

Prospective Olympic Dam Style, Copper-Gold Tenements Granted

HIGHLIGHTS

- 2 mineral exploration tenements granted totalling 1479 km², prospective for Olympic Dam style, copper-gold mineralisation.
- Several semi-coincident large magnetic and gravity anomalies identified.
- Infill gravity surveys planned to define targets ahead of drill testing.

Petratherm Limited ("Petratherm" or "the Company") (ASX: PTR) is pleased to announce that it has been granted two tenements (EL6332 & EL6333) totalling 1479km² over a portion of the Mabel Creek Inlier of the Gawler Craton (Figure 1). A number of semi-coincident magnetic and gravity anomalies have been identified (Figures 2 & 3) over the new licence areas (refer to PTR ASX releases 05/12/18, 12/12/18 & 21/3/2019 for background). These geophysical features have potential to be due to hydrothermal iron-oxide systems. Mineralised examples of these occur along the eastern margin of the Gawler Craton of South Australia and include Olympic Dam, Carrapateena, Prominent Hill and most recently BHP's latest discovery at Oak Dam (Figure 1).

The Mabel Creek Inlier has only been lightly explored for IOCG style mineralisation, however a single hole drilled by BHP in 1992 (NC9202) testing a magnetic anomaly, 13 km south of EL 6332 intersected mineralised magnetite-amphibole-pyroxene rock containing significant concentrations of pyrite and pyrrhotite and disseminated chalcopyrite in massive magnetite (ref. SA Govt. Records ENV08647) (Figure 3). The hole contained broad zones (not true widths) of anomalous geochemistry including:

134m @ 626ppm Cu, 256ppm Pb, 593 ppm Zn from 96m.

Inc. 28m @ 0.14% Cu, 614ppm Pb, 0.23% Zn, 2 ppm Ag from 168m.

Anomalous rare earth elements were also present with values up to 1% Ce and La reported.

Goldsteam Mining subsequently drilled a line of five overlapping RC holes perpendicular to the strike of the magnetic anomaly in October 1999. Four holes intersected skarn alteration with a peak result in drillhole 99WS003 (not true width) of:

16m @ 0.57% Cu and 0.16% Ce+La from 184 m.

These results are characteristic of magnetite skarn alteration/mineralisation found in areas around Prominent Hill and other IOCG systems further to the south and provides evidence that IOCG style alteration/mineralisation is likely to continue through the region of Petratherm's new tenement areas.

Importantly, depth of the overlying cover sediments over the licence areas is minimal. Historical drilling in the records the top of the prospective basement, between 80 metres and 200 metres over the majority of the tenements.

The Company has started access arrangement works with stakeholders and once completed, plans undertake in-fill gravity surveying to aid definition and ranking of targets. It is anticipated this work will generate between 6 and 10 priority targets worthy of drill testing. Subject to stakeholder and government approval, the Company aims to begin drilling operations to test targets by late winter.

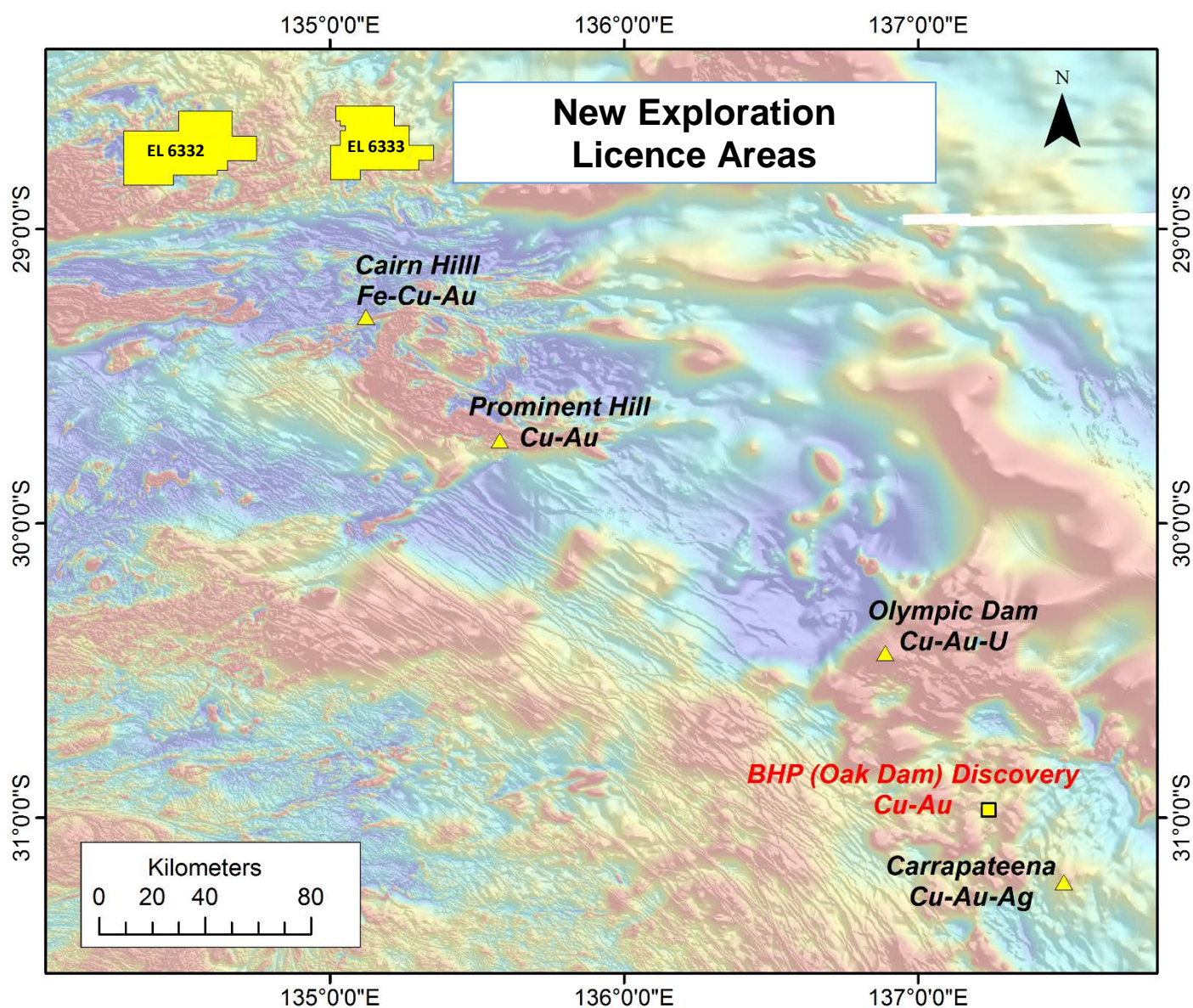


Figure 1 - Location map of major mines, the new BHP discovery (Oak Dam) and outline of the new tenement areas overlying a regional reduced to pole aeromagnetic image (compiled from Sth. Aust. Government data).

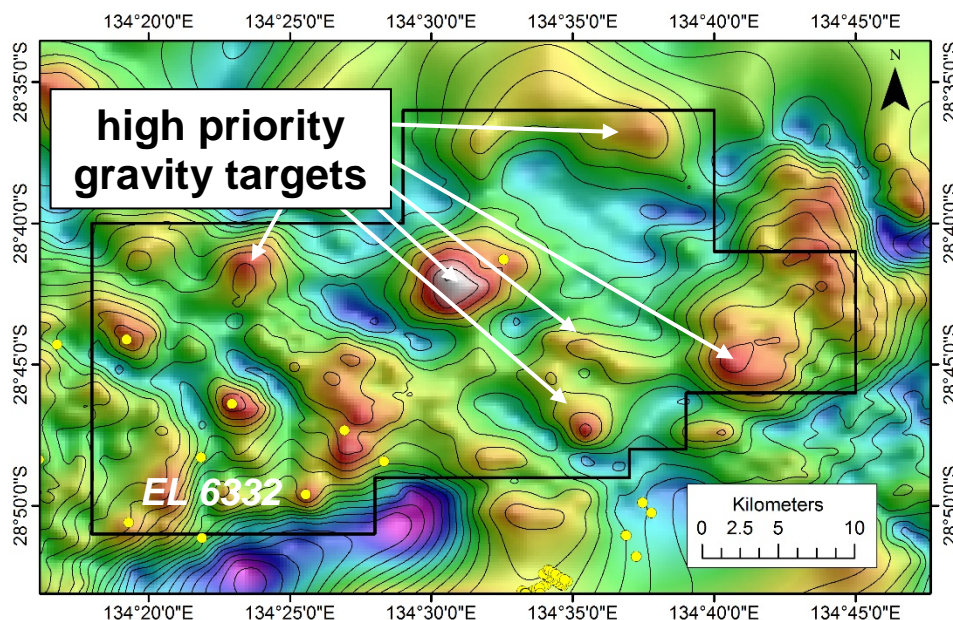


Figure 2 – Regional pseudo-colour residual gravity image with 1 milligal gravity contours over EL 6332. Historical drill hole collar positions shown as yellow dots. Several large gravity features are apparent, requiring follow up infill gravity surveying ahead of potential drill testing.

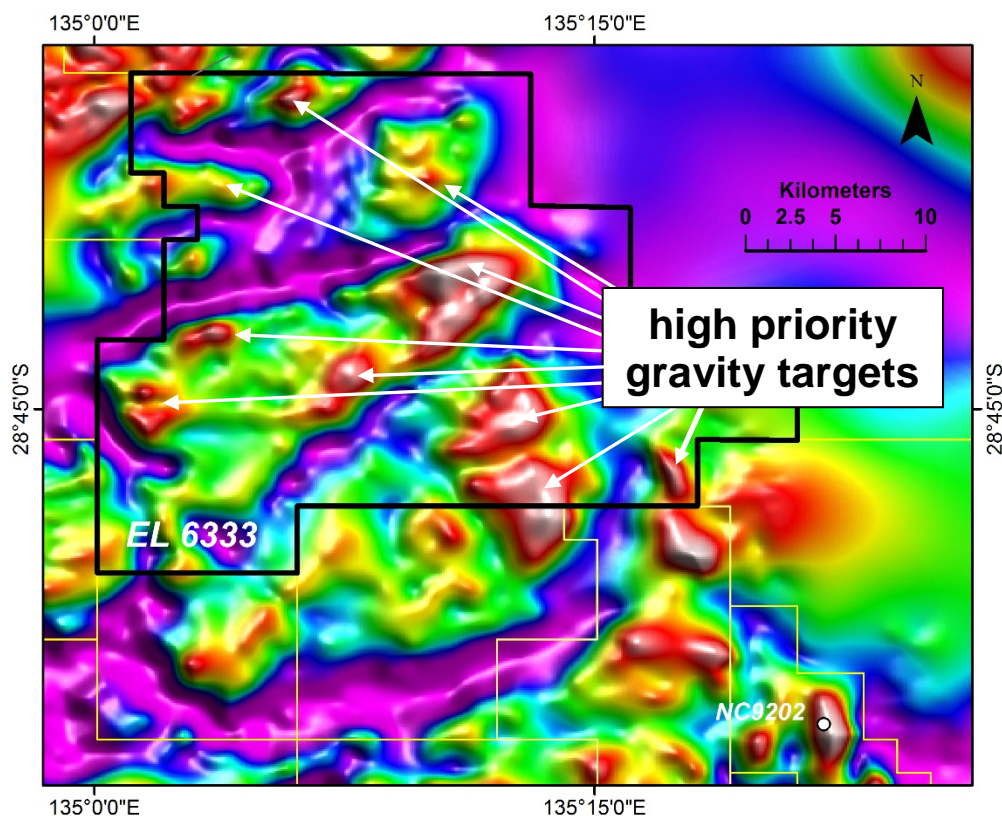


Figure 3 – Pseudo-colour residual gravity image over EL 6333 (compiled from Sth.Aust. Government data). Historical BHP drill hole collar (NC9202) shown, which intercepted anomalous geochemistry and alteration indicative of IOCG systems. Several large gravity features are apparent, requiring follow up infill gravity surveying ahead of drill testing.

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Competent Persons Statement: The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Mr Peter Reid, who is a Competent Person, and a Member of the Australian Institute of Geoscientists. Mr Reid is not aware of any new information or data that materially affects the historical exploration results included in this report. Mr Reid is an employee of Petrathern Ltd. Mr Reid has sufficient experience that 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 Reid consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.