

New Tin Discovery defined over 500m Mt Lindsay Project - Tasmania

ASX Announcement
Friday, 28 May 2010
Ref: /VMS/606/VMS00222

Australian mineral exploration company, Venture Minerals Limited (ASX code: VMS), announces the latest drill results from the Company's flagship Mt Lindsay Tin/Tungsten Deposit in North-West Tasmania. Drilling targeting the Reward Prospect has intersected multiple zones of tin mineralization over a strike length of 500m, including intersections of **9m @ 1.0% tin and 8m @ 1.3% tin**. Mineralization is shallow, comes to surface and is open in all directions.

Highlights:

- **The Reward Prospect is located only 3km from the Company's flagship Mt Lindsay Deposit**
- **The latest discovery is in addition to +100,000 tonnes of tin/tungsten metal already defined at Mt Lindsay (Refer ASX 23/03/2010)**
- **Latest drill results include:**
 - **8m @ 1.3% Tin**
 - **9m @ 1.0% Tin**
 - **6m @ 0.5% Tin**
- **Mineralization is typically shallow and comes to surface, with trench sampling recording results of:**
 - **10m @ 1.1% Tin**
 - **9m @ 1.3% Tin**
- **Drilling to date has tested 500m of a 3km long target (Refer map) with mineralization open both along strike and down dip.**
- **Tin mineralisation at Reward is hosted within the same geological unit as the world class Renison Bell Tin Mine located less than 20km along strike.**
- **Three diamond core rigs at site continue to test multiple tin/tungsten targets.**

The successful discovery of a new tin rich skarn system at Reward represents another major achievement for the Company and further demonstrates the long term potential of the Mt Lindsay area. In particular the discovery of substantial tin mineralization outside the known tin/tungsten skarns at Mt Lindsay, suggests there is an excellent chance of further discoveries hosted within the multitude of skarn targets situated between Reward and Mt Lindsay (Refer map).

Tin Fast Facts

- Tin LME price
\$US18,000 or more than twice the price of copper
- The average grade of large hard rock deposits worldwide - 0.4% Sn
- China is the world's largest producer and consumer of Tin
- China has new 10% export tax on Tin
- China is a net importer ("Protect Resources Policy")
- Rare Metal - Tin is 30 times rarer than Copper

Venture Fast Facts

ASX Code: VMS
Shares on Issue: 168 million
Cash: \$12 million - March Q'tly

Recent Announcements

New Scoping Study
increase margin per tonne by 300%
(ASX: 13/5/2010)
Major tin/tungsten resource upgrade
(ASX: 23/03/2009)

Australia's Third Largest Tin Resource

Located in North-West Tasmania
140 years of mining precedent



Scoping Study Highlights

Margin per tonne increased by 300% to \$80 per tonne

Internal Rate of Return - 55%

Net cash per annum \$80 million
(ASX: 13/05/2010)

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This latest round of exploration success follows significant milestones recently achieved by the Company including a major resource upgrade and detailed scoping study, which delivered very favourable outcomes. Results of the scoping study included an internal rate of return of 55%, an \$80 operating margin per tonne and a free cash figure of \$80 million per annum (Refer ASX 23/03/2010).

Reward Prospect (diamond core drilling & trench results)

Hole ID	Interval (metres)	Tin (Sn) Grade %
LV025	8	1.3
RW001	72	0.3
Incl.	8.9	0.8
RW002	4	0.4
RW004	9	1.0
RW005	6	0.5
T1	11	1.1
T3A	9	1.3
T4	9	1.0

Note:
 For full details of drill intersections and a list of assumptions for tin equivalents please see Appendix One.

Drilling is continuing at Reward with rigs targeting the northern and southern extensions to the newly defined zone. Results will be made available at the earliest opportunity.

Kind regards
Venture Minerals Limited



Hamish Halliday
Managing Director

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

Appendix One - Diamond Core Drill Results - Reward Prospect

Hole ID	Location				Intersection (metres)		Interval (metres)	Tin (Sn) Grade	Tungsten Trioxide (WO ₃) Grade	Tin (Sn) Equivalent Grade	Intercept Depth below surface (metres)
	East (MGA55) (metres)	North (MGA55) (metres)	Dip (°)	Azimuth (°)	From	To					
LV025	357690	5382494	-40	40	61	69	8	1.29	0.13	1.41	45
includes					61	67	6	1.63	0.15	1.77	
RW001	357881	5382395	-50	40	37	109	72	0.25	0.05	0.30	65
includes					37	48.2	11.2	0.48	0.07	0.55	35
includes					75.9	105.6	29.7	0.39	0.05	0.44	75
includes					95	103.9	8.9	0.81	0.10	0.90	90
RW002	358027	5382235	-45	35	173	177	4	0.44	0.02	0.46	120
RW003	357855	5382371	-50	45				NSA	NSA	NSA	
RW004	357907	5382345	-40	45	109	118	9	1.04	0.10	1.13	80
and					134.5	141.0	6.5	0.67	0.06	0.73	100
RW005	357935	5382307	-45	50	158	164	6	0.51	0.06	0.57	120
RW006	358054	5382280	-40	45	134	138	4	0.19	0.03	0.22	90
RW007	357935	5382307	-57	50	156	160	4	0.20	0.03	0.23	130

Note:

- The tin equivalent formula used to calculate the tin equivalent values is as follows: Tin Equivalent (%) = tin % + (WO₃ % x 0.94444).
- This formula is based on a tin metal price of US\$18,000/t and a minimum 65% WO₃ concentrate price of US\$170/mtu as used in the ASX announcement on the Scoping Study results released on May 14 2010.
- Preliminary metallurgical work suggests the tin at the Reward prospect is predominantly cassiterite (tin oxide containing 79% tin) and sufficiently coarse to be amenable to gravity recovery techniques as stated in the ASX announcement of July 28 2009.
- It is the Company's opinion that the tin and WO₃ included in the metal equivalent calculations have a reasonable potential to be recovered if the Mt Lindsay Project goes into production.