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ASX ANNOUNCEMENT

3 December 2020

Petratherm acquires large tenure position in the Gawler Craton of South Australia prospective for Gold and Copper

HIGHLIGHTS

- Large 934 km² area acquired over the north eastern Gawler Craton, prospective for high-grade gold and Olympic Dam Style Copper and Gold
- Historical Target 14 Gold Prospect is open in all directions and offers an immediate drill ready target
- Company proposing to undertake a shallow RAB drill gold geochemical exploration program to overcome masking by transported cover.
- Several regional gravity anomalies identified on the eastern, down faulted side of the tenement, prospective for Olympic Dam Style Copper and Gold mineralisation.

Petratherm Limited (“Petratherm” or “the Company”) (ASX: PTR) is pleased to announce that it has secured a large exploration licence application area covering 934 km² (ELA 2020/0194 – “Gina Project”) over a portion of the North Eastern Gawler Craton of South Australia. The new tenement partly co-joins the Company’s existing Comet Gold Project, increasing its tenure position in the resurgent gold prospective province and extends eastwards over down-faulted zones that may be prospective for Olympic Dam Style copper and gold mineralisation (Figure’s 1 and 3).

Gold Potential

The western half of tenement application area covers a portion of the Archaean Mulgathing Complex, which is the host of numerous significant gold occurrences such as the Challenger gold deposit (1.1 Moz @ 5.1 g/t Au) and the Aurora Tank gold discovery (i.e. MEU ASX release 04/11/20).

The area includes the Target 14 Prospect (Figures 1 & 2) which was discovered in 2002 by Redport Limited during a regional reconnaissance RAB drilling program targeting a shear/fault structure interpreted from the regional aeromagnetic data. The prospect area is blanketed by sandy transported cover and no gold anomalism was identified from previous calcrete soil geochemical sampling. The drilling comprised vertical holes at 100 metre spacing along two short RAB drill traverses 1200 metres apart (Figure 2). On the south western line the last 2 eastern holes recorded

highly anomalous gold (Figure 2) with drill hole RED 16, at the end of the southern drilling traverse, intersecting 9 m @ 105 ppb Au from 32 metres to the end of hole (EOH) at 41 metres (refer to Appendix 1).

These drill intercepts are consistent with the magnitude of gold anomalism observed on the immediate fringe or in some weathered/leached portions of other primary gold occurrences found elsewhere in the northern Gawler Craton. The anomalous gold zone is open in all directions and follow up step out and infill drill testing is proposed.

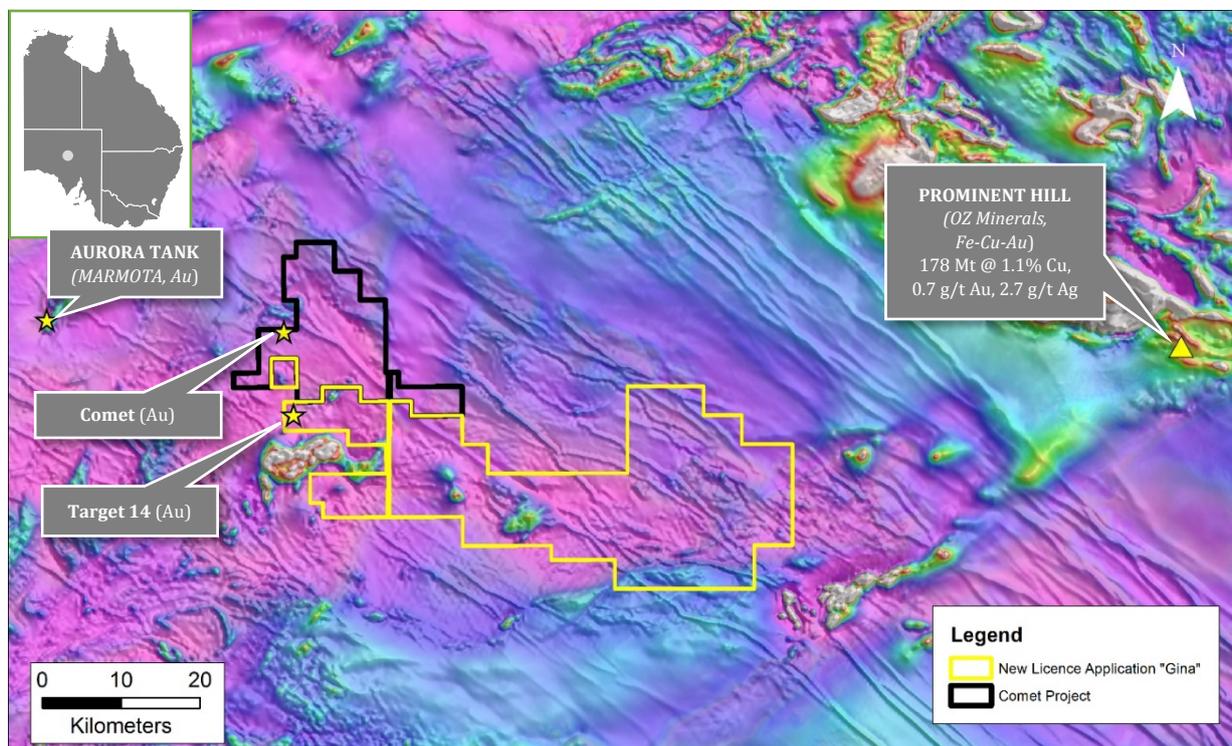


Figure 1: Aeromagnetic image over the north eastern Gawler Craton showing the Gina Tenement Application Area, Petratherm’s Comet tenement and mines/mineral prospects

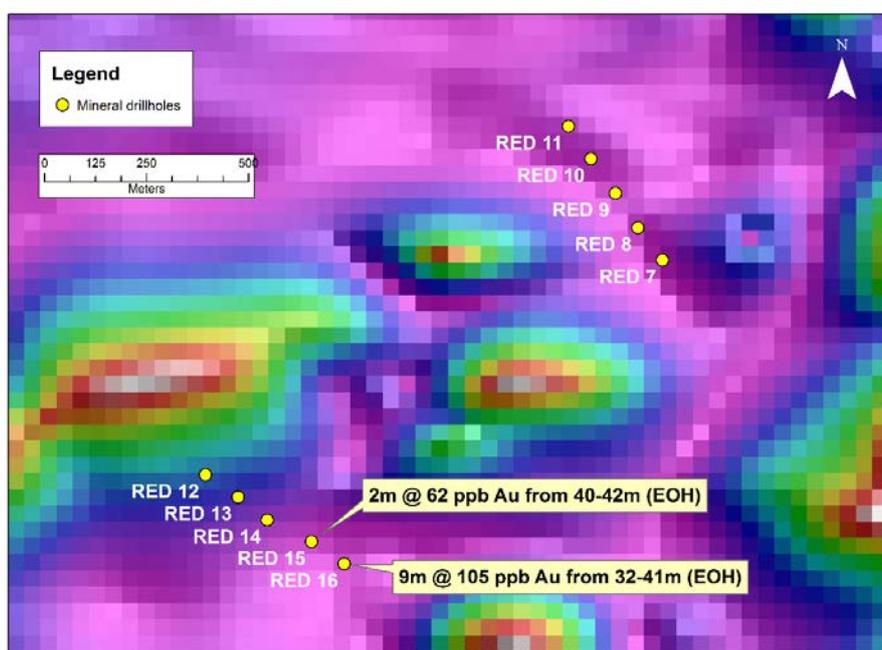


Figure 2 Target 14 Prospect – Historical vertical RAB drill collars and anomalous gold drill intercepts overlain on an aeromagnetic image. Note drill holes RED 15 & 16 ended in anomalous gold and is open at depth and to the southeast.

Iron Oxide Copper Gold (IOCG) Potential

On the eastern side of the new tenement application area, the basement terrain is down faulted by a series of major northwest trending faults forming a sub-basin, with the opposite, eastern up faulted edge defined by the Mt Woods Inlier (Figure 3). Perched on the eastern up faulted edge of the sub-basin, the world-class Prominent Hill Cu-Au deposit occurs (178 Mt @ 1.1% Cu, 0.7 g/t Au, 2.7 g/t Ag).

Petratherm postulate that these major extensional fault systems, and associated major transfer faults and splays, are critical to the localisation of IOCG style mineralisation and that the western edge of this faulted sub-basin may also be prospective for IOCG's. A number of regional gravity anomalies are evident from the open file South Australian Geological Survey data in the new application area (Figure 3) and warrant further investigation.

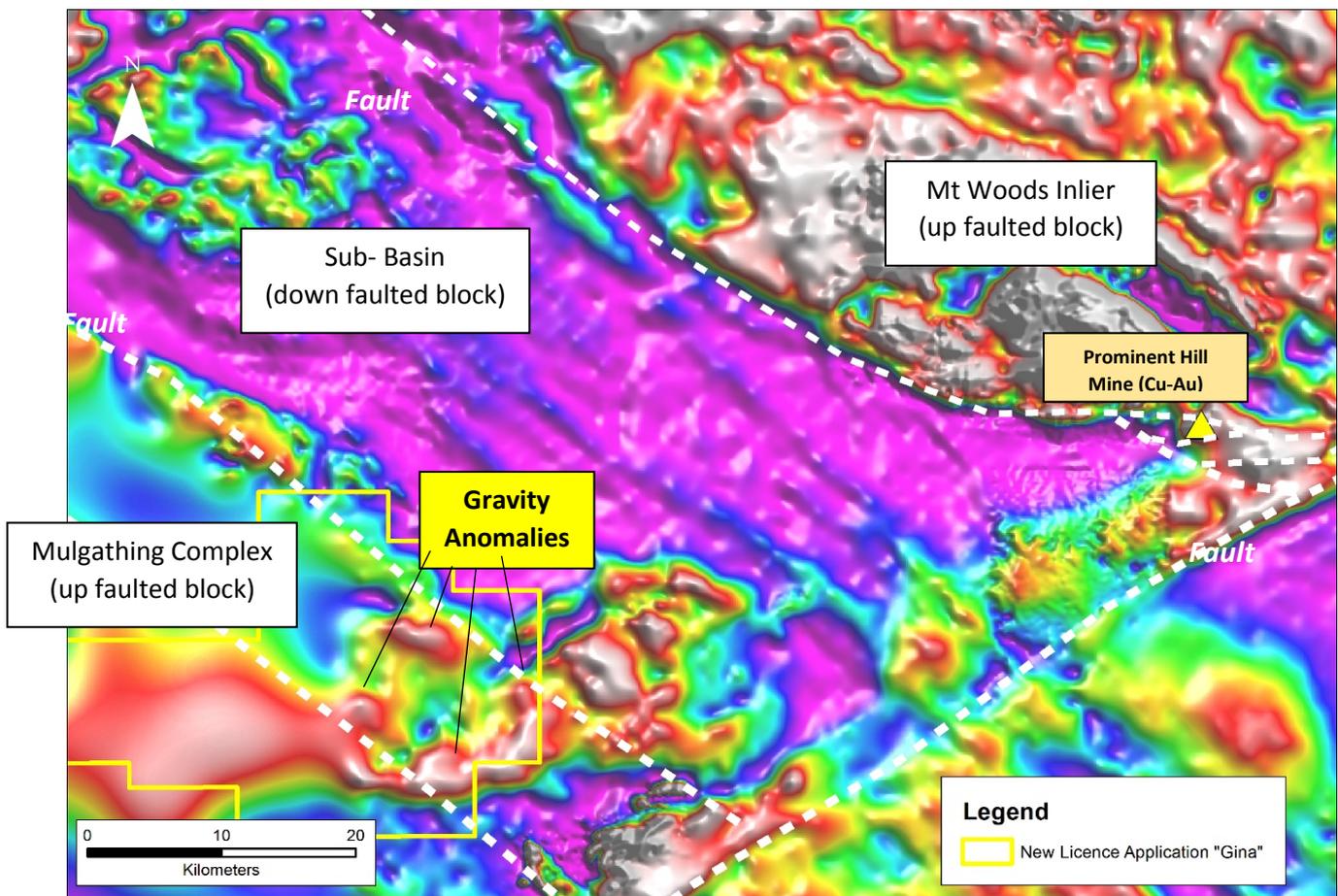


Figure 3 Residual Gravity Image of the eastern “Gina” Application and Prominent Hill Mine Area. Note schematic fault overlay (dashed lines) highlighting prominent NW trending down faulted zone defining a sub-basin. On the eastern faulted basin edge the Prominent Hill mine occurs and the Company aims to explore the opposing western faulted side where several regional gravity anomalies are evident.

Next Steps

Upon granting of the tenement (expected in April/May 2021), a priority for the Company, will be the follow up drill testing of the Target 14 Gold Prospect. The Company has an existing Native Title Mining Agreement in place with the Native Title Owners and anticipates a future drilling approval could be achieved quickly, soon after grant of the licence.

One of the key challenges for mineral explorers in the region has been the sandy transported cover masking any mineralisation which may occur in the older basement rock below. To overcome this the Company is proposing to undertake a regional geochemical sampling program using a light RAB drill rig mounted on a 4WD Toyota ute to drill

through the transported cover and sample directly the top of the highly weathered bedrock (saprolite) which occurs in most areas at 5 to 10 metres depth. The top of saprolite zone typically contains highly elevated remnant gold anomalism above any primary gold mineralisation in the fresh bedrock below.

For the eastern IOCG prospective areas the Company proposes as a first step to undertake infill gravity surveying of anomalous gravity areas to allow modelling and characterisation of prospective geophysical targets for later drill testing.

For further information, please contact:

Peter Reid, Exploration Manager, Tel: (08) 8133 5000

This ASX announcement has been approved by Petratherm's Board of Directors and authorised for release by Petratherm's Chairman Derek Carter

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 Petratherm 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.



Appendix 1: Summary Table of Historic Target 14 Prospect Drill Hole Details

Table 1A: Summary of Significant Drill Intervals – Target 14 Prospect

Hole ID	Prospect	From (metres)	To (metres)	Interval (metres)	Au (ppb)
RED 15	Target 14	40	42	2	62
RED 16	Target 14	32	41	9	105

Table 1B: Drill Collar locations for Target 14 Prospect.

Hole ID	Prospect	East	North	Collar dip (Deg)	Collar azimuth (Deg)	End of hole depth (Metres)
RED 7	Target 14	444010	6704130	90	0	60
RED 8	Target 14	443950	6704210	90	0	54
RED 9	Target 14	443895	6704295	90	0	54
RED 10	Target 14	443835	6704380	90	0	56
RED 11	Target 14	443780	6704460	90	0	45
RED 12	Target 14	442890	6703600	90	0	49
RED 13	Target 14	442970	6703545	90	0	30
RED 14	Target 14	443050	6703490	90	0	36
RED 15	Target 14	443150	6703435	90	0	42
RED 16	Target 14	443230	6703380	90	0	41

Notes for Tables 1A and 1B

1. Down hole lengths reported, and the true width of intercepts is not yet known
2. Significant results are shown for intercepts
3. Coordinates are in GDA 94 Z53
4. No elevation numbers were recorded

ELA 2020/0194 (Gina Project) JORC Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse Au that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> No drilling or sampling has been undertaken by Petratherm, although limited historical drilling and sampling exists. Historical sampling was undertaken using standard industry practices. Historical drill hole co-ordinates are in UTM grid (GDA94 Z53) and have been measured by hand-held GPS with a lateral accuracy of ± 4 metres and a vertical accuracy of ± 5 metres. Mineralised intersections were encountered but have not been reported as true widths due to insufficient data spacing and orientation relationship knowledge.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> Historic exploration drilling includes Rotary Air: RED07 - 16 (Redport, 2002). Additional details from historic drilling are unknown.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No drilling has been undertaken by Petratherm although limited historical drilling exists. Additional details from historic drilling are unknown.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> No drilling has been undertaken by Petratherm although limited historical drilling exists. Additional details from historic drilling are unknown.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	<ul style="list-style-type: none"> No drilling has been undertaken by Petratherm although limited historical drilling exists. Additional details from historic drilling are

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	unknown.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> No drilling has been undertaken by Petratherm although limited historical drilling exists. Additional details from historic drilling are unknown.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No drilling has been undertaken by Petratherm although limited historical drilling exists. Additional details from historic drilling are unknown.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> All maps and locations are in UTM grid (GDA94 Z53) and have been measured by hand-held GPS with a lateral accuracy of ± 4 metres and a vertical accuracy ± 5m.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> No drilling or sampling has been undertaken by Petratherm although limited historical drilling exists. Data spacing is insufficient to establish the degree of geological and grade continuity required for a Mineral Resource estimation.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> No drilling has been undertaken by Petratherm although limited historical drilling exists. The relationship between the drilling orientation and the orientation of key mineralised structures has not been confirmed.

Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> No sampling has been undertaken by Petratherm although limited historic sampling exists. Additional details from historic drilling are unknown.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No sampling has been undertaken by Petratherm although limited historic sampling exists. Additional details from historic drilling are unknown.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The application for ELA2020/0194 was received on the 31/11/2020. ELA2020/0194 is located approximately 80km south south-west of Coober Pedy overlapping McDouall Peak and Commonwealth Hill Pastoral Stations. The tenement is located within the Woomera Prohibited Area (Amber Zone) and the Far North Prescribed Wells Area. Native Title Claims: SCD2011/001 Antakirinja Matu-Yankunyjatjara. The tenement is in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous exploration work includes; Surface Geochemical Sampling: Calcrete Airborne Geophysics: Magnetics & Radiometrics. Ground Geophysics: Magnetics and Gravity. Exploration Drilling:, 16 Aircore, 5 Rotary Percussion, 17 Reverse Circulation & 3 Diamond.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Petratherm is primarily exploring for Orogenic Gold mineralisation (e.g. Challenger-style) within the Mulgathing Complex of the Gawler Craton, South

Criteria	JORC Code explanation	Commentary
		<p>Australia</p> <ul style="list-style-type: none"> • A second target is Iron-Oxide Copper Gold.
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • No drilling has been undertaken by Petratherm although limited historical drilling exists. • Additional details from historic drilling reported are shown in Appendix 1. Other additional details are unknown.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No drilling has been undertaken by Petratherm.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • No drilling has been undertaken by Petratherm.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • No drilling has been undertaken by Petratherm.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • No drilling has been undertaken by Petratherm.
Other substantive exploration data	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> • No other substantive exploration data has been collected by Petratherm.

Criteria	JORC Code explanation	Commentary
<i>Further work</i>	<ul style="list-style-type: none"> <li data-bbox="400 248 1070 342">• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <li data-bbox="400 342 1070 468">• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> <li data-bbox="1114 248 1477 468">• A range of exploration techniques are being considered to progress exploration including deep geochemical sampling, gravity surveying and drilling.