

24 August 2020

## HIGH PRIORITY COPPER GOLD TARGETS AT FUSO AND PAUL'S FIND

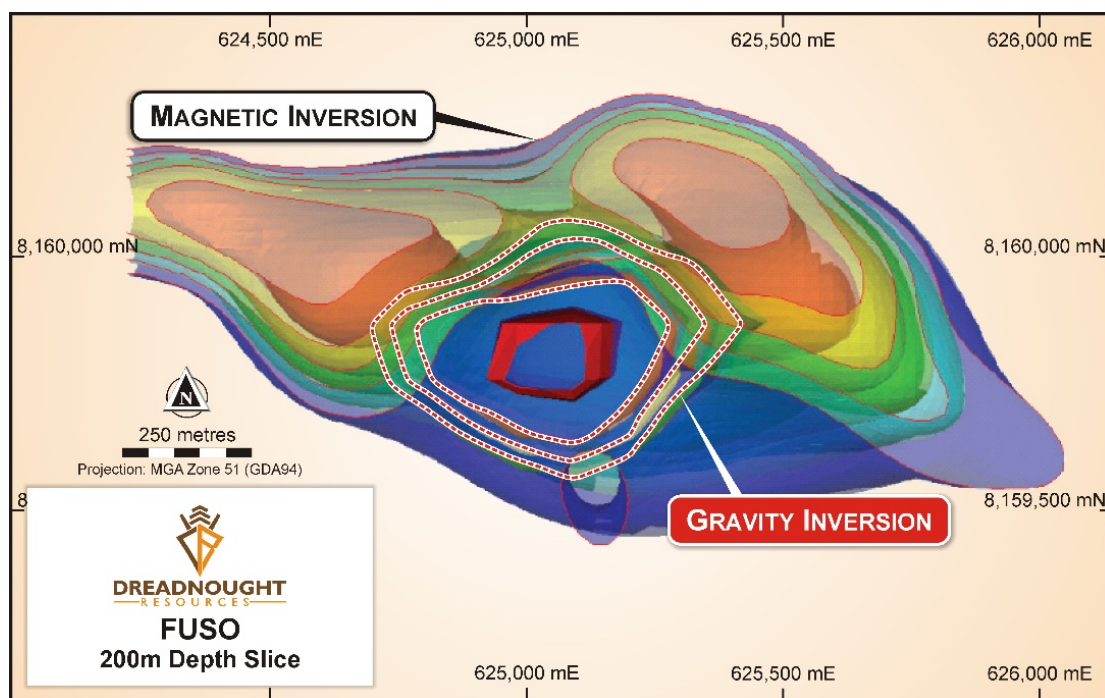
### HIGHLIGHTS

- **3D Inversion of magnetic and gravity data has refined the Fuso Cu-Au target and confirmed a ~500m x 400m high density gravity anomaly nestled within a ~1,700m x 700m south-southeast plunging magnetic anomaly**
- **Paul's Find is confirmed as a coincident intense ~300m x 200m remanently magnetic and density anomaly located near surface**
- **RC drilling will commence at Tarraji-Yampi during the December 2020 quarter. The sequence and timing of the program will be advised in early September 2020. This will allow for mobilisation costs and drill productivity to be optimised.**

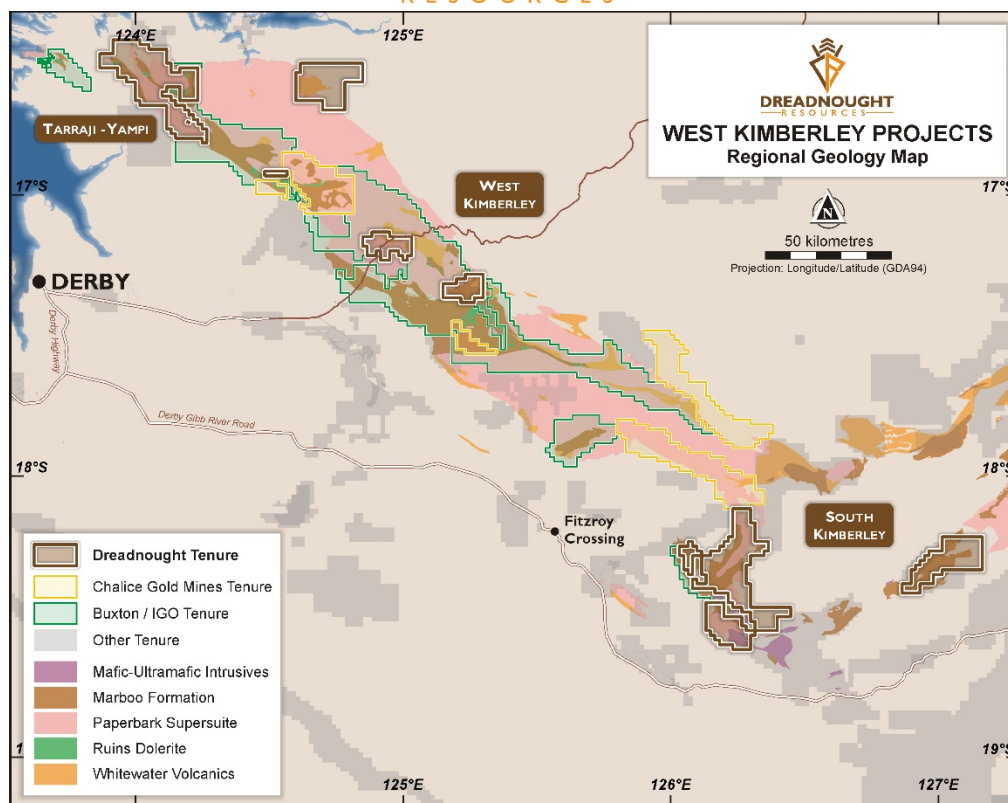
Dreadnought Resources Limited ("**Dreadnought**") is pleased to announce the results of 3D inversion of the detailed magnetic and gravity surveys at the Fuso and Paul's Find Cu-Au targets.

The 3D inversion at the Fuso Cu-Au target has refined and confirmed an intense south-east dipping magnetic anomaly with a central gravity anomaly associated with demagnetisation (see Figure 1). This geophysical signature is typical of Proterozoic Cu-Au deposits such as those seen in Tennant Creek and Mt Isa. With ~1.7km of strike on the magnetic anomaly and ~500m of strike on the gravity anomaly, the target has significant scale.

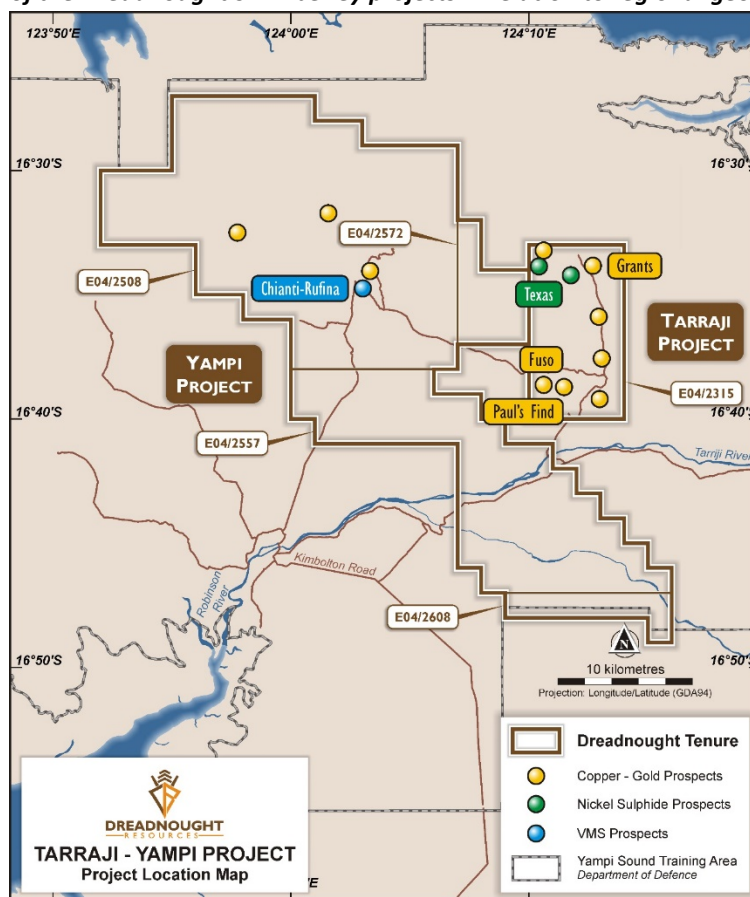
Dreadnought Managing Director, Dean Tuck, commented: *"Dreadnought is excited about the results of these surveys which highlight the scale and attractiveness of our targets in an area which seen no exploration since 1978. Fuso and Paul's Find are large and intense coincident magnetic-gravity targets completely undercover with an abundance of Cu-Au-Bi-Sb smoke."*



**Figure 1: Plan view depth slice at 200m down showing the ~500m x 400m gravity anomaly nestled within the ~1,700m x 700m magnetic anomaly at Fuso.**



**Figure 2: Location of the Dreadnought's Kimberley projects in relation to regional geology, IGO and CHN.**



**Figure 3: Plan view map showing the location of Cu-Au, Ni-Cu-PGE and VMS targets and access within the Tarraji-Yampi Project.**

### 3D Inversion of Fuso and Paul's Find Cu-Au

In 2019, Dreadnought undertook a detailed airborne magnetics survey which highlighted several magnetic anomalies. Most of the anomalies are located undercover with no outcrop. To prioritize these anomalies and to define a target for drill testing, a 200m x 50m ground gravity survey was also undertaken. These surveys resulted in defining two coincident magnetic and gravity anomalies at Fuso and Paul's Find.

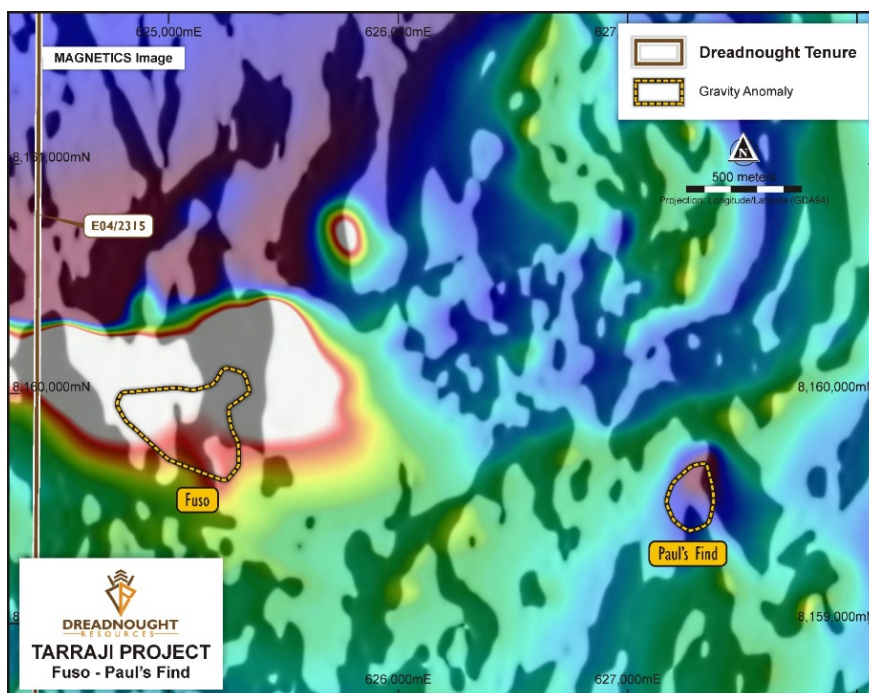
As both targets are undercover, the magnetics and gravity data were then used to create a 3D Inversion model to better constrain the geometry of the anomalies and to define drill targets.

At Fuso, there is an intense magnetic high surrounding the northern extent of a strong density anomaly. Inversion modelling suggests a south to south-easterly dip with the top of the anomaly at 50-100m depth. The ~500m x 400m ovoid gravity feature is cupped on the northern side of the ~1,700m x 700m magnetic anomaly. The magnetic anomaly is interpreted to be related to intense iron rich alteration, either as magnetite or pyrrhotite and the gravity signature conceptually represents the mineralised lode.

At Paul's Find, there is an intense, isolated, reversely/remanently magnetised anomaly with a coincident density anomaly. Inversion modelling suggests that the isolated feature is located near surface with dimension of ~300m x 200m. The magnetic low is interpreted to be remnant magnetisation associated with a mineralised lode.

Both Fuso and Paul's Find are located in close proximity to a high-K felsic intrusion and a splay in crustal scale structures, both of which have known outcropping Cu-Au mineralisation.

RC drilling at Fuso will be designed to test the contacts of the magnetic and gravity anomalies as well as the centre of the gravity anomaly. At Paul's Find, RC drilling will be designed to test the coincident magnetic and gravity anomaly. See Figure 4.



Both targets are high priority. All drilling approvals are in place for Fuso. At Paul's Find, a heritage survey is planned for September 2020, otherwise all other approvals are in place.

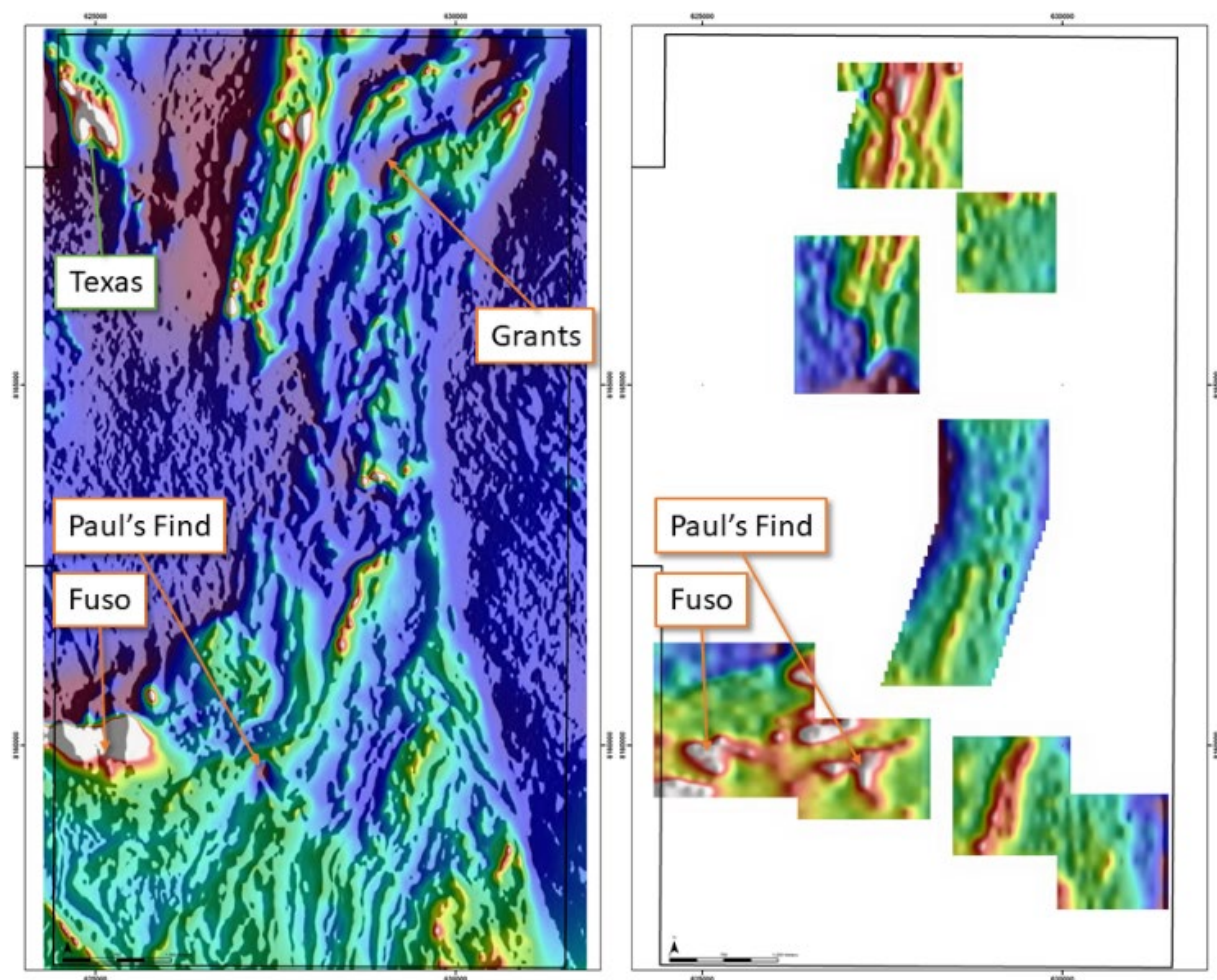
**Figure 4: Plan view map of Fuso and Paul's Find showing a background image of Reduced to Pole (RTP) magnetics with the coincident gravity anomalies overlain.**

### Background on the Fuso and Paul's Find Cu-Au Targets

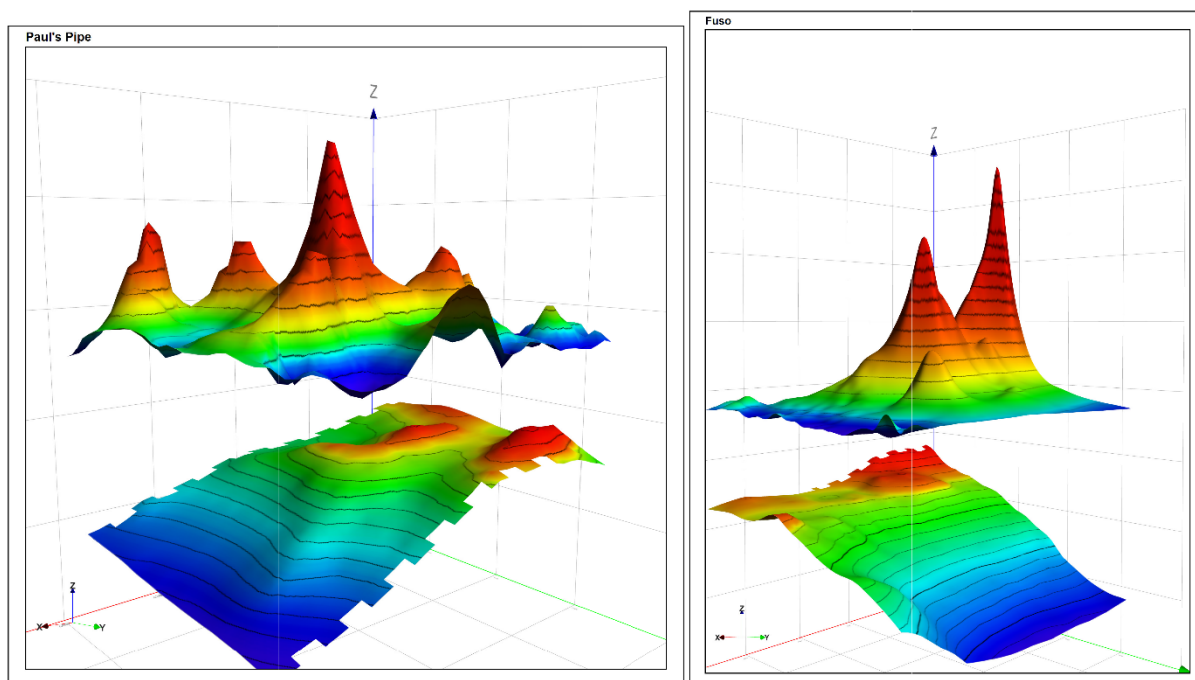
Fuso and Paul's Find are the first priority targets to result from the recent airborne magnetics and ground gravity surveys.

This work was motivated by the comparisons of the lithostructural and geochemical signature of Tarraji-Yampi to other Proterozoic Cu-Au terranes such as Tennant Creek Inlier (ex. Gecko, Peko) and Mt Isa (ex. Brumby, Ernest Henry).

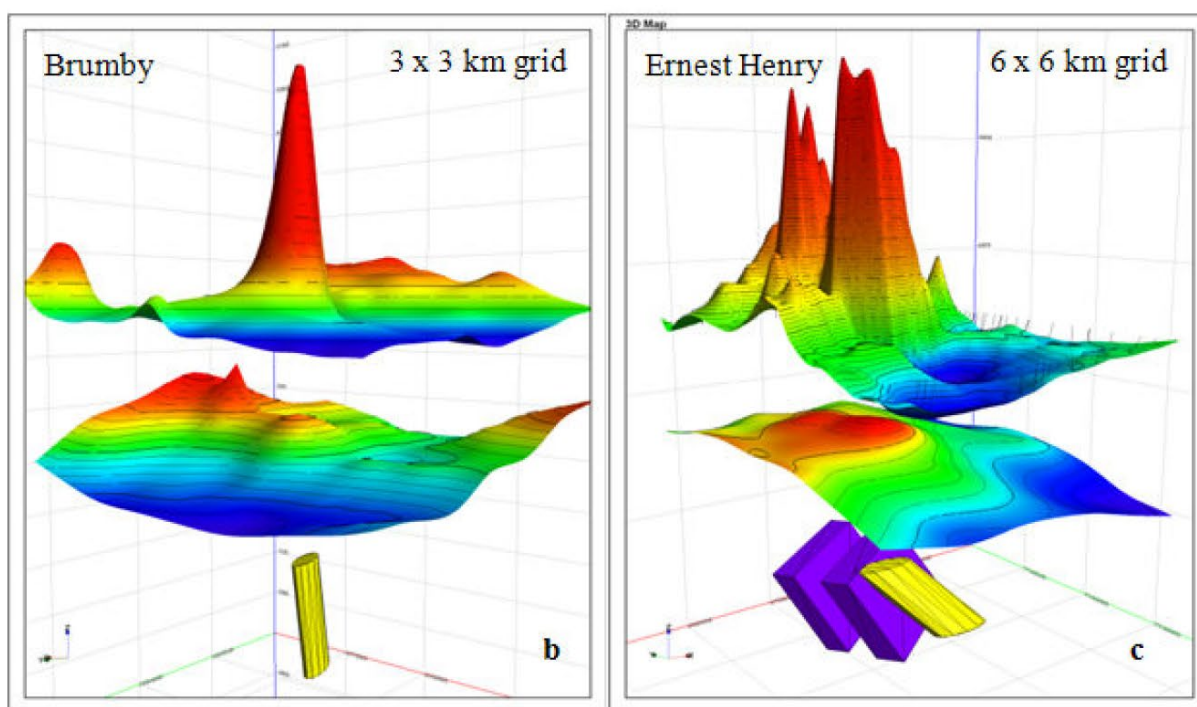
In these terranes, Proterozoic Cu-Au deposits occur as coincident magnetic-gravity anomalies regionally associated with Proterozoic high-K intrusions. Deposits are also likely to form topographic lows with no outcrop. With this model, outcropping quartz copper lodes, as seen at Grants and Wilsons (see Figures 3 and 5), could represent distal hydrothermal mineralisation and work as a vector towards mineralisation undercover. Both Fuso and Paul's Find are located in close proximity to the Mondooma Granite which is a high-K felsic intrusion similar in age to intrusions at Tennant Creek.



**Figure 5: Plan view of the 2019 airborne magnetics data (L) RTP and ground gravity (R) Bouguer 1<sup>st</sup> vertical derivative highlighting priority target locations.**



**Figure 6: Magnetic (top) and gravity (bottom) images from Paul's Find (left) and Fuso (right) showing similar coincident geophysical signatures to the examples in Figure 7. The grid for Paul's Find is 1.5km x 1.5km and the grid for Fuso is 2km x 2km.**



**Figure 7: Examples of coincident magnetic (top) and gravity (middle) and the resultant inversion modelled bodies (bottom) from Brumby and Ernest Henry Proterozoic Cu-Au deposits.**

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



For further information please refer to previous ASX announcements:

- 11 June 2019 *High grade assays from the Grants Target*
- 17 October 2019 *Drilling Commenced at Grants Cu-Au Target*
- 29 October 2019 *Multiple Mineralised Zones at Grants Cu-Au Target*
- 8 November 2019 *Multiple Mineralised Zones in second hole at Grants Cu-Au Target*
- 23 December 2019 *Grants Cu-Au Assays and Coincident Magnetic/Gravity Targets*

#### **UPCOMING NEWSFLOW**

**Early September:** Commencement of RC drilling at Metzke's Find at Illaara

**September:** Distribution of 30 June 2020 JMEI Tax Credit Statements to shareholders

**15 September:** Presentation at RIU Emergence Conference (11:45am WST)

**September:** Commencement of RC drilling at Longmore's Find

**September:** Release of details of planned Tarraji-Yampi RC drilling program

**September/October:** Results from RC drilling at Metzke's Find

**October:** Commencement of diamond drilling at Texas Ni-Cu-PGE

**October:** Results from RC drilling at Longmore's Find

**November:** Results from diamond drilling at Texas Ni-Cu-PGE

**November:** Commencement of RC drilling at Black Oak and Metzke's South at Illaara

**November/December:** Results from Tarraji-Yampi RC drilling program

**December:** Commencement of RC drilling at Rocky Dam

**December:** Results from Black Oak and Metzke's South RC drilling program

~Ends~

For further information please contact:

**Dean Tuck**

Managing Director

Dreadnought Resources Limited

E:[dtuck@dreadnoughtresources.com.au](mailto:dtuck@dreadnoughtresources.com.au)

**Jessamyn Lyons**

Company Secretary

Dreadnought Resources Limited

E:[jl Lyons@dreadnoughtresources.com.au](mailto:jl Lyons@dreadnoughtresources.com.au)

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

#### **Competent Person's Statement**

*The information in this announcement that relates to geology and exploration results and planning was compiled by Mr. Dean Tuck, who is a Member of the AIG, Managing Director, and shareholder of the Company. Mr. Tuck 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. Tuck 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.*

## INVESTMENT HIGHLIGHTS

### Kimberley Ni-Cu-Au Projects

Dreadnought controls the second largest land holding in the highly prospective West Kimberley region of WA. The main project area, Tarraji-Yampi, is located only 85kms from Derby and has been locked up as a Defence reserve since 1978. The area was only recently opened under the Commonwealth Government's co-existence regime that balances Defence's needs with the requirements of others including Aboriginal groups, the resources industry, pastoralists and State Governments.

Tarraji-Yampi presents a rare first mover opportunity with known outcropping mineralisation and historic workings from the early 1900s which have seen no modern exploration.

Three styles of mineralisation occur at Tarraji-Yampi including: volcanogenic massive sulphide ("VMS"); Proterozoic Cu-Au ("IOCG"); and magmatic sulphide Ni-Cu-PGE. Numerous high priority nickel, copper and gold drill targets have been identified from recent VTEM surveys, historical drilling and surface sampling of outcropping mineralisation.



### Illara Gold, VMS & Iron Ore Project

Illara is located 190km northwest of Kalgoorlie in the Yilgarn Craton and covers 75kms of strike along the Illara Greenstone Belt. Illara is prospective for typical Archean mesothermal lode gold deposits and base metals VMS mineralisation.

Dreadnought has consolidated the Illara Greenstone Belt mainly through an acquisition from Newmont. Newmont defined several camp-scale targets which were undrilled due to a change in corporate focus. Prior to Newmont, the Illara Greenstone Belt was predominantly held by iron ore explorers and has seen minimal gold and base metal exploration since the 1990s. Illara contains several drill ready gold targets. In addition, the Eastern and Western VMS Horizons are expected to produce exciting drill targets with the application of modern exploration technology.

### Rocky Dam Gold & VMS Project

Rocky Dam is located 45kms east of Kalgoorlie in the Eastern Goldfields Superterrane of Western Australia. Rocky Dam is prospective for typical Archean mesothermal lode gold deposits and Cu-Zn VMS mineralisation. Rocky Dam has known gold and VMS occurrences with drill ready gold targets including the recently defined CRA-North Gold Prospect.

## JORC Code, 2012 Edition – Table 1 report template

### Section 1 Sampling Techniques and Data

#### JORC TABLE 1

##### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary												
Sampling techniques	<ul style="list-style-type: none"><li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li><li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li><li>Aspects of the determination of mineralisation that are Material to the Public Report.</li><li>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li></ul>	<p>The 3D inversion modelling were processed by Southern Geoscience Consultants Pty. Ltd. (SGC) (Perth) using the Geosoft VOXi inversion code. Magnetic inversions were conducted using standard Susceptibility and Magnetic Vector Inversion (MVI) algorithms due to expected remanent magnetism associated with the Paul's Find magnetic feature.</p> <p>The inversion parameters are below:</p> <table><tr><th>Technique</th><th>Area</th><th>Resolution</th><th>Dimension</th></tr><tr><td>Suscep/MVI</td><td>3.8x2.4km</td><td>25m</td><td>150x94x30</td></tr><tr><td>Density</td><td>3.8x2.4km</td><td>100m</td><td>38x24x16</td></tr></table> <p>Magnetic data used was from a 2019 airborne survey flown by MagSpec which was conducted on 50m spaced E-W flight lines at a nominal altitude of 33m.</p> <p>Gravity data used was from a 2019 ground gravity survey acquired by Atlas Geophysics at 200m spaced traverses and 50m spaced station spacing.</p> <p>Further details regarding the gravity survey is reported in the ASX Announcement dated 23 December 2019.</p>	Technique	Area	Resolution	Dimension	Suscep/MVI	3.8x2.4km	25m	150x94x30	Density	3.8x2.4km	100m	38x24x16
Technique	Area	Resolution	Dimension											
Suscep/MVI	3.8x2.4km	25m	150x94x30											
Density	3.8x2.4km	100m	38x24x16											
Drilling techniques	<ul style="list-style-type: none"><li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</li></ul>	No drilling reported												
Drill sample recovery	<ul style="list-style-type: none"><li>Method of recording and assessing core and chip sample recoveries and results assessed.</li><li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li><li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain</li></ul>	No drilling reported												



## DREADNOUGHT RESOURCES

Criteria	JORC Code explanation	Commentary
	<i>of fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	No drilling reported
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	No drilling reported
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	No drilling reported
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	No drilling reported

Criteria	JORC Code explanation	Commentary
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	No drilling reported
Data spacing and distribution	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	No drilling reported
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	No drilling reported
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	No drilling reported
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<p>Supervision and post program processing of the airborne magnetics and ground gravity surveys was undertaken by Geophysical Consultancy Southern Geoscience Consultants Pty. Ltd. (SGC) Perth.</p> <p>SGC also undertook the 3D inversion modelling.</p>

## Section 2 Reporting of Exploration Results

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<p>The Tarraji-Yampi Project consists of 4 granted (E04/2315, E04/2508, E04/2557, E04/2572) and 1 pending exploration Licences (E04/2608)</p> <p>The Tarraji tenement (E04/2315) is an 80/20 JV between Dreadnought (Kimberley) Pty Ltd and Whitewater Resources Pty Ltd.</p> <p>The Yampi Tenements (E04/2508, E04/2572, E04/2557, E04/2608) are 100% owned by Dreadnought (Kimberley) Pty Ltd</p> <p>Dreadnought (Kimberley) Pty Ltd is a wholly</p>

Criteria	JORC Code explanation	Commentary
		<p>owned subsidiary of Dreadnought.</p> <p>E04/2315, E04/2508, E04/2572, E04/2557 are located within the Yampi Sound Training Area (YSTA) which is freehold land owned by the Commonwealth Government and administered by the Department of Defence. Being freehold Commonwealth Land, there is no Native Title over these tenements.</p> <p>E04/2608 is partly located within the YSTA and partly on Vacant Crown Land which has Native Title claim by the Warra Combined (NNTT Number 2901</p>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<p>Regional mapping, basic stream sediment, soil sampling and limited diamond drilling was completed by WMC in the 1950s.</p> <p>The YSTA was off limits to exploration from 1978-2013.</p>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<p>The Tarraji-Yampi Project is located within the Hooper Complex which is a Proterozoic Mobile Belt in the West Kimberley.</p> <p>The Hooper Complex has known occurrences of Cu-Zn-Pb-Ag VMS mineralisation within the Marboo Formation, magmatic Ni-Cu-PGE mineralisation in the Ruins Dolerite and later stage Proterozoic Cu-Au mineralisation associated with significant structures and late stage intrusions.</p>
Drill hole information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	No drilling reported
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation</li> </ul>	No drilling reported



## DREADNOUGHT RESOURCES

Criteria	JORC Code explanation	Commentary
	<p><i>should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></li> </ul>	No drilling reported
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	Refer to figures within this report
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	The accompanying document is a balanced report with a cautionary note
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	No other meaningful or material exploration data to report at this time
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	RC Drilling is being planned for the 2020 dry season.