

Riley Mine – Project Update Following Completion of First Iron Ore Shipment

HIGHLIGHTS

- ✓ **First commercial shipment of iron ore achieved at the Riley Iron Ore Mine in Tasmania:**
 - **Shipment of 45,632 tonnes of iron ore with an average grade of 57.3% Fe departed the Port of Burnie;**
 - **Shipment is bound for China through off-take partner Prosperity Steel United Singapore Pte Ltd (“Prosperity Steel” or “PSU”), one of the largest iron ore traders in the world** (Refer to ASX announcement 02 May 2019).
- ✓ **In response to declining market conditions, Venture is completing a full review of operations at the Riley Iron Ore Mine to identify cost efficiency measures. Mining will be temporarily suspended while review is underway.**

Commenting on the Company’s first shipment of ore, Venture Minerals’ Managing Director Andrew Radonjic, said:

“Our inaugural shipment marks a significant milestone for Venture Minerals and is the culmination of considerable efforts by all stakeholders to successfully establish a resource base, secure environmental and transportation approvals, processing plant construction, commencement of mining and ore hauling and now first commercial iron ore shipment.

“I would like to express my appreciation to the Federal, Tasmanian State and Local Governments for their continuing support and recognition of the Riley Iron Ore Project, as well as the Company’s flagship Mount Lindsay Tin-Tungsten Project.

“We are looking forward to ramping up our operations at Mount Lindsay with Tin at record prices, so that we can continue to provide long term employment in Tasmania’s Northwest; make significant contributions to Tasmania’s economy; and develop the Mount Lindsay ESG compliant EV Metal/Critical Minerals Tin-Tungsten mine.

“The mine will supply environmentally sustainable EV Metals/Critical Minerals in a globally recognised Tier One ESG hub, which provides superior environmental outcomes to the large majority of the world’s tin that is sourced from high-risk ESG jurisdictions.”

Venture Minerals Limited (**ASX: VMS**) (“**Venture**” or the “**Company**”) is pleased to announce its first commercial shipment of iron ore from its Riley Iron Ore Mine near Tullah, shipped from the Port of Burnie in Tasmania (Refer to Figures 1, 2 & 3).

The first shipment, comprising of 45,632 tonnes of iron ore with an average grade of 57.3% Fe from the Riley mine, will be transported to a discharge port in China as designated by Venture’s off-take partner Prosperity Steel, one of the largest iron ore traders in the world. Venture will receive approximately A\$5.1m (AUD:USD \$0.735) in the next fortnight under its offtake agreement.



Figure One | Riley Iron Ore being loaded onto first ship

Riley Mine – Operational Update

Recently, 62% Fe iron ore prices have declined significantly from highs of over US\$230 per tonne to the current price of US\$106 per tonne. This decline has coincided with an increase in the discount rate for Riley's 57% Fe grade ore, from a market rate of 10% used in the Company's 2019 Feasibility Study, to the current market rate of 30%. The company, together with the broader market, also continues to experience a volatile shipping market, largely due to congestion in Chinese Ports, together with COVID-19 and political impacts, all of which have culminated in shipping rates tripling from US\$18 per tonne since the Feasibility Study to around US\$54 per tonne.

In responding to the market conditions outlined above, Venture is completing a full review of operations at the Riley Iron Ore Mine, to identify cost efficiency measures to offset some of the external market volatility beyond the Company's control.

Although the Company believes that some of the external pressures in the market will likely only be temporary, Venture believes the best course of action is to temporarily suspend mining operations to preserve the reserve base while the Company works through potential cost efficiencies and assesses the broader market volatility. During this period Venture will retain the Riley Mining Team so that when market conditions improve, the Company can recommence operations immediately.



Figure Two | Truck being loaded at the Burnie Storage Facility



Figure Three | Truck along side ship ready to unload Riley Iron Ore

Authorised by the Managing Director on behalf of the Board of Venture Minerals Limited



Andrew Radonjic
Managing Director

About Venture

Venture Minerals Ltd (ASX: VMS) is entering an exciting phase as the Company moved from a highly successful explorer to producer with completion of the first shipment from the Riley Iron Ore Mine in northwest Tasmania. At the neighbouring Mount Lindsay Tin-Tungsten Project, higher Tin prices and the recognition of Tin as a fundamental metal to the battery revolution has refocused Venture's approach to developing Mount Lindsay. Already one of the world's largest undeveloped Tin-Tungsten deposits, the Company has commissioned an Underground Scoping Study on Mount Lindsay that will leverage off the previously completed feasibility work. In Western Australia, Chalice Mining (ASX: CHN) recently committed to spend up to \$3.7m in Venture's South West Project, to advance previous exploration completed by Venture to test a Julimar lookalike Nickel-Copper-PGE target. At the Company's Golden Grove North Project, it has already intersected up to 7% Zinc, 1.3% Copper and 2.1g/t Gold at Orcus and has identified several, strong EM conductors to be drill tested along the 5km long VMS (Volcanogenic Massive Sulfide) Target Zone, along strike to the world class Golden Grove Zinc-Copper-Gold Mine. Venture recently doubled the Nickel-Copper-PGE landholding at Kulin by securing two highly prospective 20-kilometre long Ni-Cu-PGE targets.

COVID-19 Business Update

Venture is responding to the COVID-19 pandemic to ensure impacts are mitigated across all aspects of Company operations. Venture continues to assess developments and update the Company's response with the highest priority on the safety and wellbeing of employees, contractors and local communities. Venture will utilise a local workforce and contractors where possible, and for critical mine employees that are required to fly in and fly out, Venture has obtained the appropriate COVID-19 entry permits into Tasmania.

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