



Sulphur Springs: a compelling Greenfields Cu-Zn project



Near-term production opportunities



Existing cash-flow

# EXTRACTING VALUE IN A NEW REALITY

*Building a robust copper-zinc company*

Resources Rising Stars, 24-25 May 2016  
John Nitschke, Managing Director



ASX: VXR



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## Competency Statement

The information in this presentation that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled or reviewed by James Guy who is a Member of the Australasian Institute of Mining and Metallurgy. The information contained in this presentation was previously released in announcements Company Resource and Reserve Statement – Revised released 8 October 2013, Kangaroo Caves Resource Upgrade issued 22 September 2015 and Sulphur Springs Resource Update issued 11 May 2016.

The Company confirms that:

- a. The form and context of the material in this presentation has not been materially modified from the above previous announcements;
- b. It is not aware of any new information or data that materially affects the information included in the 8 October 2013 announcement and that all material assumptions and technical parameters underpinning the estimate in the 8 October 2013, 22 September 2015 and 11 May 2016 announcements continue to apply and have not materially changed; and
- c. It is uncertain that following further exploration and evaluation that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC 2012 Code.

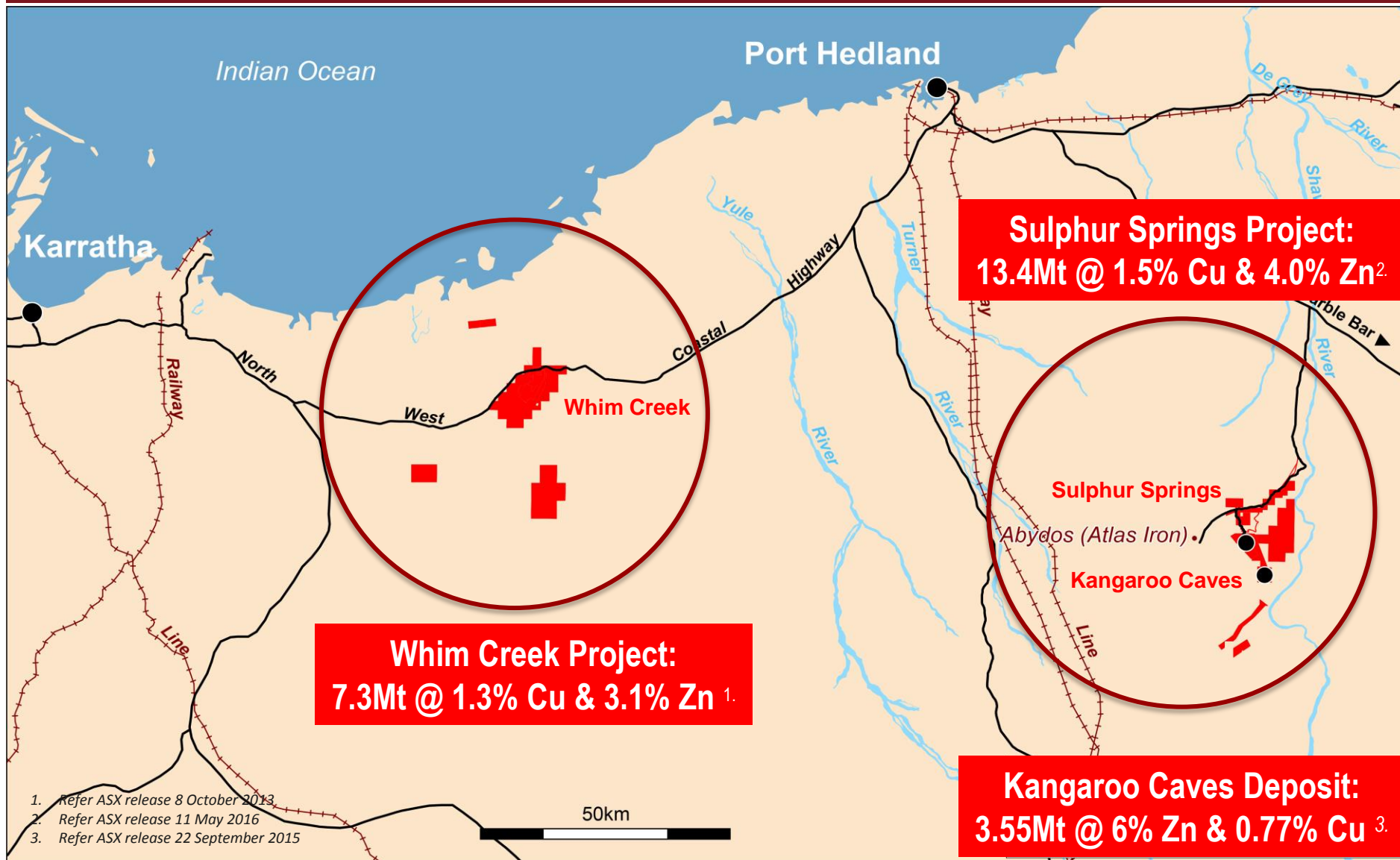


# An extensive, high quality Resource inventory in a premier mining jurisdiction



- Two advanced copper-zinc projects
- Large Resource inventory
- Premier mining jurisdiction
- World-class infrastructure
- \$60 million and 6 years to assemble

**Total Mineral Resource of ~300,000t of contained copper and ~900,000t of contained zinc**

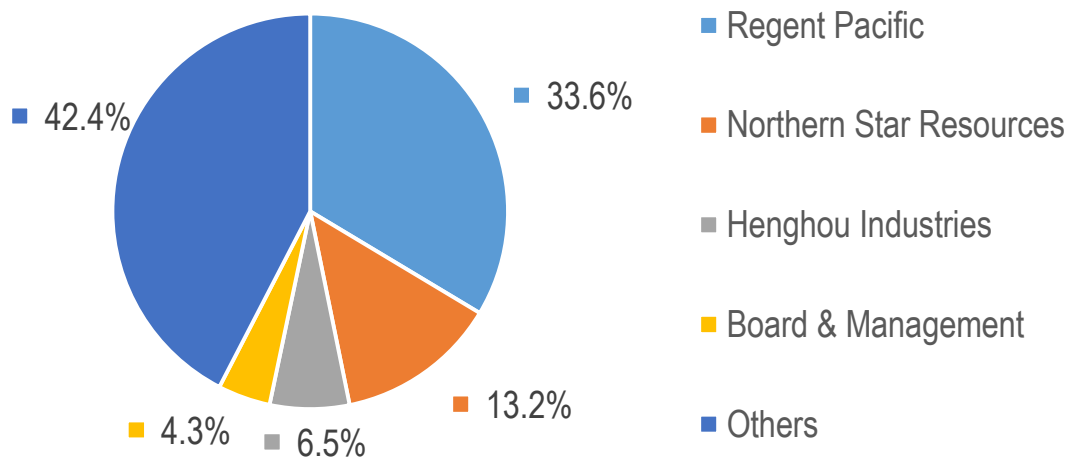


# Corporate Overview

## Capital Structure

ASX Code	VXR
Issued Shares	1,746M
Market Capitalisation (at 0.5c)	\$8.7M
Cash and receivables (as at 30 April 2016)	\$0.9M

## Key Shareholders



## Experienced Board

**Anthony Kiernan LLB** - *Non-Executive Chairman*  
Solicitor with +35 years experience with public companies

**John Nitschke B.Eng (Hons), MSc** - *Managing Director*  
Mining engineer with +40 years' experience

**Anthony Reilly B.Ec** - *Non-Executive Director*  
20 years investment banking experience

**Darren Stralow B.Eng, GAICD, GCAF** - *Non-Exec. Director*  
Mining engineer with +15 years' experience



# Management & Consultants: Focus on Delivering Technical Excellence

## Skilled and Experienced Management Team ..... Hand Picked Consultants

**John Nitschke** B.Eng (Hons) MSc - *Managing Director*

Over 40 years experience in evaluation, project development, operations management and optimisation of gold and base metal resources

**Trevor Hart** – *Company Secretary & CFO*

20 years' experience including 15 years in resources and mining services

**Stefan Gawlinski** M.Sc – *Consultant Geologist*

Geologist with outstanding discovery track record, ex-Golden Grove

**Reg Beaton** B.Sc (Hons) – *Consultant Geologist*

Geologist with demonstrated discovery track record, ex-Jabiru Metals

**James Guy** – *Consultant Geologist*

Geologist who has led the revitalisation of Venturex's exploration

**David Milton** -*Consultant Geologist*

Geologist who developed new Resource models for Sulphur Springs and Kangaroo Caves

### **Blackrock Metals**

**Mick Cudby** - Metallurgist with 20 years experience in developing and operating heap leach operations

**Brendan James** - Metallurgist with 20 years experience in hydrometallurgy and private equity

**Peter Benjamin** - Geologist with 35 years experience in exploration and operations geology and project evaluation

**Ruj Limpraset** - Mining Engineer with 10 years experience in open pit planning and scheduling

**Lycopodium**

Processing and Infrastructure

**Knight Piésold**  
CONSULTING

Tailings Management

**entech.**  
Mining Engineering and Management

Mining



Environmental management and approvals



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# Venturex Resources – Three Strategies for Extracting Value

## Existing cash-flow

- Increase and extend cash-flow from SX-EW heap leach operation at Whim Creek:
  - *Agreement for production of copper cathode extended to December 2018*
  - *Venturex NPI share increased from 15% to 30% for 2016 and 49% thereafter*



## Near-term production opportunities

- Identify near-term low CAPEX production opportunities that are achievable:
  - *Whim Creek: extensive infrastructure, high grade options from large Resource base*
  - *Sulphur Springs: high-grade supergene resource*



## A compelling copper-zinc project

- Continue to optimise greenfields Sulphur Springs Copper-Zinc Project:
  - *Shovel ready now*
  - *Ongoing optimisation producing compelling project economics*



# Whim Creek Heap Leach – Current Production Providing Cash-flow

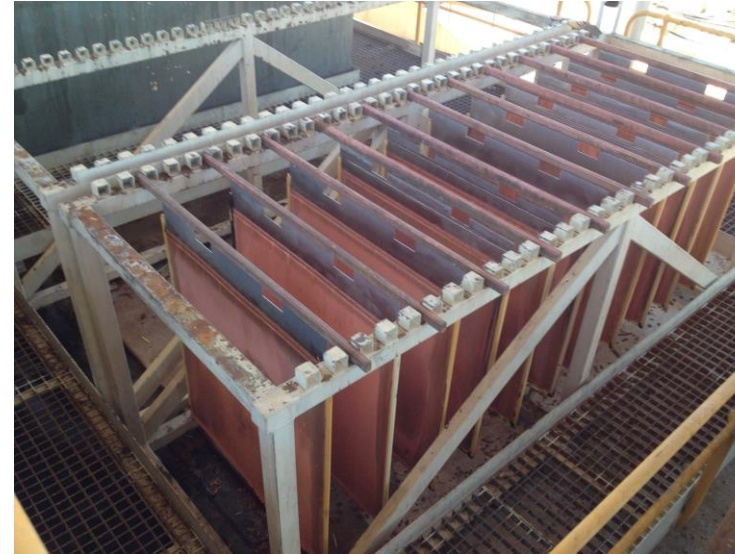
Existing  
cash-flow

- VXR share of profit
  - FY 2016 (22.5%) \$783,000 from ~1,008t
  - FY 2017 share will be 39.5% from ~1,200t
  - FY 2018 share will be 49% from ~1,000t
- Highly experienced heap leach operator
- Operated by Blackrock Metals
- Access agreement to residual dumps

Near-term  
production  
opportunities

A compelling  
copper-zinc  
project

***Our focus is on extending and expanding***





# Whim Creek Heap Leach – Expanding and Extending

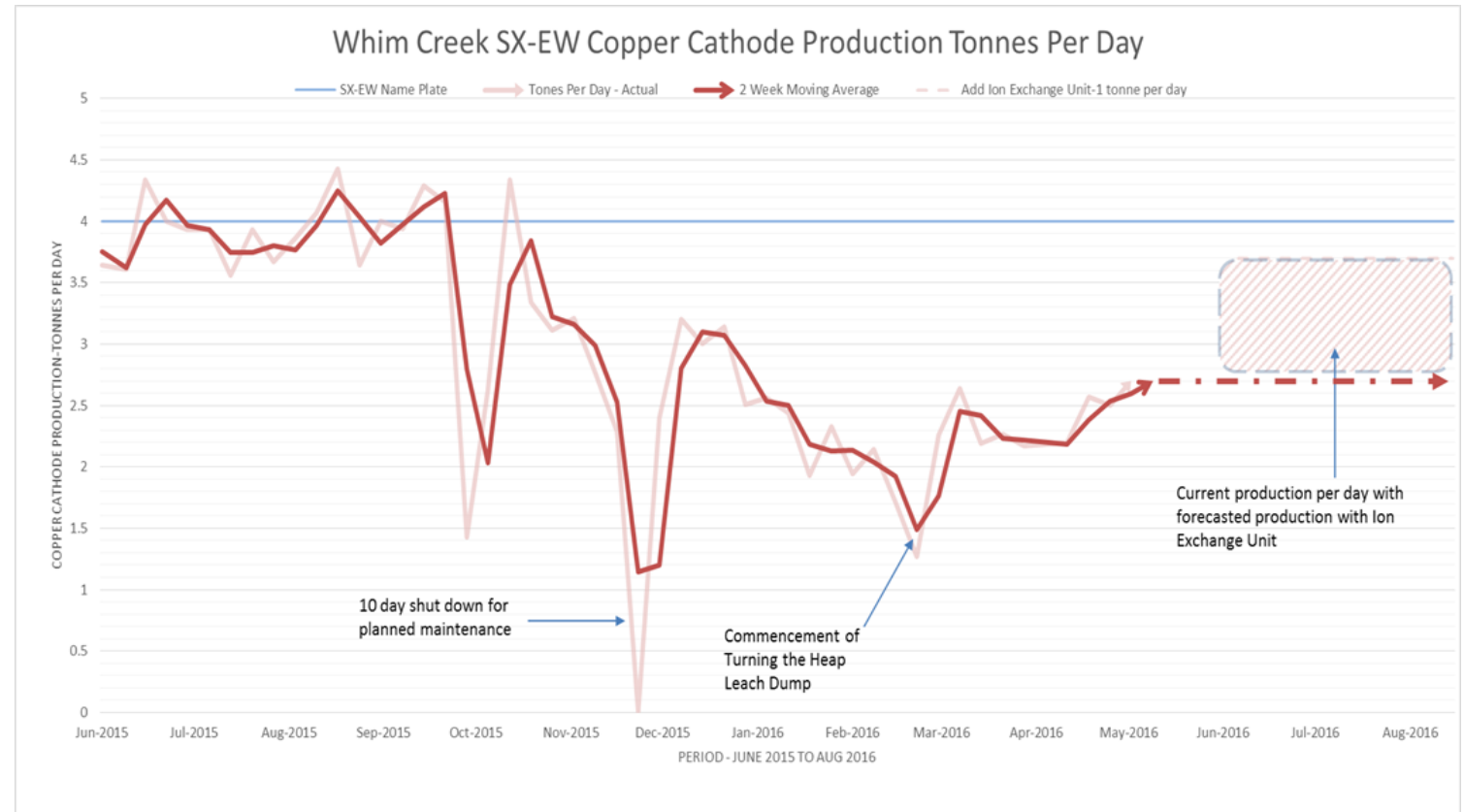
Existing cash-flow

- Turning over and restacking existing heap leach dumps
- Installation of Fenix Ion Exchange Unit to supplement Heap Leach production
- Copper production expected to increase from the June 2016 Quarter

Near-term production opportunities

A compelling copper-zinc project

- Potential Oxide Copper sources include:
  - *Whim Creek Open Pit*
  - *Salt Creek*
  - *Evelyn*
- Fully funded by Blackrock Metals





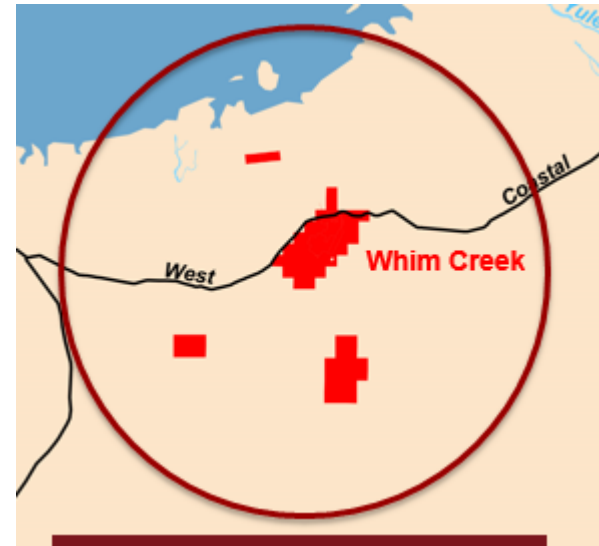
# Whim Creek Project – An Outstanding Near Term Production Opportunity

Existing  
cash-flow

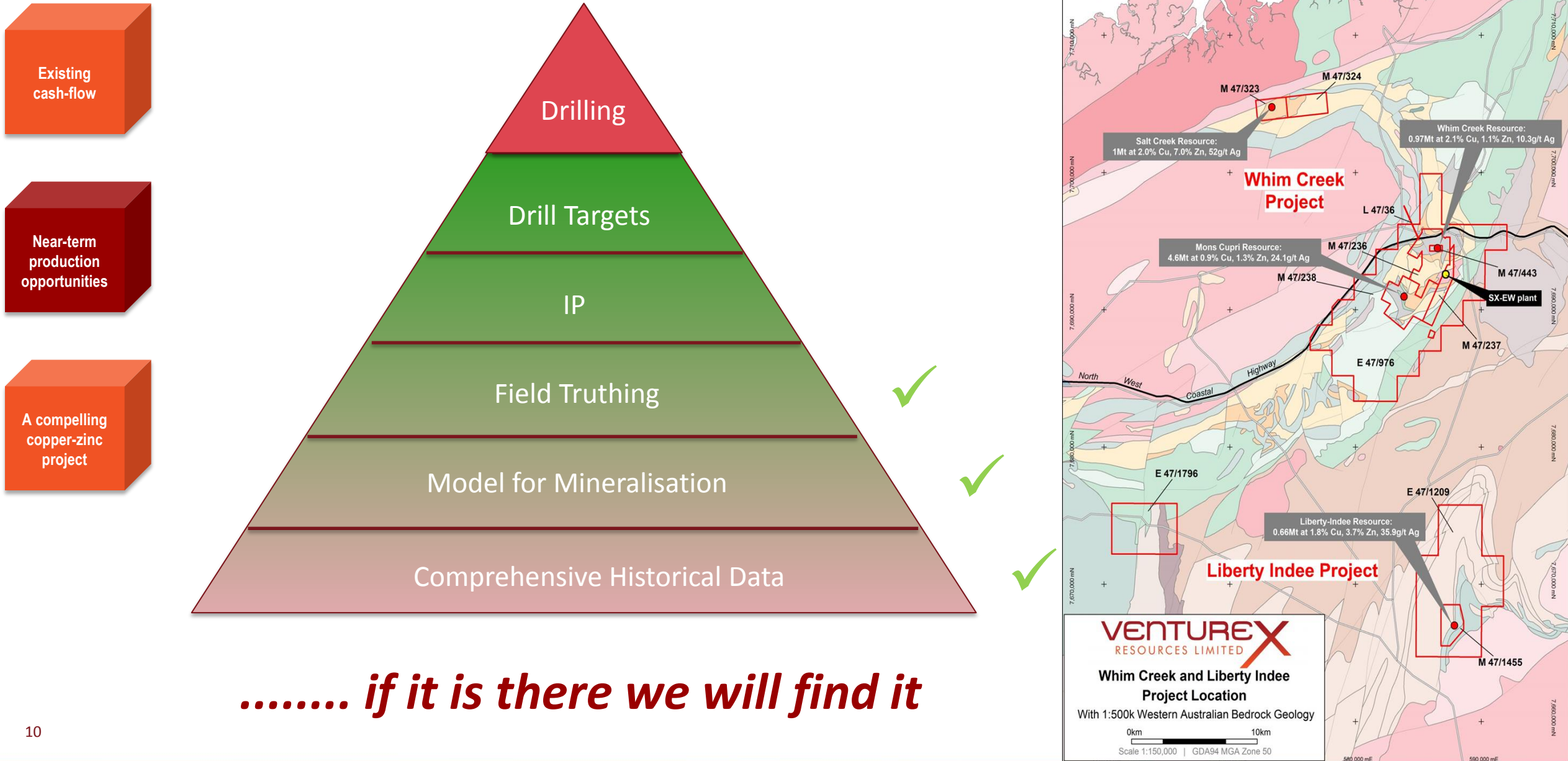
- Large brownfields project located 122km from Port Hedland
- VMS District including Mons Cupri, Whim Creek, Evelyn and Salt Creek copper-zinc-lead and precious metal Resources plus 18,500ha of exploration tenements
- Focus on achieving near-term low CAPEX production from the existing copper-zinc sulphide resources by:
  - *Assessing the viability of high grade production from the existing Resources; and*
  - *Increasing the size and/or grade of the existing Resources through exploration*

Near-term  
production  
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A compelling  
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project



# Whim Creek Project – Disciplined Systematic Approach to Exploration



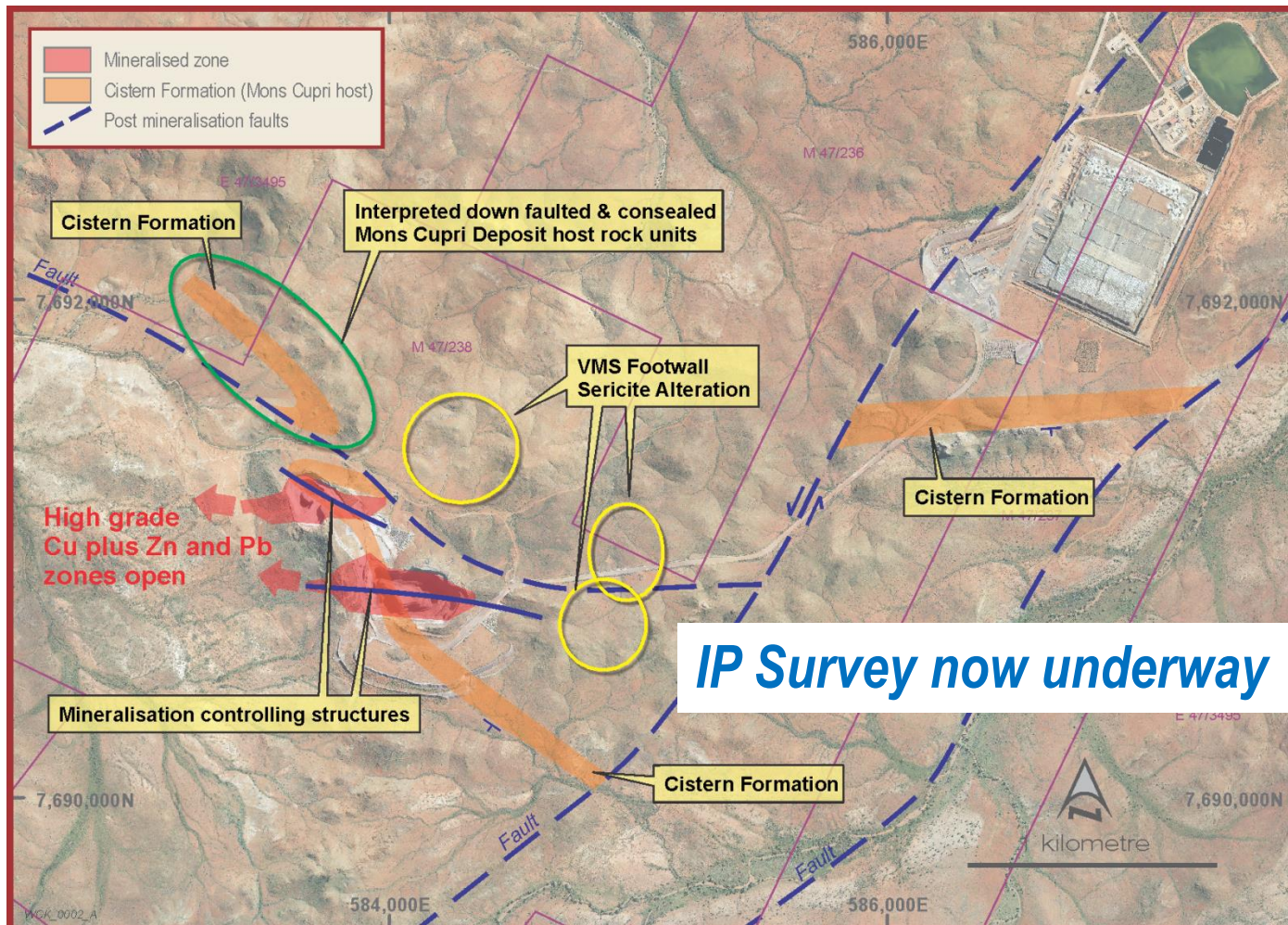


# Mons Cupri – Largest Resource\* at Whim Creek

Existing cash-flow

Near-term production opportunities

A compelling copper-zinc project



- Controls for high grade stringer style copper and overlying high grade zinc-lead-silver mineralisation identified
- Potential down plunge extensions of high grade ore
- Post mineralisation fault north of Mons Cupri NW pit opens potential for Mons Cupri host at depth
- Mons Cupri host extends 4km to east
- Alteration Zones – potential VMS related

**\* 4.6 Mt @ 0.9% Copper, 1.3% zinc, 0.5% lead, 24 g/t silver**



# Sulphur Springs Copper Zinc Project – Ready for Development

Existing  
cash-flow

- VMS district including Sulphur Springs and Kangaroo Caves Resources and tenements over 27km of under-explored stratigraphy along the Panorama Trend

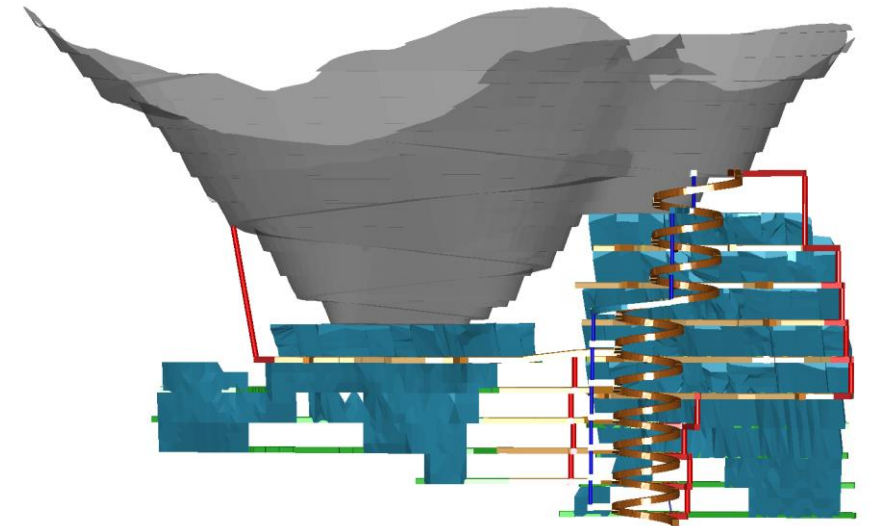
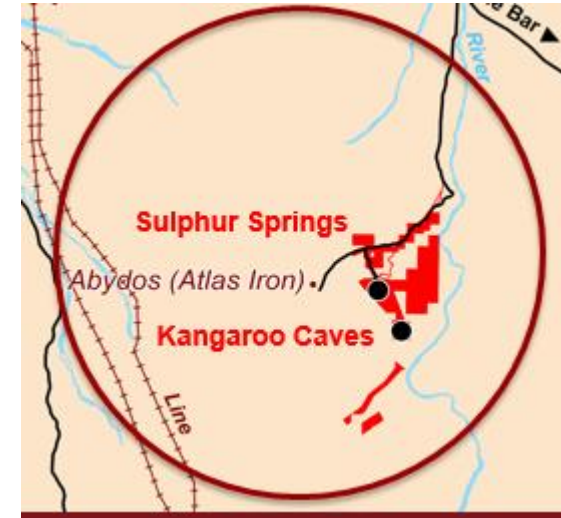
- Sulphur Springs Underground Project is shovel-ready with Definitive Feasibility Study, approved Mining Leases, Environmental Approval and Native Title Agreements

- Optimisation phase on Sulphur Springs ongoing:

- *Proposal to mine upper part of Resource using open pit*
- *Inclusion of Kangaroo Caves Resource in mining inventory*
- *Upgrade of Resource estimate*

Near-term  
production  
opportunities

A compelling  
copper-zinc  
project



The LoM schedule is derived from a mining inventory of which 67% is Indicated Resources and 33% is Inferred Resources, the LoM mining inventory does not constitute an Ore Reserve. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

# Sulphur Springs Project – Ongoing Optimisation Phase

Existing  
cash-flow

## Opportunity for Near Term Production

- Updated Mineral Resource estimate for Sulphur Springs:
  - 13.4Mt grading 1.5% Cu and 4.0% Zn for 194,000t of contained copper and 530,000t of contained zinc \*
  - 6% increase in contained copper
- Now includes Supergene resource of 800,000 tonnes grading 4.2% Cu for 34,000t of contained copper
  - Enriched copper mineralisation near the surface in the valley floor
- Supergene copper expected to be amenable to heap leach SX/EW recovery
  - Potential for near-term low CAPEX production
- New resource model allows opportunities and risks associated with the Project to be identified and evaluated

Near-term  
production  
opportunities

A compelling  
copper-zinc  
project

## Key Optimisation Outcomes to Date:

**Same production**

**Simpler to mine and operate**

**Significantly lower risk profile**

**Significantly improved financial metrics:**

- 28% reduction in pre-production CAPEX to A\$202M
- 30% increase in mine life to 11 years \*\*
- 46% reduction in OPEX: C1 copper cash cost of A\$0.84 per pound

**Increased copper Resource**

**Opportunity for near term production**

\* Refer ASX Release 11 May 2016

\*\* The LoM schedule is derived from a mining inventory of which 67% is Indicated Resources and 33% is Inferred Resources, the LoM mining inventory does not constitute an Ore Reserve. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

# Sulphur Springs Project – Ongoing Optimisation Activities

Existing  
cash-flow

## Assessing Supergene Copper

- Infill drilling
- Metallurgical test work
- Basic infrastructure requirements
- Permitting

Near-term  
production  
opportunities

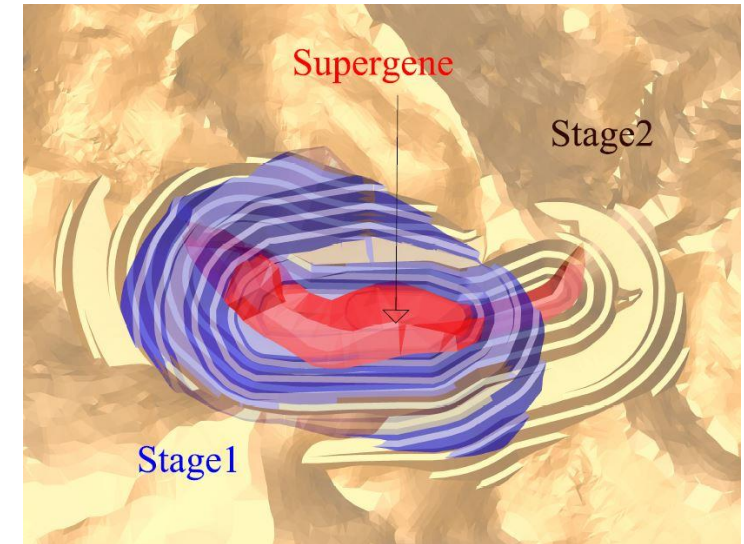
## New mine plan to support new Reserve estimate

- Further optimisation of underground mine plans
- Bulk mining to reduce costs

## Permitting once project plan finalised

- Environmental risks much better understood
- Referral to EPA for level of assessment

A compelling  
copper-zinc  
project



*...Supergene copper within VXR capabilities, even in this market*

*...significant value being added through optimisation stage*



# Sulphur Springs – Lithium Exploration Potential

Existing cash-flow

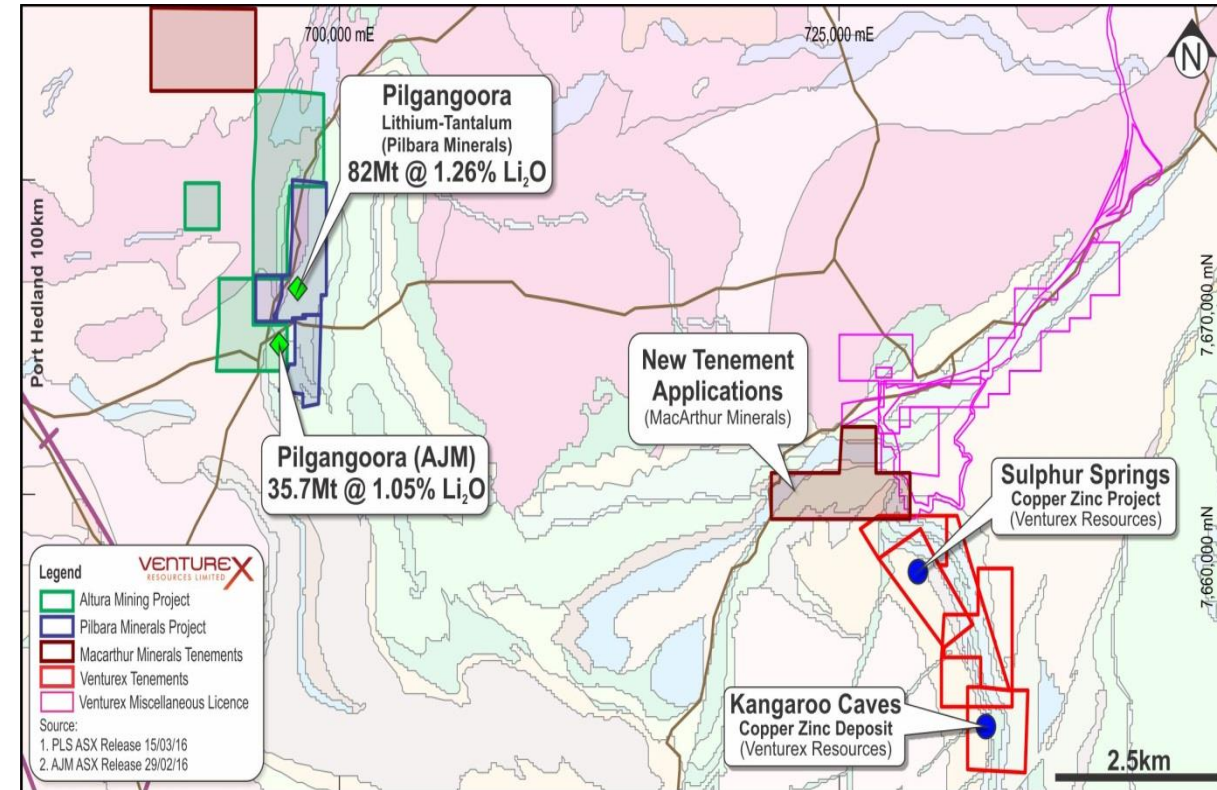
- Sulphur Springs located 30km from Pilbara Minerals (ASX: PLS) world-class Pilgangoora Lithium-Tantalum Project

Near-term production opportunities

- Located within the highly prospective Shaw River District:
  - *Major regional geological feature where neighbouring explorers are targeting new lithium discoveries*

A compelling copper-zinc project

- Review of the lithium potential now underway:
  - *Desktop review of available historical data*
  - *Expected to be completed by the end of June 2016*



***Sulphur Springs is located on the doorstep of the world's premier emerging lithium province, the Pilgangoora district***

# Pilbara Copper-Zinc Projects – Next Steps

## Heap Leach Operation at Whim Creek – Funded by Blackrock Metals

- Continue to turn heap leach dumps with excavator
- Commission Fenix Ion Exchange plant ⇒ 4 tpd
- Actively assess additional sources of heap leachable material – surface stockpiles, Whim Creek open pit, Salt Creek, Evelyn etc ⇒ 6 tpd

## Whim Creek Sulphide Copper Zinc Project






- High grading existing Resources at Mons Cupri with low CAPEX processing plant
- Generate high grade drill targets (if they are there)
- Drill (subject to prospectivity and funding)

## Sulphur Springs Project

- Assess potential for low CAPEX early production from newly-discovered supergene zone
- Optimise underground mining and complete new Reserve estimate
- Refer optimised project to EPA to determine the level of assessment
- Evaluation of lithium potential



## ***Venturex Resources – Key Investment Takeaways***

Ongoing income stream		FY 2016 VXR share - \$783,000 FY 2017 VXR Share ~\$1,600,000
Near term production opportunities		Low CAPEX high grade Targeted exploration generating results
Greenfields Sulphur Springs copper-zinc project		Shovel-ready – ongoing optimisation making it even more attractive
Substantial Resource Base		High leverage to base metals prices
World-class mining jurisdiction		Well located near existing infrastructure

***...unlocking the value of one of the largest base metal portfolios in Australia***





THANK YOU!

Two advanced copper-zinc projects in WA's Pilbara

Extensive resources with outstanding growth potential

Poised for production at the right time

**John Nitschke**, Managing Director

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**Anthony Reilly**, Non-Executive Director

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# Appendix – Mineral Resource Summary

	Mt	Cu%	Zn%	Pb%	Ag g/t	Au g/t
<b>Combined Sulphur Springs Region</b>						
<i>Indicated</i>	10.5	1.4	4.4	0.2	17.1	0.2
<i>Inferred</i>	6.5	1.2	4.4	0.2	18.0	0.2
<b>Sub-Total</b>	<b>17.0</b>	<b>1.4</b>	<b>4.4</b>	<b>0.2</b>	<b>17.4</b>	<b>0.2</b>
<b>Combined Whim Creek Region</b>						
<i>Measured</i>	1.3	1.5	1.7	0.8	41.1	0.28
<i>Indicated</i>	5.1	1.2	2.3	0.7	23.3	0.13
<i>Inferred</i>	0.2	2.6	0.3	0.1	4.1	0.03
<b>Sub-Total</b>	<b>6.6</b>	<b>1.3</b>	<b>2.1</b>	<b>0.7</b>	<b>26.3</b>	<b>0.15</b>
<b>Liberty Indee Joint Venture (70%)</b>						
<i>Indicated</i>	0.45	2.2	4.5	0.4	42.0	0.9
<i>Inferred</i>	0.20	1.0	1.8	0.2	22.4	0.4
<b>Sub-Total</b>	<b>0.7</b>	<b>1.8</b>	<b>3.7</b>	<b>0.3</b>	<b>35.9</b>	<b>0.8</b>
<b>TOTAL *</b>	<b>24.2</b>	<b>1.3</b>	<b>3.6</b>	<b>0.3</b>	<b>18.0</b>	<b>0.1</b>

\* Rounding errors may occur

# Defined Ore Reserves

*Three other deposits yet to be upgraded to ore reserve status*

ORE RESERVE							
	Classification	Tonnes ('000t)	Cu %	Zn %	Pb %	Ag g/t	Au g/t
<b><i>Whim Creek</i></b>	Probable	221	2.7	0.9	0.1	8.5	0.1
<b><i>Mons Cupri</i></b>	Probable	951	1.7	2.2	1.0	47.1	0.3
<b><i>Sulphur Springs</i></b>	Probable	7,200	1.8	4.3	0.1	18.5	0.0
<b><i>Total</i></b>		<b>8,372</b>	<b>1.8</b>	<b>4.0</b>	<b>0.3</b>	<b>21.4</b>	<b>0.1</b>