ASX/Media Release **6 August 2018**

Outstanding Metallurgical Recoveries and Concentrate Grades Reported for Sulphur Springs Copper-Zinc Project, WA

Successful metallurgical test work program paves way for completion of Definitive Feasibility Study

Highlights

- **Transitional Copper concentrate grades up to 26.8% and recoveries up to 91.7%**
- **Fresh Copper concentrate grades up to 26.4% and recoveries up to 95.3%**
- **Fresh Zinc concentrate grades up to 60.2% and recoveries up to 93.1%**
- **Excellent repeatability in grade and recoveries across all tests, providing confidence in the test work program**
- **Test work follows a conventional sequential copper and zinc flotation process, utilising proven technology**
- **Transitional material grind size optimised from 45 to 63 microns**

Venturex Resources Ltd ("the Company" or "Venturex") is excited to announce that it has taken a major step towards the development of its flagship 100%-owned **Sulphur Springs Copper Zinc Project** in WA's Pilbara, with a key metallurgical test work program on transitional and supergene ores delivering outstanding results.

The test work program, together with an overview of historical test work on fresh (sulphide) ores from Sulphur Springs, has confirmed the amenability of differing ore types to processing through a conventional copper and zinc flotation process – representing a major boost to the project.

The transitional and supergene metallurgical results are based on the successful drill program conducted at Sulphur Springs in 2017 (refer ASX release dated 18th January 2018).

Test Work Summary

A summary of the test work results is provided below:

Table 1: Sulphur Springs Metallurgical Test Work Summary

Material Type	Sample Head Grade (%)	Recovery (%)	Concentrate Grade (%)
Cu Fresh	1.41 – 1.91	86.5 – 95.3	24.7 – 26.4
Zn Fresh	3.91 – 5.83	87.5 – 93.1	53.2 – 60.2
Cu Transitional	2.97 – 3.04	89.7 – 91.7	25.5 – 26.8
Cu Supergene*	2.61 – 2.71	88.0 – 89.5	16.0 – 16.6

*Note: Supergene ore represents 600kt, or 4%, of the total Sulphur Springs Resource of 13.8Mt (refer to ASX release dated 21st March 2018).

Test Work Methodology

Supergene and transitional metallurgical test work was independently managed by Lycopodium and conducted by ALS Metallurgy on behalf of Venturex.

Locked cycle flotation tests were conducted on all fresh material, with results sourced from work completed by Outokumpu in 2002. Confirmatory test work on a similar fresh ore master composite sample was supervised by GR Engineering in 2012.

For the supergene and transitional material, cleaner tails were not recycled so as to minimise a build-up of activated pyrite potentially impacting grade. As a result, only open circuit batch test results were completed on supergene and transitional material.

The initial focus of the test work was on copper transitional ore, as this will generate early cash-flow from open pit mining at Sulphur Springs. Test work on transitional zinc ore is being optimised and is currently in its final stages.

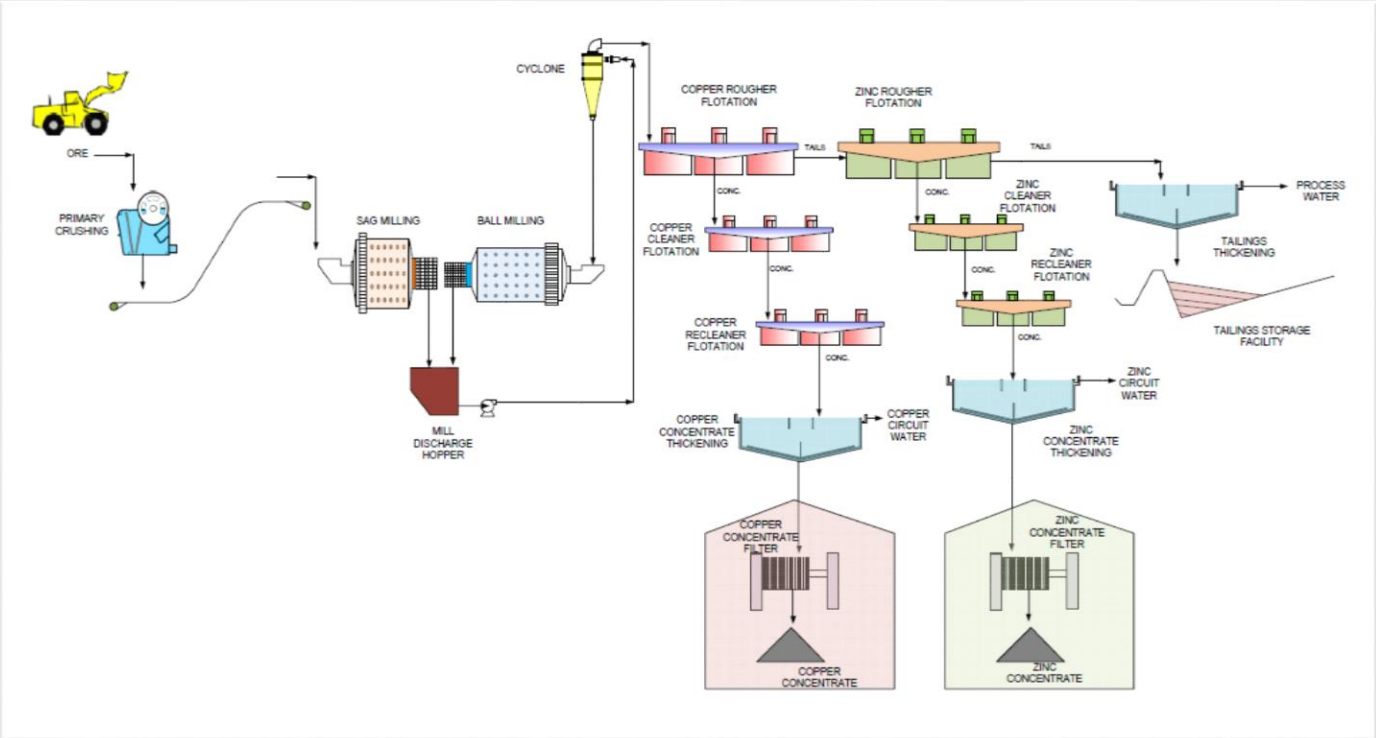
Further technical notes regarding test work procedures are included in the attached JORC Table Section 1.

Conceptual Process Flowsheet

The current process flowsheet consists of a single-stage crusher feeding a combination SAG and Ball Mill grinding circuit prior to flotation. The flotation circuit consists of a conventional sequential copper and zinc process consisting of a rougher, scavenger, cleaner and re-cleaner stage for both copper and zinc using standard flotation reagents.

The conceptual process flowsheet is shown in Figure 1 below:

Figure 1: Process Flow Sheet



Venturex Managing Director, Mr AJ Saverimutto, said the success of the metallurgical test work program on the transitional and supergene copper material represented a major milestone for the Sulphur Springs Project.

> *"The reconfigured development plan for Sulphur Springs is based on an initial open pit to extract the supergene and transitional material sitting above the deeper sulphide lenses. This is a huge plus for the project given the early cash-flow it will generate; however, confirming the amenability of this material to conventional processing methods has been a key hurdle for us to overcome.*
>
> *"We have now well and truly ticked this box, with the additional metallurgical results announced today providing further strong evidence of the robust nature of Sulphur Springs.*
>
> *"The positive copper transitional results cement the strong upfront cash-flow that will be generated by the initial open pit operation – and therefore project payback. Together with a review of the historical metallurgical test work, the results show that the Sulphur Springs Project will produce high-grade, high-quality zinc and copper concentrates with outstanding overall recoveries.*
>
> *"This is a major step forward for the project, with the results forming the backbone of our Definitive Feasibility Study, which is nearing completion."*

AJ Saverimutto
Managing Director

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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. Our strategy is to work with our partners Blackrock Metals to expand and extend the existing 4 tonne per day oxide copper heap leach and SXEW operation at Whim Creek, identify other near term production options at Whim Creek, Mons Cupri and Sulphur Springs and fully optimise the Sulphur Springs Project to be ready to take advantage of forecast improvements in base metal prices.

Competent Person Statement

Competent Person Statement for Metallurgy

The information in the report that relates to interpretation of metallurgical test work is based on information compiled or reviewed by Mr Giddy an employee of Lycopodium Minerals Pty Ltd. Mr Giddy is a member of the Australasian Institute of Mining and Metallurgy. Mr Giddy has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Reserves". Mr Giddy consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

No New Information or Data

This announcement contains references to exploration results and Mineral Resource and Ore Reserve estimates, which have been cross referenced to previous market announcements. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning those estimates in the relevant market announcements continue to apply and have not materially changed.

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JORC disclosure tables

Section 1 Sampling Techniques and Data

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

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr>
<td>Sampling techniques</td>
<td>
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.
Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.
Aspects of the determination of mineralisation that are Material to the Public Report.
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.
</td>
<td>Geological Sampling

The deposit was sampled with a combination of reverse circulation (RC) and diamond drill (DD) holes completed on a variable spacing across the deposit to a maximum vertical depth of depth of approximately 800 metres. The RC drill holes were sampled via an industry standard cyclone and riffle splitter system from the recovered sample. Diamond drill core was sampled using standard cut half core or where metallurgical samples taken quarter core was used.
Industry standard reverse circulation (RC) drilling produced whole meter RC drill samples split at the rig using a cone splitter producing samples of approximately 3kgs. Diamond drilling completed to industry standard using predominantly NQ size core. Diamond core was orientated, aligned and cut on geologically determined intervals in the range 0.15 to 2.1 metres.
The whole samples from the drilling were individually weighed, dried, stage crushed and pulverized to nominally minus 75 microns or 200 mesh (total preparation) to produce a pulp which was sub-sample for analysis.

Metallurgical Sampling

Metallurgical samples were sourced from HQ3 and PQ3 drill core from drill holes SSD089-SSD102. These samples were selected from previously recognised mineral domains. Field based observations coupled with assay data, including sequential copper analysis assisted in selection. The Oxide zone was represented by 1 sample, the Supergene by 10 samples, the Transition by 26 samples and the Hypogene by 5 samples.
Table shows type of sample with number of samples in brackets

<table>
<tr><th>OXIDE</th><th>SUPERGENE</th><th>TRANSITIONAL</th><th>HYPOGENE</th></tr>
<tr><td>>Mod Cu/ < Zn (1)</td><td>>Cu /Mod Zn (1)</td><td>> Cu/< Zn (3)</td><td>> Cu / < Zn (2)</td></tr>
<tr><td></td><td>>Cu /< Zn (2)</td><td><Cu /> Zn (9)</td><td>Mod Cu/ <Zn (3)</td></tr>
<tr><td></td><td><Cu /> Zn (1)</td><td>Mod Cu / < Zn (7)</td><td></td></tr>
<tr><td></td><td>Mod Cu/ Mod Zn (1)</td><td>< Cu / Mod Zn (1)</td><td></td></tr>
<tr><td></td><td>Mod Cu / < Zn (4)</td><td>< Cu / < Zn (6)</td><td></td></tr>
<tr><td></td><td>< Cu / < Zn(1)</td><td></td><td></td></tr>
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Samples of half core were collected from the previously determined assay interval and placed in a calico sample bag. These samples were dispatched to ALS in Perth.
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Criteria	JORC Code explanation	Commentary
Drilling techniques	• *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.).*	• Prior to 2002 only diamond drilling was used to evaluate mineralisation (approximately 75% of informing information comes from diamond drilling) using mostly NQ size with some BQ, TT56 and HQ size. Drill core was generally structurally orientated for geotechnical and mineralisation structural information purposes. Post 2002 a combination of RC drilling using face sampling equipment and diamond drilling has been used.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• All operators recorded diamond drill core recovery as a percentage of measured recovered core versus drilled distance. Recoveries were generally high except for cavity zones in the oxide zone. On average through the resource estimated zone core recoveries average better than 99%. • RC samples were weighed, the weights were recorded on field sheets and compared to laboratory received weights. 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 are no detected or material bias or relationships of sample recovery and grade.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Diamond drill holes were geologically logged in their entirety and photographed. Representative areas of diamond drilling was logged for geotechnical purposes. RC drill holes were all qualitatively logged and representative sieved and washed chips collected and stored in chip tray samples. • Logging by all operators was at an appropriate detailed quantitative standard to support future geological, resource, reserve estimations and technical/economic studies. • All holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	**Geological Sample Preparation** • Diamond core was sawn with a diamond saw and half core samples (quarter core in some metallurgical holes) taken for assay. • 1 metre RC samples were collected and split off the drill rig using a splitter. Approximately 90% of the samples were dry in nature. In areas of no mineralization these 1m samples were composited to 4m samples. • 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. • Venturex and previous operators had on site during drilling and sampling operations, 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. **Metallurgical Sample Preparation** 2018 metallurgical sample preparation was carried out at the ALS laboratory facilities in Balcatta, Perth following standard ore preparation procedures for metallurgical test work. All core and prepared samples were stored in the freezer at ALS to minimise sample oxidation.

Criteria	JORC Code explanation	Commentary
		Variability Composites Selected transition and supergene samples were utilised in the preparation of 40 x composites for variability test work. The sample preparation procedure is listed below: • All of the sample bags were firstly grouped in accordance with the composite recipe provided by Venturex. • Each drill core interval was emptied into a stainless steel tray and photographed. • The composite intervals were combined and crushed to <3.35 mm. • The crushed material was rotary blended three times and split into 1 kg test work charges. **Master Composites** Selected variability composites were utilised in the preparation of Master Composites for flowsheet optimisation and comprehensive metallurgical test work (3 zinc rich transition master composites, #1 to #3 (high mid and lower grade), 1 copper rich transition master composite #4 and 2 supergene composites, #5 and 6 (mid and low grade). Each sample was prepared individually. The sample preparation procedure is listed below: • All of the sample bags were firstly grouped in accordance with the composite recipe advised by Lycopodium. • The crushed material was then rotary blended three times and split into 1 kg test work charges.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	**Geological Test Work** • Over the project life 4 different Perth based assaying facilities have been used. Analytical techniques involve either a three or a four acid digest with a multi-element suite ICP/MS finish (30g FA/AAS for precious metals). Samples were split into high sulphide and low sulphide types on submission to ensure appropriate digestion and quality analysis. Sulphur was determined by Leco methods. All methods of analysis are considered to provide “total” assay values. • No geophysical tools were used to determine any element concentrations reported. • QAQC using re submitted pulps and external check assays, blind blanks and reference standards has been applied to samples assayed. Depending on the operator between 5 and 10% of the assays relate to QA/QC procedures. An independent analysis of intra and inter laboratory bias and precision was undertaken in 2007 by CBH. The results of this and subsequent QAQC work indicate no material bias to assay results used by this report. **Metallurgical Test Work** Metallurgical test work was conducted on fresh ore samples at Optimet Laboratory in Adelaide in 2001 and 2002. Test work on the master composite determined that the mineral value could be successfully recovered following grinding with a sequential copper / zinc flotation flowsheet. Optimised test work conditions were determined for the master composite flotation: The copper flotation conditions were as follows: • Grind size (P80) = 45 microns.

Criteria	JORC Code explanation	Commentary
		• Copper rougher pulp density = 35%. • Lime addition to maintain pH = 6.8. • 15 minutes rougher flotation with 2,000 g/t sodium metabisulphite (MBS), 80 g/t A3894 and MIBC frother. • 10 minutes cleaning with 200 g/t MBS. • 8 minutes re-cleaner flotation with 100 g/t MBS. The zinc flotation conditions were as follows: • Grind size (P80) = 45 microns (as for copper). • Zinc rougher pulp density = 33%. • Lime addition to achieve pH = 9.0. • CuSO4 activator 150 g/t. • Collector addition of 30 g/t SIBX. • MIBC frother. • Zinc laboratory flotation times as for copper rougher, cleaner, re-cleaner. • Three locked cycle tests (one using site water) were conducted on the master composite to account for the additional recovery when recycling the re-cleaner and cleaner tails. • Testing of the individual variability composites to demonstrate the flowsheet and optimised flotation conditions was conducted. Confirmatory testing on a similar fresh ore master composite sample was conducted at Amdel laboratory in 2012. • Two further locked cycle tests were completed following much the same flotation conditions as proposed in the original test work. A programme of test work on supergene and transitional ore samples was initiated following the resource extension drilling programme in 2017. • Unoptimised sequential flotation as for the fresh ore was used to characterise the metallurgical performance of the supergene and transition samples. • This programme took advantage of the ore occurring as discrete copper rich and zinc rich ore zones to optimise the flowsheets and flotation regimes separately for these samples. • Master composites were made up for the flowsheet optimisation test work. The supergene copper flotation conditions were as follows: • Grind size (P80) = 45 microns. • Copper rougher pulp density = 35%. • Lime addition to maintain pH = 6.8. • 15 minutes rougher flotation with 3,000 g/t MBS, 80 g/t A3894 and MIBC frother. • 5 minutes cleaning with 200 g/t MBS. • 5 minutes re-cleaner flotation with 100 g/t MBS. The transition copper flotation conditions were much the same as those for the fresh ore as

Criteria	JORC Code explanation	Commentary
		follows: • Grind size (P80) = 63 microns (an economic review of the grind size determined that 63 µm was more appropriate for the project). • Copper rougher pulp density = 35%. • Lime addition to maintain pH = 6.8. • 15 minutes rougher flotation with 2,000 g/t Sodium Metabisulphite (MBS), 80 g/t A3894 and MIBC frother. • 5 minutes cleaning with 200 g/t MBS. • 5 minutes re-cleaner flotation with 100 g/t MBS. The transition zinc flotation conditions were as follows: • Grind size (P80) = 63 microns. • Zinc rougher pulp density = 35%. • Lime addition to maintain pH = 6.8.CuSO4 800g/t added to the mill. • 10 minutes rougher flotation with 500 g/t MBS, 50 g/t SIBX and MIBC frother. • 6 minutes cleaning with 200 g/t MBS. • 6 minutes re-cleaner flotation with 100 g/t MBS. • Transition zinc cleaning conditions are the subject of ongoing optimisation trials as at 31 July 2018.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	**Geological Sample Verification** • Prior to 2011, verification procedures are not documented. However inspection of retained core indicates that recorded locations of mineralisation are correct. Post 2011, significant intersections were checked by the senior company officers. Significant intersections are also verified by portable XRF data collected in the field and cross-checked against the final assays when received. • No specific twinned holes have been drilled. • A range of primary data collection methods were employed since 1989. Since 2007, data recording used a set of standard Excel templates on a data logger and uploaded to note book computer. The data is sent to Perth office for verification and compilation into an SQL database by the in-house database administrator. Full copies are stored offsite. Full data base verification of all historical information was completed in 2007 by CBH. All data is loaded and stored in DataShed data base. • The historical data (pre-2007) has been adjusted with all negative assays, representing below detection assays, were converted to positive assays of half stated assay detection limit. **Metallurgical Sample Verification** • All metallurgical testing is conducted with sufficient assays to allow a 'built-up' head to be calculated which can be verified against the assayed sample value.

Criteria	JORC Code explanation	Commentary
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• A full independent resurvey of all pre-2007 hole positions was completed by a licensed surveyor for CBH in 2007. Post 2007, all hole collar coordinates have been picked up by CBH/Venturex employees using a DGPS with all co-ordinates and RL data considered reliable. • Downhole surveys were performed on all holes by either single shot Eastman camera or reflex gyro readings at 10-50 metre down hole intervals. • The grid system used for the location of all drill holes is MGA_GDA94, Zone 50. • Topographic control is provided by combination of external survey control, photogrammetry analysis and DGPS reading.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	**Geological Data Distribution** • Due to access for drill sites drilling patterns vary from nominally 40m by 40m to 30m by 30m in the plane of the mineralisation. • The current spacing is adequate to assume geological and grade continuity of the mineralised domain to an Indicated and Inferred resource level. • No compositing has been applied to the exploration results. **Metallurgical Data Distribution** N/A
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• The Sulphur Springs drilling azimuth is largely orientated perpendicular to the mineralised strike direction. Limitations imposed by the rugged terrain dictates that some drilling is conducted at angles not perpendicular to the dip of the mineralised system. • Given the dominantly strata bound nature of the mineralising system, no material, orientation based sampling bias has been identified in the resource estimation data.
Sample security	• *The measures taken to ensure sample security.*	• Independent audits of the data in 2002 and 2006 concluded that the sampling protocols were adequate. • Post 2011, the chain of custody is managed by Venturex. The samples are transported by Venturex personnel to Whim Creek, stored in a secure facility and collected from site by Toll IPEC and delivered to the assay laboratory in Perth. Online tracking is utilised to track the progress of batches of samples.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Independent audits of the sampling techniques and data were completed as part of previous and current feasibility studies in 2002 (McDonald Spiejers Pty Ltd), 2006 (Golders and Associates), 2008 (Zilloc Pty Ltd) and 2011 (Snowden). The studies were comprehensive and cover all industry standard issues. There does not appear to be any significant risk in accepting the data as valid.