Ventnor Resources Limited

19 September 2016

Dear Optionholder,

NON-RENOUNCEABLE RIGHTS ISSUE OF SHARES
NOTICE TO OPTIONHOLDERS

The Directors are pleased to advise that the Company is undertaking a non-renounceable rights issue of approximately 68,798,552 fully paid ordinary shares (**Rights Issue**) to raise approximately $1.032 million before the costs of the offer. The offer will be made to eligible shareholders on a 1-for-2 basis at an issue price of 1.5 cents.

The Rights Issue is fully underwritten by CPS Capital Group Pty Ltd.

The proceeds of the Rights Issue will be used to conduct further review, evaluation and exploration programs on the Company's existing and future projects, costs of the issue, and for general working capital and administration purposes.

The Rights Issue will be made to holders of ordinary shares in the Company with a registered address in Australia or New Zealand (Eligible Shareholders) as at 22 September 2016 (**Record Date**).

As an optionholder you are not entitled to participate in the Rights Issue. For you to participate in the Rights issue, you must exercise any options (subject to the terms of the options) and be registered as an eligible shareholder before 5pm WST on 22 September 2016. If you do not want to exercise your options and participate in the Rights Issue, then you can continue to hold the options in accordance with their terms.

Further details regarding the Rights Issue are set out in the Rights Issue Offer Document which the Company has lodged at ASX and is available at www.asx.com.au.

Yours sincerely

John Geary
Company Secretary

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