

SULPHUR SPRINGS COPPER-ZINC PROJECT – FINANCING AND DEVELOPMENT UPDATE

Key Points:

- ✓ **Several Expressions of Interest (EOI's) received from domestic and international banks for senior project debt finance facilities. Further EOI's expected this month.**
- ✓ **Discussions underway with a number of potential off-take counter-parties.**
- ✓ **Off-take funding proposals under review would complement senior project debt arrangements.**
- ✓ **Official tender process for plant construction set to begin next month with contract award to follow. Early Contractor Engagement and recruitment program now in full swing.**

Australian base metals developer Venturex Resources Limited (“**Venturex**”, the “**Company**”) is pleased to advise that it continues to make strong progress towards securing finance for the development of its flagship 100%-owned Sulphur Springs Copper-Zinc Project in Western Australia’s Pilbara region.

Following the completion of an updated Definitive Feasibility Study in October last year, the Company is rapidly progressing multiple work-streams which are expected to underpin its transition to the development phase at Sulphur Springs this year, positioning it to take advantage of the strong medium and long-term outlook for copper and zinc markets.

Financing

Following a roadshow of potential financiers in November – December 2018, Venturex has now received several positive Expressions of Interest (EOI's) from domestic and international banks and other financiers in relation to project debt finance, with further EOI's expected to be received during the course of January 2019.

In parallel, Venturex is advancing talks with a number of potential off-take counterparties who have expressed strong interest in the Project's copper and zinc concentrates. Venturex has received several proposals from strong off-taker groups, all of which include the provision of potential off-take funding that would be complementary to the senior debt facilities currently being progressed.

Further proposals from potential off-takers are expected during the course of January 2019.

The Company has also commenced the technical due diligence of the Sulphur Springs Project which will form part of the bank financing.

Plant Update

The Company is currently engaged in an Early Contractor Engagement strategy with regards to process plant design and implementation.

The purpose of this process is to provide potential plant constructors with the opportunity to further optimise plant construction methodologies and timelines and gain a deeper understanding of both Project and Company goals in relation to implementation and construction.

An official tender process will begin in February 2019 with a contract award for plant construction expected to follow.

Key contractors have also been short-listed for major works including relocation of the Spinifex Ridge accommodation camp, site access road expansion and construction and open pit mining activities including pre-strip works.

Personnel for key operational positions, including Project Construction Manager and Mining Manager, are currently being interviewed with a number of high-quality applicants under consideration.

As the Company approaches project construction, a number of optimisation opportunities and cost reduction strategies are being investigated to ensure an on-time and on-budget construction of the Sulphur Springs Project.

Exploration Update

The Company’s exploration team is undertaking preliminary works prior to re-commencing exploration activities following the conclusion of the Pilbara wet season.

Stage two exploration activities are scheduled to begin at the Breakers Prospect, located ~12km south of Sulphur Springs along the Panorama VMS trend, during Q1 2019 with the Company commissioning a heritage survey to be completed over the prospect. It is anticipated that the successful conclusion of this survey will allow the Company’s geologists to complete the additional earthworks required to access the highest priority areas for further targeted drill testing.

The geological understanding at the Breakers prospect also continues to evolve. A recently completed structural interpretation by the Company’s geological team has identified a potential shear zone at the prospect which is interpreted to have significant control on the massive sulphide mineralisation.

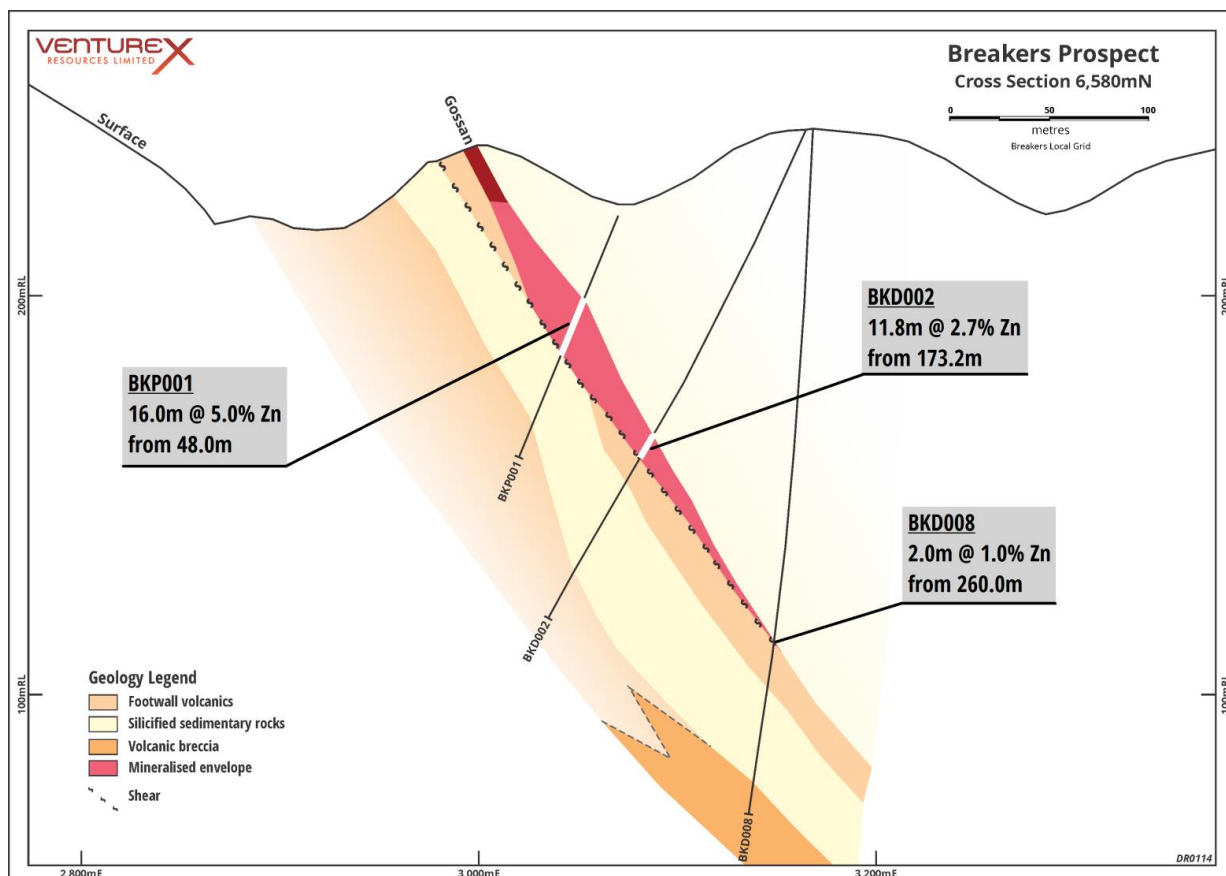


Figure 1: Breakers Prospect, interpreted geology cross-section with historic drill-hole intersection.

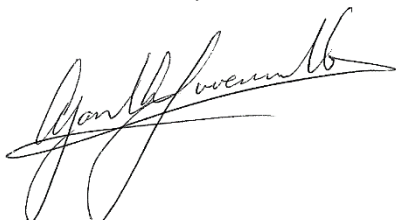
The improved geological model has considerably enhanced the Company's understanding of the geological setting at the Breakers Prospect, and may provide vectors to additional zones of VMS sulphide mineralisation.

Ongoing systematic reconnaissance site visits are also planned to be undertaken at the Company's 'southern Panorama Trend' prospects once the upcoming exploration season commences.

Venturex Managing Director, AJ Saverimutto, commented:

"We're out of the blocks early in 2019 and already building significant momentum in the debt financing process for the Sulphur Springs Project. We are very encouraged by the strong level of interest in providing project financing for Sulphur Springs and look forward to advancing the parallel streams of financing and off-take discussions in the coming weeks."

BurnVoir Corporate Finance is assisting Venturex in relation to project debt and off-taker funding.



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About Venturex Resources Limited

Venturex Resources Limited (ASX: VXR) is an exploration and development company with two advanced Copper-Zinc Projects near Port Hedland in the Pilbara region of Western Australia. The two projects are the Sulphur Springs Project which includes the Sulphur Springs Project, Kangaroos Caves Resource plus 27km of prospective tenements on the Panorama trend and the Whim Creek Project which includes the Resources at the Whim Creek, Mons Cupri and Salt Creek mines together with the Evelyn project and 18,100 ha of prospective tenements over the Whim Creek basin. Our strategy is to work with our partners Blackrock Metals to expand and extend the existing 4 tonne per day oxide Copper heap leach and SXEW operation at Whim Creek, identify other near term production options at Whim Creek, Mons Cupri and Sulphur Springs and fully optimise the Sulphur Springs Project have it shovel ready to take advantage of forecast improvements in base metal prices.

Competent Person Statement

The Company confirms that:

- a. The form and context of the material in this release has not been materially modified from the above previous announcements; and
- b. It is not aware of any new information or data that materially affects the information included in the announcements and that all material assumptions and technical parameters underpinning the announcements continue to apply and have not materially changed.

The information in this announcement that relates to Exploration Results is based on information compiled or reviewed by Mr Luke Gibson who is an employee of the Company. Mr Gibson is a member of the Australian Institute of Geoscientists. Mr Gibson has sufficient experience with the style of mineralisation and the type of deposit under consideration. Mr Gibson consents to the inclusion in the report of the results reported here and the form and context in which it appears.