ASX ANNOUNCEMENT 31 July 2022

Quarterly Activities Report
Quarter Ended 30 June 2022

HIGHLIGHTS

Grace Gold-Copper Project (Paterson Province)

- **Heritage work program clearance completed and clearance approved at the Grace Project, located 25km southeast of theworld-class Telfer gold-copper deposit, ahead of the Company's upcoming Phase 2 drilling program.**
- **Up to 8,000m reverse circulation drilling due to commence in August to extend gold-copper mineralisation along theGrace-Bemm shear zone, as well as testing multiple under-explored nearby targets sited on prospective structural trends.**
- **MMI soil geochemical survey completed over the Smoke Rings target, 25km south of the Grace prospect.**

Pilbara Projects

- **Extensive soil geochemistry surveys testing for gold and base metals have been completed over the Company's Pilbara tenements with samples at the laboratory awaiting assaying.**
- **Gold nuggets discovered at surface at the Bellary Project, located about 20km from Paraburdoo, coinciding with a prospective regional structure and covered by the surface geochemical sampling survey.**

Burraga Project, NSW

- **Detailed reprocessing of 2014 aeromagnetic survey conducted by Thomson Aviation for Elysium Resources completed by Perth-based geophysical consultancy Resource Potentials.**
- **A cluster of high priority 3D anomalies identified only 500m south of historic Lloyds Copper (Zinc-Lead-Silver) Mine in under-explored terrain.**
- **Previous drilling returned assay values up to 8.1% Zinc**
- **Land access negotiations underway**

Grace Gold-Copper Project (Paterson Range)

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.

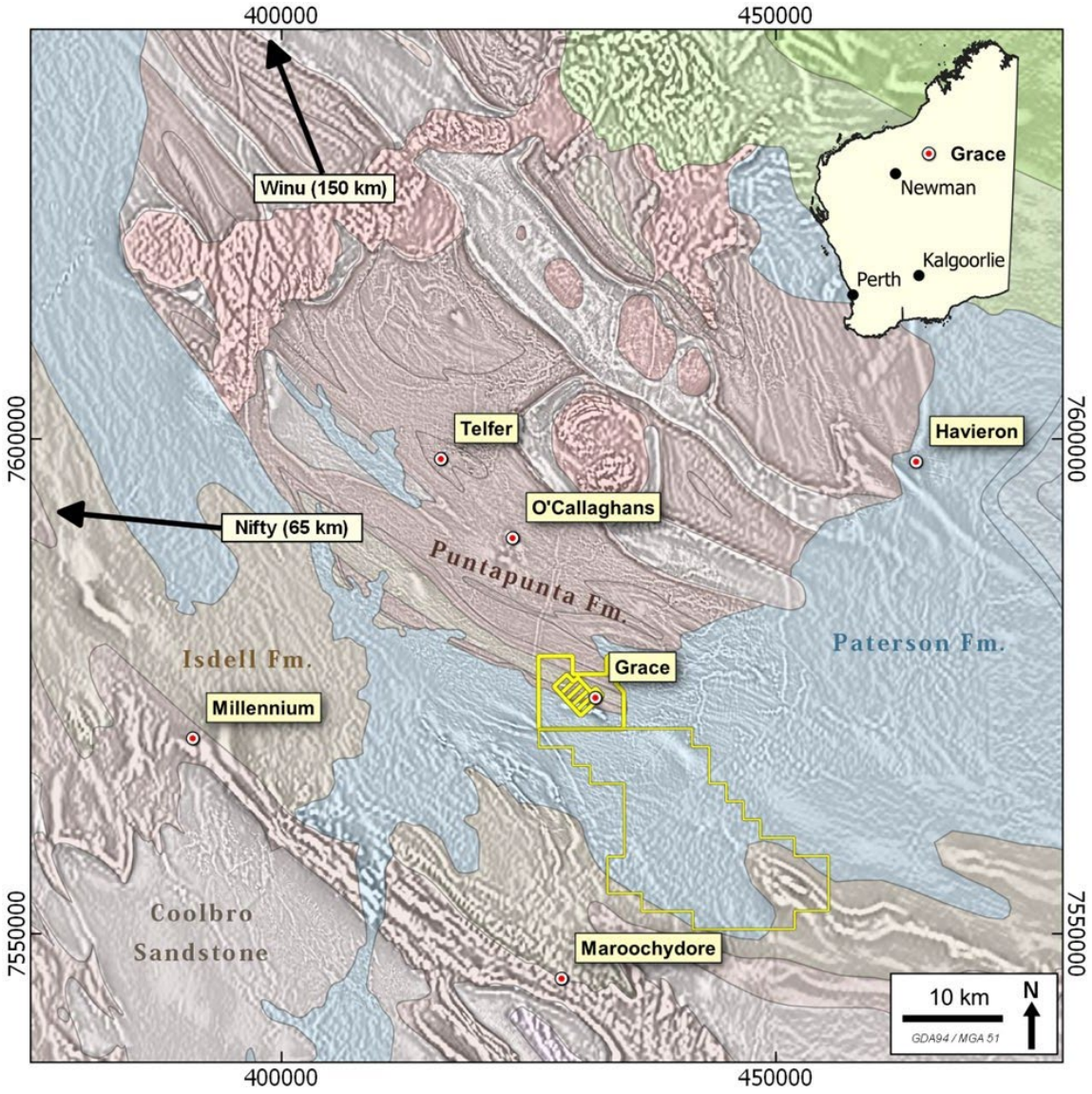

Figure 1. Locality map showing prominent gold and copper deposits in the Paterson Province near Paterson's tenements

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[1]:

- 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 fro 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 (Figure. 3) 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)

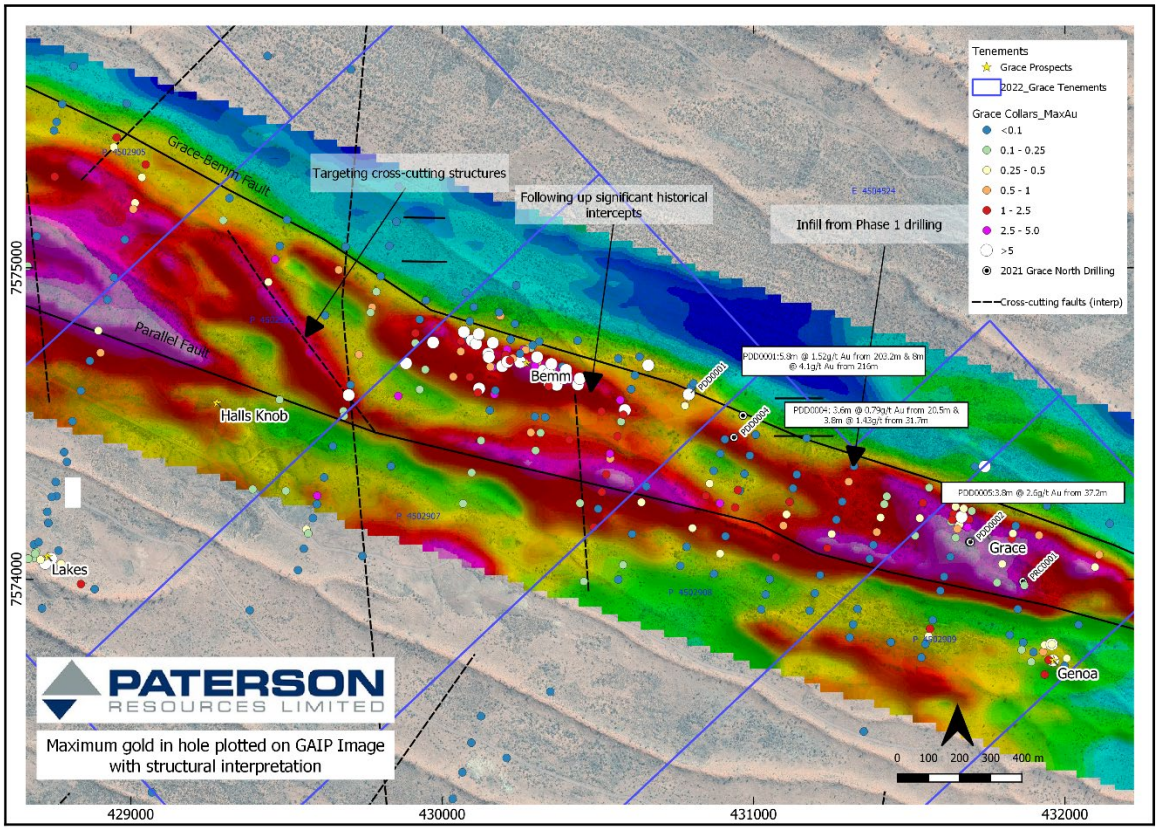

Figure 2. Maximum gold down hole plotted on GAIP image. Phase 1 drilling targeting extensions to known mineralisation envelope and testing prospective cross-cutting structures.

Figure 3: All drill pads have been cleared at Grace

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 mineralization 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).

Pilbara Gold & Base Metal Projects

The soil geochemistry sampling survey at the Company's Pilbara Projects has been completed over high priority targets at the Bellary, Cheela Plains and Hamersley projects. More than 400 samples have been collected to date from all three projects. The sampling patterns are based on the results of previous grab sampling programs and regional geological trends and are planned to infill previously identified gold and base metal soil anomalies.

Figure 4. Location of PSL's Cheela Plains, Hamersley, Bellary and Elise North Pilbara Projects

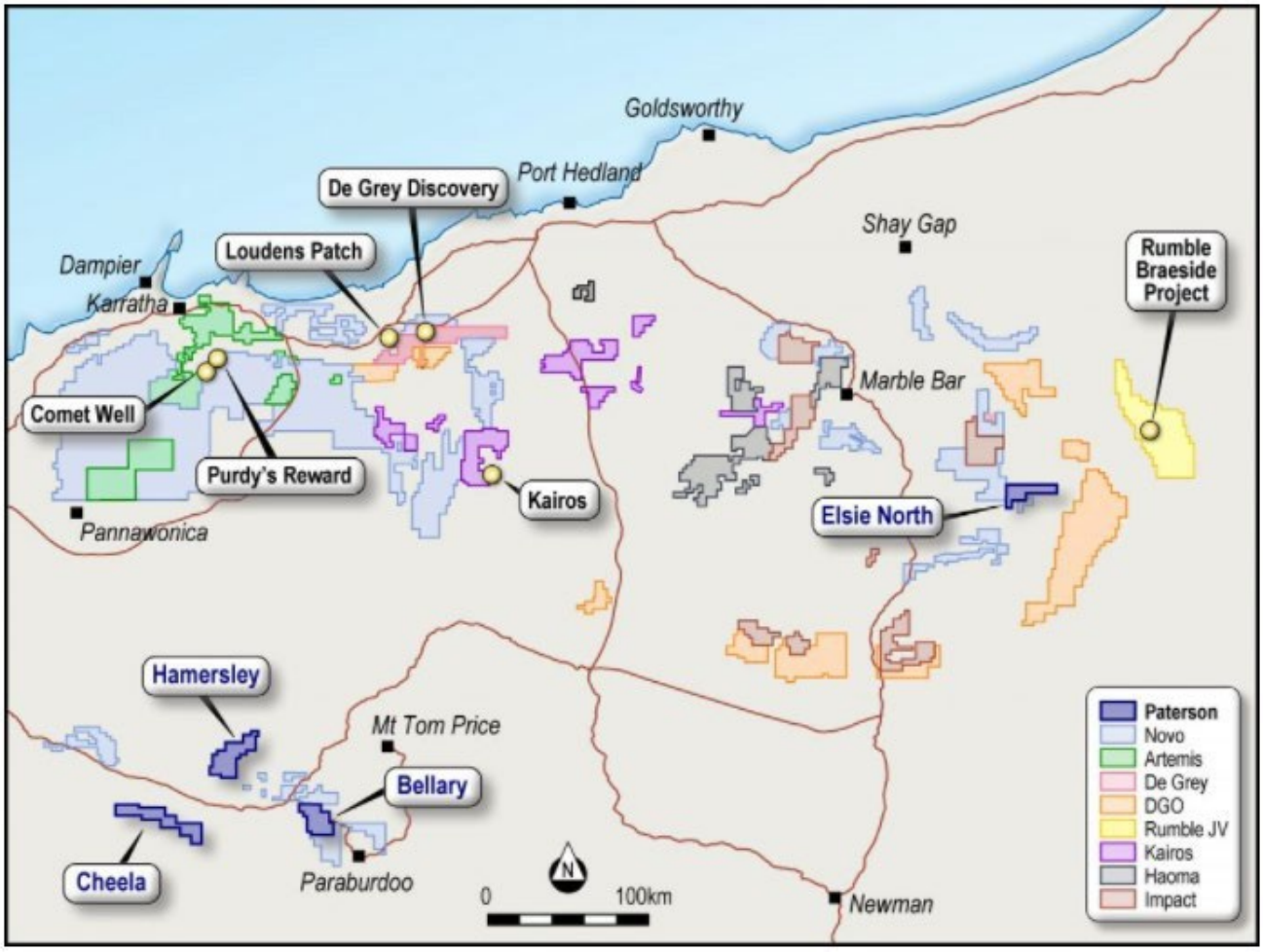

Figure 5. Field team conducting surface soil geochemical sampling at the Bellary Project

Table 1 Summary of Soil Sampling.

Project	Prospect	Soil Sample #	Grid
Bellary	Billie Camp	115	50 x 50
	Kara Well	49	200 x 600
Cheela Plains	Slate Bore & Big Sara	297	200 x 600
Hamersley		129	200 x 600

Bellary Gold and Base Metals Project (E47/3578)

The Bellary Project is located about 20km northwest of Paraburdoo and 40km southwest of Tom Price in the Shire of Ashburton. Sporadic exploration dates back to 1989, with historical soil sampling identifying a suite oftargets prospective for gold, copper, silver, platinum, palladium, nickel, lead and zinc.

Much of the Bellary tenement is underlain by rocks of the Fortescue Group including the Pyradie, Boongal and Hardey Formations. The Hardey Formation is highly prospective for conglomerate gold mineralisation, characterised by Novo Resources' 900,000 ounce Beatons Creek Gold Project and discovery at Purdy's Reward.

Previous reconnaissance field sampling undertaken by the Company over historical gold and base metal soil geochemical anomalies identified two high priority targets – Kara Well and Billie Camp.

At the Billie Camp Prospect, a total of 115 samples were collected over 2 areas on a 50m by 50m grid.

Several small gold nuggets were discovered at Billie Camp (Fig. 7) using metal detectors from an exposed quartz vein outcropping at surface, coinciding with a regional northwest trending structure and located at thebase of a mopped metabasltic conglomerate from the Hardey Formation. Surprisingly, very little historical exploration has been conducted over this area and is limited to sporadic rock chip sampling.

A total of 49 soil samples were collected over the Kara Well Prospect on a nominal 200m by 600m grid spacing.The program has been designed to infill historical soil geochemical sampling and further define gold and basemetal anomalism, along with gaining a better understanding of the underlying geology.

Previous rock chip samples at the Kara Well Prospect have returned values up to 27% Cu, 75ppb Au and 358g/tAg.

Figure 6. Soil sampling locations at Billie Camp Prospect at Patersons' Bellary Project

Figure 7. Gold nuggets discovered at the Billie Camp Prospect

Next Steps

Paterson's priority at its Pilbara Projects is to focus on advancing targets towards drill-ready status which will include the following:

- Target definition and infill soil sampling
- Ground geophysical surveys
- Planning and design of an exploration drilling program to test identified high priority targets
- Heritage clearances and all requisite permitting

Cheela Plains Gold and Base Metals Project (E08/2880)

The Cheela Plains Project is located about 80km northwest of Paraburdoo on Cheela Plains Station. Small scale mining dates back to the 1930's with several small pits observed at the Slate Bore Prospect. No production records are available, but outcrops of malachite and galena suggest mining was targeting copper and lead resources.

Historical exploration has defined a major gold, arsenic and lead anomaly that strikes for over 4.5km over theBig Sarah Prospect with reconnaisance rock chip sampling undertaken by the Company in 2019 returning samples grading upto 24.5g/t Au.

A total of 297 soil samples were collected over the Slate Bore and Big Sarah Prospects on a nominal 200m by 600m grid spacing. The program was designed to extend historical soil geochemical sampling and further define gold and base metal anomalism, along with gaining a better understanding of the underlying geology.

Hamersley Gold and Base Metals Project (E47/3827)

The Hamersley Project is located about 65km west of Tom Price. Very little historical exploration has been undertaken over the tenement with a small number of stream sediment geochemical samples being taken by previous explorers.

The Company's technical team have identified multiple regional scale northwest trending structures in favourable geological settings warranting preliminary reconnaissance soil geochemical testing. A total of 129 samples were collected on a nominal 200m by 600m grid.

Next Steps

Paterson's priority at its Pilbara Projects is to focus on advancing targets towards drill-ready status which will include the following:

- Target definition and infill soil sampling
- Ground geophysical surveys
- Planning and design of an exploration drilling program to test identified high priority targets
- Heritage clearances and all requisite permitting

Burraga Project, NSW

Perth-based geophysical consultancy Resource Potentials was engaged to reprocess a detailed airborne geophysical survey conducted by Elysium Resources in in April 2014. Thomson Aviation flew a magnetic and radiometric survey (MAG) over three contiguous tenements at Burraga including EL6463, EL6874 and EL7975. The survey was flown on a 60m line spacing at a nominal terrain clearance of 60m and was intended to provide better resolution data than the government and open file data available.

At the time, a preliminary interpretation of the data by geophysical consultant Kim Cook of GeoMagik identified a cluster of 3 high priority targets (Target 4, Target 5 and Target 8 – Figure 8) 500m to 1.5km to the south of the historic Lloyds Copper Mine. The anomalies were given as two-dimensional projections at surface with no depth or size indicators provided.

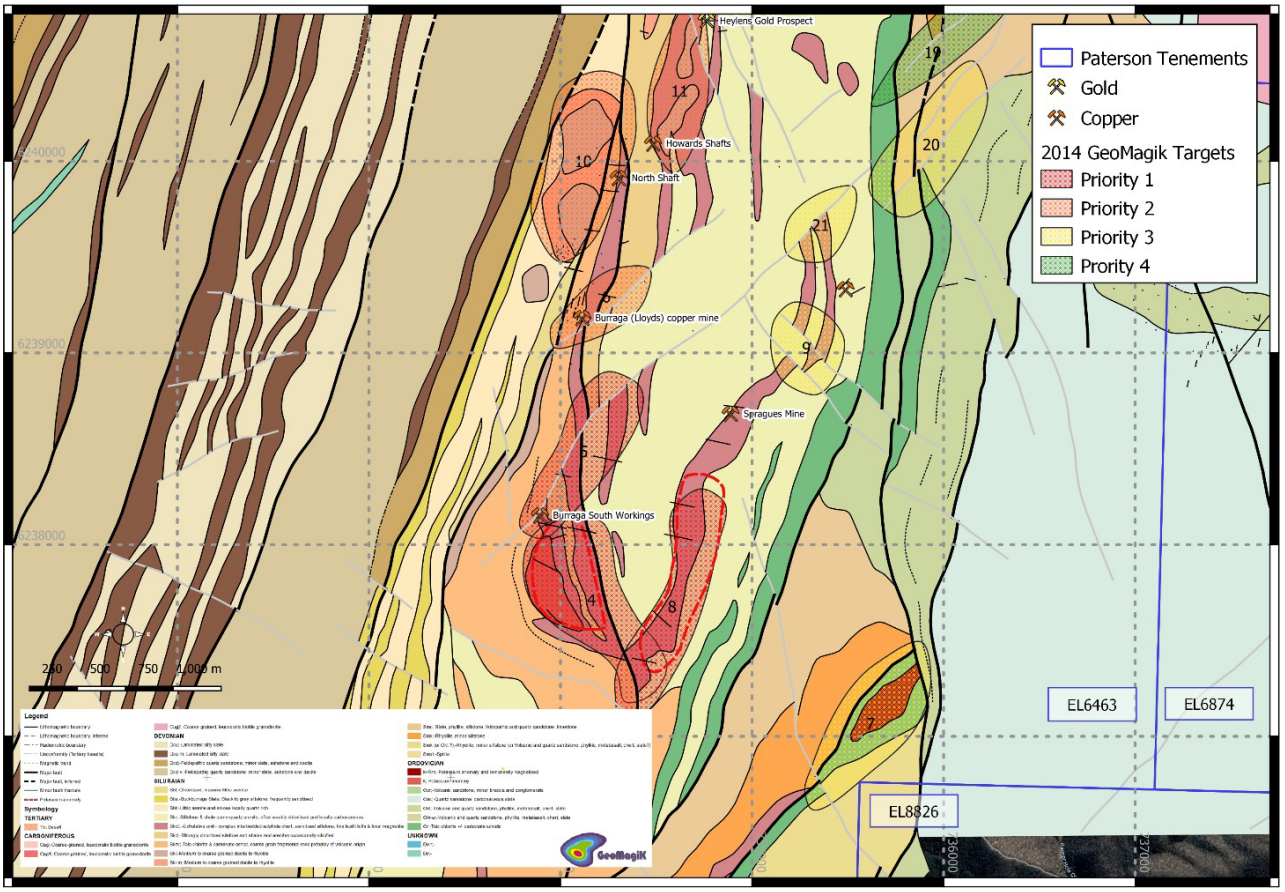

Figure 8. Location of Targets identified by geophysical consultants GeoMagik in 2014

Resource Potential completed unconstrained 3D magnetic vector inversion (MVI) modelling of the Burraga 2014 airborne magnetic (AMAG) data using Geosoft's VOXI modelling algorithm in order to resolve the depth and geometry of these magnetic source bodies.

Target 8 is located on the eastern limb of the Lloyds syncline within an interbedded sequence of sericitized siltstones, lapilli tuffs, mafic schists and sulphidic cherts of the Rockley Volcanics (Figure 9) and Target 4 is sited on the western limb with regional thrust faulting offsetting the sequence.

The central potassium anomaly is located in a structural corridor and presents as a potential intrusion. The Priority 1 targets coincide with the remnantly magnetised potassium anomaly and the cross-cutting structures to the north could provide potential mineralised fluid traps for the suspected central intrusion.

The MVI model has resolved a high-amplitude magnetic source target corridor with amplitudes up to +0.01 SI, located within and proximal to Target 8 extending along strike for nearly 2.4km (Figure 10). The southern part of the magnetic anomaly corridor contains a very strong magnetic anomaly source with an amplitude of +0.05 SI, the centre of which is modelled at a depth of 300 m below ground level and strikes for 370m.

An additional strong modelled magnetic source body is coincident with Target 4 with a maximum amplitude of 0.04 SI and is proximal to an interpreted coarse-grained leucogranite intruding into the volcanic sequence. The target corridor with amplitudes up to +0.01 SI extends for 1.2km on the western limb of the Lloyds syncline

and could represent a possible fold repetition of the anomaly on the eastern limb. Both of the modelled magnetic anomalies are proximal to or coincident with identified potassium anomalies (Figure 2).

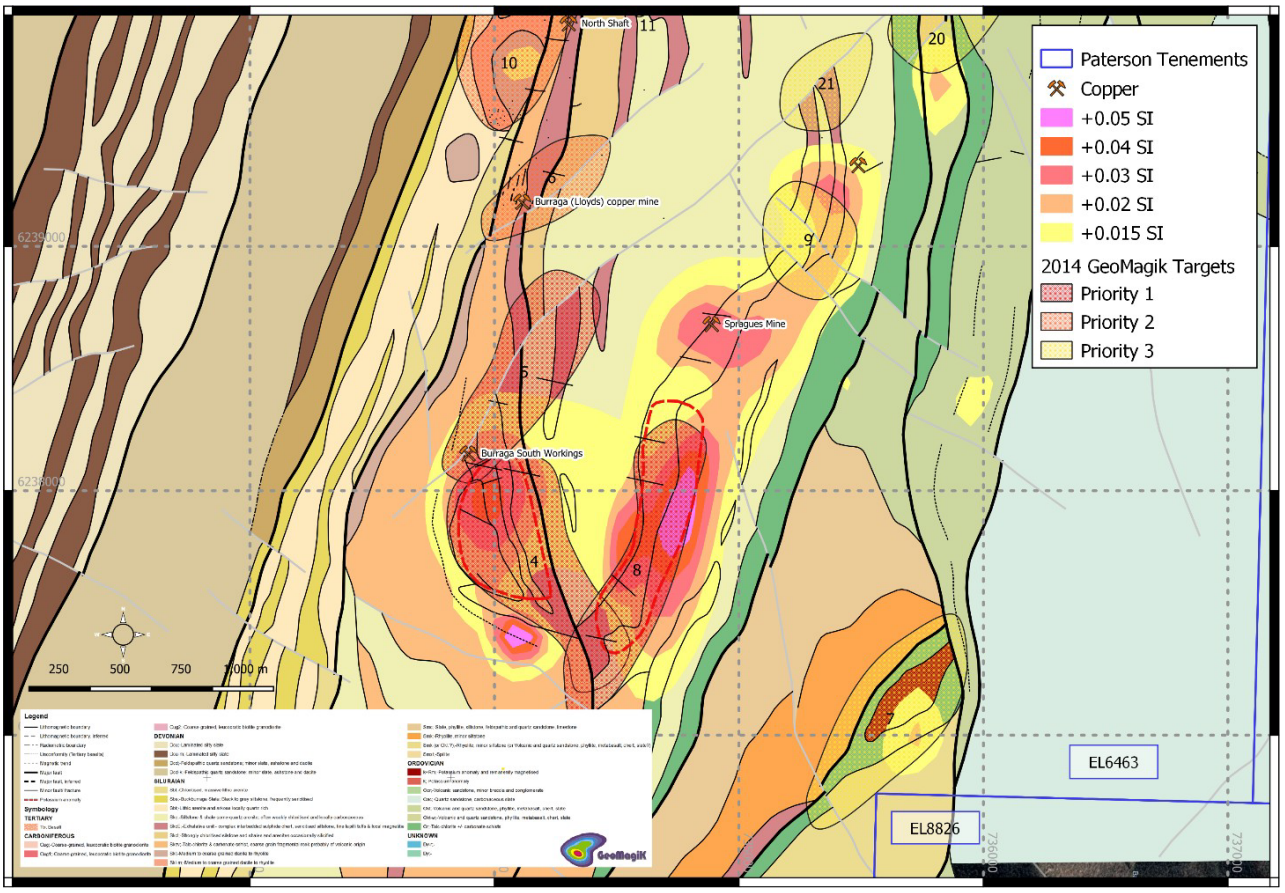

Figure 9. Surface projection of 3D magnetic vector inversion isosurfaces completed by Resource Potentials

Much of the historical exploration at Paterson's Burraga project has been focused near the Lloyds copper mine that were mined mainly during the late 19th century. The largest producer was the Lloyds Copper Mine which produced 19,443 tonnes of copper (470,000 tonnes of ore at 3.6% Cu) from a complex quartz – carbonate - sulphide vein system located within a significant altered shear zone.

Limited historical exploration has been conducted over the Burraga South workings and nearby Spragues Mine with Getty Oil Development Company completing 10 diamond drill holes (Figure 10: DB1-DB9 and DB9A) for 2,791m in 1983 designed to test a series of geophysical anomalies and the depth extent of mapped gossans (Figure 11). Significant intercepts from the program included:

- 4m @ 3.43% Zn, 0.15% Cu and 12g/t Ag rom 110m including 1m @ 8.1% Zn from 111m **(DB4)**
- 5m @ 1.11% Zn, 0.27% Cu and 7.62g/t Ag from 129m **(DB4)**
- 1m @ 5.16% Zn, 0.19% Cu and 29g/t Ag from 150m **(DB4)**
- 2m @ 1.26% Zn, 0.15% Cu, 2.21% Pb and 41.9g/t Ag from 244m **(DB4)**
- 4m @ 1.79% Zn, 0.07% Cu, and 5.5g/t Ag from 187m **(DB7)**
- 9m @ 1.08% Zn and 11.33g/t Ag from 228m **(DB7)**

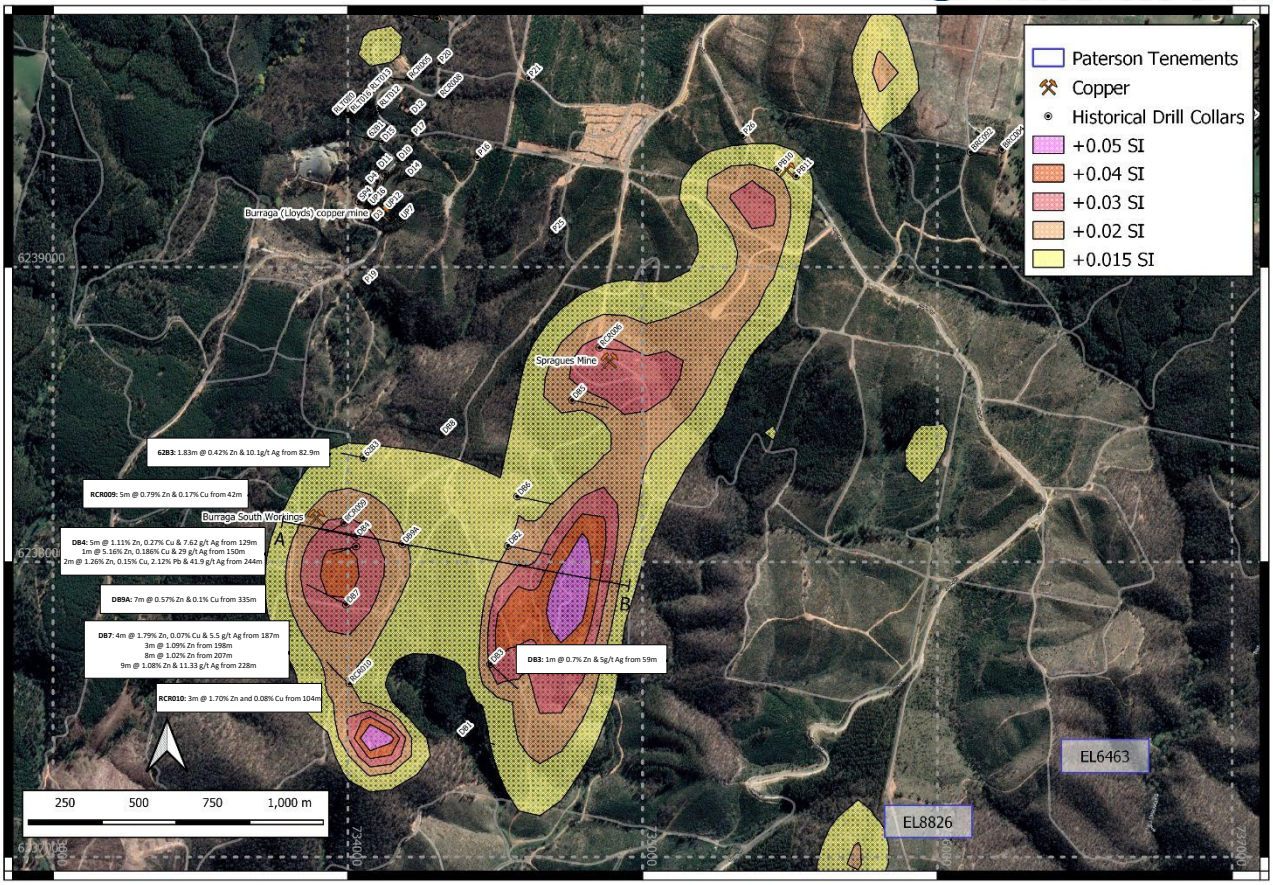

Figure 10. Location of historical drilling relative to 3D magnetic vector inversion surfaces

Analysis of the drill core at the time by Getty highlighted the pyrrhotite, sphalerite and chalcopyrite mineralisation assemblage within variable quartz and K-feldspar veining suggested a skarn ore mineralisation model. Latter analysis of the core from drillholes DB1 and DB3 by Michelago Ltd in 1994 identified elevated arsenic up to 1,120ppm, molybdenum up to 67ppm, and barium up to 6.01% indicating proximity to a strongly mineralizing intrusive/porphyry body (Figure 11).

A further three RC drill holes (RCR006, RCR009 and RCR0010) were completed by Republic Gold in 2007. Anomalous intercepts included:

- 5m @0.79% Zn and 0.17% Cu from 42m **(RCR009)**
- 3m @ 1.7% Zn ad 0.08% Cu from 104m **(RCR010)**

Whilst elevated base metals were intersected in the historical drilling, it appears the drilling has skirted around the anomalous high MVI model interpretation (Figure 12).

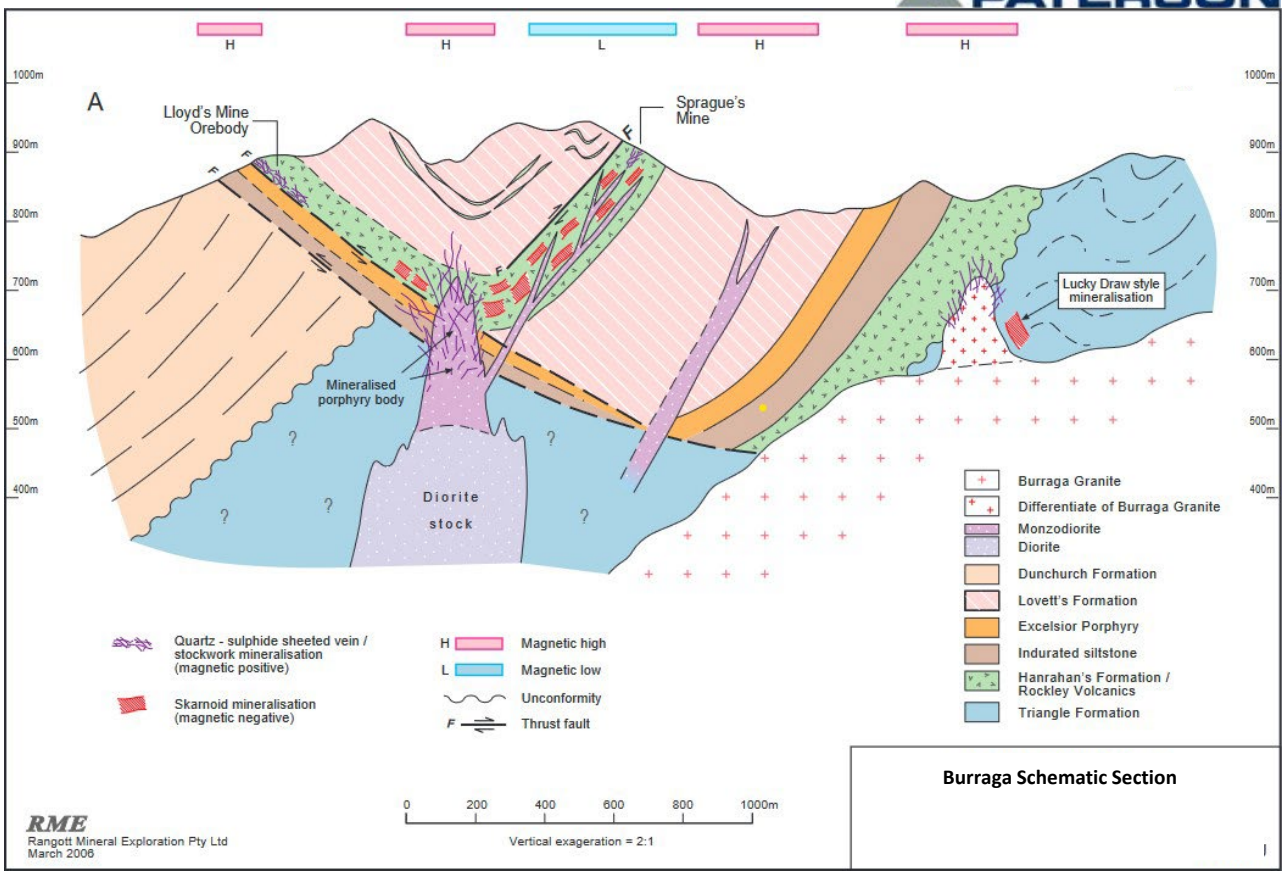

Figure 11. Ore mineralisation model suggested for Burraga South and Sprague's Prospects

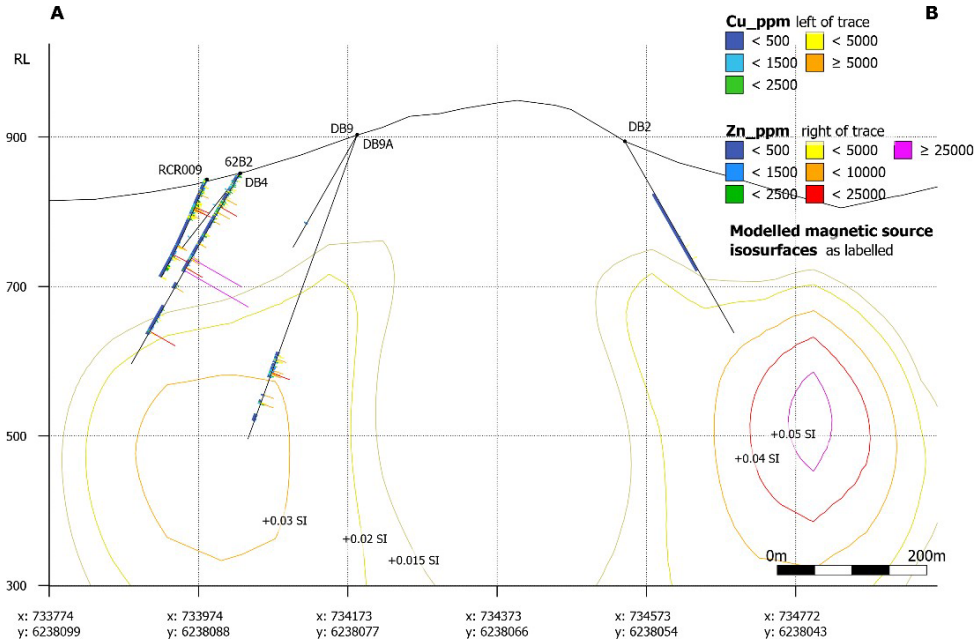

Figure 12. Cross-Section A-B of historical drilling through 3D MVI model

Future Work

Historical exploration conducted by previous explorers includes valuable geological mapping and the identification of outcropping gossans in the Burraga South-Sprague's Mine prospect area. The company is currently in negotiations with local land holders to access the area and validate the mapping. Moving forward the Company will:

- Digitally capture previous mapping to incorporate into the 3D geological model
- Conduct rock chip sampling over gossans to validate results
- Prepare a maiden drilling program to test high priority 3D MVI anomalies

About the Burraga Project

The Burraga gold deposits and prospects are hosted by sediments & volcanics of Ordovician to Devonian age within the complexly folded and faulted Hill End Trough. These deformed rocks were subsequently locally intruded by granite batholiths of Carboniferous age.

At Lucky Draw and Hackneys Creek (which lie close to the margin of the Burraga granite intrusion), the host rocks are metasomatised and have been described as skarn like.

The McPhillamy's Gold Deposit (located 50 km to the north of Burraga) is considered to be an Orogenic type gold deposit, and lies in a similar geological setting to that at Burraga.

The Lucky Draw deposit comprises multiple 2 m to 15m thick zones within an overall package about 70 m thick. Both the individual zones and the package strike north south and dips gently (20° - 30°) to the west. Gold mineralisation at Lucky Draw has been defined by drilling over a strike length of 400 m and 200 m down dip to a depth of about 100 m below surface.

At Hackney's Creek gold mineralisation also occurs in multiple 2 m to 20m thick zones within an overall package about 120 m thick. Mineralisation also strikes north and dips 50° to 60° to the west. Drilling has defined gold mineralisation over a strike length of 220 m and 250 m down dip to about 250 m below surface.

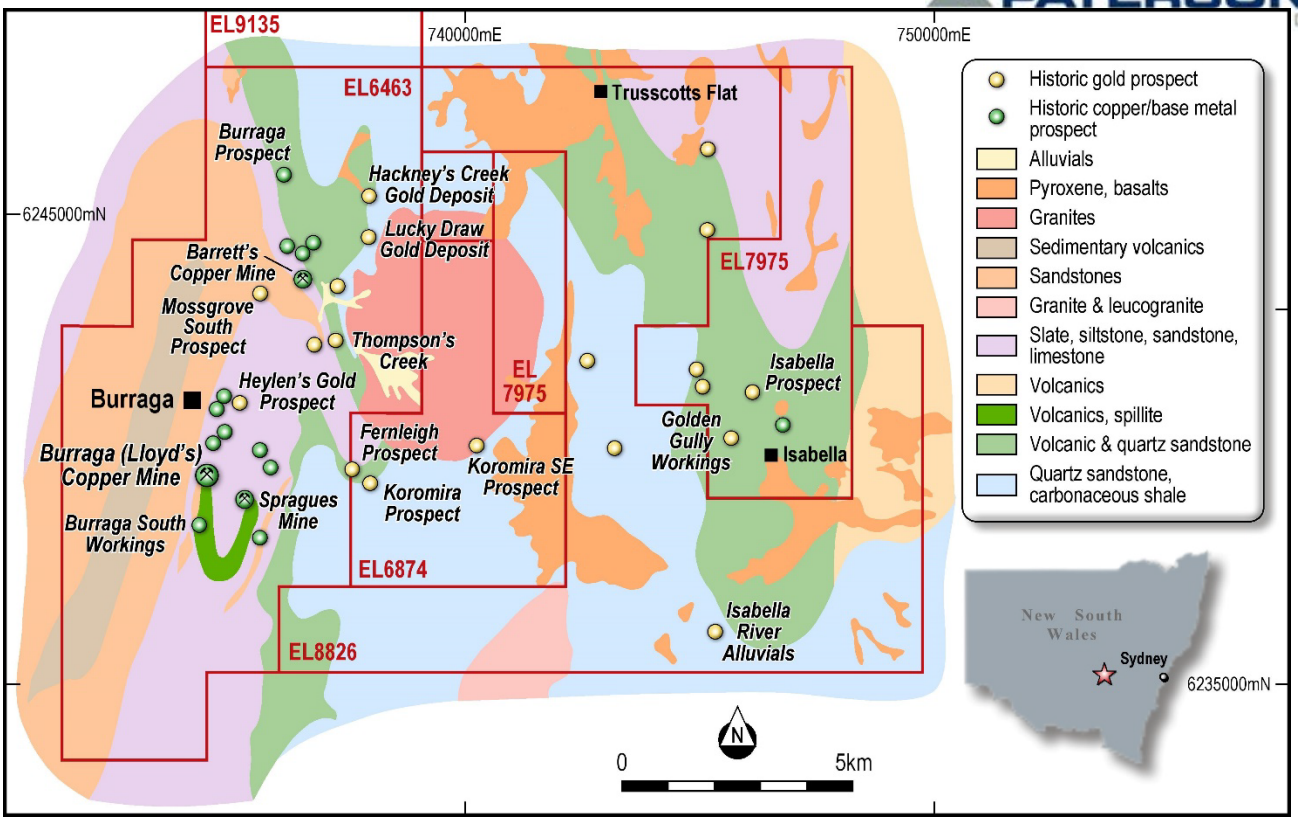

Figure 13. Tenement and Geology map of the Burraga Proje

This announcement has been authorised for release to ASX by the Board of Paterson Resources Limited.

For further information, please visit www.patersonresources.com.au:

ASX Listing Rule 5.3.1
Exploration and Evaluation expenditure during the quarter was $229k. which was spent on the upcoming drilling programs at grace and at the Burraga Project in NSW. Expenditure on the companies Pilbara licences was focused on firming up potential drilling targets.

ASX Listing Rule 5.3.2
There were no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5
The following table sets out the information as required by ASX Listing Rule 5.3.5 regarding payments to related parties of the entity and their associates:

Related Party	Amount	Description
Directors	$100,795	Periodical fees paid to Directors and/or Director related entities
Director	$-	Exploration consulting fees paid to a Director/Director related entities

The following table sets out the tenement information reported on a consolidated basis as required by **ASX Listing Rule 5.3.3**.

Mining tenements held at the end of the Quarter and their location

Project Name	Location		Tenement Licences	Interest held by Group
Bellary	WA		E47/3578	100%
Hamersley	WA		E47/3827	100%
Elsie North	WA		E45/5020	100%
Cheela Plains	WA		E08/2880	100%
Grace	WA		E45/4524	100%
Grace	WA		P45/2905	100%
Grace	WA		P45/2906	100%
Grace	WA		P45/2907	100%
Grace	WA		P45/2908	100%
Grace	WA		P45/2909	100%
Grace	WA		E45/5130	100%
Burraga	NSW		EL6463	100%
Burraga	NSW		EL6874	100%
Burraga	NSW		EL7975	100%
Burraga	NSW		EL8826	100%

1. **The mining tenement interests acquired during the quarter and their location**

   Not applicable.

2. **Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter**

   Not applicable.

3. **Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter**

   Not applicable.

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 asa 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.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Paterson operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Paterson Resources (PSL) control. The Company does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of PSL, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement. This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by PSL. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Paterson Resources Limited	
ABN	**Quarter ended ("current quarter")**
45 115 593 005	30 June 2022

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(33)	(164)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(241)	(524)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(273)**	**(689)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(49)
	(d) exploration & evaluation	(196)	(1,298)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:	-	-
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(196)**	**(1,347)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,204
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	(a) Payment of interest from the issue of convertible debt securities	-	-
	(b) Proceeds from the Less than Marketable Parcel Sale Facility	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**1,204**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,846	2,208
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(274)	(689)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(196)	(1,347)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,204
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,376**	**1,376**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,376	1,846
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,376**	**1,846**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(101)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(273)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(196)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(469)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,376
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,376
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**3**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	
Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2022

Authorised by: The Board of Paterson Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.