VENTUREX RESOURCES LIMITED

2014 Annual Report

VENTUREX RESOURCES LIMITED

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Raymond Parry	Non-Executive Director
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Cover: Sulphur Springs looking northeast over the planned processing plant site in the foreground.
(Photo by Vincent Bellandi)

Dear Shareholders

On behalf of the Board of Directors, I am pleased to present the 2014 Annual Report for Venturex Resources Limited ("Venturex"). Notwithstanding a particularly challenging year and environment for natural resource businesses, Venturex has achieved important milestones in our goal of developing a significant copper and zinc production centre in the Pilbara region of Western Australia.

Additionally we continue to build on a strategic exploration ground holding, which now totals over 230 square kilometres, surrounding the established copper-zinc resources of over 600,000 tonnes of copper metal equivalent spread over several established VMS districts.

During the year, the securing of all the key regulatory approvals for the development of the Pilbara Copper-Zinc Project and the commissioning of the main access route to the Project site was very significant. This continues the strategy of advancing the development and planning for the Pilbara Copper-Zinc Project. The Company continues to review the mining plan including initiatives to reduce the required capital.

Notwithstanding volatility in base metal prices recently, the long term outlook for both copper, and particularly zinc, remains positive with continued demand growth forecast. The Company is well positioned to benefit from any medium term positive movements in the outlook for base metal prices and, particularly, foreign exchange rates. Against a background of subdued investor sentiment, the Company continues to pursue financing options to underwrite the future development of the Project as market conditions permit.

The Company is conducting methodical exploration in the Pilbara region endeavouring to unlock further potential in its extensive tenement holdings. The application of advanced exploration technologies has provided considerable advancements in the understanding of the Company's exploration portfolio.

Elsewhere, the activities of our Brazilian subsidiary, CMG Mineração Ltda, have been delayed as the uncertainity around the tenement approval and renewal process continues. This has affected the Serra Verde Project, in particular, which has excellent potential to deliver a significant gold discovery and we continue to seek partners to advance our exploration in this area.

On behalf of the Board, I would like to thank all Venturex staff in Australia and Brazil for their ongoing dedication and hard work in a difficult market under the leadership of Managing Director, Michael Mulroney.

TONY KIERNAN
Chairman

26 September 2014

AUSTRALIA – PILBARA COPPER-ZINC

PILBARA COPPER-ZINC PROJECT

The Company achieved several significant milestones during the year as part of the long-term strategy to develop a significant copper–zinc production centre in the Pilbara region of Western Australia.

The Feasibility Study for the Pilbara Copper-Zinc Project is based on the development of a new processing facility at Sulphur Springs fed from the new Sulphur Springs underground mine and the redevelopment of the existing Mons Cupri and Whim Creek open cut mines.

The construction of a 1.0 million tonne per annum (tpa) conventional flotation treatment plant at Sulphur Springs is forecast to produce high grade copper and zinc concentrates containing an average payable metal production of 16,400tpa copper (Cu), 30,000tpa zinc (Zn) and 250,000ozs pa of silver (Ag) for at least 8.5 years.

Beyond the proposed development at Sulphur Springs, the Company holds other existing resources at Salt Creek, Evelyn (Liberty-Indee) and Kangaroo Caves which provide excellent exploration targets and potential additional future ore supply for the processing hub at Sulphur Springs.

Project Activities

Pre-development activities at the Sulphur Springs site have continued with the successful advancement of the permitting program for the Project with the relevant State and Federal authorities and the continuation of optimisation of development options for the Project.

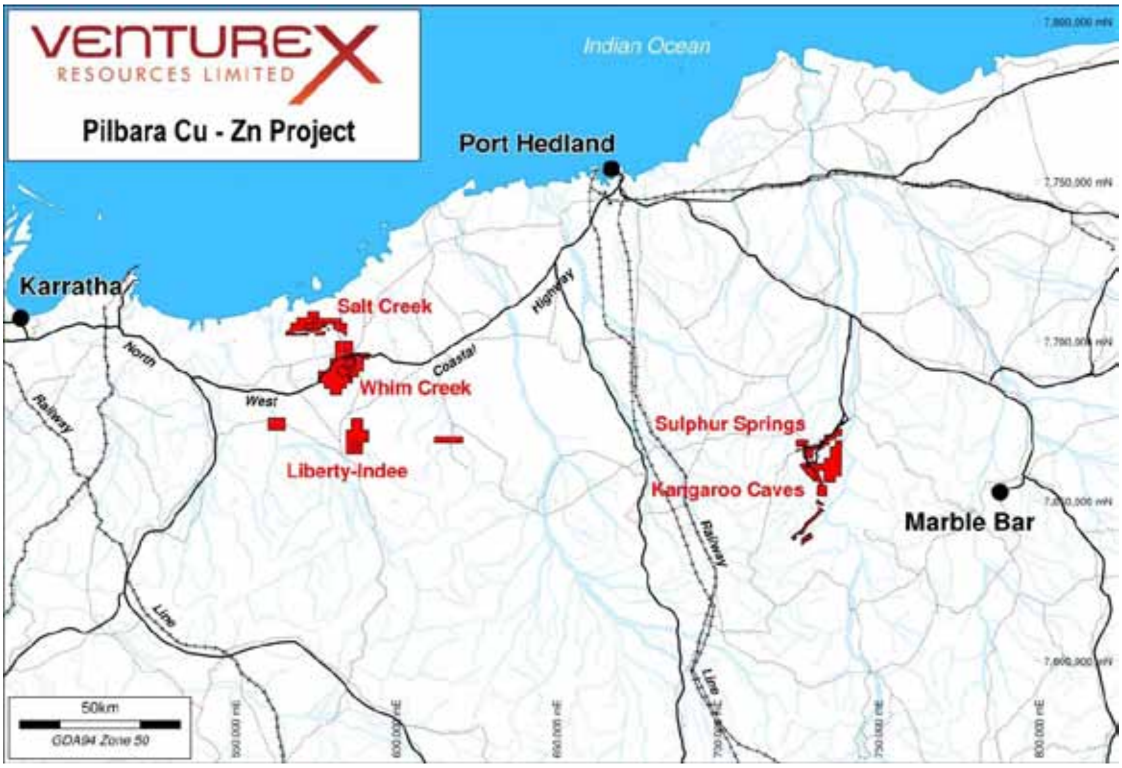

Figure 1 - Pilbara Copper-Zinc Project – Key Locations

The approval of the Project's Mining Proposal by the WA Department of Mines and Petroleum for the planned development at the Sulphur Springs site marked a significant milestone for the Company.

The approval of the Project's Mining Proposal, the Clearing Permit, the application under the Federal Government's Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) and the existing Mining Agreement with the traditional owners, are the key major components required for the ongoing development and implementation plan for the Project.

The successful securing of these key approvals for the Sulphur Springs site reflects the tireless efforts of the Company's Project personnel and all relevant Government authorities to ensure the permitting process has occurred in a timely fashion.

The Company's continues to strive to commercialise the Pilbara Copper – Zinc Project as the medium term outlook for growth in both copper and zinc markets stabilises and begins to strengthen. The Feasibility Study provided a sound base for the Company's long term strategy. The short-term focus is to improve the Project's shareholder value through an optimisation program which will evaluate conceptual development plans with the target of increasing the Project life to in excess of 10 years.

In parallel, both capital and operating cost options for the Project design are being reviewed against a rapidly changing price environment in the Pilbara region with an objective of generating a financially strong and deliverable development program for the Company's assets. The Project is progressing steadily to "development ready" status and can advance to a development decision rapidly on finalisation of funding discussions.

The Company continues to explore a range of financing options with potential funding providers as market conditions change to ensure the future Project development delivers appropriate returns to Shareholders.

Whim Creek Site Activities

The Company entered into a binding sale agreement for the sale of the Whim Creek Hotel and adjacent Accommodation Village complex in December 2013 have been sold to private investment company, Whim Creek Operations Pty Ltd, representing a consortium of the Ngarluma Aboriginal Corporation (NAC), and Ngarluma Yindjibarndi Foundation (NYF) based in the Karratha region, for a total of $1.7 million. The transaction was completed in early July 2014.

The Company also entered into an agreement with Blackrock Metals Pty Ltd ("Blackrock") for the reprocessing of the existing Whim Creek oxide copper heap leach pads previously constructed by a previous earlier operator at the Whim Creek site. Under the agreement, Blackrock has access rights to the existing Whim Creek oxide copper processing site to reprocess the existing heap leach pads to recover copper metal through the refurbished SX-EW treatment facility.


Figure 2 - Copper Cathode prior to stripping

Venturex holds a 15% Net Profit Interest in the reprocessing operation which will contribute to the ongoing environmental and administration costs of the overall Whim Creek mine site. Blackrock is responsible for the ongoing operational management of the site during the term of the agreement.

The Company maintains an active presence on the Whim Creek site with the existing infrastructure supporting the ongoing exploration and site management programs.

EXPLORATION

Pilbara

The Company's extensive tenement portfolio in the West Pilbara encompasses three significant geological regions that are highly prospective for volcanogenic massive sulphide (VMS) copper-zinc deposits. With the addition of further tenements in the Sulphur Springs area, Venturex currently controls approximately 60 strike kilometres of prospective target geology across the Sulphur Springs, Whim Creek and Liberty-Indee Joint Venture Project areas.

The Company's tenements currently contain six identified VMS copper-zinc-silver-(lead-gold) resources within the three prospective regions. Each region has clear potential for additional discoveries given that VMS districts globally generally contain clusters of deposits with a typical average of 5-9 economic deposits.

Each of the three key regions held by the Company has demonstrated potential with known VMS deposits: Sulphur Springs (Sulphur Springs, Kangaroo Caves), Whim Creek (Whim Creek, Mons Cupri, Salt Creek) and Liberty-Indee (Evelyn). These deposits offer strong exploration opportunities with most systems still open ended. In addition, the surrounding areas contain many identified targets, some containing areas where initial exploration has achieved widespread drilling intersections of moderate to high grade mineralisation at shallow depths that remain to be fully evaluated. There is a growing portfolio of exploration opportunities, even in areas with long exploration and mining histories such as the Whim Creek/Mons Cupri region, where exploration below a depth of 200 metres is limited.

The Company's exploration program during the last year included reverse circulation (RC) and diamond drilling programs of selected new exploration targets and regional re-evaluation of the Company's tenements through the application of new techniques designed to "fingerprint" the existing deposits to assist with future exploration drilling target generation.

Sulphur Springs Project

Sulphur Springs

Recent modelling indicates that the Sulphur Springs deposit (Figure 3) remains open at depth with limited drilling below the existing resource boundary. The adjacent Bledisloe prospect, with scattered zinc and copper intersections located 600 metres west, provides an attractive opportunity to extend the existing mineralisation within a parallel geological setting to the main Sulphur Springs mineralisation.

Kangaroo Caves

The Kangaroo Caves zinc-copper deposit (Figure 3) is located 7 kilometres southeast of the Sulphur Springs deposit.

The current Kangaroo Caves resource remains open in several directions with preliminary analysis of the new data indicating a potential strengthening of the mineralising system at depth in both directions along strike. A program of detailed geophysical and lithogeochemical analysis of all existing RC and diamond drill holes is nearing completion and will be the basis of an ongoing revision of the Kangaroo Caves geological and resource model.

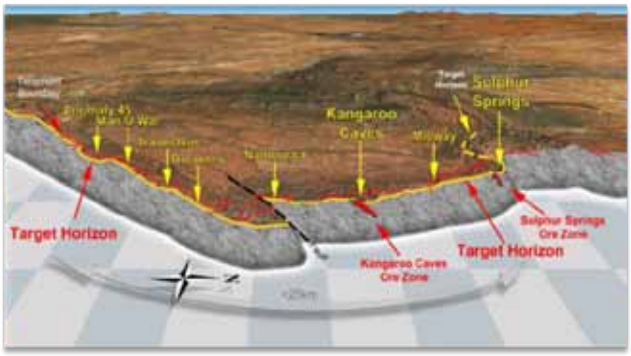

Figure 3 - Sulphur Springs Project Overview

Midway

The Midway exploration target (Figure 3) is located between the Sulphur Springs and Kangaroo Caves deposits. Analysis of historical HyMapper data combined with existing surface exploration data identified co-incident geochemical and alteration "fingerprint" around a possible growth fault structure provided a priority target.

The 4 hole diamond drilling program (1,421.8 metres) on this target achieved mixed results with faulting and intrusive dykes disrupting the prospective sequence. Whilst two drill holes intersected narrow zones of weakly disseminated mineralisation, subsequent analyses of the alteration halo mineralogy has provided clear vectors for future drilling programs in this area.

Regional Exploration

The Company's regional land holdings in the Sulphur Springs area expanded with the acquisition of tenements covering a large portion of the prospective Panorama Formation, host of the Sulphur Springs and Kangaroo Caves Cu-Zn deposits (Figure 4).

Previous limited exploration has identified a number of significant prospects situated within target geological package including Nambucca, Breakers, Traunstein, Man O'War, Anomaly 45 and Jamesons prospects. Each prospect is hosted by a suite of altered tholeiitic rhyolitic volcanics and volcanoclastic units situated beneath the regional Marker Chert horizon.

At the Breakers Prospect, located approximately 13.6 kilometres south-east of Sulphur Springs, previous limited RC and diamond drilling located scattered intersections of zinc-lead-cooper mineralisation associated with a broad alteration zone adjacent to probable "growth fault" structures. Better historical drilling results include:

- BKP001 - 22 m @ 0.06% Cu, 0.94% Pb, 4.16% Zn, 10.3 g/t Ag
- BKC002 - 1 m @ 0.15% Cu, 1.80% Pb, 3.73% Zn, 47.50 g/t Ag, 0.03 g/t Au
- BKD002 - 8.8m @ 0.05% Cu, 0.20% Pb, 3.25% Zn

The intersections are associated with complex faulting and subtle airborne VTEM anomalies that provide future drilling targets.

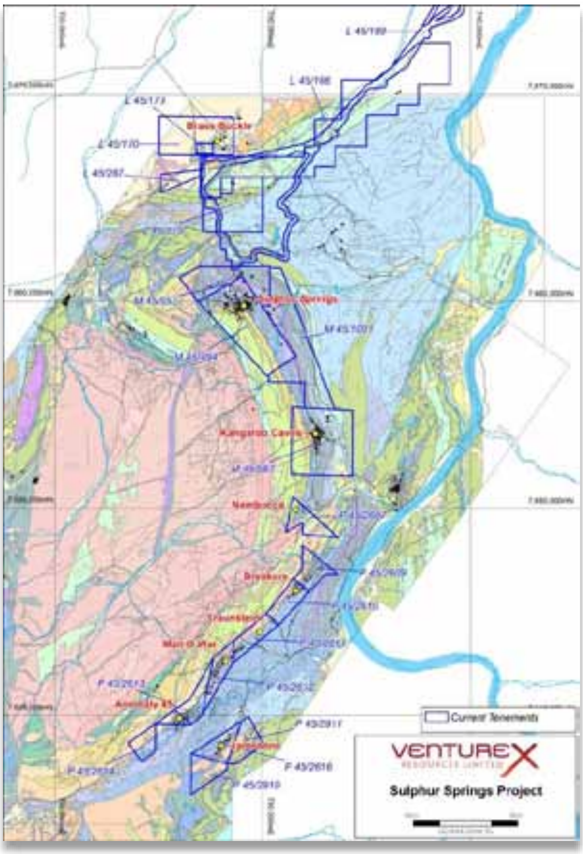

Figure 4 - Regional Geology and Exploration Targets

The Man O'War Prospect, located approximately 15.3 kilometres southeast of Sulphur Springs, encompasses several exposed gossans and geochemical anomalies situated in permeable volcanics underlying the regional Marker Chert unit. Historic, broad spaced RC drilling over approximately 2.5 kilometres strike length by earlier explorers has intersected zones of disseminated copper and zinc mineralisation including:

- MOD001 - 8.5m @ 0.01% Cu, 0.18% Pb, 1.32% Zn, 3.7 g/t Ag
- MOD004 - 3.9m @ 0.0% Cu, 1.4% Pb, 3.6% Zn, 44g/t Ag,
- MOD005 - 1.9m @ 1.20% Cu, 0.01% Zn, 1.3 g/t Ag
- MOD007 - 2.8m @ 0.10% Cu, 1.86% Pb, 4.85% Zn, 56.1 g/t Ag, 0.15 g/t Au

The broad extent of the mineralisation located and the presence of higher grade mineralisation in MOD007 provide obvious targets for future drilling programs

Jamesons Prospect, located approximately 21.2 kilometres south of Sulphur Springs, is an upthrust window of the prospective Kangaroo Caves Formation situated in the hanging wall of the main exposure. The prospective geology is present within a north plunging synclinal basin where limited drilling has intersected zones of zinc-rich sulphide mineralisation including:

- JMC004 - 6.0m @ 0.10% Cu, 0.04% Pb, 3.20% Zn, 3.7 g/t Ag, 0.03 g/t Au
- JMC 006 - 10.0m @ 0.03% Cu, 0.05% Pb, 2.11% Zn, 2.7 g/t Ag
- JMD1 - 2m @ 0.33% Cu, 1.15% Pb, 11.55% Zn, 55.5 g/t Ag, 0.12 g/t Au, and 4.0m @ 0.04% Cu, 0.28% Pb, 3.10% Zn, 6.6 g/t Ag

Further exploration is required to define the shape and extent of the mineralisation located to date.

Whim Creek Project

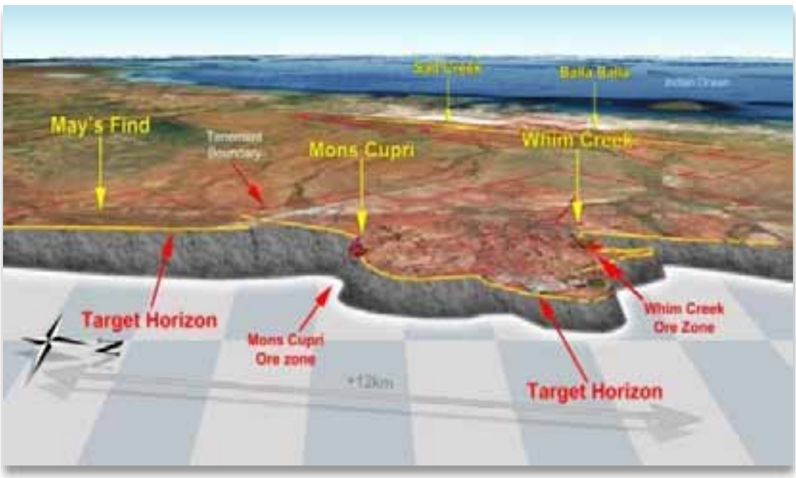

Figure 5 - Whim Creek Belt Overview

Whim Creek is located 120 kilometres southwest of Port Hedland and the Company's tenement holdings straddle the sealed North West Coastal Highway (Figure 5).

South of the highway, the Whim Creek Belt comprises a 12 kilometre long sequence of volcanics and associated sediments which is host the existing copper-zinc-silver(lead-gold)deposits at Whim Creek and Mons Cupri. These sulphide resources are included in the mine plan of the current Feasibility Study.

To the north of the highway in the Salt Creek area, a 15 kilometre long equivalent geological sequence hosts the high-grade Salt Creek zinc-copper-lead-silver-gold deposit and several high priority prospects at Balla Balla, West Balla and ACL.

Recent exploration at Whim Creek and Salt Creek has focused on the systematic review and re-interpretation of the existing deposits and exploration targets using a combination of detailed geochemical, geophysical and spectral analysis. The aim of this program is to "fingerprint" the known mineralising systems and surrounding alteration patterns to provide a cost effective basis for future drill program planning at Salt Creek and Whim Creek.

Salt Creek Belt

Following initial encouraging results from a trial program over the Salt Creek area (Figure 6), spectral and lithogeochemistry programs have been extended across the entire 15 kilometre Salt Creek belt utilising the extensive library of existing RAB and aircore samples supported with selected resampling.

The new multi-element geochemical and spectral data, combined with existing geophysical data analysis by the Company's

Figure 6 - Salt Creek Belt Prospects

consultants, generated a revised geological and targeting model for existing and potential new zones of mineralisation within the Salt Creek volcano-sedimentary belt.

In addition, this review highlighted a number of areas where previous sampling has not penetrated overlying surficial cover sequences opening up several areas previously considered adequately explored.

The review identified several high priority alteration signatures around the existing mineralisation at the Salt Creek and Balla Balla prospects. Analysis of the results also revealed that the ACL and West Balla prospect areas contain several untested anomalies which will be targeted in future drilling programs.

At the Salt Creek deposit, detailed spectral and lithogeochemistry scanning of over 50 RC and diamond drill holes within the Salt Creek deposit has "fingerprinted" the existing mineralising system with the results providing evidence of further potential within the mineralising system with depth.

Previous drilling at Balla Balla has intersected widespread zones of high-grade zinc-lead-copper mineralisation at shallow depths that remain open in several directions. Spectral and lithogeochemistry analysis of existing RC and diamond drilling has provided clear drilling vectors within the system with planning for a future RC/DD drilling program to extend the mineralisation underway.

Whim Creek Trend

Exploration within the Whim Creek area has concentrated on building the spectral and lithochemical model of the broader Mons Cupri area to "fingerprint" the known mineralisation to assist with future target definition.

Previous drilling has demonstrated considerable exploration potential for resource expansion between and beneath the existing Mons Cupri and Mons Cupri NW open pits (Figure 7)

In addition, diamond drilling in the adjacent Mons Cupri South West prospect in 2011 intersected an extensive zone of footwall alteration within the target sequence with one drill hole (VWD013) intersecting fragments of preserved zinc-rich massive sulphide mineralisation (refer to ASX announcement dated 7 September 2011).

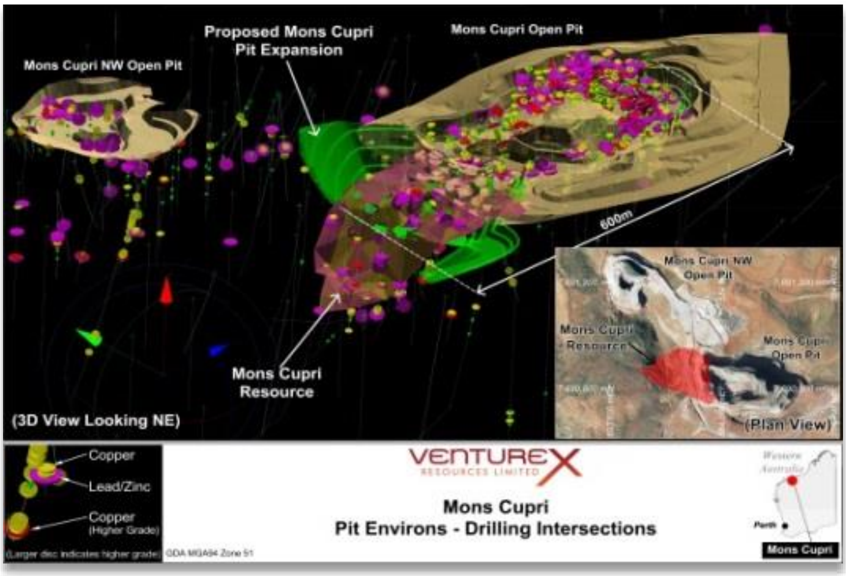

Figure 7 - Mons Cupri – Potential Resource Extension Targets

This extension of the Mons Cupri sequence down dip beneath cover rocks represents a high priority green field exploration target adjacent to known mineralisation. Subsequent work has identified a new combined ASTER and lithogeochemical anomaly around a complex syn-volcanic fault system adjacent to the Mons Cupri SW area which a future drilling program will target.

May's Find

Field activities in the May's Find area, located 5 kilometres southwest of the Mons Cupri deposit, focussed on an area of "Mons Cupri-equivalent" geology where historical exploration has defined several surface geochemical anomalies.

Recent exploration has revealed that previous work in the area has not tested the prospective sequence where rock chip sampling has defined several discrete anomalous pathfinder element anomalies in association with historical copper and zinc soil anomalies adjacent to the sediment-volcanic contact.

The prospective geological zone was systematically rock chip sampled using multi-element pathfinder analysis to outline potential alteration vectors towards a blind mineralised system. Assay results have outlined several discrete anomalous halo zones associated with historical copper and zinc soil anomalies adjacent to the sediment-volcanic contact. Further regional rock chip sampling and geophysical programs will be undertaken to define future drilling targets in this area.

Liberty-Indee Joint Venture (VXR 70%, up to 90%)

Liberty Indee

RC drilling (800 metres) tested two of the new targets located north and south of the Evelyn deposit, intersecting minor magnetite and disseminated pyrite-pyrrhotite mineralisation. Four RC holes (JER090-093), drilled to test a combined magnetic/VTEM anomaly located 500 metres south-west of the Evelyn deposit, intersected several zones of disseminated magnetite-pyrite-pyrrhotite mineralisation with a best assay of 1.0 metre grading 0.10% copper from 80 metres in JER093.

A single hole drilled into an anomaly located 600 metres to the north of the Evelyn deposit intersected minor magnetite mineralisation with no significant assays recorded. A source for the strong geophysical anomaly was not intersected and a follow-up program of down hole geophysics is planned for this area and previous RC drill holes in the Donkey Well area.

The detailed geological mapping and ground magnetic survey coverage of the main tenement was extended (90 line kilometres) to cover the area from Quarmby south to the Donkey Well prospect. This work has defined an area of intense alteration to the west of the exposed copper mineralisation at the Donkey Well prospect. The ground magnetic data is currently being processed and combined with existing airborne VTEM geophysical results for interpretation by the Company's consultants (Figure 8).

Figure 8 – Liberty Indee Project - Regional geology with ground magnetic RTP data

Sherlock

The Sherlock project, located 31 kilometres south-west of Whim Creek, covers the historic Sherlock gold-antimony prospect located on the banks of the Sherlock River. Historical rock chip sampling of thin quartz veins in parallel north-south trending shear zones has previously returned moderate to high gold and antimony values.

Regional mapping has revealed a broad alteration zone surrounding the exposed mineralised shear zone which is more extensive than originally indicated. Future work will focus on further mapping and geochemical sampling to determine the potential of the area as a gold exploration target.

BRAZIL – PURSUING LARGE GOLD DISCOVERIES

Venturex, through its wholly owned subsidiary CMG Mineração Ltda (CMGM), has been actively exploring its significant tenement holdings in the Western Tapajós Gold Province of Pará and the Alta Floresta region of Mato Grosso for large gold deposits.

CMGM's holds granted tenements and applications totalling 175,732ha following the release of non-core areas during the year. The majority of the Company's tenements have never been systematically explored by modern exploration with regional mapping and sampling programs continuing to outline significant gold anomalies at several locations (Figure 9).

After significant delays in processing of exploration licence applications and renewals, the Brazilian National Mining Department (DNPM) has re-commenced granting tenement applications and renewals. While a significant back log of applications is present, we look forward to the key areas at Serra Verde being granted as soon as possible.

Figure 9 - Brazil Project Locations

While the majority of the Company's projects within the Western Tapajós Gold Province are awaiting the grant or renewal of exploration licence applications, significant progress has been made in securing of environmental permits for the majority of the projects within federally managed FLONA regions of the Tapajós.

Grande Canaã, Hollywood and KL projects all received environmental permitting for exploration activities ensuring that when exploration licences are granted, activities can commence without further delay. The Serra Verde and Castleo de Sonhos projects are permitted by the state environmental departments with less onerous application and approval requirements.

Serra Verde

The Serra Verde Project hosts a major zone of gold anomalism defined over a distance of more than four kilometres. The style of the observed gold mineralisation is similar to significant gold discoveries in other parts of the Tapajós region such as Eldorado Gold's Tocantinzonho deposit and Magellan Gold's Cuiu Cuiu deposits (Figure 10).

During the year, the Company continued stakeholder discussions to enable site access and exploration activities to proceed rapidly whilst awaiting the approval of the the key tenement applications for the central Serra Verde Project.

Importantly, these applications have progressed through the approval process at the regional level in the State of Para and are now awaiting final publication in the DoU (official mining Gazette) in Brasilia, the political capital of Brazil.

On site, local artisanal miners continued to excavate shallow workings on outcropping mineralised shear zones and quartz veins scattered across the entire project area. These activities, while generally very shallow, continue to provide evidence of a significant gold mineralised system at Serra Verde (Figure 11).

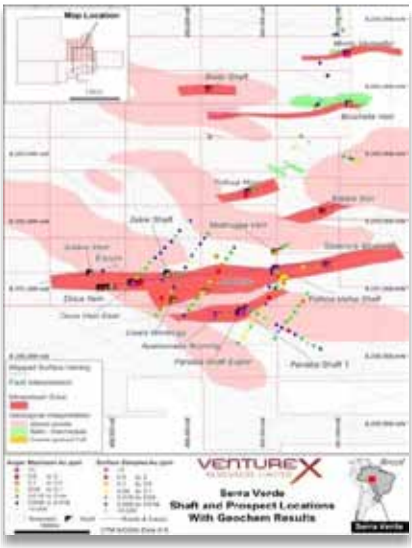

Figure 10 – Serra Verde Project - Shaft and prospect locations

Figure 11 - Mineralised vein and altered wallrock material from shallow shafts near the Escuro Prospect

Nova Canaã

Strong geochemical sampling and high grade diamond drilling results confirmed the potential of the Novo Canaã area in 2013. Following a short delay in the approval for the extension of the exploration licence term, recent exploration has again achieved strong results.

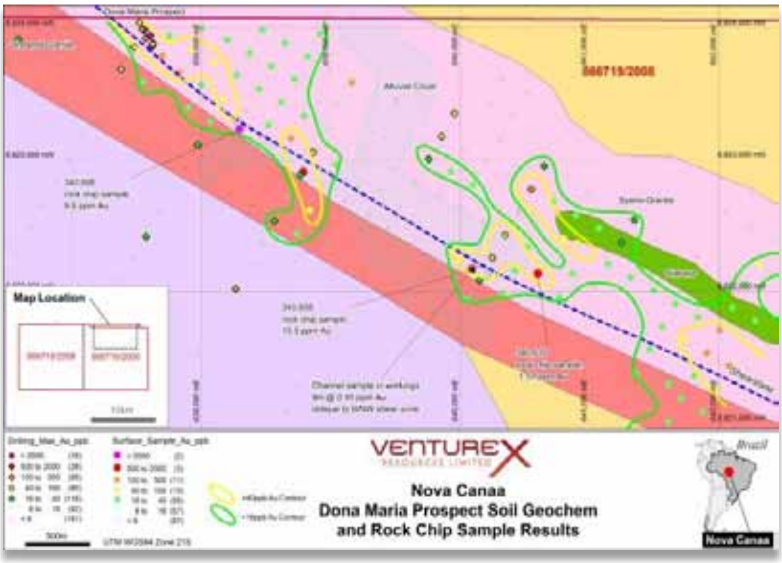

Figure 12 - Nova Canaã – Dona Marie prospect - soil and rock chip sample results

At the Dona Maria prospect, the surface geochemical sampling coverage was infilled and extended to the south east on a 200m x 200m pattern. The program successfully refined the location of existing anomalies and identified new gold anomalies in highly weathered granitic rocks over a distance of 5 kilometres along strike from the Dona Maria prospect. Rock chip and channel sampling of small pits and outcrops within the anomalous area has returned highly anomalous gold grades ranging from 0.45 g/t to 15.5 g/t gold. The mineralized rock chip samples and anomalous gold in soil zones provide the potential for further high-grade vein discoveries within 5km of the Dona Maria Prospect (Figure 12).

Castelo De Sonhos

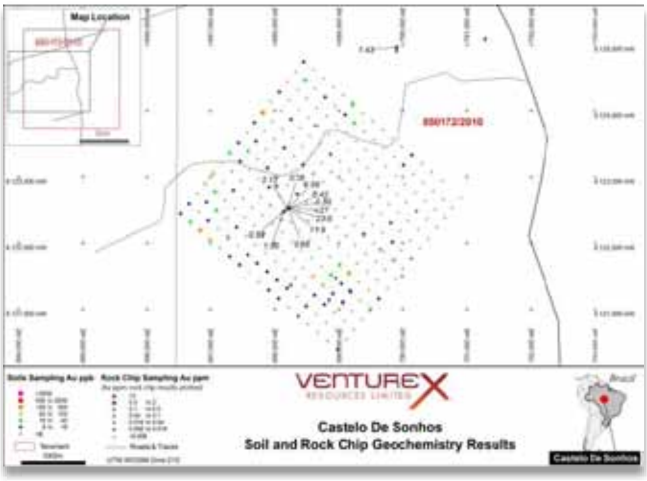

Figure 13 - Castelo De Sonhos – Soil and rock chip geochemistry results

Exploration continued to define an extensive gold geochemical anomaly in the broader area surrounding the Chico Prospect in the northeast portion of the Project.

Surface geochemical sampling programs successfully outlined low-level gold and pathfinder element anomalies within the largely soil covered area. Geological mapping completed in conjunction with the sampling programs, located isolated outcrops of altered granitic host rocks containing relict iron oxide box works (after primary disseminated sulphide mineralisation) (Figure 13).

Rock chip sampling of spoil material adjacent to artisanal workings at the Chico Prospect returned high gold grades (23.5 g/t, 27.0 g/t Au) taken from dump piles of mined material are significant results (Table 1).

CASTELO DE SONHOS ROCK CHIP SAMPLE RESULTS												
Sample ID	Sample Type	Depth	North (m)	East (m)	RL (m)	Au g/t	Ag g/t	Cu ppm	Pb ppm	Mo ppm	Bi ppm	Te ppm
339263	Rock chip	Surface	9122520	698203	262	23.5	11.1	497	517	13	1	1.2
339264	Rock chip	Surface	9122520	698203	262	27.0	23.6	781	335	15	2	0.8

Table 1

This Mineral Resources and Ore Reserves Statement is prepared according to the JORC Code (2012). For the JORC Code (2012) Notes accompanying the Resources and Reserves Statement and Exploration Results, refer to Venturex Resources Ltd's ASX announcement dated 27 September 2013.

Mineral Resources

The Mineral Resource inventory for the Pilbara Copper-Zinc Project at 30 June 2014 remained unchanged.

MINERAL RESOURCES									
Location		JORC Classification	Tonnes '000	Cu %	Pb %	Zn %	Ag g/t	Au g/t
Whim Creek		Indicated	967	2.1	0.2	1.1	10.3	0.1
		Inferred	4	0.5	0.6	2.3	13.9	0.1
		Sub-total	**972**	**2.1**	**0.2**	**1.1**	**10.3**	**0.1**
Mons Cupri		Measured	1,273	1.5	0.8	1.7	41.1	0.3
		Indicated	3,286	0.7	0.4	11	17.7	0.1
		Inferred	48	0.7	0.1	0.6	9.0	0.0
		Sub-total	**4,607**	**0.9**	**0.5**	**1.3**	**24.1**	**0.1**
Salt Creek	**Zn**	Indicated	475	0.2	4.4	14.1	107.1	0.5
	Cu	Indicated	423	3.7	0.1	0.9	2.7	0.1
		Inferred	105	3.5	0.0	0.1	1.5	0.0
	Total	**Sub-total**	**1,003**	**2.0**	**2.1**	**7.0**	**52.0**	**0.3**
Liberty-Indee (VXR 70%)		Indicated	453	2.2	0.4	4.5	42.0	0.9
		Inferred	204	1.0	0.2	1.8	22.4	0.4
		Sub-total	**657**	**1.8**	**0.3**	**3.7**	**35.9**	**0.8**
Sulphur Springs		Indicated	8,300	2.0	0.3	5.5	22.3	0.1
		Inferred	4,531	0.7	0.1	1.5	8.9	0.1
		Sub-total	**12,831**	**1.5**	**0.2**	**4.1**	**17.6**	**0.1**
Kangaroo Caves		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**	**-**
TOTAL		Measured	1,273	1.5	0.8	1.7	41.1	0.3
		Indicated	18,205	1.4	0.3	4.0	21.1	0.1
		Inferred	6,892	0.6	0.1	2.0	8.9	0.0
		Total Resources	**26,370**	**1.2**	**0.3**	**3.4**	**18.9**	**0.1**

NOTE: Rounding errors may occur

The Kangaroo Caves Mineral Resource is a historical (JORC (2004)) resource calculation 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

ORE RESERVES							
Location	JORC Classification	Tonnes ('000t)	Cu %	Zn %	Pb %	Ag g/t	Au g/t
Whim Creek	Probable	**221**	**2.7**	**1.3**	**0.7**	**47.1**	**0.3**
Mons Cupri	Probable	**951**	**0.9**	**1.3**	**0.5**	**24.1**	**0.1**
Sulphur Springs	Probable	**7,200**	**1.8**	**4.3**	**0.1**	**18.5**	**0.0**
Total		**8,372**	**1.8**	**4.0**	**0.3**	**21.4**	**0.1**

NOTE: Rounding errors may occur

COMPETENCY STATEMENTS

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Michael Mulroney and Steven Wood and fairly represents this information. Mr Mulroney and Mr Wood, who are Members of the Australasian Institute of Mining and Metallurgy, 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 2012 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 Brazil Exploration Results is based on information compiled by Mr Karl Weber and fairly represents this information. Mr Weber who is a Member of the Australasian Institute of Mining and Metallurgy, is a fulltime employee 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 2012 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 6th August 2014, 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	M47/1455	70% (90% on decision to mine)
Sherlock Project	E47/1796	70% (90% on decision to mine)
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%
Salt Creek Project	E47/924	100%
Salt Creek Project	E47/1088	100%
Salt Creek Project	M47/323	100%
Salt Creek Project	M47/324	100%
Mt Satirist Project	E47/2674	100%
Sulphur Springs Project	ELA45/4447	100%
Sulphur Springs Project	M45/494	100%
Sulphur Springs Project	M45/587	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	L45/287	100%
Panorama Exploration	P45/2607	100%
Panorama Exploration	P45/2609	100%
Panorama Exploration	P45/2610	100%
Panorama Exploration	P45/2611	100%
Panorama Exploration	P45/2612	100%
Panorama Exploration	P45/2613	100%
Panorama Exploration	P45/2614	100%
Panorama Exploration	P45/2616	100%
Panorama Exploration	P45/2910	100%
Panorama Exploration	P45/2911	100%
BRAZIL		
Jatobá	EL 866020/2007	100% CMGM
Rio Pombo	EL 866238/2008	100% CMGM
Rio Pombo	ELA 867034/2011	100% CMGM
Rio Pombo	ELA 867035/2011	100% CMGM
Nova Canaã (Colider)	EL 866718/2008	100% CMGM
Nova Canaã (Colider)	EL 866719/2008	100% CMGM
Nova Canaã (Colider)	EL 866820/2008	100% CMGM
Tanque Fundo	EL 866239/2008	100% CMGM
Tanque Fundo	EL 867376/2008	100% CMGM
Tanque Fundo	EL 867377/2008	100% CMGM
Castelo de Sonhos	EL 850172/2010	100% CMGM
Serra Verde	EL 850564/2007	100% CMGM
Serra Verde	EL 850359/2006	100% CMGM
Serra Verde	ELA 850353/2011	100% CMGM
Serra Verde	EL 850173/2010	100% CMGM
Serra Verde	ELA 850413/2012 to ELA 850428/2012	100% CMGM
Grande Canaã	EL 850076/2011 to EL 850079/2011	100% CMGM
KL	EL 850080/2011 to EL 850082/2011	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

The Directors of Venturex Resources Limited (the "Company") present their report on the consolidated entity (the "Group Entity"), consisting of Venturex Resources Ltd and the entities it controlled at the end of, and during, the financial year ended 30 June 2014.

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
Raymond Parry	Non-Executive Director	Appointed 29 May 2012
John Nitschke	Non-Executive Director	Appointed 4 July 2013
	Non-Executive Director	Appointed 30 August 2011, Resigned 17 April 2013

* *Previous to being appointed Managang Director, Michael Mulroney was a Non-Executive Director for the period 9 June 2008 to 4 October 2011.*

Information on Directors

Anthony Kiernan	—	Independent Non-Executive Chairman
Qualifications	—	LLB
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]	—	13,213,182 Ordinary Shares
Internal Committees	—	Chair of the Nomination & Remuneration Committee and Member of the Audit Committee
Directorships held in other listed entities (Within the last 3 years)	—	BC Iron Limited (11 October 2006 to present) (Chairman) Chalice Gold Limited (15 February 2007 to present) Uranium Equities Limited (3 June 2003 to November 2013) (Chairman) Liontown Resources Limited (2 February 2006 to November 2013) South Boulder Mines Limited (15 October 2012 to present)

Michael Mulroney	—	Managing Director
Qualifications	—	BAppSc(Geol), MBA, MAusIMM
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]	—	4,703,608 Ordinary Shares and 30,000,000 Unlisted Options
Internal Committees	—	Nil
Directorships held in other listed entities (Within the last 3 years)	—	Acacia Coal Limited (5 November 2010 to present)

Raymond Parry	—	Non-Independent Non-Executive Director
Qualifications	—	BBus(Acc/Fin), MBA, FCPA, GAICD
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]	—	19,500 Ordinary Shares
Internal Committees	—	Chair of the Audit Committee and Member of the Nomination & Remuneration Committee
Directorships held in other listed entities (Within the last 3 years)	—	Nil

John Nitschke	—	Independent Non-Executive Director
Qualifications	—	BEng(Hons), MSc, DIC, GAICD, FAusIMM
Appointed to the Board	—	30 August 2011, Resigned 17 April 2013, Appointed 4 July 2013
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.
Interest in Shares and Options [1]	—	3,000,000 Unlisted Options
Internal Committees	—	Member of the Audit Committee and the Nomination & Remuneration Committee
Directorships held in other listed entities (Within the last 3 years)	—	IMX Resources Limited (23 December 2009 to 31 July 2014) (Chairman) Toro Energy Limited (15 June 2009 to 30 June 2012) Continental Nickel Limited (26 October 2010 13 September 2012) Syrah Resources Limited (1 January 2013 to 30 January 2013)

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 2001, as at the date of this report.

Company Secretary/CFO

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

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

Corporate Structure

The Company is limited by shares that it has issued and is incorporated and domiciled in Australia. As at 30 June 2014, the Company had five subsidiaries incorporated in Australia; Jutt Resources Pty Ltd, Juranium Pty Ltd, Venturex Pilbara Pty Ltd, Venturex 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 2014.

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 will also continue exploration programs in the Pilbara and Brazil which may result in additional discoveries and will continue to advance the development of the Company's Pilbara Copper – Zinc Project's as part of the Company's drive to commercialise the Project. 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 2014, the consolidated loss of the Group Entity was $2,930,960 (2013: $14,756,752).

The loss result includes an impairment/write off of $2,446,209 (2013: $5,143,552) following a detailed review of the tenements, an uplift in the rehabilitation provision of Nil (2013: $9,617,323) following a detailed review as part of the definitive feasibily study (see Note 16), and a gain on derecognition of Contingent Liability Payable of Nil (2013: $2,955,391) (see Note 16).

Review of Operations

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

At 30 June 2014, the Company had 1,547,869,181 quoted fully paid ordinary shares (2013: 1,547,869,181) and no quoted options issued over shares (2013: Nil).

As at 30 June 2014 the Group Entity held cash reserves of $1,159,329 (2013: $3,265,753).

Profit (Loss) Per Share

Basic loss per share 0.190 cents (2013: Loss 1.060 cents).

Dividends

The Directors did not pay or declare any dividends during the 2014 financial year. The Directors do not recommend the payment of a dividend in respect of the year.

Significant Changes in State of Affairs

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 3 July 2014, the Company completed the sale of the Whim Creek Hotel and adjacent Accommodation Village complex in the Pilbara region of Western Australia for $1.7 million.

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

Environmental Regulation

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 Regulations (DER), the WA Department of Mines and Petroleum (DMP), the WA Department of Water (DoW) and the Environmental Protection Authority (EPA). In Brazil, the regulatory body is the National Department of Mineral Production (DNPM).

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.

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	Date options granted	Expiry date	Number under option	Escrow period
Unlisted options	VXRAS	$0.15	06-Dec-11	05-Dec-14	6,000,000	-
Unlisted options	VRXAK	$0.12	23-Jul-12	22-Jul-15	10,000,000	-
Unlisted options	VXRAU	$0.025	02-Dec-13	01-Dec-16	10,000,000	-
Unlisted options	VXRAU	$0.035	02-Dec-13	01-Dec-16	10,000,000	-
					36,000,000	

Options carry no dividend or voting rights.

Shares Issued as a Result of the Exercise of Options

During the 2014 financial year, no ordinary shares of the Company were issued as a result of the exercise of options.

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:

Anthony Kiernan	-	Non-Executive Chairman
Michael Mulroney	-	Managing Director
Raymond Parry	-	Non-Executive Director
John Nitschke	-	Non-Executive Director (Appointed 30 August 2011, Resigned 17 April 2013, Appointed 4 July 2013)
Trevor Hart	-	Company Secretary/CFO
Karl Weber	-	Exploration Manager – South America & Director of CMG Mineração Ltda (Resigned 31 December 2013)
Jonas Da Silva	-	Executive Director CMG Mineração Ltda
Shelma Kato	-	Projects Manager (South America) & Executive Director CMG Mineração Ltda (Appointed 9 July 2013)
Andrea Rahal	-	Non-Executive Director CMG Mineração Ltda (Appointed 1 January 2014)

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

A. Remuneration Policy

B. Details of Remuneration

C. Equity Issued as Part of Remuneration

D. Shareholdings

E. Loans to Directors and Key Management Personnel

F. Employment Contracts of Directors and Key Management Personnel

G. Performance Income as a Proportion of Total Remuneration

H. Other transactions with Key Management Personnel

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 2013 financial year, the Board temporarily suspended the 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 G - 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.

* As noted above the Board temporarily suspended the bonus formula linked to the achievement of Company targets.

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	2014	-	82,380	-	-	-	7,620	-	-	-	-	90,000	-
Kiernan	2013	-	82,569	-	-	-	7,431	-	-	-	-	90,000	-
Michael	2014	-	258,482	-	-	-	23,910	-	-	-	71,424	353,816	-
Mulroney	2013	-	350,000	-	-	-	31,500	-	-	-	117,590	499,090	-
Raymond	2014	6	58,750	-	-	-	-	-	-	-	-	58,750	-
Parry	2013	6	55,000	-	-	-	-	-	-	-	-	55,000	-
John	2014	2	59,342	-	-	-	-	-	-	-	13,948	73,290	-
Nitschke	2013	3	47,795	-	-	-	-	-	-	-	50,590	98,385	-
Former Directors													
Allan	2014		-	-	-	-	-	-	-	-	-	-	-
Trench	2013	3	43,791	-	-	-	-	-	-	-	50,590	94,381	-
James	2014		-	-	-	-	-	-	-	-	-	-	-
Mellon	2013	1,3,7	17,254	-	-	-	-	-	-	-	-	17,254	-
Jamie	2014		-	-	-	-	-	-	-	-	-	-	-
Gibson	2013	1,3,7	17,254	-	-	-	-	-	-	-	-	17,254	-
Anthony	2014		-	-	-	-	-	-	-	-	-	-	-
Reilly	2013	4	2,584	-	-	-	-	-	-	-	-	2,584	-
Key Management Personnel													
Trevor	2014		141,300	-	-	-	-	-	-	-	-	141,300	-
Hart	2013	1	41,325	-	-	-	-	-	-	-	-	41,325	-
Jonas	2014		97,124	-	-	-	-	-	-	-	-	97,124	-
Da Silva	2013		96,216	-	-	-	-	-	-	-	-	96,216	-
Shelma	2014	9	84,454	-	-	-	-	-	-	-	-	84,454	-
Kato	2013		-	-	-	-	-	-	-	-	-	-	-
Andrea	2014	9	9,522	-	-	-	-	-	-	-	-	9,522	-
Rahal	2013		-	-	-	-	-	-	-	-	-	-	-
Former Key Management Personnel													
Karl	2014	8	89,849	-	-	-	7,169	-	-	-	-	97,018	-
Weber	2013		175,862	-	-	-	5,813	-	-	-	-	181,675	-
Ian	2014		-	-	-	-	-	-	-	-	-	-	-
Suckling	2013	5	264,255	-	-	-	22,344	25,000	-	-	113,873	425,472	-
Liza	2014		-	-	-	-	-	-	-	-	-	-	-
Carpene	2013	5	201,867	-	-	-	14,437	48,462	-	-	107,562	372,328	-
Total	**2014**		**881,203**	**-**	**-**	**-**	**38,699**	**-**	**-**	**-**	**85,372**	**1,005,274**	**-**
	2013		**1,395,772**	**-**	**-**	**-**	**81,525**	**73,462**	**-**	**-**	**440,205**	**1,990,964**	**-**

Note:
1. Commenced with the Company in the 2013 financial year.
2. Commenced with the Company in the 2014 financial year.
3. Resigned from the Company in the 2013 financial year.
4. Resigned from the Company in the 2012 financial year.
5. Retrenchment from the Company in the 2013 financial year.
6. Includes $58,750 (2013: $55,000) paid to Northern Star Resources Limited as Director's Fees.
7. Includes Nil (2013: $17,254) paid to Regent Pacific Group Limited as Director's Fees.
8. Resigned as a Director of CMG Mineração Ltda in the 2014 financial year.
9. Commenced as a Director of CMG Mineração Ltda in the 2014 financial year.

C. Equity Issued as Part of Remuneration

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

Shares

No shares in the Company were issued to Directors and other Key Management Personnel as part of remuneration during the 2014 or 2013 financial years.

Options

The following table discloses the value of options granted, exercised, sold or lapsed during the 2014 financial year for all Key Management Personnel:

	Options Granted	Options Exercised	Options Lapsed			
	Value at Grant Date $	Value at Exercise Date $	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)	-	-	-
Michael Mulroney	194,498	-	-	5,484	71,424	20
John Nitschke	106,874	-	-	-	13,948	19
	444,620	-	(143,248)	5,484	85,372	8

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

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 19 of the financial statements.

The following table discloses the movement in Directors and Key Management Personnel Options during the 2014 financial year

	Balance 1 July 2013 No.	Initial Holding No.	Granted as Remuneration* No.	Options Exercised No.	Options Lapsed No.	Held at Resignation No.	Balance 30 June 2014 No.	Vested No.	Unvested No.	Vested %	Lapsed %
Directors											
Anthony Kiernan	3,000,000	-	-	-	(3,000,000)	-	-	-	-	-	100
Michael Mulroney	10,000,000	-	20,000,000	-	-	-	30,000,000	20,000,000	10,000,000	67	-
John Nitschke	-	3,000,000	-	-	-	-	3,000,000	3,000,000	-	100	-
	13,000,000	3,000,000	20,000,000	-	(3,000,000)	-	33,000,000	23,000,000	10,000,000		

-Apart from listed above no other Key Management Personnel have any Options.
**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
2 Dec 2013	1 Dec 2016	0.025	0.0016	10,000,000	2 Dec 2013
2 Dec 2013	1 Dec 2016	0.035	0.0013	10,000,000	2 Dec 2014

Each option is equal to one ordinary share in the Company

D. 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.

2014	Note	Balance at start of the year No.	Received as Compensation No.	Options Exercised No.	Net Change Other No.	Held at Resignation / Termination* No.	Balance at end of the year No.
Directors							
Anthony Kiernan	#	4,613,182	-	-	8,600,000	-	13,213,182
Michael Mulroney	#	4,703,608	-	-	-	-	4,703,608
Raymond Parry	#	19,500	-	-	-	-	19,500
Key Management Personnel							
Trevor Hart	#	313,819	-	-	1,000,000	-	1,313,819
Karl Weber	#	1,994,000	-	-	-	1,994,000	-
Jonas Da Silva		4,250,000	-	-	-	-	4,250,000
		15,894,109	-	-	9,600,000	1,994,000	23,500,109

Apart from listed above no other Key Management Personnel have any shareholdings.
 # Net Change Other refers to shares purchased and shares sold during the financial year.
** Closing balance at date of resignation / termination.*

E. Loans to Directors and 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 (2013: Nil).

F. Employment Contracts of Directors and Key Management Personnel

The following Directors and Key Management Personnel were under contract at 30 June 2014.

Name	Term of Contract	Commencement Date	Notice Period by Either Party	Termination Benefit
Michael Mulroney	Fixed Contract (1 year)	27/02/14-26/02/15	◄ 6 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
Trevor Hart	Part-time (ongoing)	5/04/13	◄ 30 days notice by either party with or without cause	◄ None
Karl Weber	Permanent (ongoing)	1/07/13	◄ 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 in line with statutory requirements
Jonas Da Silva	Fixed Contract (2 years)	1/09/12-31/08/14	◄ 15 days notice by either party for cause ◄ 60 days notice by either party without cause	◄ None
Shelma Kato	Permanent (ongoing)	1/12/11	◄ No notice requirements for termination by Company for cause	◄ In the event that the Employee is made redundant through the normal course of business, the employee is entitled to a redundancy payment in line with statutory requirements
Andrea Rahal	Fixed Contract (1 year)	1/01/14	◄ 3 months notice by Company without cause ◄ 3 months notice by Executive	◄ An amount equal to 3 months base salary if termination by Company without cause ◄ Nil (other than for accrued entitlements) in the case of termination by Company for cause

G. 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. In the 2013 financial year, the Board temporarily suspended the bonus formula linked to the achievement of Company targets.

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

H. Other transactions with Key Management Personnel

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

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

End of Audited Remuneration Report.

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, 9 Board meetings, 6 Audit Committee meetings and 4 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	9	9	6	6	4	4
Michael Mulroney	9	9	N/A	N/A	N/A	N/A
Raymond Parry	9	9	6	6	4	4
John Nitschke	8	8	5	5	3	3

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 are important.

Details of the amounts paid or payable to the auditor BDO (WA) Pty Ltd or associated entities for audit and non-audit services provided during the year are set out below.

The board of directors has considered the position and, in accordance with advice received from the audit committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

	2014 $	2013 $
Remuneration of the auditor of the Group Entity for:		
- auditing or reviewing the financial report	42,710	32,650
- taxation services	2,750	-
- other assurance services	-	-
	45,460	32,650

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 19.

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

MICHAEL MULRONEY
Managing Director

Dated this 26th day of September 2014

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DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF VENTUREX RESOURCES LIMITED

As lead auditor of Venturex Resources Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

Brad McVeigh
Director

BDO Audit (WA) Pty Ltd

Perth, 26 September 2014

	Note	2014 $	2013 $
Revenue from continuing operations			
Other revenue	4	116,773	322,383
Other income	2	1,993,030	755,186
Expenses			
Administrative expense	3	(1,064,148)	(1,355,280)
Corporate expense	3	(382,750)	(263,200)
Directors, employees and consultants fee	3	(1,074,318)	(1,559,826)
Exploration and evaluation expense	3	(358,181)	(530,646)
Impairment/write off of area of interest	3	(2,446,209)	(5,143,552)
Finance costs	4	(567,453)	(319,885)
Re-estimation of site rehabilitation provisions		852,296	(9,617,323)
Gain on derecognition of contingent consideration payable	16	-	2,955,391
Loss before income tax		**(2,930,960)**	**(14,756,752)**
Loss after income tax attributable to the owners of the company		**(2,930,960)**	**(14,756,752)**
Other comprehensive income			
Items that may be reclassified to profit and loss:			
Foreign currency translation differences – foreign operations		(215,914)	(26,060)
Other comprehensive income for the period, net of tax		(215,914)	(26,060)
Total comprehensive loss for the period attributable to owners of the Company		**(3,146,874)**	**(14,782,812)**
Profit (loss) / Earnings per share			
Basic and Diluted Profit (loss) per share (cents)	7	(0.190)	(1.060)

The accompanying Notes form part of these financial statements.

	Note	2014 $	2013 $
Assets			
Current assets			
Cash and cash equivalents	8	1,159,329	3,265,753
Trade and other receivables	9	988,310	38,385
Inventories	10	26,559	27,455
Non-current assets classified as held for sale	11	840,810	921,890
Other assets	12	152,138	1,884,150
Total current assets		**3,167,146**	**6,137,633**
Non-current assets			
Property, plant and equipment	13	2,140,925	2,457,384
Exploration and evaluation costs	14	67,520,675	67,614,782
Total non-current assets		**69,661,600**	**70,072,166**
Total assets		**72,828,746**	**76,209,799**
Liabilities			
Current liabilities			
Trade and other payables	15	523,070	542,567
Provisions	16	330,770	330,770
Employee benefits	17	114,420	137,714
Total current liabilities		**968,260**	**1,011,051**
Non-current liabilities			
Provisions	16	13,559,249	13,848,305
Employee benefits	17	22,553	16,630
Total non-current liabilities		**13,581,802**	**13,864,935**
Total liabilities		**14,550,062**	**14,875,986**
Net assets		**58,278,684**	**61,333,813**
Equity			
Issued capital	18	86,910,839	86,918,414
Reserves	18	182,833	1,077,125
Accumulated losses		(28,814,988)	(26,661,726)
Total equity		**58,278,684**	**61,333,813**

The accompanying Notes form part of these financial statements.

	Note	Issued Capital $	Share Based Compensation $	Translation Reserve $	Accumulated Losses $	Total Equity $
Balance at 30 June 2012		**79,356,172**	**1,204,793**	**22,044**	**(12,492,347)**	**68,090,662**
Loss for the year		-	-	-	(14,756,752)	(14,756,752)
Other comprehensive income		-	-	(26,060)	-	(26,060)
Total comprehensive income for the year		**-**	**-**	**(26,060)**	**(14,756,752)**	**(14,782,812)**
Transactions with owners in their capacity as owners:						
Issue of securities	18a	7,951,328	-	-	-	7,951,328
Security issue costs	18a	(389,086)	-	-	-	(389,086)
Options issued	19i, 19ii	-	463,721	-	-	463,721
Options expired	19iv	-	(587,373)	-	587,373	-
		7,562,242	**(123,652)**	**-**	**587,373**	**8,025,963**
Balance at 30 June 2013		**86,918,414**	**1,081,141**	**(4,016)**	**(26,661,726)**	**61,333,813**
Loss for the year		-	-	-	(2,930,960)	(2,930,960)
Other comprehensive income		-	-	(215,914)	-	(215,914)
Total comprehensive income for the year		**-**	**-**	**(215,914)**	**(2,930,960)**	**(3,146,874)**
Transactions with owners in their capacity as owners:						
Security issue costs	18a	(7,575)	-	-	-	(7,575)
Options issued	19i, 19ii	-	99,320	-	-	99,320
Options expired	19iv	-	(777,698)	-	777,698	-
		(7,575)	**(678,378)**	**-**	**777,698**	**91,745**
Balance at 30 June 2014		**86,910,839**	**402,763**	**(219,930)**	**(28,814,988)**	**58,278,684**

The accompanying Notes form part of these financial statements

	Note	2014 $	2013 $
Cash flows related to operating activities			
Payments to suppliers and employees		(1,968,585)	(3,135,248)
Interest received		141,971	328,044
Interest paid		(1,715)	(637)
Research and development tax received		831,578	720,311
Net cash used in operating cash flows	24a	**(996,751)**	**(2,087,530)**
Cash flows related to investing activities			
Payment for purchases of plant and equipment		(38,232)	(1,040,785)
Proceeds from sale of plant and equipment		34,042	9,727
Deposits from sale of plant and equipment		-	100,000
Payment for deferred exploration expenditure		(2,760,404)	(7,535,227)
Proceeds from redemption of bank guarantee	12	1,692,962	-
Net cash used in investing cash flows		**(1,071,632)**	**(8,466,285)**
Cash flows related to financing activities			
Proceeds from issues of securities		-	7,636,818
Capital raising costs		(7,575)	(389,086)
Proceeds from insurance premium funding		34,251	62,660
Repayment of insurance premium funding		(54,308)	(18,857)
Net cash provided by /(used) in financing cash flows		**(27,632)**	**7,291,535**
Net decrease in cash and cash equivalents		**(2,096,015)**	**(3,262,280)**
Cash and cash equivalents at the beginning of the year		3,265,753	6,532,338
Effect of exchange rate changes on cash and cash equivalents		(10,409)	(4,305)
Cash and cash equivalents at the end of the year	8	**1,159,329**	**3,265,753**

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. The Company ia a for-profit entity.

Statement of Compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB). They were authorised for issue by the Board of Directors on 26th September 2014.

Basis of Measurement

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

Functional and Presentation Currency

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

Going Concern

The Group Entity incurred a loss before income tax of $2,930,960 (2013: $14,756,752), net decrease of cash flows of $2,096,015 (2013: $3,262,280) and had a net asset balance of $58,278,684 (2013: $61,333,813) for the year ended 30 June 2014, including a cash balance of $1,159,329 (2013: $3,265,753). The Group Entity received $1,600,000 for the sale of the Whim Creek Hotel and $883,704 for R&D tax offset in July 2014.

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. In regards to the Pilbara Copper – Zinc Project, the Directors will continue with ongoing discussions with interested groups on opportunities to advance the Project's development as part of the Company's drive to commercialise the Pilbara Copper – Zinc Project. The Group will also consider divestments if the proceeds are likely to exceed the realisable value of such assets if they were retained.

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 optimisation/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.

In the event that the Group is unable to raise additional capital, the Company will investigate funding options including joint venturing the project, defer or reduce certain feasibility and exploration expenditure, divesting other non-core assets or reviewing the Company's current activities such that the Group Entity will remain a going concern.

The Directors believe that the Group Entity will be successful in the above matters and, at this time. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as a going concern.

Significant Accounting Policies

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

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

(a) Basis of Consolidation

Business combinations

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, 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.

Subsidiaries

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 25 to the financial statements. All subsidiaries have a June financial year-end.

Loss of control

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 investment or as an available-for-sale financial asset depending on the level of influence retained.

Transactions eliminated on consolidation

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

(b) Foreign Currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group Entities at exchange rates at the dates of the transactions. 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: loans and receivables and cash and cash equivalents.

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.

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:

	2014	2013
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.

Leasehold improvements are depreciated over the shorter of the lease term and the useful life of the assets.

(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) Leases

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 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.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior period. That benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's Cash Rate at the reporting date. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

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 the 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 and 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 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 statement of profit or loss and other comprehensive income 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 taxable 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.

(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 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) Non-Current Assets Held For Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset is recognised at the date of derecognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

(q) 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.

(r) 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.

(s) 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 end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Exploration and evaluation expenditure

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

Share-based payment transactions

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).

(t) New Accounting Standard for Application in Future Periods

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial years ended 30 June 2014. They have not been adopted in preparing the financial statements for the year ended 30 June 2014 and are expected to impact the entity in the period of initial application. In all cases the entity intends to apply these standards from application date as indicated below.

Financial Instruments

AASB reference: AASB 9 (issued December 2009 and amended December 2010)

Nature of Change: Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 have been eliminated. Under AASB 9, there are three categories of financial assets:

- Amortised cost
- Fair value through profit or loss
- Fair value through other comprehensive income.

The following requirements have generally been carried forward unchanged from AASB 139 *Financial Instruments: Recognition and Measurement* into AASB 9:

- Classification and measurement of financial liabilities; and
- Derecognition requirements for financial assets and liabilities.

However, AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.

Application date: Annual reporting periods beginning on or after 1 January 2018

Impact on Initial Application: Adoption of AASB 9 is only mandatory for the year ending 30 June 2018. The entity has not yet made an assessment of the impact of these amendments.

Amendments to Australian Accounting Standards -Investment Entities

AASB reference: AASB 2013-5 (issued August 2013)

Nature of Change: The amendment defines an 'investment entity' and requires a parent that is an investment entity to measure its investments in particular subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.

The amendment prescribes three criteria that must be met in order for an entity to be defined as an investment entity, as well as four 'typical characteristics' to consider in assessing the criteria.

The amendment also introduces disclosure requirements for investment entities into AASB 12 *Disclosure of Interests in Other Entities* and amends AASB 127 *Separate Financial Statements.*

Application date: Annual reporting periods beginning on or after 1 January 2014

Impact on Initial Application: As the entity does not meet the definition of an investment entity, it will continue to consolidate its investments in subsidiaries in accordance with AASB 10 *Consolidated Financial Statements*.

(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 2014.

Note 2 - Other Income

	2014 $	2013 $
Non-operating activities		
- Gain on disposal of tenement	-	19,104
- R&D tax offset	1,943,030	720,311
- Non-refundable deposit – sale of hotel	50,000	-
- Other income	-	15,771
Total other income	1,993,030	755,186

Note 3 - Other Expenses

	Note	2014 $	2013 $
Administrative expense			
- Compliance		37,382	41,672
- Depreciation		277,747	443,526
- Operating Leases	20	206,025	214,839
- Other administrative expenses		484,404	604,914
- Loss on disposal of asset		58,590	50,329
Administrative expense		1,064,148	1,355,280

	Note	2014 $	2013 $
Corporate expense			
- Auditing and taxation		285,848	170,906
- Entertainment expenses		405	364
- Legal cost		31,558	(17,742)
- Recruitment expenses		11,963	24,534
- Travel expenses		52,976	85,138
Corporate expense		382,750	263,200
Directors, employees and consultants fee			
- Directors and employee fee		720,533	969,684
- Consultants fee		254,465	126,421
- Share based payments		99,320	463,721
Directors, employees and consultants fee		1,074,318	1,559,826
Exploration and evaluation expense			
- Exploration and evaluation expense		358,181	530,646
Exploration and evaluation expense		358,181	530,646
Impairment/Write-off of area of interest			
- Impairment of capitalised exploration	14	2,446,209	2,110,425
- Write-off capitalised exploration expenditures	14	-	3,033,127
Impairment/Write-off of area of interest		2,446,209	5,143,552
Uplift in Rehabilitation Provision			
- Uplift in Rehabilitation Provision	16	-	9,617,323
Uplift in Rehabilitation Provision		-	9,617,323
Total expenses		5,325,606	18,469,827

Note 4 - Finance Income and Finance Costs

	Note	2014 $	2013 $
Recognised in profit or loss			
Interest income on bank deposits		116,773	322,383
Finance income		116,773	322,383
Interest expense on financial liabilities measured at amortised cost (being Mine Rehabilitation Provision)	16	(563,240)	-
Re-estimation adjustment on site rehabilitation provision	16	852,296	(236,059)
Unwind of discount on contingent liability	16	-	(58,427)
Interest expense on bank deposits		(4,213)	(25,399)
Finance costs		284,843	(319,885)
Net finance costs recognised in profit or loss		401,616	2,498

Note 5 - Income Tax Expense

	2014 $	2013 $
(a) **Income tax recognised in profit or loss**		
Current tax expense	-	-
Deferred tax (credit) expense	-	-
	-	-
Total income tax expense	-	-

	2014 $	2013 $
(b) *Loss before tax*	(2,930,960)	(14,756,752)
Income tax using the domestic corporation tax rate of 30% (2013: 30%)	(879,288)	(4,427,025)
Increase/(decrease) in income tax expense due to:		
Non-deductible expenses	952,600	3,840,031
Deductible expenses	(806,092)	(2,212,693)
Tax losses not brought to account	732,780	2,799,687
Income tax (credit) expense	-	-

(c) **Unrecognised deferred tax liabilities**

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

	2014 $	2013 $
Taxable temporary differences	17,406,396	16,831,413
	17,406,396	16,831,413

(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:

	2014 $	2013 $
Deductible temporary differences	3,978,765	4,399,763
Tax losses	18,101,653	17,635,213
	22,080,418	22,034,976

(e) **Tax consolidation**

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

Note 6 - Auditor's Remuneration

	2014 $	2013 $
Remuneration of the auditor of the Group Entity for:		
- auditing or reviewing the financial report	42,710	32,650
- taxation services	2,750	-
	45,460	32,650

Note 7 - Loss per Share

		2014	2013
(a)	Basic and diluted loss per share (cents)	(0.190)	(1.060)
(b)	Net loss used in the calculation of basic loss per share and diluted loss per share	($2,930,960)	($14,756,752)
(c)	Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share and diluted loss per share	1,547,869,181	1,391,950,695

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

Note 8 - Cash and Cash Equivalents

	2014 $	2013 $
Cash at bank	659,329	765,753
Call deposits	500,000	2,500,000
Total cash and cash equivalents	1,159,329	3,265,753

Note 9 - Trade and Other Receivables

	2014 $	2013 $
Trade and other receivables	988,310	38,385
Total Trade and other receivables	988,310	38,385

Note 10 - Inventories

	2014 $	2013 $
Diesel fuel	26,559	27,455
Total Inventories	26,559	27,455

Note 11 - Non-Current Assets Classified As Held For Sale

	2014 $	2013 $
Property, plant and equipment	840,810	921,890
Total non-current assets classified as held for sale	840,810	921,890

Movements in Carrying Amounts

Movements in carrying amounts for each class of non-current assets classified as held for sale between the beginning and the end of the current financial year.

	2014 $	2013 $
Total Non-Current Assets Classified as held For Sale		
Carrying amount at the beginning of year	921,890	-
Disposals	(86,356)	-
Transfer from property, plant, and equipment	5,276	921,890
Carrying amount at the end of year	840,810	921,890

In June 2013, the Group Entity entered into discussion with a preferred bidder to sell the Whim Creek Hotel and accommodation units. $100,000 was received as a deposit of which $50,000 is non refundable should the sale not proceed. The sale was completed in July 2014.

In June 2013, the Group Entity decided to sell a mill which is not currently in use. The sale was completed during the financial year ended 30 June 2014.

Non-recurring fair value measurements

Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification.

Note 12 - Other Assets

	2014 $	2013 $
Prepayments	77,907	116,957
Cash backed environmental and rental bonds	74,231	1,767,193
Total Other Assets	152,138	1,884,150

Note 13 - Property, Plant and Equipment

	2014 $	2013 $
Property, Plant and Equipment:		
At cost	3,976,155	4,003,139
Accumulated depreciation	(1,835,230)	(1,545,755)
Total Property, Plant and Equipment	2,140,925	2,457,384

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.

	2014 $	2013 $
Total Property, Plant and Equipment		
Carrying amount at the beginning of year	2,457,384	2,903,158
Additions	38,232	1,040,560
Disposals	(6,276)	(60,056)
Depreciation expense	(327,234)	(504,388)
Transfer to non current assets classified as held for sale	(5,276)	(921,890)
Effects of movement in exchange rate	(15,905)	-
Carrying amount at the end of year	2,140,925	2,457,384
Property		
Carrying amount at the beginning of year	20,000	27,100
Transfer to non current assets classified as held for sale	-	(7,100)
Carrying amount at the end of year	20,000	20,000
Buildings		
Carrying amount at the beginning of year	255,027	1,229,251
Depreciation expense	(71,058)	(244,014)
Transfer to non current assets classified as held for sale	-	(730,210)
Carrying amount at the end of year	183,969	255,027
Leasehold Improvements		
Carrying amount at the beginning of year	14,596	3,566
Additions	-	20,105
Disposals	-	(2,728)
Depreciation expense	(6,702)	(6,347)
Carrying amount at the end of year	7,894	14,596

	2014 $	2013 $
Plant and Equipment		
Carrying amount at the beginning of year	2,167,761	1,643,241
Additions	38,232	1,020,455
Disposals	(6,276)	(57,328)
Depreciation expense	(249,474)	(254,027)
Transfer to non current assets classified as held for sale	(5,276)	(184,580)
Effects of movement in exchange rate	(15,905)	-
Carrying amount at the end of year	1,929,062	2,167,761

Note 14 – Exploration and Evaluation Costs

	2014	2013
Exploration & evaluation costs		
At cost	72,843,648	70,491,546
Accumulated impairment loss	(5,322,973)	(2,876,764)
Net carrying value	67,520,675	67,614,782

Movements in Carrying Amounts of exploration and evaluation costs

		2014 $	2013 $
Exploration & evaluation costs			
Balance at the beginning of year		67,614,782	65,299,879
Additions incurred during the year		2,536,710	7,458,455
Written off	i	-	(3,033,127)
Impairment loss	ii	(2,446,209)	(2,110,425)
Effects of movement in exchange rate		(184,608)	-
Closing carrying value at the end of year		67,520,675	67,614,782

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

i **Written off exploration and evaluation capitalised expenditure**

Expensed interest in the Cuiabá Basin Project

Following a review of technical, economic and contractual aspects of the Cuiabá Basin Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity wrote off Nil (2013: $2,910,519) previously capitalised exploration and evaluation expenditure incurred on the Cuiabá Basin Project.

Expensed interest in the Nova Canaã Project

Following a review of technical, economic and contractual aspects of the Nova Canaã Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity wrote off Nil (2013: $4,050) previously capitalised exploration and evaluation expenditure incurred on the Nova Canaã Project.

Expensed interest in the Tarrawarra Project

The Directors of the Group Entity relinquished the Tarrawarra Project in December 2012. Therefore the Group Entity wrote off previously capitalised exploration and evaluation expenditure of Nil (2013: $121,065) incurred on the Tarrawarra Project.

Other

The balance of Nil (2013: $2,507) was a foreign exchange adjustment.

ii **Impairment of exploration and evaluation capitalised expenditure**

Expensed interest in the Cuiabá Basin Project

Following a review of technical, economic and contractual aspects of the Cuiabá Basin Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired Nil (2013: $855,418) previously capitalised exploration and evaluation expenditure incurred on the Cuiabá Basin Project.

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 impaired Nil (2013: $1,255,007) previously capitalised exploration and evaluation incurred expenditure on the Rio Pombo Project.

Expensed interest in the Nova Canaã Project

Following a review of technical, economic and contractual aspects of the Nova Canaã Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired $826,156 (2013: Nil) previously capitalised exploration and evaluation incurred expenditure on the Nova Canaã Project.

Expensed interest in the Castelo de Sonhos Project

Following a review of technical, economic and contractual aspects of the Castelo de Sonhos Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired $388,867 (2013: Nil) previously capitalised exploration and evaluation incurred expenditure on the Castelo de Sonhos Project.

Expensed interest in the Grande Canaã Project

Following a review of technical, economic and contractual aspects of the Grande Canaã Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired $362,068 (2013: Nil) previously capitalised exploration and evaluation incurred expenditure on the Grande Canaã Project.

Expensed interest in the Hollywood Project

Following a review of technical, economic and contractual aspects of the Hollywood Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired $147,724 (2013: Nil) previously capitalised exploration and evaluation incurred expenditure on the Hollywood Project.

Expensed interest in the KL Project

Following a review of technical, economic and contractual aspects of the KL Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired $205,975 (2013: Nil) previously capitalised exploration and evaluation incurred expenditure on the KL Project.

Expensed interest in the Serra Verde Project

Following a review of technical, economic and contractual aspects of the Serra Verde Project, the Directors of the Group Entity concluded that the carrying value on the project was overstated. Therefore the Group Entity impaired $515,419 (2013: Nil) previously capitalised exploration and evaluation incurred expenditure on the Serra Verde Project.

Note 15 - Trade and Other Payables

	2014 $	2013 $
Trade and other payables	276,103	110,318
Accrued expenses	173,031	288,351
Insurance premium funding	23,936	43,898
Deposits received	50,000	100,000
Total Trade and Other Payables	523,070	542,567

Note 16 - Provisions

	2014 $	2013 $
Stamp Duty :		
Opening balance at beginning of year	330,770	330,770
Additional provisions raised during year	-	1,733
Over provision in respect of prior years	-	-
Unused amounts reversed	-	(1,733)
Amounts used	-	-
Balance at end of the year	330,770	330,770
Mine Rehabilitation:		
Opening balance at beginning of year	13,848,305	3,994,923
Additional Provisions raised during the year	-	9,617,323
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	(852,296)	236,059
Interest Expense	563,240	-
Balance at end of the year	13,559,249	13,848,305
Contingent Liability		
Opening balance at beginning of year	-	2,896,964
Unused amounts reversed	-	(2,955,391)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	58,427
Balance at end of the year	-	-
Total Provisions		
Current	330,770	330,770
Non-current	13,559,249	13,848,305
	13,890,019	14,179,075

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 2014, 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).

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

	2014	2013
Inflation Rate – CPI	3.00%	2.40%
Cash Rate	3.54%	2.75%
Estimated commencement of outflow	First Quarter 2023	First Quarter 2023

Contingent Liability

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 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.

As a result of the Company's decision to embark on an enhancement programme of the Pilbara Copper-Zinc Project, a definitive date for the commencement of mining is unable to be determined. This has resulted in the reversal of the fair value contingent liability of $2,955,391 in 2013, in accordance AASB 3, the fair value provision has been recorded in the Statement of Profit or Loss and Comprehensive Income Statement as a gain on derecognition of contingent consideration payable.

Note 17 - Employee Benefits

	2014 $	2013 $
Annual Leave:		
Opening balance at beginning of year	137,714	374,593
Additional provisions raised during year	92,650	(12,447)
Amounts used	(115,613)	(224,432)
Effects of movement in exchange rate	(331)	-
Balance at end of the year	114,420	137,714
Long Service Leave:		
Opening balance at beginning of year	16,630	-
Additional provisions raised during year	10,470	16,630
Unused amounts reversed	(4,547)	-
Balance at end of the year	22,553	16,630
Total Employee Benefits		
Current	114,420	137,714
Non-current	22,553	16,630
	136,973	154,344

Note 18 – Capital and Reserves

	Note	2014 $	2013 $
Ordinary shares fully paid	18a	86,910,839	86,918,414
Share based payment reserve	18d(i)	402,763	1,081,141
Foreign Currency Translation Reserve	18d(ii)	(219,930)	(4,016)
		87,093,672	87,995,539

(a) **Ordinary Shares fully paid**

		2014 No.	2014 $	2013 No.	2013 $
At the beginning of reporting period		1,547,869,181	86,918,414	1,250,329,135	79,356,172
Shares issued during year	(i)	-	-	297,540,046	7,951,328
Exercise of Options – Shares issued during the year	(ii)	-	-	-	-
Transaction costs relating to share issues		-	(7,575)	-	(389,086)
At end of the reporting period		1,547,869,181	86,910,839	1,547,869,181	86,918,414

(i)

2014	Details	No.	Issue Price $	$
	Cost of raising capital	-		(7,575)
		-		(7,575)

2013	Details	No.	Issue Price $	$
10-Jul-12	Shares issued under rights issue	125,032,913	0.036	4,501,185
18-Apr-13	Shares issued to Henghou Industries	60,000,000	0.02	1,200,000
4-Jun-13	Shares issued under rights issue	109,507,133	0.02	2,190,143
4-Jun-13	Shares issued under rights issue – shortfall	3,000,000	0.02	60,000
	Cost of raising capital	-		(389,086)
		297,540,046		7,562,242

(ii) There were no options exercised during the financial year ended 30 June 2014 or 30 June 2013.

(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 2014 and 30 June 2013 are as follows:

	2014 $	2013 $
Total insurance premium funding	23,936	43,898
Less: cash and cash equivalents	(1,159,329)	(3,265,753)
Net debt	(1,135,393)	(3,221,855)
Total equity	58,387,187	61,333,813
Total capital	58,387,187	61,333,813
Gearing ratio	-	-

(d) **Nature and purpose of reserves**

i) Share based payment reserve;
The share based payment reserve is used to recognise the fair value of options issued but not exercised.

ii) Foreign Currency Translation Reserve
Exchange differences arising on translation of the foreign controlled entities are taken to the foreign currency translation reserve, as described in note 1(b).

Note 19 - Share-Based Payments Reserve

		2014 $	2013 $
At beginning of the reporting period		1,081,141	1,204,793
Unlisted Options issued	(i)	23,928	117,590
Unlisted Options expensed over vesting period	(ii)	75,392	346,131
Unlisted Options exercised	(iii)	-	-
Unlisted Options expiry	(iv)	(777,698)	(587,373)
At end of the reporting period		402,763	1,081,141

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

2014	Details	No.	Fair Market Value $	Value at Grant Date $	To Expense in future periods $	Expensed over vesting period $
02-Dec-13	Issue of options to Directors and Key Management Personnel	10,000,000	0.002	16,498	-	16,498
02-Dec-13	Issue of options to Directors and Key Management Personnel	10,000,000	0.001	12,914	5,484	7,430
		20,000,000		29,412	5,484	23,928

A total of 20,000,000 unlisted options were granted to Directors or other Key Management Personnel during the year. 10,000,000 options vest on 2 December 2013 and 10,000,000 vest on 2 December 2014. The value of these options is $29,412, of which $23,928 was expensed during the financial year (2013: Nil).

2013	Details	No.	Fair Market Value $	Value at Grant Date $	To Expense in future periods $	Expensed over vesting period $
23-Jul-12	Issue of options to Directors and Key Management Personnel	10,000,000	0.016	165,086	47,496	117,590
		10,000,000		165,086	47,496	117,590

A total of 10,000,000 unlisted options were granted to Directors or other Key Management Personnel during the year. 4,000,000 options vest on 23 July 2013 and 6,000,000 vest on 23 March 2014. The value of these options is $165,086, of which $117,590 was expensed during the 2013 financial year (2012: Nil).

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

2014	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
6-Dec-11	Issue of options to Directors and Key Management Personnel	11,000,000	0.036	391,871	27,896
23-Jul-12	Issue of options to Directors and Key Management Personnel	10,000,000	0.016	165,086	47,496
		21,000,000		556,957	75,392

A total of 11,000,000 unlisted options were granted to Directors and Key Management Personnel during the financial year 2012. 4,400,000 options vested on 6 December 2012 and 6,600,000 vest on 6 December 2013. The value of these options is $391,871, of which $27,896 was expensed during the financial year (2013: $208,742).

A total of 10,000,000 unlisted options were granted to Directors and Key Management Personnel during the financial year 2013. 4,000,000 options vest on 23 July 2013 and 6,000,000 vest on 23 March 2014. The value of these options is $165,086, of which $47,496 was expensed during the financial year (2013: $117,590).

2013	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	5,000,000	0.045	226,181	23,515
10-Oct-12	Issue of options to Key Management Personnel	7,500,000	0.031	230,146	113,873
6-Dec-11	Issue of options to Directors and Key Management Personnel	11,000,000	0.036	391,871	208,742
		23,500,000		848,198	346,130

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 vested on 29 November 2012. The value of these options is $226,181, of which $23,515 was expensed during the financial year (2012: $103,718).

A total of 7,500,000 unlisted options were granted to Key Management Personnel during the financial year 2012. 3,000,000 options vested on 10 October 2012, and 4,500,000 options vest on 10 October 2013. The value of these options is $230,146, of which $113,873 was expensed during the financial year (2012: 116,273).

A total of 11,000,000 unlisted options were granted to Directors and Key Management Personnel during the financial year 2012. 4,400,000 options vested on 6 December 2012 and 6,600,000 vest on 6 December 2013. The value of these options is $391,871, of which $208,742 was expensed during the financial year (2012: $155,233).

(iii) Unlisted Options Exercised

There were no unlisted options exercised for the year ended 30 June 2014 or 30 June 2013

(iv) Unlisted Options Expired

2014 Expiry Date	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
28-Nov-13	Expiry of Options – VXRAD	(5,000,000)	0.020	226,181	(226,181)
28-Nov-13	Expiry of Options – VXRAD	(3,000,000)	0.048	143,248	(143,248)
4-Apr-14	Expiry of Options – VXRAQ	(7,500,000)	0.049	230,146	(230,146)
4-Apr-14	Expiry of Options – VXRAS	(5,000,000)	0.035	178,123	(178,123)
		(20,500,000)		777,698	(777,698)

A total of 5,000,000 unlisted options expired on 28 November 2013. The value of these options is $226,181, of which $226,181 was reversed to accumulated losses during the year ended 30 June 2014.

A total of 3,000,000 unlisted options expired on 28 November 2013. The value of these options is $143,248, of which $143,248 was reversed to accumulated losses during the year ended 30 June 2014.

A total of 7,500,000 unlisted options expired on 4 April 2014. The value of these options is $230,146, of which $230,146 was reversed to accumulated losses during the year ended 30 June 2014.

A total of 5,000,000 unlisted options expired on 4 April 2014. The value of these options is $178,123, of which $178,123 was reversed to accumulated losses during the year ended 30 June 2014.

2013 Expiry Date	Details	No.	Fair Market Value $	Value at Grant Date $	Expensed over vesting period $
6-Dec-12	Expiry of Options - VXRAI	(12,000,000)	0.050	587,373	(587,373)
		(12,000,000)		587,373	(587,373)

A total of 12,000,000 unlisted options expired on 6 December 2012. The value of these options is $587,373, of which $587,373 was reversed to accumulated losses during the year ended 30 June 2013.

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

2014	Exercise Price $	Expiry Date	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	Balance at end of year No.
Unlisted Options (VXRAD)	0.150	28-Nov-13	8,000,000	-	-	(8,000,000)	-
Unlisted Options (VXRAQ)	0.150	05-Apr-14	7,500,000	-	-	(7,500,000)	-
Unlisted Options (VXRAS)	0.150	05-Apr-14	5,000,000	-	-	(5,000,000)	-
Unlisted Options (VXRAS)	0.150	05-Dec-14	6,000,000	-	-	-	6,000,000
Unlisted Options (VXRAK)	0.120	22-Jul-15	10,000,000	-	-	-	10,000,000
Unlisted Options (VXRAU)	0.025	01-Dec-16	-	10,000,000	-	-	10,000,000
Unlisted Options (VXRAU)	0.035	01-Dec-16	-	10,000,000	-	-	10,000,000
			36,500,000	20,000,000	-	(20,500,000)	36,000,000

2013	Exercise Price $	Expiry Date	Balance at beginning of year No.	Issued during the year No.	Exercised during the year No.	Expired during the year No.	Balance at end of year No.
Unlisted Options (VXRAI)	0.150	06-Dec-12	12,000,000	-	-	(12,000,000)	-
Unlisted Options (VXRAD)	0.150	28-Nov-13	8,000,000	-	-	-	8,000,000
Unlisted Options (VXRAQ)	0.150	05-Apr-14	7,500,000	-	-	-	7,500,000
Unlisted Options (VXRAS)	0.150	05-Apr-14	5,000,000	-	-	-	5,000,000
Unlisted Options (VXRAS)	0.150	05-Dec-14	6,000,000	-	-	-	6,000,000
Unlisted Options (VXRAK)	0.120	22-Jul-15	-	10,000,000	-	-	10,000,000
			38,500,000	10,000,000	-	(12,000,000)	36,500,000

(b) Expenses Arising From Share-Based Payment Transactions

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

	Note	2014 $	2013 $
Compensation to Directors & Key Management Personnel		85,372	440,205
Compensation to Employees / Former Directors & Key Management Personnel		13,948	23,516
	3	99,320	463,721

Note 20 - Operating Leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

	2014 $	2013 $
- not later than 12 months	220,794	206,025
- between 12 months and 5 years	25,659	232,179
- greater than 5 years	-	-
	246,453	438,204

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 2014, $206,025 was recognised as an expense in the profit or loss in respect of operating leases (2013: $214,839).

Note 21 - 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:

	2014 $	2013 $
- not later than 12 months	1,165,329	1,088,209
- between 12 months and 5 years	-	-
- greater than 5 years	-	-
	1,165,329	1,088,209

Note 22 - 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 was made at acquisition and has been reversed (see Note 16).
- 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.
- The Group settled the acquisition of Kangaroo Caves M45/587 on 20 November 2012.

  Consideration for the acquisition is the granting of an uncapped royalty of $2.00 per dry metric tonne for any ore mined and processed from the Kangaroo Caves tenement.

  The Group completed the acquisition of the remaining Kangaroo Caves tenements that were subject to an action in the Warden's Court (P45/2607, P45/2609-14, P45/2616) on 6 November 2013.

  At this stage, the Kangaroo Caves resource has not been included in the feasibility study for the proposed Pilbara Copper-Zinc Project as additional exploration work is required to further define the reserve potential. The royalty payment in relation to the Kangaroo Caves tenement will only become payable if favourable economic and infrastructure conditions exist to justify the mining and processing of the ore. These conditions are influenced by numerous external factors for which there is no certainty, and therefore, the Group Entity has made no provision in its account for this potential contingent liability.

Note 23 - Operating Segments

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

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

	Australia $	Brazil $	Total $
2014			
Segment revenue	-	-	-
Segment other income	-	-	-
Segment loss			
Total segment loss	(2,249,729)	(2,569,011)	(4,818,740)
Inter-segment loss	-	-	-
Net segment loss	(2,249,729)	(2,569,011)	(4,818,740)
Total segment assets	72,773,741	55,005	72,828,746
Total segment liabilities	(14,481,779)	(68,284)	(14,550,063)

	Australia $	Brazil $	Total $
2013			
Segment revenue	-	-	-
Segment other income	-	-	-
Segment loss			
Total segment loss	(11,840,522)	(5,094,876)	(16,935,398)
Inter-segment loss	-	-	-
Net segment loss	(11,840,522)	(5,094,876)	(16,935,398)
Total segment assets	74,130,925	2,078,874	76,209,799
Total segment liabilities	(14,830,147)	(45,839)	(14,875,986)

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

	2014 $	2013 $
Net segment loss	(4,818,740)	(16,935,398)
Corporate items:		
Interest revenue	969,069	322,383
Other revenue	1,993,030	755,186
Employee and Directors; benefits expense	(1,074,318)	(1,559,826)
Gain on derecognition of contingent liability	-	2,955,391
Other income/(expenses)	(1)	(294,488)
Net profit/(loss) before tax from continuing operations	(2,930,960)	(14,756,752)

Note 24 - Cash Flow Information

	Note	2014 $	2013 $
(a) Reconciliation of Cash Flow from Operations with Comprehensive Income			
Loss for the period		(2,930,960)	(14,756,752)
Add back depreciation expense	13	327,234	485,367
Add back interest from other parties		(1,715)	(637)
Add back equity issued for nil consideration, options issued	19i, 19ii	99,320	463,721
Add back impairment of area of interest	14	2,446,209	2,110,425
Add back write-off of area of interest	14	-	3,033,127
Add back income from investing activities		(1,692,962)	-
Add back re-estimation of rehabilitation provision	16	(852,296)	9,617,323
Add back unwind of discount on rehabilitation	16	563,240	236,059
Add back unwind of discount on contingent liability	16	-	(2,896,964)
Add back foreign exchange		-	(5)
Net Gain (Loss) on sale of plant & equipment		58,590	69,350
(Increases)/Decreases in accounts receivable		14,032	(15,580)
(Increases)/Decreases in other current assets		728,495	(110,139)
Increases/(Decreases) in accounts payable		261,087	(99,015)
Decreases in employee provisions		(17,025)	(223,810)
Cash flow used in operations		(996,751)	(2,087,530)

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

Share and Option Issues

These are no shares and options issued that are not reflected in the Cash Flow Information for the year ended 30 June 2014 and 30 June 2013.

Note 25 - Controlled Entities

	Country of Incorporation	Percentage Owned (%)* 2014	2013
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 26 - Events after the Reporting Period

On 3 July 2014, the Company completed the sale of the Whim Creek Hotel and adjacent Accommodation Village complex in the Pilbara region of Western Australia for $1.7 million cash.

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 27 - 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 profit or loss and other comprehensive income and consolidated statement of financial position, comprising the Company and controlled entity which is a party to the Deed, after eliminating all transactions between parties to the Deed of Cross Guarantee, for the year ended 30 June 2014 is set out as follows:

Consolidated Statement of Comprehensive Income for Closed Group	**2014 $**	**2013 $**
Other revenue	107,376	246,768
Other income	1,943,030	755,186
Administrative expense	(449,798)	(508,816)
Corporate expense	(369,858)	(217,472)
Directors, employees and consultants fee	(1,052,138)	(1,617,772)
Exploration and evaluation expense	(117,900)	(53,732)
Impairment/write off of area of interest	(2,446,209)	(5,143,552)
Impairment/write off of intercompany investment	(17,611,745)	-
Impairment/write off of intercompany receivables	(2,897,305)	-
Finance costs	(1,715)	(61,026)
Gain on derecognition of contingent consideration payable	-	2,955,391
Loss before income tax	**(22,896,262)**	**(3,645,025)**
Income tax expense	-	-
Loss after income tax attributable to the owners of the company	**(22,896,262)**	**(3,645,025)**
Other comprehensive income		
Items that may be reclassified to profit and loss:		
Foreign currency translation differences – foreign operations	(215,914)	(26,060)
Other comprehensive income for the period, net of tax	(215,914)	(26,060)
Total comprehensive loss for the period attributable to owners of the Company	**(23,112,176)**	**(3,671,085)**
Retained earnings at beginning of year	(22,375,215)	(19,317,563)
Share based payment – expiry of options	777,698	587,373
Retained earnings at end of year attributable to equity holders of the Company	(21,597,517)	(22,375,215)

Consolidated Statement of Financial Position for Closed Group	2014 $	2013 $
Assets		
Current assets		
Cash and cash equivalents	1,159,329	3,265,753
Trade and other receivables	981,729	24,795
Other	130,535	121,968
Total current assets	**2,271,593**	**3,412,516**
Intercompany investments	18,132,281	35,744,026
Plant and equipment	100,613	155,336
Intercompany loans	23,161,304	25,341,987
Exploration and evaluation costs	-	2,010,718
Total non-current assets	**41,394,198**	**63,252,067**
Total assets	**43,665,791**	**66,664,583**
Liabilities		
Current liabilities		
Trade and other payables	387,907	348,660
Provisions	330,770	330,770
Employee benefits	114,420	137,714
Total current liabilities	**833,097**	**817,144**
Non-current liabilities		
Provisions	-	-
Intercompany loans	210,249	210,485
Employee benefits	22,553	16,630
Total non-current liabilities	**232,802**	**227,115**
Total liabilities	**1,065,899**	**1,044,259**
Net assets	**42,599,892**	**65,620,324**
Equity		
Issued capital	86,910,839	86,918,414
Reserves	182,833	1,077,125
Accumulated losses	(44,493,780)	(22,375,215)
Total equity	**42,599,892**	**65,620,324**

Note 28 - Related Party Transactions

Key Management Personnel Compensation

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

	2014 $	2013 $
Short-term employee benefits	881,203	1,395,772
Post-employment benefits	38,699	81,525
Share-based payments	85,372	440,205
Termination benefits	-	73,462
	1,005,274	1,990,964

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 25.

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

(d) **Loans to/from related parties**
Venturex Resources Limited loaned $1,567,219 (2013: $9,278,671) to wholly owned subsidiaries.

The loans are unsecured, interest rate free (2013: interest rate free) and repayable on demand. There were no repayments made during the year.

Note 29 - Parent Information

The following details information related to the Company, Venturex Resources Ltd, at 30 June 2014. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2014 $	2013 $
Current assets	2,253,371	3,405,421
Non-current assets	55,804,134	74,777,839
Total assets	**58,057,505**	**78,183,260**
Current liabilities	764,812	771,304
Non-current liabilities	232,802	227,115
Total liabilities	**997,614**	**998,419**
Contributed equity	86,910,839	86,918,414
Reserves	402,762	1,081,141
Accumulated losses	(30,253,710)	(10,814,714)
Total Equity	**57,059,891**	**77,184,841**
Profit / (loss) for the year	(20,216,695)	1,605,231
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(20,216,695)**	**1,605,231**

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 2011 (refer to Note 27).

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 20).

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 16 and 22).

Note 30 - 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 2014 (2013: nil).

(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 rate risk primarily arises from cash and cash equivalents and long term deposits held. Risk is managed by regular monitoring of the fluctuations of the interest rates. The effective weighted average interest rate on classes of financial assets and financial liabilities is as follows:

	Note	Weighted Average Effective Interest Rate	Floating Interest Rate $	Fixed Interest Rate Within Year $	Fixed Interest Rate 1 to 5 years $	Fixed Interest Rate Over 5 years $	Non-Interest Bearing $	Total $
2014								
Financial Assets:								
Cash and cash equivalents	8	2.5%	1,159,329	-	-	-	-	1,159,329
Trade and other receivables	9		-	-	-	-	988,310	988,310
Other assets	12	2.5%	12,000	-	-	-	-	12,000
Total Financial Assets			1,171,329	-	-	-	988,310	2,159,639
Financial Liabilities:								
Trade and other payables	15		-	-	-	-	523,070	523,070
Total Financial Liabilities			-	-	-	-	523,070	523,070

	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 $
2013								
Financial Assets:								
Cash and cash equivalents	8	3.3%	3,265,753	-	-	-	-	3,265,753
Trade and other receivables	9		-	-	-	-	38,385	38,385
Other assets	12	4.5%	1,707,315	-	-	-	-	1,707,315
Total Financial Assets			4,973,068	-	-	-	38,385	5,011,453
Financial Liabilities:								
Trade and other payables	15		-	-	-	-	542,567	542,567
Total Financial Liabilities			-	-	-	-	542,567	542,567

Interest rate sensitivity analysis

The following table indicates the impact on how profit or loss 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:

	Profit or Loss Income $	Equity $
+/- 2% in interest rates		
- Year ended 30 June 2014	+/-23,000	+/-23,000
- Year ended 30 June 2013	+/-65,000	+/-65,000

(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. Trade and other receivables disclosed below have not been impaired.

	Note	0-30 days	30-60 days	60-90 days	90+day	Total
2014						
Trade and other receivables	9	983,732	-	-	4,578	988,310
2013						
Trade and other receivables	9	38,385	-	-	-	38,385

(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 based on their expected maturities.

	Note	0-30 days	30-60 days	60-90 days	90+ days	Total
2014						
Trade and other payables	15	419,879	72,391	-	30,800	523,070
2013						
Trade and other payables	15	542,567	-	-	-	542,567

(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 cash flow 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:

	Note	2014 $	2013 $
Trade and other receivables and other assets		-	-
Trade and other payables	15	(51,274)	(26,821)
Gross statement of financial position exposure		(51,274)	(26,821)

The following significant exchange rates applied during the year:

	Average Rate		End of the Reporting Period Spot Rate	
	2014	2013	2014	2013
AUD to BRL	0.4761	0.4775	0.4805	0.4890

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 $
2014		
AUD to BRL (10 percent strengthening)	(5,127)	5,127
2013		
AUD to BRL (10 percent strengthening)	(2,682)	2,682

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.

Note 31. Fair Value of Financial Instruments

(a) Recurring fair value measurements

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

(b) Fair values of financial instruments not measured at fair value

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

Note 32. 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:

	2014	2013
Weighted average exercise price	$0.025 & $0.035	$0.12
Weighted average life of the option	3 years	3 years
Underlying share price	$0.005	$0.048
Expected share price volatility	105%	87%
Risk free interest rate	3.54%	6.25%
Expected dividend yield	Nil	Nil

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

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

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 20 to 44, are in accordance with the Corporations Act 2001 and :

   (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

   (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date;

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.

   (d) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 27 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 27.

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

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 26th day of September 2014

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INDEPENDENT AUDITOR'S REPORT

To the members of Venturex Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Venturex Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

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

Opinion

In our opinion:

(a) the financial report of Venturex Resources Limited 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 2014 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards 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 modifying our opinion, we draw attention to Note 1 in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant 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 the directors' report for the year ended 30 June 2014. 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.

Opinion

In our opinion, the Remuneration Report of Venturex Resources Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Brad McVeigh
Director

Perth, 26 September 2014

Approach to Corporate Governance

Approach to Corporate Governance

Venturex Resources Limited (Company) has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to the ASX Corporate Governance Council 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 do not follow a recommendation, the Board has explained it reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

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

Policy on Independent Professional Advice

Safety & Health Policy

Environmental Policy

Stakeholder Relations Policy

The Company reports below on whether it has followed each of the recommendations during the 2013/2014 financial year ("Reporting Period"). The information in this statement is current at 26 September 2014.

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, which is disclosed on the Company's website.

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.

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 on page 12.

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.

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

For the period 1 July 2013 to 3 July 2013, the Board comprised:

Name	Independent status
Anthony Kiernan	Independent, non-executive Chairman
Michael Mulroney	Not independent, Managing Director
Raymond Parry	Not independent, non-executive

On 4 July 2013, John Nitschke was re-appointed as an independent non-executive director. Accordingly, the four member Board now comprises an equal number of independent and non-independent directors:

Name	Independent status
Anthony Kiernan	Independent, non-executive Chairman
John Nitschke	Independent, non-executive
Michael Mulroney	Not independent, Managing Director
Raymond Parry	Not independent, non-executive

As noted above, the Board believes its current composition represents the mix of skills and diversity that are appropriate as the Company moves to development and sustainable operations. The Board does not have any plans to increase the size of the Board at the moment, but will take into account independence as a factor in considering any new appointments to the Board in accordance with its Policy and Procedure for the Selection and (Re) Appointment of Directors.

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

- Balance 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, 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 balance sheet 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 noted above 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 independent Chair of the Board is Anthony Kiernan. The Managing Director is Michael Mulroney who is not Chair of the Board.

Independent Professional Advice
(Recommendation: 2.6)

To assist directors with independent judgment, 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 Committee (or equivalent) follows a prescribed process whereby it evaluates the mix of skills, experience, expertise and diversity of the existing Board. In particular, the Nomination Committee (or equivalent) 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. 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. An election of directors is held each year. 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. The members of the Audit Committee are Ray Parry, John Nitschke (appointed 25 July 2013) and Anthony Kiernan (Chair).

For the period 1 July 2013 to 24 July 2013, the Audit Committee was not structured in compliance with Recommendation 4.2 as it comprised only two members. However, since John Nitschke's appointment to the committee on 25 July 2013, the Audit Committee is now structured in compliance with Recommendation 4.2 except that Mr Parry, a non-independent director is the Chair of the Audit Committee. The Board considers Mr Parry to be the most appropriate person to Chair the committee because he is the only Board member that has relevant qualifications and experience, holding a degree in Accounting and Finance, a Masters of Business Administration specialising in international business, and is a Certified Practising Accountant.

The Audit Committee held six meetings during the Reporting Period. Details of director attendance at Audit Committee meetings during the Reporting Period are set out in a table in the Directors' Report on page 18.

Details of each of the director's qualifications are set out in the Directors' Report on page 12. 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. In addition, Mr Parry holds a Degree in Accounting and Finance, a Masters of Business Administration specialising in International Business, and is a Certified Practising Accountant.

The Company has established a Procedure 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 Procedure for 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. The members of the Nomination and Remuneration Committee are Anthony Kiernan (Chair), John Nitschke (appointed 25 July 2013) and Ray Parry. For the period 1 July 2013 to 24 July 2013, the Nomination and Remuneration committee was not structured in accordance with Recommendation 8.2 as it comprised only two members. However, since Mr Nitschke's appointment the committee is structured in compliance with Recommendation 8.2.

The Nomination and Remuneration Committee held four meetings during the Reporting Period. Details of Director attendance at Nomination and Remuneration Committee meetings during the Reporting Period are set out in a table in the Director's Report on page 18.

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report and commences on page 14. The Company's policy on remuneration clearly distinguishes the structure of non-executive directors' remuneration from that of executive directors and senior executives. 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 on 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 Board has adopted a Nomination and Remuneration Committee Charter which describes the role, composition, functions and responsibilities of the Nomination and Remuneration Committee.

The Company's Nomination and Remuneration Committee Charter is 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 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, an evaluation of the Board, its committees and individual directors took place in accordance with the process disclosed.

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 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Company has also established a Whistleblower Policy. The aim of the policy is to ensure that directors, officers and employees comply with their obligations under the Code of Conduct. It also encourages reporting of violations (or suspected violations) and provides effective protection from victimisation or dismissal to those reporting by implementing systems for confidentiality and report handling.

The Company's Code of Conduct and Whistleblower Policy are 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 in accordance with its Diversity Policy, 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 33% 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 as at 30 June 2014 are set out in the following table:

	Proportion of Women
Whole organisation	5 out of 18 (33%)
Senior Executive positions	0 out of 2 (0%)
Board	0 out of 4 (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. [Insert statements regarding any reporting by management to the Audit Committee and by the Audit Committee to the Board regarding the management of material business risks.

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. During the Reporting Period, the Company engaged a third party consultant to assist and facilitate the review and update of the Company's risk register.

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

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 17 September 2014:

EQUITY SECURITIES HOLDER INFORMATION

Ordinary Shares

1,547,869,181 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	3,428	0.000
1,001 – 5,000	27	105,270	0.007
5,001 – 10,000	85	715,086	0.046
10,001 – 100,000	585	27,409,939	1.771
100,001 – 99,999,999,999	500	1,519,635,458	98.176
TOTAL	**1,264**	**1,547,869,181**	**100.000**

599 Shareholders held less than a marketable parcel (<$500) of ordinary fully paid shares based on the current market price ($0.008 – 17-9-2014).

	Twenty Largest Holders of Ordinary Fully Paid Shares	No of Shares	
1.	REGENT PACIFIC GROUP LIMITED	518,103,930	33.472
2.	NORTHERN STAR RESOURCES LIMITED	199,689,768	12.901
3.	HENGHOU INDUSTRIES (HONG KONG) LIMITED	113,967,184	7.363
4.	J P MORGAN NOMINEES AUSTRALIA LTD	40,760,787	2.633
5.	ARGONAUT EQUITY PARTNERS PTY LIMITED	38,315,702	2.475
6.	GREENRIDGE HOLDINGS PTY LTD	31,959,070	2.065
7.	UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	31,484,648	2.034
8.	MAINPLAY PTY LTD	27,725,455	1.791
9.	AFM PERSEUS FUND LIMITED	22,786,617	1.472
10.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	21,714,020	1.403
11.	GJ RISHWORTH & AH IRAWATI	20,500,000	1.324
12.	ANTHONY MILES REILLY	18,800,001	1.215
13.	MACQUARIE BANK LIMITED METALS & ENERGY CAPITAL DIV	15,294,813	0.988
14.	DOVE NOMINEES PTY LTD	14,518,055	0.938
15.	BM & M FEATHERBY	12,227,999	0.790
16.	OGDEN GROUP PTY LTD	11,900,000	0.769
17.	ANTHONY WILLIAM KIERNAN	11,848,182	0.765
18.	CLARK SUPERANNUATION FUND PTY LTD	10,210,199	0.660
19.	CHEYNES BEACH FINANCE PTY LTD	9,500,000	0.614
20	JOSSELIN PTY LTD	9,500,000	0.614
		1,180,806,430	**76.286**

Options

36,500,000 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.

	VXRAS	VXRAK	VXRAU	VXRAU
Number of Options	6,000,000	10,000,000	10,000,000	10,000,000
Exercise Price	15 cents	12 cents	2.5 cents	3.5 cents
Expiry Date	5/12/2014	22/07/2015	1/12/2016	1/12/2016
No of Holders	2	1	1	1
Holdings >20%	50% - 3,000,000 A & S L Trench <CYMRU A/C> 50% - 3,000,000 Bwindi Pty Ltd	100% - 10,000,000 Greenleigh Holdings Pty Ltd	100% - 10,000,000 Greenleigh Holdings 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	518,103,930	33.472	4/06/2013
Northern Star Resources Limited	199,689,768	12.901	4/06/2013
Henghou Industries (Hong Kong) Limited	96,433,771	6.718	19/04/2013

* 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
110 Stirling Highway
Nedlands WA 6009

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

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ASX Code: VXR Shares