2012 Annual Report

VENTUREX RESOURCES LIMITED

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CORPORATE DIRECTORY

Anthony Kiernan	Non-Executive Chairman
Michael Mulroney	Managing Director
Allan Trench	Non-Executive Director
John Nitschke	Non-Executive Director
Raymond Parry	Non-Executive Director

COMPANY SECRETARY
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Dear Shareholders

On behalf of the Board of Directors, I am pleased to present the 2012 Annual Report for Venturex Resources Limited (Venturex). During the year, the Company has continued to focus on its core strategy of establishing a significant copper and zinc production centre in the West Pilbara Region of Western Australia.

Your Company has built a strategic asset base in the Pilbara region with a resource base now in excess of 600,000 tonnes of copper metal equivalent, together with an extensive exploration ground position encompassing several established VMS districts. The recent acquisition of the Panorama Exploration tenements has continued our strategy of becoming a significant near term producer of copper, zinc and silver by the accumulation of high quality resources and land positions.

The Feasibility Study into the Company's Pilbara assets has made considerable progress and, at the date of this report, is nearing completion. The Company refocused the development strategy to the development of the centralised production centre at the Sulphur Springs site, aligning planned processing infrastructure with the Company's largest resource. The Feasibility Study is based on a 1.0 million tonne per annum operation with average annual production of approximately 18,000 tonnes of copper and 30,000 tonnes of zinc in concentrates.

This change also provided the opportunity to develop alliances in the broader region over essential infrastructure and services. The agreement with Atlas Iron Limited on the development of a common use access road is a key example of regional cooperation providing the potential to reduce project costs.

With the Company close to completing the Feasibility Study, the coming year will be an exciting one as it focuses on the challenges of transitioning into a successful copper-zinc producer.

Exploration activity has increased to extend the Company's resource base and make further new discoveries. Drilling programs have recently commenced at Whim Creek and Sulphur Springs as part of a sustained exploration program in the Pilbara region.

Elsewhere, our Brazilian subsidiary, CMG Mineração Ltda, has grown a substantial land position in the Tapajós gold district, Pará. The Serra Verde Project, in particular, has excellent potential to deliver a significant gold discovery and, as exploration advances, we look forward to success in this area.

On behalf of the Board, I would like to acknowledge the ongoing dedication and hard work of Venturex's Management and Employees located in Australia and Brazil under the guidance of Managing Director, Michael Mulroney.

TONY KIERNAN
Chairman

25 September 2012

HIGHLIGHTS

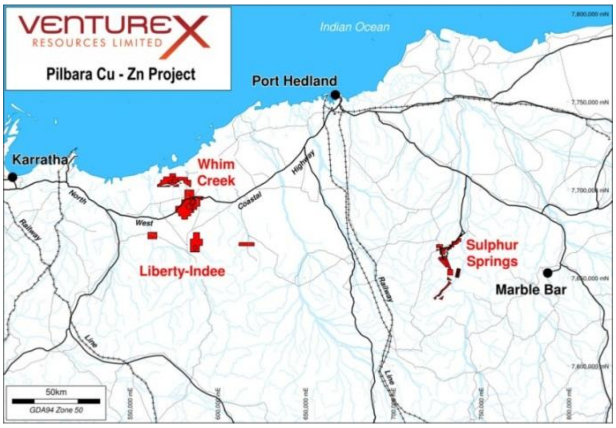
- Over the year, Venturex has made considerable progress towards development of the Pilbara Copper-Zinc Project in the West Pilbara Region of Western Australia. The Feasibility Study is approaching completion and the Company is poised to begin the transition to Australia's next significant Copper-Zinc producer.
- The Company continued its aggregation strategy and increased its exploration presence in the West Pilbara by entering an agreement to acquire the Panorama Exploration Joint Venture tenements which include the Kangaroo Caves Copper-Zinc deposit.
- Total Mineral Resources for the Pilbara Copper-Zinc project are 25.9 Mt grading 1.2% Cu, 3.4% Zn, 0.3% Pb, 19g/t Ag, 0.1g/t Au. The Company continues to explore for new base metal deposits on our highly prospective ground holdings in the West Pilbara.
- Venturex continues to pursue large gold discoveries in the emerging Tapajós region of central Brazil with promising initial exploration results.
- 2012-2013 promises to be exciting and busy period as the Company completes the Feasibility Study and moves towards production.

AUSTRALIA – FOCUSED ON PILBARA COPPER-ZINC

Pilbara VMS Copper-Zinc Project

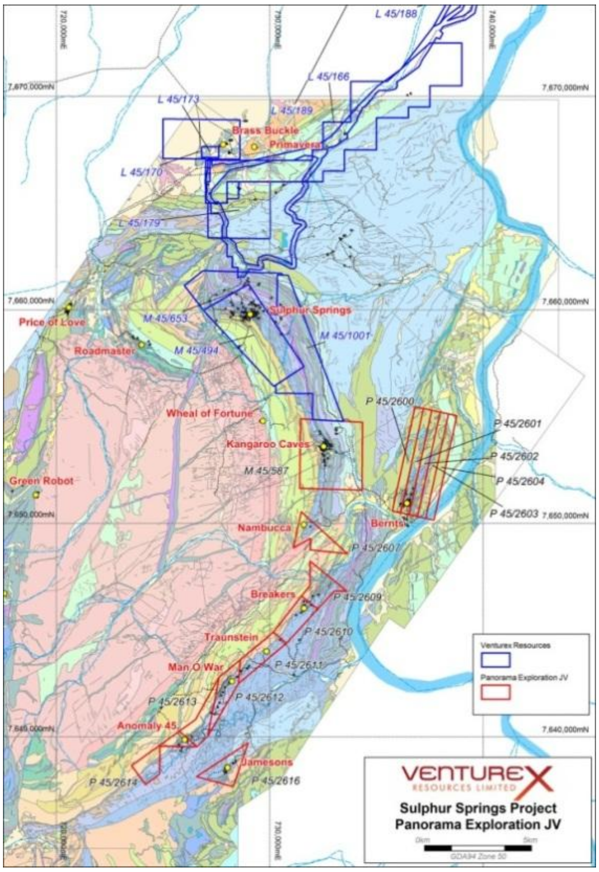
In the 2011-2012 year, the Company continued to pursue its core strategy of developing a copper–zinc business in the Western Pilbara region.

Throughout the year, the Company has made considerable progress in advancing the Feasibility Study for the development of the Pilbara Copper-Zinc Project and is working to deliver the results at the end of September 2012. The Feasibility Study is based on the development of a centralised copper-zinc processing facility in the West Pilbara and a key step was the selection of the Sulphur Springs site as the preferred location of the planned facility. Despite the challenging global economic and metal price markets, the Company commenced pre-production planning for the Project with the signing of an agreement with Atlas Iron Limited (Atlas) covering the development of a common user access road and investigating other areas for infrastructure cooperation in the region.



Key Locations in the Pilbara VMS Copper-Zinc Project

Acquisition of Panorama Joint Venture Tenements



Sulphur Springs – Regional Tenement Plan

The acquisition of the Panorama Exploration Joint Venture tenements, including the Kangaroo Caves copper-zinc deposit, has added significant scale to our exploration footprint in the broader West Pilbara Region. The tenements include the existing Kangaroo Caves Copper-Zinc deposit which will be immediately evaluated as an additional ore source for the planned mine development at Sulphur Springs, located only six kilometres to the north west.

The Company is acquiring the tenements in return for granting a future uncapped royalty of A$2.00 per dry metric tonne of ore mined and processed from the tenements.

The tenements cover a large portion of the prospective Panorama Formation, host of the Sulphur Springs Copper-Zinc deposit where a number of significant exploration targets, including the Kangaroo Caves Copper-Zinc deposit together with the Nambucca, Breakers, Man O'War, Anomaly 45 and Jamesons prospects, have been identified.

A JORC-compliant global resource for the Kangaroo Caves deposit released in October 2007 (refer to Sipa Resources Ltd's ASX release dated 22 October 2007) identified a combined resource of 6.3 million tonnes grading 0.5% copper and 3.3% zinc.

Feasibility Study

In mid-2011, Venturex commenced the Feasibility Study into the development of the Pilbara Copper-Zinc Project based on the development of a centralised processing facility with ore sourced from the Mons Cupri and Whim Creek open pits and from a new underground mine at Sulphur Springs.

Whilst the Whim Creek site was initially considered as the location of the processing hub, the Feasibility Study revealed that locating the processing hub adjacent to the new Sulphur Springs underground mine delivered a more robust technical and financial outcome. As a result, the Feasibility Study scope was revised and redirected to that development strategy.

The Feasibility Study is based on the construction of a 1.0 million tonne per annum treatment plant at Sulphur Springs producing separate copper and zinc concentrates containing an average of 18,000 tonnes of payable copper, 30,000 tonnes of payable zinc and 400,000 ounces of silver for a minimum of seven years. The current Feasibility Study is based on exploiting the Sulphur Springs, Whim Creek and Mons Cupri resources but does not include the Company's other existing resources at Salt Creek, Evelyn (Liberty-Indee) and Kangaroo Caves which require further detailed evaluation prior to being included in the Project's development plan.

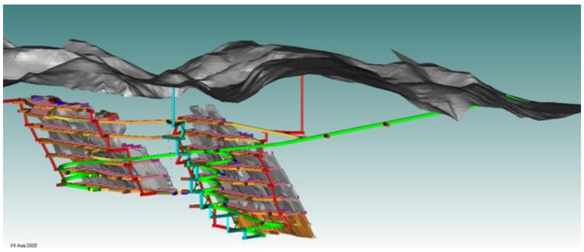
The Feasibility Study is currently being conducted by RMDSTEM consultants, with the process design, infrastructure and engineering components managed by GR Engineering Services. Other key consultants employed in the Study include Snowden, URS, MineRP, Mining One and Outback Ecology

Mine Design

The exisiting Whim Creek and Mons Cupri oxide open pits will be redeveloped via staged cut-backs to access the deeper high grade massive sulphide ore which will be road transported to Sulphur Springs for processing. The optimised open pit designs are conventional with low waste to ore ratios of less than 6:1. The open pit ore will supplement the main production from the Sulphur Springs underground mine to smooth the production profile during the ramp up and wind down phases of the underground mine.

The Sulphur Springs deposit will be developed as a high productivity underground mine reflecting:

- the compact nature of the orebody which averages over 25,000 ore tonnes per vertical metre;
- over 90% of the ore being amenable to high productivity transverse longhole mining method;
- excellent ground conditions due to strong rock and relatively shallow depth of mining; and
- low haulage costs given the relatively shallow mining depth and close proximity to the plant.



Sulphur Springs proposed underground mine development

Mine access will be via a conventional single decline which will split into a twin decline system to allow access to the eastern and western ore zones. The principal mining method will be transverse longhole stoping using paste fill for ground support. For the lower levels of the eastern lode, where ore widths are less than 12 metres, a longhole "modified Avoca" stoping method will be used with waste rock backfill. Detailed design and production scheduling demonstrates that a production rate in excess of one million tonnes per annum is sustainable. Paste fill testwork is being finalised to support the detailed design of the paste fill plant and reticulation system. A dewatering program is planned in advance of mining, but once the mining is in full operation, groundwater is not expected to substantially impact mining activity.

Underground mining costs are expected to be within the lower quartile of industry benchmarks.

Process Plant

Comprehensive metallurgical testwork undertaken by Venturex and previous owners has resulted in a stable process design yielding high concentrate grades with excellent recoveries.

The designed processing facility is a conventional 1.0 million tonne per annum flotation circuit producing separate high grade copper and zinc concentrates. The plant will be constructed adjacent to the underground mine portal at Sulphur Springs.

The proposed design incorporates provision for the addition of a lead flotation circuit which will be deferred until the introduction of ore from Mons Cupri which contains higher grades of lead than other sources.

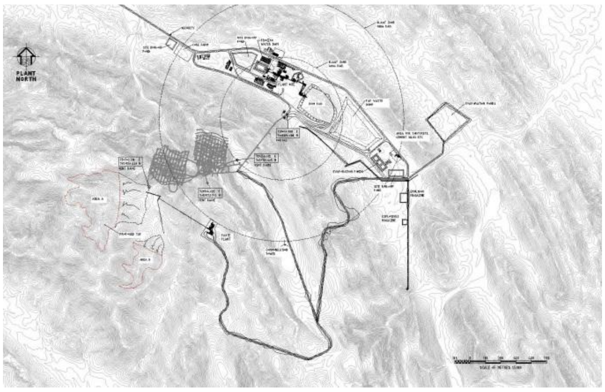
Tailings will be filtered, with a significant proportion being directed underground as paste fill and the remainder being deposited in a small, purpose designed storage facility.

MONS CUPRI	MASS	COPPER		ZINC		SILVER		LEAD	
Products Recovered	%	Grade %	% dist	Grade %	% dist	Grade ppm	% dist	Grade %	% dist
Copper Concentrate	5.0	**24.0**	**93.4**	5.75	16.6	222	33.2	2.10	18.3
Lead Concentrate	0.7	0.75	0.4	10.7	4.6	1,625	36.1	**46.90**	**60.5**
Zinc Concentrate	2.7	1.20	2.6	**46.5**	**74.0**	94	7.7	0.99	4.8
SULPHUR SPRINGS	**MASS**	**COPPER**		**ZINC**		**SILVER**		**LEAD**	
Products Recovered	%	Grade %	% dist	Grade %	% dist	Grade ppm	% dist	Grade %	% dist
Copper Concentrate	6.3	**26.38**	**95.1**	1.28	2.0	74	25.3	1.09	39.2
Zinc Concentrate	6.3	0.52	1.9	**58.94**	**90.3**	56	19.1	0.22	7.7
WHIM CREEK	**MASS**	**COPPER**		**ZINC**		**SILVER**		**LEAD**	
Products Recovered	%	Grade %	% dist	Grade %	% dist	Grade ppm	% dist	Grade %	% dist
Copper Concentrate	7.1	**25.20**	**88.6**	3.27	38.7	38	47.4	0.36	28.0

Locked Cycle Test Work

Infrastructure

Project infrastructure and site layout designs are being finalised. The proposed treatment plant and associated infrastructure are located adjacent to the underground mine with the accommodation village and airstrip located eight kilometres north west of the plant site on dedicated tenements permitted for the purpose. The mining operations planned for the Whim Creek and Mons Cupri pits will utilise the existing infrastructure at Whim Creek.



Sulphur Springs site layout plan (GR Engineering Services Limited)

Venturex and Atlas commenced discussions on opportunities to cooperate on the development of infrastructure items of common interest to Venturex's Sulphur Springs and Atlas's Abydos Project. The parties have entered into a cooperative agreement with respect to the development of a common user access road, with Atlas holding an option to build the road from the sealed Marble Bar Road to Abydos. It is envisaged that the road will be constructed by Atlas on Venturex's existing tenements, with Venturex contributing to the capital cost of the road on a decision to commence construction of the Sulphur Springs Project. Atlas, in cooperation with Venturex, is advancing the design and preparatory work on the road.

It is planned that the Company will use an integrated "mine gate to ship rail" logistics system for the transport, loading and shipping of concentrates through the port at Port Hedland.

Environment and Permitting

Extensive fauna, flora and ecosystem surveys have been completed over the final design footprint of the Sulphur Springs site.

The Company has designed the Project to minimise the long term effects on the local environment at Sulphur Springs with particular emphasis on reducing the potential for acid mine drainage. All potentially acid forming waste mined is to be returned underground as mine backfill together with a significant proportion of the tailings sent underground as paste fill. The remaining tailings will have a dry, dense consistency, minimising the potential for acid generation and seepage.

Ongoing Stakeholder consultation is underway with a range of State Government authorities, Local Government, Traditional Owners and other interested parties in the Pilbara Region.

Finance

Discussions have commenced with a number of national and international institutions regarding the provision of funding for the development of the Pilbara Copper-Zinc Project.

Project Timetable

The proposed Project execution plan is based on, subject to Board approval, financing and permitting, the commencement of pre-construction project engineering and development in the second half of calendar year 2013. It is anticipated that the proposed construction timetable will enable the Project to commence commissioning in the final quarter of calendar year 2014.

Future Developments

Future work will focus on the further optimisation of the Project Development Plan together with further studies to advance the development plans for the Salt Creek, Evelyn and Kangaroo Caves deposits with the target of increasing the Project life to in excess of 10 years.

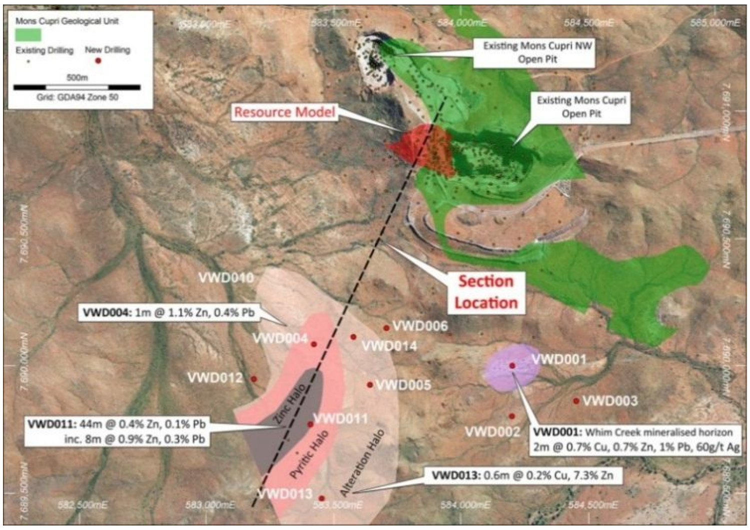
Pilbara Exploration

The Company holds significant tenement positions in three districts known to hosts significant Volcanogenic Massive Sulphide (VMS) deposits. To date, only six significant VMS deposits have been discovered (all outcropping) within the Company's tenements whereas similar VMS districts globally typically contain between 8 -19 economic deposits each.

Venturex believes that significant potential exists for new discoveries in the Whim Creek, Liberty-Indee Joint Venture and Sulphur Springs Project areas within approximately 60 kilometres of prospective target horizons. These areas remain to be fully explored with numerous gossans, geochemical and geophysical anomalies remaining to be evaluated even in areas with long mining histories (such as Whim Creek/Mons Cupri) where there is little drilling below a depth of 150 metres.

Mons Cupri West

The Mons Cupri South West prospect is located approximately one kilometre south west of the Mons Cupri Copper-Zinc deposit. A program of 11 RC / diamond holes testing conceptual geological / geophysical anomalies intersected a new strong alteration system typical of the nearby Mons Cupri feeder system. Several zones of disseminated sulphide mineralisation were intersected indicating an increasing intensity to the south and the possible presence of a second mineralising centre in this direction.



Mons Cupri South West - Drill hole locations

Significant results included:

- VWD004 intersected 23 metres (from 170.4 metres) of strong footwall alteration which included 1m @ 1.09% Zn, 0.38% Pb and 3.0g/t Ag from 194.0 metres.
- VWD011 intersected a broad zone of strong alteration from 271.0 metres which assayed 43.4m @ 0.40% Zn, 0.10% Pb and 3.0g/t Ag from 271.0 metres including 8.9m @ 0.93% Zn, 0.29% Pb and 3.8g/t Ag in the equivalent stratigraphic position to the Mons Cupri deposit.
    - The southernmost drill hole, VWD013, intersected a broad alteration zone containing 2.5m @ 0.07% Cu, 2.18% Zn, 0.01% Pb in a stratigraphic position equivalent to the Mons Cupri deposit included a high grade zone with preserved massive sulphide fragments grading ***0.6m @ 0.28% Cu, 7.26% Zn, 0.01% Pb, 5g/t Ag and 0.07g/t Au***.
    - In an exciting development, the RC pre-collar for drill hole VWD001 intersected 2.0m @ 0.71% Cu, 0.73% Zn, 0.99% Pb, 60.0g/t Ag from 39 metres representing the Whim Creek deposit stratigraphic horizon within the Rushall Slate host rock. This is the first mineralised intersection of the Whim Creek horizon within the Mons Cupri exploration area, opening up a second important target for future exploration.

Liberty-Indee Joint Venture Regional Exploration

An initial eight hole RC drilling program was completed in an area with minor outcropping copper mineralisation near Donkey Well. The drilling intersected minor low grade base metal sulphide mineralisation in two drill holes within broad alteration halos. Significant assay results included:

Hole ID	From (m)	To (m)	Width (m)	Copper %	Zinc %	Lead %	Silver g/t	Gold g/t
VLR006	24	27	3	0.08	0.29	0.01	0.6	0.00
including	25	26	1	0.23	0.40	0.02	1.0	0.02
VLR007	13	17	4	0.37	0.19	0.01	0.2	0.03
including	16	17	1	0.96	0.12	0.00	0.0	0.11

RC Results – Donkey Well

The drilling results are considered anomalous and further additional structural analysis of the prospect area is underway prior to planning future drilling.

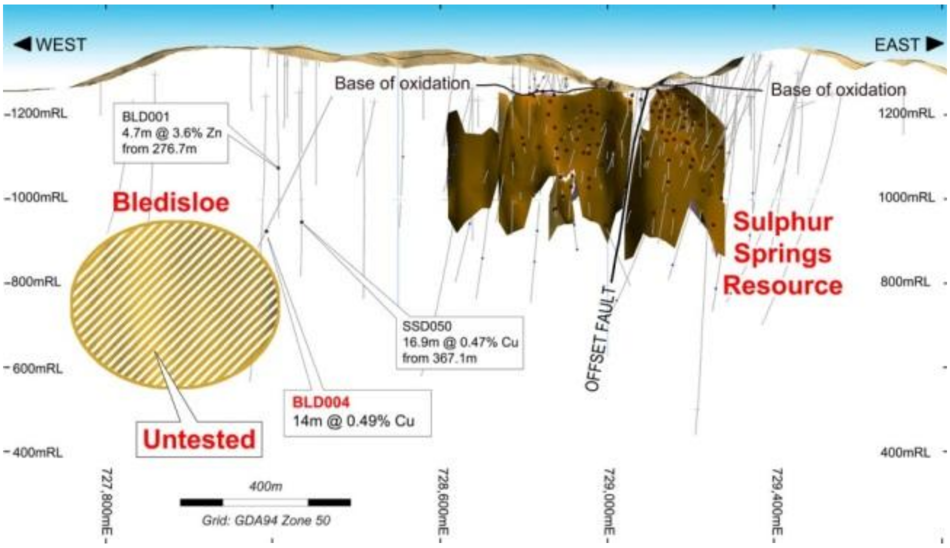
Sulphur Springs

Initial exploration at Sulphur Springs focused on the Bledisloe anomaly, located approximately 900 metres along strike to the west of the Sulphur Springs deposit. Previous limited drilling intersected stringer-style copper mineralisation (SSD050: 16.9m @ 0.47% Cu) and minor zinc mineralisation (BLD001: 4.7m @ 3.7% Zn) within the Sulphur Springs target horizon.

Diamond drill hole BLD004, drilled 50m west of SSD050 intersected 14.6m of footwall stringer copper mineralisation from 453m grading 0.47% Cu which included narrow higher grade zones including 0.7m @ 5.6% Cu and 5.0g/t Ag from 453m. This intersection extended the strike length of the footwall stringer style mineralisation at Bledisloe with the presence of higher grade zones providing further encouragement of a new proximal mineralising system.

Stringer chalcopyrite intersected in BLD004 at the Bledisloe target area

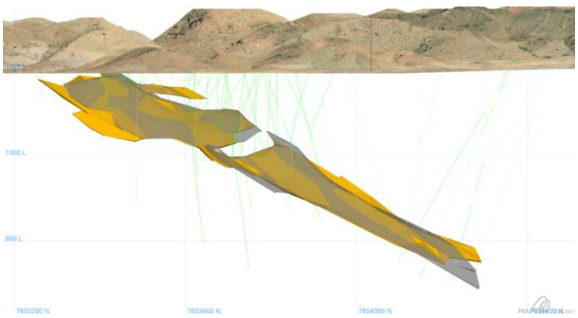
Drilling has recommenced at Sulphur Springs with the initial focus on testing potential depth extensions to the Western Lens of the main Sulphur Springs deposit.



Bledisloe Prospect Long Section

Kangaroo Caves

Previous exploration at Kangaroo Caves has outlined an elongated mineralised massive sulphide deposit that dips gently to the north east that is broadly characterised by an upper massive zinc-rich lens, generally overlying massive and stringer copper mineralisation.



Kangaroo Caves deposit oblique long section, looking grid north (Zinc domain in yellow, Copper domain in grey)

The exploration potential to further extend the Kangaroo Caves deposit is considered excellent. A reverse circulation drilling program (KCC036-040) conducted in December 2007 in areas outside the existing resource envelope intersected significant mineralisation at shallow depths including:

Upon completion of the acquisition, a full review of the identified the significant exploration targets, including the Kangaroo Caves, Nambucca, Breakers, Man O'War, Anomaly 45 and Jamesons prospects, will be undertaken prior to commencing drilling.

Hole ID	From (m)	To (m)	Width (m)	True Width (m)	Cu %	Zn %	Pb %	Ag g/t
KCC036	92	103	11.0	10.5	0.10	2.52	0.11	2.8
KCC037	106	120	14.0	11.4	2.78	6.26	0.16	11.7
KCC038	152	157	5.0	4.8	0.03	3.60	0.20	7.3
KCC039	*No significant intersection*							
KCC040	*No significant intersection*							

Kangaroo Caves - Significant RC drill hole results

BRAZIL – FOCUSED ON GOLD EXPLORATION

Venturex, through its wholly owned subsidiary CMG Mineração Ltda (CMGM), has been actively exploring the significant tenement holdings in the Tapajós region of Pará and the Alta Floresta Region of Mato Grosso. CMGM's granted leases and applications now cover some 205,023ha.

The majority of the Company's tenements have never been subjected to any modern exploration. During the year, regional mapping and geochemical sampling programs were commenced at several projects. The application of auger geochemical sampling has achieved considerable success defining a range of significant gold anomalies at several locations. The mapping and sampling programs, together with selected geophysical surveys is generating a range of priority drilling targets.

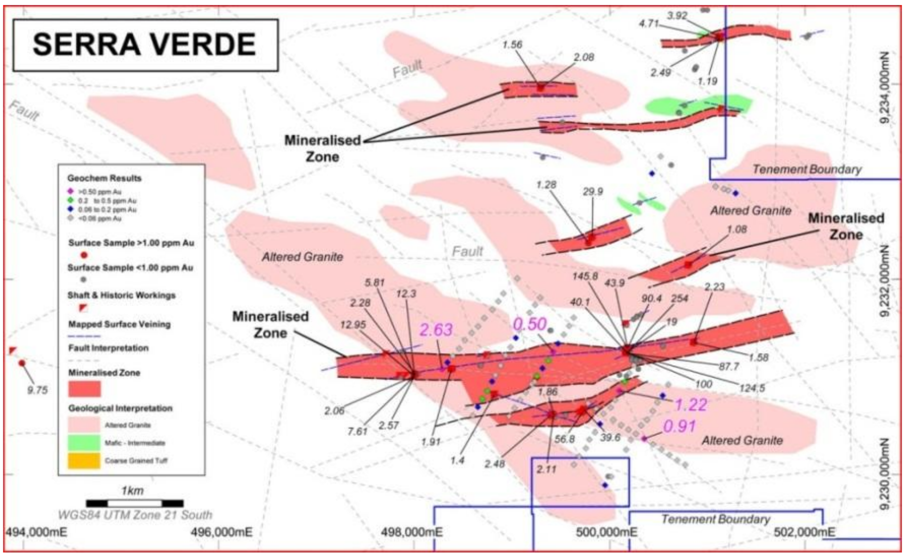
Location of Projects

Serra Verde

An 82 hole auger geochemical sampling program completed at Serra Verde produced significant results confirming anomalism and mineralisation between the know vein occurrences.

The Serra Verde host rocks consist of variably altered granites and minor mafic intrusive units covered by a consistent 3-5m soil profile and a saprolite profile to over 10m depth.

The defined anomalous zone now extends over more than four kilometres giving the Serra Verde prospect the potential to host significant gold mineralisation in a combination of large disseminated or stockworked ore zones, or within numerous high grade veins similar to other advanced projects in the Tapajós region such as Cuiu Cuiu and Tocantinzonho.

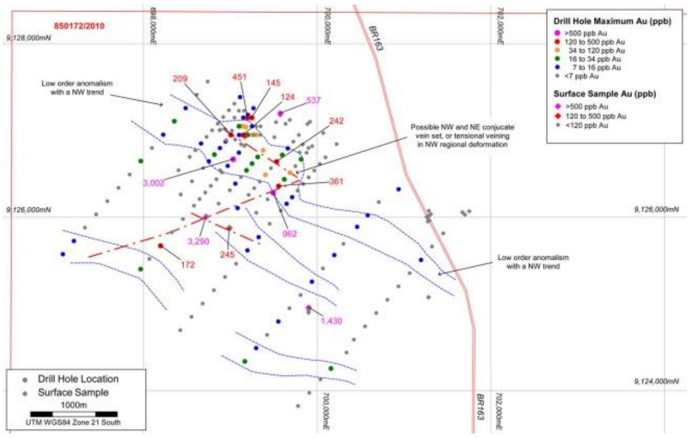


Serra Verde Project – Auger geochemical and rock chip sampling results

Castelo De Sonhos

Further auger geochemical sampling resulted in anomalous results confirming a broad anomaly close to the historical workings. Rock chip sampling and higher grade auger samples suggest two vein trends, one parallel to north west regional structures and a second trend present as tensional veining within north west trending deformation zones.

Bedrock geology in the area is predominantly altered granitic rocks with subvolcanic felsic quartz porphyry intrusives and minor andesitic intrusive dykes. Areas of sericite alteration have been mapped adjacent to veining and on regional structures.

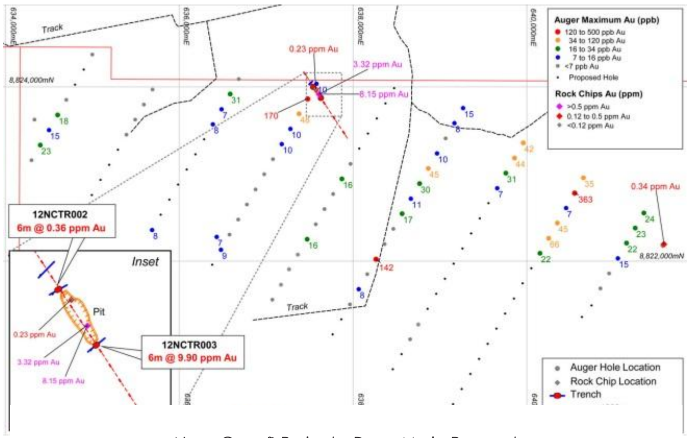


Castelo De Sonhos – Auger drilling assay results

Nova Canaã

An extensive auger geochemical sampling of quartz veining in regional northwest shear zones commenced during the year. While a small portion of the program remains to be completed, assay results defined a consistent +16ppb anomaly with a number of results over 120ppb Au.

An initial trenching program of four trenches was completed at the Dona Maria prospect to expose the bedrock geology. Two of the three trenches completed at Dona Maria intersected mineralised quartz veins in sheared, altered granite whilst the remainder intersected completely leached saprolite profiles.



Nova Canaã Project – Dona Maria Prospect
Auger drilling, rock chip and trench sampling assay results

Assay results from two trenches to reach bedrock were highly anomalous recording six metres grading 9.9g/t Au and six metres grading 0.36g/t Au.

An initial diamond drilling program commenced at the Dona Maria prospect in July 2012 to test the anomalous geochemical and trenching results. Results are pending.

Grande Canaã

An initial auger geochemical sampling program commenced during the year to test the extension of a trend where various prospectors were operating. Unfortunately, the presence of unconsolidated alluvials precluded effective sampling of the residual profile. Regional sampling of historical workings returned gold values up to 13g/t Au from small quartz veins.

Geological mapping in the region has shown the geological package at Grande Canaã to be significantly different to the published mapping. CMGM mapping has located signficant volcanic sequences within the granitic terrain in conjuction with large scale structures visible on SRTM images. A regional soil sampling program of these areas has commenced targeting high level epithermal style gold mineralisation.

Changes in Brazilian Regulatory Environment

In December 2011, the Brazilian National Mining Department (DNPM) temporarily ceased granting new exploration and mining permits in anticipation of the Government presenting new legislation for the mining sector to Congress. Presentation of the new mineral code has not yet been made. Similarly, there has been significant structural change in the legislation regarding assessing of environmental permit applications for exploration in FLONA and APA protection areas.

The effect of these changes is delays in processing and granting of exploration and environmental permits for many exploration and mining companies. These delays have not materially impacted the Company's activities to date but have the potential to defer the commencement of exploration drilling of the identified targets. The Company is continuing regional geochemical surveys within its properties to identify additional new prospects that will be advanced to drill targets with further near surface exploration.

Statement as at 14 September 2012

Mineral Resources

Total Mineral Resources for the Pilbara Copper-Zinc Project remain virtually unchanged for the year ended 30 June 2012 notwithstanding a number of changes within individual deposits.

MINERAL RESOURCES

Location		JORC Classification	Tonnes ('000t)	Cu %	Zn %	Pb %	Ag g/t	Au g/t
Whim Creek		Indicated	967	1.4	1.2	0.2	8.8	0.1
		Inferred	4	0.5	2.3	0.6	13.9	0.1
		Sub-total	**972**	**1.4**	**1.2**	**0.2**	**8.8**	**0.1**
Mons Cupri		Measured	1,273	1.5	1.7	0.8	41.1	0.3
		Indicated	3,286	0.7	1.1	0.4	17.7	0.1
		Inferred	48	0.7	0.6	0.1	9.0	0.0
		Sub-total	**4,607**	**0.9**	**1.3**	**0.5**	**24.1**	**0.1**
Salt Creek	Zn	Indicated	475	0.2	14.1	4.4	107.1	0.5
	Cu	Indicated	423	3.7	0.9	0.1	2.7	0.1
		Inferred	105	3.5	0.1	0.0	1.5	0.0
	Zn/Cu	**Sub-total**	**1,003**	**2.0**	**7.0**	**2.1**	**52.0**	**0.3**
Liberty-Indee JV		Indicated	453	2.2	4.5	0.4	42.0	0.9
		Inferred	204	1.0	1.8	0.2	22.4	0.4
		Sub-total	**657**	**1.8**	**3.7**	**0.3**	**35.9**	**0.8**
Sulphur Springs		Indicated	8,175	2.0	5.5	0.3	22.0	
		Inferred	4,159	0.7	1.5	0.1	9.0	
		Sub-total	**12,334**	**1.5**	**4.1**	**0.2**	**17.6**	
Kangaroo Caves[1]		Indicated	4,300	0.6	3.3		14.0	
		Inferred	2,000	0.3	3.4		8.0	
		Sub-total	**6,300**	**0.5**	**3.3**		**12.1**	
All Locations		Measured	1,273	1.5	1.7	0.8	41.1	0.3
		Indicated	18,079	1.4	4.1	0.3	20.9	0.1
		Inferred	6,520	0.6	1.9	0.1	9.0	0.0
		Total Sulphide Resources	**25,873**	**1.2**	**3.4**	**0.3**	**18.9**	**0.1**

Note: Rounding errors may occur.

Total Mineral Resources at Whim Creek, Mons Cupri, Salt Creek and Evelyn (Liberty-Indee JV) deposits remain unchanged from 1 September 2011.

At Sulphur Springs, revised resource modelling parameters consistent with the potential underground development of the resource resulted in a 35% reduction in resource tonnage, a 32% increase in resource grade resulting in a 15% reduction in contained metal compared to the original 2008 resource estimate. The major changes between the 2012 and 2008 resource estimates are:

- Revised domaining regime with tighter constraints of the higher grade domains was applied in the 2012 resource estimate;

[1] The Kangaroo Caves Mineral Resource numbers are subject to completion of the acquisition which at the date of this report is still pending.

- Increase in reporting cut-off grades from 0.25% Cu and 1.5% Zn in 2008 vs 0.40% Cu and 2.0% Zn in 2012; and
- A change in the classification of the resource in the 2012 estimate in line with the JORC Code (2004) guidelines.

The other significant change is the addition of the Kangaroo Caves[2] copper-zinc Mineral Resource resulting from the acquisition of the Panorama Exploration Joint Venture tenements. The JORC (2004) compliant resource calculation was undertaken by independent consultants for the Kangaroo Caves deposit in October 2007 (refer to Sipa Resources Ltd's ASX release dated 22 October 2007) on behalf of the Panorama Exploration Joint Venture partners.

Ore Reserves

The total Ore Reserves for the Pilbara Copper-Zinc Project have been revised in line with the Feasibility Study decision to locate the Project's proposed processing facility at Sulphur Springs.

ORE RESERVES

Location	JORC Classification	Tonnes ('000t)	Cu %	Zn %	Pb %	Ag g/t	Au g/t
Whim Creek	Probable	221	2.7	0.9	0.1	8.5	0.1
	Sub-total	**221**	**2.7**	**0.9**	**0.1**	**8.5**	**0.1**
Mons Cupri	Probable	951	1.7	2.2	1.0	47.1	0.3
	Sub-total	**951**	**1.7**	**2.2**	**1.0**	**47.1**	**0.3**
Sulphur Springs	Probable	6,031	1.9	4.2	0.2	18.4	0.0
	Sub-total	**6,031**	**1.9**	**4.2**	**0.2**	**18.4**	**0.0**
All Locations	**Total Sulphide Reserves**	**7,202**	**1.9**	**3.8**	**0.3**	**21.9**	**0.1**

Note: Rounding errors may occur.

Principal changes include:

- Redesign of the Whim Creek and Mons Cupri open pits incorporating revised geotechnical parameters and ore haulage costs resulting in smaller open pit designs with significantly higher head grades;
- Redesign of the Sulphur Springs underground mine to reflect the removal of ore haulage costs and increased mining recovery with the use of paste fill resulting in a 7% increase in ore reserve tonnage; and
- Temporary removal of the Salt Creek and Evelyn ore reserve estimates pending a technical review to incorporate the revised cost profile determined from the Feasibility Study.

[2] The Kangaroo Caves Mineral Resource numbers are subject to completion of the acquisition which at the date of this report is still pending.

RESOURCE ESTIMATION PARAMETERS				
	Mons Cupri & Whim Creek	**Salt Creek**	**Sulphur Springs**	**Liberty-Indee**
Tenements	M47/238, M47/236, M47/443	M47/323	M45/494	E47/1209 (Mining Lease under application)
Geology	Archaean polymetallic (Cu, Zn, Pb, Ag, Au) VMS deposits hosted by volcanogenic sediments. Two principal styles of mineralisation: stratabound massive sulphide and stringer/feeder.			
Drilling Techniques	Diamond & RC. Diamond core size is HQ and NQ. Core recovery generally excellent. Core orientations where possible. Hole intersections points generally spaced 15 – 50 metres, with the majority less than 20 metres. Down hole orientation information is mainly from 30 metres-spaced single shots with some gyro. Hole orientation is 30 – 90 degrees to the stratiform component of the ore zones.			
Logging and Photography	Geological logging is sufficient and representative across the deposits. Wet core photographs have been taken of holes drilled mainly in the last 6 years.			
Sampling Technique	Approximately 50% diamond core and 50% RC chips. Core samples are generally <1.5 metres. Recent RC samples are generally 1m splits.			Approximately 10% diamond core and 90% RC chips. Core samples are generally <1.0 metres.
Sample Preparation and Assay Techniques	Recent samples were analysed at Ultra Trace and ALS 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.		Most Recent Samples were analysed by ALS Laboratories, by 4 acid digest with Ag, Cu, Zn, Pb determined by ICP-AES.	The samples were analysed at Ultra Trace 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.
Database & 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.		QAQC data evaluation included standards and blanks.	DataShed was used for drillhole 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 Mons 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 Whim Creek the stinger/feeder zone was interpreted using 0.2% Cu cut-off.	Geological confidence is high for the main high grade stratabound. Cut-off grades were determined using log probability plots. At Salt Creek wireframes were interpreted by boundaries of massive sulphide for the Zn/Pb lenses and by 2% Cu cut-off for Cu wireframes.	Geological confidence is high for the main high grade stratabound. Wireframes were interpreted by using a 2% Cu cut-off and 5% Zn cut-off for high grade domains. Low grade domains were determined using a 0.03% Cu cut-off. Cut-off's were determined geostatisticaly.	Venturex developed a Vulcan format wireframe of the interpreted mineralisation and the surface topography. These wireframes were 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	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.	At Salt Creek 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.	Two massive sulphide lenses (East and West) have been identified by drilling. The East Lens has a long axis length of approximately 150 metres, a vertical extent of 300 metres and plunges to the north at approximately 50 degrees. The larger West Lens has a long axis length of at least 250 metres, a vertical extent of 250 metres and plunges to the north at approximately 50 degrees. The maximum true width is approxiamately 30 metres with an average true width of approxiamately 10 metres.	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 40 degrees. 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.
Estimation & Modelling Techniques	Vulcan 8.0 software used. Parent cell measures 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), appropriate given an average drill spacing of 20 metres. The estimation was performed using ordinary kriging. Search ellipse parameters determined using Snowden Supervisor software. Top cuts 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.	The block model and estimations were conducted using Vulcan 8.0 software. At Salt Creek the block model had a parent cell measuring 2 metres (X axis), 10 metres (Y) and 10 metres (Z) with sub-cells of 0.5 metres (X), 2 metres (Y), 2 metres (Z). This block size is appropriate given an average drill spacing of 30 metres. The estimations were performed using ordinary kriging. Search ellipse parameters were derived from variograms using Snowden Supervisor software. At Salt Creek no top cuts were applied. The estimations were validated against original composite grades, by section and globally.	Vulcan software used. Parent cell measures 20 metres (X axis), 20 metres (Y) and 10 metres (Z) with sub-cells of 5 metres (X), 2 metres (Y), 2 metres (Z), appropriate given an average drill spacing of 20-30 metres. The estimation was performed using ordinary kriging. Search ellipse parameters determined using variography. No top cuts were used. The estimations were validated against original composite grades. Oxide ore was not estimated. Hard boundaries were used between domains. Minimum samples per estimate is 1. Maximum samples per estimate is 20. Discretisation was set to 5(Y) X 5(X) X 2(Z).	The resource calculation was conducted by Optiro Pty Ltd using data and interpretations supplied by Venturex. Grades were estimated using ordinary kriging. 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 direction to correctly honour the volume of the lode and weathering horizons. A top-cut of 20% Cu was applied to copper grades in the oxide and transitional zones.
Moisture	Tonnages are estimated on a dry basis. Moisture content in ore is expected to be very low.			

RESOURCE ESTIMATION PARAMETERS				
	Mons Cupri & Whim Creek	**Salt Creek**	**Sulphur Springs**	**Liberty-Indee**
Bulk Density	For the Mons Cupri deposit assigned average specific gravity (SG) values were used in the resource estimation: 2.3 g/cm³ for oxide waste (based on historical determinations), 2.8 g/cm³ for fresh waste, 2.9 g/cm³ for the stringer/feeder zone, 3.0 g/cm³ for the high grade copper zone and 3.2 g/cm³ 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/cm³ for oxide material, 2.76 g/cm³ for transitional and fresh waste, 2.79 g/cm³ for transitional ore and 2.91 g/cm³ for fresh ore.	Assigned average specific gravity (SG) values were used in the resource estimation: 2.4 g/cm³ for oxide, 2.78 g/cm³ for fresh waste, 3.0 g/cm³ for copper lenses, 3.2 g/cm³ for the high grade zinc/lead in the western lenses and 4.1 g/cm³ for the high grade zinc/lead in the eastern lenses. SG was determined by the water immersion technique on drill core.	A very high proportion of the assayed samples also have a bulk density measurement. During 2000 and 2001, every sample submitted for assay had a density determination made on site. This was also the case during the Sipa programs from hole SSD013 onwards. Overall, approximately 79% of assayed samples in the sulphide lenses had a measured density value. This is adequate to support interpolation of density into resource models. Density measurements were made on site by the classical water immersion method, using the total cut core for each sample.	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.
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.			

RESERVE ESTIMATION PARAMETERS			
	Mons Cupri	**Whim Creek**	**Sulphur Springs**
Tenements	M47/238	M47/236 and M47/443	M45/494
Development Status	Component of Venturex VMS Feasibility Study. Advanced pit designs by Mining Solutions Consultancy Pty Ltd.		Key component of Venturex VMS Feasibility Study. Advanced mine design and scheduling by MineRP (Australia) Pty Ltd.
Mining Method	Open pit.		Underground. Transverse longhole open stoping using paste fill combined with a modified Avoca method. 30m levels.
Mining Recovery	97% for both pits.		Stope recovery 79-92%, with additional factors of 95% applied in fault zones, and 65-80% in cavity zones.
Mining Dilution	Mons Cupri: 5% dilution @ zero grade Whim Creek: 2.5% dilution @ zero grade, 7.5% dilution @ 0.3% CuEQ grade		Varies by stope from 4.3% to 5.5% Hangingwall dilution in relevant stopes assigned grade of 1.0% CuEQ, all other dilution at zero grade
Cut-Off Grade	Approximately 0.85% CuEQ based on selected shells from a Whittle optimisation process.		1.85% CuEQ
Metal Pricing	Cu: $US3.25/lb; Zn: US$1.00/lb; Pb: $1.00/lb; Ag: $32/oz; Au: $1300/oz		Cu: $US3.25/lb; Zn: US$1.00/lb; Ag: $25/oz; Au $1500/oz
$A/$US Rate	0.90		0.90
Process Recoveries	Cu: 92%; Zn 68%; Pb 60%; Ag: 30%; Au: 45%	Cu: 88%; Zn 60%; Pb 60%; Ag: 30%; Au: 45%	Cu: 94%, Zn: 89%, Ag: 45%
Costs	Mining, haulage and processing costs are based on contractor estimates and first principle calculations. TC/RC costs are based on long term forecasts.		

COMPETENCY STATEMENTS

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled or reviewed by Mr Michael Mulroney and Mr Steven Wood who are Members of the Australasian Institute of Mining and Metallurgy. Mr Mulroney 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". Mr Mulroney and Mr Wood consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled or reviewed by Mr David Clark who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Clark is a full time employee of RMDSTEM Limited and has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Clark consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Brazil Exploration Results is based on information compiled by Mr Karl Weber who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Weber is a fulltime employee of CMG Mineração Ltda, a wholly owned subsidiary of Venturex Resources Limited, and has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Weber consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

As at 24 September 2012, 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)
Liberty-Indee Project	M47/1455	70% (90% on decision to mine)
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%
Whim Creek Project	L47/36	100%
Whim Creek Project	GLA47/1233	100%
Salt Creek Project	E47/924	100%
Salt Creek Project	E47/1088	100%
Salt Creek Project	M47/323	100%
Salt Creek Project	M47/324	100%
Sulphur Springs Project	M45/494	100%
Sulphur Springs Project	M45/653	100%
Sulphur Springs Project	M45/1001	100%
Sulphur Springs Project	L45/166	100%
Sulphur Springs Project	L45/170	100%
Sulphur Springs Project	L45/173	100%
Sulphur Springs Project	L45/179	100%
Sulphur Springs Project	L45/188	100%
Sulphur Springs Project	L45/189	100%
Sulphur Springs Project	LA45/287	100%
Mt Satirist Project	ELA47/2674	100%
BRAZIL		
Jatobá	EL 866505/2004	100% CMGM
	EL 866020/2007	100% CMGM
Rio Pombo	EL 866943/2005	100% CMGM
	EL 866238/2008	100% CMGM
	ELA 867034/2011	100% CMGM
	ELA 867035/2011	100% CMGM
Nova Canaã (Colider)	EL 866718/2008	100% CMGM
	EL 866719/2008	100% CMGM
	EL 866820/2008	100% CMGM
Tanque Fundo	EL 866855/2006	100% CMGM
	EL 866239/2008	100% CMGM
	EL 867376/2008	100% CMGM
	EL 867377/2008	100% CMGM
Castelo de Sonhos	EL 850172/2010	100% CMGM
Serra Verde	EL 850564/2007	100% CMGM
	EL 850359/2006	100% CMGM
	ELA 850353/2011	100% CMGM
	EL 850173/2010	100% CMGM
	PLG 850174/2010 to PLG 850180/2010	100% CMGM
	ELA 850835/2011 to ELA 850884/2011	100% CMGM
Grande Canaã	EL 850076/2011 to EL 850079/2011	100% CMGM
	ELA 851269/2011 to ELA 851272/2011	100% CMGM
KL	EL 850080/2011 to EL 850082/2011	100% CMGM
	ELA 851273/2011 to ELA 851278/2011	100% CMGM
Hollywood	EL 850083/2011	100% CMGM

Key: E/EL = Exploration Licence
ELA = Exploration Licence Application
G = General Purpose Lease
GLA = Geneal Purpose Lease Application
L = Miscellaneous Licence
LA = Miscellaneous Licence Application
M = Mining Lease
MLA = Mining Lease Application
PLG = Prospecting Licence awaiting conversion to Exploration Licence
CMGM = CMG Mineração Ltda

Your Directors present their report on Venturex Resources Limited (the "Company") and Controlled Entities (collectively the "Group Entity") for the end of the reporting period ended 30 June 2012.

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
Michael Mulroney	Managing Director	Appointed 27 February 2012
	(Non-Executive Director	*Appointed 9 June 2008, Resigned 4 October 2011)*
Allan Trench	Non-Executive Director	Appointed 12 November 2008
		(Non-Executive Chairman 12 November 2008 to 13 July 2010)
John Nitschke	Non-Executive Director	Appointed 30 August 2011
Raymond Parry	Non-Executive Director	Appointed 29 May 2012
Timothy Sugden	Managing Director	Appointed 18 August 2008, Resigned 24 February 2012
Anthony Reilly	Executive Director	Appointed 1 July 2009, Resigned 30 June 2012

Information on Directors

Anthony Kiernan, LLB	—	Independent Non-Executive Chairman
Appointed to the Board	—	14 July 2010
Experience	—	Mr Kiernan, formerly a solicitor, has extensive experience gained over 35 years in the management and operation of listed public companies. As both a lawyer and general consultant, he has practiced and advised extensively in the fields of resources, media and information technology.
Interest in Shares and Options [1]	—	1,365,000 Ordinary Shares and 3,000,000 Unlisted Options
Internal Committees	—	Member of the Audit Committee and the Nomination & Remuneration Committee
Directorships held in other listed entities	—	Uranium Equities Limited (3 June 2003 to present) (Chairman) Liontown Resources Limited (2 February 2006 to present) BC Iron Limited (11 October 2006 to present) (Chairman) Chalice Gold Limited (15 February 2007 to present)
Michael Mulroney, BAppSc(Geol), MBA, MAusIMM	—	Managing Director
Appointed to the Board	—	27 February 2012
Experience	—	Mr Mulroney has over 30 years experience in the natural resources and finance sectors. Originally trained as a geologist, he spent 12 years as a mining company executive in a broad range of commodities throughout Australia and South East Asia. He has spent the last 20 years working for several investment banks and ASX listed companies gaining extensive experience in project finance and mergers and acquisitions in the global resources sector. Mr Mulroney was most recently Executive Director of Argonaut Capital Limited, and Investment Director of AFM Perseus Fund Limited.
Interest in Shares and Options [1]	—	3,979,976 Ordinary Shares and 10,000,000 Unlisted Options
Internal Committees	—	Nil
Directorships held in other listed entities	—	Acacia Coal Limited (5 November 2010 to present)
Allan Trench, BSc, PhD, MSc, MBA, GAICD, MAusIMM	—	Independent Non-Executive Director
Appointed to the Board	—	12 November 2008
Experience	—	Dr Trench is a geophysicist and business management consultant with approximately 22 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 is also the Professor (Value & Risk) at the Centre for Exploration Targeting, University of Western Australia; Professor, Department of Energy & Mineral Economics, Curtin University Graduate School of Business; and currently holds the title of Adjunct Professor at the Western Australia School of Mines, Curtin University.
Interest in Shares and Options [1]	—	3,717,000 Ordinary Shares and 3,000,000 Unlisted Options
Internal Committees	—	Chair of the Nomination & Remuneration Committee and Member of the Audit Committee (resigned 30 June 2012)
Directorships held in other listed entities	—	Pioneer Resources Limited (8 September 2003 to present) Navigator Resources Limited (14 November 2005 to present) (Chairman) Hot Chili Limited (19 July 2010 to present) Kimberley Rare Earths Limited (2 December 2010 to present) Enterprise Metals Limited (3 April 2012 to present) Trafford Resources Limited (7 May 2012 to present)

John Nitschke, BEng(Hons), MSc, DIC, GAICD, FAusIMM	—	Independent Non-Executive Director
Appointed to the Board	—	30 August 2011
Experience	—	Mr Nitschke is a mining engineer with over 35 years experience in the mining industry, including substantial experience operating at senior management levels in large resource companies. Recent roles include Executive General Manager (EGM) Projects & Technical Services for OZ Minerals Limited, EGM Australian Operations for Oxiana Limited, and EGM Development for Newmont Australia and the Normandy Group. Significant development projects managed by Mr Nitschke include the Golden Grove Underground Zinc Operation, the Prominent Hill Copper Gold Project and the Sepon Copper Expansion Project.
Interest in Shares and Options [1]	—	3,000,000 Unlisted Options
Internal Committees	—	Chair of the Audit Committee and Member of the Nomination & Remuneration Committee
Directorships held in other listed entities	—	IMX Resources Limited (23 December 2009 to present) (Chairman) Continental Nickel Limited (26 October 2010 to present) (Chairman) Toro Energy Limited (15 June 2009 to 30 June 2012)
Raymond Parry, BBus(Acc/Fin), MBA, CPA, MAICD	—	Non-Independent Non-Executive Director
Appointed to the Board	—	29 May 2012
Experience	—	Mr Parry is an accountant with over 25 years of experience in finance and management positions across a number of different industries. He joined Northern Star Resources Ltd in his current role in October 2010 and is the Chief Financial Officer. Prior to his current role, he held senior management positions with St Barbara Ltd and regional finance responsibilities for Kerr-McGee Corporation (USA) in the Asia Pacific. He has also held management positions in the banking industry.
Interest in Shares and Options [1]	—	16,500 Ordinary Shares
Internal Committees	—	Nil
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 Securities Exchange in accordance with Section 205G(1) of the Corporations Act 2004, as at the date of this report.

Company Secretary/CFO

Liza Carpene, MBA, ACSA, ACIS, MAICD - 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 the Australian and Indonesian operations, before 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 was also Company Secretary for coal explorer, Acacia Coal Limited between December 2009 to December 2011.

Corporate Structure

The Company is limited by shares that it has issued and is incorporated and domiciled in Australia. As at 30 June 2012, it had five subsidiaries incorporated in Australia, Jutt Resources Pty Ltd, Juranium Pty Ltd, Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd), Venturex Sulphur Springs Pty Ltd (formerly CBH Sulphur Springs 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 2012.

Principal Activities

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

Likely Developments

The Group Entity expects to complete a Feasibility Study into the development of a centralised sulphide processing facility at the Pilbara Copper-Zinc Project in the first quarter of the 2013 financial year. If successful, the Group Entity will likely commit to a decision to develop a processing plant at Sulphur Springs and commence mining at various deposits in the Pilbara region (subject to acceptable financing arrangements and regulatory permits). As announced on 13 July 2012, the Company has entered into an agreement to acquire the Panorama Joint Venture tenements located near Sulphur Springs. Upon successful completion of the acquisition, it is envisaged work will commence on the Kangaroo Caves resource to enable inclusion in the Pilbara Copper-Zinc Project.

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 Group Entity will also continue exploration programs in the Pilbara and Brazil which may result in additional discoveries. In addition, the Group Entity may assess acquisition opportunities that have potential to enhance the value of its existing assets.

Results and Review of Operations

Results

For the year ending 30 June 2012, the consolidated profit of the Group Entity was $7,850,262 (2011: loss $8,915,763) as a result of the Group forming a Tax Consolidated Group. The underlying result before income tax was a loss of $3,403,438 (2011: $5,496,898).

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

On forming a Tax Consolidated Group, the Venturex Group set tax costs for assets and can now obtain an immediate tax deduction for the value attributed to mining information. The accounting impact of entering into a Tax Consolidated Group is the de-recognition of $11,292,491 of Deferred Tax Liabilities in the end of the reporting period ended 30 June 2012.

The profit result includes an impairment/write off of $1,077,333 (2011: $820,122) following a detailed review of the tenements, and the de-recognition $11,292,491 of Deferred Tax Liabilities in the end of the reporting period ended 30 June 2012, a direct flow on effect of the decision by the Group to form a Tax Consolidated Group with an effective date of 1 July 2009. The de-recognition of $11,292,491 Deferred Tax Liabilities has resulted in an overall accounting profit for the end of the reporting period ended 30 June 2012 of $7,850,262. There is no tax payable on this accounting profit.

Review of Operations

Detailed review of operations can be found on page 3 of this report.

At the 30 June 2012, the Company had 1,250,329,135 quoted fully paid ordinary shares (2011: 1,087,242,726) and no quoted options issued over shares (2011: Nil).

As at 30 June 2012 the Group Entity held cash reserves of $6,532,338 (2011: $10,599,384).

Profit Per Share

Basic profit per share 0.713 cents (2011: loss 1.09 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	VXRAI	$0.15	06-Dec-12	12,000,000	-
Unlisted options	VXRAD	$0.15	28-Nov-13	8,000,000	-
Unlisted options	VXRAQ	$0.15	09-Oct-14	7,500,000	-
Unlisted options	VXRAS	$0.15	05-Dec-14	11,000,000	-
Unlisted options	VRXAK	$0.12	22-Jul-15	10,000,000	-
				48,500,000	

Dividends

The Directors did not pay or declare any dividends during the 2012 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 2012 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 focussed on the Feasibility Study for the centralised sulphide processing facility at the Pilbara Copper-Zinc Project.

The Company's share capital increased during the year to fund the Feasibility Study and subsequent exploration and development activities.

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

Subsequent Events

On 10 July 2012, the Company issued 125,032,913 ordinary fully paid shares following the 1:10 non-renounceable entitlement issue at $0.036 per share to existing Shareholders, raising a total of $4,501,185 before expenses. At the date of this report, the number of quoted fully paid ordinary shares of the Company is 1,375,362,048.

On 13 July 2012, the Company announced that it had entered into a binding conditional agreement to acquire 100% of the Panorama Exploration Joint Venture assets from the existing joint venture partners, CBH Panorama Pty Ltd and Sipa Resources Limited. The consideration for the acquisition is the granting of an uncapped royalty of

A$2.00 per dry metric tonne for any ore mined and processed from the acquired Panorama Exploration Joint Venture tenements acquired under the agreement. Finalisation of the transaction is still pending.

Following approval by Shareholders in General Meeting on 23 July 2012, the Company issued 10,000,000 unlisted options to Mr Michael Mulroney as part of his executive remuneration package as Managing Director. The options were issued with an exercise price of $0.12 per share, an expiry date of 22 July 2015, with 40% vesting 23 July 2013 and the remaining 60% vesting on 23 March 2014.

Effective 27 August 2012, the Company announced that it changed its Registered Office and Principal Administrative Office to Level 2, 91 Havelock Street, West Perth, Western Australia, 6005.

Other than as disclosed above or elsewhere in this Annual Report, no other material events after statement of financial position 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 (DEC), the WA Department of Mines and Petroleum (DMP) and the Environmental Protection Authority (EPA). In Brazil, the regulatory body is the National Department of Mineral Production (DNPM).

In August 2011, Venturex Pilbara Pty Ltd received a Direction to Modify Notice from the DMP in relation to remediation works required to be undertaken on the Environmental Pond at the Whim Creek Copper Mine. The Company has entered into arrangements to effect remedial work to satisfy the Direction to Modify Notice, with works commencing in the first quarter of the 2013 financial year, and lasting approximately eight weeks.

The Board believes that the Group Entity has adequate systems in place for the management of its environmental regulations and is not aware of any breach of those environmental requirements as they apply to the Group Entity.

Clean Energy Legislative Package

The Clean Energy Legislative Package, which included the Clean Energy Act 2011, was passed by the Austrlaian Government in November 2011. It sets out the way that the Government will introduce a carbon price to reduce Australia's carbon pollution and move to a clean energy future.

There is presently uncertainty in relation to the impact of this carbon pricing mechanism, which could potentially affect the assumptions underlying value-in-use calculations used for asset impairment testing purposes.

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 Group Entity during the year included:

Michael Mulroney	-	Managing Director (Appointed 27 February 2012)
Ian Suckling	-	Chief Operating Officer (Appointed 10 October 2011)
Liza Carpene	-	Company Secretary/CFO
Karl Weber	-	Exploration Manager – South America & Director of CMG Mineração Ltda
Jonas Ferreira Da Silva	-	Executive Director CMG Mineração Ltda
Timothy Sugden	-	Managing Director (Resigned 24 February 2012)
Anthony Reilly	-	Executive Director (Resigned 30 June 2012)

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 Nomination and Remuneration 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 Executive's position, experience and performance, and may be satisfied via cash or equity.

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

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.

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 2012 financial year, the Board approved a bonus formula linked to the achievement of Company targets (including project outcomes, share price performance and social licence criteria) as well as the individual employee's personal performance, with individual caps based on seniority and capacity to influence the performance of the Company. The expected outcomes of the remuneration structure are to retain and motivate key Executives, attract high quality Management to the Company and provide performance incentives that allow Executives to share in the success of the Company.

For details of performance based remuneration refer to Section 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 above.

Remuneration packages contain the following elements:

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

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			
	Year	Note	Cash salary & fees $	Cash bonus $	Non-monetary benefits $	Other $	Super-annuation $	Termin-ation $	Other $	Shares $	Options $	Total $	Bonus as a proportion of remuneration %
Directors													
Anthony	2012	-	67,189	-	-	-	6,047	-	-	-	-	73,236	-
Kiernan	2011	1	53,122	-	-	-	4,781	-	-	-	143,248	201,151	-
Michael	2012	2,4	132,183	-	-	-	10,771	-	-	-	-	142,954	-
Mulroney	2011	-	40,000	-	-	-	-	-	-	-	-	40,000	-
Allan	2012	-	52,500	-	-	-	-	-	-	-	42,336	94,836	-
Trench	2011	-	40,000	-	-	-	-	-	-	-	-	40,000	-
John	2012	2	42,458	-	-	-	-	-	-	-	42,336	84,794	-
Nitschke	2011	-	-	-	-	-	-	-	-	-	-	-	
Raymond	2012	2	4,533	-	-	-	-	-	-	-	-	4,533	-
Parry	2011	-	-	-	-	-	-	-	-	-	-	-	
Timothy	2012	3	289,105	-	-	-	21,534	-	-	-	-	310,639	-
Sugden	2011	-	275,000	5,942	-	-	25,285	-	-	-	-	306,227	2
Anthony	2012	3,5	190,084	50,000	-	-	23,107	-	-	-	26,820	290,011	19
Reilly	2011	-	163,558	5,200	-	-	15,188	-	-	-	114,826	298,772	2
Key Management Personnel													
Ian	2012	2,5	217,487	33,303	-	-	42,626	-	-	-	116,273	409,689	9
Suckling	2011	-	-	-	-	-	-	-	-	-	-	-	
Liza	2012	5	210,000	34,776	-	-	22,030	-	-	-	70,561	337,367	11
Carpene	2011		175,000	5,200	-	-	16,218	-	-	-	-	196,418	3
Karl	2012		175,819	-	-	-	-	-	-	-	26,820	202,639	-
Weber	2011		182,207	-	-	-	-	-	-	-	114,826	297,033	-
Jonas Ferreira	2012		101,012	-	-	-	-	-	-	-	10,730	111,742	-
Da Silva	2011		112,307	-	-	-	-	-	-	-	45,930	158,237	-
Total	**2012**		**1,482,370**	**118,079**	**-**	**-**	**126,115**	**-**	**-**	**-**	**335,876**	**2,062,440**	**6**
	2011		**1,041,194**	**16,342**	**-**	**-**	**61,472**	**-**	**-**	**-**	**418,830**	**1,537,838**	**1**

Note:

1. Commenced with the Company in the 2011 financial year.
2. Commenced with the Company in the 2012 financial year.
3. Resigned from the Company in the 2012 financial year.
4. Includes $12,500 paid to Argonaut Capital Limited as Director's Fees relating to the first quarter of 2012 financial year.
5. Bonus amount in the Cash Bonus column is exclusive of Superannuation which is shown in the Superannuation column, being $12,127 (total).

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 2012 or 2011 financial years.

Options

The following table discloses the value of options granted, exercised, sold or lapsed during the 2012 financial year:

	Options Granted	Options Exercised	Options Lapsed			
	Value at Grant Date $	Value at Exercise Price $	Value at Time of Lapse $	Value of Options yet to be Expensed $	Value of Options Included in Remuneration for the Year $	Options as a Proportion of Total Remuneration %
Directors						
Michael Mulroney	5,100	-	(5,100)	-	-	
Allan Trench	111,974	-	(5,100)	64,538	42,336	45
John Nitschke	106,874	-	-	64,538	42,336	50
Timothy Sugden	17,000	-	(17,000)	-	-	
Anthony Reily	244,739	-	-	-	26,820	9
Key Management Personnel						
Ian Suckling	230,146	-	-	113,873	116,273	28
Liza Carpene	186,623	-	(8,500)	107,562	70,561	21
Karl Weber	244,739	-	-	-	26,820	13
Jonas Ferreira Da Silva	97,895	-	-	-	10,730	10
	1,245,089	-	(35,700)	350,511	335,876	16

The following table discloses the value of options granted, exercised, sold or lapsed during the 2011 financial year:

	Options Granted	Options Exercised	Options Lapsed			
	Value at Grant Date $	Value at Exercise Price $	Value at Time of Lapse $	Value of Options yet to be Expensed $	Value of Options Included in Remuneration for the Year $	Options as a Proportion of Total Remuneration %
Directors						
Anthony Kiernan	143,248	-	-	-	143,248	71
Anthony Reilly	244,738	-	-	26,820	114,826	38
Key Management Personnel						
Karl Weber	244,738	-	-	26,820	114,826	39
Jonas Ferreira Da Silva	97,897	-	-	10,730	45,930	29
	730,621	-	-	64,370	418,830	27

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 2012 financial year

	Balance 30 June 2011 No.	Granted as Remuneration* No.	Options Exercised No.	Options Lapsed No.	Held at Resignation No.	Balance 30 June 2012 No.	Vested No.	Unvested No.
Directors								
Anthony Kiernan	3,000,000	-	-	-	-	3,000,000	3,000,000	-
Michael Mulroney	3,000,000	-	-	(3,000,000)	-	-	-	-
Allan Trench	3,000,000	3,000,000	-	(3,000,000)	-	3,000,000	-	3,000,000
John Nitschke	-	3,000,000	-	-	-	3,000,000	-	3,000,000
Timothy Sugden	10,000,000	-	-	(10,000,000)	-	-	-	-
Anthony Reilly	5,000,000	-	-	-	5,000,000	5,000,000	5,000,000	-
Key Management Personnel								
Ian Suckling	-	7,500,000	-	-	-	7,500,000	-	7,500,000
Liza Carpene	5,000,000	5,000,000	-	(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	-
	36,000,000	18,500,000	-	(21,000,000)	5,000,000	33,500,000	15,000,000	18,500,000

*Details of the Options Granted as Remuneration**

Grant Date	Expiring Date	Exercise Price $	Value per options at grant date $	Number of Options issued	Vesting Date
10 Oct 2011	9 Oct 2014	0.15	0.0307	7,500,000	3,000,000 - 10 Oct 2012 4,500,000 - 10 Oct 2013
6 Dec 2011	5 Dec 2014	0.15	0.0356	11,000,000	4,400,000 - 6 Dec 2012 6,600,000 - 6 Dec 2013

The following table discloses the movement in Directors and Key Management Personnel Options during the 2011 financial year

	Balance 30 June 2010 No.	Granted as Remuneration** No.	Options Exercised No.	Options Lapsed No.	Held at Resignation No.	Balance 30 June 2011 No.	Vested No.	Unvested No.
Directors								
Anthony Kiernan	-	3,000,000	-	-	-	3,000,000	3,000,000	-
Michael Mulroney	3,000,000	-	-	-	-	3,000,000	3,000,000	-
Allan Trench	3,000,000	-	-	-	-	3,000,000	3,000,000	-
Timothy Sugden	10,000,000	-	-	-	-	10,000,000	10,000,000	-
Anthony Reilly	5,000,000	-	-	-	-	5,000,000	2,500,000	2,500,000
Key Management Personnel								
Liza Carpene	5,000,000	-	-	-	-	5,000,000	5,000,000	-
Karl Weber	5,000,000	-	-	-	-	5,000,000	2,500,000	2,500,000
Jonas Ferreira Da Silva	2,000,000	-	-	-	-	2,000,000	1,000,000	1,000,000
	33,000,000	3,000,000	-	-	-	36,000,000	30,000,000	6,000,000

*Details of the Options Granted as Remuneration***

Grant Date	Expiring Date	Exercise Price $	Value per options at grant date $	Number of Options issued	Vesting Date
29 Nov 2010	28 Nov 2013	0.15	0.0480	3,000,000	29 Nov 2010

D. Employment Contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel were under contract at 30 June 2012.

Name	Term of Contract	Commencement Date	Notice Period by Either Party	Termination Benefit
Michael Mulroney	Fixed Contract (2 years)	27/02/12-26/02/14	◂ 3 months notice by Company without cause ◂ Company may elect to make payment in lieu of notice ◂ No notice requirements for termination by Company for cause ◂ 3 months notice by Executive ◂ Cessation of directorship for any reason, either party may give 7 days notice	◂ An amount equal to 12 months base salary (being the average base salary over the previous 3 years) if termination by Company without cause ◂ Nil (other than for accrued entitlements) in the case of termination by Company for cause ◂ Upon material variation or diminution of responsibilities, the Executive may terminate his employment and receive the same payments from the Company as if it was a termination by the Company without cause
Ian Suckling	Permanent (ongoing)	10/10/11	◂ 4 weeks notice by either party ◂ Company may elect to make payment in lieu of notice	◂ In the event that the Employee is made redundant through the normal course of business, then the Company will pay a redundancy payment of 3 weeks salary for each completed year of service.
Liza Carpene	Permanent (ongoing)	25/08/08	◂ 4 weeks notice by either party ◂ Company may elect to make payment in lieu of notice	◂ An amount equal to 12 months base salary (being the average base salary over the previous 3 years) in the event that Executive's position is terminated through merger, acquisition or other corporate activity resulting in management restructuring ◂ In the event that the Employee is made redundant through the normal course of business, then the Company will pay a redundancy payment of 3 weeks salary for each completed year of service.
Karl Weber	Fixed Contract (2 years)	1/10/10-30/09/12	◂ 15 days notice by either party for cause ◂ 60 days notice by either party without cause	◂ None
Jonas Ferreira Da Silva	Fixed Contract (2 years)	1/09/10-31/08/12	◂ 15 days notice by either party for cause ◂ 60 days notice by either party without cause	◂ None

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. Subject to Board approval, their performance payments are based on a bonus formula linked to the achievement of measurable Company targets (including project outcomes, share price performance and social licence criteria) (weighting: 60% of possible bonus) as well as the individual employee's personal performance and KPI achievement (weighting: 40% of possible bonus), 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. The expected outcomes of the remuneration structure are to retain and motivate key Executives, attract high quality Management to the Company and provide performance incentives that allow Executives to share in the success of the Company.

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, 15 Board meetings, 5 Audit Committee meetings and 5 Nomination and Remuneration Committee meetings were held.

	Directors' Meetings		Committee Meetings			
			Audit		Nomination & Remuneration	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Anthony Kiernan	15	15	3	3	5	5
Michael Mulroney	11	10	2	2	2	2
Allan Trench	15	13	5	3	5	4
John Nitschke	14	12	3	3	3	3
Raymond Parry	3	3	N/A	N/A	N/A	N/A
Timothy Sugden	8	8	2	2	N/A	N/A
Anthony Reilly	15	12	N/A	N/A	N/A	N/A

Directors' Indemnities

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

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

Non-Audit Services

The Group Entity 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, did not perform non-audit services for the Company other than their statutory duties. The Board is satisfied that the provision of services during the year by the Auditor is compatible with and did not compromise the auditor independence requirements of the Corporations Act 2001.

The 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:

- No non-audit services were provided; and
- None of the services provided 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.

	2012 $	2011 $
Remuneration of the auditor of the Group Entity for:		
- auditing or reviewing the financial report	35,500	35,000
- taxation services	-	46,801
- other assurance services	-	4,813
	35,500	86,614

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 23.

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

MICHAEL MULRONEY
Managing Director

Dated this 25th day of September 2012

William Buck

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 2012 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.

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

Stephen K. Breihl.

Stephen K Breihl
Director
Dated this 25 September, 2012

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

From 2 July 2012, Street Address:
Level 3, 15 Labouchere Road, (corner Mill Point Road), South Perth WA 6151
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
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	Note	Consolidated 2012 $	Consolidated 2011 $
Revenue		-	-
Cost of goods sold		-	-
Other income	2	481,299	407,535
Gross Profit		481,299	407,535
Administrative expense	3	(998,330))	(1,166,317)
Corporate expense	3	(451,886)	(1,985,068)
Directors, employees and consultants fee	3	(1,868,327)	(1,677,255)
Exploration and evaluation expense	3	(348,545)	(236,076)
Impairment/Write Off of area of interest	3	(1,077,333)	(820,122)
Total expenses		(4,744,421)	(5,884,838)
Results from operating activities		(4,263,122)	(5,477,303)
Finance income	4	883,462	487,831
Finance costs	4	(23,778)	(507,426)
Net finance costs		859,684	(19,595)
Loss before income tax		(3,403,438)	(5,496,898)
Income tax	5	11,253,700	(3,418,865)
Profit (loss) from continuing operations		7,850,262	(8,915,763)
Other comprehensive income			
Foreign currency translation differences - foreign operations		(38,950)	(60,994)
Other comprehensive income for the period, net of tax		(38,950)	(60,994)
Total comprehensive profit (loss) for the year		7,811,312	(8,976,757)
Profit (Loss) attributable to:			
Owners of the Company		7,850,262	(8,915,763)
Total Comprehensive income (loss) attributable to:			
Owners of the Company		7,811,312	(8,976,757)
Profit (loss) per share attributable to the ordinary equity holders of the Company			
Basic and Diluted Profit (loss) per share	8a,b	0.713	(1.09)

The accompanying Notes form part of these financial statements.

	Note	Consolidated 2012 $	2011 $
Assets			
Current assets			
Cash and cash equivalents	9	6,532,338	10,599,384
Trade and other receivables	10	24,546	357,719
Inventories	11	29,956	71,465
Other	12	1,772,474	1,699,234
Total current assets		**8,359,314**	**12,727,802**
Non-current assets			
Property, plant and equipment	13	2,903,158	3,263,321
Exploration and evaluation costs	14	65,299,879	58,865,324
Intangible assets	14	-	55
Total non-current assets		**68,203,037**	**62,128,700**
Total assets		**76,562,351**	**74,856,502**
Liabilities			
Current liabilities			
Trade and other payables	15	1,076,274	817,133
Provisions	17	3,227,734	1,640,770
Employee benefits	16	172,758	176,468
Total current liabilities		**4,476,766**	**2,634,371**
Non-current liabilities			
Provisions	17	3,994,923	7,429,439
Deferred tax liability	5	-	11,292,491
Total non-current liabilities		**3,994,923**	**18,721,930**
Total liabilities		**8,471,689**	**21,356,301**
Net assets		**68,090,662**	**53,500,201**
Equity			
Issued capital	18	79,356,172	73,016,616
Reserves	18, 25	1,226,837	1,293,762
Accumulated losses		(12,492,347)	(20,810,177)
Total equity		**68,090,662**	**53,500,201**

The accompanying Notes form part of these financial statements.

	Note	Consolidated 2012 $	2011 $
Cash flows related to operating activities			
Payments to suppliers and employees		(3,901,272)	(2,505,995)
Income taxes paid		(38,791)	-
Interest received		345,910	365,427
Receipts from customers		697,182	-
Net cash flows used in operating activities	23a	(2,896,971)	(2,140,568)
Cash flows related to investing activities			
Payment for purchases of plant and equipment		(89,699)	(262,421)
Proceeds from sale of plant and equipment		-	217,273
Payment for deferred exploration expenditure		(7,535,935)	(4,491,778)
Payments for acquisition of subsidiaries, net of cash acquired		-	(26,199,900)
Proceeds from sale of tenement		141,336	-
Net cash flows used in investing activities		(7,484,298)	(30,736,826)
Cash flows related to financing activities			
Proceeds from issues of securities		6,523,456	40,752,449
Capital raising costs		(183,900)	(2,044,497)
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash flows used in financing activities		6,339,556	38,707,952
Net increase in cash and cash equivalents		(4,041,713)	5,830,558
Cash and cash equivalents at the beginning of the year		10,599,384	6,305,000
Reclassification of environmental bond from cash and cash equivalents to other current assets		-	(1,535,481)
Effect of exchange rate fluctuations on cash held		(25,333)	(693)
Cash and cash equivalents at the end of the year	9	6,532,338	10,599,384

The accompanying Notes form part of these financial statements.

Consolidated	Note	Issued Capital $	Translation Reserve $	Share Based Compensation $	Accumulated Losses $	Total Equity $
Balance at 30 June 2010		**33,780,826**	**-**	**1,530,329**	**(11,894,414)**	**23,416,741**
Issue of securities	18a	38,552,448	-	-	-	38,552,449
Security issue costs	18a	(2,044,496)	-	-	-	(2,044,497)
Options exercised	25iii	2,727,838	-	(527,838)	-	2,200,000
Options issued	25i	-	-	517,778	-	517,778
Options expired	18b	-	-	(287,501)	-	(287,501)
Total comprehensive income		-	60,994	-	(8,915,763)	(8,854,769)
Balance at 30 June 2011		**73,016,616**	**60,994**	**1,232,768**	**(20,810,177)**	**53,500,201**
Issue of securities	18a	6,523,456	-	-	-	6,523,456
Security issue costs	18a	(183,900)	-	-	-	(183,900)
Options exercised	18a, 25iii	-	-	-	-	-
Options issued	25i, 25ii	-	-	439,593	-	439,593
Options expired	25iv	-	-	(467,568)	467,568	-
Total comprehensive income		-	(38,950)	-	7,850,262	7,811,312
Balance at 30 June 2012		**79,356,172**	**22,044**	**1,204,793**	**(12,492,347)**	**68,090,662**

The accompanying Notes form part of these financial statements.

Note 1 - Statement of Significant Accounting Policies

The consolidated financial statement comprises Venturex Resources Limited (the "Company") and its subsidiaries (collectively the "Group Entity" or the "Group"). The Company is a listed public company domiciled in Australia.

Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

Basis of Measurement

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

Functional and Presentation Currency

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

Significant Accounting Policies

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

Certain comparative amounts have been reclassified to conform with the current year's presentation.

(a) Basis of Consolidation

<u>Business combinations</u>

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Acquisitions on or after 1 July 2009

For acquisitions on or after 1 July 2009, The Group measures goodwill or exploration and evaluation assets on consolidation at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree: plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, either a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Acquisitions between 1 July 2004 and 1 July 2009

For acquisitions between 1 July 2004 and 1 July 2009, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

<u>Subsidiaries</u>

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company.

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

<u>Loss of control</u>

Upon the loss of control, the Company derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

<u>Transactions eliminated on consolidation</u>

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

(b) Foreign Currencies

<u>Foreign currency transactions</u>

Transactions in foreign currencies are translated to the respective functional currencies of Group Entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period 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. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit and loss.

Foreign operations

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

(c) Financial Instruments

Non-derivative financial assets

The Group initially recognises loans and receivables and deposits on the date that they originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

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

The Group has the following non-derivative financial assets: held-to-maturity financial assets, loans and receivables, cash and cash equivalents, and available-for-sale financial assets.

Held-to-maturity financial assets

Held-to-maturity financial assets 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 recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest rate method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and, trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

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 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.

Non-derivative financial liabilities

The Group initially recognises debt securities issued on the date they originated. All other financial liabilities (including liabilities designated at fair value through profit or loss are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

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

The Group classified non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise loans and borrowings, and trade and other payables.

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.

(d) Property, Plant and Equipment

Recognition and measurement

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

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

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

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/other expenses 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:

	2012	2011
Plant and equipment	3-30 years	3-30 years
Buildings	7-20 years	7-20 years
Furniture and Fittings	8-20 years	8-20 years
Leasehold Improvements	3 years	3 years

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

(e) Intangible Assets

Exploration and Evaluation Expenditure

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

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

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 that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 1(a).

Goodwill is measured at cost less accumulated impairment losses.

(f) Leased Assets

Operating leases are leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group Entity and 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.

(g) 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 cost 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.

(h) Impairment

At each end of the reporting period, 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 bi-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.

(i) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the end of the reporting period are recognised in employee provisions in respect of employees' services up to the end of the reporting period 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.

Share-based payment transactions

The Company operates an employee share-based payment scheme. 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 expected to vest is reviewed and adjusted at each end of the reporting period such that the amount recognised as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(j) Provisions

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

Rehabilitation

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

Future rehabilitation costs will be reviewed annually and any changes in the estimate are reflected in the present value of the rehabilitation provision at each end of the reporting period. The initial estimate of rehabilitation is capitalised into the cost of the related asset and is amortised on the same basis as the related asset. 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.

(k) 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).

(l) 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.

(m) 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 statement of financial position 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.

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

On forming a Tax Consolidated Group, the Venturex Group set tax costs for assets and can obtain an immediate tax deduction for the value attributed to mining information.

(n) Goods and Services Tax (GST)

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

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

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

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

(o) 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.

(p) 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.

(q) Share capital

Ordinary shares

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

(r) Use of 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 involving estimations, which are dealt with below), that Management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of assets and exploration and evaluation expenditure

The Group Entity 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 Company measures the cost of equity-settled transactions with Directors and Key Management Personnel and service providers by reference to the fair value of the 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 the environmental liabilities on the Group's tenements. The Group has considered the provision for rehabilitation for its exploration tenements based on reports conducted by independent consultants. The Group has estimated the increase in costs over time for rehabilitation would increase by the Consumer Price Index, and the discount value in determining the present value of the provision for rehabilitation would be the 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 2011/2 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(d).

(s) Going Concern

The Group Entity incurred a loss before income tax of $3,403,438 (2011: $5,496,898), net decrease of cash flows of $4,041,713 (2011: increase of $5,830,558) and had a net asset balance of $68,090,662 (2011: $53,500,201) for the year ended 30 June 2012, including a cash balance of $6,532,338 (2011: $10,599,384).

The Directors are of the opinion that the Group's exploration and development assets will attract further capital investment when required. The Directors will continue to maximise the value of existing assets through careful planning of drilling campaigns, calculation of mineral resources as sufficient data becomes available and have nearly completed a Feasibility Study 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 Group will also consider divestments if the proceeds are likely to exceed the realisable value of such assets if they were retained.

The Group will be required to raise additional capital to fund its future activities, including provision for ongoing working capital, exploration and any required pre-production activities that may be identified in the current feasibility process for the development of a centralised sulphide processing facility at the Pilbara Copper-Zinc Project. The Directors believe that the Group has the ability to raise additional funds through its 15% share placement capacity (or larger percentage subject to Shareholder approval) or via short term loan funding arrangements.

If the Group proceeds with a decision to mine following the conclusion of the Feasibility Study, the Group will be required to raise substantial funding to support the development of the Project. The Group is investigating and evaluating all potential options available to fund the Project, and is well advanced in discussions with numerous funding organisations and other market participants.

In the event that the Group is unable to raise funding for the Project, the Company will investigate funding options including joint venturing the project, delaying the project until capital markets improve, divesting other non-core assets or reviewing the Company's current activities.

The Group incurred impairments and write-offs of exploration assets to the value of $1,077,333 (2011: $820,122). The Directors anticipate that further impairments and write-offs of exploration assets will not be incurred in the 2013 financial year due to:

- The Group continuing to add value to its Pilbara tenements by increasing resources and nearly completing a Feasibility Study, and
- The Group holding 100% interest in the remaining Brazilian exploration tenements and intends to conduct gold exploration programs during the year.

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 2012. 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.

(t) New Accounting Standard for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19, & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key 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;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Group has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets (AASB 112) (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Group.

AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associated and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangement Standards [AASB1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Group.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Group.

AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are not expected to significantly impact the Group.

AASB 2011-9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Group.

AASB 119: Employee Benefits (September 2011) and AASB 2011-10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Group does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

i. for an offer that may be withdrawn – when the employee accepts;
ii. for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and
iii. where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Group has not yet been able to reasonably estimate the impact of these changes to AASB 119.

(u) 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 not significantly impacted the recognition, measurement and disclosure of the transactions of the Group Entity and its consolidated financial statements for the financial year ended 30 June 2012.

Note 2 – Other Income

	Note	2012 $	2011 $
Non-operating activities			
- Revenue received - shared services arrangement		61,491	120,000
- Share based payment - expiry of options	18,25	-	287,501
- Rental Income		300,000	-
- Other income		2,518	34
- Gain on disposal of tenement		117,290	-
Total other income		481,299	407,535

Note 3 – Other Expenses

	Note	2012 $	2011 $
Cost of goods sold		-	-
Administrative expense			
- Compliance		67,013	52,266
- Depreciation	13	390,872	424,873
- Other administrative expenses		540,445	673,913
- Loss on disposal of asset		-	15,265
Administrative expense		998,330	1,166,317
Corporate expense			
- Auditing and taxation		195,021	52,777
- Entertainment expenses		791	1,425
- Legal cost		78,694	35,365
- Recruitment expenses		189,657	13,583
- Travel expenses		93,558	83,948
- Stamp duty		(105,835)	1,797,970
Corporate expense		451,886	1,985,068
Directors, employees and consultants fee			
- Directors and employee fee		1,289,416	1,075,284
- Consultants fee		139,317	84,193
- Share based payments		439,594	517,778
Directors, employees and consultants fee		1,868,327	1,677,255
Exploration and evaluation expense			
- Exploration and evaluation expense		348,545	236,076
Exploration and evaluation expense		348,545	236,076

Impairment/Write-off of area of interest			
- Impairment of capitalised exploration	14	1,069,849	-
- Write-off capitalised exploration expenditures	14	7,484	820,122
Impairment/Write-off of area of interest		1,077,333	820,122
Total expenses		4,744,421	5,884,838

Note 4 – Finance Income and Finance Costs

	Note	2012 $	2011 $
Recognised in profit or loss			
Interest income on bank deposits		345,910	487,831
Discounting adjustment on site rehabilitation provision	17	527,846	-
Unwind of discount on contingent liability	17	9,706	-
Finance income		883,462	487,831
Interest expense on financial liabilities measured at amortised cost		(23,778)	(25,225)
Net foreign exchange loss		-	(70,312)
Share based payment – issue of options		-	-
Discounting adjustment on site rehabilitation provision	17	-	(288,840)
Unwind of discount on contingent liability	17	-	(123,049)
Finance costs		(23,778)	(507,426)
Net finance costs recognised in profit or loss		859,684	(19,595)

Note 5 - Income Tax Expense

(a)

	2012 $	2011 $
Income tax recognised in profit or loss		
Current tax expense	38,791	-
Deferred tax (credit) expense	(11,292,491)	3,418,865
	(11,253,700)	3,418,865
Total income tax expense	(11,253,700)	3,418,865

(b)

	2012 $	2011 $
Loss before tax	(3,403,438)	(5,496,898)
Income tax using the domestic corporation tax rate of 30% (2011: 30%)	(1,021,031)	(1,649,069)
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses	285,919	645,998
Deductible expenses	(2,205,015)	(1,347,652)
Tax losses not brought to account	2,978,918	2,350,723
Recognition (Derecognition) of taxable temporary differences	(11,292,491)	3,418,865
Income tax (credit) expense	(11,253,700)	3,418,865

(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:

	2012 $	2011 $
Taxable temporary differences	14,899,721	2,175,718
	14,899,721	2,175,718

(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:

	2012 $	2011 $
Deductible temporary differences	1,842,600	5,310,994
Tax losses	15,886,340	4,936,967
	17,728,940	10,247,961

(e) **Tax consolidation**

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

On forming a Tax Consolidated Group, the Venturex Group set tax costs for assets and can obtain an immediate tax deduction for the value attributed to mining information. The accounting impact of entering into a Tax Consolidated Group is the de-recognition of $11,292,491 of Deferred Tax Liabilities in the financial year ended 30 June 2012.

The de-recognition of $11,292,491 Deferred Tax Liabilities has resulted in an overall accounting profit for the financial year ended 30 June 2012 of $7,850,262.

Note 6 – Directors and Key Management Personnel Compensation

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

(a) **Key Management Personnel Compensation**

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

	2012 $	2011 $
Short-term employee benefits	1,600,449	1,057,536
Post-employment benefits	126,115	61,472
Share-based payments	335,876	418,830
	2,062,440	1,537,838

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 18 to 21.

(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.

2012	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									
Anthony Kiernan		3,000,000	-	-	-	-	3,000,000	3,000,000	-
Michael Mulroney		3,000,000	-	-	(3,000,000)	-	-	-	-
Allan Trench		3,000,000	3,000,000	-	(3,000,000)	-	3,000,000	-	3,000,000
John Nitschke		-	3,000,000	-	-	-	3,000,000	-	3,000,000
Raymond Parry		-	-	-	-	-	-	-	-
Timothy Sugden		10,000,000	-	-	(10,000,000)	-	-	-	-
Anthony Reilly		5,000,000	-	-	-	5,000,000	5,000,000	5,000,000	-
Key Management Personnel									
Ian Suckling		-	7,500,000	-	-	-	7,500,000	-	7,500,000
Liza Carpene		5,000,000	5,000,000	-	(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	-
		36,000,000	18,500,000	-	(21,000,000)	5,000,000	33,500,000	15,000,000	18,500,000

2011	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									
Anthony Kiernan		-	3,000,000	-	-	-	3,000,000	3,000,000	-
Michael Mulroney		3,000,000	-	-	-	-	3,000,000	3,000,000	-
Allan Trench		3,000,000	-	-	-	-	3,000,000	3,000,000	-
Timothy Sugden		10,000,000	-	-	-	-	10,000,000	10,000,000	-
Anthony Reilly		5,000,000	-	-	-	-	5,000,000	2,500,000	2,500,000
Key Management Personnel									
Liza Carpene		5,000,000	-	-	-	-	5,000,000	5,000,000	-
Karl Weber		5,000,000	-	-	-	-	5,000,000	2,500,000	2,500,000
Jonas Ferreira Da Silva		2,000,000	-	-	-	-	2,000,000	1,000,000	1,000,000
		33,000,000	3,000,000	-	-	-	36,000,000	30,000,000	6,000,000

#. 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.

2012	Note	Balance at start of the year No.	Initial Holding No.	Received as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation* No.	Balance at end of the year No.
Directors								
Anthony Kiernan	#	1,050,000	-	-	-	200,000	-	1,250,000
Michael Mulroney	#	24,333,266	-	-	-	(20,715,106)	-	3,618,160
Allan Trench	#	3,710,000	-	-	-	-	-	3,710,000
Timothy Sugden	#	40,000,000	-	-	-	-	40,000,000	-
Anthony Reilly	#	30,483,333	-	-	-	-	30,483,333	30,483,333
John Nitschke	#	-	-	-	-	-	-	-
Raymond Parry	#	15,000	-	-	-	-	-	15,000
Key Management Personnel								
Ian Suckling	#	-	-	-	-	1,000,000	-	1,000,000
Liza Carpene	#	3,080,000	-	-	-	-	-	3,080,000
Karl Weber	#	1,994,000	-	-	-	-	-	1,994,000
Jonas Ferreira Da Silva		4,250,000	-	-	-	-	-	4,250,000
		108,915,599	-	-	-	(19,515,106)	70,483,333	49,400,493

2011	Note	Balance at start of the year No.	Initial Holding No.	Received as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation* No.	Balance at end of the year No.
Directors								
Anthony Kiernan	#	-	750,000	-	-	300,000	-	1,050,000
Michael Mulroney	#	17,380,904	-	-	-	6,952,362	-	24,333,266
Allan Trench	#	2,600,000	-	-	-	1,110,000	-	3,710,000
Timothy Sugden	#	31,336,600	-	-	-	8,663,400	-	40,000,000
Anthony Reilly	#	26,910,000	-	-	-	3,573,333	-	30,483,333
Key Management Personnel								
Liza Carpene	#	2,200,000	-	-	-	880,000	-	3,080,000
Karl Weber	#	1,250,000	-	-	-	744,000	-	1,994,000
Jonas Ferreira Da Silva		4,250,000	-	-	-	-	-	4,250,000
		85,927,504	750,000	-	-	22,223,095	-	108,900,599

#. Net Change Other refers to shares purchased and shares sold during the financial year.
*. Closing balance at date of resignation.

(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 (2011: 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 $182,969 (2011: $2,257,121) was paid to Argonaut Capital Limited, of which Mr Michael Mulroney was a Director, for underwriting fees, corporate advisory services, and provision of Michael Mulroney as a Non-Executive Director of the Company during the first quarter of the 2012 financial year.

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

Note 7 – Auditor's Remuneration

	2012 $	2011 $
Remuneration of the auditor of the Group Entity for:		
- auditing or reviewing the financial report	35,500	35,000
- taxation services	-	46,801
- other assurance services	-	4,813
	35,500	86,614

Note 8 – Profit (Loss) per Share

		2012	2011
(a)	Basic and diluted profit (loss) per share (cents)	0.713	(1.09)
(b)	Net Profit (loss) used in the calculation of basic profit (loss) per share and diluted profit (loss) per share	$7,850,262	($8,915,763)
(c)	Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share and diluted loss per share	1,101,501,647	818,168,469

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

Note 9 - Cash and Cash Equivalents

	2012 $	2011 $
Cash at bank	532,338	1,599,384
Call deposits	6,000,000	9,000,000
Cash backed environmental bonds	-	-
Total cash and cash equivalents	6,532,338	10,599,384

Note 10 - Trade and Other Receivables

	2012 $	2011 $
Trade and other receivables	24,546	357,719
Total Trade and other receivables	24,546	357,719

Note 11 - Inventories

	2012 $	2011 $
Diesel fuel	29,956	54,036
Consumables	-	17,429
Total Inventories	29,956	71,465

Note 12 - Prepayments and Deposits

	2012 $	2011 $
Prepayments	102,781	85,079
Deposits	31,326	13,515
Cash backed environmental bonds	1,638,367	1,600,640
Total Prepayment and Deposits	1,772,474	1,699,234

Note 13 – Property, Plant and Equipment

	2012 $	2011 $
Property, Plant and equipment:		
At cost	3,975,547	3,887,444
Accumulated depreciation	(1,072,389)	(624,123)
Total Property, Plant and Equipment	2,903,158	3,263,321

Movements in Carrying Amounts

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

	Note	2012 $	2011 $
Total Property, Plant and equipment			
Carrying amount at the beginning of year		3,263,321	3,658,311
Additions		89,699	262,421
Disposals		-	(232,537)
Depreciation expense		(449,863)	(424,874)
Carrying amount at the end of year		2,903,158	3,263,321
Property			
Carrying amount at the beginning and end of year		27,100	27,100
Buildings			
Carrying amount at the beginning of year		1,473,934	1,717,949
Depreciation expense		(248,672)	(244,015)
Carrying amount at the end of year		1,225,262	1,473,934
Leasehold Improvements			
Carrying amount at the beginning of year		7,556	9,830
Additions		-	1,709
Depreciation expense		-	(3,983)
Carrying amount at the end of year		7,556	7,556
Plant and Equipment			
Carrying amount at the beginning of year		1,754,731	1,903,432
Additions		89,699	260,712
Disposals		-	(232,537)
Depreciation expense		(201,190)	(176,876)
Carrying amount at the end of year		1,643,240	1,754,731

Note 14 - Intangible Assets

	2012	2011
Exploration & evaluation costs		
At cost	66,369,728	59,175,324
Accumulated impairment loss	(1,069,849)	(310,000)
Net carrying value	65,299,879	58,865,324
Goodwill		
At cost	-	57,608
Accumulated impairment	-	(57,608)
Net carrying value	-	-
Formation expenditure		
At cost	55	2,070
Accumulated impairment	(55)	(2,015)
Net carrying value	-	55
Total intangible assets	65,299,879	58,865,379

Movements in Carrying Amounts of exploration and evaluation costs

	Note	2012 $	2011 $
Exploration & evaluation costs			
Balance at the beginning of year		58,865,324	21,170,334
Additions incurred during the year		7,535,935	4,489,866
Additions through acquisition of entities	27a	-	26,245,420
Additions on consolidation through acquisition of entities	27a	-	7,779,826
Disposals		(24,046)	-
Written off		(7,485)	(820,122)
Impairment loss	i	(1,069,849)	-
Effects of movement in exchange rate		-	-
Closing carrying value at the end of year		65,299,879	58,865,324

\# 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 Rio Pombo Project*

Following a review of technical, economic and contractual aspects of the Rio Pombo Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity wrote off $1,065,271 previously capitalised exploration and evaluation incurred on the Rio Pombo Project in the 2012 financial year. The balance of $4,578 was a foreign exchange adjustment.

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 (2011: Nil).

Movements in Carrying Amounts of formation expenditure

	Note	2012 $	2011 $
Formation expenditure			
Balance at the beginning of year		55	469
Amortisation expenditure		(55)	(414)
Closing carrying value at the end of year		-	55

Note 15 - Trade and Other Payables

	2012 $	2011 $
Trade and other payables	387,216	391,992
Accrued expenses	689,058	425,141
Total Trade and Other Payables	1,076,274	817,133

Note 16 – Employee Benefits

	Note	2012 $	2011 $
Annual Leave:			
Opening balance at beginning of year		176,468	64,591
Additional provisions raised during year		2,796	141,806
Amounts used		(6,506)	(29,929)
Balance at end of the year		172,758	176,468

Analysis of Employee Benefits		
Current	172,758	176,468
Non-current	-	-
	172,758	176,468

Note 17 - Provisions

	Note	2012 $	2011 $
Stamp Duty :			
Opening balance at beginning of year		1,640,770	-
Additional provisions raised during year			1,797,970
Over provision in respect of prior years		(105,835)	-
Amounts used		(1,204,165)	(157,200)
Balance at end of the year		330,770	1,640,770
Mine Rehabilitation:			
Opening balance at beginning of year		4,522,769	4,233,929
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate		(527,846)	288,840
Balance at end of the year		3,994,923	4,522,769

Contingent Liability		
Opening balance at beginning of year	2,906,670	2,783,621
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	(9,706)	123,049
Balance at end of the year	2,896,964	2,906,670
Total Provisions		
Current	3,227,734	1,640,770
Non-current	3,994,923	7,429,439
	7,222,657	9,070,209

Stamp Duty Provision

A provision for Stamp Duty has been recognised in relation to the acquisition of Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd). At 30 June 2012, the Office of State Revenue was still in the process of assessing the Stamp Duty payable.

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 has been constructed by a third party and is expected to operate for one to two years. If the Feasibility Study is successful, a sulphide operation may be developed within approximately two years at the Sulphur Springs site which will process ore extracted from the Whim Creek area. The basis for accounting is set out in Note 1(j) of the significant accounting policies

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

	2012	2011
Inflation Rate – CPI	1.20%	3.60%
Cash Rate	3.50%	4.75%
Estimated commencement of outflow	31 October 2021	31 December 2018

The estimated commencement of outflow in relation to the Mine Rehabilitation has been extended due to the Whim Creek Mine being included in the Pilbara Copper-Zinc Project, which allows for construction and life of mine prior to commencement of rehabilitation activities.

Contingent Liability

As part of the acquisition of Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd) (see Note 27c), Venturex included as part of the purchase consideration a future payment which is triggered by an announcement of its intention to commence mining operations on any of the tenements held by Venturex or its related bodies corporate, within 100 kilometres of Whim Creek. Venturex will issue such number of shares equal to $3,000,000 divided by the 30 day volume weighted average trading price of the Company's shares trading on the ASX over the period ending on the day immediately prior to any announcement of the intention to commence mining operations by the Company. This is subject to receipt of all necessary Shareholder approvals, if 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:

	2012	2011
Probability of Shares	100%	100%
Cash Rate	3.50%	4.75%
Assumed time to announcement of intention to mine	2013	2012

Note 18 – Capital and Reserves

	Note	2012 $	2011 $
Ordinary shares fully paid	18a	79,356,172	73,016,616
		79,356,172	73,016,616

(a) **Ordinary Shares fully paid**

		2012 No.	2012 $	2011 No.	2011 $
At the beginning of reporting period		1,087,242,726	73,016,616	635,724,297	33,780,826
Shares issued during year	(i)	163,086,409	6,523,456	428,360,534	38,552,448
Exercise of Options – Shares issued during the year	(ii)	-	-	23,157,895	2,727,838
Transaction costs relating to share issues		-	(183,900)	-	(2,044,496)
At end of the reporting period		1,250,329,135	79,356,172	1,087,242,726	73,016,616

(i)

2012	Details	No.	Issue Price $	$
29-May-12	Shares issued to Northern Star Resources Limited	163,086,409	0.04	6,523,456
	Cost of raising capital	-		(183,900)
		163,086,409		6,339,556

2011	Details	No.	Issue Price $	$
16-Aug-10	Shares issued to Nefco Nominees Pty Ltd (Regent Pacific Group Ltd)	19,444,444	0.090	1,750,000
01-Feb-11	Shares issued to Institutional and Sophisticated Investors	98,275,311	0.090	8,844,778
09-Feb-11	Shares issued under accelerated rights component	195,465,401	0.090	17,591,886
23-Feb-11	Shares issued under retail rights component	72,797,801	0.090	6,551,802
23-Feb-11	Shares issued under Nominee for sale	7,636,542	0.090	687,289
28-Feb-11	Shares issued under retail shortfall allotment	34,741,035	0.090	3,126,693
		428,360,534		38,552,448

(ii) There were no options exercised during the financial year ended 30 June 2012.

2011	Details	No.	Exercise Price $	$
19-Jan-11	Exercise of Unlisted Options	23,157,895	0.095	2,200,000
19-Jan-11	Transfer from Share Based Payment Reserve on Exercise of Unlisted Options	-	-	527,838
		23,157,895		2,727,838

(b) **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.

(c) **Capital Management**

Management controls the capital 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 2012 and 30 June 2011 are as follows:

	2012 $	2011 $
Total borrowings	-	-
Less: cash and cash equivalents	(6,532,338)	(10,599,384)
Net debt	-	-
Total equity	68,090,662	53,500,201
Total capital	68,090,662	53,500,201
Gearing ratio	-	-

Note 19 – Operating Leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2012 $	2011 $
- not later than 12 months	209,587	93,930
- between 12 months and 5 years	438,202	13,825
- greater than 5 years	-	-
	647,789	107,755

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

The building lease runs for a period of 3 years, with an option to renew the lease after that date. Lease payments are subject to either fixed annual reviews (4%) or 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 2012, $93,930 was recognised as an expense in the profit or loss in respect of operating leases (2011: $71,291).

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 end of the reporting period but not recognised as liabilities is as follows:

	2012 $	2011 $
- not later than 12 months	969,000	859,400
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	969,000	859,400

Note 21 - Contingencies

The Group Entity's contingencies are as follows:

- As part of the acquisition of Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd), Venturex included as part of the purchase consideration a contingent liability. This is based upon an announcement of the Company's intention to commence mining operations on any of the tenements held by Venturex or its related bodies corporate, within 100 kilometres of Whim Creek. Venturex will issue such number of shares equal to $3,000,000 divided by the 30 day volume weighted average trading price of the Company's shares trading on the ASX over the period ending on the day immediately prior to any announcement of the intention to commence mining operations by the Company. This is subject to receipt of all necessary Shareholder approvals. If approval is not obtained, Venturex will instead pay the amount of $3,500,000 cash. A provision has been made at acquisition (see Note 17).
- As part of the acquisition of Venturex Sulphur Springs Pty Ltd (formerly CBH Sulphur Springs Pty Ltd) Venturex included as part of the purchase consideration the grant of zinc off-take rights to Toho Zinc capped at 230,000t of zinc in zinc concentrate from Sulphur Springs (or Venturex's other Pilbara Operations) on international benchmark terms (see Note 27a).

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.

	2012 $	2011 $
Australia	76,074,413	68,286,683
Brazil	487,938	6,569,819
Total Assets	76,562,351	74,856,502

Note 23 - Cash Flow Information

	Note	2012 $	2011 $
(a) Reconciliation of Cash Flow from Operations with Comprehensive Income			
Loss for the period		7,850,262	(8,915,763)
Add back depreciation expense	13	449,862	424,873
Add back amortisation expense		-	414
Add back equity issued for nil consideration, options issued	25i, 25ii	439,594	517,778
Add back equity issued for nil consideration, options expired	25iv	-	(287,501)
Add back impairment of area of interest	14	1,069,849	-
Add back write-off of area of interest	14	7,484	820,122
Add back net loss (profit) on sale of tenement	2	(117,290)	-
Add back write down of investment	14	55	-
Add back leave		(3,710)	111,877
Add back unwind of discount on rehabilitation	17	(527,846)	288,840
Add back unwind of discount on contingent liability	17	(9,706)	123,049
Add back foreign exchange		25,333	61,685
Net Gain (Loss) on sale of plant & equipment	3	-	15,265
(Increases)/Decreases in accounts receivable		374,682	185,711
(Increases)/Decreases in other current assets		(73,240)	(16,832)
Increases/(Decreases) in accounts payable		259,141	(529,722)
Increases/(Decreases) in other current liabilities		(1,310,000)	1,640,771
Increases/(Decreases) in reserves		(38,950)	-
Increases/(Decreases) in deferred tax liabilities		(11,292,491)	3,418,865
Cash flow from operations		(2,896,971)	(2,140,568)

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

2012

Share and Option Issues

On 10 October 2011, the Company granted 7,500,000 unlisted options to Key Management Personnel ($230,146) (see Note 25).

On 6 December 2011, the Company granted 11,000,000 unlisted options to Directors and Key Management Personnel ($391,871) (see Note 25).

On 28 May 2012, the Company issued 163,086,409 fully paid ordinary shares to Northern Star Resources Limited ($6,339,556) (see Note 18a).

These shares and options issue are not reflected in the Cash Flow Information.

2011

Shares and Option issues

On 19 January 2011, the Company converted 23,157,895 unlisted options to listed shared for Macquarie Bank Limited for providing a convertible loan facility ($527,838) - see Note 24.

Note 24 – Loans and Borrowings

2012

There were no loans or borrowings during the year ended 30 June 2012.

2011

There were no loans or borrowings during the year ended 30 June 2011.

Note 25 - Share-Based Payments

		2012 $	2011 $
At beginning of the reporting period		1,232,768	1,530,329
Unlisted Options issued	(i)	271,506	242,196
Unlisted Options expensed over vesting period	(ii)	168,087	275,582
Unlisted Options exercised	(iii)	-	(527,838)
Unlisted Options expiry	(iv)	(467,568)	(287,501)
At end of the reporting period		1,204,793	1,232,768

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

2012

A total of 11,000,000 unlisted options were granted to Directors or other Key Management Personnel during the year. 4,400,000 options vest on 6 December 2012 and 6,600,000 vest on 6 December 2013. The value of these options is $391,871, of which $155,233 was expensed during the financial year (2011: Nil).

A total of 7,500,000 unlisted options were granted to other Key Management Personnel during the year. 3,000,000 options vest on 10 October 2012, and 4,500,000 options vest on 10 October 2013. The value of these options is $230,146, of which $116,273 was expensed during the financial year (2011: Nil).

2012	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
10-Oct-12	Issue of options to Key Management Personnel	7,500,000	0.031	230,146	116,273
6-Dec-11	Issue of options to Directors and Key Management Personnel	11,000,000	0.036	391,871	155,233
		18,500,000		622,017	271,506

2011

A total of 3,000,000 unlisted options were granted to Directors or other Key Management Personnel during the year. These options vested immediately upon granting. The value of these options is $143,248, of which $143,248 was expensed during the financial year (2010: Nil).

A total of 5,000,000 unlisted options were granted to Employees during the year. 2,500,000 options vest on 29 November 2011, and 2,500,000 options vest on 29 November 2012. The value of these options is $226,181, of which $98,948 was expensed during the financial year (2010: Nil).

2011	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
29-Nov-10	Issue of options to Directors and Key Management Personnel	3,000,000	0.048	143,248	143,248
29-Nov-10	Issue of options to Employees	5,000,000	0.045	226,181	98,948
		8,000,000		369,429	242,196

(ii) Unlisted Options Granted to Directors or Other Key Management Personnel expensed over vesting period.

2012

A total of 12,000,000 unlisted options were granted to Directors or other Key Management Personnel during the financial year 2009. 6,000,000 options vested on 7 December 2010, and 6,000,000 options vested on 7 December 2011. The value of these options is $587,373, of which $64,370 was expensed during the financial year (2011: $275,582).

A total of 5,000,000 unlisted options were granted to Employees during the financial year 2011. 2,500,000 options vested on 29 November 2011, and 2,500,000 options vest on 29 November 2012. The value of these options is $226,181, of which $103,718 was expensed during the financial year (2011: $98,948).

2012	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	6,000,000	0.049	146,843	64,370
29-Nov-10	Issue of options to Directors and Key Management Personnel	5,000,000	0.045	226,181	103,718
		11,000,000		373,024	168,088

2011

A total of 12,000,000 unlisted options were granted to Directors or Other Key Management Personnel during the financial year 2010. 6,000,000 options vested on 7 December 2010, and 6,000,000 options vested on 7 December 2011. The value of these options is $587,373, of which $275,582 was expensed during the financial year (2010: $247,421)

2011	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	275,582
		12,000,000		587,373	275,582

(iii) Unlisted Options Exercised

There were no unlisted options excercised for the year ended 30 June 2012

A total of 23,157,895 unlisted options were converted to shares on 9 January 2011. The unlisted options were previously granted to Macquarie Bank Limited for consideration of providing a convertible loan facility. The value of these options was $527,838.

2011	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
09-Jan-11	Exercise of Financing Options	(23,157,895)	0.023	527,838	(527,838)
		(23,157,895)		527,838	(527,838)

(iv) Unlisted Options Expired

A total of 21,000,000 unlisted options expired on 12 January 2012. The value of these options is $35,700, of which $35,700 was reversed during the year ended 30 June 2012.

A total of 18,847,368 unlisted options expired on 31 January 2012. The value of these options is $431,868, of which $431,568 was reversed during the year ended 30 June 2012.

2012	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
12-Jan-12	Expiry of Options	(21,000,000)	0.002	35,700	(35,700)
31-Jan-12	Expiry of Options	(18,947,368)	0.023	431,868	(431,868)
		(39,947,368)		467,568	(467,568)

A total of 650,000 unlisted options expired on 30 November 2010. The value of these options is $83,500, of which $83,500 was reversed during the financial year (2010: Nil).

A total of 1,457,148 unlisted options expired on 22 April 2011. The value of these options is $204,001, of which $204,001 was reversed during the year ended 30 June 2011.

2011	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
30-Nov-10	Expiry of Options	(650,000)	0.013	83,500	(83,500)
22-Apr-11	Expiry of Options	(1,457,148)	0.014	204,001	(204,001)
		(2,107,148)		287,501	(287,501)

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

2012	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 (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	18,947,368	-	-	(18,947,368)	-
Unlisted Options (VXRAD)	0.15	28-Nov-13	8,000,000	-	-	-	8,000,000
Unlisted Options (VXRAQ)	0.15	9-Oct-14	-	7,500,000	-	-	7,500,000
Unlisted Options (VXRAS)	0.15	05-Dec-14	-	11,000,000	-	-	11,000,000
			59,947,368	18,500,000	-	(39,947,368)	38,500,000

2011	Exercise Price	Expiry Date	Balance at beginning of year	Issued during the year	Exercised during the year	Cancelled during the year	Balance at end of year
	$		No.	No.	No.	No.	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	-	(23,157,895)	-	18,947,368
Unlisted Options (VXRAD)	0.15	28-Nov-13	-	8,000,000	-	-	8,000,000
			77,212,411	8,000,000	(23,157,895)	(2,107,148)	59,947,368

(b) 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:

	2012	2011
Weighted average exercise price	$0.15	$0.15
Weighted average life of the option	3 years	2-3 years
Underlying share price	$0.076 - $0.084	$0.095 - $0.105
Expected share price volatility	89%	92% - 94%
Risk free interest rate	6.25%	5.14% - 6.50%
Expected dividend yield	Nil	Nil

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

(c) Expenses Arising From Share-Based Payment Transactions

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

	Note	2012 $	2011 $
Compensation to Directors & Key Management Personnel	3	335,876	418,830
Compensation to Employees	3	103,718	98,948
Expiry of options	2	-	(287,501)
		439,594	230,277

Note 26 - Group Entity

	Note	Country of Incorporation	Percentage Owned (%)* 2012	2011
Company:				
Venturex Resources Limited		Australia		
Subsidiaries of Venturex Resources Limited:				
Jutt Resources Pty Ltd		Australia	100	100
Juranium Pty Ltd		Australia	100	100
CMG Gold Ltd		Australia	100	100
CMG Mineração Ltda		Brazil	100	100
Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd)		Australia	100	100
Venturex Sulphur Springs Pty Ltd (formerly CBH Sulphur Springs Pty Ltd)		Australia	100	100

* Percentage of voting power is in proportion to ownership.

Note 27 – Acquisitions of subsidiaries

(a) On 24 February 2011, the Group Entity acquired 100% of the issued capital of CBH Sulphur Springs Pty Ltd, for a purchase consideration of $26,200,000 cash and the grant of zinc off-take rights to Toho Zinc capped at 230,000t of zinc in zinc concentrate from Sulphur Springs (or Venturex's other Pilbara Operations) on international benchmark terms. CBH Sulphur Springs Pty Ltd owns the rights to tenements in the Pilbara.

The loss for the twelve months ended 30 June 2011, resulting from the acquisition of CBH Sulphur Springs Pty Ltd amounted to $44,638 and is included in the consolidated statement of comprehensive income.

The fair value adjustment to exploration and evaluation costs on consolidation of $7,779,826 is attributed to the significant potential, and local and strategic value of the tenements held by CBH Sulphur Springs Pty Ltd.

CBH Sulphur Springs Pty Ltd name was changed to Venturex Sulphur Springs Pty Ltd on the 30 March 2011.

	Note	Acquiree's carrying amount $	Fair Value $
Purchase consideration			
Cash consideration			26,200,000
Equity issued as consideration			-
Total purchase			26,200,000
Fair value of assets acquired (see below)			18,420,174
Fair value adjustment to exploration and evaluation on consolidation			7,779,826
Net identifiable assets and liabilities			26,200,000

Assets and liabilities held at acquisition date			
Cash and cash equivalents		100	100
Receivables		55,364	55,364
Exploration and evaluation costs	14	26,245,420	26,245,420
Payables		(7,084)	(7,084)
Deferred tax liability		(7,873,626)	(7,873,626)
Net assets acquired		18,420,174	18,420,174
Purchase consideration settled in cash			(26,200,000)
Cash and cash equivalents in subsidiary acquired			100
Cash outflow on acquisition			(26,199,900)

Note 28 – Subsequent Events

On 10 July 2012, the Company issued 125,032,913 ordinary fully paid shares following the 1:10 non-renounceable entitlement issue at $0.036 per share to existing Shareholders, raising a total of $4,501,185 before expenses. The issued capital of the Company is now 1,375,362,048.

On 13 July 2012, the Company announced that it had entered into a binding conditional agreement to acquire 100% of the Panorama Exploration Joint Venture assets from the existing joint venture partners, CBH Panorama Pty Ltd and Sipa Resources Limited. The consideration for the acquisition is the granting of an uncapped royalty of A$2.00 per dry metric tonne for any ore mined and processed from the acquired Panorama Exploration Joint Venture tenements acquired under the agreement. Finalisation of the transaction is still pending.

Following approval by Shareholders in General Meeting on 23 July 2012, the Company issued 10,000,000 unlisted options to Mr Michael Mulroney as part of his executive remuneration package as Managing Director. The options were issued with an exercise price of $0.12 per share, an expiry date of 22 July 2015, with 40% vesting 23 July 2013 and the remaining 60% vesting on 23 March 2014.

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

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 subsidiary 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 2012 is set out as follows:

Consolidated Statement of Comprehensive Income for Closed Group	**2012** **$**	**2011** **$**
Other income	178,873	407,535
Administrative expense	(460,085)	(619,456)
Corporate expense	(438,777)	(1,941,922)
Directors and consultants fee	(1,868,327)	(1,660,364)
Exploration and evaluation expense	(63,769)	(146,134)
Impairment/Write Off of area of interest	(1,077,333)	(820,122)
Finance income	272,196	417,327
Finance costs	8,792	(195,786)
Loss before income tax	(3,448,430)	(4,558,922)
Income tax expense	(38,791)	-
Loss for the year	(3,487,221)	(4,558,922)
Total comprehensive income for the period	(3,487,221)	(4,558,922)
Retained earnings at beginning of year	(16,297,910)	(11,738,988)
Share based payment – expiry of options	467,568	-
Retained earnings at end of year attributable to equity holders of the Company	(19,317,563)	(16,297,910)

Consolidated Statement of Financial Position for Closed Group	**2012** **$**	**2011** **$**
Assets		
Current assets		
Cash and cash equivalents	6,532,338	10,598,847
Trade and other receivables	15,875	256,205
Other	113,343	61,008
Total current assets	**6,661,556**	**10,916,060**
Non-current assets		
Intercompany investments	35,744,026	35,744,026
Plant and equipment	154,648	180,587
Intercompany loans	17,096,669	10,116,326
Exploration and evaluation costs	6,253,599	6,519,789
Intangible assets	-	55
Total non-current assets	**59,248,942**	**52,560,783**
Total assets	**65,910,498**	**63,476,843**

Liabilities		
Current liabilities		
Trade and other payables	1,033,845	529,526
Provisions	3,227,734	1,640,770
Employee benefits	172,758	176,468
Total current liabilities	**4,434,337**	**2,346,764**
Non-current liabilities		
Provisions	-	2,906,670
Intercompany loans	210,715	210,941
Total non-current liabilities	**210,715**	**3,117,611**
Total liabilities	**4,645,052**	**5,464,375**
Net assets	**61,265,446**	**58,012,468**
Equity		
Issued capital	79,356,172	73,016,616
Reserves	1,226,837	1,293,762
Accumulated losses	(19,317,563)	(16,297,910)
Total equity	**61,265,446**	**58,012,468**

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 parent 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 $8,014,994 (2011: $13,324,502) to wholly owned subsidiaries.

The loans are unsecured, interest rate free (2011: 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 2012. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2012 $	2011 $
Current assets	6,541,920	10,827,863
Non-current assets	65,612,554	57,599,098
Total assets	**72,154,473**	**68,426,961**
Current liabilities	4,390,110	2,265,684
Non-current liabilities	210,715	3,117,611
Total liabilities	**4,600,825**	**5,383,295**
Contributed equity	79,356,172	73,016,616
Reserves	1,204,793	1,232,768
Accumulated losses	(13,007,317)	(11,205,718)
Total Equity	**67,553,648**	**63,043,666**
Profit / (loss) for the year	(2,269,167)	(3,285,412)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(2,269,167)**	**(3,285,412)**

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

The Parent Entity entered into a Deed of Cross Guarantee in relation to the debts of its subsidiaries during the year ended 30 June 2012 (refer to Note 29).

Commitments and Contingent Liabilities

The Parent Entity has commitments in the form of Operating Leases in relation to Office Premises and Office Equipment (refer to Note 19).

The Parent Entity also has a contingent liability as part of the acquisition of Venturex Pilbara Pty Ltd (formerly Straits (Whim Creek) Pty Ltd) of a future payment of $3,000,000 which is triggered by an announcement of its intention to commence mining operations on any of the tenements held by Venturex or its related bodies corporate, within 100 kilometres of Whim Creek (refer to Notes 17 and 21).

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 2012.

(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's interest risk primarily arises from cash and cash equivalents and long term deposits held. Risk is managed by regular monitoring of the fluctuations of the interest rates. The 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:

	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 $
2012								
Financial Assets:								
Cash and Equivalents	9	4.72%	6,532,338	-	-	-	-	6,532,338
Trade and other receivables	10		-	-	-	-	24,546	24,546
Other assets	12	4.5%	1,638,367	-	-	-	-	1,638,367
Total Financial Assets			8,170,705	-	-	-	24,546	8,195,251
Financial Liabilities:								
Trade and other payables	15		-	-	-	-	874,439	874,439
Total Financial Liabilities			-	-	-	-	874,439	874,439
2011								
Financial Assets:								
Cash and Equivalents	9	5.55%	10,599,384	-	-	-	-	10,599,384
Trade and other receivables	10		-	-	-	-	357,719	357,719
Other assets	10	4.5%	1,600,640	-	-	-	-	1,600,640
Total Financial Assets			12,200,024	-	-	-	357,719	12,557,743
Financial Liabilities:								
Trade and other payables	15		-	-	-	-	817,133	817,133
Total Financial Liabilities			-	-	-	-	817,133	817,133

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 2012	+/-163,000	+/-163,000
- Year ended 30 June 2011	+/-244,000	+/-244,000

(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
2012						
Trade and other receivables	10	24,546	-	-	-	24,546
2011						
Trade and other receivables	10	357,719	-	-	-	357,719

(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+ days	Total
2012						
Trade and other payables	15	1,076,274	-	-	-	1,076,274
2011						
Trade and other payables	15	817,133	-	-	-	817,133

(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 (BRL). The Group Entity's currency risk primarily arises through fluctuation in foreign exchange rates, particularly the US dollar and the BRL. Risk is managed by regular monitoring of the fluctuations in exchange rates, and by managing budget and cashlow process.

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:

		2012		2011	
	Note	AUD $	BRL $	AUD $	BRL $
Trade and other receivables and other assets	10,12	1,662,913	-	1,957,431	928
Trade and other payables	15	1,040,592	35,682	(741,716)	(75,417)
Gross statement of financial position exposure		2,703,505	35,682	1,215,715	(74,489)

The following significant exchange rates applied during the year:

	Average Rate		End of the Reporting Period Spot Rate	
	2012	2011	2012	2011
AUD to BRL	0.5436	0.6060	0.4730	0.6021

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.

	Comprehensive Income $	Equity $
2012		
AUD to BRL (10 percent strengthening)	(714)	714
2011		
AUD to BRL (10 percent strengthening)	(1,490)	1,490

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.

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 24 to 49, 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 2012 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.

MICHAEL MULRONEY
Managing Director

Dated this 25th day of September 2012

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 consolidated financial report of Venturex Resources Limited (the Company) and the entities it controlled at year end or from time to time during the financial year (the consolidated entity). The consolidated financial report comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 of the financial report that gives a true and fair view 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.

Independence

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

Sydney
Melbourne
Brisbane
Perth
Adelaide
Auckland

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William Buck

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

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 2012 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.

Emphasis of Matter

Without qualifying our opinion expressed above, we draw attention to Note 1 (s) "Going Concern" in the financial report which states that the consolidated entity incurred a loss before income tax of $3,403,438 (2011: $5,496,898), together with a net cash outflow of $4,041,713 during the year ended 30 June 2012. These results, along with other matters set forth in Note 1 (s), indicate the existence of an inherent uncertainty which may cast doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 18 to 21 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Venturex Resources Limited for the year ended 30 June 2012, complies with section 300A of the Corporations Act 2001.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Venturex Resources Limited for the year ended 30 June 2012 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. 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.

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

Stephen K. Breihl.

Stephen K Breihl
Director
Dated this 25 September, 2012

Approach to Corporate Governance

Venturex Resources Limited ("Company") has adopted systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this statement. Commensurate with the spirit of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 2nd edition ("Principles & Recommendations"), the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has offered full disclosure and an explanation for the adoption of its own practice.

The following governance-related documents can be found on the Company's website at www.venturexresources.com, under the section marked "Corporate Overview", "Corporate Governance".

Charters
Board
Audit Committee
Nomination and Remuneration Committee

Policies and Procedures
Policy and Procedure for Selection and (Re)Appointment of Directors
Process for Performance Evaluations
Policy on Assessing the Independence of Directors
Diversity Policy
Code of Conduct
Policy on Continuous Disclosure
Compliance Procedures
Procedure for the Selection, Appointment and Rotation of External Auditor
Shareholder Communication Policy
Risk Management Policy
Whistleblower Policy
Policy for Trading in Company Securities

The Company reports below on how it has followed (or otherwise departed from) each of the recommendations during the 2011/2012 financial year ("Reporting Period"). The information in this statement is current at 24 September 2012.

Board

Roles and Responsibilities of the Board and Senior Executives (Recommendations: 1.1, 1.3)

The Company has established the functions reserved to the Board, and those delegated to Senior Executives and has set out these functions in its Board Charter.

The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

Senior Executives are responsible for supporting the Managing Director and assisting the Managing Director in implementing the running of the general operations and financial business of the Company in accordance with the delegated authority of the Board. Senior Executives are responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the Managing Director or, if the matter concerns the Managing Director, directly to the Chair or the lead independent director, as appropriate.

The Company's Board Charter is disclosed on the Company's website.

Skills, Experience, Expertise and Period of Office of Each Director (Recommendation: 2.6)

A profile of each Director setting out their skills, experience, expertise and period of office is set out in the Directors' Report.

The mix of skills and diversity for which the Board is looking to achieve in membership of the Board is represented by its current composition. The Board includes Directors with skills and substantial experience in exploration and geology, operational management, corporate law, finance, equity markets, environment, occupational health and safety, and the community. These skills are considered appropriate as the Company moves to development and sustainable operations.

Director Independence (Recommendations: 2.1, 2.2, 2.3, 2.6)

During the Reporting Period, the Board did not have a majority of independent Directors. The Board considered that given the size of the Company and the nature of its activities, the broad range of technical, commercial and financial skills, combined with appropriate experience at senior corporate levels possessed by the Directors enabled the interests of all Shareholders to be appropriately served. However, the Company's aim was to comply with Recommendation 2.1, and with the Board changes that took place during the Reporting Period, the Board now has (since 1 July 2012) a majority of Directors who are independent.

The Board considers the independence of Directors having regard to the relationships listed in Box 2.1 of the Principles & Recommendations. The Board has agreed on the following guidelines, as set out in the Company's Board Charter for assessing the materiality of matters:

- Statement of Financial Position sheet items are material if they have a value of more than 5% of pro-forma net asset.
- Profit and loss items are material if they will have an impact on the current year operating result of 5% or more.
- Items are also material if they impact on the reputation of the Company, involve a breach of legislation or may potentially breach legislation, are outside the ordinary course of business, could affect the Company's rights to its assets, if accumulated would trigger the quantitative tests, involve a contingent liability that would have a probable effect of 5% or more on statement of financial position or profit and loss items, or will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 5%.
- Contracts will be considered material if they are outside the ordinary course of business, contain exceptionally onerous provisions in the opinion of the Board, impact on income or distribution in excess of the quantitative tests, there is a likelihood that either party will default, and the default may trigger any of the quantitative or qualitative tests, are essential to the activities of the Company and cannot be replaced, or cannot be replaced without an increase in cost which triggers any of the quantitative tests, contain or trigger change of control provisions, are between or for the benefit of related parties, or otherwise trigger the quantitative tests.

The independent Directors of the Company are Anthony Kiernan, Allan Trench and John Nitschke (appointed 30 August 2011). These Directors are independent as they are Non-Executive Directors who are not members of management and who are free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgment.

The non-independent Directors of the Company are Timothy Sugden (resigned 27 February 2012), Michael Mulroney, Anthony Reilly (resigned 30 June 2012) and Raymond Parry.

The independent Chair of the Board is Anthony Kiernan.

The Managing Director is Michael Mulroney (appointed 27 February 2012) and prior to his appointment, Timothy Sugden, both of who are/were not also Chair of the Board.

Independent Professional Advice
(Recommendation: 2.6)

To assist Directors with independent judgement, it is the Board's policy that if a Director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a Director then, provided the Director first obtains approval from the Chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.

Selection and (Re)Appointment of Directors
(Recommendation: 2.6)

In determining candidates for the Board, the Nomination and Remuneration Committee follows a prescribed process whereby it evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Nomination and Remuneration Committee is to identify the particular skills and diversity that will best increase the Board's effectiveness. Consideration is also given to the balance of independent Directors. Potential candidates are identified and, if relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. From time to time, generally at the request of a major Shareholder or strategic related party, a potential Director may be nominated for consideration to the Board. Normal evaluation processes will be undertaken prior to full Board consideration. Any appointment made by the Board is subject to ratification by Shareholders at the next general meeting.

The Board recognises that Board renewal is critical to performance and the impact of Board tenure on succession planning. Each Director other than the Managing Director, must not hold office (without re-election) past the third annual general meeting of the Company following the Director's appointment or three years following that Director's last election or appointment (whichever is the longer). However, a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. At each annual general meeting a minimum of one Director or one third of the total number of Directors must resign. A Director who retires at an annual general meeting is eligible for re-election at that meeting. Re-appointment of Directors is not automatic.

The Company's Policy and Procedure for the Selection and (Re) Appointment of Directors is disclosed on the Company's website.

Board Committees

Audit Committee
(Recommendations: 4.1, 4.2, 4.3, 4.4)

The Board has established an Audit Committee.

For the period 1 July 2011 to 8 November 2011, the Audit Committee was not structured in compliance with Recommendation 4.2 due to the composition of the Board at the time. The Board did not believe this detracted from the effectiveness of the Audit Committee, as its composition brought together significantly experienced and committed members to the process. With the changes to the Board during the Reporting Period, the Audit Committee now comprises three independent Non-Executive Directors and is chaired by an independent Chair who is not also Chair of the Board.

The Audit Committee held five meetings during the Reporting Period. Details of the Directors' who were members of the Audit Committee and their attendance at Audit Committee meetings are set out in the following table:

Name	No. of Meetings Attended
1 July 2011 to 4 October 2011 (2 meetings were held during this period)	
Dr Allan Trench (Independent, Non-Executive)	2
Dr Timothy Sugden (Non-independent, Executive)	2
Mr Michael Mulroney (Chair) (Non-independent, Non-Executive)	2
5 October 2011 to 7 November 2011 (0 meetings were held during this period)	
Dr Allan Trench (Independent, Non-Executive)	0
Dr Timothy Sugden (Non-independent, Executive)	0
8 November 2011 to 30 June 2012 (3 meetings were held during this period)	
Dr Allan Trench (Independent, Non-Executive)	1
Mr John Nitschke (Chair) (Independent, Non-Executive)	3
Mr Anthony Kiernan (Independent, Non-Executive)	3

The Board has adopted an Audit Committee Charter which describes the role, composition, functions and responsibilities of the Audit Committee.

Details of each of the Director's qualifications are set out in the Directors' Report. Each of the members of the Audit Committee consider themselves to be financially literate, and have an understanding of the industry in which the Company operates.

The Company has established procedures for the selection, appointment and rotation of its external auditor. The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises, as recommended by the Audit Committee (or its equivalent). Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor is reviewed on an annual basis by the Audit Committee (or its equivalent) and any recommendations are made to the Board.

The Company's Audit Committee Charter and Policy and Procedure for the Selection, Appointment and Rotation of External Auditor are disclosed on the Company's website.

Nomination and Remuneration Committee
(Recommendations: 2.4, 2.6, 8.1, 8.2, 8.3, 8.4)

The Board has established a Nomination and Remuneration Committee, which is structured in accordance with Recommendation 8.2.

The Nomination and Remuneration Committee held five meetings during the Reporting Period. Details of the Directors who are members of the Nomination and Remuneration Committee, and their attendance at Nomination and Remuneration Committee meetings are set out in the following table:

Name	No. of Meetings Attended
1 July 2011 to 4 October 2011 (2 meetings were held during this period)	
Dr Allan Trench (Chair) (Independent, Non-Executive)	2
Mr Anthony Kiernan (Independent, Non-Executive)	2
Mr Michael Mulroney (Non-independent, Non-Executive)	2
5 October 2011 to 30 June 2012 (3 meetings were held during this period)	
Dr Allan Trench (Chair) (Independent, Non-Executive)	2
Mr Anthony Kiernan (Independent, Non-Executive)	3
Mr John Nitschke (Independent, Non-Executive)	3

The Board has adopted a Nomination and Remuneration Committee Charter which describe the role, composition, functions and responsibilities of the committee.

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report. Non-Executive Directors are remunerated at a fixed fee for time, commitment and responsibilities. Remuneration for Non-Executive Directors is not linked to individual performance. Non-Executive Directors may choose to receive shares in the Company as part of their remuneration instead of receiving cash. However, Non-Executive Directors may not participate in equity schemes of the Company, such as option schemes, without shareholder approval. Pay and rewards for Executive Directors and Senior Executives may consist of the following elements: fixed salary; short term incentive bonus based on performance; long term incentive share/option scheme; and other benefits including superannuation. Executives are offered a competitive level of base pay at market rates and are reviewed annually to ensure market competitiveness.

There are no termination or retirement benefits for Non-Executive Directors (other than for superannuation).

The Company's Policy for Trading in Company Securities includes a statement of the Company's policy on prohibiting transactions in associated products which limit the risk of participating in unvested entitlements under any equity based remuneration schemes.

The Company's Nomination and Remuneration Committee Charter and Policy for Trading in Company Securities are disclosed on the Company's website.

Performance Evaluation

Senior Executives
(Recommendations: 1.2, 1.3)

All Senior Executives of the Company, including the Managing Director, are subject to an annual performance evaluation. The Nomination and Remuneration Committee is responsible for the evaluation of the Managing Director, and the Managing Director is responsible for the evaluation of all other Senior Executives. Each year, each Senior Executive establishes a set of performance targets with the Managing Director and in the case of the Managing Director, with the Nomination and Remuneration Committee. An informal assessment of progress is carried out at half-year. A full evaluation of the Executive's performance against the agreed targets then takes place at the end of the year. The full year evaluations will generally occur in conjunction with goal setting for the coming year. As the Company is committed to continuous improvement and the development of its people, the results of the evaluation forms the basis of the Executive's Development Plan. Performance pay components of Executives' packages are dependent on the outcome of the evaluation and/or formulas relating to Company performance targets.

During the Reporting Period, an evaluation of the Managing Director and other Senior Executives took place for the previous reporting period in accordance with the process disclosed. The evaluation for the Reporting Period took place in July 2012 in accordance with the process disclosed.

Board, its Committees and Individual Directors
(Recommendations: 2.5, 2.6)

The Chair is responsible for evaluation of the Board, Board Committees and individual Directors.

The Chair evaluates the Board annually by way of roundtable discussion and performance review questionnaires. The evaluation is based on a number of goals for the Board that are established at the start of the financial year. The goals are based on corporate requirements and any areas for improvement that have been identified in previous reviews. The Chair evaluates individual Directors annually by way of one-on-one interviews. The evaluation of individual Directors is also based on a number of goals that are established at the start of the financial year. The goals are based on corporate requirements and any areas for improvement that have been identified in previous reviews.

At the end of each financial year, the Chair evaluates the performance of any Board Committees against set expectations. The evaluations are undertaken by way of round-table discussion. Based upon the evaluation, individuals and groups are provided with feedback on their performance. The results of the review are a key input into the expectations set by the Board.

During the Reporting Period, informal assessments of the Board, its committees and individual Directors were carried out by the Chair. An evaluation of the Board, its committees and individual Directors in accordance with the process disclosed is scheduled to take place in the first quarter of the 2012/2013 financial year.

The Company's Process for Performance Evaluation is disclosed on the Company's website.

Ethical and Responsible Decision Making

Code of Conduct
(Recommendations: 3.1, 3.5)

The Company has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders, and accountability of individuals for reporting and investigating reports of unethical practices.

The Company's Code of Conduct is disclosed on the Company's website.

Diversity
(Recommendations: 3.2, 3.3, 3.4, 3.5)

The Company has established a Diversity Policy, which includes requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress towards achieving them.

The Board has set measurable objectives for achieving gender diversity, and will initially target a direct workforce comprising at least 50% females, and will target a Board composition which includes at least one female. During the Reporting Period, the Company maintained a direct workforce of at least 44% females. The Board does not include any female Directors. However, the Board will continue to have regard to the Company's Diversity Policy in identifying appropriate candidates for appointment to the Board.

The proportion of women employees in the whole organisation, women in Senior Executive positions and women on the Board are set out in the following table:

	Proportion of Women
Whole organisation	8 out of 18 (44%)
Senior Executive positions	1 out of 3 (33%)
Board	0 out of 5 (0%)

The Company's Diversity Policy is disclosed on the Company's website.

Continuous Disclosure
(Recommendations: 5.1, 5.2)

The Company has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a Senior Executive level for that compliance.

The Company's Policy on Continuous Disclosure and Compliance Procedures are disclosed on the Company's website.

Shareholder Communication
(Recommendations: 6.1, 6.2)

The Company has designed a communications policy for promoting effective communication with Shareholders and encouraging Shareholder participation at general meetings.

The Company's Shareholder Communication Policy is disclosed on the Company's website.

Risk Management
(Recommendations: 7.1, 7.2, 7.3, 7.4)

The Board has adopted a Risk Management Policy, which sets out the Company's risk profile. Under the policy, the Board is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Under the policy, the Board delegates day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating the Company's material business risks to reflect any material changes, with the approval of the Board.

In fulfilling the duties of risk management, the Managing Director may have unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Board.

The Board has established a separate Audit Committee to monitor and review the integrity of financial reporting and the

Company's internal financial control systems and risk management systems.

In addition, the following risk management measures have been adopted by the Board to manage the Company's material business risks:

- the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board approval;
- the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations; and
- the Board has adopted a corporate governance manual which contains other policies to assist the Company to establish and maintain its governance practices.

The Company has established formalised and documented systems for managing its material business risks. A risk register has been established by management to identify the Company's material business risks and risk management/mitigation strategies for these risks. In addition, the process of management of material business risks has been allocated to members of senior management. The risk register is reviewed quarterly and updated, as required, with an update provided to the Audit Committee.

As part of the risk management process, Management have considered the following risk categories in the Company's risk profile: social (ie. safety, environment, stakeholder, human resources); operational (ie. tenements, information management, feasibility, premises); financial; market and external influences (ie. equity, commodity markets, exchange rates, inflation, political); legal and ethical (ie. legal and compliance); and strategy.

The Board also requires the Managing Director to report to it confirming that those risks are being managed effectively. The Board has received a report from the Managing Director as to the effectiveness of the Company's management of its material business risks.

The Managing Director and the Chief Financial Officer have provided a declaration to the Board in accordance with section 295A of the Corporations Act and have assured the Board that such declaration 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 Company's Risk Management Policy is disclosed on the Company's website.

The following Supplementary Information is provided as at 21 September 2012:

EQUITY SECURITIES HOLDER INFORMATION

Ordinary Shares
1,375,362,048 quoted fully paid ordinary shares (VXR). All ordinary shares carry one vote per share.

Distribution of Fully Paid Ordinary Shares	No of Holders	No of Units	% of Issued Capital
1 - 1,000	67	3,427	0.000
1,001 – 5,000	29	109,049	0.008
5,001 – 10,000	110	924,396	0.067
10,001 – 100,000	715	34,247,286	2.490
100,001 – 99,999,999,999	539	1,340,077,890	97.435
TOTAL	**1,460**	**1,375,362,048**	**100.000**

219 Shareholders held less than a marketable parcel (<$500) of ordinary fully paid shares based on the current market price ($0.044 – 21-9-2012).

	Twenty Largest Holders of Ordinary Fully Paid Shares	No of Shares	% Held
1.	Sun Hung Kai Investment Services Ltd <Clients A/C>	438,395,633	31.875
2.	Northern Star Resources Limited	199,689,768	14.519
3.	J P Morgan Nominees Australia Limited	69,536,299	5.056
4.	Citicorp Nominees Pty Limited	47,555,727	3.458
5.	Argonaut Equity Partners Pty Limited	38,319,000	2.786
6.	Macquarie Bank Limited Metal & Energy Capital Div	32,421,053	2.357
7.	UBS Wealth Management Australia Nominees Pty Ltd	24,799,128	1.803
8.	Mainplay Pty Ltd <S & C Di Vincenzo S/F A/C>	23,460,000	1.706
9.	Mr Anthony Miles Reilly	23,166,667	1.684
10.	AFM Perseus Fund Limited	22,786,617	1.657
11.	HSBC Custody Nominees (Australia) Limited	17,954,700	1.305
12.	Dove Nominees Pty Ltd <The Dove Super Fund A/C>	12,962,500	0.942
13.	Mr Brian Featherby & Mrs Mary Featherby <Kalnare Super Fund A/C>	12,227,999	0.889
14.	Ogden Group Pty Ltd <Ogden Superannuation Fund>	11,900,000	0.865
15.	AH Irawati & GJ Rishworth <GJ Rishworth Super Fund>	11,900,000	0.865
16.	Mr Ross William Ford & Mrs Ruth Elizabeth Ford <Ross & Ruth Ford S/F A/C>	10,718,000	0.779
17.	Pershing Australia Nominees Pty Ltd <Argonaut Account>	9,776,137	0.711
18.	Skye Alba Pty Ltd <The Skye Alba Fund A/C>	9,435,906	0.686
19.	JW Taylor & RW Taylor	9,256,500	0.673
20.	Clark Superannuation Fund Pty Ltd <Ramon & Rosalind Clark S/F A/C>	8,639,399	0.628
		1,034,901,033	**75.246**

Options
48,500,000 unlisted options with various exercise prices and expiry dates (refer table below). Options do not carry a right to vote. Voting rights will be attached to the unissued shares when the options have been exercised.

	VXRAI	VXRAD	VXRAQ	VXRAS	VXRAK
Number of Options	12,000,000	8,000,000	7,500,000	11,000,000	10,000,000
Exercise Price	15 cents	15 cents	15 cents	15 cents	15 cents
Expiry Date	6/12/2012	28/11/2013	9/10/2014	5/12/2014	22/07/2015
No of Holders	3	2	1	3	1
Holdings >20%	41.7% - 5,000,000 A M Reilly 41.7% - 5,000,000 K E & K J Weber	37.5% - 3,000,000 Central Manhattan Pty Ltd <A W Kiernan Super Fund A/C>	100% - I Suckling	45.4% - 5,000,000 L Carpene 27.3% - 3,000,000 A & S L Trench <CYMRU A/C> 27.3% - 3,000,000 Bwindi Pty Ltd	100% - 10,000,000 Greenleigh Holdings Pty Ltd

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

Beneficial Owner	No of Shares*	%*	Date
Regent Pacific Group Limited	438,395,633	31.875	2/8/12
Northern Star Resources Limited	199,689,768	14.519	11/7/12

* Figures as reported on the last Substantial Shareholder notice received by the Company.

SHAREHOLDER ENQUIRIES

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

Advanced Share Registry
150 Stirling Highway
Nedlands WA 6009

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

Registered Office
Level 2
91 Havelock Street
West Perth WA 6005
Australia

Postal Address
PO Box 585
West Perth WA 6872
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T: +61 8 6389 7400
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www.venturexresources.com

ABN: 28 122 180 205
ASX Code: VXR Shares