



Annual Report 30 June 2016

ABN 51 119 678 385

Non-Executive Chairman

Mel Ashton

Managing Director

Hamish Halliday

Technical Director

Andrew Radonjic

Non-Executive Directors

Bruce McFadzean

John Jetter

Company Secretary

Brett Dunnachie

Principal & Registered Office

288 Churchill Avenue

SUBIACO WA 6008

Telephone: (08) 9381 4222

Facsimile: (08) 9381 4211

Share Registry

Security Transfer Registrars Pty Ltd

770 Canning Highway

APPLECROSS WA 6153

Auditors

Stantons International

Level 2

1 Walker Avenue

WEST PERTH WA 6005

Bankers

National Australia Bank

50 St Georges Terrace

PERTH WA 6000

Stock Exchange Listing

Australian Securities Exchange

(Home Exchange: Perth, Western Australia)

Code: VMS

Website Address

www.ventureminerals.com.au

Contents

Chairman's Letter to Shareholders	2
Directors' Report	3
Auditor's Independence Declaration	30
Financial Statements	31
Directors' Declaration	57
Independent Auditor's Report	58
Additional Shareholder Information	60
Schedule of Mineral Tenements	62

Chairman's Letter to Shareholders

On behalf of the Directors of Venture Minerals Limited ("Venture"), I present to shareholders the Company's annual report for the year ended 30 June 2016.

The past twelve months have seen significant progress made at the Company's projects in South-East Asia. Having secured granted tenure on two projects in the previous year, our exploration team has delivered early success in identifying six silver/lead/zinc prospects at Thali and a zinc prospect at Pak Yang from its surface sampling and mapping programs. The team has defined multiple walk up drill targets and have finalised details of its maiden drilling program. We now await final approval from local authorities.

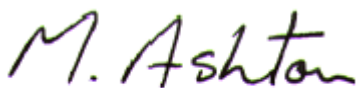
Our exploration team has also secured a number of highly prospective lithium tenements in the Greenbushes Mineral District. Venture was able to utilize its extensive tin/tantalum database and tin experience to identify new lithium opportunities and gain exposure to the rapidly growing lithium market.

During the prior year, the Company suspended its operations at the Riley DSO Project due to the significant deterioration in the iron ore market. We remain well positioned having received all necessary approvals and completing pre-production work, to commence production in a relatively short period of time should the economic environment support a production decision. I once again commend the Company's management and all stakeholders for their diligence and perseverance in successfully advancing the Company's projects to where they are today and look forward to realising value for those projects in the future.

Given the suspension of production at the Riley DSO Project and the broader market conditions Venture has continued with the substantial cost cutting measures which included voluntary salary reductions of up to 50% by directors, management and staff. This has allowed Venture to maintain a strong cash position during this period of volatility in the market.

Venture remains positive about the outlook for the current year and is excited about exploring its prospects in South East Asia and Western Australia while remaining production ready at the Riley DSO Project should future iron ore prices support a production decision.

The Directors and I look forward to meeting shareholders at the upcoming annual general meeting.



Mel Ashton
Chairman

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 2016 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. Group Financial Overview

Profit and Loss

The loss attributable to owners of the consolidated entity after providing for income tax amounted to \$3,320,006 (2015: \$2,527,053).

Financial Position

The consolidated entity had \$2,670,903 in cash and cash equivalents as at 30 June 2016 (2015: \$3,260,962). The Directors believe the consolidated entity is in a sound financial position with sufficient capital to effectively explore its current landholdings.

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. Business Strategies & Prospects for the Forthcoming Year

Venture Minerals Limited is focused upon the exploration and development of mineral resources within its current portfolio of projects in Thailand, Tasmania and Western Australia.

The Group has three granted exploration licences in Thailand. The licences are within two prospects named Pak Yang and Thali and are located in the highly prospective Loei Belt, which already hosts world class deposits. Venture has defined multiple "walk up" drill targets at the Thali Project and is now finalising details and timing for the Company's maiden drill program. It now awaits approval from local authorities.

The Riley DSO Project has received all necessary environmental approvals and Venture has already completed extensive pre-production work at Riley. Venture remains in a good position to commence production in a relatively short period of time should the economic environment support a production decision.

Venture has secured a number of highly prospective lithium tenements in the Greenbushes Mineral District, which hosts the world class Greenbushes Lithium-Tantalum Mine (produces ~40% of the world's lithium). Venture has been focussed on confirming and advancing historical anomalies considered prospective for hard rock lithium occurrences.

The Company will 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.

Material business risks that may impact the results of future operations include further exploration results, future commodity prices and funding.

6. Significant Changes in the State of Affairs

The following significant change in the state of affairs of the entity occurred during the financial period:

- In December 2015 the Company completed an oversubscribed one for ten rights issue. The rights issue consisted of 28.7 million new shares at a price of 2.3 cents per share raising a total funds of \$0.66 million.

There were no further significant changes in the state of affairs of the Company during the financial year.

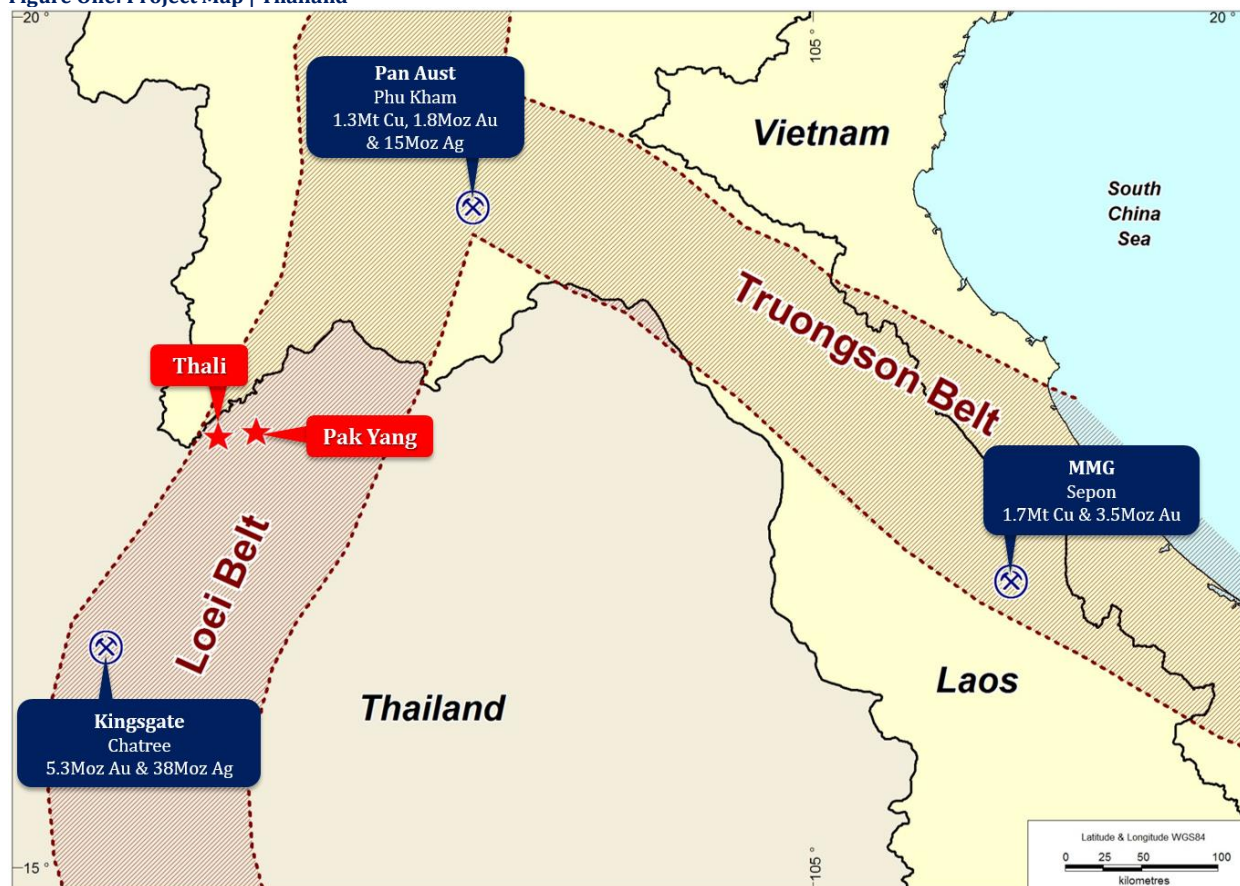
7. Review of Operations

South East Asia

Venture continues to progress its strategy of targeting South East Asia for exploration opportunities. Venture has identified an extensive belt of "skarn style" mineralisation throughout the region and continues to target base and precious metal opportunities.

Venture has established a low cost regional office in Bangkok and continues to build a cost effective portfolio of exploration projects over the medium term. The Company has had licenses granted over two project areas in Thailand (Pak Yang Project and Thali Project- Refer Figure One) and awaits the granting of several additional licenses covering two other project areas.

Figure One: Project Map | Thailand



Thali Project (Silver/Lead/Zinc)

Venture delivered early exploration success from targeting its northern Thailand projects. At Thali the Company has discovered six new silver/lead/zinc prospects (two of which Thali Far East and Thali Far North are subsequent to year end) from its surface sampling and mapping programs during the year, delivering high grade results with silver peaking at 1860g/t and lead peaking at 27%. These discoveries have seen Thali grow into a substantial exploration project which hosts silver/lead/zinc drill targets covering an area of over 260 hectares and extending over 7.5km of strike (Refer Figure Two).

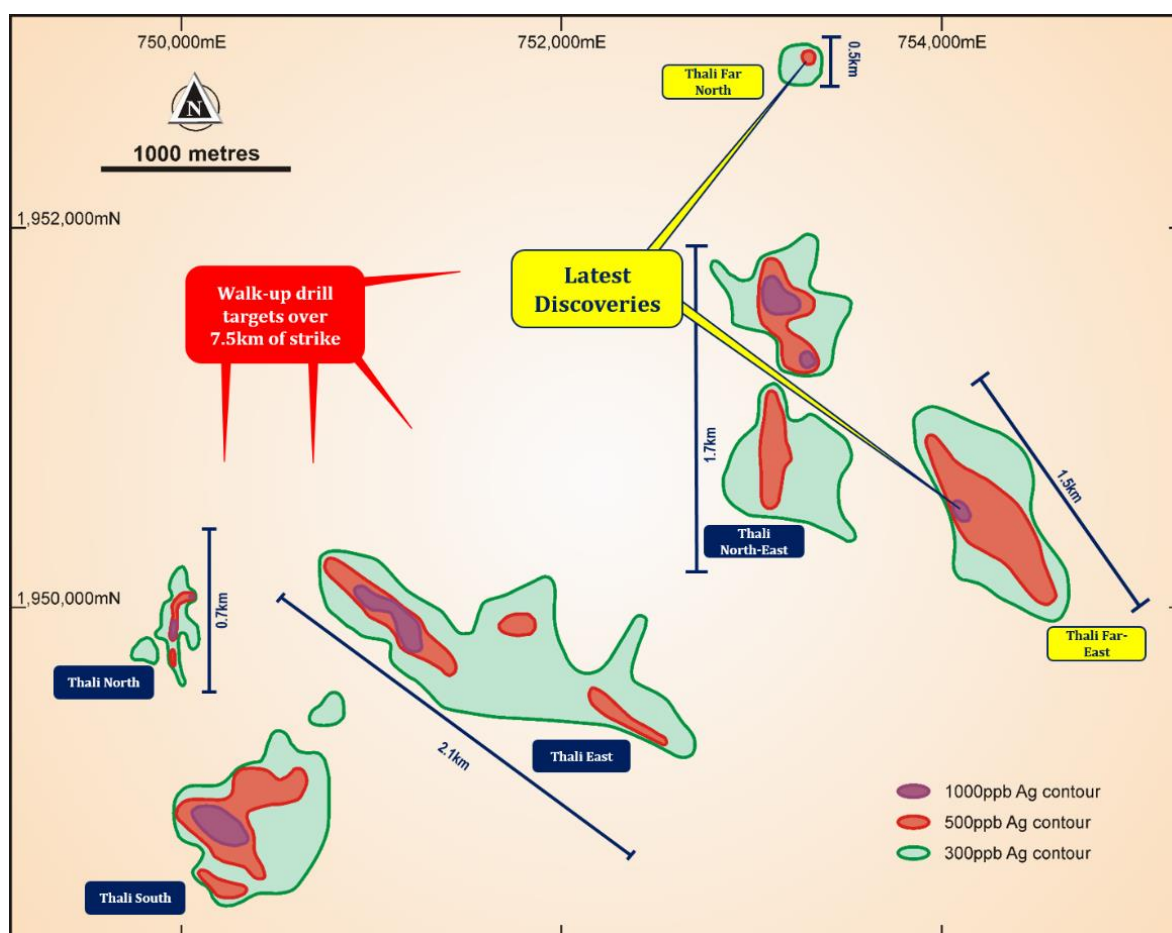
7. Review of Operations (continued)

Thali Project (Silver/Lead/Zinc) (continued)

Thali Geology

Venture's geological mapping of the new Thali base metal prospects shows the area is underlain by a mainly north striking sequence of sedimentary rocks, including limestone, intruded by a series of intermediate to felsic porphyries, diorite and granite. The observed base metal mineralisation is associated with gossanous veins and stockwork zones in sericite, silica and sulphide altered igneous rocks (mainly Thali North and Thali South), and with stockwork veined and sulphide-bearing calc-silicate skarn within the sedimentary host rocks (especially Thali East and North-East). Regional scale geological mapping suggests the host sedimentary rocks are of Permian-Triassic age, and the granitic intrusions of Triassic age; the Triassic granitoid suite is widely associated with base and precious metal deposits within the Loei Belt.

Figure Two: Thali Project contoured soils | Silver (Ag)



In addition to the new silver/lead/zinc discoveries, Venture has also defined a high grade gold zone at Thali North. The zone extends over a kilometre of strike and hosts numerous surface samples assaying over 10g/t gold, with peak rock chips results of 57.7g/t, 41.6g/t & 39.3g/t gold (Refer Table One). Gold mineralization is typically associated with multiple north striking gossanous quartz veins in sericite, silica and sulphide altered igneous rocks. The mineralized zones also often contain high grade silver and lead and elevated zinc and copper.

7. Review of Operations (continued)

Table One: Thali Project | Summary of Rock Chip Samples Taken from Thali North

Prospect	Sample	Gold ¹ (Au) g/t	Silver (Ag) g/t	Copper (Cu) %	Lead (Pb) %
Thali North	SOTL30	57.7	49.6	0.11	0.06
Thali North	SOTL02A*	41.6	264	0.09	0.41
Thali North	BJTL24	39.3	14.3	0.04	0.01
Thali North	BJTL46*	30.6	283	0.12	1.3
Thali North	SKTL003*	20	1,860	0.16	27
Thali North	SOTL134A	15.1	2.1	0.01	<0.01
Thali North	BJTL29	14.4	0.6	<0.01	<0.01
Thali North	SOTL05*	10.3	296	0.41	6.6
Thali North	BJTL49	9.95	13.2	0.01	0.05
Thali North	SOTL54A	8.61	1.5	<0.01	0.02
Thali North	SOTL133	8.59	2.3	0.01	<0.01
Thali North	SOTL58	8.34	47.2	0.03	0.22
Thali North	SOTL149	8.25	11.9	<0.01	0.04
Thali North	SOTL16*	8.16	38.3	0.01	0.16
Thali North	SOTL144	7.17	3.3	0.04	0.01
Thali North	BJTL47*	6.99	656	0.23	12
Thali North	BJTL21*	5.58	104.4	0.06	0.69
Thali North	SOTL57A	5.15	43.4	0.07	0.35
Thali North	BJTL28	5	1.9	0.01	<0.01
Thali North	SOTL04*	4.17	232	0.09	2.8
Thali North	BJTL22*	4.02	451	0.33	11

* Silver & Base metal results have been previously reported. Cu & Pb results rounded to two significant figures, refer to full table of results in ASX announcement 30 March 2016.

¹ For details of the Company's rights in relation to gold, refer to page 7.

SKTL003 gossanous vein from Thali North breccia zone comprising mainly secondary lead minerals with relict galena bands, assay 0.2% Cu, 27% Pb and 1,860g/t Ag



BJTL22 gossanous vein from Thali North breccia zone with secondary copper minerals and relict galena assay 0.3% Cu, 10.7% Pb and 451g/t Ag



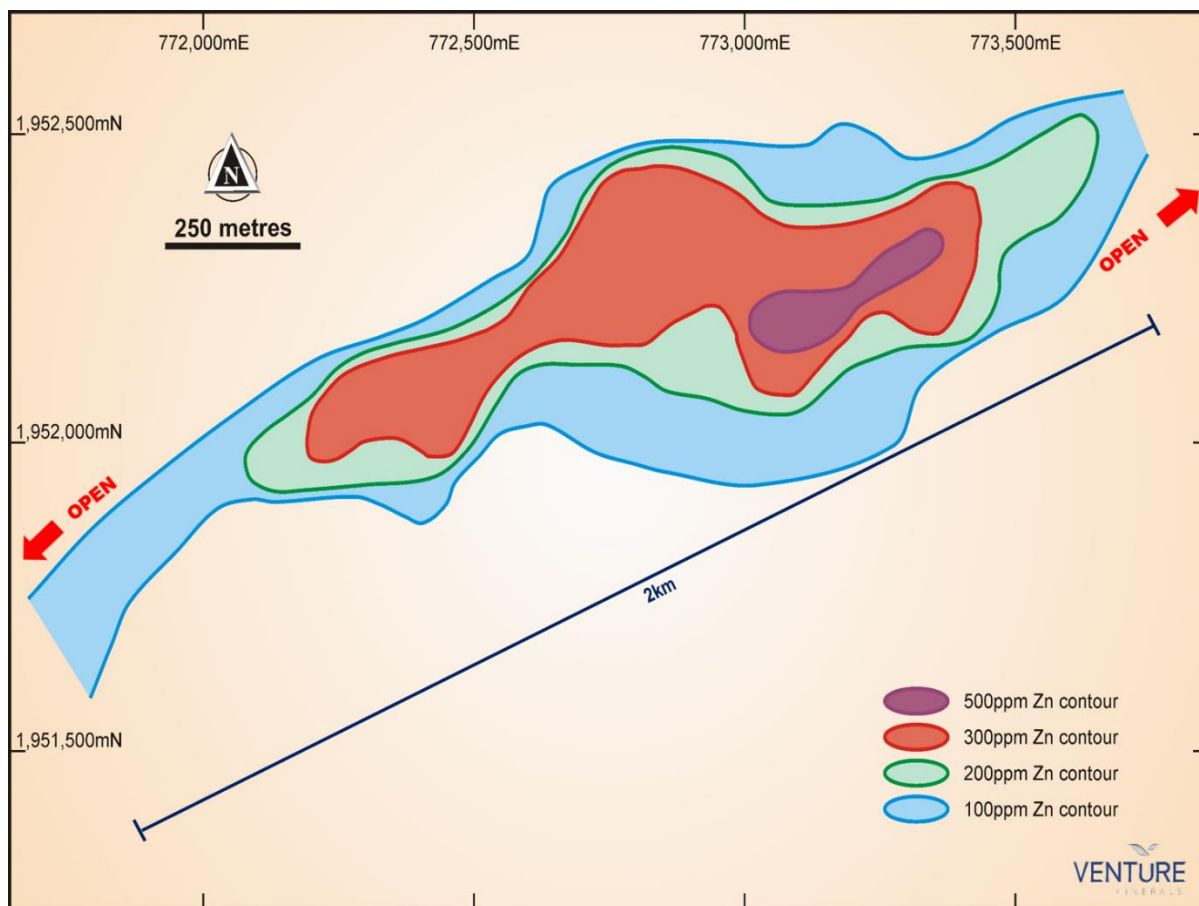
Towards the end of the financial year, Venture having defined multiple “walk up” drill targets at the Thali Project is now finalising details and timing for the Company's maiden drill program which includes a combination of RC and diamond drilling targeting the majority of high grade soil anomalies. It now awaits approval from local authorities.

7. Review of Operations (continued)

Pak Yang Project (Silver/Lead/Zinc/Copper)

The Pak Yang Project is located in the Loei Belt and is situated 20km east of Thali and hosts similar geology and style of mineralization. Results from the first surface sampling program successfully identified a large zinc system extending over 2km of strike (Refer Figure Three).

Figure Three: Pak Yang Project | Zinc soil anomaly



The discovery this year was the result of a surface sampling program targeting a sequence of metasediments, felsic porphyries and stockwork-veined granitoids, which are widely associated with base and precious metal deposits within the Loei Belt. The initial program identified anomalous zinc and lead, with zinc values peaking at 850ppm in soils. Having defined a significant base metal system the Company has submitted additional soil samples for silver analysis.

For the coming year, the focus at Pak Yang will centre on additional geological and structural mapping as well as the extension of known surface mineralization through additional soil sampling.

Tenure and Government Regulations

Venture has granted Prospecting Licenses over the Pak Yang and Thali Projects under which the Company has the right to prospect for minerals within the Prospecting Licence area. Should the Company discover significant and economically viable mineralization within either projects, Venture can then apply for an Extraction License (mining license equivalent) and name which base and/or precious metals the Company is looking to extract.

7. Review of Operations (continued)

Lithium Prospects - Greenbushes Mineral District, Western Australia

During the year, Venture secured a number of highly prospective lithium tenements in the Greenbushes Mineral District (refer to Figure Four), which hosts the world class Greenbushes Lithium-Tantalum Mine (produces ~40% of the world's lithium).

Venture utilized its extensive tin/tantalum database and tin experience to identify new lithium opportunities and gain exposure to the rapidly growing lithium market. Often hard rock lithium prospects have historically been pegmatite hosted tin/tantalum prospects or mines, as in the case of Greenbushes. As Venture has reviewed multiple tin/tantalum projects from numerous jurisdictions over the past decade, the Company was uniquely placed to identify new lithium opportunities.

Following the new applications Venture is now the largest land holder in the Greenbushes Mineral District with six prospects already identified within the 1,000 square kilometres of tenure. The identified targets demonstrate surface geochemistry analogous to the Greenbushes Lithium-Tantalum Deposit (world's largest hard rock lithium mine).

Venture has been focussed on confirming and advancing historical anomalies considered prospective for hard rock lithium occurrences.

Figure Four: Project Locations, Western Australia

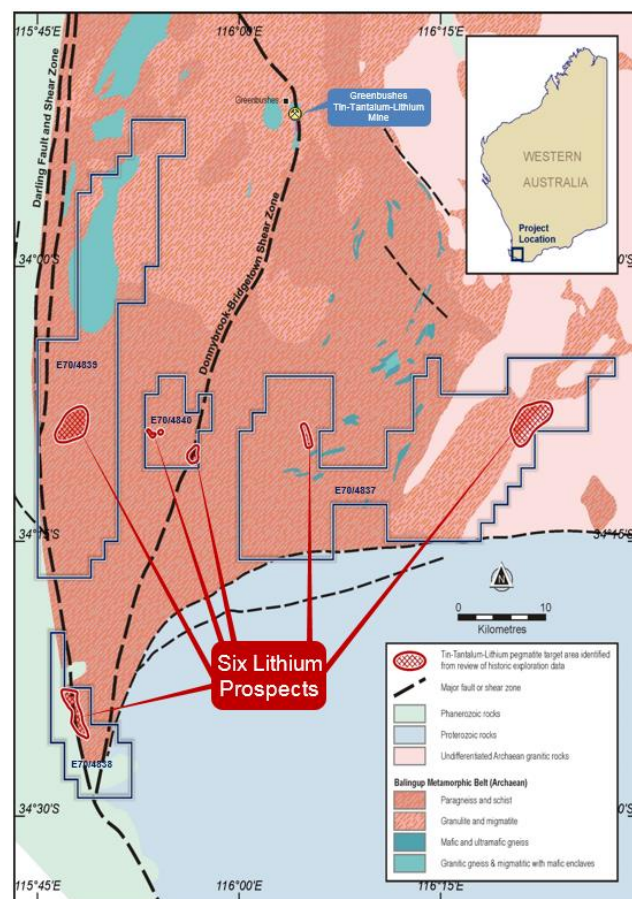
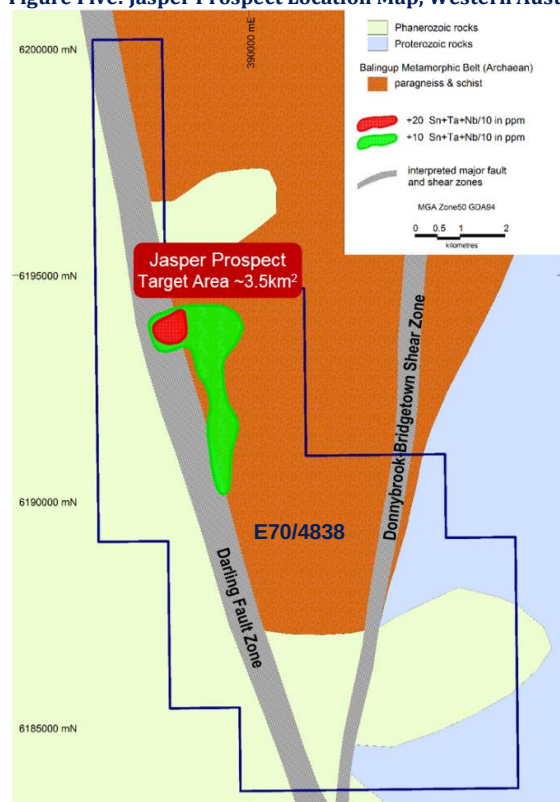


Figure Five: Jasper Prospect Location Map, Western Australia



Subsequent to year end, field checking of the laterite covered Jasper Prospect in the south of Venture's tenement package confirmed the presence of significant tin, tantalum and niobium anomalism (approx. 3 to 10 times background) covering several square kilometres. This combination of elements is considered a strong pathfinder for lithium bearing pegmatites in the Greenbushes Mineral District.

In addition to the distinctive geochemical signature, the Jasper Prospect (refer to Figure Five) is located immediately adjacent to the interpreted Darling Range and Donnybrook-Bridgetown shear zones, structures generally considered important to the localisation of pegmatites in the Greenbushes Mineral District. Venture is now advancing the prospect to a "drill ready" stage and now awaits granting of tenure before moving forward on further exploration.

7. Review of Operations (continued)

Pre-development projects

Tasmanian Operations

The 100% owned Tasmanian Operations are located in northwest Tasmania (Refer Figure Six) approximately 125km south, by sealed road, from the Port of Burnie. The tenement exploration area covers 148km² encompassing the south and eastern 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 Tin Mine (Metals X Ltd/Yunnan Tin Group >231kt of tin metal produced since 1968), Mount Bischoff and Cleveland. In addition to the tin deposits the granites are also associated with iron deposits (Savage River Magnetite Mine operating for > 45 years, currently producing approximately 2.5 Mtpa of iron pellets), nickel deposits (Avebury), and poly-metallic deposits (Rosebery - operating for +75 years).

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 (20kms east) & Rosebery (15kms east-south-east).

The Tasmanian Operations host three projects with the Company's focus on the Mt Lindsay Tin-Tungsten Project plus two nearby DSO hematite projects. The three projects that make up the Operations are:

- Mt Lindsay Tin-Tungsten Project
- Riley DSO Hematite Project
- Livingstone DSO Hematite Project

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



7. Review of Operations (continued)

Mt Lindsay Project, North West Tasmania

Exploration commenced on the project in 2007 for skarn hosted tin-tungsten-magnetite mineralisation. Since then Venture has completed approximately 83,000m of diamond core drilling and defined JORC compliant Measured, Indicated and Inferred Resources (Refer Table Two).

The resource base at Mt 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 indicated and inferred resources have been defined at the Reward and Stanley River South Prospects, which extend over an additional 1.1km of strike.

Tin-Tungsten Resources

Table Two | Resource Statement – Mt Lindsay Tin-Tungsten Project – June 2016

Lower Cut (Tin equiv)	Category	Tonnes	Tin Equiv. Grade	Tin Grade	Tungsten Grade (WO ₃)	Mass Recovery of Magnetic Iron (Fe) Grade	Copper Grade	Contained Tin Metal (tonnes)	Contained Tin/ Tungsten Metal (tonnes)
0.20%	Measured	8.1Mt	0.6%	0.2%	0.1%	17%	0.1%	18,000	29,000
	Indicated	17Mt	0.4%	0.2%	0.1%	15%	0.1%	32,000	43,000
	Inferred	20Mt	0.4%	0.2%	0.1%	17%	0.1%	32,000	41,000
	TOTAL	45Mt	0.4%	0.2%	0.1%	17%	0.1%	81,000	113,000
0.45%	Measured	4.3Mt	0.8%	0.3%	0.2%	18%	0.1%	12,000	22,000
	Indicated	5.2Mt	0.7%	0.3%	0.2%	15%	0.1%	14,000	22,000
	Inferred	3.9Mt	0.6%	0.3%	0.1%	9%	0.1%	12,000	17,000
	TOTAL	13Mt	0.7%	0.3%	0.2%	14%	0.1%	38,000	61,000

Table Three | Resource Statement – Mt Lindsay Tin-Tungsten Project – June 2015

Lower Cut (Tin equiv)	Category	Tonnes	Tin Equiv. Grade	Tin Grade	Tungsten Grade (WO ₃)	Mass Recovery of Magnetic Iron (Fe) Grade	Copper Grade	Contained Tin Metal (tonnes)	Contained Tin/ Tungsten Metal (tonnes)
0.20%	Measured	8.1Mt	0.6%	0.2%	0.1%	17%	0.1%	18,000	29,000
	Indicated	17Mt	0.4%	0.2%	0.1%	15%	0.1%	32,000	43,000
	Inferred	20Mt	0.4%	0.2%	0.1%	17%	0.1%	32,000	41,000
	TOTAL	45Mt	0.4%	0.2%	0.1%	17%	0.1%	81,000	113,000
0.45%	Measured	4.3Mt	0.8%	0.3%	0.2%	18%	0.1%	12,000	22,000
	Indicated	5.2Mt	0.7%	0.3%	0.2%	15%	0.1%	14,000	22,000
	Inferred	3.9Mt	0.6%	0.3%	0.1%	9%	0.1%	12,000	17,000
	TOTAL	13Mt	0.7%	0.3%	0.2%	14%	0.1%	38,000	61,000

Note: Reporting to two significant figures. Figures have been rounded and hence may not add up exactly to the given totals. Full details of the estimate are in the ASX announcement for the Quarterly Report on 17 October 2012.

Notes:

- The Sn equivalent formula used to calculate the Sn equivalent values for the Main and No.2 Skarns is as follows: Sn Equivalent (%) = Sn% + (WO₃% x 1.90459) + (mass recovery % of magnetic Fe x 0.006510) + (Cu% x 0.28019). Whereas for the Sn equivalent formula used to calculate the Sn equivalent values for the Stanley River South and Reward Skarns is as follows: Sn Equivalent (%) = Sn% + (WO₃% x 1.65217) + (Cu% x 0.34783).
- The mass recovery of the magnetic iron is determined mostly by Davis Tube Results ("DTR").
- The Sn equivalent formulae uses a tin metal price of US\$23,000/t, an APT (Ammonium Para Tungstate) price of US\$380/mtu (1mtu = 10kgs of WO₃), a magnetite concentrate price of US\$110/t and a copper metal price of US\$8,000/t.
- Pilot scale metallurgical testwork has been completed on the Main and No.2 Skarns with results indicating the metallurgical recovery for tin is 72%, for WO₃ is 83%, for iron in the form of magnetite is 98% and for copper is 58%. The results of this testwork are stated in the ASX announcement of August 31 2012.
- It is the Company's opinion that the tin, WO₃ and copper as included in the metal equivalent calculations for the Stanley River South and Reward Skarns have a reasonable potential to be recovered for when the Mt Lindsay Project goes into production.

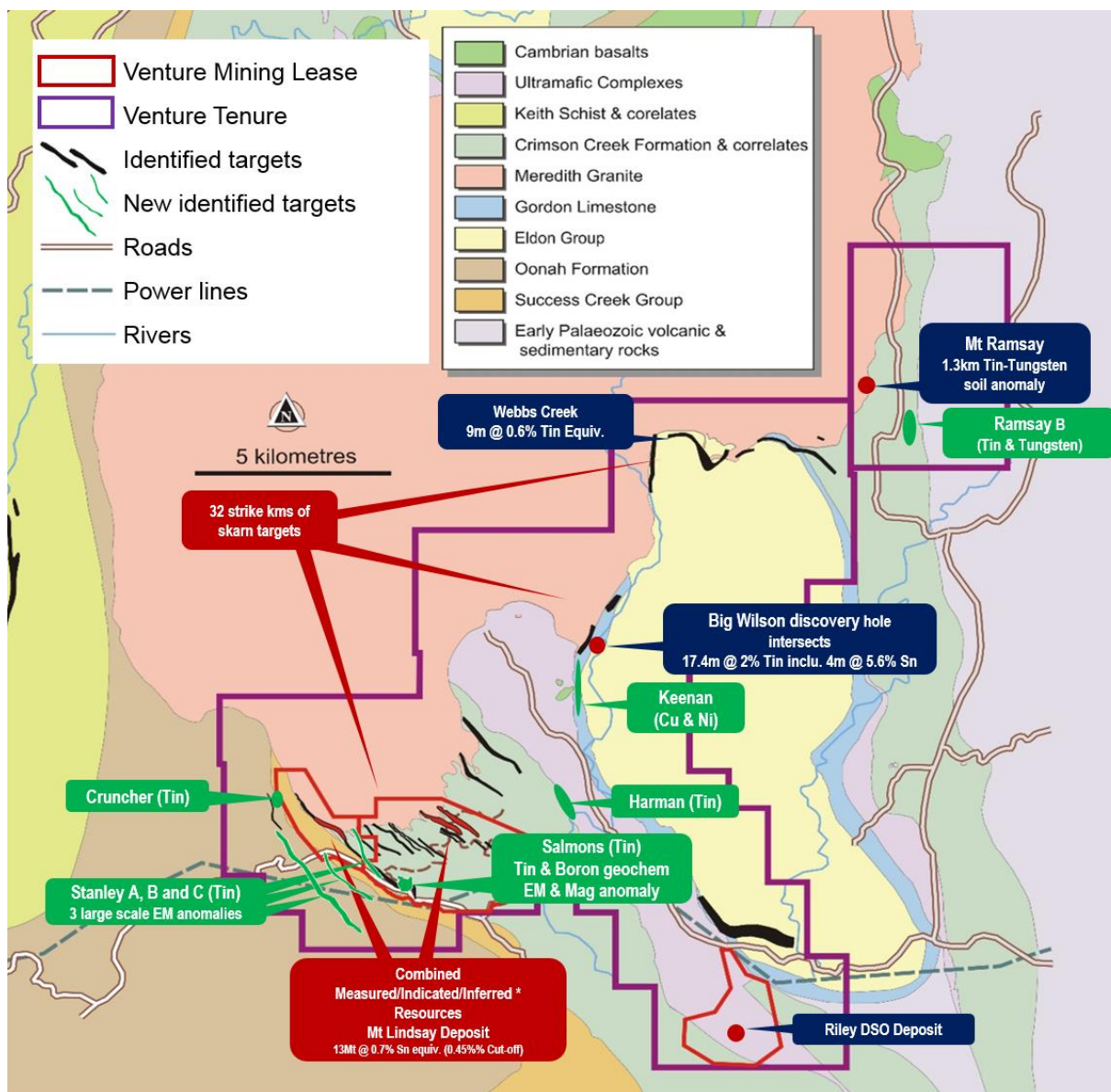
7. Review of Operations (continued)

Mt Lindsay Exploration

Venture has focussed efforts at Mt Lindsay on identifying additional high grade tin/tungsten targets in close proximity to the Mt Lindsay Deposit. The low cost exploration work is part of a broader strategy focussed on identifying high grade mineralization within trucking distance of the existing deposit that has the potential to further strengthen the economics of the Mt Lindsay Project.

During the year the Company built upon the previous success of defining eight new targets considered prospective for high grade tin/tungsten mineralization or for copper and nickel mineralization (Refer Figure Seven) by further programs involving geological and structural mapping targeting both the Mt Ramsay and Stanley Tin prospects. These targets are hosted within the broader skarn units identified throughout the Mt Lindsay area of which to date only 10% have been drill tested.

Figure Seven: Mt Lindsay - recently identified exploration targets



7. Review of Operations (continued)

Riley DSO Hematite Project, North West Tasmania

The 100% owned Riley DSO Project is located 10km from the Mt Lindsay Deposit (Refer Figure Seven) and occurs as a hematite rich pisolitic and cemented laterite. The deposit is all at surface, located less than two kilometres from a sealed road that accesses existing rail and port facilities.

A maiden resource statement of 2mt @ 57% Fe was defined in 2012 (refer to Table Four) which resulted in the Company doubling its overall DSO resource base, including the Livingstone Deposit, to 4.4mt @ 57% Fe.

Table Four: Resource Statement - Riley DSO Project Tasmania - June 2016

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Indicated	2.0mt	57	61	3.7	2.6	0.03	0.08	2.8	7.7

*Refer to ASX announcement on 26 July 2012.

Table Five: Resource Statement - Riley DSO Project Tasmania - June 2015

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Indicated	2.0mt	57	61	3.7	2.6	0.03	0.08	2.8	7.7

*Refer to ASX announcement on 26 July 2012.

Following completion of the resource Venture engaged independent mining engineers, Rock Team to complete mining studies on the deposit and produce a reserve statement. With all the hematite resources at Riley located at or near surface, the study delivered a 90% conversion rate of resource to reserve (refer to Table Six).

Table Six: Reserve Statement - Riley DSO Project Tasmania - June 2016

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Probable	1.8mt	57	61	3.7	2.6	0.03	0.07	2.8	7.8

*Refer to ASX announcement on 26 July 2012.

Table Seven: Reserve Statement - Riley DSO Project Tasmania - June 2015

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	Cr (%)	LOI (%)
Probable	1.8mt	57	61	3.7	2.6	0.03	0.07	2.8	7.8

*Refer to ASX announcement on 26 July 2012.

Following the Federal Court's dismissal of the appeal against the environmental approvals for the Riley DSO Project, the Company has unencumbered approvals for any future development of the Riley iron ore mine. The Federal Court decision in both the original case and the recent appeal awarded costs in favour of Venture. The Company will continue to actively seek the recovery of all legal costs associated with both cases.

7. Review of Operations (continued)

Riley DSO Hematite Project, North West Tasmania (continued)

The Company continues to maintain to meet the requirements of the Care and Maintenance Plan ("CMP") approved by the Environment Protection Authority on 24 September 2014. The CMP fulfils the requirements of the development approvals granted at the Riley DSO Project. These activities include but are not limited to erosion control, surface and ground water quality monitoring, recording sightings of EPBC species, control and prevention of weed species, removal of roadkill and, checking and servicing of camera traps.

During the financial year, the Riley DSO Project remained on hold due to the sharp fall in iron ore prices over the past 2 years. Although the Company made the decision to suspend operations in August 2014, Venture had already completed extensive pre-production work at the Riley Project putting in place all the necessary requirements to commence mining. This work has placed Venture in a strong position should the iron ore price improve and afford the Company the opportunity to commence production with relatively short notice.

Subsequent to year end, the iron ore market has strengthened with the price rallying off its lows. The Company will continue to watch the market closely and look for both the stabilization and consolidation of the price before considering any future production decision at the Riley Project.

Livingstone DSO Hematite Project, North West Tasmania

Located only 3.5km from the Company's flagship Mt Lindsay Tin-Tungsten Deposit is the 100% owned Livingstone DSO Hematite Deposit (refer Figure Seven). 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.

A maiden resource statement of 2.2mt @ 58% Fe was defined at Livingstone in 2011, which was followed by a positive and robust scoping study. Additional work later in 2011 included blending and sizing testwork and preliminary mining studies, all of which delivered positive results.

During the second half of 2012 the Company completed a resource upgrade, which resulted in 100% of the inferred resources being converted to the indicated category.

The Livingstone project area was granted as a mining lease on 28 May 2012 subject to Legislative requirements, including environmental and local council approvals, being satisfied and obtained.

The Livingstone DSO Resource and Reserve statements are detailed in Tables 8 and 10.

Table Eight: Resource Statement Livingstone DSO Project Tasmania - June 2016

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Indicated	2.4mt	57	61	5.4	1.9	0.07	0.05	7.0

*Refer to ASX announcement on 26 July 2012.

Table Nine: Resource Statement Livingstone DSO Project Tasmania - June 2015

Resource	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Indicated	2.4mt	57	61	5.4	1.9	0.07	0.05	7.0

*Refer to ASX announcement on 26 July 2012.

7. Review of Operations (continued)

Livingstone DSO Hematite Project, North West Tasmania (continued)

Table Ten: Reserve Statement - Livingstone DSO Project Tasmania – June 2016

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Probable	2.2mt	57	62	5.3	1.9	0.08	0.03	7.1

*Refer to ASX announcement on 26 July 2012.

Table Eleven: Reserve Statement - Livingstone DSO Project Tasmania – June 2015

Reserve	Tonnes	Fe (%)	Fe (%) Calcined	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	S (%)	LOI (%)
Probable	2.2mt	57	62	5.3	1.9	0.08	0.03	7.1

*Refer to ASX announcement on 26 July 2012.

Results from a preliminary screening program demonstrated that significant beneficiation of clay-rich gossanous material at Livingstone to +58% Fe grades should be possible in many cases. The next steps involve further testwork, followed by detailed evaluation and modelling that will be required to calculate whether a significant tonnage could be added to the DSO resources at similar grades or whether an appreciable upgrade in the iron grade of the current resource could be achieved.

Corporate Governance and Internal Controls

Venture ensures that the Mineral Resource and Ore Reserve estimates are subject to appropriate levels of governance and internal controls. The Company periodically reviews the governance framework in line with the expansion and development of the business.

The Mineral Resource estimates are prepared internally by highly competent and qualified professionals. The Competent Person named by the Company is a Member of The Australasian Institute of Mining and Metallurgy. Internal reviews are carried out on the quality of the database and geological models prior to estimation.

Ore Reserve estimates are prepared by independent external consultants who are highly competent and qualified professionals. The Competent Person named by the Company is a Member of The Australasian Institute of Mining and Metallurgy. Internal and external reviews are carried out on the quality of the database and geological models prior to estimation.

8. Matters Subsequent to the End of the Financial Year

No matter or circumstances has arisen since 30 June 2016 that has significantly affected the group's operations, results or state of affairs, or may do so in future years.

9. Likely Developments and Expected Results of Operations

The Company will continue its mineral exploration activity at and around its exploration projects in South East Asia, Western Australia and Tasmania with the object of identifying commercial resources.

The Company will continue to monitor the iron ore price and exchange rates and will remain production ready at the Riley DSO Hematite project in Tasmania. Should there be a favourable movement in the project economics, the Company is in a position to commence production with relatively short notice.

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.

10. Information on Directors and Company Secretaries

Mr Mel Ashton		Independent Non-Executive Chairman - <i>appointed 12 May 2006</i>	
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 Director of The Hawaiian Group of Companies, Chairman of Empired Ltd and Gryphon Minerals Limited.	
Interest in Securities	Fully Paid Ordinary Shares		1,500,000
	0.1 cent options expiring 31 August 2020		1,545,000
Other Directorships	Gryphon Minerals Limited (since 18 May 2004)		
	Empired Ltd (since 21 December 2005)		
	Resource Development Group Limited (9 February 2011 to 30 April 2015)		
	Renaissance Minerals Limited (25 March 2010 to 17 March 2014)		
Mr Hamish Halliday		Managing Director - <i>appointed 30 January 2008</i>	
Qualifications		BSc (Geology), MAusIMM	
Experience		Mr Halliday is a Geologist with a Bachelor of Science from the University of Canterbury and has over 20 years of corporate and technical experience in the mining industry. Mr Halliday co-founded Venture Minerals and was instrumental in the acquisition of its Company's current tenement portfolio. Mr Halliday has been involved in the discovery and acquisition of numerous projects over a range of commodities throughout four continents. Mr Halliday has founded and held executive and non-executive directorships with a number of successful listed exploration companies including Adamus Resources Ltd ('Adamus'). He was CEO of Adamus from its inception through to successful completion of a feasibility study on its gold project in Ghana which is now in production.	
Interest in Securities	Fully Paid Ordinary Shares		7,342,500
	0.1 cent options expiring 31 August 2020		7,045,000
Other Directorships	Comet Resources Limited (since 16 December 2014)		
	Renaissance Minerals Limited (since 25 February 2016)		
	Alicanto Minerals Limited (since 17 March 2016)		
Mr Andrew Radonjic		Technical Director - <i>appointed 12 May 2006</i>	
Qualifications		BAppSc (Mining Geology), MSc (Mineral Economics), MAusIMM	
Experience		Mr Radonjic is a geologist and mineral economist 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 gold 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 in the development of over 1 million ounces.	
Interest in Securities	Fully Paid Ordinary Shares		2,948,000
	0.1 cent options expiring 31 August 2020		4,760,000
Other Directorships	None		

10. Information on Directors and Company Secretaries (continued)

Mr Bruce McFadzean	Independent Non-Executive Director - <i>appointed 18 July 2008</i>	
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 currently is the Managing Director of Sheffield Resources Limited (‘Sheffield’). Prior to joining Sheffield Mr McFadzean was the Managing Director of Mawson West Ltd, 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	0.1 cent options expiring 31 August 2020	1,030,000
Other Directorships	Gryphon Minerals Limited (since 19 June 2014) Indiana Resources Limited (formerly IMX Resources Ltd) (since 30 March 2015) Sheffield Resources Limited (since 2 November 2015)	
Mr John Jetter	Independent Non-Executive Director - <i>appointed 8 June 2010</i>	
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 Chairman of Otto Energy Limited and Non-Executive Director of Peak Resources Limited. 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	2,759,000
	0.1 cent options expiring 31 August 2020	1,030,000
	45 cent Options expiring 18 months after vesting date. Vesting date being successful financing for the Mt Lindsay Project.	1,000,000
Other Directorships	Otto Energy Limited (since 12 December 2007) Peak Resources Limited (since 1 April 2015)	

10. Information on Directors and Company Secretaries (continued)

Company Secretary

Brett Dunnachie - BCom, CA.

Appointed – 20 February 2007

Mr Dunnachie is a Chartered Accountant with over 15 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 and Alicanto Minerals Limited.

11. Remuneration Report (audited)

The Directors of Venture Minerals Limited are pleased to present your Company's 2016 remuneration report which sets out remuneration information for the Non-Executive Directors, Executive Directors and other key management personnel ("KMP").

The following sections are included with this report:

- A. Directors and key management personnel disclosed in this report
- B. Remuneration governance
- C. Use of remuneration consultants
- D. Executive remuneration policy and framework
- E. Relationship between remuneration and Venture Minerals Limited's performance
- F. Non-Executive Director remuneration policy
- G. Voting and comments made at the company's 2015 Annual General Meeting
- H. Details of remuneration
- I. Details of share based payments and bonuses
- J. Service Agreements
- K. Equity instruments held by key management personnel
- L. Loans to key management personnel
- M. Other transactions with key management personnel

A. Directors and key management personnel disclosed in this report

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 B Dunnachie	Company Secretary (from 24 September 2014)
Mr G Brock	Chief Operating Officer (until 22 October 2014)
Mr J Grygorcewicz	Chief Financial Officer (until 24 September 2014)

All of the key management personnel held their positions for the entire financial year and up to the date of this report.

11. Remuneration Report (continued)

B. Remuneration governance

The Company has established a Remuneration Committee under a formal charter. The Remuneration Committee comprises of four Directors, the majority of which are independent.

The Remuneration Committee is responsible for reviewing and recommending the remuneration arrangements for the Executive and Non-Executive Directors and KMP each year in accordance with the Company's remuneration policy approved by the Board. This includes an annual remuneration review and performance appraisal for the Executive Directors and other executives, including their base salary, short-term incentives ("STI") and long-term incentives ("LTI"), bonuses, superannuation, termination payments and service contracts.

Further information relating to the role of the Remuneration Committee can be found within the Corporate Governance Report on the Company's website, refer to <http://www.ventureminerals.com.au/index.php/profile/corporate-governance>.

C. Use of remuneration consultants

The Company has not engaged or contracted remuneration consultants during the financial year.

D. Executive remuneration policy and framework

Remuneration Policy

The Remuneration Committee has established a remuneration policy and framework to appropriately align Executive Directors and KMP incentives with the goals and achievements of the Company.

The remuneration framework provides a mix of fixed and variable "at risk" remuneration and a blend of short and long-term incentives. The remuneration for executives has three components:

- Fixed remuneration, inclusive of superannuation and allowances;
- STIs under a performance based cash bonus incentive plan; and
- LTIs which includes participation in the Company's shareholder approved equity incentive plans.

The Group has previously undertaken a peer analysis of remuneration levels and frameworks to ensure that it conformed to general market practice and against a comparative group of similar companies.

Subsequent to the remuneration review previously completed, in light of the current market conditions, in July 2014 the Board, Executive Directors and other key management persons voluntarily reduced their base salaries. These reductions have continued during the June 2016 financial year, the reductions are as follows;

- All Non-Executive Directors and Executive Directors voluntarily reduced their salaries/fees by 20% from 1 July 2014 to 31 March 2015; and
- From 1 April 2015 to 30 June 2016, all Non-Executive Directors, Executive Directors and other key management persons have reduced their salaries/fees by between 30% and 60%.

Further details of the voluntary reductions are noted in Section J of the Remuneration Report.

The voluntary reduction is in addition to the continued freeze to the Executive Directors and other key executive's base salaries. This salary freeze has been in place since March 2010 and is part of broader cost reducing measures to ensure that the Group conserves cash reserves in order to maintain operational activities whilst working through volatile market conditions.

11. Remuneration Report (continued)

D. Executive remuneration policy and framework (continued)

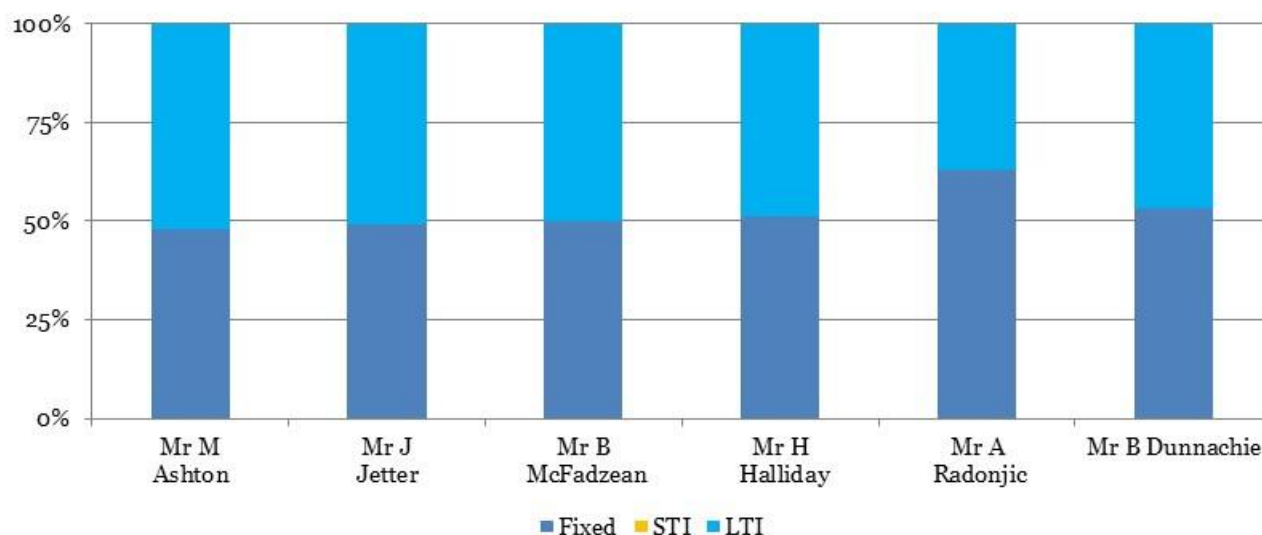
The Board also endeavors to ensure that the mix of executive compensation between fixed, variable, long-term, short-term and cash versus equity is appropriate. The group reduces cash expenditure by providing a greater proportion of compensation in the form of equity instruments. This allows cash-flows to be directed towards exploration programs with a view to improving the quality of our projects.

In addition to the voluntary reduction in salaries, all short term incentives have been waived by the individual. During the current year, long term incentives have been issued as a cost effective means of incentivizing the Board, management and staff during the period of voluntary salary reductions. The company intends to complete a remuneration review in accordance with its current remuneration policy during the June 2017 financial year.

Executive remuneration mix

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 2016 financial year.

Mix of Remuneration - June 2016



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 applicable executives also receive a superannuation guarantee contribution required by the government, which is currently 9.5% 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 approvals, production and cashflow milestones. 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. The current remuneration framework sets STI thresholds between 0% and 50% of fixed remuneration.

There are currently no short-term incentives in place and there were no cash bonuses paid out in the current financial year. The company intends to complete a remuneration review in accordance with its current remuneration policy during the June 2017 financial year.

11. Remuneration Report (continued)

D. Executive remuneration policy and framework (continued)

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.

The current remuneration framework set LTI thresholds between 0% and 75% of fixed remuneration, or to a maximum multiplier of four times base salary.

E. Relationship between remuneration and Venture Minerals Limited's performance

Company Performance, Shareholder Wealth & Executive Remuneration

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

The chart below shows the volatility in the company share price over the previous five years. The Company achieved positive shareholder returns through until mid-2014 as the Company achieved significant project milestones. These milestones included completion of the Mt Lindsay BFS and also the progression of the companies Riley DSO Hematite Project. Since mid-2014 the company's share price has been in a downward trend due to the reduction in commodity prices which has seen a broader reduction in the share prices of local and global miners particularly small capitalized resource stocks as evidenced by the performance of the S&P Small Cap Resource Stocks (XSR) detailed below.



Values derived on a base of 100

11. Remuneration Report (continued)

E. Relationship between remuneration and Venture Minerals Limited's performance (continued)

	2013	2014	2015	2016
Revenue	\$679,954	\$327,493	\$174,725	\$93,608
Net Loss after tax	(\$11,935,457)	(\$5,730,604)	(\$2,527,053)	(\$3,320,006)
Share Price	\$0.12	\$0.10	\$0.03	\$0.03
Dividends	Nil	Nil	Nil	Nil

The Company will continue to ensure there is goal congruence between shareholder wealth development and the issue of long term incentives such as the issue of options to executives.

F. Non-executive director remuneration policy

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.

From 1 June 2014, the Non-Executive Directors elected to take a 20% reduction in fees. Further, from 1 April 2015 the Non-Executive Directors took a further 50% reduction with the overall reduction totalling 60% of their fees. This fee reduction remained in place through to 30 June 2016. The fee reduction is in addition to the continued freeze on the Non-Executive Director base remuneration that has been in place since March 2010. This initiative is part of broader cost reducing measures to ensure that the Company could conserve its cash reserves whilst maintaining its operational 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.

G. Voting and comments made at the company's 2015 Annual General Meeting

The Group received more than 99.3% (2014: 97.2%) of "Yes" votes on its remuneration report for the 2015 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

11. Remuneration Report (continued)

H. Details of Remuneration

Details of the remuneration of the Directors 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.

	Cash Salary & Fees	Short Term Benefits Incentives	Consulting Fees	Other Amounts	Super- annuation	Eligible Termination Payments	Non-Cash Long Term Incentives ^A	Total \$
2016								
<i>Non-Executive Directors</i>								
Mr M Ashton	30,000	-	-	1,671	-	-	33,990	65,661
Mr J Jetter	20,000	-	-	1,671	-	-	22,660	44,331
Mr B McFadzean	18,968	-	-	1,671	1,802	-	22,660	45,101
<i>Executive Directors</i>								
Mr H Halliday	145,385	-	-	1,671	13,812	-	154,990	315,858
Mr A Radonjic	155,769	-	-	1,671	19,292	-	104,720	281,452
<i>Group Executives</i>								
Mr B Dunnachie	45,960	-	-	1,671	-	-	42,130	89,761
Total Remuneration	416,082	-	-	10,026	34,906	-	381,150	842,164
2015								
<i>Non-Executive Directors</i>								
Mr M Ashton	52,500	-	-	2,848	-	-	-	55,348
Mr J Jetter	35,000	-	-	2,848	-	-	-	37,848
Mr B McFadzean	32,596	-	-	2,848	3,097	-	-	38,541
<i>Executive Directors</i>								
Mr H Halliday	234,154	-	-	2,848	22,245	-	-	259,247
Mr A Radonjic	198,646	-	-	2,848	18,871	-	-	220,365
<i>Group Executives</i>								
M G Brock ^B	76,030	-	-	-	7,059	72,980	-	156,069
Mr J Grygorcewicz ^C	59,171	-	-	-	3,815	33,462	-	96,448
Mr B Dunnachie ^D	63,195	-	-	-	-	-	-	63,195
Total Remuneration	751,292	-	-	14,240	55,087	106,442	-	927,061

A: The fair value of the options is calculated at the date of grant using a Black-Scholes model. Refer to Section I for further details of options issued during the June 2016 financial year.

B: Mr G Brock ceased employment on 22 October 2014

C: Mr J Grygorcewicz ceased employment on 24 September 2014

D: Mr B Dunnachie became key management on 24 September 2014

11. Remuneration Report (continued)

I Details of Share Based Payments and Bonuses

There were no bonuses issued or paid during the year.

Details of options over ordinary shares in the Company provided as remuneration to each Director of Venture Minerals Limited and each of the key management personnel of the parent entity and the group are set out below. When exercisable, each option is convertible into one ordinary share. The tables show the percentages of the options granted that vested and forfeited during the year. Further information on the options is set out in the note 23 to the financial statements.

During the current financial year, incentive options have been issued to Directors and other key management personnel. The options were issued to incentivise Directors, staff and management and as partial compensation for the forfeited salaries resulting from the voluntary pay reductions which were implemented in June 2014 and that still remain in place at the date of this report. The options that were issued to Directors were approved by shareholders at the Company's 2015 Annual General Meeting held 30 November 2015. The Company received a vote of more than 98% for on all resolutions relating to the issue of options. Further details of options issued to Directors and key management personnel are as follows:

	Granted No.	Options Value that form Part of Remuneration \$	Total Remuneration Represented by Options	Exercised No.	Other changes No.	Lapsed No.
30 June 2016						
Non-Executive Directors						
Mr M Ashton	1,545,000	33,990	51.8%	-	-	-
Mr B McFadzean	1,030,000	22,660	51.1%	-	-	-
Mr J Jetter	1,030,000	22,660	50.2%	-	-	-
Executive Directors						
Mr H Halliday	7,045,000	154,990	49.1%	-	-	-
Mr A Radonjic	4,760,000	104,720	37.2%	-	-	-
Other key management personnel						
Mr B Dunnachie	1,915,000	42,130	46.9%	-	-	-
30 June 2015						
Non-Executive Directors						
Mr M Ashton	-	-	-	-	-	(750,000)
Mr B McFadzean	-	-	-	-	-	(750,000)
Mr J Jetter	-	-	-	-	-	(750,000)
Executive Directors						
Mr H Halliday	-	-	-	-	-	(3,000,000)
Mr A Radonjic	-	-	-	-	-	(1,500,000)
Other key management personnel						
Mr G Brock ^A	-	-	-	-	-	(750,000)
Mr J Grygorcewicz ^B	-	-	-	-	-	-
Mr B Dunnachie ^C	-	-	-	-	-	-

A: Mr G Brock ceased employment on 22 October 2014

B: Mr J Grygorcewicz ceased employment on 24 September 2014

C: Mr B Dunnachie became key management on 24 September 2014

11. Remuneration Report (continued)

I Details of Share Based Payments and Bonuses (continued)

Director/Executive	Issue Date	Expiry Date	% Vested in Year	Exercise Price	Number of Options
30 June 2016					
Mr M Ashton	24 Dec 15	21 Aug 20	100%	\$0.001	1,545,000
Mr H Halliday	24 Dec 15	21 Aug 20	100%	\$0.001	7,045,000
Mr A Radonjic	24 Dec 15	21 Aug 20	100%	\$0.001	4,760,000
Mr B McFadzean	24 Dec 15	21 Aug 20	100%	\$0.001	1,030,000
Mr J Jetter	24 Dec 15	21 Aug 20	100%	\$0.001	1,030,000
Mr B Dunnachie	24 Dec 15	21 Aug 20	100%	\$0.001	1,915,000
30 June 2015					
Mr M Ashton	-	-	-	-	-
Mr H Halliday	-	-	-	-	-
Mr A Radonjic	-	-	-	-	-
Mr B McFadzean	-	-	-	-	-
Mr J Jetter	-	-	-	-	-
Mr G Brock	-	-	-	-	-
Mr J Grygorcewicz	-	-	-	-	-

The assessed fair value at grant date of options granted is allocated equally over the period from grant date to estimated vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected share price volatility, the expected dividend yield and the risk-free rate for the term of the option.

11. Remuneration Report (continued)

J. Service Agreements

Remuneration and other key terms of employment for the Executives, Non-Executives and Other Group Executives of Venture Minerals Limited are formalised in executive service agreements. Termination benefits are within the limits set by the Corporations Act 2001. Major provisions of the agreements relating to remuneration are set out below:

Name	Term of agreement	Base salary ^A (per Agreement)	Current base salary ^B (after voluntary reduction)	Termination benefit
Mr M Ashton Non-Executive Chairman	No fixed term	\$75,000	\$30,000	No termination benefits
Mr J Jetter Non-Executive Director	No fixed term	\$50,000	\$20,000	No termination benefits
Mr B McFadzean Non-Executive Director	No fixed term	\$50,000	\$20,000	No termination benefits
Mr H Halliday Managing Director	No fixed term	\$354,250	\$153,300	6 months
Mr A Radonjic Technical Director	No fixed term	\$288,850	\$164,250	6 months
Mr B Dunnachie Company Secretary	No fixed term	\$114,900	\$45,960	3 months

A: Includes superannuation

B: The Directors and other management personnel have agreed to voluntary reductions from 1 July 2014. Current voluntary reductions from 1 April 2015 are between 30% to 60% of the base salary and remain in place to the date of this report.

K. Equity instruments held by key management personnel

The tables below show the number of:

- (I) options over ordinary shares in the Company, and
- (II) shares held in the Company

that were held during the financial year by key management personnel of the group, including their close family members and entities related to them.

There were no shares granted during the reporting period as compensation.

11. Remuneration Report (continued)

K. Equity instruments held by key management personnel (continued)

(I) Option holdings

	Balance at start of the year	Granted as remuneration	Exercised	Other changes	Balance at end of the year	Vested and exercisable
30 June 2016						
Directors of Venture Minerals Limited						
Mr M Ashton	-	1,545,000	-	-	1,545,000	1,545,000
Mr H Halliday	-	7,045,000	-	-	7,045,000	7,045,000
Mr A Radonjic	-	4,760,000	-	-	4,760,000	4,760,000
Mr B McFadzean	-	1,030,000	-	-	1,030,000	1,030,000
Mr J Jetter	1,000,000	1,030,000	-	-	2,030,000	1,030,000
Other key management personnel						
Mr B Dunnachie	-	1,915,000	-	-	1,915,000	1,915,000
30 June 2015						
Directors of Venture Minerals Limited						
Mr M Ashton	750,000	-	-	(750,000)	-	-
Mr H Halliday	3,000,000	-	-	(3,000,000)	-	-
Mr A Radonjic	1,500,000	-	-	(1,500,000)	-	-
Mr B McFadzean	750,000	-	-	(750,000)	-	-
Mr J Jetter	1,750,000	-	-	(750,000)	1,000,000	-
Other key management personnel						
Mr G Brock	750,000	-	-	(750,000) ^A	-	-
Mr J Grygorcewicz	-	-	-	-	-	-
Mr B Dunnachie	-	-	-	-	-	-

A: Mr G Brock ceased employment on 22 October 2014

(II) 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.

2016	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	6,675,000	-	667,500	7,342,500
Mr A Radonjic	2,679,999	-	268,001	2,948,000
Mr B McFadzean	-	-	-	-
Mr J Jetter	2,759,000	-	-	2,759,000
Other key management				
Mr B Dunnachie	-	-	-	-

11. Remuneration Report (continued)

K. Equity instruments held by key management personnel (continued)

(II) Share holdings (continued)

2015	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	6,675,000	-	-	6,675,000
Mr A Radonjic	2,679,999	-	-	2,679,999
Mr B McFadzean	-	-	-	-
Mr J Jetter	2,759,000	-	-	2,759,000
Other key management				
Mr G Brock ^A	50,000	-	(50,000)	-
Mr J Grygorcewicz ^B	242,369	-	(242,369)	-
Mr B Dunnachie ^C	-	-	-	-

A: Mr G Brock ceased employment on 22 October 2014

B: Mr J Grygorcewicz ceased employment on 24 September 2014

C: Mr B Dunnachie became key management on 24 September 2014

None of the shares above are held nominally by the Directors or any of the other key management personnel.

L. Loans to key management personnel

There were no loans made to Directors and other key management personnel of the group, including their close family members.

M. Other transactions with key management personnel

Directors, Mr M Ashton and Mr B McFadzean are both Non-Executive Directors of Gryphon Minerals Limited which share office and administration service costs on normal commercial terms and conditions. Mr H Halliday is a Non-Executive Director of Renaissance Minerals Limited and Alicanto Minerals Limited which share either office and/or administration service costs on normal commercial terms and conditions.

Aggregate amounts of each of the above types of other transactions with key management personnel of Venture minerals Limited:

	2016 \$	2015 \$
(i) Recharges to KMP related entities		
Recharge of rent and shared office costs		
Recharges to Gryphon Minerals Limited	3,743	39,550
Recharges to Renaissance Minerals Limited	20,968	-
Recharges to Alicanto Minerals Limited	8,103	-
(ii) Purchases from KMP related entities		
Rent of office building and shared office costs		
Payments to Gryphon Minerals Limited	24,911	18,123
Payments to Allos Property Group Pty Limited	-	-

End of remuneration report.

12. 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
24 Dec 15	31 Aug 20	0.1 cents	23,714,000
15 Aug 12	See "note A"	50.0 cents	2,000,000
15 Aug 12	See "note B"	55.0 cents	2,500,000
28 Sep 12	See "note C"	45.0 cents	1,000,000

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

Note A: The options shall expire 18 months after the vesting date being the date upon which the Company successfully obtains financing for the Mt Lindsay Tin-Tungsten Project.

Note B: The options shall expire 18 months after the vesting date being the date upon which the Company successfully completes its first shipment of DSO product.

Note C: The options shall expire 18 months after the vesting date being the date upon which the Company has made a decision to proceed with mining tin in Tasmania.

Shares issued on the exercise of options

During the year ending 30 June 2016, 583,000 ordinary shares of Venture Minerals Limited were issued on the exercise of options granted (2015: Nil).

13. Insurance of Officers

During the financial year, Venture Minerals Limited paid a premium of \$10,026 (2015: \$14,240) 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.

14. 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	Full meetings of Directors		Remuneration Committee meetings	
	Number Eligible to Attend	Meetings Attended	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	5	-	-
Mr J Jetter	6	6	-	-

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 as all members of the Board are involved in audit agenda items and discussions thereon.

15. Environmental Regulation

The Group's activities are subject to the relevant environmental protection legislation (Commonwealth and State) in relation to its exploration, development and future mining activities. The group believes that sound environmental practice is not only a management obligation but the responsibility of every employee and contractor.

The Company has been granted environmental approvals, with attaching conditions, by the Tasmania Environmental Protection Authority (EPA) and by the Federal Minister for the Environment, Heritage and Water in relation to the Riley DSO Hematite Project.

No fines were imposed and no prosecutions were instituted by a regulatory body during the period in relation to Environmental Regulations.

16. 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.

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

The lead auditor's independence declaration for the year ended 30 June 2016 has been received and can be found on page 30 of the Directors' report. No fees were paid or payable to the auditors for non-assurance services performed during the year ended 30 June 2016 (2015: nil).

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



Hamish Halliday
Managing Director

Perth, Western Australia, 29 September 2016

The information in this report that relates to Exploration Results, Exploration Targets, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Radonjic, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Andrew Radonjic is a full-time employee of the Company. Mr Andrew Radonjic has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Andrew Radonjic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The information in this announcement that relates to Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves was prepared and first disclosed under the JORC code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this letter 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. 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. The information in this announcement that relates to Ore Reserves was prepared and first disclosed under the JORC code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

29 September 2016

Board of Directors
Venture Minerals Limited
288 Churchill Avenue
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 2016, 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)



Samir Tirodkar
Director

Contents

Consolidated Statement of Profit or Loss and Other Comprehensive Income	32
Consolidated Statement of Financial Position	33
Consolidated Statement of Changes in Equity	34
Consolidated Statement of Cash Flows	35
Notes to the Consolidated Financial Statements	36
Directors' Declaration	57
Independent Auditor's Report	58

These financial statements cover Venture Minerals Limited 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
288 Churchill Avenue
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 14 in the Directors' report, which is not part of these financial statements.

The financial statements were authorised for issue by the Directors on 29 September 2016. 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.

For the Year Ended 30 June 2016

	Notes	Consolidated 2016 \$	2015 \$
Revenue from continuing operations	3(a)	93,608	174,725
Other income	3(b)	265,509	794,314
Administrative costs		(203,841)	(310,539)
Consultancy expenses		(153,422)	(390,492)
Employee benefits expense	4(a)	(296,772)	(844,896)
Share based payment expenses	15	(534,533)	-
Occupancy expenses	4(b)	(114,553)	(148,968)
Compliance and regulatory expenses		(62,958)	(72,706)
Insurance expenses		(37,487)	(56,777)
Depreciation expense	4(c)	(44,627)	(65,145)
Finance costs	4(d)	(27,664)	(31,702)
Impairment of plant and equipment		(805,407)	-
Exploration written off	10	(1,397,859)	(1,574,867)
(Loss) before income tax		(3,320,006)	(2,527,053)
Income tax (expense)/benefit	6	-	-
(Loss) attributable to owners		(3,320,006)	(2,527,053)
Other comprehensive income:			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	15	(16,489)	(39,049)
Items that will not be classified to profit or loss		-	-
Total comprehensive (loss) attributable to owners		(3,336,495)	(2,566,102)
Basic (loss) per share (cents per share)	17	(1.1)	(0.9)
Diluted (loss) per share (cents per share)	17	N/A	N/A

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2016

	Notes	Consolidated 30 June 2016 \$	30 June 2015 \$
Current Assets			
Cash and cash equivalents	7	2,670,903	3,260,962
Trade and other receivables	8	75,907	65,435
Total Current Assets		2,746,810	3,326,397
Non-Current Assets			
Trade and other receivables	8	523,600	1,079,600
Property, plant and equipment	9	1,034,374	2,016,136
Exploration and evaluation expenditure	10	-	-
Total Non-Current Assets		1,557,974	3,095,736
Total Assets		4,304,784	6,422,133
Current Liabilities			
Trade and other payables	11	187,385	160,391
Financial liabilities	19	931	10,674
Provisions	12	249,140	232,108
Total Current Liabilities		437,456	403,173
Non-Current Liabilities			
Financial liabilities	19	-	925
Provisions	12	135,234	99,828
Total Non-Current Liabilities		135,234	100,753
Total Liabilities		572,690	503,926
Net Assets		3,732,094	5,918,207
Equity			
Issued capital	13	73,012,412	72,383,737
Reserves	15	668,588	163,370
Accumulated losses		(69,948,906)	(66,628,900)
Total Equity		3,732,094	5,918,207

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

For the Year Ended 30 June 2016

Consolidated	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2014	72,383,737	(65,372,395)	12,357	1,460,610	8,484,309
Total comprehensive income for the year:					
Loss for the year	-	(2,527,053)	-	-	(2,527,053)
Foreign exchange differences	-	-	(39,049)	-	(39,049)
	-	(2,527,053)	(39,049)	-	(2,566,102)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	-	-	-	-	-
Equity settled share based payment transactions	-	-	-	-	-
Expired equity settled share based payments – transfer within equity	-	1,270,548	-	(1,270,548)	-
	-	1,270,548	-	(1,270,548)	-
Balance at 30 June 2015	72,383,737	(66,628,900)	(26,692)	190,062	5,918,207
Balance at 1 July 2015	72,383,737	(66,628,900)	(26,692)	190,062	5,918,207
Total comprehensive income for the year:					
Loss for the year	-	(3,320,006)	-	-	(3,320,006)
Foreign exchange differences	-	-	(16,489)	-	(16,489)
	-	(3,320,006)	(16,489)	-	(3,336,495)
Transactions with owners in their capacity as owners:					
Contributions of equity (net of transaction costs)	615,849	-	-	-	615,849
Equity settled share based payment transactions	-	-	-	534,533	534,533
Exercise of options	12,826	-	-	(12,826)	-
	628,675	-	-	521,707	1,150,382
Balance at 30 June 2016	73,012,412	(69,948,906)	(43,181)	711,769	3,732,094

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

For the Year Ended 30 June 2016

	Note	Consolidated 2016 \$	2015 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(886,156)	(1,611,672)
Interest received		93,212	194,506
Payments for exploration and evaluation		(1,366,729)	(2,325,590)
ATO research & development refund		197,980	793,922
Other income		56,348	-
Net cash (outflow) from operating activities	18	(1,905,345)	(2,948,834)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(1,563)	(630,572)
Proceeds from the sale of property, plant and equipment		145,000	29,091
Security deposits returned/(paid)		556,000	136,682
Net cash inflow/(outflow) from investing activities		699,437	(464,799)
Cash Flows from Financing Activities			
Proceeds from issue of shares and other equity securities		661,419	-
Share issue transaction costs		(45,570)	-
Net cash inflow from financing activities		615,849	-
Net (decrease) in cash and cash equivalents		(590,059)	(3,413,633)
Cash and cash equivalents at the start of the year		3,260,962	6,674,595
Cash and cash equivalents at the end of the year	7	2,670,903	3,260,962

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

This note provides a list of all significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements cover Venture Minerals Limited as a consolidated entity consisting of Venture Minerals Limited and its subsidiaries ('group' or consolidated entity').

(a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by 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) 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.

(b) Principles of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the consolidated entity as at 30 June 2016 and the results of the parent and all subsidiaries for the year then ended.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the 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 25 to the financial statements. All controlled entities have a 30 June financial year-end.

(ii) Joint arrangements

Under AASB 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Venture Minerals Limited has joint operations.

1. Summary of Significant Accounting Policies (continued)

(b) Principles of Consolidation (continued)

(iii) Joint operations

Venture Minerals Limited recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. Details of the joint operations are set out in Note 26.

(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 of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges, 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.

(iii) 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.

(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.

1. Summary of Significant Accounting Policies (continued)

(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.

The group is entitled to claim special tax deductions and rebates on qualifying expenditure under the Research and Development Tax Incentive Scheme in Australia. The group accounts for the rebate as an Income Tax Benefit/Income.

(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 or more frequently if events or changes in circumstances indicate that they might be impaired.

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

The new exploration and evaluation expenditure accounting policy is to expense expenditure as incurred other than for the capitalisation of acquisition costs.

(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 profit or loss and comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on assets is calculated using the diminishing value 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	40.0%
Motor vehicles	40.0%
Leasehold improvements	25.0%

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.

(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.

1. Summary of Significant Accounting Policies (continued)

(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'). The number of shares expected to vest is estimated based on the non-market vesting conditions and the probability the option will be exercised.

(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.

1. Summary of Significant Accounting Policies (continued)

(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.

(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 and amended standards and interpretations

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the group have not been applied in preparing these consolidated financial statements. Those which may be relevant to the group are set out below. The group does not plan to adopt these standards early.

(i) *AASB 9 Financial Instruments* and associated Amending Standards (applicable for annual reporting period commencing 1 January 2018)

The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

Key changes made to this standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income.

The directors anticipate that the adoption of AASB 9 will not have a material impact on the Group's financial instruments.

(s) New and amended standards and interpretations (continued)

- (ii) *AASB 16: Leases* (applicable to annual reporting periods commencing on or after 1 January 2019). AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice.

The directors anticipate that the adoption of AASB 15 will not have a material impact on the Group's recognition of leases and disclosures.

- (iii) *AASB 2014-3: Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]*

AASB 2014-3 amends AASB 11 *Joint Arrangements* to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require:

- the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11
- the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations

This Standard also makes an editorial correction to AASB 11.

The directors anticipate that the adoption of these amendments will not have a material impact on the financial statements.

- (iv) *Other standards not yet applicable*

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

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) Capitalisation of acquisition costs on exploration projects

Acquisition costs incurred in acquiring exploration assets 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 sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

(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 23.

	Consolidated 2016 \$	2015 \$
3. Revenue		
(a) From continuing operations		
Interest received	93,608	174,725
Total revenue from continuing operations	93,608	174,725
(b) Other income		
Research and Development tax rebate	197,980	793,922
Profit on sale of plant and equipment	10,910	392
Other income	56,619	-
Total other income	265,509	794,314
4. Expenses		
Profit before income tax includes the following specific expenses:		
(a) Employee benefits expense		
Salary and wages expense	287,808	778,948
Defined contribution superannuation expense	8,964	65,948
Total employee benefits expense	296,772	844,896
(b) Occupancy expense		
Operating lease expense	94,822	122,761
Other occupancy costs	19,731	26,207
Total occupancy expense	114,553	148,968
(c) Depreciation of non-current assets		
Plant and equipment - office	8,757	8,337
Plant and equipment - field	7,022	11,165
Furniture and equipment - office	4,667	6,074
Leasehold improvements	18,044	24,059
Motor vehicles	6,137	15,510
Total depreciation of non-current assets	44,627	65,145
(d) Finance costs in respect of finance leases		
Finance lease interest	406	1,818
Other bank and finance charges	27,258	29,884
Total finance costs in respect of finance leases	27,664	31,702
(e) Foreign exchange loss		
Net foreign exchange loss	567	412
Total foreign exchange loss	567	412
5. Auditor's Remuneration		
Remuneration of the auditor of the group		
Auditing or reviewing the financial statements	25,591	36,331
Total auditor remuneration	25,591	36,331

		Consolidated 2016 \$	2015 \$
6.	Income Tax Expense		
(a)	Income tax expense		
	Current tax	-	-
	Deferred tax	-	-
	Total income tax (expense)/benefit	-	-
	Deferred income tax expense included in income tax expense comprises:		
	(Increase) in deferred tax assets (Note 7(c))	-	-
	Increase in deferred tax liabilities (Note 7(d))	-	-
		-	-
(b)	Numerical reconciliation of income tax expense to prima facie tax payable		
	Profit/(loss) from continuing operations before income tax expense	(3,320,006)	(2,527,053)
	Tax (tax benefit) at the tax rate of 30% (2015: 30%)	(996,002)	(758,116)
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Share based payments	160,360	-
	Other non-deductible amounts	22,062	18,501
		(813,580)	(739,615)
	Unrecognised tax losses	813,580	739,615
	Income tax expense	-	-
(c)	Deferred tax assets		
	Tax losses	-	-
	Employee benefits	-	-
	Other accruals	-	-
	Total deferred tax assets	-	-
	Set-off deferred tax liabilities (Note 7(d))	-	-
	Net deferred tax assets	-	-
(d)	Deferred tax liabilities		
	Exploration expenditure	-	-
	Other	-	-
	Total deferred tax liabilities	-	-
	Set-off deferred tax assets (Note 7(c))	-	-
	Net deferred tax liabilities	-	-
(e)	Tax losses		
	Unused tax losses for which no DTA has been recognized	60,388,471	58,080,111
	Potential tax benefit at 30%	18,116,541	17,424,033
(f)	Unrecognised temporary differences		
	Unrecognised deferred tax asset relating to capital raising costs	3,065,506	2,885,034

	Consolidated 2016 \$	2015 \$
7. Cash & Cash Equivalents		
(a) Cash & cash equivalents		
Cash at bank and in hand	920,903	360,962
Deposits at call	1,750,000	2,900,000
Total cash and cash equivalents	2,670,903	3,260,962
(b) Cash at bank and on hand		
Cash on hand is non-interest bearing. Cash at bank bears interest rates between 0.00% and 1.25% (2015: 0.00% and 2.00%).		
(c) Deposits at call		
Deposits at call are bearing interest rates between 2.90% and 2.93% (2015: 2.25% and 2.90%).		
8. Trade & Other Receivables		
(a) Current		
Other receivables	66,089	53,267
Prepayments	9,818	12,168
Total current trade and other receivables	75,907	65,435
(b) Non-Current		
Deposits ¹	523,600	1,079,600
Total non-current trade and other receivables	523,600	1,079,600
¹ Deposits include cash of \$488,600 (2015: \$1,079,600) to secure a bank guarantee facility to provide a corporate credit card facility, security deposits required by the relevant authority for the granted exploration and mining licences and for the lease at 288 Churchill Avenue, Subiaco. A further security deposit of \$35,000 (2015: \$Nil) was held in cash by the relevant authority for a granted mining licence.		
(c) Past due and impaired receivables		
As at 30 June 2016, there were no other receivables that were past due or impaired (2015: 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 16.		

Consolidated	Plant & Equipment \$	Furniture & Equipment \$	Leasehold Improvements \$	Motor Vehicle \$	Land \$	Mining equipment \$	Total \$
9. Property, Plant & Equipment							
Year ended 30 June 2015							
Opening net book amount	50,949	31,547	96,236	77,953	129,839	1,129,617	1,516,141
Additions	989	-	-	-	-	626,624	627,613
Disposals/write-offs	(1,092)	(2,136)	-	(47,101)	-	(12,039)	(62,368)
Depreciation charge	(19,502)	(6,074)	(24,059)	(15,510)	-	-	(65,145)
Effect of exchange rates	(105)	-	-	-	-	-	(105)
Closing net book amount	31,239	23,337	72,177	15,342	129,839	1,744,202	2,016,136
At 30 June 2015							
Cost or fair value	200,525	59,372	110,787	65,676	129,839	1,744,202	2,310,401
Accumulated depreciation	(169,286)	(36,035)	(38,610)	(50,334)	-	-	(294,265)
Net book amount	31,239	23,337	72,177	15,342	129,839	1,744,202	2,016,136
Year ended 30 June 2016							
Opening net book amount	31,239	23,337	72,177	15,342	129,839	1,744,202	2,016,136
Additions	1,559	-	-	-	-	-	1,559
Impairment	-	-	-	-	-	(938,796)	(938,796)
Depreciation charge	(15,779)	(4,667)	(18,044)	(6,137)	-	-	(44,627)
Effect of exchange rates	102	-	-	-	-	-	102
Closing net book amount	17,121	18,670	54,133	9,205	129,839	805,406	1,034,374
At 30 June 2016							
Cost or fair value	202,012	59,372	110,787	65,676	129,839	805,406	1,373,092
Accumulated depreciation	(184,891)	(40,702)	(56,654)	(56,471)	-	-	(338,718)
Net book amount	17,121	18,670	54,133	9,205	129,839	805,406	1,034,374

	Consolidated 2016 \$	2015 \$
10. Exploration & Evaluation Expenditure		
(a) Non-current		
Opening balance	-	-
Exploration and acquisition costs	1,397,859	1,574,867
Write offs/provisions	(1,397,859)	(1,574,867)
Total non-current exploration and evaluation expenditure	-	-
(b) 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 2016 \$	2015 \$
11. Trade & Other Payables		
Current		
Trade Payables	39,180	35,090
Other Payables	148,205	125,301
Total current trade & other	<u>187,385</u>	<u>160,391</u>
12. Provisions		
(a) Current		
Employee entitlements	249,140	232,108
Total current provisions	<u>249,140</u>	<u>232,108</u>
(b) Non-Current		
Employee entitlements	135,234	99,828
Total non-current provisions	<u>135,234</u>	<u>99,828</u>

	Consolidated 2016 Shares	2015 Shares	Consolidated 2016 \$	2015 \$
13. Contributed Equity				
(a) Issued capital				
Ordinary shares - fully paid	316,635,187	287,320,170	73,012,412	72,383,737
Total issued capital	<u>316,635,187</u>	<u>287,320,170</u>	<u>73,012,412</u>	<u>72,383,737</u>
(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 14.				

	Date	Number of	Issue Price \$	Total \$
(d) Movements in issued capital				
Opening Balance at 1 July 2014		287,320,170		72,383,737
Shares issued during the year		-	-	-
Closing Balance at 30 June 2015		<u>287,320,170</u>		<u>72,383,737</u>
Opening Balance 1 July 2015		287,320,170		72,383,737
Share issue – Rights issue	14-Dec-15	17,879,307	0.023	411,224
Share issue – Rights issue	18-Dec-15	10,852,710	0.023	249,612
Exercise of options	13-May-16	583,000	0.023	13,409
Less: Transaction costs				(45,570)
Closing Balance at 30 June 2016		<u>316,635,187</u>		<u>73,012,412</u>

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
14. Issued Share Options						
(a) 2016 unlisted share option details						
24 Dec 15	0.1 cents	-	24,297,000	(583,000)	-	23,714,000
N/A ¹	45.0 cents	1,000,000	-	-	-	1,000,000
N/A ²	50.0 cents	2,000,000	-	-	-	2,000,000
N/A ³	55.0 cents	2,500,000	-	-	-	2,500,000
		5,500,000	24,297,000	(583,000)	-	29,214,000
Weighted average exercise price		\$0.514	\$0.001	\$0.001	-	\$0.098
(b) 2015 unlisted share option details						
14 Aug 14	45.0 cents	2,000,000	-	-	(2,000,000)	-
15 Aug 14	45.0 cents	11,375,000	-	-	(11,375,000)	-
N/A	45.0 cents	1,000,000	-	-	-	1,000,000
N/A	50.0 cents	2,000,000	-	-	-	2,000,000
N/A	55.0 cents	2,500,000	-	-	-	2,500,000
		18,875,000	-	-	(13,375,000)	5,500,000
Weighted average exercise price		\$0.469	-	-	\$0.450	\$0.514

1: To vest upon successfully obtaining project financing for the Mt Lindsay Tin/Tungsten Project, expire 18 months after vesting

2: To vest upon first shipment of DSO ore, expire 18 months after vesting

3: Vest upon company announcement that it has made a decision to proceed with mining tin in Tasmania, expire 18 months after vesting

	Consolidated 2016 \$	2015 \$
15. Reserves		
(a) Unlisted option reserve		
Opening balance	190,062	1,460,610
Unlisted options issued as part remuneration during the year	534,533	-
Exercise of options	(12,826)	-
Lapsed options: Transfer within equity to accumulated losses	-	(1,270,548)
Total unlisted option reserve	711,769	190,062
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 "EIOS", 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 14.		
(b) Foreign currency translation reserve		
Opening balance	(26,692)	12,357
Exchange differences arising on translation of foreign operations	(16,489)	(39,049)
Closing Balance	(43,181)	(26,692)
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	711,769	190,062
Exchange differences arising on translation of foreign operations	(43,181)	(26,692)
Closing Balance	668,588	163,370

16. 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	Total
	%	\$	\$	\$	\$
2016					
Financial Assets					
Cash and cash equivalents	2.32%	871,017	1,750,000	49,886	2,670,903
Trade & other receivables - current	0.00%	-	-	66,089	66,089
Trade & other receivables - non-current	2.73%	-	488,600	35,000	523,600
		871,017	2,238,600	150,975	3,260,592
Financial Liabilities					
Trade & other payables - current	0.00%	-	-	187,385	187,385
Financial liabilities – current	7.18%	-	931	-	931
Financial liabilities – non-current	0.00%	-	-	-	-
		-	931	187,385	188,316

Consolidated	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest	Non- interest bearing	Total
	%	\$	\$	\$	\$
2015					
Financial Assets					
Cash and cash equivalents	2.69%	306,625	2,900,000	54,337	3,260,962
Trade & other receivables - current	0.00%	-	-	53,267	53,267
Trade & other receivables - non-current	2.32%	-	944,000	135,600	1,079,600
		306,625	3,844,000	243,204	4,393,829
Financial Liabilities					
Trade & other payables - current	0.00%	-	-	160,391	160,391
Financial liabilities – current	7.18%	-	10,674	-	10,674
Financial liabilities – non-current	7.17%	-	925	-	925
		-	11,599	160,391	171,990

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 2 years from balance date.

16. Financial Instruments, Risk Management Objectives and Policies (continued)**(b) 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 2016, the group's exposure to interest rate risk is not considered material.

(c) 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.

(d) 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.

(e) Net fair value

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

Consolidated	2016		2015	
	Carrying Amount	Net fair Value	Carrying Amount	Net fair Value
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	2,670,903	2,670,903	3,260,962	3,260,962
Trade & other receivables - current	66,089	66,089	53,267	53,267
Trade & other receivables - non-current	523,600	523,600	1,079,600	1,079,600
	<u>3,260,592</u>	<u>3,260,592</u>	<u>4,393,829</u>	<u>4,393,829</u>
Financial Liabilities				
Trade and other payables - current	187,385	187,385	160,391	160,391
Financial liabilities – current	931	931	10,674	10,674
Financial liabilities – non-current	-	-	925	925
	<u>188,316</u>	<u>188,316</u>	<u>171,990</u>	<u>171,990</u>

	Consolidated 2016 \$	2015 \$
17. Earnings per Share		
(a) Earnings/(Loss)		
Earnings/(loss) used in the calculation of basic EPS	(3,320,006)	(2,527,053)
(b) Weighted average number of ordinary shares ('WANOS')		
WANOS used in the calculation of basic earnings per share:	302,918,685	287,320,170

	Consolidated 2016 \$	2015 \$
18. Cash Flow Information		
Reconciliation of cash flows from operating activities with loss from ordinary activities after income tax:		
(Loss) from ordinary activities after income tax	(3,320,006)	(2,527,053)
Depreciation	44,627	65,145
Share based payments	534,533	-
Impairment of plant and equipment	805,407	-
Net (gain)/loss on disposal of plant & equipment	(11,610)	(392)
Net exchange differences	(16,590)	(39,195)
Changes in assets and liabilities:		
- (Increase)/Decrease in operating receivables & prepayments	(10,472)	122,988
- Increase/(decrease) in trade and other payables	16,328	(477,031)
- Increase/(decrease) in employee provisions	52,438	(93,296)
Net cash (outflows) from Operating Activities	<u>(1,905,345)</u>	<u>(2,948,834)</u>

	Consolidated 2016 \$	2015 \$
19. Commitments		
(a) Exploration commitments		
Not longer than one year	583,746	500,288
Longer than one year, but not longer than five years	2,238,821	2,552,646
Longer than five years	-	-
	<u>2,822,567</u>	<u>3,052,934</u>
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.		

	Consolidated 2016 \$	2015 \$
19. Commitments (continued)		
(b) Lease commitments: group as lessee		
<i>Non-cancellable operating leases</i>		
Not longer than one year	122,668	116,512
Longer than one year, but not longer than five years	45,000	161,512
Longer than five years	-	-
	<u>167,668</u>	<u>278,024</u>
The company, as either joint or sole tenant, has entered into two non-cancellable operating lease for the head office and site premises. The leases vary between 3 and 5 year periods and both have options to extend for a further 5 years each as requested by the tenants.		
(c) Finance lease liabilities		
The group leases a motor vehicle with a carrying amount of \$931 under finance leases expiring in July 2016. On expiry of the lease the Group will retain ownership of the vehicle.		
Commitments in relation to finance leases are payable as follows:		
Within one year	931	11,172
Later than one year but not later than five years	-	931
Minimum lease payments	<u>931</u>	<u>12,103</u>
Future finance charges	-	(504)
Recognised as a liability	<u>931</u>	<u>11,599</u>
Representing lease liabilities:		
Current	931	10,674
Non-current	-	925
Total lease liabilities	<u>931</u>	<u>11,599</u>

20. Events Occurring After Balance Date

There were no material events subsequent to balance date.

21. 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 amounts provided to the board of directors with respect to total assets and profit or loss is measured in a manner consistent with that of the financial statements. Assets are allocated to a segment based on the operations of the segment and the physical location of the asset.

The board monitors the entity primarily from a geographical perspective, and has identified three operating segments, being exploration for mineral reserves within Australia and Thailand and the corporate/head office function.

21. Segment Information (continued)**(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 South East Asia \$	Australia \$	Corporate \$	Total \$
2016				
Total segment revenue	-	-	93,608	93,608
Interest revenue	-	-	93,608	93,608
Depreciation and amortisation expense	1,746	12,775	30,106	44,627
Total segment loss before income tax	(715,529)	(1,236,749)	(1,367,728)	(3,320,006)
2015				
Total segment revenue	-	-	174,725	174,725
Interest revenue	-	-	174,725	174,725
Depreciation and amortisation expense	602	26,571	37,972	65,145
Total segment loss before income tax	(440,849)	(1,176,324)	(909,880)	(2,527,053)
Total segment assets				
30 June 2016	34,364	935,245	3,335,175	4,304,784
30 June 2015	36,065	1,905,975	4,480,093	6,422,133
Total segment liabilities				
30 June 2016	21,418	-	551,272	572,690
30 June 2015	19,383	-	484,543	503,926

(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 \$93,608 (2015: \$174,725) 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.

22. Related Party Transactions**(a) Parent entity**

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

(b) Subsidiaries

Interests in subsidiaries are set out in Note 25.

(c) Key management personnel compensations

	Consolidated 2016 \$	2015 \$
Key Management Personnel Compensation		
Short-term employee benefits	426,108	765,532
Post-employment benefits	34,906	55,087
Eligible termination payments	-	106,442
Share-based payments	381,150	-
Total key management personnel compensation	842,164	927,061

Detailed remuneration disclosures are provided within the remuneration report which can be found on pages 17 to 27 of the directors' report.

(d) Transactions with other related parties

The following transactions occurred with related parties:

	Consolidated 2016 \$	2015 \$
Recharges to director related entities (excluding GST):		
Recharge of costs to Gryphon Minerals Limited	3,743	39,550
Recharges of costs to Renaissance Minerals Limited	20,968	-
Recharges of costs to Alicanto Minerals Limited	8,103	-
Purchases from director related entities (excluding GST):		
Recharges of shared costs from Gryphon Minerals Ltd	24,911	18,123
Outstanding balances arising from recharges/purchases with Director Related Parties:		
Current receivables	10,965	4,117
Current payables	-	-

(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.

23. Share Based Payments

The Directors have established an Employee Incentive Option Scheme ('EIOS') 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 24,297,000 options granted during the year was \$0.022. The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2016	2015
Weighted average exercise price (cents)	0.1	N/A
Weighted average life of the option (years)	4.69	N/A
Weighted average underlying share price (cents)	2.2	N/A
Expected share price volatility	85.0%	N/A
Weighted average risk free interest rate of	2.24%	N/A

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 are set out in Note 14.

	Consolidated 2016 \$	2015 \$
Unlisted options		
Options issued to directors, employees and consultants	534,533	-

24. Contingent Liabilities

During February 2014 the Tasmanian Government provided government assistance grants to TasRail, to a maximum of \$3.6 million, to construct certain rail and port infrastructure in advance of receiving unencumbered environmental approvals for the Riley DSO Hematite Project. The Company agreed that should unencumbered environmental approvals be received by 31 December 2014, the Company will repay half of the assistance grants expended on such infrastructure in satisfaction of the right to use TasRail infrastructure to transport Riley DSO product from mine site to port. At the date of this report, a total of \$1.9 million of the assistance grant has been expended by TasRail and were unencumbered approvals granted by 31 December 2014 the Company may have been liable to repay up to \$950,000.

As the Company did not receive unencumbered project approvals by 31 December 2014, the Company has no liability to make any repayments of the grant. However the Company is currently discussing in good faith a potential to make repayment of the grant out of any future cash flows from the Riley DSO Hematite Project should the company commence operations at the Project.

25. 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	
			2016 %	2015 %
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	Australia	Ordinary	100	100
Venture Lithium Pty Ltd	Australia	Ordinary	100	-
Venture Thailand Pty Ltd	Thailand	Ordinary	100	100

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

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

During the period, Venture withdrew from all Joint Venture and Farm-in Arrangements. There are no Joint Venture or Farm-in Arrangements as at the date of this report.

		Company	
		2016 \$	2015 \$
27. Parent Entity Information			
(a)	Assets		
	Current assets	2,715,432	3,293,404
	Non-current assets	4,259,651	5,069,045
	Total assets	6,975,083	8,362,449
(b)	Liabilities		
	Current liabilities	416,038	383,789
	Non current liabilities	135,234	100,754
	Total liabilities	551,272	484,543
(c)	Equity		
	Contributed equity	73,012,412	72,383,737
	Accumulated losses	(67,300,370)	(64,695,893)
	Reserves	711,769	190,062
	Total equity	6,423,811	7,877,906
(d)	Total Comprehensive loss for the year		
	Loss for the year after income tax	(2,604,477)	(2,118,416)
	Other comprehensive income for the year	-	-
	Total comprehensive loss for the year	(2,604,477)	(2,118,416)
The parent entity has not guaranteed any loans for any entity during the year.			

In the directors' opinion:

- (a) the financial statements and notes set out on pages 31 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 2016 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 27 of the directors' report comply with section 300A of the *Corporations Act 2001*; and
- (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, 29 September 2016

**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 2016, the consolidated statement of profit or loss and other 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), 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 2016 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).

Report on the Remuneration Report

We have audited the remuneration report included in pages 17 to 27 of the directors' report for the year ended 30 June 2016. 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 2016 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

Samir Tirodkar
Director



West Perth, Western Australia
29 September 2016

Corporate Governance Statement

In accordance with ASX Listing Rule 4.10.3 the company's Corporate Governance Statement can be found on the company's website, refer to <http://www.ventureminerals.com.au/index.php/profile/corporate-governance>.

Distribution of equity securities

Analysis of numbers of equity security holders by size of holding as at 23 September 2016 were as follows:

Holding	Number of shareholders Fully Paid Ordinary Shares
1 - 1,000	199
1,001 - 5,000	748
5,001 - 10,000	582
10,001 - 100,000	1,541
100,001 and over	373
	<u>3,443</u>

Holders of less than a marketable parcel: 1,924

Substantial Shareholders

The names of the substantial shareholders as at 23 September 2016:

Shareholder	Number
Republic Investment Management Pte Ltd	36,895,194
Molton Holdings Limited	25,707,752
Elphinstone Holdings Pty Ltd	26,459,532

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.

Options

	Exercise price	Vesting conditions	Expiry date	Number of options	Number of holders
Unlisted options	\$0.45	To vest upon successfully obtaining project financing for the Mt Lindsay Tin/Tungsten Project	18 months after vesting	1,000,000	1
Unlisted options	\$0.50	To vest upon first shipment of DSO ore	18 months after vesting	2,000,000	1
Unlisted options	\$0.55	Vest upon company announcement that it has made a decision to proceed with mining tin in Tasmania	18 months after vesting	2,500,000	1
Unlisted options	\$0.001	Vested	31 August 2020	23,714,000	12

Equity security holders

The names of the twenty largest ordinary fully paid shareholders as at 23 September 2016 are as follows:

Shareholder	Number	% Held of Issued Ordinary Capital
HSBC Custody Nominees Australia Ltd	65,919,312	20.82%
Elphinstone Holdings Pty Ltd	26,459,532	8.36%
Merrill Lynch Australia Nominees Pty Ltd	14,194,070	4.48%
J & J Bandy Nominees Pty Ltd	8,500,000	2.68%
McTavish Industries Pty Ltd	6,077,500	1.92%
JP Morgan Nominees Australia Ltd	5,162,441	1.63%
Seventy Three Pty Ltd	3,500,000	1.11%
Citicorp Nominees Pty Ltd	3,226,500	1.02%
Stephen Parsons	3,077,500	0.97%
Onedin Enterprises Pty Ltd	2,933,332	0.93%
Keith Jenkins and Neville Houghton	2,900,000	0.92%
WGS Pty Ltd	2,600,000	0.82%
Codee Wouter	2,500,000	0.79%
Forsyth Barr Custodians Ltd	2,485,156	0.78%
Mapt Pty Ltd	2,151,374	0.68%
Brispot Nominees Pty Ltd	2,070,263	0.65%
Ristovski Nominees Pty Ltd	2,000,000	0.63%
Alberta Resources Pty Ltd	1,972,222	0.62%
Kingsford Investments Pty Ltd	1,500,000	0.47%
Academic Growth Institute Fund	1,406,819	0.44%
	160,636,021	50.72%

As at 23 September 2016

Project	Location	Tenement	Interest
Mount Lindsay	Tasmania	3M/2012	100%
	Tasmania	5M/2012	100%
	Tasmania	7M/2012	100%
	Tasmania	EL21/2005	100%
	Tasmania	EL45/2010	100%
	Tasmania	EL72/2007	100%
Thali	Thailand	70/2558	100%
	Thailand	71/2558	100%
Pak Yang	Thailand	69/2558	100%

Key

EL: Exploration Licence

M: Mining Lease