

21 November 2019

SUCCESSFUL EIS DRILLING GRANT FOR THE ILLAARA GOLD-VMS PROJECT

HIGHLIGHTS

- \$125,000 grant awarded by the WA Government's Exploration Incentive Scheme ("EIS")
- The EIS scheme is a highly competitive program with a successful track record
- The grant further recognises the technical merit of Illaara Central
- Drilling at Illaara Central to commence March 2020 quarter

Dreadnought Resources Limited ("**Dreadnought**" or "**the Company**") is pleased to announce that it has been awarded a \$125,000 grant by the WA State Government to co-fund 12 RC drill holes at Illaara Central within the 100% owned Illaara Au-VMS Project in the Yilgarn Craton.

EIS funding is managed by the Geological Survey and Resource Strategy Division of the Department of Mines, Industry Regulation and Safety ("**DMIRS**") to stimulate exploration leading to mineral discoveries. Dreadnought acknowledges this significant support from DMIRS.

EIS co-funded drilling has played a significant role in a number of major discoveries and extensions to mineralisation such as the discovery of the Viago Lode by Bellvue Gold. The Viago Lode is one of the highest grade gold discoveries in recent times with an inferred resource of ~700,000 oz @ 16.1 g/t Au. More recently, Dreadnought's drill holes into Grants at Tarraji-Yampi were also EIS co-funded.

There were a total of 64 applications in this EIS round and Dreadnought was one of 41 successful applicants.

Dreadnought Managing Director, Dean Tuck, commented *"we are encouraged to receive the support of EIS co-funding to drill Illaara Central. Illaara Central is a 10km long "orogenic gold" anomaly that has never been drilled. The EIS grants process is highly competitive and being successful further demonstrates the technical merit of Illaara Central. We look forward to commencing drilling at Illaara Central in the March 2020 quarter."*



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

EIS Exploration Concept

Central Illaara is defined by a 10km long “orogenic gold” anomaly. A standard soil sampling program has highlighted an alkali intrusion related multi-element anomaly in close association with a magnetic anomaly indicative of an intrusion.

Since acquiring Illaara Central, Dreadnought has collected ultra-fine fraction (“UFF”) soil samples and reviewed historical work. This review identified historical rock chip results from an outcropping quartz swarm within the core of the anomaly. The outcropping quartz-sulphide vein has returned high Cu-Au-Ag-Bi values which further indicates an interpreted intrusion controlled (e.g. Dacian Gold’s 1.3Moz Jupiter deposit) model for Central Illaara.

Historical multi-element soil surveys over the area highlight a coincident Cu-Au-Ag-Bi anomaly over an interpreted blind intrusion 500m to the west of the outcropping quartz swarm. This indicates that the mineralised quartz swarm is a distal surface related to a possible mineralised blind intrusion at depth.

With all drilling approvals in place and now with support from an EIS grant, drilling at Illaara Central will commence in the March 2020 quarter.

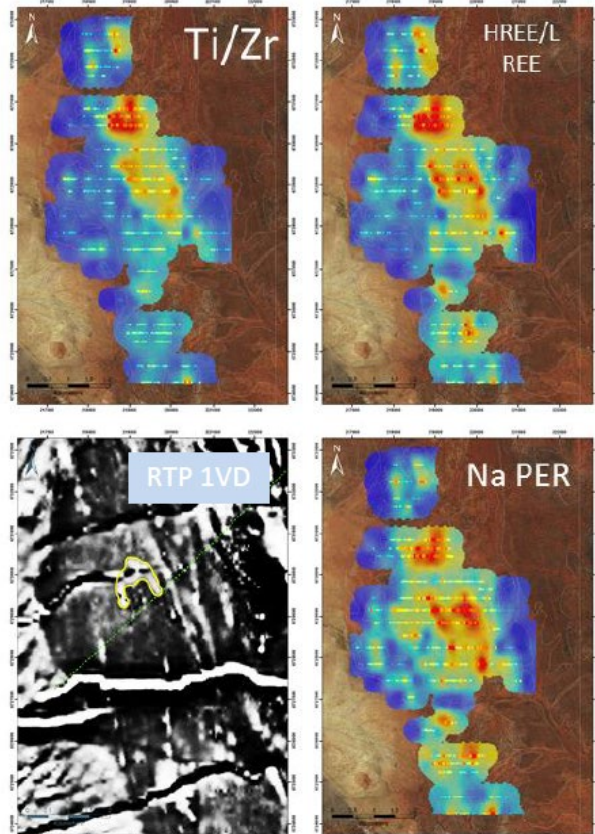


Figure 2 Maps showing the soil anomalies highlighting possible alkali intrusion over a magnetic anomaly.

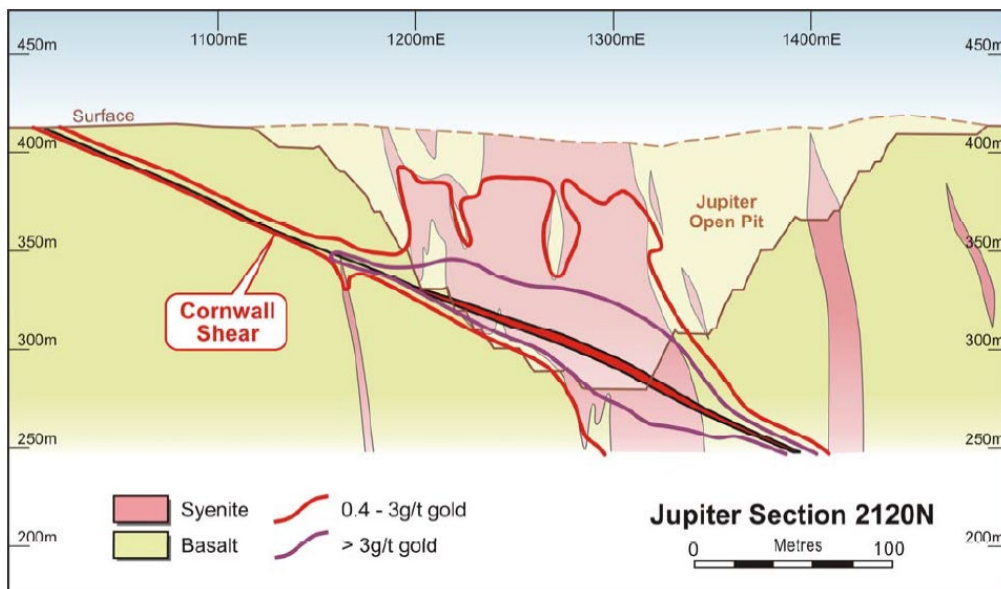


Figure 3 Jupiter section and conceptual model for Illaara Central from Dacian Gold.



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

March: Commence drilling at Illaara Central

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.

