

Comet Project - Rare Earth Drilling Update

Petratherm Limited (ASX: **PTR**) is pleased to announce that excellent progress was made during the first 10 days of drilling with 110 air core drill holes completed for a total of 3,748 metres (average hole depth is 34 metres). Samples have been submitted to ALS laboratories for geochemical analysis. The drilling has focused on the central REE 1 anomalous area (Figure 1) where previous drilling encountered high rare earth results in clays (PTR ASX release 20/04/2022).

In previous results drill hole 703 returned 3m @ 2,819 ppm TREO from 15m to end of hole and hole 704, located 400 metres to the east, returned 3m @ 2,660 ppm TREO from 15m to end of hole (Figure 1). These holes contained magnet REE grades of 743 ppm and 702 ppm respectively (PTR ASX release 20/04/2022). Importantly these holes only had a single 3 metre composite sample taken and so current drilling will examine the full clay profile to see if REEs continue at depth and possibly up hole. In the current drilling of REE Area 1 the favourable saprolite clay zone has been found to start from 5 to 15 metres depth and extend down to approximately 30 to 35 metres depth.

Drill spacing has been on a 200 metre by 200 metre grid but also includes some 100 metre spacing around previous high-grade zones. The drill rig will now move to REE Area 2 (Figure 1) to complete another 200m spaced drill grid. This second area extends over an approximately 3 kilometre by 1.5-kilometre zone. The final phases of drilling will expand the REE 1 Area drilling to the southwest and northeast and test other satellite REE anomalies. Further updates will be provided as additional information comes to hand.



Photo Air Core Drilling Operations at Comet

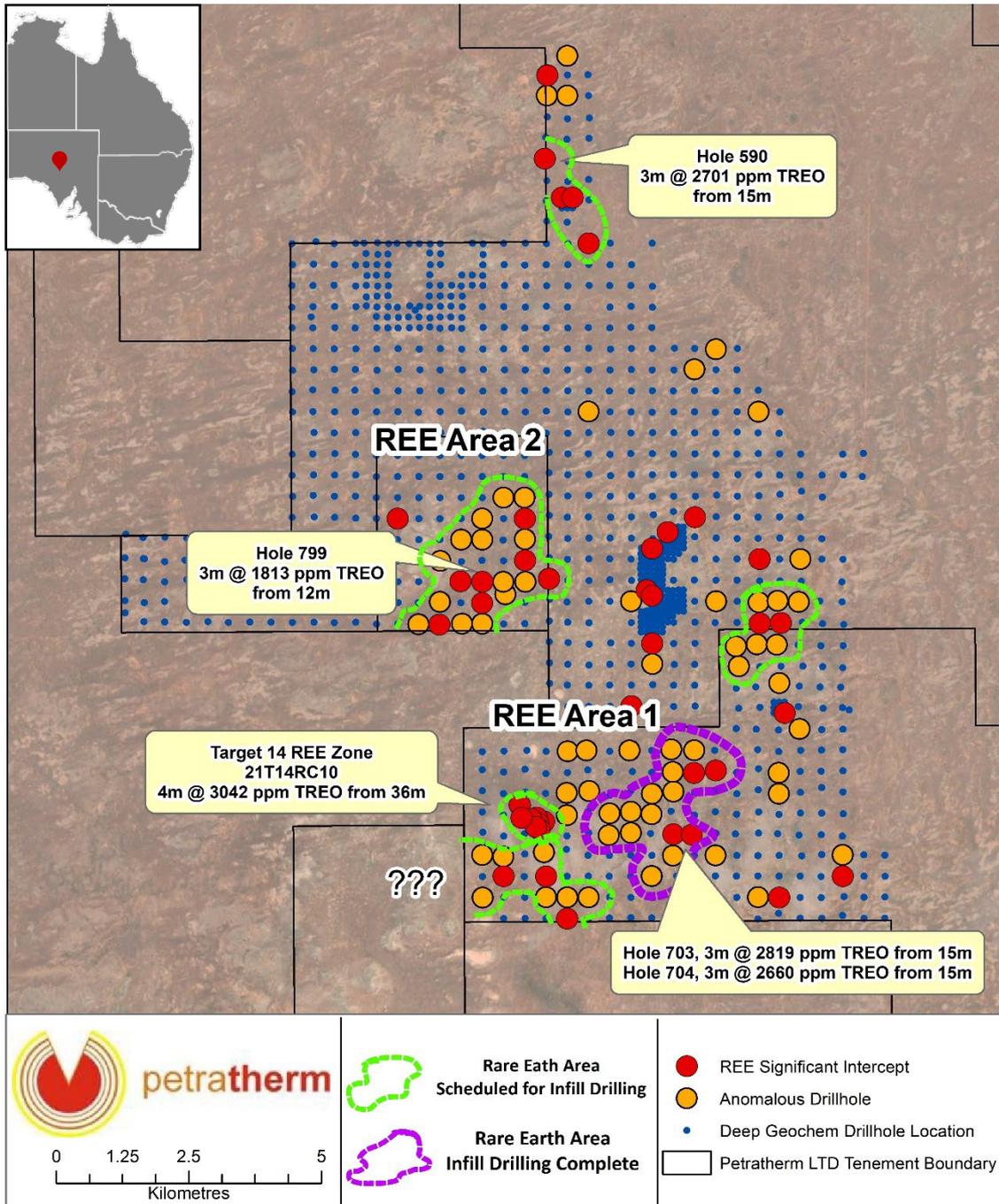


Figure 1 Comet REE Project showing drilling completed to date.

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

For further information please contact :

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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 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.