

## Permitting Pathway Determined for Sulphur Springs Copper-Zinc Project, WA

### Clear pathway established for project development approvals

Venturex Resources Limited (ASX: VXR "Venturex" or the "Company") is pleased to advise that it has received notification from the Western Australia Environmental Protection Authority (EPA) regarding the required permitting pathway for its flagship 100%-owned Sulphur Springs Zinc-Copper Project in the Pilbara.

The EPA has made a decision to formally assess the Sulphur Springs Project at the level of "Environmental Review – No public comment".

With this EPA decision now in hand, and the permitting pathway determined, the Company can now proceed with the permitting process. The level of assessment required will not require a formal public environmental review, therefore reducing the timeframes required for final approval.

### Background

A Clearing Permit, Mining Proposal and Mine Closure Plan for the Project for the Sulphur Springs Project were approved by the Department of Mines and Petroleum of Western Australia (DMP) in 2014 (*refer ASX announcement 13 March 2014*).

This approval was granted based on the project being developed using only underground mining methods and dry stacking tailings.

These existing approvals need to be modified to reflect the proposed use of an open pit to extract the top half of the Sulphur Springs deposit and the use of a conventional valley-fill tailings dam as outlined in the recently completed Value Engineering Study ("VES") (see ASX announcement, 16 February 2017).

These changes were referred to the EPA, for determination of the level of assessment required, in December 2016. The Company has been working with EPA to confirm the level of assessment required, by providing additional information as requested.

Venturex's Executive Director, Mr Anthony Reilly, said the determination of the level of environmental assessment provided by the EPA was an excellent result for the project, providing certainty on the permitting pathway for Venturex.

"We will continue to work with the EPA on the final review process and, in parallel with the DMP, develop the Mining Proposal and Mine Closure Plan so as to expeditiously finalise all permitting approvals.

"This decision further de-risks the project and advances it forward. The funds raised from the current Rights Issue will allow the Company to continue to build on the framework outlined by the recent Sulphur Springs Value Engineering Study and rapidly advance the project to a development decision".

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**About Venturex Resources Limited**

Venturex Resources (ASX: VXR) is a rapidly growing Australian zinc company which is focused on the development of its advanced Sulphur Springs zinc-copper project located 144 km to the south of Port Hedland in the premier Pilbara mining province of Western Australia. After recently releasing a Value Engineering Study on this project which showed compelling economics the company is committed to an aggressive work program aimed at having funding in place by the first quarter of CY 2018 which would see the project in production in the first quarter of 2019.

The Sulphur Springs Project is one of the most significant undeveloped zinc deposits in Australia and the company believes that it is now the right time to develop the project. A drilling and metallurgical test work program aimed at converting inferred supergene resources to indicated is planned along with activities to amend the existing environmental permits. A formal program to identify funding options for the project is in place with the target of being in production during the first half of CY 2019.

Exploration at the existing high-grade zinc, copper and lead resources at the Whim Creek Project is aimed at extending existing high grade copper, zinc and lead Resources at the Salt Creek and Mons Cupri deposits. The successful extension of the known Resources at Whim Creek will result in a project that is compelling at spot prices. The existing infrastructure at Whim Creek means that any such project could be producing zinc, copper and lead concentrates quickly and cheaply.

**About Zinc**

Zinc is a blue-grey metal which readily forms alloys with metals including copper, aluminium and magnesium. Zinc is primarily used for its corrosion resistance in galvanising which accounts for approximately half of global zinc consumption. Galvanised materials (commonly iron and steel) are used extensively in transport, construction and appliance manufacturing purposes. Metallic zinc is also used in dry cell batteries, die-casting, roof cladding and in the production of zinc oxide.

Zinc demand is dominated by China at 6.9Mt or 49%. Global consumption is forecast to grow at a CAGR of 2% over 2016-2020, with the strongest demand growth coming from China at 2% and also the US and India. Following recent mine closures and this increasing demand growth, the current zinc market is tight with declining global inventories and a supply deficit forecast in coming years. Zinc prices have responded accordingly rallying above the top of the global mine cost curve. The concentrate market reflects this supply tightness, with smelters materially discounting treatment charges.