

31 January 2020

31 DECEMBER 2019 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Chianti-Rufina VMS

- At Chianti, two diamond holes intersected mineralised zones **confirming a classical VMS sequence** and highlighting the potential for further stacked, copper rich lodes.
- **Six other large VMS targets at Chianti-Rufina were identified** characterised by coincident FLEM, magnetic and surface geochemical anomalies.

Grants Copper-Gold IOCG

- Diamond drilling at **Grants** intersected **a number of thick mineralised zones of copper mineralisation** with a classic IOCG geochemical signature potentially indicating a larger system.
- Surveys identified **coincident intense magnetic and gravity anomalies** at the **Fuso and Paul's Find IOCG targets**.

Illaara Gold & VMS

- RC drilling at **CRA Homestead and Lawrence's Find** identified **gold mineralisation**.
- **Consolidation of 75kms of strike along the Illaara Greenstone Belt** which has been underexplored for gold and base metals since the 1980s.
- **2020 drilling campaign to commence at Metzke's Find in February 2020.**

The Board of Dreadnought Resources Ltd (ASX:DRE) ("Dreadnought" or "the Company") is pleased to provide a summary of activities for the quarter ended 31 December 2019.

During the quarter, the Company conducted maiden drilling programs in both the Kimberley and the Yilgarn regions of WA. In addition, a number of drill targets were identified by a variety of geophysical and geochemical surveys. The Illaara Greenstone Belt was consolidated via a purchase agreement and option giving Dreadnought control of over 75kms of strike along the underexplored Illaara Greenstone Belt.



Dreadnought Managing Director, Dean Tuck, commented *"Dreadnought has had a busy quarter executing high impact drilling programs while undertaking numerous surveys over to define numerous high quality drill targets."*

The December 2019 quarter saw 83% of expenditure go into exploration, underscoring Dreadnought's commitment to put shareholders' funds into the ground.

We are well placed to continue our activities into 2020 with drilling planned at Metzke's Find, Central Illaara, Texas, Chianti-Rufina, Fuso and Paul's Find."

Figure 1: Tarraji-Yampi, Illaara and Rocky Dam project locations

EXPLORATION ACTIVITIES – WEST KIMBERLEY PROJECTS (Tarraji-Yampi, West & South Kimberley)

Tarraji-Yampi Ni-Cu-Au Project

Tarraji E04/2315 (JV: DRE 80%), Yampi E04/2508, E04/2557, E04/2572, E04/2608 (DRE 100%)

Dreadnought is the second largest landholder in the west Kimberley behind Independence Group NL and controls over 870 sq kms of the highly prospective ground located as close as 85 kms to Derby, WA (see Figures 1 and 2). Tarraji-Yampi was largely locked up as a military reserve for over 40 years and has only recently been opened under the Commonwealth Government's co-existence regime that balances Defence needs with the requirements of others including Aboriginal groups, the resources industry, pastoralists and State Governments. The area has seen minimal exploration since the 1950s and has numerous pre-WW1 workings and outcropping mineralisation.

Three styles of mineralisation occur at Tarraji-Yampi including: volcanogenic massive sulphide ("VMS"); Proterozoic Cu-Au ("IOCG"); and magmatic sulphide Ni-Cu-PGE (see Figure 2). Within these mineralisation styles, numerous high priority Ni-Cu-Au targets have been identified from recent VTEM surveys, geochemical sampling and outcropping mineralisation.

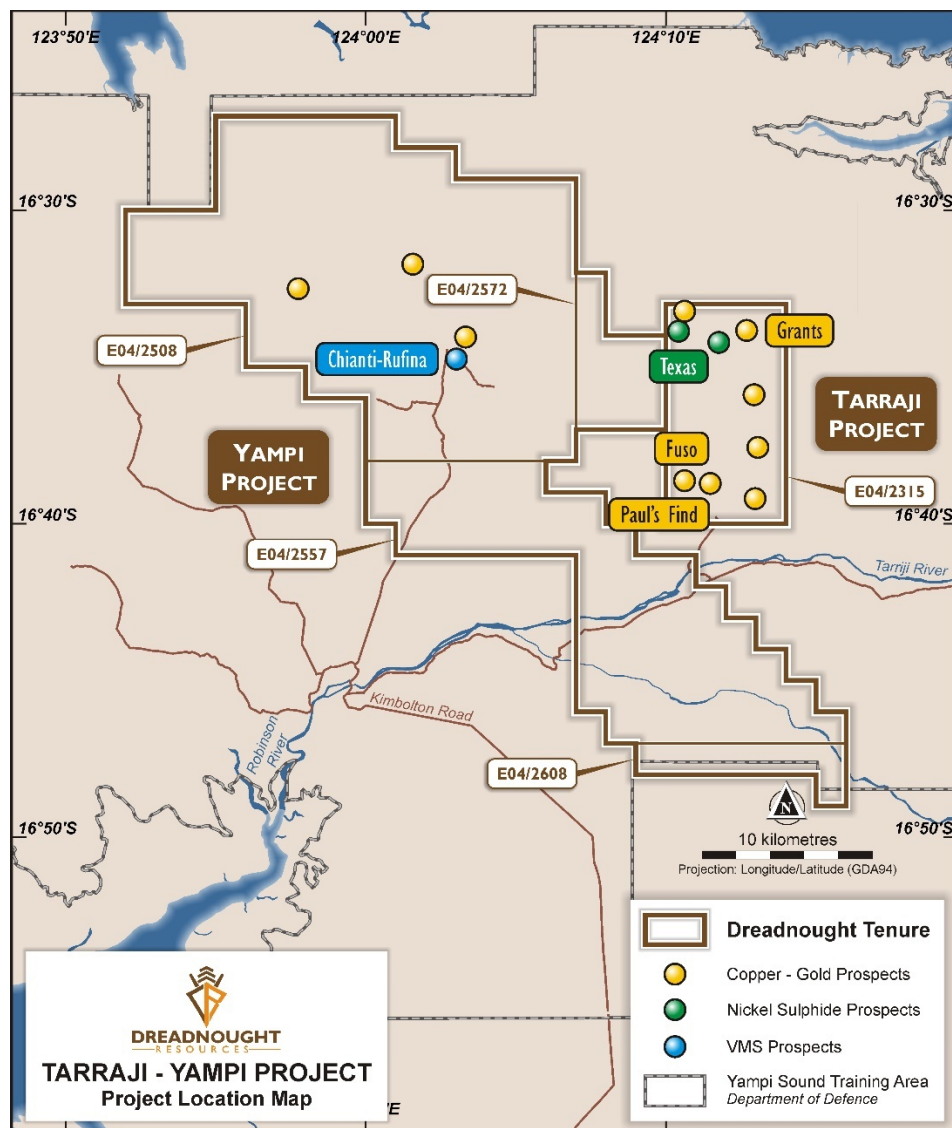


Figure 2: Tarraji-Yampi project area

Chianti-Rufina VMS E04/2508 (100%)

Chianti was originally defined by Australian Consolidated Minerals (“ACM”) in 1972. An airborne EM survey flown in 2015 highlighted an EM conductor beneath the 1972 ACM drilling. During the December 2019 quarter, two diamond holes were drilled into Chianti which was defined by outcropping gossans and two Fixed Loop Electromagnetic (FLEM) plates. During the drilling program, a FLEM survey and surface geochemical survey was carried out over the interpreted VMS horizon.

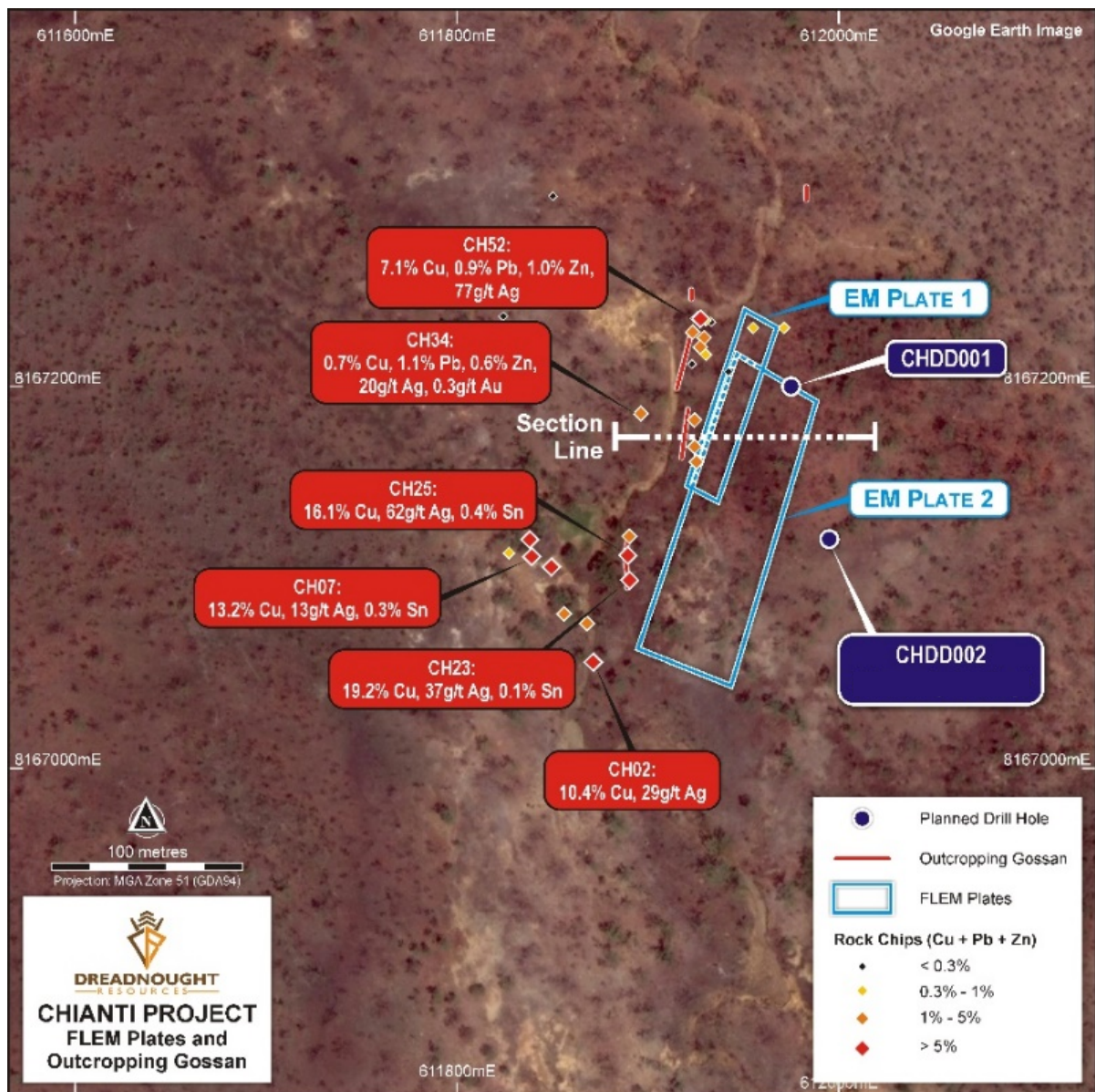


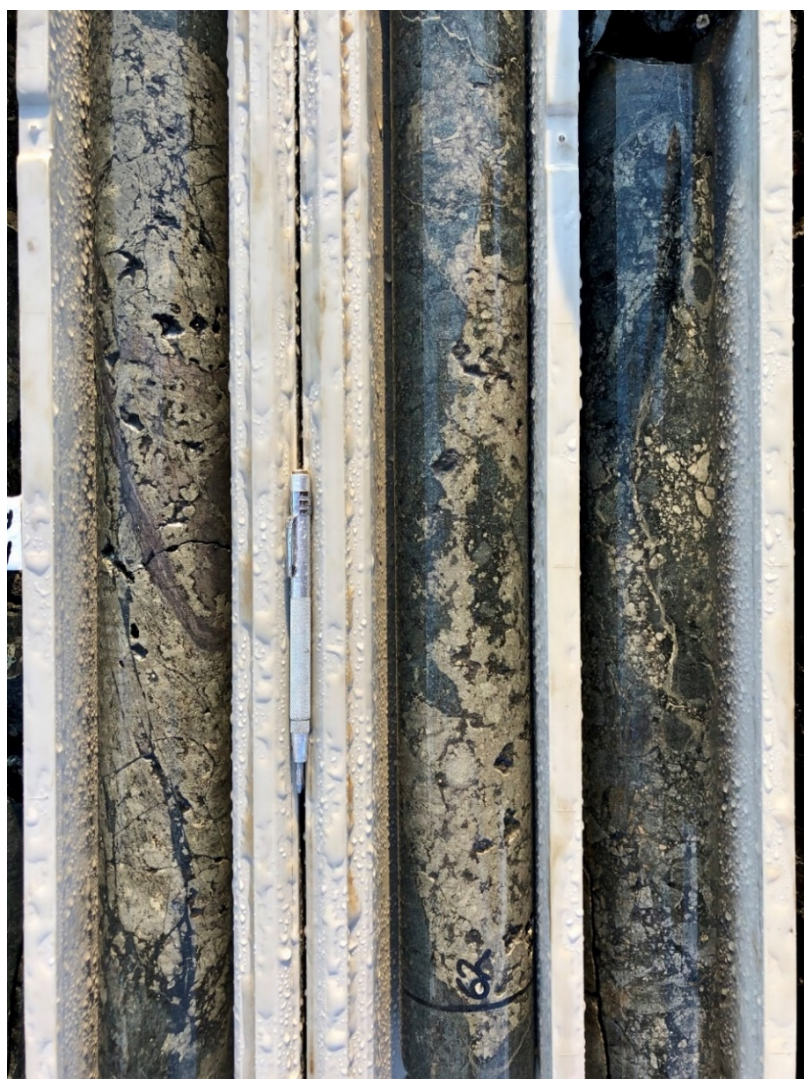
Figure 3: Plan view map of Chianti showing FLEM plates and rock chips from outcropping gossans.

Chianti Diamond Drilling Assays: Diamond Drill Hole CHDD001 (Upper Plate)

CHDD001 Description	From (m)	To (m)	Interval (m)	Zn %	Pb %	Cu %	Au g/t	Ag g/t
Stringer Zone	55.0	57.0	2.0	-	-	0.1	-	1.0
	59.0	60.5	1.5	-	-	-	0.4	-
	61.0	61.4	0.4	-	-	0.2	-	1.2
Massive/Semi Massive*	61.4	62.4	1.0	3.3	0.3	0.2	-	7.8
Collapse Breccia	62.4	63.5	1.1	0.1	-	-	-	1.0
*including	61.4	61.9	0.5	6.0	0.7	0.2	-	14.1

Table 1: Table showing the previously released geological intervals and resulting assay results.

Diamond drill hole CHDD001 was drilled into the upper plate at a -60 degree angle with an azimuth of 270 degrees to a depth of ~75m. The hole intersected a sequence of bimodal volcanics, potential minor mafic intrusives and minor siliciclastic lithologies. Mineralisation consisted of an intensely altered stockwork zone with stringers and disseminated sulphides. Alteration consisted of intense chlorite silica alteration with locally significant bleaching potentially indicating clay alteration. Below the stockwork zone was massive to semi-massive sulphide mineralisation comprised of pyrite, sphalerite, galena, minor chalcopyrite and pyrrhotite.



Above the massive to semi-massive sulphide zone was a zone of sulphide replacement breccia consisting of subrounded to subangular clasts of massive sulphide, rhyolite and intermediate volcanics. This sequence of lithology, mineralisation and alteration is a classic VMS sequence.

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Figure 4: Massive, semi-massive and sulphide replacement breccia from CHDD001 61.5m - 63.5m.

Chianti Diamond Drilling Assays: Diamond Drill Hole CHDD002 (Lower Plate)

CHDD002 Description	From (m)	To (m)	Interval (m)	Zn %	Pb %	Cu %	Au g/t	Ag g/t
Massive	79.8	80.3	0.5	2.2	1.0	1.9	0.1	37.6
Semi Massive	80.3	82.5	2.2	0.6	0.2	0.3	0.1	8.8
Sulphidic sediments	113.0	116.4	3.4	0.1	-	0.2	-	2.4
Massive	116.4	120.0	3.6	-	-	1.0	-	4.9
Stringer Zone	120.0	122.0	2.0	-	-	0.1	-	-

Table 2: Table showing the previously released geological intervals and resulting assay results.

Diamond drill hole CHDD002 was drilled into the lower plate at a -60 degree angle with an azimuth of 270 degrees to a depth of 135.8m. The hole intersected two sulphide zones. An Upper Zone (79.8m to 82.8m) consisting of massive and semi massive sulphides within a black, fine grained, sulphide bearing sediment;

and a Lower Zone (108.0m to 122.0m) consisting of a fine grained, sulphide bearing sediment which transitioned into massive sulphides and finished in an altered footwall stringer zone.

CHDD002 intersected similar lithologies to CHDD001, with a series of bimodal volcanics, siliciclastic sediments and minor late stage mafic intrusives intersected. Both mineralised zones were closely associated with intensely altered stockwork zones in their footwall positions with stringers and disseminations of various sulphides. Alteration consisted of intense chlorite and silica alteration with localised bleaching. Black, fine grained, sulphide bearing sediments were also intersected within the mineralised sequence and these sediments showed evidence of folding and thrusting.



Figure 5: Massive and semi massive sulphides from the Upper Zone of CHDD002 with 79.8m-80.3m grading 1.9% Cu, 2.2% Zn, 1.0% Pb, 37.6 g/t Ag and 0.1 g/t Au



Figure 6: Massive sulphides in the Lower Zone of CHDD002 with 116.4m-120m grading 1.0% Cu, 4.9 g/t Ag

Chianti Down Hole EM Results

Down Hole EM surveys were conducted at both CHDD001 and CHDD002 and modelling of the Down Hole EM data indicates the following key points:

- CHDD001 intersected the fringe of the upper plate, which now appears to sit further south than originally modelled;
- The upper zone in CHDD002 is connected to the upper plate drilled by CHDD001, forming a stacked lode;
- Logging and Down Hole EM indicate that the pyrrhotite-chalcopyrite Cu rich zones are more conductive, while Zn-Pb produces a weaker EM anomaly;
- The upper plate had an original FLEM response of 900 siemens (Zn-Pb response) and the lower plate 2,050 siemens. The Down Hole EM is now showing the lower plate with 10,000 siemens (pyrrhotite-chalcopyrite Cu response).

Accordingly, the lower plate remains open, has a strong Cu response, has a stacked lode above it and potentially has stacked lodes below it.

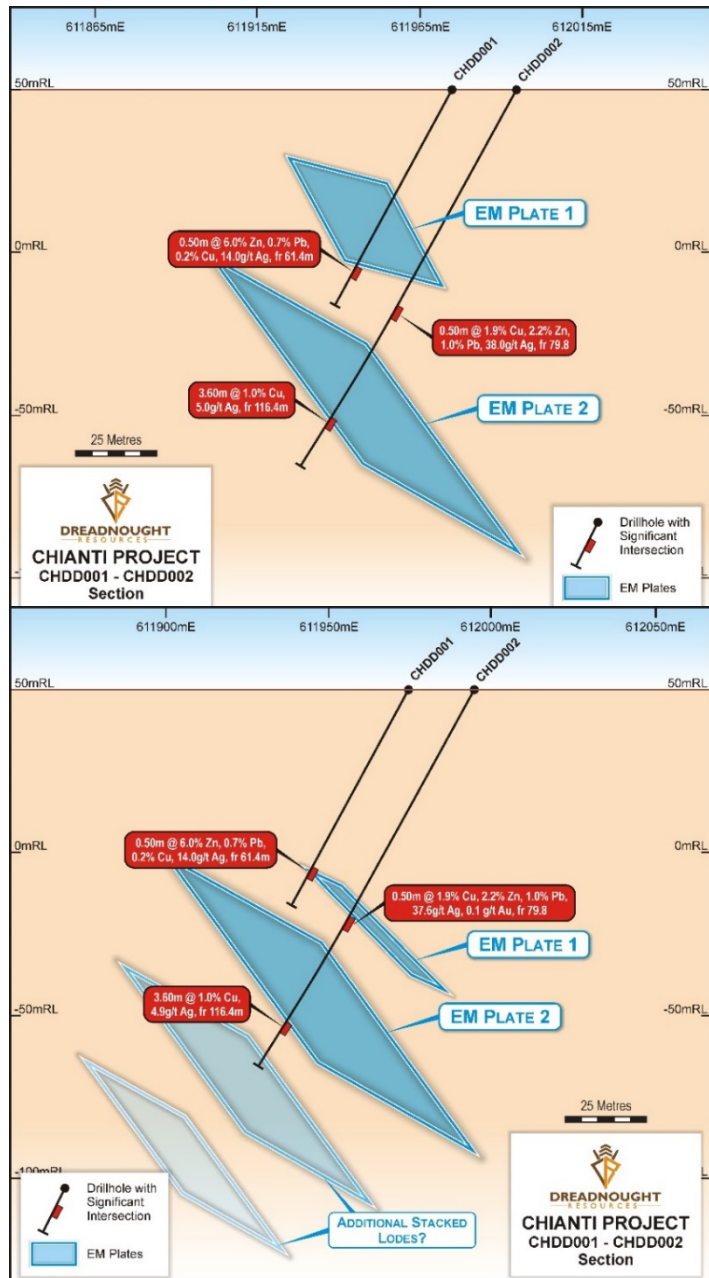


Figure 7: Section view of the original FLEM plates (top) and remodelled plates (bottom) showing both holes piercing the original plates as designed (top) and the remodelled upper plate aligning with the upper massive sulphide intercepts (bottom). This highlights the potential for further stacked lodes and that CHDD001 did not pierce the lower plate horizon (bottom).

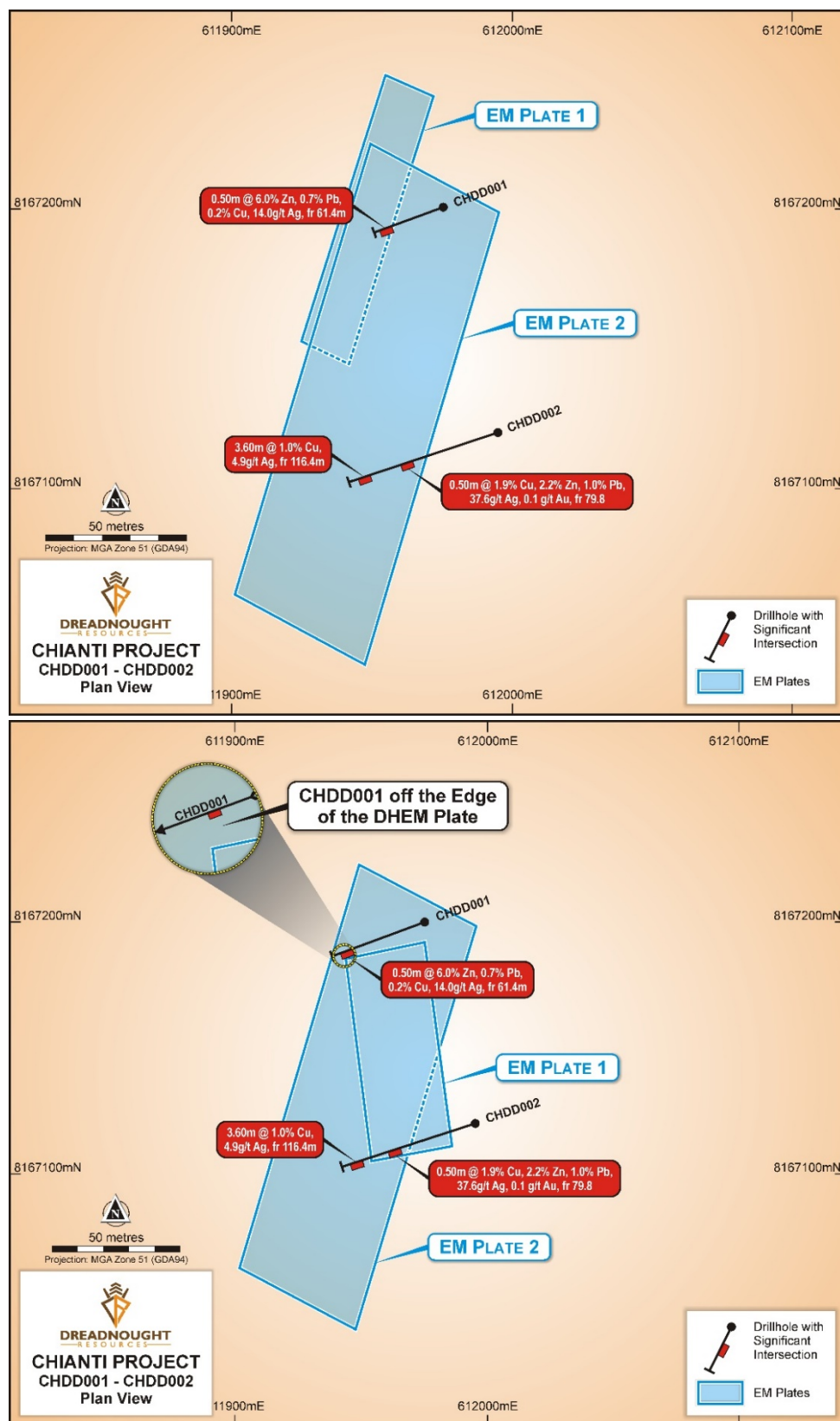


Figure 8: Plan view of the original FLEM plates (top) and remodelled plates (bottom) showing that both holes pierced the original plates as designed (top). However, CHDD001 only clipped the edge of the remodelled upper plate. Further, while CHDD002 intersected both the upper and lower plates, the upper plate sits further south than originally modelled (bottom).

Chianti-Rufina FLEM Results

Diamond drilling at Chianti confirmed both the VMS style of mineralisation and the approach on how to target massive sulphide bodies within the area. Key learnings include:

1. The massive sulphide mineralisation is comprised of significant amounts of highly magnetic pyrrhotite;
2. The VMS horizon is expressed as a sulphide replacement within a reduced sediment package; and
3. The VMS horizon is located between turbiditic sediments and a dominantly mafic to bi-modal volcanic sequence.

In order to maximise our use of the available field season, FLEM surveys were conducted over approximately 40% of Chianti-Rufina targeting outcropping gossans, magnetic anomalies and existing VTEM anomalies within the interpreted VMS horizon. As a result, six additional discrete late time FLEM conductors were identified associated with outcropping gossans and magnetic anomalies. Several of the plates are larger than Chianti, further highlighting the potential for this area to host multiple VMS deposits. All FLEM anomalies present high quality drill targets in addition to the follow up drilling required at Chianti.

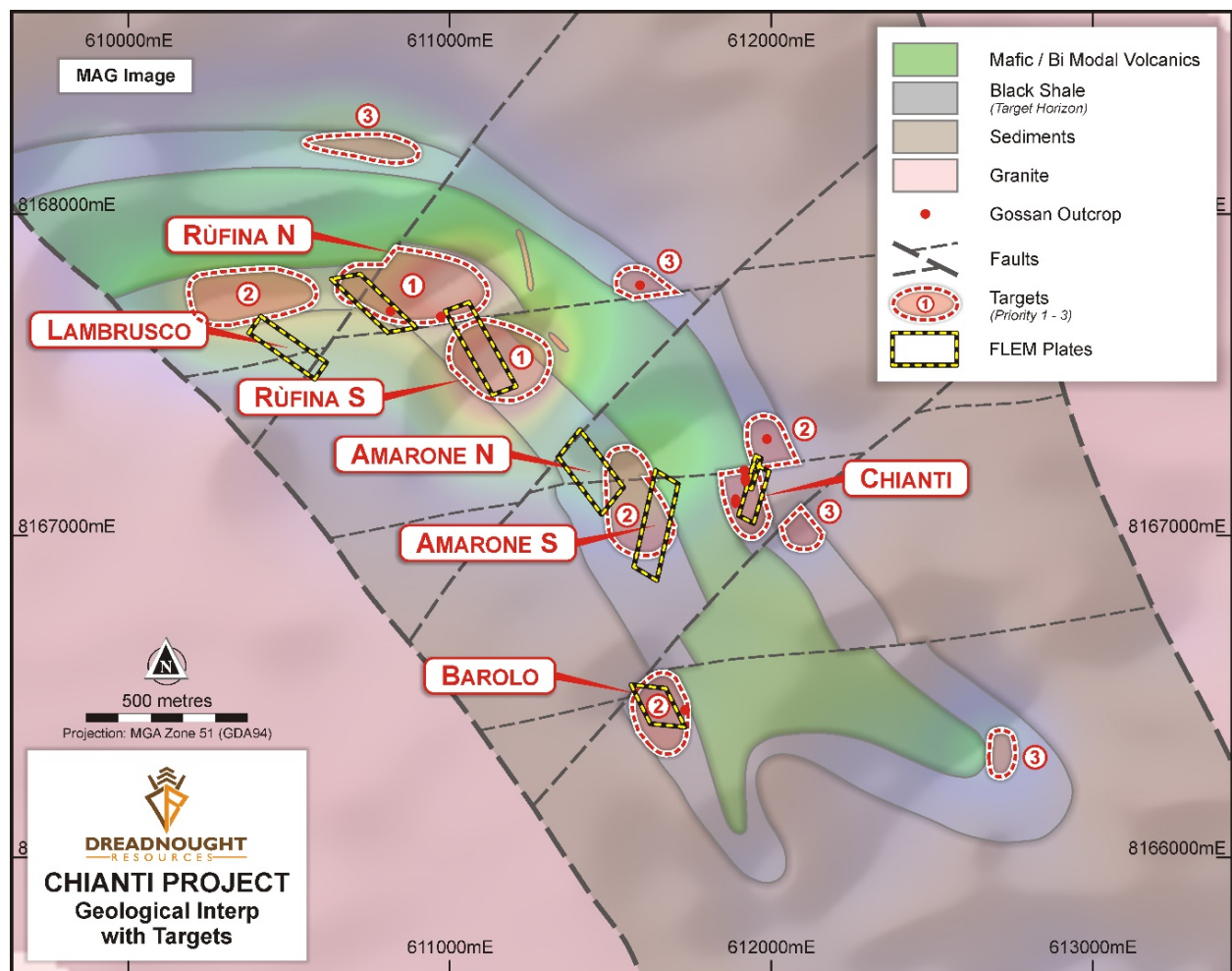


Figure 9: Map highlighting the FLEM plates and anomalies identified within the prospective VMS horizon over a background image of geological interpretation and magnetics.

Chianti-Rufina Surface Geochemical Results

During the quarter, a surface sampling program was completed as a trial of the applicability of ultra-fine fraction ("UFF") soil sampling over the area's black plain soils. A successful trial adds further confidence to the targets previously defined by magnetic and FLEM anomalies with associated outcropping gossans.

The trial was successful and defined coincident copper in soil anomalism over several ground FLEM plates and magnetic anomalies. Further, the results confirm the potential of a VMS cluster at Chianti-Rufina.

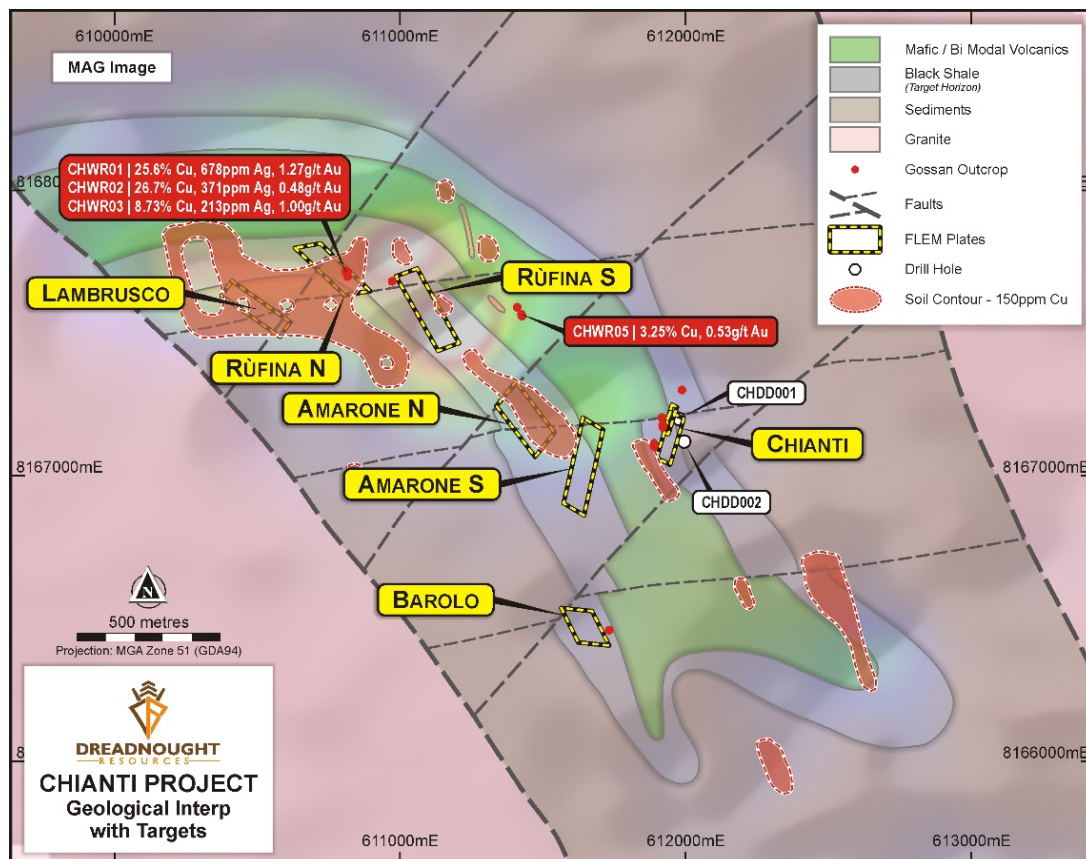


Figure 10: Plan view map of Chianti-Rufina highlighting the coincidence of Cu in soils anomalies and high-grade rock chips with FLEM plates over a lithostructural interpretation and analytical signal magnetics image.



Figure 11: Rock chips CHWR01 (L) 25.6% Cu, 678g/t Ag and 1.3 g/t Au and CHWR02(R) 26.7% Cu, 371 g/t Ag and 0.5 g/t Au from the outcropping copper rich gossan at the Rufina North target located at ~610815E, 8167715N GDA94 MGAz51

Grants Copper Gold IOCG - E04/2315 (JV: DRE 80%)

Initially identified and mined on a small scale for high grade copper pre-WW1, the last significant exploration was undertaken in the 1950s by Western Mining Corporation ("WMC"). WMC undertook surface sampling, mapping and diamond drilling at Grants. WMC only assayed for copper due to low gold prices at the time. Work completed by Dreadnought has confirmed significant Cu-Au mineralisation with a strong Ag-Bi-Co (As-Mo-Sb) geochemical association which is characteristic of Proterozoic Cu-Au (IOCG) deposits. Proterozoic Cu-Au (IOCG) deposits are highly attractive targets with examples in Australia including the Tennant Creek Inlier (ex. Gecko, Peko) and Mt Isa Inlier/Cloncurry District (ex. Ernest Henry).

During the December 2019 quarter, two WA Government Exploration Incentive Scheme co-funded diamond holes were drilled into Grants.

Both holes were similar to historic WMC drilling in that they intersected multiple zones of near vertical mineralisation dominated by coarse to fine grained and occasionally graphitic pelites with interbedded intermediate to felsic volcanics and a porphyry dyke. Mineralisation was confined to zones of intense brecciation and veining with dominant silica, chlorite and sulphide alteration. Elevated Co, Bi, As, Ag supports IOCG style of mineralisation.

Mineralisation at Grants is encouraging in that it potentially serves as a vector to an IOCG breccia system undercover and could serve as an attractive satellite target should a larger system be discovered.

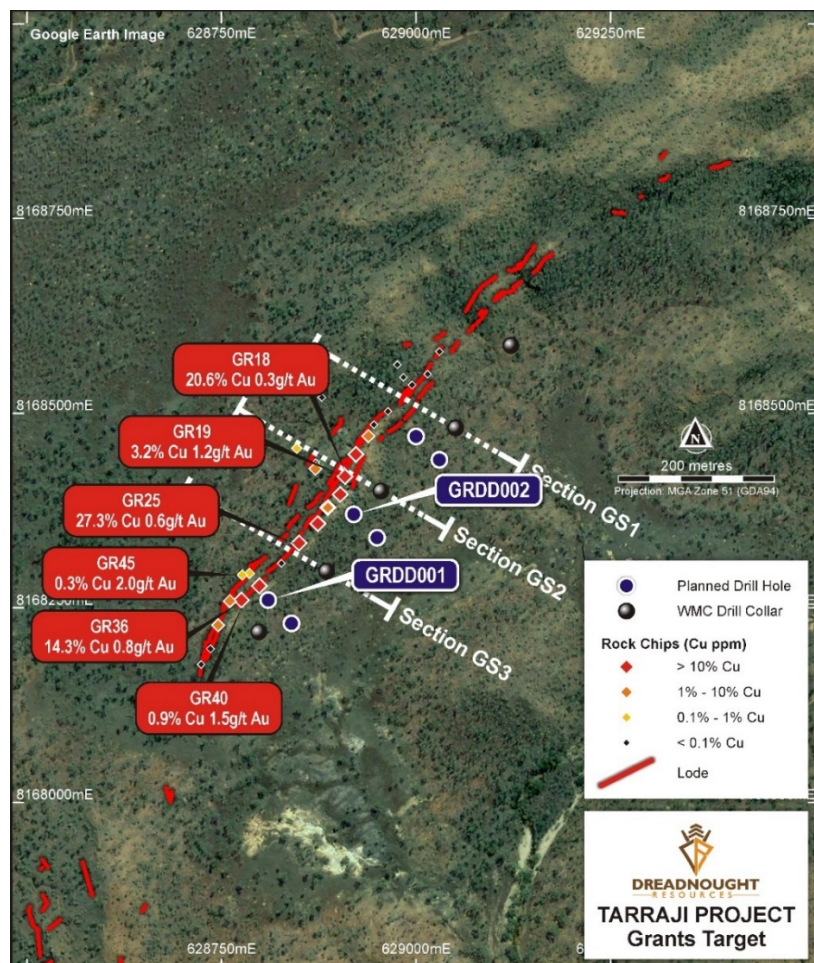
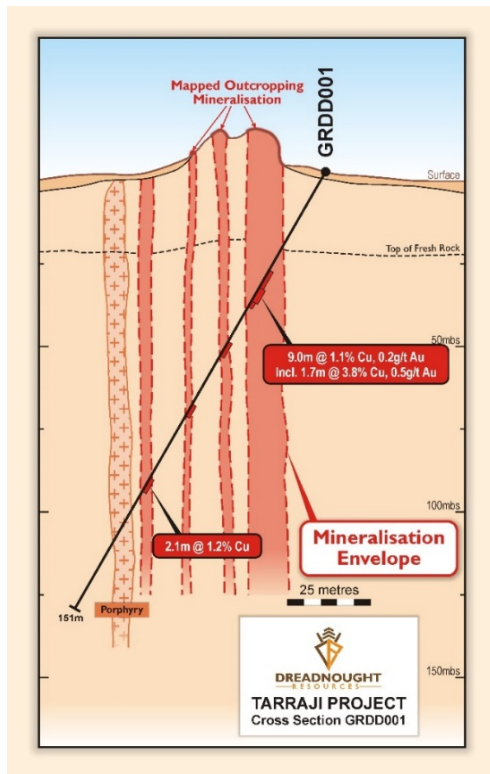


Figure 12: Map of Grants showing 1950s WMC drilling and recent rock chip locations and results.

Grants Diamond Drill Holes GRDD001 and GRDD002

Both diamond holes were drilled at a -60 degree angle with an azimuth of 315 degrees and were located between holes drilled by WMC. GRDD001 was drilled to a depth of 151.1m and GRDD002 was drilled to a depth of 194m, and both holes intersected multiple mineralised zones (Figures 13 and 14):



Main Zone (27.6m to 45.0m) – 17.4m interval grading 0.7% Cu consists of quartz-sulphide breccia, quartz-sulphide veins and intense silica and chlorite alteration within fine grained and graphitic pelites. **Includes 9m at 1.1% Cu from 36m and 1.7m at 3.8% Cu from 40.3m;**

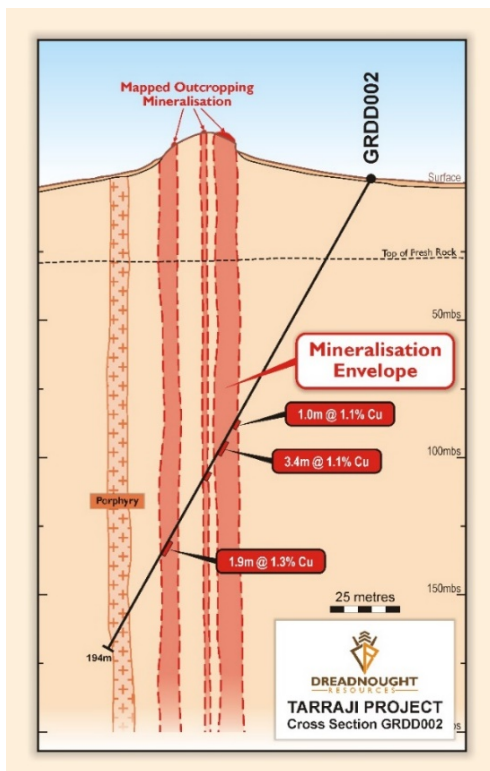
2nd Zone (59.6m to 63.2m) – 3.6m fault breccia with minor quartz-pyrite veins within interbedded pelites and intermediate to felsic volcanics;

3rd Zone (83.0m to 84.5m) – 1.5m interval grading 0.3% Cu consists of brecciated quartz-chalcopryrite within intermediate to felsic volcanics;

4th Zone (106.3m to 111.0m) – 4.7m interval grading 0.7% Cu consists of quartz-chalcopryrite veined graphitic pelites with disseminated chalcopryrite. **Includes 1.6m at 1.2% Cu from 108.4m; and**

Porphyry Zone (117.7m to 126.7m) – 9m felsic porphyry dyke with trace quartz-pyrite-chalcopryrite veins.

Figure 13: Cross Section of Grants showing the location of multiple mineralised lodes in GRDD001.



Zone 1 (99.0m to 116.5m) – 17.5m interval grading 0.5% Cu consisting of a swarm of quartz-sulphide veins. The interval is comprised primarily of chalcopryrite with lesser pyrite and a deformed and brecciated package of coarse to fine grained pelites which have undergone silica and chlorite alteration. **Includes 1m at 1.1% Cu from 99m and 3.4m at 1.1% Cu from 112m;**

Zone 2 (122.4m to 123.9m) – 1.5m interval consisting of quartz-sulphide veins with minor pyrite and subordinate chalcopryrite in deformed and altered sediments;

Zone 3 (143.8m to 156.5m) – 12.7m interval grading 0.5% Cu, consisting of a swarm of quartz-sulphide veins. The interval is similar in composition to Zone 1. **Includes 1.9m at 1.3% Cu from 154m; and**

Porphyry Zone (179.2m to 191.2m) – 12.0m interval of felsic porphyry with no visible mineralisation.

Figure 14: Cross Section of Grants showing multiple mineralised lodes in GRDD002.

Texas Ni-Cu-PGE Magmatic Sulphide Target - E04/2315 (JV: DRE 80%)

Texas is similar in style to Independence Group NL's Double Magic project (50kms to the SE) and Panoramic's Savannah Ni-Cu-Co mine in the East Kimberley. In 2015, an airborne VTEM survey was flown resulting in the identification of Texas as a coincident airborne EM and magnetic anomaly hosted within a thick outcropping Ruins Dolerite sequence (see Figure 15).

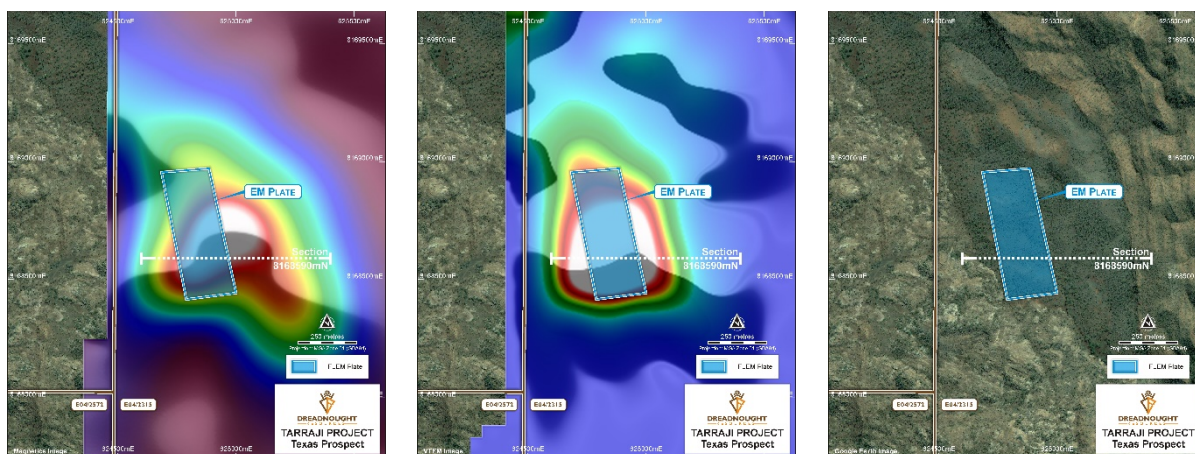


Figure 15: Three images showing the magnetics (L), airborne EM (C), and Ruins Dolerite (R) at Texas.

Detailed magnetics and a ground FLEM surveys have since refined the drill target. The EM plate is roughly 550m x 280m with a high conductivity. The EM plate appears to have a shallow easterly dip and northerly plunge and remains open to the north and at depth. The EM plate is associated with a thick outcropping sequence of Ruins Dolerite, a strong discrete magnetic anomaly and is discordant to local stratigraphy making the Texas target a high priority drill target (see Figures 15 and 16).

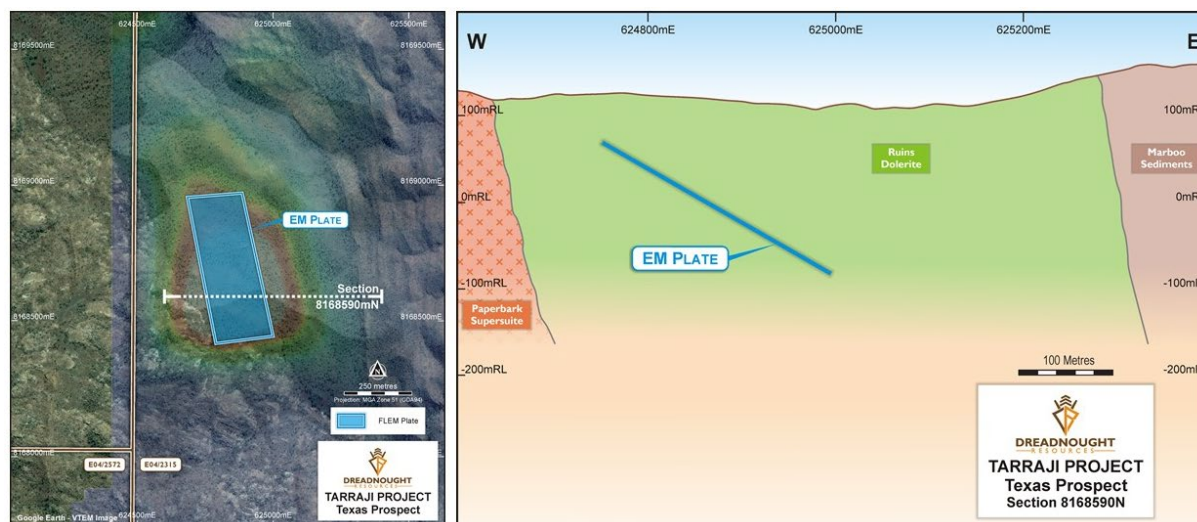


Figure 16:3 Interpreted cross section through Texas showing the EM plate and lithology.

Time constraints meant that no drilling was undertaken at Texas during the quarter. Texas will be drilled during the 2020 field season expected to run from May-November 2020.

Fuso and Paul's Find Copper-Gold IOCG - E04/2315 (JV: DRE 80%)

Fuso and Paul's Find are high quality targets to result from recent airborne magnetics and ground gravity surveys completed during the quarter.

Both targets have an apparent south to south-easterly plunge. Their magnetic signature is interpreted to be related to intense iron rich alteration, either as magnetite or pyrrhotite and the gravity signature conceptually represents the mineralised lode.

Fuso is one of the largest and strongest magnetic anomalies within Tarraji-Yampi at 1,200m x 700m with a core gravity anomaly of 500m x 400m.

Paul's Find is represented by an intense magnetic low and gravity high bullseye feature with dimensions of ~300m x 200m. The magnetic low is interpreted to be remnant magnetisation associated with a mineralised lode.

Both targets will be drilled in the 2020 field season.

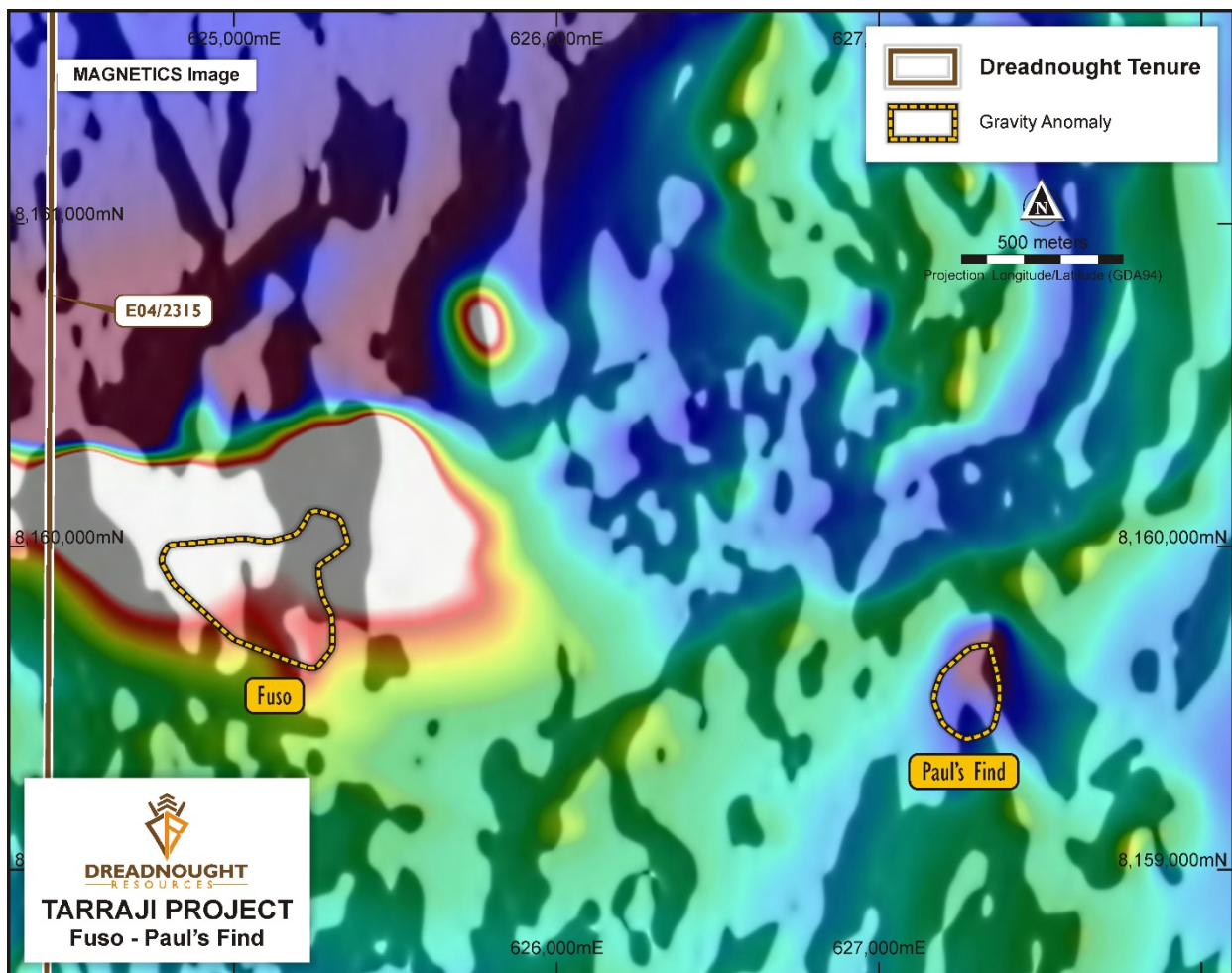


Figure 17: Plan view map of Fuso and Paul's Find showing a background image of RTP magnetics with the coincident gravity anomalies overlain.



DREADNOUGHT
RESOURCES

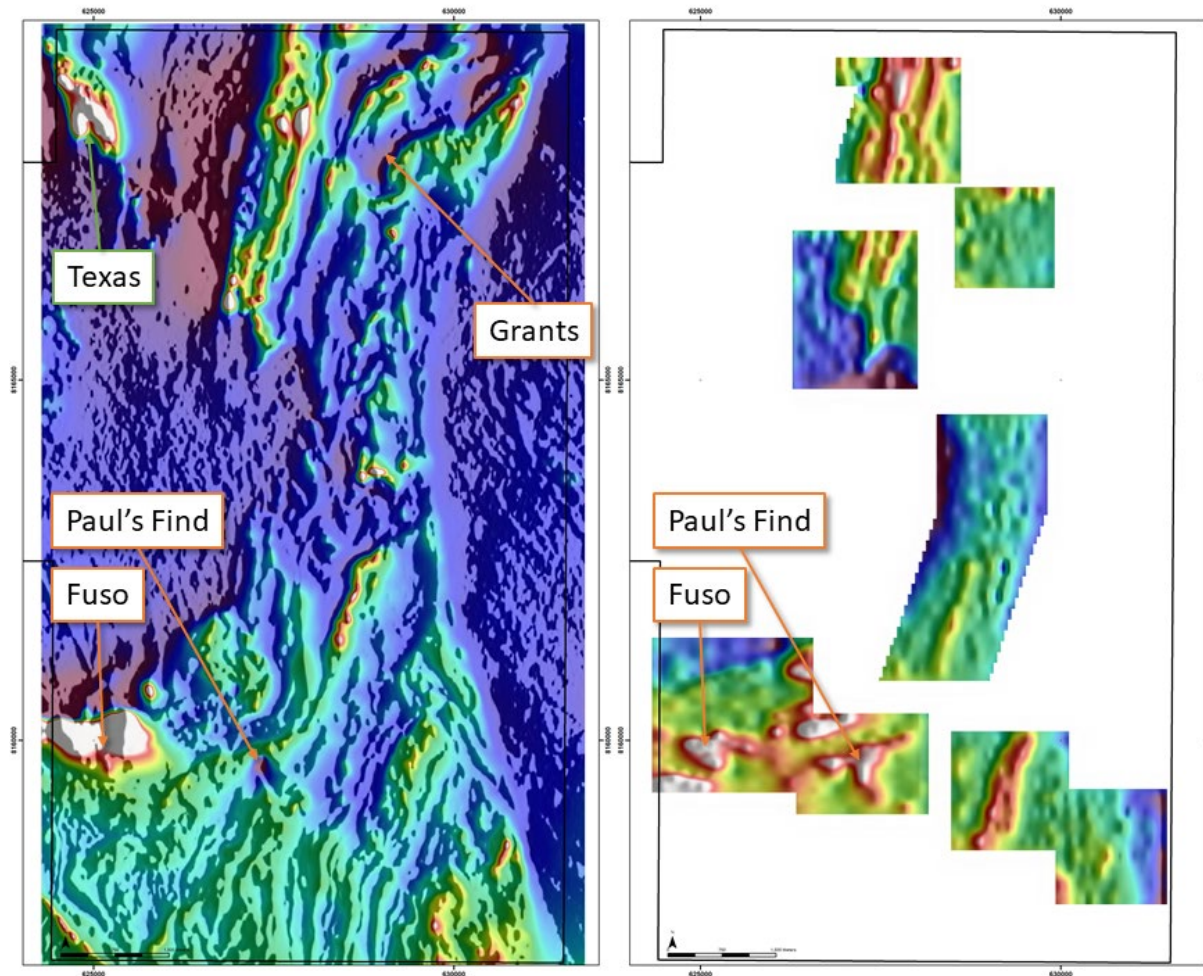


Figure 18: Plan view of the recently acquired airborne magnetics data (L) Reduced to Pole (RTP) and ground gravity (R) Bouguer 1st vertical derivative highlighting priority target locations.

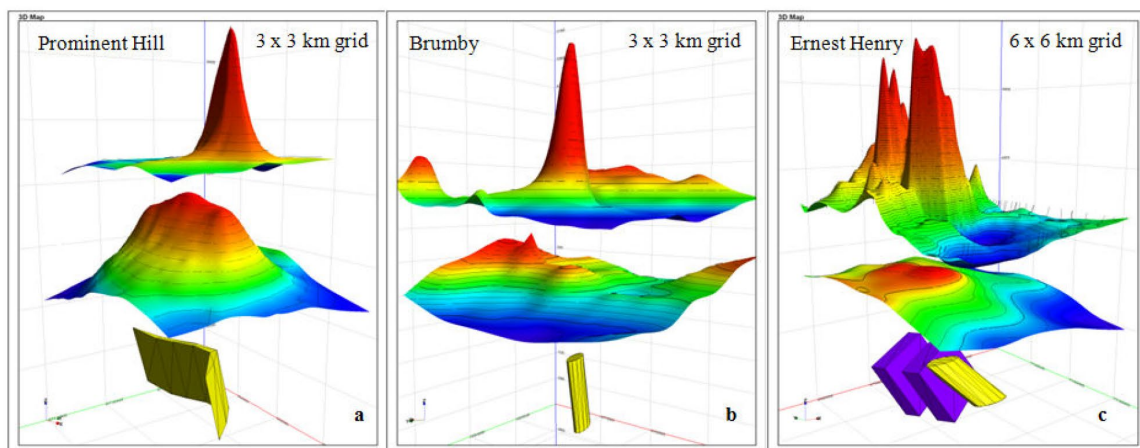


Figure 19: Example of coincident magnetic (top) and gravity (middle) and the resultant inversion modelled bodies (bottom) from Prominent Hill, Brumby and Ernest Henry Proterozoic Cu-Au deposits.

from Austin and Foss 2012. Rich, attractive and extremely dense: A geophysical review of Australian IOCGs.

West Kimberley Ni-Cu-Au Project

E04/2560, E04/2573, E04/2574 (DRE 100%)

Dreadnought has one granted tenement and two tenement applications in the West Kimberley. These tenements are located in the centre of the West Kimberley where Independence Group NL and Chalice Gold Mines have been actively acquiring and exploring for Magmatic Ni-Cu-PGE massive sulphides within the Ruins Dolerite.

During the quarter E04/2560 which contains the Wombarella Intrusions and Ruins Dolerite was granted. Native Title negotiations for the remaining two tenement applications are ongoing, no exploration activities undertaken during the quarter.

Recently, a proposed extension to the Fitzroy River National Park was announced over a significant portion of E04/2574 as part of the State Governments “Plan for our Parks” vision. Dreadnought is working with AMEC and other potentially impacted companies in the region to understand the implications for exploration and mining projects and will engage with the State Government to ensure our interests can be protected.

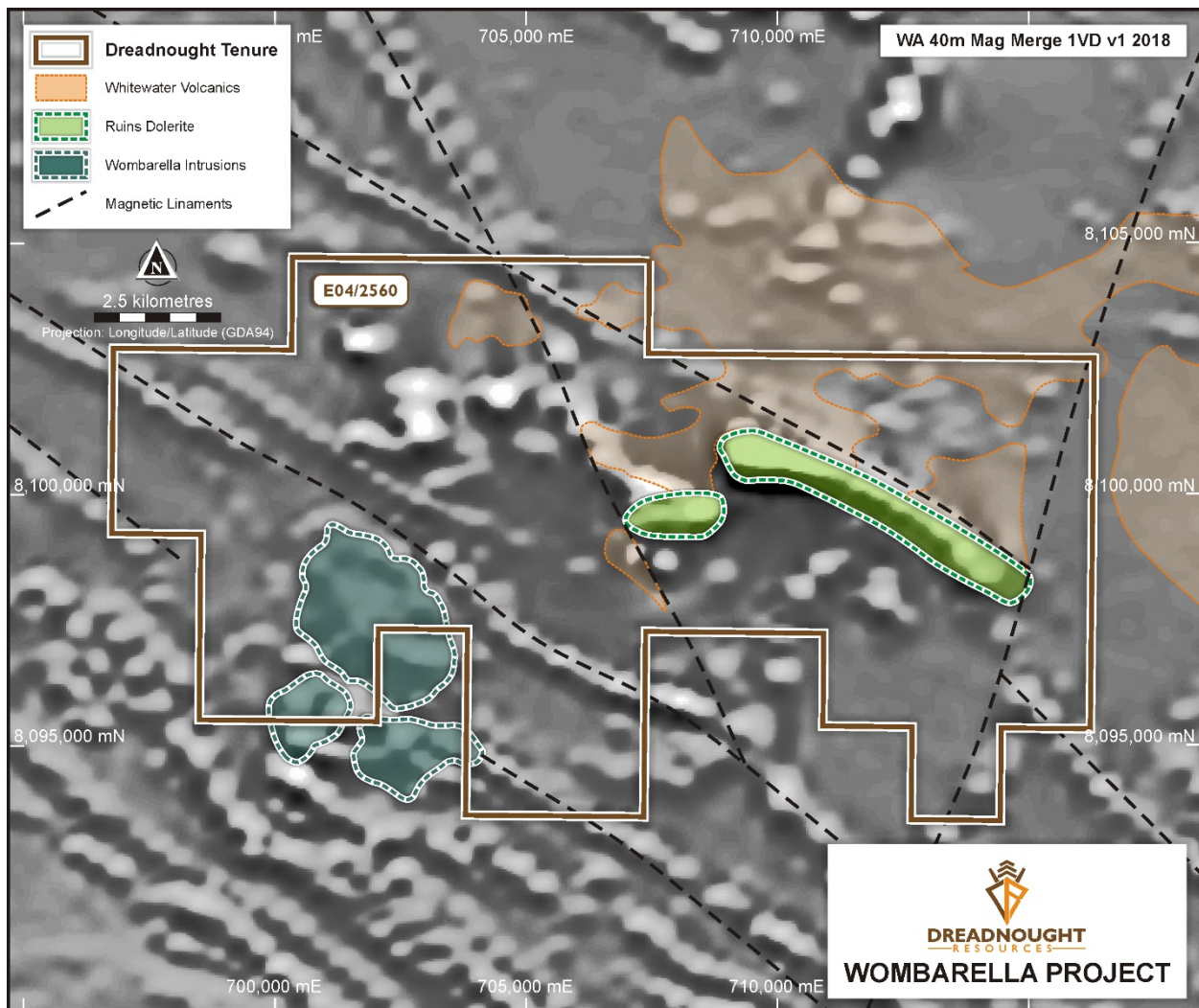


Figure 20: Map highlighting the Wombarella Intrusions and Ruins Dolerite which are prospective to host magmatic Ni-Cu-PGE massive sulphide deposits.

South Kimberley Ni-Cu-Au Project

E80/5363, E80/5364, E80/5365, E80/5366 (DRE 100%)

Dreadnought has tenement applications for four tenements in the South Kimberley. This consolidated a significant land position prospective for Proterozoic Cu-Au, Cu-Zn-Pb-Ag VMS and Magmatic Ni-Cu-PGE massive sulphides. The South Kimberley Project contains historic Cu-Au occurrences similar to those seen at Tarraji-Yampi.

Native Title negotiations are ongoing, no exploration activities were undertaken during the quarter.

Dreadnought will continue to evaluate its land holdings in the region and seek the best strategy for advancing the projects as they grant.

Recently, a proposed extension to the Fitzroy River National Park was announced over a significant portion of E80/5363 as part of the State Governments “Plan for our Parks” vision. Dreadnought is working with AMEC and other potentially impacted companies in the region to understand the implications for exploration and mining projects and will engage with the State Government to ensure our interests can be protected.

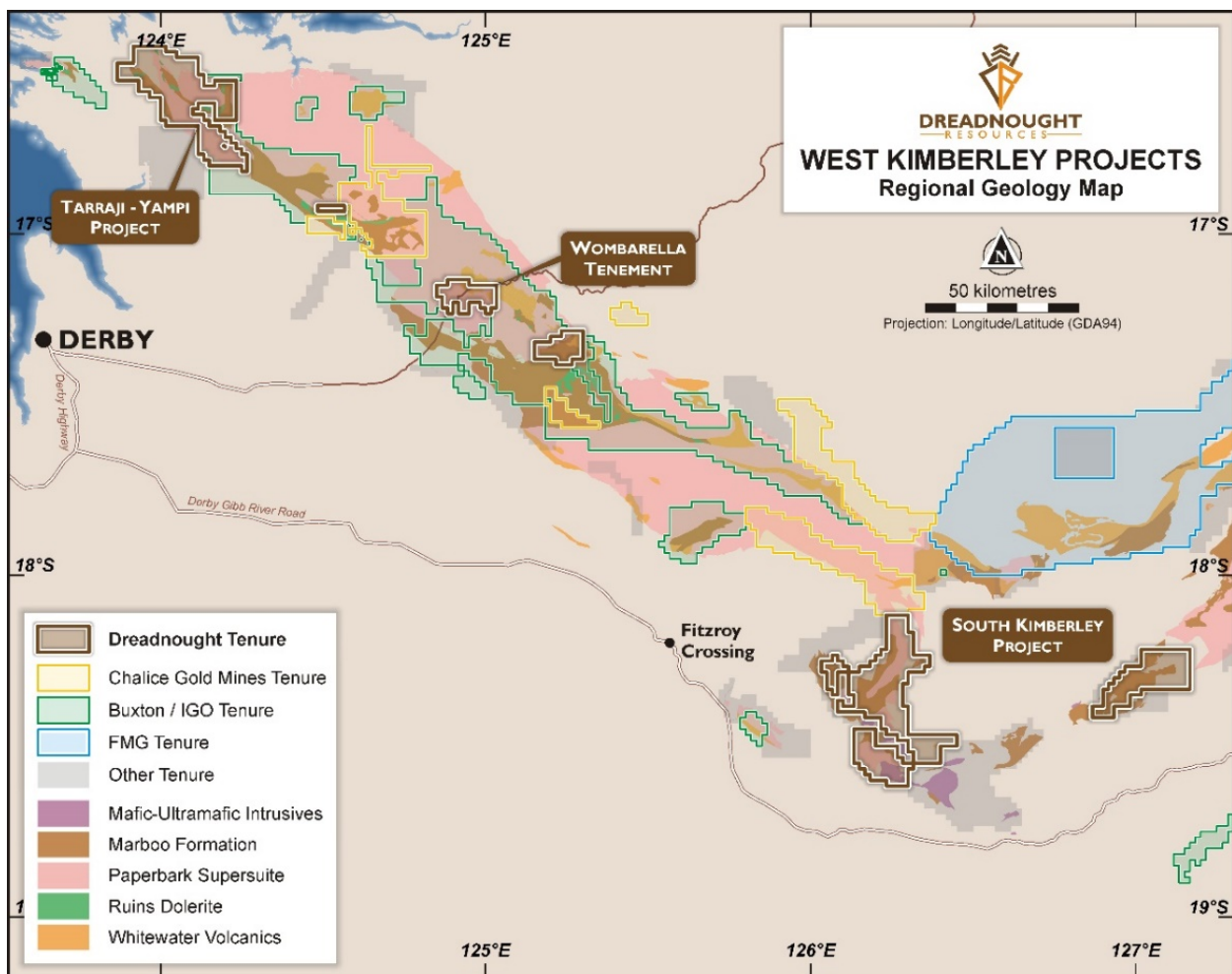


Figure 21: Map the location of Dreadnought's tenements in the West Kimberley – Tarraji-Yampi (top NW), West Kimberley including Wombarella (centre) and South Kimberley (bottom SE).

EXPLORATION ACTIVITIES – YILGARN PROJECTS

Illaara Gold & VMS

E29/957, E29/959, E29/1050, E30/471, E30/476, (DRE 100%) E29/965 & E30/485 (DRE Option to 100%)

Illaara comprises seven tenements (~900sq kms) covering over ~75kms of strike along the underexplored Illaara Greenstone Belt. The project is located 160km northwest of Kalgoorlie-Boulder in the Yilgarn Craton (see Figure 22 below) and is prospective for both Archean mesothermal lode gold deposits and Cu-Pb-Zn VMS mineralisation.

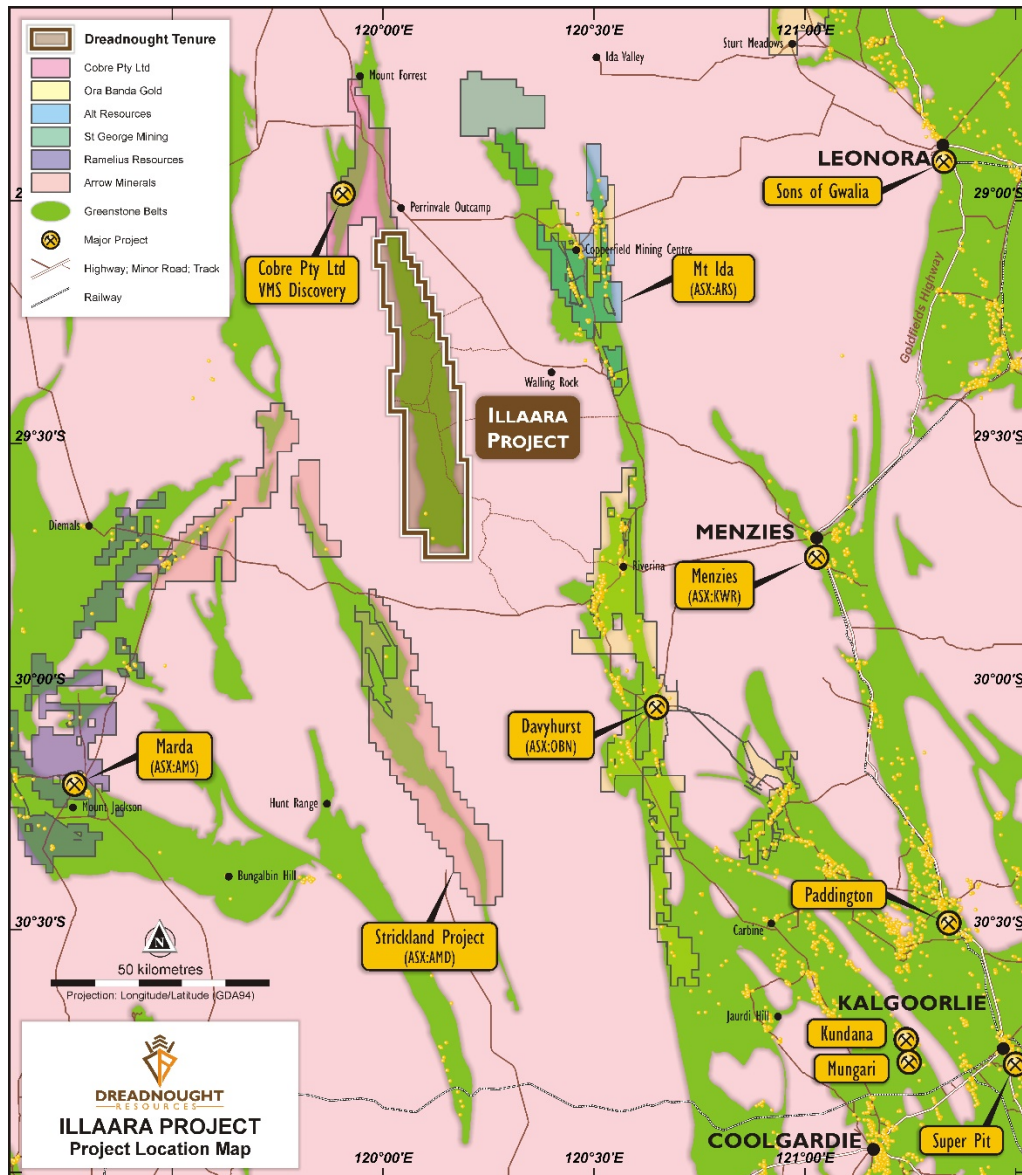


Figure 22: Map showing access to Illaara from Kalgoorlie with nearby mines, mills and projects.

Recent gold exploration within the Illaara Greenstone Belt was spurred on by a ~55km long Au-As-Sb anomaly generated from regional regolith sampling by the Geological Survey of Western Australia. Exploration completed by the previous owner, Newmont, defined the Central Illaara, Metzke's North and Lawrence's Find prospects.

Prior to Newmont, the Illaara Greenstone Belt was largely held by iron ore explorers with no focused gold or base metal exploration since the 1990s.

Historically, gold was discovered and worked at Metzke's Find and Lawrence's Find in the early 1900s, but remoteness and lack of water hindered development. In addition to the gold, outcropping VMS mineralisation was identified and briefly tested in the 1980s with no subsequent exploration utilising modern techniques.

During the December 2019 quarter, first pass RC drilling was undertaken at CRA Homestead and Lawrence's Find. In addition, soil sampling programs were commenced at Illaara Central as well as reconnaissance work on the Eastern VMS horizon. Furthermore, the Illaara Greenstone Belt was further consolidated through the purchase of Metzke's Find (E29/1050) and an option over the NWA (E29/965) and Reindler's (E30/485) gossans.

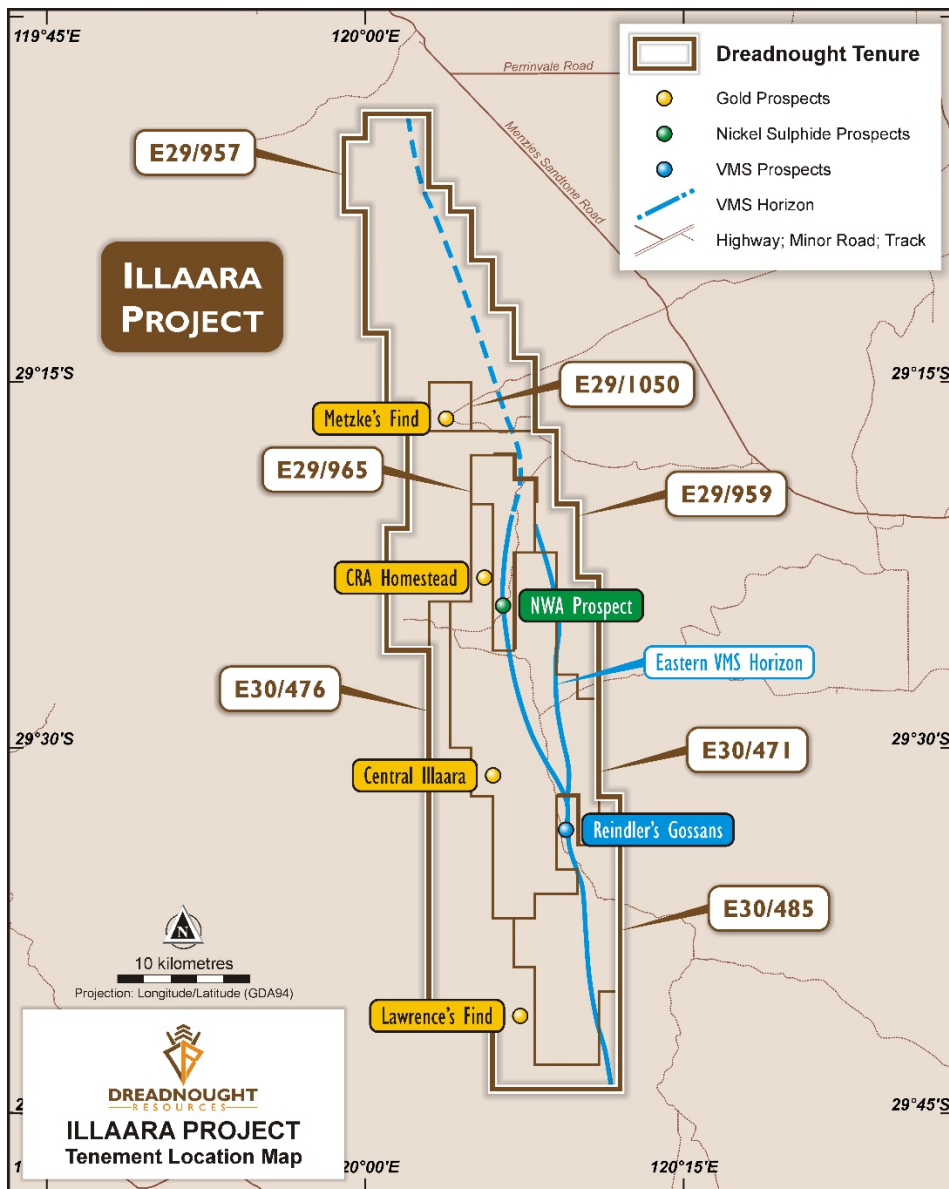


Figure 23: Map show main prospects within the Illaara Au & VMS Project

RC Drilling at CRA Homestead – E30/471 (100%)

RC drilling at CRA Homestead (3 holes, 489m) drilling targeted a magnetic high associated with an anomalous gold in auger anomaly. The drilling intersected a deep weathering profile before going through a highly altered core of fuchsite, carbonate and pyrite-pyrrhotite altered shear zone with an outer halo of carbonate and magnetite alteration of greenschist facies altered volcanic lithologies.

The combination of deep weathering and highly altered shear zone is an indication of a potential Orogenic gold mineralisation.

The drilling also identified disseminated magnetite as part of serpentinised ultramafic lithologies with an adjacent magnetic low to the east related to sulphidation of the disseminated magnetite.

While these results support potential for Orogenic gold mineralisation, testing below the supergene gold anomaly is a lower priority than other shallower targets at Illaara.

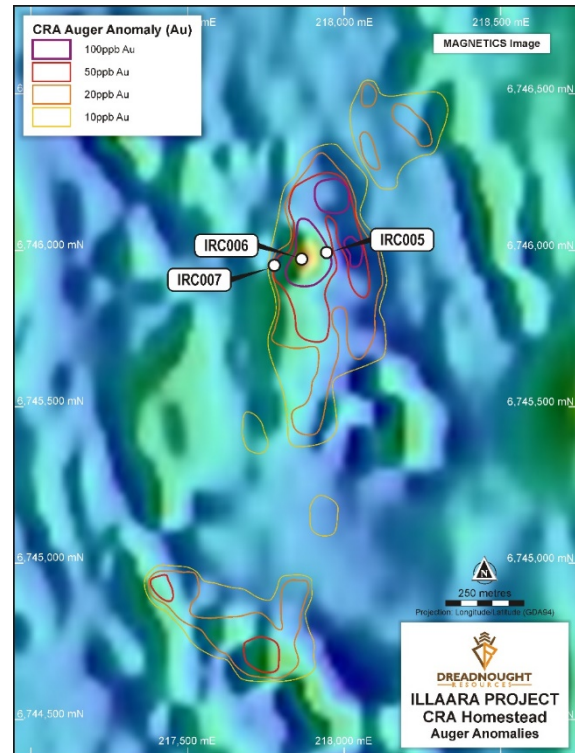


Figure 24: Plan view map showing the location of the three recent drill holes in relation to the gold in auger and magnetic anomalies.

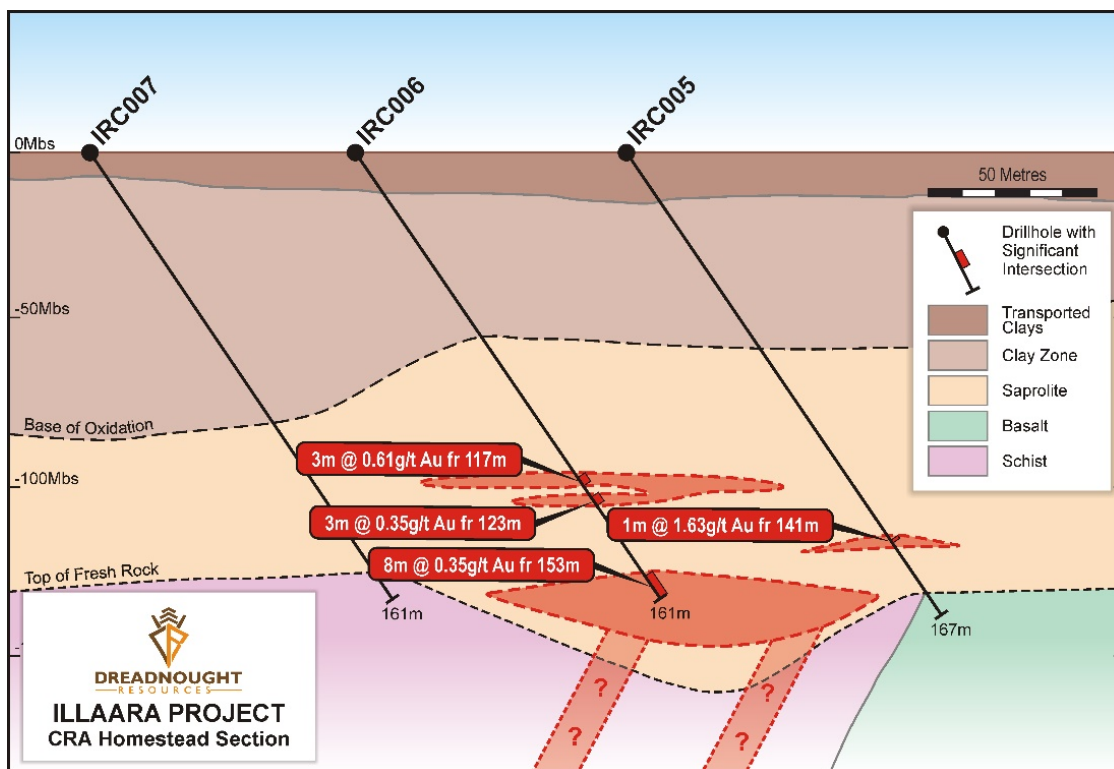


Figure 25: Cross section of drilling at CRA Homestead showing supergene gold anomalism at the base of deep weathering. Deep weathering and a highly altered shear zone are an indication of potential Orogenic gold mineralisation

RC Drilling at Lawrence's Find – E30/476 (100%)

At Lawrence's Find (5 holes, 739m), the target horizon was comprised of sulphidised banded iron formations with quartz sulphide veining and minor altered shearing within mixed amphibolite facies volcanic lithologies. The observed alteration is supportive of the targeted BIF hosted style of gold mineralisation.

Anomalous gold was intersected in the altered horizons; however the tenor of these results does not warrant immediate follow up when compared to other targets at Illaara.

Further work at Lawrence's Find will focus on the main body of the ~5km long Newmont geochemical anomaly with surface geochemical sampling employed to define drill targets. Any defined drill targets will be ranked and prioritised for drilling against other targets.

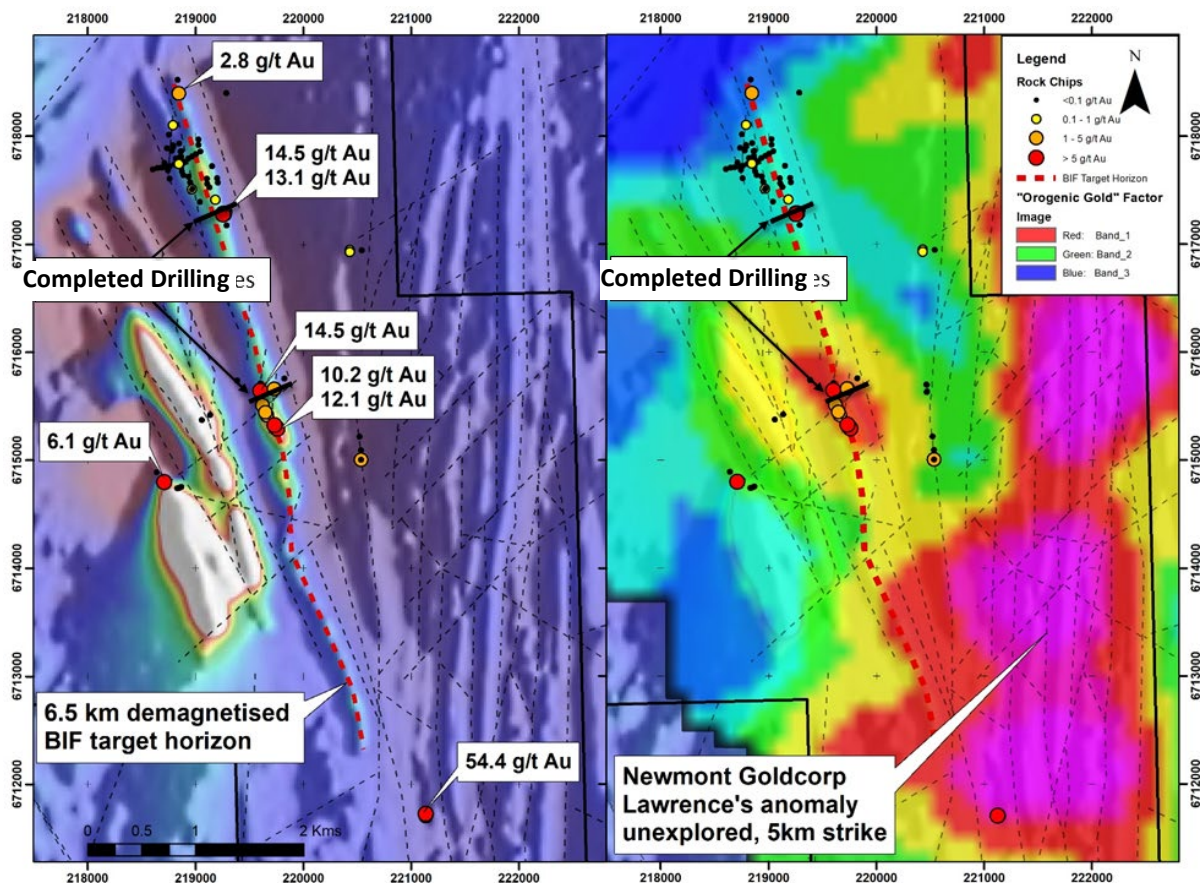


Figure 26: Magnetics and interpreted structures at Lawrence's Find highlighting the location of completed drilling along the interpreted de-magnetised BIF splay to the west. The ~5km long Orogenic gold anomaly (right) to the west will be the focus of ongoing evaluation at Lawrence's Find.

Acquisition and Planned Drilling at Metzke's Find - E29/1050 (100%)

Metzke's Find was discovered in 1913 and limited records of historical production show that ~890oz of gold was produced with an average grade of 39.7g/t Au. The only significant gold exploration was undertaken by previous explorers in 1988 and 1995. Both of these programs only consisted of shallow percussion drilling with a number of drill holes intercepting mineralisation or historic stopes.

Metzke's Find contains historic workings (containing 20 shafts down to ~ 30m) over ~700m of strike with shallow historic drilling results including:

- MZ07: 5m @ 4.0 g/t Au from 11m
- MZ25: 1m @ 18.0 g/t Au from 22m
- MZ19: 2m @ 15.7 g/t Au from 19m
- MZ28: 2m @ 3.6 g/t Au from 37m to EOH
- MZ23: 3m @ 11.7 g/t Au from 18m

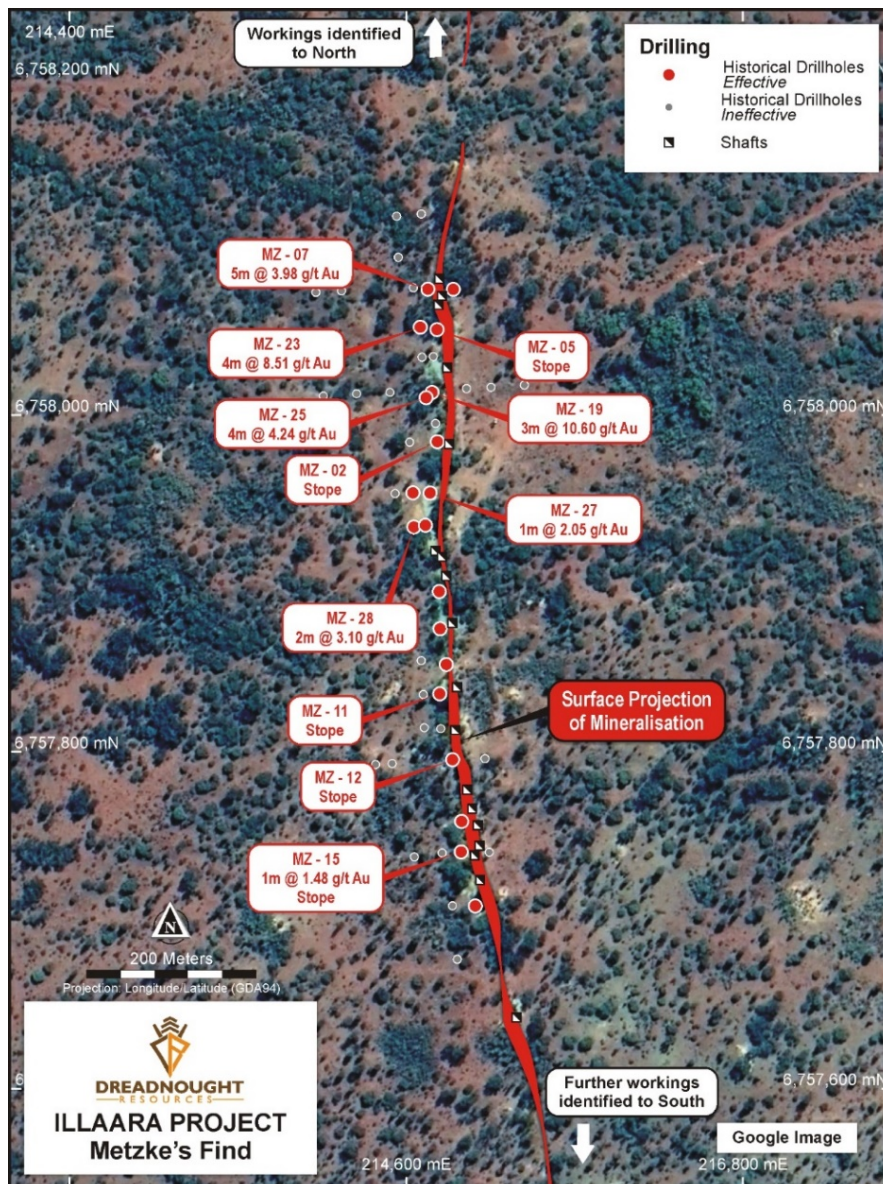


Figure 27: Plan view of Metzke's Find highlighting the surface projection of known mineralisation over 700m of strike. The location of historical shafts is shown along with effective and ineffective drilling. Ineffective drilling either did not intersect the target horizon or was not historically assayed.

Background on the NWA Nickel Sulphide - E29/965 (option to 100%)

NWA is located in the centre of Illaara and contains a number of ultramafic-komatiitic channels cut into a mixed sequence of bimodal volcanics, graphitic and sulphidic shales, conglomerates, cherts and BIFs which have been intruded by felsic intrusive rocks.

Limited exploration has defined a number of undrilled gold, base metal VMS and komatiite hosted nickel sulphide anomalies. Of immediate interest, E29/965 contains the prospective NWA Nickel Sulphide prospect. NWA consists of a coincident copper (0.15% and 0.19% Cu) and PGE (226ppb Pt+Pd) in soil anomaly overlying a discrete ~400m long VTEM anomaly at the base of a komatiite flow. NWA has never been drilled.

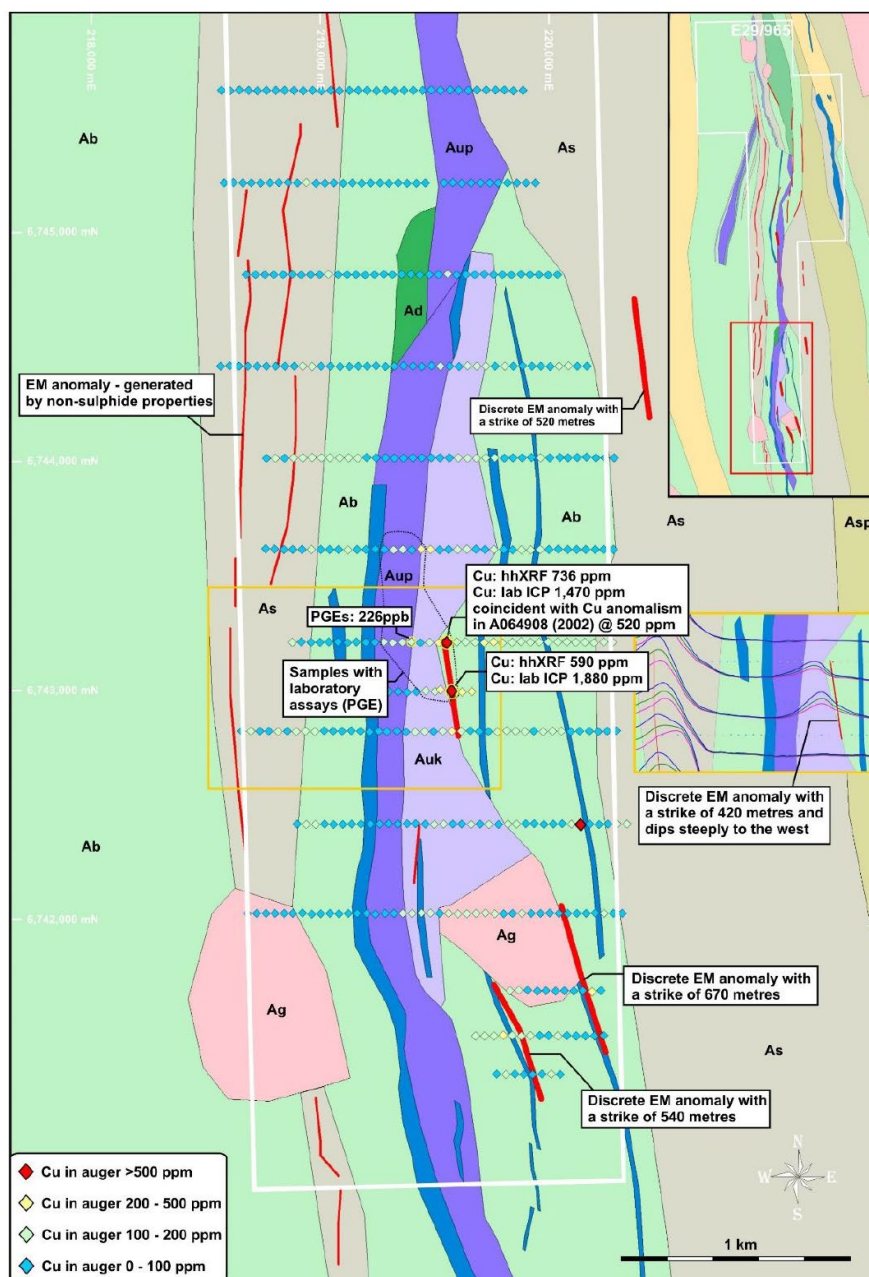


Figure 28: Geological image showing copper in auger soil anomalies and VTEM anomalies (red lines).

Background on Reindler's Gossans - E30/485 (option to 100%)

Reindler's Gossans is located at the southern end of Illaara and contains a mixed sequence of bimodal volcanics, graphitic and sulphidic shales, conglomerates, cherts and BIFs which have been intruded by felsic intrusive rocks.

Historical exploration within E30/485 defined a number of gold and base metal VMS prospects which received limited drilling in the 1980s and 1990s. Similar to the rest of Illaara, little to no systematic exploration has taken place since then due to the area being held predominantly by iron ore explorers. Of immediate interest is Reindler's Gossans located within the Eastern VMS horizon which runs for over 15kms through E30/485.

In 1984, C.W. Reindler carried out reconnaissance geological mapping, rock chip sampling for assaying, petrology and scanning electron microscopy. Significant concentrations of lead, silver and gold were assayed from gossanous outcrop. Petrological examination indicated that all gossans had been highly leached of its metal constituents. Scanning electron microscopy indicates the presence of plumbojarosite, plumbogummite, silver halide, cassiterite and limonitic box works after sulphides of iron.

Some of the gossans received limited drill testing after surface soil sampling by BHP in 1985 which intersected promising stratigraphy but no significant mineralisation. Importantly, the main soil anomalies were not drilled, and no geophysical exploration techniques were utilised to target drilling.

Reindler's Gossans contains known gossanous mineralisation and is a clear starting point within the Eastern VMS horizon to explore for VMS mineralisation utilising modern techniques.



Figure 29: Gossanous ironstone from Reindler's Gossan.

Rocky Dam Gold

E25/533 (DRE 100%)

Rocky Dam is located 45kms east of Kalgoorlie-Boulder in the Eastern Goldfields Superterrane of WA. Mineralisation styles are Archean mesothermal lode gold, Cu-Pb-Zn VMS mineralisation and industrial pyrite to produce sulphuric acid consumed in the processing of nickel laterites.

During the quarter a close spaced soils survey was undertaken over the CRA Anomaly and Section 18 approval was received for RC drilling.

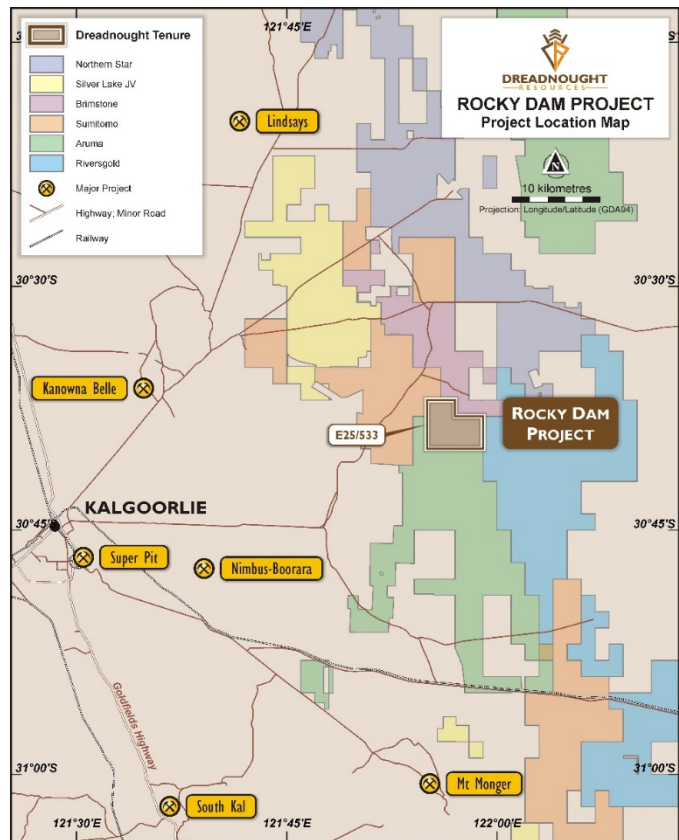


Figure 30: Location of Rocky Dam



Figure 31: Soil sampling at the CRA Anomaly at Rocky Dam.



CORPORATE

Placement to Sophisticated Investors: A placement was completed to raise \$1.7m at \$0.0063 per share before costs. The Placement of 269,841,290 shares was completed as follows:

- 219,761,918 shares under Dreadnought's 15% placement capacity (Listing Rule 7.1); and
- 23,095,243 shares under Dreadnought's additional placement capacity (Listing Rule 7.1A) which was approved by shareholders on 28 November 2019; and
- 26,984,129 shares to directors, management and their associated parties for an amount of \$170,000 which was approved which was approved by shareholders on 23 December 2019.

With the recent placement, directors, management and their associated parties have invested \$960k into Dreadnought to date.

Junior Minerals Exploration Incentive ("JMEI") scheme: Dreadnought received a JMEI credit allocation of \$412,500 from the Australian Tax Office for the year ended 30 June 2019. The JMEI credit allocation was fully distributed to Eligible Investors that were issued shares during the year ended 30 June 2019 during the quarter.

Dreadnought also received a JMEI credit allocation of \$600,000 from the Australian Tax Office for the year ending 30 June 2020. It is expected that Eligible Investors qualifying for these credits will receive their tax statements during August 2020.

Exploration Incentive Scheme ("EIS") Grant for Illaara Central Drilling: Dreadnought was awarded a \$125,000 grant by the WA State Government to co-fund 12 RC drill holes at Illaara Central. EIS grants involve a competitive process and there were a total of 64 applications in this EIS round and Dreadnought was one of 41 successful applicants. 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.

Exploration Incentive Scheme ("EIS") Grant for Grants Drilling: Dreadnought received an EIS reimbursement of \$46,542 during the quarter. There were originally 73 applications in this EIS round and Dreadnought was one of 40 successful applicants.

Employee Options: Dreadnought issued 30,000,000 5 year options to the Managing Director, Dean Tuck as approved by shareholders on 23 December 2019. Mr. Tuck also relinquished 30,000,000 options during the quarter.

Annual Statutory Matters: The 2019 Annual Report to shareholders was released on 25 October 2019. The Annual General Meeting was held on the 28 November 2019 and a General Meeting was held on 23 December 2019.

Cash at Bank: at 31 December amounted to \$1.12M.



CONCLUDING REMARKS

Dreadnought would like to take the opportunity to thank and acknowledge the assistance of our stakeholders including the Department of Defence, the Dambimangari Aboriginal Corporation, the Department of Mines, Industry Regulation and Safety and you, our Shareholders, for your ongoing support.

UPCOMING NEWSFLOW

January: Surface geochemical results from Chianti-Rufina

January: Drilling results from Lawrence's Find and CRA Homestead

January: Quarterly activities and cashflow report

Mid-February: Commence drilling at Metzke's Find

13 March: 31 December 2019 Half Year Financial Statements

March: Commence drilling at Illaara Central

March: Results of soil sampling over Rocky Dam

March: Illaara VMS and nickel sulphide drill target generation work including surface geochemistry and geophysics

April/May: Assay results from Metzke's Find and Illaara Central

Late June quarter: Mobilise to commence drilling programs at Texas, Chianti-Rufina, Fuso and Paul's Find

Dreadnought looks forward to reporting a strong news flow through 2020.

~Ends~

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This announcement is authorised for release to the ASX by the Board of the Company.

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. 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 Persons findings are presented have not been materially modified from the original reports.

SCHEDULE OF INTERESTS IN MINING TENEMENTS

As at 31 December 2019

Tenement	Project	Location	Status	Interest Start of Quarter	Interest End of Quarter
E04/2315	Tarrajai	Kimberley, WA	Granted	80%	80% ¹
E04/2508	Yampi	Kimberley, WA	Granted	100%	100%
E04/2557	Yampi	Kimberley, WA	Granted	100%	100%
E04/2572	Yampi	Kimberley, WA	Granted	100%	100%
E04/2608	Yampi	Kimberley, WA	Application	-	-
E04/2560	Wombarella	Kimberley, WA	Granted	-	100% ²
E04/2574	West Kimberley	Kimberley, WA	Application	-	-
E04/2573	West Kimberley	Kimberley, WA	Application	-	-
E80/5363	South Kimberley	Kimberley, WA	Application	-	-
E80/5364	South Kimberley	Kimberley, WA	Application	-	-
E80/5365	South Kimberley	Kimberley, WA	Application	-	-
E80/5366	South Kimberley	Kimberley, WA	Application	-	-
E29/957	Illaara	Yilgarn, WA	Granted	100%	100%
E29/959	Illaara	Yilgarn, WA	Granted	100%	100%
E29/965	Illaara	Yilgarn, WA	Granted	0%	0% ³
E29/1050	Illaara	Yilgarn, WA	Granted	0%	100% ⁴
E30/471	Illaara	Yilgarn, WA	Granted	100%	100%
E30/476	Illaara	Yilgarn, WA	Granted	100%	100%
E30/485	Illaara	Yilgarn, WA	Granted	0%	0% ³
E25/533	Rocky Dam	Goldfields, WA	Granted	100%	100%
L15/128	Spargoville	Goldfields, WA	Granted	0%	0% ⁵
L15/255	Spargoville	Goldfields, WA	Granted	0%	0% ⁵
M15/395	Spargoville	Goldfields, WA	Granted	0%	0% ⁵
M15/703	Spargoville	Goldfields, WA	Granted	0%	0% ⁵

1. E04/2315 subject to an 80/20 JV with Whitewater Resources Pty Ltd
2. E04/2560 granted during the quarter
3. Subject to an option agreement (ASX Release 6/12/2019 "Consolidation of 75km Long Illaara Greenstone Belt")
4. Acquired during the quarter (ASX Release 6/12/2019 "Consolidation of 75km Long Illaara Greenstone Belt")
5. Dreadnought remains the registered tenement holder but retains nil beneficial ownership