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ASX/Media Release **28 October 2020**

September 2020 Quarterly Report

New phase of VMS exploration commences at Sulphur Springs as Venturex progresses permitting and pre-development activities at advanced copper-zinc project

Highlights:

- **Drilling programme underway to test priority EM targets at Sulphur Springs.**
- **Heritage survey completed to increase cleared heritage footprint.**
- **Mining Proposal Approval received for construction of surface infrastructure.**
- **Whim Creek Earn-in and Joint Venture Agreement executed.**

SULPHUR SPRINGS COPPER-ZINC PROJECT

Venturex's flagship Sulphur Springs Project is located 112km south-east of Port Hedland and includes the proposed Sulphur Springs and Kangaroo Caves mines, together with tenements covering ~27km of the Panorama trend that contains numerous advanced VMS-style exploration targets. The Sulphur Springs Project hosts a total Mineral Resource (Sulphur Springs + Kangaroo Caves) comprising 17.4 million tonnes grading 1.3% copper, 4.2% zinc and 17g/t silver (refer ASX announcements, 22 September 2015 and 21 March 2018).

Environmental Approvals

Secondary approvals and permits necessary for the implementation of the Sulphur Springs Project were progressed during the quarter following the announcement of approval for the Project by the WA Minister for the Environment on 20 May 2020.

An application to amend an existing groundwater licence to allow increased abstraction and additional uses of groundwater was submitted to the Department of Water and Environmental Regulation in September. Preparation of a Project Management Plan required to be approved by the Department of Mines, Industry Regulation and Safety (DMIRS) was also advanced.

A Mining Proposal for the construction of the access road to the mine-site was lodged with the Department of Mines, Industry Regulation and Safety (DMIRS) in June 2020 and approval was received on the 19th October 2020.

Heritage Survey

An indigenous cultural heritage survey was successfully completed in collaboration with Traditional Owners, the Nyamal People, in August increasing the cleared heritage footprint including the location of the relocated Tailings Storage Facility. The survey also cleared several possible future exploration areas.

Project Development

The Company is progressing project implementation and development strategies through engagement with potential contractors for site works including short-listing and tender preparation.

Several optimisation opportunities have been identified that will add value in terms of both project development and operations. These will be implemented as the Company develops the Sulphur Springs Project.

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Following the receipt of formal approval from the WA Environment Minister in May 2020, detailed work continued various DMIRS Mining Proposal requirements.



Sulphur Springs Heritage Survey with The Nyamal People.

EXPLORATION

The planned Reverse-Circulation (RC) exploration drilling programme at the Sulphur Springs Project, previously forecast to commence in September, began on 21 October following an unavoidable delay due to the drilling contractor's availability.

The programme is designed to follow-up on the exceptional results generated from 2019 drilling at the advanced Breakers Prospect (see ASX release 4 September 2019), as well as to test the Heli-borne Electromagnetic (HEM) target XA8, where previous drilling intersected anomalous Ni-Cr mineralisation.

During the quarter, exploration geophysical surveys were also completed at the Evelyn and Salt Creek prospects within the Whim Creek Project. The geophysical programmes were designed to test the along strike prospectivity of the Evelyn and Salt Creek Resources.

At the Evelyn Prospect, a ground-based Fixed Loop Electro Magnetic (FLTEM) survey was completed across an area located approximately 2km north of the Evelyn Deposit. The programme was designed to test a section of stratigraphy that was identified as being highly prospective based on its stratigraphic position and structural setting.

Despite its location immediately north of the Evelyn Deposit, this area has had only limited historical exploration.

The survey successfully identified a moderate ~300m long, discrete bedrock conductor at a depth of 150-200m. The anomaly is interpreted to be hosted within the same mafic schist as the Evelyn Cu-Zn deposit, located approximately 2km to the south along strike.

Due to the geological setting of the anomaly, the Company considers it as a target for structurally controlled gold and or base-metal mineralisation and intends to drill this target once exploration recommences at the Whim Creek Project in 2021 following the Pilbara wet season.

A Sub-Audio Magnetics (SAM) survey was also completed 2.5km east along strike from the Salt Creek Resource during the quarter. Results for this survey are pending.

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WHIM CREEK OPERATIONS

Care and maintenance activities continue on site. PPM Global Pty Ltd has been contracted to manage the site and is assisting the Company to ensure compliance with the Environmental Protection Notice ("EPN") commitments.

The Company is working on EPN remediation measures and has submitted all required management plans to DWER ("Department of Water and Environmental Regulation"). Site activities will be completed in a timely manner to ensure that the Company meets its obligations under the EPN.

On the 21st of July 2020, Venturex executed a binding Earn-In and Joint Venture agreement with ASX listed Anax Metals Limited (formerly Aurora Minerals Limited) to acquire up to an 80% interest in the Whim Creek Project.

CORPORATE

Securities Information

On 30 September 2020, the issued capital of the Company was 382,746,043 ordinary fully paid shares and 33,334 unlisted performance rights.

On the 16 July 2020, the previously announced Share Purchase Plan (SPP) was completed with the Company accepting oversubscriptions for a total of $2 million raised.

Following the General Meeting of shareholders held on the 7th August 2020, the Company completed the previously announced capital raising (see ASX release 10 June 2020) and issued the Tranche 2 placement and free attaching options.

Financial Information

The Company's net cash position on 30 September 2020 was $3.49 million. The Pro-forma Appendix 5B – Statement of Consolidated Cash Flows is provided in a separate report.

For the purpose of listing rule 5.3.5, item 6.1 of the Appendix 5B accompanying this quarterly report relates to directors and salaries paid in the quarter.

This announcement is authorised for release to the ASX by Anthony Reilly, Executive Director.

Anthony Reilly
Executive Director

For further information, please contact:

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INTERESTS IN MINING TENEMENTS

AREA OF INTEREST	TENEMENTS	GROUP ENTITY'S INTEREST	ACQUIRED DURING QUARTER	DISPOSED DURING QUARTER
Evelyn Project	E47/1209	100%		
	M47/1455	100%		
Whim Creek Project	E47/3495	100%		
	M47/236	100%		
	M47/237	100%		
	M47/238	100%		
	M47/323	100%		
	M47/324	100%		
	M47/443	100%		
	L47/36	100%		
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%	Application	
	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%		

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Table 1: Sulphur Springs Resources Table

Mineral Resources						
Location	**JORC Classification**	**Tonnes ('000t)**	**Cu %**	**Zn %**	**Pb %**	**Ag g/t**
Sulphur Springs	Measured	–	–	–	–	–
	Indicated	9,400	1.5	3.8	0.2	17
	Inferred	4,400	1.4	3.7	0.2	18
	Sub-total	**13,800**	**1.5**	**3.8**	**0.2**	**17**
Kangaroo Caves	Measured	–	–	–	–	–
	Indicated	2,300	0.9	5.7	0.3	13.6
	Inferred	1,300	0.5	6.5	0.4	18
	Sub-total	**3,600**	**0.8**	**6**	**0.3**	**15**
TOTAL	Measured	–	–	–	–	–
	Indicated	11,700	1.4	4.2	0.2	16.3
	Inferred	5,700	1.2	4.3	0.2	18.0
	Total Resources	**17,400**	**1.3**	**4.2**	**0.2**	**17.0**

Note. Totals may not balance due to rounding. The resource is reported at a cut-off grade of 0.4% copper and then less than 0.4% copper and greater than or equal to 2% zinc *(see ASX release 21 March 2018 & 22 September 2015).*

Competent Person Statement

The Company confirms that:

a. The form and context of the material in this release has not been materially modified from any previous announcements; and
b. It is not aware of any new information or data that materially affects the information included in the announcements and that all material assumptions and technical parameters underpinning the announcements continue to apply and have not materially changed.

The information in this announcement that relates to Exploration Results is based on information compiled or reviewed by Mr Luke Gibson who is full time employee of Company. Mr Gibson is a member of the Australian Institute of Geoscientists. Mr Gibson has sufficient experience with the style of mineralisation and the type of deposit under consideration. Mr Gibson consents to the inclusion in the report of the results reported here and the form and context in which it appears.

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

About Venturex Resources Limited

Venturex Resources Limited (ASX: VXR) is an exploration and development company with two advanced Copper-Zinc Projects near Port Hedland in the Pilbara region of Western Australia. The two projects are the Sulphur Springs Project which includes the Sulphur Springs Project, Kangaroos Caves Resource plus 27km of prospective tenements on the Panorama trend and the Whim Creek Project which includes the Resources at the Whim Creek, Mons Cupri and Salt Creek mines together with the Evelyn project and 18,100 ha of prospective tenements over the Whim Creek basin.

Rule 5.5

Appendix 5B – 1st Quarter 2020/2021

Mining Exploration Entity Quarterly Report

Name of Entity:

Venturex Resources Limited (ASX Code: VXR)

ABN: 28 122 180 205

Quarter Ended ('Current Quarter') 30 September 2020

Consolidated Statement of Cash Flows		Current Quarter $A'000	Year to Date (3 months) $A'000
1.	**Cash Flows from Operating Activities**		
1.1	Receipts from customers [(1)]	33	33
1.2	Payments for:		
	(a) exploration and evaluation	(561)	(561)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(257)	(257)
	(e) administration and corporate	(187)	(187)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	8	8
1.5	Interest and other costs of finance paid	(2)	(2)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives (R&D)	-	-
1.8	Other (Government Stimulus)	129	129
1.9	**Net Cash from (used in) Operating Activities**	**(837)**	**(837)**

[(1)] Receipts from customers include rental of accommodation camp.

2.	**Cash Flows from Investing Activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(359)	(359)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	**Net cash from / (used in) Investing Activities**	**(359)**	**(359)**

Venturex Resources Limited has five controlled entities incorporated in Australia, (Venturex Pilbara Pty Ltd, Venturex Sulphur Springs Pty Ltd, Jutt Resources Pty Ltd, Juranium Pty Ltd and CMG Gold Ltd). The Consolidated Statement of Cash Flows covers Venturex Resources Limited and its controlled entities.

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		Current Quarter $A'000	Year to Date (3 months) $A'000
3.	**Cash Flows from Financing Activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,716	2,716
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(217)	(217)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(67)	(67)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	**Net cash from (used in) Financing Activities**	**2,432**	**2,432**

4.	**Net Increase / (Decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,257	2,257
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(837)	(837)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(359)	(359)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,432	2,432
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and Cash Equivalents at end of period** [(2)]	**3,493**	**3,493**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the account.	**Current Quarter $A'000**	**Previous Quarter $A'000**
5.1	Bank balances	78	127
5.2	Call deposits	3,415	2,130
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at End of Quarter** (should equal item 4.6 above) [(2)]	**3,493**	**2,257**

[(2)]At 30 September 2020 Venturex Resources Ltd had $30k utilised to cash back guarantees that do not appear in the cash flow.

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6.	Payments to related parties of the entity and their associates	Current Quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	111
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: Item 6.1 includes aggregate salaries, directors' fees, corporate advisory & consulting fees at normal commercial rates

7.	Financing Facilities *Note: the term "facility" includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	1,284	1,284
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	1,284	1,284

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

On 13 September 2019, Northern Star Resources Ltd (major shareholder), advanced an unsecured loan of $2,000,000 to Venturex Resources Ltd, on a 12-month term, with an interest rate of 8% per annum.

On 20 July 2020, 545,454 Ordinary Shares were issued at $0.055 per share, offsetting $30,000 of the Northern Star Resources Ltd Loan.

On 17 August 2020, 14,645,454 Ordinary Shares were issued at $0.055 per share, offsetting $805,500 of the Northern Star Resources Ltd Loan.

8.	Estimated Cash Available for Future Operating Activities	$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	837
8.2	Payments for exploration and evaluation classified as investing activities (Item 2.1(d))	359
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	1,196
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,493
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,493
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	2.92

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

8.8.2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

8.8.3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

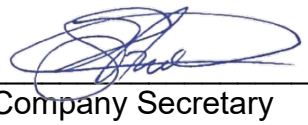
Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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Compliance Statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.



Company Secretary
Trevor Hart

Date: 28 October 2020

Notes

1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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