



Annual Report 2012

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Non-Executive Chairman

Mel Ashton

Managing Director

Hamish Halliday

Technical Director

Andrew Radonjic

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Stock Exchange Listing

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

Code: VMS

Website Address

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On behalf of the Directors of **Venture Minerals Limited** ("Venture"), I am pleased to present to shareholders the Company's annual report for the year ending 30 June 2012.

The past year has seen Venture move from pure explorer towards developer as the Company strives to become a significant new tin/tungsten producer. A major focus for Venture over the past 12 months has been the Mt Lindsay Project, where the Company is nearing completion of a detailed Bankable Feasibility Study ("BFS"). In addition to studies at Mt Lindsay, Venture has both discovered and proved up two Direct Shipping Ore ("DSO") hematite deposits (Riley and Livingstone) which the Company is seeking to bring into production in 2013.

Following a very successful Pre-Feasibility Study at Mt Lindsay, the Company committed to a detailed BFS involving extensive infill drilling, a pilot scale metallurgical program and detailed mine and process design plan. The study is now nearing completion and will form the basis for a decision to move into development. As part of the BFS extensive environmental studies have also been completed to provide all the necessary data as the projects move to the development approval phase.

In parallel with the work at Mt Lindsay the Company has seen major advancements on its DSO projects. Following the maiden resource statement at the Livingstone DSO Deposit the Company successfully doubled its resource base through the discovery of the Riley DSO Deposit. Mining studies were completed on the newly defined resources, delivering a maiden reserve of 4 million tonnes. With such close proximity to existing infrastructure the Company is striving to bring the DSO projects into production in 2013.

Exploration activity has continued over the past year with recent programs, focussed around Mt Lindsay, delivering some excellent results. The Company's first drill hole targeting the Big Wilson Prospect intersected 47m of tin mineralization including 17m @ 2% tin. This is considered a world class intersection and clearly demonstrates the potential of the Mt Lindsay area.

The past year has also seen the Company continue to build on its community initiatives, working closely with local bodies and community groups to enrich the cultural, environmental, sporting and educational experience for those living and working in northwest Tasmania. Venture looks forward to strengthening these relationships over the coming year.

I would also like to welcome and thank new and existing shareholders who participated in the recent capital raising and Share Purchase Plan to provide the financial foundations for the Company as we progress towards production.

With Mt Lindsay moving closer to development and two DSO projects potentially providing early cashflow, the Company is certainly in a strong position moving into the next 12 months. Venture credits its successes over the past few years to a dedicated team of professionals and long standing support provided by the all levels of the investment community. The Directors thank all stakeholders for their support and I, together with my fellow Directors, look forward to meeting shareholders at the up and coming annual general meeting.

Mel Ashton
Chairman

Directors' Report
For the year ended 30 June 2012

The directors of Venture Minerals Limited submit herewith the consolidated financial statements of the Company and its controlled entities for the financial year ended 30 June 2012 in order to comply with the provisions of the *Corporations Act 2001*.

1. Directors

The following persons were directors of Venture Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Mel Ashton	Non-Executive Chairman
Mr Hamish Halliday	Managing Director
Mr Andrew Radonjic	Technical Director
Mr Bruce McFadzean	Non-Executive Director
Mr John Jetter	Non-Executive Director

2. Principal Activities

The principal activity of the consolidated entity during the financial year was mineral exploration. There were no significant changes in the nature of the consolidated entity's principal activities during the financial year.

3. Operating Results

The loss of the consolidated entity after providing for income tax amounted to \$3,955,394 (2011:\$4,131,656).

4. Dividends Paid or Recommended

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

5. Financial Position

The consolidated entity had \$10,096,152 in cash and cash equivalents as at 30 June 2012 (2011:\$19,778,308) which the Directors believe puts the consolidated entity in a sound financial position with sufficient capital to complete the bankable feasibility study and conduct the exploration programs.

6. Business Strategies & Prospects for the Forthcoming Year

Venture Minerals is currently focused upon an aggressive exploration program and on the development of the current resources identified at its Mt Lindsay Project. The Company will also continue to work on its other projects in Australia.

Venture Minerals may also continue to identify new mineral exploration opportunities within Australia and the rest of the world, particularly South East Asia, for further potential acquisitions which may offer value enhancing opportunities for shareholders.

7. Significant Changes in the State of Affairs

The following significant changes in the state of affairs of the consolidated entity occurred during the financial year:

- On 15 March 2012, 11,375,000 options with an exercise price of \$0.45, expiring 15 August 2015 were issued to directors, management and consultants.
- On 20 February 2012, 1,300,000 options with an expiry date of 20 February 2012 were exercised at a strike price of \$0.30, raising funds of \$390,000.
- On 16 January 2012, 10,075,000 options with an expiry date of 20 February 2012 were exercised at a strike price of \$0.30, raising funds of \$3,022,500.

8. Review of Operations

The Company has a number of base, energy and precious metal projects targeting a range of minerals, in various stages of development and in numerous parts of Australia and South East Asia.

8. Review of Operations (continued)

Pre-development projects

Tasmanian Operations

Located in North West Tasmania with focus centred on the Mount Lindsay Project area targeting tin, tungsten and magnetite, and the nearby direct shipping ore (DSO) hematite projects. The Mount Lindsay Project is the most advanced having progressed to the bankable feasibility stage (BFS) whilst the DSO projects are in earlier pre-development stages. The projects are delineated within the following:

- Mount Lindsay Tin/Tungsten Project
- Riley DSO Project
- Livingstone DSO Project.

Exploration projects

Western Australia

- Maitland Channel Uranium project located in the north eastern Goldfields of Western Australia.
- Paulsens South Project located in the Ashburton Mineral field in north Western Australia.

South Australia

- Harris Bluff project located in the south eastern region of the Gawler Craton.

South East Asia

- Preliminary expressions of interest are being pursued in Thailand.

Tasmanian Operations

The Tasmanian Operations are centred on the Mount Lindsay region and are located in northwest Tasmania (refer Figure 1) approximately 125km south, by sealed road, from the Port of Burnie. The tenement area covers approximately 300 km² encompassing the south, west and northern margins and metamorphic aureole of the Meredith Granite. The Meredith Granite is part of a suite of Devonian granites which are associated with several world class tin deposits including Renison Bell (+200,000t of tin metal produced), Mount Bischoff and Cleveland. In addition to the tin deposits the granites also are associated with iron deposits (Savage River operating for +40 years), nickel deposits (Avebury), and poly-metallic deposits (Rosebery – operating for +75 years).

Figure 1: Tasmanian Operations - Mount Lindsay Region



8. Review of Operations (continued)

Venture's operations are situated 15km north and along strike from the world class Renison Bell tin mine and 25km south of Australia's longest operating magnetite mine (Savage River). The Company's resource base at Mount Lindsay is situated within granted exploration licenses owned 100% by Venture. In addition to the extensive land position controlled directly by Venture, the Company has earned a 70% interest in tin, tungsten and iron, through a joint venture with Bass Metals on EL31/2003 & EL36/2003. Bass Metals had elected to not contribute to exploration costs incurred up to March 31 2012 and hence Venture has increased its interest to 76%.

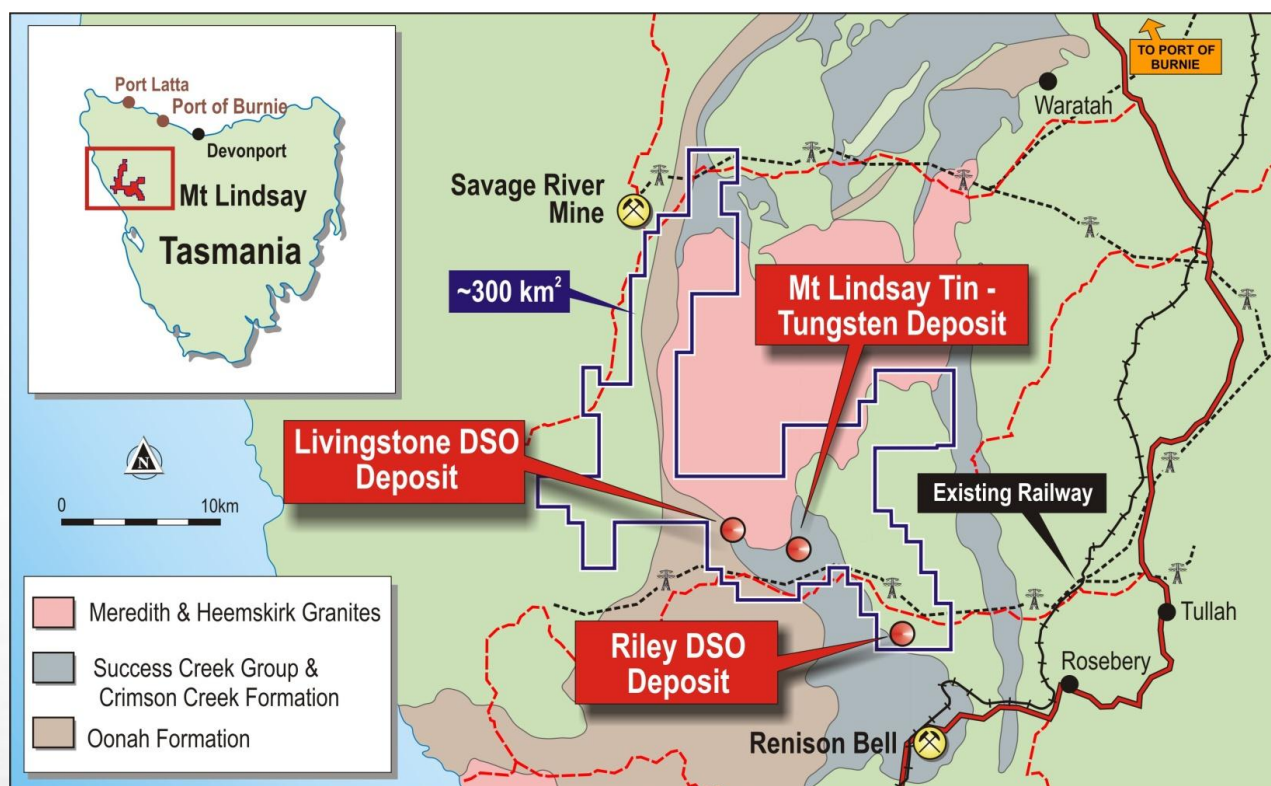
The Tasmanian Operations host three projects (refer figure 2) with all projects in the pre-development phase and progressing towards near term production being:

- Mount Lindsay Tin/Tungsten Project,
- Riley DSO Project,
- Livingstone DSO Project.

The region has all necessary infrastructure in place with the operations located in close proximity to:

- a sealed road,
- existing rail (with spare capacity) via a sealed road,
- existing port facilities (with spare capacity) via 100km of rail,
- high voltage hydropower,
- abundant water, and
- existing mining support towns – Tullah (20 kms east) & Roseberry (15 kms east-south-east).

Figure 2: Location Map for Mt Lindsay Tin/Tungsten Deposit/ Riley DSO Deposit/Livingstone DSO Deposit



Mount Lindsay Tin/Tungsten Project

Introduction

The resource base at Mount Lindsay is hosted within two magnetite rich skarns (Main Skarn and the No.2 Skarn) which extend over a total strike of 2.8kms and remain open at depth. Additional inferred resources have been defined at the Reward and Stanley River South Prospects, which extend over an additional 1.1km of strike. The skarns drill tested to date represent approximately 10% of the total skarns identified by the Company, with an additional 37 strike kilometres of interpreted magnetite skarns still to be tested within the project area (Ref fig 4).

8. Review of Operations (continued)

Since commencing exploration on the project in mid 2007, Venture has completed >75,000m of diamond core drilling at Mount Lindsay and defined JORC compliant Indicated and Inferred Resources detailed below.:

Reserve & Resource Tables

Table 2 - Resource Statement – DSO Projects

Project	Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Riley	Indicated	2.0mt	57	61	3.7	2.6	0.03	0.08	2.8	7.7
Livingstone	Indicated	2.4mt	57	61	5.4	1.9	0.07	0.05	-	7.0
TOTAL=	Indicated	4.4mt	57	61	4.6	2.2	0.05	0.06	-	7.3

Table 3 – Reserve Statement – DSO Projects

Project	Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Riley	Probable	1.8mt	57	61	3.7	2.6	0.03	0.07	2.8	7.8
Livingstone	Probable	2.2mt	57	62	5.3	1.9	0.08	0.03	-	7.1
TOTAL=	Probable	4.0mt	57	62	4.6	2.2	0.05	0.06	-	7.4

Notes:

- An Ore Reserve estimate for the Riley DSO deposit has been determined using accepted industry practices.
- The deposit will be mined using conventional excavator and truck mining methods. Due to the nature of the deposit no drilling and blasting is expected to be required.
- The same cost and revenue assumptions were used as in the Scoping Study (refer to ASX announcement on April 19 2012).

Table 4 – Tin/Tungsten Resource

Lower Cut (Tin equiv)	Category	Tonnes	Tin Equiv. Grade	Tin Grade	Tungsten Grade (WO ₃)	Mass Recovery of Magnetic Iron (Fe) Grade	Contained Tin Metal (tonnes)	Contained Tin/Tungsten Metal (tonnes)
0.20%	Indicated	23Mt	0.4%	0.2%	0.1%	18%	47,000	71,000
	Inferred	20Mt	0.4%	0.2%	0.1%	20%	36,000	49,000
	TOTAL	43Mt	0.4%	0.2%	0.1%	19%	82,000	120,000
0.45%	Indicated	6.2Mt	0.7%	0.4%	0.3%	18%	22,000	37,000
	Inferred	4.2Mt	0.6%	0.4%	0.2%	10%	17,000	23,000
	TOTAL	10Mt	0.7%	0.4%	0.2%	15%	38,000	61,000

Notes:

- The Sn equivalent formula used to calculate the Sn equivalent values is as follows: Sn Equivalent (%) = Sn% + (WO₃% x 1.02306) + (weight recovery % of magnetic Fe x 0.005702).
- The mass recovery of the magnetic iron is determined mostly by Davis Tube Results ("DTR"). Full details are in Appendix Two.
- This formula uses a tin metal price of US\$23,850/t, an APT (Ammonium Para Tungstate) price of US\$244/mtu (1mtu = 10kgs of WO₃) and an iron price of US\$136/t.
- The metallurgical recovery for tin is 71%, for WO₃ is 80% and for iron in the form of magnetite is 95%. These recoveries are based on significant testwork used to support the Scoping Study as stated in the ASX announcement of 14 May 2010.
- It is the Company's opinion that the tin, WO₃ and iron in the form of magnetite as included in the metal equivalent calculations have a reasonable potential to be recovered for when the Mt Lindsay Project goes into production.
- Reporting to two significant figures as per the JORC code. Please refer to ASX announcement dated 25 November 2010 for further details.

8. Review of Operations (continued)

During 2011 the resource base at Mount Lindsay was the subject of a detailed independent pre-feasibility study which concluded that the project is very robust, has a high margin per tonne and an excellent internal rate of return. The study entertained a 1.3million tonne per annum operation, producing concentrates of tin, tungsten, copper and magnetite. The conservative study results were determined on the following commodity pricing Tin – US\$25,403, Tungsten – US\$28,200, Magnetite US\$130 and Copper US\$7,980.

Pre-Feasibility Study Highlights included:

	Commodity Price Comparisons (A\$)	
	Preferred Case (Spot -10%)	Conservative Case (Spot -20%)
* Please note all figures are quoted pre-tax		
▪ Revenue Life of Mine	\$1,270m	\$1,130m
▪ Net Cash Life of Mine	\$570m	\$430m
▪ IRR (50% equity, 50% debt)	42%	29%
▪ Ave Net Cash per Annum	\$72m	\$54m

Following the positive results of the Prefeasibility Study the Company commenced a Bankable Feasibility Study (BFS) of the Project. The past year has seen the near completion of numerous detailed studies in resource estimation, geotechnical, hydrological, environmental, mine and infrastructure design, logistics and particularly metallurgy as detailed below:

Metallurgical Testwork /Process Design

Bench/pilot scale testwork for the tin, tungsten and magnetite concentration circuits was completed for the individual skarns (Main and No.2 Skarn) as well as a blended sample (see further details below). GR Engineering is well advanced on the plant design.

Mine Design & Geotechnical

The Geotechnical Drill Program for the Open Pit was completed with the mine design nearing completion.

Environmental & Permitting

Pitt & Sherry continued to assist Venture with environmental and permitting aspects for the Mount Lindsay Project. The Company has received the guidelines from the EPA for preparing a Development Proposal and Environmental Management Plan (DPEMP) for the development of the Mount Lindsay Project. The DPEMP is near completion.

Hydrogeological Modelling

William C. Cromer Pty Ltd has developed a Hydrogeological Model for the Mount Lindsay Project that is being utilized for mine design, process design and tailings dam design work during the BFS.

Infrastructure & Logistics

GHD is in the process of finalising the Tailings Dam Design for the DPEMP. Work continued with Transend on the cost of supplying power to the Mount Lindsay Project.

Financial Modelling

Work is progressing on the Financial Model and will be completed once the final data has been submitted.

Sales & Marketing

Penfold Limited continues to assist Venture in advancing off-take discussions with potential parties for the tin and tungsten concentrates. Concentrate samples of the tungsten ore (scheelite) and tin ore (cassiterite) are being prepared for dispatch to various potential off-take parties.

8. Review of Operations (continued)

Metallurgical Testwork

An intensive metallurgical testing program has been conducted over the past 15 months utilising approximately 3.0 tonnes of sample from Main Skarn and No2 Skarn. Tests were conducted on individual skarns, and also as a blend of the two, and were coordinated through three major laboratories in Perth with specialist testing conducted in laboratories based in Adelaide, Burnie, Gold Coast and Guangzhou, China.

The results of the metallurgical tests were concluded late August 2012 and were compared to previous test results conducted during the preliminary evaluation phases. The results are detailed below:

Table 1: Summary of Mount Lindsay Metallurgical Test Results

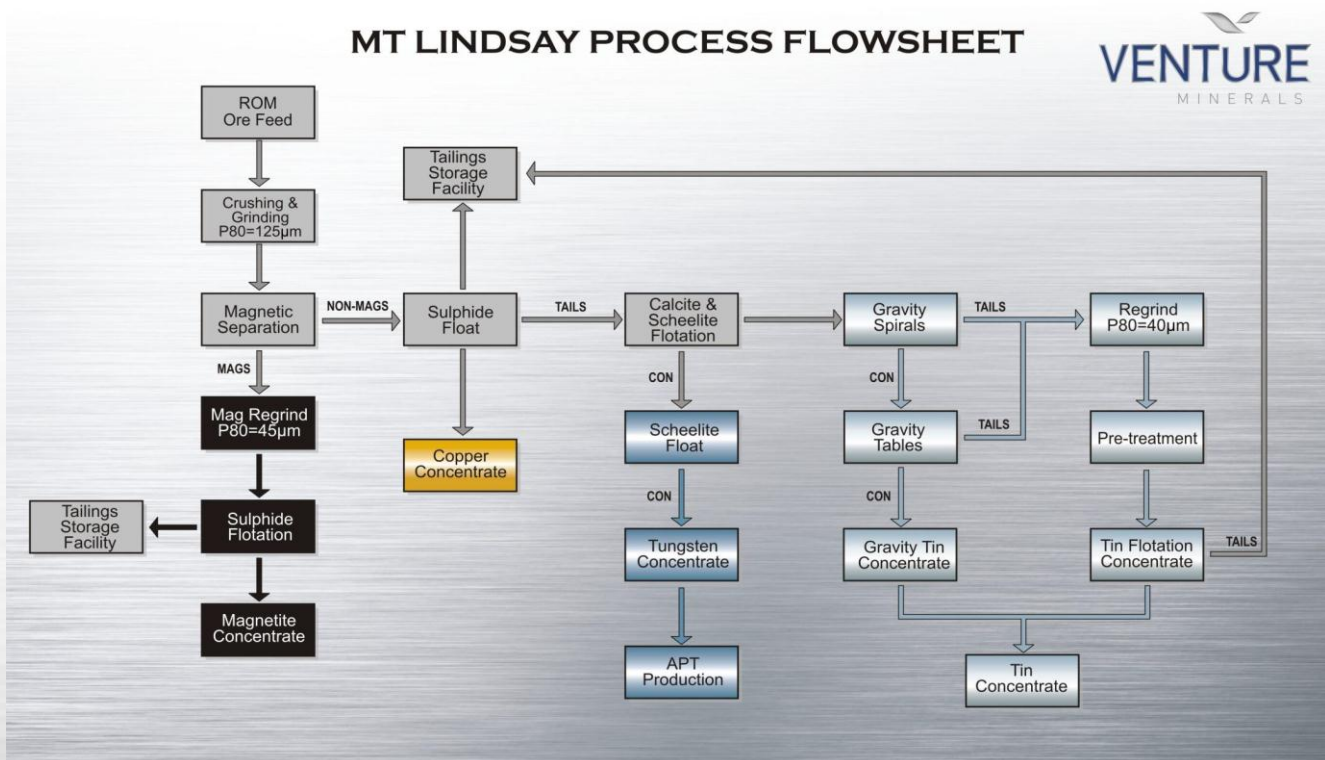
Mount Lindsay Studies	Tin Recoveries	Tungsten* Recoveries	Magnetite Recoveries
BFS (Pilot Scale)**	72% (to con)	83% (to APT)	98% (to con)
PFS (March 2011)	73% (to con)	84% (to APT)	95% (to con)
Scoping Study (May 2010)	71% (to con)	80% (to con)	100% (to con)

Notes: Con=Concentrate, APT=Ammonium Para Tungstate (intermediate saleable tungsten product) * = Tungsten Trioxide (WO₃)

** = equal blend of Main Skarn and No.2 Skarn representative mill feed material.

Prior to commencing pilot scale tests, a significant amount of bench scale testing was conducted to confirm optimum operating conditions for each of the unit processes. Pilot scale testwork was then conducted as part of the metallurgical testing program, to closely simulate the proposed treatment flows with all unit processes being tested in sequence. As a result, a robust flowsheet (refer figure 3) has been established that maximises recovery of all products while minimising contamination levels. This robustness enables variable proportions of magnetite, scheelite and cassiterite (tin ore) to be more effectively managed. Small parcels of final concentrates of tin and tungsten have also been produced for off-take discussions and end user testing.

Figure 3: Mt Lindsay Process Flowsheet



8. Review of Operations (continued)

The results of the metallurgical tests are being incorporated into the engineering design for the treatment plant and also into the financial outcomes for the BFS. It is expected that the results of the BFS will be finalised and announced shortly.

Riley & Livingstone DSO Projects

During the period the Company has rapidly progressed development studies on commercial mining of the near surface DSO grade hematite resources located near the Mount Lindsay Project. Exploration activities have identified two areas which were the focus of scoping studies and determined that they can generate early positive cashflow with minimal capital expenditure. These locations are the Riley DSO Project and the Livingstone DSO Project.

Located only 3.5km from the Mount Lindsay Tin/Tungsten Deposit is the Livingstone DSO Hematite Deposit. Livingstone consists of an outcropping hematite cap overlaying a magnetite rich skarn. The hematite occurs from surface, is consistent in grade and located only 2km from a sealed road which accesses existing rail and port facilities.

The Riley DSO Project was a major focus for the Company during the period following its discovery during late 2011. The project is located 10km from the Mount Lindsay Project (refer figure 2) and occurs as a hematite rich pisolitic and cemented laterite. The deposit outcrops at surface and is located less than two kilometres from a sealed road that accesses existing rail and port facilities.

The Company quickly advanced the Riley DSO Project with the completion of 318 test pits on a 100m by 50m grid enabling a maiden resource to be determined. Testing of Riley sample material, involving crushing, screening and assaying delivered test results with a consistent grade averaging 57% Fe over an initial 2 million tonne resource.

With the addition of the Riley resource the Company doubled its overall DSO resource base to 4.4mt at 57% Fe (refer Table 2).

Following a combined DSO Scoping Study, which returned positive results, the Company continued infill drilling at Livingstone on a 50m by 20m spacing which together with further test pitting at Riley upgraded the resources to indicated status. Sample material was also collected and was submitted for sintering tests, screening and sizing testwork. Results from the sintering feed test work program were completed with sintering fines from both deposits exhibiting excellent properties, being well suited as feedstock for blending with ores commonly used by Chinese sinter plants.

The Livingstone project area was granted as a mining lease on 28 May 2012 subject to Legislative requirements, including environmental and local council approvals, have been satisfied. Application for a mining lease over the Riley Project area was submitted during May 2012.

Big Wilson

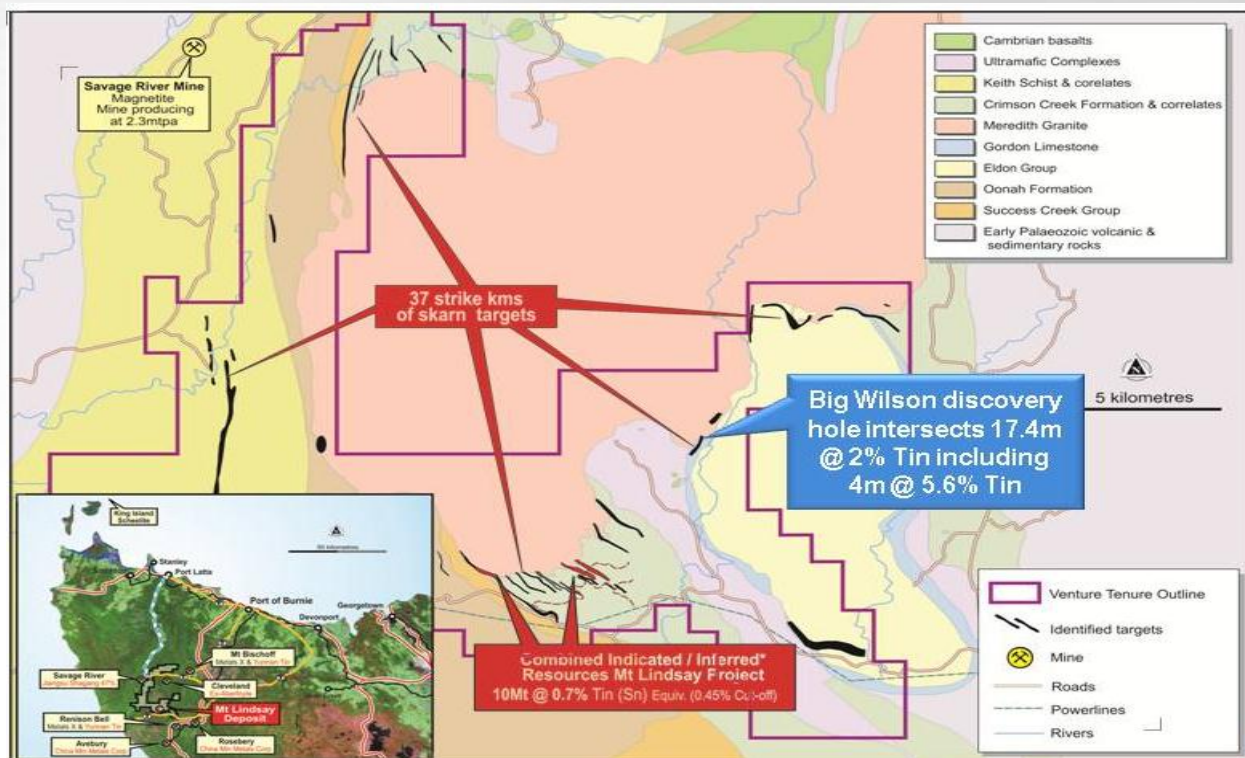
Big Wilson Prospect is located 6 kilometres from the Pieman Road and the Mount Lindsay Deposit (refer figure 4). The prospect area contains extensive alluvial tin workings and was mined from the late 1800s to early 1900s. Renison Limited cut access tracks to explore the area in the 1980s which Venture has utilised to complete the recent soil sampling and maiden drill program.

Big Wilson discovery follows recent surface mapping and sampling which identified a 1,100m long soil anomaly coincident with a marble unit on the south-eastern margin of the Meredith Granite. With only a budget of two reconnaissance drill holes, the Company targeted the northern section of the anomaly with BW001, and intersected 47m of tin mineralisation from 130m (vertical) below surface. Assays for that hole are very promising and have returned 17.4 metres at 2%Sn from 209.6 metres including 4.0 metres at 5.6% Sn from 212.2 metres.

Venture will accelerate a larger drill program targeting the southern section of the Big Wilson anomaly.

8. Review of Operations (continued)

Figure 4: Big Wilson area location relative to Mount Lindsay and other promising skarn



Exploration

Maitland Channel Uranium and Nickel Project, Western Australia (Venture Minerals - 100%)

Venture's Maitland Channel Project (137km²) covers over 28kms of the Tertiary channel system along strike from the Lake Maitland (Mega Uranium Limited) and Centipede & Lake Way (Toro Energy Limited) calcrete-hosted uranium deposits, in the North Eastern Goldfields of Western Australia. The Project includes radiometric anomalies analogous to the Lake Maitland deposit.

Paulsens South Project, Western Australia (Venture Minerals - 100% reducing to 30%)

The Paulsens South Project (covering 68km²) flanks and covers a similar stratigraphic and structural setting to Northern Star Resources Ltd's high grade Paulsens Gold Mine, (current Measured, Indicated and Inferred Resources of 2.306Mt at 4.3g/t for 318k oz Au, has produced over 450,000 ozs in 6 years and is currently producing ~80,000 oz gold per annum) in the Ashburton Mineral Field of Western Australia.

Rumble Resources Limited ("Rumble") continues to be in a joint venture with the Company on the Paulsens South Project in which Rumble has the right to earn at least 70% of the project. This year Rumble has focussed on planning and preparation for an Induced Polarisation (IP) geophysical survey which has commenced. The IP survey will consist of both gradient array and dipole-dipole traverses over the northwest – southeast trending Melrose Fault Zone (on which the adjacent Paulsens Gold Mine is situated on) and subsidiary structures which intersect the Melrose Fault Zone. The aim of the IP survey is to provide drill targets of disseminated sulphide mineralisation similar in style to the Paulsens deposit located to the northwest.

Rumble must complete a 1,500m RC/diamond drill program by 15 October 2012 as part of the initial earn in.

Harris Bluff Project, South Australia (Venture Minerals 51% earning up to 90%, except for the uranium rights)

The Harris Bluff Project (167km²) is situated within the south-eastern part of the Gawler Craton, an area considered prospective for Pb-Zn and epithermal Au-Ag mineralisation. Very sparse historic drilling in the immediate vicinity of the Project returned up to 180 ppb Au and 6 g/t.

8. Review of Operations (continued)

Mega Hindmarsh Pty Ltd ("Mega") a subsidiary of Toronto listed Mega Uranium Limited continues to be in a uranium joint venture with the Company on the Harris Bluff Project. On 10 August 2011, an extension to the terms under the Joint Venture Heads of Agreement was approved. The key terms of the extension are; Venture has the right to increase its interest from 51% to 75% by incurring a further \$750,000 in expenditure by the same time allowed to Mega; Mega will have under the extended terms, 12 months to incur \$300,000 of expenditure within 12 months of the granting of EL4788, Mega will be entitled to 100% of the Uranium Rights of Venture's Tenement interest at the time (which will be a 51% interest in EL4788). If Mega incurs Expenditure of \$450,000 within 24 months after meeting the initial expenditure requirement within 24 months, Mega will be entitled to 100% of the Uranium Rights of Venture's tenement interest in the newly granted EL4788 (at which time will be 75%).

Mega is preparing to conduct a regional soil sampling program in the near future.

South East Asia

During the period the Company progressed its strategy of targeting south east Asia for exploration opportunities. Ventures has identified an extensive belt of "skarn style" mineralization throughout the region specifically targeting strategic metals such as tin and tungsten as well as other base and precious metals.

The Company has established a low cost regional office in the region and will look to continue to build a cost effective portfolio of exploration projects over the coming year.

Community Support

The Company continues to grow its Community Initiatives Plan which works closely with the West Coast Council and Tullah Progress Association in providing support and sponsoring activities of local community groups to develop and enrich the cultural, sporting, educational and environmental experiences of the Tasmanian communities in which the Company operates.

We are proud to support local initiatives and have particularly supported the following programs during the period:

- Save the Tasmanian Devil Program,
- Construction of a Tasmanian Devil Sanctuary in Devil Park at Cradle Mountain,
- The Tullah Theatre Group,
- Tas Dance Tour of the West Coast,
- The Tullah Tulip Festival,
- Construction of the "Wee Georgie Wood " building in Tullah, and
- Various Tullah sporting groups.

The Company sponsors the Save the Devils Scholarship to provide financial assistance to individuals conducting research into the Tasmanian Devil. This year the Scholarship was awarded to Jillian Smith who was conducting a study into maternal dens.

In addition, the Company has recently agreed to become a major business sponsor of the Burnie Dockers Football Club, and particularly the junior leagues of the Burnie Dockers, having entered into a 3 year sponsorship agreement to commence for the 2013 season.

9. Matters Subsequent to the End of the Financial Year

The following matters have arisen following the end of the financial year:

- A. On 26 July 2012 the Company announced a maiden mineral reserve for the Riley and Livingstone DSO projects of 4.0 million tonnes at 57% Fe content. This represented a 90% conversion from inferred resource to reserve (see Table 2).
- B. On 2 August 2012 the company announced a new high grade tin discovery from an inaugural drilling program at the Big Wilson area located in North West Tasmania. The first drill hole from the inaugural exploration drill program reported a mineral intersection of 17.4 metres at 2% tin from 209.6 metres including a section of 4 metres at 5.6% tin from 212.2 metres.

9. Matters Subsequent to the End of the Financial Year (continued)

- C. On 15 August 2012 the Company announced it intended to raise \$15 million from a placement of 48,400,000 fully paid shares at an issue price of 31 cents per share. The placement is to be conducted in two tranches with the first tranche being the issue of 22,959,968 fully paid shares at an issue price of 31 cents per share to raise gross proceeds of \$7.12 million. The issue of the tranche 1 placement shares was completed on 21 August 2012.

The second tranche of placement shares totalling 25,440,032 fully paid shares to be issued at an issue price of 31 cents per share will raise gross proceeds of \$7.89 million. The allotment of tranche 2 placement shares were approved by shareholders at the General Meeting held on Monday 24 September 2012. The issue of tranche 2 shares and receipt of funds is expected to be completed shortly.

The funds from the placement will be utilised to fund the development and commencement of production at the Company's DSO iron ore projects, accelerate exploration programs at the newly discovered Big Wilson tin prospect and to fund costs of the placement issue.

- D. On 15 August 2012 the Company entered into a Project Opportunity & Development Agreement with Elphinstone Holdings Pty Ltd. This will involve Elphinstone to provide strategic assistance to the Company in the ongoing advancement of Venture's projects in Tasmania, being the preferred provider of mining goods and services with respect to those projects, and an ongoing relationship for mutual benefit.

As consideration for entering into that agreement and to further align Elphinstone with the continued development of Venture's projects, Venture has agreed to issue to Elphinstone at the time of issue of the Tranche 1 shares, 6.5 million options in 3 tranches exercisable at \$0.45, \$0.50 and \$0.55. Each of these option tranches vest upon certain development milestones being achieved at Venture's flagship Tasmanian projects. The terms and associated milestones for vesting of these options are as follows:

Tranche	No of Options	Exercise Price	Vesting Date	Expiry Date
First	2,000,000	\$0.45	On the date of issue of the Options.	14 August 2014
Second	2,000,000	\$0.50	The date that the first shipment of direct shipping ore is shipped off any existing tenement in Tasmania held by the Venture Group, regardless of any future change of ownership, farm-out or other arrangement made in relation to such a tenement.	18 months after the Vesting Date
Third	2,500,000	\$0.55	The date that Venture (or any other party that owns the tenements) publicly announces that it has: (a) made a decision to mine at any of Venture's existing tin deposits in Tasmania; (b) secured the necessary project financing to fund the mining referred to in (a) without any material conditions outstanding; and (c) decided definitively to commence mining within 12 months of the announcement.	18 months after the Vesting Date

- E. On 15 August 2012 the Company offered a Share Purchase Plan (SPP) open to all eligible shareholders to raise \$2.0 million at an issue price of 31 cents per share. The SPP closed fully subscribed on 7 September 2012 with the issue of 6,451,578 ordinary fully paid shares.
- F. At the General Meeting held on 24 September 2012, shareholders approved the issue 1,000,000 options to Mr John Jetter, a Non-Executive Director.

The proposed option issue is in recognition of Mr Jetter's active contribution, over and above his directors' duties, to progress financing for the Mt Lindsay tin/tungsten project. Each Option shall vest, and therefore be exercisable, upon the Company successfully obtaining project financing for the Mount Lindsay Tin/Tungsten Project. The options will be exercisable at \$0.45 per share and shall expire 18 months after the vesting date.

10. Likely Developments and Expected Results of Operations

The Company will continue the development of the DSO iron ore projects at Riley and Livingstone into production. The Company has applied for and is presently in the process of obtaining the required statutory and environmental approvals necessary to commence production. Discussions will continue with respective contractors, service providers and off-take parties to place the projects in production readiness pending receipt of all necessary approvals.

The Company continues the development of the Mount Lindsay tin-tungsten project with the imminent completion of a Bankable Feasibility Study. The Company continues with the aim of bringing the project into production.

The Company will continue its mineral exploration activity at and around its exploration projects with the object of identifying commercial resources. The Company will continue to investigate acquiring prospective exploration areas in South East Asia principally concentrating in Thailand.

Further information on likely developments in the operations of the group and the expected results of operations have not been included in the Annual Report because the directors believe it would be likely to result in unreasonable prejudice to the group.

11. Information on Directors and Company Secretary

Mr Mel Ashton Independent Non-Executive Chairman

Qualifications B.Com, FCA, FAICD

Experience Mr Ashton holds a Bachelor of Commerce degree from the University of Western Australia, is a fellow of the Institute of Chartered Accountants and a fellow of the Australian Institute of Company Directors. Mr Ashton also currently holds a number of board appointments, including as National Director of the Institute of Chartered Accountants, Director of The Hawaiian Group of Companies, Chairman of Cullen Wines (Australia) Pty Ltd and Director of Renaissance Minerals Ltd. He is also currently the Chairman for Empired Ltd and Gryphon Minerals Limited.

Interest in Securities	Fully Paid Ordinary Shares	1,500,000
	70 cent Options expiring 20 March 2013	750,000
	45 cent Options expiring 15 August 2014	750,000

Other Directorships Gryphon Minerals Limited (since 18 May 2004)
Empired Ltd (since 21 December 2005)
Renaissance Minerals Limited (since 25 March 2010)
Barra Resources Limited (since 13 January 2011)
Resource Development Group Limited (since 9 February 2011)

Mr Hamish Halliday Managing Director

Qualifications BSc (Geology), MAusIMM

Experience Mr Halliday has over 15 years of both corporate & technical experience within the mining industry. Mr Halliday co-founded Venture Minerals and was instrumental in the acquisition of its tenement portfolio including the Mt Lindsay Tin-Tungsten Project. Prior to Venture Minerals, Mr Halliday founded Adamus Resources Limited, a company he ran as CEO for 6 years growing the company from a A\$3 million float to a multi-million ounce emerging gold producer. Mr Halliday also co-founded Gryphon Minerals a very successful junior explorer defining a significant gold resource in West Africa. Mr Halliday is also a Director of Avonlea Minerals Ltd.

Interest in Securities	Fully Paid Ordinary Shares	6,425,000
	70 cent Options expiring 20 March 2013	2,250,000
	45 cent Options expiring 15 August 2014	3,000,000

Other Directorships Avonlea Minerals Limited (since 22 May 2009)

Mr Andrew Radonjic Technical Director

Qualifications BAppSc (Mining Geology), MSc (Mineral Economics), MAusIMM

Experience Mr Radonjic is a geologist with over 25 years of experience in mining and exploration, with a specific focus on gold and nickel in the Eastern Goldfields of Western Australia. Mr Radonjic began his career at the Agnew Nickel Mine before spending over 15 years in the Paddington, Mount Pleasant and Lady Bountiful Extended operations north of Kalgoorlie. He has fulfilled a variety of senior roles which gave rise to three gold discoveries, totalling in excess of 3 million ounces in resources and the development of over 1 million ounces.

Interest in Securities	Fully Paid Ordinary Shares	2,666,665
	70 cent Options expiring 20 March 2013	1,750,000
	45 cent Options expiring 15 August 2014	1,500,000

Other Directorships Nickelore Limited (from 11 August 2004 to 16 October 2009)

11. Information on Directors and Company Secretary (continued)

Mr Bruce McFadzean Independent Non-Executive Director

Qualifications	Dip. Mining
Experience	Mr McFadzean has 30 years of senior management, mining and processing experience which included significant stints at BHP Billiton and Rio Tinto, the "start up" of 5 new mining operations, and covers a broad range of commodities including Iron Ore, Diamonds, Gold and Nickel. Mr McFadzean most recently held the role of Managing Director of Catalpa Resources Limited and Evolution Mining Limited following the merger with Conquest Mining Limited. Prior to that role he was General Manager Operations and then Operations Director with Territory Resources where he was instrumental in the start up of the 1.5 Mtpa Francis Creek Iron Ore operations in the Northern Territory.
Interest in Securities	70 cent Options expiring 20 March 2013 750,000 45 cent Options expiring 15 August 2014 750,000
Other Directorships	Evolution Mining Limited (formerly Catalpa Resources Limited) (from 9 June 2008 to 25 January 2012)

Mr John Jetter Independent Non-Executive Director

Qualifications	B.Law, B.Econ, INSEAD
Experience	Mr Jetter has extensive international finance and M&A experience being the former Managing Director, CEO and head of investment banking of JPMorgan in Germany and Austria, and a member of the European Advisory Council, JPMorgan London. He has held various senior positions with JPMorgan during which time he focused his attention on major corporate clients and advised on some of Europe's largest corporate transactions. Mr Jetter currently holds a number of other board positions including Member of the Board of Otto Energy Limited, Chairman of Katherine Jetter Limited (Delaware) and Member of the Advisory Board of Rosemont Realty Corporation (Santa Fe). Mr Jetter previously held positions as Chief Executive Officer of JPMorgan for Germany, Austria and Switzerland, Member of the Board of Conergy AG, Chairman of the Board of Rodenstock GMBH (Germany), Deputy Chairman of the Board of European Business School, and Chairman of the Finance Faculty Oestrich-Winkel, Germany.
Interest in Securities	Fully Paid Ordinary Shares 2,259,000 70 cent Options expiring 20 March 2013 500,000 55 cent Options expiring 20 March 2013 500,000 45 cent Options expiring 15 August 2014 750,000
Other Directorships	Otto Energy Limited (since 12 December 2007)

Company Secretaries

Brett Dunnachie - BCom, CA.

Appointed - 18 December 2009

Mr Dunnachie is a Chartered Accountant with over 10 years experience in corporate, audit and company secretarial matters. Previously Mr Dunnachie was an audit manager at a major chartered accounting practice and is also experienced in IPO management, company secretarial services, financial accounting/reporting and ASX/ASIC compliance management. Mr Dunnachie is also currently Company Secretary for Renaissance Minerals Limited, Avonlea Minerals Limited and previously held the position of Company Secretary of Gryphon Minerals Limited from February 2007 to April 2012.

11. Information on Directors and Company Secretary (continued)

Jon Grygorcewicz - BCom, CA.

Appointed Chief Financial Officer - 14 May 2012

Appointed Company Secretary - 16 August 2012

Mr Grygorcewicz has approximately 30 years financial management experience, gained predominately with Australian ASX listed companies. Most recently he was CFO & Company Secretary with Focus Minerals Limited having played a key role in successfully transitioning that company from mineral explorer into a substantial Australian gold producer. Prior to that role he gained extensive experience with resource and engineering companies with operations in Australia and South East Asia.

12. Audited Remuneration Report

The remuneration report is set out under the following headings:

- A. Introduction
- B. Remuneration governance
- C. Managing Director and Executive remuneration
- D. Non-Executive Director remuneration
- E. Details of remuneration
- F. Details of share based payment
- G. Service Agreements

A. Introduction

This report details the nature and amount of remuneration for all key management personnel of Venture Minerals Limited and its subsidiaries. The information provided within this remuneration report has been audited as required by section 308(C) of the *Corporations Act 2001*.

The Individuals included in this report are:

Non-Executive Directors

Mr M Ashton	Non-Executive Chairman
Mr B McFadzean	Non-Executive Director
Mr J Jetter	Non-Executive Director

Executive Directors

Mr H Halliday	Managing Director
Mr A Radonjic	Technical Director

Other key management personnel

Mr G Brock	Chief Operating Officer	(Appointed 4 July 2011)
Mr J Grygorcewicz	Chief Financial Officer & Company Secretary	(Appointed 14 May 2012) (Appointed 16 August 2012)
Mr B Dunnachie	Company Secretary	

All of the key management personnel held their positions for the entire financial year and up to the date of this report except for Mr G Brock (appointed 4 July 2011) and Mr J Grygorcewicz (appointed 14 May 2012).

B. Remuneration governance

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

12. Audited Remuneration Report (continued)

B. Remuneration Governance (continued)

As the whole Board only consists of five (5) members, the Company does not have a remuneration committee and therefore the full board acts as the remuneration committee. The Board has established a broad remuneration policy which is consistent with the group's business objectives and designed to attract and retain high calibre individuals, align key management personnel remuneration with the creation of shareholder value and motivate executives to achieve challenging performance levels.

The business and operational environment of the group is dynamic and ever changing and so too is the remuneration policies. As such the broader remuneration policies, whilst currently under specific and detailed review, are by nature, always under consideration by the Board.

Further information relating to the role of the Board and its responsibilities in relation to remuneration policies can be found within the Corporate Governance Report included within this Annual Report.

C. Managing Director and Executive Remuneration

Remuneration Policy

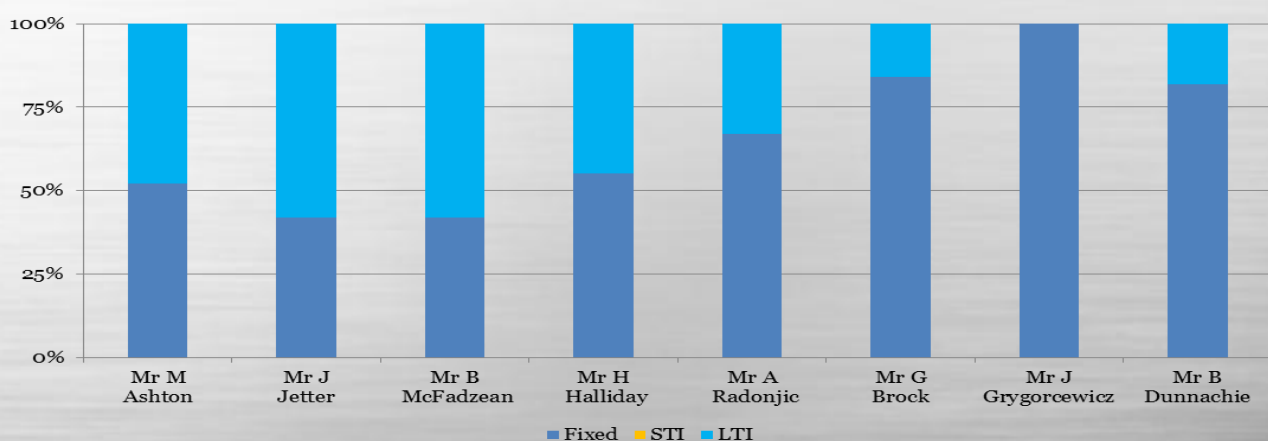
The remuneration policy of Venture Minerals Limited has been designed to align executives' objectives with shareholder and business objectives by providing both fixed and discretionary remuneration components which are assessed on an annual basis in line with market rates. By providing components of remuneration that are indirectly linked to share price appreciation (in the form of options), executive, business and shareholder objectives are indirectly aligned. The board of Venture Minerals Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the company, as well as create goal congruence between directors and shareholders.

In determining competitive remuneration rates, the Board review local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent data is sourced to ensure that the group's remuneration levels fall within the 50th to 75th percentile of companies in a similar industry group and with a similar market capitalisation. These ongoing reviews are performed to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

During the current year, the Board has continued to freeze the Executive Directors and other key executive's base salaries, with the exception of recently appointed key executives. This salary freeze has been in place since March 2010 and is part of broader cost reducing measures to ensure that the company could conserve its cash reserves whilst maintaining its exploration and feasibility activities during volatile market conditions.

The Board also ensures that the mix of executive compensation between fixed, variable, long-term, short-term and cash versus equity is appropriate. The group endeavours to reduce cash expenditure by providing a greater proportion of compensation in the form of equity instruments. This allows cash-flows to be directed towards exploration programs with a view to improving the quality of our projects. The following table sets out the mix of remuneration for all key management personnel between fixed, short-term incentives and long-term incentives for the 2012 financial year.

Mix of Remuneration - June 2012



12. Audited Remuneration Report (continued)

C. Managing Director and Executive Remuneration (continued)

Fixed Remuneration

All executives receive a base cash salary which is based on factors such as length of service and experience as well as other fringe benefits. All executives also receive a superannuation guarantee contribution required by the government, which is currently nine percent and do not receive any other retirement benefits.

Short-term Incentives (STI)

Under the group's current remuneration policy, executives can from time to time receive short-term incentives in the form of cash bonuses. These bonuses are based on relevant qualitative objectives such as completion of critical feasibility study milestones, definition and growth of existing resources and targets and on-going Executive loyalty to the Company. The Board believes that the criteria of eligibility for short-term incentives appropriately aligns shareholder wealth and executive remuneration as the completion of key operation milestones have the potential to increase share price growth.

Long-term Incentives (LTI)

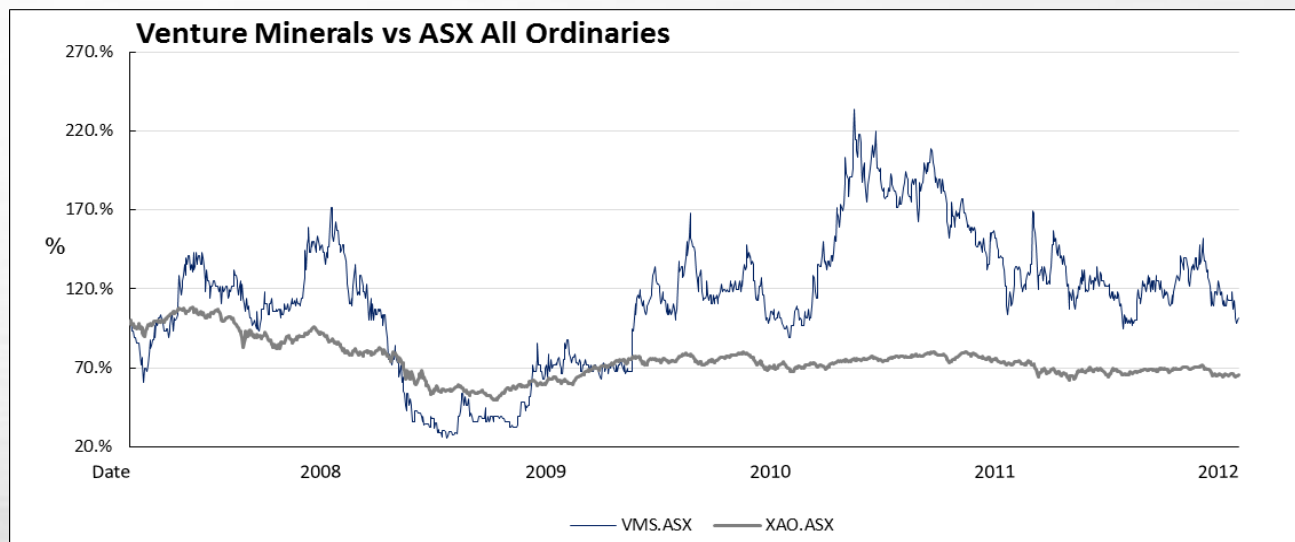
Executives are encouraged by the Board to hold shares in the company and it is therefore the objective of the group's option scheme to provide an incentive for participants to partake in the future growth of the group and, upon becoming shareholders in the Company, to participate in the group's profits and dividends that may be realised in future years.

The Board considers that this equity performance linked remuneration structure is effective in aligning the long-term interests of group executives and shareholders as there exists a direct correlation between shareholder wealth and executive remuneration.

Company Performance, Shareholder Wealth & Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and executives. This has been achieved by the payment of short-term incentives and the issue of long-term incentive options. This structure rewards executives for both short-term and long-term shareholder wealth development.

As demonstrated by the chart below Venture has outperformed the ASX All Ordinaries consistently over the previous 5 years only retracing in early 2007 and mid 2008 during the global financial crisis. This confirms the congruence between shareholder wealth development and the issue of long term incentives such as the issue of options to executives.



Values derived on a base of 100

12. Audited Remuneration Report (continued)

C. Managing Director and Executive Remuneration (continued)

	2008	2009	2010	2011	2012
	\$	\$	\$	\$	\$
Revenue	169,406	106,971	305,974	1,070,673	751,428
Net Loss	(2,024,880)	(3,384,063)	(2,298,899)	(4,131,656)	(3,955,394)
Share Price	\$0.41	\$0.24	\$0.25	\$0.34	\$0.28
Dividends	Nil	Nil	Nil	Nil	Nil

D. Non-Executive Remuneration

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. Fees for non-executive directors are not linked to the performance of the group.

In determining competitive remuneration rates, the Board review local and international trends among comparative companies and industry generally.

Typically Venture will compare non-executive remuneration to companies with similar market capitalisations in the exploration and resource development business group. These ongoing reviews are performed to confirm that non-executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

During the current year, the Board has continued to freeze the Non-Executive Director base remuneration. This remuneration freeze has been in place since March 2010 and is part of broader cost reducing measures to ensure that the company could conserve its cash reserves whilst maintaining its exploration and feasibility activities during volatile market conditions.

Further to ongoing reviews, the maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. In addition to director fees, all non-executive directors were issued options during the financial year. These issues were approved by shareholders at the General Meeting held on 15 March 2012. Options were issued to non-executives as they provide an indirect mechanism of aligning shareholder wealth and non-executive director remuneration.

E. Details of Remuneration

Details of the remuneration of the director's and key management personnel of the group of Venture Minerals Limited are set out in the following table. There have been no changes to the below named key management personnel since the end of the reporting period unless otherwise noted.

	Short Term Benefits				Post Employment	Securities	Total
	Cash Salary & Fees	Incentives	Consulting Fees	Other Amounts	Super-annuation	Options ^A	
	\$	\$	\$	\$	\$	\$	\$
2012							
<i>Non-Executive Directors</i>							
Mr M Ashton	75,000	-	-	3,557	-	73,280	151,837
Mr J Jetter	50,000	-	-	3,557	-	73,280	126,837
Mr B McFadzean	45,871	-	-	3,557	4,129	73,280	126,837
<i>Executive Director</i>							
Mr H Halliday	325,000	-	-	3,557	29,250	293,120	650,927
Mr A Radonjic	265,000	-	-	6,335	23,850	146,560	441,745
<i>Key management personnel</i>							
M G Brock ^B	345,000	-	-	-	31,050	73,280	449,330
Mr J Grygorcewicz ^C	31,231	-	-	-	2,811	-	34,042
Mr B Dunnachie	-	-	75,500	3,557	-	17,099	96,156
Total Remuneration	1,137,102	-	75,500	24,120	91,090	749,899	2,077,711

12. Audited Remuneration Report (continued)

E. Details of Remuneration (continued)

	Cash Salary & Fees \$	Short Term Benefits Incentives \$	Consulting Fees \$	Other Amounts \$	Post Employment Super- annuation \$	Securities Options ^A \$	Total \$
2011							
<i>Non-Executive Directors</i>							
Mr M Ashton	75,000	-	7,500	3,559	-	135,336	221,395
Mr J Jetter	50,000	-	-	3,559	-	195,176	248,735
Mr B McFadzean	45,871	-	-	3,559	4,128	135,336	188,894
<i>Executive Director</i>							
Mr H Halliday	325,000	101,000	-	3,559	38,340	406,008	873,907
Mr A Radonjic	265,000	40,000	-	10,720	27,450	315,784	658,954
<i>Key management personnel</i>							
Mr B Dunnachie	69,000	6,900	-	3,559	-	45,112	124,571
Total Remuneration	829,871	147,900	7,500	28,515	69,918	1,232,752	2,316,456

No retirement benefits or equity securities were issued to any director or other key management personnel during the current or previous financial year.

A: The fair value of the options is calculated at the date of grant using a Black-Scholes model

B: Mr G Brock was appointed on the 4 July 2011

C: Mr J Grygorcewicz was appointed on 14 May 2012

F Details of Share Based Payments

Options are issued to directors and executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to the majority of directors and executives of Venture Minerals Limited and its subsidiaries to increase goal congruence between executives, directors and shareholders.

	Granted No.	Options Granted as Part of Remuneration \$	Total Remuneration Represented by Options	Exercised No.	Other changes No. ^C	Lapsed No.
30 June 2012						
<i>Non-Executive Directors</i>						
Mr M Ashton	750,000	73,280	48%	-	(750,000)	(750,000)
Mr B McFadzean	750,000	73,280	58%	-	(750,000)	(700,000)
Mr J Jetter	750,000	73,280	58%	-	-	-
<i>Executive Directors</i>						
Mr H Halliday	3,000,000	293,120	45%	-	(3,400,000)	(2,000,000)
Mr A Radonjic	1,500,000	146,560	33%	-	(1,500,000)	(2,000,000)
<i>Other key management personnel</i>						
Mr G Brock ^A	750,000	73,280	16%	-	-	-
Mr J Grygorcewicz ^B	-	-	-	-	-	-
Mr B Dunnachie	175,000	17,099	18%	-	(175,000)	-

12. Audited Remuneration Report (continued)

F Details of Share Based Payments (continued)

	Granted No.	Options Granted as Part of Remuneration \$	Total Remuneration Represented by Options	Exercised No.	Other changes No. ^c	Lapsed No.
30 June 2011						
Non-Executive						
Mr M Ashton	750,000	135,336	60%	-	-	-
Mr B McFadzean	750,000	135,336	72%	-	-	-
Mr J Jetter	1,000,000	195,176	78%	-	-	-
Executive Directors						
Mr H Halliday	2,250,000	406,008	47%	-	-	-
Mr A Radonjic	1,750,000	315,784	48%	-	-	-
Other key management personnel						
Mr B Dunnachie	250,000	45,112	36%	-	-	-

A: Mr G Brock was appointed on the 4 July 2011

B: Mr J Grygorcewicz was appointed on 14 May 2012

C: As announced on 16 January 2012, management and director options were transferred to a US based investment fund and converted at a strike price of \$0.30. The options were due to expire on 20 February 2012.

During the financial year and up to the date of this report the Company issued options as part of remuneration to directors and executives as follows:

Director/Executive	Expiry Date	Exercise Price	Number of Options
30 June 2012			
Mr M Ashton	15 Aug 14	45.0 cents	750,000
Mr H Halliday	15 Aug 14	45.0 cents	3,000,000
Mr A Radonjic	15 Aug 14	45.0 cents	1,500,000
Mr B McFadzean	15 Aug 14	45.0 cents	750,000
Mr J Jetter	15 Aug 14	45.0 cents	750,000
Mr G Brock	15 Aug 14	45.0 cents	750,000
Mr J Grygorcewicz	-	-	-
Mr B Dunnachie	15 Aug 14	45.0 cents	175,000
30 June 2011			
Mr M Ashton	20 Mar 13	70.0 cents	750,000
Mr H Halliday	20 Mar 13	70.0 cents	2,250,000
Mr A Radonjic	20 Mar 13	70.0 cents	1,750,000
Mr B McFadzean	20 Mar 13	70.0 cents	750,000
Mr J Jetter	20 Mar 13	70.0 cents	500,000
	20 Mar 13	55.0 cents	500,000
Mr B Dunnachie	20 Mar 13	70.0 cents	250,000

The following factors and assumptions were used in determining the fair value of options issued to Directors on grant date:

Grant Date	Expiry Date	Exercise Price	Fair Value Per Option	Price of Shares on Grant Date	Estimated Volatility	Risk Free Interest Rate	Dividend Yield
30 June 2012							
15 Mar 12	15 Aug 14	45.0 cents	\$0.097	\$0.34	70%	3.80%	0.00%
30 June 2011							
17 Nov 10	20 Mar 13	70.0 cents	\$0.058	\$0.18	77%	5.07%	0.00%

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The life of the options is based on historical exercise patterns, which may not eventuate in the future.

12. Audited Remuneration Report (continued)

G Service Agreements

Remuneration and other key terms of employment for the Executives, Non-Executives and Other Group Executives of Venture Minerals are formalised in executive service agreements. Major provisions of the agreements relating to remuneration are set out below:

Mr M Ashton, Non-Executive Chairman

Term of agreement – unspecified

Base remuneration of \$75,000 including superannuation.

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

No termination benefits under any circumstances.

Mr J Jetter & Mr B McFadzean, Non-Executive Directors

Term of agreement – unspecified

Base remuneration of \$50,000 including superannuation.

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

No termination benefits under any circumstances.

Mr H Halliday: Managing Director

Term of agreement – unspecified.

Base remuneration of \$325,000 plus 9% superannuation.

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

No termination benefits other than in accordance with statutory requirements.

Mr A Radonjic: Technical Director

Term of agreement – unspecified.

Base remuneration of \$265,000 plus 9% superannuation.

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

Termination benefits – agreement may be terminated by the company by providing Mr Radonjic with 1 to 3 months notice and making a payment of 9 months salary after the expiry of the written notice period.

Mr G Brock: Chief Operating Officer

Term of agreement – unspecified.

Base remuneration of \$345,000 plus 9% superannuation.

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

No termination benefits other than providing one months notice period.

Mr J Grygorcewicz: Chief Financial Officer

Term of agreement – unspecified.

Base remuneration of \$290,000 plus 9% superannuation.

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

No termination benefits other than providing one months notice period.

Mr B Dunnachie: Company Secretary

Term of agreement – Expires 30 September 2012.

Base remuneration of \$108,000 (\$69,000 to April 2012).

Eligible to participate in the Company's Employee Incentive Scheme, subject to relevant shareholder approval.

No termination benefits other than providing three months notice period.

13. Shares under Option

Unissued ordinary shares of Venture Minerals Limited under option at the date of this report are as follows:

Date options granted	Expiry Date	Exercise Price	Number under Option
15 Mar 12	15 Aug 14	45.0 cents	11,375,000
17 Nov 10	20 Mar 13	55.0 cents	500,000
17 Nov 10	20 Mar 13	70.0 cents	10,300,000
23 June 11	20 Mar 13	70.0 cents	250,000

No option holder has any right under the options to participate in any other share issue of the company or any other entity.

Shares issued on the exercise of options

The following ordinary shares of Venture Minerals Limited were issued during the year ended 30 June 2012 on the exercise of options granted. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

Date options granted	Issue Price of Shares	Number of shares issued
20 Aug 09	30.0 cents	11,375,000

14. Insurance of Officers

During the financial year, Venture Minerals Limited paid a premium of \$21,342 (2011: \$21,354) to insure the directors and secretary of the company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

15. Meetings of Directors

The number of directors' meetings (including committees) held during the financial year that each director who held office during the financial year were eligible to attend and the number of meetings attended by each director are:

Director	Directors Meetings	
	Number Eligible to Attend	Meetings Attended
Mr M Ashton	6	6
Mr H Halliday	6	6
Mr A Radonjic	6	6
Mr B McFadzean	6	6
Mr J Jetter	6	5

The company does not have a formally constituted audit committee as the board considers that the company's size and type of operation do not warrant such a committee.

16. Environmental Regulation

The group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all applicable regulations when carrying out any exploration work.

17. Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings. The company was not a party to any such proceedings during the year.

18. Auditor's Independence Declaration & Non-Assurance Services

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 26 of the directors' report. No fees were paid or payable to the auditors for non-assurance services performed during the year ended 30 June 2012 (2011: nil).

Signed in accordance with a resolution of the Board of Directors.



Hamish Halliday
Managing Director

Perth, Western Australia, 25 September 2012

The information in this report that relates to Exploration Results, Exploration Targets or Mineral Resources 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

The information in this Report that relates to Ore Reserves is based on information compiled by Mr Denis Grubic, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Grubic is an independent consultant employed by Rock Team Pty Ltd. Mr Grubic qualifies 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 Grubic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

25 September 2012

Board of Directors
Venture Minerals Limited
181 Roberts Road
SUBIACO WA 6008

Dear Sirs

RE: VENTURE MINERALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Venture Minerals Limited.

As Audit Director for the audit of the financial statements of Venture Minerals Limited for the year ended 30 June 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)



Martin Michalik
Director

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These financial statements cover Venture Minerals as a consolidated entity consisting of Venture Minerals Limited and the entities it controlled from time to time during the financial year ('group' or 'consolidated entity'). The financial statements are presented in the Australian currency.

Venture Minerals Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Venture Minerals Limited
Freemasons Building
181 Roberts Road
Subiaco WA 6008

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities on pages 4 to 12 in the directors' report, which is not part of these financial statements.

The financial statements were authorised for issue by the directors on 25 September 2012. The company has the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the company. All press releases, financial reports and other information are available on our website: www.ventureminerals.com.au.

Consolidated Statement of Comprehensive Income

For the Year Ended 30 June 2012

	Note	Consolidated	
		2012 \$	2011 \$
Revenue from continuing operations	3	751,428	1,070,673
Administrative costs	4	(1,302,587)	(920,078)
Consultancy expenses		(707,268)	(501,919)
Employee benefits expense		(1,176,540)	(1,126,195)
Share based payment expenses	16	(1,111,413)	(2,012,329)
Occupancy expenses		(266,927)	(219,802)
Compliance and regulatory expenses		(78,267)	(88,782)
Insurance expenses		(98,732)	(38,237)
Depreciation expense	4	(46,847)	(49,729)
Exploration written off	11	(785,499)	(677,035)
Loss before income tax		(4,822,652)	(4,563,433)
Income tax (expense)/benefit	7	867,258	431,777
Loss attributable to owners		(3,955,394)	(4,131,656)
Other comprehensive income	16	7,476	-
Total comprehensive income attributable to owners		(3,947,918)	(4,131,656)
Basic loss per share (cents per share)	18	(1.7)	(2.0)
Diluted loss per share (cents per share)	18	N/A	N/A

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2012

	Note	Consolidated 2012 \$	2011 \$
Current Assets			
Cash and cash equivalents	8	10,096,152	19,778,308
Trade and other receivables	9	654,532	599,959
Total Current Assets		10,750,684	20,378,267
Non-Current Assets			
Trade and other receivables	9	373,800	170,876
Property, plant and equipment	10	380,628	388,468
Exploration and evaluation expenditure	11	34,609,403	24,472,811
Total Non-Current Assets		35,363,831	25,032,155
Total Assets		46,114,515	45,410,422
Current Liabilities			
Trade and other payables	12	1,506,744	1,363,781
Provisions	13	289,666	158,030
Total Current Liabilities		1,796,410	1,521,811
Non-Current Liabilities			
Provisions	13	16,526	-
Total Non-Current Liabilities		16,526	-
Total Liabilities		1,812,936	1,521,811
Net Assets		44,301,579	43,888,611
Equity			
Contributed equity	14	56,279,621	52,366,258
Reserves	16	4,833,456	4,378,457
Accumulated losses		(16,811,498)	(12,856,104)
Total Equity		44,301,579	43,888,611

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2012

Consolidated	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2010	30,045,526	(8,724,448)	-	2,374,882	23,695,960
Total comprehensive income for the year	-	(4,131,656)	-	-	(4,131,656)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	22,311,978	-	-	-	22,311,978
Equity settled share based payment transactions	8,754	-	-	2,003,575	2,012,329
Balance at 30 June 2011	52,366,258	(12,856,104)	-	4,378,457	43,888,611
Balance at 1 July 2011	52,366,258	(12,856,104)	-	4,378,457	43,888,611
Total comprehensive income for the year	-	(3,955,394)	7,476	-	(3,947,918)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	3,249,473	-	-	-	3,249,473
Equity settled share based payment transactions	663,890	-	-	447,523	1,111,413
Balance at 30 June 2012	56,279,621	(16,811,498)	7,476	4,825,980	44,301,579

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For the Year Ended 30 June 2012

	Note	Consolidated 2012 \$	2011 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(3,151,450)	(3,011,331)
Interest received		745,171	991,768
Payments for exploration and evaluation		(11,133,899)	(10,850,874)
Income tax received		867,258	763,184
Net cash (outflow) from operating activities	19	(12,672,920)	(12,107,253)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(55,709)	(233,743)
Payments for increase in security deposits		(203,000)	(42,000)
Net cash (outflow) from investing activities		(258,709)	(275,743)
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		3,412,500	23,268,313
Share issue transaction costs		(163,027)	(991,335)
Net cash inflow from financing activities		3,249,473	22,276,978
Net increase in cash and cash equivalents		(9,682,156)	9,893,982
Cash and cash equivalents at the start of the year		19,778,308	9,884,326
Cash and cash equivalents at the end of the year	8	10,096,152	19,778,308

Amounts relating to payments to suppliers and employees as set out above are inclusive of goods and services tax. The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements cover Venture Minerals as a consolidated entity consisting of Venture Minerals Limited and the entities it controlled from time to time during the year ('group' or consolidated entity').

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

(i) Compliance with IFRS

The consolidated financial statements of Venture Minerals Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2011 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Early adoption of standards

The group has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2011.

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets, financial assets and liabilities at fair value through profit or loss and certain classes of property, plant and equipment.

(v) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

(b) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the consolidated entity as at 30 June 2012 and the results of the parent and all subsidiaries for the year then ended.

Subsidiaries are all those entities (including special purpose entities) over which the group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of comprehensive income, statement of changes in equity and balance sheet respectively.

A list of controlled entities is contained in Note 26 to the financial statements. All controlled entities have a 30 June financial year-end.

1. Summary of Significant Accounting Policies (continued)

(b) Principles of Consolidation (continued)

(ii) Joint Venture Entities

A joint venture entity is an entity in which Venture holds a long-term interest and which is jointly controlled by Venture and one or more other venturers. Decisions regarding the financial and operating policies essential to the activities, economic performance and financial position of that venture require the consent of each of the venturers that together jointly control the entity.

(iii) Jointly controlled assets

Venture has certain contractual arrangements with other participants to engage in joint activities where all significant matters of operating and financial policy are determined by the participants such that the operation itself has no significant independence to pursue its own commercial strategy. These contractual arrangements do not create a joint venture entity due to the fact that the policies are those of the participants, not a separate entity carrying on a trade or a business of its own. The financial statements of Venture include its share of the assets, liabilities and cash flows in such joint venture operations, measured in accordance with the terms of each arrangement, which is usually pro-rata to Venture's interest in the joint venture operations.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Venture Minerals Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Translation differences on financial assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale financial assets are included in the fair value reserve in equity.

(ii) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for the statement of comprehensive income are translated at average exchange rates, and
- All resulting exchange differences are recognised in other comprehensive income.

1. Summary of Significant Accounting Policies (continued)

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties. Revenue is recognised for the business activities as follows:

(i) Interest income

Interest income is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(f) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(g) Leases

Leases of property, plant and equipment where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

(h) Impairment of assets

At each reporting date the group assesses whether there is any indication that an asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

1. Summary of Significant Accounting Policies (continued)

(i) Cash and cash equivalents

For the purposes of presentation of the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(j) Trade and other receivables

Trade and other receivables are initially recognised initially at fair value and subsequently measured at amortised costs using the effective interest method, less provision for impairment. Trade and other receivables are generally due for settlement within 30 days. Collectability of trade receivables is reviewed on an ongoing basis. Amounts that are known to be uncollectible are written off by reducing the carrying amount directly.

(k) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- Such costs are expected to be recouped through successful development and exploitation or from sale of the area: or
- Exploration and evaluation activities in the area have not, at balance date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated costs in respect of areas of interest which are abandoned are written off in full against profit in the year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(l) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on assets is calculated using the reducing balance method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Plant and equipment - office	40.0%
Furniture and equipment - office	20.0%
Plant and equipment - field	20.0%
Motor vehicles	22.5%
Leasehold improvements	12.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

1. Summary of Significant Accounting Policies (continued)

(n) Provisions

Provisions are recognised when: the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as other payables.

(ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Share-based payments

The company provides benefits to employees (including directors) of the group in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). There is currently an Employee Incentive Scheme (IOS), which provides benefits to directors and senior executives. The cost of these equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of shares of Venture Minerals Limited ('market conditions').

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

1. Summary of Significant Accounting Policies (continued)

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after tax effect of interest and other financing costs associated with the dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(r) Goods and services tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(s) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting periods. The group's assessment of the impact of these new standards and interpretations is set out below.

- (i) AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)
AASB 9 Financial Instruments addresses the classification and measurement of financial assets and is likely to affect the group's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The group is yet to assess its full impact. The group has not yet decided when to adopt AASB 9.
- (ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards (effective 1 January 2013). The Group does not expect to adopt the new standards before their operation date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.
- (iii) Revised AASB 124 Related Party Disclosures and AASB 2009-12 Amendments to Australian Accounting Standards (effective 1 January 2011)
The revised AASB 124 is effective for accounting periods beginning on or after 1 January 2011 and must be applied retrospectively. The aim of the amendment is to clarify and simplify the definition of a related party. The group will apply the amended standard from 1 July 2011. When the amendments are applied, the group will need to disclose any transactions between its subsidiaries and its associates. However, there will be no impact on any of the amounts recognised in the financial statements.
- (iv) AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013).
The revised AASB 13 explains how to measure fair value and aims to enhance fair value disclosures. The group has yet to determine which, if any, of its current measurement techniques it will have to change as a result of the new guidance. The group does not intend to adopt the new standard before its operative date being 30 June 2014.

2. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements may differ from the related actual results and may have a significant effect on the carrying amount of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Deferred exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1(k).

(ii) Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 24.

		Consolidated	
		2012	2011
		\$	\$
3. Revenue			
(a) From continuing operations			
Interest received		751,428	1,070,673
Total revenue from continuing operations		751,428	1,070,673
4. Loss for the Year			
(a) Depreciation of non-current assets			
Plant and equipment - office		43,828	44,680
Plant and equipment - field		3,019	5,049
Total depreciation of non-current assets		46,847	49,729
(b) Finance costs			
Interest and finance charges paid or payable		11,889	8,918
Total finance charges paid or payable		11,889	8,918
(c) Foreign exchange loss			
Net foreign exchange loss		21,543	4,394
Total foreign exchange loss		21,543	4,394
5. Auditor's Remuneration			
(a) Remuneration of the auditor of the group			
Auditing or reviewing the financial statements		27,074	29,000
Total auditor remuneration		27,074	29,000
6. Key Management Personnel Compensation			
(a) Summary Key Management Personnel Compensation			
Short-term employee benefits		1,236,722	1,013,786
Post-employment benefits		91,090	69,918
Long-term benefits		-	-
Share-based payments		749,899	1,232,752
Total key management personnel compensation		2,077,711	2,316,456
Detailed remuneration disclosures are provided within the audited remuneration report which can be found on pages 17 to 23 of the directors' report.			
(b) Options provided as remuneration and shares issued on exercise of such options			
Details of options provided as remuneration and shares issued on the exercise of such options, together with the terms and conditions of the options, are provided within the audited remuneration report which can be found on pages 17 to 23 of the directors' report.			
(c) Loans to key management personnel			
No loans were made to any director or other key management personnel of the group, including their personally related parties during the financial year.			
(d) Other transactions with key management personnel			
Information relating to other transactions with any director or other key management personnel can be found at note 23.			

6. Key Management Personnel Compensation (continued)**(e) Option Holdings**

The number of options over ordinary shares in the company held during the financial year by each director of Venture Minerals Limited and other key management personnel of the group, including their personally related parties, are set out below:

2012	Balance at start of the year	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
Directors of Venture Minerals Limited						
Mr M Ashton	2,250,000	750,000	-	(1,500,000)	1,500,000	1,500,000
Mr H Halliday	7,650,000	3,000,000	-	(5,400,000)	5,250,000	5,250,000
Mr A Radonjic	5,250,000	1,500,000	-	(3,500,000)	3,250,000	3,250,000
Mr B McFadzean	2,200,000	750,000	-	(1,450,000)	1,500,000	1,500,000
Mr J Jetter	1,000,000	750,000	-	-	1,750,000	1,750,000
Other key management personnel						
Mr G Brock ^A	-	750,000	-	-	750,000	750,000
Mr J Grygorcewicz ^B	-	-	-	-	-	-
Mr B Dunnachie	675,000	175,000	-	(175,000)	675,000	675,000

2011	Balance at start of the year	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
Directors of Venture Minerals Limited						
Mr M Ashton	1,500,000	750,000	-	-	2,250,000	2,250,000
Mr H Halliday	5,400,000	2,250,000	-	-	7,650,000	7,650,000
Mr A Radonjic	3,500,000	1,750,000	-	-	5,250,000	5,250,000
Mr B McFadzean	1,450,000	750,000	-	-	2,200,000	2,200,000
Mr J Jetter	-	1,000,000	-	-	1,000,000	1,000,000
Other key management personnel						
Mr B Dunnachie	425,000	250,000	-	-	675,000	675,000

A: Mr G Brock was appointed on the 4 July 2011

B: Mr J Grygorcewicz was appointed on 14 May 2012

6. Key Management Personnel Compensation (continued)**(f) Share holdings**

The number of shares in the company held during the financial year by each director of Venture Minerals Limited and other key management personnel of the group, including their personally related parties, are set out below. There were no shares granted during the year as compensation.

2012	Balance at the start of the year	Received on exercise of options	Other changes	Balance at the end of the year
Directors of Venture Minerals Limited				
Mr M Ashton	1,500,000	-	-	1,500,000
Mr H Halliday	6,425,000	-	-	6,425,000
Mr A Radonjic	2,666,665	-	-	2,666,665
Mr B McFadzean	-	-	-	-
Mr J Jetter	2,259,000	-	-	2,259,000
Other key management personnel				
Mr G Brock ^A	-	-	-	-
Mr J Grygorcewicz ^B	-	-	-	-
Mr B Dunnachie	-	-	-	-

2011	Balance at the start of the year	Received on exercise of options	Other changes	Balance at the end of the year
Directors of Venture Minerals Limited				
Mr M Ashton	1,566,667	-	(66,667)	1,500,000
Mr H Halliday	6,125,000	-	300,000	6,425,000
Mr A Radonjic	2,666,665	-	-	2,666,665
Mr B McFadzean	-	-	-	-
Mr J Jetter	1,799,000	-	460,000	2,259,000
Other key management personnel				
Mr B Dunnachie	25,000	-	(25,000)	-

A: Mr G Brock was appointed on the 4 July 2011

B: Mr J Grygorcewicz was appointed on 14 May 2012

		Consolidated	
		2012	2011
		\$	\$
7. Income Tax Expense			
(a) Income tax expense			
Current tax		867,258	431,777
Deferred tax		-	-
Total income tax (expense)/benefit		867,258	431,777
Deferred income tax expense included in income tax expense comprises:			
(Increase) in deferred tax assets (note 7(c))		(3,049,005)	(3,303,310)
Increase in deferred tax liabilities (note 7(d))		3,049,005	3,303,310
		-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable			
Profit/(loss) from continuing operations before income tax expense		(4,822,652)	(4,563,433)
Tax (tax benefit) at the tax rate of 30% (2011: 30%)		(1,446,796)	(1,369,030)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:			
Share based payments		333,424	603,699
Other non-deductible amounts		36,421	19,672
		(1,076,951)	(745,659)
Unrecognised tax losses		383,144	400,238
Research & Development expenditure uplift		(173,451)	(86,356)
Income tax benefit ^A		(867,258)	(431,777)
(c) Deferred tax assets			
Tax losses ^B		10,322,108	7,306,265
Employee benefits		91,858	62,788
Other accruals		9,042	4,950
Total deferred tax assets		10,423,008	7,374,003
Set-off deferred tax liabilities (note 7(d))		(10,423,008)	(7,374,003)
Net deferred tax assets		-	-
(d) Deferred tax liabilities			
Exploration expenditure		10,380,170	7,341,843
Other		42,838	32,160
Total deferred tax liabilities		10,423,008	7,374,003
Set-off deferred tax assets (note 7(c))		(10,423,008)	(7,374,003)
Net deferred tax liabilities		-	-
(e) Tax losses			
Unused tax losses for which no DTA has been recognized		7,699,361	6,753,120
Potential tax benefit at 30%		2,309,808	2,025,936
(f) Unrecognised temporary differences			
Unrecognised deferred tax asset relating to capital raising costs		1,998,800	1,544,441

A: The income tax benefit relates to a research and development claim recognised during the current year.

B: The deferred tax asset attributable to tax losses does not exceed taxable amounts arising from the reversal of existing assessable temporary differences.

		Consolidated	
		2012	2011
		\$	\$
8.	Cash & Cash Equivalents		
(a)	Cash & cash equivalents		
	Cash at bank and in hand	2,096,152	1,778,308
	Deposits at call	8,000,000	18,000,000
	Total cash and cash equivalents	10,096,152	19,778,308
(b)	Cash at bank and on hand		
	Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.00% and 4.00% (2011: 0.00% and 5.79%).		
(c)	Deposits at call		
	Deposits at call are bearing interest rates between 5.03% and 5.30% (2011: 5.40% and 6.02%).		
9.	Trade & Other Receivables		
(a)	Current		
	Other receivables	469,351	509,791
	Prepayments	185,181	90,168
	Total current trade and other receivables	654,532	599,959
(b)	Non-Current		
	Deposits ¹	373,800	170,876
	Total non-current trade and other receivables	373,800	170,876
	¹ The deposits include a \$355,000 bank guarantee facility for a corporate credit card facility and security deposits required by the relevant authority for the granted exploration and mining licences. The unused facility amount is \$69,000.		
(c)	Past due and impaired receivables		
	As at 30 June 2012, there were no other receivables that were past due or impaired (2011: nil).		
(d)	Effective interest rates and credit risk		
	Information concerning effective interest rates and credit risk of both current and non-current trade and other receivables is set out in note 17.		

Consolidated	Plant & Equipment Office \$	Furniture & Equipment Office \$	Plant & Equipment Field \$	Leasehold Improvements \$	Motor Vehicle \$	Land \$	Total \$
10. Property, Plant & Equipment							
(a) Year ended 30 June 2011							
Opening net book amount	38,046	39,310	12,624	130,752	43,032	-	263,764
Additions	25,204	6,598	-	-	28,636	129,839	190,277
Disposals/write-offs	-	-	-	-	-	-	-
Depreciation charge	(19,226)	(9,111)	(5,049)	(16,344)	(15,843)	-	(65,573)
Closing net book amount	44,024	36,797	7,575	114,408	55,825	129,839	388,468
At 30 June 2011							
Cost or fair value	85,944	46,988	46,301	132,146	109,533	129,839	550,751
Accumulated depreciation	(41,920)	(10,191)	(38,726)	(17,738)	(53,708)	-	(162,283)
Net book amount	44,024	36,797	7,575	114,408	55,825	129,839	388,468
(b) Year ended 30 June 2012							
Opening net book amount	44,024	36,797	7,575	114,408	55,825	129,839	388,468
Additions	13,809	6,530	-	-	35,371	-	55,710
Disposals/write-offs	-	-	-	-	-	-	-
Depreciation charge	(21,017)	(8,509)	(3,020)	(14,301)	(16,703)	-	(63,550)
Closing net book amount	36,816	34,818	4,555	100,107	74,493	129,839	380,628
At 30 June 2012							
Cost or fair value	99,753	53,518	46,301	132,146	144,904	129,839	606,461
Accumulated depreciation	(62,937)	(18,700)	(41,746)	(32,039)	(70,411)	-	(225,833)
Net book amount	36,816	34,818	4,555	100,107	74,493	129,839	380,628

	2012 \$	Consolidated 2011 \$
11. Exploration & Evaluation Expenditure		
(a) Non-current		
Opening balance	24,472,811	13,561,756
Exploration and acquisition costs	10,922,091	11,588,090
Write offs/provisions	(785,499)	(677,035)
Total non-current exploration and evaluation expenditure	34,609,403	24,472,811
(b) Recoverability of capitalised costs		
The value of the group's interest in exploration expenditure is dependent upon:		
- the continuance of the group's rights to tenure of the areas of interest; - the results of future exploration; and - the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.		
The group's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.		

	Consolidated 2012 \$	Consolidated 2011 \$
12. Trade & Other Payables		
(a) Current		
Trade Payables	1,172,314	1,201,936
Other Payables	334,430	161,845
Total current trade & other	1,506,744	1,363,781
13. Provisions		
(a) Current		
Employee entitlements	289,666	158,030
Total current provisions	289,666	158,030
(b) Non-Current		
Employee entitlements	16,526	-
Total non-current provisions	16,526	-

	Consolidated 2012 Shares	Consolidated 2011 Shares	Consolidated 2012 \$	Consolidated 2011 \$
14. Contributed Equity				
(a) Issued capital				
Ordinary shares - fully paid	232,468,592	221,093,592	56,279,621	52,366,258
Total issued capital	232,468,592	221,093,592	56,279,621	52,366,258
(b) Ordinary Shares				
Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.				
(c) Options				
Information relating to options including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 15.				

	Date	Number of Shares	Issue Price \$	Total \$
14. Contributed Equity (continued)				
(d) Movements in issued capital				
Opening Balance 1 July 2010		168,046,667		30,045,526
Share issue	16 July 10	116,667	0.30	35,000
Share issue	13 Oct 10	24,500,000	0.44	10,780,000
Share issue	22 Nov 10	16,869,998	0.44	7,422,799
Share issue	23 Nov 10	11,410,260	0.44	5,020,514
Exercise of options	06 Jun 11	150,000	0.30	45,000
Transfer from option premium reserve				8,754
Less: Transaction costs				(991,335)
Closing Balance at 30 June 2011		221,093,592		52,366,258
Opening Balance 1 July 2011		221,093,592		52,366,258
Exercise of options	16 Jan 12	10,075,000	\$0.30	3,022,500
Exercise of options	22 Feb 12	1,300,000	\$0.30	390,000
Transfer from option premium reserve				663,890
Less: Transaction costs				(163,027)
Closing Balance at 30 June 2012		232,468,592		56,279,621

Expiry date	Exercise price	Balance at start of year	Granted during the year	Issued/ (Exercised) during the year	Cancelled/ lapsed during the year	Balance at end of the year
15. Share Options						
(a) 2012 unlisted share option details						
31 Aug 11	50.0 cents	9,580,000	-	-	(9,580,000)	-
20 Feb 12	30.0 cents	11,375,000	-	(11,375,000)	-	-
15 Aug 14	45.0 cents	-	-	11,375,000	-	11,375,000
20 Mar 13	55.0 cents	500,000	-	-	-	500,000
20 Mar 13	70.0 cents	10,550,000	-	-	-	10,550,000
		32,005,000	-	-	(9,580,000)	22,425,000
(b) 2011 unlisted share option details						
31 Aug 11	50.0 cents	9,580,000	-	-	-	9,580,000
20 Feb 12	30.0 cents	11,525,000	-	(150,000)	-	11,375,000
20 Mar 13	55.0 cents	-	500,000	-	-	500,000
20 Mar 13	70.0 cents	-	10,750,000	-	(200,000)	10,550,000
		21,105,000	11,250,000	(150,000)	(200,000)	32,005,000

	Consolidated 2012 \$	2011 \$
16. Reserves		
(a) Unlisted option reserve		
Opening balance	4,378,457	2,374,882
Exercise of options	(663,890)	(8,754)
Unlisted options issued as remuneration during the year	1,111,413	2,012,329
Total unlisted option reserve	4,825,980	4,378,457
The unlisted option reserve records items recognised on valuation of director, employee and contractor share options. Information relating to the Venture Minerals Limited Employee Incentive Scheme "IOS", including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 24.		

	Consolidated	
	2012	2011
	\$	\$
16. Reserves (continued)		
(b) Foreign currency translation reserve		
Opening balance	-	-
Exchange differences arising on translation of foreign operations	7,476	-
Closing Balance	7,476	-
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve. The reserve is recognised in the statement of comprehensive income when the net investment is disposed of.		
(c) Total reserves		
Unlisted option reserve	4,825,980	4,378,457
Exchange differences arising on translation of foreign operations	7,476	-
Closing Balance	4,833,456	4,378,457
The unlisted option reserve records items recognised on valuation of director, employee and contractor share options. Information relating to the Venture Minerals Limited Employee Incentive Scheme "IOS", including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year, is set out in note 24.		

17. Financial Instruments, Risk Management Objectives and Policies

The Consolidated Entity's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the group. The Consolidated Entity also has other financial instruments such as trade and other receivables and trade and other payables which arise directly from its operations. For the year under review, it has been the Consolidated Entity's policy not to trade in financial instruments.

The main risks arising from the Consolidated Entity's financial instruments are interest rate risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest Rate Risk

The group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

Consolidated	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest	Non-interest bearing	2012 total
	%	\$	\$	\$	\$
2012					
Financial Assets					
Cash and cash equivalents	4.60	890,972	8,000,000	1,205,180	10,096,152
Trade & other receivables - current	0.00	-	-	469,351	469,351
Trade & other receivables - non-current	4.71	-	373,800	-	373,800
		890,972	8,373,800	1,674,531	10,939,303
Financial Liabilities					
Trade & other payables - current	0.00	-	-	1,506,744	1,506,744
		-	-	1,506,744	1,506,744

17. Financial Instruments, Risk Management Objectives and Policies (continued)

Consolidated	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest	Non-interest bearing	2011 total
	%	\$	\$	\$	\$
2011					
Financial Assets					
Cash and cash equivalents	5.79	1,417,393	18,000,000	360,915	19,778,308
Trade & other receivables - current	0.00	-	-	509,791	509,791
Trade & other receivables - non-current	5.80	-	170,876	-	170,876
		<u>1,417,393</u>	<u>18,170,876</u>	<u>870,706</u>	<u>20,458,975</u>
Financial Liabilities					
Trade & other payables - current	0.00	-	-	1,363,781	1,363,781
		<u>-</u>	<u>-</u>	<u>1,363,781</u>	<u>1,363,781</u>

The maturity date for all cash, current receivables and trade and other payable financial instruments included in the above tables is one year or less from balance date. The maturity for the non-current trade and other receivables is between 1 and 3 years from balance date.

Group sensitivity analysis

The entity's main interest rate risk arises from cash and cash equivalents with variable and fixed interest rates. At 30 June 2012 and 30 June 2011, the group's exposure to interest rate risk is not considered material.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the group's maximum exposure to credit risk.

(c) Liquidity risk

The group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, the group aims at ensuring flexibility in its liquidity profile by maintaining the ability to undertake capital raisings. Funds in excess of short term operational cash requirements are generally only invested in short term bank bills.

(d) Net fair value

The carrying value and net fair values of financial assets and liabilities at balance date are:

Consolidated	2012		2011	
	Carrying Amount \$	Net fair Value \$	Carrying Amount \$	Net fair Value \$
Financial assets				
Cash and cash equivalents	10,096,152	10,096,152	19,778,308	19,778,308
Trade & other receivables - current	469,351	469,351	509,791	509,791
Trade & other receivables - non-current	373,800	373,800	170,876	170,876
	<u>10,939,303</u>	<u>10,939,303</u>	<u>20,458,975</u>	<u>20,458,975</u>
Financial Liabilities				
Trade and other payables - current	1,506,744	1,506,744	1,363,781	1,363,781
	<u>1,506,744</u>	<u>1,506,744</u>	<u>1,363,781</u>	<u>1,363,781</u>

		Consolidated	
		2012	2011
		\$	\$
18. Earnings per Share			
(a) Earnings/(Loss)			
Earnings/(loss) used in the calculation of basic EPS		(3,955,394)	(4,131,656)
(b) Weighted average number of ordinary shares ('WANOS')			
WANOS used in the calculation of basic earnings per share:		226,145,536	202,751,999
19. Cash Flow Information			
(a) Reconciliation of cash flows from operating activities with loss from ordinary activities after income tax:			
Profit/(loss) from ordinary activities after income tax		(3,955,394)	(4,131,656)
Depreciation		46,847	49,729
Share based payments		1,111,413	2,047,329
Changes in assets and liabilities:			
- (Increase) in operating receivables & prepayments		(54,498)	(85,009)
- (Increase) in capitalised exploration		(10,112,413)	(10,895,212)
- Increase in trade and other payables		142,963	817,522
- Increase in employee provisions		148,162	48,044
Net cash (outflows) from Operating Activities		(12,672,920)	(12,149,253)

		Consolidated	
		2012	2011
		\$	\$
20. Commitments			
(a) Exploration commitments			
Not longer than one year		554,920	2,711,541
Longer than one year, but not longer than five years		3,039,920	3,409,825
Longer than five years		-	-
		3,594,840	6,121,366

In order to maintain rights of tenure to mining tenements subject to these agreements, the group would have the above discretionary exploration expenditure requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable per the above maturities. If the company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

21. Events Occurring After Balance Date

The following matters have arisen following the end of the financial year:

- A. On 26 July 2012 the Company announced a maiden mineral reserve for the Riley and Livingstone DSO projects of 4.0 million tonnes at 57% Fe content. This represented a 90% conversion from inferred resource to reserve.
- B. On 2 August 2012 the company announced a new high grade tin discovery from an inaugural drilling program at the Big Wilson area located in North West Tasmania. The first drill hole from the inaugural exploration drill program reported a mineral intersection of 17.4 metres at 2% tin from 209.6 metres including a section of 4 metres at 5.6% tin from 212.2 metres.
- C. On 15 August 2012 the Company announced it intended to raise \$15 million from a placement of 48,400,000 fully paid shares at an issue price of 31 cents per share. The placement is to be conducted in two tranches with the first tranche being the issue of 22,959,968 fully paid shares at an issue price of 31 cents per share to raise gross proceeds of \$7.12 million. The issue of the tranche 1 placement shares was completed on 21 August 2012.

The second tranche of placement shares totalling 25,440,032 fully paid shares to be issued at an issue price of 31 cents per share will raise gross proceeds of \$7.89 million. The allotment of tranche 2 placement shares were approved by shareholders at the General Meeting held on Monday 24 September 2012. The issue of tranche 2 shares and receipt of funds is expected to be completed shortly.

The funds from the placement will be utilised to fund the development and commencement of production at the Company's DSO iron ore projects, accelerate exploration programs at the newly discovered Big Wilson tin prospect and to fund costs of the placement issue.

- D. On 15 August 2012 the Company entered into a Project Opportunity & Development Agreement with Elphinstone Holdings Pty Ltd. This will involve Elphinstone to provide strategic assistance to the Company in the ongoing advancement of Venture's projects in Tasmania, being the preferred provider of mining goods and services with respect to those projects, and an ongoing relationship for mutual benefit.

As consideration for entering into that agreement and to further align Elphinstone with the continued development of Venture's projects, Venture has agreed to issue to Elphinstone at the time of issue of the Tranche 1 shares, 6.5 million options in 3 tranches exercisable at \$0.45, \$0.50 and \$0.55. Each of these option tranches vest upon certain development milestones being achieved at Venture's flagship Tasmanian projects. The terms and associated milestones for vesting of these options are as follows:

Tranche	No of Options	Exercise Price	Vesting Date	Expiry Date
First	2,000,000	\$0.45	On the date of issue of the Options.	14 August 2014
Second	2,000,000	\$0.50	The date that the first shipment of direct shipping ore is shipped off any existing tenement in Tasmania held by the Venture Group, regardless of any future change of ownership, farm-out or other arrangement made in relation to such a tenement.	18 months after the Vesting Date
Third	2,500,000	\$0.55	The date that Venture (or any other party that owns the tenements) publicly announces that it has: (d) made a decision to mine at any of Venture's existing tin deposits in Tasmania; (e) secured the necessary project financing to fund the mining referred to in (a) without any material conditions outstanding; and (f) decided definitively to commence mining within 12 months of the announcement.	18 months after the Vesting Date

21. Events Occurring After Balance Date (continued)

- E. On 15 August 2012 the Company offered a Share Purchase Plan (SPP) open to all eligible shareholders to raise \$2.0 million at an issue price of 31 cents per share. The SPP closed fully subscribed on 7 September 2012 with the issue of 6,451,578 fully paid ordinary shares.
- F. At the General Meeting held on 24 September 2012, shareholders approved the issue of 1,000,000 options to Mr John Jetter, a Non-Executive Director.

The option issue is in recognition of Mr Jetter's active contribution, over and above his directors' duties, to progress financing for the Mt Lindsay tin/tungsten project. Each Option shall vest, and therefore be exercisable, upon the Company successfully obtaining project financing for the Mount Lindsay Tin/Tungsten Project. The options will be exercisable at \$0.45 per share and shall expire 18 months after the vesting date.

There were no further material events subsequent to balance date.

22. Segment Information

(a) Description of segments

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions. For the purposes of segment reporting the chief operating decision maker has been determined as the board of directors. The board monitors the entity primarily from a geographical perspective, and has identified two operating segments, being exploration for mineral reserves within Australia and the corporate/head office function.

(b) Segment information provided to the board of directors

The segment information provided to the board of directors for the reportable segments is as follows:

	Exploration Thailand \$	Australia \$	Corporate \$	Total \$
2012				
Total segment revenue	-	-	751,428	751,428
Interest revenue	-	-	751,428	751,428
Depreciation and amortisation expense	(282)	(3,020)	(43,545)	(46,847)
Total segment loss before income tax	(118,808)	(756,136)	(3,947,708)	(4,822,652)
Total segment assets	30,917	34,730,404	11,353,194	46,114,515
Total segment liabilities	(3,919)	-	(1,809,017)	(1,812,936)
2011				
Total segment revenue	-	-	1,070,673	1,070,673
Interest revenue	-	-	1,070,673	1,070,673
Depreciation and amortisation expense	-	(5,049)	(44,680)	(49,729)
Total segment loss before income tax	-	(682,084)	(3,881,349)	(4,563,433)
Total segment assets	-	24,472,811	20,937,611	45,410,422
Total segment liabilities	-	-	(1,521,811)	(1,521,811)

22. Segment Information (continued)

(c) Measurement of segment information

All information presented in part (b) above is measured in a manner consistent with that in the financial statements.

(d) Segment revenue

No inter-segment sales occurred during the current or previous financial year. The entity is domiciled in Australia. No revenue was derived from external customers in countries other than the country of domicile. Revenues of \$751,428 (2011: \$1,070,673) were derived from one Australian financial institution during the period. These revenues are attributable to the corporate segment.

(e) Reconciliation of segment information

Total segment revenue, total segment profit/(loss) before income tax, total segment assets and total segment liabilities as presented in part (b) above, equal total entity revenue, total entity profit/(loss) before income tax, total entity assets and total entity liabilities respectively, as reported within the financial statements.

23. Related Party Information

(a) Parent entity

The ultimate parent entity within the group is Venture Minerals Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in note 26.

(c) Key management personnel

Disclosures relating to key management personnel are set out in note 6.

(d) Transactions with Director Related Parties

The following transactions occurred with director related parties:

	Consolidated	
	2012	2011
	\$	\$
Recharges to director related entities (excluding GST):		
Recharge of costs to Avonlea Minerals Limited	95,487	91,079
Recharge of costs to Gryphon Minerals Limited	7,576	2,853
Recharge of costs to Black Peak Pty Ltd	6,492	-
Recharges of costs to Renaissance Minerals Limited	36,215	10,967
Purchases from director related entities (excluding GST):		
Payments for shared services/reimbursable costs to Gryphon Minerals Ltd	198,265	233,808
Payments for shared services/reimbursable costs to Renaissance Minerals Ltd	4,889	175
Payments for office rent and outgoings to Allos Property Group Pty Ltd	294,846	230,019
Outstanding balances arising from recharges/purchases with Director Related Parties:		
Current receivables	43,919	78,747
Current payables	50,340	35,544

(e) Terms and conditions of related party transactions

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated.

24. Share Based Payments

The Directors have established an Incentive Option Scheme ('IOS') in accordance with the listing rules of the ASX. The purpose of the Scheme is to give employees, directors, executive officers and consultants of the group an opportunity, in the form of options, to subscribe for ordinary shares in the company. The Directors consider the Scheme will enable the group to retain and attract skilled and experienced employees, board members and executive officers and provide them with the motivation to make the group more successful.

(a) Fair value of listed options granted

The fair value of listed options granted is calculated as the market value prevailing at the date on which the options are authorised for issue.

(b) Fair value of unlisted options granted

The weighted average fair value of the options granted during the year was 9.7 cents (2011: 17.9 cents). The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2012	2011
Weighted average exercise price (cents)	45.0	69.0
Weighted average life of the option (years)	2.4	2.3
Weighted average underlying share price (cents)	0.34	0.55
Expected share price volatility	70%	77%
Weighted average risk free interest rate of	3.80%	5.06%

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future tender, which may not eventuate. The life of the options is based on historical exercise patterns, which may not eventuate in the future.

Total share-based payment transactions recognised during the year are set out below. Details of other options movements and balances are set out in Note 15.

	Consolidated	
	2012	2011
	\$	\$
Unlisted options		
Options issued to directors, employees and consultants	1,111,413	2,012,329
Issue Capital		
Consultants Fees: Ordinary Shares issued to consultants	-	35,000

25. Contingent Liabilities

There are no contingent liabilities outstanding at the end of the year.

26. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	Equity holding ^A	
			2012	2011
			%	%
Venture Uranium Pty Ltd	Australia	Ordinary	100	100
Venture Z Pty Ltd	Australia	Ordinary	100	100
Venture Iron Pty Ltd	Australia	Ordinary	100	100
Venture Tasmania Pty Ltd	Australia	Ordinary	100	100
Venture T Pty Ltd ^B	Australia	Ordinary	100	-
Venture Thailand Pty Ltd ^C	Thailand	Ordinary	100	-

A: The proportion of ownership interest is equal to the proportion of voting power held.

B: The Company was incorporated on the 23 November 2011.

C: The Company was incorporated on the 27 December 2011.

27. Interest in Joint Venture Operations & Farm-in Arrangements

(A) Bass Metals JV

On 20 August 2008 Venture Minerals Limited entered into an earn-in Joint Venture agreement with Bass Metals Limited (Bass) to acquire a 70% interest in the Iron, Tin and Tungsten rights of the tenements (EL31/2003 and EL36/2003) under the following terms:

- (a) Venture to pay \$50,000 cash to Bass upon signing the heads of agreement,
- (b) Venture to spend \$650,000 on exploration within 3 years to earn 70% of the iron, tin & tungsten rights,
- (c) Venture must spend \$155,000 on exploration before it is entitled to withdraw,
- (d) Venture is solely responsible for maintaining the licences in good standing with the Tasmanian Government,
- (e) Upon Venture earning 70% of the iron, tin & tungsten rights, Bass may elect to either contribute or dilute further to a 10% free carried interests up to the commencement of Mining Operations,
- (f) Upon the Commencement of Mining Operations Bass can elect to either contribute their 10% share of the joint venture or dilute out using an industry standard dilution formula, and
- (g) Pioneer Nickel Limited (ASX:PIO), through a previous joint venture agreement with Bass over the two tenements, has consented to this transaction and retains a 2% Net Smelter Royalty

At 30 June 2012, Venture Minerals had met the obligations under (a), (b) and (c) as set out above and held a 76% (30 June 2011: 70%) interest in the Tasmanian Projects. Bass Metals Ltd under (e) elected to dilute their interests during the year from 30% to 24%.

(B) Black Peak Holdings

On 28 April 2006 and as revised in the Extension of Terms dated 10 August 2011, Debnal Pty Ltd ('Debnal') entered into a memorandum of understanding (Memorandum) with Black Peak Holdings Pty Ltd ('Black Peak') or nominee (Venture Minerals Limited). The Memorandum was for the purposes of entering into an earn-in Joint Venture for the South Australian Project (EL4788) on the following terms and conditions:

- (a) Venture may earn a 51% interest in the South Australian Projects by spending \$750,000 on exploration within the first 2 years of the Joint Venture. Venture must meet the first year expenditure requirements of the South Australian Projects of approximately \$180,000;
- (b) Venture may earn a further 24% interest (total 75% interest) in the South Australian Project by spending an additional \$750,000 on exploration. On 10 August 2011 the terms were extended to allow the expenditure to occur within the same allowed to Mega Hindmarsh Pty Ltd as per the clause referred to in (b) below;
- (c) Venture may earn a further 15% (total 90% interest) in the South Australian Project by funding the completion of a bankable feasibility study on any of the South Australian Projects (Study); and
- (d) on completion of the Study, Debnal can elect to contribute to expenditure or dilute to a 2% net smelter royalty.

Debnal will be entitled to an additional \$100,000 in regard to each of the South Australian Projects in the event that Venture intersects potentially economic mineralization of greater than 100 gram/metres gold or gold equivalent. Should a Bankable Feasibility Study on any of the South Australian Projects yield a positive financial outcome, Debnal will receive a final cash payment of \$250,000. Venture may at anytime withdraw from part or all of the South Australian Projects and will inform Mr Allan Kelly, 30 days prior to any withdrawal of mineral licences. On signing of a formal Joint Venture on the South Australian Projects, Black Peak (now Venture) will employ, or find employment through other sources for Mr Allan Kelly at standard industry rates, for approximately 30 days per calendar year all the while Black Peak has title.

Further, on 31 July 2008 Venture Minerals entered into a farm-out Joint Venture agreement with a subsidiary of Mega Uranium Limited ('Mega'). The terms of the Joint Venture agreement were altered on the 10 August 2011 varying the terms of the agreement. The purpose was to farm-out an 80% interest in the Uranium rights of the tenements (EL4788) on the following terms and conditions:

27. Interest in Joint Venture Operations & Farm-in Arrangements (continued)

- (a) Mega to spend \$300,000 (second expenditure commitment) on exploration within 12 months of the granting of EL4788, Mega will be entitled to 100% of the Uranium Rights of Venture's Tenement interest at the time (which will be a 51% interest in 4788). Mega must meet the minimum expenditure requirement of \$100,000 on exploration before Mega is entitled to withdraw,
- (b) If Mega incurs expenditure of \$450,000 within 24 months after meeting the "second expenditure commitment" referred to in clause (a) above, Mega will be entitled to 100% of the Uranium Rights of Venture's tenement interest which will be 75% in so far as it relates to Uranium Joint Venture Targets,
- (c) 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,
- (d) 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.

In the current and previous years, Venture Minerals withdrew from the Joint Venture in relation to EL3511 and EL3529. As at 30 June 2012, Venture Minerals had met the obligations under (a) as set out above and held a 51% direct interest in EL4788.

(C) Rumble Resources Limited JV

On 2 March 2011 the company entered into an earn-in Joint Venture Agreement with Rumble Resources Limited whereby Rumble has the opportunity to acquire an interest in the Company's Paulsens South tenements. The terms of the Agreement are as follows:

- a) Rumble to acquire an initial 51% interest through the expenditure of \$500,000 within 3 years of Rumble being admitted onto the ASX. This shall include a minimum of 3,000 metres of RC or diamond drilling to be completed before withdrawal or within 12 months of listing on ASX or 15 October 2012 whichever comes first.
- b) Rumble may acquire an additional 19% interest through the expenditure of \$1,000,000 within 5 years of Rumble being admitted onto the ASX.
- c) Upon Rumble acquiring a 70% interest, Venture shall have the option to contribute to further expenditure or dilute to a 10% interest.
- d) If Venture elects to dilute to a 10% interest, Venture will be free carried to a decision to mine on expenditure capped at \$10 million by Rumble.
- e) At completion of expenditure of \$10 million or decision to mine (whichever comes first) Venture shall have the option of contributing to further expenditure or revert to a 1% net smelter royalty.

		Company	
		2012	2011
		\$	\$
28. Parent Entity Information			
(a) Assets			
Current assets		10,731,199	20,378,267
Non-current assets		35,527,547	25,032,429
Total assets		46,258,746	45,410,696
(b) Liabilities			
Current liabilities		1,792,491	1,521,811
Non current liabilities		16,526	-
Total liabilities		1,809,017	1,521,811
(c) Equity			
Contributed equity		56,279,622	52,366,258
Accumulated losses		(16,655,873)	(12,855,830)
Reserves		4,825,980	4,378,457
Total equity		44,449,729	43,888,885
(d) Total Comprehensive loss for the year			
Loss for the year after income tax		(3,800,043)	(4,131,382)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(3,800,043)	(4,131,382)
The parent entity has not guaranteed any loans for any entity during the year.			

Director's Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 27 to 56 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (c) the audited remuneration disclosures set out on pages 17 to 23 of the directors' report comply with section 300A of the *Corporations Act 2001*.
- (d) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.



Hamish Halliday
Managing Director

Perth, Western Australia, 25 September 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENTURE MINERALS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Venture Minerals Limited, which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 1(a)(i), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of Venture Minerals Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.
- (b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in note 1(a)(i).

Report on the Remuneration Report

We have audited the remuneration report included in pages 17 to 23 of the directors' report for the year ended 30 June 2012. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards

Auditor's opinion

In our opinion the remuneration report of Venture Minerals Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd



Martin Michalik
Director

West Perth, Western Australia
25 September 2012

Shareholding Distribution

The distribution of members and their holdings of equity securities in the holding company as at 29 August 2012 were as follows:

Number Held as at 29 August 2012	Class of Equity Securities Fully Paid Ordinary Shares
1 - 1,000	86,456
1,001 - 5,000	3,885,087
5,001 - 10,000	8,495,814
10,001 - 100,000	63,564,346
100,001 and over	179,396,857
	<u>255,428,560</u>

Holders of less than a marketable parcel: 377

Substantial Shareholders

The names of the substantial shareholders as at 29 August 2012:

Shareholder	Number
Molton Holdings Limited	22,162,334
Republic Investment Management Pte Ltd	13,188,479

Voting Rights - Ordinary Shares

In accordance with the holding company's Constitution, on a show of hands every member present in person or by proxy or attorney or duly authorised representative has one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

Twenty Largest Shareholders

The names of the twenty largest ordinary fully paid shareholders as at 29 August 2012 are as follows:

Shareholder	Number	% Held of Issued Ordinary Capital
HSBC Custody Nominees Australia Ltd	41,501,035	16.25%
Merrill Lynch Australia Nominees Pty Ltd	12,187,761	4.77%
Elphinstone Holdings Pty Ltd	9,000,000	3.52%
Black Peak Holdings Pty Ltd	7,050,000	2.76%
National Nominees Ltd	6,936,361	2.72%
JP Morgan Nominees Australia Ltd	5,014,174	1.96%
J & J Bandy Nominees Pty Ltd	4,400,000	1.72%
Chalmsbury Nominees Pty Ltd	2,983,700	1.17%
JP Morgan Nominees Australia Ltd	2,909,627	1.14%
Keith Jenkins and Neville Houghton	2,900,000	1.14%
Onedin Enterprises Pty Ltd	2,666,665	1.04%
McTavish Industries Pty Ltd	2,000,000	0.78%
Escor Investments Pty Ltd	2,000,000	0.78%
Citicorp Nominees Pty Ltd	1,715,918	0.67%
Seivad Investments Pty Ltd	1,628,532	0.64%
HSBC Custody Nominees Australia Ltd	1,563,886	0.61%
Academic Growth Institute Fund	1,406,819	0.55%
Jameker Pty Ltd	1,404,548	0.55%
Citicorp Nominees Pty Ltd (Colonial First State)	1,323,475	0.52%
Berpaid Pty Ltd	1,300,000	0.51%
	<u>111,892,501</u>	<u>43.80%</u>

Corporate Governance

The Company is committed to implementing the highest standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines. As consistency with the guidelines has been a gradual process, where the Company did not have certain policies or committees recommended by the ASX Corporate Governance Council (the Council) in place during the reporting period, we have identified such policies or committees.

Where the Company's corporate governance practices do not correlate with the practices recommended by the Council, the Company is working towards compliance however it does not consider that all the practices are appropriate for the Company due to the size and scale of Company operations.

To illustrate where the Company has addressed each of the Council's recommendations, the following table cross-references each recommendation with sections of this report. The table does not provide the full text of each recommendation but rather the topic covered.

Recommendation	Section
Recommendation 1.1 Functions of the Board and Management	1.1
Recommendation 1.2 Evaluation of Board, Directors and Key Executives	1.4.10
Recommendation 1.3 Reporting on Principle 1	1.1 and 1.4.10
Recommendation 2.1 Independent Directors	1.2 and 1.3
Recommendation 2.2 Independent Chairman	1.2 and 1.3
Recommendation 2.3 Role of the Chairman and CEO	1.2 and 1.3
Recommendation 2.4 Establishment of Nomination Committee	2.3
Recommendation 2.5 Evaluation of Board, Committees and Directors	1.4.10
Recommendation 2.6 Reporting on Principle 2	1.2, 1.4.6, 1.4.10, 2.3.1 and the Directors' Report
Recommendation 3.1 Code of Conduct	1.1 and 4
Recommendation 3.2 Diversity Policy	3.2
Recommendation 3.3 Measurable Objectives for Gender Diversity	3.3
Recommendation 3.4 Disclosure of Diversity	3.4
Recommendation 3.5 Reporting on Principle 3	3.2, 3.3 and 3.4
Recommendation 4.1 Establishment of Audit Committee	2.1
Recommendation 4.2 Structure of Audit Committee	2.1.2
Recommendation 4.3 Audit Committee Charter	2.1
Recommendation 4.4 Reporting on Principle 4	2.1 and 2.1.2
Recommendation 5.1 Policy for Compliance with Continuous Disclosure	1.4.4
Recommendation 5.2 Reporting on Principle 5	1.4.4
Recommendation 6.1 Communications Strategy	1.4.8
Recommendation 6.2 Reporting on Principle 6	1.4.8
Recommendation 7.1 Policies on Risk Oversight and Management	2.1.3
Recommendation 7.2 Managing and Implementing Risk Management	2.1.3
Recommendation 7.3 Attestations by CEO and CFO	2.1.3
Recommendation 7.4 Reporting on Principle 7	2.1.3
Recommendation 8.1 Establishment of Remuneration Committee	2.2
Recommendation 8.2 Executive and Non-Executive Director Remuneration	2.2.3.1 and 2.2.3.2
Recommendation 8.3 Reporting on Principle 8	1.2, 2.2.1 and 2.2.3.2

1.1 Role of the Board

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

To assist the Board carry out its functions, it has developed a Code of Conduct to guide the Directors, the Chief Executive Officer, the Chief Financial Officer and other key executives in the performance of their roles. A copy is available for inspection on the Company's website.

1.2 Composition of the Board

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. The names of the Directors and their qualifications and experience are stated in the Directors' Report along with the term of office held by each of the Directors. Directors are appointed based on the specific skills required by the Company and on their decision-making and judgment skills.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr M Ashton, Mr B McFadzean and Mr John Jetter are Non-Executive Directors, and are independent directors as they meet the following criteria for independence adopted by the Company.

An Independent Director is a Non-Executive Director and:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member. Or an employee materially associated with the service provided;
- is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Company or other group member other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

Material is defined as being where the relationship accounts for more than two per cent of consolidated gross expenditure per annum of the Company.

Mr B McFadzean is a Non-Executive Director of the Company and meets the Company's criteria for independence. His experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

Mr J Jetter is a Non-Executive Director of the Company and meets the Company's criteria for independence. His experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

Mr M Ashton is the Non-Executive Chairman of the Company and meets the Company's criteria for independence. His experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

Mr H Halliday is an Executive Director of the Company and does not meet the Company's criteria for independence. However, his experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

Mr A Radonjic is an Executive Director of the Company and does not meet the Company's criteria for independence. However, his experience and knowledge of the Company makes his contribution to the Board such that it is appropriate for him to remain on the Board.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following. Leadership of the Organisation: overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board.

- Strategy Formulation: to set and review the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.
- Overseeing Planning Activities: the development of the Company's strategic plan.
- Shareholder Liaison: ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- Monitoring, Compliance and Risk Management: the development of the Company's risk management, compliance, control and accountability systems and monitoring and directing the financial and operational performance of the Company.
- Company Finances: approving expenses and approving and monitoring acquisitions, divestitures and financial and other reporting.
- Human Resources: appointing, and, where appropriate, removing the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as well as reviewing the performance of the CEO and monitoring the performance of senior management in their implementation of the Company's strategy.
- Ensuring the Health, Safety and Well-Being of Employees: in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.
- Delegation of Authority: delegating appropriate powers to the CEO to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board.

Full details of the Board's role and responsibilities are contained in the Board Charter, a copy of which is available for inspection on the Company's website.

1.4 Board Policies

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the Corporations Act, absent himself or herself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Continuous Disclosure

The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules the Company immediately notifies the ASX of information: concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and

- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

The Company has a Continuous Disclosure Policy which is available for inspection on the Company's website.

1.4.5 Education and Induction

It is the policy of the Company that new Directors undergo an induction process in which they are given a full briefing on the Company. Where possible this includes meetings with key executives, tours of the premises, an induction package and presentations. Information conveyed to new Directors include:

- details of the roles and responsibilities of a Director;
- formal policies on Director appointment as well as conduct and contribution expectations;
- access to a copy of the Board Charter;
- guidelines on how the Board processes function;
- details of past, recent and likely future developments relating to the Board;
- background information on and contact information for key people in the organisation;
- an analysis of the Company;
- a synopsis of the current strategic direction of the Company; and
- a copy of the Constitution of the Company.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skills gaps where they are identified.

1.4.6 Independent Professional Advice

The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

1.4.7 Related Party Transactions

Related party transactions include any financial transaction between a Director and the Company. Unless there is an exemption under the Corporations Act from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

1.4.8 Shareholder Communication

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- making it easy for shareholders to participate in general meetings of the Company; and
- requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company. The Company has a Shareholder Communication Policy which is available for inspection on the Company's website.

1.4.9 Trading in Company Shares

The Company has had a formal Share Trading Policy in place since September 2006 and was recently updated in December 2010. A copy of the policy is available for inspection on the Company's website.

1.4.10 Performance Review/Evaluation

It is the policy of the Board to conduct annual evaluations of its effectiveness and that of individual Directors. Each Directors performance is appraised personally by the Chairman and in a meeting led by the other independent Director, the Chairman's performance is assessed.

The evaluation process in the current year was overseen by the Chairman. The evaluation process of the Chairman was led by another independent Director in conjunction with the Managing Director. The objective of this evaluation is to provide best practice corporate governance to the Company.

2. Board Committees

2.1 Audit and Risk Management Committee

Due to the size and scale of operations of the Company the full Board undertakes the role of the Audit and Risk Management Committee. As the full Board undertakes the role of the Audit and Risk Management Committee, no formal Charter has been adopted however below is a summary of the role and responsibilities of an Audit and Risk Management Committee.

2.1.1 Role

The Audit and Risk Management Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the independence of the external auditors.

As the whole Board only consists of five (5) members, the Company does not have an audit committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues and an audit and risk management committee cannot be justified based on a cost-benefit analysis. However, in accordance with the ASX Listing Rules, the Company is moving towards establishing an audit and risk management committee consisting primarily of Independent Directors.

In the absence of an audit and risk management committee, the Board sets aside time to deal with issues and responsibilities usually delegated to the audit committee to ensure the integrity of the financial statements of the Company and the independence of the external auditor.

2.1.2 Responsibilities

The Audit and Risk Management Committee reviews the audited annual and half-yearly financial statements and any reports which accompany published financial statements and recommends their approval to the members.

The Audit and Risk Management Committee each year reviews the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.

The Audit and Risk Management Committee or is also responsible for establishing policies on risk oversight and management.

2.1.3 Risk Management Policies

The Board's Charter clearly establishes that it is responsible for ensuring there is a good sound system for overseeing and managing risk. Due to the size and scale of operations, risk management issues are considered by the Board as a whole.

A risk management plan has been developed and implemented by Venture. The plan provides a framework for systematically understanding and identifying the types of business risks threatening Venture as whole and specific business activities within the Company. A risk register has been developed through the implementation and review of the risk management plan which has identified material business risk of the Company. The risk register also provides the controls in place to mitigate the material business risks and management's assessment of residual risk.

The board believes that it has a thorough understanding of the Company's key risks and is managing them appropriately. The board is responsible for reviewing annually its risk management system. This includes reviewing operational, financial, compliance, systems and risk management procedures.

The Company's risk management plan was reviewed by management during the period and is considered appropriate for the Company in its current exploration and feasibility stage. The Company will however revisit the Company's risk management plan later in the year as operations increase in preparation of the Company transitioning from exploration into project development.

A copy of the company's risk management statement is available from the corporate governance section of the company's website.

On 25 September 2012 Mr Hamish Halliday (Managing Director) and Mr Jon Grygorcewicz (Company Secretary & Chief Financial Officer) provided the Board with a declaration in accordance with S295A of the Corporations Act that the financial statements are founded on a sound system of risk management and internal compliance. Their statement assured the Board that the risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

2.2 Remuneration Committee

2.2.1 Role

The role of a Remuneration Committee is to assist the Board in fulfilling its responsibilities in respect of establishing appropriate remuneration levels and incentive policies for employees.

As the whole Board only consists of five (5) members, the Company does not have a remuneration committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues. As the full Board undertakes the role of the Remuneration Committee, no formal Charter has been adopted however below is a summary of the role and responsibilities of a Remuneration Committee.

2.2.2 Responsibilities

The responsibilities of a Remuneration Committee, or the full Board include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Managing Director, reviewing and making recommendations to the Board on the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors and making recommendations on any proposed changes and undertaking reviews of the Managing Director performance, including, setting with the Managing Director goals and reviewing progress in achieving those goals.

2.2.3 Remuneration Policy

Directors' Remuneration was approved by resolution of the Board on 25 May 2010.

2.2.3.1 Senior Executive Remuneration Policy

The Company is committed to remunerating its senior executives in a manner that is market-competitive and consistent with best practice as well as supporting the interests of shareholders. Consequently, under the Senior Executive Remuneration Policy the remuneration of senior executive may be comprised of the following:

- fixed salary that is determined from a review of the market and reflects core performance requirements and expectations;
- a performance bonus designed to reward actual achievement by the individual of performance objectives and for materially improved Company performance;
- participation in any share/option scheme with thresholds approved by shareholders;
- statutory superannuation.

By remunerating senior executives through performance and long-term incentive plans in addition to their fixed remuneration the Company aims to align the interests of senior executives with those of shareholders and increase Company performance.

The value of shares and options were they to be granted to senior executives would be calculated using the Black and Scholes method.

The objective behind using this remuneration structure is to drive improved Company performance and thereby increase shareholder value as well as aligning the interests of executives and shareholders.

The Board may use its discretion with respect to the payment of bonuses, stock options and other incentive payments.

2.2.3.2 Non-Executive Director Remuneration Policy

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. Non-Executive Directors do not receive performance based bonuses however they do participate in option schemes. Non-Executive Directors are entitled to but not necessarily paid statutory superannuation. Non-Executive Directors are not provided with any retirement benefits other than superannuation.

2.2.4 Current Director Remuneration

Full details regarding the remuneration of Directors, is included in the Directors' Report.

2.3 Nomination Committee

2.3.1 Role

The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills and diversity are present in Directors on the Board at all times. The company has adopted a Nomination Committee Charter and a Diversity Policy which is available for inspection on the company's website.

As the whole Board only consists of five (5) members, the Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

2.3.2 Responsibilities

The responsibilities of a Nomination Committee would include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee would also oversee management succession plans including the CEO and his/her direct reports and evaluate the Board's performance and make recommendations for the appointment and removal of Directors. Currently the Board as a whole performs this role.

2.3.3 Criteria for selection of Directors

Directors are appointed based on the specific governance skills required by the Company and ensuring an appropriate mix of skills and diversity are present. Given the size of the Company and the business that it operates, the Company aims at all times to have at least one Director with experience appropriate to the Company's target market. In addition, Directors should have the relevant blend of personal experience in accounting and financial management and Director-level business experience.

3. Diversity

3.1 Diversity and inclusion

Venture and all its related bodies corporate are committed to workplace diversity in relation to genders, age, ethnicity and cultural background. The Company recognises the benefits arising from employee and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

3.2 Diversity Policy

The Company has developed a Diversity Policy during the current period which was formally adopted in June 2012. A copy of the policy is available for inspection on the Company's website.

3.3 Measurable Objectives for Gender Diversity

Due to the size and nature of the company's operations, Venture has yet to establish measurable objectives for gender diversity.

3.4 Proportion of women employees and board members

As at 30 June 2012, the proportion of women on the Board and in senior management positions was nil. The proportion of women in our overall workforce was 10%.

4. Company Code of Conduct

The Board has decided against the implementation of a code of conduct as it does not believe that it is in the best interests of its employees or other stakeholders to have what purports to be an exhaustive code of conduct. The Board feels that such a code may be too prescriptive and not allow the employees the discretion they need to best serve the Company's stakeholders.

Schedule of Tenements

As at 29 August 2012

Project	Tenement	Interest	Status
Maitland Channel	EL53/1267	100%	Granted
	PL53/1301	100%	Granted
	EL53/1362	100%	Granted
	PL53/1489	100%	Granted
	EL53/1418	100%	Granted
Paulsens South	E08/1457	100%	Granted
	E08/1748	100%	Granted
	E47/1765	100%	Granted
Harris Bluff	EL4788	51%	Granted
Mount Lindsay	EL21/2005	100%	Granted
	EL33/2007	100%	Granted
	EL24/2008	100%	Granted
	EL31/2003	76%	Granted
	EL36/2003	76%	Granted
	EL45/2010	100%	Granted
	3M/2012	100%	Granted

Notes

E: Exploration Licence

EL: Exploration Licence

PL: Prospecting Licence

M: Mining Lease