

30 April 2020

## 31 MARCH 2020 QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

The Board of Dreadnought Resources Ltd (ASX:DRE) ("Dreadnought" or "the Company") is pleased to provide a summary of activities for the quarter ended 31 March 2020.

Activities and achievements during the quarter included:

**Metzke's Find:** Bedrock gold mineralisation was intersected with significant drill intercepts including:

- MZRC012: 2m @ 6.8 g/t Au from 79m including 1m @ 12.5 g/t Au from 80m
- MZRC010: 4m @ 1.9 g/t Au from 64m including 2m @ 3.1 g.t Au from 64m

The mineralised lode remains open along strike and at depth below the deeper mine workings. These workings are concentrated near a 10-15° bend in the mineralised structure which could be controlling bedrock lode mineralisation. This area contains targets that are fully permitted and ready for RC drilling.

**Illaara VMS:** Four outcropping gossans (Bismarck, Rodney, Reindler's, Warspite) were identified along the Western and Eastern VMS Horizons. Soil sampling and Ground Fixed Loop EM ("FLEM") surveys have identified multiple discreet and highly conductive EM anomalies. Rodney produced a strong 8,500Sm conductor with a coincident magnetic anomaly over a mineralised gossan. Warspite produced two strong 3,000-4,000Sm conductors aligned with ~500m long mineralised gossan. Drill targets have been generated at Rodney and Reindler's. Geological mapping is being undertaken at Bismarck and Warspite to define specific drill targets

**Chianti-Rufina:** Seven large VMS targets characterised by coincident FLEM, magnetic and surface geochemical anomalies were confirmed. These seven high quality VMS targets are fully permitted and ready for RC drilling.



Figure 1: Location of Dreadnought's Projects within Western Australia

### Metzke's Find (E29/1050) (100%)

Metzke's Find is a hundred-year-old collection of historic workings extending over 700m in strike and up to 30m in depth which have only seen limited shallow drilling in the 1980s and 1990s. The workings appear to have targeted shallow oxide gold along a mineralised quartz impregnated shear zone with some workings extending down into fresh bedrock. The 1980s and 1990s drilling, with an average depth of 24m, returned several mineralised drill intercepts in the shallow oxide portion of the shear. However, this shallow drilling did not test the system at depth or extend to the fresh bedrock mineralisation.

Of the 700m of strike, ~200m has been designated as a water reserve which is an artefact that prevented drilling within the reserve during the quarter. Drilling approvals within the water reserve have since been received.

Approvals were received for RC drilling outside the water reserve and 10 RC holes (MZRC 001-010) were drilled to the north of the reserve and 2 (MZRC 010-012) to the south of the reserve (total of 870m).

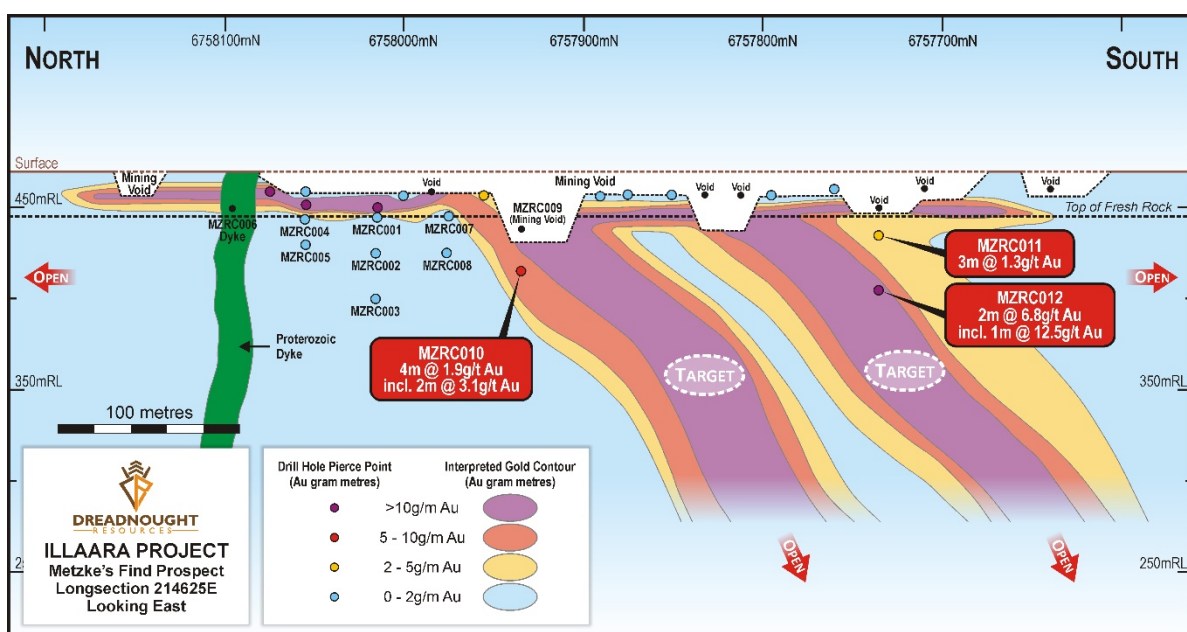
Bedrock gold mineralisation was intersected to the north and south of the water reserve with significant drill intercepts including:

- MZRC012: 2m @ 6.8 g/t Au from 79m including 1m @ 12.5 g/t Au from 80m
- MZRC010: 4m @ 1.9 g/t Au from 64m including 2m @ 3.1 g/t Au from 64m

The mineralised lode remains open along strike and at depth with the potential for multiple lodes. Mineralisation was associated with quartz-sulphide veining and sericite-biotite alteration of the fresh bedrock within a shear zone and remains open to the south along strike and at depth.

The recent results focus attention to the 200m of strike within the water reserve where the deeper mine workings precluded historical shallow oxide drill intercepts. These deeper workings are also concentrated near a 10-15° bend in the mineralised structure which could be controlling bedrock lode mineralisation (Figure 2).

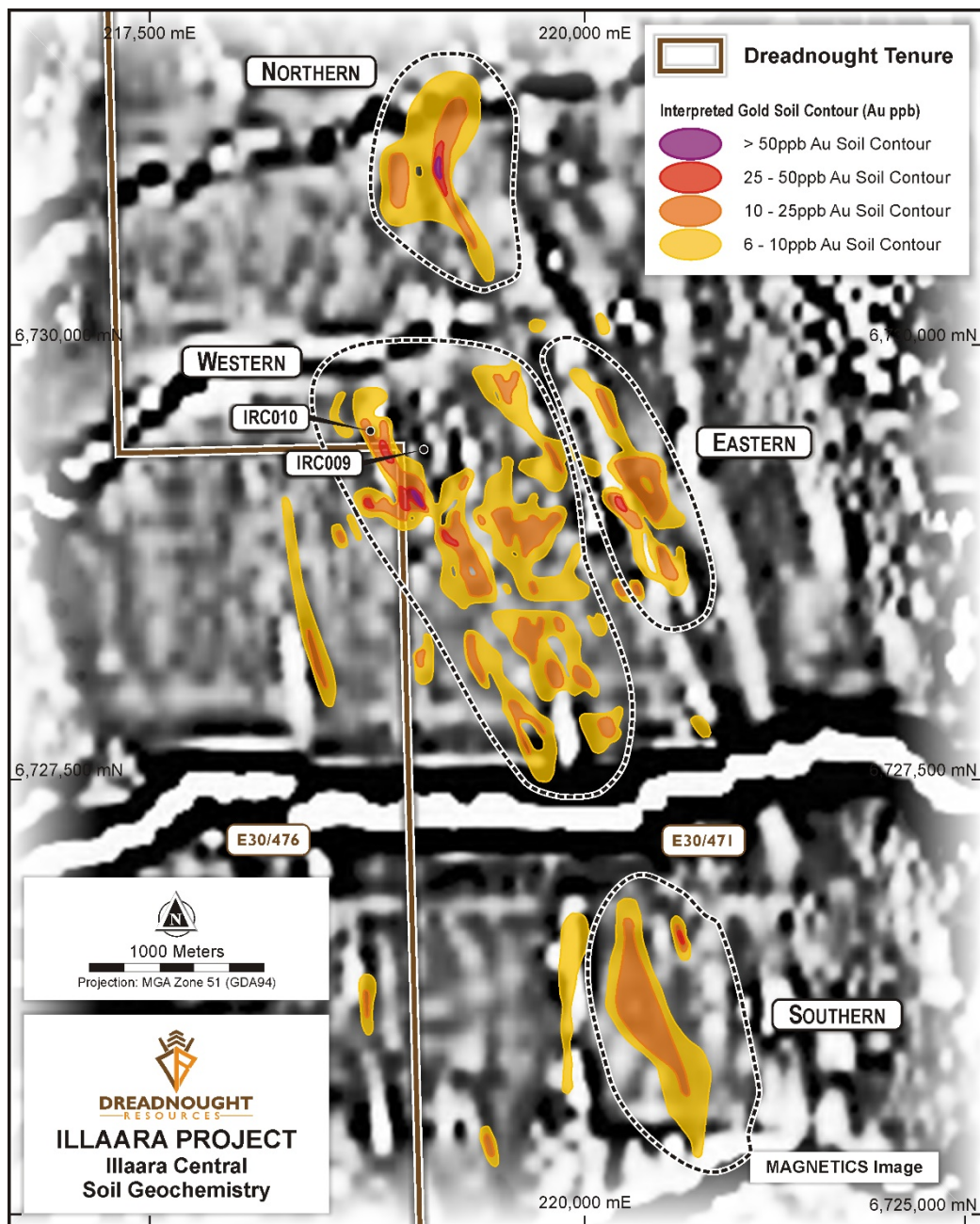
The high quality targets within the water reserve are fully permitted and ready for RC drilling.



### Illara Central (E30/471) 100%

To date, Dreadnought has undertaken three ultra-fine fraction soil surveys and, during the quarter, drilled two stratigraphic RC holes (IRC009, IRC010 at Illara Central. These two holes were WA Government Exploration Incentive Scheme ("EIS") co-funded holes.

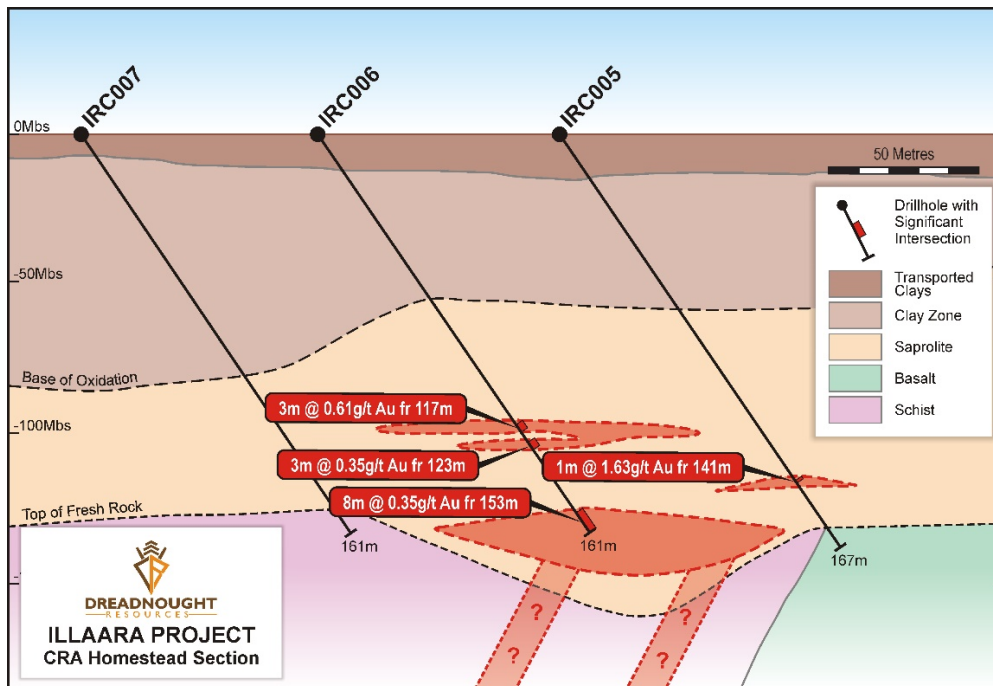
This work has resulted in multiple gold in soil anomalies with multi-element pathfinder associations and zonation indicative of an intrusion related gold system. The multi-element pathfinder association is comprised of a general SSW to NNE zonation containing high temperature Mo to lower temperature As-Sb-Tl with Cs and Li alteration. These gold in soil anomalies are significant in scale and will be geologically mapped to further constrain targets for drill testing in 2020. See ASX 22 April 2020.



**Figure 3: Plan view of Central Illara highlighting gold in soil anomalies over a magnetics image**

### **CRA Homestead (E30/471) 100%**

A total of 3 holes for 490m of RC drilling was completed at CRA Homestead. Drilling identified a thicker than anticipated saprolite indicating deep weathering along an altered and mineralised shear zone. Supergene gold anomalism was intersected near the base of the saprolite with a majority of the bedrock remaining untested. While these results support potential for orogenic gold mineralisation, testing below the supergene gold anomaly is a lower priority than other shallower targets at Illaara.



**Figure 4: Cross section CRA Homestead showing supergene gold anomalism at the base of deep weathering**

### **Lawrence's Find (E30/476) 100%**

A total of 5 holes for 740m of RC drilling was completed at Lawrence's Find (5 holes). While anomalous gold was intersected in the altered horizons, this does not warrant immediate follow up. Future work at Lawrence's Find will focus on the main body of a ~5km long geochemical anomaly identified by the previous owner, Newmont.

### **Illara VMS (E29/965, E30/485) Option to Acquire 100% and (E30/471, E30/476) 100%**

Illara is emerging as part of a highly prospective VMS region, located 50 kms south-east of Cobre Ltd's (ASX:CBE) highly prospective Perrinvale VMS project.

During the quarter four outcropping gossans (Bismarck, Rodney, Reindler's, Warspite) were identified along the Western and Eastern VMS Horizons.

Subsequent soil sampling and FLEM surveys have identified multiple discreet and highly conductive EM anomalies. Rodney produced a strong 8,500Sm conductor with a coincident magnetic anomaly over a mineralised gossan. Warspite produced two strong 3,000-4,000Sm conductors aligned with ~500m long mineralised gossan. See ASX 15 April 2020.

Drill targets have been generated at Rodney and Reindler's while geological mapping is being undertaken at Bismarck and Warspite to define specific drill targets



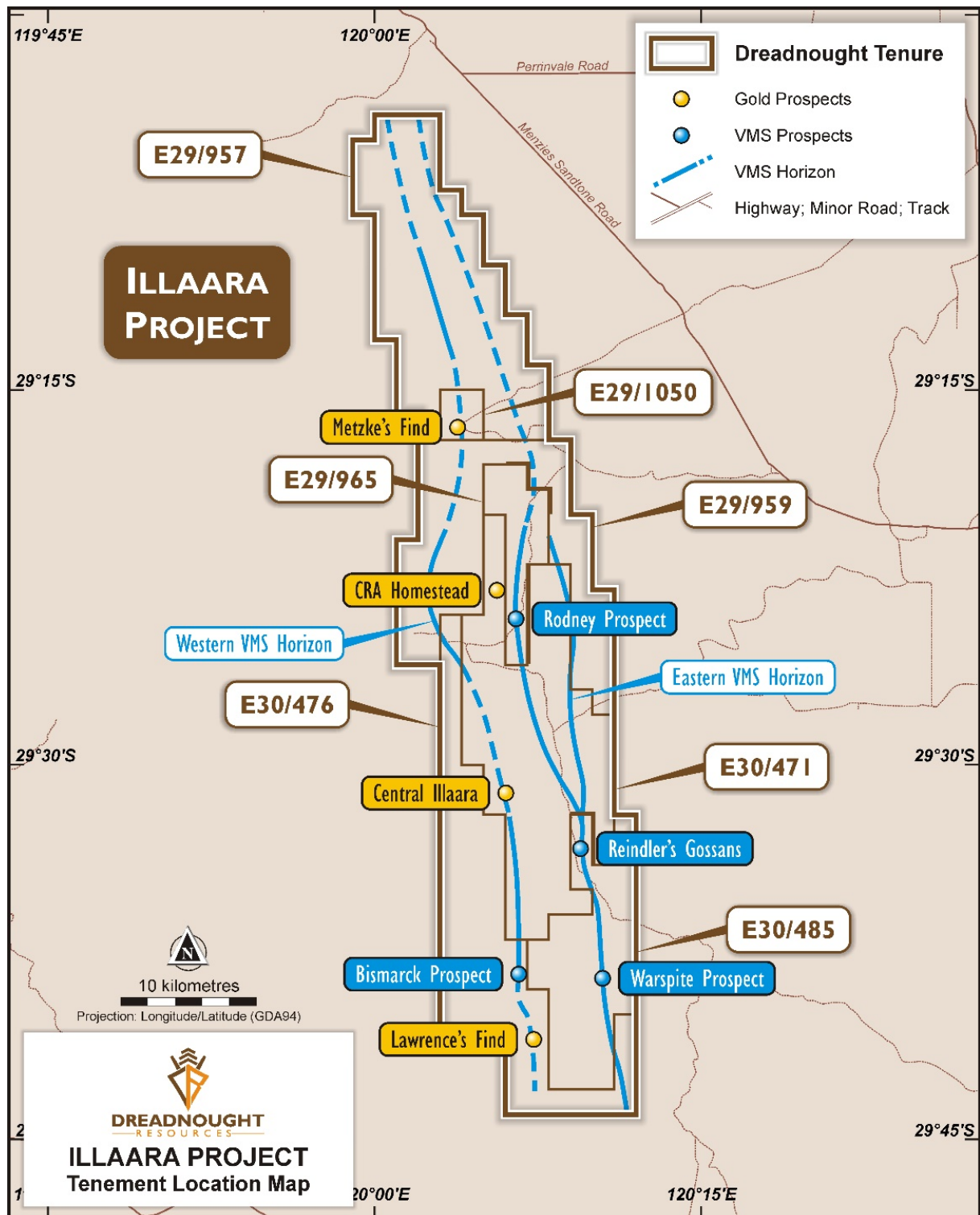


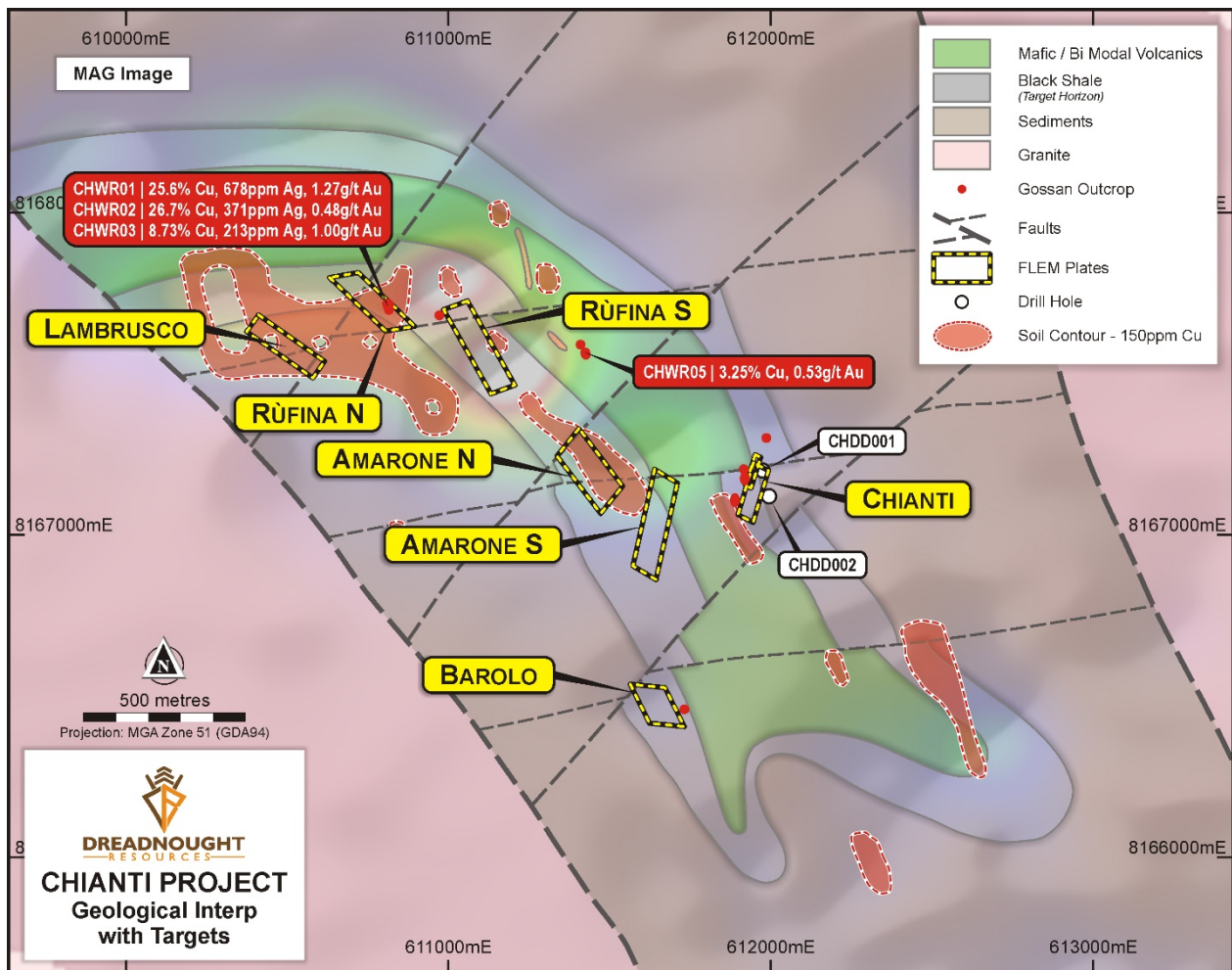
Figure 5: Map of Illaara highlighting the VMS prospects in blue and gold prospects in yellow

### Chianti-Rufina VMS E04/2508 (100%)

Chianti-Rufina, part of the Tarraji-Yampi Project in the Kimberley, contains seven large VMS targets characterised by coincident FLEM, magnetic and surface geochemical anomalies. These seven high quality VMS targets are fully permitted and ready for RC drilling.

During the quarter soil survey anomalism and high-grade rock chips from sampling further validated the VMS targets at Chianti-Rufina:

- Copper in soil anomalism was confirmed over several ground fixed-loop EM ("FLEM") plates and magnetic anomalies at Chianti-Rufina.
- High grade copper, silver and gold was sampled in rock chips from outcropping gossans over the Rufina North FLEM plate



**Figure 6: Map of Chianti-Rufina highlighting the FLEM plates and geochemical anomalies identified within the prospective VMS horizon**



## COVID19 Impact

Tarraji-Yampi has been declared a biological security zone until 18 June 2020. The situation will be monitored and managed to determine the impact on the 2020 field season.

Illaara and Rocky Dam remain accessible for exploration and will form the focus of our activities over the June 2020 quarter.

## CORPORATE

The following transactions were completed during the quarter:

- acquisition of the Wombarella Project (E04/2560) with the issue of 16,000,000 fully paid ordinary shares in Dreadnought;
- acquisition of Metzke's Find (E29/1050) with the issue of a total of 14,500,000 fully paid ordinary shares in Dreadnought; and
- a final payment of \$100,000 to Rio Tinto Exploration Pty Ltd in respect of a geophysical licence regarding Tarraji-Yampi.

## ASX announcements

During the quarter, the Company made 11 ASX announcements, 10 of which were market sensitive. These announcements were as follows:

19/03/2020	RC Drilling Hits High Grades at Metzke's Find
13/03/2020	Half Year Financial Statements
27/02/2020	RC Drilling Completed at Metzke's Find Gold Prospect
17/02/2020	RC Drilling Commenced at Metzke's Find Gold Prospect
11/02/2020	Outcropping Gossans Make Illaara Part of An Emerging VMS Region
05/02/2020	Approvals Received for Metzke's Find RC Drilling
31/01/2020	Quarterly Cashflow Report
31/01/2020	Quarterly Activities Report
31/01/2020	Illaara Gold & VMS Project - Drilling Results and Update
28/01/2020	Soil Anomalism and High-Grade Rock Chips for Chianti-Rufina
17/01/2020	Metzke's Find and Wombarella Completion and Cleansing Notice

**Cash at Bank:** at 31 March 2020 amounted to \$382,000



## UPCOMING NEWSFLOW

**April/May:** Geological mapping at Illaara Central to further constrain targets for drill testing

**April/May:** Results of Metzke's Find regional soil sampling

**May:** Commence RC drilling programs at Metzke's Find, Rodney and Warspite

**May:** Results of magnetic and gravity 3D inversions at Tarraji

**May/June:** Assay results from RC drilling program at Rocky Dam

**May/June:** Results of EIS applications for RC drilling at Chianti-Rufina and diamond drilling at Texas part of the Tarraji-Yampi Project in the Kimberley

**May/June:** Drill targets from geological mapping at Illaara Central

**June:** Assay results from RC drilling programs at Metzke's Find, Rodney and Warspite

~Ends~

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

## Competent Person's Statement

*The information in this announcement that relates to geology and exploration results and planning was compiled by Mr. Oliver Judd, who is a Member of the AusIMM, exploration manager and shareholder of the Company. Mr. Judd has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Judd consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*

*The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original reports. The Company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.*



## SCHEDULE OF INTERESTS IN MINING TENEMENTS

As at 31 December 2019

Tenement	Project	Location	Status	Interest Start of Quarter	Interest End of Quarter
E04/2315	Tarrajai	Kimberley, WA	Granted	80%	80% <sup>1</sup>
E04/2508	Yampi	Kimberley, WA	Granted	100%	100%
E04/2557	Yampi	Kimberley, WA	Granted	100%	100%
E04/2572	Yampi	Kimberley, WA	Granted	100%	100%
E04/2608	Yampi	Kimberley, WA	Granted	-	100% <sup>2</sup>
E04/2675	Yampi	Kimberley, WA	Application	-	-
E04/2676	Yampi	Kimberley, WA	Application	-	-
E04/2560	Wombarella	Kimberley, WA	Granted	100%	100%
E04/2573	West Kimberley	Kimberley, WA	Granted	-	100% <sup>2</sup>
E04/2574	West Kimberley	Kimberley, WA	Application	-	-
E80/5363	South Kimberley	Kimberley, WA	Application	-	-
E80/5364	South Kimberley	Kimberley, WA	Application	-	-
E80/5365	South Kimberley	Kimberley, WA	Application	-	-
E80/5366	South Kimberley	Kimberley, WA	Application	-	-
E29/957	Illaara	Yilgarn, WA	Granted	100%	100%
E29/959	Illaara	Yilgarn, WA	Granted	100%	100%
E29/965	Illaara	Yilgarn, WA	Granted	0%	0% <sup>3</sup>
E29/1050	Illaara	Yilgarn, WA	Granted	100%	100%
E30/471	Illaara	Yilgarn, WA	Granted	100%	100%
E30/476	Illaara	Yilgarn, WA	Granted	100%	100%
E30/485	Illaara	Yilgarn, WA	Granted	0%	0% <sup>3</sup>
E25/533	Rocky Dam	Goldfields, WA	Granted	100%	100%

1. E04/2315 subject to an 80/20 JV with Whitewater Resources Pty Ltd
2. Granted during the quarter
3. Subject to an option agreement (ASX Release 6/12/2019 "Consolidation of 75km Long Illaara Greenstone Belt")