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ASX ANNOUNCEMENT

30 April 2021

Quarterly Activities Statement – March 2021

Highlights

- Sale of Victorian Gold Assets to publicly listed Canadian Company Outback Goldfields Corp., successfully completed. Petratherm's shareholders received an in-specie distribution of Outback Goldfields shares in April 2021.
- Drilling operations underway at Mabel Creek, South Australia, testing 4 targets for Olympic Dam Style Copper-Gold.
- Drilling will include follow up testing at the Area 5 target where pervasive Olympic Dam Style Copper-Gold alteration was encountered in 2020.
- Regional scale shallow RAB drilling program (approximately 800 holes) to explore for gold accumulations under shallow cover at the Comet Gold Project underway.
- Follow-up RC/diamond drilling of gold mineralisation at Comet Gold Prospect and potentially other gold prospect areas located from the regional RAB program scheduled to get underway from the second quarter of 2021.

Summary of Operations

Petratherm Limited ("the Company/ Petratherm") made significant progress during the quarter with drilling operations underway at the Mabel Creek Project testing multiple targets for Olympic Dam Style Copper-Gold; and at Comet Project, where a large scale regional RAB drilling program searching for gold anomalism is in progress.

Follow the recent sale of the Company's Victorian Gold Projects, the in-specie distribution of Outback Goldfields Corp. ("Outback") Shares to Petratherm's Shareholders was completed just after the reporting period on 21 April 2021. Petratherm's shareholders as at the in-specie distribution record date of 13 April 2021 collectively held a 57% ownership interest in Outback Goldfields. The sale unlocks the value the Victorian Gold Project Portfolio for Petratherm's shareholders and ensures these projects are well funded going forward. Outback Goldfields began large scale diamond drilling operations during the quarter.

The Company had exploration and evaluation costs of \$167,000 relating principally to the Mabel Creek and Comet Project Native Title surveying and start of drilling operations. Administration and corporate costs totalled \$109,000 and the Company held \$4,161,000 cash at the end of the quarter. A summary of exploration activities during the quarter is presented below.

In accordance with ASX Listing Rules Guidance Note 23, the aggregate amount of payments to related parties of the entity and their associates disclosed under section 6.1 of the Appendix 5B totalled \$20,000 and comprised of Director’s fees.

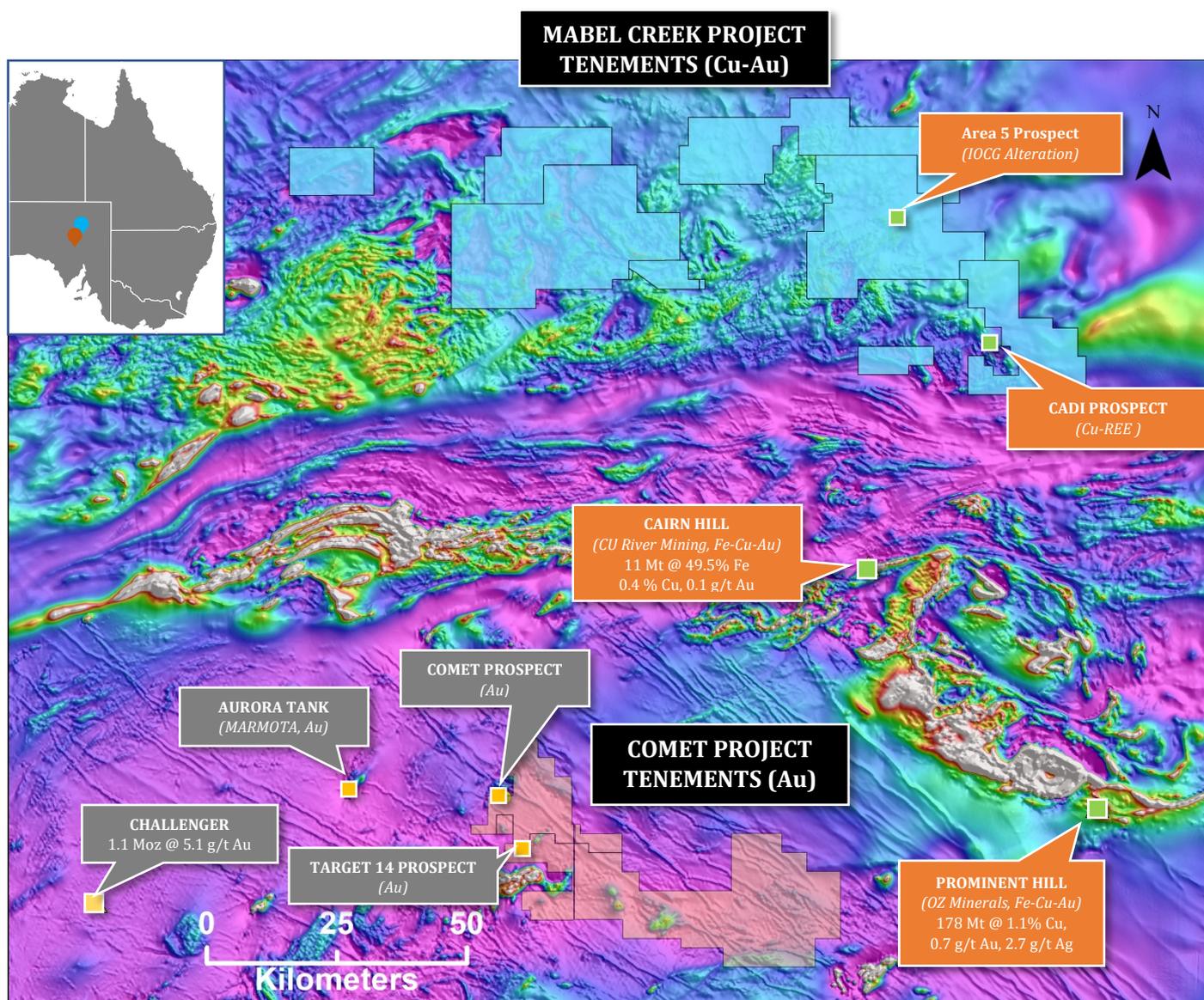


Figure 1 Regional Location Map showing Petratherm’s Project Areas, major mines and key prospects overlain on a Regional Aeromagnetic Image.

Victorian Gold Assets Sale

As previously announced on 12 October 2020 (ASX Announcement: Definitive Agreement Executed – sale of VIC gold assets), Petratherm executed a Definitive Agreement to sell the Company’s Victorian Gold Project Assets to Skarb Exploration Corp. (“Skarb”), a Canadian mineral exploration company listed on the Canadian Securities Exchange (“CSE”) (“Transaction”).

Prior to completion of the Transaction, Skarb changed its name to Outback Goldfields Corp. (“Outback Goldfields”), raised CAD\$11.406m through a non-brokered private placement of 57,030,000 shares at CAD\$0.20 and subsequently completed a 3:1 capital consolidation. Outback Goldfields’ trading symbol on the CSE is “OZ”.

The Transaction has resulted in Outback Goldfields acquiring the Company’s gold projects located in Victoria, Australia, comprising of the following assets:

- Yeungroon Gold Project (EL 6897 & ELA 7280)
- Silver Spoon Gold Project (ELA 6951)
- Glenfine Gold Project Farm-In & Joint Venture (EL 5434, EL 5537 & EL 5344)
- Ballarat West Gold Project (ELA 7276)

In return for the Project, Outback Goldfields issued 33,333,333 shares (“Consideration Shares”) to the Company. The Consideration Shares represent a 57% ownership interest in Outback Goldfields.

Following a 125-day Distribution Wait Period (a pre-condition of the sale agreement), the shares were distributed in-specie to Petratherm’s shareholders, in accordance with their shareholdings (record date 13 April) and was completed on the 21st of April.

In February, Outback Goldfields commenced diamond drilling at the Glenfine Project Area, central Victoria (Figure 2). The program is focused on targeting high-grade, quartz reef-hosted gold mineralization at two high priority targets, which have returned early encouraging drill results, and will total approximately 4000 metres of drilling (refer to PTR ASX release 08/07/2020). In addition, during the period geological crews began property-scale rock and soil sampling programs on the tenements and a large high-resolution, airborne magnetic surveying was completed on the Yeungroon Project Area (EL6897) to aid mapping of favourable structures under cover that may focus gold mineralisation. Additional detail of Outback Goldfields’ field program is available on their Company Website (www.outbackgoldfields.com/news/2021/).

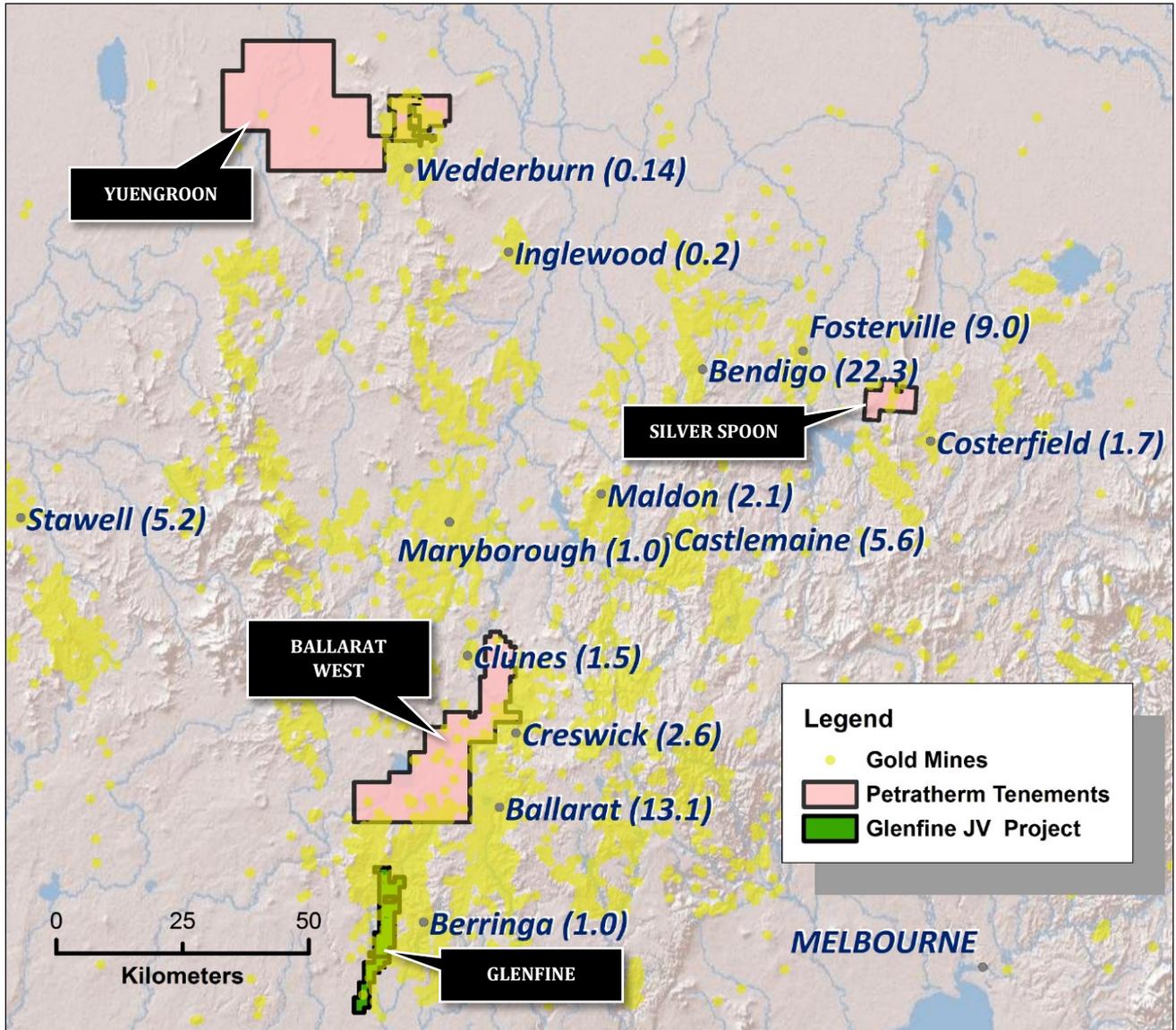


Figure 2 Map of Petratherm's Victorian Gold Assets, which have been sold to Outback Goldfields.

Mabel Creek Project

The Mabel Creek Project, 50 kilometres northeast of Coober Pedy in South Australia is prospective for Iron-Oxide Copper-Gold (IOCG) and related magnetite skarn copper and high value rare-earths. Petratherm has a large ground position with four tenements (EL's 6332, 6333, 6404 & 6405) totalling 2,852 km² (Figure 1). First pass drilling in March 2020 encountered pervasive IOCG alteration at the Company's Area 5 gravity target (Figure 3, refer to PTR ASX release 30/07/20) demonstrating the regions fertility for this style of mineralisation.

A Native Heritage survey was conducted in late January on the Arabana People's Native Title Lands which cover our eastern tenement areas and then in early February a second heritage survey on Antakirinja Matu-Yankunytjatjara Native Title Lands which cover the Western tenement areas was completed. The surveys successfully cleared large areas to allow drilling of multiple high priority Olympic Dam Style geophysical targets.

In Late March 2021, drilling operations began on Mabel Creek, to test 4 gravity/magnetic targets for IOCG and related styles of mineralisation. The drilling operations are likely to continue through to mid-May. Each of the Target Areas, have secondary drill targets that may be drill tested subject to early findings. Petratherm has secured South Australian Government (Accelerated Discovery Initiative) grant funding to a level of \$182,000 to assist the drilling operations.

Targets to be tested include:

- Area 5 – Target T5-02 - an intensely magnetic body adjacent to the MCDA5-01 drillhole which has an orientation at a high angle to most of the magnetic trends shown (T5-02 target, Figure 4) possibly indicating a favourable structural opening for mineralisation to focus. Target depth 400 metres.
- Area 5 – Target T5-03 - a prominent residual gravity high, within the broader strong 7mGal Area 5 Anomaly, and which also shows a low order magnetic anomaly (Figure 5). Target depth 400 metres.
- Area 13 – Target T13-01 – A strong gravity anomaly of approximately 6 milligals (Figure 6), situated along the faulted edge of the Mabel Creek Ridge (Figure 2). Target depth 500 metres.
- Area 15 – Target T15-01 - A discrete, combined magnetic and gravity, anomaly (Figure 7) located along a NNW trending structure (fault) and which occurs on the fringe of a broader zone of increased magnetic intensity. Modelled depth to target is 420 metres.

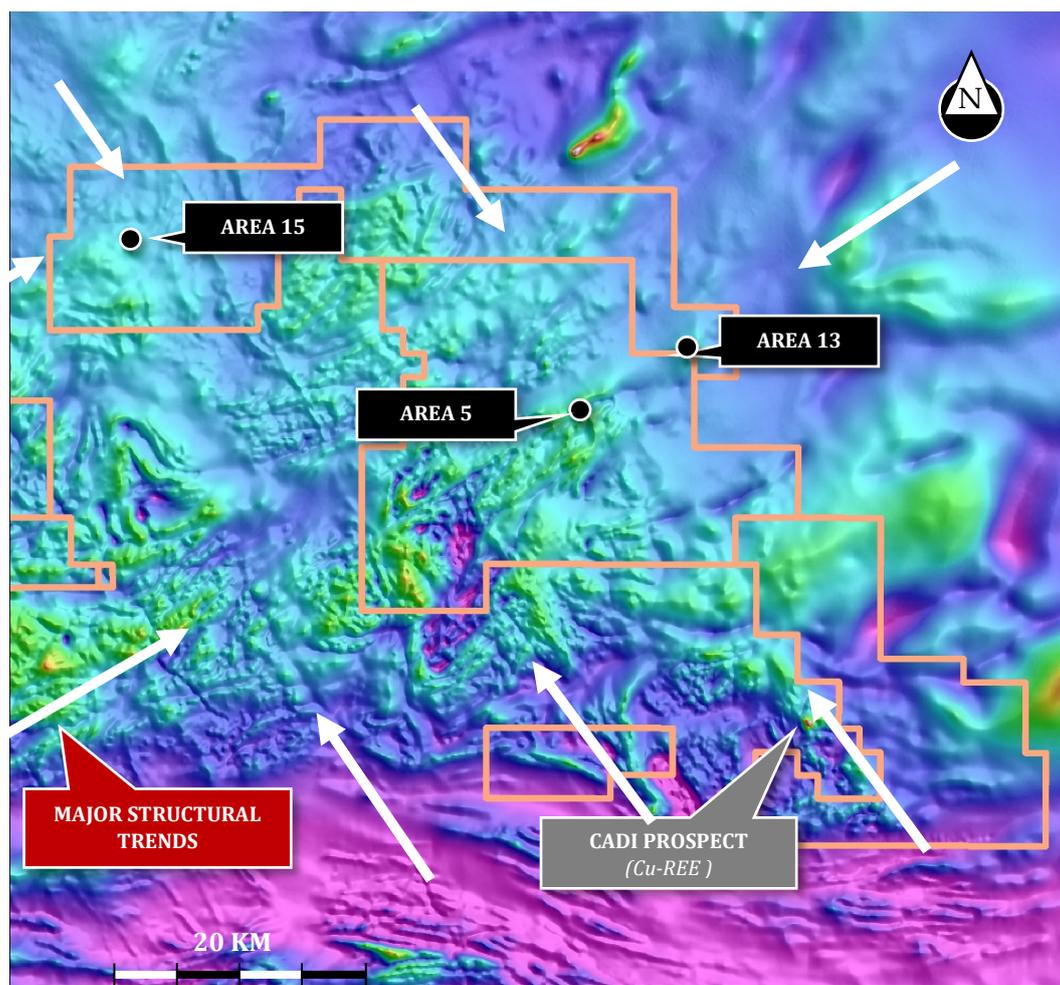


Figure 3 - Total magnetic intensity image of the Eastern Mabel Creek Area, showing drill prospect locations and major NW and NE trending crustal faults that may be important in localising IOCG style mineralisation.

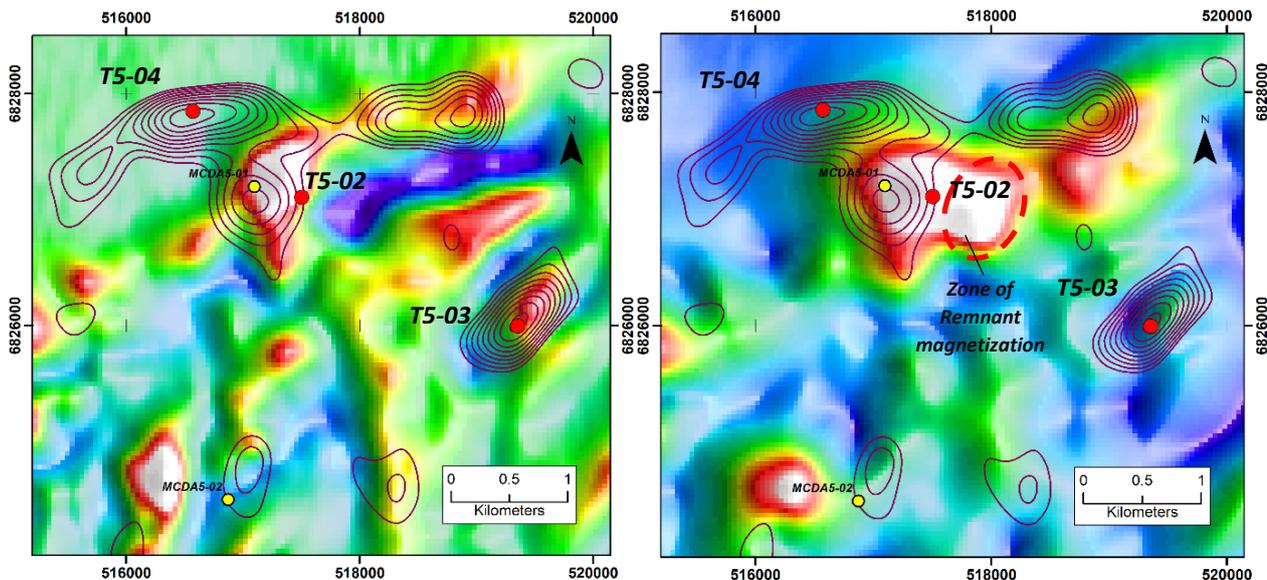


Figure 4 – Area 5 Vertical Gradient Magnetic Image (left) and a Vector Residual Magnetic Intensity (VRMI) Image (right) showing possible magnetic remanence feature on eastern side of the T5-02 target (circled). This may represent a zone of remanent magnetisation of hematite. Magnetic Remanence effects are a common feature of IOCG mineralised systems. Proposed Drill Collars shown (red dots).

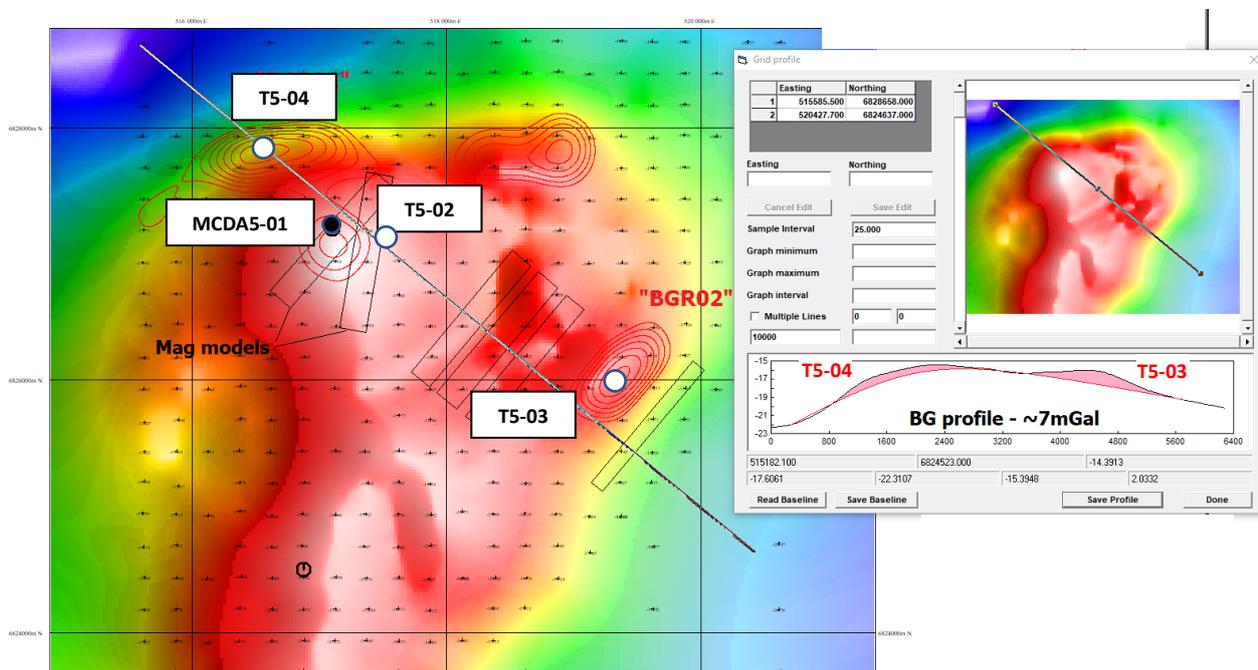


Figure 5– Area 5 Bouguer Gravity Image and residual gravity contours. Note residual gravity anomalies profiled on the gravity cross section. T5-03 will be drilled first with provision to also test the T5-04 anomaly subject to early results.

Figure 6 Bouguer Gravity Image of the Area 13 Gravity Anomaly.

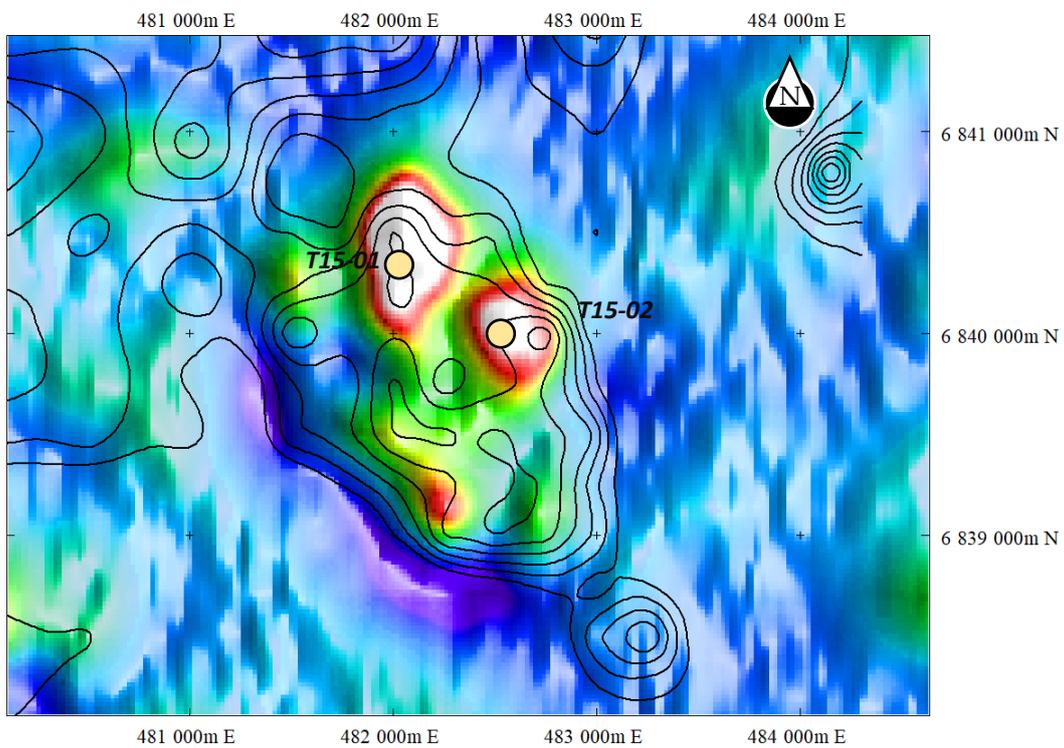
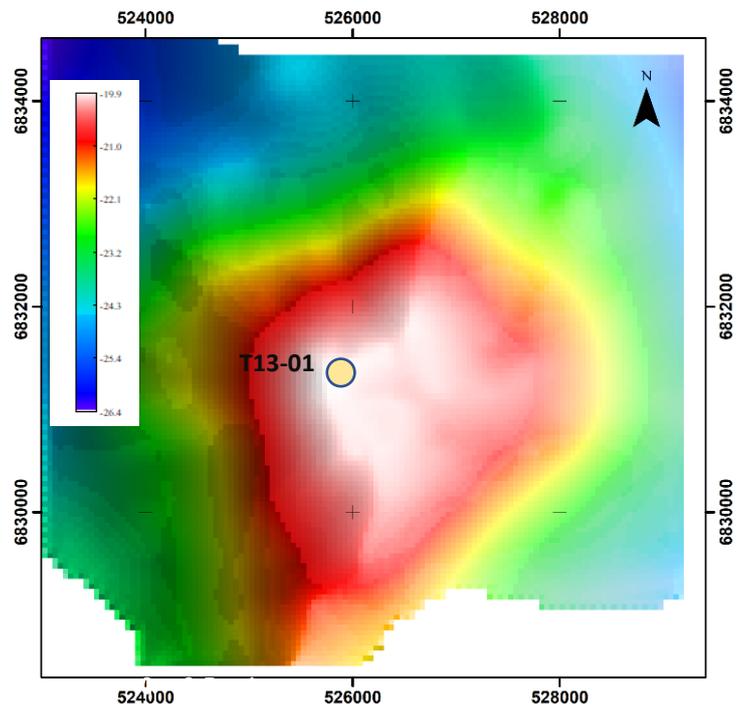


Figure 7 Area 15 gradient gravity contours overlain on gradient aeromagnetic image. Gravity contours define target centres (preferred drill collar positions shown - yellow dots) partially overlapping magnetic features. Depth to top of body is modelled at approximately 420 metres.

Comet (EL 6443 & ELA 2020/0194) Gold Project

The Comet Gold Project is located approximately 80 kilometres southwest of Coober Pedy in South Australia and 30 km from the Aurora Tank Gold deposit (Figure 1). The Challenger gold deposit (1.1 Moz @ 5.1g/t) and the recent high-grade Aurora Tank Gold discovery by Marmota Limited (Figure 1), demonstrate the gold fertility of the Northern Gawler Craton. Historical exploration in the region has however been severely impeded by the shallow cover which masks most of the prospective basement rock and to date no effective first pass exploration screening method has been devised to identify gold anomalous areas.

The Challenger Gold Mine and other gold prospects on the Gawler Craton are known to have anomalous gold zones at the top of the deeply weathered basement rock (refer to Figure 8) immediately below the transported cover sequence which masks the bedrock geochemical response. This anomalous gold halo is also present at Petratherm's Comet Gold Prospect which features historic gold intercepts of up to 6.97 g/t Au (refer to PTR ASX release 30/10/20).

To overcome this issue, the Company's regional shallow RAB program which got underway in Mid-March, aims to drill through the shallow transported cover and directly evaluate the geochemical signature of the top of the deeply weathered basement rock (top of saprolite) below for gold and other metals. The program comprises approximately 800 shallow RAB holes with an average depth of 10 metres per drillhole and total approximately 8000 metres of drilling. The program will cover an approximate 120 km² area, with drill holes spaced 400 metres apart in a grid array.

The program aims to explore for new additional gold occurrences close to Comet Gold Prospect but also extend out into surrounding greenfield areas. Drilling is expected to be completed by the middle of May. Follow-up bedrock drilling of gold mineralisation at Comet Gold Prospect (refer to PTR ASX release 30/09/20) and potentially other gold prospect areas located from the current regional RAB drilling program is scheduled to occur immediately following completion of the shallow RAB program.



RAB Drilling Operations at Comet

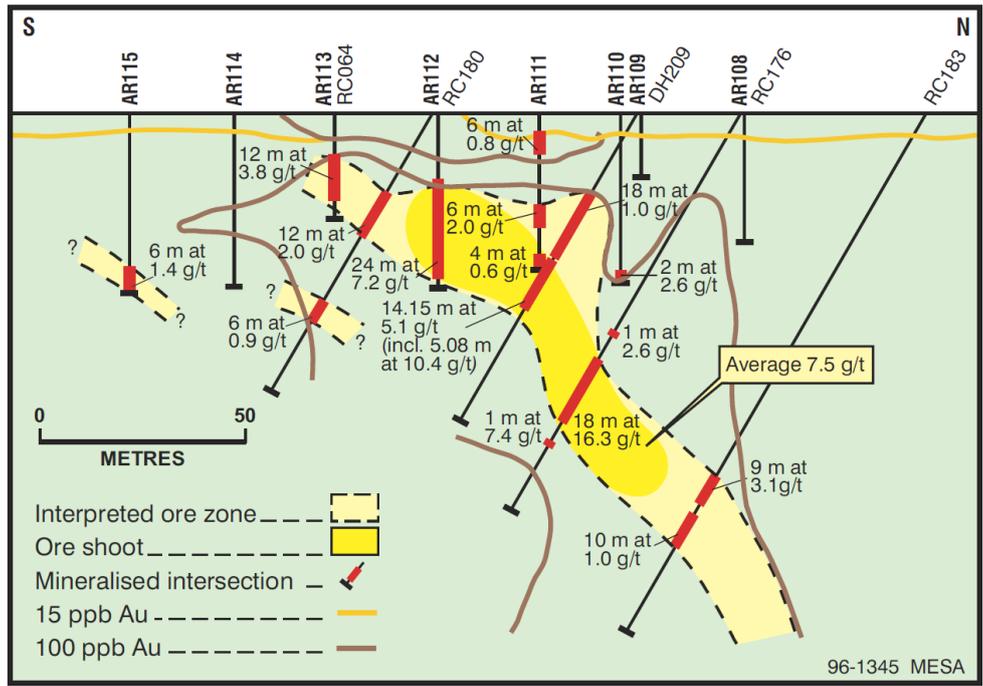


Figure 8 Long Section of Challenger Deposit Showing anomalous 100 ppb and 15 ppb Au contours at top of saprolite. (source SA Government, MESA Journal 4, 2007).

For further information, please contact:
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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.