

June 2021 Quarterly Report

Venturex embarks on new chapter with \$58M strategic funding package led by mining executive Bill Beament, positioning it to play a key role in the decarbonisation opportunity

Highlights

- ▶ Pivotal quarter marks start of a new era for Venturex
- ▶ Successful completion of ~\$58m strategic funding package led by highly regarded mining executive Bill Beament
- ▶ Leading corporate lawyer Michael Blakiston appointed Non-executive Chairman
- ▶ Subsequent to end of the quarter, Bill Beament was appointed Managing Director and highly experienced director Shirley In't Veld was appointed as a Non-executive Director
- ▶ At Sulphur Springs copper-zinc project in WA, site works started for geotechnical, infill and resource drilling programs
- ▶ Sulphur Springs poised to capitalise on strong copper price, which is now ~50% higher than the assumed price in the Definitive Feasibility Study of October, 2018
- ▶ Strong progress made towards finalising key secondary approvals

Venturex Resources (ASX: VXR) is pleased to report on what was a pivotal quarter for the Company as it implemented key corporate, financial and project-related initiatives which have positioned it to play a key role in the new era of global decarbonisation.

The Company has emerged from this period of intense activity with a well-funded balance sheet, new management and a clear strategy to unlock the full value of Sulphur Springs.

Importantly, Venturex is now also ideally placed to capitalise on what it believes will be the vast opportunities stemming from the global push to decarbonise the economy.

Venturex Managing Director Bill Beament said: "It was a game-changing quarter which paved the way for us to progress our multi-pronged strategy to provide products and services which will be required in the new era of decarbonisation.

"We look forward to discussing this strategy in more detail in coming weeks."

SULPHUR SPRINGS COPPER-ZINC PROJECT

Venturex's flagship Sulphur Springs Project is located 112km south-east of Port Hedland in Western Australia and hosts a total Mineral Resource comprising 17.4 million tonnes grading 1.3% copper, 4.2% zinc and 17g/t silver.

The Definitive Feasibility Study (see ASX release 10 October 2018) delivered a Pre-Tax NPV8% of A\$472 million based on a copper price of US\$6300/tonne and zinc price of US\$2650/tonne. Current prices are 50% and 15% higher respectively.

Environment

Field geotechnical and hydrological investigations for the tailings storage facility (TSF) progressed during the quarter. Completion of these work streams will underpin final TSF design and regulatory approval submissions. Further soil sampling and laboratory characterisation was undertaken to contribute to the development of a Mine Closure Plan for the project. Baseline water monitoring was maintained.

Project Development

The Company is progressing project implementation and development strategies through engagement with potential contractors for site works.

In order to inform the design of the Tailings Storage Facility (TSF) in its new approved location, a programme of geotechnical drilling has commenced and is ongoing at date of publication.

Engagement with the Nyamal People was maintained and included preliminary discussions around their involvement in the early works.

EXPLORATION

During the quarter, the Company commenced a resource infill drilling program, and a TSF geotechnical drilling programme at the Sulphur Springs Project.

The resource infill drilling program is designed to convert approximately 1.0 – 1.5 million tonnes of early production Inferred Resources into an Indicated category as part of the Company's de-risking strategy. This drilling will also provide additional data for metallurgical test work and a Resource/Reserve update.

The RC pre-collars have now been completed and diamond tails are expected to commence in late July at completion of the concurrent TSF drilling programme (see below).

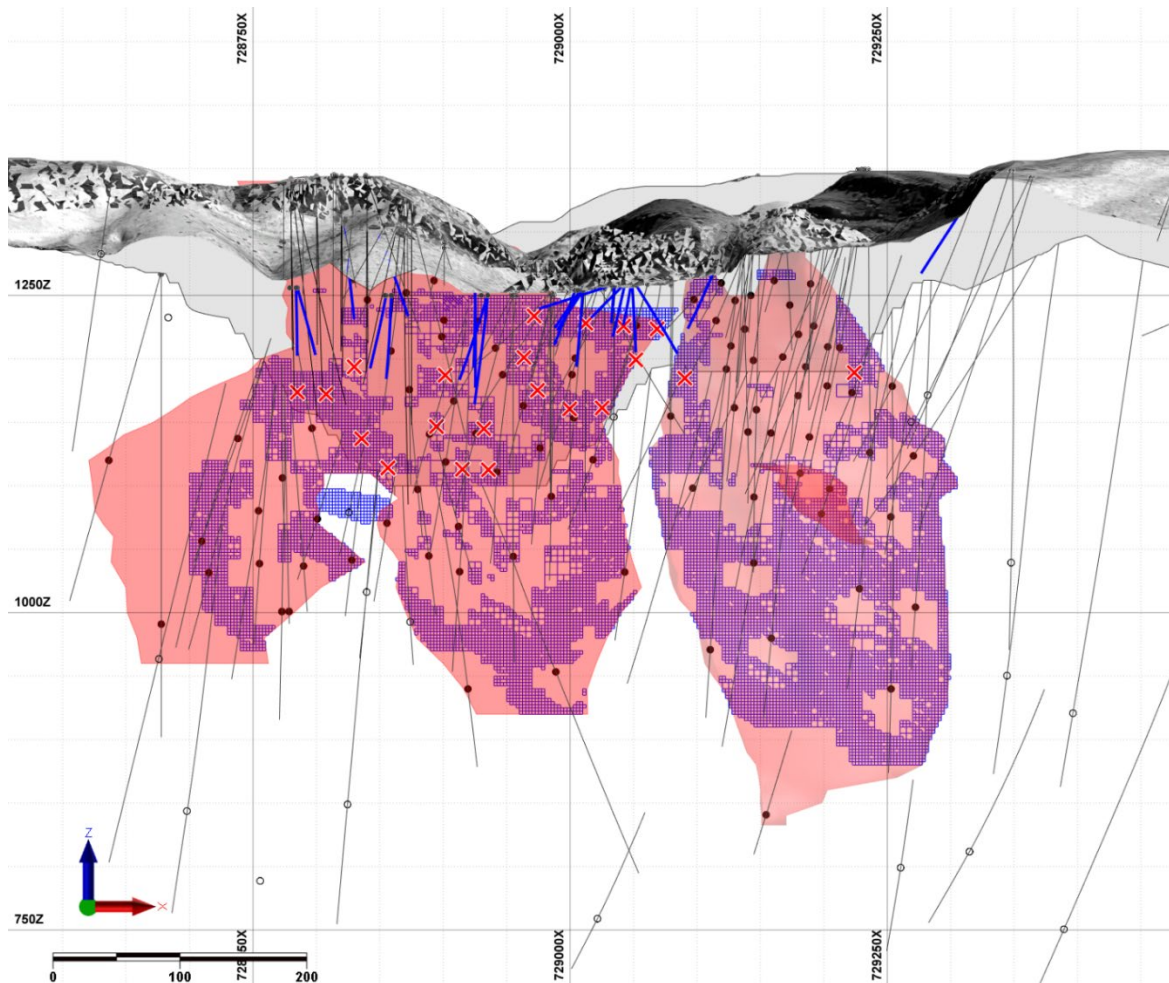


Figure 1: Sulphur Springs long section with proposed Open Pit Shell, Inferred Resource Blocks (blue polygons) and completed RC pre-collar drillhole traces (blue strings).

WHIM CREEK JOINT VENTURE (VXR 20%)

On the 21st of July 2020, Venturex executed a binding Earn-In and Joint Venture agreement with ASX-listed Anax Metals Limited (ASX: ANX) to acquire an interest of up to 80% in the Whim Creek Project. ANX earned its remaining 40% interest in the Project in January, increasing its total interest to 80% (refer ASX announcement 15 January 2021). Venturex is free-carried through to the commencement of mining operations.

ANX continue to work on a Feasibility Study on the re-development of the project.

EVELYN PROJECT (E47/1209)

During the quarter, the Company finalised plans for an additional FLEM geophysical survey to be completed at the Evelyn Prospect approximately 25km south-east of the Whim Creek Mine.

The programme is designed to test the continuation of a recently identified FLEM anomaly (refer ASX announcement 29 January 2021), which is interpreted to be within the same mafic schist unit that hosts the Evelyn Cu-Zn deposit, located approximately 2km to the south along strike.

CORPORATE

Corporate Update

As per the announcement of 24th of February 2021 and the announcement following the General Meeting held on the 9 June 2021, Shareholders approved a significant funding package which saw highly regarded mining executive Bill Beament become a major shareholder and join the Board as an Executive Director on July 1, 2021. Mr Beament has since been appointed Managing Director.

During the quarter, Venturex received \$14 million from the Placement at 8c a share, with Mr Beament contributing \$8.9m of this total.

On the 21 June 2021, the Company dispatched the Entitlement Offer Prospectus, whereby existing Venturex shareholders received a one-for-seven Entitlement Offer at 8c, raising a further \$4.9m. Subsequent to the end of the Quarter, the Entitlement Offer was successfully closed with a shortfall of \$359,820.32. The shortfall is underwritten and has been taken up by the underwriter.

The Placement and Entitlement Offer shares come with a one-for-two attaching option, exercisable at 13.5c with a two-year expiry. Venturex stands to receive a further estimated \$15.5 million from the conversion of these options.

Board Restructure

Following shareholder approval at the General Meeting held on the 9th of June 2021, Michael Blakiston was appointed to the Board as Non-executive Chair.

As previously announced, Craig McGown resigned from the Board of Venturex on the 9th of June 2021 following the General Meeting.

Subsequent to the end of the June Quarter, Bill Beament was appointed Managing Director and Shirley In't Veld as a Non-executive Director. Mick McMullen transitioned to a Non-executive Director.

Securities Information

On 22 June 2021 as part of the \$58 million funding package, the company issued 175,037,629 shares pursuant the placement agreements with Bill Beament and other sophisticated investors. In addition, the Company issued 87,528,823 unlisted options with an exercise price of 13.5 cents as approved by Shareholders.

On 22 June 2021, the Company issued 140,000,000 Consulting Options to Bill Beament, following Shareholder approval

On the 22 June, the Company issued a total 17,000,000 director options to Mick McMullen and Michael Blakiston, following Shareholder approval.

During the Quarter, the Company issued 14,519,873 shares following the conversion of unlisted options exercisable at 10 cents which have an expiry date of 15 December 2021.

Issued capital of the Company at 30 June 2021 is:

Security Class	Issued Capital
Fully Paid Ordinary Shares (VXR)	605,182,456
Unlisted Performance Rights	2,532,222
Unlisted Options (variable expiry dates and exercise prices)	248,517,382

Financial Information

The Company's net cash position on 30 June 2021 was \$16.8 million. The Pro-forma Appendix 5B – Statement of Consolidated Cash Flows is provided in a separate report.

Information as disclosed in the Cash Flow Report:

- ▶ Exploration and Evaluation Expenditure during the quarter was \$213,000.
- ▶ There were no mining production and development activities during the quarter.
- ▶ Payments to related parties of the Company and their associates during the quarter was \$111,000. The company advises that this relates to executive directors' salaries, non-executive director's fees and superannuation.

This announcement is authorised for release by Bill Beament, Managing Director.

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INTERESTS IN MINING TENEMENTS

AREA OF INTEREST	TENEMENTS	GROUP INTEREST	EXPIRY	AREA OF INTEREST
Sulphur Springs Project	M45/494	100%	Expiry 21 Oct 2032	Sulphur Springs Project
	M45/587	100%	Expiry 6 Sept 2032	
	M45/653	100%	Expiry 28 Sept 2037	
	M45/1001	100%	Expiry 21 Jan 2029	
	E45/4811	100%	Expiry 27/03/2022	
	E45/4993	100%	Expiry 10/04/2023	
	L45/166	100%	Expiry 30 April 2030	
	L45/170	100%	Expiry 19 Sept 2030	
	L45/173	100%	Expiry 24 Aug 2033	
	L45/179	100%	Expiry 31 Mar 2032	
Panorama	L45/188	100%	Expiry 19 Nov 2030	
	L45/189	100%	Expiry 19 Nov 2030	
	L45/287	100%	Expiry 27 Sept 2033	
	M45/1254	100%	Expiry 10/10/2038	Panorama
	P45/2910	100%	Expiry 24/05/2022	
	P45/2911	100%	Expiry 24/05/2022	
	M45/1265	100%	Application covering former MLA45/1253	
Evelyn 100%	E47/1209	100%	Expiry 26/09/2021	Evelyn 100%
Whim Creek Project VXR 20% ANX 80%	M47/1455	20%	Expiry 3/04/2033	Whim Creek Project VXR 20% ANX 80%
	E47/3495	20%	Expiry 31/07/2022	
	M47/236	20%	Expiry 26 July 2032	
	M47/237	20%	Expiry 26 July 2032	
	M47/238	20%	Expiry 26 July 2032	
	M47/443	20%	Expiry 1/06/2040	
	L47/36	20%	Expiry 18/01/2023	
	M47/323	20%	Expiry 3 June 2035	
	M47/324	20%	Expiry 3 June 2035	

Note: #80% interest in tenement transferred to Anax Metals Limited under the terms of the Whim Creek earn in and joint venture agreement.

Table 1: Sulphur Springs Resources Table

		Mineral Resources				
Location	JORC 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).

Competent Person Statement

The Company confirms that:

- The form and context of the material in this release has not been materially modified from any previous announcements; and
- 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.

The information relating to mineral resources for the Sulphur Springs and Kangaroo Caves Deposits were prepared by Mr David Milton, Director of Mil Min Pty Ltd. All information and technical parameters underpinning the estimates have been released to the market in the following ASX announcements "Sulphur Springs Resource Upgrade" dated 21 March 2018, "Kangaroo Caves Resource Upgrade" dated 22 September 2015.