

**Quarterly Activities Report
Quarter Ended 31 December
2022**

HIGHLIGHTS

Grace Gold-Copper Project Paterson Province, Western Australia

- **Remaining assays returned from the RC drilling program with the following significant intercepts:**
 - 5m @ 0.45 g/t gold from 61m (*includes 1m @ 1.5 g/t gold from 62m*)
 - 11m @ 0.94 g/t gold from 165m (*includes 1m @ 4.8 g/t gold from 166m and 2m @ 1.9 g/t gold from 169m*)
 - 15m @ 0.43 g/t gold from 26m and 9m @ 2.8 g/t gold from 95m (*includes 4m @ 6.1g/t gold from 96m*)
- **Five prospecting licences P45/2905 to P45/2909 successfully amalgamated into E45/4524 upon signing of a Heritage Agreement with Jamukurnu-Yapalikurnu Aboriginal Corporation securing tenure over the Grace gold-copper deposit in WA's Paterson Province.**

Burrage Project, New South Wales

- **Exploration licence 6463 has been successfully renewed for an additional six years covering the Lloyds copper deposit, Lucky Draw gold deposit and Hackney's Creek gold prospect.**
- **Exploration licence 7975 that covers the Isabella gold prospect has been successfully renewed for an additional 3 years.**

Grace Gold/Copper Project

Amalgamation of licences

The Company has successfully amalgamated five prospecting licences P45/2905 to P45/2909 that encompass the Grace gold-copper project into E45/4524 upon signing of a Heritage Agreement with the Jamukurnu-Yapalikurnu Aboriginal Corporation.

Drilling Results

A total of 27 reverse circulation (RC) drill holes were completed for 4761 meters in August and September this year with an average hole depth of 176.3m (Figure 1). The drilling program was designed to target dip and strike extensions of the mineralised resource envelope at the Grace-Bemm deposit, extend mineralisation at the Genoa prospect, along with testing the highly prospective Parallel Range Fault.

17 RC holes were designed to infill known gold mineralisation at the Grace-Bemm deposit (PRC0011- PRC0028), along with extending the known mineralised envelope down dip and along strike. Infill and extensional drilling along the Grace-Bemm Shear has been successful in further delineating gold mineralisation along strike and down dip.

The latest assay results are located southeast and along strike from Paterson's newly discovered high-grade gold zone in PRC0024 and PRC0025.

Notable significant intercepts obtained from assay results in the quarter include:

- 5m @ 0.45 g/t gold from 61m including 1m @ 1.5 g/t gold from 62m (*PRC0026*)

- **11m @ 0.94g/t gold** from 165m including 1m @ 4.8 g/t gold from 166m, 2m @ 1.9 g/t gold from 169m and 2m @ 1.9 g/t gold from 194m (*PRC0027*)
- **15m @ 0.43 g/t gold** from 26m and 9m @ 2.8 g/t from 95m including **4m @ 6.1g/t from 96m**, and 7m @ 0.36 g/t gold from 114m (*PRC0028*)

Geological interpretation and 3D modelling of the results indicate the high-grade gold mineralisation intercepted in PRC0024 and PRC0025 is plunging to the southwest. Whilst holes PRC0026 to PRC0028 intercepted some zones of significant mineralisation, it is apparent the holes were not drilled deep enough to hit the high-grade skarn replacement style mineralisation intersected along strike in PRC0024 and PRC0025. This area provides a clear target for further drilling.

Previously reported results for the 2022 RC drilling program include:

- **12m @ 1.18g/t Au** from 138m including 1m @ 3.49g/t Au from 142m (*PRC0004*)
- **13m @ 1.43 g/t Au** from 174m including **1m @ 12.91 g/t Au** from 179m (*PRC0006*)
- **14m @ 0.60 g/t Au** from 10m including 1m @ 3.73 g/t Au from 16m (*PRC0007*)
- 5m @ 2.17 g/t Au from 41m including **1m @ 9.73 g/t Au** at 42m (*PRC0008*)
- **10m @ 0.35 g/t Au** from 108m including 1m @ 1 g/t Au from 108m (*PRC0009*)
- **19m at 1.44 g/t Au** from 29m including **1m @ 15.93 g/t Au** from 34m and 1m @ 2.8 g/t Au from 45m (*PRC0010*)
- **10m @ 0.86 g/t Au** from 22m including 1m @ 3.2 g/t Au from 22m (*PRC0011*)
- 7m @ 1.2 g/t Au from 73m including 1m @ 3.61 g/t Au from 74m (*PRC0012*)
- 6m @ 0.96 g/t from 72m including 2m @ 2.4 g/t Au from 72m and 6m @ 0.35 g/t Au (*PRC0013*)
- **85m @ 0.64g/t Au** from 55m including **3m @ 4.9g/t Au** from 55m and 3m @ 3.9g/t Au from 60m (*PRC0014*)
- 6m @ 0.42 g/t Au from 15m including 1m @ 1.1 g/t Au at 17m and 14m @ 0.7 g.t from 99m including 2m @ 2.3 g/t Au from 102m (*PRC0015*)
- **11m @ 1.07g/t Au** from 32m including **1m @ 10.1g/t Au from 33m** (*PRC0017*)
- 8m @ 1.2g/t Au from 72m including 2m @ 3.8g/t Au from 77m (*PRC0020*)
- **10m @ 1.2g/t Au** from 144m including **1m @ 8.2g/t Au from 144m** (*PRC0021*)
- 8m @ 1.3g/t Au from 146m including **1m @ 6.3 g/t Au from 147m** (*PRC0022*)
- **15m @ 4.03g/t Au** from 77m including **6m @ 9.3g/t Au** from 79m (*PRC0024*) and **31m @ 3.13g/t Au** from 145m including **7m @ 11.0g/t Au** from 148m (*PRC0024*)
- **19m @ 1.23g/t Au** from 104m including **2m @ 5.9g/t Au** from 106m (*PRC0025*) and **41m @ 2.56g/t Au** from 143m including **4m @ 9.2g/t Au** from 143m and **3m @ 8.7g/t Au** from 176m (*PRC0025*)

See table 1 for the full list of significant intercepts.

Drilling to date at the Grace Gold-Copper Project has intersected gold mineralisation hosted mostly within quartz-carbonate breccias and vein stockworks cross-cutting the metasedimentary sequence.

Hole ID	From	To	Width (m)	Au (g/t)	Au > 1g/t		
					From	Width (m)	Inclusions > 1g/t
PRC0002*	No Significant Intercepts						
PRC0003*	No Significant Intercepts						
PRC0004*	138	160	22	0.66	142	3	2.3
PRC0005*	No Significant Intercepts						
PRC0006*	141	148	7	0.31	179	3	5.4
	174	187	13	1.43			
PRC0007*	11	23	12	0.70	16	1	3.7
PRC0008*	41	46	5	2.17	42	1	9.7
PRC0009*	108	118	10	0.35	108	1	1.0
PRC0010*	29	48	19	1.44	33	2	8.5
PRC0011*	16	32	16	0.56	23	2	2.7
	82	97	15	0.34	85	1	1.2
	120	125	5	0.43	122	1	1.5
PRC0012*	73.0	80.0	7	1.16	77	2	1.5
PRC0013*	72	78	6	0.96	72	2	2.4
	83	89	6	0.35			
PRC0014*	55	140	85	0.64	55	3	4.9
					60	3	3.9
					105	1	2.0
PRC0015*	15	21	6	0.42	17	1	1.1
	99	113	14	0.70	102	2	2.3
PRC0016*	110	132	22	1.00	117	2	6.5
					121	2	1.5
					161	176	15
PRC0017*	18	23	5	0.92	20	1	4.0
	32	43	11	1.07	33	1	10.1
	133	139	6	0.40			
PRC0018*	47	65	18	0.56	51	2	2.4
PRC0019*	47	52	5	0.86	47	1	3.8
PRC0020*	72	80	8	1.20	77	2	3.8
	136	145	9	0.58	136	1	2.7
					143	1	2.0
					155	160	5
PRC0021*	144	154	10	1.20	144	1	8.2
					150	2	1.2
PRC0022*	146	154	8	1.30	147	1	6.3
PRC0023*	44	49	5	1.23	44	1	2.2
					47	1	2.4
	111	119	8	0.40	113	1	1.4
	205	210	5	1.04	205	1	4.5
PRC0024*	77	92	15	4.03	79	6	9.3
	145	176	31	3.13	148	7	11.0
PRC0025*	104	123	19	1.23	106	2	5.9

					109	2	3.2
	143	184	41	2.56	143	4	9.2
					176	3	8.7
PRC0026	61	66	5	0.45	62	1	1.5
PRC0027	165	176	11	0.94	166	1	4.8
					169	2	1.9
					194	2	1.9
PRC0028	26	39	15	0.43	33	1	1.2
	95	104	9	2.8	96	4	6.1
	114	121	7	0.36			

Table 1. Table of significant intercepts. Definition of significant intercept ; >5m downhole thickness, >0.3g/t Au av. Including <=5m internal dilution (<0.1g/t) consecutive. Any Au consecutive intercepts over 1 g/t is noted in the right section of the table. *Previously reported results.

Table 2 Drill hole details

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Depth
PRC0002	429122	7574793	299	202	-60.25	100
PRC0003	429133	7574832	299	200	-61.07	167
PRC0004	429709	7574636	299	200	-59.09	172
PRC0005	429718	7574676	298	197	-61.11	190
PRC0006	429845	7574599	299	200	-53.62	214
PRC0007	430093	7574527	299	196	-55.82	142
PRC0008	430103	7574557	299	197	-55.26	178
PRC0009	430391	7574458	302	195	-59.62	160
PRC0010	431919	7573755	297	17	-61.27	100
PRC0011	430480	7574595	301	196	-58.06	150
PRC0012	430431	7574604	301	197	-58.69	150
PRC0013	430382	7574622	301	199	-58.59	118
PRC0014	430360	7574721	300	197	-59.79	200
PRC0015	430291	7574664	299	196	-58.57	214
PRC0016	430315	7574745	299	197	-57.64	250
PRC0017	430158	7574740	296	199	-60.36	154
PRC0018	430171	7574787	296	199	-57.08	150
PRC0019	430090	7574744	296	198	-60.55	154
PRC0020	430127	7574817	296	197	-59.11	200
PRC0021	430011	7574775	297	198	-59.18	160
PRC0022	430020	7574803	296	197	-60.93	200
PRC0023	430027	7574830	296	197	-60.97	250
PRC0024	430643	7574620	300	197	-59.7	190
PRC0025	430652	7574652	300	201	-57.98	230
PRC0026	430737	7574589	300	200	-58.66	170
PRC0027	430750	7574628	300	200	-59.04	196
PRC0028	430969	7574486	299	200	-60.25	202

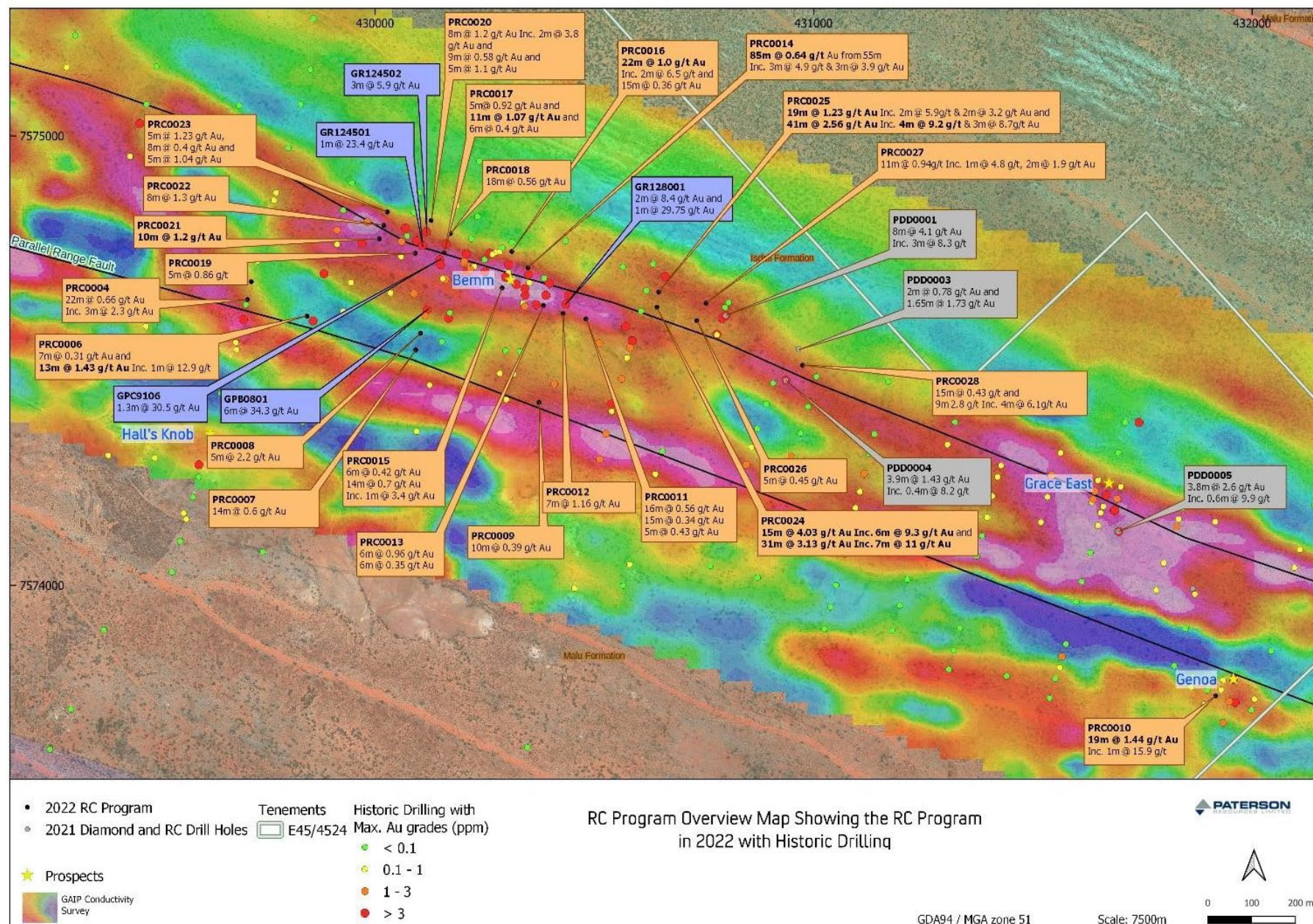


Figure 1 Overview map showing all holes drilled with their significant intercepts with historic drilling. Orange boxes show results of the recent 2022 RC drilling program, Blue boxes contain results of historic drilling and Grey boxes show the 2021 results

Next Steps

All 1m drill samples were assayed at ALS laboratories for gold only via Fire Assay to expedite the assaying process and develop a greater understanding on the controls of gold mineralisation. The technical team at Paterson are in the process of identifying select samples for further base metal analysis, including copper.

Following on from the successful RC drilling campaign at the Grace Gold-Copper Project, Paterson will:

- Conduct a detailed technical review of all results in conjunction with historical drilling results,
- Integrate assaying and logging into 3D model incorporating geophysical and geochemical data to identify priority drilling targets.
- Commence drilling at the Grace Project once the 2023 drilling season begins in the Paterson Province.

Paterson Province

The Grace Gold-Copper Project is in the heart of the Paterson Province, where multiple major exploration groups including Rio Tinto, Newcrest and Greatland Gold are actively exploring within the region (Figure 2). Regional map showing major deposits in the Paterson Province. 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 4 shows the Grace tenements and the significant regional discoveries and mines located nearby.

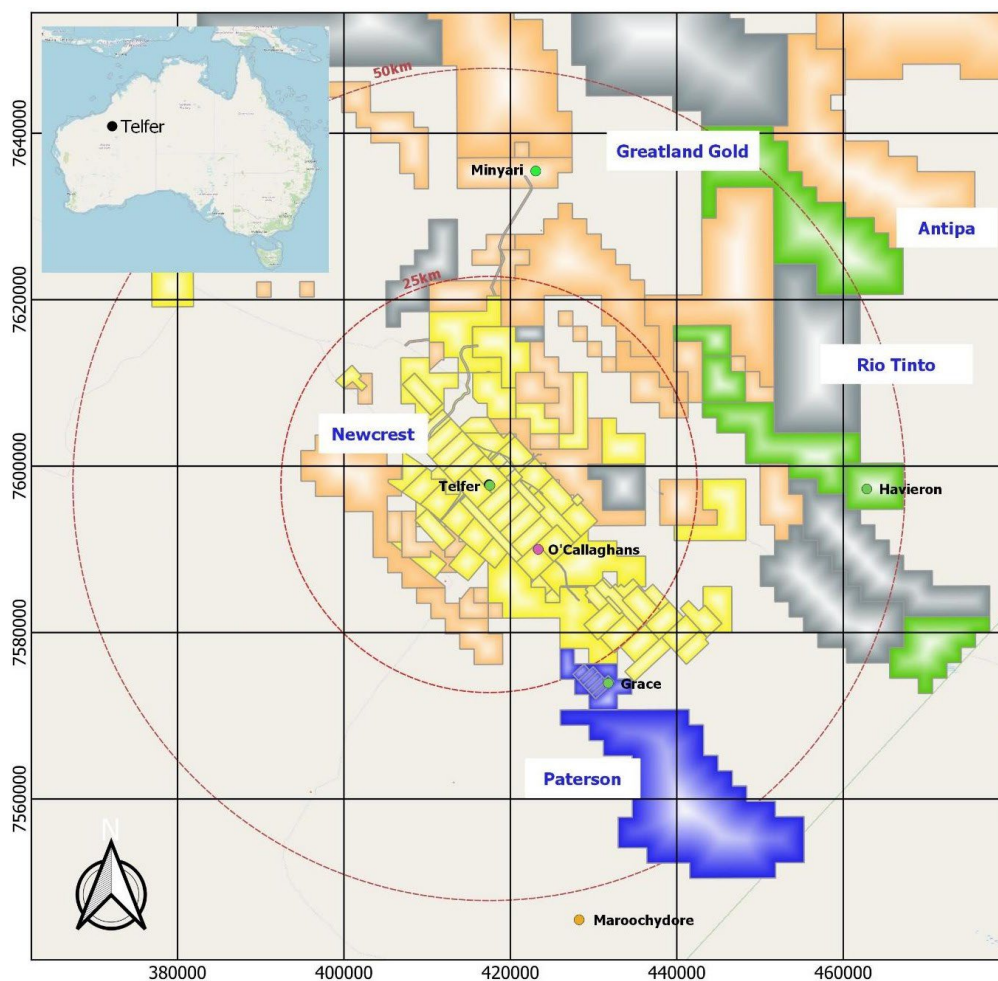


Figure 2 . Regional map showing major deposits in the Paterson Province

Burraga Project, New South Wales

Paterson has been granted a six-year extension on exploration licence 6463 which encompasses the historic Lloyds copper mine (Figure 3) that has a current JORC (2012) compliant resource of 1.68Mt grading at 0.9% copper for a total of 15,120 tonnes of contained copper (see *PSL/HDY ASX Announcement dated 23rd June 2015*). The Lloyds copper mine produced 19,443 tonnes of copper between 1880 and 1920, then intermittently up to 1961.

The tenure also hosts the historic Lucky Draw gold mine where Renison Goldfields Consolidated mined 1.41 million tonnes of ore at an average grade of 4.2 g/t gold in the early 1990's.

The Burraga project is located within the prospective Lachlan Fold Belt which hosts the 2Moz McPhillamy's gold deposit only 50km to the north of the project area.

Paterson has completed an extensive rehabilitation program of historic drill holes in the past quarter to ensure the company is adhering to environmental best practice in the lead up to prospectivity analysis, field mapping and drill targeting planned for the first quarter of 2023.

The exploration licence 7975 which hosts the Isabella gold prospect has also been extended for an additional three years.

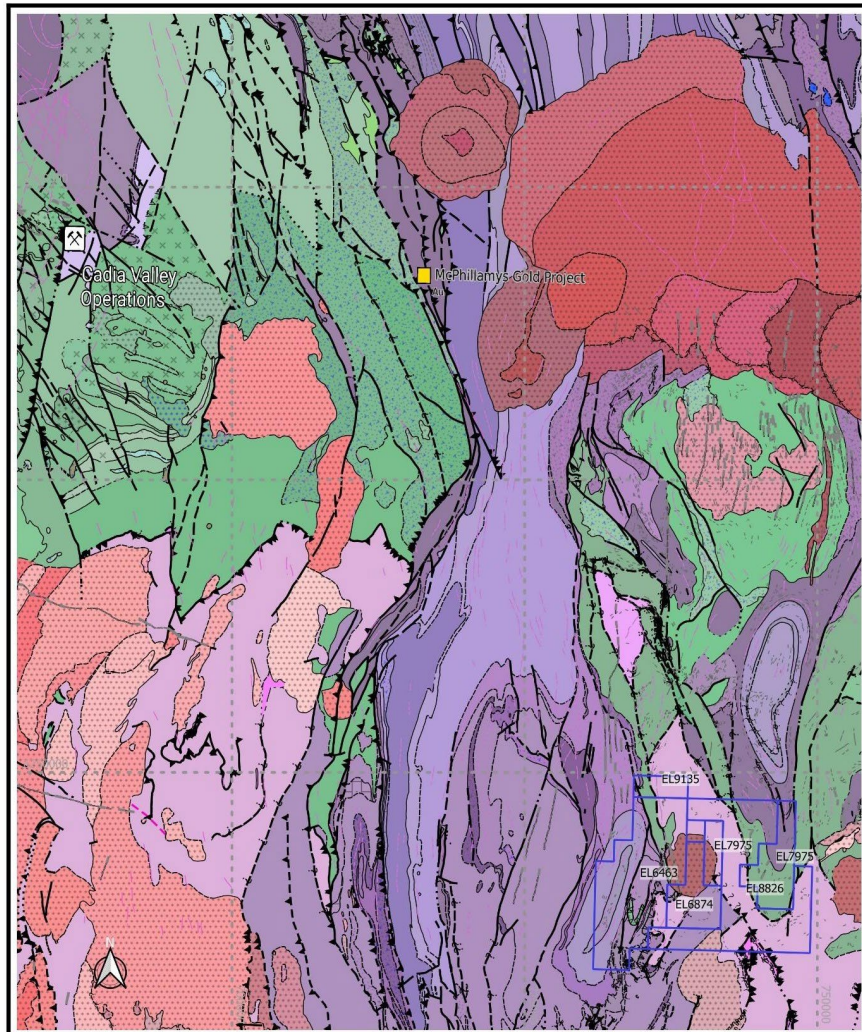


Figure 3 Burraga Project Tenure

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 \$496k, the majority of which was spent on the drilling programs at grace project, and tenement renewal costs at Burraga.

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	\$70,250	Periodical fees paid to Directors and/or Director related entities
Director	\$6,996	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 ASXListing 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%
Burruga	NSW		EL6463	100%
Burruga	NSW		EL6874	100%
Burruga	NSW		EL7975	100%
Burruga	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 and has sufficient experience 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.

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

45 115 593 005

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(81)	(125)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(34)	(105)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	3
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	(114)	(227)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(415)	(641)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(415)	(641)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,037	1,037
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(114)	(227)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(415)	(641)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	508	169

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	508	1,037
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)	508	1,037

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	(77)
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 <i>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.</i>	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)	(114)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(415)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(529)
8.4	Cash and cash equivalents at quarter end (item 4.6)	508
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	508
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1
	<i>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.</i>	
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: Yes.	
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: Yes. The company is currently completing a Placement and is in a trading halt as at 31 January 2023 for this purpose.	

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: Yes, the company will be able to continue its operations after the capital raising.

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 January 2023

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.