

BFS UPDATE:

45% INCREASE IN SULPHUR SPRINGS CU-ZN RESERVE

HIGHLIGHTS

- ▼ **45% Increase in Cu-Zn Reserve to 5.7m tonnes**
- ▼ **25% Increase in contained Copper**
- ▼ **Planned production rate 700,000-800,000tpa**

Venturex Resources Limited (ASX Code: VXR) ("Venturex" or the "Company") is pleased to announce a substantial 45% increase in the JORC Reserve at the Sulphur Springs Deposit, a key part of the Pilbara VMS¹ Copper-Zinc Project.

The Company has now completed the first stage of mine design at the Sulphur Springs Copper-Zinc Deposit, resulting in an increase in the JORC Reserve.

SULPHUR SPRINGS PROBABLE RESERVE						
Domain	Tonnes	Cu %	Zn %	Pb %	Ag g/t	Cu EQ %
Copper	4,255,000	2.1	3.7	0.2	17	3.1
Zinc	1,408,000	1.1	6.0	0.3	23	2.6
Total	5,663,000	1.9	4.3	0.2	18	3.0

The Reserve is based on an economic cut-off grade of 1.85% Cu EQ². Metal prices used in the cut-off grade calculation are US\$3.57 for copper; US\$1.12 for zinc and US\$32 for silver with a \$A/\$US exchange rate of 0.94. Stope recovery ranges from 72% to 95% and average stope dilution is estimated to be 6.6% @ 0.3% Cu EQ. Flotation recoveries based on locked-cycle test work are 94% for copper, 89% for zinc and 45% for silver. Mining, haulage and processing costs are based on contractor estimates and peer comparisons. TC/RC costs are based on long term forecasts.

Managing Director, Tim Sugden, said "This is a significant increase in the Sulphur Springs Reserve, with further upside possible. Relatively low mining costs and a higher than expected mining rate together with excellent metallurgy are all very positive for the Pilbara VMS Copper-Zinc Project Bankable Feasibility Study."

¹ VMS = Volcanogenic Massive Sulphide

² Cu EQ = Cu% + Zn% x 0.217 + Ag (ppm) x 0.0176

ASX Announcement
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Mining

Sulphur Springs will be developed as a shallow underground mine. Mine access will be via a single decline, which after 450 lateral metres will split into a twin decline system to allow access to the eastern and western ore lodes.

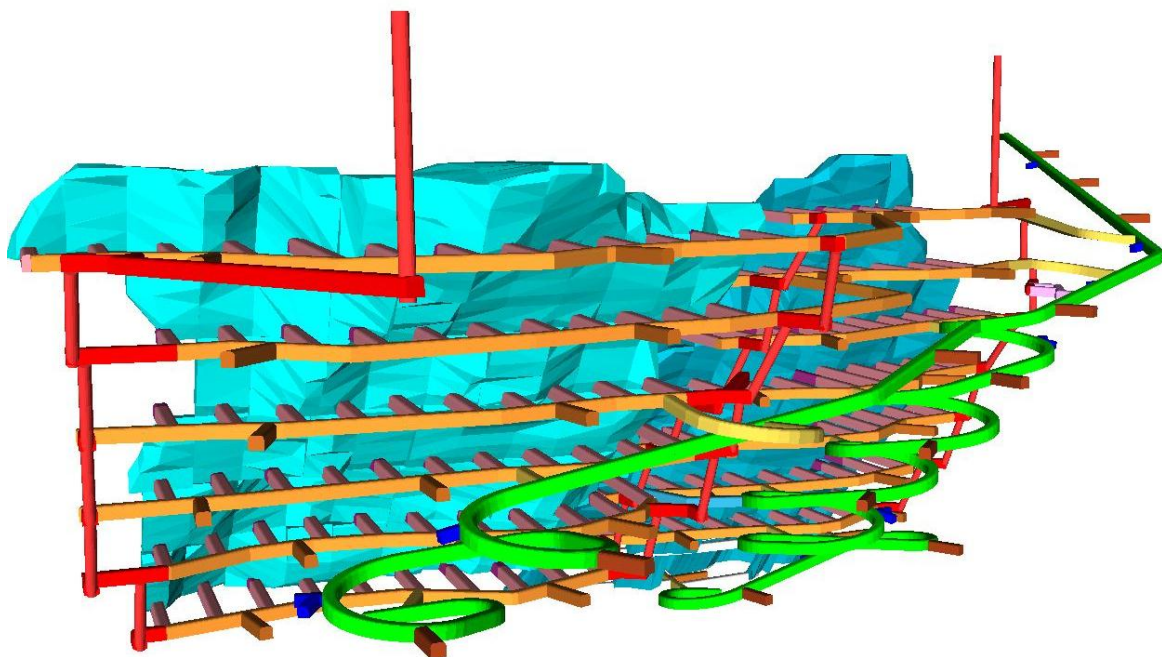
First production will be from the 1100 RL eastern level which is located approximately 155 metres below surface relative to the portal.

The principle mining method will be transverse stoping with 30 metre level intervals. Where ore widths are less than 12 metres, a modified Avoca method will be used. Detailed production scheduling is currently being undertaken which is likely to result in a production rate in the range of 700,000-800,000 tonnes per annum.

Mining operating and capital costs will be completed during the Bankable Feasibility Study (BFS), which will include finalisation of the mine design, completion of the mining schedule and confirmation of cost drivers. Operating costs are expected to be within the lower quartile given the following:

- ▼ high reserve ore tonnes per vertical metres (average 27,000 and up to 35,000 tonnes per vertical metre),
- ▼ the highly productive transverse mining method,
- ▼ expected competent ground conditions as a result of both the localised geology as well as the relatively low depth of mining,
- ▼ low haulage costs given the midpoint underground access design as well as the relatively shallow mining depth, and
- ▼ use of backfill material from both underground development as well as existing material on Venturex leases.

Ore will be hauled to a proposed centralised processing facility at Whim Creek.



Sulphur Springs stoping panels with proposed mine development

Processing

Subject to completion and approval of the BFS, the processing plant to be constructed at Whim Creek is expected to have an annual capacity of approximately 1.3 million tonnes, with up to 800,000 tonnes sourced from Sulphur Springs and up to 600,000 tonnes sourced from the Whim Creek open pits.

The Company recently reported metallurgical test results for Sulphur Springs Copper-Zinc ore. The Sulphur Springs flotation regime culminated in a nine cycle locked cycle flotation test which provided the following averages:

- ▼ 95% copper recovery to a clean concentrate grading 26.4% Cu with low lead and zinc values, and
- ▼ 90% zinc recovery to a clean concentrate grading 58.9% Zn with a low iron assay of 5.9% Fe.

SULPHUR SPRINGS LOCKED CYCLE FLOTATION RESULTS									
PRODUCTS RECOVERED	MASS	COPPER		ZINC		SILVER		LEAD	
	%	Grade %	% dist	Grade %	% dist	Grade ppm	% dist	Grade %	% dist
Copper ReCl Concentrate 1-3	6.3	26.38	95.1	1.28	2.0	74	25.3	1.09	39.2
Zinc ReCl Concentrate 1-3	6.3	0.52	1.9	58.94	90.3	56	19.1	0.22	7.7
Zinc Rougher Tails	87.4	0.06	3.0	0.36	7.7	12	55.6	0.11	53.1
Calculated Head	100.0	1.75	100.0	4.11	100.0	18	100.0	0.18	100.0
Assay Head		1.82		4.00		18		0.17	

The tabulated results are the average of final three cycles of the locked cycle test. The test was conducted with a grind size of P₈₀ 45µm using Whim Creek aquifer water and stainless steel/mild steel grinding media. The test was performed by AMDEL Mineral Laboratories and designed and supervised by GR Engineering Services.


TIM SUGDEN
Managing Director

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About Venturex Resources Limited

Venturex Resources Limited (ASX: VXR) is an exploration and development company with a portfolio of VMS projects in the Western Pilbara. Venturex owns or controls the Whim Creek Copper Mine and all associated mining leases and exploration tenements including copper, zinc, lead, silver and gold resources at Whim Creek, Mons Cupri, Salt Creek, Liberty-Indee and Sulphur Springs. Other assets include the Whim Creek Hotel, an accommodation village, crushing circuit and various mining infrastructure. The Company is committed to a strategy of consolidating VMS projects in the Western Pilbara and developing Whim Creek as a centralised processing hub. Venturex is also exploring for gold in Brazil through its wholly owned subsidiary CMG Mineração Ltda.

Competency Statements

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled or reviewed by Dr Tim Sugden BSc, PhD, and Mr Steven Wood who are Members of the Australasian Institute of Mining and Metallurgy. Dr Sugden and Mr Wood are full time employees of Venturex Resources Limited and have sufficient experience relevant to the style of mineralisation, type of deposit under consideration and to the activity being undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Sugden and Mr Wood consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based on information compiled or reviewed by Mr David Clark who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Clark is a full time employee of Minero Consulting and 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Clark consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

SULPHUR SPRINGS RESOURCES AND RESERVE as at 1 September 2011

MINERAL RESOURCES							UNDERGROUND ORE RESERVE					
Location	JORC Classification	Tonnes x 1,000	Cu wt%	Zn wt%	Pb wt%	Ag g/t	JORC Classification	Tonnes x 1,000	Cu wt%	Zn wt%	Pb wt%	Ag g/t
Sulphur Springs	Measured	4,260	1.7	3.4	0.8	18.2						
	Indicated	9,621	1.3	3.8	0.2	18.2	Probable	5,663	1.9	4.3	0.2	18.0
	Inferred	5,154	0.7	2.0	0.2	13.9						
	Total	19,035	1.2	3.2	0.2	17.0	Total	5,663	1.9	4.3	0.2	18.0