

18 November 2019

DRILLING TO COMMENCE AT ILLAARA GOLD-VMS PROJECT FOLLOWING HEAVILY OVERSUBSCRIBED PLACEMENT

HIGHLIGHTS

- \$1.7m raised from professional and sophisticated investors
- Placement received strong support and was heavily oversubscribed
- Board and management to maintain 23.5% ownership by investing \$170,000
- Drilling programs to commence at the Illaara Gold-VMS Project late November 2019

Dreadnought Resources Limited (“**Dreadnought**” or “**the Company**”) is pleased to announce that a Placement has raised \$1.7M at \$0.0063 per share before costs. The Placement was strongly supported and endorses the Company’s recent achievements and future plans.

Dreadnought Managing Director, Dean Tuck, commented “*We are fully funded to continue our activities and expect to commence drilling at the Illaara Gold-VMS Project in November 2019. We also expect to have strong news flow over the balance of 2019 from our recently completed drilling campaign at the Tarraji-Yampi Project including: assays from Chianti and Grants; downhole EM surveys; fixed loop EM surveys from Chianti-Rufina and Grants; and surface geochemical and geophysical surveys from a number of current and conceptual prospects.*”

The Placement of 269,841,290 ordinary fully paid shares at \$0.0063 (\$1,700,000) will be completed pursuant to the Company’s 15% placement capacity under ASX Listing Rule 7.1 (219,761,918 shares) and additional placement capacity under Listing Rule 7.1A (23,095,243 shares) subject to shareholders ratifying the 7.1A capacity at the Annual General Meeting on 28 November 2019.

Directors, management and their associated parties plan to participate in the Placement for an amount of \$170,000 (26,984,129 shares) subject to shareholder approval. If the Placement amount to directors, management and their associates is approved by shareholders, this amounts to a total of ~\$780,000 invested by directors and management to date. A general meeting to approve these shares is planned to be held prior to Christmas 2019. A notice for the general meeting will be provided to shareholders in due course.



Figure 1 Location of the Illaara Gold-VMS Project in the Yilgarn Craton of Western Australia

In relation to Listing Rule 7.1A and in accordance with ASX Listing Rule 3.10.5A, the following information is provided:

1. existing shareholders will be diluted by 1.55% as a result of the shares issued under Listing Rule 7.1A;
2. the Company elected to use its placement capacity to raise funds given the speed at which the Placement was able to occur and the opportunity to bring new investors into the Company;
3. no underwriting arrangement was entered into in relation to the Placement; and
4. no fees were incurred in connection with shares to be issued under Listing Rule 7.1A.

Following completion of the Placement (including a placement to directors, management and their associated parties), Dreadnought will have the following capital on issue:

Ordinary fully paid shares	1,736,180,768
Unlisted options (\$0.01 expiring 3 April 2024)	50,000,000
Unlisted options (\$0.005 expiring 9 April 2021)	30,000,000
Unlisted options (\$0.005 expiring 30 June 2024)	10,500,000
Unlisted options (\$0.005 expiring 30 June 2024)	22,500,000
Unlisted options (\$0.008 expiring 17 September 2024)	10,000,000
Convertible notes (\$1 face value @ 10%, convertible @ \$0.0055, redeemable 21 June 2021)	600,000 (109,090,909 shares, if converted)

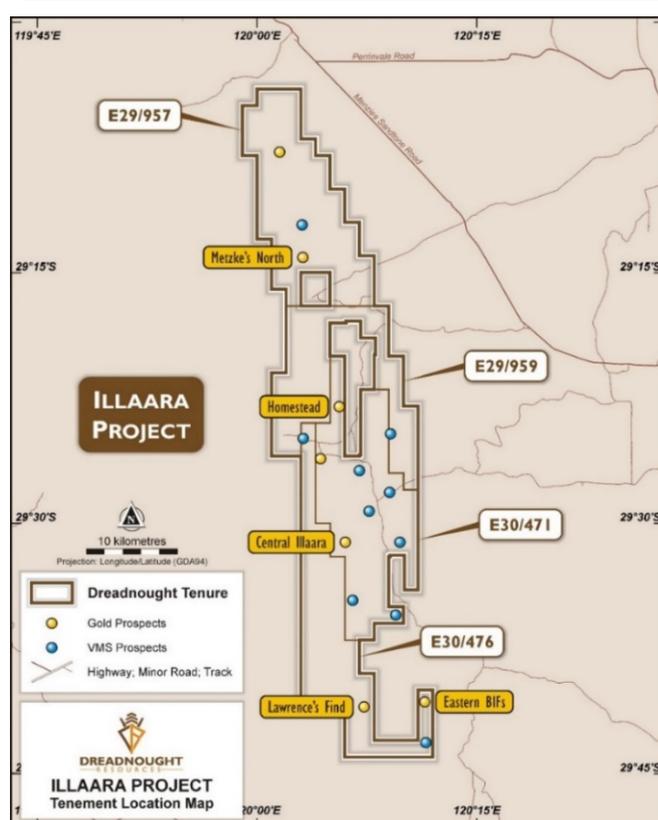


Figure 2 Map showing current gold and historical VMS prospects within the Illaara project showing

An Appendix 3B and cleansing notice will be provided as required upon the issue of the Placement shares (see timetable below)

Use of Funds

The funds will be used initially to commence drilling programs at the Illaara Gold-VMS Project, as well as to provide working capital. Activities will commence late November 2019 and include:

RC drilling at Lawrence's Find: a 6.5km long demagnetised BIF with historical shafts and high-grade rock chips but no historical drilling;

RC drilling at CRA Homestead: >100ppb gold anomaly with coincident magnetic anomaly;

RC drilling at Illaara Central: ~10km long orogenic gold anomaly at major structural intersection;

VMS target definition work:

soil sampling followed by fixed loop EM surveys over prospective VMS horizons including over known gossans.

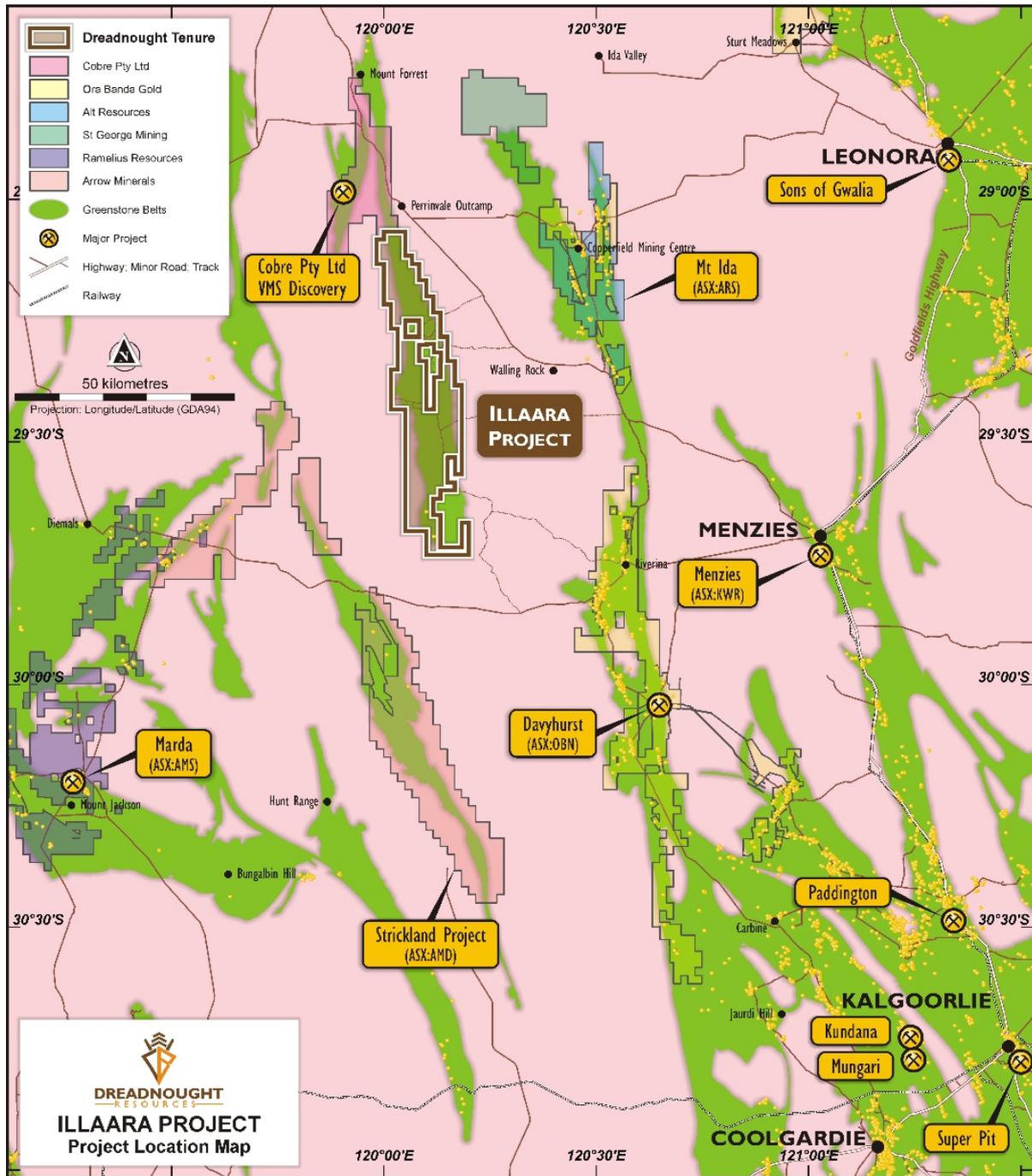


Figure 3: Location of the Illaara Gold-VMS Project in relation to nearby explorers and operating mines.



For further information please refer to previous ASX announcements:

- 23 September 2019 Illaara Gold Project Update
- 24 June 2019 75km Long Illaara Greenstone Belt Acquired from Newmont

RECENT AND UPCOMING NEWSFLOW

21 November: Settlement of funds under the Placement 8am WST

21 November: Issue of shares under the 7.1 placement capacity and commencement of trading

Late November: Receive assay and down hole EM results from drilling at Chianti

Late November: Receive FLEM results from the Rufina VMS prospect

28 November: Annual General Meeting

28 November: Issue of shares under the 7.1A placement capacity and commencement of trading

Late November/December: Drilling at Illaara – Lawrence’s and CRA Homestead

December: Receive assay and down hole EM results from drilling at Grants

December: Receive surface geochemical and geophysical results from Chianti-Rufina

December: Receive surface geochemical and geophysical results from Grants and Tarraji

Late December: General Meeting

Late December: Issue of shares to directors and management if approved by shareholders

January/February: Receive assay results from Illaara drilling – Lawrence’s and CRA Homestead

February: Illaara VMS drill target generation work including surface geochemistry and geophysics

February: Commence drilling at Rocky Dam

Dreadnought looks forward to reporting a strong news flow for the remainder of 2019 and into 2020.

~Ends~

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Competent Person’s Statement

The information in this announcement that relates to geology and exploration results and planning was compiled by Mr. Oliver Judd, who is a Member of the AusIMM, exploration manager and shareholder of the Company. Mr. Judd has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Judd consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original reports.

INVESTMENT HIGHLIGHTS

Tarraji-Yampi Ni-Cu-Au Project

Dreadnought controls the second largest land holding in the highly prospective West Kimberley located only 85kms from Derby, Western Australia. The project area has been locked up as a Defence reserve since 1978 and was only recently opened under the Commonwealth Government's coexistence regime that balances Defence needs with the requirements of others including Aboriginal groups, the resources industry, pastoralists and State Governments.

The Tarraji-Yampi Ni-Cu-Au Project presents a rare first mover opportunity in Western Australia with known outcropping mineralisation and historic workings from the early 1900s which have seen no modern exploration.

Three styles of mineralisation occur at Tarraji including: volcanogenic massive sulphide ("VMS"); Proterozoic Cu-Au ("IOCG"); and magmatic sulphide Ni-Cu-PGE. Numerous high priority nickel, copper and gold drill targets have been identified from recent VTEM surveys, historical drilling and surface sampling of outcropping mineralisation.

Illaara Au-Cu-Zn Project:

The Illaara Au-Cu-Zn Project is located 160km northwest of Kalgoorlie-Boulder in the Yilgarn Craton and covers 75kms of strike along the Illaara Greenstone Belt. Illaara is prospective for typical Archean mesothermal lode gold deposits and Cu-Zn VMS mineralisation.

The project was acquired from Newmont Goldcorp who defined several camp-scale targets which were undrilled due to a change in corporate focus. Prior to Newmont Goldcorp, the Illaara greenstone belt was held predominantly by iron ore explorers and has seen minimal gold and base metal exploration since the 1990s. Illaara contains several drill ready gold targets and known VMS horizons which could produce exciting drill targets with the efficient and effective application of modern exploration technology.

Rocky Dam Au-Cu-Zn Project:

The Rocky Dam Au Project is located 45kms east of Kalgoorlie-Boulder in the Eastern Goldfields Superterrane of Western Australia. Rocky Dam is prospective for typical Archean mesothermal lode gold deposits and Cu-Zn VMS mineralisation.

The project has known gold and VMS occurrences with drill ready gold targets based on 1990s mineralised gold intercepts which have not been followed up.

