

SULPHUR SPRINGS COPPER-ZINC PROJECT UPDATE

DRILLING CONTRACTOR ENGAGED AND APPROVALS ADVANCING

Highlights:

- ▶ Drilling contractor engaged and scheduled on site late September
- ▶ Multiple high-potential VMS targets within close proximity to existing resources to be tested
- ▶ Secondary mining approvals progressing
- ▶ Heritage surveys completed for detailed design of the new TSF site

Venturex Resources Ltd (“Venturex” or “the Company”) (**ASX: VXR**) is pleased to provide an update of its planned activities at its 100%-owned **Sulphur Springs Copper-Zinc Project** in Western Australia.

With a drilling contractor now engaged to undertake the previously foreshadowed regional exploration programme and project approvals and pre-development activities advancing, the Company has also reactivated discussions with several potential strategic project equity investors against the backdrop of significant recent improvements in the base metals market. The Company has noted a considerable improvement in in-bound enquiry and interest regarding Sulphur Springs as a result of its advanced status, long mine life, and the limited number of undeveloped copper assets of the scale of Sulphur Springs.

SULPHUR SPRINGS COPPER-ZINC PROJECT

The Sulphur Springs Project is located south-east of Port Hedland and includes the proposed Sulphur Springs and Kangaroo Caves mines, together with tenements covering ~27km of the Panorama trend that contains numerous advanced VMS-style exploration targets. The Sulphur Springs Project hosts a total Mineral Resource (Sulphur Springs + Kangaroo Caves) comprising 17.4 million tonnes grading 1.3% copper, 4.2% zinc and 17g/t silver (*ASX announcements, 22 September 2015 and 21 March 2018*).

EXPLORATION

Regional exploration drilling at Sulphur Springs, previously scheduled to commence in August, was delayed due to rig availability and restrictions on the movement of people into WA.

The drilling contractor has now been engaged and is scheduled to be on site late September.

The planned programme is designed to follow-up on the exceptional results generated from 2019 drilling at the advanced Breakers Prospect (*see ASX release 4 September 2019*), as well as to test the Heli-borne Electromagnetic (HEM) target XA8, where previous drilling intersected anomalous Ni-Cr mineralisation.

Results from the 2019 drilling at Breakers identified broad zones of VMS-style sulphide mineralisation across approximately 1.0km of strike, returning several outstanding intercepts of high-grade zinc-silver-lead mineralisation, including:

- **18m @ 7.75% Zn, 2.03% Pb, 0.25% Cu and 22.8g/t Ag** from 155.0m in BKR005 (see ASX release 17 June 2019); and
- **8m @ 3.37% Zn, 0.29% Pb, and 6.45g/t Ag** from 84m in BKR007, including:
 - An exceptional high-grade interval of **1m @ 20.9% Zn, 1.84% Pb and 34.7g/t Ag** from 85.0m (see ASX release 17 June 2019)

The currently planned programme is designed to systematically test extensions to the Breakers Main anomaly, along with testing the along-strike extension to zinc-rich mineralisation intersected at Breaker North.

Four drill holes are designed to follow-up the along-strike and down-plunge continuation of massive sulphide mineralisation intersected at the Breakers Main Gossan, including the thick, high-grade intersection within BRK005 (**18m @ 7.75% Zn**).

An additional two drill-holes will also be completed to follow-up zinc-rich mineralisation intersected in BKR007 (**8m @ 3.37% Zn**) at the Breakers North target, located approximately 1.1km NNE of the Breakers Main anomaly.

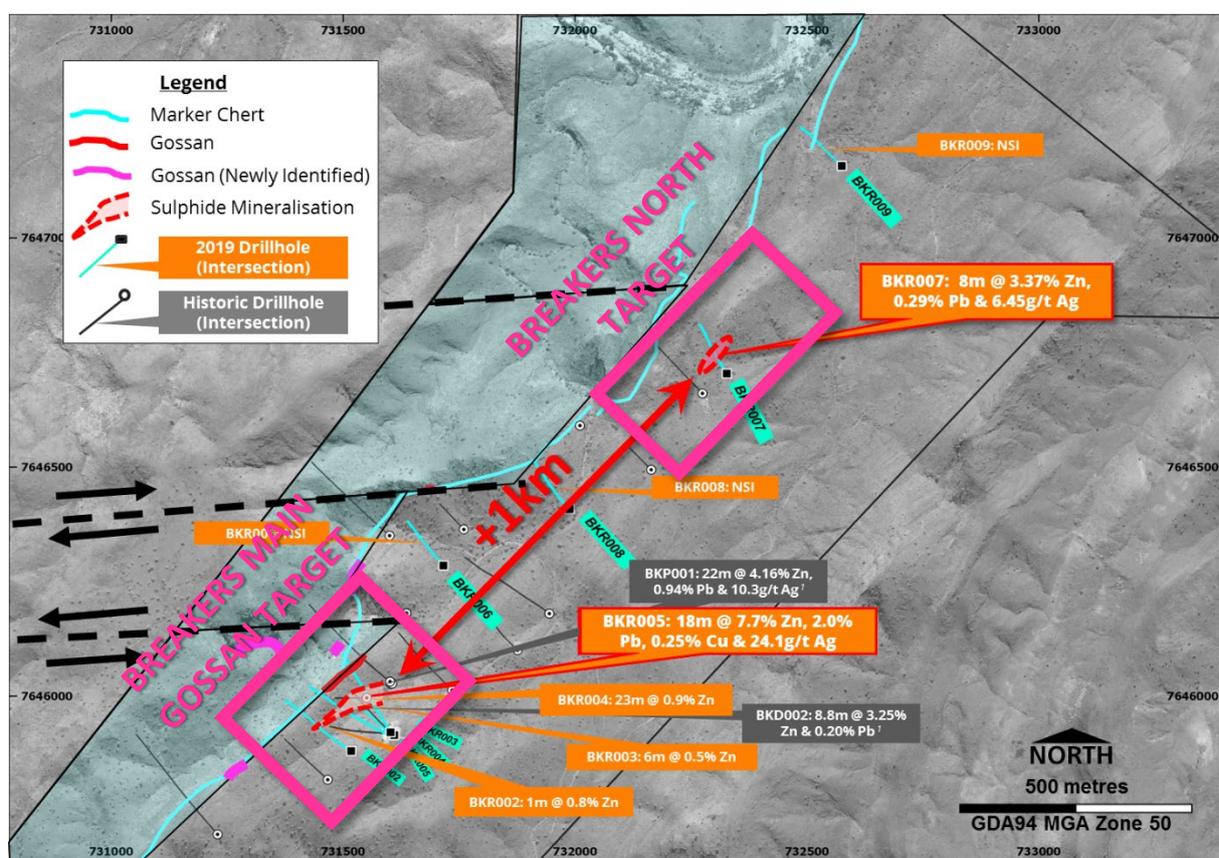


Figure 1: Plan view of Breakers Prospect with proposed target area.

Two drill holes are also planned to test the down-plunge and along-strike continuation of a DHEM target and associated Ni-Cr mineralisation intersected at the XA8 Prospect.

First-pass exploration drilling completed at the prospect in 2018-2019 (SSD106 & SSR009) targeting a 'blind' EM plate intersected strongly oxidised, Ni-Cr+/-Co mineralisation with assay results including 17m @ 0.66% Cr and 0.33% Ni within SSR009 (see ASX releases 27 November 2017, 13 August 2018 & 26 June 2019). The strongly anomalous Ni-Cr+/-Co mineral assemblage is hosted within a favourable mafic/ultramafic intrusive unit that is interpreted to be highly prospective to host nickel-sulphide style mineralisation.

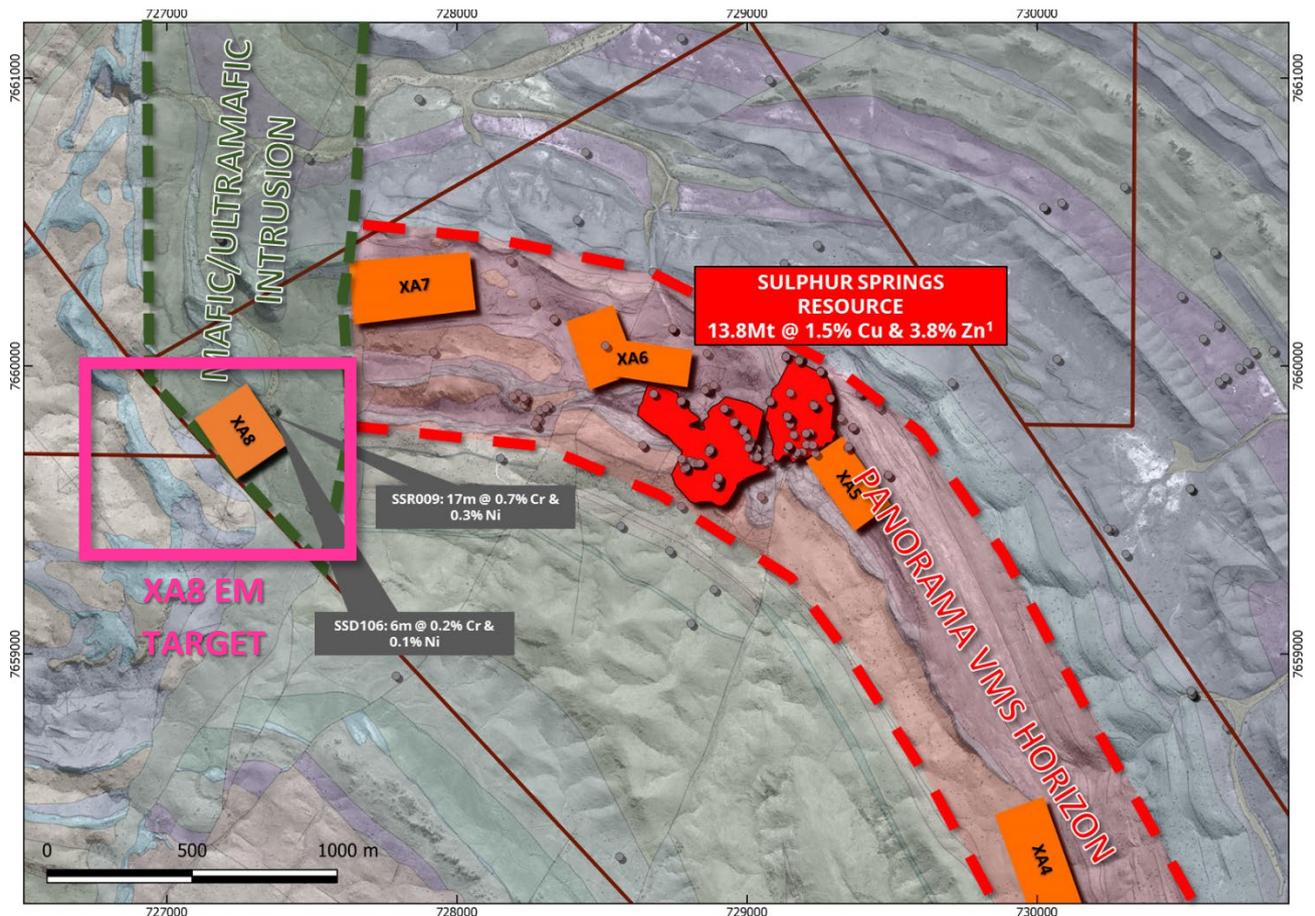


Figure 2: XA8 EM target.

PROJECT SECONDARY APPROVALS

Following the grant of the primary approval, Ministerial Statement 1134 (refer ASX release 21 May 2020), a Mining Proposal for construction of the access road to the mine site was submitted to the Department of Mines, Industry Regulation and Safety in June 2020.

A Mining Proposal for the construction and operation of the open pit, tailings storage facility and processing plant and an application for a Works Approval to construct elements of the processing plant and the tailings storage facility (TSF) are in preparation.

An application to amend an existing groundwater licence to provide for construction of the mine site and dewatering of the mine pit is also being progressed.

PROJECT DEVELOPMENT

A thorough Heritage Survey over five days, which included the area of the relocated TSF, has been completed by the Njamal Traditional Owners with the involvement of consultant archaeologists and Venturex staff.

The Company is now planning a geotechnical drilling programme within the footprint of the TSF to enable detailed TSF design work to be completed and form part of the Mining Proposal and Works Approval application.

PROJECT EQUITY

Following the announcement confirming Ministerial approval for the Sulphur Springs Project (ASX release 21 May 2020), the Company continues to engage with several parties for a strategic equity or project investment. Due diligence and proposal discussions are ongoing and the Company will update investors in due course.

As outlined in the Capital Raising announcement of 10 June 2020, the Company finalised the capital raising in August 2020, with a total of \$4.6 million raised via placements and a Share Purchase Plan, both of which were oversubscribed.

Venturex Executive Director, Anthony Reilly, said:

“While there has been a slight delay to the start of the exploration programme at Sulphur Springs due to the tight availability of drill rigs and crew, our team has refined the programme and prepared the site so that we can hit the ground running. We expect the drilling to be ongoing through October and results to be released progressively as they become available.

“In parallel with our preparations to commence exploration at Sulphur Springs, we have not lost our focus on advancing towards copper and zinc production. With the strong increase in the copper price over the past several months, and positive outlook, we are very encouraged by considerable renewed interest in project equity proposals following confirmation of the Ministerial approval for the Project and the strengthening in the copper price.

The outlook for copper demand post-COVID and a tightening in supply predicted in the medium term is highly encouraging and we are maintaining our focus on advancing Sulphur Springs towards development”.

Authorised for release to the ASX by Anthony Reilly, Executive Director Venturex Resources Limited.

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About Venturex Resources Limited

Venturex Resources Limited (ASX: VXR) is an exploration and development company with two advanced Copper-Zinc Projects near Port Hedland in the Pilbara region of Western Australia. The two projects are the Sulphur Springs Project which includes the Sulphur Springs Project, Kangaroos Caves Resource plus 27km of prospective tenements on the Panorama trend and the Whim Creek Project which includes the Resources at the Whim Creek, Mons Cupri and Salt Creek mines together with the Evelyn project and 18,100 ha of prospective tenements over the Whim Creek basin.

Competent Person Statement

The Company confirms that:

- a. The form and context of the material in this release has not been materially modified from any previous announcements; and
- b. It is not aware of any new information or data that materially affects the information included in the announcements and that all material assumptions and technical parameters underpinning the announcements continue to apply and have not materially changed.

The information in this announcement that relates to Exploration Results is based on information compiled or reviewed by Mr Luke Gibson who is full time employee of Company. Mr Gibson is a member of the Australian Institute of Geoscientists. Mr Gibson has sufficient experience with the style of mineralisation and the type of deposit under consideration. Mr Gibson consents to the inclusion in the report of the results reported here and the form and context in which it appears.

Table 1: Sulphur Springs Resources Table

		Mineral Resources				
Location	JRC Classification	Tonnes ('000t)	Cu %	Zn %	Pb %	Ag g/t
Sulphur Springs	Measured	–	–	–	–	–
	Indicated	9,400	1.5	3.8	0.2	17
	Inferred	4,400	1.4	3.7	0.2	18
	Sub-total	13,800	1.5	3.8	0.2	17
Kangaroo Caves	Measured	–	–	–	–	–
	Indicated	2,300	0.9	5.7	0.3	13.6
	Inferred	1,300	0.5	6.5	0.4	18
	Sub-total	3,600	0.8	6	0.3	15
TOTAL	Measured	–	–	–	–	–
	Indicated	11,700	1.4	4.2	0.2	16.3
	Inferred	5,700	1.2	4.3	0.2	18.0
	Total Resources	17,400	1.3	4.2	0.2	17.0

Note. Totals may not balance due to rounding. The resource is reported at a cut-off grade of 0.4% copper and then less than 0.4% copper and greater than or equal to 2% zinc (see ASX release 21 March 2018 & 22 September 2015).