Suite 5/16 Nicholson Road,
Subiaco WA 6008
ABN: 40 119 031 864

www.dreadnoughtresources.com.au

29 October 2020

Dear Shareholder

Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting (Meeting) of Shareholders of Dreadnought Resources Limited (ABN 40 119 031 864) (Company) will be held at the Fellows Room, Trinity, 230 Hampden Road, Crawley, Western Australia 6009 on Monday, 30 November 2020 at 12.00 pm (AWST).

The Board has made the decision that it will hold a physical Meeting with the appropriate social gathering and physical distancing measures in place to comply with the Federal Government's and State Government's current restrictions for physical gatherings.

In accordance with subsection 5(f) of the Corporations (Coronavirus Economic Response) Determination (No. 3) 2020, the Company will not be dispatching physical copies of the Notice of Meeting (NOM). Instead, a copy of the NOM is available at https://www.dreadnoughtresources.com.au/investors/asx-announcements/.

As you have not elected to receive notices by email, a copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's share registry, Computershare Investor Services Pty Limited, using any of the following methods:

Online	At www.investorvote.com.au
By mail	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR code on your proxy form and follow the prompts

Your proxy voting instruction must be received by 12.00 pm (AWST) on Saturday, 28 November 2020, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

Circumstances relating to COVID-19 are changing rapidly. The Company will update shareholders if changing circumstances will impact planning or the arrangements for the Meeting by way of announcement on ASX and the details will also be made available on our website at www.dreadnoughtresources.com.au.

The Notice of Meeting (NOM) is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser. If you have any difficulties obtaining a copy of the NOM please contact the Company's share registry, Computershare Investor Services Pty Limited on, 1300 850 505 (within Australia) or +61 3 9415 4000 (overseas).

Yours sincerely,



Jessamyn Lyons
Company Secretary

Dreadnought Resources Limited
ACN 119 031 864

Notice of Annual General Meeting

Notice is given that the Annual General Meeting will be held at:

Time: 12:00 pm (WST)

Date: 30 November 2020

Place: Fellows Room
Trinity
230 Hampden Road
CRAWLEY WA 6009

Due to current COVID-19 restrictions, persons proposing to attend the Annual General Meeting in person are requested to contact the Company by email at jlyons@dreadnoughtresources.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

Important

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 12:00pm (WST) on 28 November 2020.

Business of the Meeting

Agenda

1. Financial Statements and Reports

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2020, which includes the Financial Report, the Directors' Report, the Remuneration Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

> *"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Annual Report for the financial year ended 30 June 2020."*

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or

(b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or

(b) the voter is the Chair and the appointment of the Chair as proxy:

  (i) does not specify the way the proxy is to vote on this Resolution; and

  (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Election of Director – Mr Ian Gordon

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of clause 14.2 of the Constitution, and for all other purposes, Ian Gordon, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

4. Resolution 3 – Ratification of previous issue of Shares – August 2020 Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 170,666,673 Shares to various sophisticated and professional investors on 12 August 2020 under ASX Listing Rule 7.1, on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any persons to whom Shares were issued, or any of their associates.

5. Resolution 4 – Ratification of prior issue of Shares under Placement – 7.1 Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 119,610,442 Shares to sophisticated and professional investors under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of the Shares, or any of their associates.

6. Resolution 5 – Ratification of prior issue of Shares under Placement – 7.1A Capacity

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,389,558 Shares to sophisticated and professional investors under ASX Listing Rule 7.1A on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of the Shares, or any of their associates.

7. Resolution 6 – Enable the issue of Options under an Employee Incentive Scheme – Dreadnought Employee Option Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.2 (Exception 13) and for all other purposes, approval is given to enable the Company to issue Options under the employee incentive scheme titled "Dreadnought Employee Option Plan", on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who is eligible to participate in the Dreadnought Employee Option Plan or any of their associates.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:

  (i) a member of the Key Management Personnel; or

  (ii) a Closely Related Party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(a) the proxy is the Chair; and

(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

8. Resolution 7 – Approval of issue of Options to Employee

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 2,500,000 Plan Options to Nick Chapman (or his nominee/s) under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Nick Chapman (or his nominee/s) or any of their associates.

9. Resolution 8 – Approval of issue of Options to Employee

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 3,000,000 Plan Options to Matthew Crowe (or his nominee/s) under ASX Listing Rule 7.1 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Matthew Crowe (or his nominee/s) or any of their associates.

10. Resolution 9 – Approval to issue Options to Paul Chapman under the Dreadnought Employee Option Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 5,479,452 Plan Options to Paul Chapman (or his nominee/s), on the terms and conditions set out in the Explanatory Statement"

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Dreadnought Employee Option Plan, or an associate of those persons.

Voting Prohibition Statement: A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

(a) the proxy is either:
  (i) a member of the Key Management Personnel; or
  (ii) a Closely Related Party of such a member; and

(b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

(a) the proxy is the Chair; and

(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. Resolution 10 – Approval of 10% Issuance Capacity

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Dated: 28 October 2020
By order of the Board



Jessamyn Lyons
Company Secretary

Voting Exclusion Statements

Each Voting Exclusion Statement that applies to a Resolution as noted in the Agenda, does not apply to a vote cast in favour of that Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or

(b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

(i) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Attendance and voting in person

Due to current government guidelines regarding COVID-19, persons proposing to attend the Annual General Meeting in person are requested to contact the Company by email at jlyons@dreadnoughtresources.com.au at least 3 Business Days prior to the Meeting, so that appropriate arrangements can be made.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

(a) each Shareholder has a right to appoint a proxy;

(b) the proxy need not be a Shareholder; and

(c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

(a) if proxy holders vote, they must cast all directed proxies as directed; and

(b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6245 2050.

Explanatory Statement

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. The Company will not provide a hard copy of the Annual Report to Shareholders unless specifically requested to do so. The Annual Report is available on the Company's website at https://dreadnoughtresources.com.au/

There is no requirement for Shareholders to approve the Annual Report. However, the Chair will allow a reasonable opportunity for Shareholders to ask questions or make comments about the Annual Report and the management of the Company. Shareholders will also be given an opportunity to ask the auditor questions as permitted by the Corporations Act.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

The vote on Resolution 1 is advisory only and does not bind the Company or its Directors. However, the Board will actively consider the outcome of the vote and comments made by Shareholders on the Remuneration Report when reviewing the Company's future remuneration policies and practices.

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

3. Resolution 2 – Election of Director – Ian Gordon

3.1 General

The Constitution provides for the retirement by rotation of existing Directors and election of Directors.

Pursuant to the Constitution, a Director cannot hold office without re-election past the later of the third annual general meeting following their appointment or election, or for more than three years, at which time they must retire and are then eligible for election by Shareholders.

Mr Ian Gordon, having been a director of the Company since 21 December 2017 and last re-elected as a Non-Executive Director on 14 November 2018, will retire in accordance with the Constitution and, being eligible, seeks election from Shareholders.

3.2 Qualifications and other material directorships

Mr Gordon is a mining executive with extensive experience in transaction generation, project acquisition, mine development, and the management of public companies. Mr Gordon was formerly an Executive Director and Managing Director of Ramelius Resources for seven years, and Managing Director of Flinders Mines for two years. He holds a Bachelor of Commerce degree from Curtin University (WA).

Mr Gordon does not currently hold any other material directorships.

3.3 Independence

The Board considers that Mr Gordon is an independent director.

3.4 Board recommendation

The Board supports the election of Mr Gordon and recommends that Shareholders vote in favour of Resolution 2 because the Board considers that the experience, expertise and skills of Mr Gordon assist the Board in fulfilling its responsibilities.

4. Resolution 3 – Ratification of prior issue of Shares – August 2020 Placement

4.1 General

The Company announced on 5 August 2020 that it had conducted a placement of Shares to raise $1,536,000 at $0.009 per Share. On 12 August 2020, Company issued 170,664,673 Shares to sophisticated and professional investors (**August 2020 Placement Shares**).

The Company issued the August 2020 Placement Shares using its existing placement capacity under Listing Rule 7.1.

4.2 Listing Rules 7.1 and 7.4

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (**Placement Capacity**).

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

4.3 Effect of the Resolution

Resolutions 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the August 2020 Placement Shares.

If Shareholders approve Resolution 4, they will have ratified the issue of the August 2020 Placement Shares, and the issue of those Shares will no longer use up a portion of the Company's Placement Capacity, meaning the Company will have an increased ability to issue equity securities without seeking Shareholder approval.

If Shareholders do not approve Resolution 4, the issue of the August 2020 Placement Shares will continue to use up a portion of the Company's current Placement Capacity until the date that is 12 months from their date of issue, and the Company will therefore have a reduced ability to issue equity securities without seeking Shareholder approval until that time.

4.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 4 so the Company can preserve maximum flexibility in terms of its ability to issue equity securities under its Placement Capacity.

4.5 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to this Resolution:

(a) the Shares were issued to sophisticated and professional investors identified by the lead manager to the August 2020 Placement, Shaw and Partners, in consultation with the Directors. None of the subscribers were a related party of the Company, a member of the Company's Key Management Personnel, a substantial holder of the Company, adviser of the Company or any associate of any of those parties and issued more than 1% of the issued capital of the Company;

(b) the number of Shares issued was 170,666,673;

(c) the Shares were issued on the same terms and conditions as the Company's existing Shares;

(d) the Shares were issued on 12 August 2020;

(e) the Shares were issued for cash consideration of $0.009 per Share;

(f) the funds raised by the issue of the Shares were used for the costs of testing of gold and base metals targets at the Company's Illaara and Tarraji-Yampi Projects in the Kimberley; and

(g) the Shares were not issued pursuant to an agreement but the Company engaged Shaw and Partners as lead manager to the Placement. The Company paid Shaw and Partners fees of 6% of the amount raised under the August 2020 Placement.

5. Resolutions 4 and 5 – Ratification of prior issue of Shares under Placement – 7.1 and 7.1A capacity

5.1 General

On 22 October 2020, the Company announced it had received firm commitments from various sophisticated and professional investors for the issue of a total of 125,000,000 Shares at an issue price of $0.028 to raise $3,500,000 (before costs) (**Placement**).

It is expected that these Shares will be issued on 30 October 2020 with 119,610,442 Shares issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and 5,389,558 Shares issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1A (which was approved by Shareholders at the annual general meeting held on 28 November 2019).

The Placement was managed by Shaw and Partners (**Lead Manager**). The Lead Manager is to be paid a fee equivalent to 6% of the amount raised under the Placement.

Resolutions 4 and 5 seek Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of these Shares.

5.2 Resolution 4 – ASX Listing Rules 7.1 and 7.4

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4.2.

If Shareholders approve Resolution 4, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval as these Shares will no longer use up a portion of the 15% capacity limit.

If Shareholders do not approve Resolution 4, the issue of these Shares will continue to use up a portion of the Company's current Placement Capacity until that date that is 12 months from their date of issue, and the Company will therefore have a reduced ability to issue equity securities without seeking Shareholder approval until that time.

5.3 Resolution 5 – ASX Listing Rule 7.1A and 7.4

ASX Listing Rule 7.1A provides that in addition to issues permitted without prior shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to issue during the period for which the approval is valid a number of quoted equity securities which represents 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period as adjusted in accordance with the formula in ASX Listing Rule 7.1.

Where an eligible entity obtains shareholder approval to increase its placement capacity under ASX Listing Rule 7.1A then any ordinary securities issued under that additional placement capacity:

(a) will not be counted in variable "A" in the formula in ASX Listing Rule 7.1A; and

(b) are counted in variable "E",

until their issue has been ratified under ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1A) or 12 months has passed since their issue.

A summary of ASX Listing Rule 7.4 is set out in Section 4.2.

If Shareholders approve Resolution 5, the base figure (i.e. variable "A") in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval. It is

noted that the Company's ability to use the additional 10% placement capacity under Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 10 being passed at this Meeting.

If Shareholders do not approve Resolution 5, the issue of these Shares will continue to use up a portion of the Company's current Placement Capacity until that date that is 12 months from their date of issue, and the Company will therefore have a reduced ability to issue equity securities without seeking Shareholder approval until that time.

5.4 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolutions 4 and 5:

(a) the Shares are to be issued to sophisticated and professional investor clients of the Lead Manager, none of whom are a related party of the Company;

(b) 125,000,000 Shares are to be issued on the following basis:

(i) Resolution 4 (ASX Listing Rule 7.1): 119,610,442 Shares; and

(ii) Resolution 5 (ASX Listing Rule 7.1A): 5,389,558 Shares;

(c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(d) the Shares are expected to be issued on 30 October 2020;

(e) the Shares were issued for cash consideration at an issue price of $0.028per Share;

(f) the purpose of the issue of the Shares was to raise funds for RC and diamond drilling along the Metzke's Corridor including Metzke's Find, Longmore's Find, Metzke's South and SW – Illaara; to fund target generation at Lawrence's Find and Central Illaara; for project acquisitions and capital equipment; and general working capital; and

(g) the Shares were issued pursuant to a lead management mandate with Shaw and Partners, the material terms of which are set out in Section 5.1.

6. Resolution 6 - Enable the issue of Options under an Employee Incentive Scheme – Dreadnought Employee Option Plan

6.1 General

The Company obtained Shareholder approval to enable the issue of securities under its Employee Option Plan (**EOP**) as an exception to ASX Listing Rule 7.1 at an extraordinary general meeting held on 16 August 2019. The Company has amended the EOP to address some tax related matters since that approval. Resolution 6 seeks Shareholder approval to enable the issue of securities under the amended EOP as an exception to ASX Listing Rule 7.1.

The main purpose of the EOP is to enable the Company to offer an additional reward to Directors, employees and consultants for providing their dedicated and ongoing commitment and effort to the Company. The EOP is a reward plan designed to increase the motivation of the Company's personnel and create a stronger link between increasing Shareholder value and personnel reward.

6.2 Summary of terms of Employee Option Plan

A summary of the material terms of the EOP is set out at Schedule 1.

6.3 ASX Listing Rules 7.1 and 7.2 Exception 13

A summary of ASX Listing Rule 7.1 is set out at Section 5.2.

Certain issues of equity securities are exempt from the restrictions of ASX Listing Rule 7.1, and are effectively disregarded for the purposes of determining the number of equity securities that a listed company has issued within a 12 month period.

ASX Listing Rule 7.2 Exception 13 creates an exception from Listing Rule 7.1 for the issue of equity securities pursuant to an employee incentive scheme for a period of 3 years after either:

(a) the listing of the company, provided that the terms of the employee incentive scheme were summarised and the maximum number of equity securities proposed to be issued under the scheme were set out in the company's listing prospectus; or

(b) shareholders have approved the issue of securities under the employee incentive scheme being an exception from ASX Listing Rule 7.1, provided that the notice of meeting included a summary of the employee incentive scheme and certain required disclosures about the number of securities previously issued under the scheme and the maximum number that may be issued under the scheme.

The exemption is only available for the issue of equity securities under the employee incentive scheme up to the maximum number stated in the prospectus or notice of meeting, as applicable. The exemption also ceases to be available if there is a material change to the terms of the employee incentive scheme after shareholder approval has been obtained.

6.4 Effect of the Resolution

Resolution 6 seeks Shareholder approval for the issue of Options under the EOP to be an exception from Listing Rule 7.1 for a period of 3 years.

If Shareholders approve this Resolution, any issue of Options under the EOP over the 3 years after the date of the Meeting (up to the maximum number calculated as set out in Section 5.6(c)) will not use up a portion of the Company's Placement Capacity when that issue is made. This means that the Company will preserve its flexibility to issue equity securities without seeking Shareholder approval if and when it grants Options under the EOP.

It should be noted that if the Resolution is passed, the Company will only be able issue equity securities under the EOP to eligible participants who are unrelated parties without seeking prior Shareholder approval. Any proposed issue of Options to a Director or related party, or any of their associates, under the EOP will require prior Shareholder approval under ASX Listing Rule 10.14.

If Shareholders do not approve this Resolution, the Company may still decide in future to grant Options to eligible employees and consultants who are unrelated parties under the EOP, but each such issue will not be exempt from Listing Rule 7.1 and will use up a portion of the Company's Placement Capacity at the relevant time made (unless another exemption from Listing Rule 7.1 is applicable). The issue of Options under the EOP in those circumstances would therefore reduce the Company's ability to issue equity securities without seeking Shareholder approval.

6.5 Directors' recommendation

Directors are eligible to be offered Options under the EOP, however, any proposed grant of Options to a Director or their associates requires prior Shareholder approval under Listing Rule 10.14 before it can be made, and the passing of this Resolution will not enable the Company to issue any equity securities to a Director or their associates. The Directors recommend that Shareholders vote in favour of this Resolution.

6.6 Technical information required by Listing Rule 7.2 Exception 13

Pursuant to and in accordance with ASX Listing Rule 7.2 Exception 13, the following information is provided in relation to this Resolution:

(a) a summary of the EOP is set out at Schedule 1;

(b) the total number of Options granted under the EOP since it was last approved by Shareholders at a general meeting held on 16 August 2019 is:

(i) 30,000,000 options exercisable at $0.005 each on or before 9 September 2021 issued to the Managing Director on 16 August 2019. These Options were subsequently cancelled and replaced by the Options referred to at sub-paragraph (v) below with further Shareholder approval;

(ii) 10,500,000 Options exercisable at $0.005 each or before 30 June 2024, vesting immediately, issued on 16 August 2019;

(iii) 22,500,000 Options exercisable at $0.005 each on or before 30 June 2024, vesting in four quarterly tranches from 1 July 2019 to 30 June 2020, issued on 16 August 2019;

(iv) 10,000,000 Options exercisable at $0.008 each on or before 17 September 2024, vesting immediately, issued to the Exploration Manager on 17 September 2019; and

(v) 30,000,000 Options exercisable at $0.005 each on or before 9 April 2024, issued on 23 December 2019. These Options were issued on 23 December 2019 to the Managing Director, Dean Tuck, with Shareholder approval on the terms and conditions set out in the Notice of Meeting dated 22 November 2019.

The Options referred to in sub-paragraphs (i) to (iii) and (v) were issued to Directors with Shareholder approval under ASX Listing Rule 10.14 at Shareholders' meetings on either 16 August 2019 or 23 December 2019.

(c) the maximum number of Options to be issued under the EOP (other than issues approved by Shareholders under ASX Listing Rule 10.14) following approval under this Resolution at any given time, unless otherwise approved by Shareholders, will be 104,792,372 (being 5% of the number of the Company's fully paid ordinary shares on issue at the date of this Notice).

7. Resolutions 7 and 8 – Approval of issue of Options to Employees

7.1 General

On 12 October 2020, the Company agreed to offer Nick Chapman and Matthew Crowe, employees of the Company who are not related parties of the Company, 2,500,000 and 3,000,000 Options respectively under the EOP.

As the Company has amended the EOP since Shareholder approval was last obtained to allow issues of Options under the EOP as an exception to Listing Rule 7.1, the issue of these Options does not come within Exception 13 of Listing Rule 7.2.

The Company is seeking Shareholder approval for the issue of these Options under Listing Rule 7.1.

7.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out at Section 4.2.

7.3 Effect of the Resolutions

If Shareholders approve either or both Resolutions 7 and 8, the issue of the Options to the relevant employee will not use up any portion of the Company's Placement Capacity, meaning the Company will have an increased ability to issue equity securities without seeking Shareholder approval.

If Shareholders do not approve either of Resolutions 7 and 8, but Shareholders approve Resolution 6, the Company may decide to issue Options on the same or similar terms to Nick Chapman and Matthew Crowe under the EOP, which would also not use up any portion of the Company's Placement Capacity.

If Shareholders do not approve Resolutions 7 or Resolution 8, and also do not approve Resolution 6, the Company may instead consider alternative arrangements for an incentive component of their remuneration or decide to issue Options on the same or similar terms to Nick Chapman and Matthew Crowe out of its Listing Rule 7.1 capacity. Where an issue was made out of the Company's capacity under Listing Rule 7.1, the Company would have a reduced ability to issue equity securities without seeking Shareholder approval until either one year had passed after the issue of those Options or their issue was ratified by Shareholders.

7.4 Board recommendation

The Board recommends that Shareholders vote in favour of Resolutions 7 and 8 so the Company can preserve maximum flexibility in terms of its ability to issue equity securities under its Placement Capacity.

7.5 Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolutions 7 and 8:

(a) the persons to whom the Options are to be issued are Nick Chapman and Matthew Crowe (or their nominee/s);

(b) the number of Options to be issued is 2,500,000 to Nick Chapman and 3,000,000 to Matthew Crowe;

(c) the full terms of the Options are set out in Schedule 2;

(d) the Options will be issued no later than 3 months of the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules), and it is intended that the Shares will all be issued on the same date;

(e) the Options will be issued for nil cash consideration;

(f) the Options are to be issued as an incentive component to the relevant employee's remuneration. No funds will be raised by the issue of the Options; and

(g) the Options are not being issued pursuant to an agreement.

8. Resolution 9 – Approval to issue Options to Paul Chapman under the Dreadnought Employee Option Plan

8.1 General

A term of Paul Chapman's appointment as a director of the Company is that he is paid $36,000 in fees for the year ending 30 June 2021 (year ended 30 June 2020 $nil). Paul Chapman has elected to receive his remuneration for the financial year ending 30 June 2021 by way of an issue of Options. The Board resolved to grant Options to Paul Chapman (or his nominee/s) under the EOP on 1 July

2020, subject to obtaining Shareholder approval. The Meeting is the first opportunity for the Company to seek such Shareholder approval.

Resolution 9 seeks the required Shareholder approval for the issue of 5,479,452 Options each with an exercise price of $0.0098 (being a 40% premium to the Share price at the date of grant – $0.007 on 1 July 2020) to Mr Chapman (or his nominee/s) under Listing Rule 10.14.

8.2 Chapter 2E of the Corporations Act

The requirements of Chapter 2E of the Corporations Act are summarised at Section 6.2.

The issue of the Options constitutes giving a financial benefit. Mr Paul Chapman is a related party of the Company by reason of being a Director.

Section 211 of the Corporations Act provides that shareholder approval under section 208 is not required if the financial benefit to be provided to the related party is remuneration as an officer or employee of the company and to give remuneration would be reasonable given the circumstances of the company giving the remuneration and the related party's circumstances (including responsibilities involved in the office or employment).

In the circumstances, the Directors (other than Mr Chapman who did not participate in the decision due to his material personal interest) determined that the exception in section 211 of the Corporations Act applies in relation to the proposed issue of Options under this Resolution on the basis that the amounts being converted relate to remuneration with such remuneration within the thresholds authorised by Shareholders for payments to Non-Executive Directors and the deemed issue price of the Options was the value of the Options using the Black & Scholes option model at the date of grant.

8.3 Listing Rule 10.14

ASX Listing Rule 10.11 provides that a listed company must not issue equity securities without prior shareholder approval to a related party or an associate of a related party, or to various other categories of shareholder having a relationship of influence with the Company. ASX Listing Rule 10.12 Exception 8 makes an exception from ASX Listing Rule 10.11 for issues of equity securities to related parties who participate in the issue of securities under an employee incentive scheme with shareholder approval.

ASX Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

(a) a director;

(b) an associate of a director; or

(c) a person whose relationship with the company, or with a director or associate of a director, is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

Paul Chapman is a director of the Company and the proposed issue to him of the Options the subject of this Resolution falls within ASX Listing Rule 10.14.

8.4 Listing Rule 7.1

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Options to Paul Chapman (or his nominee/s) if approval is obtained under ASX Listing Rule 10.14, pursuant to Listing

Rule 7.2 exception 14. Accordingly, the issue of the Options, if approved, will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

8.5 Effect of the Resolution

If this Resolution is passed, the Company will be able to proceed with the issue of the Options the subject of this Resolution.

If this Resolution is not passed, the Company will not be able to proceed with the issue of the Options the subject of this Resolution and will likely be required to pay Paul Chapman his director fees in cash.

8.6 Board Recommendation

The Directors (other than Mr Chapman, who has a material personal interest in the outcome of the Resolution) recommend that Shareholders vote in favour of Resolution 9.

8.7 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with ASX Listing Rule 10.15, the following information is provided in relation to the issue of the Options the subject of Resolution 9:

(a) the Options will be issued to Paul Chapman (or his nominee(s));

(b) Paul Chapman is Non-Executive Chairman of the Company, and therefore is a related party of the Company;

(c) the maximum number of Options to be issued to be issued to Paul Chapman (or his nominee(s)) is 5,479,452;

(d) the current total remuneration package of Paul Chapman is as follows:

Salary (inclusive of superannuation)	$36,000 per annum
Other	Nil
Total	**$36,000.00** *Note: In the event Resolution 9 is passed, 5,479,452 Options will be issued in lieu of the cash salary amount*

(e) the Company has previously issued 7,500,000 Options (exercisable at $0.005 each on or before 30 June 2024, vesting in four quarterly tranches from 1 July 2019 to 30 June 2020) to Paul Chapman pursuant to Shareholder approval under Listing Rule 10.14 obtained on 16 August 2019. The deemed issue price of these Options was $0.0048, with the total amount being equal to Paul Chapman's director fees for the period 1 July 2019 to 30 June 2020 ($36,000). The Options were issued to Paul Chapman in lieu of being paid his director fees in cash;

(f) the terms and conditions of the Options are set out in Schedule 2;

(g) the Options are being issued as an alternative to payment of the cash fees payable to Paul Chapman for the financial year ending 30 June 2021. The Company considers this reasonable in the circumstances as the quantity of Options being issued has been determined using the value of those Options at the grant date as further described in Section 7.7(i);

(h) offered as an incentive-based component of Mr Chapman's remuneration package. The

Company has chosen to issue Options as it considers that a performance-linked incentive component to his remuneration will motivate and reward his performance in the achievement of the vesting conditions within the relevant time periods. This is also considered a cost-effective remuneration practice, and is considered reasonable given the vesting conditions will align the interests of Mr Chapman with those of Shareholders;

(i) based on an in-house non-independent valuation, the value the Company attributes to the Options using the Black & Scholes Option Model as at the date of grant (1 July 2020) is:

Variable	
Valuation (Grant) Date	1 July 2020
Share price (at valuation (grant) date)	$0.007
Exercise price (40% premium to Share price at grant date)	$0.0098
Term (years)	5
Risk free interest rate (RBA interest rate of 5 year government bond)	0.42%
Volatility (expected) (based on previous 5 year movement)	173%
Value ($) (per Option)	**$0.00657**
Quantity	5,479,452
Total value ($)	**$36,000**

(j) the Options will be issued as soon as practicable after the date of the Meeting but in any case no later than 3 years after the date of the Meeting, and it is intended that the Options will all be issued on the same date;

(k) the issue price of the Options is nil as no cash will be paid for the Options, however, the Options are being issued in lieu of director fees and have a deemed issue price of $0.00657 per Option for a total of $36,000;

(l) the terms and conditions of the EOP are summarised at Schedule 1;

(m) no loan will be made in respect of the issue of the Options;

(n) any securities issued under the EOP will be published in the Company's annual report relating to the period in which they are issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14; and

(o) any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the EOP after the Resolution is approved and who were not named in the Notice will not participate until approval is obtained under that Rule.

9. Resolution 10 – Approval of 10% Issuance Capacity

9.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An "eligible entity" means an entity which is not included in the S&P/ASX300 Index and which has a market capitalisation of $300 million or less. The Company is an eligible entity for these purposes.

Resolution 10 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without Shareholder approval (**Additional Issuance Capacity**).

If Resolution 10 is not passed, the Company will not be able to access the Additional Issuance Capacity and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

The Board considers it is in the Company's best interests to have the opportunity to take advantage of the flexibility to issue additional securities provided under ASX Listing Rule 7.1A. As at the date of this Notice, no decision has been made by the Board to undertake any issue of securities under the Additional Issuance Capacity if Shareholders approve Resolution 10. The Board unanimously recommend that Shareholders vote in favour of Resolution 10.

The information below provides more background on ASX Listing Rule 7.1A and the disclosure required by ASX Listing Rule 7.3A.

9.2 Description of ASX Listing Rule 7.1A

(a) **Securities which may be issued under the Additional Issuance Capacity**

Under the Additional Issuance Capacity, the Company must issue Equity Securities belonging to an existing quoted class of the Company's Equity Securities. As at the date of this Notice, the Company has on issue one class of quoted Equity Securities, being fully paid ordinary shares (ASX Code: DRE).

(b) **Minimum issue price**

Equity Securities issued under the Additional Issuance Capacity must be issued for cash consideration per security which is not less than 75% of the volume weighted average market price for the securities in that class, calculated over the 15 ASX trading days on which trades of securities in that class were recorded immediately before:

(i) the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or

(ii) if the securities are not issued within 10 ASX trading days of the date in paragraph (i) above, the date on which the securities are issued.

The Company will disclose this information when Equity Securities are issued under the Additional Issuance Capacity.

(c) **Period for which approval will be valid**

Shareholder approval of the Additional Issuance Capacity will be valid for the period commencing on the date of the Meeting and expiring on the first to occur of the following:

(i) the date that is 12 months after the date of the Meeting; or

(ii) the time and date of the Company's next annual general meeting; or

(iii) if the Company receives Shareholder approval for a proposed transaction under ASX Listing Rule 11.1.2 (significant change to the nature or scale of activities) or ASX Listing Rule 11.2 (disposal of main undertaking), the time and date of that approval,

(Additional Issuance Period).

(d) **Dilution risks**

If Equity Securities are issued under the Additional Issuance Capacity, there is a risk of economic and voting dilution of existing Shareholders, including the following risks:

(i) the market price for Equity Securities in the class of securities issued under the Additional Issuance Capacity may be significantly lower on the issue date than on the date of the approval under ASX Listing Rule 7.1A (that is, the date of the Meeting, if Resolution 10 is approved); and

(ii) the Equity Securities may be issued under the Additional Issuance Capacity at a discount to the market price for those Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the potential dilution of existing Shareholders on the basis of the market price of Shares and the number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A.2, both as at 15 October 2020.

The table also shows:

(i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at 15 October 2020. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and

(ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 15 October 2020.

Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2)	**Dilution**			
	Issue Price (per Share)	**$0.0165 50% decrease in Issue Price**	**$0.033 Issue Price**	**$0.0495 50% increase in Issue Price**
2,230,847,441 (Current Variable A)	**Shares issued - 10% voting dilution**	223,084,744	223,084,744	223,084,744
	Funds Raised	$3,680,898	$7,361,797	$14,723,593
3,346,271,162 (50% increase in Variable A)	**Shares issued – 10% voting dilution**	334,627,116	334,627,116	334,627,116
	Funds Raised	$5,521,347	$11,042,695	$22,085,390
4,461,694,882 (100% increase in Variable A)	**Shares issued – 10% voting dilution**	446,169,488	446,169,488	446,169,488
	Funds Raised	$7,361,797	$14,723,593	$29,447,186

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 2,230,847,441 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 15 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the Additional Issuance Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.

5. The issue of Equity Securities under the Additional Issuance Capacity consists only of Shares and the consideration provided for those Shares is cash. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

Shareholders should note that there is a risk that:

(i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and

(ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Purpose of issues under Additional Issuance Capacity**

The Company may issue Equity Securities under the Additional Issuance Capacity to raise cash to fund the following:

(i) general working capital expenses;

(ii) activities associated with its current business;

(iii) repayment of debt; or

(iv) the acquisition of new assets and investments (including any expenses associated with such an acquisition).

The Company will comply with the disclosure requirements of ASX Listing Rule 7.1A.4 on issue of any Equity Securities pursuant to the approval sought by Resolution 10.

(f) **Allocation policy under Additional Issuance Capacity**

The Company's allocation policy and the identity of the recipients of Equity Securities issued under the Additional Issuance Capacity will be determined on a case-by-case basis at the time of issue and in the Company's discretion.

No decision has been made in relation to an issue of Equity Securities under the Additional Issuance Capacity, including whether the Company will engage with new investors or existing Shareholders, and if so the identities of any such persons.

However, when determining the allocation policy and the identity of the recipients, the Company will have regard to the following considerations:

(i) prevailing market conditions;

(ii) the purpose for the issue of the Equity Securities;

(iii) the financial situation and solvency of the Company;

(iv) impacts of the placement on control;

(v) other methods of raising capital; and

(vi) advice from corporate, financial and broking advisers (if applicable).

Recipients may include existing Shareholders or new investors, but not persons who are related parties or associates of related parties of the Company. If the issue is made in connection with the acquisition of assets, the recipients may be the sellers of those assets.

(g) **Previous issues under the Additional Issuance Capacity**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 November 2019 (**Previous Approval**).

The Company has issued 23,095,243 Shares and proposes to issue a further 5,389,558 Shares pursuant to the Previous Approval in the 12 months prior to the date of the Meeting. This represents approximately 1.69% of the total Shares on issue at the commencement of that 12 months period (being 1,686,101,396 Shares). The issue of 23,095,243 Shares was ratified by Shareholders under Listing Rule 7.4 on 23 December 2019 and the proposed issue of 5,389,558 Shares is the subject of Resolution 5.

Further details of the issues of Equity Securities by the Company under Listing Rule 7.1A during the 12 month period preceding the date of the Meeting are set out below:

Date **Quantity** **Class**	**Recipients**	**Issue price and discount to Market Price (if applicable)[1]**	**Form of consideration**
27 November 2019 23,095,243 Shares[2]	Issued to sophisticated and professional investor who were known to the Company. None of the allottees was a related party of the Company.	$0.0063 per Share (discount of 10% to Market Price). Shares closed at $0.007 on the last trading day prior to the date of issue.	**Amount raised** = $145,500 **Amount spent** = All **Use of funds:** Drilling at Illara Gold-VMS Project **Amount remaining** = Nil **Proposed use of remaining funds:** Not applicable
30 October 2020* 5,389,558 Shares[2] ** This issue has not occurred at the date of finalizing the Notice but is expected to be issued prior to the Meeting. Please refer to Section 5.1 for further details.*	Issued to sophisticated and professional investor who were known to the Company. None of the allottees was a related party of the Company.	$0.028 per Share (discount of 10% to Market Price). Shares closed at $0.029 on the last trading day prior to the date of announcement of the capital raising.	**Amount raised** = $150,908 **Amount spent** = Nil **Use of funds:** Not applicable **Amount remaining** = $150,908 **Proposed use of remaining funds:** Please refer to Section 5.4(f).

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities or the announcement of the capital raising as noted in the table above.

2. Fully paid ordinary shares in the capital of the Company, ASX Code: DRE (terms are set out in the Constitution).

9.3 Voting exclusion

At the time of dispatching this Notice, the Company is not proposing to make an issue of Equity Securities under the Additional Issuance Capacity, and a voting exclusion statement is therefore not included in this Notice.

Glossary

$ means Australian dollars.

Additional Issuance Capacity has the meaning given in Section 7.1.

Annual General Meeting or **Meeting** means the annual general meeting of the Company convened by this Notice.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2020.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Auditor's Report means the auditor's report on the Financial Report

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

(a) a spouse or child of the member;

(b) a child of the member's spouse;

(c) a dependent of the member or the member's spouse;

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;

(e) a company the member controls; or

(f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of closely related party' in the Corporations Act.

Company means Houston Dreadnought Resources Limited (ACN 119 031 864).

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Employee Option Plan or **EOP** means the Dreadnought Employee Option Plan the subject of Resolution 6 as summarised in Schedule 1.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Plan Options means the Options the subject of Resolutions 7, 8 and 9 having the terms and conditions set out in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's Report.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

WST means Western Standard Time as observed in Perth, Western Australia.

Schedule 1 – Summary of key terms of the Dreadnought Employee Option Plan

The principal terms of the EOP are summarised below.

(a) **Eligibility**

The Directors, at their discretion, may issue Option to Employees at any time, having regard to relevant considerations such as the Employee's past or potential contribution to the Company and their period of employment with the Company.

Participants in the EOP are full time-time or part-time employees of the Company or a related body corporate (which includes Directors and the Company Secretary and officers) or such other persons as the Board determines, or their permitted nominees. The Company will seek shareholder approval for Director and related party participation in accordance with Listing Rule 10.14.

(b) **Issue Price**

Options must be granted for nil monetary consideration or no more than nominal monetary consideration.

(c) **Exercise**

The exercise price of the EOP Options shall be determined by the Board in its discretion.

The Company must take reasonable steps to ensure that the number of Shares to be received on exercise of the Options when aggregated with:

- the number of Shares in the same class issued during the previous 5 years under the EOP (or any other incentive plan extended only to employees);
- the number of Shares in the same class that would be issued if each outstanding offer for Shares (including options to acquire unissued Shares) under any incentive plan of the Company were to be exercised or accepted; and
- does not exceed 5% of the total number of issued Shares at the time the invitation to acquire Options is made (but disregarding any offer of Options that can be disregarded in accordance with relevant ASIC class order or legislative instruments).

The Shares to be issued on exercise of the Options will be issued on the same terms as the fully paid ordinary shares of the Company and will rank equally with all of the Company's then existing Shares.

An Option must be exercised (if at all) not later than its expiry date and may only be exercised at any time after the EOP Option has vested. The Board may determine (in its absolute discretion) any further conditions of exercise consistent with the terms of the EOP.

(d) **Vesting**

The Board may determine the time periods or performance hurdles after which the Options will vest and the percentage of Options issued which will vest at each particular time. The EOP provides for the release of vesting conditions at the Board's discretion in the event of a change of control of the Company.

(e) **Change of Control**

Upon the occurrence of a Change of Control Event, any unvested Options are deemed to automatically vest.

(f) **Cessation of Employment**

Unless the Board determines otherwise, an Employee who ceases to be an Employee by reason of retirement, permanent disability, redundancy or death, or is otherwise determined by the Board as a

good leaver (Good Leaver) is entitled to keep their vested Options that have not been exercised and any unvested Options as determined by the Board.

Unless the Board determines otherwise, all vested Options held by a person other than a Good Leaver (**Bad Leaver**) must be exercised by the earlier of their respective expiry date or the date that is 3 months after the person ceases to be an Employee. All unvested Options held by a Bad Leaver lapse upon cessation of that person's employment.

(g) **Quotation**

Options will not be listed for quotation. However, the Company will make application to ASX for official quotation of all Shares issued on exercise of the Options as soon as practicable after their Issue Date.

(h) **Transfer**

Options are only transferrable with the consent of the Board (which may be withheld in its absolute discretion) where the Participant ceases to be an Employee as a Good Leaver or by force of law upon death, to the Participant's legal personal representative or upon bankruptcy to the participant's trustee in bankruptcy.

(i) **Reorganisation of Capital**

If there is any reorganisation of the issued share capital of the Company, the rights of the EOP Option holder may be varied to comply with the Listing Rules which apply to a reorganisation of capital at the time of the reorganisation.

(j) **Participation rights**

There are no participation rights or entitlements inherent in the Options and Employees will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

Schedule 2 – Terms and Conditions of Plan Options

(a) **Plan Rules**

Each Option is issued subject to the rules of the Dreadnought Employee Option Plan and otherwise on the following terms and conditions.

(b) **Entitlement**

Subject to paragraph (m), each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(c) **Exercise Price**

Subject to paragraph (k), the amount payable upon exercise of Employee Option will be $0.01 (**Exercise Price**).

(d) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on:

(i) Resolutions 7 and 8: 1 October 2023; or

(ii) Resolution 9: 30 June 2025,

(**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **Vesting Conditions**

The Options will vest upon:

(i) Resolutions 7 and 8:

(A) as to 50%, 1 October 2021; and

(B) as to 50%, 1 October 2022; or

(ii) Resolution 9: in four equal tranches at the end of each calendar quarter commencing 1 July 2020,

(**Vesting Condition**).

(f) **Exercise Period**

The Options are exercisable at any time on and from the date the Vesting Condition is satisfied and on or prior to the Expiry Date (**Exercise Period**).

(g) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(h) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(i) **Timing of issue of Shares on exercise**

Following the Exercise Date and within the time period specified by the ASX Listing Rules, the Company will:

(i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under clause (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(j) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued Shares of the Company.

(k) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(l) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(m) **Adjustment for bonus issue**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(n) **No adjustment for pro-rata issues (except bonus issues)**

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, an Option does not confer the right to a change in Exercise Price.

(o) **Transferability**

The Options are not transferable other than in accordance with the EOP.

DREADNOUGHT
RESOURCES

Dreadnought Resources Limited
ABN 40 119 031 864

Need assistance?

Phone:
1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)

Online:
www.investorcentre.com/contact

YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **12:00 PM (AWST) on Saturday, 28 November 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative
If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 184799

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

SAMPLE ONLY

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with '**X**') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Dreadnought Resources Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** _____

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Dreadnought Resources Limited to be held in the Fellows Room, Trinity, 230 Hampden Road, Crawley, WA 6009 on Monday, 30 November 2020 at 12:00 AM (AWST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1, 6 and 9 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1, 6 and 9 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1, 6 and 9 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
1	Adoption of Remuneration Report	☐	☐	☐
2	Election of Director – Mr Ian Gordon	☐	☐	☐
3	Ratification of previous issue of Shares – August 2020 Placement	☐	☐	☐
4	Ratification of prior issue of Shares under Placement – 7.1 Capacity	☐	☐	☐
5	Ratification of prior issue of Shares under Placement – 7.1A Capacity	☐	☐	☐
6	Enable the issue of Options under an Employee Incentive Scheme – Dreadnought Employee Option Plan	☐	☐	☐
7	Approval of issue of Options to Employee - Nick Chapman	☐	☐	☐
8	Approval of issue of Options to Employee - Matthew Crowe	☐	☐	☐
9	Approval to issue Options to Paul Chapman under the Dreadnought Employee Option Plan	☐	☐	☐
10	Approval of 10% Issuance Capacity	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1	Securityholder 2	Securityholder 3	
			/ /
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	Date

Update your communication details *(Optional)*

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

Mobile Number	Email Address

SAMPLE ONLY