VENTUREX RESOURCES LIMITED

2019 ANNUAL REPORT

Corporate Directory

DIRECTORS

Anthony Kiernan	Non-Executive Chairman
Ajanth Saverimutto	Managing Director
Anthony Reilly	Executive Director
Darren Stralow	Non-Executive Director

COMPANY SECRETARY/CFO

Trevor Hart

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Chairman's Report

Dear Shareholders,

I am pleased to report on what has been a productive year for Venturex as the Company made substantial progress towards the financing and development of our flagship asset, the Sulphur Springs Copper-Zinc Project in WA's Pilbara.

Key achievements included:

- the delivery of a high-quality feasibility study;
- substantial progress with the environmental permitting process;
- the recruitment of key personnel for the development and operations team;
- the completion of two capital raisings; and
- the procurement of a landmark $100 million project debt facility.

As one of the rare mid-tier scale undeveloped base metal projects in the world, Sulphur Springs will benefit from the turn in base copper and zinc prices due to the outstanding supply-demand fundamentals for both metals.

The key attributes of the Sulphur Springs Project in terms of its grade, scale, Tier-1 location, relatively low capital intensity and strong financial returns were clearly demonstrated by the Definitive Feasibility Study ("DFS") delivered in October 2018, which confirmed the potential to develop a long-life, high-margin base metal operation.

Based on a revised configuration comprising an initial open pit to access high-grade near-surface supergene copper mineralisation followed by a longer-term bulk underground mining operation, the DFS outlined a 1.25Mtpa base case project producing on average 65ktpa of copper concentrate and 75ktpa of zinc concentrate over a +10-year life.

Importantly, the DFS delivered numerous improvements over the 2017 Value Engineering Study, including a 40 per cent increase in the Project's Net Present Value to A$472 million, an increased Ore Reserve of 8.5Mt grading 1.4% Cu and 3.1% Zn, increased payable copper and zinc production and a pre-tax internal rate of return of 51 per cent and a significant reduction in pre-production capital.

The completion and delivery of the DFS was facilitated by a $2 million convertible loan provided by major shareholder, Northern Star Resources, which allowed us to press ahead with Feasibility work at full speed without having to raise additional capital during a difficult period in equity markets. Northern Star Resources subsequently converted this loan into shares.

Following completion of the DFS, the Company moved quickly to advance the project towards financing and development on a number of levels. Some of the key activities included:

- The commencement of a project implementation strategy focused on Early Contractor Engagement and the identification and recruitment of key senior personnel to prepare the Company for operational readiness;
- Further progress with the environmental approvals process for Sulphur Springs, with our permitting team liaising closely with the West Australian Environmental Protection Authority (EPA) in response to requests for additional information for the Environmental Review Document (ERD). At the time of writing this report, the EPA had advised Venturex that the ERD will be finalised and move to the final stage of determination;
- The preparation of tender documents for key construction works, in conjunction with a focus on several optimisation opportunities and cost reduction strategies;
- The completion of an Independent Technical Review of the Project on behalf of potential financiers, with no fatal flaws identified;
- Capital raisings totalling almost $6 million, including a $2.3 million placement and SPP last year and $3.65 million institutional capital raising in March 2019, underpinned by institutional investors; and
- Execution of a conditional Terms Sheet with global commodity trader, Trafigura Pte, for a US$70 million (A$100 million) senior debt facility.

Chairman's Report

The funding package with Trafigura comprises a 4-year Copper and Zinc Pre-Payment Facility on competitive commercial terms, with minimal covenants and an extended grace period, deferring principal and interest payments.

As part of our financing strategy, the Company reached agreement with Japanese zinc refiner, Toho Zinc Co., Ltd to defer its existing zinc off-take rights (which stem from our original acquisition of the Project in 2011) for a period of five years to allow Venturex to use the near-term zinc off-take to help fund project development.

Securing a funding and off-take partner of the size and calibre of Trafigura represents a major step forward for Venturex and a strong endorsement of the quality of the project, the robustness of the Feasibility Study and the soundness of our development strategy.

Given our focus on financing and developing Sulphur Springs in order to make the transition to production and cash-flow as quickly as possible, our exploration activities during the year were necessarily of a limited and strategic nature.

A small program of Reverse Circulation drilling was completed at Sulphur Springs, designed to extend the shallow high-grade Supergene Resource. This program was successful, returning impressive thick high-grade intercepts of copper mineralisation, expanding and strengthening the shallow mineralisation and supporting our view that the zone extends further to the east.

Regionally, we completed a limited program of reconnaissance drilling at the Breakers Prospect, located 15km south of Sulphur Springs. The drilling encountered significant widths and grades of VMS mineralisation, intersecting several zones of high-grade mineralisation beneath a surface gossan that correlate with the results of historical drilling and presents as an attractive drilling target.

Subsequent drilling intersected widespread zinc mineralisation across a strike length of more than 1km, demonstrating that VMS mineralisation is widely distributed across the prospect and highlighting the fertility of the 27km long Panorama VMS Trend for further discoveries.

These, and other geophysical and geochemical targets along the VMS corridor, will be systematically tested by our exploration team in the years ahead with a view to discovering additional satellite deposits that can leverage off the processing infrastructure at Sulphur Springs and build an exciting long-term growth pipeline for the Company.

I am confident that Venturex is on a clear trajectory to become Australia's next mid-tier base metals mine.

I would like to acknowledge the leadership and dedication of Managing Director AJ Saverimutto who has led his team with clear direction and passion. In doing so, I also thank the entire Venturex team of staff and contractors for their contributions over the course of the year and also acknowledge the strong ongoing support of our shareholders.

TONY KIERNAN

CHAIRMAN

26th September 2019

Review of Operations

AUSTRALIA – PILBARA COPPER-ZINC

SUMMARY

Venturex Resources ("the Company" or "Venturex") has continued to make significant progress on its assets in the Pilbara, with excellent progress on its flagship 100% owned Sulphur Springs project through further exploration drilling of both Sulphur Springs and its prospective deposit, Breakers as well as securing of a significant debt funding package that will facilitate the development of Sulphur Springs in line with the Definitive Feasibility Study ("DFS"), which was completed in October 2018.

The Sulphur Springs project is the Company's flagship project with a JORC compliant Resource of 13.8Mt at 1.5% Cu and 3.8% Zn (for ~200kt Cu and ~520kt Zn of contained metal). The DFS completed in October 2018 demonstrated strong project economics generating a free cash flow of A$818 million, a Net Present Value (NPV) of A$472 million and an Internal Rate of Return (IRR) of 51%.[1]

The Company has a clear strategy on project construction and has short-listed all major construction contractors, with the tender process set to begin shortly. A number of project construction, development and operational optimisations have been established, which will form the key framework for project implementation.

The Company's key focus is construction and development of the Sulphur Springs project.

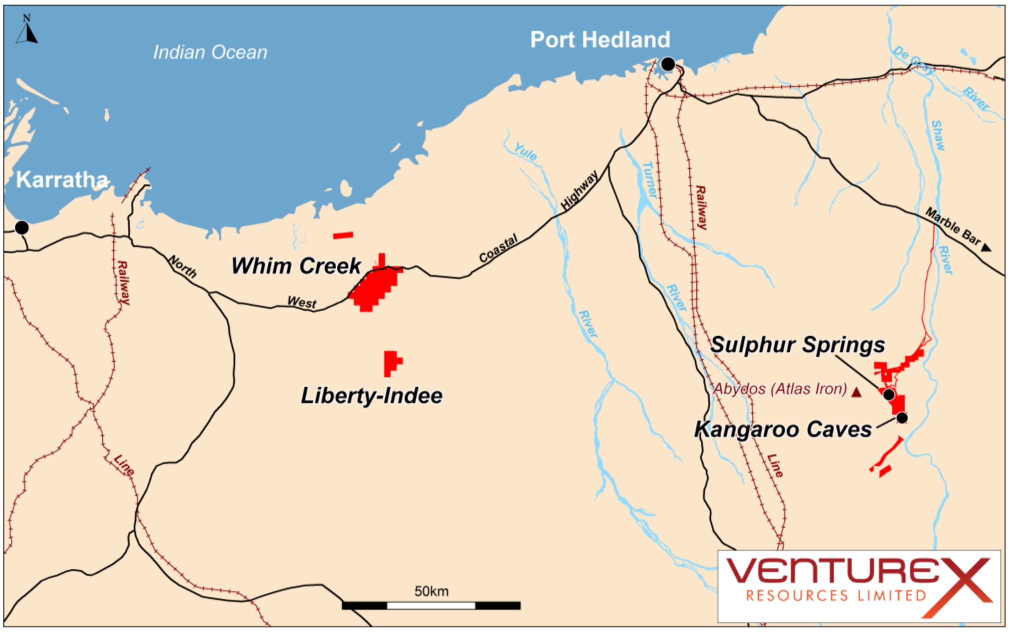

Image 1: Pilbara Copper-Zinc Project Location Plan

Sulphur Springs Project

The Project is located approximately 145 kilometres south east of Port Hedland and is accessed by a combination of sealed all weather road and haul road. The Project is situated on granted mining leases with an existing Mining Agreement in place with the Njamal people. The Project is 100% owned by Venturex.

Sulphur Springs has the potential to be a profitable base metal mine with low cash operating costs, robust margins and outstanding economic returns as evidenced by a Definitive Feasibility Study (DFS) completed in October 2018.

[1] Refer to ASX Release 10 October 2018

Review of Operations

The key life of mine outcomes from the DFS include:

Life of Mine (LOM)	10 Years
Production Rate	1.25 Million Tonnes
Mining Inventory	12.6 Million Tonnes
Ore Reserve	8.5 Million Tonnes @1.4% Cu & 3.1% Zn
Mineable Copper Grade	1.4%
Mineable Zinc Grade	3.6%
Pre-Production Capital Cost	A$169 Million
Project Revenue	A$2,625 Million
Pre-Tax Flow (Pre-tax real)	A$818 Million
Pre-Production Processing Plant and Infrastructure Capital	A$146 Million
Pre-Tax $NPV_{8\%}$	A$472 Million
Internal Rate Return (Pre-tax)	51%
Average Annual Pre-Tax Cash Flow	~A$80 Million

Table 1: Key Life of Mine Outcomes from the DFS [1]

The results confirmed the Project's exceptionally strong financial and technical merits based on a 1.25 million tonne per annum ("Mtpa") open pit and underground development. The DFS indicates that Sulphur Springs will deliver average annual production of ~65ktpa of 25% Copper concentrate (~15ktpa Cu payable metal) and 75ktpa of ~50% Zinc concentrate (~35ktpa Zn payable metal).

Environmental approvals are well advanced as is project implementation and tendering strategy. A number of new personnel have been employed in recent months to facilitate project execution and development.

Whim Creek Project

Ongoing geological interpretation of the Whim Creek projects aims to identify further exploration opportunities that will lead to an appropriate project development strategy.

SULPHUR SPRINGS EXPLORATION

Over the course of 2018-19, the Company commenced a highly successful exploration programme at its flagship Sulphur Springs Project. The programme represents the first phase of a renewed focus on exploration at Sulphur Springs and within the broader Panorama Trend. Venturex believes there is excellent potential to discover additional resources and add to the current Resource and metal inventory via systematic and focused exploration.

Reverse-Circulation drilling (RC) at the Sulphur Springs deposit intersected thick zones of massive and semi-massive sulphides with outstanding intercepts of high-grade copper +/- zinc mineralisation (see ASX releases 18 June 2019 and 26 June 2019). Significant results from the Sulphur Springs drill-holes are:

SSR007:

- 29m @ 1.47% Cu from 45m
- 9m @ 0.86% Cu from 82m
- 31m @ 3.24% Cu from 94m
  - including an outstanding high-grade interval of 11m @ 4.15% Cu from 99m

SSR008:

- 63m @ 1.89% Cu from 45m
  - Including Supergene zone of 21m @ 2.82% Cu from 45m
  - Including an outstanding high-grade interval of 5m @ 5.43% Cu from 45m
- 10m @ 10.78% Zn from 74m
  - Including an outstanding high-grade interval of 6m @ 15.10% Zn from 76m

The outstanding copper and zinc mineralisation intersected SSR008 and SSR007 highlight the quality and size of the Sulphur Springs system. Limited drilling has been completed to the east of these drill-holes; this represents a further exploration opportunity for future drilling where additional high-grade zones similar that intersected in the current drilling are expected to continue.

A detailed 3D structural and geochemical study was also completed at the Sulphur Springs deposit with the aim of reconstructing the primary basin architecture and identifying syn-mineralisation feeder-faults. The updated geological model confirms a number of priority targets on the margins of the deposit, including a broad target at the Bledisloe Prospect located approximately 750m West of Sulphur Springs.

Review of Operations

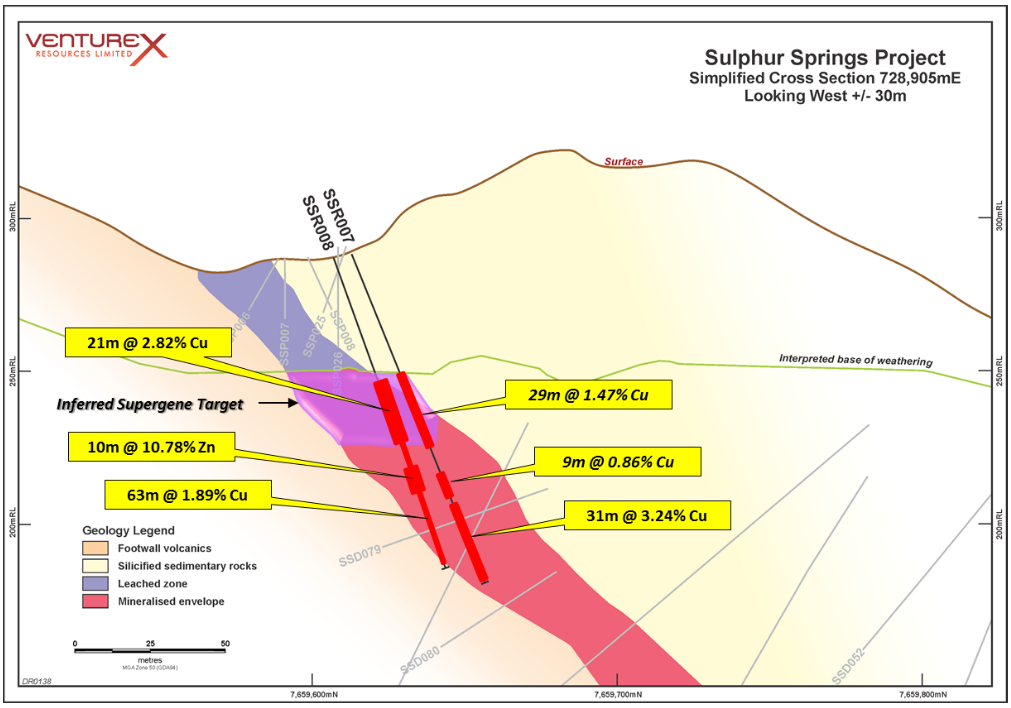

Image 2: Cross-section on 728,905mE showing location of holes SSR007 and SSR008

Reprocessing and reinterpretation of the Sulphur Springs 2017 XCITE Airborne-Electromagnetic (AEM) data over the Sulphur Springs project was also completed to help identify and highlight subtle variations in the subsurface resistivity that may not be evident from the original profile data. Results from this work identified EM anomalies XA_10 and XA_11 as being potential Sulphur Springs look-a-like targets in an area of the project that has experienced very little previous exploration work.

Follow-up geological mapping completed at the anomalies confirms the existence of the Sulphur Springs Marker Chert unit, additional rock-chip results from these anomalies also identify up to 0.40% Zinc with elevated levels of associated VMS pathfinder elements such as Arsenic, Antinomy, Barium, Cadmium, Cobalt, Molybdenum and Thallium.

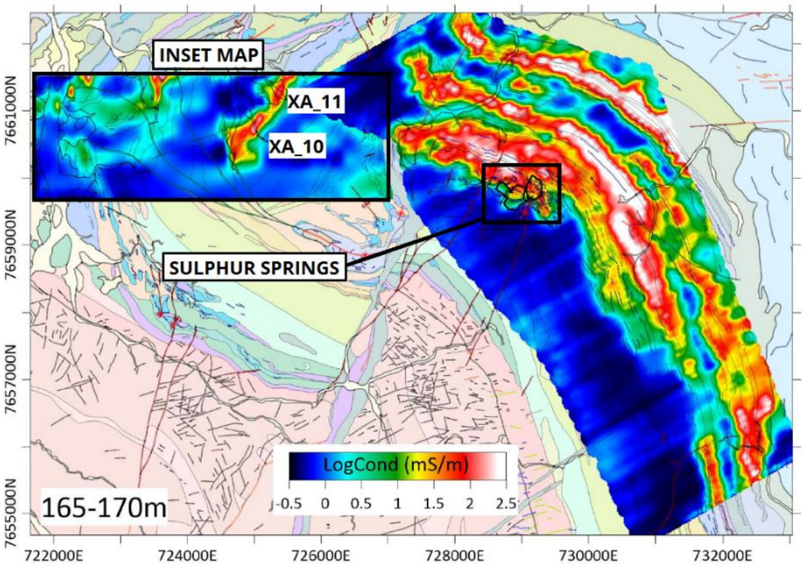

Image 3: Sulphur Springs resistivity depth section (165-170m depth slice).

Review of Operations

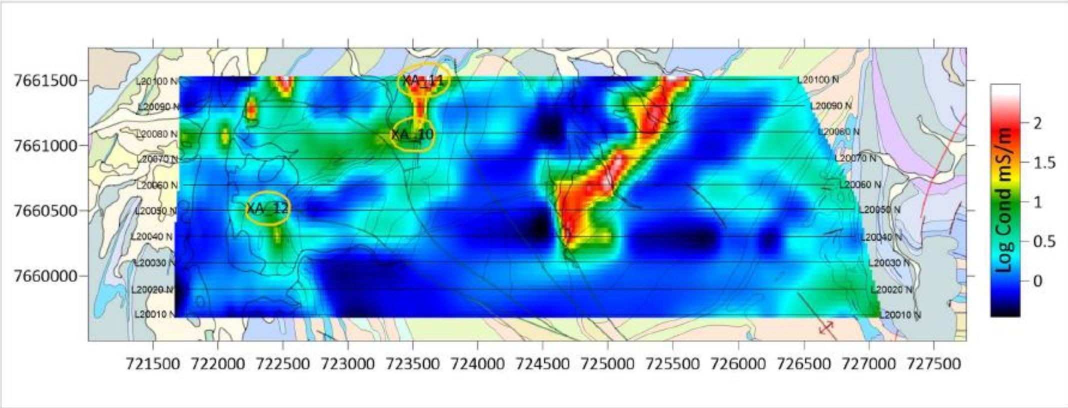

Image 4: Sulphur Springs NW targets XA_10-XA_12 resistivity depth section (118m depth slice).

The exploration team also continued to expanded its coverage along the prospective Marker Chert contact that runs for 27km south-southwest through the Panorama Trend. Field assessment and review of a number of high-priority gossans, along with geochemical and EM targets was completed throughout the project.

Rock chips sampling of cuprite-malachite gossan at the Breakers Prospect, located approximately 15km south of Sulphur Springs returned exceptional values of up to 36.7% Cu, 0.42% Zn, 0.19% Pb and 124ppm Ag (see ASX release 01 May 2019).

Follow-up exploration drilling programme at the Breakers prospect intersected significant Zn-Pb-Ag+/-Cu mineralisation at the main Breakers target, along with promising sulphide (+/-Zn) mineralisation and associated alteration across >1.5kms of strike (see ASX releases 17 July 2019 and 04 September 2019).

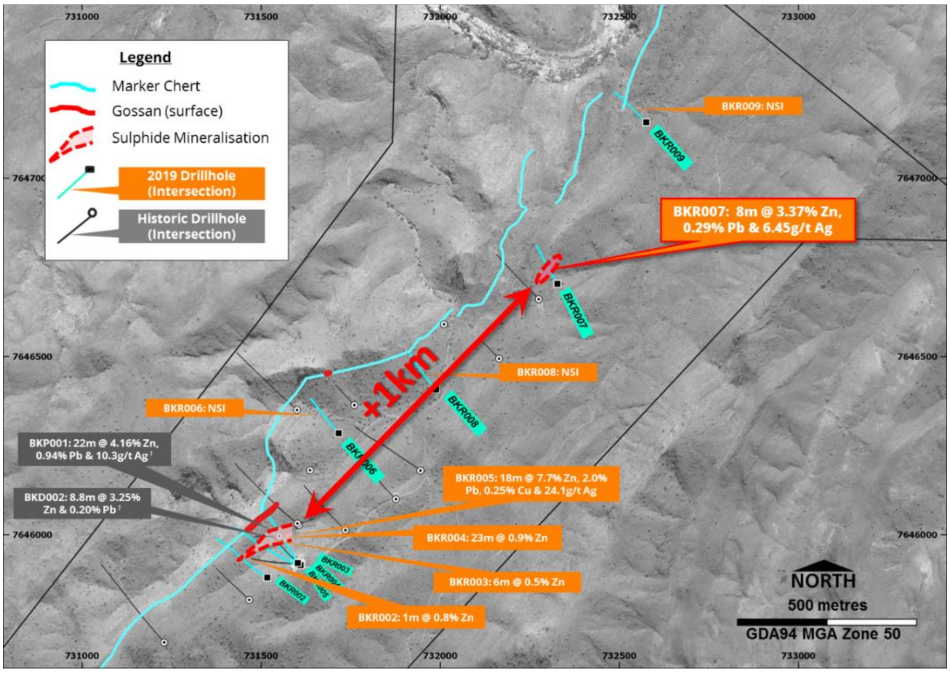

Image 5: Plan view of Breakers exploration drilling

Significant assay results from the Breakers exploration drill-holes include:

BKR007:

- 8m @ 3.37% Zn, 0.29% Pb, and 6.45g/t Ag from 84m, including,
  - 1m @ 20.90% Zn, 1.84% Pb and 34.70 g/t Ag from 85m

BKR005:

- 18m @ 7.75% Zn, 2.03% Pb, 0.25% Cu and 22.80g/t Ag from 155m, including,
  - 7m @ 10.74% Zn, 4.40% Pb, 0.15% Cu and 23.69 g/t Ag from 161m
  - 2m @ 10.23% Zn, 0.16% Pb, 1.18% Cu and 3.78g/t Ag from 170m

Review of Operations

BKR004:

- 2m @ 0.77% Zn and 7.09g/t Ag from 172m
- 5m @ 1.12% Zn and 3.96g/t Ag from 177m
- 5m @ 2.27% Zn from 185m

BKR003:

- 2m @ 0.61% Zn and 6.44g/t Ag from 152m
- 7m @ 0.45% Zn from 170m
- 2m @ 1.02% Zn from 187m

BKR002:

- 1m @ 0.76% Zn from 170m

The Breakers exploration drilling programme was the first significant drill program to be undertaken within the Panorama Trend for over 10 years. While exploration at Breakers is still at an early stage, the intervals and grades of mineralisation intersected show strong geological similarities with the +17.4Mt of VMS mineralisation currently defined at Sulphur Springs and Kangaroo Caves.

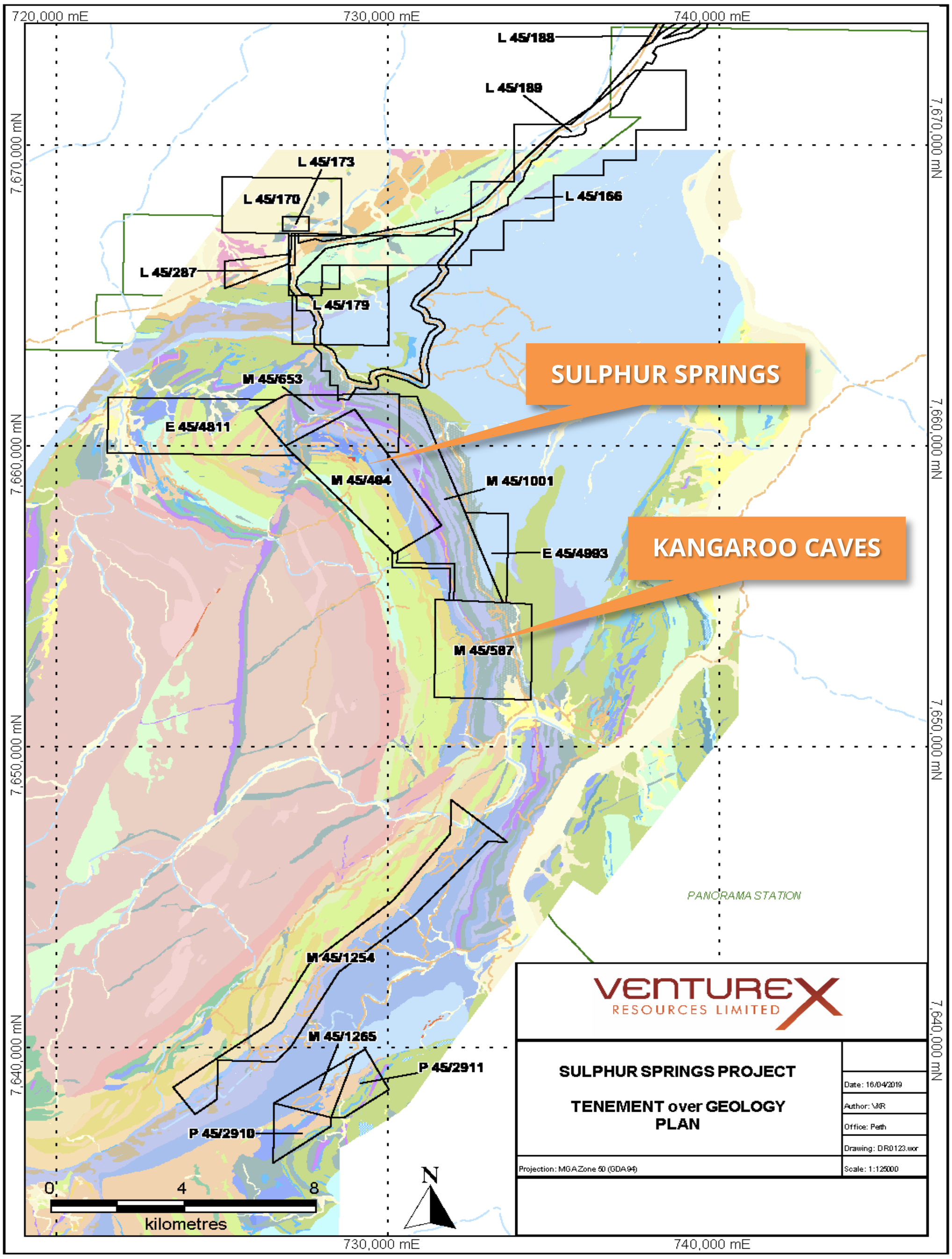

Image 6: Sulphur Springs Project Location Plan

Review of Operations

WHIM CREEK COPPER-ZINC PROJECT

The Whim Creek Copper-Zinc Project is located 115 kilometres south west of Port Hedland and the Company's tenement holdings straddle the sealed North West Coastal Highway. The Project includes the Mons Cupri, Whim Creek, Salt Creek and Evelyn VMS deposits as well as tenements covering 18,000 ha of the highly prospective Whim Creek and Mallina basins.

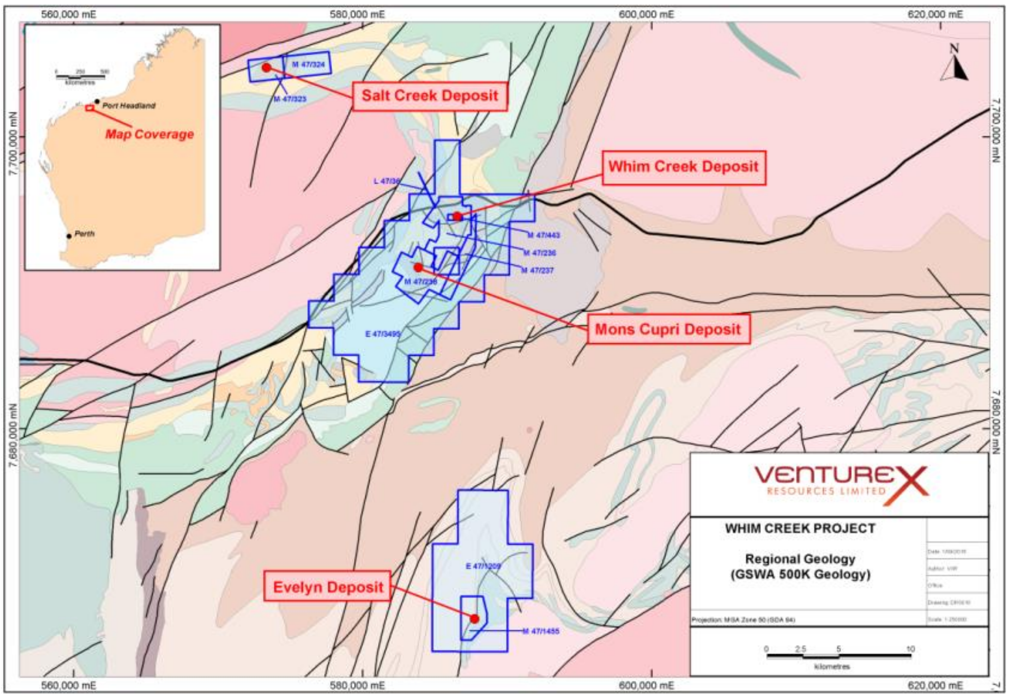

Image 7: Whim Creek Project Location Plan

Conglomerate Hosted Gold Potential

During the year the Company completed additional reconnaissance creek sediment sampling at the Mays Find and Loudens Patch prospects to assess the potential for conglomerate hosted gold mineralisation (see Image 8 below).

Results from the northern end of the Mays Find area (Morning-After Prospect) have defined particulate gold in creeks over at least 500m of strike. The particulate gold identified occurs below a ridge line containing outcrop of the prospective lower Fortescue Group conglomerates.

Geological mapping completed as part of the sampling program also discovered a previously unrecognised zone of prospective conglomerate south of the current sampling; the strike length of this unit is interpreted to be greater than 1,000m.

Results from the Loudens Patch area have also defined particulate gold within creeks and drainage systems over at least 500m of strike. The particulate gold identified occurs below an elevated ridge of the prospective Fortescue Group Mt Roe Basalt and basal conglomerates.

Follow-up work at Mays Find and Loudens Patch is planned to be completed in the coming year.

Review of Operations

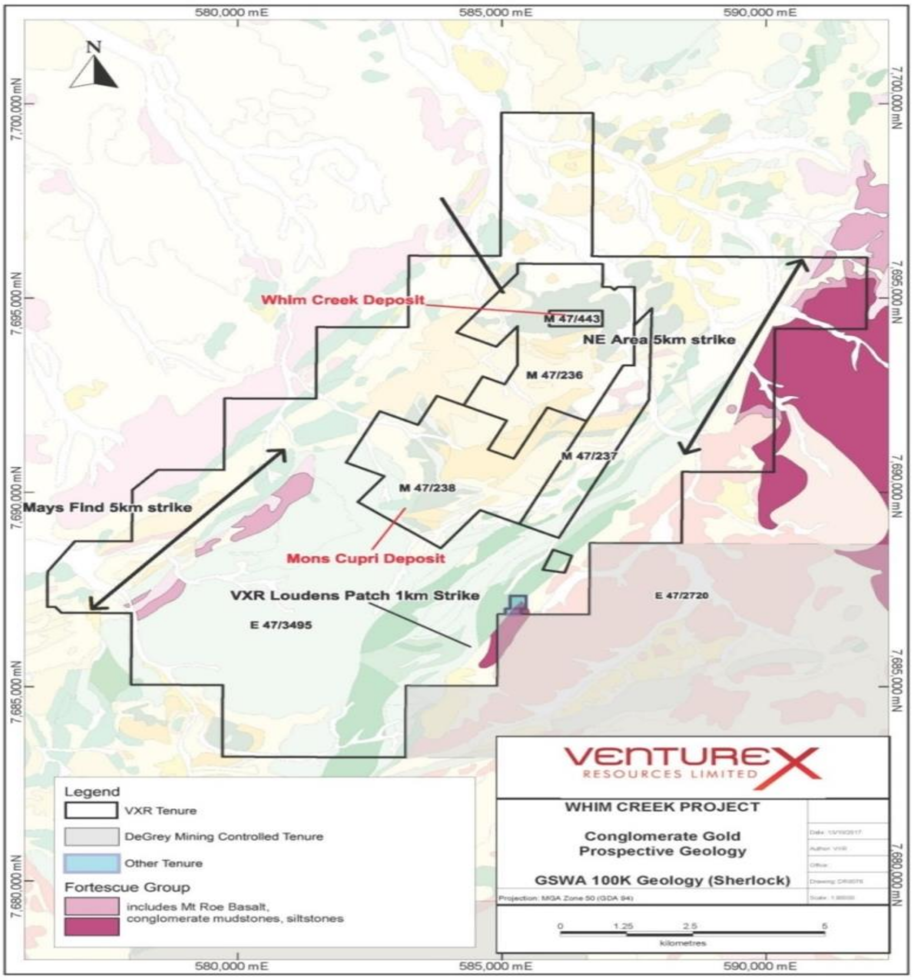

Image 8: Whim Creek Project Geology with conglomerate gold targets

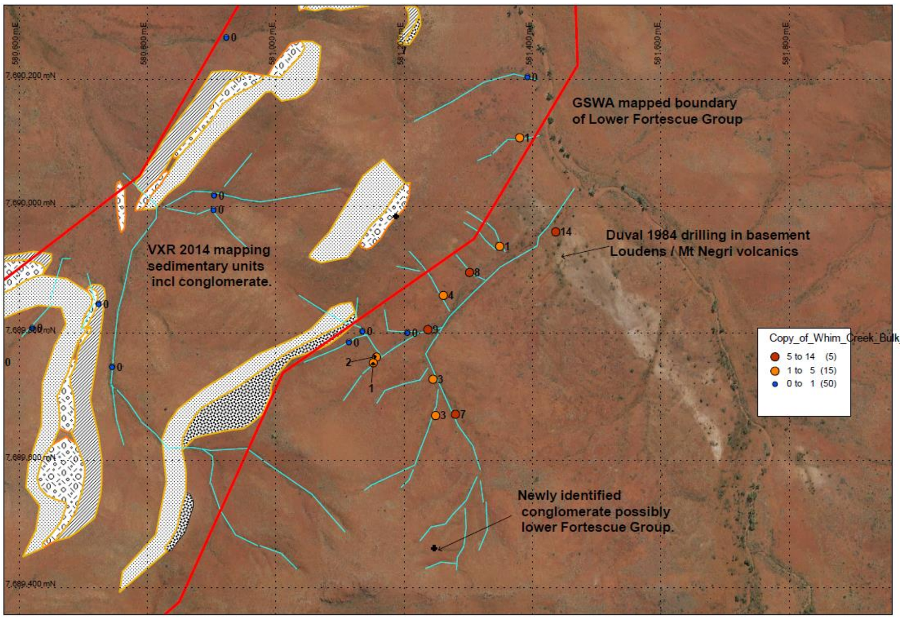

Image 9: Mays Find Creek (Morning After Prospect) sampling program area showing the bulk creek sediment sample sites coloured by observed gold content

Image 10: Left - Sampling a small creek on the west side of the Loudens Patch Ridge. Right - looking north along the ridge line at Loudens Patch showing outcropping conglomerate and overlying Mt Roe Basalt

Whim Creek Operations

The Processing and Access Agreement with Blackrock Metals Pty Ltd (Blackrock) provides access and the ability to manage the reprocessing of the existing Whim Creek oxide copper heap leach pads previously constructed by Straits Resources Limited at the Whim Creek site in the Pilbara region of Western Australia. During the 2018-2019 year, Blackrock continued to implement several measures to sustain production.

An agreement was successfully negotiated during the year with Blackrock to continue operations at the Whim Creek heap leach.

In March 2019 the site received heavy rainfall associated with the passage of Cyclone Veronica. The rainfall was in the order of 500mm which exceeded that of 1 in 100-year rain fall event. The results of which was overtopping of the process and stormwater infrastructure which was designed for a 1 in 100-year rainfall event.

The Whim Creek Site was classified as 'possibly contaminated' following a Contaminated Site investigation in January 2010, prior to Venturex ownership. Additional information was requested by Department of Water and Environmental Regulation (DWER) and provided in November 2014 which did not result in change of classification. Subsequent to the end of the current reporting period DWER revised the contaminated sites classification to "possibly contaminated – investigation required" and requested further investigations to a prescribed standard and a comprehensive report of investigations, monitoring data and risk assessments for the site and downstream of the site including the events subsequent to the overtopping from Cyclone Veronica in March 2019. The site operator, Blackrock, and the Company have entered into arrangements to implement the required actions and report to DWER.

In April 2019, The Company and Blackrock received a draft Environmental Protection Notice (EPN) from DWER regarding the operations of the Whim Creek Copper Project. Subsequent to the end of the financial year, the Company and Blackrock received the final EPN. Part of the EPNs requirement was returning the site to normal operational state after Cyclone Veronica and to control and prevent any potential emissions from the site. The Company and Blackrock are working together in fulfilment of the EPN requirements.

Mineral Resources and Ore Reserves Statement

The company has a total resource base within its Pilbara Copper-Zinc Project of 26 Mt grading 1.2% Cu, 3.5% Zn, 0.3% Pb and 19.0 g/t Ag. The Sulphur Springs Project comprising the Sulphur Springs and Kangaroo Caves deposits totals 17.4 Mt grading 1.3% Cu, 4.2% Zn, 0.2% Pb and 17.0 g/t Ag. The Whim Creek Project comprising the Whim Creek, Mons Cupri, Salt Creek and Evelyn deposits total 8.6 Mt grading 1.1% Cu, 2.0% Zn, 0.5% Pb and 23.0 g/t Ag. A breakdown of the individual resources deposit is provided in the table below:

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	17.0
	Inferred	4,400	1.4	3.7	0.2	18.0
	Sub-total	**13,800**	**1.5**	**3.8**	**0.2**	**17.0**
Kangaroo Caves	Measured	-	-	-	-	-
	Indicated	2,300	0.9	5.7	0.3	13.6
	Inferred	1,300	0.5	6.5	0.4	18.0
	Sub-total	**3,600**	**0.8**	**6.0**	**0.3**	**15.0**
	Project total	**17,400**	**1.3**	**4.2**	**0.2**	**17.0**
Whim Creek	Measured	-	-	-	-	-
	Indicated	1,000	1.4	1.2	0.2	8.7
	Inferred	-	0.6	2.1	0.5	13.1
	Sub-total	**1,000**	**1.4**	**1.2**	**0.2**	**9.0**
Mons Cupri	Measured	1,100	1.5	1.7	0.7	38.0
	Indicated	3,500	0.8	0.8	0.3	17.0
	Inferred	500	0.5	1.5	0.6	14.0
	Sub-total	**5,100**	**0.9**	**1.0**	**0.4**	**21.0**
Salt Creek	Measured	-	-	-	-	-
	Indicated	1,000	1.2	3.3	0.9	20.0
	Inferred	800	0.7	5.3	1.5	42.0
	Sub-total	**1,800**	**1.0**	**4.2**	**1.2**	**30.0**
Evelyn	Measured	-	-	-	-	-
	Indicated	500	2.3	4.4	0.4	41.0
	Inferred	200	1.1	1.9	0.3	24.0
	Sub-total	**700**	**1.9**	**3.6**	**0.4**	**35.0**
	Project total	**8,600**	**1.1**	**2.0**	**0.5**	**23.0**
TOTAL	Measured	1,100	1.5	1.7	0.7	38.0
	Indicated	17,600	1.3	3.3	0.3	17.0
	Inferred	7,300	1.1	4.2	0.4	21.0
	Total Resources	**26,000**	**1.2**	**3.5**	**0.3**	**19.0**

Table 2: Mineral Resources Statement

NOTE: Totals may not add due to rounding

Mineral Resources and Ore Reserves Statement

Ore Reserves

The Ore Reserve Statement for the Pilbara Copper-Zinc Project at 30 June 2019 has been adjusted to reflect the changes to the Sulphur Springs Ore Reserve due to the updated geological resource model for the deposit and the revised mine plan in the "Sulphur Springs DFS Results and Reserve Upgrade" announcement released to the ASX on 10 October 2018.

ORE RESERVES					
Sulphur Springs	**JORC Classification**	**Tonnes ('000t)**	**Cu %**	**Zn %**	**Ag g/t**
Open Pit	Proven	-	-	-	-
	Probable	3,709	1.8	3.6	17.1
	Sub-total	**3,709**	**1.8**	**3.6**	**17.1**
Underground	Proven	-	-	-	-
	Probable	4,785	1.1	2.7	12.1
	Sub-total	**4,785**	**1.1**	**2.7**	**12.1**
Combined	Proven	-	-	-	-
	Probable	8,494	1.4	3.1	14.3
	Sub-total	**8,494**	**1.4**	**3.1**	**14.3**

Table 3: Ore Reserves Statement

NOTE: Inferred Resources contained within the Reserve design have been assigned a nil grade and dilute the reported Reserve. Total may not add due to rounding.

COMPETENCY STATEMENT

The information relating to mineral resources for the Sulphur Springs, Kangaroo Caves, Mons Cupri and Salt Creek 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 Update" dated 11 May 2016, "Sulphur Springs Resource Upgrade" dated 21 March 2018, "Kangaroo Caves Resource Upgrade" dated 22 September 2015, and "Whim Creek Project Resources Update" dated 25 March 2018. The information relating to mineral resources for the Whim Creek and Evelyn Deposits have been detailed in the Company's ASX announcement "Company Resource and Reserve Statement as at 30 September 2013", which was released to the market on 8 October 2013.

The information and assumptions relating to the Sulphur Springs Open Pit and Underground Ore Reserve is based on information compiled or reviewed by Mr Daniel Donald, of Entech Pty Ltd. The information that relates to interpretation of metallurgical test work and process plant design is based on information compiled or reviewed by Lycopodium Minerals Pty Ltd. All information and technical assumptions underpinning the Ore Reserves for the Sulphur Springs Deposit has been released to the market in the 10 October 2018 announcement "Sulphur Springs DFS Results and Reserve Upgrade". The stated reserves are based on the assumptions described in the 2018 DFS, published 10 October 2018.

Mr Milton is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Milton consents to the inclusion in the report of the results reported here and the form and context in which it appears.

Mr Daniel Donald is a member of the Australasian Institute of Mining and Metallurgy. Mr Donald has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to quality as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Reserves". Mr Donald consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Mineral Resources and Ore Reserves Statement

The information in this announcement that relates to Exploration Results is based on information compiled or reviewed by Mr Luke Gibson who is an employee of Venturex. Mr Gibson is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. 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 in this presentation that relates Geophysical Exploration Results is based on information compiled by Mr Russell Mortimer, who is employed as a Consultant to the Company through geophysical consultancy Southern Geoscience Consultants Pty Ltd. Mr Mortimer is a member of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

No New Information or Data

This announcement contains references to exploration results and Mineral Resources 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.

Schedule of Tenement Interests

As at 26 September 2019, mineral exploration tenements applied for or granted to the Company, or mineral exploration tenements in which the Company has an interest are as follows:

Area of Interest	Tenements	Group's Interest
Sulphur Springs Project	E45/4811	100%
	E45/4993	100%
	M45/494	100%
	M45/587	100%
	M45/653	100%
	M45/1001	100%
	M45/1254	100%
	M45/1265	(a)
	P45/2910	100%
	P45/2911	100%
	L45/166	100%
	L45/170	100%
	L45/173	100%
	L45/179	100%
	L45/188	100%
	L45/189	100%
	L45/287	100%
Whim Creek Project	E47/1209	100%
	E47/3495	100%
	M47/236	100%
	M47/237	100%
	M47/238	100%
	M47/323	100%
	M47/324	100%
	M47/443	100%
	M47/1455	100%
	L47/36	100%

Table 4: Tenement Interest

Key: *E = Exploration Licence*
L = Miscellaneous Licence
M = Mining Lease
P = Prospecting Licence
(a) Tenement Under Application – Application to combine P45/2910 – 2911

Directors' Report

The Directors present their report together with the consolidated financial statements of the Group comprising of Venturex Resources Limited (the Company) and its subsidiaries for the financial year ended 30 June 2019 and the auditor's report thereon.

Directors

The directors of the Company at any time during or since the end of the financial year are:

Anthony Kiernan	Non-Executive Chairman	Appointed 14 July 2010
Ajanth Saverimutto	Managing Director	Appointed 5 April 2018
Anthony Reilly	Executive Director	Appointed 1 July 2017
	Non-Executive Director	Appointed 1 July 2015
Darren Stralow	Non-Executive Director	Appointed 1 July 2015

Information on Directors

Anthony Kiernan	—	Independent Non-Executive Chairman
Qualifications	—	LLB
Appointed to the Board	—	14 July 2010
Experience	—	Mr Kiernan is a former solicitor with extensive experience gained over 35 years in the management and operation of listed public companies. As both a lawyer and general consultant, he has practiced and advised extensively in the fields of resources, media and information technology.
Internal Committees	—	Chair of the Nomination & Remuneration Committee and Member of the Audit Committee
Directorships held	—	Saracen Minerals Holdings Ltd (13 Sep 2018 to present) (Chairman) Pilbara Minerals Limited (1 Jul 2016 to present) (Chairman) Chalice Gold Limited (15 Feb 2007 to 13 Sep 2018) BC Iron Limited (Group) (11 Oct 2006 to 7 Dec 2016) (Chairman) Danakali Limited (formerly South Boulder Mines Ltd) (15 Oct 2012 to 6 Feb 2017)
Ajanth Saverimutto	—	Managing Director
Qualifications	—	BEng (Hons), BCom (Acc)
Appointed to the Board	—	5 April 2018
Experience	—	Mr Saverimutto is a Mining Engineer and Accountant with over 20 years experience in the resources industry. He has extensive senior management experience, most recently as the founder and Managing Director of privately-held Australian company Salt Lake Mining Pty Ltd. Mr Saverimutto has also held senior management roles including Chief Operating Officer of ASX listed gold miner and explorer Unity Mining, Mining Manager for BHP Billiton – Stainless Steel Materials and Mining Manager for leading international copper producer Freeport-MCMoRan (NYSE:FCX).
Internal Committees	—	Nil
Directorships held	—	Nil
Anthony Reilly	—	Independent Executive Director
Qualifications	—	BEc
Appointed to the Board	—	1 July 2015
Experience	—	Mr Reilly has over 20 year's investment banking experience including financial markets, financial risk management and corporate finance. He worked in investment banking in London for over 10 years, and his clients have included a number of global corporations and fund managers based in Australia, the UK and Europe. Since leaving banking he has had 10 years working in the junior resources sector. Anthony was a founding Director of a private Brazil incorporated gold exploration company and he has also served as an Executive Director of several other ASX listed resources.
Internal Committees	—	Chairman of the Audit Committee
Directorships held	—	Paradigm Metals Ltd (13 Sep 2013 to 8 Mar 2016) Hawkley Oil and Gas Ltd (14 Oct 2014 to 19 Feb 2016)
Darren Stralow	—	Non-Independent Non-Executive Director
Qualifications	—	BEng (Mining), GAICD, MAusIMM, GCAF (Kaplan)
Appointed to the Board	—	1 July 2015
Experience	—	Mr Stralow is a mining engineer with over 18 years of experience in the resources industry. He has held various roles in both operations and mine management and business development. After starting his career in the WA goldfields, he has held senior roles with Intrepid Mines Limited and Northern Star Resources Limited.
Internal Committees	—	Member of the Nomination & Remuneration Committee
Directorships held	—	Nil

Company Secretary/CFO

Trevor Hart, BBus, CPA, AGIA, ACIS - Appointed 5 April 2013

Mr Hart is a Certified Practising Accountant with a Bachelor of Business in Accounting and a Chartered Secretary. He has over 20 years' experience including 15 years in the resources and mining services industry. He has provided consulting services covering accounting, financial and company secretarial matters to various companies in these sectors. Prior to joining Venturex he has held a number of senior financial positions in other ASX listed companies.

Directors' Meetings

The following table sets out the number of Directors' meetings held during the year and the number of meetings attended by each Director while they were a Director.

	Directors' Meetings		Committee Meetings			
			Audit		Nomination & Remuneration	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Anthony Kiernan	5	5	2	2	-	-
Ajanth Saverimutto	5	5	N/A	N/A	N/A	N/A
Anthony Reilly	5	4	2	1	N/A	N/A
Darren Stralow	5	5	N/A	N/A	-	-

Corporate Structure

The Company is limited by shares that it has issued and is incorporated and domiciled in Australia. As at 30 June 2019, the Company had five subsidiaries incorporated in Australia; Venturex Sulphur Springs Pty Ltd, Venturex Pilbara Pty Ltd, Jutt Resources Pty Ltd, Juranium Pty Ltd, and CMG Gold Ltd.

Principal Activities

The principal activities of the Group during the year were resources exploration, focusing on base metals, and the progression towards the development of the Company's Sulphur Springs Copper – Zinc Project.

Operating and Financial Review

Financial Review

For the year ending 30 June 2019, the consolidated loss of the Group was $2,711,395 (2018: $2,484,580).

Review of Operations

A detailed review of operations can be found on page 3 of the annual report. At 30 June 2019, the Company had 279,862,648[1] quoted fully paid ordinary shares (2018: 239,896,622[1]) and no quoted options issued over shares (2018: Nil). As at 30 June 2019 the Group held cash reserves of $4,910,026 (2018: $2,622,074).

[1] On 15 August 2018, shareholders approved the consolidation of capital (including Shares, Options and Performance Rights) on a 15 to 1 basis. These Shares, Options and Performance Rights are disclosed Post Consolidation.

Basic Earnings Per Share

Basic loss per share 1.06 cents (2018: 1.09 cents).

Significant Changes in the State of Affairs

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review.

Dividends

The Directors did not pay or declare any dividends during the 2019 financial year (2018: Nil).

Events after the Reporting Period

On 26 July 2019, 287,857 Unlisted Performance Rights were issued to Mr Trevor Hart.

On 26 July 2019, 959,525 Unlisted Performance Rights were issued to various employees.

On 26 July 2019, 66,667 Unlisted Performance Rights expired that were previously issued to various employees.

On 5 August 2019, an approved term sheet for finance was received from global commodity trader Trafigura Pte Ltd (Trafigura) for A$100m of senior debt funding for the Sulphur Springs Copper-Zinc Project. The funding package comprises a 4-year US$70m (A$100m) Copper and Zinc concentrate Pre-payment Facility. The Company and Trafigura have also agreed to enter into a long-term Off-take Agreement for both the copper and zinc concentrates to be produced at Sulphur Springs.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Likely Developments and Expected Results of Operations

The Group will continue to advance the development of the Company's Sulphur Springs Copper – Zinc Project as part of the Company's drive to commercialise the Project and will continue exploration programs in the Pilbara, which may result in additional discoveries.

Environmental Regulation

The Group's operations are subject to significant regulation under both Commonwealth and State legislation in relation to mining and exploration activities.

The regulatory bodies are the Department of Water and Environmental Regulation (DWER), the Department of Mines, Industry Regulation and Safety (DMIRS), and the Environmental Protection Authority (EPA).

The Whim Creek Site was classified as 'possibly contaminated' following a Contaminated Site investigation in January 2010, prior to Venturex ownership. Additional information was requested by DWER and provided in November 2014 which did not result in a change of classification. During the current reporting period DWER requested further information, which was provided in July 2019. Heavy rainfall associated with the passage of cyclone Veronica in March 2019 (estimated to be in the order of 500mm over two days) resulted in overtopping of process and stormwater infrastructure. Subsequent to the end of the reporting period DWER revised the classification to "possibly contaminated – investigation required" and requested further investigations to a prescribed standard and a comprehensive report of investigations, monitoring data and risk assessments for the site and downstream of the site. The site operator, Blackrock Metals Pty Ltd (Blackrock), and the Company have entered into arrangements to implement the required actions and report to DWER.

In April 2019, The Company and the Blackrock received a draft Environmental Protection Notice (EPN) from DWER regarding the operations of the Whim Creek Copper Project. Subsequent to the end of the financial year, the Company and Blackrock received the final EPN and have entered into arrangements to investigate, control and prevent any potential emissions from the site, in fulfilment of EPN requirements.

Notwithstanding the largely legacy driven issues arising at the Whim Creek site, the Board believes that the Group has adequate systems in place for the management of its environmental obligations.

Directors' Interests

Interest in Shares and Options refer to the relevant interest of each Director in the shares or options over shares issued by the companies within the Group and other related body corporate as notified by the Directors to the Australian Securities Exchange in accordance with Section 205G(1) of the Corporations Act 2001, as at the date of this report.

	Ordinary Shares	Options over Ordinary Shares	Performance Rights over Ordinary Shares
Anthony Kiernan	3,033,948	-	-
Ajanth Saverimutto	385,557	-	4,333,334
Anthony Reilly	3,487,402	-	666,667
Darren Stralow	1,016,668	-	-

Unissued shares under Options and Performance Rights

At the date of this report, the unissued ordinary shares of the Company under options and performance rights are as follows:

Unlisted performance rights	Exercise price	Date granted	Expiry date	Number
2016 LTI	Nil	04-Mar-16	04-Mar-22	40,320
2018 LTI	Nil	10-Aug-18	09-Aug-25	1,200,004
2018 LTI	Nil	17-Aug-18	16-Aug-20	666,667
2018 LTI	Nil	17-Aug-18	16-Aug-20	4,333,334
2019 LTI	Nil	26-Feb-19	25-Feb-26	40,000
2019a LTI	Nil	26-Jul-19	25-Jul-26	1,247,382

These Performance Rights do not entitle the holder to participate in any share issue of the Company and they carry no dividend or voting rights.

Shares Issued on Exercise of Options and Performance Rights

During the 2019 financial year no ordinary shares of the Group were issued as a result of the exercise of options. (2018: Nil)

During the 2019 financial year 465,722 ordinary shares of the Group were issued as a result of the exercise of performance rights. (2018: 964,336)

Directors' Report

Directors' Indemnities

The Group provides Directors' and Officers' Insurance to cover legal liability and expenses for the Directors and Officers performing work on behalf of the Group.

Proceedings on Behalf of Company

No person has applied to the Court under section 237 of the *Corporations Act* 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the *Corporations Act* 2001.

Non-Audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

The Board has considered the non-audit services provided during the year by the auditor and in accordance with written advice provided by resolution of the audit committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

– all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the audit committee to ensure they do not impact the integrity and objectivity of the auditor; and

– the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the Group, BDO, and its network firms for audit and non-audit services provided during the year are set out below.

	2019 **$**
Audit and review of financial statements	37,834
Other services – remuneration review	23,890
Total paid to BDO	61,724

AUDITED REMUNERATION REPORT

This report details the nature and amount of remuneration for the Directors and Key Management Personnel (KMP) of the Group.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

The Key Management Personnel of the Group during the year included:

Anthony Kiernan	-	Non-Executive Chairman
Ajanth Saverimutto	-	Managing Director
Anthony Reilly	-	Executive Director
Darren Stralow	-	Non-Executive Director
Trevor Hart	-	Company Secretary/CFO

The report has been set out under the following main headings:

A. Remuneration Policy

B. Details of Remuneration

C. Equity Issued as Part of Remuneration

D. Shareholdings and Options

E. Loans to Directors and Key Management Personnel

F. Employment Contracts of Directors and Key Management Personnel

G. Performance Income as a Proportion of Total Remuneration

H. Other transactions with Key Management Personnel

I. Services from Remuneration Consultants

J. Voting and comments made at the Company's 2018 Annual General Meeting

A. Remuneration Policy

Remuneration of all Executive and Non-Executive Directors and Officers of the Group is determined by the Nomination and Remuneration Committee.

The Group is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive, consistent with "Best Practice" and supports the interests of Shareholders. Remuneration packages are based on fixed and variable components, determined by the Executive's position, experience and performance, and may be satisfied via cash or equity.

Non-Executive Directors are remunerated out of the aggregate amount approved by Shareholders and at a level that is consistent with industry standards. Non-Executive Directors do not receive performance based bonuses and prior Shareholder approval is required to participate in any issue of equity. No retirement benefits are payable other than statutory superannuation, if applicable.

The maximum annual aggregate directors' fee pool limit is $400,000 and was approved by shareholders at the general meeting on 23 July 2012.

Remuneration Policy versus Company Financial Performance

The Group's remuneration policy has been based on industry practice rather than the performance of the Group and takes into account the risk and liabilities assumed by the Directors and Executives as a result of their involvement in the speculative activities undertaken by the Group.

Performance Based Remuneration

The purpose of a performance bonus is to link individual rewards to the performance of the Company. The Company reviews the mechanism to determine individual performance bonuses on an annual basis. The expected outcomes of the remuneration structure are to retain and motivate Key Executives, attract high quality Management to the Company and provide performance incentives that allow Executives to share in the success of the Company.

For details of performance based remuneration refer to Section G - Performance income as a proportion of total remuneration of the Remuneration Report.

B. Details of Remuneration

The Key Management Personnel of the Group are disclosed above.

Remuneration packages contain the following elements:

a) Short-term employee benefits - cash salary and fees, cash bonus, non-monetary benefits and other;
b) Post-employment benefits - superannuation and termination, and other;
c) Share-based payments – shares, options and performance rights granted.

The remuneration for each Director and each of the other Key Management Personnel of the Group during the year was as follows:

				Short-term employee benefits		Post employment benefits	Share-based payments		
			Cash salary & fees	Annual Leave[5]	Superannuation	Termination	Options and Rights	Total	Performance Income as a Proportion of Total Remuneration
	Year	Note	$	$	$	$	$	$	%
Anthony	2019		82,192	-	7,808	-	-	90,000	-
Kiernan	2018		81,507	-	7,743	-	-	89,250	-
Ajanth	2019	3	240,903	10,423	-	-	397,452	648,778	61%
Saverimutto	2018	1,3	56,988	-	-	-	105,416	162,404	65%
Anthony	2019	3	201,363	-	19,129	-	50,694	271,186	19%
Reilly	2018	3,4	223,097	-	21,194	-	10,234	254,525	4%
Darren	2019		-	-	-	-	-	-	-
Stralow	2018		-	-	-	-	-	-	-
John	2019		-	-	-	-	-	-	-
Nitschke	2018	2,3	7,503	-	713	155,000	34,627	197,843	18%
Trevor	2019	3	210,000	8,675	-	-	51,097	269,772	19%
Hart	2018	3	199,800	-	-	-	6,492	206,292	3%
Total	**2019**		**734,458**	**19,098**	**26,937**	**-**	**499,243**	**1,279,736**	**39%**
	2018		**568,895**	**-**	**29,650**	**155,000**	**156,769**	**910,314**	**17%**

Note:

1. Commenced with the Company in the 2018 financial year.
2. Resigned from the Company in the 2018 financial year.
3. The fair value of performance rights with market conditions are calculated at the date of grant using the Monte-Carlo simulation model, taking into account the impact of the market conditions. The fair value of performance rights with non-market conditions are calculated using the Closing Share Price on the grant date. The value disclosed is the portion of the fair value of the rights recognised as an expense in each reporting period.
4. Includes Consultancy Fees at Market Rates.
5. Annual leave relates to movements in annual leave provisions during the year.

C. Equity Issued as Part of Remuneration

This section only refers to those shares and options issued as part of remuneration. As a result they may not indicate all shares and options held by a Director or other Key Management Personnel.

Shares

No shares in the Company were issued to Directors and other Key Management Personnel as part of remuneration during the 2019 or 2018 financial years.

Options

No options in the Company were issued to Directors and other Key Management Personnel as part of remuneration during the 2019 or 2018 financial years.

Performance Rights

The following table discloses the value of Performance Rights granted, exercised, sold or lapsed during the 2019 financial year for all Key Management Personnel.

	Granted Value at Grant Date	Exercised Value at Exercise Date	Lapsed Value at Time of Lapse	Value yet to be Expensed	Value Included in Remuneration for the Year
	$	$	$	$	$
Directors					
Ajanth Saverimutto	596,000	-	-	93,132	397,452
Anthony Reilly	120,000	-	-	57,361	50,694
Key Management Personnel					
Trevor Hart	65,000	13,577	-	16,856	48,144

-Apart from listed above no other Key Management Personnel have any Performance Rights.

The assessed fair value at grant date of performance rights granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above.

Unlisted Performance Rights with Market conditions

The fair value of performance rights with market conditions are calculated at the date of grant using the Monte-Carlo simulation model, taking into account the impact of the market conditions.

The model inputs used for performance rights with relative market conditions granted during the period included:

	2019	2018
Fair Value	$0.117 - $0.133 [1]	$0.117 - $0.133 [1]
Share Price	$0.195[1]	$0.195[1]
Exercise Price	Nil	Nil
Expected Volatility(weighted-average)	100%	100%
Expected Life (weighed-average)	2 years	2 years
Expected dividends	Nil	Nil
Risk free interest rate (based on government bonds)	2.035%	2.035%

Unlisted Performance Rights with Material Transactions conditions

The fair values of performance rights granted with a Material Transaction condition are calculated using the share price on the date of issue.

The Model inputs for performance rights granted during the period have been included in Note 20 of the financial statements.

The following table discloses the details in regards to Directors and Key Management Personnel Performance Rights granted during the 2019 financial year.

	Allocation	Number [1]	Fair Value Per Right [1]	Grant Date	Exercise Price	Expiry Date	Vesting Date
Directors							
Ajanth Saverimutto [2]	1	1,000,000	$0.1800	17 Aug 2018	Nil	16 Aug 2020	3 Jan 2019
Ajanth Saverimutto [2]	2	1,666,667	$0.1327	17 Aug 2018	Nil	16 Aug 2020	3 Jan 2019
Ajanth Saverimutto [2]	3	1,666,667	$0.1169	17 Aug 2018	Nil	16 Aug 2020	16 Aug 2020
Anthony Reilly [3]	1	666,667	$0.1800	17 Aug 2018	Nil	16 Aug 2020	16 Aug 2020
Key Management Personnel							
Trevor Hart [4]	1	166,667	$0.1950	10 Aug 2018	Nil	09 Aug 2025	31 Dec 2019
Trevor Hart [4]	2	166,667	$0.1950	10 Aug 2018	Nil	09 Aug 2025	9 Feb 2020

1 On 15 August 2018, shareholders approved the consolidation of capital (including Shares, Options and Performance Rights) on a 15 to 1 basis. These Shares, Options and Performance Rights are disclosed Post Consolidation.

Vesting Conditions for Ajanth Saverimutto
Allocation 1 will vest on completion of a 1,500 meter drilling program at the Sulphur Springs Project being completed by 3 January 2019. These performance rights have vested.

Allocation 2 will vest either on completion of a BFS or the date the share price is 45 cents [1]. These performance rights have vested.

Allocation 3 will vest either on completion of raising sufficient funds to develop Sulphur Springs Project or the date the share price is 56.25 cents [1].

Vesting Conditions for Anthony Reilly
Allocation 1 will vest on a material transaction occurring.

Vesting Conditions for Trevor Hart
Allocation 1 and 2 will vest subject to being in the service of the company on the vesting date. These Performance Rights have the following performance milestones, Environmental Permitting, Exploration Success, Positive BFS, and Financing, to be tested 18 months after the date of issue.

The following table discloses the movement in Directors and Key Management Personnel Performance Rights during the 2019 financial year.

	Balance at start of the year No. [1]	Granted as Remuneration* No.	Exercised No.	Lapsed No.	Balance at end of the year No.	Vested No.	Unvested No.	Vested %	Lapsed %
Directors									
A Saverimutto	4,333,334	-	-	-	4,333,334	2,666,667	1,666,667	62	-
Anthony Reilly	666,667	-	-	-	666,667	-	666,667	-	-
Key Management Personnel									
Trevor Hart	156,987	333,334	(156,987)	-	333,334	-	333,334	-	-
	5,156,988	333,334	(156,987)	-	5,333,335	2,666,667	2,666,668	50	-

1 On 15 August 2018, shareholders approved the consolidation of capital (including Shares, Options and Performance Rights) on a 15 to 1 basis. These Shares, Options and Performance Rights are disclosed Post Consolidation.

**Apart from listed above no other Key Management Personnel have any Performance Rights.*

D. Shareholdings and Options

The number of shares in the Group held during the financial year by each Director and other Key Management Personnel of the Group, including their personally related parties, are set out below:

	Balance at Start of the year No. [1]	Received as Compensation No.	Options Exercised No.	Net Change Other # No.	Held at Resignation / Termination No.	Balance at end of the year No.
Directors						
Anthony Kiernan	2,700,614	-	-	333,334	-	3,033,948
Ajanth Saverimutto	252,223	-	-	133,334		385,557
Anthony Reilly	3,131,291	-	-	356,111	-	3,487,402
Darren Stralow	933,334	-	-	83,334	-	1,016,668
Key Management Personnel						
Trevor Hart	471,429	-	156,987	55,556	-	683,972
	7,488,891	-	156,987	961,669	-	8,607,547

[1] On 15 August 2018, shareholders approved the consolidation of capital (including Shares, Options and Performance Rights) on a 15 to 1 basis. These Shares, Options and Performance Rights are disclosed Post Consolidation.

The number of options in the Group held during the financial year by each Director and other Key Management Personnel of the Group, including their personally related parties, are set out below:

	Balance at Start of the year No. [1]	Received as Compensation No.	Options Exercised No.	Lapsed No.	Net Change Other # No.	Held at Resignation / Termination No.	Balance at end of the year No.
Directors							
Anthony Kiernan	243,686	-	-	(243,686)	-	-	-
Anthony Reilly	134,379	-	-	(134,379)	-	-	-
Key Management Personnel							
Trevor Hart	36,851	-	-	(36,851)	-	-	-
	414,916	-	-	(414,916)	-	-	-

[1] On 15 August 2018, shareholders approved the consolidation of capital (including Shares, Options and Performance Rights) on a 15 to 1 basis. These Shares, Options and Performance Rights are disclosed Post Consolidation.

E. Loans to Directors and Key Management Personnel

There were no loans made to the Directors or other Key Management Personnel of the Group, including their personally related parties during the 2019 or 2018 financial years.

F. Employment Contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel were under contract at 30 June 2019.

Name	➢ Anthony Reilly
Term of Contract	➢ Fixed Contract (3 months), with option to extend.
Commencement Date	➢ 01/08/15
Amount $	➢ $13,000 per month. (Effective 5 July 2019)
Notice Period	➢ Employment can be terminated immediately without notice due to dishonesty, fraud, breaches of the service agreement, bankruptcy, and criminal offences.
Termination Benefit $	➢ None

Name	➢ Trevor Hart
Term of Contract	➢ Ongoing
Commencement Date	➢ 01/11/17
Amount $	➢ $19,163 per month (Effective 1 July 2019)
Notice Period	➢ 30 days notice by either party with or without cause.
Termination Benefit $	➢ None

Directors' Report

Name	➢ Ajanth Saverimutto
Term of Contract	➢ Fixed Contract (2 years), with option to extend.
Commencement Date	➢ 05/04/18
Amount $	➢ Total fixed remuneration of $240,900. ➢ Short-term incentive Bonus payable annually. ➢ Grant of 4,333,334 [1] Performance Rights.
Notice Period	➢ Termination by Mutual Agreement - The Executive Services Agreement may be terminated upon mutual agreement of the parties. ➢ Termination by the Company - The Company may at its sole discretion terminate Mr Saverimutto's employment in the following manner: (i) immediately for cause; (ii) by giving written notice of twelve months, within the first 24 months of the Commencement Date. ➢ Termination by Mr Saverimutto: - Mr Saverimutto may terminate the employment in the following manner: (i) if at any time the Company commits any serious or persistent breach of any of the provisions contained in Mr Saverimutto Services Agreement and the breach is not remedied within seven (7) days of receipt of written notice from Mr Saverimutto to the Company to do so, by giving notice effective immediately; (ii) by Mr Saverimutto giving three (3) months' written notice to the Company; (iii) immediately, by Mr Saverimutto giving written notice, if: (iv) Mr Saverimutto's role as Managing Director of the Company undergoes a material variation or diminution of responsibilities, at any time after three (3) months from the Commencement Date, including a material change in his authority in respect of the Business or a change in his reporting relationship with the Board, in which case Mr Saverimutto shall have the option to elect to terminate the agreement within one month of the date of him being notified of this role change and if he so elects the agreement will be terminated; or (v) the Company enters into any deed of composition or arrangement with its creditors, or is placed under the control of a receiver, receiver and manager, provisional liquidator or liquidator; or is in breach of any regulation of any government or regulatory authority which breach remains unremedied.
Termination Benefit $	➢ The termination payment comprises an amount equal to the amount Mr Saverimutto would have received if the balance of the Term had been served but not exceeding twelve (12) months current Salary (Termination Payment A); and the aggregate of unpaid annual Salary and annual leave accrued to the date of termination (Termination Payment B).

[1] On 15 August 2018, shareholders approved the consolidation of capital (including Shares, Options and Performance Rights) on a 15 to 1 basis. These Shares, Options and Performance Rights are disclosed Post Consolidation.

G. Performance Income as a Proportion of Total Remuneration

The following table discloses the proportion of remuneration that is performance related during the 2019 financial year.

Directors	
Ajanth Saverimutto	61%
Anthony Reilly	19%
Key Management Personnel	
Trevor Hart	19%
Total	39%

Non-Executive Directors are not entitled to receive cash performance based remuneration.

H. Other transactions with Key Management Personnel

All transactions with related parties are made on normal commercial terms and conditions except where indicated.

There were no transactions with Key Management Personnel not disclosed above.

I. Services from Remuneration Consultants

The nomination and remuneration committee engaged BDO Reward (WA) Pty Ltd as remuneration consultants to review the amount and elements of the Board and Key Management Personnel remuneration and provide recommendations in relation thereto.

Details are disclosed in the Directors Report under non audit services on page 18.

There were no remuneration consultants engaged during the previous financial year.

J. Voting and comments made at the Company's 2018 Annual General Meeting

Venturex Resources Ltd received more than 95% of "yes" votes on its remuneration report for the 2018 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of Audited Remuneration Report.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act* 2001 is set out on page 25.

Signed in accordance with a resolution of the Board of Directors.

AJANTH SAVERIMUTTO
Managing Director

Dated this 26th day of September 2019

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DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF VENTUREX RESOURCES LIMITED

As lead auditor of Venturex Resources Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Venturex Resources Limited and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 26 September 2019

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2019

	Note	2019 $	2018 $
Revenue			
Revenue	2a	(53,276)	141,666
Other Income	2b	1,380,000	5,888
Expenses			
Administrative expenses	3	(616,703)	(517,159)
Corporate expenses	3	(294,338)	(126,310)
Directors, employees and consultants expenses	3	(1,951,217)	(1,219,784)
Exploration and evaluation expenses	3	(188,016)	(127,685)
Depreciation expenses	3	(291,603)	(169,020)
Finance costs	4	(279,474)	(261,705)
Re-estimation of site rehabilitation provisions	4	(416,768)	(210,471)
Loss before income tax		**(2,711,395)**	**(2,484,580)**
Income tax expense	5	-	-
Loss after income tax attributable to the owners of the Company		**(2,711,395)**	**(2,484,580)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to owners of the Company		**(2,711,395)**	**(2,484,580)**
Loss per share for the year attributable to the members of Venturex Resources Ltd			
Basic and Diluted loss per share (cents)	6	(1.06)	(1.09)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position as at 30 June 2019

	Note	2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents	8	4,910,026	2,622,074
Trade and other receivables	9	310,647	344,259
Inventories	10	26,145	-
Other assets	11	153,014	125,993
Total current assets		**5,399,832**	**3,092,326**
Non-current assets			
Property, plant and equipment	12	1,885,629	1,097,301
Exploration and evaluation expenditure	13	33,774,248	30,490,334
Total non-current assets		**35,659,877**	**31,587,635**
Total assets		**41,059,709**	**34,679,961**
Liabilities			
Current liabilities			
Trade and other payables	14	1,531,756	1,383,719
Employee benefits	16	58,844	7,622
Total current liabilities		**1,590,600**	**1,391,341**
Non-current liabilities			
Employee benefits	16	18,150	15,466
Provisions	17	13,402,717	12,772,936
Total non-current liabilities		**13,420,867**	**12,788,402**
Total liabilities		**15,011,467**	**14,179,743**
Net assets		**26,048,242**	**20,500,218**
Equity			
Share capital	18	108,041,913	100,388,232
Reserves	18, 19	745,017	152,050
Accumulated losses	18	(82,738,688)	(80,040,064)
Total equity		**26,048,242**	**20,500,218**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2019

	Note	Issued Capital $	Share Based Compensation Reserve $	Accumulated Losses $	Total Equity $
Balance at 30 June 2017		**92,884,245**	**122,109**	**(77,573,809)**	**15,432,545**
Loss for the year		-	-	(2,484,580)	(2,484,580)
Total comprehensive loss for the year		**-**	**-**	**(2,484,580)**	**(2,484,580)**
Transactions with owners in their capacity as owners:					
Issue of securities	18a	7,751,348	-	-	7,751,348
Security issue costs	18a	(372,083)	-	-	(372,083)
Share based payments issued	19a	-	172,988	-	172,988
Share based payments exercised	19a	124,722	(124,722)	-	-
Share based payments expired	19a	-	(18,325)	18,325	-
		7,503,987	**29,941**	**18,325**	**7,552,253**
Balance at 30 June 2018		**100,388,232**	**152,050**	**(80,040,064)**	**20,500,218**
Loss for the year		-	-	(2,711,395)	(2,711,395)
Total comprehensive loss for the year		**-**	**-**	**(2,711,395)**	**(2,711,395)**
Transactions with owners in their capacity as owners:					
Issue of securities	18a	7,955,485	-	-	7,955,485
Security issue costs	18a	(340,870)	-	-	(340,870)
Share based payments issued	19a	-	644,804	-	644,804
Share based payments exercised	19a	39,066	(39,066)	-	-
Share based payments expired	19a	-	(12,771)	12,771	-
		7,653,681	**592,967**	**12,771**	**8,259,419**
Balance at 30 June 2019		**108,041,913**	**745,017**	**(82,738,688)**	**26,048,242**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the Year Ended 30 June 2019

	Note	2019 $	2018 $
Cash flows related to operating activities			
Cash receipts from customers		1,380,000	-
Cash paid to suppliers and employees		(2,224,500)	(1,978,763)
Interest received		33,429	54,381
Interest paid		(66,461)	(2,277)
Net cash used in operating cash flows	25a	**(877,532)**	**(1,926,659)**
Cash flows related to investing activities			
Payment for purchases of plant and equipment		(1,082,667)	(19,791)
Proceeds from sale of plant and equipment		2,014	636
Payment for exploration and evaluation expenditure		(3,372,631)	(3,765,895)
Increase in guarantees		(400)	(18,800)
Net cash used in investing cash flows		**(4,453,684)**	**(3,803,850)**
Cash flows related to financing activities			
Proceeds from issue of securities		5,955,485	7,751,348
Capital raising costs		(340,870)	(372,083)
Proceeds from borrowings		2,000,000	-
Proceeds from insurance premium funding		78,370	71,874
Repayment of insurance premium funding		(73,817)	(59,186)
Net cash provided by financing cash flows		**7,619,168**	**7,391,953**
Net increase in cash and cash equivalents		**2,287,952**	**1,661,444**
Cash and cash equivalents at the beginning of the year		2,622,074	960,630
Effect of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year	8	**4,910,026**	**2,622,074**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

Note 1 - Statement of Significant Accounting Policies

Reporting Entity

Venturex Resources Limited (the "Company") is domiciled in Australia.

The Company's registered office is at 91 Havelock Street, West Perth, Western Australia. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

The Group is a for-profit entity and is primarily involved in the exploration and development of base metals.

Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act* 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB). They were authorised for issue by the Board of Directors on 26 September 2019.

This is the first set of the Group's annual financial statements in which *AASB 15 Revenue from Contracts with Customers* and *AASB 9 Financial Instruments* have been applied. Changes to significant accounting policies are described below.

Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going Concern

For the year ended 30 June 2019 the Company recorded a loss of $2,711,395 (2018 $2,484,580) and had net cash outflows from operating activities of $877,532 (2018: $1,926,659). The ability of the Company to continue as a going concern is dependent on securing additional funding through its 15% share placement capacity (or larger percentage subject to Shareholder approval) or via short term loan funding arrangements to continue to fund its operational and marketing activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the entity's working capital.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Directors are of the opinion that the Group's exploration and development assets will attract further capital investment when required.
- The Directors will continue to maximise the value of existing assets through careful planning of drilling campaigns, calculation of mineral resources as sufficient data becomes available. With regards to the Sulphur Springs Copper – Zinc Project, the Directors will continue with ongoing discussions with interested groups on opportunities to advance the Project's development as part of the Company's drive to commercialise the Sulphur Springs Copper – Zinc Project.
- The Group will also consider divestments if the proceeds are likely to exceed the realisable value of such assets if they were retained.
- If the Group is unable to raise additional capital, the Company will investigate funding options including joint venturing the project, defer or reduce certain feasibility and exploration expenditure, divesting other non-core assets or reviewing the Company's current activities such that the Group will remain a going concern.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group Entities, unless otherwise stated.

(a) Basis of Consolidation

Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the assets transferred.

A list of subsidiaries is contained in Note 26 to the financial statements. All subsidiaries have a June financial year-end.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Adoption of New and Revised Accounting Standards

In the current year ended 30 June 2019, the Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 January 2018.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 9 Financial Instruments;
- AASB 15 Revenue from Contracts with Customers; and
- AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions.

AASB 9 Financial Instruments and related amending Standards

In the current year, the Group has applied AASB 9 Financial Instruments and the related consequential amendments to other Accounting Standards that are effective for an annual period that begins on or after 1 January 2018. The transition provisions of AASB 9 allow an entity not to restate comparatives however there was no material impact on adoption of the standard.

Additionally, the Group adopted consequential amendments to AASB 7 Financial Instruments: Disclosures.

In summary AASB 9 introduced new requirements for:

- The classification and measurement of financial assets and financial liabilities;
- Impairment of financial assets; and
- General hedge accounting.

AASB 15 Revenue from Contracts with Customers and related amending Standards

In the current year, the Group has applied AASB 15 Revenue from Contracts with Customers which is effective for an annual period that begins on or after 1 January 2018. AASB 15 introduced a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in AASB 15 to deal with specific scenarios. There was no material impact on adoption of the standard and no adjustment made to current or prior period amounts.

(c) Foreign Currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group Entities at exchange rates at the dates of the transactions.

(d) Revenue from Contracts with Customers

The Group has initially applied AASB 15 from 1 July 2018. Information about the Group's accounting policies relating to contracts with customers is provided in Note 1(b). The effect of initially applying AASB 15 is described in Note 1(b).

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer at the amount to which the Group is expected to be entitled.

(e) Finance Income and Finance Costs

The Group's finance income and finance costs include interest income, interest expense, unwinding of the discount on provisions, and impairment losses recognised on financial assets. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(f) Financial Instruments

Recognition and initial measurements

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets – Policy applicable from 1 July 2019

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income – debt investment; fair value through other comprehensive income – equity investment; or fair value through profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value through other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment: Policy applicable from 1 July 2019

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest: Policy applicable from 1 July 2019

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual paramount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses: Policy applicable from 1 July 2019

Financial assets at fair value through profit or loss	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets – Policy applicable before 1 July 2019

The Group classified its financial assets into one of the following categories:

- loans and receivables;
- held to maturity;
- available for sale; and
- at fair value through profit or loss, and within this category as:
  - held for trading; or
  - designated as at fair value through profit or loss

Financial assets – Subsequent measurement and gains and losses: Policy applicable before 1 July 2019

Financial assets at fair value through profit or loss	Measured at fair value and changes therein, including any interest or dividend income, were recognised in profit or loss.
Held-to-maturity financial assets	Measured at amortised cost using the effective interest method.
Loans and receivables	Measured at amortised cost using the effective interest method.
Available-for-sale financial assets	Measured at fair value and changes therein, other than impairment losses, interest income and foreign currency differences on debt instruments, were recognised in OCI and accumulated in the fair value reserve. When these assets were derecognised, the gain or loss accumulated in equity was reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The group does not hold any derivate financial instruments.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

Notes to the Consolidated Financial Statements

(h) Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

	2019	2018
Plant and equipment	3-30 years	3-30 years
Buildings	7-20 years	7-20 years
Furniture and Fittings	8-20 years	8-20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(i) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(j) Impairment

Non-derivative financial assets – Policy applicable from 1 July 2019

Financial instruments and contract assets

The Group recognises loss allowances for Expected Credit Losses (ECLs) on:

- financial assets measured at amortised cost; and
- contract assets.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-derivative financial assets – Policy applicable before 1 July 2019

Financial assets not classified as at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indications that a debtor or issuer would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- observable data indicating that there was a measurable decrease in the expected cash flows from a group of financial assets.

Non-financial assets

At each end of the reporting period, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the profit or loss.

Impairment testing is performed bi-annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(k) Employee Benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior period. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Rehabilitation

A provision for rehabilitation is recognised if, as a result of exploration and development activities undertaken, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The estimated future obligations include the costs of restoring the affected areas contained in the Group's tenements.

Future rehabilitation costs will be reviewed annually and any changes in the estimate are reflected in the present value of the rehabilitation provision at each end of the reporting period. The initial estimate of rehabilitation is capitalised into the cost of the related asset and is amortised on the same basis as the related asset. Subsequent remeasurement of the provision for rehabilitation is recognised in Profit or Loss. The unwinding of the provision for rehabilitation is recognised as a finance cost.

(m) Convertible notes

Convertible notes were issued by the Group (see note 15), which includes an option to convert the note to a variable number of shares in the Group. These convertible notes are recognised as financial liabilities at fair value through profit or loss. On initial recognition, the fair value of the convertible note will equate to the proceeds received and subsequently the liability is remeasured at fair value each reporting period. The fair value movements are recognised on the profit or loss as finance costs.

(n) Leases

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate.

Leased assets

Operating leases are leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group and are not recognised in the Group's statement of financial position.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

(o) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

Notes to the Consolidated Financial Statements

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from or payable is included as a current asset or liability in the statement of financial position.

Cash flows are presented in the statement of cashflows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(q) Research & Development ("R&D") incentives refundable

Refundable tax incentives are accounted for by offsetting the refund against the original expenditure, capitalised expenditure or Plant and Equipment.

(r) Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by dividing the profit or loss after income tax attributable to ordinary Shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(s) Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that related to transactions with any of the Group's other components. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

(t) Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, share options and performance rights are recognised as a deduction from equity, net of any tax effects.

(u) Use of Estimates and Judgements

Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

The following are the critical judgements (apart from those involving estimations, which are dealt with below), that Management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of assets and exploration and evaluation expenditure

The Group determines whether non-current assets should be assessed for impairment based on identified impairment triggers. At each reporting date Management assesses the impairment triggers based on their knowledge and judgement.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Exploration and evaluation expenditure

The exploration and evaluation expenditure is reviewed regularly to ensure that the capitalised expenditure is only carried forward to the extent that it is expected to be recouped through the successful development of the areas of interest or when activities in the areas of interest have not yet reached a stage which permit reasonable assessment of the existence of economically recoverable reserves.

Share-based payment transactions – performance rights

The Company measures the cost of equity-settled transactions with Directors and Key Management Personnel and service providers by reference to the fair value of the performance rights at the date at which they are granted.

The fair value at grant date for performance rights issued with a market condition are calculated using a Monte-Carlo simulation model, taking into account the impact of the market condition.

The fair values of performance rights issued with a material transaction condition are calculated using the share price on the date of issue.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The employee benefit expense recognised each period considers the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of profit or loss and other comprehensive income with a corresponding adjustment to equity.

Provision for rehabilitation

The provision for rehabilitation is based on the present obligations of the estimates of the future sacrifice of economic benefits required to meet the environmental liabilities on the Group's tenements. The Group has considered the provision for rehabilitation for its exploration tenements based on reports conducted by independent consultants. The Group has estimated the increase in costs over time for rehabilitation would increase by the Consumer Price Index, and the discount value in determining the present value of the provision for rehabilitation would be the 10-year Government bond rate.

Estimate of useful lives of assets

The estimation of the useful lives of assets has been based on Taxation Ruling TR 2019/5 and historical experience. The condition of the assets is assessed at year end and considered against the remaining useful life. Details of the useful lives of property, plant and equipment are set out in Note 1(h).

(v) New Accounting Standard for Application in Future Periods

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial years ended 30 June 2019. They have not been adopted in preparing the financial statements for the year ended 30 June 2019 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated below.

Leases

AASB reference: AASB 16 (issued February 2016)

Nature of Change: AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 *Leases.* It instead requires an entity to bring most leases into its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its statement of financial position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases. Lessor accounting remains largely unchanged from AASB 117.

Application date: Annual reporting periods beginning on or after 1 January 2019.

Impact on Initial Application: To the extent that the entity, as lessee, has significant operating leases outstanding at the date of initial application, 1 July 2019, right-of-use assets will be recognised for the amount of the unamortised portion of the useful life, and lease liabilities will be recognised at the present value of the outstanding lease payments.

Thereafter, earnings before interest, depreciation, amortisation and tax (EBITDA) will increase because operating lease expenses currently included in EBITDA will be recognised instead as amortisation of the right-of-use asset, and interest expense on the lease liability. However, there will be an overall reduction in net profit before tax in the early years of a lease because the amortisation and interest charges will exceed the current straight-line expense incurred under AASB 117 *Leases*. This trend will reverse in the later years.

There will be no change to the accounting treatment for short-term leases less than 12 months and leases of low value items, which will continue to be expensed on a straight-line basis.

Management is currently assessing the effects of applying the new leases standard on the entity's financial statements. At this stage, the entity is not able to estimate the effects of any right-of use assets and lease liabilities required to be capitalised in the entity's financial statements. The standard is likely to impact the Group's corporate office lease.

Comparatives will need to be retrospectively restated, either back to 1 July 2018 if the full retrospective transitional requirements are applied, or to 1 July 2019 if the modified retrospective transitional requirements are applied. Modified retrospective restatement requires that the cumulative effect of applying AASB 16 for the first time be recognised as an adjustment to the opening balance of accumulated earnings (losses) on 1 July 2019.

Impact of standards issued but not yet applied by the Group

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the full-year ended 30 June 2019. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

Notes to the Consolidated Financial Statements

Note 2 – Revenue and Other Income

The effect of initially applying AASB 15 on the Group's revenue from contracts with customers is described in Note 1 (b). Due to the transition method chosen in applying AASB 15, comparative information has not been restated to reflect the new requirements.

	Note	2019 $	2018 $
(a) Revenue			
- Interest income on bank deposits		34,597	53,793
- SX-EW Profit Share	(i)	(87,873)	87,873
		(53,276)	141,666
(b) Other Income			
Non-operating activities			
- Other income	(ii)	1,380,000	5,888
Total other income		1,380,000	5,888

i Blackrock Metals Pty Ltd ("Blackrock") has access rights to the existing Whim Creek oxide copper processing site. With an existing five tonne per day solvent extraction and electrowinning ("SX-EW") treatment facility they are reprocessing the existing heap leach pads to recover copper metal.

ii Other Income included the hire of The Spinifex Ridge camp to an external party during the financial year.

Note 3 - Other Expenses

	Note	2019 $	2018 $
Administrative expenses			
- Compliance		108,906	88,358
- Operating Leases	21	86,476	46,184
- Loss on disposal of assets held for sale		5,969	1,547
- Other administrative expenses		415,352	381,070
Administrative expenses		616,703	517,159
Corporate expenses			
- Auditing and taxation		112,888	51,078
- Legal cost		80,033	20,688
- Recruitment expenses		8,619	2,268
- Travel expenses		87,033	46,218
- Other corporate expenses		5,765	6,058
Corporate expenses		294,338	126,310
Directors, employees and consultants' expenses			
- Directors and employee expenses		806,437	736,266
- Consultants expenses		499,976	310,530
- Share based payments	19	644,804	172,988
Directors, employees and consultants' expenses		1,951,217	1,219,784
Exploration and evaluation expenses			
- Exploration and evaluation expenses		188,016	127,685
Exploration and evaluation expenses		188,016	127,685
Depreciation expenses			
- Depreciation expenses	12	291,603	169,020
Depreciation expenses		291,603	169,020

Note 4 - Finance Income and Finance Costs

	Note	2019 $	2018 $
Recognised in profit or loss			
Interest expense on financial liabilities measured at amortised cost (Mine Rehabilitation Provision)	17	(213,013)	(259,428)
Interest expense		(66,461)	(2,277)
		(279,474)	(261,705)
Re-estimation adjustment on mine rehabilitation provision	17	(416,768)	(210,471)
		(416,768)	(210,471)
Net finance costs recognised in profit or loss		(696,242)	(472,176)

Notes to the Consolidated Financial Statements

Note 5 - Income Tax Expense

		2019 $	2018 $
(a)	**Income tax recognised in profit or loss**		
	Current tax expense	-	-
	Deferred tax expense	-	-
	Total income tax expense	-	-
(b)	*Loss before tax*	(2,711,395)	(2,484,580)
	Income tax using the domestic corporation tax rate of 30% (2018: 30%)	(813,418)	(745,374)
	Increase/(decrease) in income tax expense due to:		
	Non-deductible expenses	257,345	123,768
	Deductible expenses	(1,209,342)	(1,335,236)
	Tax losses not brought to account	1,765,415	1,956,842
	Income tax (credit) expense	-	-

(c) **Unrecognised deferred tax liabilities**

The Group has a legally enforceable right to set off current tax assets against current tax liabilities and intends to settle on a net basis. Deferred tax liabilities not brought to account, are as follows:

	2019 $	2018 $
Taxable temporary differences	4,261,560	4,030,481
	4,261,560	4,030,481

(d) **Unrecognised deferred tax assets**

The Group has not recognised deferred tax assets. This future income tax benefit will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax legislation;
- no changes in tax legislation adversely affect the Group in realising the benefit.

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out above occur, are as follows:

	2019 $	2018 $
Deductible temporary differences	9,650,946	8,657,435
Tax losses	24,636,368	23,430,180
	34,287,314	32,087,615

(e) **Tax consolidation**

On 14 March 2012, Venturex Resources Limited, together with its 100% owned Australian subsidiaries ("Venturex Group") formed a Tax Consolidated Group with an effective date of 1 July 2009. The consolidation allows the transfer of losses and assets between group companies for income tax purposes giving the Venturex Group flexibility to commercially structure its business.

Note 6 - Loss per Share

		2019	2018
(a)	Basic and diluted loss per share (cents)	(1.06)	(1.09)[1]
(b)	Net loss used in the calculation of basic loss per share and diluted loss per share	($2,711,395)	($2,484,580)
(c)	Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share and diluted loss per share	255,631,639	228,850,368[1]

The Company's potential ordinary shares are not considered dilutive and accordingly the basic loss per share is the same as the dilutive loss per share.

[1] On 14 August 2018, shareholders approved the consolidation of capital on a 15 to 1 basis. All comparatives have been restated on a 15 to 1 basis.

Note 7 - Auditor's Remuneration

	2019 $	2018 $
Audit and review of financial statements	37,834	34,405
Other services – remuneration review	23,890	-
	61,724	34,405

Notes to the Consolidated Financial Statements

Note 8 - Cash and Cash Equivalents

	2019 $	2018 $
Cash at bank	506,244	585,660
Call deposits	4,403,782	2,036,414
Total Cash and Cash Equivalents	4,910,026	2,622,074

The financial risk management can be found in Note 31

Note 9 - Trade and Other Receivables

	2019 $	2018 $
Trade and other receivables	310,647	344,259
Total Trade and Other Receivables	310,647	344,259

There are no past due trade and other receivables that are not impaired. The financial risk management can be found in Note 31

Note 10 - Inventories

	2019 $	2018 $
Diesel Fuel	26,145	-
Total Inventories	26,145	-

Note 11 - Other Assets

	2019 $	2018 $
Prepayments	113,814	87,193
Cash backed bonds	39,200	38,800
Total Other Assets	153,014	125,993

Prepayments include prepaid expenditure for insurance, software, subscriptions, membership, and rental expenditure for the leased corporate office.

Note 12 - Property, Plant and Equipment

	2019 $	2018 $
Property, Plant and Equipment:		
At cost	4,012,947	2,972,064
Accumulated depreciation	(2,127,318)	(1,874,763)
Total Property, Plant and Equipment	1,885,629	1,097,301

Movements in carrying amounts for each class of property, plant and equipment.

	2019	2018
Total Property, Plant and Equipment		
Carrying amount at the beginning of year	1,097,301	1,247,413
Additions	1,087,914	21,091
Disposals	(7,983)	(2,183)
Depreciation expense	(291,603)	(169,020)
Carrying amount at the end of year	1,885,629	1,097,301
Property		
Carrying amount at the beginning of year	20,000	20,000
Carrying amount at the end of year	20,000	20,000
Buildings		
Carrying amount at the beginning of year	-	-
Additions	823,226	-
Depreciation expense	(110,187)	-
Carrying amount at the end of year	713,039	-
Plant and Equipment		
Carrying amount at the beginning of year	1,077,301	1,227,413
Additions	261,032	21,091
Disposals	(7,983)	(2,183)
Depreciation expense	(181,416)	(169,020)
Carrying amount at the end of year	1,148,934	1,077,301
Capital Works in Progress		
Carrying amount at the beginning of year	-	-
Additions	3,656	-
Carrying amount at the end of year	3,656	-

Notes to the Consolidated Financial Statements

Note 13 – Exploration and Evaluation Expenditure

	2019	2018
Exploration & evaluation expenditure	$	$
At cost	73,125,229	69,841,315
Accumulated impairment loss	(39,350,981)	(39,350,981)
Total Exploration and Evaluation Expenditure	33,774,248	30,490,334

Movements in Carrying Amounts of exploration and evaluation expenditure.

Exploration & evaluation expenditure		
Carrying amount at the beginning of year	30,490,334	26,045,258
Additions	3,986,853	4,445,076
R&D tax offset received	(702,939)	-
Carrying amount at the end of year	33,774,248	30,490,334

The recoverability of exploration & evaluation expenditure is dependent upon further exploration and exploitation of commercially viable mineral deposits.

Note 14 - Trade and Other Payables

	2019	2018
	$	$
Trade and other payables	1,265,410	1,044,660
Accrued expenses	211,425	288,691
Insurance premium funding	54,921	50,368
Total Trade and Other Payables	1,531,756	1,383,719

The financial risk management can be found in Note 31

Note 15 – Loans and Borrowings

	2019	2018
	$	$
Loans and Borrowings	-	-
Total Loans and Borrowings	-	-

Loans and Borrowings		
Carrying amount at the beginning of year	-	-
Loan	2,000,000	-
Interest	63,562	-
Conversion of debt into equity	(2,000,000)	-
Repayment of Loan	(63,562)	-
Carrying amount at the end of year	-	-

The Company entered into a binding Loan Agreement for $2,000,000 with major shareholder, Northern Star Resources Limited ("Northern Star"). The loan is unsecured, with a twelve month term and accrues interest at the rate of 8% per annum.

The loan is repayable in cash or at Northern Star's election by conversion to Venturex shares:

- at the same issue price as any rights issue or placement conducted by Venturex before the loan has been repaid, or in the absence of a capital raising,
- at an issue price equal to the 10-day volume weighted average price (VWAP) of Venturex shares prior to the date on which notice of repayment is given.

During the period $2,000,000 was repaid by issuing 10,101,011 ordinary shares. The financial risk management can be found in Note 31

Note 16 - Employee Benefits

	2019	2018
	$	$
Annual Leave:		
Opening balance at beginning of year	7,622	17,945
Additional provisions raised during year	63,727	22,761
Amounts used	(12,505)	(33,084)
Balance at end of the year	58,844	7,622
Long Service Leave:		
Opening balance at beginning of year	15,466	13,661
Additional provisions raised during year	2,684	1,805
Balance at end of the year	18,150	15,466
Total Employee Benefits		
Current	58,844	7,622
Non-current	18,150	15,466
	76,994	23,088

Notes to the Consolidated Financial Statements

Note 17 - Provisions

Mine Rehabilitation:	Note	2019 $	2018 $
Opening balance at beginning of year		12,772,936	12,303,037
Increase in the discounted amount arising because of change in assumptions	4	416,768	210,471
Interest Expense	4	213,013	259,428
Balance at end of the year		13,402,717	12,772,936

Total Provisions		
Current	-	-
Non-current	13,402,717	12,772,936
	13,402,717	12,772,936

Mine Rehabilitation

In accordance with State government legislative requirements, a provision for mine rehabilitation has been recognised in relation to the Group's Whim Creek Mine. The basis for accounting is set out in Note 1(l).

The fair value of the mine rehabilitation model inputs used are as follows:

	2019	2018
Inflation Rate – CPI	1.60%	2.10%
Discount Rate	1.38%	3.94%
Estimated commencement of outflow	1st Quarter 2028	1st Quarter 2023

Note 18 – Capital and Reserves

	Note	2019 $	2018 $
Ordinary shares fully paid	(a)	108,041,913	100,388,232
Share based payment reserve	19	745,017	152,050
		108,786,930	100,540,282

(a) Ordinary Shares fully paid

	2019 No.	2019 $	2018 No. [1]	2018 $
At the beginning of reporting period	239,896,622	100,388,232	174,099,509	92,884,245
Shares issued	39,500,304	7,955,485	64,832,777	7,751,348
Exercise of Performance Rights – Shares issued	465,722	39,066	964,336	124,722
Transaction costs relating to share issues	-	(340,870)	-	(372,083)
At end of the reporting period	279,862,648	108,041,913	239,896,622	100,388,232

(i)

2019	Details	No.	Issue Price $	$
17-Dec-18	Shares issued under share purchase plan	4,475,051	0.180	805,500
17-Dec-18	Shares issued under institutional placement	8,333,332	0.180	1,499,985
18-Dec-18	Shares issued conversion of debt to equity	5,555,556	0.180	1,000,000
26-Feb-19	Shares issued exercise of performance rights	365,722	0.086	31,522
21-Mar-19	Shares issued under institutional placement	16,590,910	0.220	3,650,000
22-Mar-19	Shares issued conversion of debt to equity	4,545,455	0.220	1,000,000
10-May-19	Shares issued exercise of performance rights	100,000	0.075	7,544
	Cost of raising capital	-		(340,870)
		39,966,026		7,653,681

2018	Details	No. [1]	Issue Price $ [1]	$
08-Aug-17	Shares issued under rights issue	50,017,962	0.075	3,751,347
17-Nov-17	Shares issued under institutional placement	14,814,815	0.270	4,000,000
1-Jul-17	Shares issued exercise of performance rights	964,336	0.129	124,723
	Cost of raising capital	-		(372,083)
		65,797,113		7,503,987

[1] On 14 August 2018, shareholders approved the consolidation of capital on a 15 to 1 basis. All comparatives have been restated on a 15 to 1 basis.

Notes to the Consolidated Financial Statements

(b) Unlisted Options

2019	Exercise Price [1] $	Expiry Date	Balance at beginning of year No. [1]	Issued during the year No.	Exercised during the year No.	Expired during the year No. [1]	Balance at end of year No.
Class B Options	0.450	03-Aug-18	2,777,779	-	-	(2,777,779)	-
Class B Options	0.450	31-Aug-18	11,641,800	-	-	(11,641,800)	-
			14,419,579	-	-	(14,419,579)	-

2018	Exercise Price[1] $	Expiry Date	Balance at beginning of year No. [1]	Issued during the year No. [1]	Exercised during the year No. [1]	Expired during the year No. [1]	Balance at end of year No. [1]
Class A Options	0.225	03-Aug-17	2,777,779	-	-	(2,777,779)	-
Class B Options	0.450	03-Aug-18	2,777,779	-	-	-	2,777,779
Class A Options	0.225	31-Aug-17	11,634,543	-	-	(11,634,543)	-
Class B Options	0.450	31-Aug-18	11,641,800	-	-	-	11,641,800
			28,831,901	-	-	(14,412,322)	14,419,579

[1] On 14 August 2018, shareholders approved the consolidation of capital on a 15 to 1 basis. All comparatives have been restated on a 15 to 1 basis.

(c) Terms and conditions of equity

Ordinary Shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Group, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a Shareholder meeting of the Group.

Options and Performance Rights

Options and Performance Rights do not have the right to receive dividends as declared and, in the event of winding up the Group, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Options and Performance Rights do not entitle their holder to vote at a Shareholder meeting of the Group.

Shares allotted pursuant to an exercise of options or Performance Rights shall rank from the date of allotment, equally with existing shares of the Group in all respects.

(d) Capital Management

Management controls the capital of the Group in order to ensure that the Group can fund its exploration operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to Shareholders and share issues.

There have been no changes in the strategy adopted by Management to control the capital of the Group since the prior year.

(e) Share based payment reserve

The share based payment reserve is used to recognise the fair value of options and performance rights issued but not exercised.

(f) Accumulated losses

Movements in accumulated losses were as follows:	2019 $	2018 $
At the beginning of reporting period	(80,040,064)	(77,573,809)
Net (loss) for the year	(2,711,395)	(2,484,580)
Share based payments expired	12,771	18,325
At end of the reporting period	(82,738,688)	(80,040,064)

Note 19 - Share-Based Payments Reserve

Unlisted Performance Rights		2019 $	2018 $
At beginning of the reporting period		152,050	122,109
Expensed over vesting period	(i)	644,804	172,988
Exercised	(ii)	(39,066)	(124,722)
Expired	(iii)	(12,771)	(18,325)
At end of the reporting period		745,017	152,050

Notes to the Consolidated Financial Statements

(a) Changes in Unlisted Performance Rights for Directors, Key Management Employees, Employees and Contractors during the year are as follows:

2019	Grant Date	Expiry Date	Fair Value	Value at Grant Date	Balance at beginning of year	Expensed during the year (i)	Exercised during the year (ii)	Expired during the year (iii)	Balance at end of year	To Expense in future periods
	$		$ [1]	$	$	$	$	$	$	$
2016 LTI	04-Mar-16	04-Mar-22	0.0036	16,800	15,599	-	(10,799)	-	4,800	-
2017 LTI a	02-May-17	03-Apr-23	0.0765	32,602	20,801	10,608	(28,267)	(3,142)	-	-
2018 LTI ED	17-Aug-18	16-Aug-20	0.1800	120,000	10,234	41,506	-	-	51,740	68,260
2018 LTI MD	17-Aug-18	16-Aug-20	0.1800	180,000	56,231	123,769	-	-	180,000	-
2018 LTI MD	17-Aug-18	16-Aug-20	0.1327	221,167	26,212	194,954	-	-	221,166	-
2018 LTI MD	17-Aug-18	16-Aug-20	0.1169	194,833	22,973	78,729	-	-	101,702	93,132
2018 LTI	10-Aug-18	09-Aug-25	0.1950	260,001	-	192,576	-	(9,629)	182,947	64,053
2019 LTI	26-Feb-19	26-Feb-26	0.2350	9,400	-	2,662	-	-	2,662	6,738
					152,050	644,804	(39,066)	(12,771)	745,017	232,183

2018	Grant Date	Expiry Date	Fair Value	Value at Grant Date	Balance at beginning of year	Expensed during the year (i)	Exercised during the year (ii)	Expired during the year (iii)	Balance at end of year	To Expense in future periods
	$		$ [1]	$	$	$	$	$	$	$
2015 LTI MD	11-Dec-15	09-Dec-22	0.0081	52,289	46,705	5,584	(52,289)	-	-	-
2016 LTI	04-Mar-16	04-Mar-22	0.0036	16,800	11,624	4,805	-	(830)	15,599	-
2016 LTI MD	13-Dec-16	12-Dec-23	0.0081	41,666	17,519	24,147	(41,666)	-	-	-
2016 LTI MD	13-Dec-16	12-Dec-23	0.1200	61,534	25,872	4,895	(30,767)	-	-	-
2017 LTI	24-Feb-17	23-Feb-24	0.1185	44,438	7,670	-	-	(7,670)	-	-
2017 LTI	24-Feb-17	23-Feb-24	0.1500	56,250	9,709	-	-	(9,709)	-	-
2017 LTI a	02-May-17	03-Apr-23	0.0765	32,602	3,010	17,907	-	(116)	20,801	10,547
2018 LTI ED	17-Aug-18	16-Aug-20	0.1800	120,000	-	10,234	-	-	10,234	109,766
2018 LTI MD	17-Aug-18	16-Aug-20	0.1800	180,000	-	56,231	-	-	56,231	123,769
2018 LTI MD	17-Aug-18	16-Aug-20	0.1327	221,167	-	26,212	-	-	26,212	194,955
2018 LTI MD	17-Aug-18	16-Aug-20	0.1169	194,833	-	22,973	-	-	22,973	171,860
					122,109	172,988	(124,722)	(18,325)	152,050	610,897

2019	Exercise Price	Expiry Date	Balance at beginning of year	Issued during the year	Exercised during the year	Expired during the year	Balance at end of year
	$		No. [1]	No.	No.	No.	No.
2016 LTI	Nil	04-Mar-22	131,040	-	(90,720)	-	40,320
2017 LTI a	Nil	03-Apr-23	416,669	-	(375,002)	(41,667)	-
2018 LTI ED	Nil	16-Aug-20	666,667	-	-	-	666,667
2018 LTI MD	Nil	16-Aug-20	4,333,334	-	-	-	4,333,334
2018 LTI	Nil	09-Aug-25	-	1,333,339	-	(66,668)	1,266,671
2019 LTI	Nil	26-Feb-26	-	40,000	-	-	40,000
			5,547,710	1,373,339	(465,722)	(108,335)	6,346,992

2018	Exercise Price	Expiry Date	Balance at beginning of year	Issued during the year	Exercised during the year	Expired during the year	Balance at end of year
	$		No. [1]	No. [1]	No. [1]	No. [1]	No. [1]
2015 LTI MD	Nil	09-Dec-22	497,670	-	(497,670)	-	-
2016 LTI	Nil	04-Mar-22	141,120	-	-	(10,080)	131,040
2016 LTI MD	Nil	12-Dec-23	1,028,798	-	(466,667)	(562,131)	-
2017 LTI	Nil	23-Feb-24	750,000	-	-	(750,000)	-
2017 LTI a	Nil	03-Apr-23	433,336	-	-	(16,667)	416,669
2018 LTI ED	Nil	16-Aug-20	-	666,667	-	-	666,667
2018 LTI MD	Nil	16-Aug-20	-	4,333,334	-	-	4,333,334
			2,850,924	5,000,001	(964,337)	(1,338,878)	5,547,710

[1] On 14 August 2018, shareholders approved the consolidation of capital on a 15 to 1 basis. All comparatives have been restated on a 15 to 1 basis.

(b) Terms and conditions of Performance Rights

- *2015 LTI MD* [1] - A total of 1,291,080 (19,366,197 pre-consolidation) unlisted performance rights were granted to Directors on 11 December 2015. 645,540 (9,683,098 pre-consolidation) unlisted performance rights vesting on 1 December 2016 and 645,540 (9,683,099 pre-consolidation) vest on 1 December 2017. The Performance Rights have the following performance milestones attached to them. 645,540 (9,683,098 pre-consolidation) will be assessed against a performance milestone based on the relative rating of the Total Shareholder Return ("TSR") for the Company against the TSR's of a comparator peer group. 645,540 (9,683,099 pre-consolidation) will be assessed against a "Material Transaction" occurring.

Notes to the Consolidated Financial Statements

- 2016 LTI[1]- *A total of 466,667 (7,000,000 pre-consolidation) unlisted performance rights were granted to Key Management Personnel, Employees and Contractors on 4 March 2016, vesting on 31 January 2018. These performance rights will be assessed against a performance milestone based on the relative rating of the Total Shareholder Return ("TSR") for the Company against the TSR's of a comparator peer group.*
- *2016 LTI MD* [1]- A total of 1,028,798 (15,431,958 pre-consolidation) unlisted performance rights were granted to Directors on 13 December 2016. 514,399 (7,715,979 pre-consolidation) unlisted performance rights vesting on 1 December 2017 and 514,399 (7,715,979 pre-consolidation) vesting on 1 December 2018. The Performance Rights have the following performance milestones attached to them. 514,399 (7,715,979 pre-consolidation) will be assessed against a performance milestone based on the relative rating of the Total Shareholder Return ("TSR") for the Company against the TSR's of a comparator peer group. 514,399 (7,715,979 pre-consolidation) will be assessed against a "Material Transaction" occurring.
- *2017 LTI* [1]- A total of 750,000 (11,250,000 pre-consolidation) unlisted performance rights were granted to Employees on 24 February 2017. 750,000 (11,250,000 pre-consolidation) unlisted performance rights vest on 24 February 2019. The Performance Rights have the following performance milestones attached to them. 375,000 (5,625,000 pre-consolidation) will be assessed against a performance milestone based on the relative rating of the Total Shareholder Return ("TSR") for the Company against the TSR's of a comparator peer group. 375,000 (5,625,000 pre-consolidation) will be assessed against a "Material Transaction" occurring.
- *2017a LTI* [1] - A total of 433,336 (6,500,000 pre-consolidation) unlisted performance rights were granted to Key Management Personnel, Employees and Contractors on 2 May 2017, vesting on 31 January 2019. These performance rights will be assessed against a performance milestone based on the relative rating of the Total Shareholder Return ("TSR") for the Company against the TSR's of a comparator peer group.
- *2018 LTI ED* [1] - A total of 666,667 (10,000,000 pre- consolidated) unlisted performance rights were granted to Directors on 17 August 2018. These performance rights will vest on the Company entering a "Material Transaction". A Material Transaction is defined as VXR entering into an unconditional agreement with a third party to dispose of 50% interest in the Sulphur Springs Project or a takeover bid for not less than 50.1% or another entity to control the composition of the Board or upon VXR raising sufficient money to develop the Sulphur Spring Project.
- *2018 LTI MD* [1] - A total of 4,333,334 (65,000,000 pre-consolidated) unlisted performance rights were granted to Directors on 17 August 2018. 1,000,000 (15,000,000 pre-consolidated) will vest upon the completion of a drilling program by 3 January 2019, 1,666,667 (25,000,000 pre-consolidated) vest on the completion of a BFS or the date that the price of a share is 45 cents (3 cents pre-consolidated), with Share price to be calculated based on the VWAP of Shares which have traded over a period of 45 consecutive trading days, and 1,666,667 (25,000,000 pre-consolidated) vest when the Company raises sufficient funds to develop the Sulphur Springs Project or the date that the price of a Share is 56.25 cents (3.75 cents pre-consolidated), with Share price to be calculated based on the VWAP of Shares which have traded over a period of 45 consecutive trading days.
- *2018 LTI* - A total of 1,333,339 unlisted performance rights were granted to Key Management Personnel, Employees and Contractors on 10 August 2018, 50% vesting on 09 August 2019, 50% vesting on 9 February 2020, subject to being in the service of the company on the vesting date. These Performance Rights have the following performance milestones, Environmental Permitting, Exploration Success, Positive BFS, and Financing, to be tested 12 months after the date of issue. The probability of achieving the non-market conditions is currently 100%.
- *2019 LTI* - A total of 40,000 unlisted performance rights were granted to Key Management Personnel, Employees and Contractors on 26 February 2019, 50% vesting on 26 February 2020, 50% vesting on 26 August 2020, subject to being in the service of the company on the vesting date. These Performance Rights have the following performance milestones, Environmental Permitting, Exploration Success, Financing, or the date that the price of a share is 30 cents, with Share price to be calculated based on the VWAP of Shares which have traded over a period of 30 consecutive trading days, to be tested 12 months after the date of issue. The probability of achieving the non-market conditions is currently 100%.

[1] On 14 August 2018, shareholders approved the consolidation of capital on a 15 to 1 basis. All comparatives have been restated on a 15 to 1 basis.

(c) Expenses Arising From Share-Based Payment Transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	2019 $	2018 $
Compensation to Directors & Key Management Personnel	490,055	156,769
Compensation to Employees	154,749	16,219
Exercise of Performance Rights Issued to Directors	(13,577)	(124,722)
Exercise of Performance Rights Issued to Employees	(25,489)	-
Expiry of Performance Rights Issued to Employees	(12,771)	(18,325)
	592,967	29,941

Notes to the Consolidated Financial Statements

Note 20 - Fair Value of Performance Rights Granted

Unlisted Performance Rights with Market conditions

The fair value of performance rights granted with market conditions are calculated at the grant date using the Monte Carlo simulation model, taking into account the impact of the market condition.

The model inputs used for performance rights with relative market conditions granted during the year included:

	2019	2018
Fair Value	\$0.117 - \$0.133 [1]	\$0.117 - \$0.133 [1]
Share Price	\$0.195[1]	\$0.195[1]
Exercise Price	Nil	Nil
Expected Volatility(weighted-average)	100%	100%
Expected Life (weighed-average)	2 years	2 years
Expected dividends	Nil	Nil
Risk free interest rate (based on government bonds)	2.035%	2.035%

[1] On 14 August 2018, shareholders approved the consolidation of capital on a 15 to 1 basis. All comparatives have been restated on a 15 to 1 basis.

Unlisted Performance Rights with Material Transactions conditions

The fair values of performance rights granted with a Material Transaction condition are calculated using the share price on the date of issue.

A summary of performance rights granted and a summary of performance rights outstanding at the end of the year are detailed in Note 19.

Note 21 - Operating Leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2019 $	2018 $
not later than 12 months	50,169	45,422
between 12 months and 5 years	4,732	9,100
greater than 5 years	-	-
	54,901	54,522

The Group leases a building in West Perth and office equipment under operating leases.

The building lease runs for a period of 1 year, with an option to renew the lease after that date. Lease payments are fixed for the duration of the lease.

The small appliances lease runs for a period of 4 years, with an option to renew the lease after that date. Lease payments are fixed for the duration of the lease.

During the financial year ended 30 June 2019, \$86,476 was recognised as an expense in the profit or loss in respect of operating leases (2018: \$46,184).

Note 22 - Capital Commitments

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to comply with the minimum expenditure obligations under the Mining Act. These obligations have been met, or the appropriate exemptions have been granted. The future obligations which are subject to renegotiation when an application for a mining lease is made and at other times are not provided for in the financial statements. Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2019 $	2018 $
- not later than 12 months	1,229,211	1,218,538
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	1,229,211	1,218,538

Notes to the Consolidated Financial Statements

Note 23 - Contingencies

The Group's contingencies are as follows:

- As part of the acquisition of Venturex Pilbara Pty Ltd, Venturex included as part of the purchase consideration a contingent liability. This is based upon an announcement of the Company's intention to commence mining operations on any of the tenements held by Venturex or its related bodies corporate, within 100 kilometres of Whim Creek. Venturex will issue such number of shares equal to $3,000,000 divided by the 30 day volume weighted average trading price of the Company's shares trading on the ASX over the period ending on the day immediately prior to any announcement of the intention to commence mining operations by the Company. This is subject to receipt of all necessary Shareholder approvals. If approval is not obtained, Venturex will instead pay the amount of $3,500,000 cash. A deed of variation was entered into and a royalty is payable of $30 per tonne of contained Copper Metal for any additional material added to the Heap Leach Dumps after 1 March 2016.
- As part of the acquisition of Venturex Sulphur Springs Pty Ltd, Venturex included as part of the purchase consideration the grant of zinc off-take rights to Toho Zinc capped at 230,000t of zinc in zinc concentrate from Sulphur Springs (or Venturex's other Pilbara Operations) on international benchmark terms. On 19 March 2019, Venturex modified the terms with Toho Zinc to defer its existing offtake for 5 years and increase tonnes to 280,000t of zinc in zinc concentrate.
- As part of the acquisition of the Venturex Sulphur Springs Pty Ltd, Venturex included as part of the purchase consideration the granting of a capped royalty of $2.00 per dry metric tonne for any ore mined and processed from the tenements, capped at $3.67m.
- As part of the acquisition of the Kangaroo Caves and Panorama Tenements, Venturex included as part of the purchase consideration the granting of an uncapped royalty of $2.00 per dry metric tonne for any ore mined and processed from the tenements.
- As part of the termination of a Joint Venture Agreement, Venturex granted a royalty of 2.4% of the total value of minerals mined from the Liberty Indee tenements, in accordance with the Mining Act and used by the Department of Mines, Industry Regulation and Safety to calculate the State Royalty.
- As part of the Whim Creek Site being historical classified as a 'possibly contaminated' site (2010) and the heavy rainfall associated with the passage of cyclone Veronica in March 2019, this has resulted in DWER making a revised classification to "possibly contaminated – investigation required" and requested further investigations to a prescribed standard and a comprehensive report of investigations, monitoring data and risk assessments for the site and downstream of the site. In addition, DWER issued Environmental Protection Notice (EPN) from DWER regarding the operations of the Whim Creek Copper Project. The Company and Blackrock (site operator) have entered into arrangements to investigate, control and prevent any potential emissions from the site, in fulfilment of EPN requirements. There is a potential cost in the future however it can't be quantified at present.

The contingencies will only become payable if favourable economic and infrastructure conditions exist to justify the mining and processing of the ore. These conditions are influenced by numerous external factors for which there is no certainty, and therefore, the Group has made no provision in its account for these potential contingent liabilities.

Note 24 - Operating Segments

The Board of Directors, who are the chief operating decision makers, has identified one reportable segment from a geographical prospective with the mineral exploration segments being the Australian segments.

Management assesses the performance of the operating segments based on a measure of exploration and evaluation expenditure for each geographical area. The measure excludes items such as the effects of share based payments expenses, interest income and corporate expenses as these activities are centralised.

	2019 $	2018 $
Segment revenue		
Segment other income		
Segment loss		
Total segment loss	(2,168,806)	(1,317,042)
Inter-segment loss	-	-
Net segment loss	(2,168,806)	(1,317,042)
Total segment assets	41,059,709	34,679,961
Total segment liabilities	(15,011,467)	(14,179,743)

Reconciliation of segment result to Group net loss before tax is provided as follows:

	Note	2019 $	2018 $
Net segment loss		(2,168,806)	(1,317,042)
Corporate items:			
Interest revenue	2	34,597	53,793
Other Revenue	2	1,380,000	-
Administrative expense	3	(5,969)	(1,547)
Employee and Directors; benefits expense	3	(1,951,217)	(1,219,784)
Net loss before tax from continuing operations		(2,711,395)	(2,484,580)

Notes to the Consolidated Financial Statements

Note 25 - Cash Flow Information

		Note	2019 $	2018 $
(a)	Reconciliation of Cash Flow from Operations with Comprehensive Income			
	Loss for the year		(2,711,395)	(2,484,580)
	Adjustments for:			
	Depreciation expense	12	291,603	169,020
	Interest from other parties		(2,899)	(2,277)
	Share based payment expense	19	644,804	48,266
	Income from investing activities		400	18,800
	Re-estimation of rehabilitation provision	17	416,768	210,471
	Unwind of discount on rehabilitation	17	213,013	259,428
	Net Loss on sale of plant & equipment		5,969	1,547
	Changes In:			
	Trade and other receivable		33,612	(72,403)
	Inventories		(26,145)	-
	Other current assets		(27,021)	(52,551)
	Trade and other payables		229,853	(13,863)
	Employee provisions		53,906	(8,517)
	Cash flow used in operations		(877,532)	(1,926,659)

(b) **Non-Cash Financing and Investing Activities**

Share and Option Issues

Details in regards to the conversion of debt to equity during the year ended 30 June 2019 are in Note 15 and Note 18.

These are no shares and options issued that are not reflected in the Cash Flow Information for the year ended 30 June 2018.

Note 26 - Controlled Entities

	Country of Incorporation	Percentage Owned (%)*	
		2019	2018
Company:			
Venturex Resources Limited	Australia		
Subsidiaries of Venturex Resources Limited:			
Jutt Resources Pty Ltd	Australia	100	100
Juranium Pty Ltd	Australia	100	100
CMG Gold Ltd	Australia	100	100
Venturex Pilbara Pty Ltd	Australia	100	100
Venturex Sulphur Springs Pty Ltd	Australia	100	100

* Percentage of voting power is in proportion to ownership.

Note 27 - Events after the Reporting Period

On 26 July 2019, 287,857 Unlisted Performance Rights were issued to Mr Trevor Hart.

On 26 July 2019, 959,525 Unlisted Performance Rights were issued to various employees.

On 26 July 2019, 66,667 Unlisted Performance Rights expired that were issued to various employees.

On 5 August 2019, an approved term sheet for finance was received from global commodity trader Trafigura Pte Ltd (Trafigura) for A$100m of senior debt funding for the Sulphur Springs Copper-Zinc Project. The funding package comprises a 4-year US$70m (A$100m) Copper and Zinc concentrate Pre-payment Facility. The Company and Trafigura have also agreed to enter into a long-term Off-take Agreement for both the copper and zinc concentrates to be produced at Sulphur Springs.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Note 28 - Deed of Cross Guarantee

Pursuant to ASIC Corporations (Wholly owned Companies) Instrument 2016/785 the wholly-owned subsidiaries listed below are relieved from the *Corporations Act* 2001 requirements for preparation, audit and lodgement of financial reports, and Directors' reports.

It is a condition of the Instrument that the Company and each of the subsidiaries enter into a Deed of Cross Guarantee. The effect of the Deed is that the Company guarantees to each creditor payment in full of any debt in the event of winding up of any of the subsidiaries under certain provisions of the *Corporations Act* 2001. If a winding up occurs under other provisions of the Act, the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

The subsidiary subject to the Deed is CMG Gold Ltd.

CMG Gold Ltd became a party to the Deed of Cross Guarantee on 11 June 2010.

A consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position, comprising the Company and controlled entity which is a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 30 June 2019 is set out as follows:

Notes to the Consolidated Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income for Closed Group

	2019 $	2018 $
Revenue and Other Income	34,597	59,681
Administrative expenses	(610,708)	(479,381)
Corporate expenses	(259,666)	(125,010)
Directors, employees and consultants expenses	(1,945,982)	(1,216,971)
Exploration and evaluation expenses	6,793	-
Impairment/write off of intercompany loans	(824,767)	(453,383)
Impairment/write off of intercompany investments	1,080,802	(128,781)
Finance costs	(66,461)	(2,277)
Loss before income tax	**(2,585,392)**	**(2,346,122)**
Income tax expense	-	-
Loss after income tax attributable to the owners of the company	**(2,585,392)**	**(2,346,122)**
Other comprehensive income		
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year attributable to owners of the Company	**(2,585,392)**	**(2,346,122)**

Consolidated Statement of Financial Position for Closed Group	**2019** **$**	**2018** **$**
Assets		
Current assets		
Cash and cash equivalents	4,910,026	2,622,074
Trade and other receivables	230,769	264,788
Other assets	153,014	125,993
Total current assets	**5,293,809**	**3,012,855**
Intercompany investments	2,303,396	1,222,594
Plant and equipment	82,649	44,426
Intercompany loans	19,840,713	17,372,686
Total non-current assets	**22,226,758**	**18,639,706**
Total assets	**27,520,567**	**21,652,561**
Liabilities		
Current liabilities		
Trade and other payables	1,209,570	1,069,236
Employee benefits	58,844	7,622
Total current liabilities	**1,268,414**	**1,076,858**
Non-current liabilities		
Intercompany loans	208,994	209,257
Employee benefits	18,150	15,466
Total non-current liabilities	**227,144**	**224,723**
Total liabilities	**1,495,558**	**1,301,581**
Net assets	**26,025,009**	**20,350,980**
Equity		
Share capital	108,041,913	100,388,232
Reserves	745,017	152,050
Accumulated losses	(82,761,921)	(80,189,302)
Total equity	**26,025,009**	**20,350,980**

Note 29 - Related Party Transactions

Key Management Personnel Compensation

The aggregate compensation made to Directors and Key Management Personnel of the Group is set out below:

	2019 $	2018 $
Short-term employee benefits	753,556	568,895
Post-employment benefits	26,937	184,650
Share-based payments	499,243	156,769
	1,279,736	910,314

Notes to the Consolidated Financial Statements

Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions and are no more favourable than those available to other parties unless otherwise stated.

(a) **Ultimate Parent Company**
The ultimate parent Company within the Group is Venturex Resources Limited which is incorporated in Australia.

(b) **Subsidiaries**
Interests in subsidiaries are set out in Note 26.

(c) **Key Management Personnel**
Disclosures relating to Key Management Personnel are set out in the Directors Report. There were no loans to Key Management Personnel or other transactions with Key Management Personnel during the year.

(d) **Loans to/from related parties**
Venturex Resources Limited loaned $3,291,388 (2018: $4,320,523) to wholly owned subsidiaries.

The loans are unsecured, interest rate free (2018: interest rate free) and repayable on demand. There were no repayments made during the year.

Note 30 - Parent Information

The following details information related to the Company, Venturex Resources Ltd, at 30 June 2019. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2019 $	2018 $
Current assets	5,293,809	3,012,855
Non-current assets	22,226,758	18,639,706
Total assets	**27,520,567**	**21,652,561**
Current liabilities	1,268,414	1,076,858
Non-current liabilities	227,144	224,723
Total liabilities	**1,495,558**	**1,301,581**
Share capital	108,041,913	100,388,232
Reserves	745,017	152,050
Accumulated losses	(82,761,921)	(80,189,302)
Total equity	**26,025,009**	**20,350,980**
Loss for the year	(2,585,392)	(2,346,122)
Other comprehensive income for the period	-	-
Total comprehensive loss for the period	**(2,585,392)**	**(2,346,122)**

Guarantees Entered into by the Parent Entity in Relation to Debts of its Subsidiaries

The Parent Entity entered into a Deed of Cross Guarantee in relation to the debts of its subsidiaries during the year ended 30 June 2010 (refer to Note 28).

Commitments and Contingent Liabilities

The Parent Entity has commitments in the form of Operating Leases in relation to Office Premises and Office Equipment (refer to Note 21).

The Parent Entity also has a contingent liability as part of the acquisition of Venturex Pilbara Pty Ltd. Venturex included as part of the purchase consideration a contingent liability. This is based upon an announcement of the Company's intention to commence mining operations on any of the tenements held by Venturex or its related bodies corporate, within 100 kilometres of Whim Creek. Venturex will issue such number of shares equal to $3,000,000 divided by the 30 day volume weighted average trading price of the Company's shares trading on the ASX over the period ending on the day immediately prior to any announcement of the intention to commence mining operations by the Company. This is subject to receipt of all necessary Shareholder approvals. If approval is not obtained, Venturex will instead pay the amount of $3,500,000 cash. A deed of variation was entered into and a royalty is payable of $30 per tonne of contained Copper Metal for any additional material added to the Heap Leach Dumps after 1 March 2016 (refer to Note 23).

Note 31 - Financial Instruments – Fair Values and Risk Management

The effect of initially applying AASB 9 on the Group's financial instruments is described in Note 1(b).

Due to the transition method chosen, comparative information has not been restated to reflect the new requirements.

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes to the Consolidated Financial Statements

		Carrying Amount		Fair Values			
		Financial assets at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets	**Note**	**$**	**$**	**$**	**$**	**$**	**$**
Measured at fair value							
Measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Not measured at fair value							
Trade and other receivables	9	310,647	310,647	-	-	-	-
Cash and cash equivalents	8	4,910,026	4,910,026	-	-	-	-
		5,220,673	5,220,673	-	-	-	-

		Other Financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial liabilities	**Note**	**$**	**$**	**$**	**$**	**$**	**$**
Measured at fair value							
Measured at fair value		-	-	-	-	-	-
		-	-	-	-	-	-
Not measured at fair value							
Trade and other payables	14	1,531,756	1,531,756	-	-	-	-
		1,531,756	1,531,756	-	-	-	-

(b) Measurement of fair values

i. Recurring fair value measurements

The Group does not have any financial instruments that are subject to recurring or non-recurring fair value measurements.

ii. Fair values of financial instruments not measured at fair value

Due to their short-term nature, the carrying amounts of current receivables and current trade and other payables is assumed to equal their fair value.

(c) Financial Risk Management

The Group has exposure to the following risks arising from financial instruments:

credit risk (refer to (c) (ii));

liquidity risks (refer to (c) (iii)); and

market risk (refer to (c) (iv)).

(c) (i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(c) (ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

The Group is exposed to credit risk via its cash and cash equivalents and trade and other receivables. To reduce risk exposure for the Group's cash and cash equivalents, it places them with high credit quality financial institutions.

The Group has analysed its trade and other receivables below. Trade and other receivables disclosed below have been impaired by Nil (2018: Nil).

	Note	0-30 days	30-60 days	60-90 days	90+day	Total
2019						
Trade and other receivables	9	303,997	50	-	6,600	310,647
2018						
Trade and other receivables	9	246,499	-	1,100	96,660	344,259

Notes to the Consolidated Financial Statements

(c) (iii) Liquidity Risk

The Group is exposed to liquidity risk via its trade and other payables. Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet the commitments associated with its financial liabilities. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring undiscounted cash flow forecasts and actual cash flows provided to them by the Group's Management at Board meetings to ensure that the Group continues to be able to meet its debts as and when they fall due. Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the additional activity. The Board considers when reviewing its undiscounted cash flows forecasts whether the Group needs to raise additional funding from the equity markets.

The Group has analysed its trade and other payables below based on their expected maturities.

	Note	0-30 days	30-60 days	60-90 days	90+day	Total
2019						
Trade and other payables	14	1,300,795	230,961	-	-	1,531,756
2018						
Trade and other payables	14	1,383,108	611	-	-	1,383,719

(c) (iv) Market Risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates. The Group's interest rate risk primarily arises from cash and cash equivalents and long term deposits held. Risk is managed by regular monitoring of the fluctuations of the interest rates. The effective weighted average interest rate on classes of financial assets and financial liabilities is as follows:

	Note	Weighted Average Effective Interest Rate	Floating Interest Rate $	Non-Interest Bearing $	Total $
2019					
Financial Assets:					
Cash and cash equivalents	8	1.37%	4,910,026	-	4,910,026
Trade and other receivables	9	-	-	310,647	310,647
Other assets	11	2.25%	39,200	-	39,200
Total Financial Assets			4,949,226	310,647	5,259,873
Financial Liabilities:					
Trade and other payables	14		-	1,531,756	1,531,756
Total Financial Liabilities			-	1,531,756	1,531,756
2018					
Financial Assets:					
Cash and cash equivalents	8	1.47%	2,622,074	-	2,622,074
Trade and other receivables	9	-	-	344,259	344,259
Other assets	11	2.35%	38,800	-	38,800
Total Financial Assets			2,660,874	344,259	3,005,133
Financial Liabilities:					
Trade and other payables	14		-	1,383,719	1,383,719
Total Financial Liabilities			-	1,383,719	1,383,719

Interest rate sensitivity analysis

The following table indicates the impact on how profit or loss income and equity values reported at reporting date would have been affected by 2% changes in the interest rates. This sensitivity assumes that the movement in a particular variable is independent of other variables:

	Profit or Loss Income $	Equity $
+/- 2% in interest rates		
- Year ended 30 June 2019	+/-98,801	-
- Year ended 30 June 2018	+/-53,000	-

Directors' Declaration

In the opinion of the directors of Venturex Resources Limited (the "Company"):

(a) the consolidated financial statements and notes that are set out on pages 26 to 53 and the Remuneration report set out on pages 19 to 24 in the Directors' report, are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the *Corporations Regulations* 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable, and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 28 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 28.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act* 2001.

This declaration is made in accordance with a resolution of the directors.

AJANTH SAVERIMUTTO
Managing Director

Dated this 26th day of September 2019

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Venturex Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Venturex Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Provision for Rehabilitation

Key audit matter	How the matter was addressed in our audit
The Group's provision for rehabilitation, as disclosed in Note 17 was a key audit matter as it requires significant estimates of future costs. The rehabilitation provision is required to be assessed each reporting period to reflect the best estimate of future costs necessary to restore the land and the estimated timing of when those costs will be incurred, discounted to a present value. The determination of the provision requires management's judgement in relation to estimating the costs of performing the work required, including volume and unit rates, the timing of cash flows, the appropriate discount rate and environmental legislative requirements.	Our procedures included, but were not limited to: • agreeing provision balances to supporting reconciliations and cost models; • assessing the mathematical accuracy of the provision for rehabilitation calculations; • assessing the competency and objectivity of the Group's external expert involved with future rehabilitation expenditure estimates; • evaluating the adequacy of the experts work; • assessing the expected timing of the rehabilitation to the respective Life of Mine ("LoM") models and evaluating the reasonableness of the discount rate applied to the expected cash flows; and • assessing the adequacy of the related disclosures in Note 17 to the financial statements.

Recoverability of Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
At 30 June 2019 the carrying value of Exploration and Evaluation Assets was disclosed in Note 13 of the Financial Report. As the carrying value of these Exploration and Evaluation Assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Holding discussions with management as to the status of ongoing exploration programmes in the respective areas of interest; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; and • Assessing the adequacy of the related disclosures in Note 13 to the Financial Report.

Share Based Payments

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 19, the Group recognised a share-based payment expense in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2019 due to the issue of performance rights to eligible directors, management and employees. Share-based payments are a complex accounting area and due to the judgemental estimates used in determining the fair value of the share-based payments in accordance with the Accounting Standards, we consider management's calculation of the share-based payment expense to be a key audit matter.	Our procedures included, but were not limited to: • Examining market announcements and board minutes to determine whether all the new options and performance rights granted during the year were accounted for; • Reviewing the relevant agreements to obtain an understanding of the contractual nature of the share-based payment arrangements; • Considering the appropriateness of the valuation methodology used by management to measure and value the share-based payments; • Reviewing the competence and work of management's valuation experts, recalculating the estimated fair value of the performance rights, and assessing the reasonableness of the valuation inputs using internal specialists where appropriate; • Evaluating management's assessment of the timing and likelihood of meeting the performance conditions attached to the performance rights; and • Evaluating the adequacy of the disclosures in respect of the accounting treatment of share-based payments in the financial statements, including significant judgements involved (disclosed at Note 1(u)), and the accounting policy at Note 1(l).

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 24 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Venturex Resources Limited, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth, 26 September 2019

Supplementary Information

The following Supplementary Information is provided as at 20 September 2019:

EQUITY SECURITIES HOLDER INFORMATION

Ordinary Shares
279,862,648 quoted fully paid ordinary shares (VXR). All ordinary shares carry one vote per share.

Distribution of Fully Paid Ordinary Shares	No of Holders	No of Units	% of Issued Capital
100,001 and Over	286	239,848,968	85.70
10,001 to 100,000	975	35,009,074	12.51
5,001 to 10,000	457	3,433,246	1.23
1,001 to 5,000	481	0.56	0.56
1 to 1,000	119	0.00	0
TOTAL	2,318	279,862,648	100.00%

291 Shareholders held less than a marketable parcel (<$500) of ordinary fully paid shares based on the current market price ($0.175 – 19-9-2019).

	Twenty Largest Holders of Ordinary Fully Paid Shares	No of Shares	%
1	NORTHERN STAR RESOURCES LIMITED	55,615,522	19.87
2	REGENT PACIFIC GROUP LTD**	24,899,445	8.90
3	PRECISION OPPORTUNITIES FUND LTD	14,827,391	5.30
4	HENGHOU INDUSTRIES (HONG KONG) LIMITED	10,525,950	3.76
5	CITICORP NOMINEES PTY LIMITED	10,224,840	3.65
6	GIBSON MINERALS LIMITED	10,203,178	3.65
7	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	9,041,556	3.23
8	GREENRIDGE HOLDINGS PTY LTD	4,083,335	1.46
9	BNP PARIBAS NOMINEES PTY LTD	3,497,239	1.25
10	MR ANTHONY MILES REILLY	3,487,402	1.25
11	MR ANTHONY WILLIAM KIERNAN	3,033,948	1.08
12	FREEPOINT METALS & CONCENTRATES LLC	2,777,777	0.99
13	MAINPLAY PTY LTD	2,416,668	0.86
14	ROSS SUTHERLAND PROPERTIES PTY LTD	1,912,136	0.68
15	CLARK SUPERANNUATION FUND PTY LTD	1,793,376	0.64
16	MR GREGORY ROBERT HACKSHAW	1,613,334	0.58
17	VINGO HOLDINGS LTD	1,600,000	0.57
18	ANGKASA PTY LTD	1,582,001	0.57
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,579,530	0.56
20	DOVE NOMINEES PTY LTD	1,521,712	0.54
	Total	**166,236,340**	**59.39**

Substantial Shareholders
The names of substantial Shareholders who have notified the Company in accordance with Section 671B of the Corporations Act are:

Beneficial Owner	No of Shares*	%*	Date
Northern Star Resources Limited	55,615,522	19.87	24/11/2017
Regent Pacific Group Limited**	35,414,733	12.65	01/08/2019
Precision Opportunities Fund Ltd	14,827,391	5.30	11/08/2017

* Figures as reported on the last Substantial Shareholder notice received by the Company.
** Regent Pacific Group Beneficial Owner total includes related bodies.

SHAREHOLDER ENQUIRIES

All Shareholder queries (including Holding Details, Change of Address, Change of Name and Consolidation of Shareholder should be directed to the Share Registry:

Link Market Services Limited
Level 12
250 St Georges Terrace
Perth WA 6000

Tel: (61) 1300 554 474
Fax: (61 2) 9287 0303

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