

24 February 2021

REDUCTION IN ROYALTY - ILLAARA GREENSTONE BELT

HIGHLIGHTS

- On 24 June 2019, the Illaara Greenstone Belt (“**Illaara**”) was acquired from a wholly owned subsidiary of Newmont Corporation (“**Newmont**”) for a consideration that included a cash payment of \$120,000 and a 2.5% Net Smelter Royalty.
- An agreement has been reached with Newmont to reduce the Net Smelter Royalty from 2.5% to 1.0% for a cash consideration of \$150,000.

Dreadnought Resources Limited (“**Dreadnought**”) is pleased to advise of the reduction in the Net Smelter Royalty applicable to parts of Illaara.

On 24 June 2019, Illaara was acquired from Newmont for a consideration that included a cash payment of \$120,000 and a 2.5% Net Smelter Royalty. The Net Smelter Royalty applies to four 100% owned tenements, being E30/471, E30/476, E29/957 and E29/959. These tenements are host to a number of prospects including Central Illaara, Lawrence’s Find and the strike extent north of Metzke’s Find.

Dreadnought Managing Director, Dean Tuck, commented: *“This is a positive development in relation to Illaara and brings the Net Smelter Royalty down to a level that investors are typically used to. We appreciate the constructive approach taken by the Newmont team in relation to this matter.”*

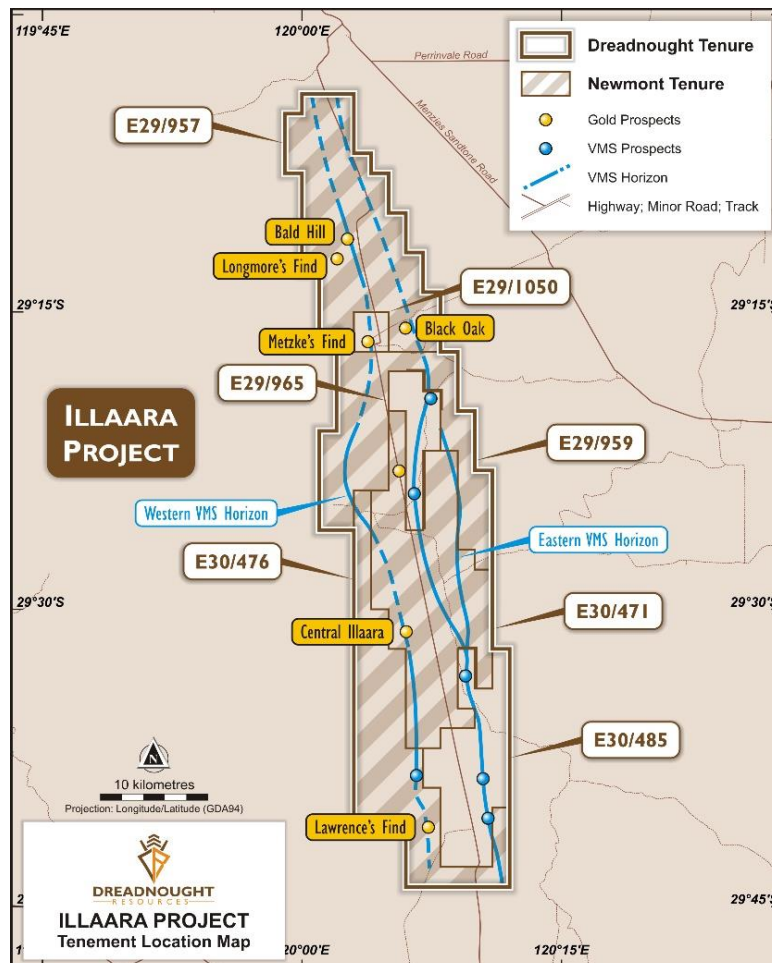


Figure 1: Plan view of Illaara highlighting the tenements subject to the Newmont Net Smelter Royalty.



For further information please refer to previous ASX announcements:

- 24 June 2019 75 km Long Illaara Greenstone Belt Acquired from Newmont
- 6 December 2019 Consolidation of 75km Long Illaara Greenstone Belt
- 30 November 2020 Exploration Update Illaara Gold-VMS-Iron Ore Project
- 16 February 2021 Significant Soil Anomalies Along Lawrence's Corridor

UPCOMING NEWSFLOW

February: Results from target definition work within the Lawrence's Corridor

February: Recommencement of RC Drilling at Illaara (Black Oak, Bald Hill, Metzke's Find, Longmore's Find)

March: RC drilling at Lawrence's Corridor

March: Results from gold and VMS target generation work using regional soils across Illaara

March to May: Results from RC drilling at Illaara (Black Oak, Bald Hill, Lawrence's Corridor, Metzke's Find, Longmore's Find)

April: Recommencement of exploration at Tarraji-Yampi with three FLEM surveys at Orion Ni-Cu-PGE Target

April to May: Commencement of target definition and generation at work at Mangaroon Ni-Cu-PGE & Au Project

April/May: Results of three FLEM surveys over the Orion Ni-Cu-PGE target at Tarraji-Yampi

May/June: Commence diamond drilling at Texas Ni-Cu-PGE target at Tarraji-Yampi

May/June: Results from target definition and generation work at Mangaroon Ni-Cu-PGE & Au Project

June: Commence RC drilling at Orion Ni-Cu-PGE, Fuso and Paul's Find Cu-Au and Chianti-Rufina VMS targets

July/August: Results of drilling at Tarraji-Yampi (Texas and Orion Ni-Cu-PGE, Fuso and Paul's Find Cu-Au, and Chianti-Rufina VMS targets).

~Ends~

For further information please contact:

Dean Tuck

Managing Director

Dreadnought Resources Limited

E:dtuck@dreadnoughtresources.com.au

Jessamyn Lyons

Company Secretary

Dreadnought Resources Limited

E:jlyons@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.

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.

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.

Mangaroon Ni-Cu-PGE & Au Project

Mangaroon is a first mover opportunity covering ~4,000sq kms of tenure located 250kms southeast of Exmouth in the Gascoyne Region of Western Australia. Mangaroon is prospective for magmatic Ni-Cu-PGE mineralisation and high grade gold with evidence of both outcropping within the project area and virtually unexplored for the past 40 years.