

VENTUREX TO ACQUIRE PANORAMA Cu-Zn PROJECT

\$36.8m raising to fund purchase and development

Highlights

- ▼ Deal transforms Venturex into a significant low-cost Cu-Zn developer
- ▼ Total Resources, inclusive of existing Whim Creek Resources, increase to 27Mt @ 2.2% Cu EQ (>580,000t Cu EQ)
- ▼ Targeting annual production of 40,000t Zn and 16,000t Cu plus lead, silver and gold credits¹
- ▼ Capitalises on strategy of utilising existing infrastructure to create a centralised processing hub at Whim Creek
- ▼ Acquisition cost of A\$26.2m cash plus off-take rights to 230,000t of zinc in zinc concentrate at benchmark pricing
- ▼ Venturex to raise A\$36.8m to fund the acquisition and complete feasibility study

Venturex Resources Limited ("Venturex") (ASX:VXR) today announces it has entered into a conditional agreement to acquire the Panorama Copper Zinc Project² from CBH Resources Limited ("CBH") for \$26.2m cash and an accompanying zinc off-take agreement to Toho Zinc Co Ltd ("Toho Zinc"). The acquisition will be funded through a A\$36.8m capital raising comprising a share placement to institutional and sophisticated investors and a 2:5 fully underwritten non-renounceable accelerated entitlements issue. The proceeds will also provide working capital to fast track a definitive feasibility study of the combined projects.

Acquisition

The Panorama Project is the largest known VMS deposit in the Pilbara, located 162km SE of Port Hedland. It contains a JORC Mineral Resource of 19.3Mt @ 1.2% Cu and 3.2% Zn, and previous feasibility studies have confirmed a high grade core amenable to large scale underground mining.

Consideration for the acquisition comprises:

- ▼ a deposit of A\$750,000, which has been paid,
- ▼ a final completion payment of A\$25.45m, subject to satisfaction of conditions precedent (including successful completion of the capital raising), by 1 March 2011, and
- ▼ the grant of zinc off-take rights to Toho Zinc capped at 230,000t of zinc in zinc concentrate from Panorama (or Venturex's other Pilbara Operations) on international benchmark terms.

¹ Venturex's production is conceptual in nature and subject to final feasibility studies.

² Venturex has agreed to acquire 100% of CBH Sulphur Springs Pty Ltd which owns the Panorama Cu-Zn Project.

ASX Announcement
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For further details

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Dr Tim Sugden, Venturex's Managing Director, said that the acquisition of Panorama is a logical step in Venturex's strategy of consolidating VMS deposits in the Pilbara and developing a centralised processing hub at its Whim Creek operations.

"The Panorama Project adds significant scale to our Pilbara development plans and, by capitalising on our existing infrastructure, the economics of the combined projects are compelling. This acquisition will elevate Venturex into the ranks of Australian mid-tier base metals developers and position our Shareholders to benefit from the positive market outlook for copper and zinc."

Comprehensive details regarding Venturex and the acquisition of the Panorama Project are contained in a presentation released to the ASX entitled: Acquisition of Panorama Project.

Placement and Entitlement Issue

Venturex intends to raise a total of A\$36.8m via a private placement and a fully underwritten accelerated non-renounceable entitlement issue. Details are:

- ▼ 15% placement to institutional investors @ 9 cents/share to raise \$8.8m
- ▼ Fully underwritten accelerated 2:5 non-renounceable entitlement issue @ 9 cents/share to raise \$28.0m

Under the entitlement issue, eligible Shareholders are invited to participate on a pro-rata basis to their existing holdings by subscribing for 2 new VXR shares ("New Shares") for every 5 VXR shares held, at a price of 9 cents per share ("Entitlement"). An offer document setting out the terms of the retail component of the entitlement issue will be lodged with the ASX and dispatched to eligible shareholders by 3 February 2011.

The offer price of 9 cents per share represents a 7.6% discount to the 30 day VWAP of Venturex shares prior to a trading halt on 14 January 2011. All New Shares will rank equally with existing shares on issue from allotment.

The entitlements are non-renounceable and will not be tradeable on the ASX or otherwise transferable. Shareholders who do not take up their entitlement in full will not receive any value in respect of their entitlement not taken up. To the extent that Venturex determines that it is unreasonable for the entitlement issue to be extended to any existing shareholders because of foreign regulatory matters, New Shares will be issued to Argonaut Securities as nominee in accordance with Section 615 of the *Corporations Act 2001* (Cth), with those shares being sold and the proceeds of sale in excess of the issue price (after costs) being remitted to those foreign holders.

Argonaut Capital Limited is the Sole Lead Manager, Sole Underwriter (entitlement issue only) and Sole Book Runner to the institutional placement and accelerated entitlement issue and has entered into an underwriting agreement with Venturex to underwrite approximately A\$28.0m of the raising. Argonaut also acted as corporate advisor to the Company throughout this transaction.

Venturex's largest Shareholder, Regent Pacific, has committed to take up its full entitlement and sub-underwrite a major portion of the entitlement issue.


Indicative timetable

The indicative timetable is attached at Appendix 1.

Related ASX Releases

The Company has also released the following documents to the ASX:

- ▼ Presentation – Acquisition of Panorama Project
- ▼ Notice under Section 708AA(2)(f) of the Corporations Act
- ▼ Appendix 3B



TIM SUGDEN
Managing Director

For further information, please contact:

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About Venturex Resources Limited

Venturex Resources Limited (ASX: VXR) is a well funded Australian exploration and development company with a portfolio of VMS projects in the Western Pilbara. Venturex owns or controls the Whim Creek Copper Mine and all associated mining leases and exploration tenements including copper, zinc, lead, silver and gold resources at Whim Creek, Mons Cupri, Salt Creek and Liberty- Indee. Other assets include the Whim Creek Hotel, an accommodation village, crushing circuit and various mining infrastructure. The Company is committed to a strategy of consolidating VMS projects in the Western Pilbara and developing Whim Creek as a centralised processing hub. Venturex is also exploring for gold in Brazil through its wholly owned subsidiary, CMG Mineração Ltda.

Competency Statement

The information in this report that relates to Mineral Resources at the Whim Creek and Panorama Projects is based on information compiled or reviewed by Dr Tim Sugden BSc, PhD and Mr Steven Wood, who are Members of the Australasian Institute of Mining and Metallurgy. Dr Sugden and Mr Wood are full-time employees of Venturex Resources Limited and have sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Sugden and Mr Wood consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Combined Mineral Resources of Whim Creek and Panorama

Location	JORC Classification	Tonnes	Cu %	Zn %	Pb %	Ag g/t	Au g/t	CuEq %
All Whim Creek/Salt Creek	Measured	1,274,000	1.5	1.7	0.8	41.0	0.30	2.6
	Indicated	5,989,000	1.1	2.4	0.7	23.6	0.20	2.2
	Inferred	367,000	1.7	1.1	0.2	14.3	0.30	2.3
Total		7,630,000	1.2	2.2	0.7	26.1	0.20	2.2

Panorama	Measured	4,500,000	1.6	3.2	0.2	17.0		2.6
	Indicated	10,500,000	1.2	3.5	0.2	17.0		2.3
	Inferred	4,300,000	0.6	2.2	0.2	13.0		1.3
Total		19,300,000	1.2	3.2	0.2	16.1		2.2

PROJECT	Measured	5,774,000	1.6	2.9	0.3	22.3	0.1	2.6
TOTAL	Indicated	16,489,000	1.2	3.1	0.4	19.4	0.1	2.3
	Inferred	4,667,000	0.7	2.1	0.2	13.1	0.0	1.4
Total		26,930,000	1.2	2.9	0.3	18.9	0.1	2.2

	Copper	Zinc	Lead	Silver	Gold	Cu EQ t
Total Contained Metals (tonnes/oz)	315,360	773,960	92,010	16,398,198	15,260	587,105

Rounding errors may occur.

CuEQ: $Cu\% + Zn\% \times 0.255 + Pb\% \times 0.24 + Ag(ppm) \times 0.008 + Au(ppm) \times 0.5$

APPENDIX 1 – INDICATIVE TIMETABLE

Event	Business Day	Date
<p>Offer announcement date: Announce Offer lodge investor presentation / Rights Offer cleansing notice / Appendix 3B with ASX.</p> <p>Accelerated Offer Opening Date: First day on which acceptances may be received for the Accelerated Offer.</p>	T 0	21 January 2011
<p>Rights Offer Ex Date</p> <p>Institutional Offer Closing Date: Last day on which acceptances under the Institutional Offer may be received.</p>	T + 1	24 January 2011
<p>Record date– Books close at 7:00 pm (AEDT), for the purpose of identifying securityholders entitled to participate in the Rights Offer.</p>	T + 4	28 January 2011 (7:00pm AEDT)
<p>Placement settlement date: DvP settlement of new securities under the Placement. Lodge Placement Appendix 3B and cleansing notice with the ASX.</p>	T + 5	31 January 2011
<p>Trading of new securities: Normal settlement trading of new securities issued under Placement.</p> <p>Despatch date: Holding statements despatched for new securities allotted under Placement.</p>	T + 6	1 February 2011
<p>Retail Offer opening date: Despatch of Retail Offer materials. Lodge Retail Offer materials with ASX. First day on which acceptances of the Retail Offer may be received.</p>	T+8	3 February 2011
<p>Institutional Offer settlement date: DvP settlement of Institutional Offer.</p>	T+11	8 February 2011
<p>Institutional Offer allotment date: Allot new securities under the Institutional Offer (including any shortfall).</p> <p>Trading of new securities: Normal settlement trading of new securities issued under Institutional Offer Allotment.</p> <p>Despatch date: Holding statements despatched for new securities allotted under Institutional Offer Allotment.</p>	T+12	9 February 2011
<p>Retail Offer close date: Last date for applications under the Retail Offer.</p>	T+15	5:00pm (AWST), 14 February 2011
<p>Retail shortfall notification</p>	T+17	16 February 2011
<p>Announce results of allocations under Retail Offer</p> <p>Retail Offer settlement date</p>	T+20	21 February 2011
<p>Retail Offer allotment date: Issue new securities under Retail Offer and enter into uncertificated security holdings.</p>	T+21	22 February 2011
<p>Retail Offer trading date: New securities issued under the Retail Offer commence normal settlement trading.</p> <p>Retail Offer despatch date: Holding statements despatched for new securities allotted under Retail allocation.</p>	T+22	23 February 2011
<p>Retail Offer shortfall allotment date: Issue shortfall under Retail Offer and enter into uncertificated security holdings.</p>	T+24	25 February 2011
<p>Retail Offer shortfall trading date: Shortfall shares issued under the Retail Offer commence normal settlement trading.</p> <p>Retail Offer shortfall despatch date: Holding statements despatched for new securities allotted under Retail shortfall allocation.</p>	T+25	28 February 2011