

Quarterly Activities Report Quarter Ended 31 December 2023

HIGHLIGHTS

Grace Gold-Copper Project, Paterson Province, Western Australia

- **Final results from the 2023 drilling program returned.**
- **Significant gold intercepts from the program include:**
 - 35m @ 2.34 g/t Au from 91m including 17m @ 4.57 g/t Au from 98m which also included 1m @ 46.2 g/t Au from 105m (23PRC013)
 - 19m @ 2.44 g/t Au from 145m including 2m @ 10.23 g/t Au from 149m and also 3m @ 6.9 g/t Au from 155m (23PRC013)
 - 18m @ 1.34 g/t Au from 73m including 5m @ 2.98 g/t Au from 73m (23PRC009)
 - 26m @ 0.79 g/t Au from 154m including 5m @ 2.02 g/t Au from 156m (23PRC009)
 - 3m @ 2.69 g/t Au from 93m (PRC010)
 - 9m @ 1.26 g/t Au from 148m including 3m @ 2.95 g/t Au from 148m (23PRC010)
 - 9m @ 0.71 g/t Au from 74m including 2m @ 2.5 g/t Au from 78m and 15m @ 0.74 g/t Au from 89m including 2m @ 2.2 g/t Au from 96m (23PRC014)
 - 14m @ 0.31 g/t Au from 71m and 10m @ 0.29 g/t Au from 234m including 1m @ 1.69 g/t Au from 240m (23PRC015)
- **Thick high-grade gold mineralisation extended along strike from high-grade hits in PRC0024 and PRC0025 from 2022 drilling campaign.**
- **Repetition of flat-lying gold lodes intersected at depth at Bemm deposit.**
- **The Grace Gold-Copper Project is located in Western Australia's highly prospective Paterson Province which hosts the world-class 30+ million-ounce Telfer gold deposit just 25km north and Greatland Gold's 5.5 million ounce Havieron Gold-Copper Project 40km northeast.**

Burruga Copper-Gold Project, Lachlan Fold Belt, New South Wales

- **Drill planning undergoing targeting shallow high-grade copper mineralization.**

Grace Gold-Copper Project, Paterson Province, Western Australia

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 Haveron 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).

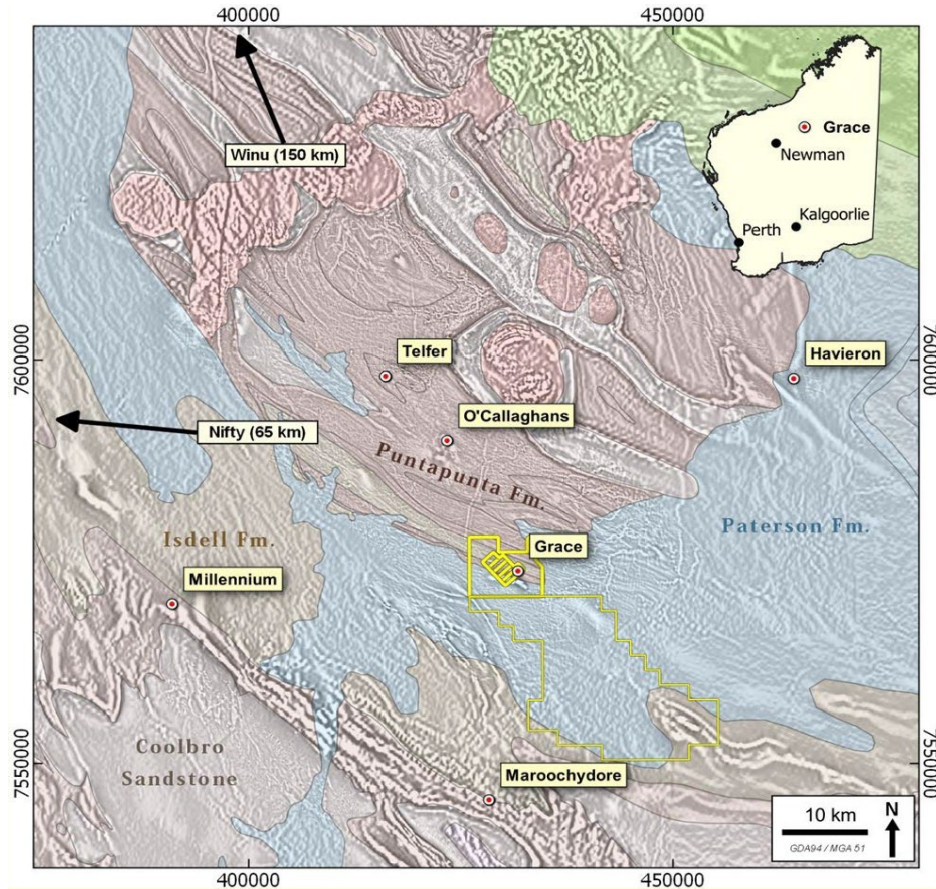


Figure 1: Locality map shopping prominent gold and copper deposits in the Paterson Province

A total of 15 drill holes were completed for 3,809 meters in July and August this year with an average hole depth of 257m (Figure 2)

Bemm Extension Target

A further six drill holes (Table 1 & Figure 2) were designed to target the depth and strike extensions of the multiple high-grade mineralised lodes discovered during 2022 which sit outside of the current resource envelope:

- 15m @ 4.03g/t Au from 77m including **6m @ 9.3g/t Au from 79m** (PRC0024*)
- 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*)
- 41m @ 2.56g/t Au from 143m including **4m @ 9.2g/t Au from 143m and 3m @ 8.7g/t Au from 176m** (PRC0025*)

* Previously reported assay results (see ASX announcement dated 10th October 2022)

Assay results have been received for all 15 holes to date returning the following significant intercepts:

- 14m @ 0.32 g/t Au from 218m **including 1m @ 1.05 g/t Au from 22m** (23PRC0001)
- 4m @ 0.63 g/t Au from 55m **including 1m @ 1.9g/t Au from 55m** (23PRC0002)
- 4m @ 0.65 g/t Au from 235m **including 1m @ 2.46 g/t Au from 237m** (23PRC0003)
- 9m @ 0.42 g/t Au from 308m **including 1m @ 1.04 g/t Au from 308m** (23PRC0004)
- 4m @ 0.27 g/t Au from 108m, 2m @ 0.27 g/t Au from 182m and 5m @ 0.22 g/t Au from 205m (23PRC0007)
- 9m @ 0.15 g/t Au from 19m, 4m @ 0.39 g/t Au from 203m and 4m @ 0.5 g/t Au from 277m (23PRC0008)
- 18m @ 1.34 g/t Au from 73m **including 5m @ 2.98 g/t Au from 73m and 26m @ 0.79 g/t Au from 154m including 5m @ 2.02 g/t Au from 156m** (23PRC0009)
- 3m @ 2.69 g/t Au from 93m and 9m @ 1.26 g/t Au from 148m **including 3m @ 2.95 g/t Au from 148m** (23PRC010)
- 35m @ 2.34 g/t Au from 91m **including 17m @ 4.57 g/t Au from 98m which also included 1m @ 46.2 g/t Au from 105m** (23PRC013)
- 19m @ 2.44 g/t Au from 145m **including 2m @ 10.23 g/t Au from 149m and 3m @ 6.9 g/t Au from 155m** (23PRC013)

A full list of significant intercepts from the 20232 RC program is listed in Table 2.

Gold mineralisation is associated with both pervasive quartz-albite veining and brecciation within fine-grade shales with low-grade gold mineralisation also associated with pervasive sulphide-skarn replacement.

High-grade gold mineralisation intersected in 23PRC013 extends previous thick, multiple lodes along strike to the northwest (Figure 3 & Figure 5) providing a high-priority target for further drilling.

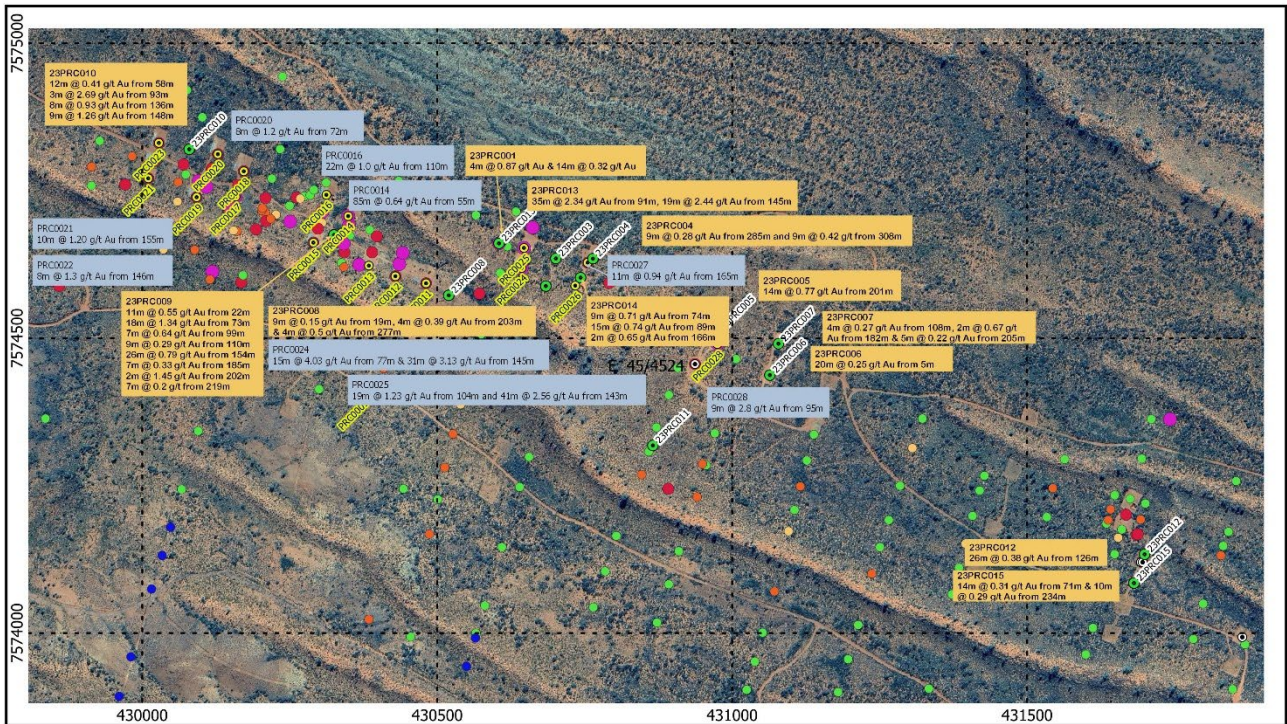
Bemm Deposit

A total of three RC holes, 23PRC008-23PRC010 (Figure 2), were designed within the boundaries of the Grace mineral resource testing a hypothesis that shallow, flat-lying gold lodes repeat at depth. Several deeper lodes were intersected in 23PRC009 (Figure 4) suggesting a continuation of gold mineralisation towards the deep-seated felsic intrusive which is thought to be the source of gold mineralisation.

The best intercepts include:

- 18m @ 1.34 g/t Au from 73m **including 5m @ 2.98 g/t Au from 73m** (23PRC0009)
- 26m @ 0.79 g/t Au from 154m **including 5m @ 2.02 g/t Au from 156m** (23PRC0009)
- 3m @ 2.69 g/t Au from 93m (PRC010)
- 9m @ 1.26 g/t Au from 148m **including 3m @ 2.95 g/t Au from 148m** (23PRC010)

Ground conditions prevented deeper RC drilling. The repetition of gold lodes at depths continues to be a geological model of interest and will be further tested with diamond drilling.



- Drilling**
- 2023 Drilling
 - 2022 Drilling
 - 2021 Drilling
- Max DH Au (g/t)**
- -1 - 0
 - 0 - 0.5
 - 0.5 - 1
 - 1 - 3
 - 3 - 10
 - 10 - 103
- Tenements**
- 2023_Grace Tenements



Grace Gold-Copper Project
2023 Drilling Program

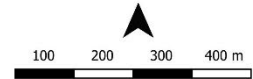


Figure 2: Location plan of 2023 RC drilling program with significant intercepts

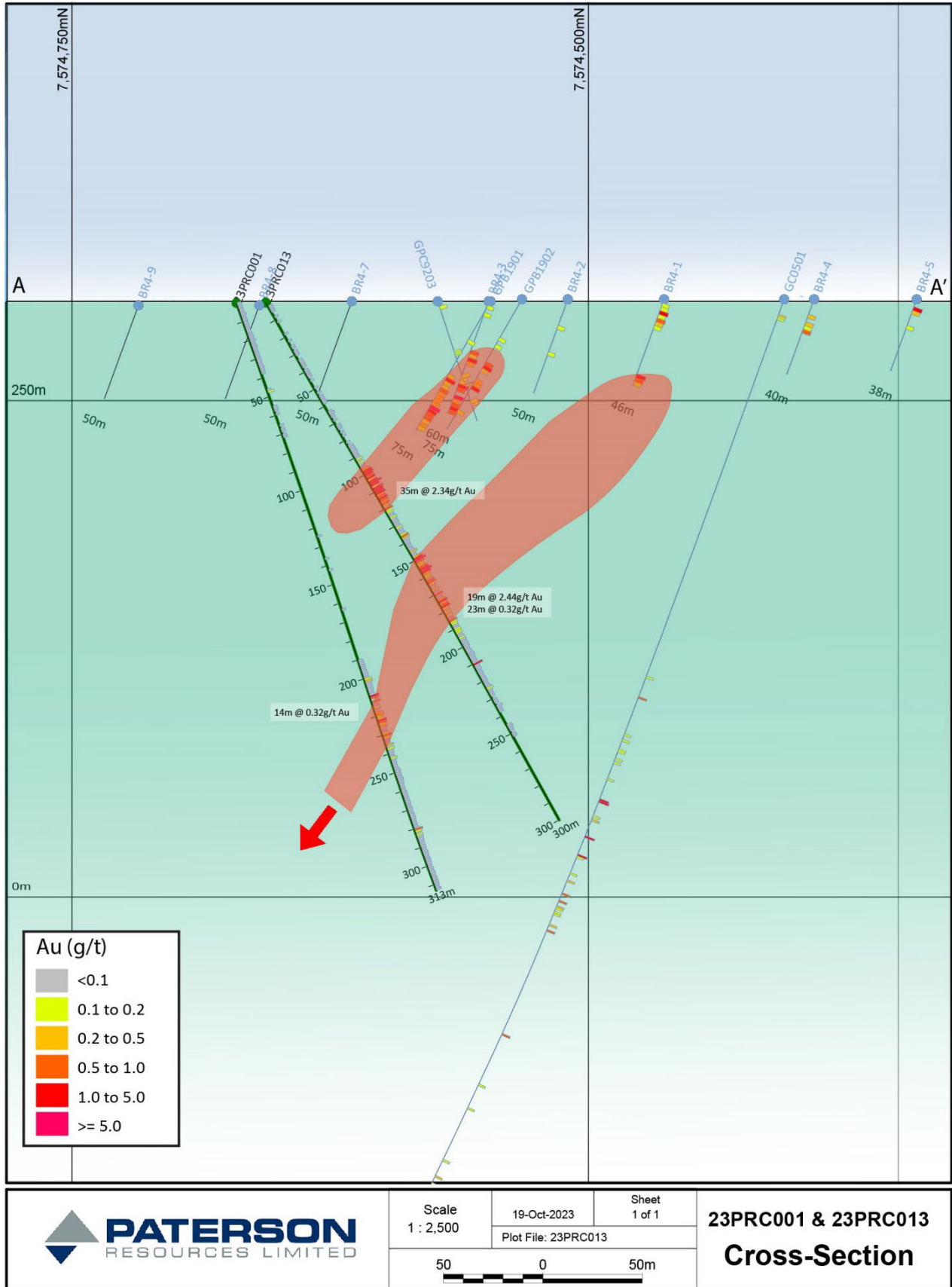


Figure 3: Cross-section passing through 23PRC001 and 23PRC013

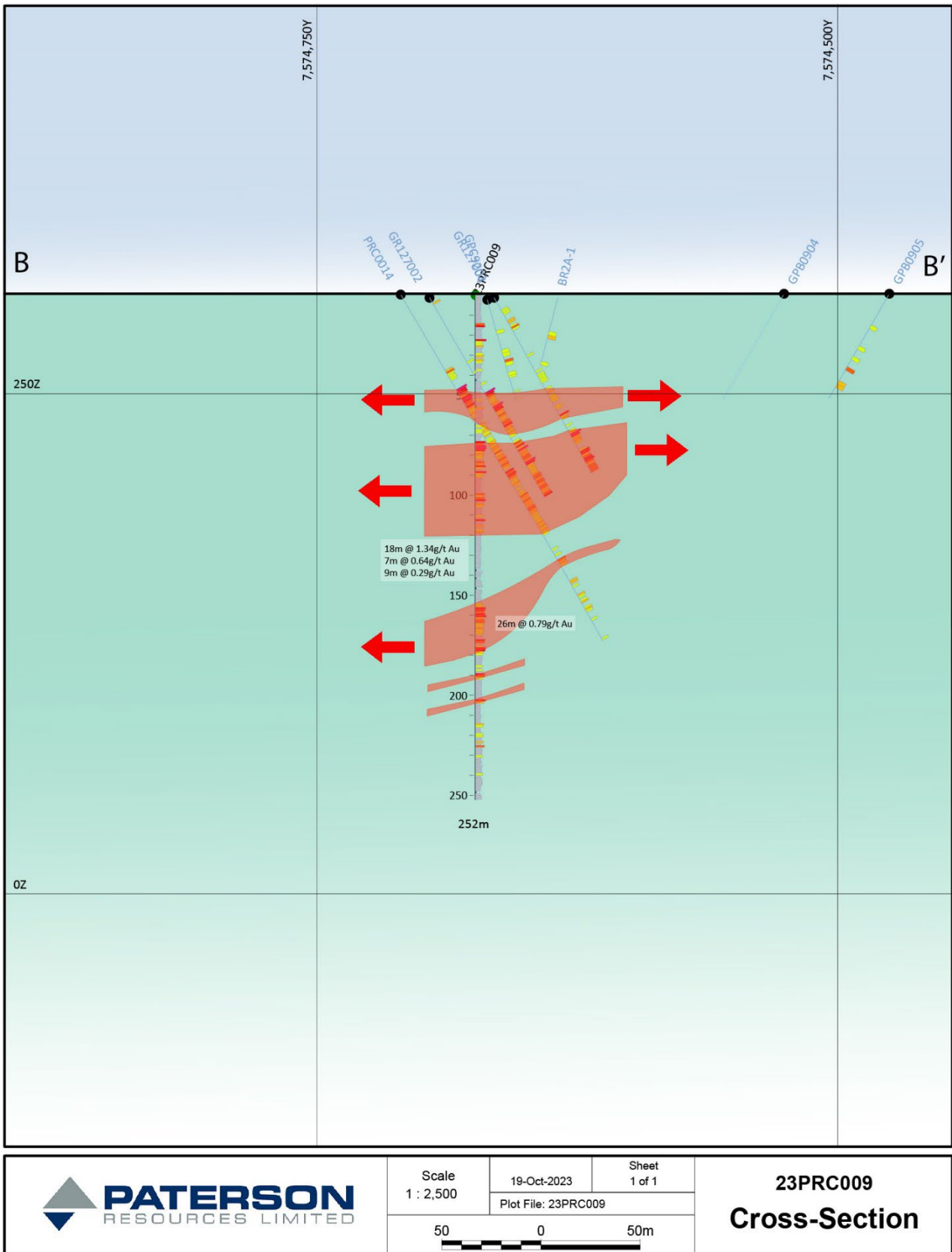


Figure 4: Cross-section passing through 23PRC009

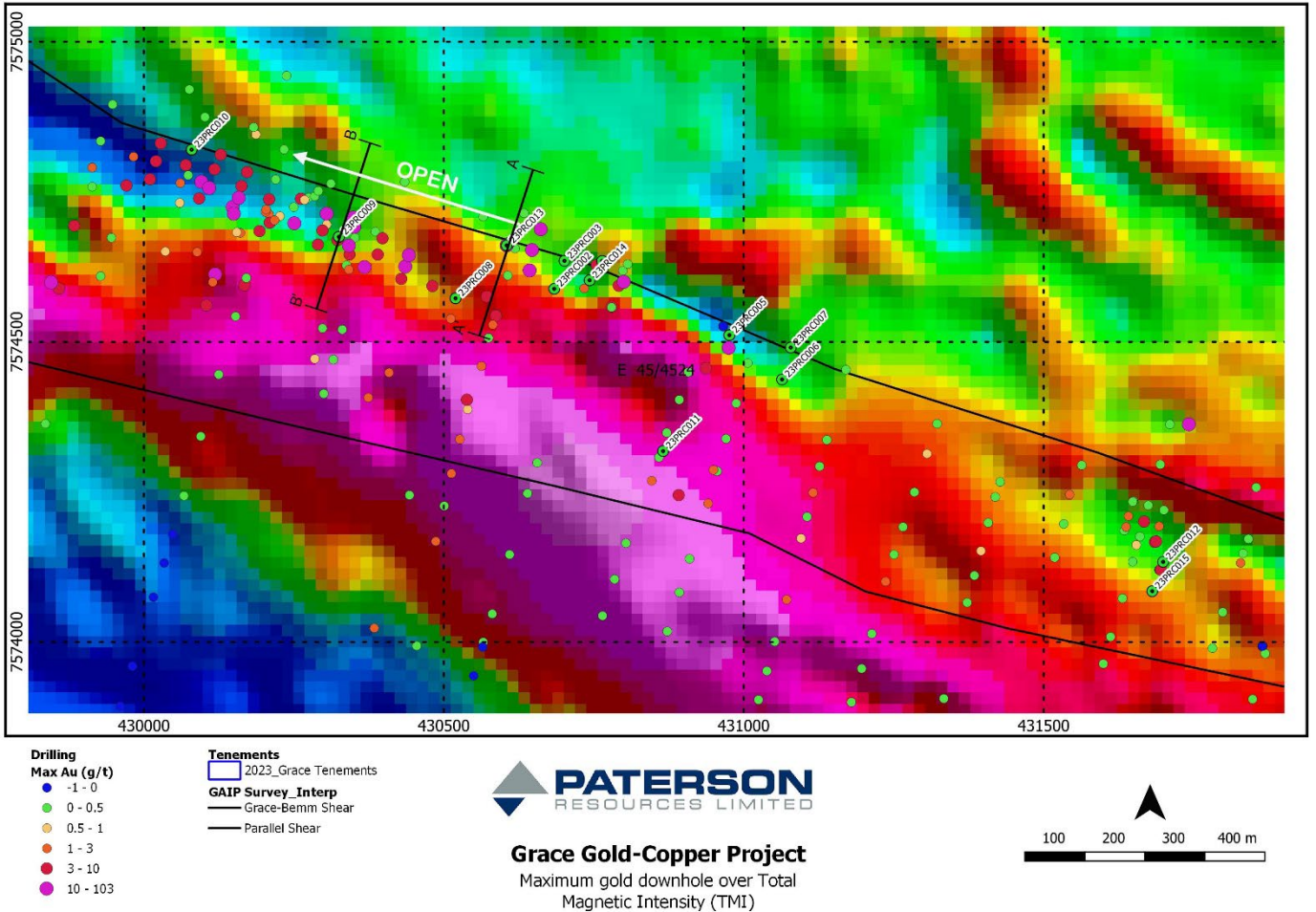


Figure 5: Maximum gold downhole plotted over total magnetic intensity

Grace East Target

A total of two RC holes, 23PRC012 and 23PRC015, targeted a strong ground electromagnetic anomaly at Grace East (Figure 1), about 1km southeast of the Bemm deposit and along the Grace-Bemm gold corridor. Hole 23PRC012 intersected pervasive sulphide-skarn replacement mineralisation, dominated by pyrite (Figure 6) with associated low-level gold mineralisation returning:

- 26m @ 0.38 g/t Au from 126m **including 2m @ 1.65 g/t Au from 139m (23PRC012)**
- 14m @ 0.31 g/t Au from 71m and 10m @ 0.29 g/t Au from 234m **including 1m @ 1.69 g/t Au from 240m (23PRC015)**

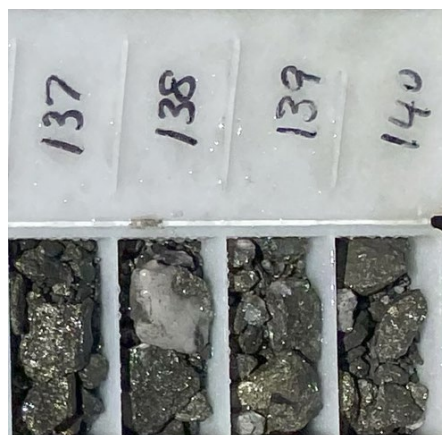


Figure 6: Sulphide (pyrite) skarn replacement from 23PRC012

The thick, low-grade intercept associated with sulphide-skarn replacement within the Grace-Bemm gold corridor (Figure 6) is highly encouraging and provides a further valuable target for additional drilling.

Next Steps

All 1m drill samples have been submitted to ALS Laboratory in Perth for gold only via Fire Assay to expedite the assaying process.

Following on from the successful RC drilling campaign at the Grace Gold-Copper Project, Paterson is in the process of:

- Conducting a detailed technical review of all results in conjunction with historical drilling results.
- Integrating assaying and logging into 3D model incorporating geophysical and geochemical data to identify priority drilling targets.
- Obtaining regulatory government and heritage approvals for drilling activities to recommence in the second quarter of 2024.

Table 1: Details of RC drill holes completed during 2023 drilling program

Hole ID	Easting (m)	Northing (m)	RL (m)	Azi (deg)	Dip (deg)	Depth (m)	Target
23PRC001	430610	7574666	305.14	196.0	-70.0	313.0	Bemm
23PRC002	430684	7574588	305.42	192.0	-60.0	246.0	Bemm
23PRC003	430701	7574635	303.90	196.0	-60.0	294.0	Bemm
23PRC004	430764	7574635	303.22	196.0	-75.0	324.0	Bemm
23PRC005	430976	7574511	305.42	196.0	-75.0	240.0	Bemm
23PRC006	431064	7574437	301.34	196.0	-60.0	258.0	Bemm
23PRC007	431078	7574491	301.78	196.0	-60.0	282.0	Bemm
23PRC008	430519	7574573	307.20	360.0	-90.0	306.0	Bemm
23PRC009	430325	7574675	299.50	360.0	-90.0	250.0	Bemm
23PRC010	430079	7574820	300.48	196.0	-65.0	180.0	Bemm
23PRC011	430866	7574318	305.78	360.0	-90.0	180.0	Bemm
23PRC012	431699	7574133	298.34	16.0	-70.0	216.0	Grace East
23PRC013	430605	7574661	304.28	196.0	-60.0	252.0	Bemm
23PRC014	430743	7574603	302.30	196.0	-60.0	312.0	Bemm
23PRC015	431681	7574085	298.35	6.0	-70.0	270.0	Grace East

Table 2: Significant intercepts from 2023 RC drilling campaign at Grace Gold-Copper project

Hole Id	From	To	Intercept	Grade	Max Au >1.0g/t		
					From	Intercept	Grade
23PRC001	209	213	4	0.87	209	1	1.5
	218	232	14	0.32	222	1	1.05
	280	284	4	0.24			
23PRC002	22	27	5	0.23			
	55	59	4	0.63	55	1	1.9
23PRC003	172	178	6	0.23			
	235	239	4	0.65	237	1	2.46
23PRC004	130	131	1	1.01			

	285	294	9	0.28			
	298	299	1	2.44			
	308	317	9	0.42	309	1	1.04
23PRC005	186	187	1	1.03			
	201	215	14	0.77	209	2	3.04
23PRC006	5	25	20	0.25			
	108	112	4	0.27			
23PRC007	182	184	2	0.67	182	1	1.22
	205	210	5	0.22			
	19	28	9	0.15			
23PRC008	203	207	4	0.39	203	1	1.11
	277	281	4	0.5			
	14	16	2	0.97			
	22	33	11	0.55	22	1	4.54
	73	91	18	1.34	73	5	2.98
					85	1	2.37
	99	106	7	0.64	102	1	1.98
23PRC009	110	119	9	0.29	112	1	1.34
					156	5	2.02
	154	180	26	0.79	172	1	1.59
					176	2	2.01
	185	192	7	0.33	189	1	1.05
	202	204	2	1.45			
	219	226	7	0.2			
	58	70	12	0.41			
23PRC010	93	96	3	2.69			
	136	144	8	0.93	136	5	1.36
	148	157	9	1.26	148	3	2.95
23PRC011	No significant assays						
23PRC012	126	152	26	0.38	139	2	1.65
	91	126	35	2.34	98	17	4.57
					105	1	46.2
23PRC013	145	164	19	2.44	149	2	10.23
					155	3	6.9
	170	193	23	0.32	177	1	1.61
	210	211	1	2.64			
	74	83	9	0.71	78	2	2.5
23PRC014	89	104	15	0.74	96	2	3.3
	166	168	2	0.75	166	1	1.05
23PRC015	71	85	14	0.31			
	234	244	10	0.29	240	1	1.69

Burruga Copper-Gold Project, Lachlan Fold Belt, New South Wales

Various workers previously proposed an exhalative or volcanic hosted massive sulphide (VHMS) model for the Burruga copper-lead-zinc-gold mineralisation. This interpretation is based on the largely stratiform nature of the mineralisation housed in a sequence of volcanoclastic rocks.

Recent studies on the mineralisation and alteration in and near the historic Lloyds Copper Mine have suggested that the Burruga deposits may represent structurally controlled, deep, low sulphidation epithermal copper-gold grading to a carbonate-base metals mineralised system which in turn may be part of a larger porphyry system. The geological model for the formation of this mineralisation style is illustrated in Figure 7. The evidence for a porphyry system at Burruga includes the presence of deep, low sulphidation epithermal mineralisation, monzonite dykes, skarnoid rocks, and biotite (potassic) alteration.

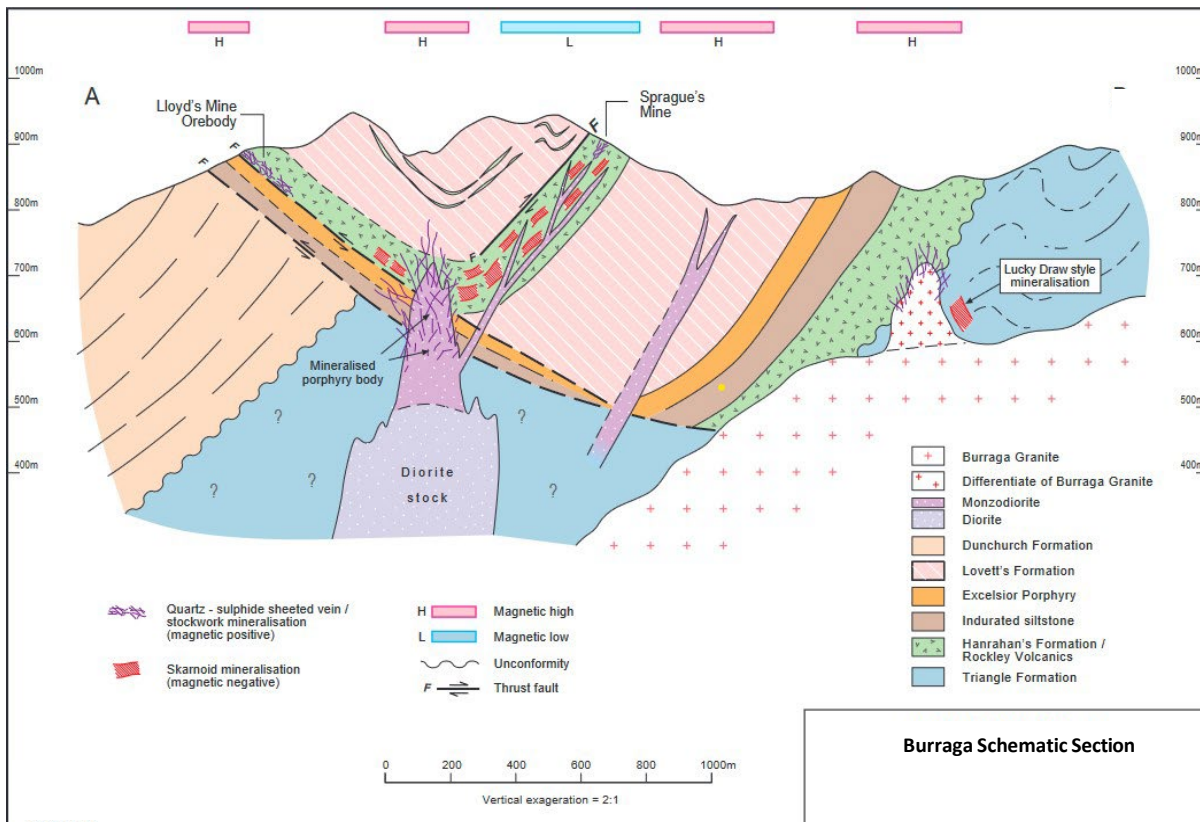


Figure 3: Geological model for the formation of copper-lead-zinc-gold mineralisation at Burraga

No field work was undertaken at Burraga due to drilling activities at the Grace Gold-Copper project. Desktop studies continue including drill targeting and planning for an upcoming program at Burraga in the first half of 2024, pending regulatory approval.

A program of work has been obtained from the New South Wales Resources Regulator.

Future Work

Moving forward the Company will:

- Continue with 3D geological mapping and modelling of mineralisation to aid with drill targeting.
- Plan additional RC drilling to target high-grade copper mineralisation at Lloyds deposit.
- Plan further infill geochemical sampling and follow-up ground geophysical surveys to cover the Callinore prospect.

Corporate

The Company held its Annual General Meeting (**AGM**) on 24 November 2023 and all resolutions were carried by way of a poll.

Placement and Entitlement Offer

On 30th October 2023, the Company announced it would raise approximately \$500,000 by way of a placement of up to 17,857,143 shares (Placement Shares) to sophisticated and professional investors (**Placement**) together with one (1) free attaching option for every two (2) Placement Shares subscribed for (**Placement Options**).

The Placement Shares were issued at \$0.028 per share, representing a 12.5% discount to the 5 day volume weighted average price (VWAP) of the Company's shares on ASX. The issue of the Placement Shares was made under the Company's available placement capacity under Listing Rule 7.1 and rank equally with that of existing fully paid ordinary shares on issue. The Placement Options have an exercise price of \$0.05 and an expiry date of 24th November 2026. The Placement Options were subject to shareholder approval, which was received on 24th November 2023. A total of 17,142,857 Placement Shares and 8,571,430 Placement Options were issued on 11th December 2023.

The funds raised from the Placement were and will be used for the following:

Exploration and resource drilling at the Company's Grace Project in WA;
Preparation to commence RC drilling at the Lloyd's Copper Project in NSW; and
Corporate and administrative costs and to provide ongoing working capital.

In addition, during the quarter, the Company completed a pro-rata non-renounceable entitlement issue of one (1) Share for every ten (10) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.028 per Share together with one (1) free attaching option for every two (2) Shares applied for and issued (on the same terms as the Placement Options) to raise up to A\$1,112,424 before costs (based on the number of Shares on issue as at the record date) (Entitlement Offer). The Company prepared and lodged a Prospectus in respect of the Entitlement Offer on 9th November 2023. The Entitlement Offer was underwritten by Viriathus Capital Pty Ltd (**Underwriter**).

The Company received applications from Shareholders subscribing for 13,922,130 New Shares (and 6,961,065 free attaching options) in the Company totalling \$389,819.64. These securities were issued on 5th December 2023. In addition, a total of 17,857,146 shortfall shares and 8,928,576 free attaching options were issued on 21st December 2023. It is intended for the remaining shortfall of 7,950,156 shares and 3,975,078 free attaching options to be issued as soon as practicable.

On 27th December 2023, a total of 9,821,429 shares and 9,821,429 free attaching options were issued, being Director Matt Bull's participation in the February 2023 Placement. The shares were issued at \$0.028 per share and were issued on the same terms and conditions as all other participants in the February 2023 placement. The issue of the securities was approved by shareholders at the AGM held 24th November 2023.

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 \$732k, the majority of which was spent on the drilling programs at grace project, and tenement renewal costs at the Company's projects.

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	\$98k	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
Grace	WA		E45/4524	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

Bellary E47/3578

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.

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 2023

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	(3)	(6)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(100)	(258)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
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	(103)	(262)

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	(729)	(959)
(e) investments	-	-
(f) other non-current assets	-	-

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

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	(729)	(959)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,514	-
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	(67)	-
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	1,447	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	196	585
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(103)	(262)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(729)	(959)

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

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)	1,447	1,447
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	811	811

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	811	196
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)	811	196

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	(98)
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.

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
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)	(103)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(729)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(832)
8.4 Cash and cash equivalents at quarter end (item 4.6)	811
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	811
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, although the Company has implemented cost saving measures and therefore, operating costs will be lower until the commencement of the next drilling program.	
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 investigation potential additional sources of funding including equity raisings to fund its operations. The Company expects to be successful based on its history of successfully raising capital.	

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

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 – see Section 8.8.2 above in relation. The Company is investigation potential additional sources of funding including equity raisings to fund its operations. The Company expects to be successful based on its history of successfully raising capital.

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 2024

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.