

29 January 2014

DECEMBER QUARTER ACTIVITY REPORT

On 25 October 2013, Australian base-metals company Ventnor Resources Limited (ASX: VRX) (**Ventnor** or **Company**) advised it had entered into a landmark transaction (**Transaction**) with Sandfire Resources NL (ASX: SFR) (**Sandfire**). The transaction is designed to fast-track Ventnor's Thaduna/Green Dragon Copper Project (**Project**) into production and remove the need for Ventnor to raise substantial additional funding for mine development of \$70 million.

The Transaction comprises a farm-in, funding, and toll treatment agreement with Sandfire to advance the Project to production utilising Sandfire's modern production facilities at its DeGrussa Copper Project.

From April 2013, the Ventnor Board undertook a thorough process to secure the future development of the Thaduna/Green Dragon Copper Project in a difficult funding environment with the key objectives of delivering maximum future value while minimising dilution for shareholders. The Board believes the agreement with Sandfire fulfils this objective.

The Transaction was settled 3 December 2013 following satisfaction of all conditions.

As part of the settlement, Sandfire acquired a 35% interest in the Project upon an upfront payment of \$3 million which has been used by Ventnor to discharge outstanding loans secured over the Project and fees. From that point on, Sandfire took management and sole funding responsibility for the development of the Project and may earn up to 80% interest in consideration for further expenditure of \$6 million.

This Transaction represents substantial value accretion for Ventnor shareholders by:

- **Reducing the previous project capital cost estimate from \$70M included in the Scoping Study (completed February 2013) to only the establishment costs;**
- **Sandfire providing all JV funding through to production from contributions and interest-free loans;**
- **Minimising ongoing equity dilution for current shareholders of Ventnor by not incurring additional financing costs to develop the project;**
- **Toll treatment agreement at Sandfire's DeGrussa plant at C1 costs; and**
- **Low processing costs at the DeGrussa plant because of its high throughput rate.**

ASX: VRX

Capital Structure

Shares on Issue 71.0 million

Unlisted Options 3.3 million

Market Cap @ 10¢ \$7 million (Fully Diluted)

Corporate Directory

Paul Boyatzis

Non-Executive Chairman

Bruce Maluish

Managing Director

John Geary

Executive Director

Peter Pawlowitsch

Non-Executive Director

Company Projects

Thaduna/Green Dragon Copper Project in the Doolgunna district, WA

Kumarina exploration project north of Meekatharra, WA

Warrawanda Nickel Project south of Newman, WA

Georgina Basin IOCG Project in western Queensland

Sandfire has acquired an initial 35% interest in the Project by a \$3M upfront payment directly to Ventnor. From here, Sandfire can acquire an additional 16% (total 51%) for a \$3M investment, and 29% (total 80%) for an additional \$3M investment. The second and third \$3M tranches will be spent as exploration and development expenditure on the Project. Ventnor retains an option to acquire Sandfire's interest if Sandfire fails to commence production from the Project within five years. The option price is the total amount that Sandfire has expended to that point (including any loans).

Ventnor Managing Director Mr Bruce Maluish said: *"The Transaction allows the Company to form a joint venture with Sandfire and to assess the possibility of developing the Project utilising Sandfire's existing plant and infrastructure. This will substantially reduce the overall capital required and potentially shorten the timing of achieving first production and cash flow by a meaningful period. It will remove the need for Ventnor to raise substantial finance (either equity or debt) and at the same time will reduce the risk of project feasibility and development by use of a farm out and funding solution coupled with a toll milling arrangement at low operating costs. Once in production, Ventnor is required to repay its share of the development costs in excess of the earn-in amount from free cash flow. Ventnor is then free to receive what it expects will be a significant quarterly cash flow from the Joint Venture."*

"We look forward to working with Sandfire to maximise the value of the Project. This outcome will also allow us to expand our focus on the other prospects in our portfolio."

A resolution to approve the transaction was included in the Notice of Meeting for the Company AGM held on 28 November 2013. The shareholder vote to approve the transaction was overwhelmingly in favour and, as the remaining condition precedent had been satisfied, Ventnor was able to proceed to settlement on the JV Transaction, as announced on 4 December 2013.

Corporate

Due to the current position of the Company and the lack of activity in the junior resources market, the Directors have agreed to continue with the policy of deferring 50% of the salaries and fees for Directors, as implemented in May 2013.

As part of the Sandfire agreement settlement, Sandfire acquired a 35% interest in the Project upon an upfront payment of \$3 million which was used by Ventnor to discharge outstanding loans secured over the Project including transaction fees.

On 20 November, the Company executed loan agreements with sophisticated investors introduced by Paterson Securities Limited to raise \$1 million. The funds raised were sufficient to allow the Company to recommence trading on the ASX on 20 November 2013 and to provide working capital.

Under the terms of the loan agreements, lenders have severally agreed to lend the Company \$1 million. The Company will pay interest at 10% per annum on drawn down amounts and, subject to ASX Listing Rules, issue lenders with 1,000,000 options (expiring 36 months from issue and with an exercise price linked to Black and Scholes' value of each option using the 10-day VWAP of the Company's shares following re-instatement to trading and a volatility of 60%). The loans are repayable by the earlier of either the Company undertaking an equity issue, or by 30 April 2014. The lenders have also agreed to sub-underwrite any pro rata issue, with their sub-underwriting obligation to be set off against amounts owed to them under the loan agreements.

Exploration

There has been no field work conducted on the Company's projects while the funding negotiations have been underway.

The Company has re-estimated the Thaduna and Green Dragon Resources at an increased cutoff grade following the results of the Scoping Study which were announced in February 2013. The Scoping Study included budget estimates for underground mining, which has been used as a guide for higher cutoff grades.

An updated mineral Resource estimate for the Thaduna/Green Dragon Project was announced 12 February 2013. The new total estimated Indicated and Inferred Resource was 7.84Mt @ 1.80% Cu and 3.7g/t Ag for 141,509 tonnes of contained copper and 945koz silver. The total estimate comprised 1.89Mt @ 1.42% Cu and 2.0 g/t Ag for 26,824 tonnes of contained copper and 124koz silver at Green Dragon, with 5.91Mt @ 1.92% Cu and 4.3 g/t Ag for 113,535 tonnes of contained copper and 821koz silver at Thaduna. The estimation was made using a grade-constrained model with a 0.2% Cu wireframe constraint, while reporting above a cutoff grade of 0.5% Cu.

Subsequent to the February 2013 estimation an additional 12 diamond drill holes were completed at Thaduna, with the purpose of infilling and extending this Resource. A new estimation has been undertaken for Thaduna using both a higher grade wireframe constraint of 0.8% Cu, as well as the information included from the additional intersections. The rationale behind increasing the copper grade constraint is to better define the high-grade mineralisation from the lower-grade halo that surrounds it near the surface.

The Mineral Resource estimate for Green Dragon remains the same. The Thaduna Resource has been reported above a cut-off of 0.8% Cu down to 100 metres vertical depth from surface and above a cut-off of 1.25% Cu below 100 metres. Green Dragon has been reported above 0.8% Cu cut-off for the total Resource.

The tables and images below are from the re-estimation which includes all drilling to date at Thaduna and Green Dragon, with varied cut-off grades which better represent Resources for use in further mining studies.

Thaduna and Green Dragon Identified Mineral Resources as at January 2014 with varied cut-off grades

Project	Type	Category	Tonnage (Kt)	Cu (%)	Ag (g/t)	Cu metal (Kt)	Ag metal ('000 oz)
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Green Dragon	Total Resource (0.8% Cu cutoff)	Indicated	1,240	1.55	2.3	19	94
		Inferred	270	1.86	2.7	5	24
	SubTotal Green Dragon		1,520	1.60	2.4	24	117
Thaduna	Surface to 100m depth (0.8% Cu cutoff)	Indicated	380	2.61	5.9	10	72
		Inferred	200	3.17	8.6	6	55
	+100m depth (1.25% Cu cutoff)	Indicated	1,430	3.22	6.5	46	300
		Inferred	930	3.66	9.8	34	293
	SubTotal Thaduna		2,950	3.27	7.6	96	720

Thaduna Stockpiles	Oxide	Indicated	82	2.25	-	1.8	-
		Inferred	3	1.08	-	0.0	-
	SubTotal Stockpiles		85	2.21	-	1.9	-

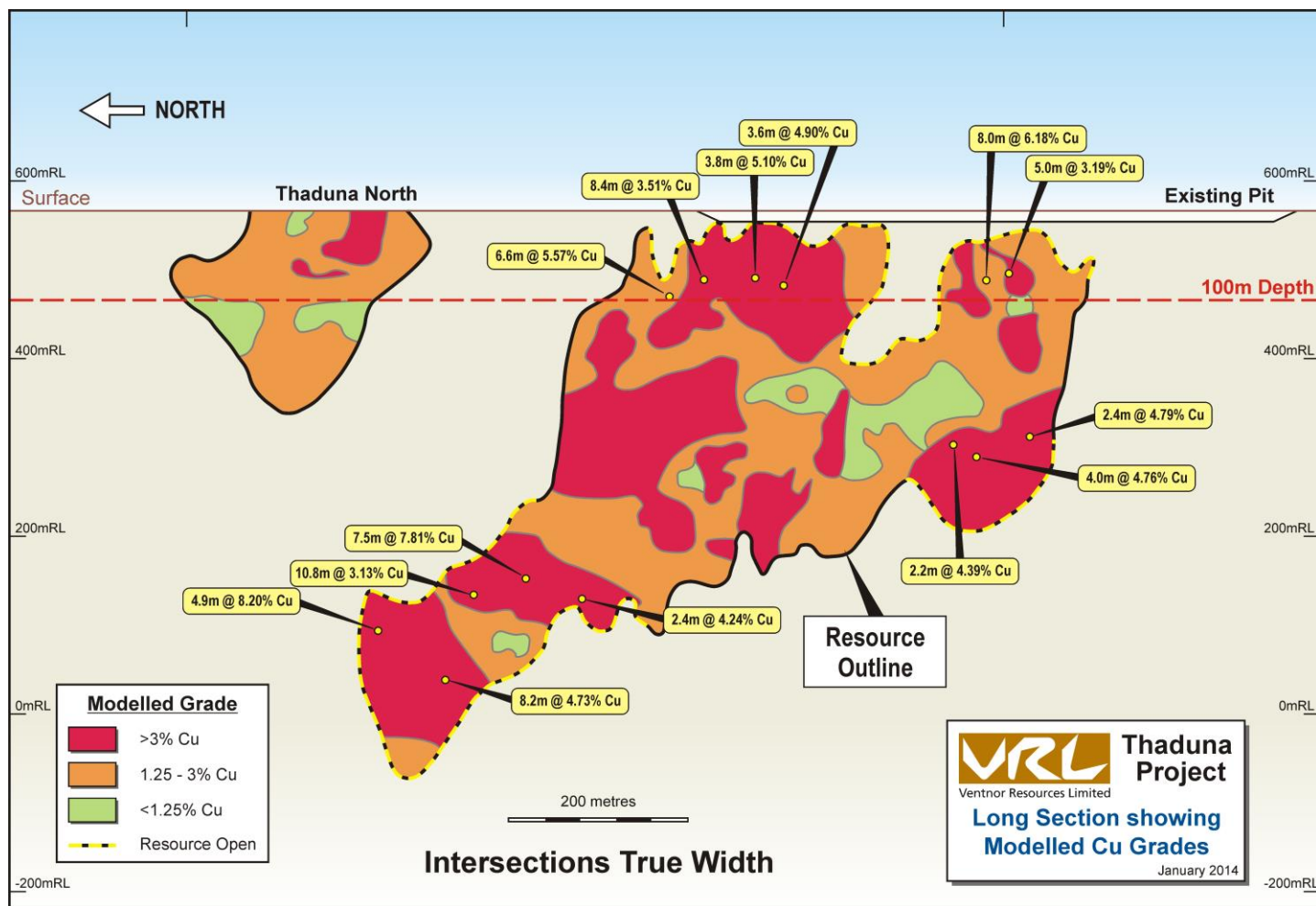
Total Indicated			3,140	2.45	4.6	77	466
Total Inferred			1,410	3.23	8.2	45	372
Grand Total			4,550	2.69	5.7	123	837

The new reported estimate is included within the February 2013 estimate but has excluded lower grade Resources of;

- 2.96Mt @ 0.57% Cu and 1.04g/t Ag (for 16,894t copper and 98,904oz silver) at **Thaduna**; and
- 374kt @ 0.65% Cu and 0.53g/t Ag (for 2,426t copper and 6,373oz silver) at **Green Dragon**.

The majority of the excluded ore is from the low grade halo on the foot-wall and hanging-wall of the central high grade zones.

Potential extensions to the high grade zones are shown on the long sections as dotted "Resource Open" lines.

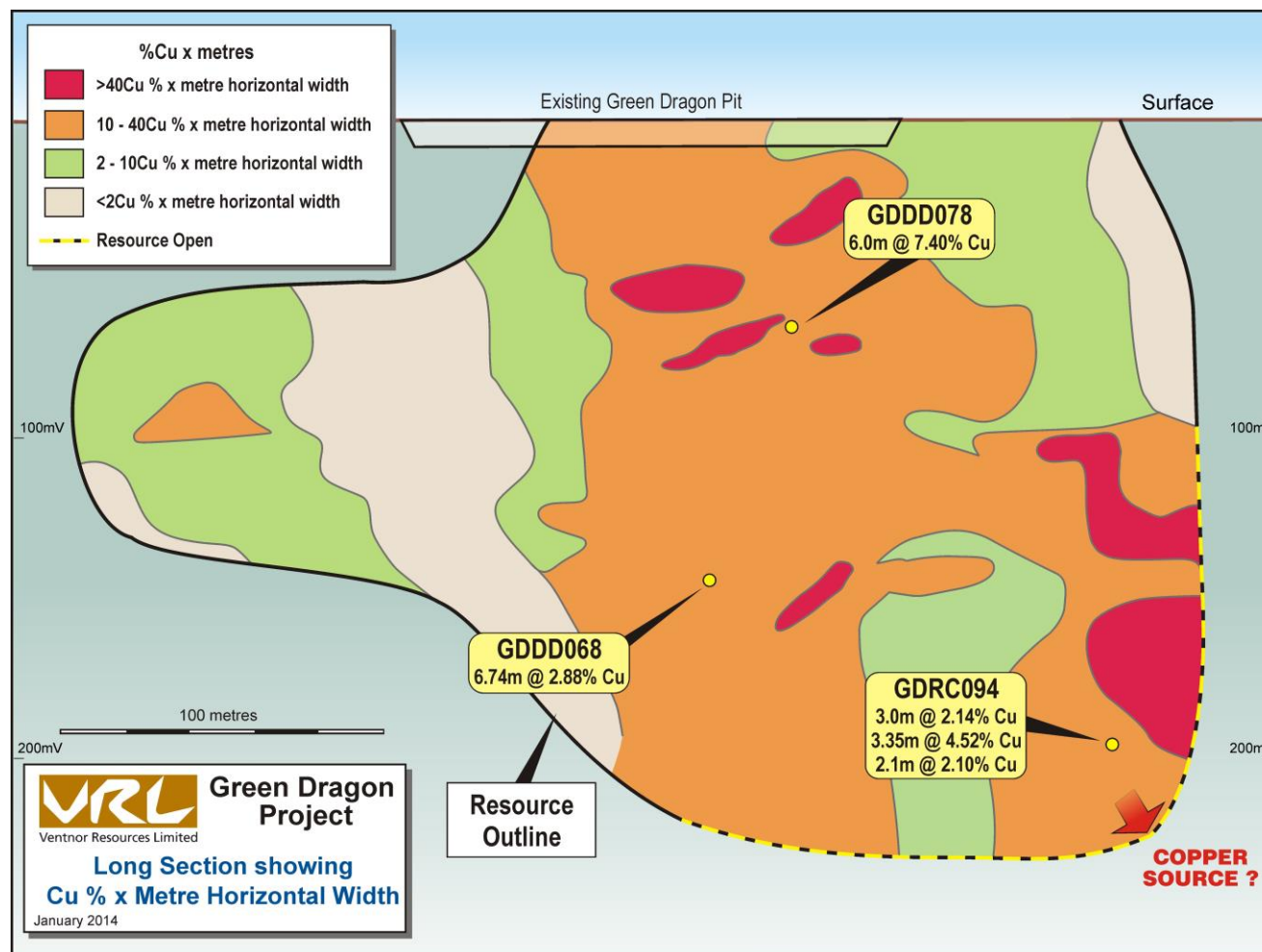


Thaduna Updated Resource Longsection

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Green Dragon Resource Longsection

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Interests in Mining Tenements

WESTERN AUSTRALIA

Thaduna/Green Dragon Project - Copper

Tenement	Status	Interest at beginning of quarter (%)	Interests sold to JV partner (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
M52/1060	Granted	100	(35)	-	65
M52/1061	Granted	100	(35)	-	65
L52/149	Granted	100	(35)	-	65
L52/150	Granted	100	(35)	-	65

Warrawanda Project - Nickel

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
E52/2136	Relinquished	100	(100)	-	-
E52/2372	Granted	100	-	-	100
P52/1364	Granted	100	-	-	100
P52/1182	Granted	100	-	-	100
P52/1183	Granted	100	-	-	100
P52/1242	Granted	100	-	-	100
P52/1243	Granted	100	-	-	100
P52/1244	Granted	100	-	-	100
P52/1277	Granted	100	-	-	100
P52/1278	Granted	100	-	-	100
P52/1281	Granted	100	-	-	100
P52/1282	Granted	100	-	-	100
P52/1283	Granted	100	-	-	100
E52/2681	Granted	100	-	-	100

Nickel Hills Project - Nickel

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
E52/2550	Granted	100	-	-	100

Yandal Project - Gold

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
E69/2937	Relinquished	100	(100)	-	-

Doolgunna Project - Copper

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
E52/2548	Granted	100	-	-	100
E52/2549	Granted	100	-	-	100

Kumarina Project - Copper

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
E52/2712	Relinquished	100	(100)	-	-
E52/2713	Relinquished	100	(100)	-	-
E52/2754	Granted	100	-	-	100
E52/2755	Granted	100	-	-	100
E52/2756	Granted	100	-	-	100

Bronzewing North Project - Gold

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
P53/1547	Granted	100	-	-	100
P53/1548	Granted	100	-	-	100
P53/1549	Granted	100	-	-	100
P53/1550	Granted	100	-	-	100
P53/1551	Granted	100	-	-	100

Cunyu Project - Copper

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
E51/1498	Relinquished	100	(100)	-	-
E51/1499	Relinquished	100	(100)	-	-

QUEENSLAND

Georgina Basin Project – Iron Oxide-Copper-Gold

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
EPM18385	Relinquished	100	(100)	-	-
EPM18386	Relinquished	100	(100)	-	-
EPM18387	Relinquished	100	(100)	-	-
EPM18388	Relinquished	100	(100)	-	-
EPM18389	Granted	100	-	-	100
EPM18390	Granted	100	-	-	100
EPM18391	Relinquished	100	(100)	-	-
EPM18392	Relinquished	100	(100)	-	-

NORTHERN TERRITORY

NT Project - Copper

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
EL28741	Relinquished	100	(100)	-	-
EL28742	Relinquished	100	(100)	-	-
EL28858	Relinquished	100	(100)	-	-
EL28859	Relinquished	100	(100)	-	-
EL28912	Relinquished	100	(100)	-	-
EL29390	Relinquished	100	(100)	-	-
EL29436	Relinquished	100	(100)	-	-

Resource Estimation

Section 1 Sampling Techniques and Data

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

Criteria	Commentary
Sampling techniques	Reverse circulation drilling samples are 1m splits undertaken on site either by riffle splitter or cone splitter until a sample of about 2.5kg is obtained. All samples are analysed at the rig by hand held XRF method. Samples with results greater than 0.1% Cu and 4m either side are then submitted to the assay laboratory. Before submission, a QAQC sample is inserted every 20m. These samples are either a standard, blank or field duplicate, which are inserted in a sequential order. In the case of diamond drilling, core is first logged by the geologist. When mineralisation is identified samples to a maximum downhole length of 1m are taken in the mineralised interval plus 5m either side. When mineralisation is hosted in hematitic greywackes or shales, 2m at either side of the mineralisation is sampled. Samples are split when lithological contacts are present and zones with abundant visual copper mineralisation are generally restricted to narrower intervals. Before submission, a QAQC sample is inserted every 30m. These samples are either a standard, blank or field duplicate, which are inserted in a sequential order. Samples are then submitted for analysis to the Genalysis laboratory. The assay method used by Genalysis is a multi-element four acid digest ICP method with AS finish. In the cases where copper assays reach the high detection limit of 5% Cu they are re-assayed by an ore grade ICP analytical method. Core samples are routinely sampled for SG determination with samples taken in the mineralised intersection as well as in the hangingwall and footwall.
Drilling techniques	Drilling has been completed using a combination of RC and diamond drilling from surface. The RC is drilled with a face sampling hammer and Diamond drilling with both NQ2 and HQ sized core. All core where possible are oriented using a Reflex ACT II RD orientation tool.
Drill sample recovery	Diamond core is metre marked and orientated to check against the driller's blocks, ensuring that all core loss is taken into account. Diamond core recovery is logged and captured into the database with weighted average core recoveries of approximately 99%. At the RC rig sampling systems are routinely cleaned to minimise the opportunity for contamination and drilling methods are focused on sample quality. No sample recovery issues have impacted on potential sample bias.
Logging	Geological logging is completed for all holes and is representative across the ore body. The lithology, alteration, and structural characteristics of core are logged directly to a digital format following the Company's standard procedures using standard geological codes. Data is logged

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Criteria	Commentary
	into a field computer using ioLogger™ and imported into a central database by an external company ioGlobal. Diamond drill core is logged for geotechnical features. Logging is both qualitative and quantitative depending on the characteristic being described. All cores are digitally photographed and stored.
Sub-sampling techniques and sample preparation	DD core orientation is completed where possible and core is marked prior to sampling. Half core samples are produced using an Almonte Core Saw. Samples are weighed and recorded. RC samples are split using a cone or riffle splitter. A majority of RC samples are dry. On occasions that wet samples are encountered they are dried prior to splitting with a riffle splitter. All sample analysis has been undertaken at the Intertek Genalysis Laboratory in Maddington. The original sample is dried and weighed on submission to laboratory. The sample is then crushed and where required samples are split to less than 2kg through linear splitter. Pulverising is completed using LM2 mill to 90% passing 75µm. Genalysis routinely collect and analyse key performance indices on the quality and performance of their sample preparation. There have been no major issues identified during the sample preparation process. Field and pulp duplicate analysis has been completed and identified no issues with sampling representation. The sample size is considered appropriate for the Thaduna and Green Dragon mineralisation styles.
Quality of assay data and laboratory tests	The assay method used by Genalysis is a multi-element four acid digest ICP method with AS finish. In the cases where copper assays reach the high detection limit of 5% Cu they are re-assayed by an ore grade ICP analytical method. This technique is considered as a total digest methodology. Handheld XRF analysis is routinely used to determine the presence of copper mineralisation in RC drilling. The results are used as a guide for laboratory analysis. No XRF results have been used in any estimation. Before submission to Genalysis, a QAQC sample is inserted every 20m, for RC samples, or 30m, for diamond core. These samples are either a standard, blank or field duplicate, which are inserted in a sequential order. The assay results have also undergone internal laboratory QAQC, which includes the analysis of standards, blanks and repeat measurements. Review of the laboratory results has shown a good level of precision and are considered acceptable.

Criteria	Commentary
Verification of sampling and assaying	Significant intersections have been verified by alternative company personnel. There are no twinned holes drilled. Primary data is captured on a field tough book laptop using ioLogger™ Software. The software has validation routines and the validated data is then imported by ioGlobal into a database which is hosted externally. The master database is not accessed by Company staff and a MS Access dump is supplied. The master database has full access and control routines which store all instances whereby the stored data is uploaded or altered.
Location of data points	All drill hole collar surveys have been completed by MHR Surveys utilising RTK GPS with the expected relative accuracy. GDA94 MGA Zone 50 grid coordinate system is used. Coordinates based on control previously established by MHR Surveyors which was derived by a tie into the Government SSM/BM network. Down hole survey has been measured predominantly by single shot instrument and FlexIT MultiSmart or FlexIT GyroSmart. A number of holes have been surveyed using multiple methods to check for method accuracy. No errors were identified between the methods. A number of holes were not able to be surveyed due to the hole collapsing, of these only 6 are within a significant mineralised zone. These holes have not been used to define the geometry or volume but have been used in the grade interpolation.
Data spacing and distribution	A nominal drill spacing of 40m x 40m has been completed for all areas above 350 metres vertical, below the spacing is typically 80m x 80m. The drill data density is considered appropriate for the estimation of a Mineral Resource. Drill samples have been composited into a minimum 2m downhole composite for the estimation.
Orientation of data in relation to geological structure	Drilling is typically undertaken perpendicular to the strike of the mineralisation at an angle of -60°. This is as close to perpendicular as is practical. No sample bias is introduced as all parts of the mineralisation are sampled evenly.
Sample security	All samples are selected onsite under the supervision of Ventnor Resources Ltd ("Ventnor") geological staff. Samples are transported to the Genalysis laboratory by Toll Express in sealed bulka bags or strapped pallets. Genalysis receipt received samples against the sample dispatch documents and issues a reconciliation report for every sample batch.

Criteria	Commentary
Audits or reviews	The sampling techniques and data collection processes are of industry standard and have been subjected to multiple internal and external reviews.

Section 2 Reporting of Exploration Results

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

Criteria	Commentary
Mineral tenement and land tenure status	The Green Dragon and Thaduna deposits are located within M52/1060 and M52/1061, respectively. These tenements are held in a JV between a Ventnor wholly owned subsidiary, Delgare Pty Ltd, and Sandfire Resources NL with the current ownership split of 65%/35% respectively. All tenements are current and in good standing. These tenements are currently subject to a Native Title Claim by the Yungunga-Nya People (WAD6132/98). Ventnor currently has Land Access Agreements in place with the Yungunga-Nya Native Title Claimants which overlay the Thaduna Green Dragon Project which allows for mining and exploration activities to commence on their traditional land.
Exploration undertaken by other parties	Aside from Ventnor there has been no recent exploration undertaken on the Thaduna Green Dragon Project. Drilling that has been prior to the late 1970's has been used as a guide in the initial drill program, but has not been included in any estimation.
Geology	The Thaduna and Green Dragon deposits are hydrothermal, fault controlled, sediment hosted copper and minor silver mineralised structures.
Drill hole Information	A total of 63,500 metres of drilling has been completed by Ventnor at Thaduna and Green Dragon. This comprises 221 RC holes for 29,041 metres with 79 Diamond Drills for 20,485 metres, totalling 49,526 metres at Thaduna and 94 RC holes for 12,728 metres with 4 diamond drills for 835 metres and 2 HQ metallurgical diamond holes for 389.6 metres for a total of 13,953 metres at Green Dragon. Reproduction of this number of drillholes would not assist in understanding of this report on Resource estimation.

Criteria	Commentary
Data aggregation methods	Intersections are based on greater than 0.2% Cu with a minimum of 2 consecutive samples down hole with a maximum of 2 metres of internal dilution. All intersections are down hole lengths. Included intersections in bold are based on greater than 1.0% Cu with a minimum of 2 consecutive samples down hole and a maximum of 2 metres of internal dilution. Metal equivalent values are not used.
Relationship between mineralisation widths and intercept lengths	Estimated true width is calculated where possible. The geometry of the mineralisation is consistent and well defined.
Diagrams	See longsections supplied.
Balanced reporting	The accompanying document is considered to represent a balanced report.
Other substantive exploration data	Apart from historic drilling there is no other exploration data available. The historic data is considered to be of low quality and it is therefore not appropriate to report along with the current data.
Further work	Additional drilling is required near surface and at the depth extremities to better define the potentially minable orebody.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	Commentary
Database integrity	Primary data is collected by Ventnor geological staff using ioLogger™ software on laptop computers. The data is validated at time of entry and is then uploaded into a SQL database by an external company ioGloal. ioGlobal maintains a full record of data import and alteration. Ventnor geological staff perform validation checks prior to migration to a final production SQL database.
Site visits	The Competent Person is a staff member of Ventnor and has been responsible for the drilling and data collection from an early phase in the drilling programs.
Geological interpretation	The geometry and nature of the mineralisation at Thaduna and Green Dragon is tabular and predictable. The mineralised contacts are sharp and visible over a centimetre scale. Assay results across these contacts support this view with a 1 to 2 orders of magnitude change in grade. The geologically logged stratigraphy is repeatable and well understood. There are no cross cutting intrusive units or mineralised splays to complicate the interpretation.
Dimensions	The Thaduna Resource has been drill tested over 1,500 metres of strike to a maximum depth in the order of 600 metres vertical, Green Dragon has been tested over 400 metres of strike to a depth of 200 metres. The mineralisation varies from 1 – 30 metres in true width.
Estimation and modelling techniques	The Resource estimates were created with both Surpac and Micromine software. The Thaduna estimation required 5 wireframe constraints and Green Dragon required 8 wireframes constraints. A minimum downhole length of 2 metres was interpreted. Data were statistically analysed for the selection of appropriate top cuts, with a 7% Cu top-cut applied to all domains except domain 2 in Thaduna for which an 8% Cu top-cut was applied. Grade was interpolated by 3-dimensional Ordinary Kriging and Inverse Distance squared for all domains. Search distances were guided by geostatistical analysis using semi-variograms generated from the composite data was used to provide both search neighbourhood as well as kriging parametres for grade interpolation.

Criteria	Commentary
	Checks of the updated Resource estimate have been made against previous estimations and have been found to be comparable. Copper is the primary driver of the estimation with silver as a by-product. It is known from metallurgical testwork that silver recovery is high and therefore it is appropriate to include it as part of the estimation and reporting. There are no known deleterious elements identified during routine multi-element analysis. Typically the drill spacing is in the order of 40m x 40m, the block model block size used at Green Dragon is 20m x 20m x 2m (x, y, z) and at Thaduna is 10m x 5m x 5m (x, y, z). The Resource estimation has been undertaken by creating constraining wireframes based on grade and guided by a geological interpretation utilising the lithology, alteration and mineralisation information where available. The geometry of the individual units are discrete from each other and sufficiently separated that if require they could be individually mined. Visual validation of comparing block grades with drill hole assay values, via cross sections, plans and long sections was completed
Moisture	Tonnages are estimated on a dry basis.
Cut-off parametres	For reporting purposes a cut-off grade of 0.8% was used at Green Dragon and the top 100m at Thaduna, below 100m at Thaduna a 1.25% Cu cut-off grade was used. The selection of these cut-off grades is based on a scoping study completed in February 2013. The difference in cut-off grade reflects the potential mining method.
Mining factors or assumptions	It is anticipated that the top 100m of the Thaduna Resource and the entire Green Dragon Resource will be exploited by an open cut operation, the deeper parts of the Thaduna Resource will be accessed via an underground mine. This difference is reflected in the reporting cut-off grades.
Metallurgical factors or assumptions	No metallurgical assumptions have been used as part of the estimation. Ventnor has entered into a JV with Sandfire Resources and it is expected that their DeGrussa copper flotation plant will be the most likely treatment route and preliminary metallurgical testwork has demonstrated that the ore is amenable to either leaching or flotation, or both. Sandfire is in the process of evaluating the viability of a copper leach plant with the view to including the amenable ore from Thaduna and Green Dragon.
Environmen-tal factors or assumptions	No assumptions at this stage in regards to environmental factors or assumptions have been made. A previous copper mining open pit is present at both sites and no impediment to development is considered likely. Ventnor has undertaken summer and winter Flora and Fauna studies on the tenements and surrounding area and there are no highlighted environmental impediments.
Bulk density	The results for fresh material were obtained from a total of 42 measurements taken, with 16 of the measurements obtained at Green Dragon and 26 measurements obtained at Thaduna. Measurements were undertaken in ore and waste zones with no significant difference observed between both zones. The results for oxidised material were based on a historic evaluation report of the Thaduna

Criteria	Commentary
	Copper deposit (Hassel, 1974). The study undertook specific gravity determinations on a total of 50 samples of the Thaduna copper mine. A total of 40 of these samples were used for the assignation of the oxidised material. The assigned density values are considered to be appropriate to the rock types, weathering environment, and mineralisation style of the deposits.
Classification	Model classification for both Indicated and Inferred was based on data density, impact of down hole deviation, geological continuity, as well as analysis of slope of regression block statistics throughout the model and reflects the Competent Persons view of the deposit.
Audits or reviews	This Mineral Resource has not been audited externally.
Discussion of relative accuracy/ confidence	Mineral Resources have been reported in accordance with the guidelines of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and reflects the relative accuracy of the Mineral Resources estimates. The statement relates to global estimates of tonnes and grade. There has been no mining production from this Resource.

Competent Person's Statement

The information in this release that relates to Mineral Resources and Exploration Results is based on information compiled by Mr David Reid who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Reid is an employee of 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.

ABOUT VENTNOR

Ventnor Resources is a base-metals focused explorer with copper targets at the historic Thaduna/Green Dragon project, 170 km north of Meekatharra in Western Australia. Also in Western Australia, 40 km south of Newman, are the Warrawanda Nickel Project, and the extensive Kumarina Exploration Project, 200 km north of Meekatharra. In western Queensland, the Georgina Basin project lies within the Mt Isa Inlier, which is well endowed with Iron Oxide Copper Gold ("IOCG") systems and sulphide base-metal deposits.

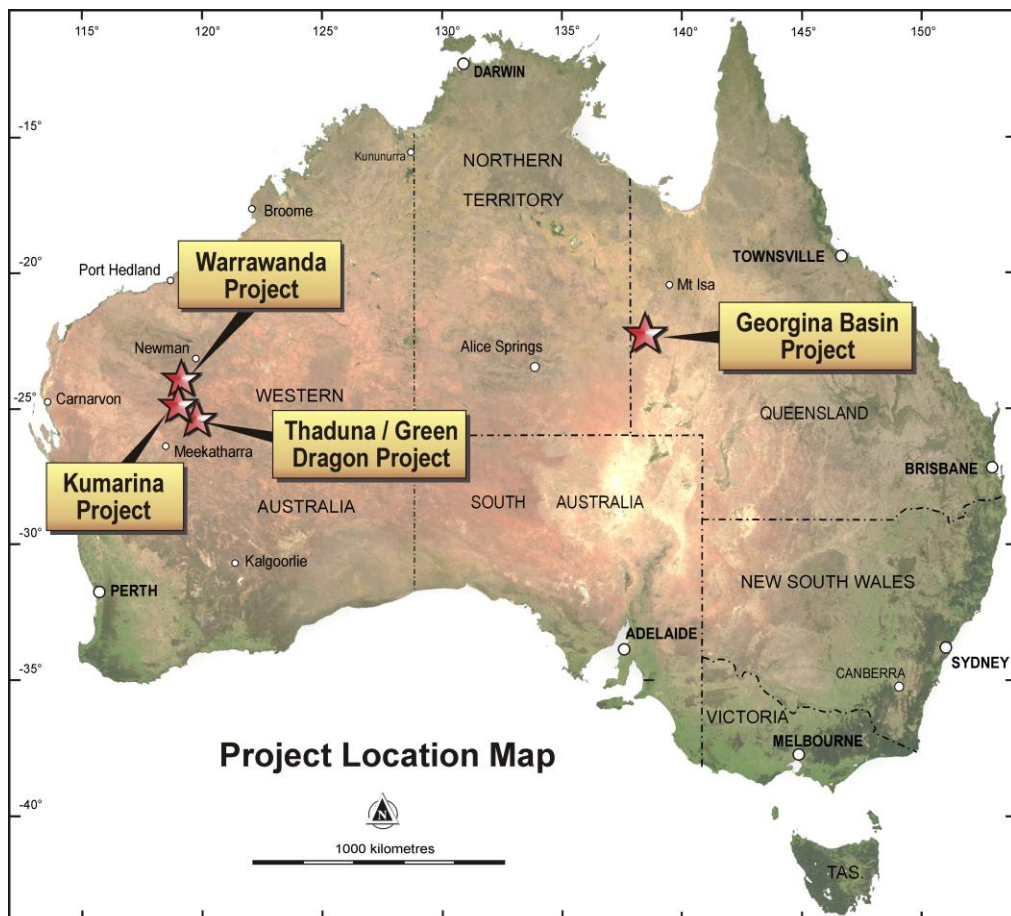
Known Copper and Nickel Mineralisation

The Thaduna/Green Dragon copper project has historic mine production. Copper mineralisation has been confirmed with four phases of exploration drilling; a Scoping Study has confirmed the economic potential of the project. A deal has recently been transacted with Sandfire Resources to develop the project and to treat ore. The prospectivity of the Warrawanda nickel project was increased when nickel gossans were identified in recent years. Further work is planned for early 2014. The HyMap survey at Kumarina has identified areas of interest that were followed up with reconnaissance work in 2013 to be re-visited with ground surveys in 2014.

Proven Management

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

PROJECT LOCATIONS



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