

## Grace Project Update

Drill Site Preparations Complete at Grace Gold-Copper Project

### HIGHLIGHTS

- Grace site preparation complete after receiving all necessary approvals
- Drill rig has been mobilized with drilling expected to commence within the week
- Up to 8,000m reverse circulation drilling planned to extend gold-copper mineralisation along the Grace-Bemm shear zone, as well as testing multiple under-explored nearby targets sited on prospective structural trends.

**Paterson Resources Limited (“Paterson” or “the Company”) (ASX: PSL)**; is pleased to provide an update on progress at the Company’s Grace gold-copper project near Telfer.

**Paterson’s Executive Director Matt Bull commented on the results,** *“Over the last month, the Paterson field team has been on-site preparing drill sites ready for our next big drilling push at the Grace Gold-Copper Project. Drilling is following on from our maiden program where we successfully extended gold mineralisation along the Grace-Bemm shear a further 200 meters and defined an intriguing splay off the main trend with significant high-grade shallow incepts. We are also targeting some compelling gold anomalies in historic drill holes, many of which were pulled up short in mineralisation and have yet to be followed up. This is an exciting time for the company”*



Figure 1: All drill pads have been cleared at Paterson’s Grace Gold-Copper Project

## Grace Gold-Copper Project

The Grace Gold-Copper Project is in the heart of the highly prospective Paterson Province, where multiple major exploration groups including Rio Tinto, Newcrest and Greatland Gold are actively exploring within the region. Significant discoveries proximal to Paterson's Grace Project include the Havieron gold-copper deposit to the north-east where Greatland Gold recently reported a 5.5 million ounce gold resource, Cyprium Metal's Maroochydore copper prospect to the south and the world-class 30-plus million ounce Telfer Gold-Copper Mine, owned by Newcrest, located 25km northwest.

Historic drilling along the Grace-Bemm shear has intersected shallow, high-grade gold mineralisation, which has yet to be fully tested, including the following intercepts:

- 10m @ 20.95g/t Au from 6m (GPB0801)
- 33m @ 1.55g/t Au from 53m (GR124502)
- 12m @ 14.38g/t Au from 56m (GR037)
- 3.1m @ 8.28g/t Au from 17.1m (GPC9106)
- 22m @ 1.31g/t Au from 71m (GR124002)
- 6m @ 5.61g/t Au from 34m (GR128001)

The Company's maiden drilling program at Grace was designed to follow up several of these significant intercepts, along with testing the source of a large magnetic anomaly at depth. Significant intercepts from the program included<sup>1</sup>:

- 5.8m @ 1.52 g/t Au from 203.2m **including 1m @ 3.84 g/t from 206m (PDD0001)**
- 8m @ 4.10 g/t Au from 216m **including 3m @ 8.32 g/t Au from 221m (PDD0001)**
- 3.6m @ 0.79 g/t Au from 20.5m **(PDD0004)**
- 3.8m @ 1.43 g/t Au from 31.7m **including 0.4m @ 8.15 g/t Au from 35.2m (PDD0004)**
- 3.8m @ 2.60 g/t Au from 37.2m **including 0.7m @ 9.9 g/t Au from 38.2m (PDD0005)**

## Phase 2 Drilling Program

With all approvals now in place, the Company has planned up to 8,000m of RC drilling targeting high priority areas along the Grace-Bemm fault including extending mineralisation intersected in the Phase 1 program, following up historical intercepts and targeting other regional structures and interpreted cross-cutting structures (Figure 2). Drilling is also designed to test the down dip continuity and strike extensions to expand the deposit in all directions.

Additionally, several shallow historic holes ended in gold mineralisation presenting compelling drill targets warranting further investigation. Some of these intersections include:

- 16m @ 1.23g/t gold from 48m (GPB1506)
- 3m @ 1.21g/t gold from 56m (GPB0704)
- 10m @ 2.0g/t gold from 60m (BD2-1)
- 16m @ 2.63g/t gold from 34m (GPB1706)

1. See ASX release dated 10<sup>th</sup> February 2022 – *Shallow high-grade gold results returned from drilling at Grace Project in the Paterson Province*

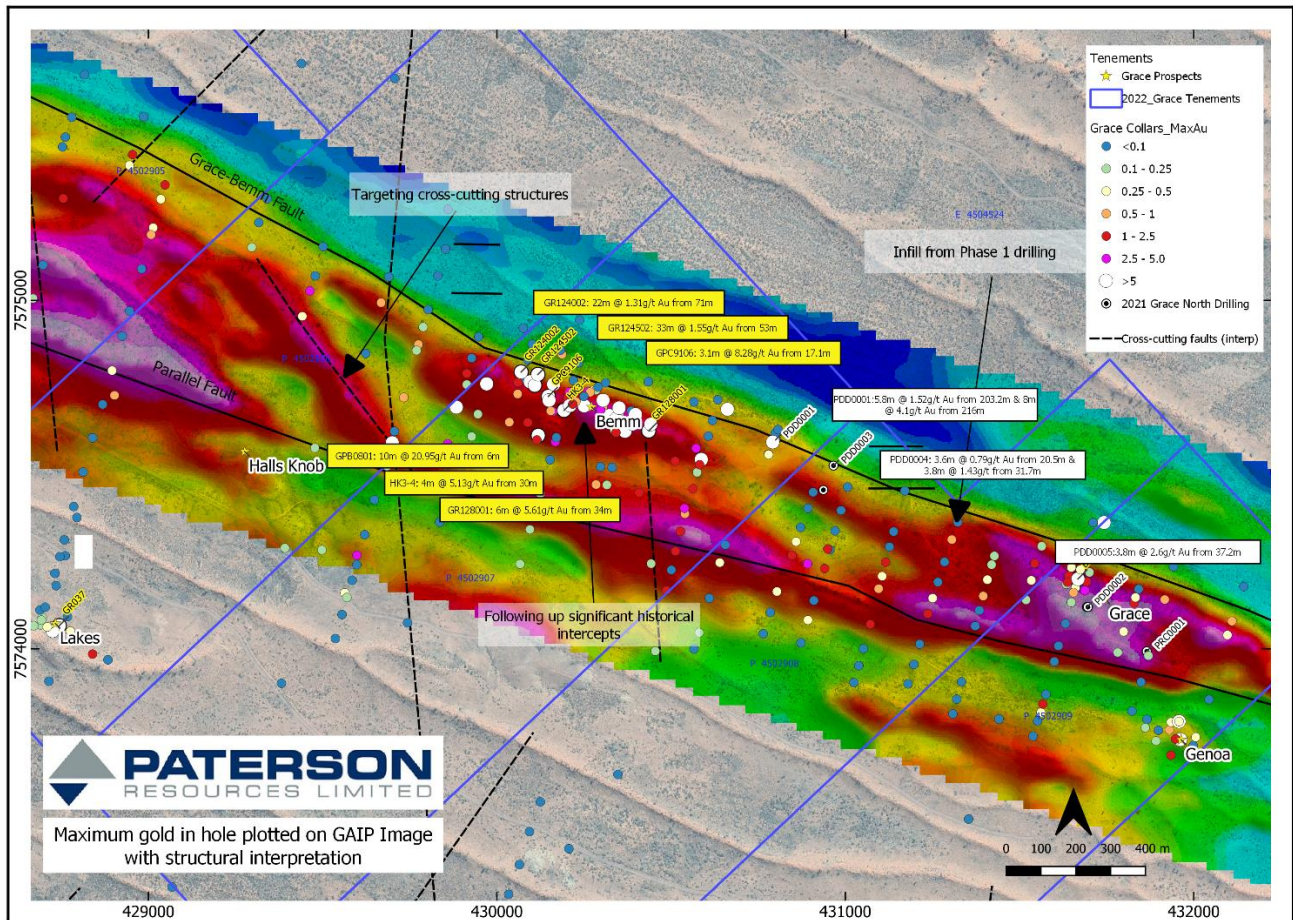


Figure 2: Maximum gold down hole plotted on GAIP image. Phase 1 drilling targeting extensions to known mineralisation envelope and testing prospective cross-cutting structures.

### About the Grace Gold-Copper Project

The Grace Project is only 25km from Telfer and shares many similarities. There are discordant veins and breccias with gold existing as inclusions in pyrite or in the matrix of the breccia. Mineralization is centered around the Grace-Bemm shear. The mineralisation system is considered to be the same as Telfer with hydrothermal fluids generated by granitic emplacements (~645 Ma) mobilizing gold present in the sedimentary country rock. While at Telfer, the Malu formation hosts the deposit, other sedimentary units are known to host mineralization (the Puntapunta Fm at Havieron and the Isdell Fm at Grace).

### COMPETENT PERSON'S STATEMENT:

The information in this announcement that relates to exploration results is based on and fairly represents information reviewed or compiled by Mr Matt Bull, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Bull is a Director of Paterson Resources Limited. Mr Bull has sufficient experience that is relevant to the styles of mineralisation and types 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 Bull has provided his prior written consent to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

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*This announcement has been approved for release to ASX by the Board of Paterson Resources.*