

Divestment of Uranium Rights over Harris Bluff and Kingoonya to Mega Uranium

ASX Announcement
Thursday, 31 July 2008
Ref: /VMS/606/0119

Venture Minerals Limited (**ASX code: VMS**) is pleased to announce that as part of the company's focus on the Mount Lindsay Magnetite-Tin Project in North West Tasmania, it has commenced the **divestment of non-core assets**. Consequently the Company has entered into an agreement to joint venture out the uranium rights over the Harris Bluff and Kingoonya, Gawler Craton Projects in South Australia to Toronto listed Mega Uranium Limited.

Mega Hindmarsh Pty Ltd ("Mega") a subsidiary of Mega Uranium Limited has the right to earn 80% of the uranium rights for the Harris Bluff (EL3580) and Kingoonya (EL3529) Gawler Craton Projects under the following terms;

1. Mega to spend \$300,000 on exploration within 3 years to earn 51% of the uranium rights, of which \$100,000 must be spent on exploration before Mega is entitled to withdraw,
2. Mega to spend a further \$450,000 on exploration by 31 March 2013 to earn 75% of the uranium rights,
3. Mega to earn 80% of the uranium rights upon funding and completing a Bankable Feasibility Study, at which point Venture will be granted a 20% free carried interest in relation to the Uranium rights of which 10% will belong to Debnal Pty Ltd (the original owners) and,
4. Upon the Decision to Mine, Venture and Debnal can elect to either contribute their 10% share of the joint venture or each party can dilute to a 1% Net Smelter Royalty.

Through this agreement with Mega, Venture has the ability to retain its non-uranium rights for the two projects at no additional cost. **This therefore allows the Company to commit further resources to unlocking the full economic potential of the Mount Lindsay Project.**

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.

Fast Facts

Share Price 29 July 2008 \$0.33
Shares on Issue 76,650,000
Market Cap
A\$25.3 million
High/Low (6 months)
\$0.26 cents/ \$0.48 cents

Management

Mel Ashton, Non-Exec Chairman
Andrew Radonjic, Managing Director
Hamish Halliday, Non-Exec Director
Bruce McFadzean, Non-Exec Director

Shareholders

Top 20 Ownership 40.29%

Projects

Mount Lindsay Magnetite-Tin Project, North West Tasmania

- Maiden Inferred Resource of 20 Million tonnes at 33%Fe - Mount Lindsay Magnetite-Tin Project
- First drill hole at Stanley River delivers best Iron result to date with 71m @ 57.1% Iron & 0.39% Tin
- Testwork points to Mount Lindsay potentially being a low cost Iron Producer

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

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.