



Ventnor Resources Limited

30 August 2018

**ASX ANNOUNCEMENT**

## Arrowsmith Silica Sand Project

### **Highlights:**

- **Hand auger program to collect bulk sample completed**
- **Bulk sample testing now underway**
- **Preliminary results indicate glassmaking quality**
- **QA/QC results indicate low assay variability**
- **Maiden Resource estimate underway**

Ventnor Resources Limited (**Ventnor** or **Company**) (ASX: VRX) is pleased to announce bulk sampling results from its auger drill program at the Arrowsmith Silica Sand Project, located 270km north of Perth, WA.

Ventnor's drilling included a hand-held auger drilling program of 123 holes to obtain adequate sample for bulk testwork.

A full analysis of all the quality control data has now been assessed. This analysis validates the hand auger sample assay dataset and conforms with the guidelines for reporting under the JORC-2012 code.

Ventnor Managing Director, Bruce Maluish said: "*The results of the preliminary testwork are very encouraging as they achieve the desired glassmaking standard of 99.5% SiO<sub>2</sub>.*"

*"Initial results have supported the decision to undertake further iterations of testwork with additional attritioning and magnetic separation to achieve even higher quality products. Final testwork products enable marketing and to support a JORC-2012 compliant Mineral Resource estimation".*

The testwork program, which is ongoing, will also produce sufficient quantities of products to enable samples to be sent to prospective customers.

The Company has already received a number of enquiries from potential Asian customers.

Ventnor has engaged experienced geological consultancy, CSA Global, to undertake the Maiden Resource estimate at Arrowsmith North and Arrowsmith Central silica sand project areas. The estimate is expected during September 2018.

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### **ASX: VRX**

#### **Capital Structure**

Shares on Issue:  
306.2 million

Unlisted Options:  
21.25 million

#### **Corporate Directory**

##### **Paul Boyatzis**

*Non-Executive Chairman*

##### **Bruce Maluish**

*Managing Director*

##### **Peter Pawlowitsch**

*Non-Executive Director*

##### **John Geary**

*Company Secretary*

#### **Company Projects**

*Arrowsmith Silica Sands Project, 270km north of Perth, WA.*

*Muchea Silica Sand Project, 50km north of Perth, WA.*

*Biranup base metals and gold Project adjacent to the Tropicana Gold Mine, WA.*

*Warrawanda Nickel Project south of Newman, WA.*

*The Company is actively assessing other projects in Australia.*

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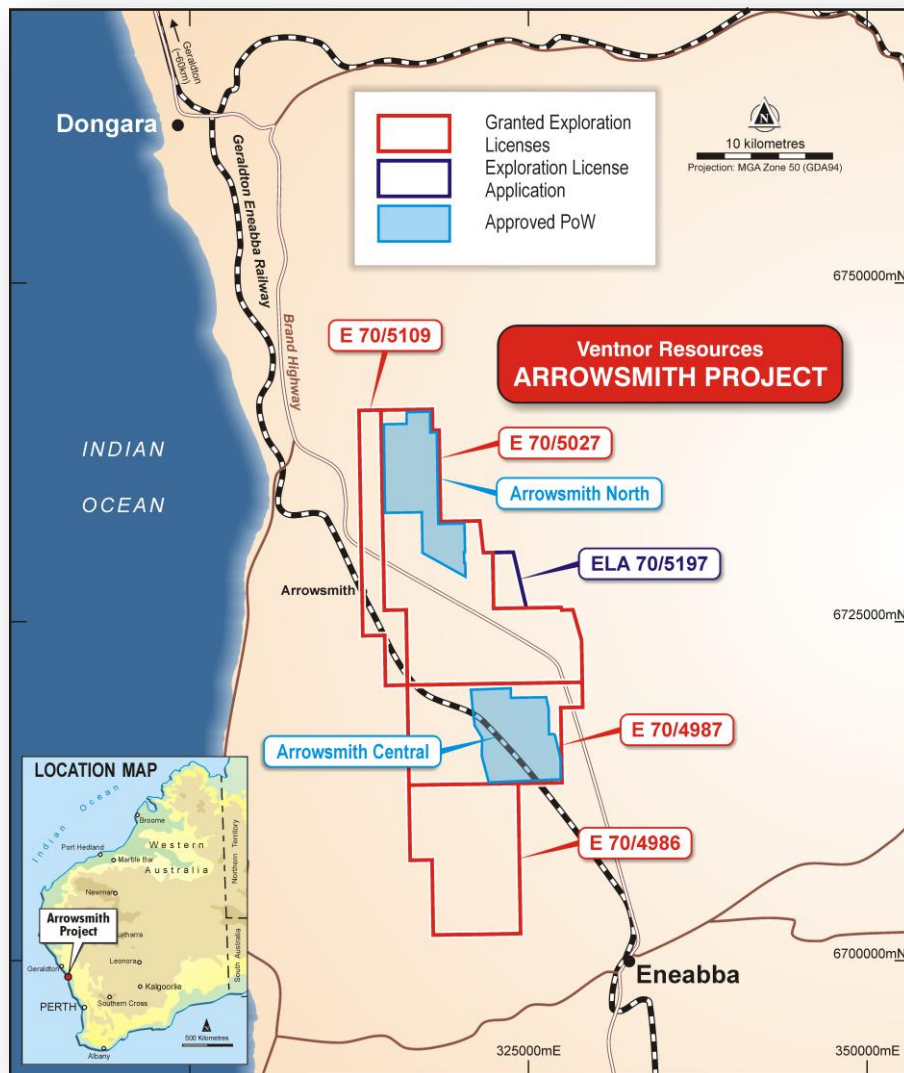
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ABN 59 142 014 873

## Detailed Information

The Arrowsmith Silica Sand Project is located 270 kms north of Perth, 100km south of the Port of Geraldton in the Mid-West of Western Australia and comprises 4 granted tenements and 1 application for a total landholding of 379km<sup>2</sup>, (refer Figure 1 below). The Project is connected to the Geraldton Port via the underutilised Geraldton to Eneabba Railway line operated by Arc Infrastructure.

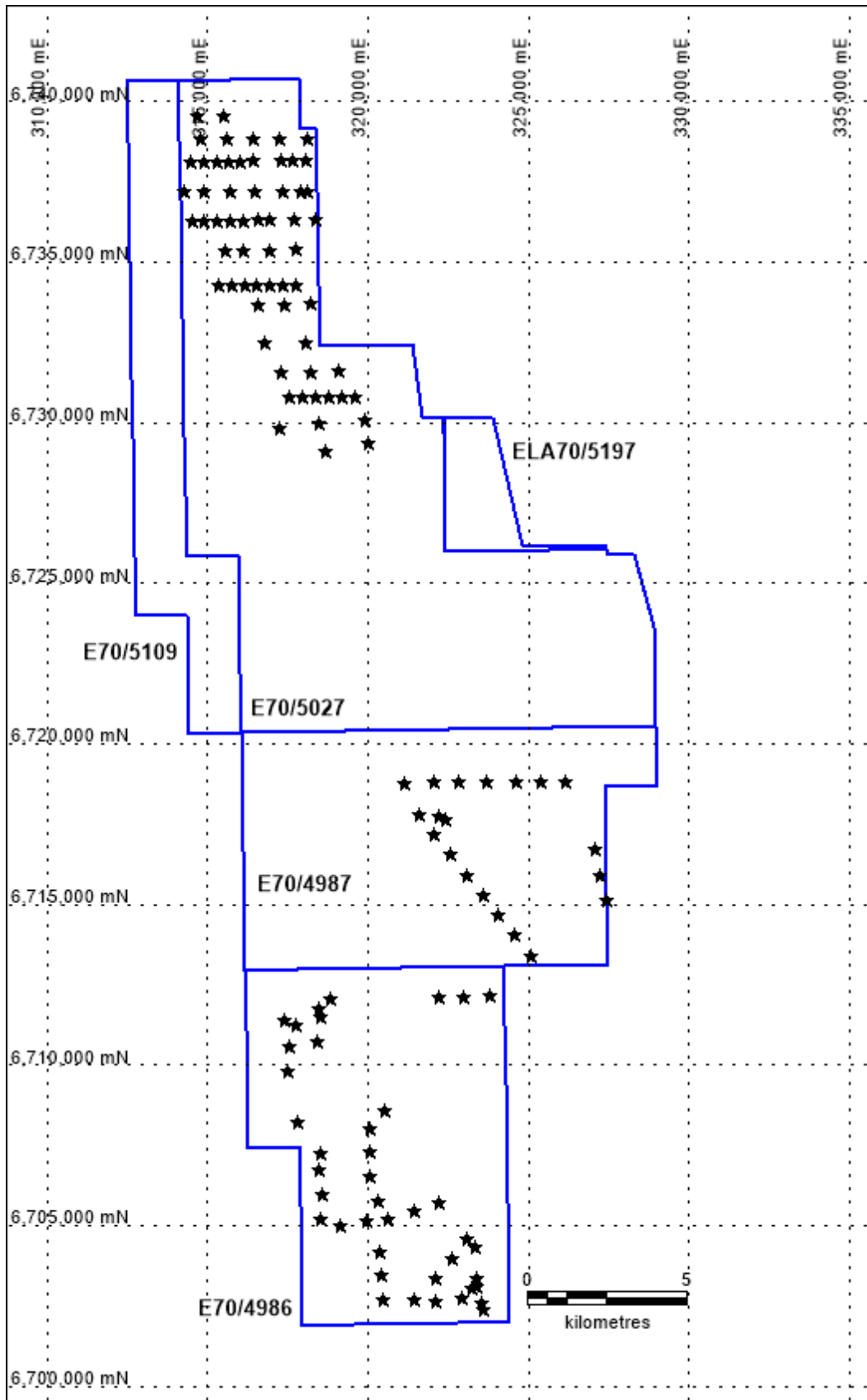


**Figure 1: Arrowsmith Silica Sand Project Location**

## Hand Auger Sampling Program

Ventnor has completed hand auger sampling over the tenements to gain bulk sand samples for testwork to determine if the *in situ* sand is able to be upgraded to glassmaking grade for potential bulk export. Hand auger drilling was completed using a 100mm screw auger to retrieve 1m downhole samples. Drilling encountered unconsolidated damp sand and was terminated when dry conditions were encountered downhole. As a result, the full depth of potential silica sand was not tested due to hole collapse. Full depth will be tested with aircore drilling in the near future.

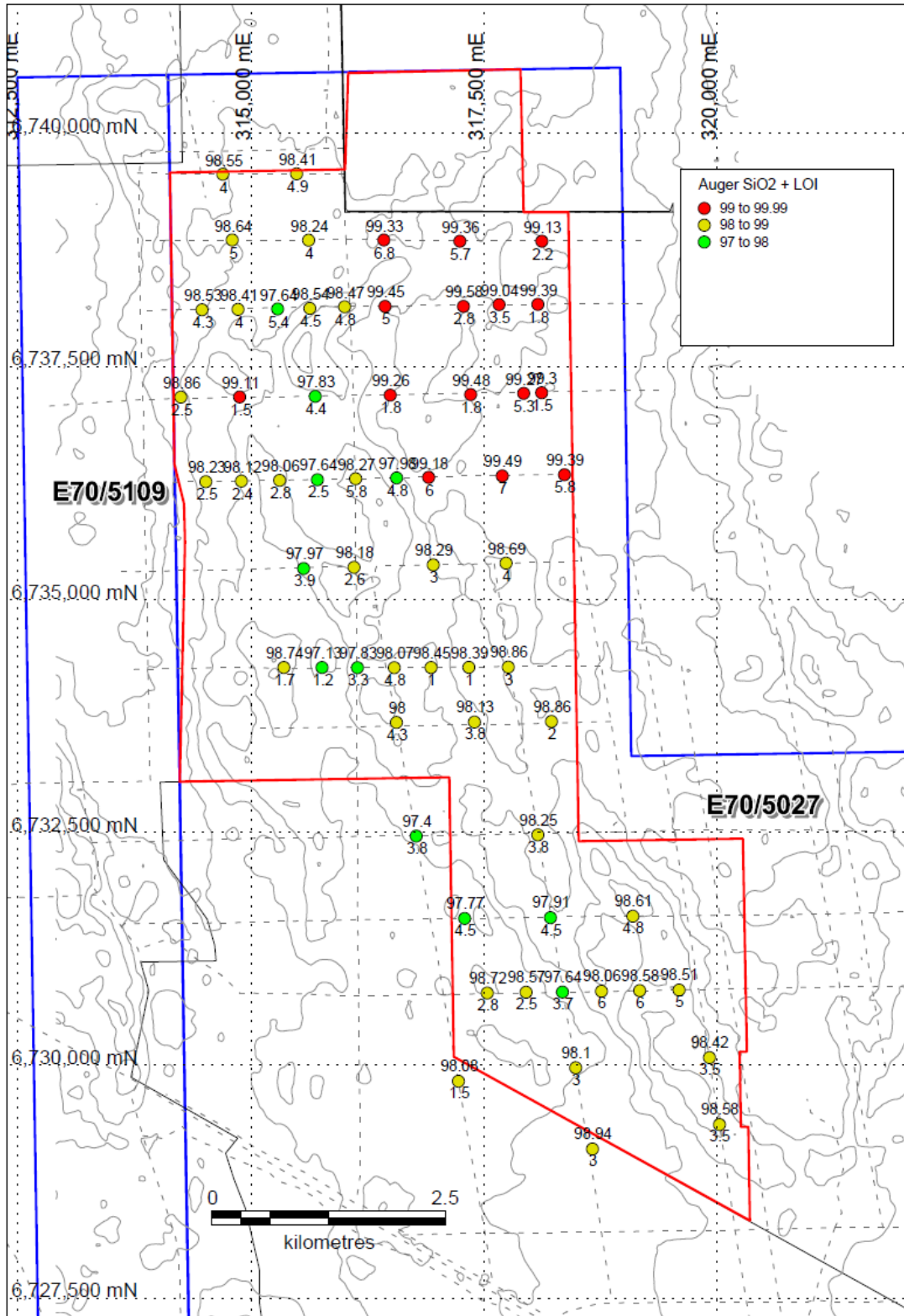
Figure 2 below shows the locations of the 123 hand auger holes.



**Figure 2: Arrowsmith Auger hole locations**

### Arrowsmith North Bulk Sampling

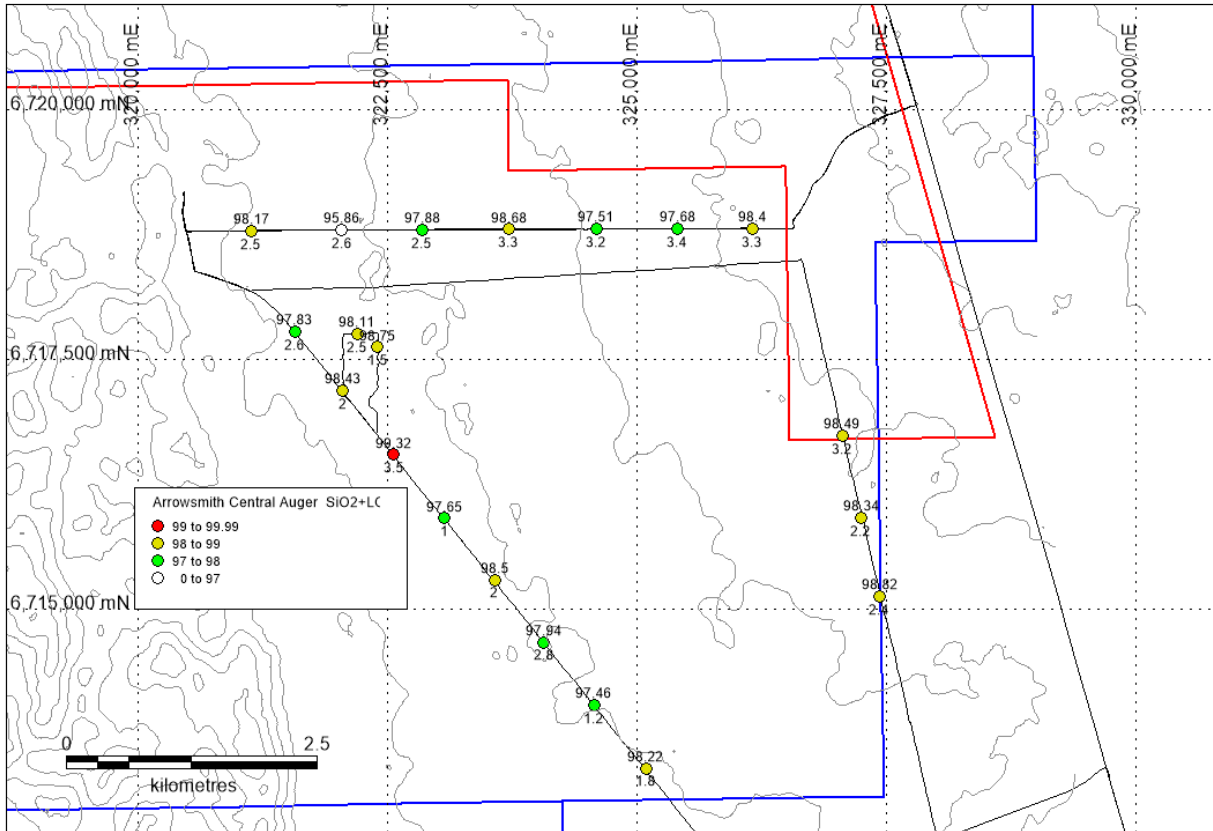
Arrowsmith North contains a broad, large scale dune over 10km in length. There are many existing tracks from years of oil and gas seismic exploration surveys crisscrossing the tenement, resulting in good access and auger coverage. Figure 3 shows the auger coverage coloured by grade. As with Figure 4, the grade is a length weighted arithmetic average over the full depth of the hole sampled.



**Figure 3: Arrowsmith North Auger hole locations, coloured by grade, showing 5m topographical contours and project area in red**

### Arrowsmith Central Bulk Sampling

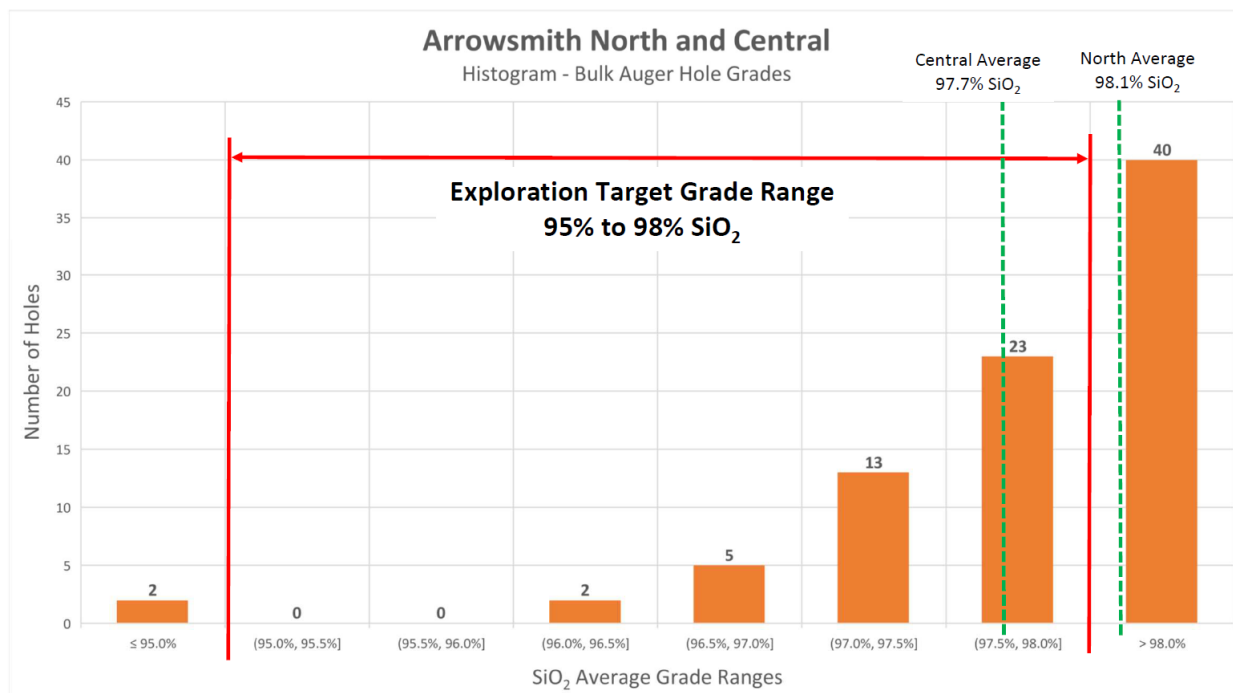
Arrowsmith Central is a flatter terrain that slopes moderately from the western Tamala limestone outcrops, up to the east edge of the tenement, as shown in Figure 4 below. Existing tracks are limited, reflected by the auger coverage.



**Figure 4: Arrowsmith Central Auger hole locations, coloured by grade, showing 5m topographical contours and project area in red**

### Assay Results

Auger hole composites were created using the full length that was sampled and length weighted grades for all elements reported. The full auger hole composite table is available in the Appendix, and shows the low variability in grade between holes. Figure 5, below, is a histogram of the average auger hole composites with the Exploration Target grade range and average grade for each Area.



## Exploration Targets

Based on these results the Company has developed Exploration Targets for the Arrowsmith Silica Sand Project. These are shown in Table 1.

Area	Tonnes (Mt)		Grade SiO <sub>2</sub>	
	Low	High	Low	High
Arrowsmith North	100	140	95%	98%
Arrowsmith Central	40	70	95%	98%
<b>Total</b>	<b>140</b>	<b>210</b>	<b>95%</b>	<b>98%</b>

***The potential quality and grade of these Exploration Targets are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.***

These estimations are based on:

### **Arrowsmith North Exploration Target**

- Exploration Target area 3,600 ha
- 1.6t/m<sup>3</sup> in situ bulk density
- Between 40% and 50% of area contains high grade silica sand
- Depth of high grade sand 4 to 5 metres
- In situ grade ranges from 95% to 98% SiO<sub>2</sub>.

### **Arrowsmith Central Exploration Target Area**

- *Exploration Target area 3,000 ha*
- *1.6t/m<sup>3</sup> in situ bulk density*
- *Between 40% and 50% of area contains high grade silica sand*
- *Depth of high grade sand 2 to 3 metres*
- *In situ grade ranges from 95% to 98% SiO<sub>2</sub>.*

The dry *in situ* bulk density has been measured by an independent contractor using a nuclear densometer at 11 sites, with the results to be used in the JORC compliant Mineral Resource Estimation.

Auger drilling in the Exploration Target Areas has been completed and is adequate for a JORC-2012 compliant Maiden Mineral Resource estimate but further Aircore drilling is planned for mid to late September 2018 to upgrade the level of confidence and increase the Resource by drilling deeper than the hand-held auger.

### **Quality Control Data**

The Company has been validating a high-purity silica standard that was created for the Company by OREAS Pty Ltd. This was required as there is no commercial standard available for high purity silica sand. The standard was “round robin” assayed at several laboratories in Perth prior to the commencement of drilling. The standard was then included in the drill sample submissions to Intertek, in sequence, on a ratio of 1:20. Field duplicate samples were submitted in a ratio of 1:20. In addition to the duplicates the laboratory routinely repeated analysis from the pulverised samples in a ratio of 1:25. The number of QA/QC samples represents 14% of the total assays.

A full analysis of all the quality control data has now been assessed. This analysis validates the drill assay dataset and conforms with the guidelines for reporting under the JORC-2012 code.

### **Bulk Testwork**

The Company has previously reported testwork results for the Arrowsmith Silica Sand Project, see *Announcement 30<sup>th</sup> January 2018 – “Arrowsmith Silica Sand Project Testwork”*. This testwork reported that a grade of 99.5% SiO<sub>2</sub> was achieved on 70% of the feed mass. A grade of 99.5% SiO<sub>2</sub> is believed to be a critical grade for glassmaking quality sand.

In addition to this testwork, the Company is in the process of testing bulk samples to determine the final product specifications. A total of 1.5 tonnes of Arrowsmith sand is in the process of bulk testing at the Nagrom Laboratory in Kelmscott and the CDE Global Laboratory in Northern Ireland. The results of the testwork are expected to be available in September and will allow for final process circuit and engineering design.

### **Mineral Resource Estimation**

Experienced geological consultancy, CSA Global, have been engaged to estimate a Maiden Mineral Resource for the Arrowsmith Silica Sand Project. This is expected to be completed in September 2018.

Appendix 1 – Auger Composite Result Tables

Area	MGA East	MGA Nth	Depth	SiO <sub>2</sub> Calc.	SiO <sub>2</sub> Calc. + LOI <sub>1000C</sub>	Al <sub>2</sub> O <sub>3</sub>	CaO	Fe <sub>2</sub> O <sub>3</sub>	K <sub>2</sub> O	Na <sub>2</sub> O	TiO <sub>2</sub>	LOI <sub>1000C</sub>
North	319594	6730807	5	98.1%	98.5%	9,134	-	3,700	27	46	1,636	0.45
North	319173	6730800	6	98.1%	98.6%	8,852	-	3,683	205	21	1,311	0.45
North	318763	6730793	6	97.5%	98.1%	12,807	17	4,533	301	50	1,499	0.59
North	318344	6730785	3.7	97.0%	97.6%	15,418	129	5,225	960	84	1,602	0.69
North	317953	6730784	2.5	98.3%	98.6%	8,074	-	1,633	2,083	129	2,235	0.30
North	317537	6730775	2.8	98.5%	98.7%	5,875	-	1,833	1,865	119	2,967	0.20
North	318665	6729100	3	98.5%	98.9%	6,342	98	1,400	1,063	80	1,488	0.40
North	318486	6729972	3	97.6%	98.1%	12,522	37	2,967	1,345	96	1,859	0.51
North	318216	6731584	4.5	97.3%	97.9%	13,799	27	4,740	395	66	1,624	0.62
North	317295	6731574	4.5	97.1%	97.8%	14,367	43	4,900	858	94	1,813	0.68
North	319099	6731598	4.8	98.2%	98.6%	8,352	-	3,560	214	52	1,535	0.43
North	318226	6733688	2	98.4%	98.9%	6,680	79	2,800	197	55	1,445	0.49
North	318079	6732471	3.8	97.7%	98.2%	11,218	-	4,175	370	62	1,546	0.51
North	317399	6733683	3.8	97.6%	98.1%	11,699	25	4,650	363	67	1,748	0.55
North	316563	6733679	4.3	97.4%	98.0%	12,729	-	4,840	722	79	1,463	0.56
North	316776	6732460	3.8	96.7%	97.4%	16,193	112	5,775	1,613	137	1,932	0.65
North	319921	6730081	3.5	98.0%	98.4%	8,849	29	4,450	430	66	1,801	0.45
North	320029	6729362	3.5	98.1%	98.6%	8,187	25	4,325	331	59	1,152	0.46
North	317229	6729829	1.5	97.6%	98.1%	11,014	51	2,350	2,822	164	2,645	0.43
North	317762	6734273	3	98.4%	98.9%	6,746	33	2,833	265	54	1,318	0.47
North	317339	6734270	5	97.9%	98.4%	10,768	-	2,520	517	70	2,023	0.49
North	316933	6734269	4	97.9%	98.5%	9,663	-	3,825	302	60	1,431	0.53
North	316540	6734266	4.8	97.5%	98.1%	11,989	23	4,760	570	193	1,563	0.61
North	316145	6734266	3.3	97.3%	97.8%	12,799	114	5,150	1,164	113	2,104	0.58
North	315764	6734268	1.2	96.4%	97.1%	17,833	141	6,100	2,401	172	1,803	0.78
North	315354	6734267	1.7	98.0%	98.7%	7,938	69	2,800	758	55	864	0.74
North	317739	6735389	4	98.3%	98.7%	7,527	-	3,250	298	50	1,779	0.39
North	316957	6735368	3	97.8%	98.3%	10,708	68	3,533	551	72	1,983	0.52
North	316107	6735344	2.6	97.6%	98.2%	11,486	73	4,300	858	90	1,204	0.55
North	315568	6735330	3.9	97.4%	98.0%	12,384	88	4,675	1,251	110	1,616	0.56
North	317699	6736324	7	99.4%	99.5%	1,925	-	914	585	59	1,554	0.11
North	316909	6736308	6	99.0%	99.2%	3,660	-	883	1,807	115	1,661	0.14
North	316565	6736302	4.8	97.4%	98.0%	11,920	133	3,780	2,071	145	2,017	0.54
North	316125	6736294	5.8	97.8%	98.3%	10,664	-	3,983	825	80	1,616	0.44
North	315716	6736284	2.5	97.1%	97.6%	14,147	73	5,267	2,348	157	1,481	0.56
North	315310	6736276	2.8	97.6%	98.1%	11,840	-	4,800	1,081	95	1,387	0.49
North	314900	6736268	2.4	97.6%	98.1%	11,002	158	4,600	1,069	96	1,720	0.54
North	314518	6736261	2.5	97.7%	98.2%	10,739	40	4,633	712	76	1,361	0.54
North	314250	6737169	2.5	98.5%	98.9%	6,548	-	2,367	891	79	1,348	0.36
North	314880	6737172	1.5	98.8%	99.1%	5,389	-	1,850	548	66	963	0.35
North	315691	6737177	4.4	97.2%	97.8%	13,161	45	4,960	1,902	139	1,326	0.59
North	316496	6737190	1.8	99.0%	99.3%	3,484	-	600	1,797	123	1,351	0.24



Area	MGA East	MGA Nth	Depth	SiO <sub>2</sub> Calc.	SiO <sub>2</sub> Calc. + LOI <sub>1000C</sub>	Al <sub>2</sub> O <sub>3</sub>	CaO	Fe <sub>2</sub> O <sub>3</sub>	K <sub>2</sub> O	Na <sub>2</sub> O	TiO <sub>2</sub>	LOI <sub>1000C</sub>
North	317358	6737198	1.8	99.1%	99.5%	2,385	-	1,050	566	62	1,019	0.35
North	318121	6737216	1.5	99.0%	99.3%	2,850	64	1,150	811	168	1,848	0.30
North	318080	6738166	1.8	99.2%	99.4%	2,206	-	650	1,312	101	1,720	0.19
North	317282	6738144	2.8	99.4%	99.6%	1,636	-	433	670	68	1,325	0.14
North	316440	6738144	5	99.3%	99.4%	2,137	28	740	633	67	1,803	0.18
North	316007	6738140	4.8	98.1%	98.5%	9,049	-	3,780	477	75	1,737	0.42
North	315634	6738121	4.5	98.1%	98.5%	8,973	-	3,420	694	78	1,295	0.41
North	315289	6738115	5.4	97.1%	97.6%	13,903	35	4,300	2,893	196	2,032	0.51
North	314864	6738111	4	97.9%	98.4%	9,474	121	3,875	733	81	1,440	0.56
North	314477	6738108	4.3	98.1%	98.5%	9,046	52	3,360	694	64	1,325	0.44
North	314802	6738857	5	98.2%	98.6%	8,322	20	3,000	637	45	1,474	0.41
North	315621	6738853	4	97.8%	98.2%	10,761	85	3,625	1,423	94	1,429	0.48
North	316427	6738856	6.8	99.1%	99.3%	2,692	15	914	962	55	1,985	0.19
North	317242	6738844	5.7	99.2%	99.4%	3,400	38	967	586	42	1,225	0.21
North	318123	6738844	2.2	98.9%	99.1%	4,280	136	700	2,044	130	1,297	0.27
North	315493	6739567	4.9	98.0%	98.4%	9,779	68	3,360	930	71	1,555	0.45
North	314700	6739562	4	98.1%	98.6%	9,009	60	3,275	487	50	1,453	0.46
North	318366	6736337	5.8	99.3%	99.4%	2,598	22	1,100	341	-	1,975	0.14
North	317664	6738162	3.5	98.8%	99.0%	4,736	60	1,025	1,759	113	1,775	0.20
North	317927	6737209	5.3	99.1%	99.3%	3,789	25	1,317	535	41	1,515	0.20
Central	326157	6718810	3.3	98.1%	98.4%	8,810	-	3,450	1,559	123	1,952	0.34
Central	325403	6718806	3.4	97.2%	97.7%	14,180	60	2,975	2,651	166	3,032	0.50
Central	324589	6718807	3.2	96.9%	97.5%	15,915	69	4,400	1,669	109	2,530	0.62
Central	323714	6718801	3.3	98.5%	98.7%	7,060	-	1,275	1,990	114	2,689	0.20
Central	322846	6718798	2.5	97.5%	97.9%	11,968	-	2,133	3,838	233	2,845	0.37
Central	322039	6718796	2.6	94.9%	95.9%	26,846	150	6,400	3,863	224	3,678	0.96
Central	321130	6718788	2.5	97.8%	98.2%	10,158	39	2,167	3,045	171	2,560	0.33
Central	321568	6717779	2.6	97.4%	97.8%	12,295	158	2,367	3,671	267	2,790	0.44
Central	322193	6717752	2.5	97.8%	98.1%	11,416	118	1,767	3,112	236	2,138	0.34
Central	322397	6717622	1.5	98.4%	98.8%	7,835	113	1,050	1,504	143	1,684	0.36
Central	322052	6717186	2	98.1%	98.4%	8,998	115	1,750	2,413	186	2,103	0.34
Central	322559	6716544	3.5	99.1%	99.3%	3,292	30	525	887	73	1,852	0.19
Central	323068	6715908	1	97.0%	97.6%	13,423	213	3,100	3,519	301	2,764	0.65
Central	323573	6715291	2	98.1%	98.5%	8,256	175	1,800	2,232	177	2,181	0.36
Central	324066	6714668	2.8	97.6%	97.9%	11,262	159	2,433	3,414	424	2,715	0.36
Central	324567	6714039	1	97.0%	97.5%	13,527	165	3,400	4,571	316	3,273	0.49
Central	325085	6713406	1.8	97.9%	98.2%	9,557	186	2,750	2,478	395	2,138	0.34
Central	327054	6716735	3.2	98.1%	98.5%	7,544	108	3,300	1,751	220	2,035	0.38
Central	327247	6715910	2.2	98.0%	98.3%	9,072	78	2,333	2,216	170	2,564	0.38
Central	327430	6715126	2.4	98.5%	98.8%	6,044	41	1,233	1,998	180	2,145	0.34
Central	323804	6712148	0.9	96.4%	97.0%	17,820	159	3,700	4,446	318	3,062	0.63
Central	322973	6712124	1	93.7%	94.9%	26,904	267	10,200	6,089	549	4,587	1.19
Central	322207	6712090	2	98.3%	98.7%	6,305	114	2,750	2,289	213	1,601	0.38

**Further information:**

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**Competent Person's Statement**

*The information in this release that relates to exploration results and exploration targets is based on, and fairly represents, information compiled by Mr David Reid who is a Member of the Australian Institute of Geoscientists (MAIG). Mr Reid is a contractor to Ventnor Resources Limited. Mr Reid has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the "2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves."*

*Mr Reid consents to the inclusion in this release of the matters based on information provided by him and in the form and context in which they appear.*

## APPENDIX A – JORC 2012 Table 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Auger drilling samples are 1m down hole intervals with sand collected in a plastic tub which received the full sample, ~8kg, from the hole. The sand was homogenised prior to sub sampling, two sub-samples, A and B, of ~200g were taken from the drill samples. A bulk sample of ~5kg was retained for each 1m interval for metallurgical testwork.</li> <li>The "A" sample was submitted to the Intertek Laboratory in Maddington, Perth for drying, splitting (if required), pulverisation in a zircon bowl and a specialised silica sand 4 Acid digest and ICP analysis.</li> <li>All auger samples were weighed to determine if down hole collapse was occurring, if the samples weights increased significantly the hole was terminated to avoid up hole contamination.</li> <li>The targeted mineralisation is unconsolidated silica sand dunes, the sampling techniques are considered to be "industry standard".</li> <li>Due to the visual nature of the material, geological logging of the drill material is the primary method of identifying mineralisation.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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>	<ul style="list-style-type: none"> <li>A 100mm diameter hand screw auger was used to drill until hole collapse.</li> </ul>
<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</li> </ul>	<ul style="list-style-type: none"> <li>All material recovered from the hole is collected in a plastic tub and weighed, the weights are used to determine when the hole is collapsing, and drilling is terminated.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Logging</b>	<p>representative nature of the samples.</p> <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>	<ul style="list-style-type: none"> <li>No relationship is evident between sample recovery and grade</li> <li>Geological logging of drill samples is done by the field geologist with samples retained in chip trays for later interpretation.</li> <li>Logging is captured in an excel spreadsheet, validated and uploaded into an Access database</li> </ul>
<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 of all core taken.</li> <li>If non-core, whether fiffled, tube-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 duplicates/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>Auger drill material, ~8kg, is collected in a plastic tub and homogenised, 2 x 200g sub-samples, A and B, are taken from the drill material. The A sample is submitted to the laboratory and the B sample is retained for repeat analysis and QAQC purposes. A 5kg bulk sample is retained for later metallurgical testwork.</li> <li>The sample size is considered appropriate for the material sampled.</li> <li>The 200g samples are submitted to the Intertek Laboratory in Maddington, Intertek use a zircon bowl pulveriser to reduce the particle size to -75um.</li> </ul>
<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 deviations, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether</li> </ul>	<ul style="list-style-type: none"> <li>Samples were submitted for analysis to the Intertek Laboratory in Maddington in Perth WA. The assay methods used by Intertek are as follows: multi-elements are determined by a specialised four-acid digest including Hydrofluoric, Nitric, Perchloric and Hydrochloric acids in Teflon tubes. Analysed by Inductively Coupled Plasma Mass Spectrometry, silica is reported by difference.</li> <li>The assay results have also undergone internal laboratory QAQC, which includes the analysis of standards, blanks and</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>acceptable levels of accuracy (ie lack of bias) and precision have been established.</p>	<p>repeat measurements.</p> <ul style="list-style-type: none"> <li>The Company has been validating a high-purity silica standard that was created for the Company by OREAS Pty Ltd. This was required as there is no commercial standard available for high purity silica sand. The standard was “round robin” assayed at several laboratory’s in Perth prior to the commencement of drilling.</li> <li>The standard was then included in the drill sample submissions to Intertek, in sequence, on a ratio of 1:20. Field duplicate samples were submitted in a ratio of 1:20 and in addition to this Intertek routinely duplicated analysis from the pulverised samples in a ratio of 1:25. The number of QAQC samples therefore represents ~14% of the total assays.</li> <li>A full analysis of all the quality control data has been undertaken. This analysis validates the drill assay dataset and conforms with the guidelines for reporting under the JORC 2012 code.</li> </ul>
<p><b>Verification of sampling and assaying</b></p>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent of 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>	<ul style="list-style-type: none"> <li>Significant intersections validated against geological logging</li> <li>No twinned holes have been completed.</li> </ul>
<p><b>Location of data points</b></p>	<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 location used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole locations were measured by hand-held GPS with the expected relative accuracy; GDA94 MGA Zone 50 grid coordinate system is used. The reduced level (RL) of the drilling collars is generated from publicly available SRTM data. The SRTM data is compared to the available Landgate Geodectic Survey Marks to validate the data that it is appropriate for use.</li> <li>SRTM topography is known to have localised precision issues. The Company is investigating cost effective methods</li> </ul>

Criteria	JORC Code explanation	Commentary
		of acquiring a high-quality topographical data set.
<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>	<ul style="list-style-type: none"> <li>Auger holes were spaced 400-1,000m apart along existing tracks.</li> <li>Due to the relatively low variability of assays between drill holes the current spacing is sufficient for the estimation of a Mineral Resource.</li> <li>No sample compositing (down hole) has been done.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation is 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>	<ul style="list-style-type: none"> <li>Sampling is being done on aeolian sand dunes the auger orientation is therefore considered appropriate.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>All samples are selected onsite under the supervision of Ventnor Geological staff.</li> <li>Samples are delivered to the Intertek laboratory in Maddington. Intertek receipt received samples against the sample dispatch documents and issued a reconciliation report for every sample batch.</li> </ul>
<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>	<ul style="list-style-type: none"> <li>There has been no audit or review of sampling techniques and data at this time.</li> </ul>

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements of material issues with third parties such as joint ventures, partnerships, overriding royalties, native title intersects, 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>	<ul style="list-style-type: none"> <li>Auger drilling was done on Tenement E70/4987 and E70/5027 which are 100% held by a wholly owned subsidiary of Ventnor Resources Limited.</li> <li>The tenements were granted on 06/04/2018 and 13/06/2018 respectively, all drilling was conducted on VCL.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgement and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Minor exploration for mineral sands has been completed by various Companies.</li> <li>No exploration for silica sand has been done.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The targeted silica sand deposits are the aeolian sand dunes that overlie the Pleistocene limestones and paleo-coastline which host the Gingin heavy mineral deposits.</li> </ul>
<b>Drill hole Information</b>	<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 of 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> </ul> </li> </ul> <p>If the exclusion of the 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.</p>	<ul style="list-style-type: none"> <li>A tabulation of the material drill holes is presented in the main body of this report.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting exploration results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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>	<ul style="list-style-type: none"> <li>The assay data presented for the silica sand is an arithmetic average of the 1m individual sample results.</li> <li>Down hole averages have been calculated for the full depth drilled for all material downhole.</li> <li>The grade distribution shows a very low variability with no anomalous high-grade results, therefore the most appropriate method of aggregating intercepts is the use a simple arithmetic average.</li> <li>No metal equivalents are used.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known).</li> </ul>	<ul style="list-style-type: none"> <li>As the mineralisation is associated with aeolian dune sands the majority will be essentially horizontal, some variability will be apparent on dune edges and faces.</li> <li>All drilling is vertical; hence the drill intersection is essentially equivalent to the true width of mineralisation</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>A map of the drill collar locations is incorporated with the main body of the announcement. Representative cross-sections are not attached as there is insufficient drilling at this time to generate meaningful sections.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The accompanying document is considered to represent a balanced report.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and Material, should be reported including (but not limited to): geological observations; geophysical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or</li> </ul>	<ul style="list-style-type: none"> <li>Geological observations are consistent with aeolian dune mineralisation</li> <li>11, certified, dry in-situ bulk density measurements were completed by Construction Sciences Pty Ltd using a nuclear</li> </ul>



Criteria	JORC Code explanation	Commentary
	contaminating substances.	<p>densometer. The arithmetic average of these was used in the determination of the exploration targets.</p> <ul style="list-style-type: none"> <li>• No groundwater was intersected during drilling.</li> <li>• The mineralisation is unconsolidated sand.</li> <li>• There are no known deleterious substances at this time.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg test for lateral extensions of 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 the information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• <i>Testwork is required to determine if conventional sand processing techniques can upgrade the sand to a high value product.</i></li> <li>• <i>Aircore drilling is required to test the full depth of sand within the sand dune and the variability of the high-grade silica sand.</i></li> <li>• <i>CSA Global has been engaged to estimate an Inferred Mineral Resource, it is expected this will be available in September 2018.</i></li> </ul>

## About Ventnor

Ventnor Resources Ltd (Ventnor) (ASX: VRX) has significant silica sand projects including four exploration license applications pending over the Arrowsmith Silica Sands Project, located 270km north of Perth, Western Australia. Initial testwork is focusing on confirming that the sand can be upgraded to glass-making quality.

The announcement of 30 July 2018 details the acquisition of the Muchea Silica Sand Project which complements the Arrowsmith Silica Sands Project with additional silica sand resources.

Ventnor also has granted tenements adjacent to the Tropicana Gold Mine in WA that are prospective for gold and base metals (Biranup Project), with prospects identified following an extensive review of historical data.

Also in Western Australia, 40km south of Newman, is Ventnor's Warrawanda Nickel Project, which is prospective for nickel sulphides.

## Proven Management

The Ventnor directors have extensive experience in mineral exploration and production, and in the management of publicly listed mining and exploration companies.

## Project Locations

