

14 August 2019

## DRILLING UPDATE & STRATEGIC EXPANSION OF KIMBERLEY GROUND POSITION

### HIGHLIGHTS

- **Heritage and Environmental Surveys completed, approval received from Department of Defence, only awaiting Program of Works for drilling to commence at Tarraji-Yampi.**
- **Wombarella Project acquired for 16 million Dreadnought shares and \$20,000 cash. Wombarella contains the Marboo Formation with outcropping Mafic-Ultramafic Intrusions prospective for Ni-Cu-PGE and Whitewater Volcanics prospective for Cu-Zn-Pb-Ag VMS.**
- **Consolidated the South Kimberley Project being a significant land position prospective for Proterozoic Cu-Au, Cu-Zn-Pb-Ag VMS and Magmatic Ni-Cu-PGE massive sulphides. The South Kimberley Project contains historic Cu-Au occurrences similar to those seen within the Tarraji-Yampi Project.**

Dreadnought Resources Ltd (“Dreadnought” or “the Company”) is pleased to provide an update on activities in the Kimberley Region of Western Australia. These include significant advancements on drilling approvals for the flagship Tarraji-Yampi Ni-Cu-Au Project (“Tarraji” or “the Project”), acquisition of the Wombarella Project and the consolidation of ~1,260 sq kms of ground covering the Marboo Formation and mafic-ultramafic intrusions which are highly prospective for IOCG, VMS and magmatic nickel sulphide mineralisation in the South Kimberley (see Figure 2).



With all external surveys and approvals received, drilling is set to commence as soon as Program of Works approval is received from the Department of Mines, Industry Regulation Safety (“DMIRS”). Dreadnought is now the second largest tenement holder in the West Kimberley with ~2,290 sq kms. The West Kimberley is now almost entirely controlled by Buxton Resources (“Buxton”), Independence Group (“IGO”), Chalice Gold (“Chalice”) and Fortescue Metals Group (“FMG”).

**Figure 1: Gossanous barite-galena breccia outcrop from the Wombarella Project (Assays Pending)**  
**Photo Location: 712770E, 8102585N (GDA94 MGAz51)**

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**DIRECTORS**  
Paul Chapman Non-Executive Chairman  
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**CORPORATE STRUCTURE**  
Shares on Issue: 1,466M  
Market Cap: \$5.9M  
Share Price \$0.004  
Cash (30/6/19): \$0.65M

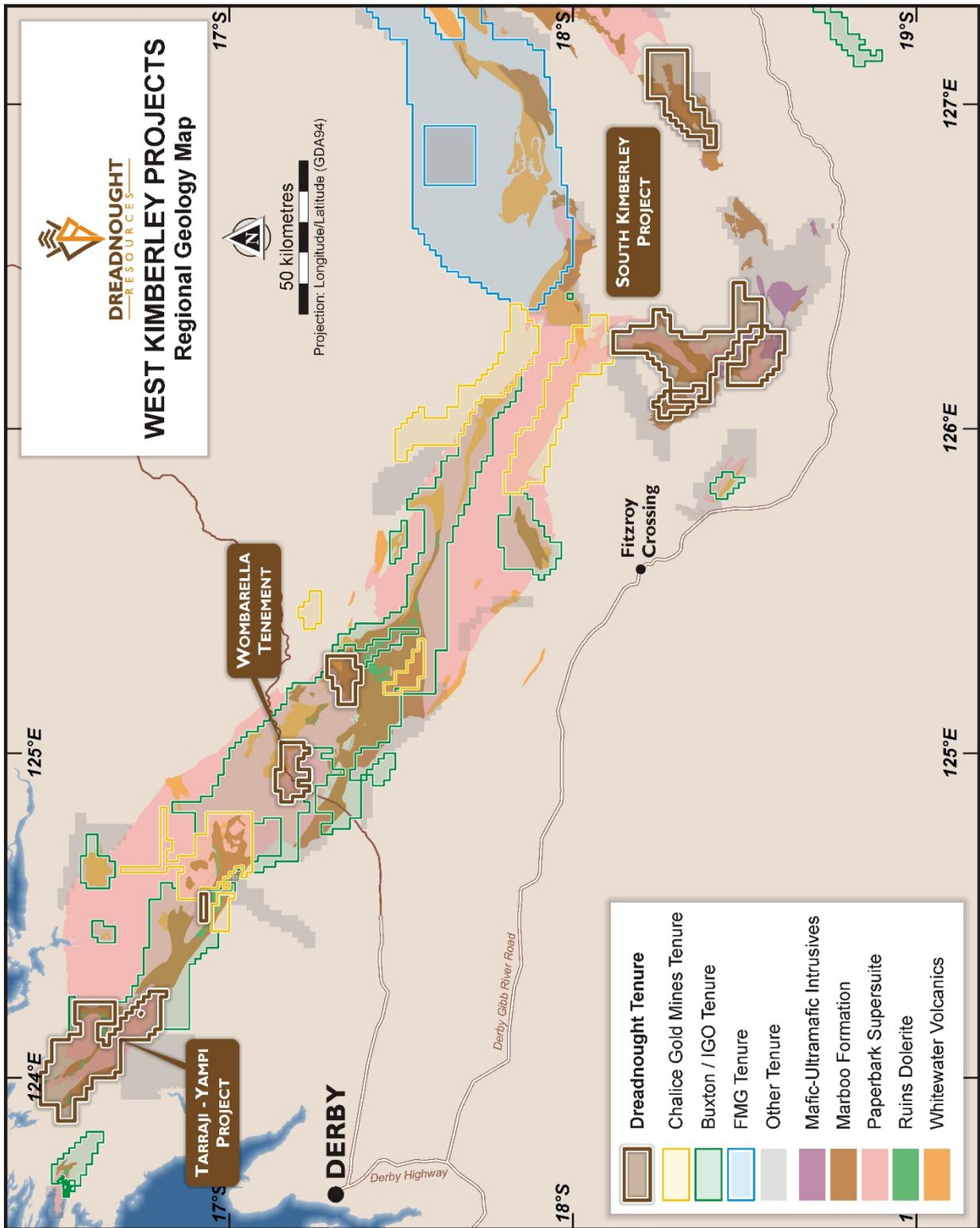


Figure 2: Regional map showing major tenement holders over the prospective Hooper Complex Geology



## **Drilling Update**

Stakeholders are supportive of the planned drilling activities at the priority Chianti Cu-Zn-Pb-Ag, Texas Ni-Cu-PGE and Grants Cu-Au targets. Approvals and surveys from important stakeholders have been received, including:

- Access and environmental approvals from the Department of Defence;
- Ethnographic and Archaeological Survey completed and drilling approval from the Dambimangari Aboriginal Corporation; and
- Environmental Fauna and Flora Survey.

With all supporting approvals and surveys in place, Dreadnought is only waiting on DMIRS to grant a Program of Works. Drill rigs and supporting logistics are scheduled to mobilise as soon the Program of Works approvals is received. The drilling program will test the priority Chianti Cu-Zn-Pb-Ag, Texas Ni-Cu-PGE and Grants Cu-Au targets.

Furthermore, our activities will create training and employment opportunities for the Dambimangari people being the traditional owners of the project area living near Derby. In addition to employment via Ethnographic and Archaeological Surveys, several trainees from the Dambimangari have been recruited as field hands with training and inductions to commence with the drill program. Furthermore, we will be utilising funding from the WA Government's highly successful Exploration Incentive Scheme ("EIS").

Dreadnought would like to acknowledge the assistance and support of our stakeholders including the Department of Defence, the Dambimangari Aboriginal Corporation, the GSWA/EIS area of the State Government and our shareholders for bringing us to this point.

## **Wombarella Project Acquisition**

Dreadnought has entered into a Sale and Purchase Agreement to acquire the Wombarella Project from Beau Resources Pty. Ltd. The Wombarella Project covers the outcropping Wombarella Mafic-Ultramafic Intrusions which are prospective for Ni-Cu-PGE mineralisation and the Whitewater Volcanics which are prospective for Cu-Zn-Pb-Ag VMS mineralisation. Further, there are magnetic anomalies underlying the Whitewater Volcanics which may be related to occurrences of Ruins Dolerite (Figure 3).

Wombarella straddles the Gibb River Road providing easy access and is located in the middle of Buxton and IGO's project areas. Wombarella is considered highly prospective and is an attractive and strategic addition to Dreadnought's Kimberley ground position.

Key terms of the Sale and Purchase Agreement include:

- Dreadnought to be 100% owner of the E04/2560
- \$20,000 cash (being reimbursement of tenement costs)
- Issue of 16 million fully paid ordinary shares by Dreadnought
- 1% Gross Revenue Royalty





## South Kimberley Project

In addition to the Wombarella acquisition, Dreadnought has applied for four new tenements in the South Kimberley (Figure 2). The tenements cover rocks of the Marboo formation and the Lamboo Mafic-Ultramafic Intrusions. The ground is considered prospective for Proterozoic Cu-Au, Cu-Zn-Pb-Ag VMS and Magmatic Ni-Cu-PGE massive sulphides.

There are several historic copper and gold occurrences within the project areas which are similar to those seen within the Tarraji-Yampi Project. These historical occurrences will be followed up and inspected on ground during the current dry season.

With these acquisitions, Dreadnought is the second largest tenement holder in the West Kimberley which has seen a lot of interest and ground acquisitions from IGO, FMG, Chalice and Buxton. Dreadnought will evaluate its land holdings in the region and seek the best strategy for advancing the projects as they grant.

## NEWSFLOW FOR THE REMAINDER OF 2019

- Late July/early August: Completed Illaara acquisition
- August: Completed Wombarella and South Kimberley acquisitions
- August: Receive approvals for drilling at Tarraji-Yampi
- Late August: Commence target definition exploration at Illaara
- August/September: Commence diamond drilling at the Tarraji-Yampi project
- September: Drilling assay results from the Tarraji-Yampi project
- August/September: Corporate roadshow
- September/October: Follow up drilling at Tarraji-Yampi, pending results
- October/December: Commence drilling at Illaara
- October/December: Commence Rocky Dam field exploration

Dreadnought looks forward to reporting a strong news flow for the remainder of 2019.

~Ends~

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## Competent Person's Statement

*The information in this Report 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 format 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-Pb-Zn-Ag 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-Pb-Zn-Ag VMS mineralisation.

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

