

Quarterly Report
for the period ending 31 December 2013

Highlights

- **Riley DSO Project prepares for production with major plant items delivered to Australia.**
- **Construction of thickening tank now complete and ready for delivery to Tasmania.**
- **Appeal hearing against the Commonwealth's approval of the Riley Project scheduled for mid-February.**
- **Venture maintains a strong financial position with $6.2m in cash and a $15m, undrawn debt facility.**

Introduction

During the December Quarter the Company continued its preparations for the commencement of production at the Riley Direct Shipping Ore (DSO) Project in northwest Tasmania. During the quarter major plant items were delivered to Australia including crushers, blade mills, a de-watering screen and feeder. In addition to purchased items the Company also completed the construction of the thickening tank, which is now ready for delivery to Tasmania.

Following the receipt of full approvals for the Riley Project from the Commonwealth Government, a third party requested a judicial review into the Commonwealth's decision. The Federal Court has now scheduled the review hearing for mid-February, with a decision expected shortly thereafter. Although the judiciary review is between the third party and the Commonwealth, Venture has adjoined the proceeding to ensure its interests are appropriately represented and the proceedings are as expeditious as possible.

Activities during the December Quarter also saw the execution of additional key contracts. Contracts included both the capital and operating contracts with TasRail, who will be responsible for the rail transport, port storage and bulk ship loading of all the ore from the Riley DSO Project.

Venture has continued to maintain a cautionary approach to expenditure throughout the December Quarter, with the focus squarely on achieving production and cash flow from the Riley DSO Project. The Company continues to maintain a strong financial position with $6.2m in cash and an undrawn debt facility of $15m.

VENTURE MINERALS

Venture Fast Facts
ASX Code: VMS
Shares on Issue: 287 million
Market Cap: $55 million
Current Cash: $6.2 million
(31 December 2013)

Recent Announcements

Riley DSO Project Judicial Review Update (09/12/2013)

Riley DSO Project Approvals Update (04/11/2013)

Riley DSO Project Further Approvals Update (17 /10/13)

Venture Moves to Production at Riley DSO Project (25/9/13)

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)

$15 million Finance Debt Facility secured (16/4/2013)

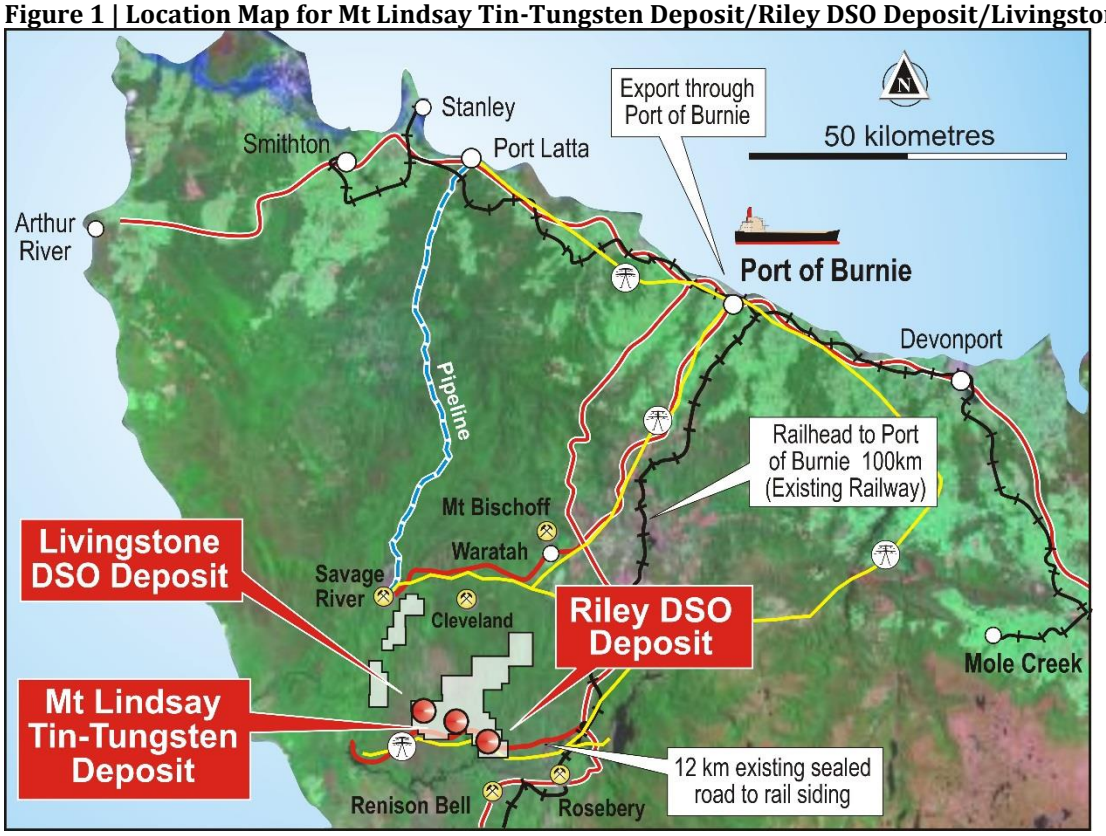
Located in North-West Tasmania
140 years of mining precedent



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.

Figure 1 | Location Map for Mt Lindsay Tin-Tungsten Deposit/Riley DSO Deposit/Livingstone DSO Deposit



A maiden resource statement of 2mt @ 57% Fe was defined in 2012 which resulted in the Company doubling its overall DSO resource base to 4.4mt @ 57% Fe.

Table 1 | Resource Statement – Riley DSO Project

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO_2 (%)	Al_2O_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 2 | Reserve Statement – Riley DSO Project

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO_2 (%)	Al_2O_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.

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Activities during the December Quarter

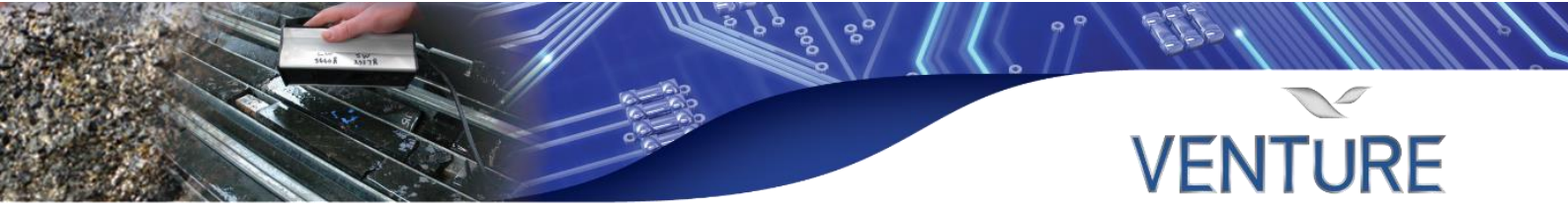
The Riley DSO Project continues to be the major focus for the Company in the short term. During the December Quarter the Company saw delivery to Australia of all major plant items including crushers, blade mills, a de-watering screen and feeder. The arrival of all the major components sees Venture well prepared to immediately start construction of the washing and screening plant following a decision to mine at the Riley Project. Additionally the Company has completed construction on the thickening tanks which are now ready for shipment to Tasmania.

Figure 2 | Construction of 8 metre thickener for Riley Mine



Following the receipt of full approvals for the Riley Project from both, the State and Commonwealth Governments, the Company was made aware of a request lodged with the Federal Court for a judiciary review into the Commonwealth's decision to approve the Riley Project. This review was requested by a third party and does not relate to actions controlled by Venture, but rather seeks to review the legalities of the Minister for the Environment's decision process in approving the Riley Project. Venture immediately adjoined the proceeding and engaged independent legal counsel to ensure its interests are appropriately represented at the hearing and that proceedings are as expeditious as possible. During the quarter the Federal Court scheduled the hearing for mid-February, with the Company expecting a decision on the matter soon thereafter.

Activities during the December Quarter also saw the execution of additional key contracts. Contracts included both the capital and operating contracts with TasRail, who will be responsible for the rail transport, port storage and bulk ship loading of all the ore from the Riley DSO Project.



Mt Lindsay Project, North West Tasmania

Introduction

The Mt Lindsay Project 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 > 200,000t of tin metal produced since 1960) and the Savage River Magnetite Mine (operating for > 45 years, currently producing 2 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 the Mt Lindsay Tin-Tungsten Deposit. In addition to its 100% owned tenure in north-western Tasmania, Venture has earned 78% interest from Bass Metals Ltd on the iron, tin and tungsten rights on EL31/2003 & EL36/2003.

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 of:

Tin-Tungsten Resources

Table 3 | 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**

*Refer to ASX announcement for the Quarterly Report on 17 October 2012.

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.

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In 2012 the resource base at Mt Lindsay was the subject of a Bankable Feasibility Study ("BFS") which concluded that the project was robust in terms of margin per tonne and internal rate of return. The study entertained a 1.75million tonne per annum operation, producing concentrates of tin, tungsten, copper and magnetite. The reserve statement included in the BFS is as follows:

Table 4 | Reserve Statement November 2012

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)
Proved	6.4Mt	0.7%	0.2%	0.2%	18%	0.1%	14,000	23,000
Probable	7.3Mt	0.5%	0.2%	0.1%	13%	0.1%	16,000	23,000
TOTAL	**14Mt**	**0.6%**	0.2%	0.1%	15%	0.1%	**30,000**	**46,000**

*Refer to ASX announcement on 7 November 2012.

Additional highlights of the Bankable Feasibility Study included:

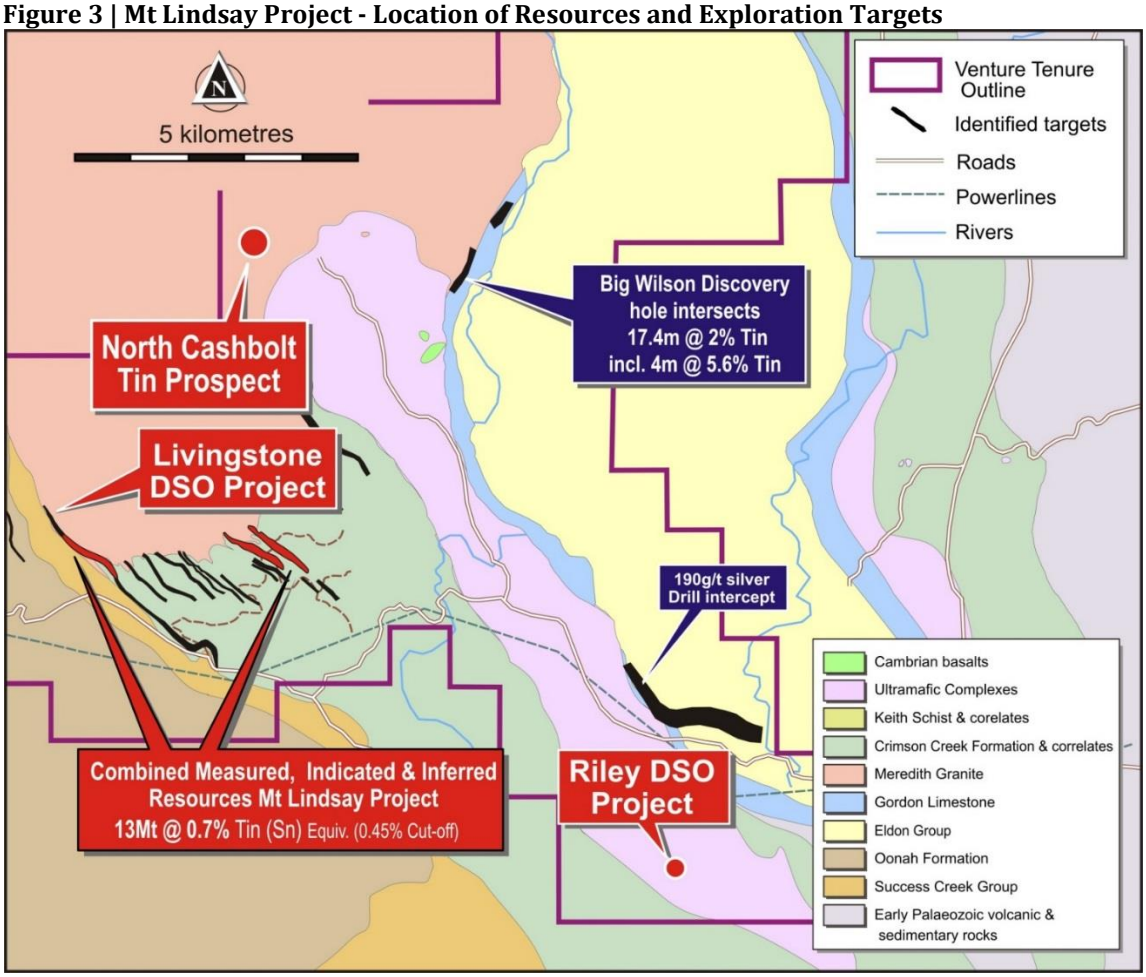
- 14mt Maiden Reserve including proved reserves of 6.4mt @ 0.7% tin equivalent
- Project generates in excess of $550 million in net revenue (pre tax)
- Net annual revenue peaks at over $110 million (pre tax)
- Long mine life of 9 years
- Return on Equity: 33%
  (60%debt/40%equity)
- Payback period of 4 years
- Capital Cost of $198 million including a 35% plant capacity upgrade to 1.75mtpa.
- Project NPV:

NPV discount rate	A$
8.0%	$143m
9.0%	$128m
10.0%	$113m

Commodity Prices & Exchange Rate used for BFS	
Tin	US$23,800/t
Tungsten	US$392/mtu
Magnetite (reference price Fe 62%)	US$125/t
Copper	US$8,000/t
Exchange Rate	USD/AUD = $0.90

Full details of the Mt Lindsay BFS and a list of assumptions please refer to ASX announcement of 7 November 2012.

Figure 3 | Mt Lindsay Project - Location of Resources and Exploration Targets



Activities during the December Quarter

Following completion of the BFS in November 2012, the Company is continuing to finalise application documents to commence the process of obtaining the State and Commonwealth approvals necessary for the Project.

Independent environmental consultants, Pitt & Sherry, continue to assist Venture with all environmental and permitting aspects of the Mt Lindsay Project development. The Company continues to work on the preparation of the final DPEMP.

Exploration

Mt Lindsay has extensive exploration potential both through the extension of existing mineralized systems as well as the numerous targets surrounding the current resources. Skarn targets 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 remaining untested within the project area.

Exploration activity during the quarter continued to focus on assessing the potential of several targets in the immediate vicinity of the Mt Lindsay resource base (refer to Figure 2). The focus for exploration is to define targets capable of delivering high grade mineralization with the potential to extend future mine life at the Mt Lindsay Project.

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. 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 5 | Resource Statement Livingstone DSO Project

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO_2 (%)	Al_2O_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 6 | Reserve Statement – Livingstone DSO Project

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO_2 (%)	Al_2O_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

With the completion of all the technical work at Livingstone, the Company's focus during the December Quarter continued to be on preparing and scheduling the approval process. In addition to the approvals Venture also continues to advance discussions around key contracts.

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.

During the December Quarter the Company expanded its tenement applications over several high priority targets and continued to advance existing applications over targets identified in 2012. Following security of tenure the Company will look to commence work on its priority targets.

Paulsens South Project, Western Australia

(Venture Minerals has 100%, reducing to 30%)

The Paulsens South Project (covering 59km^2) flanks and covers a similar stratigraphic and structural setting to Northern Star Resources Limited's +1Moz high grade Paulsens Gold Mine, (Measured, Indicated and Inferred Resources as of 30 June 2013 of 2.908Mt at 5.6g/t for 532kozs Au, plus production of over 460,000ozs up to the end of 2011 and is currently producing ~100,000ozs gold per annum) in the Ashburton Mineral Field of Western Australia.

Joint venture partner Rumble Resources Limited ("Rumble") has satisfied the initial joint venture commitment as part of the requirements to earn at least 70% of the project.

There was no field activity during the quarter.

Harris Bluff Project, South Australia

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

The Harris Bluff Project (167km^2) 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.

Joint venture partner Mega Hindmarsh Pty Ltd ("Mega") a subsidiary of Toronto listed Mega Uranium Limited has earned 51% interest in the uranium rights of the project (EL4788).

During the quarter Mega had elected to become a non-contributing party to the uranium joint venture and is now subject to its interest being diluted.

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

Yours faithfully

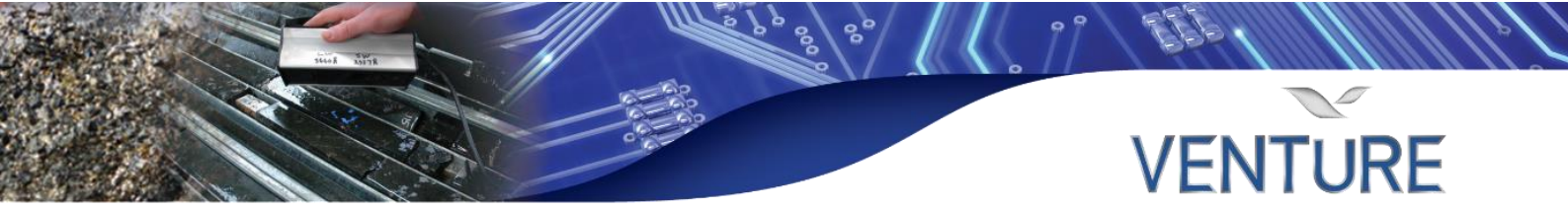
Hamish Halliday
Managing Director

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with JORC Code 2012 on the basis that the information has not changed since it was last reported.

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 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.

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Appendix One| Tenements

Mining tenements held at the end of December 2013 quarter

Project	Location	Tenement	Interest at December 2013
Paulsens South	Western Australia	E08/1457	100%
	Western Australia	E47/1765	100%
Harris Bluff	South Australia	EL4788	51%
Mount Lindsay	Tasmania	3M/2012	100%
	Tasmania	5M/2012	100%
	Tasmania	EL21/2005	100%
	Tasmania	EL33/2007	100%
	Tasmania	EL24/2008	100%
	Tasmania	EL31/2003	78%
	Tasmania	EL36/2003	78%
	Tasmania	EL45/2010	100%
	Tasmania	EL17/2012	100%
	Tasmania	EL18/2012	100%
	Tasmania	EL72/2007	100%
	Tasmania	EL23/2012	100%

Mining tenements acquired and disposed during the December 2013 quarter

Project	Location	Tenement	Interest at beginning of quarter	Interest at end of quarter
Mining tenements relinquished				
Nil				
Mining tenements acquired				
Nil				

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

Project	Location	Tenement	Interest at December 2013
Harris Bluff	South Australia	EL4788	51%
Mount Lindsay	Tasmania	EL31/2003	78%
	Tasmania	EL36/2003	78%

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

Nil

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