

Ventnor Resources Eyes Bright Future Through Silica Glass

Resources Roadhouse, The Inside Story /by Wally Graham

There has been a great deal of market chatter recently concerning the expected rise in production of electric vehicles and the subsequent growth in demand for commodities to manufacture them.

However, there is one commodity that is as essential to the manufacture of these new vehicles.

This commodity is commonly found, which is possibly why it has received very little market attention of late.

It's many, varied uses include the manufacture of the PVC elements, such as dashboards and door trims as well as the window glass of internal combustion engine vehicles to meet demand from the burgeoning automotive industries of India and China.

It is also used in construction as an important ingredient of concrete and common flat glass.

This wonder commodity is also used to produce high-grade glass that provides clarity to the screens of modern computers and televisions.

It is easily mined and found in any number of locations and it is an extremely precious resource the world is rapidly running out of.

This commodity...is sand.

Current supply deficits of sand are expected to blow out due to several reasons, an important one being Asian regional governments acknowledging sand as a strategic resource.

Global demand for industrial silica sand is forecast to advance 5.5 per cent per annum to 291 million metric tons in 2018, with a value of \$12.5 billion.

China is the main reason the Asia/Pacific region will remain the largest regional consumer of industrial sand through 2018.

China has the world's largest glass industry, which is expected to sustain industrial sand consumption for production of double-glazed windows, electronic display screens, photovoltaic panels, and other flat glass products.

The contribution of India cannot be discounted where activity will include production of sand moulds to manufacture automotive, machine tool, wind turbine, and other types of metal castings.

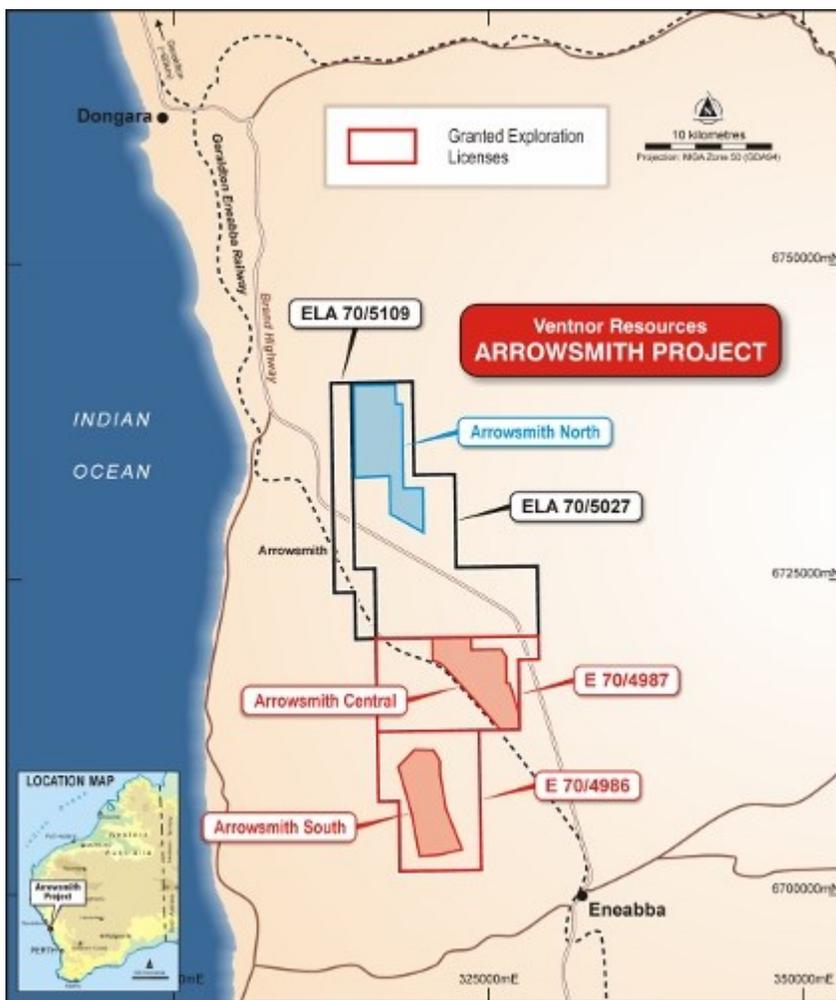
Renewable power generation is never far from the story and the increasing demand for high purity silica sand in the production of Photo Voltaic panels and Silicon-Metal composite material for high capacity lithium-ion rechargeable batteries has been well-documented in recent times.

Demand for sand is escalating to feed infrastructure-construction programs utilising concrete in Asia – particularly China, which in the last four years has poured as much concrete as the United States has in the past 100 years.

The looming lack of supply caught the attention of Bruce Maluish, managing director of Ventnor Resources, a company previously focused on gold and base metals exploration.

In October 2017, Ventnor Resources informed the market it had acquired the Arrowsmith silica sand project, located 270 kilometres north of Perth in Western Australia.

Ventnor applied for four Exploration Licenses totalling 400 square kilometres, convinced that Arrowsmith had potential to address dwindling sand supply in the Asia-Pacific region.



It has recently had two of these tenements granted – the Arrowsmith Central and Arrowsmith South prospects.

The remaining two contiguous exploration license applications are pending, including the Arrowsmith North prospect, which the company expects to be granted in May.

“The noise emanating from the global sand markets piqued my interest and I started looking for sand deposits,” Maluish told The Resources Roadhouse.

“The first place I started looking was the Perth basin, because it is close to home and because of its geomorphology that pointed to the possibility of high-grade silica sand deposits.

“The other important aspects I was looking for were tenements sitting on vacant Crown Land with proximity to a railway line.

“The Arrowsmith project immediately ticked a lot of boxes as it has the Eneabba-Geraldton rail line running straight through it, providing direct access to ship-loading facilities at the Geraldton Port, from where we can ship up to 50,000 tonnes at a time.

“There EL applications predominantly cover Vacant Crown Land and are extensively covered by cleared tracks from historic oil exploration seismic surveys and they can be easily accessed by driving down the Brand Highway.”

Even though the tenements had yet to be granted, Ventnor was able to carry out a shallow hand auger program to collect composite representative samples from the Arrowsmith North prospect.

A five-kilogram sample was submitted to Nagrom Laboratories for an initial testwork program, replicating conventional sand processing techniques that confirmed processing to upgrade the sand to glassmaking quality would involve a low-capital intensity, low technical risk operation and eliminated the need for processing chemicals.

The feed stock in the test had a head assay of 97.7 per cent silicon dioxide (SiO₂) and after attritioning, magnetic separation and sizing, the 0.425mm to 0.85mm product achieved a grade of 99.5 per cent SiO₂.

The remainder of the product, 0.212mm to 0.425mm, returned an assay of 99.3 per cent, however Ventnor remains confident additional testwork will improve both product grades.

Ventnor secured an option to acquire another, potentially high-grade, high tonnage silica sand project near Muchea, also north of Perth.

Like Arrowsmith, the Muchea silica sand project is strategically located adjacent to Brand Highway with a rail connection, this time to Kwinana port.

Due diligence carried out by Ventnor confirmed the potential of the prospect with assays indicating a high-quality +99.7 per cent SiO₂ deposit over an area of more than 3,400 hectares.

Ventnor has determined Exploration Targets for the Muchea silica sand project, including:

For the area previously subjected to aircore drilling: 70 Million to 125 Million tonnes silica sand grading above 99.5 per cent SiO₂; and where Ventnor has conducted hand auger drilling: 100 Million to 150 Million tonnes silica sand grading above 99.5 per cent SiO₂.

These figures are expected to be supported by Exploration Targets at the Arrowsmith project of:
Arrowsmith North: 100 million to 140 million tonnes high-quality silica sand;
Arrowsmith Central: 40 million to 80 million tonnes high-quality silica sand; and
Arrowsmith South: 40 million to 80 million tonnes high-quality silica sand.

The ASX determined the option grant constituted a change in the nature and/or scale of Ventnor's activities and brought ASX Listing Rules 11.1.2 and 11.1.3 into play.

This meant Ventnor has been required to seek shareholder approval for the proposed transaction and that it may not proceed should that approval not be given.

The company is also required to re-comply with ASX's requirements for admission and quotation.

"When I was looking for 'the right sand project' for the company, I found Muchea," Maluish explained.

"The sand at Muchea is extremely high-grade, it is, in fact, the largest high-grade silica sand Resource in the world.

"The key number here is 99.5 per cent silica – that's what you can manufacture glass with, but it depends on the amount of iron, aluminium, titanium in it, to what quality glass you can produce.

"Normal glass has a green tinge, which is caused by the amount of iron, usually 100 to 200ppm.

"If you can get the iron content down to 50ppm you can produce ultra-clear glass, which is the hot product known as architectural glass, our product can meet that."

Ventnor has been investigating markets in, and fielding enquiries from, the Asia-Pacific region for the supply of high-quality silica sand.

The company is keen to take advantage of the current environment brought on by the commodity's increasing demand and diminishing supply from both the Muchea silica sand project and the complementary Arrowsmith silica sand project.

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...The Short Story

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