

## Sulphur Springs – Drilling Update

### Thick zone of massive sulphides intersected in first diamond drill hole

#### Highlights

- **40m of massive sulphides intersected in hole SSD089 (from 98-138m)**
- **Visible copper-bearing sulphide minerals present**
- **Second hole currently underway**

#### Details

Venturex Resources Limited (ASX: VXR) is pleased to advise that it has completed the first diamond drill hole as part of the current in-fill drilling program targeting the Inferred Resource at its Sulphur Springs Copper-Zinc Project in WA's Pilbara region (see ASX Announcement 4 September 2017).

The first hole, SSD089, was designed to test near-surface mineralisation potentially amenable to open pit mining.

SSD089 was drilled vertically through the siliceous hanging wall sequence with an initial RC pre-collar to a depth of 76.1m. Diamond core of PQ size was then drilled to 120m and then reduced to HQ3 through until the end-of-hole at 153.7m. Core recovery has been very good at close to 100%.

From 76.1 to 81.5m oxide copper minerals are evident within the siliceous host. Below this **a total of 40m of massive sulphides (from 98 to 138m) was intersected with visible chalcopyrite evident within the pyrite host.**

The hole was terminated within a dacitic footwall volcanic unit with minor disseminated sulphides. While chalcopyrite has been visually identified in the intersection, no guidance can yet be given with regard to metal content. Core from SSD089 is currently being cut and prepared for dispatch to the lab for geochemical assay and results will be released when available.

The second hole within the program is currently underway.

#### Management Comment

Venturex's Executive Director Anthony Reilly said: "Intersecting a thick zone of massive sulphides in our very first hole represents a very positive start to the programme. We are looking forward to updating investors as the programme progresses and as the assay results become available".

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Image 1: End section of PQ core at approximately 115.8m down-hole showing visible copper sulphide minerals.



Image 2: Photograph of indicative massive sulphides intersected in SSD089. Photo shows 125.2-128.7m down-hole.

**Table 1: Hole details**

Hole	Easting	Northing	RL	Az	Dip	EOH	Comment
SSD089	728840	7659663	344	0	-90	153.7	Visual identification of sulphides. Core being cut and sent for geochemical assay



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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.

**Competency Statements**

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



## Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<p><u>Current Drilling</u> A combination of RC and Diamond drilling is being used to test the Sulphur Springs deposit. The company uses industry standard practices to measure and mark up the drill core. Quarter diamond core is to be submitted to the laboratory for analysis.</p>
	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</li> </ul>	<p><u>Current Drilling</u> RC precollars followed by a combination of PQ3 and HQ3 diamond tail. All diamond core is stored in industry standard core trays labelled with the drill hole ID and core interval.</p>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<p><u>Current Drilling</u> Diamond core recoveries are recorded as a percentage of the measured core vs the drilling interval. Core loss locations are recorded on core blocks by the drilling crew. Diamond core was reconstructed into continuous runs where possible and metres checked against the depth as recorded on core blocks by the drilling crew.</p>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p><u>Current Drilling</u> RC and Diamond drill core is geologically logged for the total length of the hole using a graphic logging method. All core is photographed and images are stored in the company database. Logging routinely recorded weathering, lithology, mineralogy, mineralization, structure, alteration and veining. Logs are coded using the company geological coding legend and entered into the company database.</p>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p><u>Current Drilling</u> No sampling of drill core has been undertaken as yet. Discussion is based on visual observations.</p>

Criteria	JORC Code explanation	Commentary
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<p><u>Current Drilling</u> No assay results are being reported within this release. At the time of release, core is being cut and processed for dispatch to the lab.</p>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<p><u>Current Drilling</u> The significant intersections reported have been prepared by geologists with relevant VMS experience. No twinned holes have been drilled. The company uses standard templates created in Excel to collate sample intervals, drill collar, downhole survey information which are emailed to the company main office were the information is loaded into a database. Geological descriptions are recorded in long hand prior to being summarised for digital data capture.</p>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<p><u>Current Drilling</u> Drill hole collar was located using a DGPS operated by company personnel Diamond drill holes are down-hole surveyed by a gyro every 30m.</p>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p><u>Current Drilling</u> Hole SSD089 is the first hole within the current Sulphur Springs infill programme. Holes are to be drilled on a nominal 20m section spacing.</p>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<p><u>Current Drilling</u> Hole SSD089 is drilled vertically to test the Sulphur Springs orebody which plunges at ~40-50 degrees to the north. The hole has been designed to test near surface potential of sulphide mineralisation and is considered appropriate for the geometry of the deposit.</p>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<p>Drill core is stored on site at Sulphur Springs and at the end of the programme will be relocated to the Company's Whim Creek core yard. The samples will be dispatched from Port Hedland to the assay laboratory in Perth. Online tracking will be utilised to track the progress of batches of samples.</p>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<p>No reviews have been undertaken.</p>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>The Sulphur Springs deposit is located within M49/ 494 the registered owner of the tenements are Venturex Sulphur Springs Pty Ltd, a wholly owned subsidiary of Venturex Resources Ltd. The tenement is within Njamal Native Title Claim (WC99/8) where native title has been determined. The traditional owners of the land are the Njamal People. The grant of the tenement predates native title, and is not subject to native title claim.</p> <p>The tenement is subject to two third party royalties on any production from the tenement. The tenement is a granted Mining Lease in good standing and no known impediments exist.</p>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>Previous exploration has been undertaken by a number of parties going back over 30 years. Modern exploration has been undertaken by Sipa Resources, CBH Resources, Homestake Mining, and Venturex Resources.</p>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The Sulphur Springs deposit is a Volcanogenic Massive Sulphide Deposit.</p>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<p>Details of the drill holes are provided in Table 1 within the body of this report.</p>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>Results reported in this release relate to visual observations of drill core, specifically the identification of common sulphide minerals, chalcopyrite, and pyrite. No estimate of grade or concentration of the minerals is provided.</p>

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	<p>The Sulphur Springs deposit plunges 40-50 degrees to the north; the drill holes are designed to intersect the orebody at a nominal 60 degrees although the local access and topography requires certain holes to be designed taking these limitations into consideration to intersect the mineralisation.</p> <p>Only down hole intersections are reported.</p>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<p>No diagrams are provided within this release.</p>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<p>Samples have not yet been dispatched to the laboratory at time of release.</p>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<p>The Sulphur Springs deposit has had a significant body of work completed on it, including geophysical studies, metallurgical test work, geotechnical and ground water studies.</p>
<i>Further work</i>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<p>This is the first hole in a Resource infill programme, designed to test the potential for near surface open-pittable material. Once the holes have been drilled, samples will be taken for follow up metallurgical test work.</p>