
DREADNOUGHT RESOURCES LIMITED**ACN 078 301 505****NOTICE OF GENERAL MEETING**

TIME: 10am (WST)**DATE:** 23 December 2019**PLACE:** Suite 5/16 Nicholson Road, Subiaco WA 6008

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 10:00 am (WST) on 21 December 2019.

BUSINESS OF THE MEETING

AGENDA

RESOLUTION 1 – RATIFICATION OF ISSUE OF SHARES FOR TRANCHE 1 OF PLACEMENT – LISTING RULE 7.1

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 219,761,918 Shares on the terms 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 participated in the issue or any associates of those persons. However, the Company 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.

RESOLUTION 2 – RATIFICATION OF ISSUE OF SHARES FOR TRANCHE 1 OF PLACEMENT – LISTING RULE 7.1A

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

"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 23,095,243 Shares on the terms 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 participated in the issue or any associates of those persons. However, the Company 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.

RESOLUTION 3 – PARTICIPATION OF DIRECTOR IN PLACEMENT – MR PAUL CHAPMAN

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 17,460,318 to Paul Chapman (or his nominee) 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 Paul Chapman (or his nominee) or any of their associates (**Resolution 3 Excluded Party**). However, the Company 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,

provided the Chair is not a Resolution 3 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 3 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 4 – PARTICIPATION OF DIRECTOR IN PLACEMENT - MR DEAN TUCK

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 793,651 Shares to Dean Tuck (or his nominee) 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 Dean Tuck (or his nominee) or any of their associates (**Resolution 4 Excluded Party**). However, the Company 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, provided the Chair is not a Resolution 4 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 4 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 5 – PARTICIPATION OF DIRECTOR IN PLACEMENT – MR IAN GORDON

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the

Company to issue 1,587,302 Shares to Ian Gordon (or his nominee) 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 Ian Gordon (or his nominee) or any of their associates (**Resolution 5 Excluded Party**). However, the Company 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, provided the Chair is not a Resolution 5 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 5 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 6 – PARTICIPATION OF DIRECTOR IN PLACEMENT – MR PAUL PAYNE

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

"That, for the purposes of section 195(4) and section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 4,761,905 to Paul Payne (or his nominee) 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 Paul Payne (or his nominee) or any of their associates (**Resolution 6 Excluded Party**). However, the Company 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, provided the Chair is not a Resolution 6 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 6 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

RESOLUTION 7 – PARTICIPATION OF EMPLOYEE OLIVER JUDD IN PLACEMENT

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 2,380,953 Shares 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 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.

RESOLUTION 8 - APPROVAL TO ISSUE OPTIONS TO MANAGING DIRECTOR

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue 30,00,000 Options to Dean Tuck (or his nominee) 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 any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 8 Excluded Party**). However, the Company 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, provided the Chair is not a Resolution 8 Excluded Party, 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.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 22 November 2019

By order of the Board

Nick Day
Company Secretary

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 two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (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:

- 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.

Voting in person

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

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy with you, you can still attend the meeting but representatives from Computershare will need to verify your identity. You can register from 9:30am on the day of the meeting.

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. BACKGROUND TO RESOLUTIONS

1.1 Background

On 18 November 2019, the Company announced it had received commitments to raise \$1.7 million under a placement through the issue of approximately 269,841,290 Shares (**Placement**).

The Placement consists of:

- (a) the issue of 219,761,918 Shares under the Company's available Listing Rule 7.1 placement capacity to raise \$1,384,500;
- (b) subject to the receipt of the approval for the Company to utilise its Listing Rule 7.1A capacity over the next 12 months at the Company's Annual General Meeting to be held on 29 November 2019, the issue of a further 23,095,243 Shares to raise a further \$145,500; and
- (c) subject to the receipt of the approvals in Resolutions 3 to 7 in this Notice of Meeting, the issue of a further 26,984,129 Shares to raise a further \$170,000.

1.2 Use of funds raised from the Placement

As announced on 18 November 2019, the funds raised from the Placement will be used to continue the Company's activities and commence drilling at the Illaara Gold-VMS Project and to meet the Company's ongoing working capital needs. Details of the proposed exploration activities are set out in the announcement on 18 November 2019.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PREVIOUS ISSUES FOR THE PLACEMENT

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

- (a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and
- (b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

Resolution 2 is conditional upon Shareholders approving Resolution 4 at the Company's upcoming Annual General Meeting on 28 November 2019. If Shareholders do not approve that Resolution, no Shares will be issued that will require ratification under Resolution 2, and the Company will not be able to use the additional 10% placement capacity under Listing Rule 7.1A in the upcoming 12 month period.

By ratifying the issues the subject of Resolutions 1 and 2, the base figure (ie variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval. Although, it is noted that the Company's use of the 10% annual placement capacity following 28 November 2019 will depend on Shareholders passing Resolution 4 at the Company's upcoming Annual General Meeting.

2.2 Resolution 1

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) 219,761,918 Shares were issued;
- (b) the issue price was \$0.0063 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to over ten sophisticated and professional investors known to the Company. None of the subscribers were related parties of the Company; and
- (e) funds will be used as set out in Section 1.2 above.

2.3 Resolution 2

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) 23,095,243 Shares were issued;
- (b) the issue price was \$0.0063 per Share;

- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to investors who were unable to be issued Shares under Listing Rule 7.1 because of the limit on that capacity, but who are sophisticated investors known to the Company. None of the subscribers were related parties of the Company; and
- (e) funds will be used as set out in Section 1.2 above.

3. RESOLUTIONS 3 TO 6 – PARTICIPATION OF THE DIRECTORS IN THE PLACEMENT

3.1 General

As set out in the announcement on 18 November 2019 and in Section 1.1 above, the Directors and employees of the Company have agreed to participate in the Placement by contributing up to \$170,000.

Resolutions 3 to 6 seek approval for the participation of the Directors for \$155,000 in the Placement. Resolution 7 seeks approval for the participation by an employee for the remaining \$15,000.

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation of the Directors in the Placement involves the granting of a financial benefit and all of the Directors are related parties of the Company by virtue of their positions in the Company.

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolutions 3 to 6 because the Shares will be issued on the same terms as Shares issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

3.2 Shareholder Approval

The following information is provided in relation to the approval for the issue of Shares to the Related Parties under Resolutions 3 to 6:

- (a) the related parties are Messrs Paul Chapman, Dean Tuck, Ian Gordon and Paul Payne and they are related parties by virtue of being Directors;

- (b) the maximum number of Shares (being the nature of the financial benefit being provided) to be granted to the Related Parties is:
- (i) 17,460,318 Shares to Paul Chapman and his associate Tracey Chapman (Resolution 3);
 - (ii) 793,651 Shares to Dean Tuck (Resolution 4);
 - (iii) 1,587,302 Shares to Ian Gordon (Resolution 5); and
 - (iv) 4,761,905 Shares to Paul Payne (Resolution 6);
- (c) the Shares will be granted to the Related Parties no later than 1 month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Shares will be issued on one date;
- (d) the Shares will be issued at \$0.0063 per Share, being the same price as all other Shares under the Placement, meaning \$155,000 will be raised from the issue. Funds raised will be used for the purpose set out in Section 1.2 above;
- (e) the Shares will be issued on the same terms as all existing Shares on issue;
- (f) the value of the Shares to each of the Related Parties is as follows, being calculated by multiplying the price of the Shares (\$0.0063) by the number of Shares they can subscribe for:
- (i) Paul Chapman and Tracey Chapman - \$110,000;
 - (ii) Dean Tuck - \$5,000;
 - (iii) Ian Gordon - \$10,000; and
 - (iv) Paul Payne - \$30,000;
- (g) the relevant interests of the Related Parties in securities of the Company are set out below:

Related Party	Shares	Options
Paul Chapman	239,169,743	37,500,000
Dean Tuck	11,666,666	40,500,000
Ian Gordon	27,333,337	7,500,000
Paul Payne	31,666,670	7,500,000

- (h) the trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	1.1 cents	15/10/2019
Lowest	0.2 cents	28/03/2019
Last	0.8 cents	20/11/2019

- (i) the Directors refrain from making a recommendation to Shareholders in relation to any of Resolutions 3 to 6 due to their respective interests in those Resolutions. However, the Directors note that their agreement to participate in the Placement is intended to be indicative of their belief of the direction of the Company and the opportunity that the Company's projects represent; and
- (j) the Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolutions 3 to 6.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTION 7 – PARTICIPATION OF EMPLOYEE OLIVER JUDD IN THE PLACEMENT

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above. Resolution 7 seeks approval to enable an employee of the Company, Mr Oliver Judd to participate in the Placement.

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the maximum number of Shares to be issued is 2,380,953;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.0063 per Share;
- (d) the Shares will be issued to Mr Oliver Judd (or his nominee), an employee of the Company who is not a related party of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) funds will be used as set out in Section 1.2 above.

5. RESOLUTION 8 – APPROVAL TO ISSUE OPTIONS TO DEAN TUCK

5.1 Background

The Company has agreed, subject to obtaining Shareholder approval, to issue 30,000,000 5 year Options (**Related Party Options**) to Dean Tuck (or his nominee).

At the Company's Shareholder meeting in August 2019, the Company received approval to issue 30,000,000 Options to Mr Tuck under the Company's Incentive Option Plan (**August 2019 Options**). Subsequent to that approval, the Company identified that the terms of the August 2019 Options were inconsistent with Mr Tuck's executive services agreement which specified options with a 5 year term whereas the August 2019 Options were issued with a 2 year term.

Accordingly, the Directors have agreed with Mr Tuck to cancel the August 2019 Options and to seek approval from Shareholders for the issue of options that are on terms consistent with his executive services agreement. The existing August 2019 Options will be cancelled prior to the date of the Meeting.

The Company notes that the Related Party Options, with an exercise price of \$0.005 per Share, are now considered "in the money", but the Directors note that the Share price of the Company's Shares when the August 2019 Options were first agreed to be issued was less than the exercise price of those options.

A summary of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11 is set out in Section insert above.

5.2 Chapter 2E of the Corporations Act

The grant of Related Party Options constitutes giving a financial benefit and Dean Tuck is a related party of the Company by virtue of being a Director.

The Directors (other than Dean Tuck who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the agreement to grant the Related Party Options, reached as part of the remuneration package for Mr Tuck, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis, and is intended to correct an error that occurred when the Company first approved the issue of Options to Mr Tuck at the meeting on 16 August 2019.

5.3 ASX Listing Rule 10.14

ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

5.4 Technical Information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to Resolution 8:

- (a) the Related Party Options will be granted to Dean Tuck (or his nominee);
- (b) the number of Related Party Options to be issued is 30,000,000 Related Party Options;
- (c) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised;
- (e) the Company has issued 67,500,000 Options under the Company's existing Option Incentive Plan since it was last approved in August 2019 to the following parties:

- (i) Paul Chapman – 7,500,000;
- (ii) Dean Tuck – 45,000,000;
- (iii) Ian Gordon – 7,500,000; and
- (iv) Paul Payne – 7,500,000.

Of the 45,000,000 Options issued to Mr Dean Tuck, the Company intends to cancel 30,000,000 of those Options prior to the date of the Meeting. Messrs Chapman, Tuck, Gordon and Payne are the persons referred to in Listing Rule 10.14 who are entitled to participate in the Incentive Option Plan;

- (f) no loan will be provided in relation to the issue of the Related Party Options.
- (g) the terms and conditions of the Related Party Options are set out in Schedule 1.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.14. Accordingly, the grant of Related Party Options to Dean Tuck (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

GLOSSARY

\$ means Australian dollars.

Annual General Meeting means the Company's annual general meeting to be held on 29 November 2019.

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.

Company means Dreadnought Resources Limited (ACN 078 301 505).

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Eligible Shareholder means a shareholder eligible to participate in the Share Purchase Plan.

Explanatory Statement means the explanatory statement accompanying the Notice.

Meeting means the meeting convened by this Notice.

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

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

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.

Share Purchase Plan means the share purchase plan announced by the Company on 11 November 2019.

Shareholder means a registered holder of a Share.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF RELATED PARTY OPTIONS

The Company has granted;

30,000,000 Tranche 1 Related Party Options to Mr Dean Tuck

on the following terms and conditions;

1. Entitlement

Each Option entitles the holder to subscribe for one fully paid ordinary share in the capital of the Company (Share) upon exercise of the Option.

2. Exercise Price and Expiry Date

The Options have an exercise price of \$0.005 and an expiry date of 5:00pm (WST Australia) on 9 April 2024 (Expiry Date).

An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

3. Exercise Period

The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

4. Quotation of the Options

The Options will be unquoted.

5. Transferability of the Options

The Options are transferable.

6. Notice of Exercise

The Options may be exercised by notice in writing by the Related Party in the manner specified on the Option certificate (Notice of Exercise) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Related Party.

Any Notice of Exercise of an Option received by the Related Party will be deemed to be a notice of the exercise of that Option as at the date of receipt.

7. Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's Registry.

8. Shares Issued on Exercise

Shares issued on exercise of the Options rank equally with the then Shares of the Company.

9. Quotation of Shares on Exercise

Application will be made by the Company to ASX, on the Business Day the Shares are issued, for quotation of the Shares issued upon the exercise of the Options.

10. Timing of Issue of Shares

- (a) Subject to paragraph (b) below, within 3 Business Days after receipt of a Notice of Exercise given in accordance with these terms and conditions and payment of the Exercise Price for each Option being exercised, the Company must:
 - (i) issue the Shares pursuant to the exercise of the Options;
 - (ii) give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
 - (iii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
- (b) If the Company is not then permitted to issue a cleansing notice under section 708A(5)(e) of the Corporations Act, the Company must either:
 - (i) issue a prospectus on the date that the Shares are issued under paragraph (a) above (In which case the date for issuing those Shares may be extended to not more than 25 Business Days after the receipt of the Exercise Notice, to allow the Company time to prepare that prospectus); or
 - (ii) issue a prospectus before the date that the Shares are issued under paragraph (a) above, provided that offers under that prospectus must still be open for acceptance on the date those Shares are issued,

in accordance with the requirements of section 708A(11) of the Corporations Act.

11. Participation in New Issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 3 business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

12. Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of a Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

13. Adjustment for Entitlements Issue

If the Company makes an issue of Shares pro rata to existing Shareholders (other than as a bonus issue, to which paragraph 12 will apply) there will be no adjustment of the Exercise Price of an Option or the number of Shares over which the Options are exercisable.

14. Adjustments for Reorganisation

If there is any reorganisation of the issued share capital of the Company, the rights of the Optionholders will be varied in accordance with the Listing Rules.

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)**
Saturday, 21 December 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: I9999999999

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 General Meeting of Dreadnought Resources Limited to be held at Suite 5/16 Nicholson Road, Subiaco, Western Australia on Monday, 23 December 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 8 (except where I/we have indicated a different voting intention in step 2) even though Resolution 8 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 8 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 Ratification of Issue of Shares for Tranche 1 of Placement - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Issue of Shares for Tranche 1 of Placement - Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Participation of Director in Placement - Mr Paul Chapman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Participation of Director in Placement - Mr Dean Tuck	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Participation of Director in Placement - Mr Ian Gordon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Participation of Director in Placement - Mr Paul Payne	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Participation of Employee Oliver Judd in Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to Issue Options to Managing Director	<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

