Announcement Summary

Entity name

PATERSON RESOURCES LTD

Announcement Type

New announcement

Date of this announcement

1/2/2023

The Proposed issue is:

☑ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unlisted Options exercisable at $0.05; 3 year term	71,428,571
PSL	ORDINARY FULLY PAID	71,428,571

Proposed +issue date

10/2/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

PATERSON RESOURCES LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

45115593005

1.3 ASX issuer code

PSL

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

1/2/2023

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	5/4/2023	Estimated	No

Comments

Shareholder approval will be required for the 71,428,571 free attaching Placement Options, and participation of Matt Bull (Director) in the placement being 13,392,857 shares and 13,392,857 free attaching options).

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
Yes

Details of +securities proposed to be issued

ASX +security code and description

PSL : ORDINARY FULLY PAID

Number of +securities proposed to be issued

71,428,571

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
Yes

In what currency is the cash

What is the issue price per

consideration being paid?
AUD - Australian Dollar

+security?
AUD 0.02800

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
No

ASX +security code
New class-code to be confirmed

+Security description
Unlisted Options exercisable at $0.05; 3 year term

+Security type
Options

Number of +securities proposed to be issued
71,428,571

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
No

Please describe the consideration being provided for the +securities
The Placement Options are free attaching to the Placement Shares, issued on a 1:1 basis as per ASX Announcement lodged on 1 February 2023

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities
1,036,090.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?
No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?
No

Provide the estimated non-ranking end period

5 April 2026 (estimated expiry date)

Please state the extent to which the +securities do not rank equally:
- **In relation to the next dividend, distribution or interest payment; or**
- **For any other reason**

Upon exercise and conversion of the options into shares, the securities will rank equally the class of fully paid ordinary shares on issue.

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0500

Expiry date

5/4/2026

Details of the type of +security that will be issued if the option is exercised

PSL : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

One fully paid ordinary share (ASX: PSL)

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

The terms and conditions of the options will be included in the Notice of Meeting (to be prepared), seeking approval for the issue of the Placement Options.

Part 7C - Timetable

7C.1 Proposed +issue date

10/2/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?
No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?
Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

24,109,854 shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?
Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

33,925,860 shares

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

A placement to professional and sophisticated investors was viewed as the fastest way to raise much needed funds as quickly as possible. The Company will consider a pro-rata issue in the future.

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?
Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?
No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?
No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?
No

7E.2 Is the proposed issue to be underwritten?
No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

To raise funds for drilling campaigns at the Grace Project, advancing drilling targets at the Burraga projects, and for costs of the capital raising & working capital

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)