VENTUREX
RESOURCES LIMITED

2010 ANNUAL REPORT

Corporate Directory

DIRECTORS

Anthony Kiernan	Non-Executive Chairman
Michael Mulroney	Non-Executive Director
Allan Trench	Non-Executive Director
Tim Sugden	Managing Director
Anthony Reilly	Executive Director

COMPANY SECRETARY

Liza Carpene

REGISTERED OFFICE/ PRINCIPAL PLACE OF BUSINESS

Suite 3, Level 1
127 Cambridge Street
West Leederville WA 6007, Australia

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

WEBSITE

www.venturexresources.com

QUOTED SECURITIES

Code: VXR Shares

AUDITORS

William Buck
Level 3 , South Shore Centre,
83 South Perth Esplanade
South Perth WA 6151, Australia

SOLICITORS

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000
Australia

SHARE REGISTRY

Advanced Share Registry
150 Stirling Highway
Nedlands WA 6009
Australia

Tel: (61 8) 9389 8033
Fax: (61 8) 9389 7871

TABLE OF CONTENTS

Chairman's Report

Dear Shareholders

The last financial year has been one of great progress for your Company.

The acquisition of Straits (Whim Creek) Pty Ltd (now Venturex Pilbara Pty Ltd) has enabled the Company to consolidate three Volcanogenic Massive Sulphide (VMS) fields in the Pilbara Region under one owner for the first time. The acquisition has also provided the Company with a well developed mining infrastructure centre at Whim Creek.

The Company is currently undertaking a scoping study into the potential development of a centralised Cu-Zn-Pb-Ag-Au production facility at Whim Creek and, following its successful completion, we expect to finalise a feasibility study in the second half of this financial year.

The Company has been very active announcing a maiden JORC compliant resource for the Liberty-Indee VMS Project and more recently, reporting significant JORC compliant resource-reserve expansions for the Whim Creek VMS deposits. Exploration to further grow the existing resources and find new discoveries in these highly prospective VMS projects will continue throughout the 2011 financial year.

Early in the year, the purchase of CMG Gold Limited was completed providing shareholders exposure to the robust gold market. Our Brazilian subsidiary, CMG Mineração Ltda, controls several advanced gold projects in the Cuiabá gold district, Mato Grosso. Using our established in-country exploration team, the Company is evaluating additional gold exploration and development opportunities in Brazil, with a particular focus on the prolific Tapajós gold district.

On behalf of the Board, I would like to take this opportunity to acknowledge the dedication and hard work of our management and staff located in Perth, Whim Creek and Brazil.

Venturex is now well positioned as an emerging base metals and gold production company

Yours sincerely

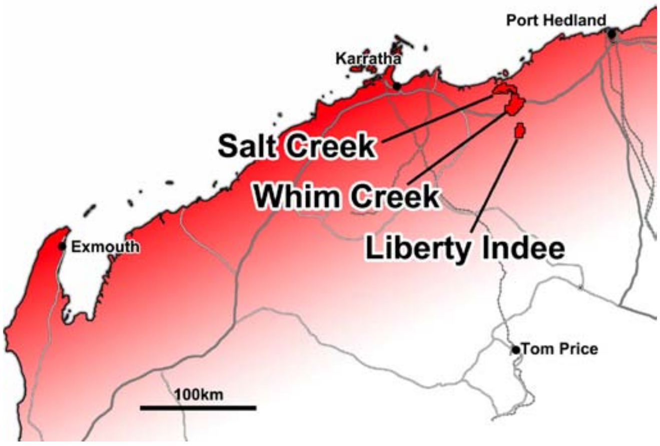
TONY KIERNAN
Non-Executive Chairman

Review of Operations

AUSTRALIA

Pilbara VMS Project

During the year the Company made significant progress in its goal of establishing a central hub for processing VMS base metal deposits in the Pilbara. Key developments include a successful drilling campaign at the Evelyn Prospect, Liberty-Indee; settlement of the Whim Creek acquisition; infill and extensional drilling at Mons Cupri, Salt Creek and Whim Creek; estimation of enhanced Mineral Resources and Ore Reserves in accordance with the JORC Code 2004; and commencement of a scoping study for the development of the centralised production centre at Whim Creek. A total of 10,533 metres of reverse circulation (RC) and 2,862 metres of diamond were drilled in the Project area in 2009-2010.

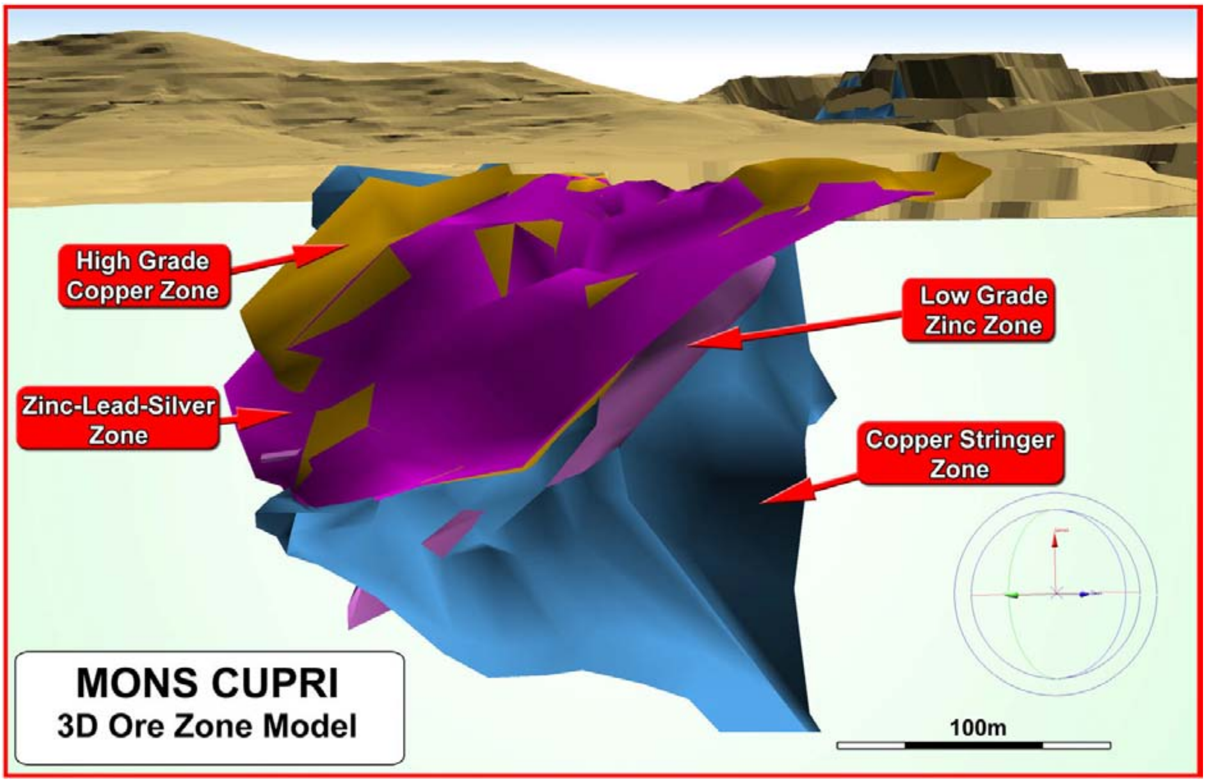


Mons Cupri

At the key Mons Cupri deposit, RC and diamond drilling increased the grade, size and continuity of three distinct geological domains:

- Central high grade copper zone and zinc-lead-silver zone;
- Low grade zinc zone; and
- Copper stringer zone.

Substantial widths of copper mineralisation, along with zones of zinc, lead, silver and gold were intersected. The first hole (MCR001) intersected 53 metres of copper mineralisation, including a higher grade zone of 22 metres @ 2.9% Cu. Intersections in holes MCR004 (12 metres grading 0.9% Cu) and MCR006 (39 metres grading 1.9% Cu and 1.17g/t Au) have expanded the main zone of copper mineralisation to the southwest. Gold grades are significant, including 9 metres grading 4.14g/t Au in MCR006. MCR005 intersected 63 metres grading 1.9% Cu, including a significant lower zone of chalcopyrite stringer mineralisation. Vertical diamond hole MCD001 intersected 39.4 metres grading 2.8% Cu and 1.61g/t Au from 33 metres, including an upper zone of 18 metres grading 5.0% Cu and 3.39g/t Au.



Three-dimensional representation of the main ore domains forming the basis of the Mons Cupri Mineral Resource Estimate

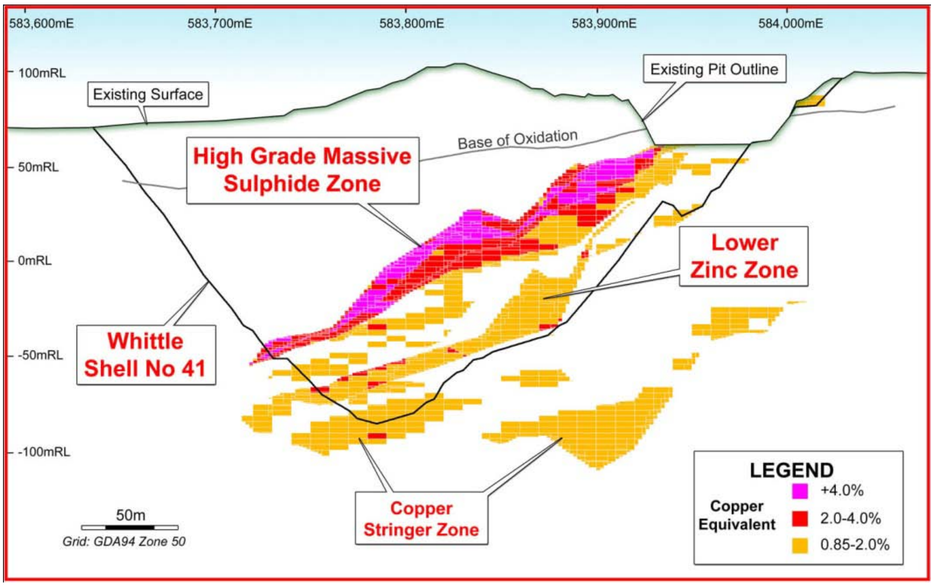
Review of Operations

HoleID	Easting	Northing	RL	Dip	Az	Depth	From	To	Metres	Cu %	Zn %	Pb %	Ag g/t	Au g/t
MCR001	583883	7690840	89	-85	270	98	40	93	53.00	1.7%	0.6%	0.2%	23.2	0.38
including							40	45	5.00	1.1%	4.1%	1.1%	58.0	0.17
including							43	65	22.00	2.9%	0.6%	0.1%	12.7	0.60
MCR002	583895	7690790	83	-76	270	65	41	59	18.00	1.0%	2.5%	1.0%	59.3	0.26
including							41	52	11.00	1.7%	3.1%	1.2%	80.7	0.28
including							42	48	6.00	2.7%	0.9%	0.4%	78.8	0.33
MCR003	583869	7690760	82	-90		59	44	50	6.00	0.0%	1.2%	0.7%	19.6	0.09
including							44	46	2.00	0.1%	2.1%	1.8%	50.0	0.18
MCR004	583884	7690800	85	-57	270	92	61	73	12.00	0.9%	5.4%	2.9%	102.9	0.35
MCR005	583867	7690874	93	-65	270	119	48	111	63.00	1.9%	1.3%	0.4%	29.7	0.43
including							48	51	3.00	0.6%	14.9%	3.9%	71.7	0.67
including							51	62	11.00	4.7%	1.6%	0.4%	82.3	1.29
MCR006	583889	7690818	88	-57	270	113	68	107	39.00	1.9%	2.1%	0.8%	57.2	1.17
including							68	74	6.00	0.9%	7.4%	2.3%	90.8	0.16
including							80	89	9.00	4.0%	0.8%	0.3%	107.8	4.14
MCR007	583874	7690850	91	-61	270	120	81	117	36.00	1.8%	0.6%	0.3%	26.6	0.31
including							81	83	2.00	0.7%	7.3%	2.8%	70.0	0.26
including							84	94	10.00	2.6%	0.2%	0.2%	49.0	0.47
MCD001	583896	7690825	89	-90		75.4	33	72.4	39.40	2.8%	1.2%	0.4%	41.5	1.61
including							34	52	18.00	5.0%	1.9%	0.6%	74.7	3.39
MCR008	583916	7690780	83	-57	94	47	23	34	11	0.1%	2.0%	1.4%	58.2	0.61
MCR009	583908	7690800	85	-58	92	65	20	31	11	2.6%	0.5%	0.6%	41.4	0.77
MCR010	583900	7690820	88	-63	93	83	32	40	8	0.9%	6.6%	3.8%	94.4	0.36
and							35	48	13	2.8%	2.6%	0.4%	43.8	0.29
MCR011	583891.5	7690860	91	-69	91	128	61	72	11	1.1%	0.1%	0.0%	10.0	0.06
MCR012	583876	7690900	93	-65	264	131	49	92	43	1.0%	3.0%	1.6%	87.0	0.24
and							49	57	8	4.2%	5.7%	3.8%	256.3	0.91
MCR013	583890	7690825	88	-75	268	133	48	61	13	1.4%	3.9%	3.0%	70.0	0.08
and							52	82	30	2.1%	1.0%	0.9%	38.3	0.22
and							84	126	42	0.1%	2.4%	0.4%	18.2	0.45
MCR014	583875	7690906	93	-53	261	143	64	91	27	2.8%	1.2%	0.5%	76.3	0.40
MCR015	583874	7690905	93	-90	360	98	41	46	5	0.1%	2.3%	1.8%	85.0	0.11

Mons Cupri Drill results Table (all RC except MCD001)

The Mons Cupri Mineral Resource and Ore Reserve were re-estimated in accordance with the JORC Code 2004. The revised global Mineral Resource estimate (all categories) is: **4.94 million tonnes grading 1.6% Cu Eq**[1] (at a cut-off grade of 0.6% Cu Eq).

A new Probable Ore Reserve estimate of **2.77 million tonnes grading 2.2% Cu Eq** represents a **tonnage increase of 63%** and a **74% increase in contained copper equivalent metal to 61,000 tonnes**, compared with the previous Ore Reserve estimate for the Mons Cupri deposit.



Mons Cupri Cross-section 7690830mN showing resource blocks at various grades and optimum Whittle shell

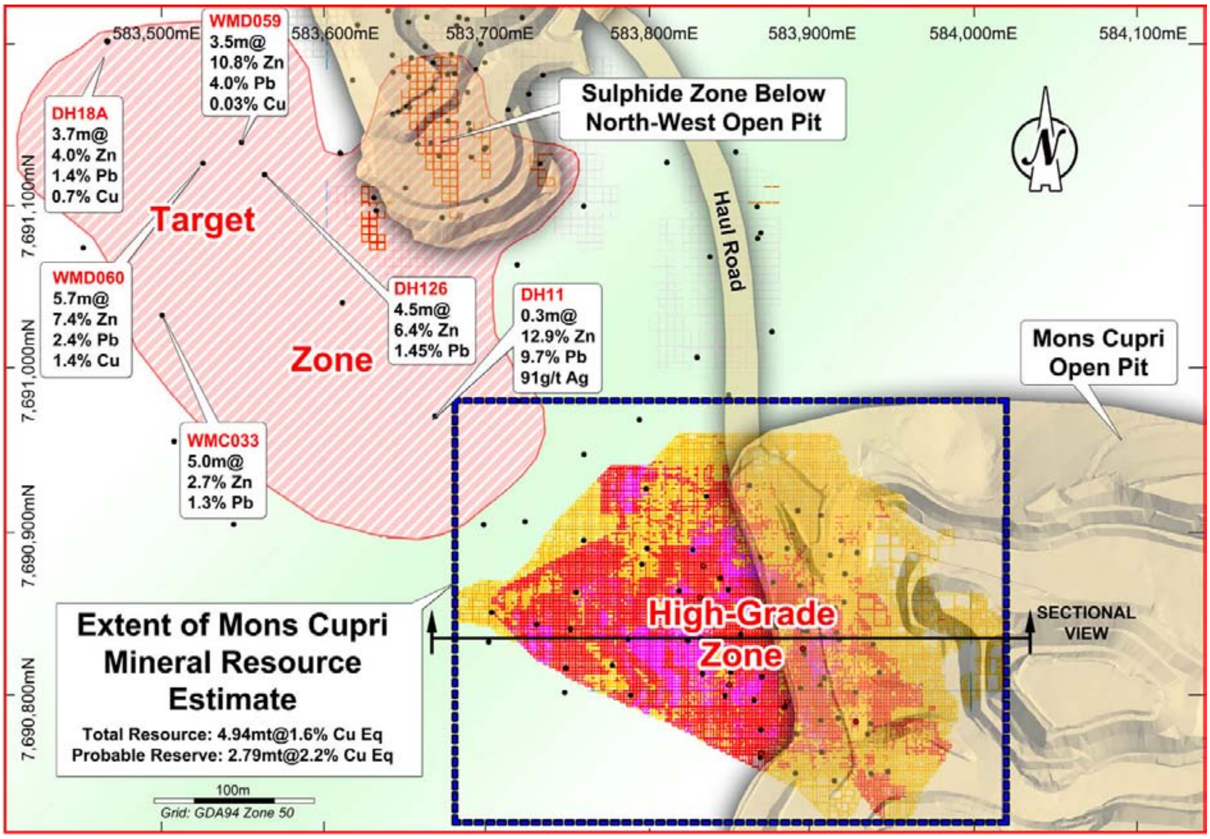
The new Mineral Resource estimate does not include a broad halo of low-grade stringer copper mineralisation that does not directly underlie the main Mons Cupri deposit and high grade sulphide mineralisation below the Northwest Pits. Both zones of mineralisation are being re-evaluated and incorporated into resource revisions in 2010-2011.

There is excellent potential for further additions to the resources and reserves in the Mons Cupri area and additional drilling programs are planned in 2010-2011. The main Mons Cupri sulphide zone remains open to the north and northwest and may link with high grade sulphide mineralisation intersected in the Mons Cupri Northwest pit area.

---

[1] Copper Equivalent (CuEq) values are determined as follows: Cu% + Zn% x 0.28 + Pb% x 0.26 + Ag(ppm) x 0.008 + Au(ppm) x 0.53.

Review of Operations



Target zones to the Northwest of Mons Cupri

Whim Creek

At the original Whim Creek mine, RC drilling focused on infill and extension of copper and zinc-lead lenses down dip of the existing oxide open pit. RC drilling results include WCR003: 22 metres grading 1.35% Cu including 12 metres grading 5.62% Cu; and WCR006: 12 metres grading 1.27% Cu. The new intersections have been incorporated into a revised resource model.

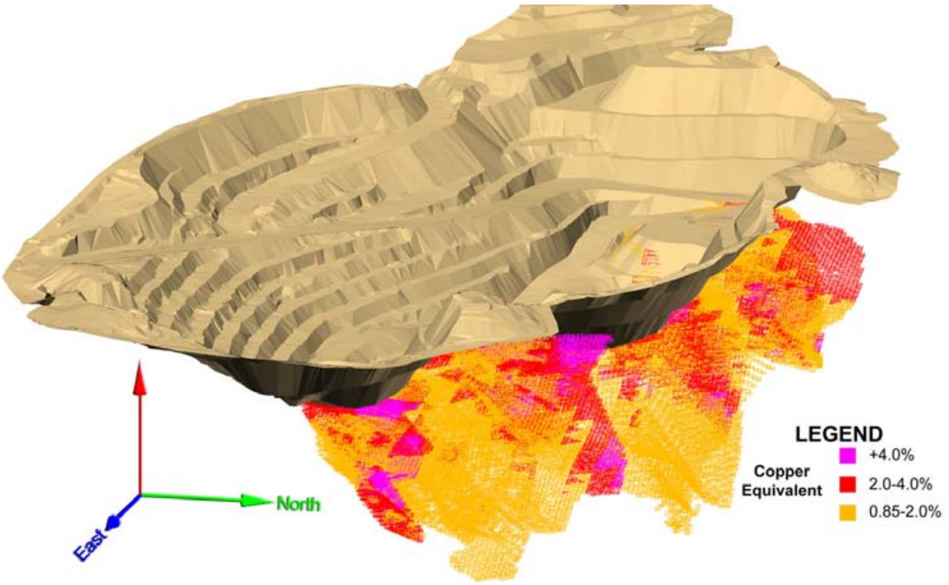
HoleID	Easting	Northing	RL	Dip	Az	Depth	From	To	Metres	Cu %	Zn %	Pb %
WCR001	586670	7694594	52	-60	203	72	54	56	2	0.04	2.85	0.02
and							57	62	5	0.77	0.12	0.01
WCR002	586706	7694594	54	-60	220	84	45	66	21	0.50	2.10	0.26
including							45	48	3	3.10	6.07	0.78
and							67	75	8	1.01	0.12	0.01
WCR003	586742	7694594	57	-59	222	96	57	62	5	1.89	2.53	0.39
and							59	81	22	1.35	0.58	0.08
WCR004	586583	7694625	53	-55	221	96	66	78	12	5.62	0.09	0.01
including							66	73	7	8.93	0.07	0.01
including							64	66	2	0.15	2.64	0.39
WCR005	586812	7694660	54	-55	221	90	68	74	6	0.05	3.09	1.36
including							68	70	2	0.10	3.73	2.90
WCR006	586595	7694630	53	-55	186	93	57	62	5	0.14	1.93	0.05
and							63	75	12	1.27	0.10	0.01
WCR007	586712	7694617	46	-60	224	99	78	90	12	0.86	0.13	0.01
including							83	90	7	1.04	0.10	0.01
WCR008	586394	7694725	54	-60	211	120	78	81	3	1.40	0.66	0.05
and							83	86	3	0.07	3.03	0.36
WCR009	586655	7694600	54	-90		102	68	77	9	0.02	3.50	0.32

RC Drill Results – Whim Creek Sulphide Extension.

The Whim Creek Mineral Resource and Ore Reserve was re-estimated in accordance with the JORC Code 2004. The revised Mineral Resource estimate (all categories) at a cut-off grade of 0.6% Cu Eq is 1.026 million tones grading 1.85% Cu Eq.

The new Probable Ore Reserve estimate is 0.691 million tones grading 2.2% CuEq, representing a 54% increase in contained metal (Cu Eq), over the previous estimate.

Review of Operations



Block model of sulphide resource beneath the Whim Creek oxide pit.

Salt Creek

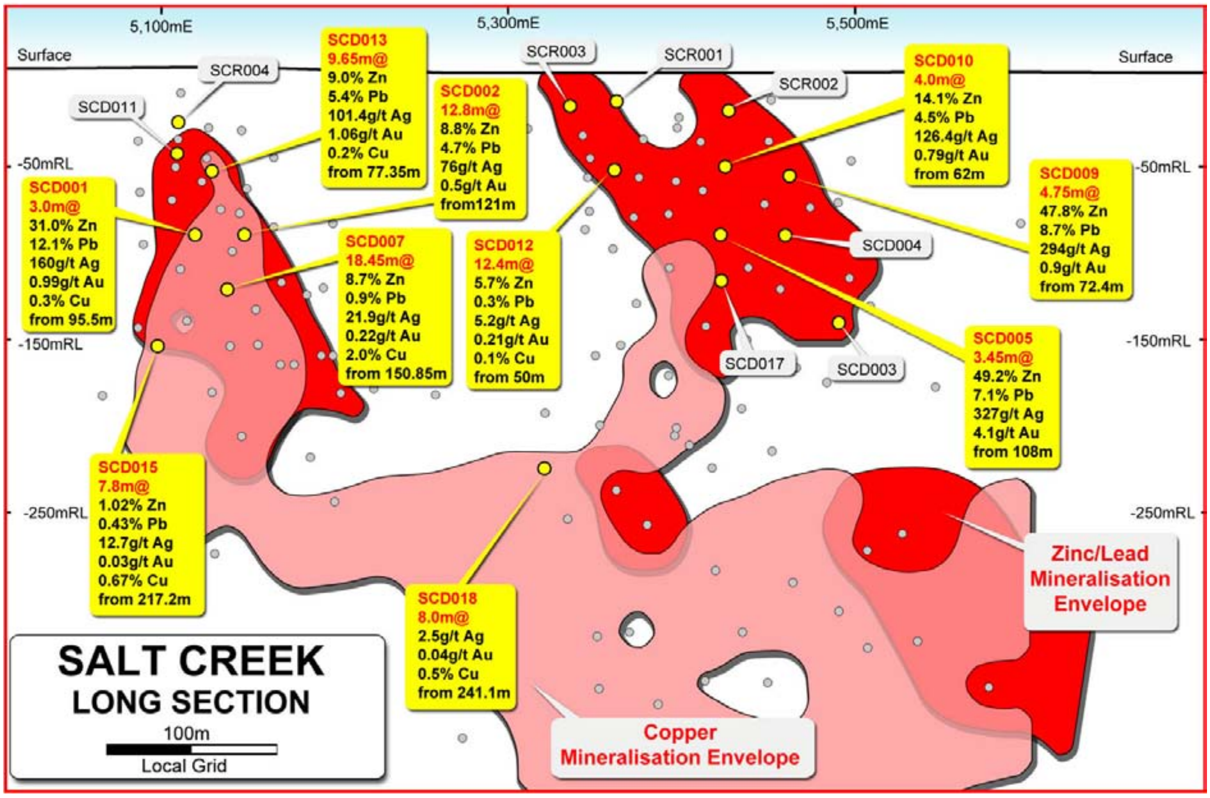
Resource definition drilling at Salt Creek has intersected very high grade zinc-lead-silver mineralisation. In the eastern massive sulphide lens, diamond hole SCD005 intersected 3.45 metres grading 49.2% Zn, 7.1% Pb, 327g/t Ag and 4.13g/t Au and SCD009 intersected 4.75 metres grading 47.8% Zn, 8.7% Pb, 294g/t Ag and 0.90g/t Au. The true width of this sub-vertical massive lens is estimated to range from two to three metres. In the western massive sulphide lens, diamond hole SCD002 intersected 12.8 metres grading 8.8% Zn, 4.7% Pb, 76g/t Ag and 0.54g/t Au. The drilling results have confirmed the continuity of very high grade mineralisation in the main zinc-lead-silver lenses at Salt Creek and support the potential for selective high-grade underground mining. A revised JORC compliant Mineral Resource estimation for these high grade zinc-lead-silver lenses.

In a new development, significant indium grades are also present in the massive sulphide zones, including 3.45m grading 223g/t In in SCD005 and 4.75m grading 69g/t In in SCD009. With the growing usage of indium in liquid crystal displays and thin-film solar technologies, the price of indium has increased substantially in the last 5 years and now trades at approximately US$600/kg after reaching a high of US$1,000/kg in 2006. The potential to recover the indium content to commercial zinc and lead concentrates is yet to be determined.

HoleID	Easting	Northing	RL	Dip	Azimuth	Depth	From	To	Metres	Cu %	Zn %	Pb %	Ag g/t	Au g/t
SCD001	573626	7704762	12	-60	332	147.4	95.5	98.5	3.0	0.27	30.98	12.12	160.00	0.99
SCD002	573466	7704612	10	-59	330	150.4	121.0	133.8	12.8	0.13	8.79	4.72	75.53	0.54
including							126.9	133.8	6.9	0.22	14.59	7.72	122.39	0.96
SCD004	573740	7704780	11	-63	330	144.4	no significant results							
SCD005	573696	7704763	12	-63	330	120.1	108.0	111.4	3.5	0.66	49.22	7.10	327.39	4.13
SCD007	573469	7704578	10	-66	330	192.7	150.9	169.3	18.5	2.01	8.71	0.92	21.89	0.22
including							150.9	160.9	10.1	1.19	14.59	1.59	27.61	0.30
including							159.4	169.3	10.0	3.36	3.39	0.40	19.79	0.16
SCD008	573776	7704746	10	-67	330	212	no significant results							
SCD009	573716	7704805	10	-65	330	90.4	72.4	77.2	4.8	0.17	47.79	8.66	294.21	0.90
SCD010	573681	7704799	10	-61	330	81.5	62.0	66.0	4.0	0.04	14.14	4.47	126.38	0.79
including							63.9	65.0	1.1	0.12	45.00	15.00	440.00	2.73
SCD011	573407	7704633	10	-62	330	93.5	no significant results							
SCD012	573644	7704729	10	-62	330	102.5	50.0	62.4	12.4	0.09	5.72	0.28	5.20	0.21
including							50.0	54.0	4.0	0.19	14.48	0.06	8.13	0.53
and							78.0	89.0	11.0	0.08	6.75	0.81	27.10	0.22
including							83.2	88.3	5.1	0.10	11.47	1.59	47.06	0.33
SCD013	573423	7704644	10	-62	330	114.4	77.4	87.0	9.7	0.22	9.00	5.39	101.40	1.06
SCD015	573450	7704551	10	-60	330	234.3	217.2	225.0	7.8	0.67	1.02	0.43	12.72	0.03
including							217.2	219.0	1.8	1.25	2.40	1.17	17.22	0.03
SCD017	573711	7704715	11	-65	330	176.9	no significant results							
SCD018	573694	7704539	14	-60	330	297.6	241.1	249.1	8.0	0.50	0.01	0.00	2.5	0.04
SCR001	573626	7704762	12	-60	330	51	12.0	15.0	3.0	0.20	1.27	3.90	33.30	0.44
SCR002	573669	7704820	10	-60	330	45	no significant results							
SCR003	573604	7704732	10	-60	330	45	no significant results							
SCR004	573388	7704667	10	-60	330	57	37.0	40.0	3.0	0.00	1.60	0.80	36.67	0.02
SCR011	573431	7704668	10	-60	330	95	70.0	77.0	7.0	0.03	0.70	1.43	96.43	0.02
including							76.0	77.0	1.0	0.06	2.38	4.95	310.00	0.04
SCR012	573439	7704653	10	-60	330	107	82.0	95.0	13.0	0.04	0.89	0.80	73.85	0.04
including							90.0	91.0	1.0	0.02	1.71	1.99	65.00	0.12

Salt Creek Drilling Results. SCD = diamond; SCR = RC. True width of mineralised zones is approximately 70% of the downhole width.

Review of Operations

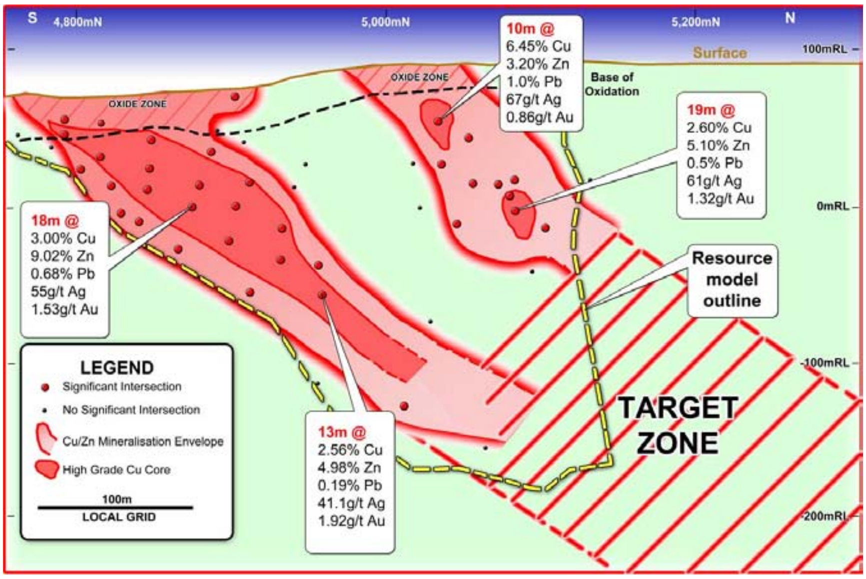


Long section of the Salt Creek VMS Deposit showing location of high grade zinc-lead-silver envelopes and lower copper envelope.

Liberty-Indee
(70%, 90% on decision to mine)

The Liberty-Indee Project is located 35km south of Whim Creek. Regional mapping has delineated a bi-modal volcanic sequence similar in character to many classic VMS settings around the world. The prospective VMS-host stratigraphy has been traced for over 12 strike kilometres and several mapped gossans and VTEM anomalies have been identified along its length.

Previously, Venturex has reported high grade copper-zinc-silver-gold intersections in massive sulphide at the Evelyn Prospect. RC drilling continued in the past year returned further significant intersections including: 20m grading 3.43% Cu, 6.47% Zn, 65g/t Ag, 1.73g/t Au; 17m grading 4.16% Cu, 8.7% Zn, 66g/t Ag, 1.03g/t Au and 15m grading 2.37% Cu, 3.75% Zn, 45g/t Ag, 0.84g/t Au. A subsequent phase of deeper drilling intersected massive sulphide mineralisation at a depth of approximately 200 metres below surface with RC hole number JER 56 intersecting 5 metres of massive sulphide with visible chalcopyrite from 231 metres, followed by a further 2.5 metres of disseminated mineralisation. The drilling has confirmed a high grade lens of mineralisation at least 240 metres in strike length with a true width of up to 16 metres. The massive sulphide lens is interpreted to plunge to the north and is open at depth. Grades within the massive sulphide zones are highly consistent with an average weighted grade of 3.71% Cu, 7.04% Zn, 65g/t Ag and 1.37g/t Au. To date, the total strike length of economically significant massive sulphide mineralisation is approximately 400 metres.



Long-section of the Evelyn Deposit (Liberty-Indee Project) showing limits of resource model and deeper target zone.

An Indicated and Inferred Mineral Resource of 657,000 tonnes grading 1.8% Cu, 3.7% Zn, 36g/t Ag and 0.8g/t Au was calculated for the Evelyn sulphide and transitional zone providing an initial and valuable contribution to the growing regional resource inventory around the recently acquired Whim Creek Operation. The Evelyn deposit remains open at depth and further resource growth is anticipated.

A single HQ diamond hole was drilled at the Evelyn Deposit to provide density data and metallurgical testwork samples. The hole intersected 9.7 metres of massive sulphide mineralisation assaying 3.7% Cu, 4.4% Zn and 1.1g/t Au. The average density of the interval was 4.5g/cm^3, 9% higher than the value used in the preliminary resource model.

HoleID	Easting	Northing	RL	Dip	Azimuth	Depth	From	To	Metres	ETW	Cu %	Zn %	Pb %	Ag g/t	Au g/t
JER056	587913	7667089	79	-61	130	262	232	236	4	2.5	1.41	1.99	0.23	27.50	0.35
JER057	587879	7667046	75	-61	130	250	no significant results								
JER058	587918	7667153	75	-60	130	280	no significant results								
JER059	587951	7667079	78	-60	130	196	no significant results								
JER060	587894	7666927	72	-61	130	112	72	90	18	14	3.00	9.02	0.68	55.00	1.53
JER061	587874	7666932	71	-61	130	136	111	112	1	0.6	0.89	14.50	1.33	55.00	0.26
JER062	587909	7666920	73	-60	130	82	64	71	7	5	3.10	3.68	0.13	40.71	1.06
JER063	587926	7666915	73	-60	130	58	41	46	5	3.5	2.27	1.74	0.25	33.00	0.62
JER064	587929	7666946	75	-60	130	82	65	74	9	7	1.79	1.49	0.19	29.44	0.49
including							65	69	4	3	3.21	2.18	0.31	52.50	0.96
JER065	587940	7666909	74	40	130	40	no significant results								
JER066	587894	7666958	73	-60	130	148	105	117	12	7.6	3.29	4.20	0.39	57.08	1.22
JER067	587895	7666891	71	-60	130	76	51	58	7	5.3	2.38	4.34	0.18	35.71	0.91
JER068	587908	7666882	71	-60	130	52	31	42	11	8	4.03	4.56	0.23	34.55	0.58
including							31	38	7	5	6.07	6.59	0.35	54.29	0.88
JER069	587906	7666992	75	-60	130	148	122	132	10	8	2.78	3.04	0.14	35.50	1.52
JER070	587922	7666980	75	-60	130	124	97	113	16	10.7	2.01	2.41	0.37	37.50	0.88
including							97	109	12	8	2.45	2.97	0.48	47.50	1.10
JER071	587939	7666975	77	-60	130	88	no significant results								
JER072	587869	7666840	69	-60	130	17	0	17	17	10	0.66	0.33	0.10	1.47	0.02
including							16	17	1	0.6	3.25	1.78	0.97	5.00	0.02
JER073	587865	7666843	69	-60	130	46	23	30	7	4.7	14.44	1.34	0.37	25.00	0.31
including							26	29	3	2	29.83	2.64	0.57	58.33	0.71
JER074	587907	7667025	75	-60	130	166	147	160	13	9	2.56	4.98	0.19	41.15	1.92
JER075	587851	7666844	75	-60	130	62	no significant results								
JED005	587887	7666914	76	-60	120	99.4	68.3	78	9.7	7	3.7	4.4	0.3	58.4	1.08

RC and Diamond (JED005) Drill Results – Evelyn Project

Oxide Zones

The VMS lenses are partially to completely oxidised within 20 vertical metres of surface. Significant intersections in the oxide and supergene zones include 17 metres grading 0.66% Cu from 0 metres and 20 metres grading 5.64% Cu from 16 metres, including 3 metres grading 29.8% Cu from 26 metres. A modest oxide copper resource is anticipated in these zones.

Liberty-Indee Regional Exploration

Regional field work has identified other historic workings and gossans two kilometres south of Evelyn and three kilometres north at Quarmby. It is anticipated that these areas will be drill tested in 2010-2011.

Hole	Collar Coordinates GDA94 MGA Zone 50		Dip/Az	End of Hole Depth	Sulphide Intersection								
	Easting	Northing			From	To	Width	ETW	Au g/t	Ag g/t	Pb %	Cu %	Zn %
JQR009	**589051.1**	**7670396.2**	**-60/270**	**136**	**25**	**26**	**1**	**N/A**	**0.08**	**0.00**	**0.00%**	**0.66%**	**0.09%**
JQR012	**588852.9**	**7670569.6**	**-60/270**	**124**	**52**	**58**	**6**	**N/A**	**0.15**	**0.00**	**0.00%**	**0.49%**	**0.12%**

RC Drill Results – Quarmby Prospect (Liberty-Indee).

Regional Pilbara VMS Exploration

The Company believes that significant potential exists to discover additional VMS deposits in the Whim Creek, Salt Creek and Liberty-Indee Project areas. To date, only five significant VMS deposits are known (all outcropping) while VMS Districts of similar scale typically contain 8-19 economic deposits. Approximately 36 km of known VMS horizon is yet to be fully explored with numerous gossans to be evaluated by drilling. Even in well explored areas there is limited drilling below a depth of 150 metres

On the Salt Creek trend, seven holes drilled at Balla Balla (three at Balla Balla and four at West Balla) around existing intersections intersected only weak mineralisation. The best hole BB023 was drilled along strike to the east of known mineralisation at Balla Balla and intersected 10 metres of sulphide mineralisation including a three metre zone of moderate to strong mineralisation (20-70% sulphides) containing mainly sphalerite with minor chalcopyrite and galena. This mineralisation is open to the east and down dip and will be further assessed together with other significant base metal anomalies identified on the Salt Creek VMS trend.

At Mons Cupri, several gossanous outcrops located on the outcropping VMS horizon to the north and south of the Mons Cupri Deposit were mapped and evaluated as future drill targets.

Prospect	HoleID	Easting	Northing	RL	Dip	Azimuth	Depth	From	To	Metres	Cu %	Zn %	Pb %	Ag g/t	Au g/t
Balla Balla	BBD023	579550	7706602	13	-60	180	294.8	247.4	258	10.60	0.21	**3.10**	**1.23**	5.2	0.03
including								247.4	250	2.60	0.31	**7.15**	**2.98**	6.9	0.03
& including								246.5	247.4	0.90	**1.69**	0.35	0.03	2.5	0.02
Balla Balla	BBD031	579550	7706602	13	-60	180	294.8	219.1	220.2	1.10	0.60	0.05	0.02	5.0	0.01

Diamond drill hole intersections, Balla Balla Prospect.

Scoping Study

The Company appointed Snowden Mining Consultants to undertake a Scoping Study into the development of a centralized Cu-Zn-Pb (Ag-Au) processing facility at Whim Creek. The Study draws on a significant technical database compiled by Straits Resources Limited and the revised Mineral Resource and Ore Reserve estimates and is expected to be completed in the second quarter of the 2010-2011 financial year. Key components of the Study include:

- Open pit mining at Mons Cupri, Whim Creek & Evelyn years 1-5
- High grade underground ore from Salt Creek in years 5-8
- Target production rate of 600-700ktpa grading >2.0% Cu Eq
- Standard VMS metallurgy
- Final feasibility decision in 2nd quarter of 2010-2011
- Development decision likely before 4th quarter 2010-2011
- Production possible by mid-2012

Tim Sugden (Managing Director) and Tony Kiernan (Chairman) watch Steven Wood (Exploration Manager) use Niton Analyser at Whim Creek.

Recommencement of SX-EW Copper Operations

During the year Venturex entered into an Agreement with WASCO Pty Ltd to recommence small-scale SX-EW operations at Whim Creek. WASCO commenced installation of a five tonne per day SX-EW plant in late July 2010. Sulphuric acid storage tanks were refurbished during the last quarter and irrigation of the existing heap leach pads is expected to recommence in the December 2010 quarter. Items of plant, including mixers, settlers and tanks have been constructed offsite. Production of cathode copper is expected to commence in the March 2011 quarter. Venturex holds a non-contributing 50% net profit interest (after recovery of capital) in the venture.

Other Australian Exploration

Soil sampling programs were conducted on the Kooline and Tarrawarra tenements located in the Ashburton and Carnarvon Basins, respectively. Weak gold anomalies were delineated at Kooline but follow-up work is not warranted. The tenement was halved during the year. Significant zinc-silver anomalies were confirmed at Tarrawarra. A short reconnaissance drill program may be conducted in the 2010-2011 year to test the anomaly for stratiform zinc-lead-silver mineralisation.

BRAZIL - FOCUSED ON GOLD EXPLORATION

During the year, the Company completed the acquisition of CMG Gold Ltd with controls CMG Mineração Ltda (CMGM), a focused Brazilian gold exploration company holding advanced gold assets in Mato Grosso. The primary goal of CMGM is to discover a large (> one million ounce) gold deposit.

Jatoba, Mato Grosso

Three diamond holes drilled beneath the Jatoba pit intersected broad zones of biotite, sericite and carbonate alteration but no significant gold assays were returned. It is believed that the auriferous veins observed on the pit floor were not adequately tested by drilling and further analysis of in-pit geology will be undertaken to determine the location and orientation of gold bearing structures. The Jatoba 866505 exploration licence was renewed for a further three years.

Tanque Fundo, Mato Grosso

Limited sampling work was conducted at Tanque Fundo. The exploration licence (866855) was renewed for a further three years.

St Elina, Mato Grosso

Six HQ diamond holes and 21 RC holes were drilled at the Abelha, Serra Dourada, Legarto and Bandierantes prospects. At Abelha low grade gold was intersected in holes 09SEDD001 (5 metre grading 0.21g/t Au from 2 metres) and 09SERC003 (4 metres grading 0.25g/t from 4 metres). These zones are within an east-dipping sequence of pyritic sheared and veined sandstones. At Legarto, two diamond holes for 149.8 metres were completed. Core recovery was hampered due to poor ground conditions, varying from intensely silicified breccias to soft ferruginous and kaolinitic material. A best result of 3.05 metres grading 0.56g/t was returned from a depth of 32.55 metres in hole 09SEDD006. A similar result of 3 metres grading 0.37g/t Au was returned from 14 metres in hole 09SERC015. At the Bandeirantes Prospect six RC holes for 321 metres were completed. The holes intersected breccia, schists and intensely deformed quartz veins. Following evaluation of all drill results and consideration of further exploration potential, the Company elected not to exercise its option to acquire the St Elina Project.

Review of Operations

Rio Pombo, Mato Grosso

Gold assays were received for 1,500 metres of trenching across veins, shears and broad zones of alteration in a range of predominantly granitic lithologies. Intersections include two metres grading 17.9 g/t Au and two metres grading 37.5 g/t Au. Disseminated pyrite and sheared sericite altered granitoids are the predominant host to broad low grade gold mineralisation. An initial drill program may be conducted in the current financial year.

Project Generation

During the year, CMGM continued to evaluate properties in Mato Grosso and identified farm-in or outright acquisition opportunities in Tapajós Region of Para State. It is expected that negotiations and technical assessment on tenements and tenure for a project in the Tapajós Region will be concluded in the December quarter of 2010.

At the Castelo dos Sohnos Project in Para, 20 samples collected from outcropping quartz vein systems did not return significant gold results. A number of additional garimpo workings in the local area will be evaluated before considering whether to withdraw this application.

Mineral Resources and Ore Reserves Tabulation

Statement as at 30 September 2010

RESOURCES									RESERVES							
Location	**JORC Classification**	**Tonnes x 1,000**	**Cu wt %**	**Zn wt %**	**Pb wt %**	**Ag g/t**	**Au g/t**	**CuEq wt %**	**JORC Classification**	**Tonnes x 1,000**	**Cu wt %**	**Zn wt %**	**Pb wt %**	**Ag g/t**	**Au g/t**	**CuEq wt %**
Whim Creek	Indicated	1,021	1.4	1.2	0.2	8.8	0.1	1.9	Probable	691	1.7	1.1	0.2	9.3	0.1	2.2
	Inferred	5.0	0.6	2.1	0.5	13.1	0.1	1.4								
	Sub-total	**1,026**	**1.4**	**1.2**	**0.2**	**8.8**	**0.1**	**1.9**	**Sub-total**	**691**	**1.7**	**1.1**	**0.2**	**9.3**	**0.1**	**2.2**
Mons Cupri	Measured	1,274	1.5	1.7	0.8	41.0	0.3	2.6								
	Indicated	3,617	0.7	1.1	0.4	17.0	0.1	1.3	Probable	2,775	1.1	1.8	0.8	32.1	0.2	2.2
	Inferred	53	0.7	0.6	0.2	8.8	0.0	0.9								
	Sub-total	**4,944**	**0.9**	**1.2**	**0.5**	**23.1**	**0.1**	**1.6**	**Sub-total**	**2,775**	**1.1**	**1.8**	**0.8**	**32.1**	**0.2**	**2.2**
Salt Creek	Indicated	1,705	1.5	3.6	1.1	42.3	0.2	3.3	Probable	1,400	1.3	3.5	1.0	34.0	0.2	2.9
	Inferred	127	0.1	6.5	2.6	66.6	0.2	3.2								
	Sub-total	**1,833**	**1.4**	**3.8**	**1.2**	**44.0**	**0.2**	**3.3**	**Sub-total**	**1,400**	**1.3**	**3.5**	**1.0**	**34.0**	**0.2**	**2.9**
Liberty-Indee	Indicated	453	2.2	4.5	0.4	42.0	0.9	4.4	Probable	***Conversion to Reserve Pending***						
	Inferred	204	1.0	1.8	0.2	22.4	0.4	2.0								
	Sub-total	**657**	**1.8**	**3.7**	**0.3**	**35.9**	**0.8**	**3.6**	**Sub-total**							
All Allocations	Measured	1,274	1.5	1.7	0.8	41.0	0.3	2.6	Proved							
	Indicated	6,796	1.1	2.0	0.5	23.8	0.2	2.1	Probable	4,866	1.3	2.2	0.7	29.4	0.2	2.4
	Inferred	389	0.7	3.2	1.0	34.9	0.3	2.2								
	Total Sulphide Resources	**8,459**	**1.1**	**2.0**	**0.6**	**26.9**	**0.2**	**2.2**	**Total Sulphide Reserves**	**4,866**	**1.3**	**2.2**	**0.7**	**29.4**	**0.2**	**2.4**

Note: Rounding errors may occur.

Mineral Resources and Ore Reserves Tabulation

Mons Cupri and Whim Creek Mineral Resource Estimate Parameters	
Tenement	The Mons Cupri Volcanogenic Massive Sulphide (VMS) deposit is within M47/238 and the Whim Creek VMS deposit is within M47/236 and M47/443 which are wholly owned by Venturex Pilbara Pty Ltd, a subsidiary of Venturex Resources Limited.
Geology	Mons Cupri and Whim Creek are Archaean polymetallic (Cu, Zn, Pb, Ag, Au) VMS deposits hosted by volcanogenic sediments. There are two principal styles of mineralisation: stratabound massive sulphide and stringer/feeder.
Previous Exploration	The sulphide zone at Mons Cupri was discovered by Texas Gulf Australia Ltd in the late 1960s. Further drilling was conducted by Dominion Mining Ltd and Straits (Whim Creek) Pty Ltd. In the 1960s and 1970s drilling and mining studies were conducted at the Whim Creek deposit by Whim Creek Consolidated NL and Dominion Mining Ltd. Straits (Whim Creek) mined the oxide resources via open cuts. Venturex Resources Limited acquired Straits (Whim Creek) Pty Ltd in February 2010 and commenced drilling in May 2010.
Drilling Technique	The drilling is diamond and reverse circulation (RC) with the majority of recent drilling being RC. Diamond core size is HQ and NQ. Core recovery is generally excellent. Core orientations were done where possible. Hole intersections points within the orebody are generally spaced 15 – 30 metres, with the majority less than 20 metres. Down hole orientation information is mainly from 30 metres-spaced single shots, with more recent drilling having some gyro to confirm the single shots. At Mons Cupri hole orientation is generally 30 – 90 degrees to the stratiform component of the ore body with the majority being ~60 degrees. At Whim Creek hole orientation is generally 60 – 90 degrees with the majority being ~80 degrees.
Logging and core photo's	Geological logging is sufficient and representative across the deposits. Wet core photographs have been taken of holes drilled in the last 6 years.
Sampling Technique	At Mons Cupri samples used in the resource estimation area are approximately 50% diamond core and 50% RC chips. Core samples are generally <1.5 metres. Recent RC samples are generally 1m splits.
Sample preparation and Assay Technique	Recent samples were analysed at UltraTrace Laboratories, Perth, WA. Samples were dried, crushed, split with a riffle splitter and pulverized. Au, Cu & Zn was determined by ICP Optical Emission Spectrometry. Ag & Pb was determined by ICP Mass Spectrometry.
Database and QAQC	DataShed™ was used for drill hole and sample data storage and validation. Samples with QAQC data were evaluated using QAQCR assay quality reporting software. QAQC data evaluation included field duplicates, lab standards, repeats and lab blank flushes.
Interpretation	Geological confidence is high for the main high grade stratabound zone in both deposits. At Mon Cupri geological confidence is moderate in the lower zinc zone and the stringer/feeder zone where grade distributions are more erratic and data density is lower. Cut-off grades were determined using log probability plots. The high grade zone wireframes were interpreted using a 0.8% Cu and 2% Zn cut-off. At Mons Cupri the stinger/feeder zone was interpreted using 0.2% Cu cut-off.
Dimensions	At Mons Cupri the high grade stratabound zone measures ~300 metres (NW) by 160 metres (NE). It is approximately 30 metres thick and dips to the west at 30 degrees. The stringer feeder zone measures 350 metres (EW), 150 metres (down dip) and is generally 30 metres thick. At Whim Creek.the ore body measures ~500 metres (EW) by ~100 metres (NS). It averages 8 metres in thickness and dips ~30 degrees to the north.
Estimation and Modelling Techniques	The block models and estimations were conducted using Vulcan 8.0 software. The block model had a parent cell measuring 10 metres (X axis), 10 metres (Y) and 3 metres (Z) with sub-cells of 2 metres (X), 2 metres (Y), 0.5 metres (Z). This block size is appropriate given an average drill spacing of 20 metres. The estimation was performed using ordinary kriging. Search ellipse parameters were derived from variograms using Snowden Supervisor software. Top cuts were determined using log probability plots. At Mons Cupri a top cut of 4g/t Au and 2% Pb was used in the high grade domain and top cuts of 4% Zn and 1.5% Pb were used in the copper stringer/feeder zone. At Whim Creek top cuts of 15% Cu and 20% Pb were used in the transitional zone. The estimations were validated against original composite grades, by section and globally.
Moisture	Tonnages are estimated on a dry basis. Moisture content in ore is expected to be very low.
Bulk Density	For the Mons Cupri deposit assigned average specific gravity (SG) values were used in the resource estimation: 2.3 g/cm^3 for oxide waste (based on historical determinations), 2.8 g/cm^3 for fresh waste, 2.9 g/cm^3 for the stringer/feeder zone, 3.0 g/cm^3 for the high grade copper zone and 3.2 g/cm^3 for the high grade zinc zone. SG was determined by the water immersion technique on drill core. For the Whim Creek deposit assigned specific gravity (SG) values were used in the resource estimation based on historical determinations: 2.67 g/cm^3 for oxide material, 2.76 g/cm^3 for transitional and fresh waste, 2.79 g/cm^3 for transitional ore and 2.91 g/cm^3 for fresh ore.
Classification	Classifications into Inferred, Indicated and Measured categories are based on a combination of average weighted distance from sample points, variography, drill density and geological confidence.
Cu Eq Calculation	The Cu Eq (Copper Equivalent) calculation is based on metal values and relative process recoveries (see below). Based on metallurgical recoveries and projected concentrate grades, the Company believes that revenue will be received for each of these metals. The Cu Eq formula used in this report is as follows: Cu Eq = Cu% + Zn% x 0.28 + Pb% x 0.26 + Ag(ppm) x 0.008 + Au(ppm) x 0.513
Mons Cupri and Whim Creek Ore Reserve Parameters	
Status of scoping studies	Venturex Resources Limited (the Company) is currently conducting a Scoping Study into the development of a base metals operation centred on the established Whim Creek Mining Leases (M47/236, M47/237, M47/238, M47/443, M47/323, M47/324). The Study is based on feasibility studies previously conducted by Straits Resources Limited from 2004 to 2008. Previous work includes resource/reserve estimation, open pit and underground mine design, metallurgical test work, mill design and costing and environmental and social impacts. The Company is of the view that a substantial component of the Mons Cupri and Whim Creek Mineral Resource can be converted to Ore Reserves because there is a reasonable expectation that an economically-viable development will proceed and additional approvals, licences and contracts will be received or modified. The Whim Creek site includes substantial mining infrastructure, including crusher, workshops, water bores, power distribution systems, accommodation and haul roads.

Net Smelter Return	The Probable Ore Reserves was estimated using a Net Smelter Return estimate on a Cost, Insurance and Freight (CIF) basis and incorporating commercial factors relating to:
	◥ Metal prices
	  ◥ Copper US$6612/t; Zinc US$1983/t; Lead US$1983/t; Silver US$18/oz; Gold US$1200/oz
	◥ Flotation recoveries to copper, zinc and lead sulphide concentrates:
	  ◥ Copper 92%; Zinc 85%; Lead 80%,
	  ◥ 95% Ag and 90% Au (split between Cu, Zn and Pb concentrates)
	◥ Smelter terms
	  ◥ Copper conc: 1% deduction; 97% payable

<table>
<tr><td></td><td>- Zinc conc: 8% deduction; 97% payable
- Lead conc: 3% deduction; 97% payable
- Au and Ag: variable
Foreign exchange (A$1.0 = US$0.89)
Haulage, shipping and loading (via Port Hedland) A$70/t
Treatment and refining charges
- Copper US$50/t concentrate; US$.05/lb
- Zinc US$240/t concentrate; US$.05/lb
- Lead US$160/t concentrate; US$.075/lb
- Silver US$0.5/oz
- Gold US$5.0/oz
State Royalty 5%</td></tr>
<tr><td>Market Assessment</td><td>The Company has conducted extensive evaluations of demand, supply and stock situations for copper, zinc, lead and the precious metal by-products. The metal values used in the optimization are considered reasonable in the context of consensus demand/supply outlook.</td></tr>
<tr><td>Site Costs</td><td>Fixed & variable processing charge = $43.3/t (assuming a milling rate of 600,000t per annum)</td></tr>
<tr><td>Cut-off parameters</td><td>The economic cut-off grade based on the estimated NSR, mining costs and site processing costs is 0.85% Cu Eq.</td></tr>
<tr><td>Dilution</td><td>Mining dilution is considered to be incorporated into block grade estimates because of the smearing effect of ordinary kriging. In subsequent feasibility studies, specific dilution parameters will be determined for the edges of the ore domains, but given the thickness and continuity of mineralisation and gradational ore contacts on the lower margins, net dilution is expected to be minimal.</td></tr>
<tr><td>Open pit mining costs</td><td>
<table>
<tr><th><u>Mons Cupri</u>
Load &Haul</th><th>Total Waste Cost (A$/bcm)</th><th>Additional Costs for Ore (A$/bcm)</th></tr>
<tr><td>RL 1143-1134</td><td>4.68</td><td>2.21</td></tr>
<tr><td>RL 1134-1122</td><td>5.47</td><td>2.16</td></tr>
<tr><td>RL 1122-1110</td><td>5.39</td><td>1.94</td></tr>
<tr><td>RL 1110-1098</td><td>5.07</td><td>1.99</td></tr>
<tr><td>RL 1098-1086</td><td>4.76</td><td>2.11</td></tr>
<tr><td>RL 1086-1074</td><td>4.81</td><td>2.05</td></tr>
<tr><td>RL 1074-1062</td><td>4.99</td><td>2.07</td></tr>
<tr><td>RL 1062-1050</td><td>5.39</td><td>1.99</td></tr>
<tr><td>RL 1050-1038</td><td>5.39</td><td>2.24</td></tr>
<tr><td>RL 1038-987</td><td>5.92</td><td>2.48</td></tr>
<tr><td>RL 987-936</td><td>6.48</td><td>2.68</td></tr>
<tr><td>RL 936-885</td><td>7.04</td><td>2.89</td></tr>
<tr><td><u>Whim Creek</u></td><td></td><td></td></tr>
<tr><td>RL 1078-1066</td><td>4.68</td><td>2.21</td></tr>
<tr><td>RL 1066-1054</td><td>5.47</td><td>2.16</td></tr>
<tr><td>RL 1054-1042</td><td>5.39</td><td>1.94</td></tr>
<tr><td>RL 1042-1030</td><td>5.07</td><td>1.99</td></tr>
<tr><td>RL1030-1018</td><td>4.76</td><td>2.11</td></tr>
<tr><td>RL 1018-1006</td><td>4.81</td><td>2.05</td></tr>
<tr><td>RL 1006-994</td><td>4.99</td><td>2.07</td></tr>
<tr><td>RL 994-982</td><td>5.39</td><td>1.99</td></tr>
<tr><td>RL 982-970</td><td>5.39</td><td>2.24</td></tr>
<tr><td>RL 970-958</td><td>5.92</td><td>2.48</td></tr>
</table>
Drill & Blast $2.0/bcm</td></tr>
<tr><td>Wall angles</td><td>Wall angles of 49 degrees in the oxide zone and 55 degrees in the primary zone were used in the Whittle optimisations.</td></tr>
</table>

Salt Creek Mineral Resource Estimation Parameters	
Tenement	The Salt Creek Volcanogenic Massive Sulphide (VMS) deposit is within M47/323 which is wholly owned by Venturex Pilbara Pty Ltd, a subsidiary of Venturex Resources Limited.
Geology	Salt Creek is an Archaean polymetallic (Cu, Zn, Pb, Ag, Au) VMS deposit hosted by steeply dipping, overturned volcanogenic sediments. There is usually a footwall ignimbrite. There are two principal styles of mineralisation: stratabound Zn-Pb-Ag massive sulphide and stratabound Cu sulphide The two types of mineralisation are discrete, sub-parallel and rarely in contact.
Previous Exploration	The sulphide zone at Salt Creek was discovered by Texas Gulf Australia Ltd in the late 1960s. Further drilling was conducted by Dominion Mining Ltd and Straits (Whim Creek) Pty Ltd. Venturex Resources Limited acquired Straits (Whim Creek) Pty Ltd in February 2010 and commenced drilling in May 2010.
Drilling Technique	The drilling is diamond and reverse circulation (RC) with the majority of recent drilling being diamond. Diamond core size is HQ and NQ. Core recovery is generally excellent. Core orientations were done where possible. Hole intersections points within the orebody are generally spaced 20 - 50 metres. Down hole orientation information is mainly from 30 metres-spaced single shots, with more recent drilling having some gyro and multishots to confirm the single shots. The angle of intersection with the massive sulphide lenses is generally 45 degree.
Logging and core photo's	Geological logging is sufficient and representative across the deposits. Wet core photographs have been taken of holes drilled in the last 6 years.
Sampling Technique	Samples used in the resource estimation area are approximately 90% diamond core and 10% RC chips. Core samples are generally <1 metre. Recent RC samples are generally 1m splits.
Sample preparation and Assay Technique	Samples were analysed at ALS Laboratories, Perth, WA. Au was determined by Atomic Absorption Spectroscopy, Ag, Cu, Pb, Zn was determined by ICP-AES (Inductively-Coupled Plasma Atomic Emission Spectrometer).
Database and QAQC	DataShed™ was used for drill hole and sample data storage and validation. Samples with QAQC data were evaluated using QAQCR assay quality reporting software. QAQC data evaluation included field duplicates, lab standards, repeats and lab blank flushes.

Mineral Resources and Ore Reserves Tabulation

Interpretation	There are three main zinc-lead-silver massive sulphide lenses, Contacts with surrounding sediments and volcanic are generally sharp. Continuity between drill intersection points is reasonably planar. The copper zone is broader and increases in strike length with depth.
Dimensions	Zinc-lead-silver massive sulphide lenses are 100-150 metres x 200 metres with true widths of 1-5 metres. The lenses dip steeply to the north and pitch steeply to the east. The copper lenses have less clearly defined margins. They are sub-parallel to the zinc-lead-silver lenses and widen to around 7 metres true thickness in higher grade zones.
Estimation and Modelling Techniques	The block models and estimations were conducted using Surpac V6.01 software. The block model had a parent cell measuring 2 metres (X axis), 20 metres (Y) and 20 metres (Z) with sub-cells of 2 metres (X), 5 metres (Y), 5 metres (Z). This block size is appropriate given an average drill spacing of 50 metres. The estimation was performed using ordinary kriging. Search ellipse parameters were derived from variograms.
Moisture	Tonnages are estimated on a dry basis. Moisture content in ore is expected to be very low.
Bulk Density	Bulk densities were estimated by ordinary kriging for ore domains.
Classification	Classifications into Inferred and Indicated categories are based on drill density and geological confidence.
Cu Eq Calculation	The Cu Eq (Copper Equivalent) calculation is based on metal values and relative process recoveries (see below). Based on metallurgical recoveries and projected concentrate grades, the Company believes that revenue will be received for each of these metals. The Cu Eq formula used in this report is as follows: Cu Eq = Cu% + Zn% x 0.28 + Pb% x 0.26 + Ag(ppm) x 0.008 + Au(ppm) x 0.513

Salt Creek Open Pit and Underground Ore Reserve Estimation Parameters

Status of scoping studies	Venturex Resources Limited (the Company) is currently conducting a Scoping Study into the development of a base metals operation centred on the established Whim Creek and Salt Creek Mining Leases (M47/236, M47/237, M47/238, M47/443, M47/323, M47/324). The Study is based on feasibility studies previously conducted by Straits Resources Limited from 2004 to 2008. Previous work includes resource/reserve estimation, open pit and underground mine design, metallurgical test work, mill design and costing and environmental and social impacts. The Company is of the view that a substantial component of the Salt Creek Resource can be converted to Ore Reserves because there is a reasonable expectation that an economically-viable development will proceed and additional approvals, licences and contracts will be received or modified. The Whim Creek site includes substantial mining infrastructure, including crusher, workshops, water bores, power distribution systems, accommodation and haul roads.

Metal Pricing and Marketing	The Probable Ore Reserves was estimated using the following parameters:
	- Metal prices
	  - Copper US$7936/t; Zinc US$2314/t; Lead US$1983/t; Silver US$18/oz; Gold US$1200/oz
	- Flotation recoveries to copper, zinc and lead sulphide concentrates:
	  - Copper 85%; Zinc 87%; Lead 80%,
	- Foreign exchange (A$1.0 = US$0.9)
	- Marketing Charges (inc. shipping and TC/RC)
	  - Copper A$1298/t
	  - Zinc A$714/t
	  - Lead A$942/t
	- State Royalty 5%

Market Assessment	The Company has conducted extensive evaluations of demand, supply and stock situations for copper, zinc, lead and the precious metal by-products. The metal values used in the optimization are considered reasonable in the context of consensus demand/supply outlook.
Site Costs	Processing, fixed and marketing costs for open pit ore = $42/t Mining, processing, fixed and marketing costs for underground ore = A$78.55/t
Cut-off parameters	For open pit production, the economic cut-off grade is 0.7% Cu Eq. For underground production, the economic cut-off grade based on the estimated NSR, mining costs and site processing costs is 1.05% Cu Eq.
Dilution	Mining dilution is considered to be incorporated into block grade estimates because of the smearing effect of ordinary kriging. In subsequent feasibility studies, specific dilution parameters will be determined for the edges of the ore domains, but given the thickness and continuity of mineralisation and gradational ore contacts on the lower margins, net dilution is expected to be minimal.

Open pit mining costs

Load &Haul	**Total Waste Cost (A$/bcm)**	**Costs for Ore (A$/bcm)**
RL 1020-1002	4.20	5.70
RL 1002-984	4.55	5.85
RL 984-966	5.40	5.85
RL 966-948	6.20	6.15
RL 948-930	6.55	6.45
RL 930- 912	6.90	6.75
RL 912-894	7.25	7.05
RL 894-876	7.60	7.35

Drill & Blast $2.0/bcm

Wall angles	In the Salt Creek oxide zone, face height is 18 metres, face angle is 60 degrees and berm width is 5 metres. In the primary zone the overall wall angles is 46 degrees.
Underground mining parameters	Decline: 5x5m and 1:7 gradient; open stope mining method for all lenses; minimum mining width 2.5 metres; 20 metre stoping heights; 60 metres between sills; overall mining loss 20%; dilution 10%.
Notes	The Company is currently revising the Mineral Resource estimate using new drilling data and more tightly constrained wireframe models. A revised Ore Reserve will follow.

Evelyn Mineral Resource Estimation Parameters

Geological Setting	Copper-zinc-lead-silver-gold mineralisation at Evelyn is believed to be a structurally modified Volcanogenic Massive Sulphide (VMS) deposit, associated with mafic volcanic stratigraphy. The VMS horizon can be traced for approximately 12 kilometres along strike.
Drilling techniques	The resource estimate is based on 3,327 samples derived from 61 reverse circulation (RC) holes and 4 diamond holes.
Drill hole spacing	Typical spacing of intersection points in the massive sulphide was between 10m and 30m
Drill hole collar positions	Collar positions were determined using a Trimble Pathfinder differential GPS, providing accuracy of less than 100cm.
Down hole surveys	Dip and azimuth readings were taken every 10 to 50 metres using a downhole camera.
Intersection angle	Most RC holes were drilled perpendicular to the strike of the massive sulphide lenses. The angle of intersection between

Mineral Resources and Ore Reserves Tabulation

	the lenses and holes is generally 60 to 70 degrees.
Sampling	The samples within the ore were all virtually 1m in length therefore no compositing of samples was required or performed.
Sample preparation and assaying	The samples were analysed at UltraTrace Laboratories. Samples were dried, crushed, split with a riffle splitter and pulverized. Au, Cu & Zn determined by ICP Optical Emission Spectrometry. Ag & Pb determined by ICP Mass Spectrometry.
Data validation	DataShed was used for drillhole and sample data storage and validation.
Density	218 density determinations were determined using the pycnometer method. 66 values are inside the ore zone as defined by the wireframe, and 152 sit outside the ore wireframe. The overall average density value in the ore zone is 4.17 t/m3. In the absence of any values for weathered ore Optiro used conservative values of 3.0 and 3.5 for oxidised ores and transitional sulphides respectively.
Quality control procedures	Samples with QAQC data were evaluated using QAQCR assay quality reporting software. QAQC data evaluation included field duplicates, lab standards, repeats and lab blank flushes.
Geological interpretation	Venturex developed a Vulcan format wireframe of the interpreted mineralisation and the surface topography. These wireframes was converted into Datamine format for resource estimation. No validation or modification of the wireframes was performed by Optiro. Surfaces were constructed for the base of complete oxidation (BOCO) and top of fresh rock (TOFR). The information contained in the historical geology logs as well as the collar file were combined with 29 down hole depths recorded for the TOFR and 9 depths for the BOCO.
Dimensions	Two massive sulphide lenses (North and South) have been identified by RC drilling. The North Lens has a long axis length of approximately 200 metres and plunges to the north at approximately 50 degrees. The larger South Lens has a long axis length of at least 300 metres and plunges to the north at approximately 40o. The horizontal strike length is in the range 60-125 metres and maximum true width is approximately 16 metres. The lens is open at depth and interpreted to extend below the North Lens.
Estimations and modeling techniques	The resource calculation was conducted by Optiro Pty Ltd using data and interpretations supplied by Venturex. Grades were estimated using ordinary kriging.
Block modeling	The deposit was modelled using a 5 mE by 10 mN by 10 mRL block size with sub-blocking to a minimum of 0.5 m in each dimension to correctly honour the volume of the lode and weathering horizons.
Cut-off grades, top-cut grades	A top-cut of 20% Cu was applied to copper grades in the oxide and transitional zones.
Model Validation	The resource model was validated against the input data by comparison of the average input composite and output block grades and visual comparison in section and plan views.
Metal Values	A copper equivalent grade (Cueq) was calculated in the model using the following prices: ◥ copper $6,900 per tonne ◥ zinc $2,200 per tonne ◥ lead $2,500 per tonne ◥ silver $18 per oz ◥ gold $1,100 per oz
Classification	The classification applied to the Evelyn resource is based on the calculated kriging efficiencies and slopes of regression in the block model. The parameters reflect the quality of the estimates with regard to the data density and modelled variogram. The blocks with closely spaced data therefore receive a higher classification that those further away from data. The classification takes into account only the spatial continuity demonstrated in this round of grade estimation.

COMPETENCY STATEMENT

Competency Statements: The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves at Whim Creek, Mons Cupri, Salt Creek, Liberty-Indee and Brazil is based on information compiled by Dr Tim Sugden BSc, PhD, and Mr Steven Wood who are Members of the Australasian Institute of Mining and Metallurgy. Dr Sugden and Mr Wood are full-time employees of Venturex Resources Limited and have sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Sugden and Mr Wood consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Schedule of Tenement Interests

As at 30 September 2010, 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 ENTITY'S INTEREST
AUSTRALIA		
Liberty-Indee Project	E47/1209	70% (90% on decision to mine)
Liberty-Indee Project	E47/1796	70% (90% on decision to mine)
Kooline Project	E08/1515	100%
Tarrawarra Project	E08/1737	100%
Whim Creek Project	E47/976	100%
Whim Creek Project	M47/236	100%
Whim Creek Project	M47/237	100%
Whim Creek Project	M47/238	100%
Whim Creek Project	M47/443	100%
Salt Creek Project	E47/1088	100%
Salt Creek Project	E47/924	100%
Salt Creek Project	M47/323	100%
Salt Creek Project	M47/324	100%
BRAZIL		
Jatoba	EL 866505/2004	100% CMGM
	EL 866020/2007	100% CMGM
Rio Pombo	EL 866691/2003	100% CMGM
	EL 866692/2003	100% CMGM
	EL 866943/2005	100% CMGM
	EL 866238/2008	100% CMGM
Nova Canaa (Colider)	EL 866718/2008	100% CMGM
	EL 866719/2008	100% CMGM
	EL 866721/2008	100% CMGM
	EL 866722/2008	100% CMGM
	EL 866820/2008	100% CMGM
Tanque Fundo	EL 866855/2006	100% CMGM
	ELA 866239/2008	100% CMGM
	EL 867376/2008	100% CMGM
	ELA 867377/2008	100% CMGM
Serrinha	EL 866127/2007	100% CMGM
Castelo de Sonhos	ELA 850171/2010	100% CMGM
	ELA 850172/2010	100% CMGM

Key: *E/EL = Exploration Licence*
M = Mining Lease
CMGM = CMG Mineração Ltda

Corporate Governance Statement

Venturex Resources Limited (the Company) is committed to protecting and enhancing Shareholder value and adopting corporate governance policies and processes appropriate for the size, complexity and operations of the Company and its subsidiaries. This Corporate Governance Statement outlines the Corporate Governance practices that were in place throughout the financial year which comply with the ASX Corporate Governance Principles and Recommendations unless otherwise stated. Where a recommendation has not been followed, this is clearly stated along with an explanation for the departure in compliance with the “if not, why not” regime.

Principle 1 – Lay solid foundations for management and oversight

Companies should establish and disclose the respective roles and responsibilities of board and management.

Recommendation 1.1: Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.

Separate functions of the Board and Management existed and were practised throughout the year.

The Company operates under a Board Charter which establishes the functions reserved to the Board. The Board Charter summarises the roles, responsibilities, policies and processes of the Board and comments on its approach to corporate governance. The primary responsibilities of the Board include:

- Providing leadership of the organisation, strategy formulation and overseeing planning activities
- Ensuring corporate accountability through effective Shareholder communication and reporting on the performance and state of the Company
- Monitoring, compliance and risk management with control and accountability systems, regulatory requirements and ethical standards
- Ensuring the integrity of the Company’s financial reporting and overseeing the independence of the external auditors
- Management and mentoring of senior Management and ensuring appropriate systems are in place to provide for the health, safety and well-being of its employees and contractors
- Delegation of authority to Management and Committees to enable the Company to be run effectively.

The Company has established the functions delegated to senior Executives.

The Board Charter summarises the roles and responsibilities of the Managing Director and the Company Secretary, and specific responsibilities are included in their employment contracts. The Company also employed an additional Executive Director for the entire period and his roles and responsibilities are included in his employment contract. The Managing Director must consult the Board on matters that are sensitive, extraordinary, involve assets divestments or acquisitions above specified values, or of a strategic nature. The Company Secretary supports the effectiveness of the Board.

Recommendation 1.2: Companies should disclose the process for evaluating the performance of senior executives.

The process for evaluating the performance of senior executives is detailed in the Board Charter and is based on the setting of individual performance targets at the commencement of the year are aligned to business goals and requirements of the position. An informal assessment is conducted at half year and a full evaluation of the individual’s performance against agreed targets is conducted at year end.

Recommendation 1.3: Companies should provide the information indicated in the Guide to reporting on Principle 1.

Details of matters reserved to the Board and delegated to senior Executives are outlined in the Board Charter. A copy of the Board Charter is publicly available on the Company’s website.

The Company did not fully comply with the documented process of evaluating the performance of senior executives as individual goal setting and formal evaluations were replaced by collective performance targets. Due to the Company’s growth strategy during the year, the Directors and Management reviewed and agreed to a Company strategy and associated performance criteria which were reviewed at each formal Board meeting.

Principle 2 – Structure the board to add value

Companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties.

Recommendation 2.1: A majority of the board should be independent directors.

The following table identifies the members of the Board during the Reporting Period and the independent or non-independent status of the Directors:

Dates	Board Members	Independent/Non-Independent
1/7/09 – 30/6/10	Michael Mulroney	Non-independent
	Tim Sugden	Non-independent
	Allan Trench	Independent
	Anthony Reilly	Non-independent

The Company did not comply with Recommendation 2.1 throughout the year. As at 30 June 2010 the Board consisted of four Directors. One is not considered independent as his individual controlled or associated equity interests exceed 5% of the Company’s total issued capital and two others are Executive Directors who held equity interests of more than 5% at some point during the period. Since the end of the reporting period, the Board has appointed an independent Non-Executive Chairman taking the number of independent Directors to two.

Although it is the Company’s long term aim to comply with Recommendation 2.1, the existing independent and non-independent Directors have a broad range of technical, commercial and financial skills, combined with appropriate experience at senior corporate levels, ensuring that the interests of all Shareholders are appropriately served.

In accordance with the Corporations Act 2001, a Director will not be permitted to be present during discussion or to vote on matters where there is a conflict of interest. The Directors and Officers must declare to the Board immediately prior to a meeting or when it becomes known that the Director or Officer has **any** interest in a transaction, activity or negotiation whereby a potential conflict of interest may occur. The enforcement of this requirement aims to ensure that the interest of Shareholders, as a whole, is pursued and that their interest or the Director's judgement is not impaired.

Recommendation 2.2: The chair should be an independent director.

Dr Allan Trench held the position of Non-Executive Chairman for the entire period and is considered to be an independent Director.

Recommendation 2.3: The roles of chair and chief executive officer should not be exercised by the same individual.

The roles of Chairman and Managing Director were exercised by different individuals for the entire period, providing for clear division of responsibility at the head of the Company. Their roles and responsibilities, and the division of responsibilities between them, are clearly understood and there is regular communication between them.

Recommendation 2.4: The board should establish a nomination committee.

The Company has established a duly constituted Remuneration and Nomination Committee consisting of two Non-Executive Directors and the Managing Director. The Committee is chaired by the independent Non-Executive Chairman of the Board. The purpose of the Committee is detailed in the Board Charter.

The Committee holds a minimum of one meeting a year. Details of members of the Committee and attendance of the members are contained in the Directors' Report.

The Remuneration and Nomination Committee did not meet all requirements of Recommendation 2.4 as it did not consist entirely of independent Directors. Given the size and composition of the Board it was not considered practicable to comply with this recommendation.

Prior to the appointment of a new director, the Remuneration and Nomination Committee assesses the skills represented on the Board by the Non-Executive Directors and determines whether those skills meet the skills identified as required. The Committee will then implement a process to identify suitable candidates for appointment. The Committee makes recommendations to the Board on candidates it considers appropriate for appointment.

The Company's Constitution requires one-third of Directors to retire from office at each Annual General Meeting. A retiring Director is eligible for re-election. The Directors to retire at an Annual General Meeting are those who have been longest in office since their last election.

Recommendation 2.5: Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.

The Company's evaluation processes are covered under the Board Charter which requires that the evaluations are conducted on an annual basis. The Board did not perform a formal Board evaluation process during the period, however the Board did set goals for corporate achievement and reviewed its progress at all formal Board meetings. This appears as a separate item in the Board Papers at each formal Board meeting.

Recommendation 2.6: Companies should provide the information indicated in the Guide to reporting on Principle 2.

Profiles of each Director containing their skills, experience, expertise and term of office is set out in the Directors' Report.

A Director of the Company is expected to exercise considered and independent judgment on the matters before them. The Company has a policy to allow Directors to seek independent, expert opinion on matters before them with prior consultation with the Chairman. All Directors have the individual authority to commit the Company to up to $2,000 per annum in professional advice.

Any departures from these recommendations are described in the relevant section.

Principle 3 - Promote ethical and responsible decision-making

Companies should actively promote ethical and responsible decision-making.

Recommendation 3.1: Companies should establish a code of conduct and disclose the code or a summary of the code as to:

- the practices necessary to maintain confidence in the company's integrity
- the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders
- the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Board strives to be fully compliant with this Recommendation and places great emphasis on ethics and integrity in all its business dealings. The Board considers the business practices and ethics exercised by individual Board members and senior Executives to be of the highest standards. The Company has a Directors' Code of Conduct and a Code of Conduct Policy for all Directors and Staff which defines its commitment to achieve the Recommendations of 3.1. This information is included in the Board Charter document listed on the Company's website.

Recommendation 3.2: Companies should establish a policy concerning trading in company securities by directors, senior executives and employees, and disclose the policy or a summary of that policy.

The Company has an established policy relating to trading in the Company's shares. The policy restricts Directors and Employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the securities' prices. Statutory provisions of the Corporations Act dealing with insider trading have been strictly complied with.

The Company issues this policy to all Directors, Officers, staff and contractors and regularly monitors its compliance.

The Company's Share Trading Policy is disclosed on the Company's website as an attachment to the Board Charter.

Recommendation 3.3: Companies should provide the information indicated in the Guide to reporting on Principle 3.

Corporate Governance Statement

The Company did not depart from the Recommendations of Principle 3.

The practices described are outlined in the Company's Board Charter and disclosed on the Company's website.

Principle 4 - Safeguard integrity in financial reporting

Companies should have a structure to independently verify and safeguard the integrity of their financial reporting.

Recommendation 4.1: The board should establish an audit committee.

The Board has established an Audit, Risk and Compliance Committee, the roles and responsibilities of which are detailed under the Board Charter. It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, including the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information. The Board has delegated responsibility for the establishment and framework of internal controls and ethical standards for the management of the Company to the Audit, Risk and Compliance Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports.

Recommendation 4.2: The audit committee should be structured so that it:

- consists only of non-executive directors
- consists of a majority of independent directors
- is chaired by an independent chair, who is not chair of the board
- has at least three members.

The Audit, Risk and Compliance Committee consists of two Non-Executive Directors (one independent) and the Managing Director. The Audit, Risk and Compliance Committee is chaired by a Non-Executive Director of the Board. The current members of the Committee and the number of meetings attended are detailed in the Directors' Report.

The Audit, Risk and Compliance Committee did not meet all requirements of this recommendation as it did not consist of only independent Directors and the Chair was not independent. Given the size of the Board it was not considered practicable to comply with this recommendation.

The Audit, Risk and Compliance Committee generally invites the external auditors to attend meetings and the Company Secretary performs the role of the Secretary at the meetings.

Recommendation 4.3: The audit committee should have a formal charter.

A formal Audit, Risk and Compliance Committee charter and the roles and responsibilities of the Committee are detailed under the Board Charter. Ultimate responsibility rests with the Board.

Recommendation 4.4: Companies should provide the information indicated in the Guide to reporting on Principle 4.

Any departures from these recommendations are described in the relevant section.

Principle 5 - Make timely and balanced disclosure

Companies should promote timely and balanced disclosure of all material matters concerning the company.

Recommendation 5.1: Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

The Company complied with its disclosure obligations during the financial year following its informal processes. The Board and Management carefully consider all matters that may have an obligation for disclosure. The Company complies with all disclosure requirements to ensure that Venturex Resources Limited manages the disclosure of price sensitive information effectively and in accordance with the requirements as set out by regulatory bodies. The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with ASX Listing Rules, the Company immediately notifies the ASX of information concerning the Company that a reasonable person would or may expect to have a material effect on the price or value of the Company's securities; and that would, or would be likely to influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities. All market disclosures are approved by the Board. All announcements made to the ASX are placed on the Company's website immediately after public release.

The Chairman, Managing Director and Company Secretary are authorised to communicate with Shareholders and the market in relation to Board approved disclosures.

The Company has not complied with Recommendation 5.1 by developing written policies and displaying the same on the website.

Recommendation 5.2: Companies should provide the information indicated in the Guide to reporting on Principle 5.

Departures from these recommendations are described in the relevant section.

Principle 6 - Respect the rights of shareholders

Companies should respect the rights of shareholders and facilitate the effective exercise of those rights.

Recommendation 6.1: Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

The Company operate under an informal policy, and information regarding the Company's commitments to how the rights of its Shareholders are to be respected is detailed in part in the Board Charter and the Code of Conduct.

The Company respects the rights of its Shareholders, and to facilitate the effective exercise of the rights, the Company is committed to communicating effectively with Shareholders through ongoing electronic releases to the market via ASX information and General Meetings of the Company; giving Shareholders ready access to balanced and understandable information about the Company and Corporate Proposals; making it easy for Shareholders to participate in General Meetings of the Company; and requesting the External Auditor to attend the Annual General Meeting and be available to answer Shareholder's questions about the conduct of the audit, and the preparation and content of the Auditor's Report. During the period, the Company commenced the use of Boardroom Radio broadcasts as a method of further improving communications with Shareholders and participated in a number of public conferences.

Any Shareholder wishing to make inquiries of the Company is also able to contact the registered office of the Company via telephone, email or in person and the Company responds to all such queries in a timely manner. All public announcements made by the Company can be obtained from the Company's and the ASX websites.

The Company maintains its website and aims to provide up-to-date information at all times. All Company announcements, presentations and other significant briefings are posted on the Company's website after release to the ASX. Shareholders can subscribe to a distribution list on the website to receive all announcements as they are released.

The Company has not complied with ASX Corporate Governance Council Recommendation 6.1 by developing written policies and displaying the same on the website.

Recommendation 6.2: Companies should provide the information indicated in the Guide to reporting on Principle 6.

Information relating to Shareholder communication is provided above.

Departures from these recommendations are described in the relevant section.

Principle 7 - Recognise and manage risk

Companies should establish a sound system of risk oversight and management and internal control.

Recommendation 7.1: Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.

The Board has overall responsibility for the structure and review of the Company's risk management policies. Authority has been delegated to the Managing Director and Executive Management Team to implement appropriate risk management systems within the Company and review these on a periodic basis. The Audit, Risk and Compliance Committee, the Board as a whole and senior Executives constantly review the Company's business risks and internal control mechanisms.

The primary objectives of the risk management system is to ensure all major sources of potential opportunity for and harm to the Company (both existing and potential) are identified, analysed and treated appropriately; business decisions throughout the Company appropriately balance the risk and reward trade off; and regulatory compliance and integrity in reporting is achieved.

Prior to all formal Board meetings, a comprehensive set of Board papers is provided to the Directors. The Board Papers include detailed reports on all critical areas of the business prepared by the senior Executive responsible for each functional area. The information included addresses all material risks of the business, including financial status, potential liabilities and provisions, tenure over properties, operations risks, staffing concerns and regulatory compliance.

The Company also has in place classes of insurance at levels which, in the reasonable opinion of the Directors, are appropriate for it size and operations.

Roles and responsibilities relating to risk management are contained in the Board Charter.

The Company's external auditor is invited to attend the annual general meeting and questions from Shareholders regarding the conduct of the audit and the preparation and content of the auditor's report are welcomed.

The Company does not fully comply with Recommendation 7.1 because it has not yet implemented formally documented risk management systems and policies.

Recommendation 7.2: The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.

The Board requires management to design, implement and maintain risk management and internal control systems to manage the Company's material business risks and also requires management to report to it confirming that those risks are being managed effectively. Further, the Board has received a report from management as to the effectiveness of the Company's management of its material business risks.

Recommendation 7.3: The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Board has received an appropriate declaration from the Managing Director and CFO providing assurance that the risk management system is effective, efficient and accurately reflected in the Company's financial statements.

Recommendation 7.4: Companies should provide the information indicated in the Guide to reporting on Principle 7.

Information required in relation to the Principle 7 is included in the above sections.

Any departures from these recommendations are described in the relevant section.

Principle 8 - Remunerate fairly and responsibly

Corporate Governance Statement

Companies should ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

Recommendation 8.1: The board should establish a remuneration committee.

The Board has established a Remuneration and Nomination Committee. Its role is to:

- Oversee and make recommendations to the Board with respect to the compensation of the Company's Directors including the Chief Executive Officer;
- Oversee and advise the Board on the adoption of policies that govern the Company's compensation programs, option plans and other employee benefit plans.
- Administer the Company's share and option plans and any other employee benefit plans.
- Identify and recommend to the Board specific candidates for nomination to the Board of Directors.
- Ensure that the performance of each Board member and the Board as a whole is reviewed at least annually.

The Remuneration and Nomination Committee does not consist of all independent Non-Executive Directors. The Committee is chaired by an independent Non-Executive Director and has three members.

Recommendation 8.2: Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

Non-Executive Directors are remunerated by way of a fixed fee (including statutory superannuation) for all services and are paid out of the aggregate amount approved by Shareholders (currently $200,000). Non-Executive Directors are not entitled to retirement benefits and do not receive performance based bonuses. They do not participate in equity schemes of the Company without prior Shareholder approval. The Board views the issuing of options to Non-Executive Directors as appropriate compensation for increasing demands on the Directors' time and workload and the modest fees paid by the Company.

The Company is committed to remunerating its Executive in a manner that is market-competitive and supports the interests of Shareholders. All Executive employees receive a remuneration package based on fixed and variable components, determined by their position and experience. The variable component includes a share price related bonus formula. The bonus scheme is designed to link compensation to the performance of the Company. During the financial year, three employees (one an Executive Director) were issued options following receipt of Shareholder approval in the Annual General Meeting in November 2009 as part of agreed remuneration packages at the commencement of employment to effect a market competitive remuneration structure.

Recommendation 8.3: Companies should provide the information indicated in the Guide to reporting on Principle 8.

Current remuneration is disclosed in the Remuneration Report contained in the Directors' Report and in Note 6 Key Management Personnel Compensation. All other information relating to Principle 8 is contained in the above section.

Any departures from these recommendations are described in the relevant section.

Directors' Report

Your Directors present their report on Venturex Resources Limited (the ''Company'') and Controlled Entities (collectively the ''Group Entity'') for the financial year ended 30 June 2010.

Directors

The name and details of the Group Entity's Directors in office during the year and until the date of this report are as follows. Directors were in office for the entire period unless otherwise stated.

Anthony Kiernan	Non-Executive Chairman	Appointed 14 July 2010
Allan Trench	Non-Executive Director	Appointed 12 November 2008 as Non-Executive Chairman Non-Executive Director from 14 July 2010
Timothy Sugden	Managing Director	Appointed 18 August 2008
Michael Mulroney	Non-Executive Director	Appointed 9 June 2008
Anthony Reilly	Executive Director	Appointed 1 July 2009

Information on Directors

Anthony Kiernan, LLB	—	Non-Executive Chairman
Appointed to the Board	—	14 July 2010
Experience	—	Mr Kiernan is a 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 and media.
Interest in Shares and Options [1]	—	750,000 Ordinary Shares and 3,000,000 Unlisted Options (options are subject to Shareholder approval at the next Annual General Meeting)
Committees	—	Member of the Remuneration & Nomination Committee
Directorships held in other listed entities	—	BC Iron Limited (appointed 11 October 2006 to present) Uranium Equities Limited (appointed 3 June 2003 to present) Chalice Gold Ltd (appointed 15 February 2007 to present) Liontown Resources limited (appointed 2 February 2006 to present) North Queensland Metals Ltd (January 2007 to July 2008) Solbec Pharmaceuticals Limited (now Freedom Eye Ltd) (March 2004 to December 2007) HLI Limited (17 September 1999 to 7 June 2010)

Michael Mulroney, B App Sc (Geol), MBA, MAusIMM	—	Non-Executive Director
Appointed to the Board	—	9 June 2008
Experience	—	Mr Mulroney has over 30 years experience in the natural resources and finance sectors. He spent 12 years as a geologist and mining company executive in a broad range of commodities throughout Australia and South East Asia, and over 11 years with investment bank NM Rothschild & Sons (Australia) Limited. Mr Mulroney held senior roles in resource banking and investment banking with extensive experience in project finance and mergers and acquisitions in the global resources sector. Mr Mulroney previously held executive and non-executive positions on two ASX-listed mining companies. Mr Mulroney is currently Executive Director, Argonaut Capital Limited, Head of Funds Management with Argonaut Limited, and Investment Director of AFM Perseus Fund Limited.
Interest in Shares and Options 1	—	17,380,904 Ordinary Shares and 3,000,000 Unlisted Options
Committees	—	Chairman of the Audit, Risk & Compliance Committee and Member of the Remuneration & Nomination Committee
Directorships held in other listed entities	—	Nil

Allan Trench, BSc, PhD, MSc, MBA, GAICD	—	Non-Executive Director
Appointed to the Board	—	12 November 2008
Experience	—	Dr Trench is a geophysicist and business management consultant with approximately 21 years experience within the resources sector. He worked for Western Mining in exploration and operations-based roles, McKinsey & Company as a management consultant to international resource companies, and Woodside Energy as a corporate strategist and benchmarking manager. Prior to 14 July 2010, Dr Trench served as the Non-Executive Chairman of Venturex Resources Limited and also serves as a Non-Executive Director for several other resource companies. He currently holds the title of Adjunct Professor of at the Western Australia School of Mines, Curtin University.
Interest in Shares and Options [1]	—	2,600,000 Ordinary Shares and 3,000,000 Unlisted Options
Committees	—	Chairman of the Remuneration & Nomination Committee and Member of the Audit, Risk and Compliance Committee
Directorships held in other listed entities	—	Pioneer Resources Limited (appointed 8 September 2003 to present) Navigator Resources Limited (appointed 14 November 2005 to present) Hot Chili Limited (appointed 19 July 2010 to present)

Directors' Report

Timothy Sugden, BSc, PhD, MAusIMM — Managing Director
Appointed to the Board — 18 August 2008
Experience — Dr Sugden has over 22 years experience in mine geology, exploration, metallurgy, research and development, operations and company management in Australia and internationally. He was a mine geologist and senior research geologist in the nickel, gold and copper-uranium divisions of Western Mining Corporation; a senior mine and exploration geologist for Wiluna Mines and Great Central Mines, and General Manager of Wiluna Gold Operations for Normandy Mining and Newmont Australia. He was a founding Director of Agincourt Resources Limited and Nova Energy Limited, and operated in executive capacities in these companies prior to their takeovers for a combined value of over $650 million. He has also served as a Non-Executive Director of several listed resource companies and is currently the Chairman of Newland Resources Limited. He has managed, reviewed or participated in scoping and feasibility studies for Wiluna underground and open pit development projects, Lake Way-Centipede uranium project, Martabe gold project, Sumatra and Andorinhas, Brazil.
Interest in Shares and Options[1] — 31,336,000 Ordinary Shares and 10,000,000 Unlisted Options
Committees — Member of the Audit, Risk & Compliance Committee
Directorships held in other listed entities — Nova Energy Limited (from 23 August 2005 to 31 October 2007)
Toro Energy Limited (from 30 October 2007 to 16 May 2008)
Navigator Resources Limited (from 2 October 2007 to 19 August 2008)
Newland Resources Limited (from 2 October 2009 to present)

Anthony Reilly, BEc(UWA**)** — Executive Director
Appointed to the Board — 1 July 2009
Experience — Mr Reilly has over 18 years experience in financial markets, financial risk management and corporate finance. Working in investment banking, his clients have included a number of global corporations and fund managers based in Australia, the UK and Europe. He has worked with the Commonwealth Bank in Australia and the UK, and was Senior Manager at Westpac in London from 1997-2007. He was a founding Director of CMG Gold Limited.
Interest in Shares and Options [1] — 26,910,000 Ordinary Shares and 5,000,000 Unlisted Options
Directorships held in other listed entities — Nil

Note:

[1] 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 Entity and other related body corporate as notified by the Directors to the Australian Stock Exchange in accordance with Section 205G(1) of the Corporations Act 2004, as at the date of this report.

Company Secretary

Liza Carpene, MBA, ACIS - Appointed 26 August 2008

Ms Carpene has worked in the mining industry for more than 15 years and has significant experience in corporate administration, human resources, IT and community relations. She was part of the initial executive management team of Agincourt Resources Limited as the General Manager - Administration, Human Resources and IT for Australian and Indonesian operations, prior to its takeover by Oxiana Limited in April 2007. Prior to working at Agincourt, Ms Carpene held various site based management roles with Great Central Mines, Normandy Mining and Newmont Australia. Ms Carpene is also Company Secretary for Newland Resources Limited.

Corporate Structure

The Company is limited by shares that it has issued and is incorporated and domiciled in Australia. As at 30 June 2010, it had four subsidiaries incorporated in Australia, Jutt Resources Pty Ltd, Juranium Pty Ltd, Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd), and CMG Gold Ltd. The Company also has one subsidiary incorporated in Brazil, CMG Mineração Ltda. The Company owned a 100% interest in all subsidiaries as at 30 June 2010.

Principal Activities

The principal activity of the Group Entity during the year was resources exploration, focusing on base metals and gold.

Likely Developments

The Company expects to complete a scoping study into the development of a sulphide processing operation at Whim Creek in the second quarter of the 2010/2011 financial year. If successful, the Company will likely commit to a feasibility study which may lead to a decision to develop a processing plant and commence mining at various deposits in the Whim Creek region (subject to acceptable financing arrangements). Upon the announcement of a decision to mine at Whim Creek or surrounding tenements, the Company will be required to issue $3 million in scrip to Straits Resources Limited. (See Note 17)

The Company will also continue exploration programs in the Pilbara and Brazil which may result in discoveries, and assess acquisition opportunities which will enhance the value of its existing assets.

Results and Review of Operations

Results

For the year ending 30 June 2010, the loss attributable to members of the Group Entity is $5,971,446 (2009: $1,196,393)

Review of Operations

Detailed review of operations can be found on page 2 of this report.

At the 30 June 2010 the Company had 635,724,297 quoted fully paid ordinary shares (2009: 196,546,681) and no quoted options issued over shares (2009: 38,634,237).

As at 30 June 2010 the Group Entity held cash reserves of $6,305,000 (2009: $507,828).

Directors' Report

Loss Per Share

Basic loss per share 1.24 cents (2009: 1.03 cents).

Share Options on Issue

At the date of this report, the unissued ordinary shares of the Company under option are as follows:

	ASX code	Exercise price	Expiry date	Number under option	Escrow period
Unlisted options	VXRAB	$0.20	22-Apr-11	1,457,148	-
Unlisted options	VXRAC	$0.20	30-Nov-10	650,000	-
Unlisted options	VXRAO	$0.10	12-Jan-12	21,000,000	-
Unlisted options	VXRAI	$0.15	06-Dec-12	12,000,000	-
Unlisted options	VXRAK	$0.09	31-Jan-12	42,105,263	-
				77,212,411	

At the date of this report, there are 3,000,000 options subject to Shareholder approval in relation to Mr Anthony Kiernan. These options have a proposed expiry date three years from date of issue and are exercisable at 15 cents. The proposed options will vest immediately upon issue (further detail is provided in the Subsequent Events below).

Dividends

The Directors did not pay or declare any dividends during the 2010 financial year. The Directors do not recommend the payment of a dividend in respect of the year.

Shares Issued as a Result of the Exercise of Options

During the 2010 financial year, no ordinary shares of the Company were issued as a result of the exercise of options.

Significant Changes in State of Affairs

During the period, the Company acquired two wholly owned subsidiaries in Australia, CMG Gold Limited and Straits (Whim Creek) Pty Ltd. As a result of the acquisition of CMG Gold Limited, the Company also acquired CMG Mineração Ltd, a Brazilian subsidiary. See Note 27 for further details.

The Company's share capital increased significantly during the period to fund the above acquisitions and subsequent exploration and development activities.

Mr Anthony Reilly, former Managing Director of CMG Gold Limited, was appointed to the Board of Venturex as an Executive Director.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group Entity during the period under review not otherwise disclosed in this Annual Report.

Subsequent Events

On 14 July 2010, Mr Anthony Kiernan was appointed Non-Executive Chairman. Subject to Shareholder approval at the Annual General Meeting, Mr Kiernan will be granted 3,000,000 unlisted options to acquire ordinary shares in the Company at no cost as a component of his remuneration package. The proposed options will vest immediately upon issue and will expire three years from the date of issue, at an exercise price being a 50% premium to the share price at the date of issue, with a floor exercise price of 15 cents per option.

On 14 July 2010, Dr Allan Trench relinquished his position as Non-Executive Chairman and continued as a Non-Executive Director.

On 16 August 2010, the Company issued 19,444,444 fully paid ordinary shares to Regent Pacific Group Limited (Regent) at an issue price of 9 cents per share raising $1,750,000 as the final component in the placement package (refer ASX announcement released on 16 June 2010).

A Convertible Note (detailed in Note 24) was approved by Shareholders in the General Meeting on 16 June 2010 and was to be issued within three months of that approval (16 September 2010). The Convertible Note was not issued.

Other than as disclosed above or elsewhere in this Annual Report, no other material events after balance sheet date have occurred.

Environmental Issues

The Group Entity's operations and projects are subject to State and Federal laws and regulations regarding environmental hazards. In Australia, the regulatory bodies are the WA Department of Environment and Conservation, the WA Department of Mines and Petroleum and the Environmental Protection Authority. In Brazil, the regulatory body is the National Department of Mineral Production (DNPM). The Directors are not aware of any material breaches during the period.

REMUNERATION REPORT

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

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 Company during the year included:

Tim Sugden	-	Managing Director
Anthony Reilly	-	Executive Director
Liza Carpene	-	Company Secretary
Karl Weber	-	Exploration Manager – South America
Jonas Ferreira Da Silva	-	Executive Director CMG Mineração Ltda

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

A. Remuneration Policy

B. Details of Remuneration

C. Equity Issued as Part of Remuneration

D. Employment Contracts of Directors and Key Management Personnel

E. Performance Income as a Proportion of Total Remuneration

A. Remuneration Policy

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

The Group Entity 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 Executives' position, experience and performance, and may be satisfied via cash or equity.

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

Remuneration Policy versus Company Financial Performance

The Group Entity's remuneration policy has been based on industry practice rather than the performance of the Group Entity 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 Entity. In the 2008/2009 and 2009/2010 financial year the Board and senior Executive voluntarily reduced or maintained below industry average remuneration as a consequence of the scarcity of capital during the Global Financial Crisis.

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. In the 2009/2010 financial year, the Board approved a bonus formula linked to the performance of the Company's shares, with individual caps based on seniority and capacity to influence the performance of the Company.

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

B. Details of Remuneration

The Key Management Personnel of the Group Entity are disclosed below.

Remuneration packages contain the following elements:

a) Short-term employee benefits - cash salary / fees, cash bonus, non-monetary benefits and other;

b) Post-employment benefits - including superannuation and termination; and

c) Share-based payments - shares and options granted

Directors' Report

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

			Short-term employee benefits				Post employment benefits				Share-based payments			Percentage of Total
			Cash salary & fees	Cash bonus	Non-monetary benefits	Other	Super-annuation	Other	Termin-ation	Long term other	Shares	Options	Total	Remuneration for the Year that consisted of performance income
	Year	Note	$	$	$	$	$	$	$	$	$	$	$	%
Directors														
Charles	2010	1	-	-	-	-	-	-	-	-	-	-	-	-
Morgan	2009		21,071	-	-	-	-	-	-	-	-	(75,000)	(53,929)	-
Ayaz	2010	1	-	-	-	-	-	-	-	-	-	-	-	-
Khan	2009		48,655	-	-	-	2,691	-	11,244	-	-	-	62,590	-
Cyril	2010		-	-	-	-	-	-	-	-	-	-	-	-
Geach	2009	4	24,169	-	-	-	2,176	-	-	-	-	46,947	73,292	-
Michael	2010	2	25,000	-	-	50,000	-	-	-	-	-	-	75,000	-
Mulroney	2009	2	23,167	-	-	20,000	-	-	-	-	-	5,100	48,267	-
Tim	2010		80,000	34,487	-	-	10,304	-	-	-	-	-	124,791	27
Sugden	2009	5	73,846	-	-	-	6,646	-	-	-	-	17,000	97,492	-
Allan	2010		32,700	-	-	-	-	-	-	-	-	-	32,700	-
Trench	2009	5	20,438	-	-	-	-	-	-	-	-	5,100	25,538	-
Anthony	2010	6	164,701	19,775	-	-	16,603	-	-	-	-	103,092	304,171	6
Reilly	2009		-	-	-	-	-	-	-	-	-	-	-	-
Key Management Personnel														
Phillip	2010		-	-	-	-	-	-	-	-	-	-	-	-
Hains	2009	3	-	-	-	75,000	-	-	-	-	-	-	75,000	-
Liza	2010		132,500	31,254	-	-	14,738	-	-	-	-	-	178,492	17
Carpene	2009	5	102,308	-	-	-	9,208	-	-	-	-	8,500	120,016	-
Cyril	2010		-	-	-	-	-	-	-	-	-	-	-	-
Geach	2009	4	44,050	-	-	-	3,329	-	50,000	-	-	-	97,379	-
Karl	2010	6	147,150	32,332	-	28,157	-	-	-	-	-	103,092	310,731	10
Weber	2009		-	-	-	-	-	-	-	-	-	-	-	-
Jonas														
Ferreira	2010	6	115,252	9,499	-	-	-	-	-	-	-	41,237	165,988	6
Da Silva	2009		-	-	-	-	-	-	-	-	-	-	-	-
Total	**2010**		**697,303**	**127,347**	**-**	**78,157**	**41,645**	**-**	**-**	**-**	**-**	**247,421**	**1,191,873**	**11**
	2009		**357,704**	**-**	**-**	**95,000**	**24,050**	**-**	**61,244**	**-**	**-**	**7,647**	**545,645**	**-**

Note:

1. Resigned from the Company in the 2009 year
2. The above "Other" fee was paid to Argonaut Capital Ltd for corporate advisory services including provision of Michael Mulroney as a Non-Executive Director.
3. The above "Other" fee was paid to The CFO Solution, a specialist chartered accounting firm, focusing on providing back office support, financial reporting and compliance systems for listed public companies, of which Mr Phillip Hains is Principal. Through the fees paid to The CFO Solution, Mr Hains was remunerated for his services as Company Secretary. Mr Hains resigned 12 December 2008.
4. Cyril Geach resigned as a Director on 18 August 2008 and remained an employee until 30 October 2008.
5. Commenced with the Company in the 2009 year.
6. Commenced with the Company in the 2010 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 2010 or 2009 financial years.

Options

The following table discloses the value of options granted, exercised, sold or lapsed during the 2010 financial year:

	Options Granted	Options Exercised	Options Lapsed	Value of Options yet to be Expensed	Value of Options included in remuneration for the year	Percentage of Total Remuneration for the Year that Consisted of Options
	Value at Grant Date	Value at Exercise Price	Value at time of Lapse			
	$	$	$	$	$	%
Directors						
Anthony Reilly	244,738	-	-	141,646	103,092	34
Key Management Personnel						
Karl Weber	244,738	-	-	141,646	103,092	33
Jonas Ferreira Da Silva	97,897	-	-	56,660	41,237	25
	587,373	-	-	339,952	247,421	21

The following table discloses the value of options granted, exercised, sold or lapsed during the 2009 financial year:

	Options Granted Value at Grant Date $	Options Exercised Value at Exercise Price $	Options Lapsed Value at time of Lapse $	Value of Options yet to be Expensed $	Value of Options included in remuneration for the year $	Percentage of Total Remuneration for the Year that Consisted of Options %
Directors						
Charles Morgan	-	-	75,000	-	(75,000)	0
Cyril Geach	-	-	-	-	46,947	64
Michael Mulroney	5,100	-	-	-	5,100	11
Tim Sugden	17,000	-	-	-	17,000	17
Allan Trench	5,100	-	-	-	5,100	20
Key Management Personnel						
Liza Carpene	8,500	-	-	-	8,500	7
	35,700	-	75,000	-	7,647	1

The assessed fair value at grant date of options 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. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected price volatility of the underlying shares, the expected dividend yield and the risk free interest rate for the term of the option.

The Model inputs for options granted during the period have been included in Note 25 of the financial statements.

The following table discloses the movement in Directors and Key Management Personnel Options during the 2010 financial year

	Balance 30 June 2009 No.	Granted as Remuneration No.	Options Exercised No.	Options Lapsed	Held at Resignation No.	Balance 30 June 2010 No.	Vested No.	Unvested No.
Directors								
Michael Mulroney	3,000,000	-	-	-	-	3,000,000	3,000,000	-
Tim Sugden	10,000,000	-	-	-	-	10,000,000	10,000,000	-
Allan Trench	3,000,000	-	-	-	-	3,000,000	3,000,000	-
Anthony Reilly	-	5,000,000	-	-	-	5,000,000	-	5,000,000
Key Management Personnel								
Liza Carpene	5,000,000	-	-	-	-	5,000,000	5,000,000	-
Karl Weber	-	5,000,000	-	-	-	5,000,000	-	5,000,000
Jonas Ferreira Da Silva	-	2,000,000	-	-	-	2,000,000	-	2,000,000
	21,000,000	12,000,000	-	-	-	33,000,000	21,000,000	12,000,000

Details of the Options

Grant Date	Expiring Date	Exercise Price $	Value per options at grant date $	Number of Options issued	Vesting Date
7 Dec 2009	6 Dec 2012	0.15	0.0502	12,000,000	6,000,000 - 7 Dec 2010 6,000,000 - 7 Dec 2011

The following table discloses the movement in Directors and Key Management Personnel Options during the 2009 financial year

	Balance 01 July 2008 No.	Granted as Remuneration No.	Options Exercised No.	Options Lapsed	Held at Resignation No.	Balance 30 June 2009 No.
Directors						
Charles Morgan	1,500,000	-	-	-	1,500,000	-
Cyril Geach	500,000	-	-	-	500,000	-
Michael Mulroney	-	3,000,000	-	-	-	3,000,000
Tim Sugden	-	10,000,000	-	-	-	10,000,000
Allan Trench	-	3,000,000	-	-	-	3,000,000
Key Management Personnel						
Phillip Hains	15,000	-	-	-	15,000	-
Liza Carpene	-	5,000,000	-	-	-	5,000,000
	2,015,000	21,000,000	-	-	2,015,000	21,000,000

Details of the Options

Grant Date	Expiring Date	Exercise Price $	Value per options at grant date $	Number of Options issued	Vesting Date
13 Jan 2009	12 Jan 2012	0.10	0.0017	21,000,000	13 Jan 2009

D. Employment Contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel were under contract at 30 June 2010.

Name of Directors	Commencement Date	Duration	Termination Notice Requirements	Termination Term	Termination Benefits
Tim Sugden[1]	18 August 2008	3 Years	3 Months	Upon being unable to carry out the duties and in serious breach of the agreement	None
Liza Carpene[1]	25 August 2008	Ongoing	4 Weeks	Upon being unable to carry out the duties and in serious breach of the agreement	None
Anthony Reilly[1]	01 July 2009	Ongoing	4 Weeks	Upon being unable to carry out the duties and in serious breach of the agreement	None
Karl Weber[2]	01 July 2009	Ongoing	4 Weeks	Upon being unable to carry out the duties and in serious breach of the agreement	None
Jonas Ferreira Da Silva[3]	01 July 2009	Ongoing	60 days	Upon being unable to carry out the duties and in serious breach of the agreement	None

1) In the event that the above Executives' positions are terminated through merger, acquisition or other corporate activity resulting in management restructuring, then the Company will pay to the Executives an amount equal to one year's annual salary.
2) In the event that the Employee is made redundant through the normal course of business, then the Company will pay a redundancy payment of three weeks salary for each completed year of service.
3) In the event that the Consultant's services are no longer required, the Company will give the required notice and no further payment will be made.

E. Performance Income as a Proportion of Total Remuneration

Performance based remuneration for the financial year is disclosed in B. Details of Remuneration.

All Executives are eligible to receive bonuses through employment contracts and Board discretion. Their performance payments are based on a bonus formula linked to the performance of the Company's shares, with individual caps based on seniority and capacity to influence the performance of the Company. The proportion between incentive and non-incentive remuneration is variable.

Non-Executive Directors are not entitled to receive cash incentives.

Meetings of Directors

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.

During the period, 18 Board meetings, 1 Audit, Risk and Compliance Committee meetings and 1 Remuneration and Nomination Committee meeting was held.

	Directors' Meetings		Committee Meetings			
			Audit, Risk & Compliance		Remuneration & Nomination Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Allan Trench	18	18	1	1	1	1
Tim Sugden	18	18	1	1	1	1
Michael Mulroney	18	17	1	1	1	1
Anthony Reilly	18	18	N/A	N/A	N/A	N/A

Directors' Indemnities

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

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 Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

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

Directors' Report

Non-Audit Services

The Company 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 Entity are important.

During the year the Group Entity's auditor, William Buck or associated entities, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year by the Auditor is compatible with and did not compromise the auditors' independence requirements of the Corporations Act 2001. The non-audit services provided by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed by the Board as the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including acting in a management or a decision-making capacity for the Company or acting as advocate for the Company

	2010 **$**	**2009** **$**
Remuneration of the auditor of the Group Entity for:		
- auditing or reviewing the financial report	27,900	22,000
- taxation services	4,500	-
- other assurance services	5,000	-
	37,400	22,000

Auditor's Independence Declaration

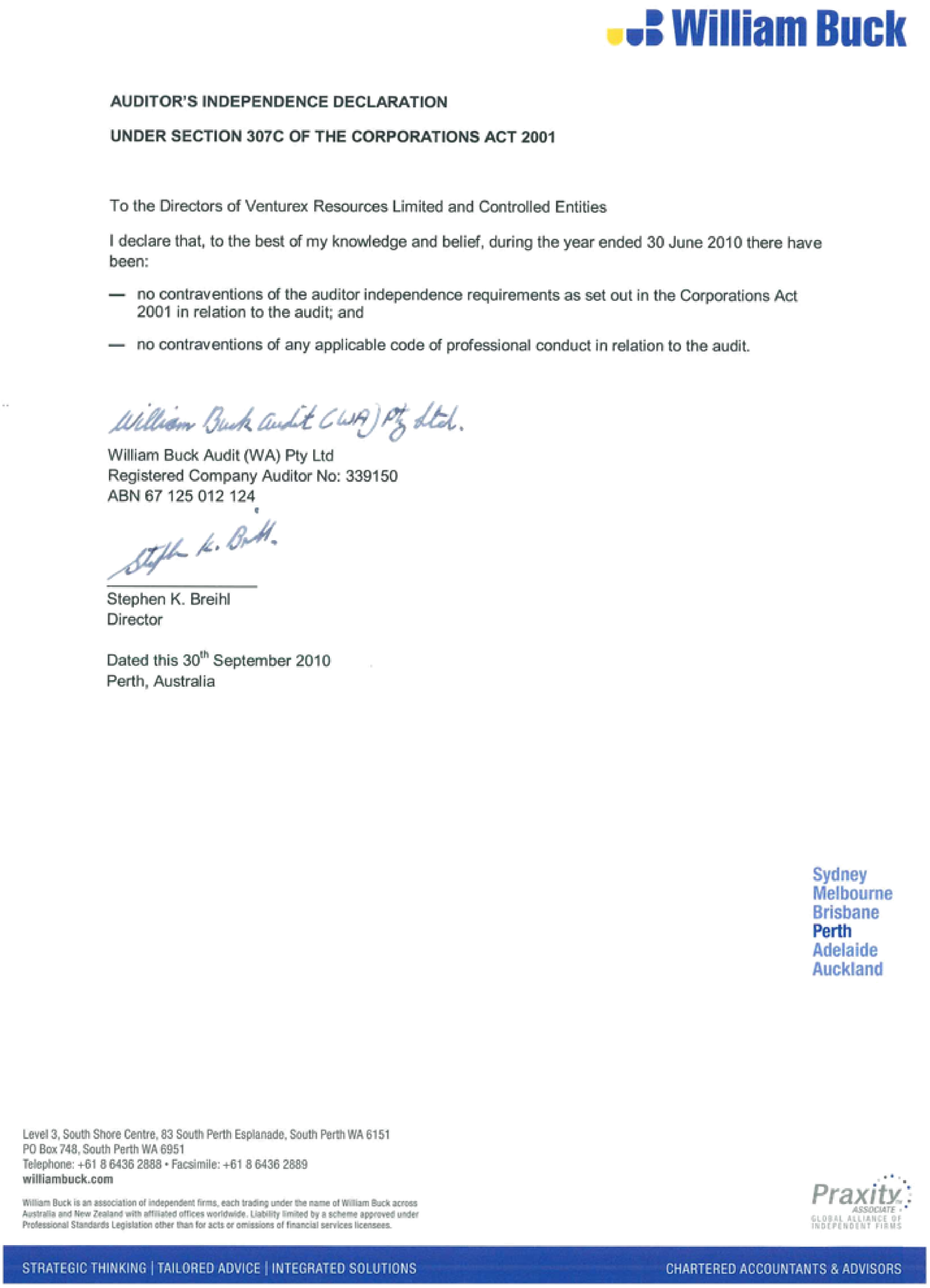
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 29.

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

TIMOTHY JOHN SUGDEN
Managing Director

Dated this 30th day of September 2010

Auditor's Independence Declaration



AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the Directors of Venturex Resources Limited and Controlled Entities

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck audit (WA) Pty Ltd.

William Buck Audit (WA) Pty Ltd
Registered Company Auditor No: 339150
ABN 67 125 012 124

Stephen K. Breihl
Director

Dated this 30th September 2010
Perth, Australia

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

Level 3, South Shore Centre, 83 South Perth Esplanade, South Perth WA 6151
PO Box 748, South Perth WA 6951
Telephone: +61 8 6436 2888 • Facsimile: +61 8 6436 2889
williambuck.com

William Buck is an association of independent firms, each trading under the name of William Buck across Australia and New Zealand with affiliated offices worldwide. Liability limited by a scheme approved under Professional Standards Legislation other than for acts or omissions of financial services licensees.

STRATEGIC THINKING | TAILORED ADVICE | INTEGRATED SOLUTIONS   CHARTERED ACCOUNTANTS & ADVISORS

Statement of Comprehensive Income for the Year Ended 30 June 2010

	Note	**Consolidated** **2010** **$**	 **2009** **$**
Revenue		-	-
Cost of goods sold		-	-
Other income	2	413,956	15,000
Gross Profit		413,956	15,000
Administrative expense	3	(492,956)	(271,907)
Corporate expense	3	(377,314)	(100,641)
Directors and consultants fee	3	(1,135,047)	(346,580)
Exploration and evaluation expense	3	(484,432)	(168,884)
Impairment/Write Off of area of interest	3	(3,426,915)	(346,931)
Total expenses		(5,916,664)	(1,234,943)
Results from operating activities		(5,502,708)	(1,219,943)
Finance income	4	101,236	23,550
Finance costs	4	(569,974)	-
Net finance costs		(468,738)	23,550
Loss before income tax		(5,971,446)	(1,196,393)
Income tax expense	5	-	-
Loss from continuing operations		(5,971,446)	(1,196,393)
Profit (loss) from discontinuing operations		-	-
Loss for the year		(5,971,446)	(1,196,393)
Total comprehensive income for the period		(5,971,446)	(1,196,393)
Overall Operations			
Basic loss per share (cents per share)	8a	(1.24)	(1.03)
Diluted loss per share (cents per share)	8b	(1.24)	(1.03)
Continuing Operations			
Basic earnings per share (cents per share)	8a	(1.24)	(1.03)
Diluted earnings per share (cents per share)	8b	(1.24)	(1.03)

The accompanying Notes form part of these financial statements.

Statement of Financial Position as at 30 June 2010

		Consolidated	
	Note	**2010**	**2009**
		$	**$**
Assets			
Current assets			
Cash and cash equivalents	9	6,305,000	507,828
Trade and other receivables	10	423,076	341,610
Inventories	11	66,409	-
Other	12	91,592	103,695
Total current assets		**6,886,077**	**953,133**
Non-current assets			
Property, plant and equipment	13	3,658,311	16,572
Exploration and evaluation costs	14	21,170,334	2,495,378
Intangible assets	14	469	-
Total non-current assets		**24,829,114**	**2,511,950**
Total assets		**31,715,191**	**3,465,083**
Liabilities			
Current liabilities			
Trade and other payables	15	1,216,309	189,737
Employee provisions	16	64,591	12,739
Total current liabilities		**1,280,900**	**202,476**
Non-current liabilities			
Provisions	17	7,017,550	-
Total non-current liabilities		**7,017,550**	**-**
Total liabilities		**8,298,450**	**202,476**
Net assets		**23,416,741**	**3,262,607**
Equity			
Issued capital	18	33,780,826	8,504,532
Reserves	18, 25	1,530,329	681,043
Accumulated losses		(11,894,414)	(5,922,968)
Total equity		**23,416,741**	**3,262,607**

The accompanying Notes form part of these financial statements.

Statement of Cash Flows for the Year Ended 30 June 2010

	Note	Consolidated 2010 $	 2009 $
Cash flows related to operating activities			
Payments to suppliers and employees		(1,429,191)	(921,020)
Interest received		84,020	21,940
Net cash flows used in operating activities	23a	(1,345,171)	(899,080)
Cash flows related to investing activities			
Payment for purchases of plant and equipment		(182,232)	(4,456)
Payment for deferred exploration expenditure		(2,883,311)	(976,171)
Payments for acquisition of subsidiaries, net of cash acquired		28,970	(31,451)
Loans to non related entities		(36,117)	(340,000)
Proceeds from granting of an option over tenements		-	15,000
Net cash flows used in investing activities		(3,072,690)	(1,337,078)
Cash flows related to financing activities			
Proceeds from issues of securities		10,928,059	1,991,430
Capital raising costs		(633,871)	(140,102)
Proceeds from borrowings		3,921,000	500,000
Repayment of borrowings		(4,000,000)	(500,000)
Net cash flows used in financing activities		10,215,188	1,851,328
Net increase (decrease) in cash and cash equivalents		5,797,327	(384,830)
Cash and cash equivalents at the beginning of the year	9	507,828	892,658
Effect of exchange rate fluctuations on cash held		(155)	-
Cash and cash equivalents at the end of the year	9	6,305,000	507,828

The accompanying Notes form part of these financial statements.

Statement of Changes in Equity for the Year Ended 30 June 2010

Consolidated	**Note**	**Issued Capital**	**Option Reserve**	**Share Based Compensation**	**Accumulated Losses**	**Total Equity**
		$	**$**	**$**	**$**	**$**
Balance at 30 June 2008		**6,653,204**	**347,842**	**436,554**	**(4,726,575)**	**2,711,025**
Issue of securities	18	1,991,430	-	-	-	1,991,430
Security issue costs	18	(140,102)	-	-	-	(140,102)
Options issued	25b	-	-	82,647	-	82,647
Options expired	25b	-	-	(186,000)	-	(186,000)
Total comprehensive income		-	-	-	(1,196,393)	(1,196,393)
Balance at 30 June 2009		**8,504,532**	**347,842**	**333,201**	**(5,922,968)**	**3,262,607**
Issue of securities	18	25,963,799	-	-	-	25,963,799
Security issue costs	18	(687,505)	-	-	-	(687,505)
Options issued	25a	-	-	1,207,128	-	1,207,128
Options expired	18b	-	(347,842)	(10,000)	-	(357,842)
Total comprehensive income		-	-	-	(5,971,446)	(5,971,446)
Balance at 30 June 2010		**33,780,826**	**-**	**1,530,329**	**(11,894,414)**	**23,416,741**

The accompanying Notes form part of these financial statements.

Notes to the Financial Statements

Note 1 - Statement of Significant Accounting Policies

The financial report includes the consolidated financial statement of Venturex Resources Limited (the "Company"). and controlled entities (collectively the "Group Entity"). The Company is a listed public Company domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated. The financial report has been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

Accounting Policies

The following is a summary of the material accounting policies adopted by the Group Entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Principles of Consolidation

A controlled entity is any entity the Company has the power to control the financial and operating policies so as to obtain benefits from its activities.

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

All inter-Company balances and transactions between entities in the Group Entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the Company.

Where controlled entities have entered or left the Group Entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority interests, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the Group Entity, are shown separately within the Equity section of the Statement of Financial Position and in the Statement of Comprehensive Income.

(b) Foreign Currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of economic entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign operations

The assets and liabilities of foreign operations are translated to Australian dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Australian dollars using average exchange rates for the reporting period. Foreign currency differences are recognised in other comprehensive income.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, cash backed environmental bonds, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(d) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group Entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(e) Financial Instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group Entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Notes to the Financial Statements

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designed as such or that are not classified in the any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed or determinable payments. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arms length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Group Entity assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

(f) Property, Plant and equipment

Recognition and measurement

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

Items of property are measured at cost less accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

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

	2010	**2009**
Plant and equipment	3-30 years	3 years
Buildings	7-20 years	-
Furniture and Fittings	8-20 years	-
Leasehold Improvements	3 years	-
Property	N/A	-

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(g) Intangibles

Exploration and Evaluation Expenditure

Exploration, evaluation and development 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.

Amortisation

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.

Goodwill

Goodwill on consolidation is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

(h) Leased Assets and Payments

Operating leases are not recognised in the Group Entity's statement of financial position.

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

Notes to the Financial Statements

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is determined using a weighted average cost method. Cost includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(j) Impairment

At each reporting date, the Group Entity 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 and loss.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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

(k) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in employee provisions in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Superannuation

The amount charged to the profit and loss in respect of superannuation represents the contributions paid or payable by the Group Entity to the employees' superannuation funds.

Employee Benefits on-costs

Employee benefit on-costs, including payroll tax, are recognised when paid or payable by the Group Entity.

Equity-settled compensation

The Company operates an equity settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The number of shares and options exercised to vest is reviewed and adjusted at each reporting date such that the amount recognised as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(l) Provision for 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.

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. 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 reporting date. 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. Changes in the estimate of the provision for rehabilitation are also capitalised. The unwinding of the provision for rehabilitation is recognised as a finance cost.

(m) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(n) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, unwinding of the discount on contingent liabilities, share based payments in relation to financing services, impairment losses recognised on financial assets. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

(o) Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The Group Entity has not elected to implement tax consolidation at this time.

(p) Goods and Services Tax (GST)

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

Receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

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

(q) Earnings per share

The Group Entity 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.

(r) 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.

(s) Critical accounting estimates and judgments

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

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

Critical judgements in applying the entity's accounting policies

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

Impairment of assets and exploration and evaluation expenditure

The company 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.

Recoverability of Deferred Tax Assets

Deferred tax assets are not recognised for deductible temporary differences as Management consider that it is not probable that the Group will be able to utilise these temporary differences until the Group becomes profitable.

Key sources of estimation uncertainty

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

Exploration and evaluation expenditure

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

Share-based payment transactions

The Group measures the cost of equity-settled transactions with Directors and Key Management Personnel and service providers by reference to the fair value of the options at the date at which they are granted. The fair value at grant date is determined using a Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, expected price volatility of the underlying share, and the risk free interest rate for the term of the option.

Provision for Rehabilitation

The provision for rehabilitation is based on the present obligations of the estimates of the future sacrifice of economic benefits required to meet 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 Reserve Bank of Australia's Cash Rate.

Estimate of Useful lives of assets

The estimation of the useful lives of assets has been based on Taxation Ruling TR 2010/2 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(f).

(t) Going Concern

The Group Entity incurred a loss of $5,971,446 (2009: $1,196,393), net increase of cash flows of $5,797,327 (2009 deficiency: $384,830) and had a net asset balance of $23,416,741 (2009: $3,262,607) for the year ended 30 June 2010, including a cash balance of $6,305,000 (2009: $507,828).

The Directors are of the opinion that the Company's exploration and development assets, together with a more positive economic environment, will attract further capital investment if and when it is 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 and if scoping studies are positive, commence feasibility studies to determine future operational cash flows. In addition, the Directors will continue to assess other asset acquisition opportunities that they reasonably believe have the potential to increase the value of shareholders' equity. The Company will also consider divestments if the proceeds are likely to exceed the realisable value of such assets if they were retained. On 16 August 2010, the Company issued 19,444,444 fully paid ordinary shares to Regent Pacific Group Limited (Regent) at an issue price of 9 cents per share raising $1,750,000 as the final component in the placement package

The Group Entity incurred impairments and write-offs of exploration assets to the value of $3,426,915 (2009: $346,931). The Directors anticipate that similar impairments and write-offs of exploration assets will not be incurred in the 2010/2011 financial year due to:

- The Company is continuing to add value to its Pilbara tenements by increasing resources and advancing a scoping study in a positive economic environment for base metals, and
- The Company holds 100% interest in the remaining Brazilian exploration tenements and intends to conduct gold exploration programs during the year.

Following review and enhancement (through drilling, resource definition and scoping studies) of the Pilbara assets; along with promising gold results on the Brazilian gold tenements, the Directors are of the view that the exploration assets acquired due to business acquisitions of $18,983,844 (2009 nil) should not be impaired.

The Directors believe that the Group Entity will be successful in the above matters and, at this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 June 2010. Accordingly, the accompanying financial statements do not include any adjustments relating to the recoverability and classification of the asset carrying amount or the amount and classification of liabilities that might be necessary if the Group Entity is unable to continue as a going concern.

(u) New or revised accounting standards and interpretations

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods. The Group Entity has decided against early adoption of these standards. A discussion of those future requirements and their impact on the Group Entity follows;

AASB 9: Financial Instruments and AASB 2009-11; Amendments to Australian Accounting Standards arising from AASB 9 (AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 138, 139, 1023 & 1038 and Interpretations 10 & 121 (applicable for annual reporting periods commencing on or after 1 January 2013).

These standards are applicable retrospectively and amend the classification and measurement of financial assets. The Group Entity has not yet determined the potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and
- reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on;
    - the objective of the entity's business model for managing the financial assets; and
    - the characteristics of the contractual cash flows.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard. These amendments will not impact the Group Entity.

AASB 2009-5; Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139] (applicable for annual reporting periods commencing from 1 January 2010).

These standards detail numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project. No changes are expected to materially affect the Group Entity.

AASB 2009-8; Amendments to Australian Accounting Standards - Group Entity Cash-settled Share-based Payment Transactions [AASB 2] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments clarify the accounting for Group Entity cash-settled share-based payment transactions in the separate or individual financial statements of the entity receiving the goods or services when the entity has no obligation to settle the share-based payment transaction. The amendments incorporate the requirements previously included in Interpretation 8 and Interpretation 11 and as a consequence, these two Interpretations are superseded by the amendments. These amendments are not expected to impact the Group Entity.

AASB 2009-9: Amendments to Australian Accounting Standards - Additional Exemptions for First-time Adopters [AASB 1] (applicable for annual reporting periods commencing on or after 1 January 2010).

These amendments specify requirements for entities using the full cost method in place of the retrospective application of Australian Accounting Standards for oil and gas assets, and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4 when the application of their previous accounting policies would have given the same outcome. These amendments will not impact the Group Entity.

AASB 2009-10: Amendments to Australian Accounting Standards - Classification of Rights Issues [AASB 132] applicable for annual reporting periods commencing on or after 1 February 2010).

These amendments clarify that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. These amendments are not expected to impact the Group Entity.

AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB. The standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. These amendments will not impact the Group Entity.

AASB 2009-13: Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1] (applicable for annual reporting periods commencing on or after 1 July 2010).

This standard makes amendments to AASB 1 arising from the issue of Interpretation 19. The amendments allow a first-time adopter to apply the transitional provisions in Interpretation 19. This standard will not impact the Group Entity. AASB 2009-14: Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement [AASB interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. This standard will not impact the Group Entity.

AASB Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments (applicable for annual reporting periods commencing on or after 1 July 2010).

This Interpretation deals with how a debtor would account for the extinguishment of a liability through the issue of equity instruments. The Interpretation states that the issue of equity should be treated as the consideration paid to extinguish the liability, and the equity instruments issued should be recognised at their fair value unless fair value cannot be measured reliably in which case they shall be measured at the fair value of the liability extinguished. The Interpretation deals with situations where either partial or full settlement of the liability has occurred. This Interpretation is not expected to impact the Group Entity.

(v) Adoption of new and revised accounting standards

During the year, the Group Entity adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions, explained as follows:

AASB 101 Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- The replacement of income statement with statement of comprehensive income. Items of income and expense not recognised in profit or loss are now disclosed as components of “other comprehensive income”. In this regard, such items are no longer reflected as equity movements in the statement of changes in equity;
- The adoption of the single statement approach to the presentation of the statement of comprehensive income; and
- Other financial statements are renamed in accordance with the Standard.

Notes to the Financial Statements

AASB 8 Operating Segments

From 1 July 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group Entity's chief operating decision maker which, for the Group Entity, is the Board of Directors. In this regard, such information is provided using different measures to those used in preparing the statement of comprehensive income and statement of financial position. Reconciliations of such management information to the statutory information contained in the financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash-generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

AASB 3 Business Combinations

Revised AASB 3 is applicable prospectively from 1 July 2009. Changes introduced by this Standard, or as a consequence of amendments to other Standards relating to business combinations which are expected to affect the Group Entity, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the changes relates to circumstances which existed at acquisition date.
- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- If the Group Entity holds less than 100% of the equity interests in an acquire and the business combination results in goodwill being recognised, the Group Entity can elect to measure the non-controlling interest in the acquiree either at fair value ("full goodwill method") or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ("proportionate interest method"). The Group Entity elects which method to adopt for each acquisition.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be remeasured to fair value at the date that control is lost.

The Group Entity does not anticipate the early adoption of any of the above Australian Accounting Standards.

(w) Comparative Figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Note 2 – Other Income

	Note	2010 $	2009 $
Non-operating activities			
- Income from granting of an option over tenements		-	15,000
- Revenue received – shared services arrangement		56,000	-
- Share based payment - expiry of options	18	357,842	-
- Other income		114	-
Total other income		413,956	15,000

Notes to the Financial Statements

Note 3 – Other Expenses

	Note	2010 $	2009 $
Cost of goods sold		-	-
Administrative expense			
- Administration		-	75,000
- Compliance		46,029	20,289
- Depreciation	13	184,257	10,278
- Other administrative expenses		258,706	163,186
- Loss on disposal of asset		3,964	3,154
Administrative expense		492,956	271,907
Corporate expense			
- Auditing and taxation		86,275	24,600
- Entertainment expenses		75	312
- Legal cost		98,483	45,717
- Recruitment expenses		-	25,000
- Travel expenses		54,769	5,012
- Stamp duty		137,712	-
Corporate expense		377,314	100,641
Directors, employees and consultants fee			
- Directors and employee fee		740,838	160,522
- Consultants fee		146,788	35,758
- Share based payments		247,421	150,300
Directors, employees and consultants fee		1,135,047	346,580
Exploration and evaluation expense			
- Exploration and evaluation expense		484,432	168,884
Exploration and evaluation expense		484,432	168,884
Impairment/Write-off of area of interest			
- Impairment of capitalised exploration	14	1,189,961	346,931
- Write-off capitalised exploration expenditures	14	2,236,954	
Impairment/Write-off of area of interest		3,426,915	346,931
Total expenses		5,916,664	1,234,943

Note 4 – Finance income and finance costs

	2010 $	2009 $
Recognised in profit or loss		
Interest income on bank deposits	101,236	23,550
Finance income	101,236	23,550
Interest expense on financial liabilities measured at amortised cost	(77,915)	-
Net foreign exchange loss	26,609	-
Share based payment – issue of options	(959,707)	-
Discounting adjustment on site rehabilitation provision	482,405	-
Unwind of discount on contingent liability	(41,366)	-
Finance costs	(569,974)	23,550
Net finance costs recognised in profit or loss	(468,738)	23,550

Notes to the Financial Statements

Note 5 - Income Tax Expense

(a) The Group Entity and Company does not have any tax expense during the current year (2009: nil).

(b)

	2010	2009
Loss before tax	(5,971,446)	(1,196,393)
Income tax using the domestic corporation tax rate of 30%	(1,791,434)	(358,918)
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses	1,112,589	-
Deductible expenses	(85,507)	-
Tax losses not brought to account	764,352	358,918
Income tax expense	-	-

(c) **Unrecognised deferred tax liabilities**

The Group Entity 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:

	2010	2009
Taxable temporary differences	4,450,247	755,382
	4,450,247	755,382

(d) **Unrecognised deferred tax assets**

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

- the Group Entity 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 Entity continues to comply with the conditions for deductibility imposed by tax legislation;
- no changes in tax legislation adversely affect the Group Entity 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:

	2010	2009
Deductible temporary differences	1,560,245	25,373
Tax losses	2,998,327	1,559,075
	4,558,572	1,584,448

(e) **Tax consolidation**

The Group Entity is not currently consolidated for tax purposes.

Note 6 – Directos and Key Management Personnel Compensation

Directors

The Directors of Venturex Resources Limited consolidated Group Entity during the financial year have been disclosed in the Directors' Report.

(a) **Key Management Personnel Compensation**

The Key Management Personnel of the Group Entity during the financial year has been disclosed in Directors' Report.

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

	2010 $	2009 $
Short-term employee benefits	902,807	452,704
Post-employment benefits	41,645	24,050
Long-term benefits	-	-
Termination benefits	-	61,244
Share-based payments	247,421	7,647
	1,191,873	545,645

The Group Entity has transferred the detailed remuneration disclosures to the Directors' Report. The relevant information can be found in the Remuneration Report on pages 24 to 27.

(b) **Options and Rights Holdings**

The number of options over ordinary shares in the Group Entity held during the financial year by each Director of the Company and other Key Management Personnel of the Group Entity, including their personally related parties, are set out below. Details of Options granted as compensation can be found in section C of the remuneration report in the Directors report.

2010	Note	Balance at start of the year No.	Granted as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation No.	Balance at end of the year No.	Vested & exercisable No.	Unvested No.
Directors									
Michael Mulroney		3,000,000	-	-	-	-	3,000,000	3,000,000	-
Tim Sugden		10,000,000	-	-	-	-	10,000,000	10,000,000	-
Allan Trench		3,000,000	-	-	-	-	3,000,000	3,000,000	-
Anthony Reilly		-	5,000,000	-	-	-	5,000,000	-	5,000,000
Key Management Personnel									
Liza Carpene		5,000,000	-	-	-	-	5,000,000	5,000,000	-
Karl Weber		-	5,000,000	-	-	-	5,000,000	-	5,000,000
Jonas Ferreira Da Silva		-	2,000,000	-	-	-	2,000,000	-	2,000,000
		21,000,000	12,000,000	-	-	-	33,000,000	21,000,000	12,000,000

2009	Note	Balance at start of the year No.	Granted as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation No.	Balance at end of the year No.	Vested & exercisable No.	Unvested No.
Directors									
Charles Morgan	*	3,200,001	-	-	-	(3,200,001)	-	-	-
Ayaz Khan	*	321,941	-	-	-	(321,941)	-	-	-
Cyril Geach	*	1,116,667	-	-	-	(1,116,667)	-	-	-
Michael Mulroney	#	1,029,350	3,000,000	-	(1,029,350)	-	3,000,000	3,000,000	-
Tim Sugden		-	10,000,000	-	-	-	10,000,000	10,000,000	-
Burkhard Eisenlohr		-	-	-	-	-	-	-	-
Allan Trench		-	3,000,000	-	-	-	3,000,000	3,000,000	-
Key Management Personnel									
Phillip Hains	*	333,934	-	-	-	(333,934)	-	-	-
Liza Carpene		-	5,000,000	-	-	-	5,000,000	5,000,000	-
		6,001,893	21,000,000	-	(1,029,350)	(4,972,543)	21,000,000	21,000,000	-

#. Net Change Other refers to options that have been issued or expired during the year under review, other than for remuneration, or traded on market.

*. Closing balance at date of resignation.

(c) **Shareholdings**

The number of shares in the Group Entity held during the financial year by each Director and other Key Management Personnel of the Group Entity, including their personally related parties, are set out below. Details of shares granted as compensation can be found in section C of the remuneration report in the Directors report.

2010	Note	Balance at start of the year No.	Received as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation No.	Balance at end of the year No.
Directors							
Michael Mulroney	#	15,800,820	-	-	1,580,084	-	17,380,904
Tim Sugden	#	28,200,000	-	-	3,136,600	-	31,336,600
Allan Trench	#	2,000,000	-	-	600,000	-	2,600,000
Anthony Reilly	#	-	-	-	26,910,000	-	26,910,000
Key Management Personnel							
Liza Carpene	#	2,000,000	-	-	200,000	-	2,200,000
Karl Weber	#	-	-	-	1,250,000	-	1,250,000
Jonas Ferreira Da Silva		-	-	-	4,250,000	-	4,250,000
		48,000,820	-	-	37,926,684	-	85,927,504

2009	Note	Balance at start of the year No.	Received as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation No.	Balance at end of the year No.
Directors							
Charles Morgan	#,*	2,000,001	-	-	270,000	(2,270,001)	-
Ayaz Khan	#,*	4,735,498	-	-	245,000	(4,980,498)	-
Cyril Geach	*	666,667	-	-	-	(666,667)	-
Michael Mulroney	#	1,725,683	-	-	14,075,137	-	15,800,820
Tim Sugden	#	-	-	-	28,200,000	-	28,200,000
Burkhard Eisenlohr		-	-	-	-	-	-
Allan Trench	#	-	-	-	2,000,000	-	2,000,000
Key Management Personnel							
Phillip Hains	*	393,334	-	-	-	(393,334)	-
Liza Carpene	#	-	-	-	2,000,000	-	2,000,000
		9,521,183	-	-	46,790,137	(8,310,500)	48,000,820

#. Net Change Other refers to initial share holdings, shares purchased and shares sold during the financial year.

*. Closing balance at date of resignation.

Notes to the Financial Statements

(d) **Loans to Key Management Personnel**

There were no loans made to the Directors or other Key Management Personnel of the Group Entity, including their personally related parties (2009: Nil).

(e) **Other transactions with Key Management Personnel**

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

An amount of $551,507 (2009: $102,998) was paid to Argonaut Capital Limited, of which Mr Michael Mulroney is a Director, for underwriting fees, corporate advisory services and provision of Michael Mulroney as a Non-Executive Director of the Company.

An amount of $100,000, $100,000 and $200,000 were advanced as loans during 2009 by Argonaut Equity Partners Pty Ltd, AFM Perseus Fund Limited and Kumbhalgarh Pty Ltd respectively. Mr Michael Mulroney is a Director of AFM Perseus Fund Limited and Dr Tim Sugden is a Director and Shareholder of Kumbhalgarh Pty Ltd. The loan was repaid on 1 January 2009, by issuing fully paid shares at $0.01.

An amount of $82,216 for back pay of salary costs to the Managing Director of CMG Gold Ltd was paid in June 2010 in accordance with the terms of Anthony Reilly's employment contract.

No amount (2009: $35,544) was paid to Seaspin Pty Limited, of which Mr Charles Morgan is a Director, for provision of Charles Morgan as a Non-Executive Chairman of the Company.

No amount (2009: $7,641) was paid to Purple Communications, for communication services from Purple Communications, a company related to Mr Charles Morgan's spouse.

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

Note 7 – Auditor's Remuneration

	2010 $	2009 $
Remuneration of the auditor of the Group Entity for:		
- auditing or reviewing the financial report	27,900	22,000
- taxation services	4,500	-
- other assurance services	5,000	-
	37,400	22,000

Note 8 - Loss per Share

	2010	2009
(a) Basic loss per share (cents)	(1.24)	(1.03)
(b) Diluted loss per share (cents)	(1.24)	(1.03)
(c) Net loss used in the calculation of basic loss per share and diluted loss per share	($5,971,446)	($1,196,393)
(d) Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share and diluted loss per share	482,620,207	116,662,274

Note 9 - Cash and Cash Equivalents

	2010 $	2009 $
Cash at Bank	4,769,519	507,828
Cash Backed Environmental Bonds	1,535,481	-
Cash and Cash Equivalents	6,305,000	507,828

Note 10 - Trade and Other Receivables

	Note	2010 $	2009 $
CURRENT			
- Trade and other receivables		423,076	-
- Interest accrued		-	1,610
- Loan to CMG Gold Limited	*	-	340,000
Trade and other receivables		423,076	341,610

* This loan was advanced to CMG Gold Limited, an entity which during the year was 100% acquired by the Company. The loan was interest bearing at 5% per annum, repayable on demand and is secured over certain titles of exploration tenements in Brazil, held by CMG Gold Limited. This loan was transferred to an intercompany loan upon acquisition.

Note 11 - Inventories

	2010 $	2009 $
CURRENT		
Diesel fuel	41,420	-
Consumables	24,989	-
	66,409	-

Note 12 - Prepayment and Deposits

	2010 $	2009 $
CURRENT		
Prepayments	78,179	22,562
Deposits	13,413	26,729
Deferred expenditure – CMG Gold Limited	-	54,404
	91,592	103,695

Note 13 – Property, Plant and equipment

	2010 $	2009 $
NON-CURRENT		
Property, Plant and equipment:		
At cost	3,864,291	29,154
Accumulated depreciation	(205,980)	(12,582)
Accumulated impairment losses	-	-
	3,658,311	16,572

Movements in Carrying Amounts

Movements in carrying amounts for each class of plant and equipment between the beginning and the end of the current financial year.

	Note	2010 $	2009 $
Total Property, Plant and equipment			
Carrying amount at the beginning of year		16,572	25,550
Additions		182,907	4,455
Additions through acquisition of entities	27a	42,000	-
Additions through acquisition of entities	27b	3,605,490	-
Disposals		(3,964)	(3,155)
Depreciation expense		(184,257)	(10,278)
Effects of movement in exchange rate		(437)	-
Carrying amount at the end of year		3,658,311	16,572
Property			
Carrying amount at the beginning of year		-	-
Additions through acquisition of entities	27b	27,100	-
Carrying amount at the end of year		27,100	-
Buildings			
Carrying amount at the beginning of year		-	-
Additions through acquisition of entities	27b	1,817,560	-
Depreciation expense		(99,611)	-
Carrying amount at the end of year		1,717,949	-
Leasehold Improvements			
Carrying amount at the beginning of year		-	-
Additions		11,586	-
Depreciation expense		(1,756)	-
Carrying amount at the end of year		9,830	-
Plant and Equipment			
Carrying amount at the beginning of year		16,572	25,550
Additions		171,321	4,455
Additions through acquisition of entities	27a	42,000	-
Additions through acquisition of entities	27b	1,760,830	-
Disposals		(3,964)	(3,155)
Depreciation expense		(82,890)	(10,278)
Effects of movement in exchange rate		(437)	-
Carrying amount at the end of year		1,903,432	16,572

Notes to the Financial Statements

Note 14 - Intangible Assets

	Note	2010	2009
NON-CURRENT		$	$
Exploration & evaluation costs			
At cost		22,718,869	2,842,309
Accumulated impairment loss		(1,548,535)	(346,931)
Net carrying value		21,170,334	2,495,378
Goodwill			
At cost		57,608	57,608
Accumulated impairment		(57,608)	(57,608)
Net carrying value		-	-
Formation expenditure			
At cost		2,070	-
Accumulated impairment		(1,601)	-
Net carrying value		469	-
Total intangible assets		21,170,803	2,495,378

Movements in Carrying Amounts of exploration and evaluation costs

	Note	2010	2009
		$	$
Exploration & evaluation costs			
Balance at the beginning of year		2,495,378	1,898,640
Additions incurred during the year	#	3,290,616	943,669
Additions through acquisition of entities	27a,#	2,644,945	-
Additions on consolidation through acquisition of entities	27a,#	6,061,160	-
Additions through acquisition of entities	27b,#	10,277,739	-
Expensed	i	(196,673)	-
Written Off	ii	(2,236,954)	-
Impairment loss	iii	(1,189,961)	(346,931)
Effects of movement in exchange rate		24,084	-
Closing carrying value at the end of year		21,170,334	2,495,378

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

Impairment / Write Off Disclosures

i *Expensed interest in the Cuiaba Basin Project*

Following a review of technical, economic and contractual aspects of the Cuiaba Basin Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity wrote off previously capitalised exploration and evaluation expenditure of $196,673 (2009: Nil) incurred on the Cuiaba Basin Project during the year ended 30 June 2010.

ii *Write-off of interest in the St Elina Project*

The Directors of the Group Entity withdrew from the St Elina Option agreement on the 28 May 2010. Therefore the Group Entity wrote off previously capitalised exploration and evaluation expenditure of $2,236,954 (2009: Nil) incurred on the St Elina Project during the year ended 30 June 2010.

Iii *Impairment of interest in the Kooline Project*

Following a review of technical, economic and contractual aspects of the Kooline Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired previously capitalised exploration and evaluation expenditure of $68,551 (2009: $36,931) incurred on the Kooline Project during the year ended 30 June 2010.

Impairment of interest in the Tarrawarra Project

Following a review of technical, economic and contractual aspects of the Tarrawarra Project, the Directors of the Group Entity concluded that further exploration work is warranted before determining if the carrying value on the project is overstated. Therefore the Group Entity did not impair any previously capitalised exploration and evaluation expenditure (2009: $310,000) incurred on the Tarrawarra Project during the year ended 30 June 2010.

Impairment of interest in the Cuiaba Basin Project

Due to the Company’s inability to renew the core Serrinha tenement (866408/2003), the Directors of the Group Entity had no choice but to impair the project area. The two remaining Serrinha tenements held still have significant exploration potential. Therefore the Group Entity impaired previously capitalised exploration and evaluation expenditure of $1,121,410 (2009: Nil) incurred on the Cuiaba Basin Project during the year ended 30 June 2010.

Movements in Carrying Amounts of goodwill

There are no movements in the carrying amounts for goodwill between the beginning and the end of the current financial year (2009: Nil).

Movements in Carrying Amounts of formation expenditure

	Note	**2010** **$**	**2009** **$**
Formation expenditure			
Balance at the beginning of year		-	-
Additions		-	-
Additions through acquisition of entities	27a	883	-
Amortisation expenditure		(414)	-
Closing carrying value at the end of year		469	-

Note 15 - Trade and Other Payables

	2010 **$**	**2009** **$**
CURRENT		
Trade and other payables	343,223	136,701
Accrued expenses	873,086	53,036
	1,216,309	189,737

Note 16 – Employee Benefits

		2010 **$**	**2009** **$**
CURRENT			
Annual Leave:			
Opening balance at beginning of year		12,739	28,961
Acquisitions through business combinations	27a	22,096	-
Additional provisions raised during year		70,091	25,913
Amounts used		(40,335)	(42,135)
Balance at end of the year		64,591	12,739
NON-CURRENT			
Long Service Leave:			
Opening balance at beginning of year		-	1,299
Additional provisions raised during year		-	-
Unused amounts reversed		-	(1,299)
Balance at end of the year		-	-
Analysis of Employee Benefits			
Current		64,591	12,739
Non-current		-	-
		64,591	12,739

Note 17 - Provisions

	2010 **$**	**2009** **$**
NON-CURRENT		
Mine Rehabilitation:		
Opening balance at beginning of year	-	-
Acquisitions through business combinations	4,716,334	-
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	(482,405)	-
Balance at end of the year	4,233,929	-
Contingent Liability		
Opening balance at beginning of year	-	-
Additional provisions raised during year	2,742,255	-
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	41,366	-
Balance at end of the year	2,783,621	-
Total Provisions		
Current	-	-
Non-current	7,017,550	-
	7,017,550	-

Mine Rehabilitation

In accordance with State government legislative requirements, a provision for mine rehabilitation has been recognised in relation to the Group Entity's Whim Creek Mine. A small scale SX-EW is currently under construction and is expected to operate for one to two years. If scoping and feasibility studies are successful, a sulphide operation may be developed within one to two years. The basis for accounting is set out in Note 1(l) of the significant accounting policies

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

	2010	2009
Inflation Rate – CPI	3.10%	-
Cash Rate	4.50%	-
Estimated commencement of outflow	31 December 2018	-

Contingent Liability

As part of the acquisition of Straits (Whim Creek) Pty Ltd (See Note 27b), Venturex included as part of the purchase consideration a contingent liability. This is based upon an announcement of its intention to commence mining operations on any of the tenements held by Whim Creek, Venturex or its related bodies corporate, within 100 kilometres of the tenements held by 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 not obtained, Venturex will instead pay the amount of $3,500,000 cash.

The fair value of the contingent liability model inputs used are as follows:

	2010	2009
Probability of Shares	100%	-
Cash Rate	4.5%	-
Assumed time to announcement of intention to mine	1 February 2012	-

Note 18 – Capital and Reserves

	Note	2010 $	2009 $
Ordinary shares fully paid	18a	33,780,826	8,504,532
Options over ordinary shares	18b	-	357,842
		33,780,826	8,862,374

(a) **Ordinary Shares fully paid**		2010 No.	2010 $	2009 No.	2009 $
At the beginning of reporting period		196,546,681	8,504,532	65,173,730	6,653,204
Shares issued during year	(i)	439,177,616	25,963,799	131,359,617	1,990,097
Exercise of Options – Shares issued during the year	(ii)	-	-	13,334	1,333
Transaction costs relating to share issues		-	(687,505)	-	(140,102)
At reporting date		635,724,297	33,780,826	196,546,681	8,504,532

(i) 2010	Details	No.	Issue Price $	$
01-Jul-09	Purchase of CMG Gold Ltd (Refer Note 27a)	189,210,000	0.044	8,325,240
16-Jul- 09	Shares issued to Liberty Mining Corporation as Satisfaction of Deed of Revocation	4,500,000	0.055	247,500
04-Sep-09	Shares issued under rights issue	23,732,792	0.050	1,186,640
09-Sep 09	Shares issued under rights issue – shortfall	15,292,877	0.050	764,644
01-Feb-10	Purchase of Straits (Whim Creek) Pty Ltd (Refer Note 27b)	106,700,000	0.060	6,402,000
01-Feb-10	Purchase of Straits (Whim Creek) Pty Ltd (Working Capital Adjustment)	-	-	61,000
16-Apr-10	Shares issued to Nefco Nominees Pty Ltd (Regent Pacific Group Ltd)	80,297,503	0.090	7,226,775
21-Jun-10	Shares issued to Nefco Nominees Pty Ltd (Regent Pacific Group Ltd)	19,444,444	0.090	1,750,000
		439,177,616		25,963,799

2009	Details	No.	Issue Price $	$
27-Aug-08	Shares issued under placement	3,850,000	0.100	385,000
13-Jan-09	Shares issued under converting loan agreement	50,000,000	0.010	500,000
22-Jan-09	Shares issued under rights issue	15,802,341	0.010	158,024
03-Feb-09	Shares issued under rights issue – shortfall	28,707,276	0.010	287,073
16-Apr-09	Shares issued under placement	16,500,000	0.030	495,000
16-Apr-09	Shares issued under rights issue – shortfall	16,500,000	0.010	165,000
		131,359,617		1,990,097

(ii) 2009	Details	No.	Exercise Price $	$
16-Sep-08	Exercise of Listed Options	13,334	0.100	1,333
		13,334		1,333

There were no options exercised during the financial year ended 30 June 2010.

(b) **Option Reserve**

		2010 No.	2010 $	2009 No.	2009 $
At beginning of reporting period		38,634,237	357,842	53,077,670	357,842
Options issued during year	(i)	-	-	3,850,000	-
Exercise of – Shares issued during the year	(ii)	-	-	(13,334)	-
Expiration of options	+, #	(38,634,237)	(357,842)	(18,280,099)	-
At reporting date		-	-	38,634,237	357,842

(i)

2009	Details	No.	Issue Price $	$
29-Aug-08	Listed Options (VXRO) 1:1 free attaching – nil consideration +	3,850,000	0.00	-
		3,850,000		-

There were no options issued during the financial year ended 30 June 2010.

\+ On 27 August 2008, the Company offered 3,850,000 shares with an attaching option to sophisticated investors to raise additional working capital for the Company. The options were listed options expiring 31 July 2009 at an exercise price of 20 cents and were issued free. These options expired during year ended 30 June 2010.

\# On 1 August 2007, the Company offered 34,784,237 share options to all Shareholders on record at 13 August 2007, in a non-renounceable rights issue of 4 options for every 5 shares held at an issue price of $0.01 per option. Each option had an exercise price of $0.20 and expiry date of 31 July 2009. These options expired during year ended 30 June 2010.

Changes in Option Reserves during the year are as follows:

2010	Exercise Price	Expiry Date	Balance at beginning of year	Adjustment for Opening Balance	Issued during the year	Exercised during the year	Cancelled during the year	Balance at end of year
	$		No.	No.	No.	No.	No.	No.
Listed Options (JUTO)	0.20	31-Jul-09	38,634,237	-	-	-	(38,634,237)	-
			38,634,237	-	-	-	(38,634,237)	-

2009	Exercise Price	Expiry Date	Balance at beginning of year	Adjustment for Opening Balance	Issued during the year	Exercised during the year	Cancelled during the year	Balance at end of year
	$		No.	No.	No.	No.	No.	No.
Listed Options (JUTO)	0.20	31-Jul-09	34,784,237	-	3,850,000	-	-	38,634,237
Listed Options (JUTOA)	0.10	15-Jun-09	16,293,433	2,000,000	-	(13,334)	(18,280,099)	-
			51,077,670	2,000,000	3,850,000	(13,334)	(18,280,099)	38,634,237

(ii)

2009	Details	No.	Exercise Price $	$
16-Sep-08	Exercise of Listed Options	13,334	0.100	1,333
		13,334		1,333

There were no options exercised during the financial year ended 30 June 2010.

(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 Entity, 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 Entity.

Options

Options do not have the right to receive dividends as declared and, in the event of winding up the Group Entity, 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 do not entitle their holder to vote at a Shareholder meeting of the Group Entity.

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

(d) **Capital Management**

Management controls the capacity of the Group Entity in order to maintain a good debt to equity ratio, provide the Shareholders with adequate returns and ensure that the Group Entity can fund its operations and continue as a going concern.

The Group Entity'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 Entity's capital by assessing the Group Entity'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 Entity since the prior year. This strategy is to ensure that the Group Entity's gearing ratio remains nil/low. The gearing ratios for the year ended 30 June 2010 and 30 June 2009 are as follows:

	2010 **$**	**2009** **$**
Total borrowings	-	-
Less: cash and cash equivalents	(6,305,000)	(507,828)
Net debt	-	-
Total equity	23,416,741	3,262,607
Total capital	23,416,741	3,262,607
Gearing ratio	-	-

Note 19 – Operating Leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2010 **$**	**2009** **$**
- not later than 12 months	71,291	46,540
- between 12 months and 5 years	17,165	42,185
- greater than 5 years	-	-
	88,456	88,725

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

The building lease runs for a period of 2 years, with an option to renew the lease after that date. Lease payments are subject to the Consumer Price Index and market reviews.

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

The small appliances lease runs for a period of 5 years, with an option to renew the lease after that date. Lease payments are fixed for the duration of the lease.

During the financial year ended 30 June 2010, $69,111 was recognised as an expense in the profit or loss in respect of operating leases (2009: $50,400)

Note 20 - Capital Commitments

Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group Entity 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 reporting date but not recognised as liabilities is as follows:

	2010 **$**	**2009** **$**
- not later than 12 months	603,975	112,500
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	603,975	112,500

Note 21 - Contingencies

As at 30 June 2010, the Group Entity's contingent liabilities are as follows:

- As part of the acquisition of Straits (Whim Creek) Pty Ltd (See Note 27b), 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 Whim Creek, Venturex or its related bodies corporate, within 100 kilometres of the tenements held by 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 provision has been made at acquisition (see Note 17).
- The contingent liability of $82,216 for back pay of salary costs to the Managing Director of CMG Gold Ltd was paid in June 2010 in accordance with the terms of Anthony Reilly's employment contract.
- Following the acquisition of Straits (Whim Creek) Pty Ltd, the Company will be required to pay all applicable stamp duty costs. The assessment is currently being conducted by the Office of State Revenue and at the date of this report, a value has not been determined. No provision has been made in the accounts for Stamp Duty.

As at 30 June 2009, the Group Entity's contingent liabilities are as follows:

- Pursuant to the Implementation Agreement dated 1 April 2009 between the Group Entity and CMG Gold Ltd, there is a contingent liability of $82,216 for back pay of salary costs to the Managing Director of CMG Gold Ltd, in accordance with the terms of his employment contract. This back pay is contingent upon the complete takeover of CMG Gold Ltd. No provision was made in the Statement of Financial Position.

Note 22 – Operating Segments

Management has determined that the Group Entity has one reportable segment, being resources exploration, which is based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. As the Group Entity is focused on resources exploration, focusing on several base and precious metals resources, the Board monitors the Group Entity based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group Entity and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Revenue by geographical region

The Group Entity has not generated revenue from operations, other than other revenue with origins in Australia. (see Note 2)

Assets by geographical region

The location of segment assets is disclosed below by geographical location of the assets.

	2010	**2009**
	$	**$**
Australia	25,273,632	3,465,083
Brazil	6,441,559	-
Total Assets	31,715,191	3,465,083

Note 23 - Cash Flow Information

		Note	**2010**	**2009**
			$	**$**
(a)	Reconciliation of Cash Flow from Operations with Comprehensive Income			
	Loss for the period		(5,971,446)	(1,196,393)
	Add back depreciation expense	13	184,257	10,280
	Add back equity issued for nil consideration, options issued	25a	1,207,128	(103,353)
	Add back equity issued for nil consideration, options expired	18b	(357,842)	-
	Add back equity issued for nil consideration, Liberty Mining Corporation	18a	247,500	-
	Add back impairment of area of interest	14	1,189,961	346,931
	Add back write-off of area of interest	14	2,236,954	-
	Add back capitalised exploration expenses	14	196,673	-
	Add back interest from other parties		(1,310)	-
	Add back leave provisions		29,651	(17,521)
	Add back unwind of discount on rehabilitation	17	(482,405)	-
	Add back unwind of discount on contingent liability	17	41,366	-
	Add back income from investing activities		-	(15,000)
	Net Gain (Loss) on sale of plant & equipment	3	3,964	3,154
	(Increases)/Decreases in accounts receivable		(321,404)	112,270
	(Increases)/Decreases in other current assets		59,519	31,232
	Increases/(Decreases) in accounts payable		396,958	(70,680)
	Increases/(Decreases) in other current liabilities		(4,695)	-
	Cash flow from operations		(1,345,171)	(899,080)

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

2010

Share and Option Issues

On 1 July 2009, the Company issued 189,210,000 fully paid ordinary shares to acquire 100% of the issued capital of CMG Gold Limited. ($8,325,240) See Note 27a.

On 16 July 2009, the Company issued 4,500,000 fully paid ordinary shares to Liberty Mining Corporation on Satisfaction of Deed of Revocation. ($247,500) See Note 18a.

On 1 February 2010, the Company issued 106,700,000 fully paid ordinary shares to acquire 100% of the issued capital of Straits (Whim Creek) Pty Ltd. ($6,402,000) See Note 27b.

On 16 February 2010, the Company issued 31,578,947 unlisted options to Macquarie Bank Limited for providing a convertible loan facility. ($719,779) See Note 24.

Notes to the Financial Statements

On 16 February 2010, the Company issued 10,526,316 unlisted options to Argonaut Equity Partners Pty Ltd for providing a convertible loan facility. ($239,928) See Note 24.

These shares and options issue are not reflected in the cash flow statement.

2009

Shares and Option issues

There were no share or option issues for non-cash financing and investing activities in the period.

Note 24 – Loans and borrowings

2010

Convertible Loan Facility

On 10 February 2010, Venturex Resources Ltd (Venturex) executed agreements with Macquarie Bank Limited (MBL) and Argonaut Equity Partners Pty Ltd (AEP) for Convertible Loan Facilities incorporating the following terms and conditions:

- Total value of facilities: A$4,000,000 (MBL A$3,000,000; AEP A$1,000,000)
- Standard commercial rates and fees
- Final maturity date: on or before 31 January 2011
- Prepayment: the facilities can be prepaid without penalty at the end of any quarterly interest period
- Security for the facilities will be by way of a fixed and floating charge over the assets of Straits (Whim Creek) Pty Ltd
- Options Issued: in consideration of providing the facilities, Venturex issued 31,578,947 unlisted options to MBL and 10,526,316 unlisted options to AEP on 16 February 2010
- Exercise price of the options: 9.5 cents per share
- Expiry date: 31 January 2012

The loans were repaid on 12 May 2010, extinguishing all liability, and fixed and floating charge over Straits (Whim Creek) Pty Ltd.

Convertible Notes

Venturex and Regent Pacific Group Limited entered into an indicative and non-legally binding term sheet in regards to a Convertible Note. The key terms of the Convertible Note include:

- using the funds for future acquisitions
- Aggregate face value of $15,000,000
- Authorised Holdings of $500,000
- a three year term
- a conversion price of $0.12
- an interest rate coupon of 1%

The Convertible Note was approved by Shareholders in the General Meeting on 16 June 2010 and was to be issued within three months of that approval (16 September 2010). The Convertible Note was not issued.

2009

An amount of $100,000, $100,000 and $200,000 were advanced as loans during financial year ending 30 June 2009 by Argonaut Equity Partners Pty Ltd, AFM Perseus Fund Limited and Kumbhalgarh Pty Ltd respectively.

The loans were repaid on 01 January 2009, by issuing Fully paid shares at $0.01.

Note 25 - Share-Based Payments

	2010 $	2009 $
Share-Based Payments	1,530,329	323,201
	1,530,329	323,201

(a) The following share-based payment arrangements existed at 30 June 2010:

(i) Shares Issued and Options Granted to Directors or Other Key Management Personnel.

A total of 12,000,000 unlisted options were granted to Directors or Other Key Management Personnel during the year. 6,000,000 options vest on 7 December 2010, and 6,000,000 options vest on 7 December 2011. The value of these options is $602,400, of which $247,421 was expensed during the financial year (2009: Nil). Further details of shares and options issue have been disclosed in Section C and D of the Remuneration Report in the Directors' Report on page 24 to 27.

(ii) Shares Issued and Options Granted to Acquire Goods and Services.

A total of 42,105,263 unlisted options were granted during the year to Macquarie Bank Limited (31,578,947) and Argonaut Equity Partners Pty Ltd (10,526,316) for consideration of providing a convertible loan facility. These options vest immediately upon granting. The value of these options was $959,707. See Note 24

(iii) Shares Issued and Options Granted for the Year 2010 are as follows:

2010	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
07-Dec-09	Issue of options to Directors and Key Management Personnel	12,000,000	0.049	587,373	247,421
16-Feb-10	Issue of options to Macquarie Bank Limited	31,578,947	0.023	719,779	719,779
16-Feb-10	Issue of options to Argonaut Equity Partners Pty Ltd	10,526,316	0.023	239,928	239,928
		54,105,263		1,547,080	1,207,128

b) The following share-based payment arrangements existed at 30 June 2009:

(i) Shares Issued and Options Granted to Directors or Other Key Management Personnel.

A total of 21,000,000 unlisted options were granted to Directors or Other Key Management Personnel during the year. These options vest immediately upon granting. The value of these options was $35,700. Further details of shares and options issue have been disclosed in Section C and D of the Remuneration Report in the Directors' Report on page 24 to 27.

(ii) Shares Issued and Options Granted to Acquire Goods and Services.

No shares or options were issued as consideration for professional services or acquisition of tenement rights during the reporting period.

(iii) Shares Issued and Options Granted for the Year 2009 are as follows:

2009	Details	No.	Fair Market Value $	Compensation Expenses $
10-Oct-08	Expiration of options to acquire interest in the Tay-Munglinup Project	(300,000)	0.020	(6,000)
13-Jan-09	Issue of options to Directors and Company Secretary	21,000,000	0.002	35,700
15-Jun-09	Expiration of Options	(1,500,000)	0.050	(75,000)
30-Jun-09	Expiration of Options	(1,500,000)	0.070	(105,000)
31-Oct-08	Options Issued Net of Cost – Cyril Geach	-	0.000	46,947
		17,700,000		(103,353)

(c) Changes in Share Options for Directors, Key Employees and Options to Acquire Goods and Services during the year are as follows:

2010	Exercise Price $	Expiry Date	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Cancelled during the year No.	Balance at end of year No.
Unlisted Options (VXRAB)	0.20	22-Apr-11	1,457,148	-	-	-	1,457,148
Unlisted Options (VXRAC)	0.20	30-Nov-10	650,000	-	-	-	650,000
Unlisted Options (VXRAO)	0.10	12-Jan-12	21,000,000	-	-	-	21,000,000
Unlisted Options (VXRAI)	0.15	06-Dec-12	-	12,000,000	-	-	12,000,000
Unlisted Options (VXRAK)	0.09	31-Jan-12	-	42,105,263	-	-	42,105,263
			23,107,148	54,105,263	-	-	77,212,411

Changes in Share Options for Directors, Key Employees and Options to Acquire Goods and Services during the previous year are as follows:

2009	Exercise Price $	Expiry Date	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Cancelled during the year No.	Balance at end of year No.
Unlisted Options (VXRAB)	0.20	22-Apr-11	1,457,148	-	-	-	1,457,148
Unlisted Options (VXRAC)	0.20	30-Nov-10	650,000	-	-	-	650,000
Unlisted Options (VXRAD)	0.25	30-Jun-09	1,500,000	-	-	(1,500,000)	-
Unlisted Options (VXRAK)	0.10	15-Jun-09	1,500,000	-	-	(1,500,000)	-
Unlisted Options (VXRAM)	0.30	10-Oct-08	300,000	-	-	(300,000)	-
Unlisted Options (VXRAO)	0.10	12-Jan-12	-	21,000,000	-	-	21,000,000
			5,407,148	21,000,000	-	(3,300,000)	23,107,148

(d) Fair Value of Options Granted

The fair value at grant date is determined using a Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, and the risk free interest rate for the term of the option.

The weighted average model inputs used for options granted during the period included:

	2010	2009
Weighted average exercise price	$0.095 - $0.15	$0.0017
Weighted average life of the option	2-3 years	3 years
Underlying share price	$0.063 - $0.105	$0.01
Expected share price volatility	89% - 92%	88%
Risk free interest rate	4.51% - 5.14%	3.64%
Expected dividend yield	Nil	Nil

The expected share price volatility is based on the Group Entity's historic volatility since listing in April 2007.

Notes to the Financial Statements

(e) Expenses Arising From Share-Based Payment Transactions

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

	2010 $	2009 $
Compensation to Directors & Key Management Personnel	247,421	6,597
Compensation to acquire goods and services	959,707	(6,000)
Expiry of options	(357,842)	-
	1,207,128	597

Note 26 - Group Entity

	Note	Country of Incorporation	Percentage Owned (%)* 2010	Percentage Owned (%)* 2009
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	27a	Australia	100	-
CMG Mineração Ltda	27a	Brazil	100	-
Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd)	27b	Australia	100	-

* Percentage of voting power is in proportion to ownership.

Note 27 – Acquisitions of subsidiaries

(a) On 1 July 2009, the Group Entity acquired 100% of the issued capital of CMG Gold Limited, for a purchase consideration of 189,210,000 ordinary shares ($8,325,240). CMG Gold Limited owns the rights to gold tenements in Brazil.

The loss for the twelve months ended 30 June 2010, resulting from the acquisition of CMG Gold Ltd amounted to $3,863,326 and is included in the consolidated statement of comprehensive income. Included within corporate and administrative expenses in the statement of comprehensive income are acquisition-related costs totalling $54,404. The costs include advisory, legal and other professional fees.

The fair value adjustment to exploration and evaluation costs on consolidation of $6,061,160 is attributed to the significant potential, and local and strategic value of the tenements held by CMG Gold Limited in Brazil. The Directors do not believe that this should be impaired further (see Note 14)because the Company holds 100% interest in the remaining Brazilian exploration tenements; has received promising gold results on some of the tenements; the gold price has increased substantially since acquisition; and the Company has received expressions of interest from various parties to farm-in or acquire the tenements.

	Note	Acquiree's carrying amount $	Fair Value $
Purchase consideration			
Cash consideration			-
Equity issued as consideration			8,325,240
Total purchase			8,325,240
Fair value of assets acquired (see below)			2,264,080
Fair value adjustment to exploration and evaluation on consolidation			6,061,160
Net identifiable assets and liabilities			8,325,240
Assets and liabilities held at acquisition date			
Cash and cash equivalents		28,970	28,970
Receivables		3,851	3,851
Plant and equipment	13	42,000	42,000
Exploration and evaluation costs	14	2,644,945	2,644,945
Intangible assets	14	883	883
Payables		(57,046)	(57,046)
Provisions – current	16	(22,096)	(22,096)
Other		(377,427)	(377,427)
Net assets acquired		2,264,080	2,264,080
Purchase consideration settled in cash		-	-
Cash and cash equivalents in subsidiary acquired			28,970
Cash inflow on acquisition			28,970
Venturex shares issued (No.)			189,210,000
Fair value per share at acquisition date			0.044
Fair value of shares issued			8,325,240

(b) On 1 February 2010, the Group Entity acquired 100% of the issued capital of Straits (Whim Creek) Pty Ltd. Straits (Whim Creek) Pty Ltd owns the Whim Creek Copper Mine and all associated mining leases and exploration tenements including copper, zinc, lead, silver and gold VMS resources at Whim Creek, Mons Cupri and Salt Creek. Other assets include the Whim Creek Hotel, an accommodation village, crushing circuit and various mining infrastructure.

In the period 1 February 2010 to 30 June 2010, a loss of $282,978 is included in the consolidated statement of comprehensive income as a result of the acquisition of Straits (Whim Creek) Pty Ltd

	Note	Acquiree's carrying amount $	Fair Value $
Purchase consideration			
Cash consideration			-
Equity issued as consideration			6,402,000
Fair value of contingent consideration			2,742,255
Total purchase			9,144,255
Fair value of assets acquired (see below)			9,144,255
Net identifiable assets and liabilities			9,144,255
Assets and liabilities held at acquisition date			
Cash and cash equivalents		-	-
Receivables		3,436	3,436
Inventories		48,160	21,334
Plant and equipment	13	5,463,760	3,605,490
Exploration and evaluation costs	14	10,325,450	10,277,739
Deferred tax asset		5,787,024	-
Payables		(42,715)	(42,715)
Provisions – current		(4,695)	(4,695)
Deferred tax liability		(4,606,708)	-
Provisions – non – current	17	(4,716,334)	(4,716,334)
Net assets acquired		12,257,378	9,144,255
Purchase consideration settled in cash			-
Cash and cash equivalents in subsidiary acquired			-
Cash inflow on acquisition			-
Purchase consideration settled in shares			-
Venturex shares issued (No.)			106,700,000
Fair value per share at acquisition date			0.060
Fair value of shares issued			6,402,000
Purchase consideration settled by contingent liability			-
Contingent consideration	21		2,742,255
Total consideration			9,144,255

Note 28 – Subsequent Events

On 14 July 2010, Mr Anthony Kiernan was appointed Non-Executive Chairman. Subject to Shareholder approval at the Annual General Meeting, Mr Kiernan will be granted 3,000,000 unlisted options to acquire ordinary shares in the Company at no coast as a component of his remuneration package. The proposed options will vest immediately upon issue and will expire three years from the date of issue, at an exercise price being a 50% premium to the share price at the date of issue, with a floor exercise price of 15 cents per option.

On 14 July 2010, Dr Allan Trench resigned as Non-Executive Chairman and was appointed as a Non-Executive Director.

On 16 August 2010, the Company issued 19,444,444 fully paid ordinary shares to Regent Pacific Group Limited (Regent) at an issue price of 9 cents per share raising $1,750,000. This issue was the third and final component of the Regent placement arrangements.

Note 29 – Deed of cross guarantee

Pursuant to ASIC Class Order 98/1418 (as amended) dated 13 August 1998, the wholly-owned subsidiaries listed below are relieved from the Corporations Act 2001 requirements for preparation, audit and lodgement of financial reports, and director's reports

It is a condition of the Class Order 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 subject to the Deed of Cross Guarantee is CMG Gold Ltd.

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

A consolidated statement of comprehensive income and consolidated statement of financial position, comprising the Company and controlled entities which are a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 30 June 2010 is set out as follows:

Notes to the Financial Statements

Consolidated Statement of Comprehensive Income for Closed Group	**2010** **$**	**2009** **$**
Other income	413,842	-
Administrative expense	(295,395)	-
Corporate expense	(360,548)	-
Directors and consultants fee	(1,135,047)	-
Exploration and evaluation expense	(236,932)	-
Impairment/Write Off of area of interest	(3,426,915)	-
Finance income	80,070	
Finance costs	(1,026,233)	
Loss before income tax	(5,987,158)	-
Income tax expense	-	-
Loss for the year	(5,987,158)	-
Gains arising from translating financial statements of foreign operations	(18,337)	-
Other comprehensive income for the period	(18,337)	-
Total comprehensive income for the period	(6,005,495)	-
Retained earnings at beginning of year	(5,733,493)	-
Retained earnings at end of year attributable to equity holders of the Company	(11,738,988)	-

Consolidated Statement of Financial Position for Closed Group	**2010** **$**	**2009** **$**
Assets		
Current assets		
Cash and cash equivalents	4,769,519	-
Trade and other receivables	382,404	-
Other	44,176	-
Total current assets	**5,196,099**	**-**
Non-current assets		
Intercompany investments	9,544,025	-
Plant and equipment	75,187	-
Intercompany loans	5,802,939	-
Exploration and evaluation costs	6,494,727	-
Intangible assets	469	-
Total non-current assets	**21,917,347**	**-**
Total assets	**27,113,446**	**-**
Liabilities		
Current liabilities		
Trade and other payables	481,908	-
Provisions	64,591	-
Total current liabilities	**546,499**	**-**
Non-current liabilities		
Provisions – Non Current	2,783,621	-
Intercompany loans – Non Current	211,159	-
Total non-current liabilities	**2,994,780**	**-**
Total liabilities	**3,541,279**	**-**
Net assets	**23,572,167**	**-**
Equity		
Issued capital	33,780,826	-
Reserves	1,530,329	-
Accumulated losses	(11,738,988)	-
Total equity	**23,572,167**	**-**

Notes to the Financial Statements

Note 30 - 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 Company within the Group Entity 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 Note 6.

(d) **Loans to/from related parties**
Venturex Resources Limited loaned $8,782,801 (2009: $2,208,096) to wholly owned subsidiaries

The loans are unsecured, interest rate free (2009: interest rate free) and repayable on demand. There were no repayments made during the year.

Note 31 – Company Information

The following details information related to the Company, Venturex Resources Ltd, at 30 June 2010. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2010 $	2009 $
Current assets	5,187,001	951,899
Non-current assets	25,704,179	2,684,999
Total assets	**30,891,180**	**3,636,898**
Current liabilities	505,551	184,494
Non-current liabilities	2,994,780	-
Total liabilities	**3,500,331**	**184,494**
Contributed equity	33,780,826	8,504,532
Reserves	1,530,329	681,043
Accumulated losses	(7,920,306)	(5,733,171)
Total Equity	**27,390,849**	**3,452,404**
Profit / (loss) for the year	(2,187,135)	(1,195,126)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(2,187,135)**	**(1,195,126)**

Note 32 - Financial Instruments

(a) Financial Instruments

The Group Entity's financial instruments consist of cash and cash equivalents, trade and other receivables and trade and other payables.

The Group Entity does not have any derivative instruments at 30 June 2010.

(b) Significant accounting policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis for measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

(c) Financial Risk Management

The main risks the Group Entity is exposed to through its operations are interest rate risk, credit risk and liquidity risk, and exposure to foreign currencies.

(d) 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 Entity is exposed to interest rate risks via the cash and cash equivalents that it holds. The effective weighted average interest rate on classes of financial assets and financial liabilities is as follows:

Group Entity	Note	Weighted Average Effective Interest Rate	Floating Interest Rate $	Fixed Interest Rate Within Year $	Fixed Interest Rate 1 to 5 years $	Fixed Interest Rate Over 5 years $	Non-Interest Bearing $	Total $
2010								
Financial Assets:								
Cash and Equivalents	9	4.37%	6,305,000	-	-	-	-	6,305,000
Trade and other receivables	10		-	-	-	-	423,076	423,076
Total Financial Assets			6,305,000	-	-	-	423,076	6,728,076
Financial Liabilities:								
Trade and other payables	15		-	-	-	-	343,223	343,223
Total Financial Liabilities			-	-	-	-	343,223	343,223
2009								
Financial Assets:								
Cash and Equivalents	9	3.65%	507,828	-	-	-	-	507,828
Trade and other receivables	10	5.00%	-	340,000	-	-	1,610	341,610
Total Financial Assets			507,828	340,000	-	-	1,610	849,438
Financial Liabilities:								
Trade and other payables	15		-	-	-	-	136,701	136,701
Total Financial Liabilities			-	-	-	-	136,701	136,701

Interest rate sensitivity analysis

The following table indicates the impact on how comprehensive income and equity values reported at balance 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:

	Comprehensive Income $	Equity $
+/- 2% in interest rates		
- Year ended 30 June 2010	+/-126,100	+/-126,100
- Year ended 30 June 2009	+/- 10,156	+/- 10,156

(e) Credit Risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group Entity. The Group Entity is exposed to credit risk via its cash and cash equivalents and trade and other receivables. To reduce risk exposure for the Group Entity's cash and cash equivalents, it places them with high credit quality financial institutions.

The Group Entity has analysed its trade and other receivables below. All trade and other receivables disclosed below have not been impaired.

	Note	0-30 days	30-60 days	60-90 days	90+day	Total
2010						
Trade and other receivables	10	423,076	-	-	-	423,076
2009						
Trade and other receivables	10	341,610	-	-	-	341,610

Notes to the Financial Statements

(f) Liquidity Risk

The Group Entity is exposed to liquidity risk via its trade and other payables. Liquidity risk is the risk that the Group Entity 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 Entity's Management at Board meetings to ensure that the Group Entity 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 Entity needs to raise additional funding from the equity markets.

The Group Entity has analysed its trade and other payables below. All trade and other payables disclosed below have not been impaired.

	Note	**0-30 days**	**30-60 days**	**60-90 days**	**90+day**	**Total**
2010						
Trade and other payables	15	343,228	-	-	-	343,228
2009						
Trade and other payables	15	136,701	-	-	-	136,701

(g) Exposure to Foreign Currency risk

The Group Entity is exposed to foreign currency risk on purchases that are denominated in a currency other than the AUD. The currency giving rise to this risk is primarily the Brazilian Real.

The Group Entity currently does not hedge against foreign currency gains or losses..

The Group Entity's exposure to foreign currency risk was as follows, based on notional amounts:

		2010		**2009**	
	Note	**AUD**	**BRL**	**AUD**	**BRL**
		$	**$**	**$**	**$**
Trade and other receivables	10	423,076	-	341,610	-
Trade and other payables	15	(307,450)	(35,778)	(136,701)	-
Gross statement of financial position exposure		115,626	(35,778)	204,909	-

The following significant exchange rates applied during the year:

	Average Rate		**Reporting Date Spot Rate**	
	2010	**2009**	**2010**	**2009**
AUD to BRL	0.6333	-	0.6517	-

A strengthening of the AUD, as indicated below, against the BRL at 30 June would have increased (decreased) equity and comprehensive income by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group Entity considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis was not performed in 2009 as there was no exposure to currency risk.

	Comprehensive Income	**Equity**
	$	**$**
AUD to BRL (10 percent strengthening)	(64,770)	64,770

A weakening of the AUD against the above currencies at 30 June would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(h) Fair Values

All financial assets and liabilities recognised in the Statement of Financial Position, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 30 to 59, are in accordance with the Corporations Act 2001 and:

    (a) comply with Accounting Standards and the Corporations Regulations 2001; and
    (b) give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the Company and Group Entity;

2. the Chief Executive Officer and Chief Finance Officer have each declared that:

    (a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
    (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
    (c) the financial statements and notes for the financial year give a true and fair view.

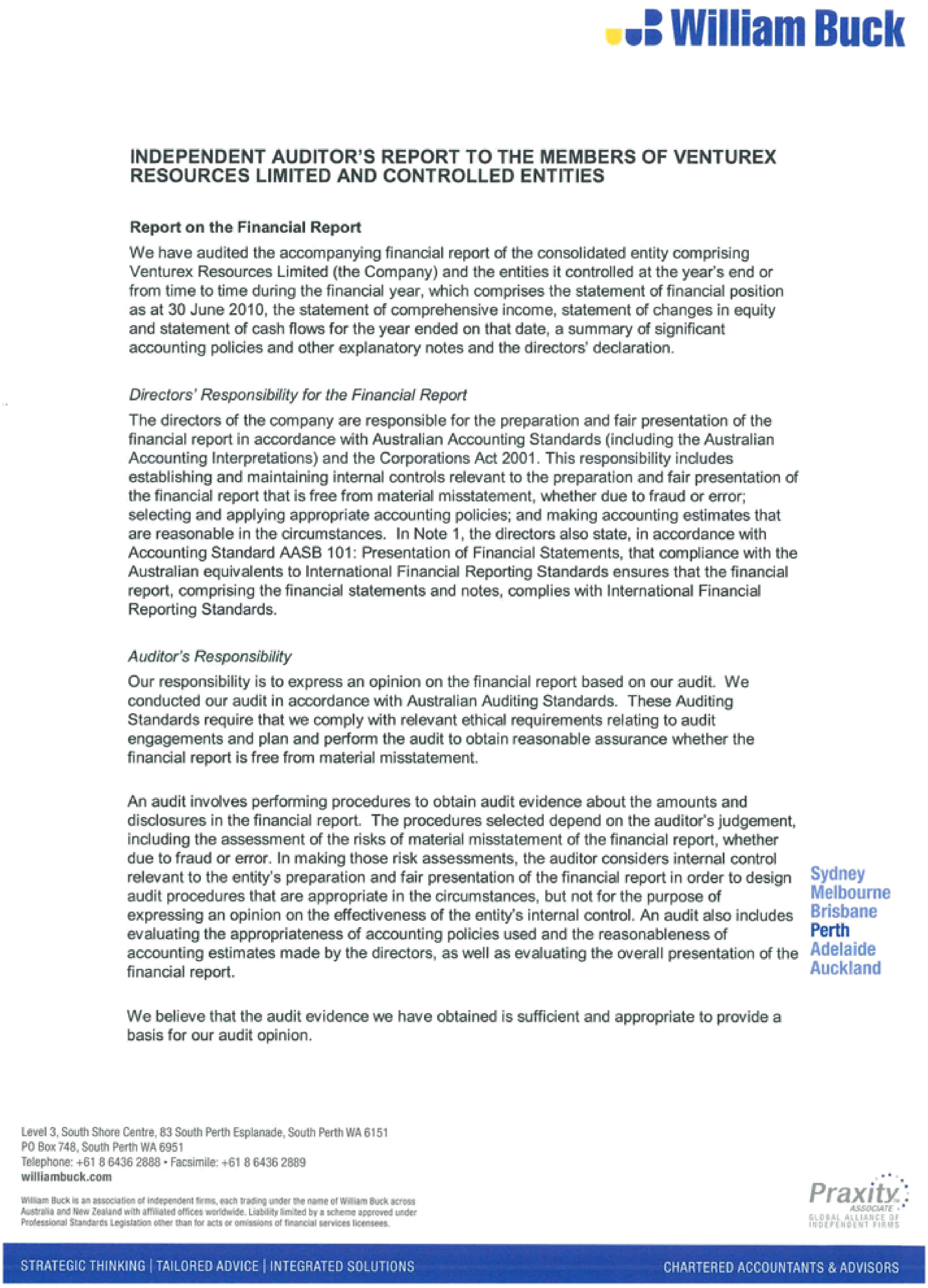
3. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

TIMOTHY JOHN SUGDEN
Managing Director

Dated this 30th day of September 2010

Independent Audit Report



William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENTUREX RESOURCES LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of the consolidated entity comprising Venturex Resources Limited (the Company) and the entities it controlled at the year's end or from time to time during the financial year, which comprises the statement of financial position as at 30 June 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

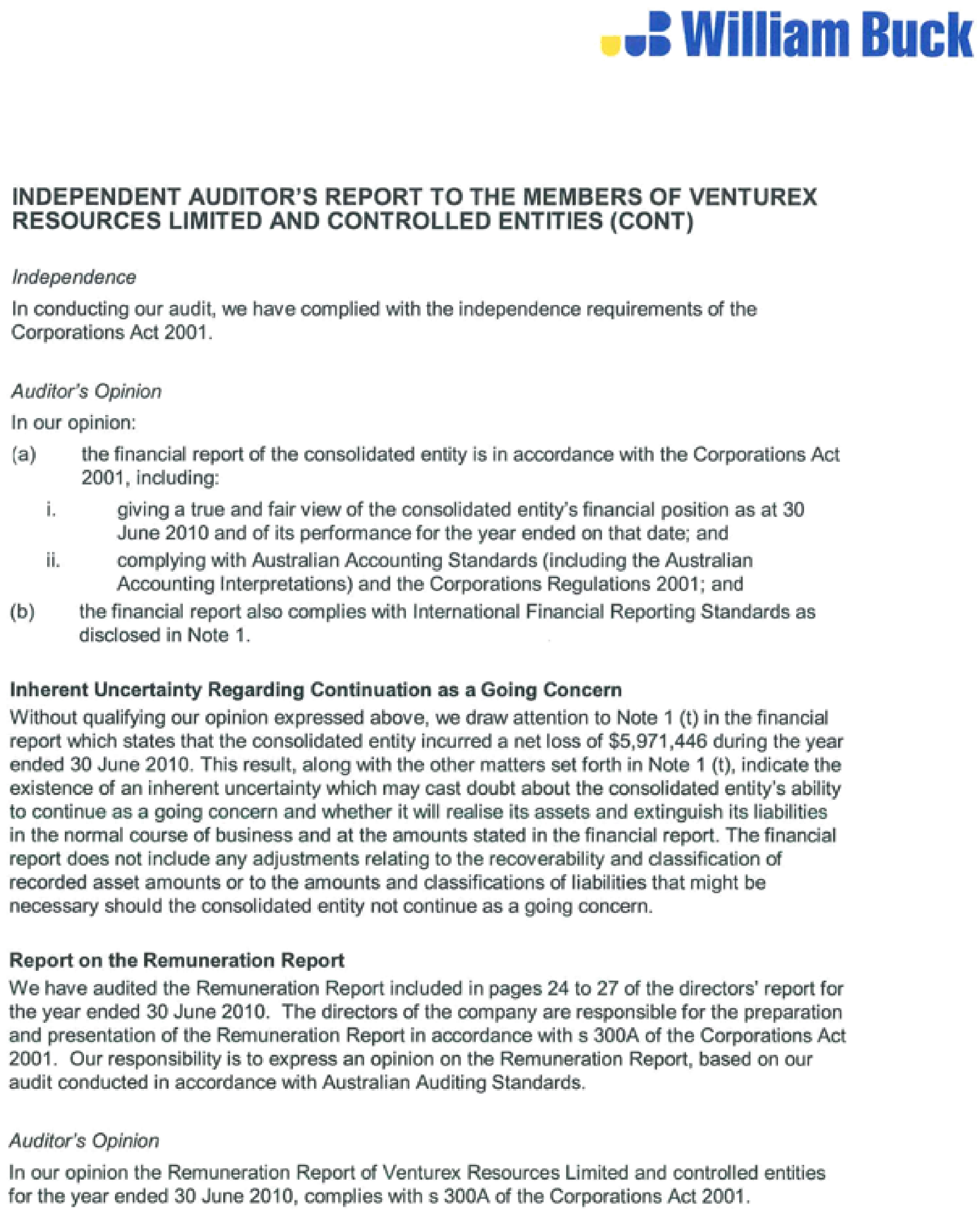
Level 3, South Shore Centre, 83 South Perth Esplanade, South Perth WA 6151
PO Box 748, South Perth WA 6951
Telephone: +61 8 6436 2888 • Facsimile: +61 8 6436 2889
williambuck.com

Praxity ASSOCIATE
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

STRATEGIC THINKING | TAILORED ADVICE | INTEGRATED SOLUTIONS

CHARTERED ACCOUNTANTS & ADVISORS

Independent Audit Report



William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENTUREX RESOURCES LIMITED AND CONTROLLED ENTITIES (CONT)

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion:

(a) the financial report of the consolidated entity is in accordance with the Corporations Act 2001, including:
  i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
  ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Inherent Uncertainty Regarding Continuation as a Going Concern

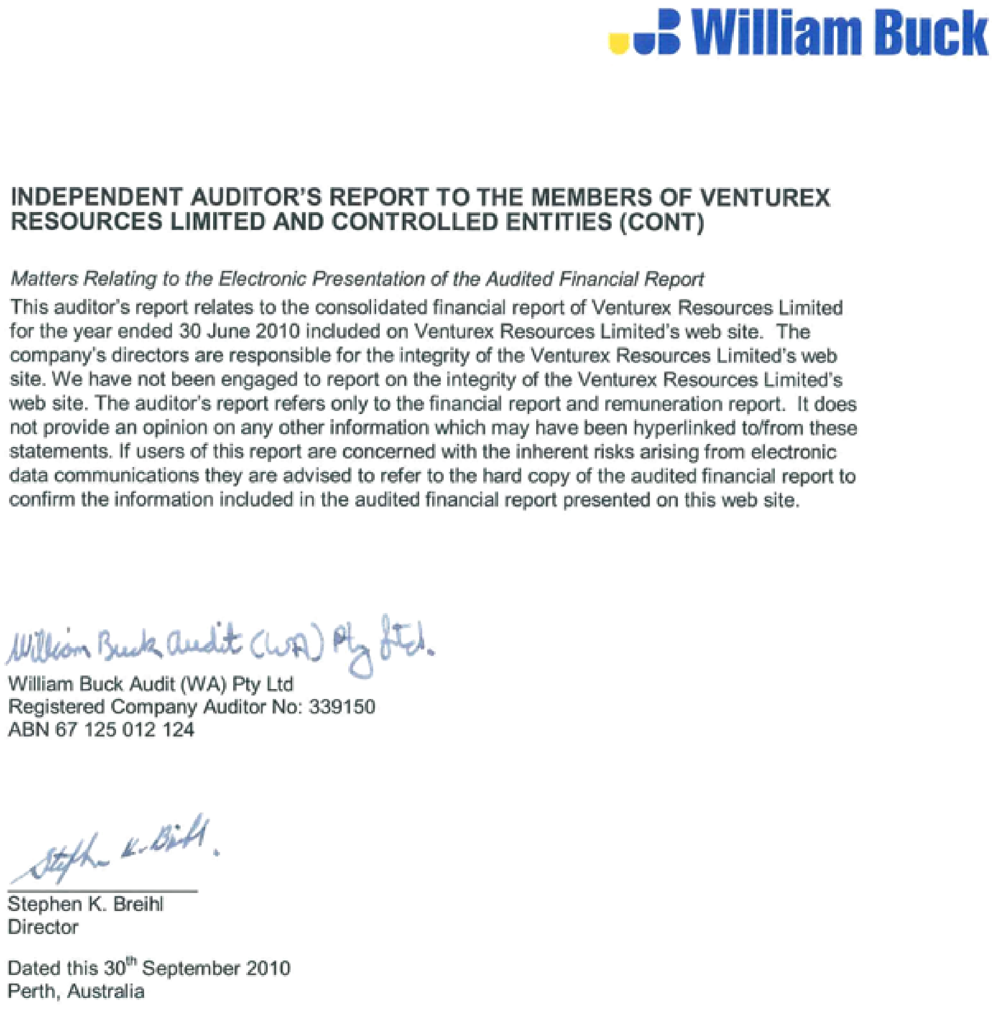
Without qualifying our opinion expressed above, we draw attention to Note 1 (t) in the financial report which states that the consolidated entity incurred a net loss of $5,971,446 during the year ended 30 June 2010. This result, along with the other matters set forth in Note 1 (t), indicate the existence of an inherent uncertainty which may cast doubt about the consolidated entity's ability to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classifications of liabilities that might be necessary should the consolidated entity not continue as a going concern.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 27 of the directors' report for the year ended 30 June 2010. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with s 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.

Auditor's Opinion

In our opinion the Remuneration Report of Venturex Resources Limited and controlled entities for the year ended 30 June 2010, complies with s 300A of the Corporations Act 2001.



William Buck

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENTUREX RESOURCES LIMITED AND CONTROLLED ENTITIES (CONT)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the consolidated financial report of Venturex Resources Limited for the year ended 30 June 2010 included on Venturex Resources Limited's web site. The company's directors are responsible for the integrity of the Venturex Resources Limited's web site. We have not been engaged to report on the integrity of the Venturex Resources Limited's web site. The auditor's report refers only to the financial report and remuneration report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

William Buck Audit (WA) Pty Ltd.

William Buck Audit (WA) Pty Ltd
Registered Company Auditor No: 339150
ABN 67 125 012 124

Stephen K. Breihl
Director

Dated this 30th September 2010
Perth, Australia

Supplementary Information

EQUITY SECURITIES HOLDER INFORMATION AS AT 28 SEPTEMBER 2010

Ordinary Shares

655,168,741 quoted fully paid ordinary shares (VXR)
All ordinary shares carry one vote per share.

Distribution of Fully Paid Ordinary Shares

	Number of Holders	Number of Shares
1 - 1,000	13	1,333
1,001 - 5,000	27	106,037
5,001 - 10,000	69	610,105
10,001 - 100,000	408	19,278,028
100,001 - and over	326	635,173,238
Total number of Shareholders	843	655,168,741

Twenty Largest Holders of Quoted Securities

		Fully Paid Ordinary Shares	
Shareholders		**Number**	**%**
1	Nefco Nominees Pty Ltd	126,660,123	19.332
2	Straits Mineral Investments Pty Ltd	106,700,000	16.286
3	Kumbhalgarh Pty Ltd	31,336,600	4.783
4	Argonaut Equity Partners Pty Limited	21,749,261	3.320
5	Mr Anthony Miles Reilly	21,650,000	3.304
6	Mainplay Pty Ltd <S & C Di Vincenzo S/F A/C>	21,540,000	3.288
7	BM & M Featherby <Kalnare Superannuation Fund>	19,550,000	2.984
8	JP Morgan Nominees Australia Limited <Cash Income A/C>	15,382,172	2.348
9	AFM Perseus Fund Limited	14,796,504	2.258
10	Dove Nominees Pty Ltd <Dove Super Fund A/C>	12,962,500	1.978
11	AH Irawati & GJ Rishworth <GJ Rishworth Super Fund>	11,900,000	1.816
12	Caldwell Management AG	10,625,000	1.622
13	Mr Ross William Ford & Mrs Ruth Elizabeth Ford <Ross & Ruth Ford S/F A/C>	9,350,000	1.427
14	Ogden Group Pty Ltd <Ogden Superannuation Fund>	8,500,000	1.297
15	JW Taylor & RW Taylor	8,415,000	1.284
16	Mr Craig Ian Burton <CI Burton Family A/C>	6,493,133	0.991
17	Citicorp Nominees Pty Limited	5,775,000	0.881
18	Clark Superannuation Fund Pty Ltd <Ramon & Rosalind Clark SF AC>	5,610,000	0.856
19	Cheynes Beach Finance Pty Ltd <Reilly Super Fund A/C>	5,260,000	0.803
20	Liberty Mining Corporation Pty Ltd	4,500,000	0.687
		468,755,293	71.547

Options

650,000 options (VXRAC) exercisable at $0.20 on or before 30 November 2010, are held by 2 individual Option Holders
1,457,148 options (VXRAB) exercisable at $0.20 on or before 22 April 2011, are held by 1 individual Option Holder
21,000,000 options (VXRAO) exercisable at $0.10 on or before 12 January 2012, are held by 4 individual Option Holders
42,105,263 options (VXRAK) exercisable at $0.095 on or before 31 January 2012, are held by 3 individual Option Holders
12,000,000 options (VXRAI) exercisable at $0.15 on or before 6 December 2012, are held by 2 individual Option Holders
Options do not carry a right to vote. Voting rights will be attached to the unissued shares when the options have been exercised.

Unquoted Equity Securities Holdings Greater Than 20%

		Options Ex 30/11/10	
Option Holder		**Number**	**%**
1	Mr Cyril Geach	500,000	76.9
2	Gallifrey Holdings Pty Ltd	150,000	23.1

		Options Ex 22/4/11	
Option Holder		**Number**	**%**
1	Onslow Minerals Limited	1,457,148	100.0

		Options Ex 12/1/12	
Option Holder		**Number**	**%**
1	Kumbhalgarh Pty Ltd	10,000,000	47.6
2	Liza Carpene	5,000,000	23.8

		Options Ex 31/1/12	
Option Holder		**Number**	**%**
1	Macquarie Bank Limited	23,157,895	55.0
2	Argonaut Equity Partners Pty Ltd	10,526,316	25.0
3	Straits Resources Limited	8,421,052	20.0

		Options Ex 6/12/12	
Option Holder		**Number**	**%**
1	Anthony Miles Reilly	5,000,000	41.7
2	Karl Edward Weber and Katrina Jane Weber	5,000,000	41.7

Supplementary Information

SUBSTANTIAL SHAREHOLDERS

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

Regent Pacific Group Limited	130,360,123 Ordinary Shares
Straits Mineral Investments Pty Ltd	106,700,000 Ordinary Shares
Argonaut Limited	36,545,765 Ordinary Shares

HOLDERS OF LESS THAN A MARKETABLE PARCEL OF ORDINARY SECURITIES

48 Shareholders held less than a marketable parcel (<$500) of ordinary securities based on the market price ($0.083) as at 28 September 2010.

SHAREHOLDER ENQUIRIES

Shareholders with enquiries about their shareholdings should contact the share registry:

Advanced Share Registry
150 Stirling Highway
Nedlands WA 6009

Tel: (61 8) 9389 8033
Fax: (61 8) 9389 7871

CHANGE OF ADDRESS, CHANGE OF NAME, CONSOLIDATION OF SHAREHOLDINGS

Shareholders should contact the Share Registry to obtain details of the procedure required for any of these changes.

REMOVAL FROM THE ANNUAL REPORT MAILING LIST

Shareholders who wish to receive a hard copy of the Annual Financial Report should advise the Share Registry or the Company in writing. Alternatively, an electronic copy of the Annual Financial Report is available from the ASX website or www.venturexresources.com. All Shareholders will continue to receive all other shareholder information.

TAX FILE NUMBERS

It is important that Australian resident Shareholders, including children, have their tax file number or exemption details noted by the Share Registry.

CHESS (Clearing House Electronic Subregister System)

Shareholders wishing to move to uncertified holdings under the Australian Stock Exchange CHESS system should contact their stockbroker.

UNCERTIFICATED SHARE REGISTER

Shareholding statements are issued at the end of each month that there is a transaction that alters the balance of your holding.

VENTUREX
RESOURCES LIMITED