VENTUREX
RESOURCES LIMITED

2020 ANNUAL REPORT

Corporate Directory

DIRECTORS

Anthony Kiernan	Non-Executive Chairman
Anthony Reilly	Executive Director
Darren Stralow	Non-Executive Director

COMPANY SECRETARY/CFO

Trevor Hart

REGISTERED OFFICE/ PRINCIPAL PLACE OF BUSINESS

Level 2, 91 Havelock Street
West Perth WA 6005
Australia

Tel: (61 8) 6389 7400
Fax: (61 8) 9463 7836

ABN

28 122 180 205

WEBSITE

www.venturexresources.com

QUOTED SECURITIES

ASX Code: VXR

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008
Australia

SHARE REGISTRY

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

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

TABLE OF CONTENTS

Chairman's Report

Dear Shareholders,

Notwithstanding the obvious difficulties arising from COVID-19, I am pleased to report that 2020 has seen a number of significant and positive developments for Venturex.

Foremost was the completion of the environmental approvals process for the Sulphur Springs Copper-Zinc Project.

After extensive engagement with the Western Australian Environmental Protection Authority (EPA) in relation to mine closure issues, we amended the layout of the Sulphur Springs Project to accommodate a relocation of the Tailings Storage Facility. This was incorporated into a revised Environmental Review Document (ERD) submitted to the EPA on 28 January this year.

Following this submission, the EPA recommended approval for the Project and, following a public appeal period, the WA Minister for Environment granted approval for the Sulphur Springs Project in May 2020.

Venturex now has one of the few genuine development-ready, mid-tier scale, base metal projects in the world, located in a Tier-1 mining jurisdiction and with permitting in place ready to proceed to financing and construction.

Our development team has made strong progress with project implementation and development strategies, including engagement with potential contractors, identification of optimisation opportunities and the progression of secondary approvals.

We have also conducted a detailed review of capital and operating costs, optimising the project's mining, and processing schedules from the base case outlined in the October 2018 Definitive Feasibility Study.

This work has resulted in the identification of a number of significant operating cost savings, the adoption of a Build-Own-Operate gas power strategy in lieu of diesel fuel (leading to a reduction in both operating costs and emissions), and a re-optimisation of the mining schedule to access ore with more favourable metallurgical characteristics and reduce mining costs.

This work has significantly de-risked our construction pathway.

Despite the material progress achieved during the year, I think it is fair to say that the broader equity market is not currently supportive of junior base metal companies in the pre-development/financing phase, and there is a significant gap between the current market valuation of the company and the estimated capital investment required to bring Sulphur Springs into production.

While we believe that it will be possible to bridge this gap as market conditions improve, the market is currently more inclined to reward exploration success. With this in mind, the Board made the decision during the year to embark on new regional exploration at Sulphur Springs aimed seeking to grow the mineral inventory within economic haulage distance of the proposed processing infrastructure.

We have long believed in the significant untapped geological potential of the 27km long Panorama VMS trend that hosts the Sulphur Springs and Kangaroo Caves deposits. This potential is further supported by the well-known "clustering" effect which stems from the mode of formation of VMS deposits.

A small program of reconnaissance drilling last year returned significant encouragement at the Breakers prospect, 15km south of Sulphur Springs. Our exploration team has since reviewed data from this prospect and elsewhere within our tenements and finalised preparations for a Reverse Circulation drill program to follow up on these results and test a number of other promising geophysical and geochemical targets.

At the time of finalising this report, drilling was scheduled to begin at Breakers and other nearby prospects.

The new phase of exploration activity at Sulphur Springs has been underpinned by a $4.5 million capital raising in July.

Chairman's Report

Further afield, we agreed conditional terms in July with ASX-listed Aurora Minerals to farm-in to our non-core Whim Creek Project, which has remained on care and maintenance. Under the agreement, Aurora can earn an 80% interest in the project via cash payments totalling $3.15 million, project expenditure of $4 million and assuming an external $3.5 million payment on mining. Venturex will be 20% free-carried through to a decision to mine.

This agreement is consistent with our focus on the Sulphur Springs Project and allows us to crystallise meaningful value from the Whim Creek asset while retaining exposure to any future upside to its exploration and development via a 20% free-carried interest.

The Whim Creek Project has consumed a considerable amount of management time and resources over the past two years, and the Aurora deal is a good outcome for our shareholders allowing the Company to focus on adding value to Sulphur Springs.

I would like to acknowledge the work of executive director, Anthony "Max" Reilly, during the year who stepped into the role of interim CEO at short notice.

Max has done a great job in helping to oversee completion of the permitting process, tidying up our asset portfolio with the Whim Creek joint venture and securing a capital raising to underpin a new exciting phase of exploration at Sulphur Springs.

I must also thank the small and dedicated hard-working team in Perth for their efforts.

With a good shareholder base, a tight capital structure and strong balance sheet, and a quality base metal asset in a Tier-1 jurisdiction, Venturex has all the ingredients for success.

I am confident that, with continued hard work and diligence, we will be able to convert this potential into reality in 2021.

TONY KIERNAN

CHAIRMAN

25 September 2020

Review of Operations

Sulphur Springs Project

The Project is located approximately145 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.

The key life of mine physical 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%

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 approval of the project with Ministerial Statement 1134 was received in May. This was a major milestone for the project paving the way for subsequent approvals and development. Following on from receiving the ministerial statement a Mining Proposal was lodged with DMIRS which is required to enable construction of early works including the 7.5km access road and plant site clearing. Approval of the mining proposal is expected to follow in the second half of 2020.

In parallel with the Environmental Approval the Company progressed project implementation and development strategies. Advances were made in developing tender packages for the construction phase along with pre-engagement with preferred contractors. Several optimisation opportunities were identified that will add value in terms of both project development and operations.

The company has substituted diesel power generation (originally proposed in the 2018 Definitive Feasibility Study) with natural gas. This will involve Liquefied Natural Gas ("LNG") being trucked to site, stored and vaporised under a build-own-operate ("BOO") arrangement. The gas power strategy is likely to deliver significant operating cost savings over the life of mine whilst also reducing carbon emissions.

The Mining Schedule has been re-optimised to accelerate access to ore with more favourable metallurgical properties and reduce mining costs over the initial four years of mining the Sulphur Springs open pit.

Whim Creek Operations

Reprocessing of the existing Whim Creek oxide copper heap leach pads previously constructed by Straits Resources Limited ceased at the end of October 2019 and the site is in care and maintenance.

The Process and Access Agreement with Blackrock ended on the 31st December 2019 with PPM Global taking over management of site activities from 1st January 2020. PPM Global is a sister company of Blackrock Metals, sharing Directors, and is therefore well equipped to continue site care and maintenance operations.

[1] Refer to ASX Release 10 October 2018

Review of Operations

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. Venturex and Blackrock jointly received an Environmental Protection Notice (EPN) for Whim Creek in July 2019. Part of the EPN requirement is returning the site to its normal operational state following the impact of Cyclone Veronica early last year, and to control and prevent any potential emissions from the site. The company and the operator are continuing to work together in fulfilment of the EPN requirements. All activities on site are focused on meeting the EPN requirements, managing the heap leach run-off solution and maintaining site security and integrity.

Significant rainfall prior to and during Cyclone Damien (February 2020) resulted in an overflow of the process ponds into the environmental catchment pond. All overflow was retained in the environmental pond and as such there was no discharge to the environment. This overflow has delayed the execution of some of the works required in compliance with the EPN. The company continues communication with the Department of Water and Environmental Regulation in regard to the execution of the EPN requirements.

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 a change of classification. In July 2018 DWER revised the contaminated sites classification to ‘’possibly contaminated – investigation required’’. In July 2019 DWER advised the classification remains unchanged and requested further investigations to a prescribed standard including 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 Company continued reporting under contaminated sites with no significant issues.

Exploration

During the 2019-2020 year the company’s geology continued to progress systematic exploration activities at both the Sulphur Springs and Whim Creek Projects. Unfortunately, several exploration programmes that were scheduled for early 2020 were delayed due to the impacts arising from tropical cyclones Blake and Damien, and as a result of the ongoing COVID-19 Pandemic.

Sulphur Springs Project

The Sulphur Springs Project is located 144km south east of Port Hedland and hosts the companies 13.8Mt Sulphur Springs, and 3.55Mt Kangaroo Caves Volcanogenic Massive Sulphide (VMS) Resources, along with several significant exploration prospects (Figure 1).

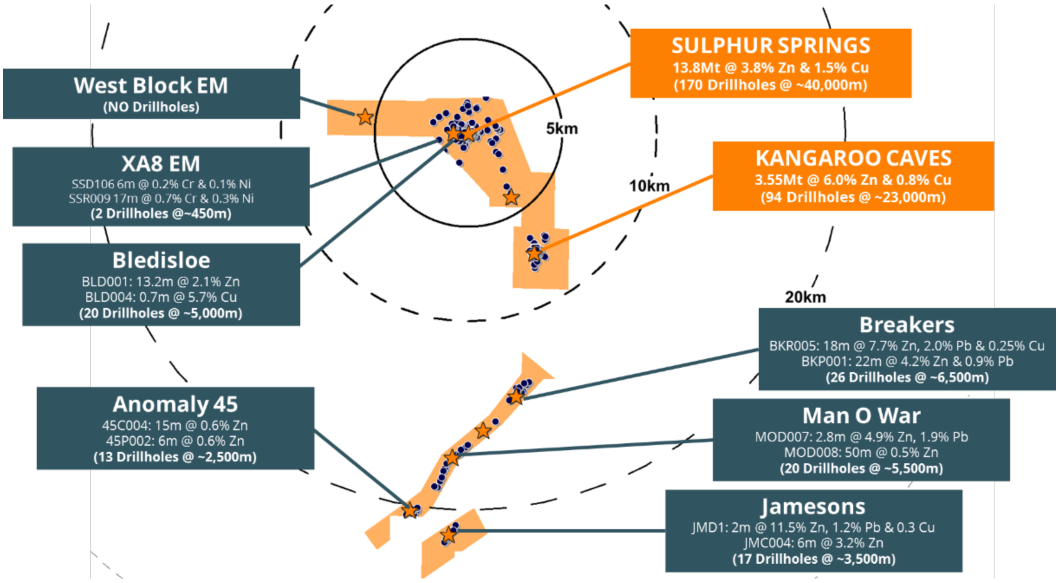

Figure 1: Sulphur Springs Project.

Review of Operations

During the year the company received final assay and geophysical results from a highly successful, 8-hole (2,236m) reverse circulation (RC) exploration drilling programme at the Breakers Prospect (see ASX Releases 17 July 2019 and 4 September 2019). The drilling program was designed to systematically test historic geochemical and geophysical anomalism identified proximal to the 'Marker Chert'. Significant results from the 2019 Breakers exploration programme include:

BKR002:
- 1m @ 0.76% Zn from 170m

BKR003:
- 2m @ 0.61% Zn and 6.44g/t Ag from 152m
- 7m @ 0.45% Zn from 170m
- 2m @ 1.02% Zn from 187m

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

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

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

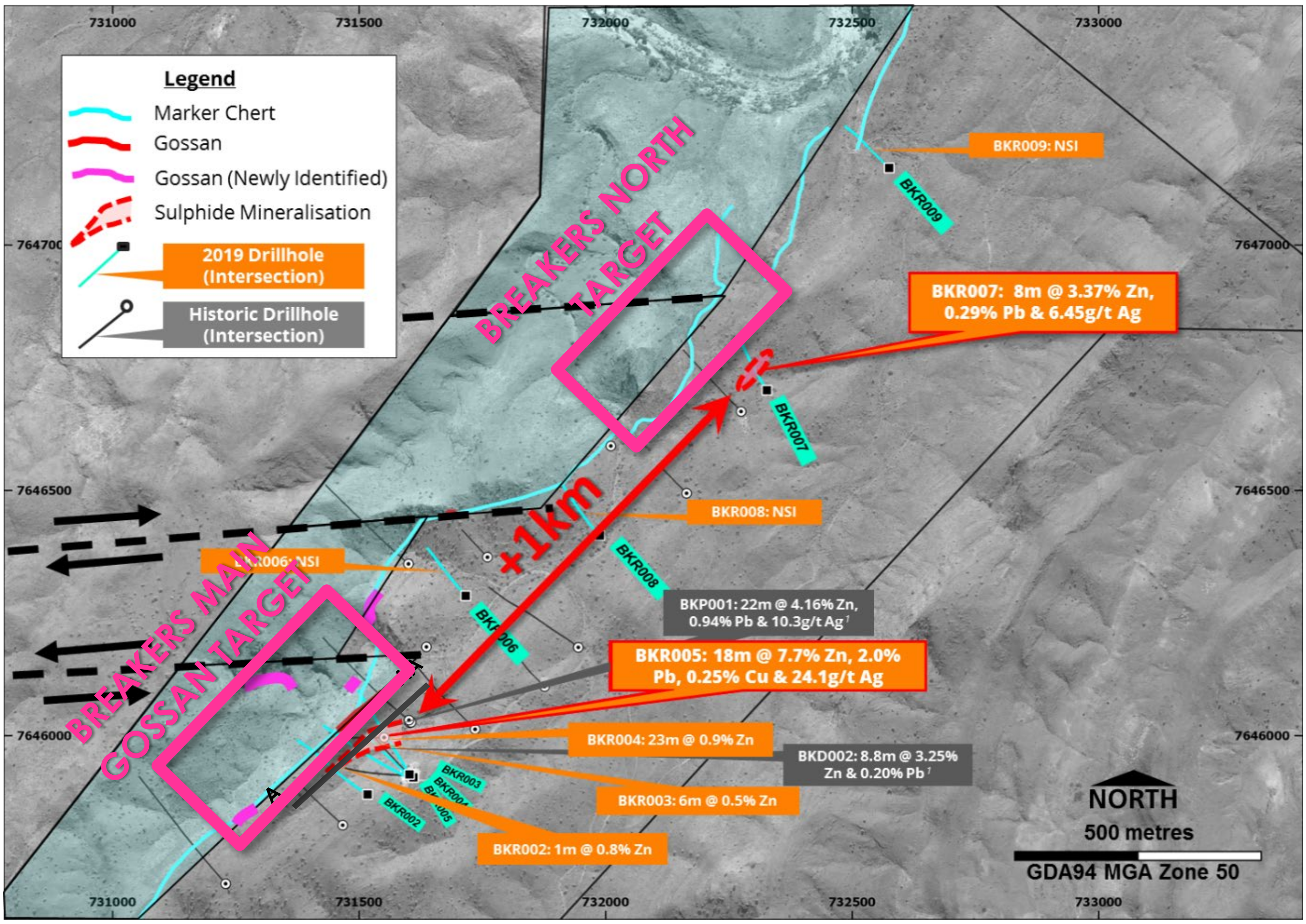

Figure 2: Plan view of Breakers Prospect.

Review of Operations

The exceptional drilling results identified at the Breakers Prospect have expanded the zinc-rich mineralisation intersected at the prospect to at least 1100m along strike (Figure 2). Assay results from drill-holes BKR006, 008 and 009 also identify several zones of highly anomalous 'near-miss' proximal VMS pathfinder elements including Ag, As, Ba, Cd, Co, In, Mo, Sb and Tl associated with strong silica +/- sericite alteration at the Marker Chert horizon.

Results were also received from Down Hole Electromagnetic (DHEM) surveys undertaken at the Breakers Prospect. Results define several subtle target plates proximal to sulphide mineralisation within BKR003, BKR004, and BKR006; additional anomalism identified within BKR009 was unable to be modelled.

The Breakers exploration drilling programme was the first significant drill program to be undertaken within the Panorama Trend for over 10 years. While exploration is still at an early stage at Breakers, the intervals and grades of mineralisation intersected continue to show strong potential for additional VMS-style mineralisation.

Field Investigation, including detailed geological mapping and sampling was also completed at several prospects within Sulphur Springs Project area.

Surface geological mapping and field investigation completed at the Breakers Prospect identifies several additional zones of previously unrecognised and untested gossan associated with VMS-style alteration adjacent to, and along strike from the high-grade mineralisation intersected within the 2019 drilling.

Field investigation was also completed at Heliborne-Electromagnetic targets (HEM) targets XA10, XA11 and XA12 located approximately 6km west of the Sulphur Springs Resource in an area of the project with no previous exploration. Geological mapping completed at the targets identify a continuation of the highly prospective Sulphur Springs Marker Chert unit, where historic rock chip samples return up to 0.40% Zinc along with elevated levels of VMS pathfinder elements such as arsenic, antinomy, barium, cadmium, cobalt, molybdenum and thallium (see ASX release 1 May 2019).

Recognisance mapping and geochemical sampling on the margins of the Kangaroo Caves Resource to assess the prospectively along strike identified several additional gossanous zones, minor pathfinder anomalism was recorded.

The company was also successful in securing a Western Australia Government Exploration Incentive Scheme (EIS) co-funded drilling grant for deep drilling at the Breakers Prospect.

Whim Creek Project

The Whim Creek Project is located 115 km to the south west of Port Hedland and includes the Whim Creek, Mons Cupri, Salt Creek and Evelyn deposits within 18,100 ha of tenements over the highly prospective Whim Creek basin.

During the reporting period the company undertook a programme of field checking and ranking geochemical targets identified during the 2017 and 2018 exploration programmes, along with completing a small exploration drilling programme at the Evelyn Prospect.

Field investigation of geochemical anomalies in the northern Evelyn Prospect area (figure 3) identifies a strong association with ironstone(s) and quartz veining, the association is interpreted to be related to shear zones along the axial plane of the regional scale Croydon Anticline.

A five-hole (340m) RC drilling programme at Evelyn was subsequently designed to test one of the priority geochemical target in the northern target area. The programme comprised two east – west fences that intersected a sequence of unaltered sandstones with inter-beds of laminated siltstones and black shales. Trace pyrite mineralisation with minor quartz veining is hosted within a distinct shale horizon, with the best results in the drilling recorded in hole 19ERC05 (4 metre at 0.27g/t Au from 48m).

Review of Operations

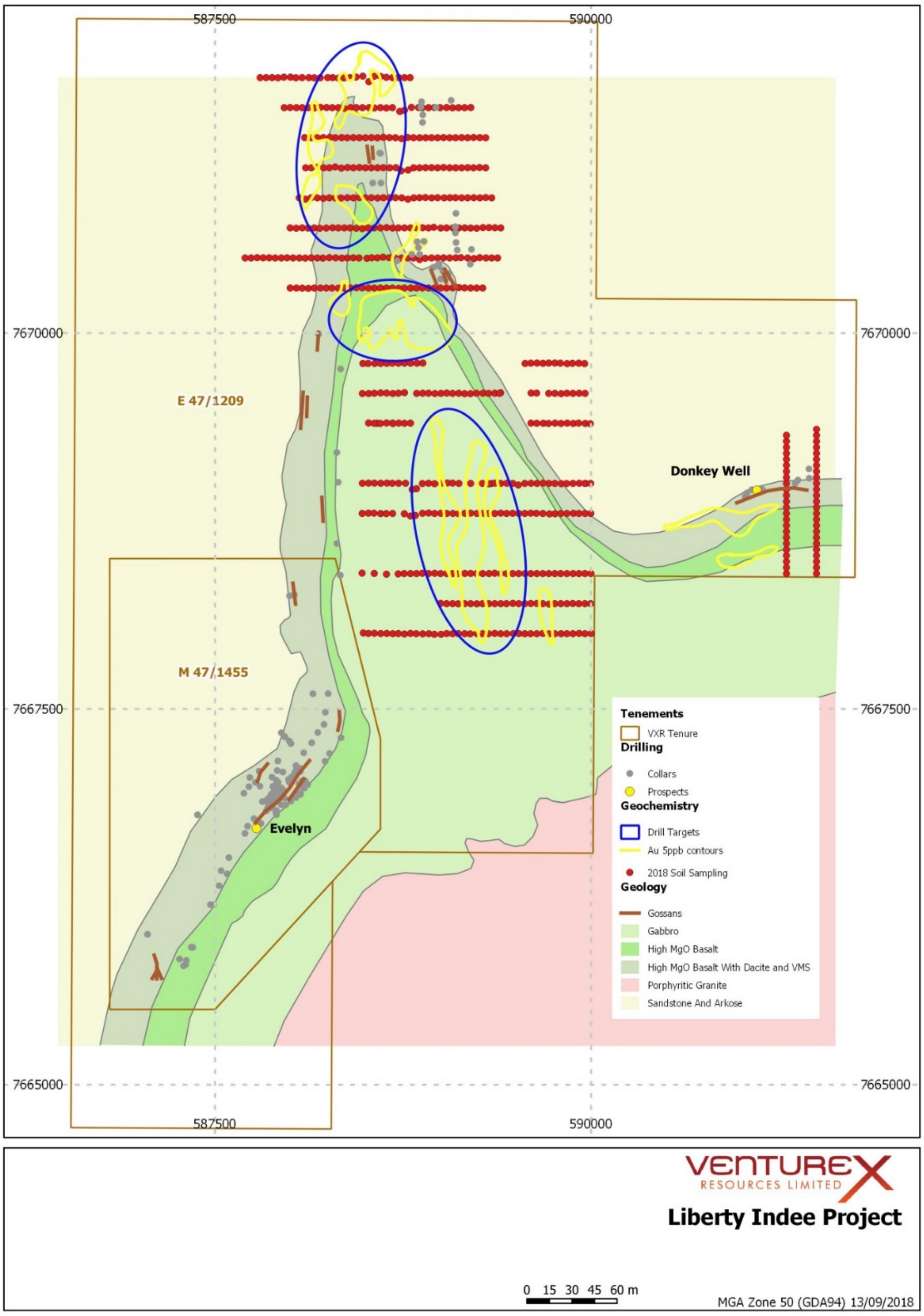

Figure3: Evelyn Project geology with geochemical anomalies

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 25 September 2020, 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	100%
	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 (the Group) for the financial year ended 30 June 2020 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
Anthony Reilly	Executive Director – Interim CEO	Appointed 29 November 2019
	Executive Director	Appointed 1 July 2017
	Non-Executive Director	Appointed 1 July 2015
Darren Stralow	Non-Executive Director	Appointed 1 July 2015
Ajanth Saverimutto	Managing Director	Appointed 5 April 2018, Resigned 29 November 2019

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)

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 over 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	— Nil

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

Ajanth Saverimutto	— Managing Director
Qualifications	— BEng (Hons), BCom (Acc)
Appointed to the Board	— 5 April 2018, Resigned 29 November 2019.
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

Directors' Report

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	8	8	4	2	1	1
Anthony Reilly	8	8	4	4	N/A	N/A
Darren Stralow	8	8	N/A	N/A	1	1
Ajanth Saverimutto	2	2	N/A	N/A	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 2020, 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 2020, the consolidated loss of the Group was $3,898,716 (2019: $2,711,395).

Review of Operations

A detailed review of operations can be found on page 3 of the annual report. At 30 June 2020, the Company had 317,546,898 quoted fully paid ordinary shares (2019: 279,862,648) and no quoted options issued over shares (2019: Nil). As at 30 June 2020 the Group held cash reserves of $2,256,492 (2019: $4,910,026).

Basic Earnings Per Share

Basic loss per share 1.38 cents (2019: 1.06 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 2020 financial year (2019: Nil).

Events after the Reporting Period

- The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially neutral for the consolidated entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.
- On 1 July 2020, 479,762 Unlisted Performance Rights expired that were previously issued to various employees.
- On 1 July 2020, 143,929 Unlisted Performance Rights expired that were previously issued to Trevor Hart.
- On 20 July 2020, 36,504,484 Ordinary Shares were issued at $0.055 per share, raising $2,007,750. As part of this issue 545,454 Ordinary Shares were issued to Anthony Kiernan, Anthony Reilly, and Darren Stralow, and 363,636 Ordinary Shares were issued to Trevor Hart.
- On 20 July 2020, 545,454 Ordinary Shares were issued at $0.055 per share, offsetting $30,000 of the Northern Star Resources Limited Loan.
- On 22 July 2020, 1,818,180 Ordinary Shares were issued at $0.055 per share, raising $100,000.
- On 29 July 2020, 500,000 Ordinary Shares were acquired by Anthony Kiernan.
- On 29 July 2020, 354,546 Ordinary Shares were acquired by Anthony Reilly.
- On 31 July 2020, 301,566 Unlisted Performance Rights were exercised that were previously issued to various employees.
- On 31 July 2020, 71,964 Unlisted Performance Rights were exercised that were previously issued to Trevor Hart.

Directors' Report

Events after the Reporting Period (continued)

- On 17 August 2020, 11,052,300 Ordinary Shares were issued at $0.055 per share, raising $607,877.
- On 17 August 2020, 14,645,454 Ordinary Shares were issued at $0.055 per share, offsetting $805,500 of the Northern Star Resources Limited Loan.
- On 21 July 2020, a binding earn-in and joint venture agreement was executed with Aurora Minerals Ltd (Aurora) covering non-core Whim Creek Project in the Pilbara region. Aurora is to earn an 80% interest via cash payments to Venturex totalling $3.15m, project expenditure of $4m and assuming the external $3.5m payment on mining. Venturex 20% is free carried through to the Decision to Mine.
- On 21 August 2020, 666,667 Unlisted Performance Rights expired that were previously issued to Anthony Reilly
- On 26 August 2020, 49,492,207 unlisted options were issue with an exercise price of $0.10c, expiring 15 December 2021. As part of this issue 272,727 Unlisted Options were issued to Anthony Kiernan, Anthony Reilly, and Darren Stralow, and 181,818 Unlisted Options were issued to Trevor Hart.
- On 26 August 2020, 880,000 Ordinary Shares that were escrowed, were released from escrow.
- On 31 August 2020, 176,409 Unlisted Performance Rights were exercised that were previously issued to various employees.
- On 31 August 2020, 83,334 Unlisted Performance Rights were exercised that were previously issued to Trevor Hart.

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 environmental regulation under both Commonwealth and State legislation. The key regulatory bodies are the Department of Water and Environmental Regulation (DWER) and the Department of Mines, Industry Regulation and Safety (DMIRS).

The Whim Creek Site was classified as 'possibly contaminated' following a Contaminated Site investigation in January 2010 prior to Venturex ownership. The classification was revised to ''possibly contaminated – investigation required'' by DWER in July 2018 and in July 2019 DWER updated the reasons for this classification. The classification is based on the presence of possible, localised groundwater and soil contamination arising from activities associated with ore processing and copper production, exacerbated by offsite water discharge following cyclonic rainfall in March 2019.

On essentially the same underlying basis (potential groundwater contamination and pollution risk), DWER issued an Environmental Protection Notice to the Company in December 2019, requiring a range of actions to investigate and record the presence of contamination and mitigate the risk of any future contamination. The EPN was amended in May 2020, reflecting progress in some required actions and adjusting other requirements to accommodate delays arising from the wet season.

Copper production activities at the Whim Creek site were suspended in October 2019. The Company and the site operator, Blackrock Metals Pty Ltd (Blackrock), continue to cooperate with DWER in working through the actions required under the contaminated sites notification and EPN.

The Company submitted a number of reports to regulatory authorities during the year, in compliance with statutory obligations.

The Board considers that the Group has adequate systems and resources in place for the management of environmental risks and fulfilment 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	4,079,402	272,727	-
Anthony Reilly	4,817,957	272,727	-
Darren Stralow	1,562,122	272,727	-

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
2018 LTI	Nil	10-Aug-18	09-Aug-25	33,334

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 2020 financial year no ordinary shares of the Group were issued as a result of the exercise of options. (2019: Nil)

During the 2020 financial year 3,265,850 ordinary shares of the Group were issued as a result of the exercise of performance rights. (2019: 465,722)

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.

	2020 $
Audit and review of financial statements	37,213
Total paid to BDO	37,213

Directors' Report

Audited Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

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
Anthony Reilly	-	Executive Director / Interim CEO
Darren Stralow	-	Non-Executive Director
Trevor Hart	-	Company Secretary/CFO
Ajanth Saverimutto	-	Managing Director (Resigned 29 November 2019)

The remuneration 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 2019 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. 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			Share-based payments		
			Cash salary & fees	Annual Leave[3]	Super -annuation	Options and Rights	Total	Performance Income as a Proportion of Total Remuneration
	Year	Note	$	$	$	$	$	%
Anthony Kiernan	2020		82,192	-	7,808	-	90,000	-
	2019		82,192	-	7,808	-	90,000	-
Anthony Reilly	2020	2	187,510	-	17,813	50,833	256,156	20%
	2019	2	201,363	-	19,129	50,694	271,186	19%
Darren Stralow	2020		-	-	-	-	-	-
	2019		-	-	-	-	-	-
Ajanth Saverimutto	2020	1,2	136,993	(10,423)	-	(101,701)	24,869	(409%)
	2019	2	240,903	10,423	-	397,452	648,778	61%
Trevor Hart	2020	2	230,004	7,440	-	13,862	251,306	6%
	2019	2	210,000	8,675	-	51,097	269,772	19%
Total	**2020**		**636,699**	**(2,983)**	**25,621**	**(37,006)**	**622,331**	**(6%)**
	2019		**734,458**	**19,098**	**26,937**	**499,243**	**1,279,736**	**39%**

Note:

1. Resigned from the Company in the 2020 financial year.
2. 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.
3. 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 2020 or 2019 financial years.

Options

No options in the Company were issued to Directors and other Key Management Personnel as part of remuneration during the 2020 or 2019 financial years.

Performance Rights

The following table discloses the value of Performance Rights granted, exercised, sold or lapsed during the 2020 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					
Anthony Reilly	120,000	-	-	6,528	50,833
Ajanth Saverimutto *	596,000	-	136,689	-	(101,701)
Key Management Personnel					
Trevor Hart (2018 LTI)	65,000	16,250	32,500	-	(15,643)
Trevor Hart (2019 LTI a)	59,011	29,505	29,505	-	29,505

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

** Ajanth Saverimutto resigned as at 29 November 2019.*

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:

	2020	2019
Fair Value	-	$0.117 - $0.133
Share Price	-	$0.195
Exercise Price	-	Nil
Expected Volatility(weighted average)	-	100%
Expected Life (weighed average)	-	2 years
Expected dividends	-	Nil
Risk free interest rate (based on government bonds)	-	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 22 of the financial statements.

The following table discloses the details in regard to Directors and Key Management Personnel Performance Rights granted during the 2020 financial year.

	Allocation	Number	Fair Value Per Right	Grant Date	Exercise Price	Expiry Date	Vesting Date
Key Management Personnel							
Trevor Hart	1	71,964	$0.2050	26 Jul 2019	Nil	26 Jul 2026	31 Dec 2019
Trevor Hart	2	71,964	$0.2050	26 Jul 2019	Nil	26 Jul 2026	30 Jun 2020
Trevor Hart	3	143,929	$0.2050	26 Jul 2019	Nil	26 Jul 2026	30 Jun 2020

Vesting Conditions for Trevor Hart
Allocation 1 and 2 will vest subject to being in the service of the company on the vesting date. Allocation 3 will vest subject to the commencement of Sulphur Springs Construction by Q2 2020, this vesting condition hasn't been met.

The following table discloses the movement in Directors and Key Management Personnel Performance Rights during the 2020 financial year.

	Balance at start of the year No.	Granted as Remuneration* No.	Exercised No.	Lapsed No.	Held at resignation date No.	Balance at end of the year No.	Vested No.	Unvested No.	Vested %	Lapsed %
Directors										
Anthony Reilly	666,667	-	-	-	-	666,667	-	666,667	-	-
A Saverimutto	4,333,334	-	-	(1,666,667)	2,666,667	-	2,666,667	-	100	38
Key Management Personnel										
Trevor Hart	333,334	287,857	(155,298)	(310,595)	-	155,298	71,964	83,334	46	50
	5,333,335	287,857	(155,298)	(1,977,262)	2,666,667	821,965	2,738,631	750,001	333	35

**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.	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	3,033,948	-	-	-	-	3,033,948
Anthony Reilly	3,487,402	-	-	430,555	-	3,917,957
Darren Stralow	1,016,668	-	-	-	-	1,016,668
Ajanth Saverimutto	385,557	-	-	-	385,557	-
Key Management Personnel						
Trevor Hart	683,972	-	155,298	40,000	-	879,270
	8,607,547	-	155,298	470,555	385,557	8,847,843

There were no options held by Directors or other Key Management Personnel of the Group, including their personally related parties during the 2020 financial year.

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 2020 financial years.

F. Employment Contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel were under contract at 30 June 2020.

Name	➢ Anthony Reilly
Term of Contract	➢ Service Contract (Ongoing)
Commencement Date	➢ 30/11/19
Amount $	➢ $20,000 per month
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

G. Performance Income as a Proportion of Total Remuneration

The following table discloses the proportion of remuneration that is performance related during the 2020 financial year.

Directors	
Anthony Reilly	20%
Ajanth Saverimutto	(409%)
Key Management Personnel	
Trevor Hart	6%
Total	(6%)

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

There were no remuneration consultants engaged during the 2020 financial year.

During the 2019 financial year, 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 Note7.

J. Voting and comments made at the Company's 2019 Annual General Meeting

Venturex Resources Ltd received more than 94% of "yes" votes on its remuneration report for the 2019 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 21.

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

ANTHONY REILLY
Executive Director

Dated this 25th day of September 2020

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

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 2020, 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, 25 September 2020

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2020

	Note	2020 $	2019 $
Revenue			
Revenue	2a	16,536	(53,276)
Other Income	2b	204,658	1,380,000
Expenses			
Administrative expenses	3	(527,837)	(616,703)
Corporate expenses	3	(309,748)	(294,338)
Directors, employees and consultants fees	3	(1,081,827)	(1,951,217)
Exploration and evaluation expenses	3	(814,235)	(188,016)
Depreciation and amortisation expenses	3	(375,610)	(291,603)
Impairment of trade and other receivables	3	(6,600)	-
Finance costs	4	(65,519)	(279,474)
Re-estimation of site rehabilitation provisions	4	(938,534)	(416,768)
Loss before income tax		**(3,898,716)**	**(2,711,395)**
Income tax expense	5	-	-
Loss after income tax attributable to the owners of the Company		**(3,898,716)**	**(2,711,395)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to owners of the Company		**(3,898,716)**	**(2,711,395)**
Loss per share for the year attributable to the members of Venturex Resources Ltd			
Basic and Diluted loss per share (cents)	6	(1.38)	(1.06)

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 2020

	Note	2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	8	2,256,492	4,910,026
Trade and other receivables	9	752,824	310,647
Inventories	10	23,885	26,145
Other assets	11	202,970	153,014
Total current assets		**3,236,171**	**5,399,832**
Non-current assets			
Property, plant and equipment	12	1,588,813	1,885,629
Right of use asset	13	39,309	-
Exploration and evaluation expenditure	14	37,002,615	33,774,248
Total non-current assets		**38,630,737**	**35,659,877**
Total assets		**41,866,908**	**41,059,709**
Liabilities			
Current liabilities			
Trade and other payables	15	1,455,241	1,531,756
Borrowings	16	2,087,869	-
Lease liabilities	17	40,455	-
Employee benefits	18	74,412	58,844
Total current liabilities		**3,657,977**	**1,590,600**
Non-current liabilities			
Lease liabilities	17	364	-
Employee benefits	18	18,720	18,150
Provisions	19	14,309,467	13,402,717
Total non-current liabilities		**14,328,551**	**13,420,867**
Total liabilities		**17,986,528**	**15,011,467**
Net assets		**23,880,380**	**26,048,242**
Equity			
Issued capital	20	110,289,634	108,041,913
Reserves	20, 21	228,150	745,017
Accumulated losses	20	(86,637,404)	(82,738,688)
Total equity		**23,880,380**	**26,048,242**

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 2020

	Note	Issued Capital $	Share Based Compensation Reserve $	Accumulated Losses $	Total Equity $
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	20a	7,955,485	-	-	7,955,485
Security issue costs	20a	(340,870)	-	-	(340,870)
Share based payments issued	21a	-	644,804	-	644,804
Share based payments exercised	20a, 21a	39,066	(39,066)	-	-
Share based payments expired	21a	-	(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**
Loss for the year		-	-	(3,898,716)	(3,898,716)
Total comprehensive loss for the year		**-**	**-**	**(3,898,716)**	**(3,898,716)**
Transactions with owners in their capacity as owners:					
Issue of securities	20a	1,893,012	-	-	1,893,012
Security issue costs	20a	(166,578)	-	-	(166,578)
Share based payments issued	21a	-	442,820	-	442,820
Share based payments exercised	20a, 21a	521,287	(521,287)	-	-
Share based payments expired	21a	-	(438,400)	-	(438,400)
		2,247,721	**(516,867)**	**-**	**1,730,854**
Balance at 30 June 2020		**110,289,634**	**228,150**	**(86,637,404)**	**23,880,380**

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 2020

	Note	2020 $	2019 $
Cash flows related to operating activities			
Cash receipts from customers		-	1,380,000
Cash paid to suppliers and employees		(2,652,996)	(2,224,500)
Interest received		17,793	33,429
Interest paid		(9,434)	(66,461)
Research and development tax received		3,313	-
Government Stimulus and Job Keeper received		95,000	-
Net cash used in operating cash flows	27a	**(2,546,324)**	**(877,532)**
Cash flows related to investing activities			
Payment for purchases of plant and equipment		(14,472)	(1,082,667)
Proceeds from sale of plant and equipment		1,136	2,014
Payment for exploration and evaluation expenditure		(3,942,925)	(3,372,631)
Increase in guarantees		-	(400)
Research and development tax received		105,111	-
Net cash used in investing cash flows		**(3,851,150)**	**(4,453,684)**
Cash flows related to financing activities			
Proceeds from issue of securities		1,893,012	5,955,485
Capital raising costs		(135,053)	(340,870)
Proceeds from borrowings		2,000,000	2,000,000
Payment for lease liabilities		(70,873)	-
Proceeds from insurance premium funding		159,739	78,370
Repayment of insurance premium funding		(102,885)	(73,817)
Net cash provided by financing cash flows		**3,743,940**	**7,619,168**
Net increase (decrease) in cash and cash equivalents		**(2,653,534)**	**2,287,952**
Cash and cash equivalents at the beginning of the year		4,910,026	2,622,074
Effect of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year	8	**2,256,492**	**4,910,026**

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

The consolidated financial statements comprise Venturex Resources Limited (the "Group") and its subsidiaries, Venturex Pilbara Pty Ltd, Venturex Sulphur Springs Pty Ltd, Jutt Resources Pty Ltd, Juranium Pty Ltd, and CMG Gold Ltd, (collectively the "Group Entity" or the "Group"). Venturex Resources Limited is a listed public Group domiciled in Australia. The Company's registered office is at 91 Havelock Street, West Perth, Western Australia. 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 24 September 2020.

This is the first set of the Group's annual financial statements in which *AASB 16 Leases* 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 2020 the Company recorded a loss of $3,898,716 (2019 $2,711,395) and had net cash outflows from operating activities of $2,546,324 (2019: $877,532). 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

<u>Subsidiaries</u>

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.

Notes to the Consolidated Financial Statements

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 full-year ended 30 June 2020, 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 2019.

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

AASB 16 Leases

The Group has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 Leases and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

Impact of adoption

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption as at 1 July 2019 was as follows:

	1 July 2019
	$
Operating lease commitments as at 1 July 2019 (AASB 117)	54,901
Finance lease commitments as at 1 July 2019 (AASB 117)	-
Operating lease commitments discount based on the weighted average incremental borrowing rate of 8% (AASB 16)	53,735
Short-term leases not recognised as a right-of-use asset (AASB 16)	-
Low-value assets leases not recognised as a right-of-use asset (AASB 16)	-
Accumulated depreciation as at 1 July 2019 (AASB 16)	-
Right-of-use assets (AASB 16)	**108,636**
Lease liabilities – current (AASB 16)	(72,304)
Lease liabilities – non-current (AASB 16)	(36,332)
Tax effect on the above adjustments	-
Reduction in opening retained profits as at 1 July 2019	**-**

When adopting AASB 16 from 1 July 2019, the consolidated entity has applied the following practical expedients:

- applying a single discount rate to the portfolio of leases with reasonably similar characteristics;
- accounting for leases with a remaining lease term of 12 months as at 1 July 2019 as short-term leases;
- excluding any initial direct costs from the measurement of right-of-use assets;
- using hindsight in determining the lease term when the contract contains options to extend or terminate the lease; and
- not apply AASB 16 to contracts that were not previously identified as containing a lease.

(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.

Notes to the Consolidated Financial Statements

(d) Revenue Recognition

Revenue from Contracts with Customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(e) Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(f) 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.

(g) 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.

(h) 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

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

The Group assesses 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.

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.

Notes to the Consolidated Financial Statements

Financial assets – Subsequent measurement and gains and losses

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

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

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.

(i) 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.

(j) 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. Land is not depreciated.

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

	2020	2019
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.

(k) Leases

The Group has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AASB 117. The details of accounting policies under AASB 117 are disclosed separately.

Policy applicable from 1 July 2019

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group used the definition of a lease in AASB 16.

This policy is applied to contracts entered into, on or after 1 July 2019.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant, and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments; and
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, it the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

Notes to the Consolidated Financial Statements

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities in "loans and borrowings" in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Policy applicable to contracts entered into, before 1 July 2019.

In the comparative period, as a lessee the Group classified leases as operating leases and they were not recognised in the Group's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease.

(l) 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.

(m) Impairment

Non-derivative financial assets

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

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.

(n) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(s) 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.

(t) 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.

(u) Share Capital

<u>Ordinary shares</u>

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.

(v) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

<u>Coronavirus (COVID-19) pandemic</u>

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

<u>*Estimate of useful lives of assets*</u>

The estimation of the useful lives of assets has been based on Taxation Ruling TR 2020/3 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(j).

<u>Exploration and evaluation expenditure</u>

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.

<u>*Impairment of assets and exploration and evaluation expenditure*</u>

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.

<u>Provision for rehabilitation</u>

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.

Share-based payment transactions – performance rights

The Company measures the cost of equity-settled transactions with Directors, Key Management Personnel and employees by reference to the fair value of the equity instruments 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.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(w) New Accounting Standard for Application in Future Periods

A number of new standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted: however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of a Business (Amendments to IFRS 3)
- Definition of Material (Amendments to IFRS 3)
- IFRS 17 Insurance Contracts

Notes to the Consolidated Financial Statements

Note 2 – Revenue and Other Income

	Note	2020 $	2019 $
(a) Revenue			
- Interest income on bank deposits		16,536	34,597
- SX-EW Profit Share	(i)	-	(87,873)
		16,536	(53,276)
(b) Other Income			
Non-operating activities			
- Other income	(ii)	27,363	1,380,000
- Royalties		55,795	-
- Government Stimulus		50,000	-
- JobKeeper		71,500	-
Total other income		204,658	1,380,000

i Blackrock Metals Pty Ltd ("Blackrock") had 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 - Expenses

	Note	2020 $	2019 $
Administrative expenses			
- Compliance		117,185	108,906
- Operating Leases	13	-	86,476
- Loss on disposal of assets held for sale		-	5,969
- Other administrative expenses		410,652	415,352
Administrative expenses		527,837	616,703
Corporate expenses			
- Auditing and taxation		44,444	112,888
- Legal cost		86,945	80,033
- Recruitment expenses		-	8,619
- Travel expenses		49,651	87,033
- Other corporate expenses		128,708	5,765
Corporate expenses		309,748	294,338
Directors, employees and consultants' expenses			
- Directors and employee expenses		647,719	806,437
- Consultants expenses		429,688	499,976
- Share based payments	21	4,419	644,804
Directors, employees and consultants' expenses		1,081,827	1,951,217
Exploration and evaluation expenses			
- Exploration and evaluation expenses		814,235	188,016
Exploration and evaluation expenses		814,235	188,016
Depreciation expenses			
- Depreciation expenses	12	303,227	291,603
- Amortisation expenses – Right of Use Asset	13	72,383	-
Depreciation expenses		375,610	291,603
Impairment expenses			
- Impairment of trade and other receivables		6,600	-
Impairment expenses		6,600	-

Notes to the Consolidated Financial Statements

Note 4 - Finance Income and Finance Costs

	Note	2020 $	2019 $
Recognised in profit or loss			
Interest expense on financial liabilities measured at amortised cost (Mine Rehabilitation Provision)	19	(31,784)	213,013
Interest expense - borrowings		91,681	66,461
Interest expense - lease liability	17	5,622	-
		65,519	279,474
Re-estimation adjustment on mine rehabilitation provision	19	938,534	416,768
		938,534	416,768
Net finance costs (income) recognised in profit or loss		1,004,053	696,242

Note 5 - Income Tax Expense

		2020 $	2019 $
(a)	**Income tax recognised in profit or loss**		
	Current tax expense	-	-
	Deferred tax expense	-	-
	Total income tax expense	-	-
(b)	*Loss before tax*	(3,898,716)	(2,711,395)
	Income tax using the domestic corporation tax rate of 30% (2019: 30%)	(1,169,615)	(813,418)
	Increase/(decrease) in income tax expense due to:		
	Non-deductible expenses	278,021	257,345
	Deductible expenses	(1,071,069)	(1,209,342)
	Tax losses not brought to account	1,962,663	1,765,415
	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:

	2020 $	2019 $
Taxable temporary differences	4,651,485	4,261,560
	4,651,485	4,261,560

(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:

	2020 $	2019 $
Deductible temporary differences	10,750,748	9,650,946
Tax losses	25,600,820	24,636,368
	36,351,568	34,287,314

(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.

Notes to the Consolidated Financial Statements

Note 6 - Loss per Share

		2020	2019
(a)	Basic and diluted loss per share (cents)	(1.38)	(1.06)
(b)	Net loss used in the calculation of basic loss per share and diluted loss per share	($3,898,716)	($2,711,395)
(c)	Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share and diluted loss per share	282,706,955	255,631,639

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.

Note 7 - Auditor's Remuneration

	2020 $	2019 $
Audit and review of financial statements	37,213	37,834
Other services – remuneration review	-	23,890
	37,213	61,724

Note 8 - Cash and Cash Equivalents

	2020 $	2019 $
Cash at bank	126,622	506,244
Call deposits	2,129,870	4,403,782
Total Cash and Cash Equivalents	2,256,492	4,910,026

The financial risk management can be found in Note 32

Note 9 - Trade and Other Receivables

	2020 $	2019 $
Trade and other receivables	759,424	310,647
Impairment of Trade and other receivables	(6,600)	-
Total Trade and Other Receivables	752,824	310,647

There are no past due trade and other receivables that are not impaired. The financial risk management can be found in Note 32

Note 10 - Inventories

	2020 $	2019 $
Diesel Fuel	23,885	26,145
Total Inventories	23,885	26,145

Note 11 - Other Assets

	2020 $	2019 $
Prepayments	163,770	113,814
Cash backed bonds	39,200	39,200
Total Other Assets	202,970	153,014

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

Note 12 - Property, Plant and Equipment

	2020 $	2019 $
Property, Plant and Equipment:		
At cost	4,018,054	4,012,947
Accumulated depreciation	(2,429,241)	(2,127,318)
Total Property, Plant and Equipment	1,588,813	1,885,629

Notes to the Consolidated Financial Statements

Note 12 - Property, Plant and Equipment (continued)

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

Total Property, Plant and Equipment

	2020 $	2019 $
Carrying amount at the beginning of year	1,885,629	1,097,301
Additions	7,924	1,087,914
Disposals	(1,513)	(7,983)
Depreciation expense	(303,227)	(291,603)
Carrying amount at the end of year	1,588,813	1,885,629
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	713,039	-
Additions	-	823,226
Depreciation expense	(117,639)	(110,187)
Carrying amount at the end of year	595,400	713,039
Plant and Equipment		
Carrying amount at the beginning of year	1,148,934	1,077,301
Additions	-	261,032
Disposals	(1,513)	(7,983)
Depreciation expense	(185,588)	(181,416)
Transfers from capital works in progress	11,580	-
Carrying amount at the end of year	973,413	1,148,934
Capital Works in Progress		
Carrying amount at the beginning of year	3,656	-
Additions	7,924	3,656
Transfers from capital works in progress	(11,580)	-
Carrying amount at the end of year	-	3,656

Note 13 – Right of Use Assets

	2020 $	2019 $
Right of Use Assets:		
At cost	111,692	-
Accumulated amortisation	(72,383)	-
Total right of use assets	39,309	-

Movements in carrying amounts for each class of right of use assets.

Total Right of Use Assets

	2020	2019
Carrying amount at the beginning of year	-	-
Additions	111,692	-
Amortisation expense	(72,383)	-
Carrying amount at the end of year	39,309	-
Building Lease		
Carrying amount at the beginning of year	-	-
Additions	103,288	-
Amortisation expense	(68,349)	-
Carrying amount at the end of year	34,939	-
Office Equipment Lease		
Carrying amount at the beginning of year	-	-
Additions	8,404	-
Amortisation expense	(4,034)	-
Carrying amount at the end of year	4,370	-

Notes to the Consolidated Financial Statements

Note 13 – Right of Use Assets (continued)

Operating Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2020 $	2019 $
not later than 12 months	-	50,169
between 12 months and 5 years	-	4,732
greater than 5 years	-	-
	-	54,901

Leases as lessee (AASB 16)

The Group leases offices in West Perth. The lease runs for one year, with an option to renew the lease after that date. Lease payments are subject to a market review on a yearly basis.

The Group leases office equipment. The lease run for four years. Lease payments are fixed for the duration of the lease.

Previously, these leases were classified as operating leases under AASB 117.

The Group leases equipment and premises. These leases are short-term. The Group has elected not to recognise right of use assets and lease liabilities for these leases.

Amounts recognised in profit or loss

The interest on lease liabilities expensed during the year ended 30 June 2020 was $5,622 (30 June 2019: Nil). (2019 – Leases under AASB 16)

The lease expense during the year ended 30 June 2020 was Nil (30 June 2019: $86,476). (2019 – Operating leases under AASB 117)

Amounts recognised in statement of cash flows

The financing cash outflow for leases during the year ended 30 June 2020 was $76,496 (30 June 2019: Nil).

Note 14 – Exploration and Evaluation Expenditure

	2020	2019
Exploration & evaluation expenditure	$	$
At cost	76,353,596	73,125,229
Accumulated impairment loss	(39,350,981)	(39,350,981)
Total Exploration and Evaluation Expenditure	37,002,615	33,774,248

Movements in Carrying Amounts of exploration and evaluation expenditure.

Exploration & evaluation expenditure		
Carrying amount at the beginning of year	33,774,248	30,490,334
Additions	3,333,477	3,986,853
R&D tax offset received	(105,110)	(702,939)
Carrying amount at the end of year	37,002,615	33,774,248

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

Note 15 - Trade and Other Payables

	2020 $	2019 $
Trade and other payables	780,615	1,265,410
Accrued expenses	560,213	211,425
Insurance premium funding	111,776	54,921
Deposits received	2,637	-
Total Trade and Other Payables	1,455,241	1,531,756

The financial risk management can be found in Note 32

Notes to the Consolidated Financial Statements

Note 16 – Loans and Borrowings

	2020 $	2019 $
Loans and Borrowings	2,087,869	-
Total Loans and Borrowings	2,087,869	-

Loans and Borrowings		
Carrying amount at the beginning of year	-	-
Loan	2,000,000	2,000,000
Interest	87,869	63,562
Conversion of debt into equity	-	(2,000,000)
Repayment of Loan	-	(63,562)
Carrying amount at the end of year	2,087,869	-

Terms and repayment schedule

				30 Jun 2020		30 Jun 2019	
	Currency	**Nominal Interest rate**	**Year of maturity**	**Face Value**	**Carrying Amount**	**Face Value**	**Carrying Amount**
Borrowings	AUD	8%	2021	$2,000,000	$2,087,869	-	-

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 financial year ending 30 June 2019, $2,000,000 was repaid by issuing 10,101,011 ordinary shares. The financial risk management can be found in Note 32

Note 17 – Lease Liabilities

	2020 $	2019 $
Lease Liabilities - current	40,455	-
Lease Liabilities – non-current	364	-
Total Lease Liabilities	40,819	-

Lease Liabilities - current		
Carrying amount at the beginning of year	-	-
Loan	75,360	-
Interest	5,622	-
Repayment of Loan	(76,495)	-
Reclassification from current to non-current	35,968	-
Carrying amount at the end of year	40,455	-

Lease Liabilities – non-current		
Carrying amount at the beginning of year	-	-
Loan	36,332	-
Reclassification from current to non-current	(35,968)	-
Carrying amount at the end of year	364	-

Terms and repayment schedule

				30 Jun 2020		30 Jun 2019	
	Currency	**Nominal Interest rate**	**Year of maturity**	**Face Value**	**Carrying Amount**	**Face Value**	**Carrying Amount**
Lease Liabilities	AUD	8%	2020/2021	$100,232	$40,819	-	-

Notes to the Consolidated Financial Statements

Note 17 – Lease Liabilities (continued)

Lease liabilities are payable as follows.

	Future minimum lease payments	Interest	Present value of minimum lease payments
2020	**$**	**$**	**$**
Less than one year	41,223	768	40,455
Between one and five years	364	-	364
More than five years	-	-	-
	41,587	768	40,819

Note 18 - Employee Benefits

	2020 $	2019 $
Annual Leave:		
Opening balance at beginning of year	58,844	7,622
Additional provisions raised during year	73,374	63,727
Amounts used	(57,806)	(12,505)
Balance at end of the year	74,412	58,844
Long Service Leave:		
Opening balance at beginning of year	18,150	15,466
Additional provisions raised during year	570	2,684
Balance at end of the year	18,720	18,150
Total Employee Benefits		
Current	74,412	58,844
Non-current	18,720	18,150
	93,132	76,994

Note 19 - Provisions

Mine Rehabilitation:	Note	2020 $	2019 $
Opening balance at beginning of year		13,402,717	12,772,936
Increase in the discounted amount arising because of change in assumptions	4	938,534	416,768
Interest Expense	4	(31,784)	213,013
Balance at end of the year		14,309,467	13,402,717
Total Provisions			
Current		-	-
Non-current		14,309,467	13,402,717
		14,309,467	13,402,717

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(p).

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

	2020	2019
Inflation Rate – CPI	1.01%	1.60%
Discount Rate	0.92%	1.38%
Estimated commencement of outflow	1st Quarter 28	1st Quarter 28

Note 20 – Capital and Reserves

	Note	2020 $	2019 $
Ordinary shares fully paid	(a)	110,289,634	108,041,913
Share based payment reserve	21	228,150	745,017
		110,517,784	108,786,930

(a) Ordinary Shares fully paid	2020 No.	2020 $	2019 No.	2019 $
At the beginning of reporting period	279,862,648	108,041,913	239,896,622	100,388,232
Shares issued	34,418,400	1,893,012	39,500,304	7,955,485
Exercise of Performance Rights – Shares issue	3,265,850	521,287	465,722	39,066
Transaction costs relating to share issues	-	(166,578)	-	(340,870)
At end of the reporting period	317,546,898	110,289,634	279,862,648	108,041,913

Note 20 – Capital and Reserves (continued)

(i)

2020	Details	No.	Issue Price $	$
18-Dec-19	Shares issued exercise of performance rights	2,666,667	0.150	401,169
27-Feb-20	Shares issued exercise of performance rights	266,669	0.195	52,000
27-Feb-20	Shares issued exercise of performance rights	296,425	0.205	60,767
18-Mar-20	Shares issued exercise of performance rights	16,668	0.195	3,250
18-Mar-20	Shares issued exercise of performance rights	15,421	0.205	3,161
18-Mar-20	Shares issued exercise of performance rights	4,000	0.235	940
17-Jun-20	Shares issued under institutional placement	34,418,400	0.055	1,893,012
	Cost of raising capital	-		(166,578)
		37,684,250		2,247,721

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

(b) Unlisted Options

2019	Exercise Price [1] $	Expiry Date	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	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)	-

There were no unlisted Options during the financial year ending 30 June 2020.

(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.

Notes to the Consolidated Financial Statements

Note 20 – Capital and Reserves (continued)

(f) Accumulated losses

Movements in accumulated losses were as follows:	2020	2019
	$	$
At the beginning of reporting period	(82,738,688)	(80,040,064)
Net (loss) for the year	(3,898,716)	(2,711,395)
Share based payments expired	-	12,771
At end of the reporting period	(86,637,404)	(82,738,688)

Note 21 - Share-Based Payments Reserve

		2020	2019
Unlisted Performance Rights		$	$
At beginning of the reporting period		745,017	152,050
Expensed over vesting period	(i)	442,820	644,804
Exercised	(ii)	(521,287)	(39,066)
Expired	(iii)	(438,400)	(12,771)
At end of the reporting period		228,150	745,017

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

2020	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
	$		$	$	$	$	$	$	$	$
2016 LTI	04-Mar-16	04-Mar-22	0.0036	16,800	4,800	-	-	-	4,800	-
2018 LTI ED	17-Aug-18	16-Aug-20	0.1800	120,000	51,740	61,732	-	-	113,472	6,528
2018 LTI MD	17-Aug-18	16-Aug-20	0.1800	180,000	180,000	-	(180,000)	-	-	-
2018 LTI MD	17-Aug-18	16-Aug-20	0.1327	221,167	221,166	-	(221,166)	-	-	-
2018 LTI MD	17-Aug-18	16-Aug-20	0.1169	194,833	101,702	34,988	-	(136,690)	-	-
2018 LTI	10-Aug-18	09-Aug-25	0.1950	260,001	182,947	58,849	(55,251)	(141,045)	45,500	-
2019 LTI	26-Feb-19	26-Feb-26	0.2350	9,400	2,662	6,248	(940)	(7,520)	450	490
2019 LTI a	26-Jul-19	25-Jul-26	0.2050	255,713	-	255,713	(63,930)	(140,502)	51,283	-
2020 LTI	07-Feb-20	06-Feb-27	0.1025	25,290	-	25,290	-	(12,645)	12,645	-
					745,017	442,820	(521,287)	(438,400)	228,150	7,018

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
	$		$	$	$	$	$	$	$	$
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

2020	Exercise Price	Expiry Date	Balance at beginning of year	Issued during the year	Exercised during the year	Expired during the year	Balance at resignation	Balance at end of year
	$		No.	No.	No.	No.	No.	No.
2016 LTI	Nil	04-Mar-22	40,320	-	-	-	-	40,320
2018 LTI ED	Nil	16-Aug-20	666,667	-	-	-	-	666,667
2018 LTI MD	Nil	16-Aug-20	4,333,334	-	-	(1,666,667)	2,666,667	-
2018 LTI	Nil	09-Aug-25	1,266,671	-	(283,337)	(750,001)	-	233,333
2019 LTI	Nil	26-Feb-26	40,000	-	(4,000)	(32,000)	-	4,000
2019 LTI a	Nil	25-Jul-26	-	1,247,382	(311,845)	(685,375)	-	250,162
2020 LTI	Nil	06-Feb-27	-	246,735	-	(123,367)	-	123,368
			6,346,992	1,494,117	(599,182)	(3,257,410)	2,666,667	1,317,850

2019	Exercise Price	Expiry Date	Balance at beginning of year	Issued during the year	Exercised during the year	Expired during the year	Balance at resignation	Balance at end of year
	$		No.	No.	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

Notes to the Consolidated Financial Statements

Note 21 - Share-Based Payments Reserve (continued)

(b) Terms and conditions of Performance Rights

- 2016 LTI- A total of 466,667 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.
- 2017 LTI a - A total of 433,336 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 - A total of 666,667 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 - A total of 4,333,334 unlisted performance rights were granted to Directors on 17 August 2018. 1,000,000 will vest upon the completion of a drilling program by 3 January 2019, 1,666,667 pre-consolidated) vest on the completion of a BFS or the date that the price of a share is 45 cents, 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 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, 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.
- 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%.
- 2019 LTI a - A total of 1,247,382 unlisted performance rights were granted to Key Management Personnel, Employees and Contractors on 26 July 2019, 25% vesting on 31 December 2019, 25% vesting on 30 June 2020, and 50% vesting on commencement of construction at Sulphur Springs, subject to being in the service of the company on the vesting date. The vesting conditions for 30 June 2020 were not met.
- 2020 LTI - A total of 246,735 unlisted performance rights were granted to Key Management Personnel, Employees and Contractors on 07 February 2020, 25% vesting on 31 December 2019, 25% vesting on 30 June 2020, and 50% vesting on commencement of construction at Sulphur Springs, subject to being in the service of the company on the vesting date. The vesting conditions for 30 June 2020 were not met.

(c) Expenses Arising from Share-Based Payment Transactions

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

	2020 $	2019 $
Compensation to Directors & Key Management Personnel	161,688	490,055
Compensation to Employees	281,132	154,749
Exercise of Performance Rights Issued to Directors	(432,169)	(13,577)
Exercise of Performance Rights Issued to Employees	(89,118)	(25,489)
Expiry of Performance Rights Issued to Directors	(169,190)	-
Expiry of Performance Rights Issued to Employees	(269,210)	(12,771)
	(516,867)	592,967

Notes to the Consolidated Financial Statements

Note 22 - 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:

	2020	2019
Fair Value	Nil	$0.117 - $0.133
Share Price	Nil	$0.195
Exercise Price	Nil	Nil
Expected Volatility(weighted average)	Nil	100%
Expected Life (weighed average)	Nil	2 years
Expected dividends	Nil	Nil
Risk free interest rate (based on government bonds)	Nil	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.

A summary of performance rights granted and a summary of performance rights outstanding at the end of the year are detailed in Note 21.

Note 23 - 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:

	2020 $	2019 $
- not later than 12 months	1,230,281	1,229,211
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	1,230,281	1,229,211

Note 24 - 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 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.

Notes to the Consolidated Financial Statements

Note 24 – Contingencies (continued)

- As part of the Whim Creek Site being historically 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 an Environmental Protection Notice (EPN) 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 the EPN requirements. There is a potential cost in the future however it cannot 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 25 - 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.

	2020 $	2019 $
Segment revenue		
Segment other income	-	-
Segment loss		
Total segment loss	(3,467,772)	(2,168,806)
Inter-segment loss	-	-
Net segment loss	(3,467,772)	(2,168,806)
Total segment assets	41,866,908	41,059,709
Total segment liabilities	(17,986,528)	(15,011,467)

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

	Note	2020 $	2019 $
Net segment loss		(3,467,772)	(2,168,806)
Corporate items:			
Interest revenue	2	16,536	34,597
Other Revenue	2	204,658	1,380,000
Administrative expense	3	-	(5,969)
Employee and Directors expense	3	(652,138)	(1,951,217)
Net loss before tax from continuing operations		(3,898,716)	(2,711,395)

Note 26 - Controlled Entities

	Country of Incorporation	Percentage Owned (%)* 2020	 2019
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.

Notes to the Consolidated Financial Statements

Note 27 - Cash Flow Information

		Note	2020 $	2019 $
(a)	Reconciliation of Cash Flow from Operations with Comprehensive Income			
	Loss for the year		(3,898,716)	(2,711,395)
	Adjustments for:			
	Depreciation expense	12	303,227	291,603
	Amortisation expense – right of use asset	13	72,383	-
	Impairment of trade and other receivables	9	6,600	-
	Interest from other parties		84,057	(2,899)
	Share based payment expense	21	4,420	644,804
	Income from investing activities		-	400
	Re-estimation of rehabilitation provision	19	938,534	416,768
	Unwind of discount on rehabilitation	19	(31,784)	213,013
	Net Loss on sale of plant & equipment		377	5,969
	Changes In:			
	Trade and other receivable		33,695	33,612
	Inventories		2,260	(26,145)
	Other current assets		(49,956)	(27,021)
	Trade and other payables		(27,558)	229,853
	Employee provisions		16,137	53,906
	Cash flow used in operations		(2,546,324)	(877,532)

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

Share and Option Issues

Details in regard to the conversion of debt to equity during the year ended 30 June 2019 are in Note 16 and Note 20.

These are no shares and options issued that are not reflected in the Cash Flow Information for the year ended 30 June 2020.

Note 28 - Events after the Reporting Period

- The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially neutral for the consolidated entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.
- On 1 July 2020, 479,762 Unlisted Performance Rights expired that were previously issued to various employees.
- On 1 July 2020, 143,929 Unlisted Performance Rights expired that were previously issued to Trevor Hart.
- On 20 July 2020, 36,504,484 Ordinary Shares were issued at $0.055 per share, raising $2,007,750. As part of this issue 545,454 Ordinary Shares were issued to Anthony Kiernan, Anthony Reilly, and Darren Stralow, and 363,636 Ordinary Shares were issued to Trevor Hart.
- On 20 July 2020, 545,454 Ordinary Shares were issued at $0.055 per share, offsetting $30,000 of the Northern Star Resources Limited Loan.
- On 22 July 2020, 1,818,180 Ordinary Shares were issued at $0.055 per share, raising $100,000.
- On 29 July 2020, 500,000 Ordinary Shares were acquired by Anthony Kiernan.
- On 29 July 2020, 354,546 Ordinary Shares were acquired by Anthony Reilly.
- On 31 July 2020, 301,566 Unlisted Performance Rights were exercised that were previously issued to various employees.
- On 31 July 2020, 71,964 Unlisted Performance Rights were exercised that were previously issued to Trevor Hart.
- On 17 August 2020, 11,052,300 Ordinary Shares were issued at $0.055 per share, raising $607,877.
- On 17 August 2020, 14,645,454 Ordinary Shares were issued at $0.055 per share, offsetting $805,500 of the Northern Star Resources Limited Loan.
- On 21 July 2020, a binding earn-in and joint venture agreement was executed with Aurora Minerals Ltd (Aurora) covering non-core Whim Creek Project in the Pilbara region. Aurora is to earn an 80% interest via cash payments to Venturex totalling $3.15m, project expenditure of $4m and assuming the external $3.5m payment on mining. Venturex 20% is free carried through to the Decision to Mine.
- On 21 August 2020, 666,667 Unlisted Performance Rights expired that were previously issued to Anthony Reilly
- On 26 August 2020, 49,492,207 unlisted options were issued with an exercise price of $0.10c, expiring 15 December 2021. As part of this issue, 272,727 Unlisted Options were issued to Anthony Kiernan, Anthony Reilly, and Darren Stralow, and 181,818 Unlisted Options were issued to Trevor Hart.
- On 26 August 2020, 880,000 Ordinary Shares that were escrowed, were released from escrow.

Notes to the Consolidated Financial Statements

Note 28 - Events after the Reporting Period (continued)

- On 31 August 2020, 176,409 Unlisted Performance Rights were exercised that were previously issued to various employees.
- On 31 August 2020, 83,334 Unlisted Performance Rights were exercised that were previously issued to Trevor Hart.

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 29 - 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 2020 is set out as follows:

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

	2020 $	2019 $
Revenue and Other Income	138,036	34,597
Administrative expenses	(521,265)	(588,649)
Corporate expenses	(304,538)	(259,666)
Directors, employees and consultants expenses	(1,081,827)	(1,945,982)
Exploration and evaluation expenses	(127)	6,793
Depreciation and amortisation expenses	(102,332)	(22,059)
Impairment of trade and other receivables	(6,600)	-
Impairment/write off of intercompany loans	(1,586,537)	(824,767)
Impairment/write off of intercompany investments	(335,956)	1,080,802
Finance costs	(97,303)	(66,461)
Loss before income tax	**(3,898,449)**	**(2,585,392)**
Income tax expense	-	-
Loss after income tax attributable to the owners of the company	**(3,898,449)**	**(2,585,392)**
Other comprehensive income		
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year attributable to owners of the Company	**(3,898,449)**	**(2,585,392)**

Notes to the Consolidated Financial Statements

Note 29 - Deed of Cross Guarantee (continued)

Consolidated Statement of Financial Position for Closed Group	2020 $	2019 $
Assets		
Current assets		
Cash and cash equivalents	2,256,492	4,910,026
Trade and other receivables	181,027	230,769
Other assets	202,970	153,014
Total current assets	**2,640,489**	**5,293,809**
Intercompany investments	1,967,440	2,303,396
Plant and equipment	59,112	82,649
Right of use asset	39,309	-
Intercompany loans	22,338,011	19,840,713
Total non-current assets	**24,403,872**	**22,226,758**
Total assets	**27,044,361**	**27,520,567**
Liabilities		
Current liabilities		
Trade and other payables	756,401	1,209,570
Borrowings	2,087,869	-
Lease liabilities	40,455	-
Employee benefits	74,412	58,844
Total current liabilities	**2,959,137**	**1,268,414**
Non-current liabilities		
Lease liabilities	364	-
Intercompany loans	208,727	208,994
Employee benefits	18,720	18,150
Total non-current liabilities	**227,811**	**227,144**
Total liabilities	**3,186,948**	**1,495,558**
Net assets	**23,857,413**	**26,025,009**
Equity		
Share capital	110,289,634	108,041,913
Reserves	228,150	745,017
Accumulated losses	(86,660,371)	(82,761,921)
Total equity	**23,857,413**	**26,025,009**

Note 30 - Related Party Transactions

Key Management Personnel Compensation

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

	2020 $	2019 $
Short-term employee benefits	633,716	753,556
Post-employment benefits	25,621	26,937
Share-based payments	(37,006)	499,243
	623,331	1,279,736

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 $4,088,496 (2019: $3,291,388) to wholly owned subsidiaries.
The loans are unsecured, interest rate free (2019: interest rate free) and repayable on demand. There were no repayments made during the year.

Notes to the Consolidated Financial Statements

Note 31 - Parent Information

The following details information related to the Company, Venturex Resources Ltd, at 30 June 2020. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2020 $	2019 $
Current assets	2,640,489	5,293,809
Non-current assets	24,403,872	22,226,758
Total assets	**27,044,361**	**27,520,567**
Current liabilities	2,959,138	1,268,414
Non-current liabilities	227,810	227,144
Total liabilities	**3,186,948**	**1,495,558**
Share capital	110,289,634	108,041,913
Reserves	228,150	745,017
Accumulated losses	(86,660,371)	(82,761,921)
Total equity	**23,857,413**	**26,025,009**
Loss for the year	(3,898,449)	(2,585,392)
Total comprehensive loss for the period	**(3,898,449)**	**(2,585,392)**

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 29).

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 13).

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 24).

Note 32 - Financial Instruments – Fair Values and Risk Management

(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.

2020		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							
Cash and cash equivalents	8	2,256,492	2,256,492	-	-	-	-
Trade and other receivables	9	752,824	752,824	-	-	-	-
Right of use assets	13	39,309	39,309	-	-	-	-
		3,048,625	3,048,625	-	-	-	-

		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	15	1,455,242	1,455,242	-	-	-	-
Borrowings	16	2,087,869	2,087,869	-	-	-	-
Lease Liabilities	17	40,819	40,819	-	-	-	-
		3,583,930	3,583,930	-	-	-	-

Notes to the Consolidated Financial Statements

Note 32 - Financial Instruments – Fair Values and Risk Management (continued)

2019		**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	15	1,531,756	1,531,756	-	-	-	-
		1,531,756	1,531,756	-	-	-	-

(b) Measurement of fair values

Recurring fair value measurements

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

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 $6,600 (2019: Nil).

	Note	**0-30 days**	**30-60 days**	**60-90 days**	**90+day**	**Total**
2020						
Trade and other receivables	9	695,626	8,789	38,500	9,909	752,824
2019						
Trade and other receivables	9	303,997	50	-	6,600	310,647

Notes to the Consolidated Financial Statements

Note 32 - Financial Instruments – Fair Values and Risk Management (continued)

(c) (iii) Liquidity Risk

The Group is exposed to liquidity risk via its trade and other payables, borrowings and lease liabilities. 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
2020						
Trade and other payables	15	1,350,779	59,511	300	44,651	1,455,241
2019						
Trade and other payables	15	1,300,795	230,961	-	-	1,531,756

(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 $
2020					
Financial Assets:					
Cash and cash equivalents	8	0.05%	2,256,492	-	2,256,492
Trade and other receivables	9	-	-	752,824	752,824
Other assets	11	0.61%	39,200	-	39,200
Total Financial Assets			2,295,692	752,824	3,048,516
Financial Liabilities:					
Trade and other payables	15		-	1,455,241	1,455,241
Borrowings	16		-	2,087,869	2,087,869
Lease liabilities	17		-	40,819	40,819
Total Financial Liabilities			-	3,583,929	3,583,929
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	15		-	1,531,756	1,531,756
Total Financial Liabilities			-	1,531,756	1,531,756

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 2020	+/-45,914	-
- Year ended 30 June 2019	+/-98,801	-

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 22 to 54 and the Remuneration report set out on pages 16 to 19 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 2020 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 26 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 29.

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.

ANTHONY REILLY
Executive Director

Dated this 25th day of September 2020

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
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 2020, 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 2020 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 (including Independence Standards) (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 19 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: • Obtaining an understanding of the key controls management have to estimate the rehabilitation liability; • Agreeing rehabilitation liability balances to supporting reconciliations, cost models and external expert reports; • Assessing the independence, competency and objectivity of the Group's independent expert; • Testing the mathematical accuracy of the rehabilitation liability calculations; • Assessing the expected timing of the rehabilitation models and evaluating the reasonableness of the inflation and discount rates applied to the expected cash flows; and • Assessing the adequacy of the related disclosures in Note 1(v) and Note 19 to the financial statements.

Recoverability of Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
At 30 June 2020 the carrying value of Exploration and Evaluation Assets was disclosed in Note 14 of the financial report.	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;

Recoverability of Exploration and Evaluation Assets, cont.

Key audit matter	How the matter was addressed in our audit
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.	• 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 1(v) and Note 14 to the financial report.

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 2020, 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 (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.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 16 to 19 of the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Venturex Resources Limited, for the year ended 30 June 2020, 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, 25 September 2020

Supplementary Information

The following Supplementary Information is provided as at 18 September 2020:

EQUITY SECURITIES HOLDER INFORMATION

Ordinary Shares
382,746,043 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	447	336,128,461	87.82
10,001 to 100,000	1089	42,048,219	10.99
5,001 to 10,000	429	3,254,467	0.85
1,001 to 5,000	397	1,302,494	0.34
1 to 1,000	131	12,402	0.00
TOTAL	2,493	382,746,043	100.00%

131 Shareholders held less than a marketable parcel (<$500) of ordinary fully paid shares based on the current market price ($0.0870 – 19-9-2020).

	Twenty Largest Holders of Ordinary Fully Paid Shares	No of Shares	%
1	NORTHERN STAR RESOURCES LIMITED	70,806,430	18.50
2	REGENT PACIFIC GROUP LTD	23,849,445	6.23
3	CITICORP NOMINEES PTY LIMITED	15,104,250	3.95
4	PRECISION OPPORTUNITIES FUND LTD	14,827,391	3.87
5	HENGHOU INDUSTRIES (HONG KONG) LIMITED	10,525,950	2.75
6	GIBSON MINERALS LIMITED	10,203,178	2.67
7	BNP PARIBAS NOMINEES PTY LTD	5,696,811	1.49
8	GREENRIDGE HOLDINGS PTY LTD	5,328,789	1.39
9	ROSS SUTHERLAND PROPERTIES PTY LTD	3,441,454	0.90
10	MR ANTHONY MILES REILLY	3,250,000	0.85
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,099,238	0.81
12	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	2,874,950	0.75
13	FREEPOINT METALS & CONCENTRATES LLC	2,777,777	0.73
14	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,457,066	0.64
15	MAINPLAY PTY LTD	2,416,668	0.63
16	MR ANTHONY WILLIAM KIERNAN	2,325,639	0.61
17	MR GREGORY ROBERT HACKSHAW	2,000,000	0.52
18	AURALANDIA PTY LTD	2,000,000	0.52
19	MR YAOSHENG ZHANG	1,803,636	0.47
20	CLARK SUPERANNUATION FUND PTY LTD	1,793,376	0.47
	Total	**186,582,048**	**48.75**

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	70,806,430	18.50	24/11/2017
Regent Pacific Group Limited**	36,200,460	9.46	01/08/2019

* 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

This page has been left blank intentionally.