

Initial Drilling Extends High Grade Zinc Mineralisation at Salt Creek

Strong start to drill campaign with encouraging results on several fronts

Highlights

- Very high grade zinc-lead-silver-gold mineralisation in east lode of Salt Creek extended towards the surface – increasing open pit potential
- First hole into Mons Cupri IP anomalies intersects alteration in the Cistern Formation conglomerate host for mineralisation
- Drilling continuing to test for near-surface extensions of high grade zinc-lead mineralisation in the west lode at Salt Creek
- Initial holes submitted for analysis with assays expected in the coming weeks

Venturex Resources Limited (ASX: VXR "Venturex" and the "Company") is pleased to advise that it has made a strong start to the recently commenced zinc-focused drilling program at its 100%-owned **Whim Creek Zinc-Copper Project**, located 115km south-west of Port Hedland in WA, with encouraging preliminary results received from a number of initial holes.

The Whim Creek Project includes the Whim Creek, Mons Cupri, Salt Creek and Evelyn deposits plus 18,100 hectares of tenements covering the highly prospective Whim Creek and Mallina basins.

The initial drilling has so far been successful in extending the known high-grade zinc-lead mineralisation in the Eastern Lode at the Salt Creek deposit up-dip towards the surface and in filling it down-dip, as well as providing an initial test of the IP anomalies adjacent to the Mons Cupri deposit.

Salt Creek Deposit Resource Extension Drilling

Diamond drilling commenced at the high grade Salt Creek zinc-lead deposit in early September.

The objective of this drilling is to extend both of the high grade zinc-lead-silver-gold lodes within 150 metres of the surface so as to increase the portion of the Resource that has the potential for exploitation by open pit mining methods (see Attachment 1).

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Three diamond drill holes have so far been completed at Salt Creek (see Figure 1). Logging of the drill core has confirmed the following initial results:

- Hole 16VSCD001 intersected **1.5 metres of massive zinc-lead sulphide mineralisation** from 150.5 metres down-hole. The hole was designed to infill the downdip extension of the very high grade Eastern zinc-Lead Lode of the deposit (*refer ASX releases 30 June 2010 and 26 August 2016*). The hole was completed at 162 metres.
- Hole 16VSCD002 was designed as a step-out hole to test the strike extension of the East Lode approximately 75 metres to the north of the current drilling. While the hole did not intersect sulphide mineralisation, it did intersect alteration at the interpreted target position indicating the possibility that mineralisation may be offset from the hole. The hole has been cased so as to enable down-hole geophysical testing for any offset mineralisation.
- Hole 16VSCD003 was designed to test the up-dip projection of the very high grade zinc-lead east and hanging-wall lodes. The hole intersected **1.8 metres of massive zinc-lead sulphide mineralisation** from 78.5 metres down-hole. This mineralisation is interpreted to be an up-plunge extension of the East Lode. The hole also intersected 14.2 metres of gossanous mineralisation from 13.8 metres down-hole. This mineralisation is interpreted to be a weathered up-plunge extension of the hanging-wall lode.

Full details of the three diamond holes completed to date at Salt Creek are provided below:

Prospect	Hole ID	Drill Type	MGA ¹ North	MGA ¹ East	RL ²	Incl	Azi	TD	Comment
Salt Creek	16VSCD001	DD	7707462	573755	100	-60	330	162	1.5 metres of massive Sphalerite Galena sulphide mineralisation intersected from 150.5 metres ³
Salt Creek	16VSCD002	DD	7707472	573835	100	-60	330	190	No visual mineralisation intersected
Salt Creek	16VSCD003	DD	7704767	573723	100	-60	330	130	14.2 metres of interbedded gossan and shales intersected from 13.8 metres ³ 1.8 metres of massive Sphalerite, Galena and Pyrite mineralisation intersected from 78.5 metres ³

1 Hole coordinates subject to final collar survey

2 Hole RL provisional subject to survey

3 Visual estimate by Competent Person

Pictures of the massive zinc and lead sulphide intersections are shown in Figures 2 and 3. Drill core from these initial holes has been submitted for assay with results expected in the coming weeks.

Mons Cupri Deposit IP Chargeability Targets

An RC drill rig drilled two of the Induced Polarisation (IP) chargeability anomalies around the Mons Cupri Deposit that were identified by the recent IP survey (*refer ASX announcement 4th July 2016 Well Defined IP targets at Mons Cupri*).

The location of these holes and targets is shown in Figure 4, with initial results summarised below:

- Hole 16VMCR001 tested the south-west chargeability anomaly. The hole was drilled to 250m and intersected a 129m thickness of the Cistern Formation conglomerate which hosts the Mons Cupri deposit. The presence of weak-to-moderate sericite alteration and traces of Pyrite mineralisation throughout the conglomerate indicates the potential for economic mineralisation. The Company believes that the amount of Pyrite intersected is not sufficient to account for the IP chargeability observed and down-hole geophysical surveys will be carried out on the hole.
- Hole 16VMCR002 tested a shallow chargeability anomaly on the north-west side of the North West pit which was a secondary target. The hole intersected a thicker than expected sequence of Rushall Shale before intersecting Cistern Formation. The shale unit in the Rushall Shale explains the chargeability anomaly observed.

Prospect	Hole ID	Drill Type	MGA ¹ North	MGA ¹ East	RL ²	Incl	Azi	TD	Comment
Mons Cupri	16MCR001	RC	7690010	584450	100	-70	180	250	129 metres of weak-to-moderate sericite alteration and trace Pyrite intersected in the Cistern Formation conglomerate from 121 metres
Mons Cupri	16MCR002	RC	7691235	583450	100	-70	225	175	No visual mineralisation intersected

1 Hole coordinates subject to final collar survey

2 Hole RL provisional subject to survey

3 Visual estimate by competent person

Quamby North Prospect

Two RC holes were drilled test historical VTEM and FLTEM targets on the Quamby North prospect, which is part of the Liberty-Indee Joint Venture (see Attachment 2).

Hole 16VER001 intersected a sequence of felsic volcanics and sediments with no obvious source of the anomaly. It was cased to enable down-hole geophysical surveying in the future.

Hole 16VER002 intersected a sequence of Pyrrhotite-rich shale units that explain the VTEM anomaly.

Full details of these holes at Quamby North are provided below:

Prospect	Hole ID	Drill Type	MGA ¹ North	MGA ¹ East	RL ²	Incl	Azi	TD	Comment
Quamby North	16VER001	RC	7671100	588606	100	-60	270	320	No visual mineralisation intersected
Quamby North	16VER002	RC	7671200	588595	100	-60	270	172	Conductor explained by Pyrrhotite shales

1 Hole coordinates subject to final collar survey

2 Hole RL provisional subject to survey

3 Visual estimate by competent person

Management comment

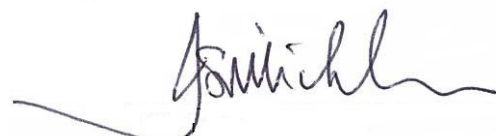
Venturex's Managing Director John Nitschke said the drilling at Whim Creek was off to a very positive start with initial visual results confirming important extensions to the very high-grade zinc-lead mineralisation at Salt Creek.

"The mineralisation observed in holes VSCD001 and VSCD003 is very similar to that which occurs elsewhere in the very high grade zinc-lead dominant Eastern Lode at Salt Creek. This is an encouraging development as our immediate focus at Salt Creek is to increase the near-surface Resource that can potentially be mined using an open pit which has important economic implications."

"We are also pleased with what we have seen in the initial RC holes drilled to test the IP anomalies at Mons Cupri. The presence of alteration traces of Pyrite in the Cistern Formation Conglomerate is very encouraging and is an early indicator that the IP chargeability anomalies represent targets for extensions of the mineralisation at Mons Cupri.

"Drilling is continuing at Salt Creek and will now focus on near-surface extensions of the West Lode. We look forward to seeing the results from this drilling and also to receiving initial assay results in the coming weeks.

"Meanwhile, the initial results at Quamby provide encouragement for future exploration of the fertile Mallina Basin," Mr Nitschke added.



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About Venturex Resources Limited

Venturex Resources (ASX: VXR) is a rapidly growing Australian zinc company which is focused on the exploration and development of its two advanced zinc-copper projects located near Port Hedland in the premier Pilbara mining province of Western Australia. After recently completing a \$5 million capital raising, Venturex has embarked on a major new drilling program aimed at further expanding its resource inventory, which comprises more than 900,000t of contained zinc and 320,000t of contained copper.

Its initial exploration focus is on extending the existing high-grade zinc, copper and lead resources at the Whim Creek Project, where it has identified a range of targets adjacent to the Salt Creek and Mons Cupri deposits. Drilling commenced in late August and will continue through until the end of the year, generating strong ongoing news-flow. The successful extension of the known Resources at Whim Creek will result in a project that is compelling at spot prices. The existing infrastructure at Whim Creek means that any such project could be producing zinc, copper and lead concentrates during the first half of calendar 2018.

Venturex is continuing to progress permitting and pre-development activities for its Sulphur Springs Project, one of the most significant undeveloped zinc deposits in Australia. On-going value engineering of the 2013 Feasibility Study has resulted in a potential low-risk copper-zinc project with attractive economics and a proposed low-CAPEX Stage 1 development based on a near-surface high grade supergene copper zone.

Venturex also receives an ongoing income stream from a profit share in an SX/EW heap leach operation recovering copper from the heap leach dumps at Whim Creek. Venturex received \$780,000 in FY2016 from 990t of copper metal production. This cash flow covers the bulk of the Company's overheads and is expected to continue for the next 2-3 years.

About Zinc

Zinc is a blue-grey metal which readily forms alloys with metals including copper, aluminium and magnesium. Zinc is primarily used for its corrosion resistance in galvanising which accounts for approximately half of global zinc consumption. Galvanised materials (commonly iron and steel) are used extensively in transport, construction and appliance manufacturing purposes. Metallic zinc is also used in dry cell batteries, die-casting, roof cladding and in the production of zinc oxide.

Zinc demand is dominated by China at 6.9Mt or 49%. Global consumption is forecast to grow at a CAGR of 2% over 2016-2020, with the strongest demand growth coming from China at 2% and also the US and India. Following recent mine closures and this increasing demand growth, the current zinc market is tight with declining global inventories and a supply deficit forecast in coming years. Zinc prices have responded accordingly rallying above the top of the global mine cost curve. The concentrate market also reflects this supply tightness, with smelters materially discounting treatment charges.

Competency Statements

The information in this announcement that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled or reviewed by Mr James Guy who is a Member of the Australasian Institute of Mining and Metallurgy. The information contained in this announcement referring to Reserves and Resources was previously released in announcements "Company Resource and Reserve Statement – Revised" released 8 October 2013.

The Company confirms that:

- a. The form and context of the material in this presentation has not been materially modified from the above previous announcements;
- b. It is not aware of any new information or data that materially affects the information included in the 8 October 2013 announcement and that all material assumptions and technical parameters underpinning the estimate in the 8 October 2013 announcement's continue to apply and have not materially changed; and
- c. It is uncertain that following further exploration and evaluation that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC 2012 Code.

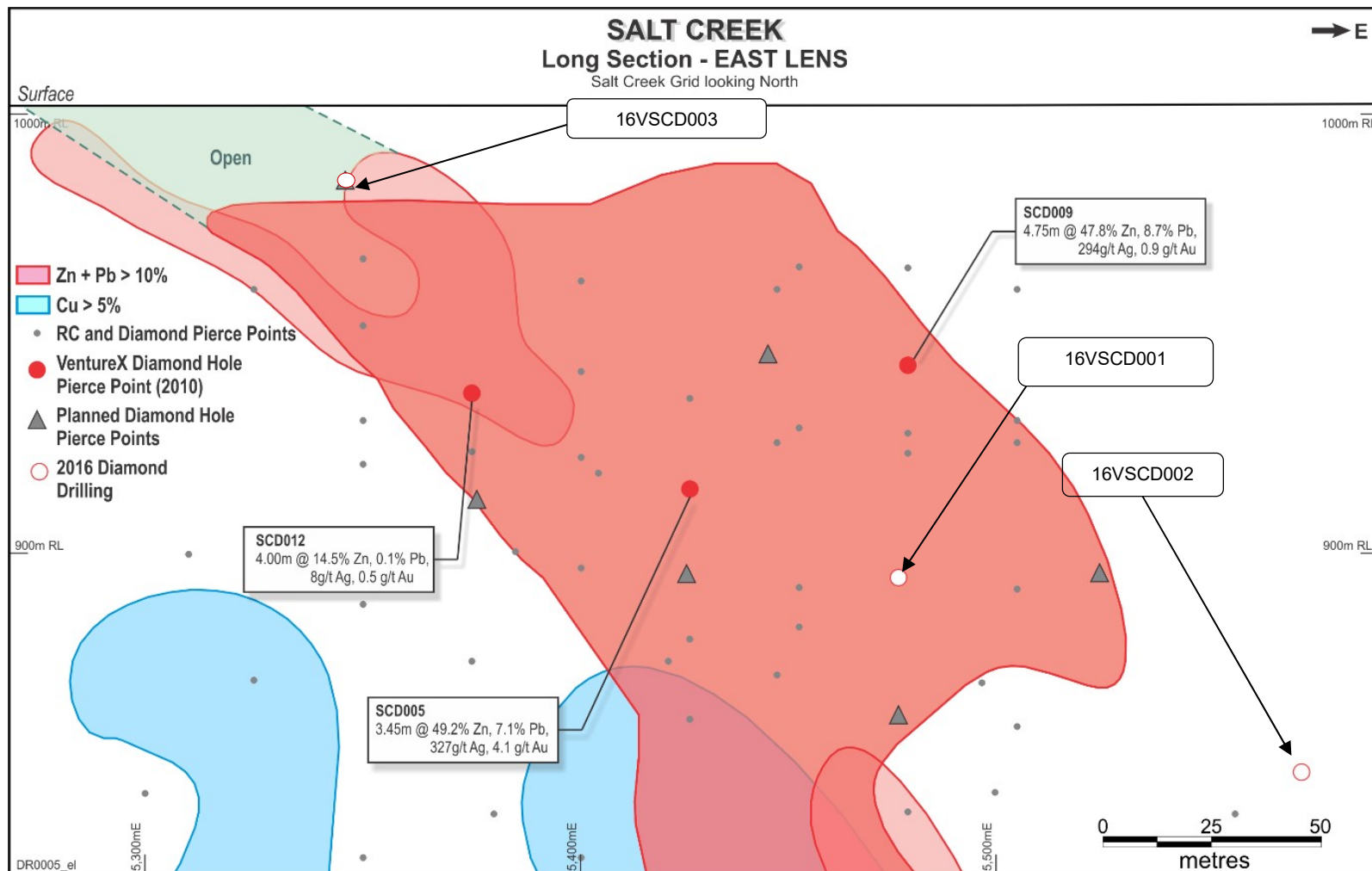


Figure 1 – Drill Hole locations at Salt Creek



Figure 2 - Drill Core from Hole 16VSCD001



Figure 3 - Drill Core from Hole 16VSCD003

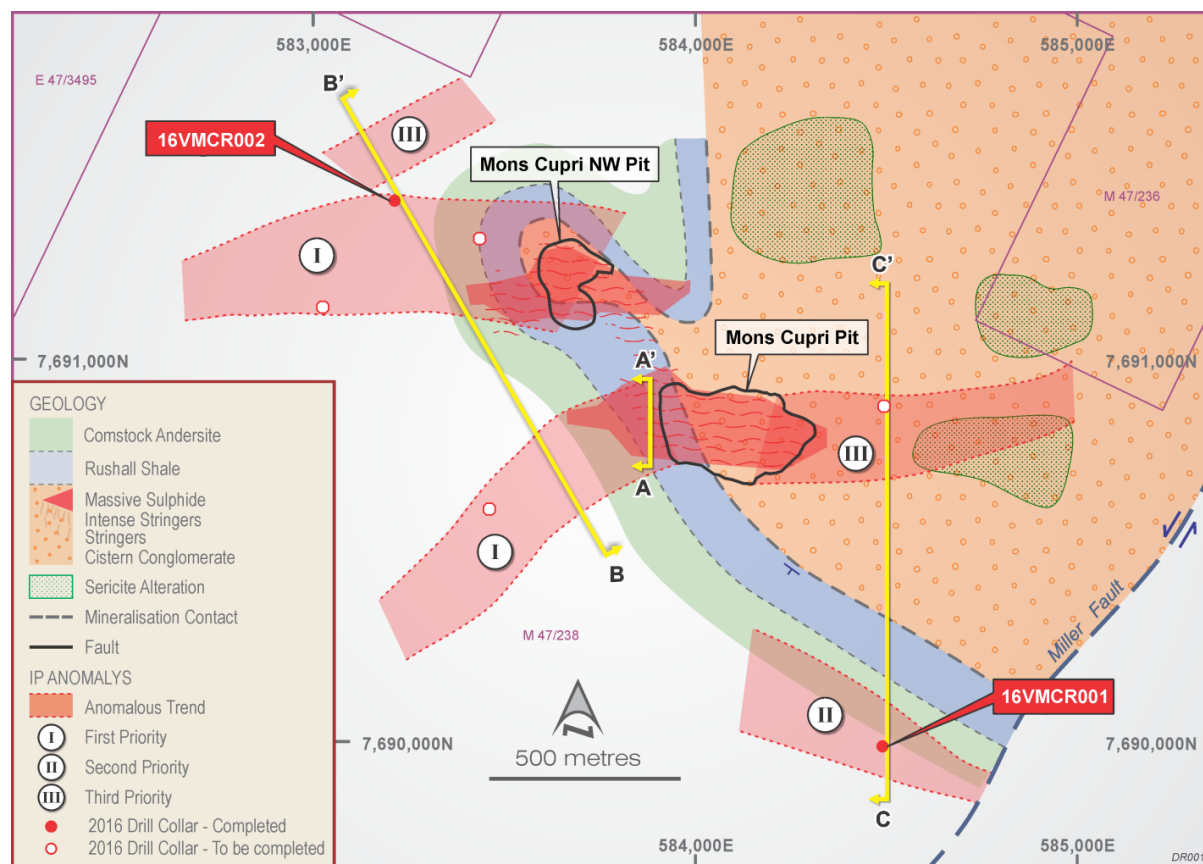


Figure 4 Mons Cupri Deposit showing location of IP anomalies and drill holes

Attachment 1 Salt Creek VMS Zinc Lead Copper Deposit Diamond Drilling Program

The Salt Creek Deposit is located on a 100% Venturex owned granted mining lease 17km north of Whim Creek. It comprises two main high grade zinc-lead-silver-gold massive sulphide zones and adjacent copper rich zones. The two main zinc-lead-silver-gold zones are about 200m apart with the copper rich zones situated at depth in the middle. The tops of the two east and west zinc lead silver gold zones have previously been interpreted to be approximately 40-60 m from the surface. (See Figure 5).

The current Resource is 1Mt @ 2% Cu, 7% Zn 2.1% Pb, 52g/t Ag, 0.3g/t Au consists of 0.475Mt @ 14.1% Zn, 4.4% Pb, 107g/t Ag and 0.5 g/t Au and 0.48mt @ 3.7% Cu, 0.9% Zn, 2.7g/t Ag, 0.1g/t Au in a separate copper rich zones (See ASX release 8 October 2013).

The eastern zinc lead zone is very high grade with significant silver, gold and indium grades being identified in drilling carried out by Venturex (See ASX release 30th June 2010). These historical results included;

- SCD009: 4.75m from 72.4m @ 47.8% Zn, 8.7% Pb, 294g/t Ag, 0.9g/t Au & 69g/t In.
- SCD005: 3.75m from 107.95m @ 49.2% Zn, 7.1% Pb, 327g/t Ag, 4.1g/t Au, 223g/t In.

Recent re-interpretation has identified the potential for extending the current known Resources. The very high grade zinc-lead-silver eastern zone is interpreted to be in part open up plunge towards of the surface and open down plunge to the north east (See Figure 5).

The high grade zinc-lead-silver western zone is also open up plunge towards the surface and along strike to the south west (See Figure 5).

A diamond drill program is planned to extend the upper portions of both of the high grade zinc-lead-silver-gold zones. The objective of this drilling program is to increase the existing Resource within 150metres of the surface that has the potential for exploitation by open pit mining methods.

All zones are interpreted to be open down plunge at depth (See figure 5). These deeper zones have the potential to be mined underground.

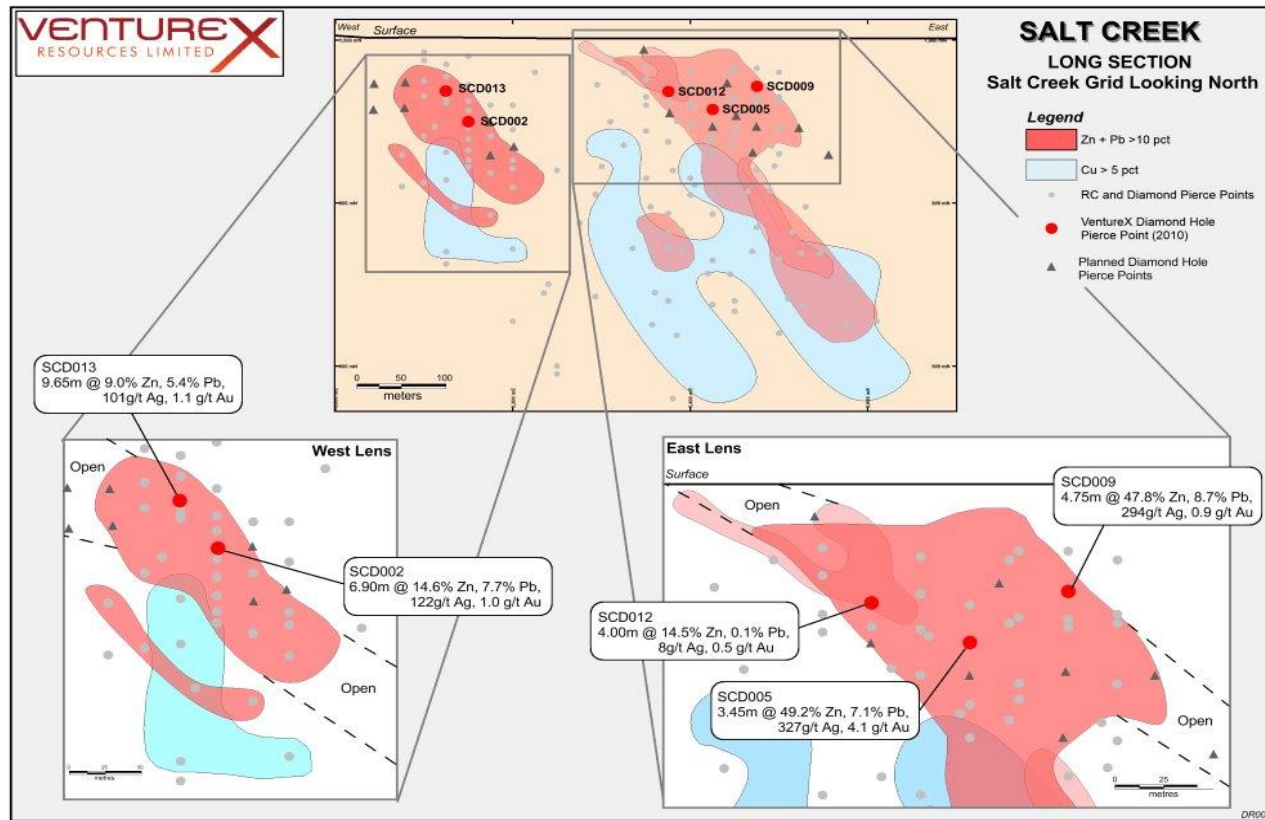


Figure 5 – Salt Creek Long Section

Attachment 2 Drilling Program at Quamby North Prospect

The Company plans to drill two geophysical targets at the Quamby North Prospect, (see Figure 6) located 6 kilometres north along strike from the Volcanogenic Massive Sulphide (VMS) Evelyn zinc-copper deposit (Resource of 657Kt at 1.8% Cu, 3.8% Zn ASX Release - 8 October 2013) that is part of the Liberty Indee Joint Venture (JV 70% VXR increasing to 90% on decision to mine).

The Liberty Indee JV is located 24km southeast of the Whim Creek Project and covers ten kilometres of strike of a folded sequence of mafic to felsic volcanic and sedimentary rocks within the Mallina Basin. This basin is believed to have formed at the same time as the Whim Creek Basin and with the discovery of Evelyn is prospective for further VMS deposits.

Venturex undertook a Versatile Time Domain Electromagnetic (VTEM) survey in 2007 that identified 45 potential conductor targets. Twenty of these targets were surveyed by ground fixed loop electromagnetic surveys (FLEM).

Drill testing of several targets by Venturex in 2007 led to the discovery of the Evelyn zinc-copper resource down plunge of the historic Evelyn copper oxide workings. Most drilling since then has been directed at defining the Resource at Evelyn with limited drilling carried out to test a number of geophysical targets in the vicinity of the Quamby and Donkey Well Prospects as well as targets along strike from Evelyn.

The current drill program will test two FLEM geophysical targets at the Quamby North Prospect. The targets are located north of the historic Quamby copper oxide workings within the prospective VMS stratigraphy on the flank of the Croydon anticline. Each target will be tested by a single inclined RC hole drilled targeting the centre of the modelled geophysical plate (see figure 2).

Target 1 is a coincident, steeply east dipping VTEM and FLEM conductor. The top of the conductor is 125m below surface and the modelled conductor plate is expected to be intersected between 150m-220m downhole.

Target 2 is a VTEM anomaly located approximately 200m north along strike from Target 1. The conductor plate is expected to be intersected between 130m and 270m downhole.

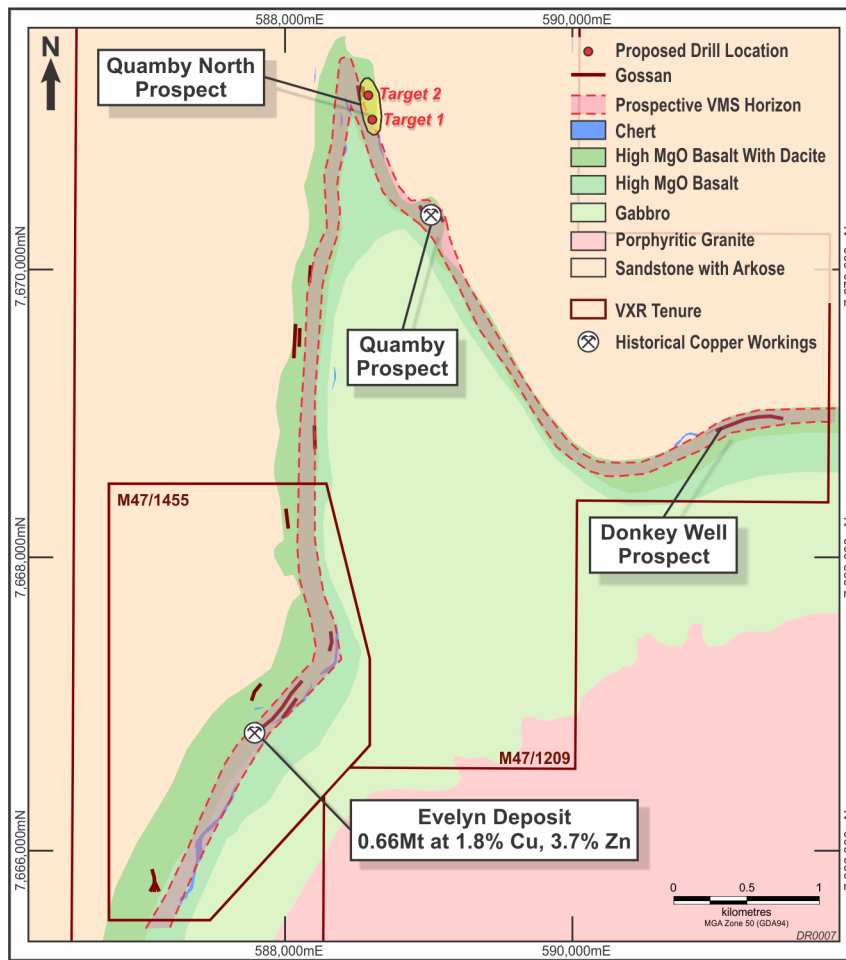


Figure 6 Quamby North Project Geology

Notes relating to the Salt Creek Mons Cupri and Quamby North Drilling

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	1. Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. 2. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 3. Aspects of the determination of mineralisation that are Material to the Public Report. 4. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	<u>Current Drilling</u> • Conventional Diamond drilling was used to test the Salt Creek deposit. Diamond coring was from surface. • Conventional reverse circulation drilling was used to test the Mons Cupri and Quamby North Prospect. <u>Historical Drilling</u> • Several generations of drilling have been undertaken on the Salt Creek Deposit since the 1970's. The drilling results detailed in this report were from drilling undertaken by Straits Resources 2005-2007 and Venturex Resources 2010 - 2012 and reported under JORC 2004 reporting standard to the Australian Stock Exchange during 2010-2012
Drilling techniques	5. Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	<u>Current Drilling</u> • Diamond drilling at Salt Creek used HQ and NQ2 core sizes. Coring was from surface using HQ. Core was changed to NQ2 when ground conditions were competent. All NQ2 core was orientated. All diamond core is stored in industry standard core trays labelled with the drill hole ID and core interval. • RC drilling at Mons Cupri and Quamby North used an industry standard 5.5 inch face sampling hammer. <u>Historical Drilling</u>

Criteria	JORC Code explanation	Commentary
		WSC & SCR series drilling was undertaken using an industry standard 5.5 inch face Reverse circulation (RC) sampling hammer. SCD & WSD series drilling was undertaken using NQ2 sized core bit.
Drill sample recovery	6. Method of recording and assessing core and chip sample recoveries and results assessed. 7. Measures taken to maximise sample recovery and ensure representative nature of the samples. 8. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	<u>Historical Drilling</u> - MCR Series Drilling: RC samples were collected to industry standards of the day. The locations of intervals of damp or wet samples or low recovery were recorded and entered into the database. The cyclone and splitter were routinely inspected and cleaned during the drilling ensuring no excessive material build-up. Care was taken to ensure the split samples were of a consistent volume. - There is no detected or material bias or relationships of sample recovery and grade. - MCD Series Drilling: All operators recorded diamond drill core recovery as a percentage of measured recovered cores versus drilled distance. Recoveries were generally high except for cavity zones in the oxide zone.
Logging	9. Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 10. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. 11. The total length and percentage of the relevant intersections logged.	<u>Current Drilling</u> - Diamond drill core was geologically logged for the total length of the hole using a graphic logging method. All core was photographed and images are stored in the company database. Logging routinely recorded weathering, lithology, mineralogy, mineralization, structure, alteration & veining. Logs were coded using the company geological coding legend and entered into the company database. - The Reverse Circulation drill holes were geologically logged at 1m intervals for the total length of the hole using the company standard logging legend. The logs were recorded on company standard paper

Criteria	JORC Code explanation	Commentary
		logging sheets and entered into the company digital database. - One metre samples were sieved from the excess drill chip piles and representative chips were stored in chip trays for future reference. <u>Historical Drilling</u> - SCR WSC Series: RC drill holes were geological logged using a Company standard logging legend. All holes were logged at one metre interval taking a sample from the bulk sample bag. One or two metre samples were stored in chip trays for future reference. SCD, WSD Series: Diamond drill holes were geologically logged in their entirety and photographed. Diamond drilling was logged for geotechnical purposes. Logging was at an appropriate detailed quantitative standard to support future geological, resource, reserve estimations and technical/economic studies. All drill core and chip trays are stored at the companies Whim Creek facilities.
Sub-sampling techniques and sample preparation	12. If core, whether cut or sawn and whether quarter, half or all core taken. 13. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. 14. For all sample types, the nature, quality and appropriateness of the sample preparation technique. 15. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 16. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. 17. Whether sample sizes are appropriate to the grain size of the material being sampled.	<u>Current Drilling</u> - Diamond drill core. At the time of this release no core had been cut and sampled. - Reverse Circulation drilling. 1m RC samples were collected and split via a cone splitter off the drill rig. Venturex site personnel supervised the drilling and sampling operations in accordance to company and industry standard procedures. The material and sample sizes are considered appropriate given the volcanic massive sulphide style of mineralization being targeted. <u>Historical Drilling</u>

Criteria	JORC Code explanation	Commentary
		• SCD, WSC Series: Diamond core was sawn with a diamond saw and half core samples taken for assay. • SCR, WSC Series: 1 metre RC samples were collected and split off the drill rig using a cone splitter. Approximately 90% of the samples were dry in nature. The sampling techniques for collection of the sample to be submitted to the assay facility for both diamond drilling and RC drilling are of consistent quality and appropriate. During drilling and sampling operations Venturex had on site, technically competent supervision and procedures in place to ensure sample preparation integrity and quality. Some field duplicates were taken for RC drilling but not for diamond drilled samples. The sample sizes are considered appropriate given the relatively fine grained nature of the sulphide mineralisation which is not nuggetty in nature, the sampling methodology and the percent assay value ranges involved.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	18. The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 19. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 20. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	<u>Current Drilling</u> - At the time of this release no diamond drill or reverse circulation drill samples had been set to a laboratory for analytical work. <u>Historical Drilling</u> - For the majority of both diamond and RC drilling Venturex has used Ultratrace Laboratories Pty Ltd (ALS). ALS has been used for the analysis of one batch of samples. Analytical techniques involve either a three or a four acid digest with a multielement suite. SCR Series: Ultratrace analysed elements Ag, Cu, Cr, Pb, Zn. As, Pb by ICPMS. Cu, Zn, Cr by ICPOES. ALS Laboratories Perth - elements analysed Ag, Au, Cu, Pb, Zn. Au by Fire assay with an AAS finish. Ag, Cu, Pb, Zn four acid digestion ICPES. SCD Series: ALS Laboratories Perth - elements analysed Au, Pt, Pd, Ag, Pb, Cu, Cr, In, Zn. Au, Pt, Pd by fire assay AAS finish. Ag, Pb, In by ICP103, and Cu, Cr, Zn by ICP 104. WSC & WSD series: ALS Laboratories Perth, elements analysed Au, Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sr Ti, V, W, Zn. Au was by fire assay(Method AA25) and AAS. The rest were analysed by ICPAES (Method MEICP61). An ore grade method (OG62) was used on the known mineralized intervals. Elements were Ag, As, Cd, Cu, Fe, Mg, Pb, S, Zn. All methods of analysis are considered to provide total assay values. No geophysical tools were used to determine any element concentrations reported. Field duplicates were submitted by the company. Only laboratory inserted blanks and reference standards were inserted for QA/QC checks. The available results of this QA/QC work indicate no material bias to assay results used by this report.
Verification of	21. The verification of significant intersections by either independent or alternative	<u>Current Drilling</u>

Criteria	JORC Code explanation	Commentary
sampling and assaying	company personnel. 22. The use of twinned holes. 23. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 24. Discuss any adjustment to assay data.	- N/A Analytical work for both the diamond drilling and the reverse circulation drilling has not been completed. <u>Historical Drilling</u> - The drill intersections reported in this announcement are based on the the results previously reported in the company's June 2010 announcements to the ASX. No specific twinned holes have been drilled. Data recording used a set of standard Excel templates on a data logger and uploaded to note book computer. The data were sent to the Perth office for verification and compilation into an SQL database by the in-house database administrator. Full copies are stored offsite. Full database verification of all historical information has been completed by the company.
Location of data points	25. Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. 26. Specification of the grid system used. 27. Quality and adequacy of topographic control.	<u>Current Drilling</u> - Drill hole collar locations are subject to DGPS pick up . Diamond drill holes were down hole surveyed by a single shot camera every 30m. RC drill holes were downhole surveyed at intervals between 30m and 50 m <u>Historical Drilling</u> - Drill hole collars were surveyed by a DGPS. - Holes were downhole surveyed by single shot Eastman camera and downhole gyroscopic surveys. - Detailed surface control has been established by photogrammetry
Data spacing and	28. Data spacing for reporting of Exploration Results. 29. Whether the data spacing and distribution is sufficient to establish the degree of	<u>Current Drilling</u>

Criteria	JORC Code explanation	Commentary
distribution	geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. 30. Whether sample compositing has been applied.	- Diamond drilling at Salt Creek is a combination of infill and extension drilling filling gaps in the historical resource drilling to a nominal 25 x25m and testing extensions to the known resources. - Reverse Circulation drilling at Quamby North is exploration in nature targeting modelled EM plate positions. <u>Historical Drilling</u> - Diamond & Reverse Circulation drill spacing at the Salt Creek deposit ranges from 20m to 100m spacing.
Orientation of data in relation to geological structure	31. Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 32. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	<u>Current and Historical Drilling</u> - The majority of the drilling at Salt Creek is inclined to the north-west which is considered appropriate for the geometry of the deposit. - RC holes completed on the Mons Cupri Deposit were orientated to intersect chargeability anomalies - The RC drilling at Quamby North was orientated to intersect the modelled EM plate positions.
Sample security	33. The measures taken to ensure sample security.	Drill core and RC samples are stored at the secure Venturex Whim Creek yard. The samples are collected from site by a transport company and delivered to the assay laboratory in Perth. Online tracking is utilised to track the progress of batches of samples
Audits or reviews	34. The results of any audits or reviews of sampling techniques and data.	No independent audits have been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	35. Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 36. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Drilling on the Salt Creek and Mons Cupri Deposit is located on granted mining leases M47/323 and M47/3238 respectively, the registered owner of the both tenements is Venturex Pilbara Pty Ltd, a wholly owned subsidiary of Venturex Resources Ltd. Drilling on the Quamby North Target was undertaken on E47/1209 a tenement held in joint venture between Jutt Holding Pty Ltd a wholly owned subsidiary of Venturex Resources Ltd (70%) and Ourwest Corporation Pty Ltd (30%) an unrelated third party The tenement is within land where native title has been determined. The traditional owners of the land are the Ngarluma People. The grant of the tenement mining leases predates native title, and is not subject to native title claim; however the company has a mining agreement in place with the Ngarluma People that sets out a relationship between the two parties. There is a heritage agreement in place between the joint venture partners and the Ngarluma People on the Exploration licence There is a 2.5% NSR royalty on M47/323 Salt creek The tenements are all granted mining titles and are in good standing and no known impediments exist E47/1209 is held under a extension of term issued by the Department of Mines subject to completion of annual work programs.
Exploration done by other parties	37. Acknowledgment and appraisal of exploration by other parties.	Previous exploration and mining has been undertaken by a number of parties going back over 90 years. Modern exploration and mining has been undertaken by Texasgulf Australia Pty Ltd, Whim Creek Consolidated Pty Ltd, Dominion Mining Ltd and Straits Resources Ltd. and Ourwest Corporation Pty Ltd

Criteria	JORC Code explanation	Commentary
Geology	38. <i>Deposit type, geological setting and style of mineralisation.</i>	The company is exploring for volcanogenic massive sulphide (VMS) deposits within felsic volcanic sequences within the Archaean East Pilbara Terrane. Both the Mons Cupri and Salt Creek Deposit are located in the Whim Creek Basin. The Mons Cupri Deposit is located within at the top of the Cistern Formation which comprises a sequence of conglomerates overlying shales and siltstones. Stockwork copper stringer zone is located within the deeper section of the feeder zone within the conglomerate and massive sulphide mineralisation is located within the shale sequences at the formation. Salt Creek is believed to have a similar stratigraphic package but appears to be overturned and due to its location adjacent to the regional Scholl Shear has a strong Structural overprint in the mineralisation. Quamby North Prospect is located within the Mallina Basin an age equivalent of the Whim Creek Basin. The geology is less well understood but base metal mineralisation appears to be associated with felsic volcanic and sediments.
Drill hole Information	39. <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> 40. <i>easting and northing of the drill hole collar</i> 41. <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> 42. <i>dip and azimuth of the hole</i> 43. <i>down hole length and interception depth</i> 44. <i>hole length.</i> 45. <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	All hole collar location, depths, and azimuth and dip information are provided in the tables within the text. The holes collar are subject to final survey pickup using a DGPS

Criteria	JORC Code explanation	Commentary
Data aggregation methods	46. In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. 47. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 48. The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable
Relationship between mineralisation widths and intercept lengths	49. These relationships are particularly important in the reporting of Exploration Results. 50. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 51. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	For the drill testing of the Mons Cupr IP targets holes have been targeted to intersect the centre of the chargeability anomaly rather than intersect perpendicular to mineralisation. At this stage no mineralisation has been intersected. At Salt Creek and Quamby North holes have been orientated perpendicular to the stratigraphy and assume strike of the mineralisation Down hole intercepts and widths are reported
Diagrams	52. Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	See plans attached to the report
Balanced reporting	53. Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All representative results have been reported or publically released.
Other substantive exploration data	54. Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Both the Salt Creek and Mons Cupri Deposits have had a significant body of work completed on them over a period of 40 years, including geophysical studies, metallurgical test work, and geotechnical and ground water studies, resource studies.
Further work	55. The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). 56. Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	The current drilling at Salt Creek is a combination of resource infill and extensional drilling. Further drilling to test up plunge positions within the top 150 metres of the deposit is planned as part of the current program. A recent review of downhole geophysical surveys has identified a number of deeper conductor plates on which testing is planned. At Mons Cupri a further five holes are planned to test IP chargeability anomalies as part of the current program. At Quamby North, one conductor has been explained by 16VER002 and no further work is warranted. Subject to assay further drilling around 16VER001 may be undertaken.