



Ventnor Resources Limited

ABN 59 142 014 873

Notice of Annual General Meeting

Explanatory Statement

and

Proxy Form

**Date of Meeting
Monday 9 November 2015**

**Time of Meeting
11.00am (WST)**

**Place of Meeting
The Celtic Club
48 Ord Street
West Perth WA 6005**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of members of Ventnor Resources Limited (Ventnor or the Company) will be held on Monday 9 November 2015, commencing at 11.00am (WST) at The Celtic Club, 48 Ord Street, West Perth, Western Australia.

The enclosed Explanatory Statement accompanies and forms part of this Notice of Annual General Meeting.

AGENDA

ORDINARY BUSINESS

Accounts and Reports

To receive and consider the annual financial report for the financial year ended 30 June 2015, together with the reports by directors and auditors thereon.

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. Resolution 1: Adoption of Remuneration Report

That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's Annual Report for the financial year ended 30 June 2015 be adopted.

Note: The vote on this resolution is advisory only and does not bind the directors of the Company.

Voting Exclusion Statement:

Pursuant to section 250R(4) of the Corporations Act, the Company is required to disregard any votes cast on Resolution 1 (in any capacity) by or on behalf of any of the following persons:

- (a) member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member (together "prohibited persons").

However, the Company will not disregard a vote if:

- (c) the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (d) the vote is not cast on behalf of a prohibited person.

2. Resolution 2: Re-election of Director (Mr P Boyatzis)

That Mr Paul Boyatzis, being a Director of the Company who retires by rotation in accordance with Clause 11.3 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

3. Resolution 3: Ratification of Placement – 30 June 2015

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

“That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 19,260,388 Placement Shares together with 9,630,194 attaching free options exercisable at \$0.07 and expiring 30 June 2017 on the terms set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue of Placement Shares and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4: Approval of 10% Placement Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Annual General Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting at Annual General Meeting

The Directors have determined pursuant to Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 11.00am (WST) on Saturday 7 November 2015. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the general meeting.

Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the company's website at www.ventnorresources.com.au

BY ORDER OF THE BOARD

**John Geary
Company Secretary
08 October 2015**

EXPLANATORY STATEMENT

1. INTRODUCTION

This Explanatory Statement has been prepared for the information of members of Ventnor Resources Limited ("the Company") in connection with the business to be conducted at the Annual General Meeting of members to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Monday 9, November 2015 at 11.00am (WST).

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

2. 2015 ANNUAL REPORT

In accordance with the requirements of the Company's Constitution and the Corporations Act, the 2015 Annual Report will be tabled at the Annual General Meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Annual Report. There is no requirement for a formal resolution on this item.

Representatives from the Company's auditors, RSM Bird Cameron Partners, will be present to take shareholders' questions and comments about the conduct of the audit and the preparation and content of the audit report.

3. ADOPTION OF REMUNERATION REPORT – Resolution 1

3.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors of the Company.

If at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2016 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (Spill Resolution).

If more than 50% of the Shareholders vote in favour of the Spill Resolution, the Company must convene an extraordinary general meeting (Spill Meeting) within 90 days of the Company's 2016 annual general meeting. All of the Directors who were in office when the Company's 2016 Directors Report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this annual general meeting.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ended 30 June 2015.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

3.2 Proxy Restrictions

Pursuant to the Corporations Act, if you elect to appoint the Chair, or another member of the Key Management Personnel or any Closely Related Party as your proxy to vote on this Resolution 1, you must direct the proxy how they are to vote. Where you do not direct the Chair, or another member of the Key Management Personnel or Closely Related Party on how to vote on this Resolution 1, the proxy is prevented by the Corporations Act from exercising your vote and your vote will not be counted in relation to Resolution 1.

The above note on voting does not apply if the voter is the Chair of the Meeting and the undirected proxy expressly authorises the Chair to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

3.3 Definitions

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Closely Related Party of a member of the Key Management Personnel means:

- (a) A spouse or child of the member;
- (b) A child of the members spouse;
- (c) A dependent of the member or the members spouse;
- (d) Anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) A company the member controls; or
- (f) A person prescribed by the Corporations Regulations 2001 (Cth).

Remuneration Report means the remuneration report set out in the Directors' report section of the Company's annual financial report for the year ended 30 June 2015.

4. RE-ELECTION OF DIRECTOR: Resolution 2

Resolution 2 relates to the re-election of Mr Boyatzis as a Director.

In accordance with the requirements of clause 11.3 of the Company's Constitution and the Corporations Act, one-third of the directors of the Company retire from office at this Annual General Meeting of the Company. Mr Boyatzis retires by rotation and, being eligible, offers himself for re-election.

A summary of the qualifications and experience of Mr Boyatzis is provided in the Annual Report.

5. RATIFICATION OF PLACEMENT – 30 June 2015: Resolution 3

5.1 Background

On 29 June 2015, the Company announced a placement to sophisticated and professional investors of 19,260,388 Shares (Placement Shares) and an issue price of 3.1 cents each with a one for two attaching unlisted option (Placement Options) exercisable at 7 cents expiring on or before 30 June 2017 (Placement). The Placement raised \$597,072 before expenses. The Placement was completed on 30 June 2015.

Resolution 3 seeks Shareholder approval to ratify the issue of 19,260,388 Placement Shares and 9,630,194 Placement Options.

5.2 Listing Rule 7.4

A total of 7,870,313 Placement Shares and 9,630,194 Placement Options were issued under Listing Rule 7.1. A total of 11,390,075 Placement Shares were issued pursuant to the Company's 10% placement capacity under Listing Rule 7.1A, which was approved by Shareholders at the Company's annual general meeting held on 6 November 2014.

Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) prior approval of shareholders is required for an issue of securities by a company if the securities will, when aggregated with the securities issued by the company during the previous 12 months, exceed 15% of the number of the Shares on issue at the commencement of that 12 month period.

The issue of 7,870,313 Placement Shares and 9,630,194 Placement Options did not exceed the 15% limit.

Listing Rule 7.4 provides that where a company ratifies a prior issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the company's 15% capacity and enabling it to issue further securities up to that limit.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period the approval is valid a number of equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Issues of securities made relying on ASX Listing Rule 7.1A can, after they have been made, be ratified under ASX Listing Rule 7.4. This has the effect of refreshing the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A to the extent the previous issues are ratified.

By ratifying the issue the subject of Resolution 3, the base figure (i.e. variable 'A') in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number, which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

5.3 Listing Rule 7.5

The information required to be provided to shareholders to satisfy Listing Rule 7.4 is specified in Listing Rule 7.5. In compliance with the information requirements of Listing Rule 7.5, Shareholders are advised of the following particulars in relation to the issue pursuant to Resolution 3:

- (a) Number of securities allotted and issued

19,260,388 Placement Shares and 9,630,194 Placement Options.

(b) Price at which securities were issued

\$0.031 per Placement Share. The Placement Options were free attaching and issued on a 1 for 2 basis.

(c) The terms of the securities

The Placement Shares are ordinary fully paid shares which rank equally with existing Shares on issue. The terms of the Placement Options are included at Appendix A to this Explanatory Statement.

(d) The basis on which allottees were determined

The Placement Shares and Placement Options were issued to a number of professional and sophisticated investors pursuant to section 708 of the Corporations Act.

No related party participated in the allotment of the Placement Shares and Placement Options.

(e) The use (or intended use) of the funds raised

The funds raised (\$597,072 before expenses) pursuant to issue of the Placement Shares will be applied towards the initial RC drilling program at the Black Dragon gold project and additional working capital.

6. APPROVAL of 10% PLACEMENT CAPACITY: Resolution 4

6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (10% Placement Capacity).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 6.2 below).

The effect of Resolution 4 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

6.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation (at the date of this Explanatory Statement) of \$5,228,690.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has one class of Equity Securities on issue, being the Shares (ASX Code: VRX).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under this rule; and
 - (iv) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

6.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

- (a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class,

calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 6.3(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

or such longer period if allowed by ASX (10% Placement Capacity Period).

The approval under Resolution 4 for the issue of Equity Securities will cease to be valid in the event that shareholders approve a transaction under Listing Rules 11.1.2 or 11.2.

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities currently on issue.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Number of Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.019 (50% decrease in issue price)	Funds raised based on issue price of \$0.038 (issue price)	Funds raised based on issue price of \$0.057 (50% increase in issue price)
137,597,105 (Current)	13,759,710	\$261,434	\$522,868	\$784,303
206,395,657 (50% increase)	20,639,565	\$392,151	\$784,303	\$1,176,455
275,194,210 (100% increase)	27,519,421	\$522,868	\$1,045,737	\$1,568,606

*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 1 October 2015.
2. The issue price set out above is the closing price of the Shares on the ASX on 1 October 2015.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
7. Resolution 3 has been approved by Shareholders at the Meeting.

Shareholders should note that there is a risk of economic and voting dilution of existing ordinary security holders that may result from an issue of Equity Securities under Listing Rule 7.1A.2, including the risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue, or issued for non-cash consideration for the acquisition of a new asset.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for exploration and evaluation of the company's existing projects and general working capital; or
- (ii) as non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

(e) Allocation under the 10% Placement Capacity

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to a number of factors, including:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company; and
- (v) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Capacity have not been determined as at the date of this Notice but may include existing Shareholders and/or new investors who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Capacity will be the vendors of the new assets or investments.

(f) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval under ASX Listing Rule 7.1A at its annual general meeting held on 6 November 2014. The Company did not seek approval at its 2013 annual general meeting held on 28 November 2013.

In accordance with ASX Listing Rule 7.3A.6, the following information is provided to shareholders regarding the equity securities issued in the previous 12 months preceding the date of the Annual General Meeting [(that is, 9 November 2015)].

Listing Rule 7.3A.6(a)

The table below shows the total number of equity securities issued in the previous 12 months preceding the date of the Annual General Meeting and the percentage that those issues represent of the total number of equity securities on issue at the commencement of that 12 month period.

Total number of equity securities issued in the 12 months preceding the date of the meeting	19,260,388
Percentage that they represent of the total number of equity securities on issue at the commencement of that 12 month period	16.27%

Listing Rule 7.3A.6(b)

The tables below set out specific details for each issue of equity securities that have taken place in the 12 month period prior to the date of the Annual General Meeting.

Date of issue	2 December 2014 10 December 2014
Number issued	2,750,000 unlisted options
Summary of terms	Issued as employee incentive options. Options exercisable at 5.5 cents each on or before 2 December 2017.
Names of the persons who received securities or basis on which those persons were determined	Ventnor Resources Ltd staff and consultants
Price	Nil
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	Nil
Current value of that non-cash consideration	Nil

Date of issue	30 June 2015
Number issued	19,260,388 fully paid ordinary shares
Summary of terms	Placement to Sophisticated and Professional Investors at an issue price of 3.1 cents each. Shares issued rank pari passu with all other fully paid shares on issue.
Names of the persons who received securities or basis on which those persons were determined	Placement to Sophisticated and Professional Investors
Price	3.1 cents each
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	\$597,072
Amount of cash consideration spent	\$249,200
Use of cash consideration	Initial RC drilling program at the Black Dragon Gold Project
Intended use for remaining amount of cash (if any)	Follow up exploration expenditure and working capital
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	30 June 2015
Number issued	9,630,194 unlisted options
Summary of terms	Unlisted options exercisable at 7 cents on or before 30 June 2017. Issued on a one for two basis attaching to the Placement Shares.
Names of the persons who received securities or basis on which those persons were determined	Placement to Sophisticated and Professional Investors
Price	Nil
Discount to market price (if any)	N/A
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	Nil
Current value of that non-cash consideration	Nil

6.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

7. DEFINITIONS

Annual General Meeting or Meeting means the meeting convened by the Notice.

Annual Report means the Directors' Report, the Financial Report, and the Auditor's Report in respect to the year ended 30 June 2015.

ASX means ASX Limited ABN 98 008 624 691.

ASX Listing Rules means the official listing rules of ASX.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities include a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means this Explanatory Statement.

Notice means the notice of Annual General Meeting which forms part of this Explanatory Statement.

Placement has the meaning given in section 5.1 of the Explanatory Statement.

Placement Option means an Option issued pursuant to the Placement on the terms and conditions set out in Appendix A.

Placement Share means a Share issued pursuant to the Placement.

Proxy Form means the proxy form attached to this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a fully paid ordinary share in the capital of the Company

Ventnor or the Company means Ventnor Resources Limited ABN 59 142 014 873.

APPENDIX "A"
Terms and Conditions of Placement Options

The terms and conditions of the Placement Options are as follows:

- (a) Each Placement Option entitles the holder to subscribe for and be allotted one ordinary fully paid share in the company.
- (b) The Placement Options are exercisable at a 7c.
- (c) The Placement Options will expire two years from the date of issue (the "Expiry Date").
- (d) Each Placement Option will lapse if not exercised on or before the Expiry Date.
- (e) Each Placement Option shall entitle the holder to subscribe for and to be allotted one share in the capital of the Company upon exercise of the Placement Option and payment to the Company of the Exercise Price.
- (f) A Placement Option may be exercised by the option holder at any time prior to the Expiry Date by sending a completed and signed notice of exercise, together with the payment of the Exercise Price and the statement for the Placement Option, to the Company's Share Registry. If the option holder holds more than one Placement Option, the Placement Options may be exercised in whole or in part.
- (g) A notice of exercise is only effective when the Company has received the full amount of the Exercise Price in cash or cleared funds.
- (h) Subject to any restrictions in the ASX Listing Rules, within 14 days of receipt of a properly executed notice of exercise and the required application moneys the number of shares specified in the notice will be allotted.
- (i) Each statement will bear a suitable form of notice of exercise of the Placement Options, endorsed on the back of the statement, for completion by the option holder (if required). If the Placement Options comprised in any such statement are exercised in part only, before the expiry date, the Company will issue the option holder with a fresh statement for the balance of the Placement Options held and not yet exercised.
- (j) The period during which the Placement Options may be exercised will not be extended.
- (k) The option holder is not entitled to participate in new issues of securities offered to shareholders. The option holder can participate in new issues of securities offered to shareholders if the Placement Option is exercised before the relevant record date for that new issue.
- (l) If from time to time before the expiry of the Placement Options the Company makes an issue of Shares to the holders of Shares by way of capitalisation of profits or reserves (a "bonus issue"), other than in lieu of a dividend payment, then upon exercise of a Placement Option the option holder will be entitled to have issued to it upon such exercise additional shares in the Company. The number of additional shares is the number of shares which would have been issued to it under that bonus issue ("bonus shares") if on the date on which entitlements were calculated it had been registered as the holder of the number of shares which it would have been registered as holder if immediately before that date it had exercised its Placement Options. The bonus shares will be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the bonus issue and upon issue will rank *pari passu*

in all respects with the other shares allotted upon exercise of the Placement Options.

- (m) In the event of any reconstruction (including consolidation, subdivision, reduction, cancellation or return) of the issued capital of the Company before the expiry of any Placement Options, all rights of the option holder, will be reconstructed (as appropriate in accordance with the Listing Rules applying to a re-organisation of capital at the time of the re-organisation).
- (n) Shares allotted pursuant to exercise of the Placement Options will rank equally with the then issued Shares of the Company.
- (o) Other than as referred to above, a Placement Option does not confer the right to a change in Exercise Price, or a change to the number of underlying securities over which it can be exercised.

PROXY FORM

The Secretary
Ventnor Resources Limited
Level 1, 6 Thelma Street
West Perth WA 6005

I/We (full name)

of

being a member(s) of Ventnor Resources Limited, hereby appoint as my/our proxy

of

or, failing him/her the Chairperson of the Meeting to attend and vote for me/us at the Annual General Meeting of the Company to be held at 11.00am (WST) on November 9, 2015 and at an adjournment thereof in respect of _____% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

RESOLUTIONS

	FOR	AGAINST	ABSTAIN
1 Adoption of Remuneration Report	☐	☐	☐
2 Re-election of Director – P Boyatzis	☐	☐	☐
3 Ratification of Placement	☐	☐	☐
4 Approval of 10% Placement Capacity	☐	☐	☐

If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted computing the required majority on a poll.

Where permitted, the Chairman intends to vote all undirected proxies in favour of all resolutions.

If the member is an individual or joint holder:

Usual Signature

Dated this day of

Usual Signature

2015.

If the member is a Company:

Signed in accordance with the
Constitution of the company
in the presence of:

Director/Sole Director

Director/Secretary

Sole Director and Sole
Secretary

Dated this

day of

2015.

INSTRUCTIONS FOR COMPLETING PROXY FORM

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. If the member is a company it must execute under its Common Seal or otherwise in accordance with its Constitution.
5. Important for Resolution 1:

If you have appointed the Chair of the Meeting as your proxy (or the Chair becomes your proxy by default), you expressly authorises the Chair to exercise your proxy on Resolution 1 (except where you have indicated a different voting intention above) even though Resolution 1 is connected directly with the remuneration of a member of Key Management Personnel for the Company, which may include the Chair.

LODGING YOUR PROXY FORM

To be valid, your proxy form (and any power of attorney under which it is signed) must be received at the address given below no later than 11.00am (WST) on 7 November 2015. Any proxy form received after that time will not be valid for the scheduled meeting.

In person: Ventnor Resources Limited
Level 1
6 Thelma Street
West Perth WA 6005

By mail: Ventnor Resources Limited
Level 1
6 Thelma Street
West Perth WA 6005

By fax: (08) 9226 3764