

Venture secures \$6.38m to fast track Mount Lindsay Magnetite-Tin Project in Tasmania

ASX Announcement
Tuesday, 26 February 2008

Australian based mineral exploration company Venture Minerals Limited (ASX code: VMS) is pleased to announce that the Company has secured \$6.38m of funding for further exploration at the Mount Lindsay Magnetite-Tin Project in Tasmania, through a placement of 10m ordinary shares in the Company to raise \$2.6m and the underwriting of listed options to ensure the gross proceeds of a further \$3.78m.

The Placement

A total of 10m ordinary shares in the Company will be issued at a cost of 26 cents to raise \$2.6m. The placement has been subscribed by key Australian key institutions including funds associated with Contango Asset Management and FSP Funds Management and sophisticated investors.

The share placement will be undertaken in two tranches, with 4 million shares to be issued immediately and a further 6m shares to be issued subject to shareholder approval at a meeting of members to be held within the next six (6) weeks. A notice of meeting will be sent to members in due course.

Perth based securities firm Max Capital Pty Ltd has been appointed as lead manager to the placement.

Underwriting of Listed Options

Further, the Company has entered an agreement to have the conversion of listed options underwritten. The options are exercisable at 25 cents on or before 30 June 2008. Cygnet Capital Pty Ltd has agreed to underwrite the options; subject to standard underwriting terms and conditions. The underwriting ensures that the Company will raise gross proceeds of \$3.78m. A fee of 6% will be paid to Cygnet Capital Pty Ltd.

The Company is pleased to secure the support for our project at a time of difficult market conditions.

It is the Company's belief that by securing the funds it can now focus on drilling to define a significant resource at the Mount Lindsay Magnetite-Tin Project during 2008.



Drilling at Mount Lindsay

Fast Facts

Share Price 21 Feb 2008 \$0.30
Shares on Issue 51,530,833
Market Cap
A\$15.5 million
High/Low (6 months)
\$0.17 cents/ \$0.42 cents

Management

Mel Ashton, Non-Exec Chairman
Andrew Radonjic, Managing Director
Hamish Halliday, Non-Exec Director
Kent Hunter, Non-Exec Director

Shareholders

Top 20 Ownership 47.80%

Projects

Mount Lindsay Magnetite-Tin Project, North West Tasmania

- Surface samples of up to 66.7%Fe support new discovery
- Excellent results from first drill holes at Mount Lindsay
- Testwork points to Mount Lindsay potentially being a low cost Iron Producer
 - New drilling intersects Iron mineralisation at Mount Lindsay Magnetite-Tin Project

Churchill Dam IOCGU Project, SA
Maitland Channel Uranium & Nickel Project, WA
Paulsens South Project, WA
Kingoonya and Harris Bluff, Gawler Craton Projects, SA

Media Relations

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The Mount Lindsay project is located 25kms south-east of the currently operating Savage River Magnetite Mine, 15kms north-west of the soon to be re-opened Renison Bell Tin Mine and is **adjacent to existing infrastructure**.

This announcement effectively lifts the trading halt that the Company requested on Friday, 22 February 2008. The Company is not aware of any reason why the ASX would not allow trading to recommence immediately.

Kind regards

VENTURE MINERALS LIMITED



Andrew Radonjic
MANAGING DIRECTOR

The information in this report that relates to Exploration Results, 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.

For further inquiries contact

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About magnetite - and global demand

The quality of direct shipping hematite ore products from the Pilbara continues to fall as higher grade deposits are depleted. Average iron grades and lump proportion have also been falling while impurity levels have been rising - putting increased pressure on steelmaker's productivity worldwide

High quality magnetite concentrate and pellets typically attract a premium to hematite lump product, ranging from 20% to 30%. Recently, prices on the spot market for lump hematite delivered to China have surged, while China's domestic concentrate price has also increased, representing a large premium to Australian contracted ores. China's steel production continues to rise at an annual rate of around 18%, while production is also lifting in Germany and Japan, after years of steady production.

Rising demand for cars, buildings and railroads is also expected to boost China's iron-ore import demand by up to 15 per cent in 2008.

Editor's notes

Venture Minerals is an Australian diversified explorer with high quality energy and minerals projects, including magnetite, tin-tungsten and nickel in Tasmania, copper-gold-uranium in South Australia and uranium, nickel and gold in Western Australia.

The **Mount Lindsay** project is located in the magnetite, tin-tungsten and nickel province of western Tasmania within the south-eastern contact metamorphic aureole of the Meredith Granite approximately 10-20 km from the Rosebery Lead-Zinc-Silver-Gold Mine and Renison Bell Tin Mine. The Meredith Granite is part of a suite of Devonian granites which also host other mineral deposits that include the Savage River Magnetite Mine, the Mount Bischoff and Cleveland Tin Mines, the King Island Tungsten Mine and the Avebury Nickel-sulphide Mine.

Churchill Dam sits within the Olympic Dam province of the Gawler Craton. It is approximately 65km southwest of the Olympic Dam-Wirrda Well-Acropolis group which is dominated by the world class Olympic Dam deposit. Olympic Dam is currently the world's 16th largest copper and third largest uranium producer. Churchill Dam is also 95km west of the recently discovered Carrapateena prospect.

Other projects

The Maitland Channel uranium project in Western Australia has potential for the discovery of calcrete-hosted Uranium mineralisation. The project also has potential to host nickel sulphide mineralisation.

The Paulsens South project in Western Australia is prospective for gold discoveries.