Ventnor Resources Limited

19 September 2016

Company Announcements Office
ASX Limited

NON-RENOUNCEABLE RIGHTS ISSUE OF SHARES
NOTICE UNDER SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

On 19 September 2016, Ventnor Resources Limited (**Company**) announced its intention to issue approximately 68,798,552 fully paid ordinary shares (**New Shares**) via a non renounceable rights issue to eligible shareholders to raise approximately $1.032 million before costs (**Rights Issue**).

The Rights Issue is fully underwritten.

This notice is given by the Company under section 708AA(2)(f) of the Corporations Act 2001 (**Act**). The Company advises that:

(a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Act;

(b) as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act;

(c) as at the date of this notice, there is no "excluded information" within the meaning of sections 708AA(8) and 708AA(9) of the Act which is required to be disclosed under section 708AA(7)(d) of the Act; and

(d) the potential effect that the issue of the New Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand and the take up of the New Shares in the Rights Issue. However, given the structure of the Rights Issue as a pro-rata issue, the potential effect that the issue of the New Shares will have on the control of the Company is as follows:

    (i) if all eligible shareholders take up their entitlement for the New Shares under the Rights Issue, the offer will have no effect on the control of the Company;

    (ii) to the extent that any eligible shareholder does not take up their entitlement for the New Shares under the Rights Issue, that eligible shareholder's percentage holdings in the Company will be diluted by those other eligible shareholders who take up some or all of their entitlement; and

Level 1, 6 Thelma Street, West Perth WA 6005
t : +61 8 9226 3780 f : +61 8 9226 3764 e : info@ventnorresources.com.au www.ventnorresources.com.au
ABN 59 142 014 873

(iii) although the issue of the New Shares which are not taken up by eligible shareholders under the Rights Issue will increase the voting power of the underwriter and sub-underwriters, none of these parties will acquire more than 19.9% of the voting power in the Company and it is not anticipated to have a material effect on control of the Company.

Yours faithfully

J C Geary
Company Secretary