

# Quarterly Report for the period ending 30 June 2015

## Highlights

- **Venture advances Southeast Asian Initiative following the receipt of granted tenure in northern Thailand**
- **Riley DSO Project environmental approvals upheld following dismissal of Federal Court appeal**
- **Substantial cost cutting over the past year has resulted in the Company maintaining a strong cash position of \$3.3m**
- **Riley DSO Project on hold but remains ready and well positioned should future iron ore prices support a production decision**

## Introduction

The June Quarter saw Venture significantly advance opportunities in Southeast Asia following the receipt of granted tenure in northern Thailand. The first two prospects named “Pak Yang” and “Thali” are located in the highly prospective Loei Belt, which already hosts world class copper and gold deposits. First pass exploration on both prospects is currently underway.

The June Quarter also saw the Federal Court dismiss the appeal against the environmental approvals for the Riley DSO Project. The decision effectively delivers Venture unencumbered approvals for any future development of the Riley iron ore mine. Following the favourable court decision, Venture will actively seek to recover all legal costs.

Following a series of substantial cost cutting measures over the past year, including up to 50% voluntary salary reductions for directors, management and staff, the Company is now in a strong position and able to fund a series of exploration programs in Thailand from its current cash reserves of \$3.3m.

During the quarter the Company continued to keep the Riley DSO Project on hold due to the sharp fall in iron ore prices over the past 12 months. However, the Company has completed extensive pre-production work at the Riley Project affording Venture the opportunity to commence production, on relatively short notice, should future iron ore prices support a production decision.

### Venture Fast Facts

ASX Code: VMS  
Shares on Issue: 287 million  
Market Cap: \$6.3 million  
Current Cash: \$3.3 million  
(30 June 2015)

### Recent Announcements

Riley DSO Project Approvals Upheld  
(26/06/2015)

Copper Prospects Granted in Southeast Asia  
(18/05/2015)

Exploration success defines additional target | Mt Lindsay  
(19/11/2014)

EM defines New Targets  
(23/10/2014)

Riley DSO Project Update  
(19/08/2014)

Mining Lease Granted - Mt Lindsay Tin/Tungsten Project  
(03/07/2014)

Riley DSO Project Update  
(11/06/2014)

Riley DSO Project Appeal Lodged to Federal Court Judgement  
(06/06/2014)

Riley DSO Project Federal Court Challenge Dismissed  
(16/05/2014)

Federal Environment Minister Approves Riley DSO Project  
(5/8/13)

Capital Items Secured and Mining Contract Signed  
(2/7/13)

Riley DSO Project Receives EPA Approval and Conditions  
(16/5/13)

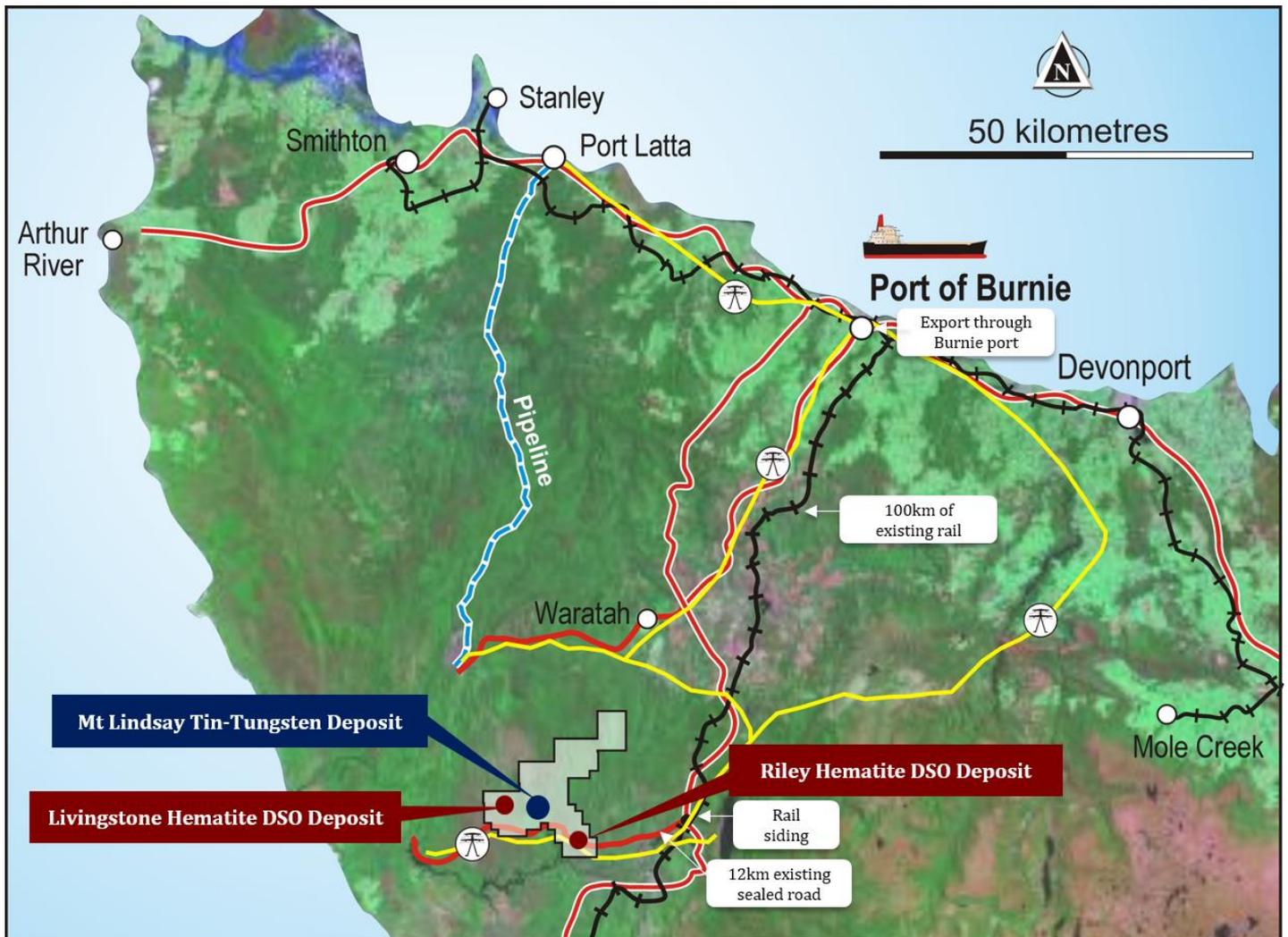
## Mt Lindsay Project, North West Tasmania

### Introduction

The Mt Lindsay Project (186km<sup>2</sup>) is located in north-western Tasmania (refer to Figure 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-231kt of tin metal produced since 1968) and the Savage River Magnetite Mine (operating for > 45 years, currently producing approximately 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 hosts both the Mt Lindsay Tin-Tungsten Deposit and all of the surrounding prospects.

**Figure 1 | 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 a JORC compliant Measured, Indicated and Inferred Resources.

## Tin-Tungsten Resources

**Table 1 | Tin-Tungsten Resources October 2012**

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 August 31 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 2.8kms 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.

In 2012 the resource base at Mt Lindsay was the subject of a Bankable Feasibility Study (“BFS”) which entertained a 1.75 million tonne per annum operation, producing concentrates of tin, tungsten, copper and magnetite. The study delivered an NPV<sub>8</sub> of A\$143m from a 9 year mine life with a capital cost estimate of A\$198m. Full details of the reserve statement and BFS outputs and a list of assumptions are in the ASX announcement of 7 November 2012.

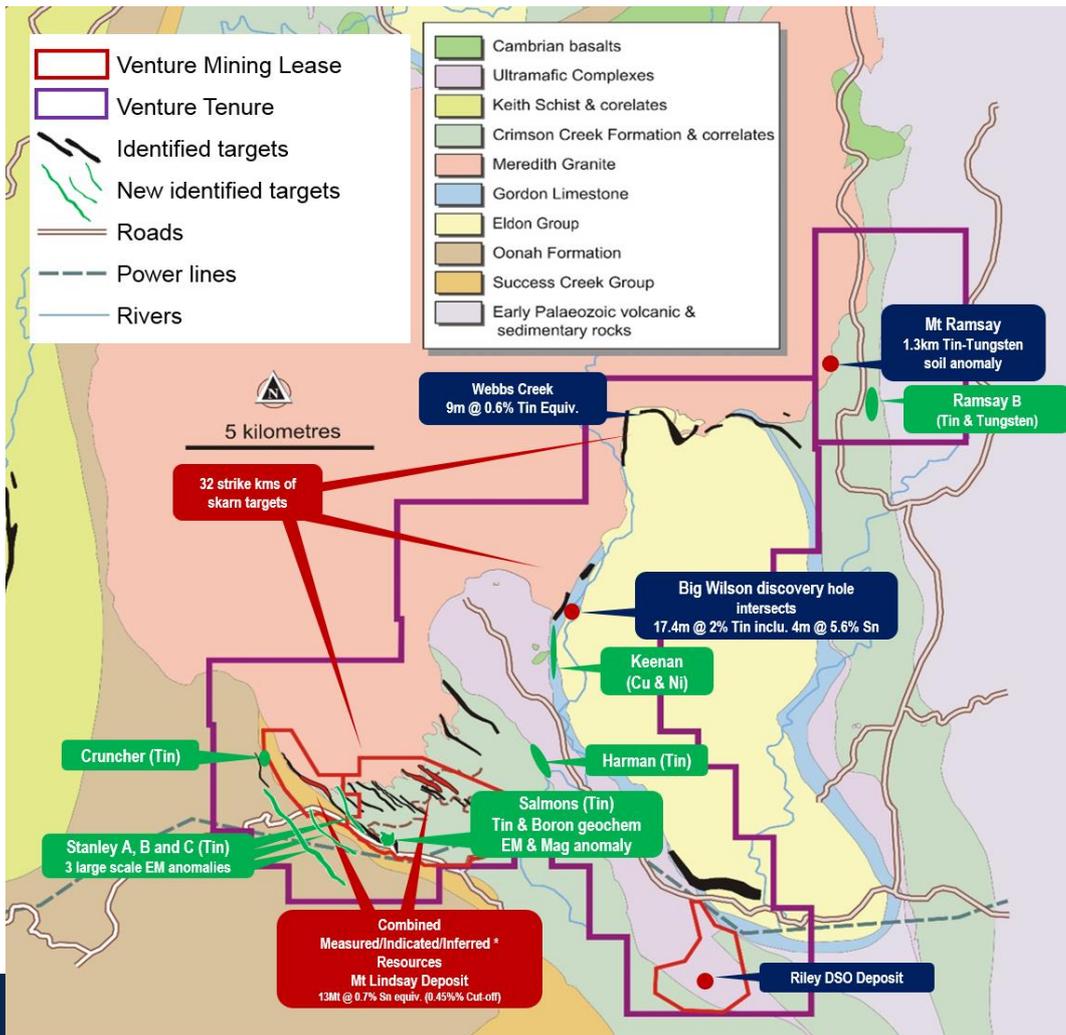
Over the past 12 months Venture has focussed efforts at Mt Lindsay on identifying additional high grade tin/tungsten targets in close proximity to the Mt Lindsay Deposit. The low cost exploration work is part of a broader strategy focussed on identifying high grade mineralization within trucking distance of the existing deposit that has the potential to further strengthen the economics of the Mt Lindsay Project.

### Activities during the June 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 to Figure 2). 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 June Quarter Venture continued to work on identifying new target areas in close proximity to the Mt Lindsay Deposit which included geological mapping in the Stanley River area.

**Figure 2 | 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 Project (refer to Figure 1) 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 2 | 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	<b>2.0mt</b>	<b>57</b>	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 3 | 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>	<b>57</b>	61	3.7	2.6	0.03	0.07	2.8	7.8

\*Refer to ASX announcement on 26 July 2012.

## Activities during the June Quarter

During the quarter the Federal Court dismissed the appeal against the environmental approvals for the Riley DSO Project. The decision effectively delivers Venture unencumbered approvals for any future development of the Riley iron ore mine. The Federal Court decision in both the original case and the recent appeal awarded costs in favour of Venture. The Company will continue to actively seek the recovery of all legal costs associated with both cases.

During the quarter the Riley DSO Project remained on hold due to the sharp fall in iron ore prices over the past 12 months. Although the Company made the decision to suspend operations in August last year, 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.

## Livingstone DSO Hematite Project, North West Tasmania

Located only 3.5km from the Company's flagship Mt Lindsay Tin-Tungsten Deposit is the 100% owned Livingstone DSO Hematite Deposit (refer to Figure 1). 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 4 | 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>	<b>57</b>	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 5 | 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 June Quarter

There was no field activity during the quarter.

## South East Asia Initiative

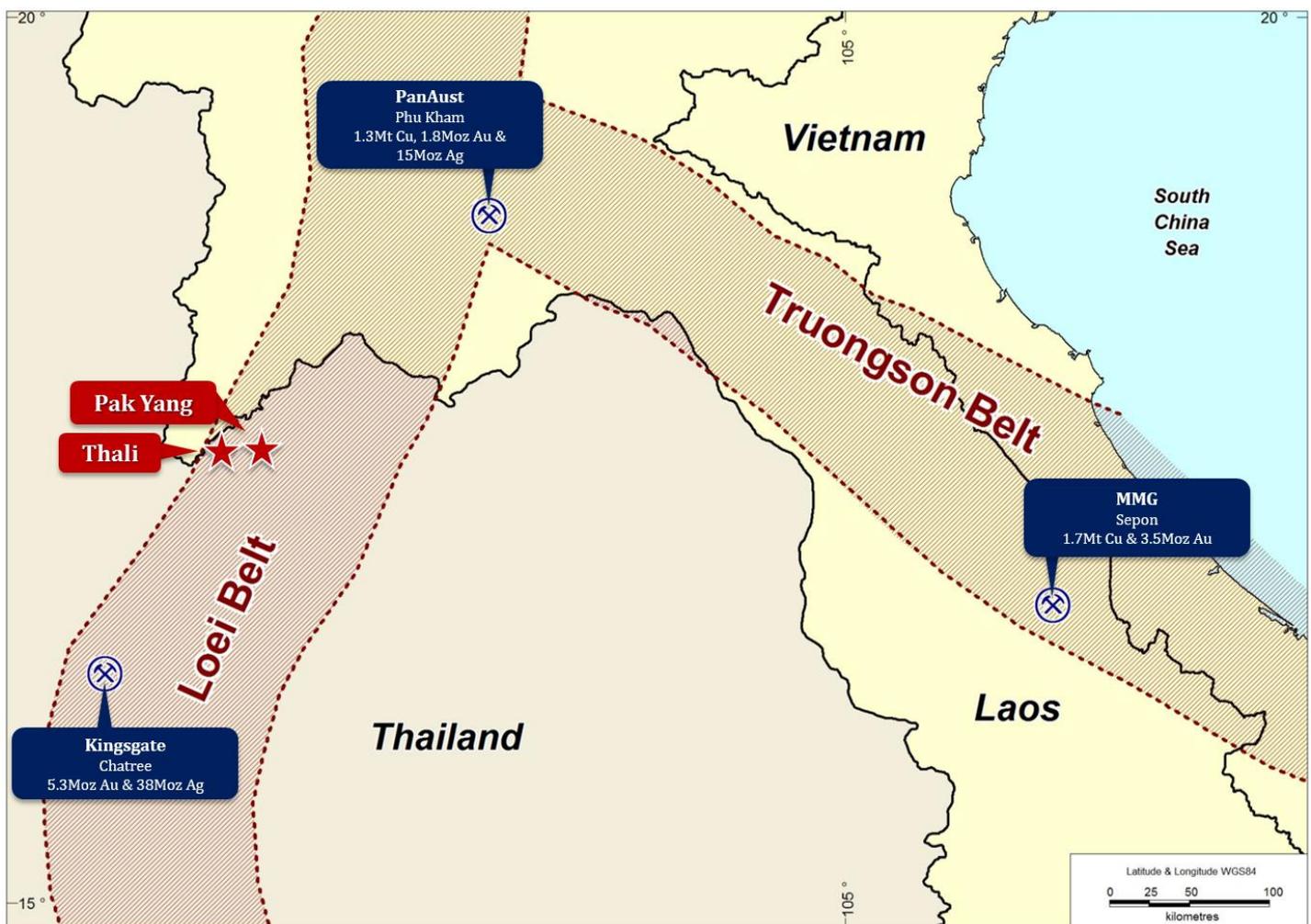
Venture continues to progress its strategy of targeting South East Asia for exploration opportunities. Venture has identified an extensive belt of “skarn style” mineralisation throughout the region specifically targeting strategic metals such as tin and tungsten as well as other base and precious metals.

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.

The June Quarter saw Venture significantly advance opportunities in Southeast Asia following the receipt of granted tenure in northern Thailand. The first two prospects named “Pak Yang” and “Thali” are located in the highly prospective Loei Belt, which already hosts world class copper and gold deposits including Kingsgate’s “Chatree” deposit (+5Moz Au\*) and PanAust’s “Phu Kham” deposit (1.3Mt Cu, 1.8Moz Au\*) (refer to Figure 3).

Work commenced late in the quarter at both the Thali and Pak Yang prospects, which already host identified “skarn” style mineralization. The on-going work programs include detailed geological mapping, rock chip sampling and a first pass soil sampling program.

Figure 3 | Prospect location map - Thailand



## Harris Bluff Project, South Australia

Venture has withdrawn from the joint venture on the Harris Bluff Project.

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



**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 June 2015 quarter

Project	Location	Tenement	Interest at June 2015
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%

### Mining tenements acquired and disposed during the June 2015 quarter

Project	Location	Tenement	Interest at beginning of quarter	Interest at end of quarter
<b>Mining tenements relinquished</b>				
Harris Bluff	South Australia	EL4788	51%	0%
<b>Mining tenements acquired</b>				
Thali	Thailand	70/2558	0%	100%
	Thailand	71/2558	0%	100%
Pak Yang	Thailand	69/2558	0%	100%

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

Project	Location	Tenement	Interest at June 2015
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
<b>Mining tenements relinquished</b>				
Harris Bluff	South Australia	EL4788	51%	0%