

# Company plans to set up long term operation

An aggressive approach to exploration and development is yielding good results for junior Venture Minerals Ltd, with recent drilling at its Stanley River South prospect in Tasmania picking up a huge zone of tin mineralisation just 3 kilometres from its main Mt Lindsay tin-tungsten project.

The field work specifically focused on a 3 km skarn which encompassed the Stanley River South and Reward prospects and was believed to host several lodes across a 1.5 km strike length.

Interestingly, results confirmed a width of over 70 metres for one lode alone.

With assay numbers of 95m at 0.5% tin equivalent, the drilling program has confirmed the importance of testing the underlying host rock, which Venture believes is the key to developing a long term operation in the region.

Given the world class Rennison Bell tin deposit is just 15 km to the south east and along strike – and the Savage River magnetite iron ore mine sits to the north – Mt Lindsay is in good geological territory. Fittingly, the exploration house has centred its activities on testing the underlying host rocks of the Success Creek Group at Stanley River as well as along the Crimson Creek Formation which hosts the Main and Number 2 skarns.

The former has already delivered broad tin intersections, while the latter hosts a resource base containing over 100,000 tonnes of tin/tungsten metal.

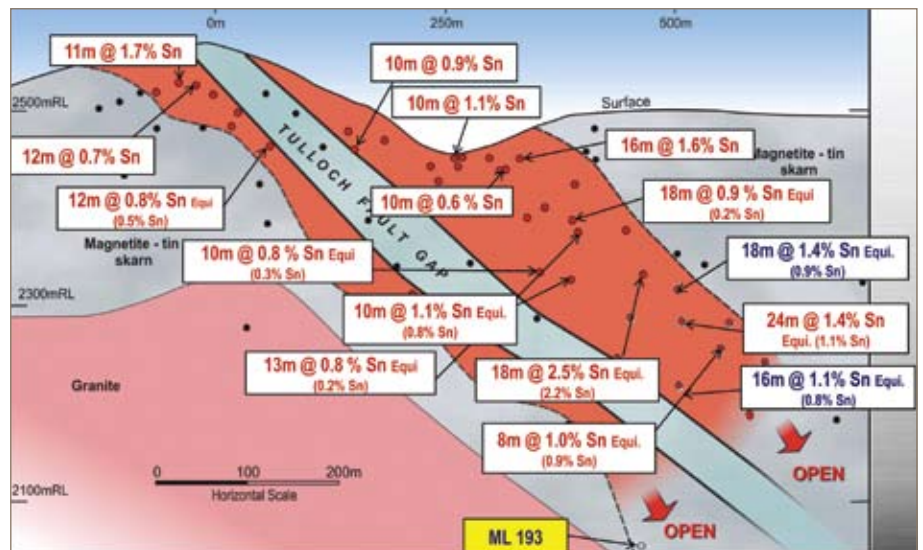
## Right direction

Venture's managing director Hamish Halliday said field results from Stanley River vindicated the junior's decision to chase the numerous other skarn targets within the Mt Lindsay area.

"Part of the focus on Stanley River South/Reward prospects was driven by



Hamish Halliday



Mt Lindsay's Main Skarn has been returning some mouth-watering intercepts.

the fact that the Rennison Bell tin mine is hosted in the same rock unit to the south, so we were cognisant of spending some time and energy on that unit," he explained.

"The intersection we've seen this morning is a good indication of what that unit can yield – it's a big intercept from a metal point of view."

Halliday said while exploration at Stanley River had targeted mineralisation within a different host rock than that at Mt Lindsay, "what we are seeing is the same kind of signatures in the mineralogy as what we see in the Number 2 and Main skarns".

"The target zones are referenced by virtue of their distance from the granite contact – a couple of hundred metres out from the contact is where we get these sweet zones of high grade tin and tungsten," he noted.

"We're drilling in a different part of the system at Stanley River, and what we're seeing here is a possible untapped part of the system that's been eroded off.

"What's of particular interest to us is the broad zones of mineralisation here and what we could possibly discover when we target the heart zone towards the south."

## Busy times

In chasing this potential, Venture has kept six rigs on site, with three dedicated to prefeasibility drilling and the other three to exploration.

The company has also set itself up for continued work through to the bankable feasibility stage, with a capital raising

expected to bring it up to \$27 million in cash following a planned shareholders' meeting.

"The PFS will be finalised in November and we've got funding all the way through to the BFS," Halliday said.

"In addition we'll be spending somewhere between \$2-4 million on exploration during that period.

"Early indications from the PFS work suggest a future operation may transition from open cut to underground mining within the top 150m because it's such a shallow plunging, wide ore zone which is very amenable to underground mining.

"The second thing is optimising the process route – we know both the tungsten and tin ores float and are recoverable through gravity, so it's just a case of conducting a cost benefit analysis on those."

## Another option

Halliday said Venture had yet to evaluate the commercial potential of producing a copper concentrate in addition to the tin and tungsten ores.

"However, there is significant copper within the system and we know that both the Cleveland and Rennison mines have sold copper concentrates as part of their operations," he noted.

"So we will certainly look to optimise our sulphide float, but at this point we haven't included it in our studies."

Venture is planning to move into the bankable feasibility stage by December.

Caroline Smith