

ASX/Media Release

21 August 2018

## VXR - August Investor Presentation

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Venturex Resources (ASX: VXR) is pleased to provide a copy of the Company's latest investor presentation which it is using as the basis for meetings with shareholders, investors, brokers and institutions.

The presentation highlights recent progress at the 100%-owned Sulphur Springs Copper-Zinc Project in the Pilbara, where it is now in the final stages of a Definitive Feasibility Study.



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**Managing Director**

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## Highlights

- ✓ Outstanding metallurgical results
- ✓ Feasibility study now in final stages
- ✓ Capital consolidation completed
- ✓ One of the few emerging base metal companies on the ASX

# Getting ready to go at Sulphur Springs

August 2018 Investor Presentation

AJ Saverimutto – Managing Director

# Disclaimer

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## Competency Statement

The information in this presentation that relates Geophysical Exploration Results is based on information compiled by Mr Russell Mortimer, who is employed as a Consultant to the Company through geophysical consultancy Southern Geoscience Consultants Pty Ltd. Mr Mortimer is a member of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The information in this presentation that relates to Exploration Results at the Sulphur Springs Project is based on information by Mr Stefan Gawlinski who is employed as a Consultant to the Company. Mr Gawlinski is a member of the Australian Institute of Geoscientists and Mr Gawlinski has sufficient experience with the style of mineralisation and the type of deposit under consideration.

The information in this presentation that relates Exploration Results at the Whim Creek Project is based on information compiled by Mr Reginald Beaton who is employee of the Company. Mr Beaton is a member of the Australian Institute of Geoscientists and Mr Beaton has sufficient experience with the style of mineralisation and the type of deposit under consideration.

The information contained in this presentation relating to the Whim Creek Projects Resources and Reserves was previously released in announcements Company Resource and Reserve Statement – Revised released 8 October 2013 and 23 March 2018.

The information contained in this presentation relating to the Kangaroo Caves Resources was previously released in announcements issued 22 September 2015, based on information compiled or reviewed by Mr David Milton, Hardrock Mining Consultants Pty Ltd who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Milton has 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 – Refer Edition of the "Australasian Code for Reporting of Mineral Resources".

The information contained in this presentation relating to the Sulphur Springs Resources was previously released in announcements issued 21 March 2018, based on information compiled or reviewed by Mr David Milton of Mil Min Pty Ltd who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Milton has 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 – Refer Edition of the "Australasian Code for Reporting of Mineral Resources".

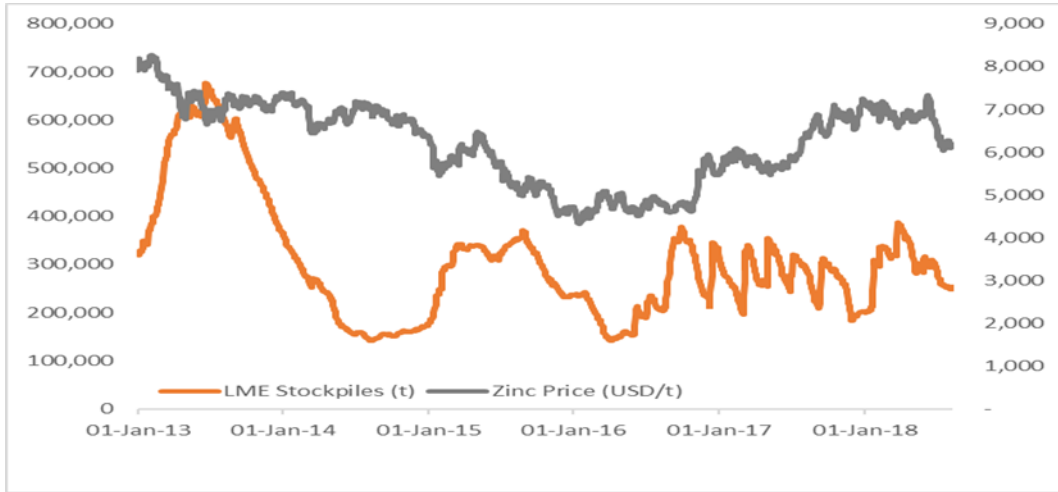
The information contained in this presentation relating to the Sulphur Springs Reserves was previously released in announcements based on information compiled or reviewed by Mr Daniel Donald, of Entech Pty Ltd who is a member of the Australasian Institute of Mining and Metallurgy. Mr Donald has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Reserves".

The information in the report that relates to interpretation of metallurgical test work is based on information compiled or reviewed by Mr Giddy an employee of Lycopodium Minerals Pty Ltd. Mr Giddy is a member of the Australasian Institute of Mining and Metallurgy. Mr Giddy has sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Reserves".

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 previous announcements and that all material assumptions and technical parameters underpinning the estimate in the Value Engineering Study announcement issued 16 February 2017 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.

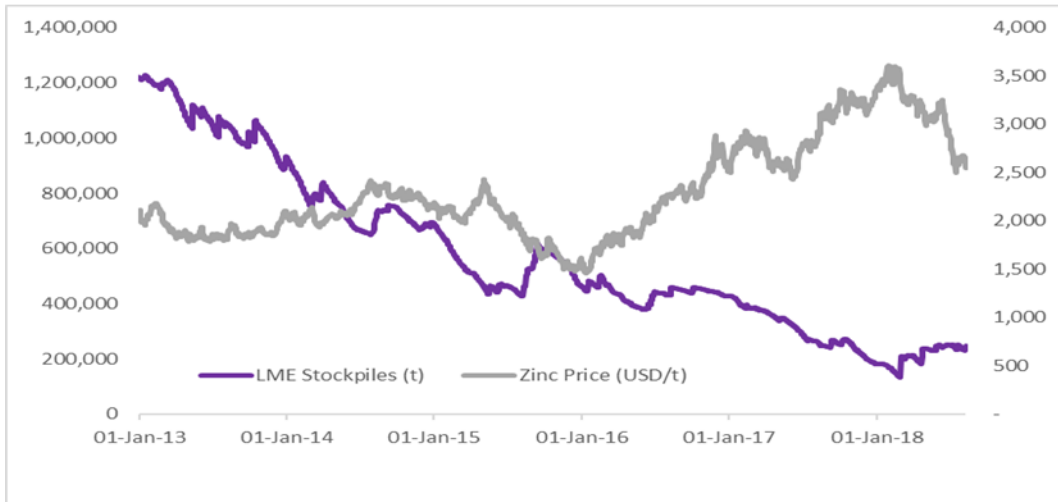
# Market Outlook – Base Metals Are Back

5 Year LME Cu Price v Warehouse Stocks (to 10 Aug 18)



Source: Bloomberg

5 Year LME Zn Price v Warehouse Stocks (to 10 Aug 18)

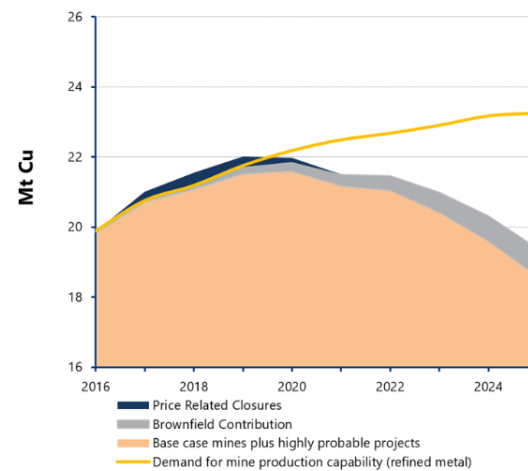


Source: Bloomberg

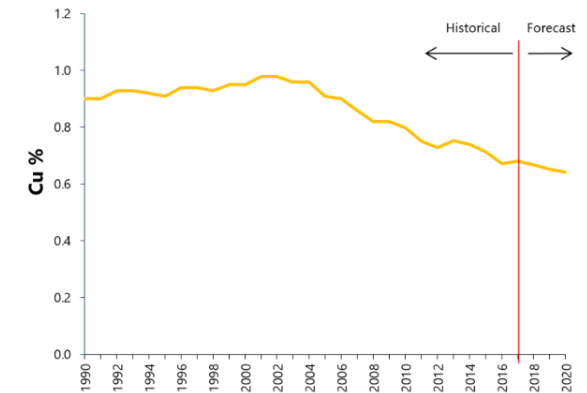
## Changing Markets for Cu and Zn

- ❑ Lack of near-term projects
- ❑ Lack of investment in exploration
- ❑ Grade decrease in projects globally
- ❑ **Geopolitical risk** in key producing countries
- ❑ **New application** opportunities – such as EVs and Renewable Energy

Demand for mined copper



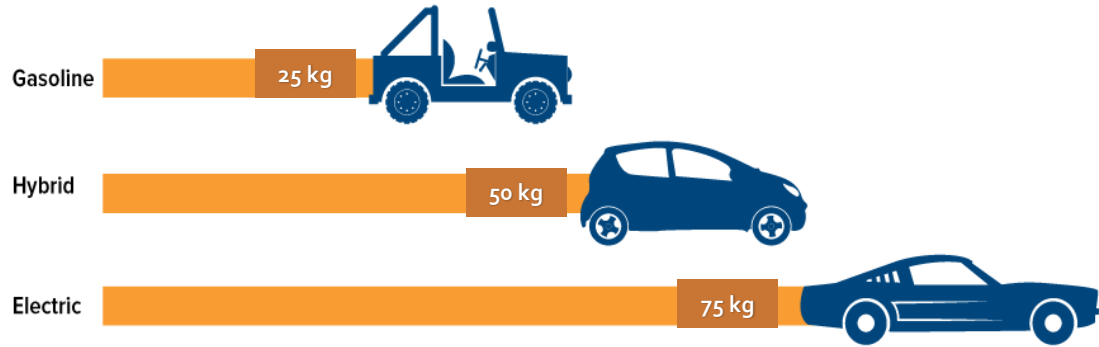
Average head grade at copper mines



Source: Wood Mackenzie

# New Innovations Driving Copper Demand

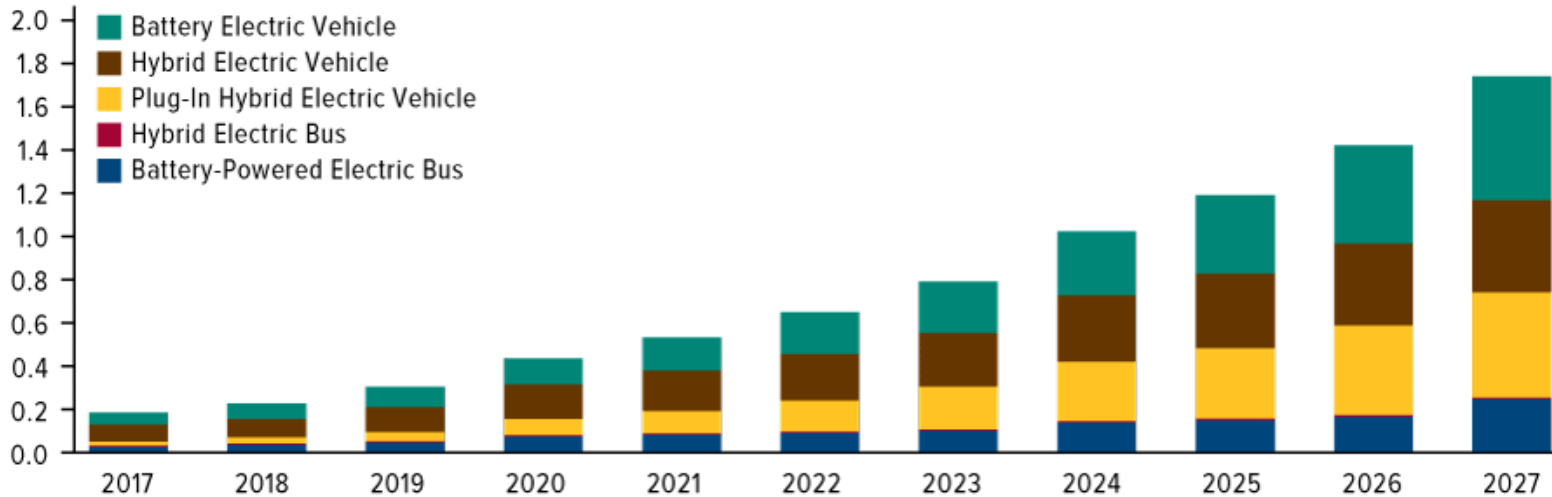
## Each New Generation of Car Needs More Copper Wiring



Source: Visual Capitalist, U.S. Global Investors

## Electric Vehicles Expected to Drive Copper Demand

Millions of Tonnes



Source: International Copper Association, U.S. Global Investors

# Copper in the Headlines

Markets  
**Copper Prices Are About to Go on Steroids, Citi Says**

Bloomberg News  
18 July 2018, 11:17 GMT+8 Updated on 18 July 2018, 13:15 GMT+8

BHP to step up copper exploration, expansions to meet electric vehicles sector's rising demand

Cecilia Jamasmie | Nov. 1, 2017, 8:54 AM |

## Rio Tinto's Arnaud Soirat Sees Copper Under-Supplied by 2021

May 23rd, 2018, 6:15 AM GMT+0800

Rio Tinto Copper and Diamond CEO Arnaud Soirat says the market for copper will be under-supplied by 2021 and that we will see prices increase. Soirat spoke with Bloomberg TV Mongolia anchor Odgerel Dyungerel at the Mongolia Economic Forum in Ulaanbaatar, Mongolia. (Source: Bloomberg)

## Copper discoveries drying up

NEW research from S&P Global Market Intelligence shows that copper discovery rates plummeted, despite a huge increase in exploration expenditure.

BHP Billiton to invest \$1.2 billion on copper and oil exploration

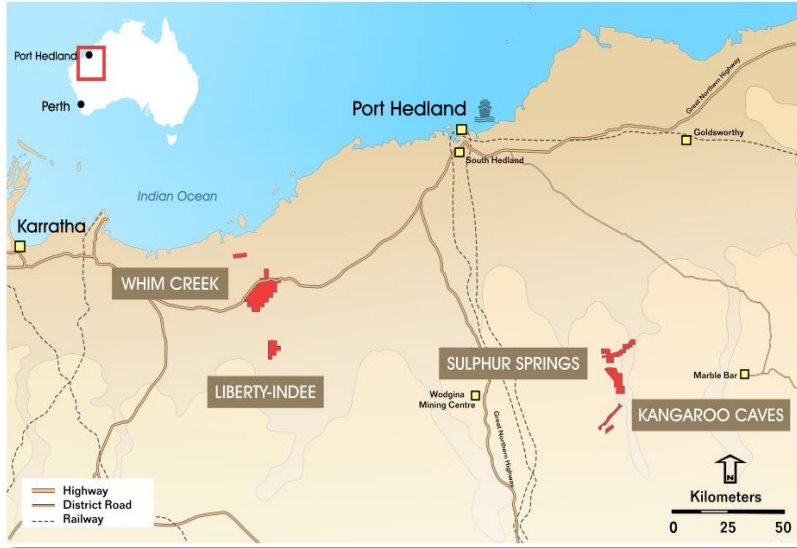
Leon Gettler 0

# SULPHUR SPRINGS PROJECT UPDATE



# Sulphur Springs – A Cornerstone Asset with Width, Grade and Scale

## Strategically Located

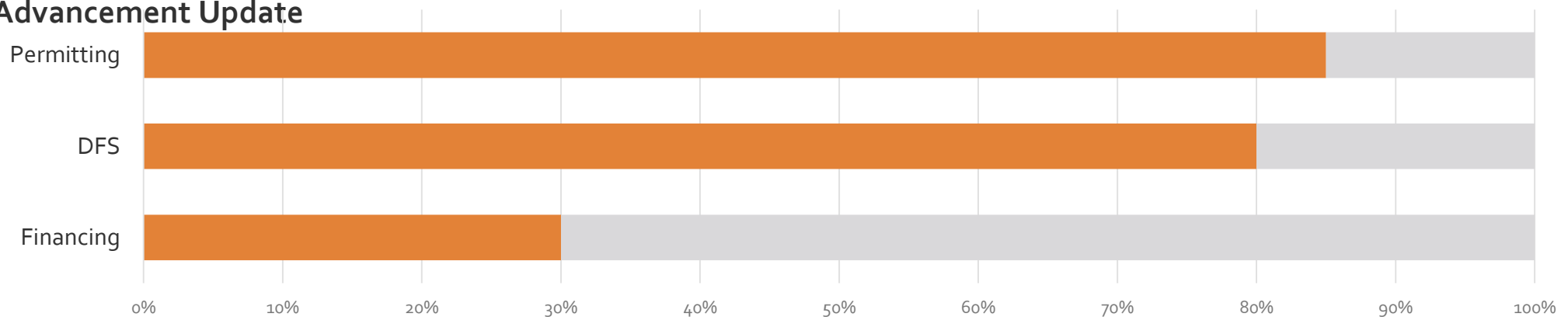


## Excellent Ore Inventory

Resources <sup>1</sup>				
Mt	Cu %	Zn %	Pb %	Ag
17.4	1.3	4.2	0.2	17

Reserves <sup>2</sup>				
Mt	Cu %	Zn %	Pb %	Ag
7.28	1.2	3.5	0.1	14

## Project Advancement Update



<sup>1</sup>Includes Kangaroo Caves and Sulphur Springs Resources – Refer ASX announcements 22 September 2015 and 21 March 2018

<sup>2</sup>Refer ASX announcements 1 July 2016



# Exploration Potential Being Realised at Sulphur Springs

## 1. Q1 Infill Drilling complete<sup>1</sup>

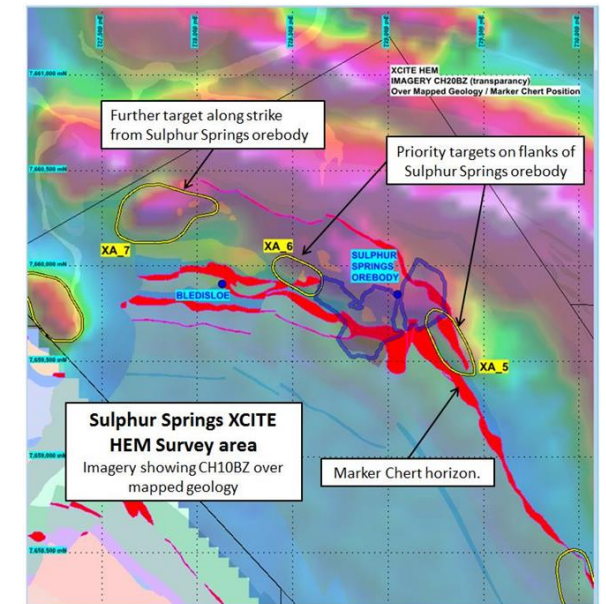
- ~2,500m
- Confirmed presence of high grade Supergene cap

## 2. Heli and Ground EM Surveys completed on Panorama Trend

- Area never flown before
- 11 additional targets identified

### Excellent Intercepts

Hold ID	Width (m)	Cu(%)	Hold ID	Width (m)	Zn(%)
SSDo89	38.2	3.49	SSDo99	29.9	9.02
SSDo90	40.3	3.35	SSDo94	20.0	12.0
SSDo91	20.5	3.06	SSDo95	19.6	5.63
SSDo92	18.0	2.59	SSDo97	16.0	9.92
SSDo99	36.5	3.33	SSDo102	16.0	9.03



<sup>1</sup>Refer ASX announcements 18 January 2018

# Key Milestones Being Achieved

## 3. EPA Approval Lodged

- Field surveys completed for flora, fauna, stygofauna, hydrogeology
- Site visit by Government representatives complete
- Assessment anticipated completion by Q4 2018

## 4. Copper Met Test work Completed<sup>1</sup>

- Transitional Copper concentrate grades up to 26.8% and recoveries up to 91.7%
- Fresh Copper concentrate grades up to 26.4% and recoveries up to 95.3%
- Fresh Zinc concentrate grades up to 60.2% and recoveries up to 93.1%

<sup>1</sup>Refer ASX announcements 6 August 2018



Material Type	Sample Head Grade (%)	Recovery (%)	Concentrate Grade (%)
Cu Fresh	1.41 – 1.91	86.5 – 95.3	24.7 – 26.4
Zn Fresh	3.91 – 5.83	87.5 – 93.1	53.2 – 60.2
Cu Transitional	2.97 – 3.04	89.7 – 91.7	25.5 – 26.8
Cu Supergene*	2.61 – 2.71	88.0 – 89.5	16.0 – 16.6

# DFS Nearing Completion

## 5. DFS

- Mine design and surface layout complete
- TSF design and layout complete
- Capex optimization

## 6. Infrastructure

- Camp purchased
- 1.25MMtpa process plant (VES 1.0 MMtpa)
- Infrastructure and long lead items identified
- Discussions with key contractors underway



# Project Financing Discussions Underway

## 7. Banking and Financing

- Burnvoir Appointed
- Discussions with Major Banks
- Discussions with Offtakers

## 8. Corporate

- MD Appointment
- Share Consolidation 15:1





## *Path Forward*

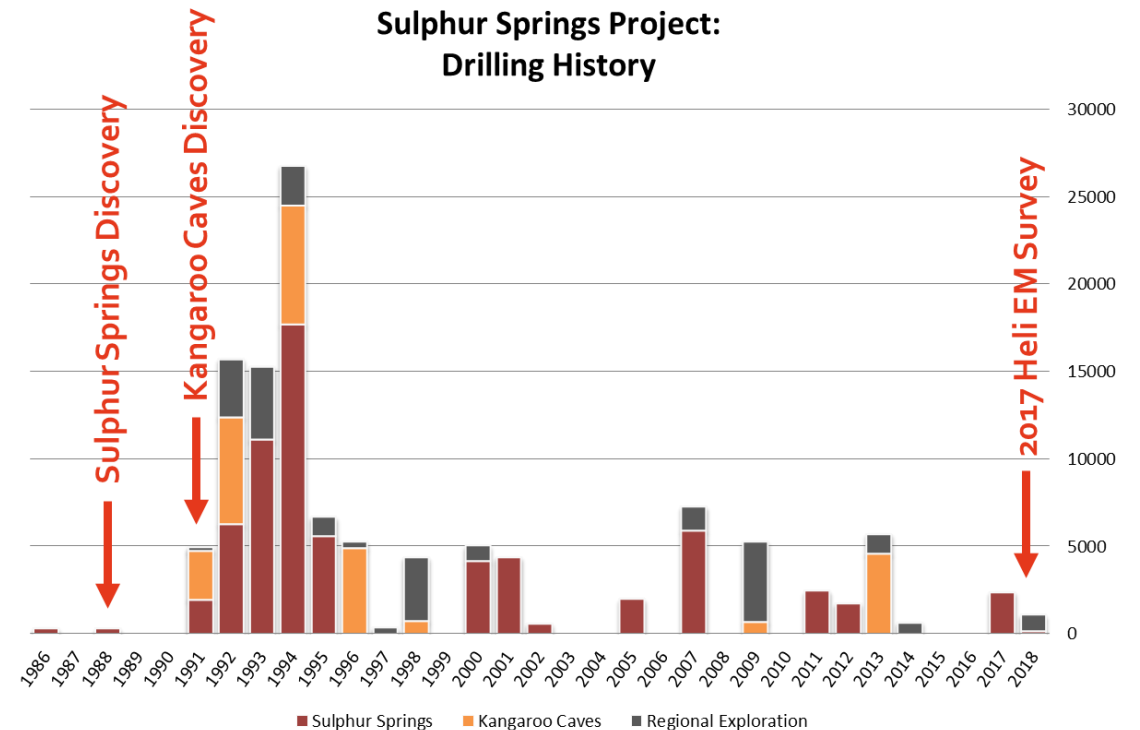
- Complete DFS Study
- Complete Project Financing
- “Panorama Trend” Exploration program

# Path forward

## Exploration

### Drill Holes = Discovery

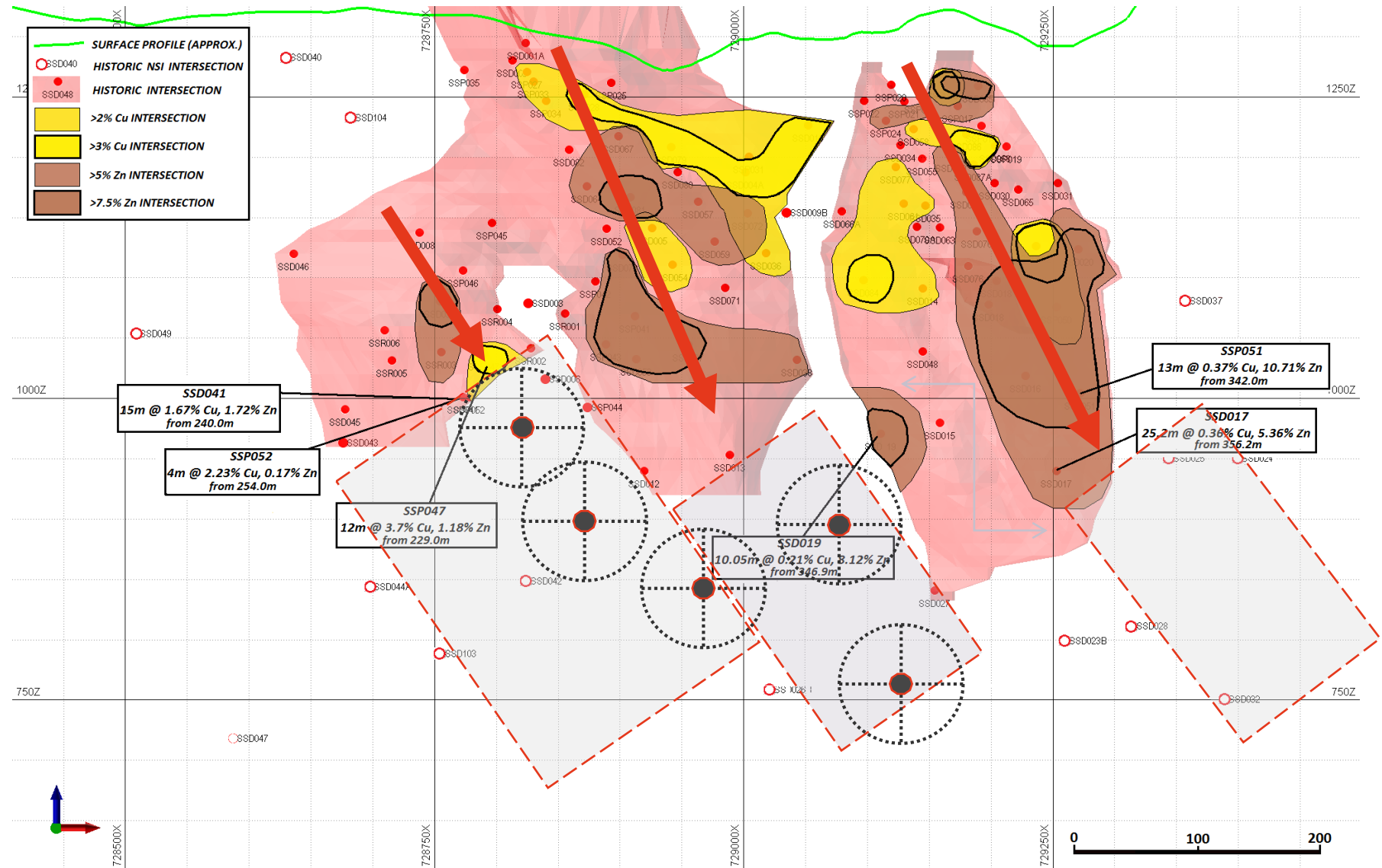
- Majority of previous exploration campaigns predominantly focused on the 'near mine' and 'available access' opportunities.
- Approx. 120,000m drilling:
  - 55% Sulphur Springs.
  - 25% Kangaroo Caves.
  - 20% Regional Exploration.
- >90% of all drilling completed prior to 2010;
- <25,000m of regional/exploration drilling.



# Sulphur Springs Resource

## Sulphur Springs Resource (13.8Mt @ 3.8% Zn & 1.5% Cu)

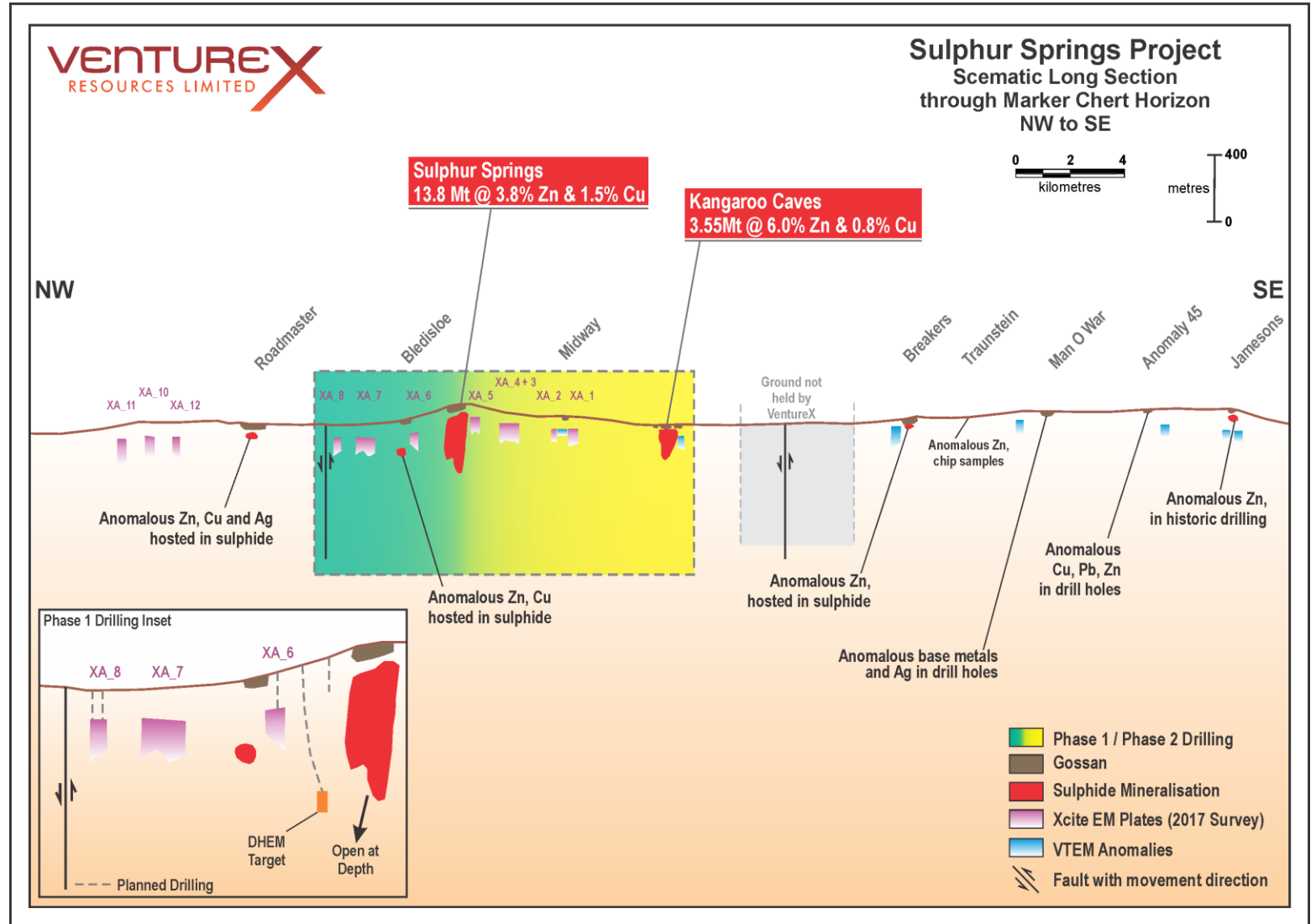
- Current resource is open at depth and along strike.
- Discrete, steeply east-plunging, high-grade Cu and Zn shoots identified; poorly closed-off.
- Deep drilling planned to target the continuation of the high-grade shoots.
  - 100-150m drilling centres.
  - Follow-up down hole geophysics (DHEM) to identify additional massive sulphide mineralisation to ~100m.



# VXR Exploration Strategy

## Systematic – Multi Phase Exploration Strategy






1. Targeted extension drilling to add significant value/LOM to the current Resources:
  - Sulphur Springs (13.8Mt @ 3.8% Zn & 1.5% Cu).
  - Kangaroo Caves (3.55Mt @ 6.0% Zn & 0.8% Cu).
2. Drill test near-mine and Brownfields targets.
  - Drill ready EM and geochemical targets.
3. Develop and test Panorama Trend targets/prospects.
  - Previous massive sulphide intersections – Drill ready.
  - Extend Heli-EM coverage.





# In Summary – The Venturex Evolution

Venturex is an excellent value proposition

 <b>Value</b>	 <b>Markets</b>	 <b>Key Shareholders</b>	 <b>Exploration</b>	 <b>Strong Vision</b>
<p><u>Cornerstone</u> assets</p> <p>Excellent <u>economics</u></p>	<p><u>Strong</u> Cu and Zn futures markets</p> <p>We're <u>undervalued</u> compared to our peers</p>	<p>Support of major shareholders <u>Northern Star Resources</u></p> <p>Actively supporting <u>DFS and project build</u></p>	<p><u>27 km of ground</u> Similar to Sulphur Springs</p> <p>Locally and regionally</p>	<p>Robust <u>strategy</u></p> <p>Strong <u>vision</u></p> <p><u>New management</u></p>

## Building An Australian Base Metals Business

# Thank You

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