



**ISSUE OF PLACEMENT SHARES – S708A CLEANSING NOTICE,
ISSUE OF UNLISTED OPTIONS AND COMPLETION OF METZKE’S FIND ACQUISITION**

On 23 December 2019, Dreadnought Resources Limited (“**Dreadnought**” or “**the Company**”) issued 26,984,129 fully paid ordinary shares at \$0.0063 per share by way of placement (“**Issue**”). These shares were issued to Directors and management as approved at today’s General Meeting and will rank equally with all other fully paid ordinary shares on issue. The Issue was part of the Placement announced on 18 November 2019 and was subject to the Company ratifying the issue of these shares at today’s General Meeting.

In addition, we also refer to the Company’s ASX announcement dated 6 December 2019 regarding the consolidation of the Illaara Greenstone Belt. As advised, the key acquisition terms for Metzke’s Find (E29/1050) included:

- The issue of 14,500,000 shares in Dreadnought subject to shareholders approving Resolution 1 at the General Meeting to be held on 23 December 2019;
- \$20,000 cash consideration upon signing (non-refundable, if Resolution 1 is not approved);
- 1% Net Smelter Royalty, if Resolution 1 is approved; and
- Dreadnought to assume any environmental liabilities

The Company confirms that Resolution 1 was passed at the General Meeting and that the acquisition of Metzke’s Find (E29/1050) is expected to be completed in January 2020.

Attached is the Appendix 3B in relation to the Issue. The Company relies on section 708A of the Corporations Act 2001 (Cth) (the Act) in relation to the Issue.

In accordance with section 708A(5)(e) of the Act the following information is provided:

1. This notice is being given within five (5) business days after the day of Issue;
2. The Issue was made without disclosure to investors under Part 6D.2 of the Act;
3. This notice is given under section 708A(5)(e) of the Act;
4. As at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and section 674 of the Act; and
5. As at the date of this notice, there is no excluded information to be provided in accordance with section 708A(6)(e) of the Act.

The Company has also issued 30,000,000 Unlisted Options to Dean Tuck (or his nominee) exercisable at \$0.005 on or before 9 April 2024 as approved at today’s General Meeting and noted in the attached Appendix 3B.



On behalf of the Board,

Nick Day **Company Secretary**

~Ends~

For further information please contact:

Dean Tuck

Managing Director

Dreadnought Resources Limited

E:dtuck@dreadnoughtresources.com.au

Nick Day

Company Secretary

Dreadnought Resources Limited

E:info@dreadnoughtresources.com.au

This announcement is authorised for release to the market by Paul Chapman the Company's Chairman.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Dreadnought Resources Limited

ABN

40 119 031 864

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Ordinary Fully Paid Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | a) 26,984,129
b) 30,000,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | a) Ordinary Fully Paid Shares
b) unlisted options The Options are issued to Employees and Directors of the Group under the Company's Incentive Option Plan ("Plan").
The principal terms of the Options are as follows:
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 2024 and on terms as approved by Shareholders at the General Meeting on 23 December 2019. |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>a) Yes</p> <p>b) The Options will not be quoted or rank equally with any class of quoted securities. However, Shares issued on the exercise of the Options will be quoted. From the date of issue of those Shares, the Shares will rank equally with all other ordinary shares then on issue in the Company.</p>
5	Issue price or consideration	<p>a) 0.0063</p> <p>b) nil</p>
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	<p>a) Placement to sophisticated and professional investors as announced on 18 November 2019</p> <p>b) Employee Incentive Options</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	28 November 2019
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A	
6f	Number of +securities issued under an exception in rule 7.2	N/A	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 - 229,927,115 7.1A - 173,618,077	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	23 December 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		1,736,180,768	Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	50,000,000
		Unquoted options (\$0.01, 3 April 2024)
		109,090,909
		\$600,000 Convertible Notes issued with a Face Value of \$1.00, conversion price of \$0.0055 and maturity date of 21 June 2021.
		30,000,000
		Unquoted options (\$0.005, 9 April 2024)
		10,500,000
		Unquoted options (\$0.005, 30 June 2024)
		22,500,000
		Unquoted options (\$0.005, 30 June 2024)
		10,000,000
		Unquoted options (\$0.008, 17 September 2024)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A

+ See chapter 19 for defined terms.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	<p>Names of countries in which the entity has security holders who will not be sent new offer documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

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New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A									
39	+Class of +securities for which quotation is sought	N/A									
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A									
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A									
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>	Number	+Class	N/A	N/A
Number	+Class										
N/A	N/A										
Number	+Class										
N/A	N/A										

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX
may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
- Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: /s/ Nicholas Day..... Date:23/12/2019....
(Director/Company secretary)

Print name: ...Nicholas Day.....

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	577,156,607
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 <ul style="list-style-type: none"> - 04/02/2019 65,324,977 - 01/04/2019 51,666,666 - 26/04/2019 8,666,666 - 01/08/2019 140,166,663 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval <ul style="list-style-type: none"> - 27/02/2019 13,333,334 - 04/04/2019 350,000,000 - 04/04/2019 23,333,334 - 03/05/2019 20,000,000 - 28/06/2019 51,559,604 - 04/07/2019 65,029,300 - 04/07/2019 100,102,327 - 21/11/2019 219,761,918 - 28/11/2019 23,095,243 - 23/12/2109 26,984,129 Number of partly paid +ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed 	

+ See chapter 19 for defined terms.

<ul style="list-style-type: none"> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	1,736,180,768
Step 2: Calculate 15% of “A”	
“B”	0.15 [Note: this value cannot be changed]
Multiply “A” by 0.15	260,427,115
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>-23/12/2019 16,000,000 (agreed to be issued subject to the granting of EL 04/2560)</p> <p>-23/12/2019 14,500,000 (agreed to be issued as part consideration for EL 29/1050)</p>
“C”	30,500,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p>Note: number must be same as shown in Step 2</p>	260,427,115
<p>Subtract “C”</p> <p>Note: number must be same as shown in Step 3</p>	30,500,000

+ See chapter 19 for defined terms.

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Total ["A" x 0.15] – "C"	229,927,115 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>
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+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,736,180,768
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	173,618,077
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A 28/11/2019 Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	173,618,077
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	nil
Total [“A” x 0.10] – “E”	173,618,077 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.