

# The West Australian

## Northern Star backs Venturex at Sulphur Springs



Stuart McKinnon | The West Australian  
Thursday, 13 September 2018 7:21AM

Stuart McKinnon



Venturex Resources boss Alanth "AJ" Saverimutto at Sulphur Springs.

### Stuart McKinnon

Aspiring Pilbara miner Venturex Resources has received the financial backing of its major shareholder Northern Star Resources to complete a definitive feasibility study on its flagship Sulphur Springs copper-zinc project.

The Bill Beament-led gold miner will provide a \$2 million unsecured bridging loan to Venturex to complete the study, avoiding the need for a dilutive capital raising.

Sulphur Springs, 50km west of Marble Bar, hosts a 17.4Mt resource and was discovered decades ago but volatile metals prices, high start-up costs above \$200 million and limited access to capital has hindered its development.

Venturex has recently shaved the capital cost of the project and is determined to bring it into production, having appointed former Salt Lake Mining boss and WASM-trained mining engineer Ajanth "AJ" Saverimutto as managing director in April. More recently it completed a one-for-15 share consolidation.

A definitive feasibility expected this month will reveal plans for an open pit and underground mine with a 1.2Mtpa processing plant capable of producing 60,000tpa of zinc and 45,000tpa of copper concentrate over an initial seven-year mine life.

Mr Saverimutto, who brought the Beta Hunt nickel-gold mine back into production in 2014, said Northern Star had backed Venturex's plans to bring Sulphur Springs online as quickly as possible.

"This is a strong show of support by our major shareholder and a significant vote of confidence in the quality of the Sulphur Springs project and the robustness of our development and execution strategy," he said.

This week, Canaccord Genuity analyst Tim McCormack described Sulphur Springs as one of the most advanced zinc/copper opportunities in base metals.

The broker has speculative buy recommendation on the stock and a price target of 50¢ against yesterday's closing price of 16¢.