Ventnor Resources Limited

17 January 2017

ASX ANNOUNCEMENT

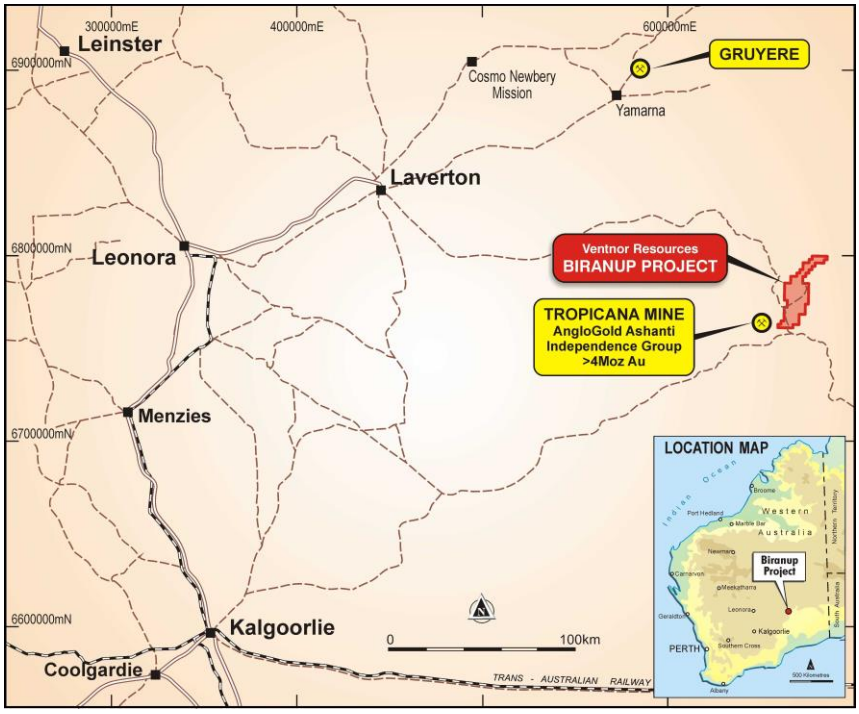
Biranup diamond drilling program testing copper-nickel anomalies

- **Diamond drilling at Fire Dragon Prospect:**
  - **Follow up from two hole November RC program**
  - **Moving Loop Electromagnetic ("MLEM") lines added**
  - **Mineralogical studies indicate similar geology to Nova-Bollinger**

Ventnor Resources Limited ("Ventnor" or "the Company") (ASX: VRX) has planned a follow up diamond drilling program at the Fire Dragon prospect in the Biranup Project area, 370 kilometres north-east of Kalgoorlie in Western Australia. The program follows a two-hole Reverse Circulation ("RC") program in late 2016, following up on two targets generated from the previous MLEM survey.

Managing Director Bruce Maluish said, "*The RC holes have intersected the copper sulphide and chalcopyrite with multi-element assays confirming the prospectivity for magmatic style mineralisation that warrants deeper drilling*."

"*A deeper diamond drill hole has been planned for drilling later this month,*" Mr Maluish said.



ASX: VRX

Capital Structure

Shares on Issue 223 million

Unlisted Options 18.88 million

Market Cap @ 2¢ a share $4.5 million (fully diluted)

Cash $2.0M

Corporate Directory

Paul Boyatzis
Non-Executive Chairman

Bruce Maluish
Managing Director

Peter Pawlowitsch
Non-Executive Director

John Geary
Company Secretary

Company Projects

Biranup Project *adjacent to the Tropicana Gold Mine.*

Warrawanda Nickel Project *south of Newman, WA.*

Thaduna/Green Dragon Copper Project *in the Doolgunna district, WA. – Continuing royalty interest*

The Company is actively assessing other gold and base metal projects in Australia.

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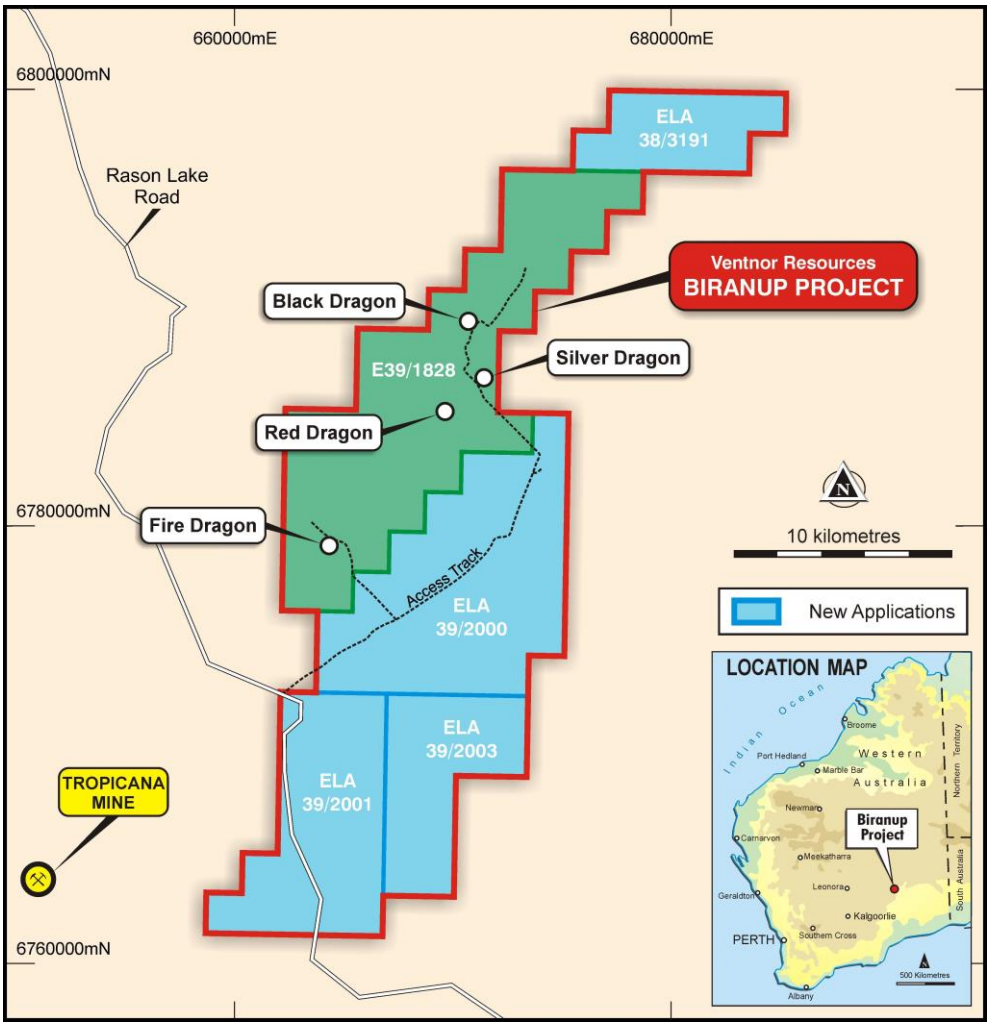


Biranup Project - Prospect locations

Detailed Information

On 6th December 2016, Ventnor announced the completion of the initial RC drilling program at Fire Dragon, which was designed to test the recently defined Electromagnetic anomalies for the presence of magmatic copper and nickel mineralisation. The purpose of the program was to determine the nature of the very strong conductor that had been identified and to allow for a better understanding of the basement rocks that lay below the 80m of transported sands.

As reported, the RC drilling intersected a pervasively sulphidic, predominantly pyrrhotite, mafic rock, with discrete zones of semi-massive to massive sulphides. Assay results have been received that confirm these zones are associated with peak copper, nickel and cobalt values and are anomalous, when compared to the background values in the rest of the holes, by an order of magnitude.

Selected chips from FRC001, similar to those below, were sent to A & A Crawford Geological consultants in Tasmania, to determine the nature of the host rock and the origin of the sulphides.

This analysis determined that, in one sample, the host rock was "*unambiguously a medium grained, mafic granulite likely derived from a gabbro or gabbronorite protolith*". It has been well documented that the protolith of the magmatic intrusive body that gave rise to the Nova – Bollinger magmatic nickel copper deposit was a gabbronorite.

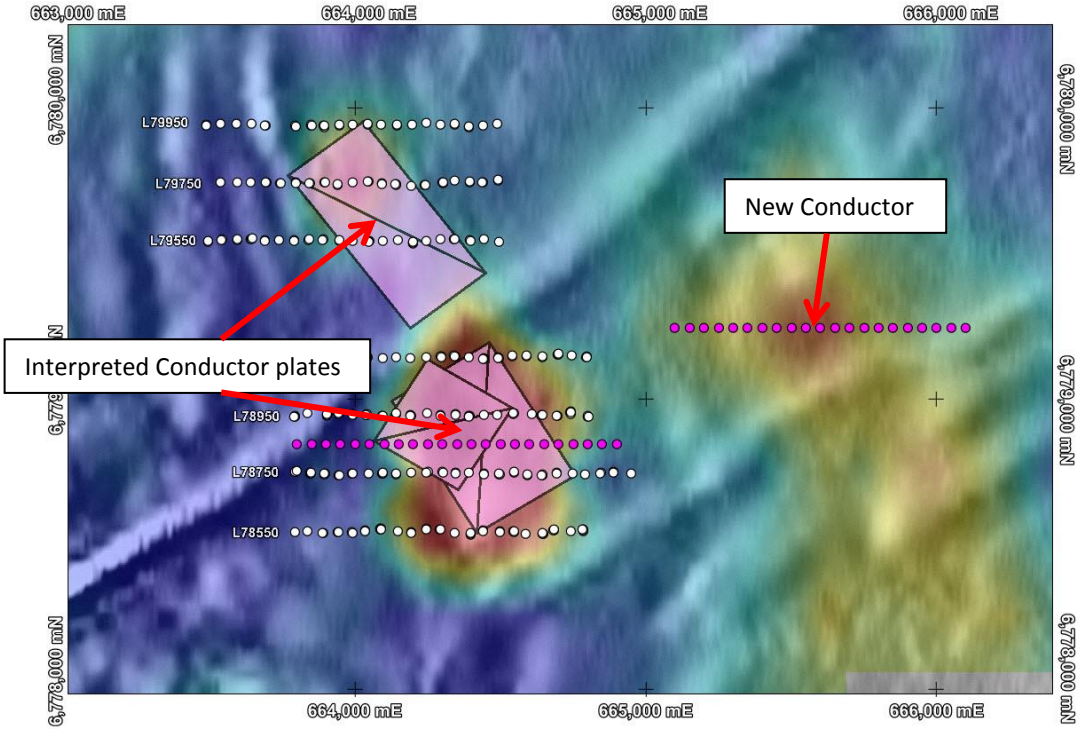


Polished thin section – dark and brassy domains are sulphides

The thin section analysis indicates that the host rocks at Fire Dragon are of the right type and origin to generate a magmatic base metals deposit.

In addition to this work, a down hole electromagnetic survey ("DHEM") was attempted on the 2 RC holes that were drilled at Fire Dragon to better determine the best target to test the known conductor. Unfortunately, the PVC casing that was installed become blocked, which precluded the survey from successfully testing the lower sulphide rich zones.

Whilst the geophysical survey crew was onsite additional lines of MLEM were surveyed. This data has allowed for better modelling of the conductor and to generate a new drill target. The eastern line has confirmed an additional conductor that will require further surveys to determine the orientation.



Additional MLEM survey points shown in pink at Fire Dragon (background – Airborne EM)

Further Work

The company will mobilise a multi-purpose RC and diamond drill to site later this month. This rig will drill an RC pre-collar with a diamond tail to drill deeper down the conductor and to generate drill core. This will allow for a much better understanding of the host rocks in the Fire Dragon area and to intersect the strongest conductive area, testing for nickel and copper sulphides. In addition to this, the drill hole will be cased with PVC to undertake a DHEM survey, and if possible, the 2 RC holes will have the PVC re-instated to be included in that survey.

Assays for this program are expected towards the end of the March quarter.

Further information:

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Competent Person's Statement

The information in this release that relates to Exploration Results 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 report of the matters based on information provided by him and in the form and context in which it appears.

Ventnor Resources Limited

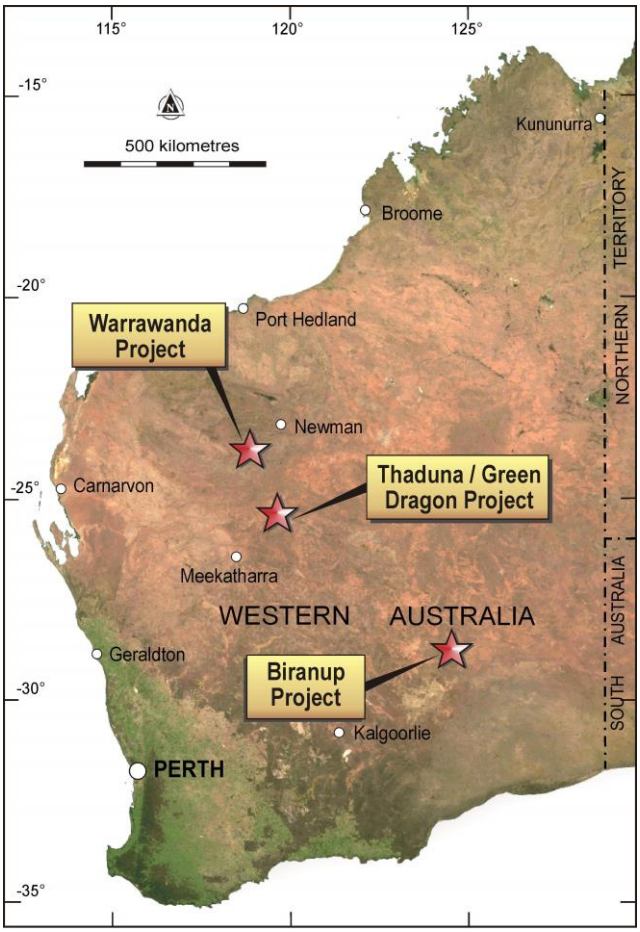
ABOUT VENTNOR

Ventnor Resources' main focus, following the sale of Thaduna/Green Dragon Copper Project to Sandfire Resources NL, is the Biranup Project, which is located north of AngloGold Ashanti and Independence Group's Tropicana Gold Mine in the Albany-Fraser Belt.

Ventnor has identified encouraging gold and copper-nickel prospects at Black Dragon, Fire Dragon, Silver Dragon and Red Dragon. Recently the company has applied for more adjacent ground east of Tropicana with a combined contiguous holding of 340 km^2.

The Ventnor Board possesses a wide range of technical and corporate skill and the appropriate management and technical experience to manage the planned exploration programs at Biranup Project and on its other properties. This has been demonstrated through the discovery of Thaduna/Green Dragon and its subsequent sale to Sandfire.

PROJECT LOCATIONS



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