
DREADNOUGHT RESOURCES LIMITED**ACN 119 031 864****NOTICE OF ANNUAL GENERAL MEETING**

Notice is given that the Annual General Meeting will be held at:

TIME: 10am (WST)

DATE: 28 November 2019

PLACE: Fellows Room
Trinity
230 Hampden Road
CRAWLEY WA 6009

The business of the Meeting affects your shareholding and your vote is important. All Shareholders are encouraged to participate and attend the Meeting.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00 pm (WST) on 26 November 2019.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2019.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – PAUL PAYNE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 47 of the Constitution, ASX Listing Rule 14.5 and for all other purposes, Paul Payne, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – PAUL CHAPMAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 47 of the Constitution and for all other purposes, Paul Chapman, a Director, retires having been appointed by the Directors of the Company since the last Annual General Meeting, and being eligible, is re-elected as a Director.”

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – REPLACEMENT OF CONSTITUTION

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes.”

7. RESOLUTION 6 – APPOINTMENT OF AUDITOR

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of section 327B of the Corporations Act and for all other purposes, approval is given for the Company to appoint Pitcher Partners BA&A Pty Ltd as the company's auditor to replace Grant Thornton Audit Pty Ltd who retires at the meeting. Pitcher Partners BA&A Pty Ltd, having been nominated for appointment, has consented to act as auditor.”

Dated: 25 October 2019

By order of the Board

Paul Chapman
Chairman

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9486 7799.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2019 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <http://www.dreadnoughtresources.com.au/>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – PAUL PAYNE

3.1 General

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Paul Payne, who has served as a Director since 21 December 2017 and was last re-elected on 14 August 2018, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Payne (B.AppSc Grad Dip Min Ec, FAusIMM) is a geologist with over 30 years' experience in mining including 10 years independent consulting across a range of commodities and jurisdictions. Mr Payne has extensive technical experience in the evaluation of mineral deposits from early stage exploration to definitive feasibility studies. Recent exploration experience includes implementation and management of gold exploration for Dacian Gold Limited in WA and Rift Valley Resources in Tanzania. Mr Payne has held corporate roles including Technical Director and Managing Director of ASX listed companies including founding Managing Director of Dacian Gold Limited, and was instrumental in the Company's successful IPO and making the major initial gold discovery at its Mount Morgans project. Mr Payne is a director of Berkut Minerals Ltd (since July 2016).

3.3 Independence

If re-elected the Board considers Mr Payne will be an independent Director.

3.4 Board recommendation

The Board supports the election of Mr Payne and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – PAUL CHAPMAN

4.1 General

ASX Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting. Under the Company's Constitution, any director appointed to the Board by the Directors since the last Annual General Meeting must retire at the next Annual General Meeting. The director will be eligible for election.

Paul Chapman, who has served as a Director since 9 April 2019, retires having been appointed by the Directors of the Company since the last Annual General Meeting and seeks re-election.

4.2 Qualifications and other material directorships

Mr Chapman (B.Comm, ACA, Grad. Dip. Tax, MAICD, MAusIMM) is a chartered accountant with over thirty years' experience in the resources sector gained in

Australia and the United States. He was a founding shareholder/director of the following ASX listed companies: Black Cat Syndicate, Reliance Mining, Encounter Resources, Rex Minerals, Silver Lake Resources, Paringa Resources and Avanco Resources. Mr Chapman is the non-executive Chairman of ASX listed Gold explorer/developer Black Cat Syndicate (BC8) and a non-executive director of ASX listed copper/gold producer Encounter Resources (ENR).

4.3 Independence

If re-elected the Board considers Mr Chapman will not be an independent Director.

4.4 Board recommendation

The Board supports the election of Mr Chapman and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

5.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (**10% Placement Capacity**) without using that entity's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$14.7 million (based on the number of Shares on issue and the closing price of Shares on the ASX on 17 October 2019 and excluding any restricted securities that may be on issue).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: DRE).

If Shareholders approve Resolution 4, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

5.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 5.2(a)(i), the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of Shares and the number of Equity Securities on issue as at 17 October 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

		Dilution			
Number of Shares on Issue (Variable A in ASX Listing Rule 7.1A2)		Shares issued – 10% voting dilution	Issue Price		
			\$0.005	\$0.01	\$0.015
			50% decrease	Issue Price	50% increase
			Funds Raised		
Current	1,466,339,478 Shares	146,633,947 Shares	\$733,169	\$1,466,339	\$2,199,509
50% increase	2,199,509,217 Shares	219,950,921 Shares	\$1,099,754	\$2,199,509	\$3,299,263
100% increase	2,932,678,956 Shares	293,267,895 Shares	\$1,466,339	\$2,932,678	\$4,399,018

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,466,339,478 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 17 October 2019.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes as cash consideration in which case the Company intends to use funds raised for ongoing exploration work on

the Company's projects, the identification and potential acquisition of new complementary projects and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

(f) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(g) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 14 November 2018 (**Previous Approval**).

The Company has not issued any securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, the Company otherwise issued a total of 889,183,871 Shares and 120,500,000 Options and 109,090,909 Convertible Notes which, together with the Equity Securities issued under the Previous Approval, represents approximately 194% of the total diluted number of Equity Securities on issue in the Company on the date that is 12 months from the date of the Meeting.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of the Meeting are set out in Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

6. RESOLUTION 5 – REPLACEMENT OF CONSTITUTION

6.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 5 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- updated to reflect the changed name of the Company;
- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Statement, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary +61 (0) 428 824 343. Shareholders are invited to contact the Company if they have any queries or concerns.

6.2 Summary of material proposed changes

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the proposed changes to ASX Listing Rule 15.12 which is due to be finalised and released in December 2019. Under this change, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will instead permit the Company to issue restriction notices to holders of restricted securities in the form of a new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Minimum Shareholding (clause 3)

Part 5 of the Constitution outlines how the Company can manage shareholdings which represent an “unmarketable parcel” of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with “unmarketable parcels” outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Increase in maximum number of Directors

Part 6 of the Constitution currently provides that the Company can have a maximum of four Directors.

The Proposed Constitution increases that number to 12, providing more flexibility for the Company to appoint an appropriate number of skilled and qualified Directors required to develop the business of the Company.

The Board notes that there is no immediate intention to increase the number of Directors of the Company beyond the existing four Directors.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a “reasonable fee” for registering paper-based transfers, sometimes referred to “off-market transfers”.

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (new clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and

- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 5.

7. RESOLUTION 6 – APPOINTMENT OF AUDITOR

7.1 General

Grant Thornton Audit Pty Ltd is the current auditor of the Company. The Board is satisfied with the services provided by the current auditor, and thanks them for these services rendered to the Company. Nevertheless, due to the Company's size, scope and nature of operations, and the fact that the Directors and registered office of the Company are now located in Western Australia, the Company has requested, and the current auditor has tendered, a notice of resignation to ASIC under section 329(5) of the Corporations Act.

If ASIC consents to this resignation before the date of the Meeting, the change of auditor will take effect with the passing of the Resolution at the Meeting.

The Company has received a notice from Dean Tuck, being a shareholder, nominating Pitcher Partners BA&A Pty Ltd (**Pitcher Partners**) as the new auditor of the Company. In accordance with section 328B of the Corporations Act, a copy of this notice of nomination of Pitcher Partners is attached to this Notice of Meeting.

In accordance with section 328A of the Corporations Act, the Company has received Pitcher Partners' consent in writing to act as auditor of the Company (subject to Shareholder approval). Pitcher Partners confirms that it does not provide any services to the Company and the Company confirms that it is not aware of any matter or circumstances that would give rise to a conflict of interest situation, as defined in section 324CD of the Corporations Act, in relation to the Company.

The Board has also noted that Pitcher Partners is an auditor under section 1280 of the Corporations Act and is a well-established firm with the expertise and skills necessary to meet the Company's requirements. Consequently, subject to the Company receiving all necessary approvals from ASIC and Shareholder approval at the Meeting, Pitcher Partners has been nominated and selected to become the new auditor of the Company.

7.2 Board recommendation

Subject to ASIC's consent to the current auditor's resignation, the Board recommends that Shareholders vote in favour of Resolution 6 to appoint Pitcher Partners as the Company's new auditor. If ASIC does not consent to the current auditor's resignation, the current auditor will continue to be the Company's auditor and this Resolution will not be put to the Meeting. The Chairman will vote undirected proxies in favour of Resolution 6.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 5.1.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Dreadnought Resources Limited (ACN 119 031 864).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2019.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 - ISSUES OF EQUITY SECURITIES 12 MONTHS PRIOR TO MEETING

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
1. Non-renounceable rights Issue – 31/01/2019 Appendix 3B – 04/02/2019	65,324,977	Fully Paid Ordinary Shares	Eligible shareholders accepting entitlements pursuant to an entitlement issue prospectus dated 07/01/2019	\$0.003 (representing a discount to Market Price of 19.35%)	<p>Amount raised = \$195,975</p> <p>Costs of the offer: \$20,275</p> <p>Proposed use of funds:</p> <ul style="list-style-type: none"> • Strategic review and forward plan \$20,000 • Progressing the IronRinger transaction including funding first-pass exploration efforts \$238,000 • Due Diligence \$88,000 • Corporate costs \$73,000 • Admin, audit and insurance \$137,000 • Communications \$882 <p>Amount remaining: \$Nil</p>
2. Shares Issued to a Director – 25/02/2019 Appendix 3B – 27/02/2019	13,333,334	Fully Paid Ordinary Shares	Issued to Director Paul Payne as approved by Shareholders on 15/2/2019	\$0.003	<p>Amount raised = \$40,000</p> <p>Use of funds: working capital</p> <p>Amount remaining: \$Nil</p>

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
3. Placement – 29/03/2019 Appendix 3B – 1/04/2019	51,666,666	Fully Paid Ordinary Shares	Placement of Shortfall from Non-renounceable rights issue noted above on 31/01/2019.	\$0.003	Amount raised = \$155,000 See notes in item 1 for details of rights issue Use of funds: Amount remaining: \$Nil
4. Issue to IronRinger Vendors – 3/04/2019 Appendix 3B – 4/4/2019	50,000,000	Unlisted Options	<ul style="list-style-type: none"> STONE PONEYS NOMINEES PTY LTD <CHAPMAN SUPER FUND A/C> DAVID MICHAEL CHAPMAN + MICHELE WOLLENS <CW SUPER FUND A/C> NICHOLAS FINDLAY DAY 	Securities issued as part of the IronRinger Resources acquisition as announced on 4 April 2019.	Current value = \$533,851
5. Issue to IronRinger Vendors – 3/04/2019 Appendix 3B – 4/4/2019	373,333,334	Fully Paid Ordinary Shares	<ul style="list-style-type: none"> STONE PONEYS NOMINEES PTY LTD <CHAPMAN SUPER FUND A/C> DAVID MICHAEL CHAPMAN + MICHELE WOLLENS <CW SUPER FUND A/C> NICHOLAS FINDLAY DAY 	Securities issued as part of the IronRinger Resources acquisition as announced on 4 April 2019.	Not applicable
6. Placement – 24/04/2019 Appendix 3B – 04/02/2019	8,666,666	Fully Paid Ordinary Shares	Placement of Shortfall from Non-renounceable rights issue noted above on 31/01/2019.	\$0.003	Amount raised = \$26,000 See notes in item 1 for details of rights issue
7. Issue to Parties in connection with the IronRinger Acquisition – 2/05/2019 Appendix 3B – 3/05/2019	20,000,000	Fully Paid Ordinary Shares	<ul style="list-style-type: none"> Michael Naylor Mike Bohm 	\$0.004 in lieu of fees for services relating to the IronRinger Resources Pty Ltd acquisition.	\$0.004 in lieu of fees for services relating to the IronRinger Resources Pty Ltd acquisition.

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
8. Issued to parties in connection with 100% acquisition of IronRinger (Tarraji) Pty Ltd – 28/06/2019 Appendix 3B – 28/06/2019	51,559,604	Fully Paid Ordinary Shares	<ul style="list-style-type: none"> Calm Holdings Pty Ltd Robert Anderson Glenn Money Drew Money 	Shares issued to acquire minority interest of 5.59% in IronRinger (Tarraji) Pty Ltd	Shares issued to acquire minority interest of 5.59% in IronRinger (Tarraji) Pty Ltd
9. Placement – 04/07/2019 Appendix 3B – 04/07/2019	165,131,627	Fully Paid Ordinary Shares	Clients of brokers E.L. & C. Baillieu Limited and Hartleys who participated in a placement undertaken by the Company as announced on 24 June 2019	\$0.003	Amount raised = \$420,500 Funds used to further exploration and diamond drilling at the Tarraji-Yampi Ni-Cu-Au Project (Q3 CY2019), acquisition and drilling at the Illaara Gold Project (H2 CY2019) and for working capital purposes.
10. Share Purchase Plan – 01/08/2019 Appendix 3B – 01/08/2019	140,166,663	Fully Paid Ordinary Shares	Eligible shareholders accepting entitlements pursuant to the Share Purchase Plan Offer Document announced on 02/07/2019	\$0.003 (25% discount to the 5 day volume weighted price of shares over the period up to 19 June 2019)	Amount raised = \$420,500 Funds used to further exploration and diamond drilling at the Tarraji-Yampi Ni-Cu-Au Project (Q3 CY2019), acquisition and drilling at the Illaara Gold Project (H2 CY2019) and for working capital purposes.
11. Convertible Note Issue – 26/09/2019 Appendix 3B 26/08/2019	109,090,909 (maximum securities to be issued)	Convertible Notes	Clients of broker Hartleys who participated in the raising as announced on 24 June 2019	\$600,000 Convertible Notes with a maturity date of 19 July 2021, which are convertible into fully paid ordinary shares at a conversion price of \$0.0055 and more generally on the terms announced on 24 June 2019	Amount raised = \$600,000 Funds used to further exploration and diamond drilling at the Tarraji-Yampi Ni-Cu-Au Project (Q3 CY2019), acquisition and drilling at the Illaara Gold Project

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
					(H2 CY2019) and for working capital purposes.
12. Issue – 21/10/2019 Appendix 3B – 21/10/2019	73,000,000	Unquoted Options	<p>Employees and Directors pursuant to the employee incentive scheme approved at the Shareholder meeting held on 16/08/2019 and on terms approved for Directors by for Shareholders at the Shareholders meeting held on 16/08/2019</p> <p>The Options were issued to Employees and Directors under the Company's Incentive Option Plan ("Plan") as approved by Shareholders at the Shareholders meeting held on 16/08/2019. The principal terms of the Options are as follows:</p> <ul style="list-style-type: none"> • 30,000,000 Options are each exercisable into one Share at an exercise price of \$0.005 on or before the expiry date of 9 April 2021 and on terms as approved by Shareholders at the Extraordinary General Meeting on 16 August 2019. • 10,500,000 Options are each exercisable into one Share at an exercise price of \$0.005 on or before the expiry date of 30 June 2024 and on terms as approved by Shareholders at the Extraordinary General Meeting on 16 August 2019. • 22,500,000 Options are each exercisable into one Share at an exercise price of \$0.005 on or before the expiry date of 30 June 2024 and on terms as approved by Shareholders at the Extraordinary General Meeting on 16 August 2019. • 10,000,000 Options are each exercisable into one Share at an 	No issue price (nil consideration)	<p>Consideration: Performance based remuneration for services provided to the Company.</p> <p>Current value = \$735,945</p> <p>Original value when approved by Directors = \$193,786</p>

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
			<p>exercise price of \$0.008 on or before the expiry date of 17 September 2024.</p> <p>Each Option will vest into a Share, subject to holder's payment of the exercise price and satisfaction of prescribed vesting conditions, comprising:</p> <ul style="list-style-type: none"> • Time-based vesting conditions • Continuing service vesting conditions • Performance based vesting conditions 		

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
3. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.011) on the ASX on 18 October 2019. In respect of unquoted Equity Securities, the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market-based performance conditions (i.e. conditions linked to the price of Shares).

DRE
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Need assistance?



Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:
www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **10:00am (WST)**
Tuesday 26 November 2019

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 999999
SRN/HIN: I999999999
PIN: 99999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Dreadnought Resources Limited hereby appoint

☐

the Chairman
of the Meeting

OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Dreadnought Resources Limited to be held at Fellows Room, Trinity, 230 Hampden Road, Crawley, Western Australia on Thursday, 28 November 2019 at 10:00am (WST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention in step 2) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Paul Payne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Director - Paul Chapman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of 10% Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

DRE

999999A



Computershare



15 October 2019

The Company Secretary
Dreadnought Resources Limited
Suite 5
16 Nicholson Road
SUBIACO WA 6004

Dear Mr Day

For the purposes of Section 328B(1) of the Corporations Act 2001, I, *Dean Tuck* being a member of Dreadnought Resources Limited hereby nominate Pitcher Partners BA&A Pty Ltd as auditor of the company at the Annual General Meeting to be held on *28 November 2019*.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Dean Tuck', with a stylized flourish extending to the right.

Dean Tuck