

17 October 2019

DRILLING COMMENCED AT GRANTS CU-AU TARGET

HIGHLIGHTS

- Diamond drill program has commenced at the Grants Cu-Au Target
- Program involves 4-6 holes for up to ~700m
- Program is EIS co-funded
- Assays expected back by end of December 2019 quarter

Dreadnought Resources Limited (“**Dreadnought**” or “**the Company**”) is pleased to announce that diamond drilling has commenced at the Grants Cu-Au Target in the West Kimberley. Personnel have arrived on site and commenced setting up for the EIS co-funded drilling program. The involves 4-6 holes at the Grants Cu-Au target for up to ~700m. Dreadnought anticipates that the program will take 4-6 weeks and should finish before the onset of the wet season.

Dreadnought Managing Director, Dean Tuck, commented *“It is exciting to be able to commence this program so quickly after our successful program at the Chianti VMS Target. This also demonstrates the diverse opportunity at Tarraji-Yampi where one day you are drilling a volcanogenic massive sulphide target and then moving to a Proterozoic copper-gold target. It is hard to believe that, despite of outcropping mineralisation, this will be the first drill program at Grants since 1959. This is certainly an exciting time for Dreadnought.”*



Figure 1: Photograph of diamond drilling program location at Grants Cu-Au Target.

Background on the Grants Target

Initially identified and mined on a small scale for high grade copper pre-WW1, the last significant exploration was undertaken in the 1950s by Western Mining Corporation (“WMC”). WMC undertook surface sampling, mapping and diamond drilling at the Grants Target. Importantly, WMC only assayed for copper due to low gold prices at the time. Of note, WMC intersected porphyry in GS2 and GS3 with associated disseminated chalcopyrite but did not assay these intervals (See figure 3).

Dreadnought’s recent rock chip sampling was designed to confirm gold mineralisation and to characterise the style of mineralisation, alteration and host lithologies present at the Grants Target. Rock chip sampling confirmed significant Cu-Au mineralisation with a strong Ag-Bi-Co (As-Mo-Sb) geochemical association which is characteristic of Proterozoic Cu-Au (IOCG) deposits.

Proterozoic Cu-Au (IOCG) deposits are highly attractive targets with examples in Australia including the Tennant Creek Inlier (ex. Gecko, Peko) and Mt Isa Inlier/Cloncurry District (ex. Ernest Henry).

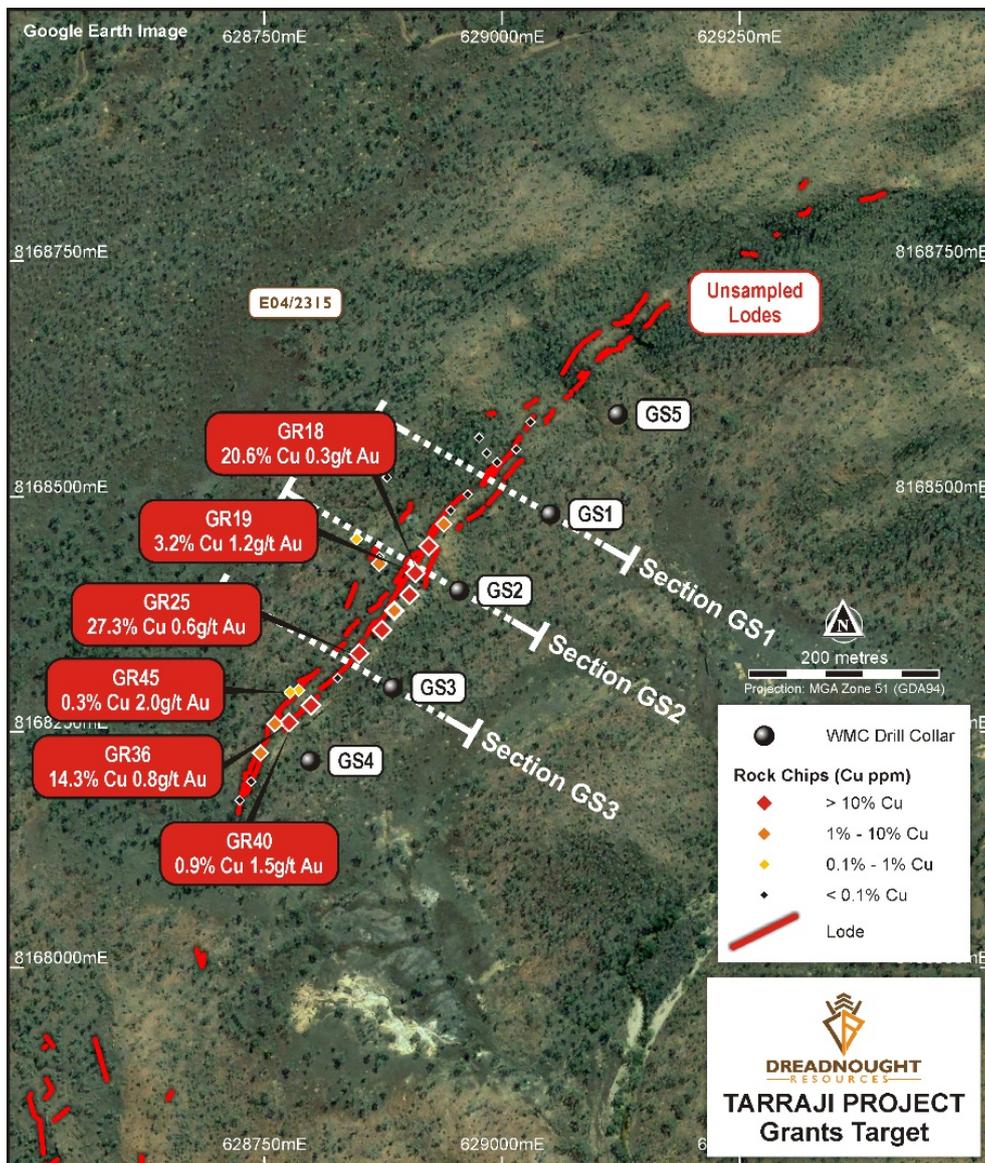


Figure 2: Map of the Grants Target showing 1950s WMC drilling and recent rock chip locations and results.

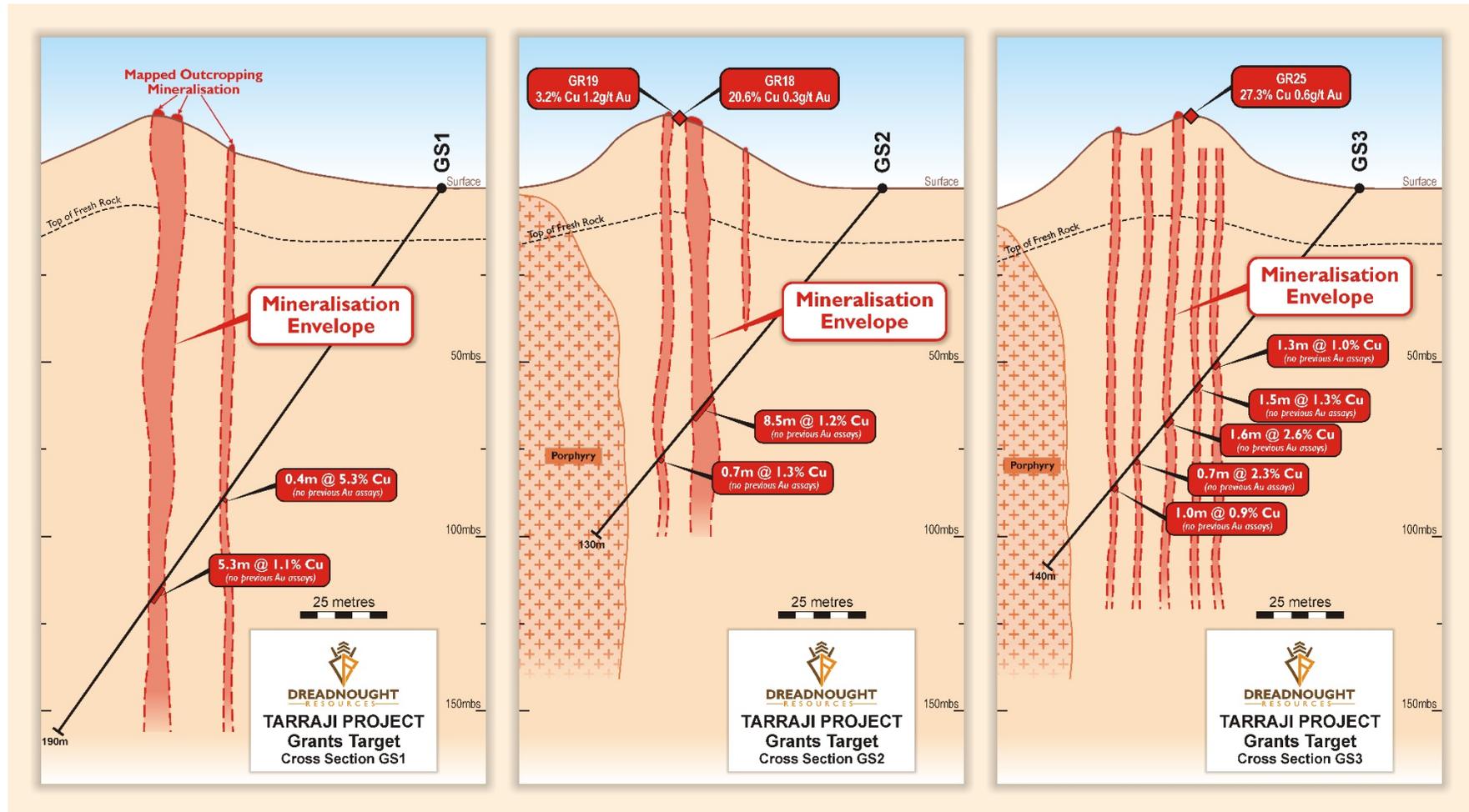


Figure 3: Interpreted Cross Section through Grants Target showing 1950s WMC drilling and location of recent rock chip results. WMC only assayed for copper.

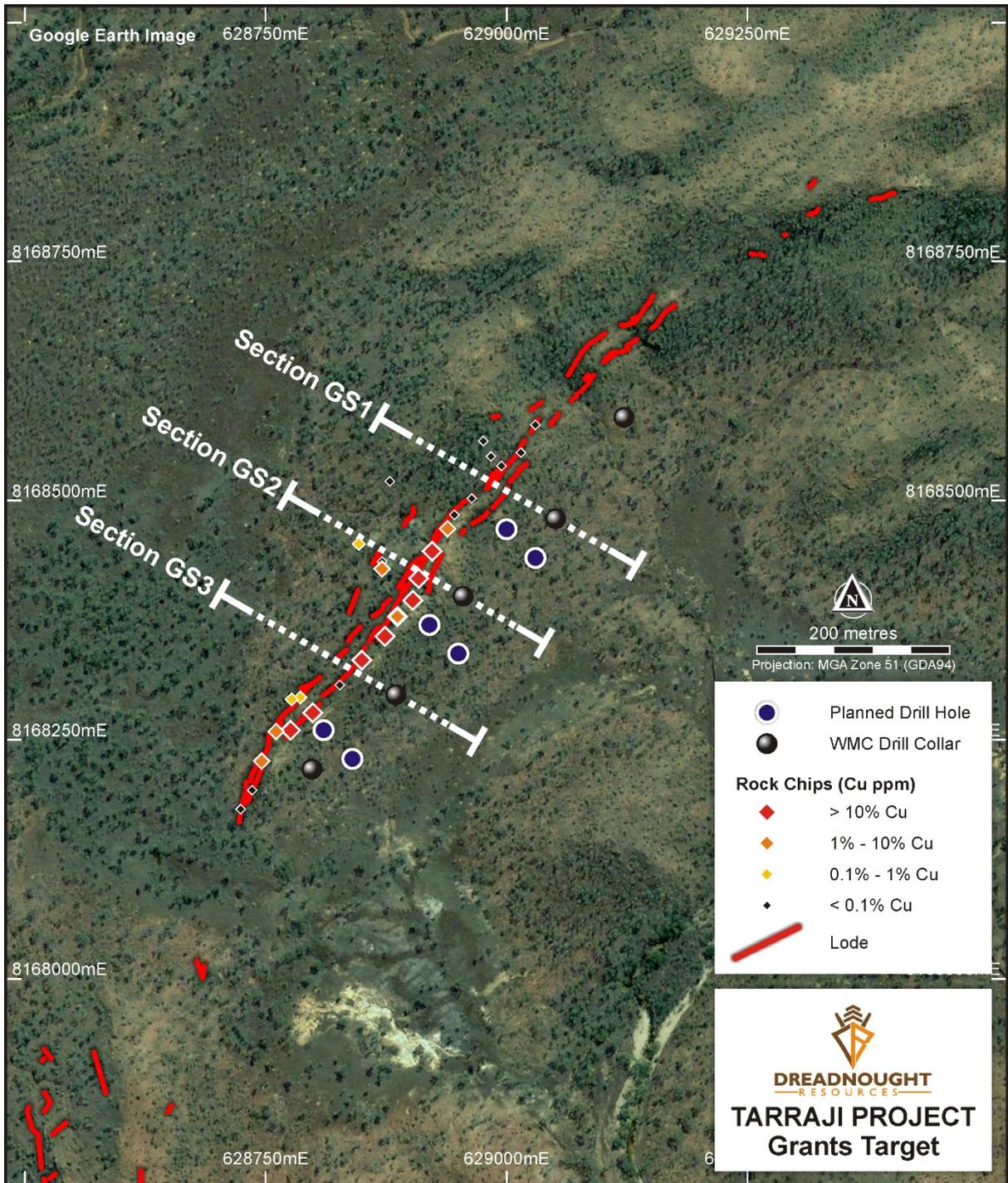


Figure 4: Map of the Grants Target highlighting the location of planned drilling which is designed to provide three fence lines testing the mineralisation to a vertical depth of up to ~150m and ~300m strike.



Concluding Comments

Dreadnought would like to take the opportunity to thank and acknowledge the assistance of our stakeholders including the Department of Defence, the Dambimangari Aboriginal Corporation, and the Department of Mines, Industry Regulation and Safety for their support in getting us to this point.

For further information please refer to previous ASX announcements:

- 11 June 2019 High grade assays from the Grants Target
- 18 September 2019 Tarraji-Yampi drilling to commence in September 2019

RECENT AND UPCOMING NEWSFLOW

September: Field activities and historical data review identified high priority prospects for drilling at Illaara: Illaara Central, CRA Homestead and Lawrence's Find

September: Drilling approvals for Illaara Central and CRA Homestead received

September: Full Year Statutory Accounts released

October: Diamond drilling of Upper and Lower EM Plates at Chianti successfully completed

Mid-October: Commence EIS co-funded diamond drilling at Grants

November/December: Receive assay results from drilling at Chianti & Grants

November: Commence drilling at the Illaara Project

28 November: Annual General Meeting

December: Receive assay results from the Illaara Project

December: Receive drilling approvals for Rocky Dam

February: Commence drilling at Rocky Dam

Dreadnought looks forward to reporting a strong newsflow for the remainder of 2019 and in to 2020.

~Ends~

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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 and a 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 forma and context in which the Competent Persons findings are presented have not been materially modified from the original reports.

INVESTMENT HIGHLIGHTS

Tarraji-Yampi Ni-Cu-Au Project

Dreadnought controls a significant land holding in the highly prospective West Kimberley located only 85 kms from Derby, Western Australia. The project area has been locked up as a Defence reserve since 1978 and was only recently opened under the Commonwealth Government’s coexistence regime that balances Defence needs with the requirements of others including Aboriginal groups, the resources industry, pastoralists and State Governments.

The Tarraji-Yampi Ni-Cu-Au Project presents a rare first mover opportunity in Western Australia with known outcropping mineralisation and historic workings from the early 1900s which have seen no modern exploration.

Three styles of mineralisation occur at Tarraji 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.

Illaara Au-Cu-Zn Project:

The Illaara Au-Cu-Pb-Zn Project is located 160km northwest of Kalgoorlie-Boulder in the world class Yilgarn Craton and covers 75 strike kilometres of the Illaara Greenstone Belt. The Project is prospective for typical Archean mesothermal lode gold deposits and Cu-Zn VMS mineralisation.

The project was acquired from Newmont Goldcorp who defined several camp-scale targets which were undrilled due to a change in corporate focus. Prior to Newmont Goldcorp, the Illaara greenstone belt was held predominantly by iron ore explorers and has seen minimal gold and base metal exploration since the 1990s. The project contains several drill ready gold targets and known VMS horizons which could produce exciting drill targets with the efficient and effective application of modern exploration technology.

Rocky Dam Au-Cu-Zn Project:

The Rocky Dam Au Project is located 45kms east of Kalgoorlie-Boulder in the world class Eastern Goldfields Superterrane of Western Australia. The Project is prospective for typical Archean mesothermal lode gold deposits and Cu-Zn VMS mineralisation.

The project has known gold and VMS occurrences with drill ready gold targets based on 1990s mineralised gold intercepts which have not been followed up.

