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PARABELLUM COMMENCES DRILLING AT KHOTGOR REE PROJECT

HIGHLIGHTS

- Preliminary site works in preparation for drilling were completed ahead of drill rig arrival
- Drill rigs arrived at Khotgor REE project with drilling now underway
- Drilling program to run for approximately 10 weeks targeting higher grade resource areas for 50 tonne bulk metallurgical sample to fast track DFS
- Drill core and bulk metallurgical sample data will be sent to Western Australia in Q1, 2023 for planned Khotgor Feasibility Study, starting Q2, 2023

Parabellum Resources Limited (ASX:PBL) ('Parabellum', or 'the Company'), is pleased to announce the commencement of a 2,000 metre diamond drilling program and bulk sampling program at the Khotgor REE Project. The metallurgical drilling and surface trenching will be targeting the higher grade resource areas to obtain a 50 tonne bulk metallurgical sample for a JORC Feasibility Study for the Khotgor REE Project that is currently scheduled to commence in Q2, 2023.

Parabellum Non-Executive Chairman; Mark Hohnen commented:

"We are delighted that the technical team at Temarise have been able deploy the first of two drill rigs, drill crews and geologists to site in order to commence the 2,000m drill program without delay. The project has clear objectives to target higher-grade areas within the initial 20 year pit design shell and deliver the required bulk sample for the JORC feasibility study; both being critical steps to delivering our objectives set out in the work programs for the remainder or 2022."

Image 1 –Khotgor exploration camp

Source: Temarise

Drill program design

PBL has initially planned approximately 14 holes of metallurgical infill drilling for a total drill program of 2,000 metres, mainly within the initial 10 years of the open pit design plan. The holes will be between 150 metres and 200 metres in depth, with average depth of 170 metres. The Company will be drilling large PQ diameter core holes to maximise core sample recovery. Additionally, ore samples will also be taken from a number of surface trenches to be used for further geotechnical testwork.

Image 2. Preparing first drill pad

Source: Temarise

Image 3. Drilling rig Setting up over the first hole

Source: Temarise

In total we will be collecting approximately 50 tonnes of sample that will be used for the initial stages of the Definitive Feasibility Study (DFS) for the Khotgor REE Project. The DFS is currently being scheduled to commence in Q2, 2023 subject to completing the Khotgor REE Scoping Study in Q1, 2023.

Core samples from the drilling will be used for a variety of comminution, variability and geotechnical testwork and will also be combined with the ore from the surface trenching to produce a bulk flotation concentrate to optimize the metallurgical flow sheet being developed at the Scoping Study stage. Subsequently, the flotation concentrate will be used to optimise the hydrometallurgical flowsheet being designed to produce an NdPr saleable product.

Project Management

The 2,000 metre drill program is scheduled to be completed within 10 weeks. Sample preparation will then be undertaken in Ulan Bataar before the end of the year. The bulk sample will then be shipped to ALS Labs based in Perth, Western Australia and is scheduled to arrive in Q2, 2023. The drill program is being managed by the Temarise technical team established in Mongolia.

Image 4. Looking south over the Khotgor leases

Source: Temarise

Parabellum looks forward to communicating progress in the coming weeks as we progress the drill program.

This announcement has been approved for release by the Board.

ENDS.

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ABOUT PARABELLUM RESOURCES LIMITED (PBL)

PBL is an ASX listed mineral exploration company committed to increasing shareholder wealth through the acquisition, exploration and development of mineral resource projects. PBL entered into an agreement with Temarise Limited (UK) that holds the exclusive option to acquire 80% of Khotgor REE project, Mongolia. Furthermore, PBL holds 100% interest in 4 projects situated in a highly prospective region in New South Wales, Australia. PBL's existing project portfolio offers exposure to copper and gold.