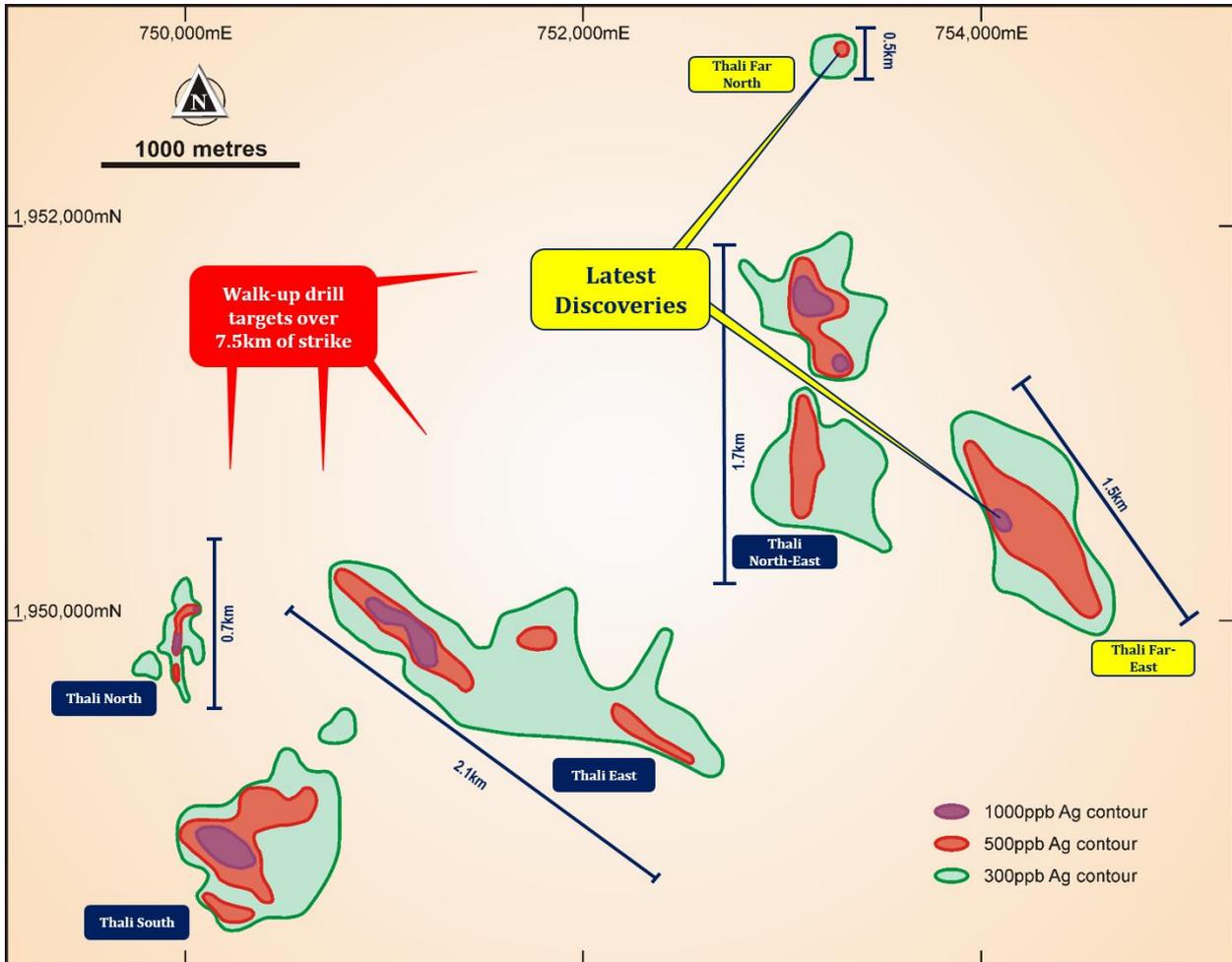
Figure Eight | Project Map | Thailand



### Thali Project (Silver/Lead/Zinc)

During 2016, the Company finalised exploration targets at the Thali Project, where Venture has identified a total of six priority drill target areas covering over 260 hectares of anomalies (Refer Figure Nine). Following the recent channel sampling program at Thali South the Company completed additional channel sampling at Thali North and is now planning to complete a geophysical program in the coming quarter. Upon receipt of the geophysical survey results the Company will then look to finalise approval from the Land Reform Office for a maiden drill program.

Figure Nine | 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.

## Tenure and Government Regulations

Venture has granted Prospecting Licences over the Thali Project 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 the 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.

The Thailand Government introduced a new Minerals Bill in late August 2017. The company is continuing to assess the new Bill for material impacts to Venture shareholders who will be informed at the earliest opportunity, should that be the case.

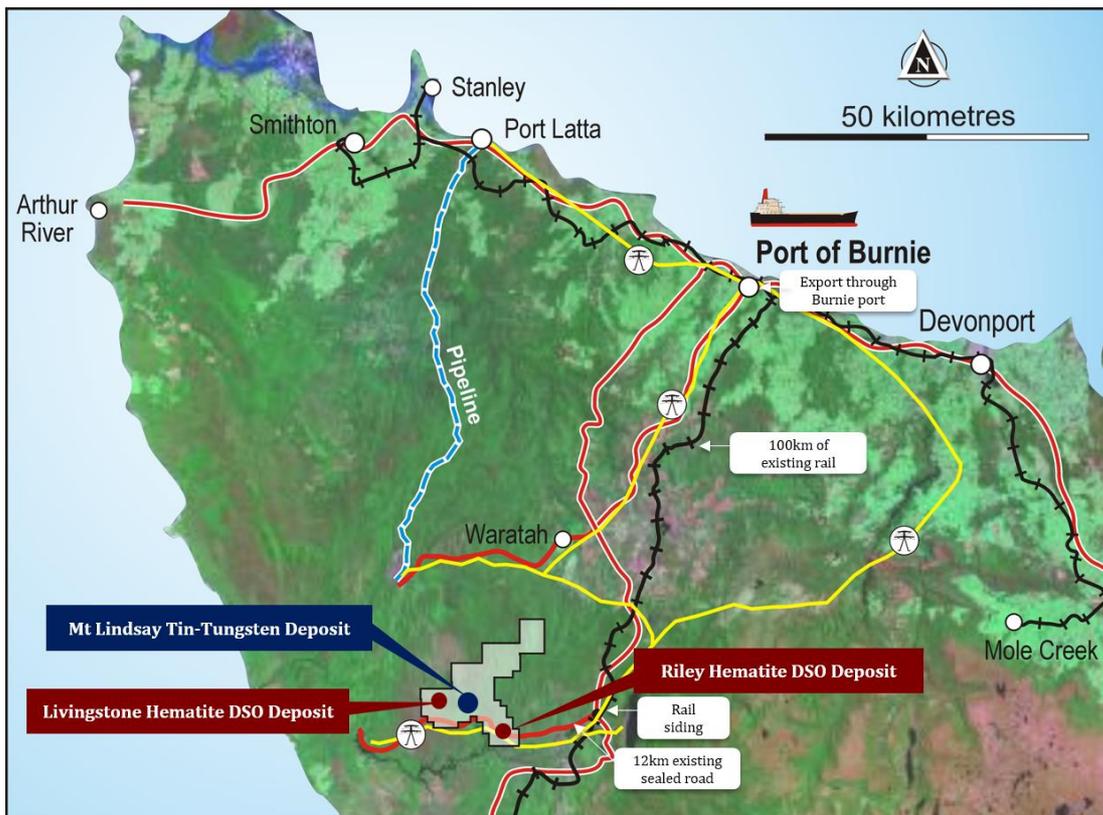
## Mt Lindsay Project, North West Tasmania

### Introduction

The Mt Lindsay Project (148 km<sup>2</sup>) is located in north-western Tasmania (Refer Figure Ten) 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 Ten | 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 <sub>3</sub> )	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
	<b>TOTAL</b>	<b>45Mt</b>	<b>0.4%</b>	0.2%	0.1%	17%	0.1%	<b>81,000</b>	<b>113,000</b>
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
	<b>TOTAL</b>	<b>13Mt</b>	<b>0.7%</b>	0.3%	0.2%	14%	0.1%	<b>38,000</b>	<b>61,000</b>

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% + (WO<sub>3</sub>% 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% + (WO<sub>3</sub>% 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 WO<sub>3</sub>), 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 WO<sub>3</sub> 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 31 August 2012.
- It is the Company’s opinion that the tin, WO<sub>3</sub> 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 2.8 km 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 1.1 km of strike.

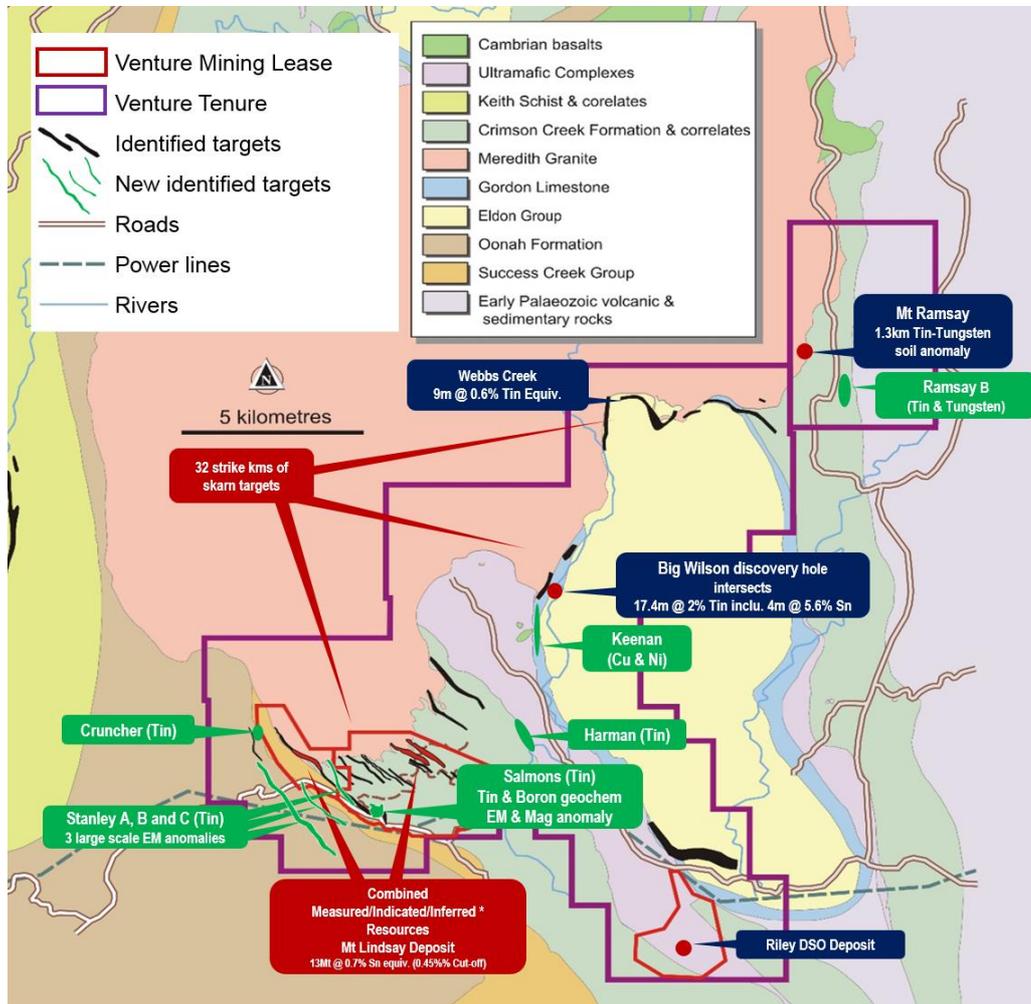
Recently, Venture has focussed efforts at Mt Lindsay on identifying additional high grade tin/tungsten targets in close proximity to the Mt Lindsay Deposit. The low cost exploration work is part of a broader strategy focussed on identifying high grade mineralization within trucking distance of the existing 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 Eleven). 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 designed to identify additional targets in the broader Mt Lindsay area.

Figure Eleven | Mt Lindsay - recently identified exploration targets



## Riley DSO Hematite Project, North West Tasmania

The 100% owned Riley DSO Project is located 10 km from the Mt Lindsay Deposit (Refer Figure Ten) and occurs as a hematite rich pisolitic and cemented laterite. The deposit is all at surface, located less than 2 km 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 <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	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 <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	S (%)	Cr (%)	LOI (%)
Probable	<b>1.8mt</b>	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

During the December Quarter, the Riley DSO Project remained on hold due to the lower iron ore prices. 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 the past twelve months, the iron ore market has strengthened, although it remains volatile. Venture has been assessing funding options for the Riley DSO Project and is looking at a number of development scenarios. The Company will continue to closely monitor the iron ore market and will update shareholders should any development scenarios be advanced.

### Livingstone DSO Hematite Project, North West Tasmania

Located only 3.5 km from the Mt Lindsay Tin-Tungsten Deposit is the 100% owned Livingstone DSO Hematite Deposit (Refer Figure Ten). Livingstone consists of an outcropping hematite cap overlaying a magnetite rich skarn. The hematite occurs from surface, is consistent in grade and located only 2 km 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 Four | Resource Statement Livingstone DSO Project**

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO <sub>2</sub> (%)	Al <sub>2</sub> O <sub>3</sub> (%)	P (%)	S (%)	LOI (%)
Indicated	<b>2.4mt</b>	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 Five | Reserve Statement - Livingstone DSO Project**

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

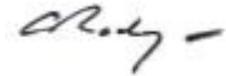
\*Refer to ASX announcement on 26 July 2012.

## 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](http://www.ventureminerals.com.au).

Yours faithfully



**Andrew Radonjic**  
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. The information in this announcement that relates to Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves was prepared and first disclosed under the JORC code 2004. 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 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. 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. The information in this announcement that relates to Ore Reserves was prepared and first disclosed under the JORC code 2004. 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 2017 Quarter

Project	Location	Tenement	Interest at December 2017
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%
Pingaring (Applications)	Western Australia	E70/5065	0%
	Western Australia	E70/5075	0%
	Western Australia	E70/5076	0%
	Western Australia	E70/5077	0%
South West WA	Western Australia	E70/4837	100%
Caesar Project <sup>1</sup>	Western Australia	E09/2131	0%
	Western Australia	E09/2213	100%

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

### Mining tenements acquired and disposed during the December 2017 Quarter

Project	Location	Tenement	Interest at beginning of Quarter	Interest at end of Quarter
<b>Mining tenements relinquished</b>				
-	-	-	-	-
<b>Mining tenements acquired</b>				
Pingaring	Western Australia	E70/5065	-	Application
Pingaring	Western Australia	E70/5075	-	Application
Pingaring	Western Australia	E70/5076	-	Application
Pingaring	Western Australia	E70/5077	-	Application

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

Project	Location	Tenement	Interest at December 2017
Nil			

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

<b>Project</b>	<b>Location</b>	<b>Tenement</b>	<b>Interest at beginning of Quarter</b>	<b>Interest at end of Quarter</b>
<b>Mining tenements relinquished</b>				
Nil				
<b>Mining tenements acquired</b>				
Nil				