



ASX ANNOUNCEMENT

25<sup>th</sup> August 2022

## Grace Project Drilling Update

### HIGHLIGHTS

- A total of 15 reverse circulation (RC) holes have been completed for 2,248 metres.
- Eight holes have been completed testing for gold mineralisation along the Parallel Fault.
- Early geological visual observations are encouraging exhibiting many similarities with known gold mineralisation hosted within the Grace-Bemm shear zone.
- Rig has moved to test the strike and depth extensions of high-grade gold mineralisation along the Grace-Bemm Shear.
- More than 1,572 samples are awaiting analysis at ALS Laboratory in Perth

**Paterson's Executive Director Matt Bull commented on the results,** *"The reverse circulation drilling program at Grace is progressing rapidly and safely. The drilling crew is consistently reaching and exceeding our daily metre targets, with a steady stream of samples being mobilized off site for delivery to the laboratory in Perth. Early visual observations of the drilling chips are encouraging, and I look forward to updating the market as assay results are returned."*

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

The aim of the program is to prove up existing deposits at Grace discovered by previous drilling, testing known mineralisation along the Grace-Bemm shear zone along strike and at depth. In addition, the Company will explore for new deposits using recent geophysics with an improved understanding of the geology and ore-forming models in the highly prospective Paterson Province (Figure 1).

Drilling commenced with nine holes for 1,317m targeting the Parallel Range fault in the Isdell and Malu formations proximal to a known granite intrusion. The drill rig has now moved to test the continuation of mineralisation along the Grace-Bemm shear where five holes have now been completed for 832m.

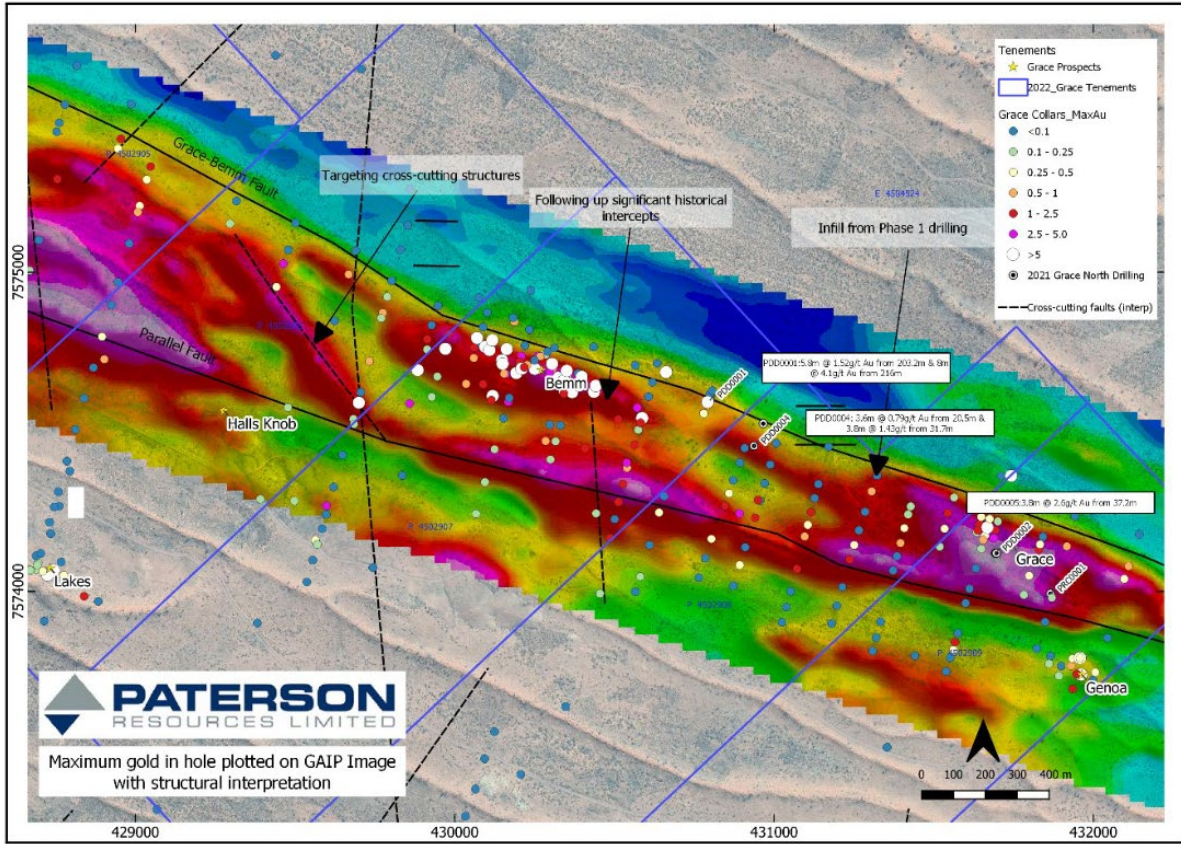


Figure 1: Maximum gold down hole plotted on GAIP image. Phase 2 drilling targeting extensions to known mineralisation envelope and testing prospective cross-cutting structure

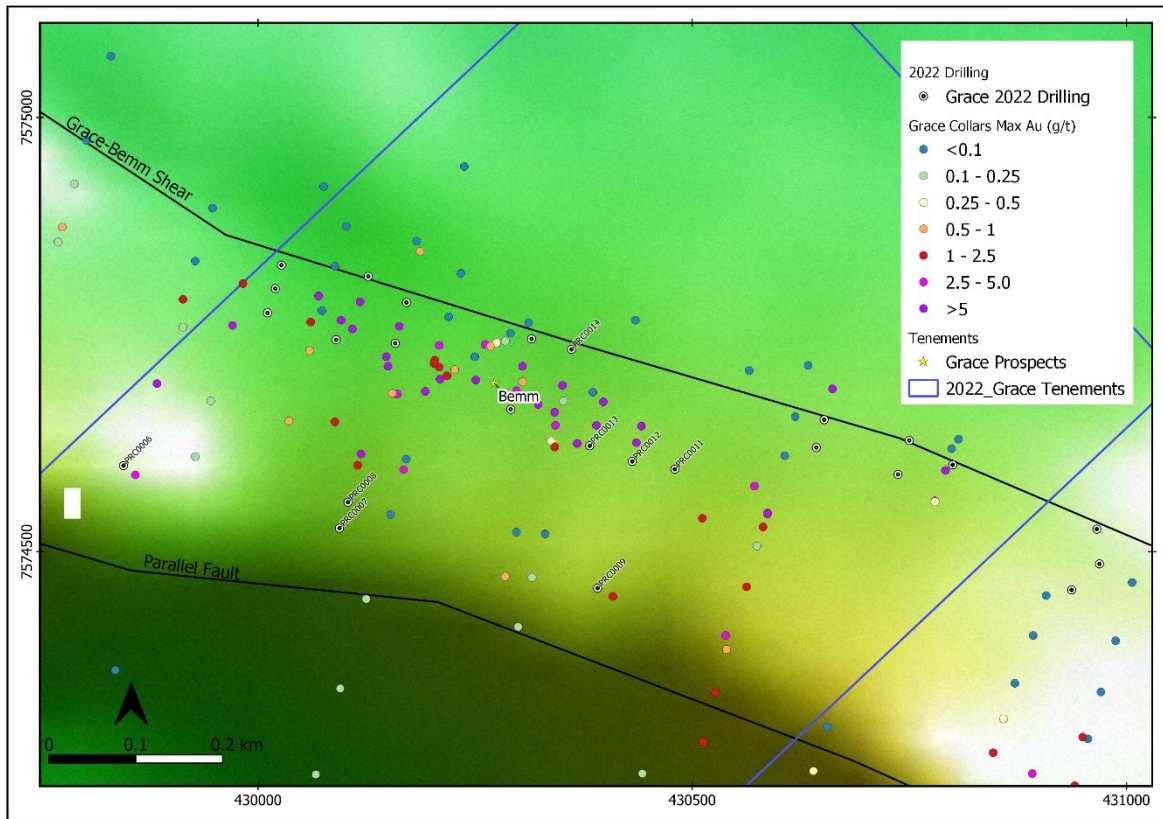


Figure 2: Completed RC drillholes to date at the Grace project

### Early observations demonstrate Paterson is on the right track:

The first indications from the drill holes targeting the Parallel Fault are highly encouraging. All drill holes targeting the Parallel Fault have intercepted extensive shallow zones of quartz-carbonate veining with evidence of relic sulphides weathered to goethite and limonite. The rocks show disruption by potentially mineralising fluids resulting in extensive quartz-carbonate-pyrite veining, brecciation and alteration. This mineral assemblage is a key signature of gold mineralisation at the Telfer gold-copper deposit.

Additionally, in drill hole PRC0009, an intermediate intrusive was intersected between 88-102m with the lower contact containing highly disseminated sulphides (mostly pyrite) in pervasively silicified siltstones extending from 102m to 114m down hole (Figure 3). These observations are consistent with an Intrusive Related Gold System ore-forming model that is evolving in the Paterson Province.

Collar information pertaining to the drillhole containing the sample from Figure 1 is contained in Table 1.



*Figure 3: RC chips from PRC0009 exhibiting heavily disseminated sulphides (~30%) with strong silicic alteration*

**Cautionary Statement:** Determination of the alteration, deformation, vein features and mineralisation discussed above is based on visual observations by suitably qualified geologists. Features by their very nature may or may not contain gold mineralisation due to the multi-phase veining, deformation and veining events present in the geological terrane being explored. Observations are based on a ~50g subsample of >2mm chips taken from approximately 6kg of material generated from each metre of drilling. These observations therefore may not be representative of the sample as a whole.

**Table 1: Drillhole Collar Details (all co-ordinates are MGA94 Zone 51)**

TARGET	Hole ID	Easting	Northing	RL	Azimuth	Dip	Depth
Parallel Fault	PRC0002	429122	7574793	299	196	-60	100
	PRC0003	429133	7574832	299	196	-60	167
	PRC0004	429709	7574636	299	196	-60	166
	PRC0005	429718	7574676	298	196	-60	190
	PRC0006	429845	7574599	299	196	-55	214
	PRC0007	430094	7574527	299	196	-60	142
	PRC0008	430104	7574557	299	196	-55	178
	PRC0009	430391	7574458	302	196	-60	160
Genoa	PRC0010	431919	7573755	300	16	-60	99
Grace-Bemm Shear	PRC0011	430480	7574595	300	196	-60	150
	PRC0012	430431	7574604	300	196	-60	150
	PRC0013	430382	7574622	300	196	-60	118
	PRC0014	430349	7574707	300	196	-60	200
	PRC0015	430295	7574662	300	196	-60	214
	PRC0016	430312	7574743	300	196	-60	ongoing

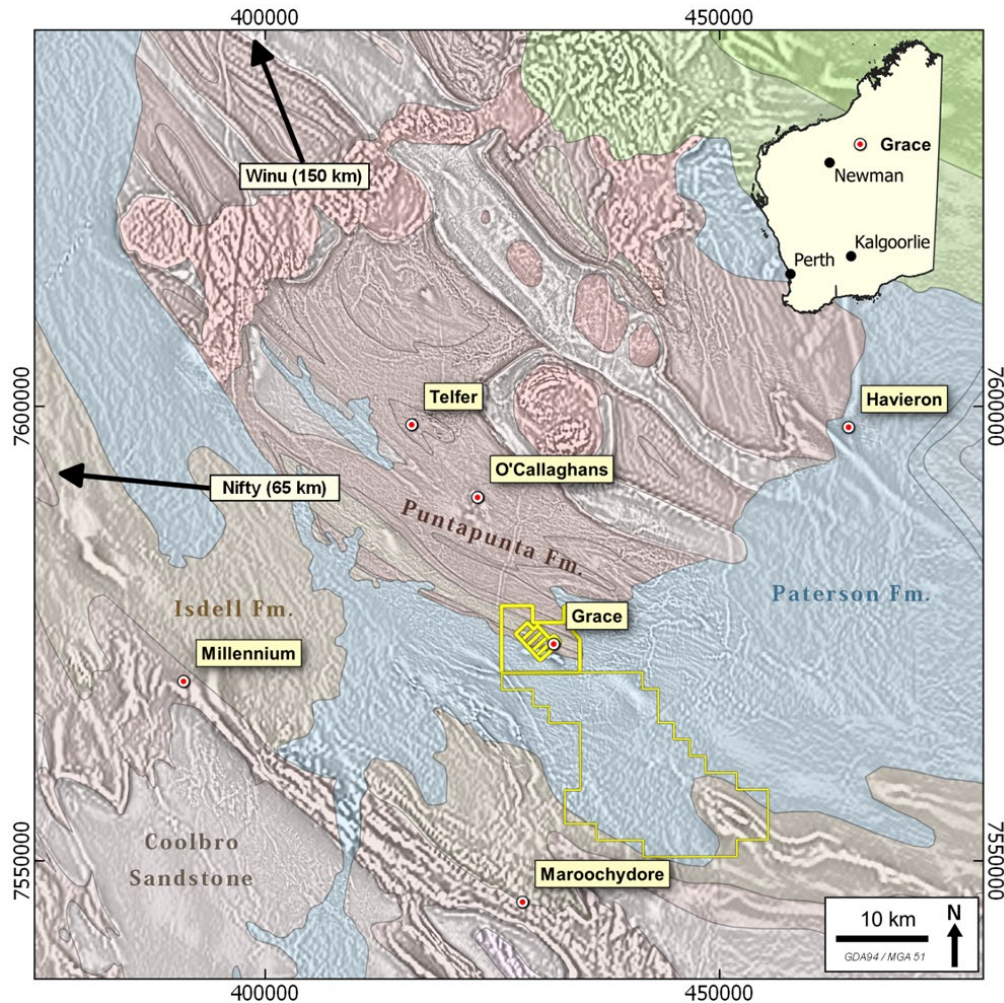
Samples are regularly being dispatched from the Grace Project for analysis at the ALS Laboratory in Canning Vale (Perth), with results expected to be available for reporting in the December Quarter.

**This announcement has been authorised by the Board of Paterson Resources Ltd.**

**Matthew Bull**  
Executive Director

### **The Paterson Province**

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.



**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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