Wednesday, 12th August 2020

Venture commits to Dry Screening Operations at the Riley Iron Ore Mine

HIGHLIGHTS

- Positive Final Investment Decision for the Riley Iron Ore Mine now made;
- Preparations for Riley Iron Ore dry screening operations to commence immediately with mining anticipated in approximately one (1) week;
- Current Riley Mine economics well above August 2019 feasibility numbers which were based on a US$90/tonne 62% Fe price *(Refer to ASX announcement 22 August 2019)* due primarily to higher Fe prices (>US$120/tonne 62% Fe price*) and lower fuel prices, and further supported by a strong Iron Ore market outlook;
- At the US$90/tonne 62% Fe price the August 2019 Feasibility returned a post-tax cash surplus of A$31M over the two year production life of the Riley Mine, including fully providing for progressive and post-production rehabilitation;
- Focus is now on finalising discussions on financing of the wet screening plant whilst the dry screening process enables Venture to potentially realise early cash-flow from Riley.

Commenting on reaching another important milestone towards Riley Iron Ore Mine production, Venture Minerals' Managing Director Andrew Radonjic, said:

"The Board has given the go ahead to proceed with the dry screening operations reaching another important milestone as the Riley Mine ramps up towards full scale production. The Riley Project continues to deliver more exciting news for shareholders and the State of Tasmania in a strong iron ore price environment. The Riley Iron Ore Mine will create close to 100 jobs and will be a boost for the economy of the West Coast of Tasmania during these difficult times."

Venture Minerals Limited **(ASX:VMS)** ("Venture" or the "Company") is pleased to announce that the Company's Board of Directors has delivered a positive Final Investment Decision (FID) for the Riley Iron Ore Mine *(Refer to Figure 1)* prompting preparations for mining and dry screening operations to commence immediately. The dry screening operations of the Riley Mine is part of the ramp-up phase of the project with full production rate to occur upon successful commissioning of the wet processing plant (which is subject to financing).

FID is yet another key milestone completed by Venture on its push towards its first shipment of Riley iron ore. The Company recently signed a Port Access Agreement with TasPorts *(see ASX announcement 9 July 2020)* and signed the Road Access Agreement with Hydro Tasmania *(see ASX announcement 10 June 2020),* securing the pathway for Riley Iron Ore production from mine gate to shipping *(Refer to Figure 4)*.

The Riley Mining Team has commenced preparations for low cost mining and dry screening activities *(Refer to Figures 2 & 3)* given the zero strip ratio (iron ore at surface) characteristics of the Riley DSO deposit. The contracting of a dry screening plant for processing the top layer of the Riley deposit affords the Company the opportunity to accelerate production and capture the current iron ore prices before the wet screening plant has been built and commissioned, and also reducing the capital cost requirements.

Iron ore prices have been strong throughout 2020 with the outlook for the rest of the calendar year remaining positive as Chinese government infrastructure spending alongside COVID-19 supply side disruption in Brazil.

** Based * Based on spot pricing of US$121.40 per tonne as at 7 August 2020 referenced to the CFR 62% Fe Platts benchmark pricing index*

Venture is now finalising discussions on financing options including a debt facility to fund capital to complete construction of the wet screening plant at Riley.

The Company is also focused on concluding the road haulage tender process as well as achieving more efficient ore handling logistics, including finalising negotiations on gaining access to other on-wharf storage.

Figure One | Aerial Photo of the Riley Mine Site



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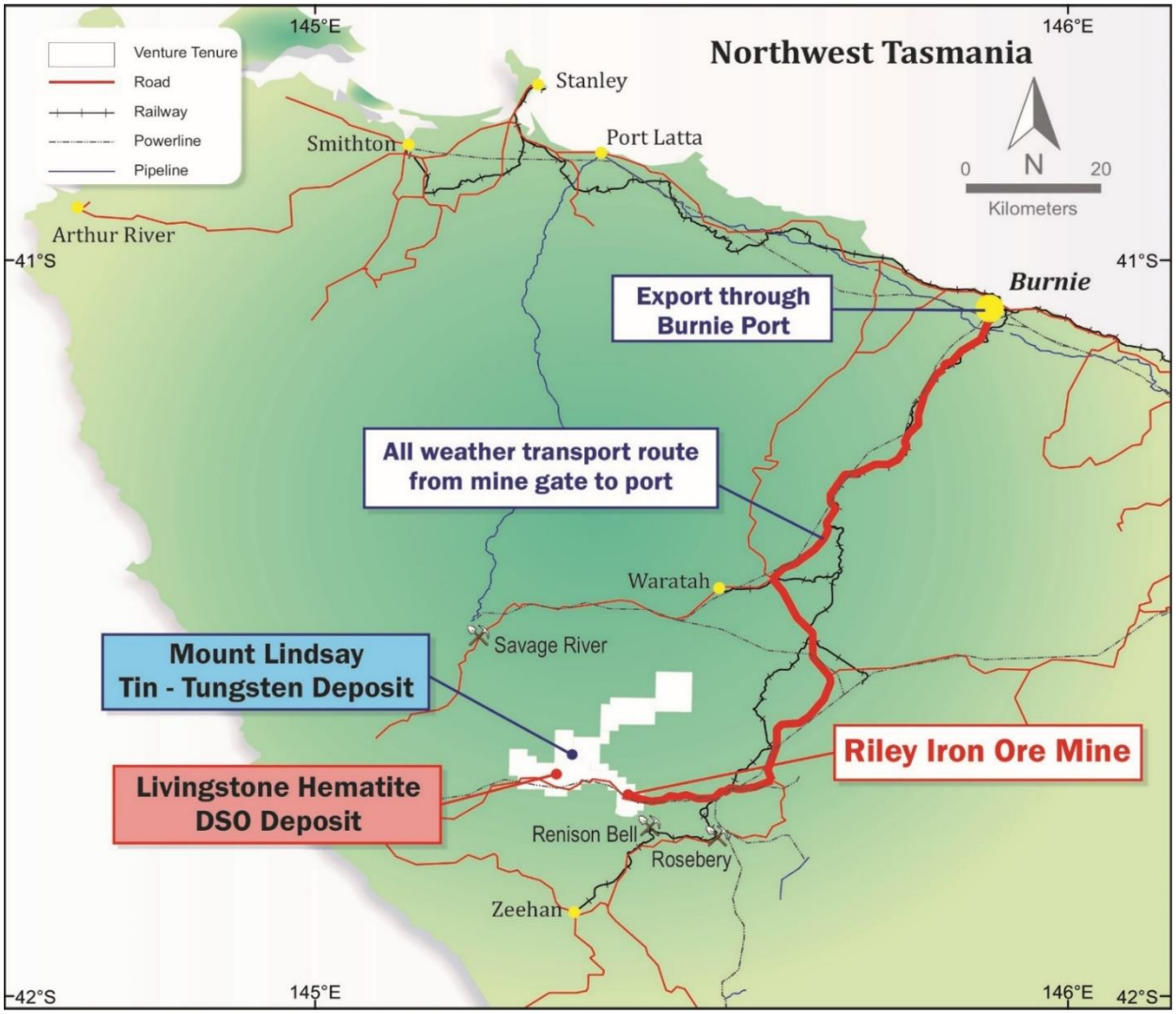
Figure Two | Previous mining activity at the Riley Iron Ore Project.



Figure Three | Previous Dry Screening activities using Riley DSO.



Figure Four | Location Map for the Riley Iron Ore Mine with transport route from mine gate to shipping.



Authorised by the Board of Venture Minerals Limited:

Andrew Radonjic

Managing Director

The information in this report that relates to Exploration Results, Exploration Targets and Minerals Resources is based on information compiled by Mr Andrew Radonjic, a fulltime 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 Ore Reserves is based on information compiled by Mr Peter George, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr George is an independent consultant. Mr George 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 George consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Notes: All material assumptions and technical parameters underpinning the Minerals Resource estimate referred to within previous ASX announcements continue to apply and have not materially changed list last reported. The company is not aware of any new information or data that materially affects the information included in the said announcement.

About Venture

"Venture Minerals Ltd (**ASX:VMS**) is entering an exciting phase as it looks to move from explorer to producer and is production ready at the Riley Iron Ore Mine in northwest Tasmania. At the neighbouring Mount Lindsay Tin-Tungsten Project in North-West Tasmania, higher Tin prices and the recognition of Tin as a fundamental metal to the battery revolution has refocused Venture's approach to developing Mount Lindsay. Already one of the world's largest undeveloped Tin deposits, the Company recently commissioned an Underground Scoping Study on Mount Lindsay that will leverage off the previously completed feasibility work. In Western Australia, Chalice Gold Mines (ASX:CHN) recently committed to spend up to $3.7m in Venture's South West Project, to advance previous exploration completed by Venture to test a Julimar lookalike Nickel-Copper-PGE target. At the Company's Golden Grove North Project, it has already identified two new VMS (Volcanogenic Massive Sulfide) Targets discovered along strike to the world class Golden Grove Zinc-Copper-Gold Mine. Venture will also be starting a low-cost drill program designed to bring forward a potential new gold discovery at the Kulin Project.

COVID-19 Business Update

Venture is responding to the COVID-19 pandemic to ensure impacts are mitigated across all aspects of Company operations. Venture continues to assess developments and update the Company's response with the highest priority on the safety and wellbeing of employees, contractors and local communities. Venture will utilise a local workforce and contractors where possible, and for critical mine employees that are required to fly in and fly out, Venture has obtained the appropriate COVID-19 entry permits into Tasmania.

Authorised by:

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