

50% Increase in Iron Resources at the Mount Lindsay Magnetite-Tin Project

ASX Announcement
Tuesday, 6 January 2009
Ref: /VMS/606/0146

Highlights Include:

- **50% Increase in JORC compliant Inferred Iron Resources**
- **Upgraded Inferred Resource of 30Mt @ 33%Fe for Main Zone & No.2 Zone only**
- **30Mt resource located 1.5km from a sealed road providing direct access to existing rail and port facilities**
- **Substantial upside potential with a further 36km of interpreted magnetite skarns still to be tested**

Venture Minerals Limited (ASX code: VMS) is pleased to announce a **50% increase in the JORC compliant Inferred Iron Resources for the Mount Lindsay Magnetite-Tin Project in North West Tasmania.**

Prospect	JORC Resource Category	Tonnes	Iron Grade
Main Zone	Inferred	10Mt	31%
No. 2 Zone	Inferred	20Mt	34%
TOTAL=	Inferred	30Mt	33%

Note: Full details of the estimate are in Appendix One.

The above resource estimation encompasses 1.1km of strike of the Main Zone and a 1.3km strike of the No 2 Zone with mineralization still open both along strike and down dip. **With the resource calculated solely on the Main Zone and the No 2 Zone** (ref Map); the Company believes there is **scope to considerably upgrade its Iron Resource by drill testing the additional 36 km of interpreted magnetite skarns within Venture's project area.**

Resource drilling has again exceeded the Company's expectation with the magnetite rich zones within both the Main Zone and No.2 Zone demonstrating excellent consistency in geometry and grade. The whole rock resource grade of 33%Fe is within the range of typical magnetite deposits. Mineralogically the Main Zone and the No.2 Zone are very similar and metallurgically the No 2 Zone has continued to demonstrate that a premium iron ore product can be produced from concentrate with iron grades of 65-70% (*refer to Appendix One*). Typically impurities are low, and weight recoveries are comparable to other magnetite projects that are moving towards development.

Fast Facts

ASX Code: VMS

Shares on Issue 86,650,000

Management Shareholding 25%

Management

Mel Ashton, Non-Exec Chairman

Andrew Radonjic, Managing Director

Hamish Halliday, Non-Exec Director

Bruce McFadzean, Non-Exec Director

Shareholders

Top 20 Ownership 38.89 %

Projects

Mount Lindsay Magnetite-Tin Project, North West Tasmania

Churchill Dam IOCGU Project, SA

Maitland Channel Uranium & Nickel Project, WA

Paulsens South Project, WA

Kingoonya and Harris Bluff, Gawler Craton Projects, SA

Co-Existing Tin-Tungsten Potential

Importantly, Venture is currently calculating the maiden Tin (“Sn”)-Tungsten Oxide (“WO₃”) Resource for the Mount Lindsay Project on the Main Zone and No.2 Zone prospects. **The Tin-Tungsten rich zones are situated either within or immediately adjacent to the Magnetite mineralisation containing the Inferred Iron Resources stated above and are therefore additional mineral resources. The tin and tungsten are also potentially available for economic extraction as additional revenue streams. Test work is now being undertaken to assess metallurgical extraction and design process flow sheets to provide for three revenue streams from the Mount Lindsay Project.**

The soon to be released maiden Tin-Tungsten Resource will include such previously announced drill intersections as:

Main Zone

- 12m @ 1.84%Sn & 0.26%WO₃,
- 10.9m @ 1.72%Sn,
- 10m @ 1.11%Sn,
- 16.1m @ 1.55%Sn,
- 36.2m @ 0.49%Sn,
- 18m @ 0.16%Sn & 0.69%WO₃ and
- 13.4m @ 0.23%Sn & 0.58% WO₃.

No.2 Zone

- 33m @ 0.16%Sn,
- 22m @ 0.20%Sn,
- 44m @ 0.64%WO₃ and
- 50m @ 0.33%WO₃.

Priority Iron-Tin-Tungsten Exploration Targets - Going Forward (ref Map)

Stanley River

Located only 3.5 kms west of the Main Zone and No.2 Zone Inferred Iron Resources, the Stanley River prospect extends over a total strike of 1.5 kilometres and has the potential to host significant Direct Shipping Ore (“DSO”). Drilling to date by Venture has intersected up to 71m @ 57.1%Fe, 0.39%Sn & 0.19%WO₃ from 92.7 metres. The Resource potential at Stanley River is currently being evaluated following the successful completion of 3 additional drill holes into the target.

Area surrounding Main Zone & No.2 Zone

In the immediate area surrounding the Main Zone and No.2 Zone Inferred Iron Resources, there is **still another 14 strike kilometres of interpreted magnetite skarns that require drill testing.**

Rocky River

The Rocky River prospect has **10 strike kilometres of drill targets with surface channel samples returning up to 6m @ 65.6%Fe. The priority targets are located 12 strike kilometres south and within the same rock unit that hosts the currently operating 2.3mtpa Savage River Magnetite Mine** (now part of the Grange Resources-Australian Bulk Minerals merger).

Contact Creek

The Contact Creek Prospect has **6 strike kilometres of drill targets situated within the same rock units that host the Main Zone and No.2 Zone Inferred Iron Resources and the Stanley River Direct Shipping Ore Exploration Target.**

Whyte River

The Whyte River Prospect has **6 strike kilometres of drill targets** adjacent to the Savage River Magnetite Mine.



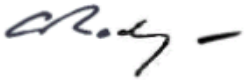
Next Step

The Company is targeting a minimum of 40 Million Tonnes of Inferred Iron Resources at Mount Lindsay, which it believes is sufficient for a scoping study to show that it should support a 10 year mining operation at the project. Having already defined 30 Million Tonnes of Inferred Iron Resources, Venture is confident that it can achieve this goal in the near future through drilling of the identified exploration targets.

The past twelve months has seen Venture achieve several major milestones and deliver some outstanding exploration results. With the second of several resource estimates now complete the Company can look forward to expanding existing and delivering further resources whilst continuing to evaluate the **major infrastructural advantages** at the Mount Lindsay Magnetite-Tin Project.

Kind regards

VENTURE MINERALS LIMITED



Andrew Radonjic
MANAGING DIRECTOR

The information in this report from data collection, interpretation wireframes and geostatistical modelling calculations which relates to the Main Zone and No.2 Zone Inferred Mineral Resources, is based on information compiled under the supervision of Mr. Andrew Radonjic who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Radonjic is a full time employee of the company and has sufficient experience to the style of mineralisation and type of deposit to qualify as a competent person defined by the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Radonjic consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

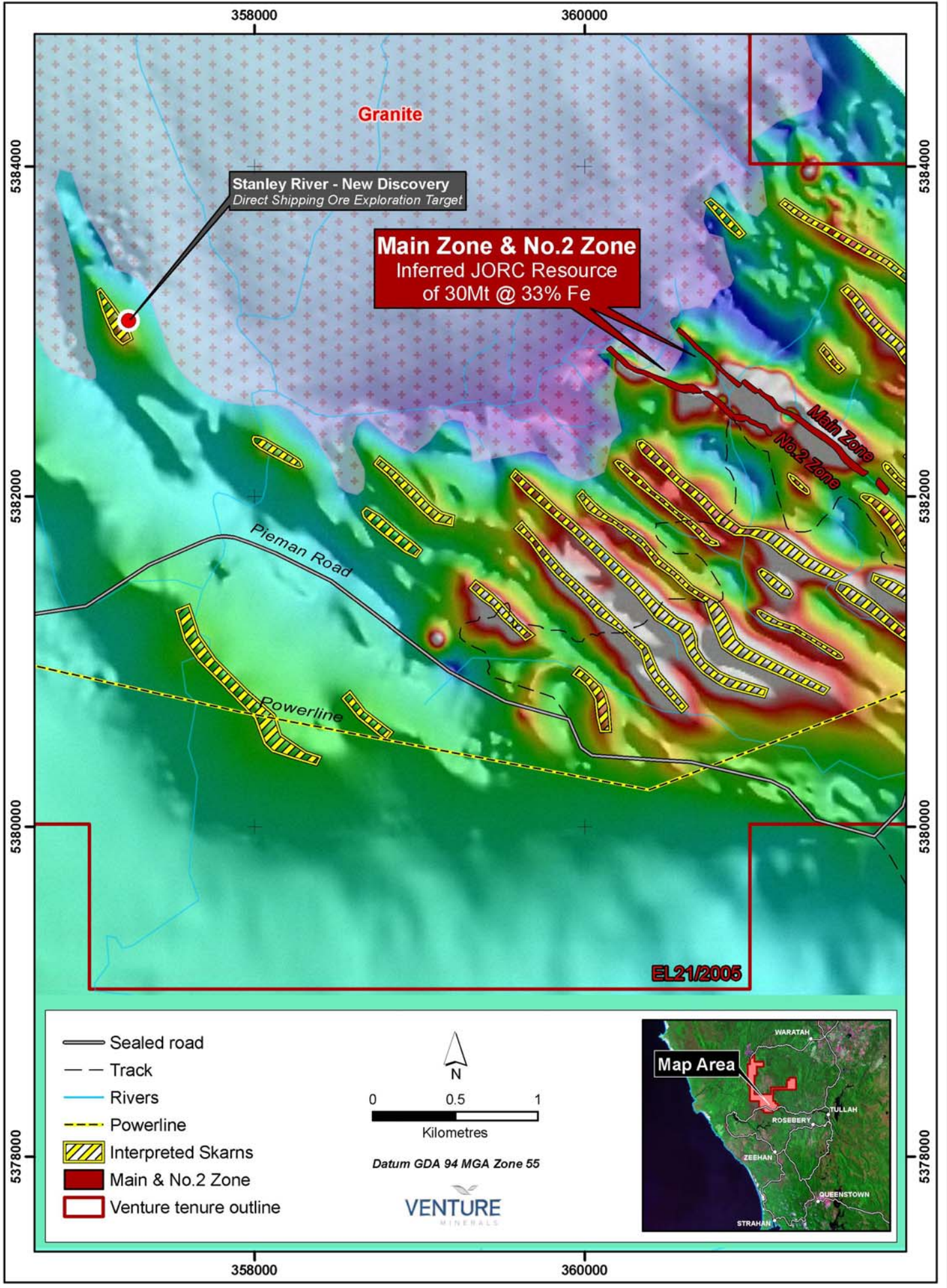
The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Radonjic, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Andrew Radonjic is a full-time employee of the company. Mr Andrew Radonjic has sufficient experience which 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.

APPENDIX One:

Resource Estimation Parameters

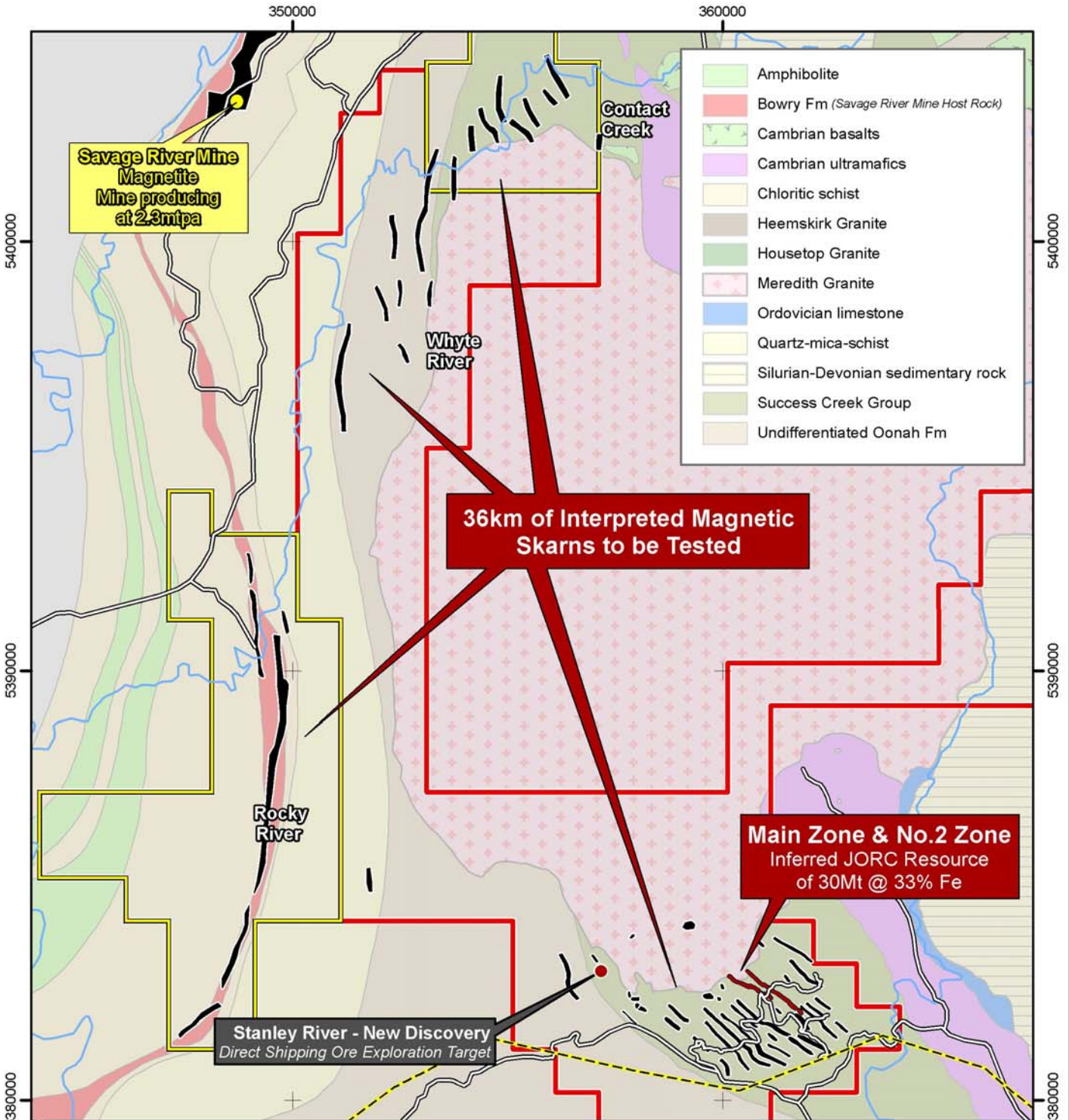
- Resource has been allocated entirely to the Inferred category and is reported above a 20%Fe cut-off grade with no top cut applied.
- The reported grades and tonnages are rounded to two significant figures in accordance with recommendations of the JORC code.
- This Resource estimation covers approximately 1,100m strike extent of the Main Zone and 1,300m strike extent of the No.2 Zone. Both zones are near vertical bodies with local off-sets by late stage faulting. Mineralisation remains open in both zones down plunge to the south-east.
- A total of 105 Diamond Core holes for 20,462m were used to define the mineralised zones for this Resource estimate. Of this drilling some 63 holes for 11,418m pierced the Main Zone and 47 holes for 10,723m pierced the No.2 Zone, with some having drilled through both zones. Of the total 105 drill holes some 41 holes for 7,504m of core was mainly of BQ size (36.5mm diameter) were drilled by the previous owners Aberfoyle Tin Development Partnership and Renison Limited; the other 64 holes for 12,958m were drilled by Venture Minerals Limited with most of the core being NQ size (47.6mm diameter).
- Three rounds of preliminary metallurgical testwork have been completed for the No.2 Zone under the supervision of ProMet Engineers, using composite samples from 4 historic drill holes in two of the rounds and from 10 Venture Minerals Limited drill holes in the third round. The work included Davis Tube Sighter tests, Standard Davis Tube Recovery tests, Optimum Grind Testwork and Bond Work Index Determination. The results of the testwork gave positive indications that the Iron Resource could produce a saleable iron product.
- Approximately 72% of the Main Zone and approximately 58% of the No.2 Zone resource estimate is within 200m of surface.
- Drill hole density in the Main Zone ranges from approximately 30m by 30m to a maximum of approx. 200m, whilst in the No.2 Zone it ranges from approximately 50m by 50m to a maximum of approx. 200m. Overall drill hole spacing for both zones is approximately 100m by 100m.
- Some of the previous owners' drill core from both the Main Zone and No.2 Zone is still available and where possible was re-sampled in 6 feet or 2m intervals as appropriate by Venture Minerals Limited and assayed for a broader suite of elements including iron. The remaining core was $\frac{1}{4}$ core sampled with a core saw, or in cases where only quarter core was available the entire remaining core was sampled.
- The Venture Minerals Limited drill core (NQ) was sampled by core saw in a continuous and volumetrically consistent basis in 2m intervals across the magnetite zone. One duplicate sample was taken from the main magnetite zone in each drill hole to check for sampling bias.
- Documentation on the analytical techniques used by the previous owners was unavailable. Original iron assays from 7 of the previous owners' holes were used in the resource estimate. The Venture Minerals Limited drill core samples were submitted to ALS Chemex (quality system complies with international standards ISO 9001:2000 and ISO 17025:2005) for fine crushing (100% passing 3mm) and then a 100 gram sub-sample was pulverized to 85% passing 75 microns. Approximately 30% of the assays used for the iron resource estimation were done by multi-acid digest with an ICP-AES finish technique, whilst the remaining 70% of iron assays were done by the XRF on fused glass beads or pressed pellets.
- There was no QC information available on the assays from the previous owners' drilling. Venture Minerals Limited's QAQC samples included standards and field duplicates which were submitted with each drill hole. The QC data is considered adequate for the current resource estimate.
- All diamond drill core was geologically and structurally logged (the latter on orientated core).
- The Bulk Density used in the resource estimation was based on 955 specific gravity measurements made on the diamond core at one metre intervals through the mineralised zones (a further 2,534 density determinations are available for wall rock adjacent to the magnetite mineralisation). All drill intersections used in the resource estimation were in fresh rock only. Fresh magnetite mineralisation is exposed at surface of both the Main Zone and No.2 Zone, and the depth of weathering is assumed to be insignificant in terms of the overall resource. The mean density was 3.64 t/m³.
- Drill hole collar positions for the previous owners' drilling were transformed to the MGA grid after several of the holes were relocated and surveyed. Of Venture Minerals Limited's 64 drill hole collars some 35 were surveyed in the MGA Zone 55 GDA94 grid and datum by licensed surveyors using a combination of differential GPS and total station survey systems, 13 collars were surveyed by company personnel using a differential GPS, and the remaining 16 collars were surveyed using a handheld GPS.
- A total of 39% of the previous owners drill holes were surveyed with a down hole camera, for which all plunge measurements and some azimuth measurements were accepted. All of Venture Minerals Limited's drill holes were surveyed with conventional magnetic instruments and, as for previous explorer data, all plunge and selected azimuth data was accepted. Some 55% of Venture Minerals Limited's drill holes were also surveyed by north-seeking gyroclinometer tool by independent contractor Northern Exploration Pty Ltd, with approximately 30% achieving full depth and another 60% receiving collar orientations only.
- Seven mineralisation wireframes divided into 11 geometrically different domains representing the Main Zone (3 wireframes, 5 domains) and No.2 Zone (4 wireframes, 6 domains) were constructed from geological cross section interpretation for this Resource estimate. The wireframes were filled with blocks of 25m x 10m x 25m xyz dimensions with 10m sub-blocking. The iron grade was then interpolated to the blocks using the Inverse Distance Squared method, with an initial 50x50x10m search ellipse oriented parallel to the strike and dip of the mineralised zone followed by progressively more relaxed searches until all blocks were assigned an iron grade. Four sectors were used for each search ellipse with a maximum of 4 points per sector, and a minimum of 3 points per sector for the first two searches followed by a minimum of 1 point per sector for subsequent searches.
- Variograms were too poorly structured to be of use. The short range strike and dip continuity is close to the average drill hole spacing, and additional more regular (infill) drilling will be necessary to improve the variogram models.

Venture Minerals Limited - Mount Lindsay Project
Resources and Exploration Activity Areas

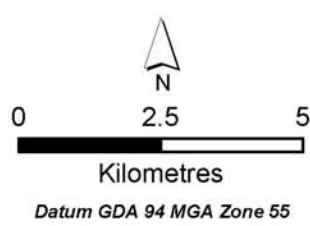


Venture Minerals Ltd - Mount Lindsay Project

Exploration Targets with Regional Geology



- Mine
- Roads
- Powerlines
- Rivers
- Target areas
- Combined tenure outline
- Venture Minerals JV Earning minimum 70% in Iron, Tin & Tungsten



MOUNT LINDSAY MAGNETITE - TIN PROJECT NORTH WEST TASMANIA

