

Hackneys Creek and Lucky Draw Gold Prospects Burruga NSW

- **Validation Diamond Drilling Planned at Hackneys Creek and Lucky Draw Gold Prospects to Upgrade Inferred Resources**
- **Hackneys Creek Inferred Resource 2.21mt @ 1.4g/t Au, 102,300 ozs**
- **Lucky Draw Inferred Resource 0.47mt @ 2.1g/t Au, 31,700 ozs**
- **Total Inferred Resource 2.68mt @ 1.6g/t Au, 134,000 ozs**

Paterson Resources Limited (PSL or the Company) (ASX: PSL) is pleased to announce that planning is underway for the validation diamond drilling recommended in the **Report on an Estimate of Gold Mineral Resources at Hackneys Creek and Lucky Draw** (ASX Ann 27 April 2020 and Entitlement Issue Prospectus 22 May 2020 *) located at the Burruga Copper Gold Project in the Eastern Lachlan Fold Belt in NSW.

The diamond drilling is designed to validate the existing drill assay data used in the inferred resource estimation at Hackneys Creek by twinning approximately 6 holes. A further 10 diamond drill holes recommended to validate the existing drill assay data at the remnant Lucky Draw inferred resource are also planned. Validation of this drill data along with the collection of additional geological and structural information will enable the upgrading of the current resource from inferred to a higher category.

The most promising intercepts returned from past drilling carried out by RGC Exploration at Hackneys Creek that were included in the inferred resource estimation are:

- **21.3m @ 9.19 g/t Au from 89m, including 4m @ 40.38 g/t Au from hole LDD309**
- **33.6m @ 2.27 g/t Au from 71.4m, including 5m @ 5.83 g/t Au from hole LXD283**
- **25.0m @ 3.57 g/t Au from 20m, including 4m @ 7.48 g/t Au from hole LXD359**
- **2.0m @ 11.25 g/t Au from 28m from hole LXD 282**
- **16.0m @ 3.30 g/t Au from 34m from hole LRC 353**

(* The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous announcements. All material assumptions and technical parameters pertaining to the resource estimate continue to apply and have not materially changed.)

Gold Mineral Resources (above 0.5 g/t Au cutoff)				
		Tonnes	g/t Au	Au Metal ozs
Hackneys Creek	Measured			
	Indicated			
	Inferred	2,210,000	1.4	102,300
Total		2,210,000	1.4	102,300
Lucky Draw	Measured			
	Indicated			
	Inferred	470,000	2.1	31,700
Total		470,000	2.1	31,700
Total	Measured			
	Indicated			
	Inferred	2,680,000	1.6	134,000
Total		2,680,000	1.6	134,000

Table 1. Hackneys Creek and Lucky Draw Mineral Resources by model and resource category *

The Hackney's Creek and Lucky Draw prospects occur 1km along strike from each other and 5km northeast of the town of Burraga, approximately 60km south of Bathurst in NSW.

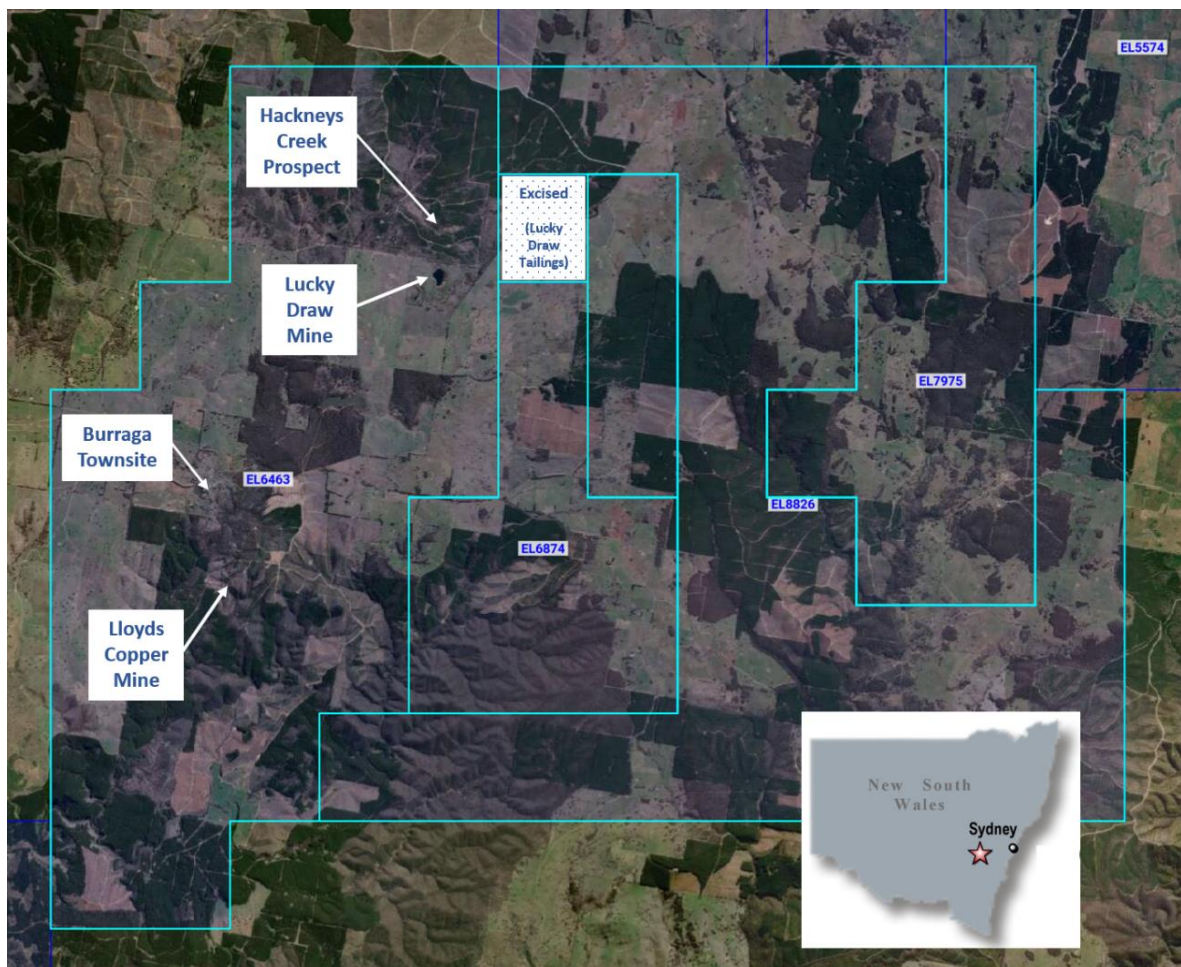


Figure 1 : The Burraga Project Tenements

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At Hackneys 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. Weathering and associated oxidation of sulphide minerals extends to about 30m below surface.



The Lucky Draw deposit comprises multiple 2m 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.

For and on behalf of the Board
Sarah Smith
Company Secretary

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

ABOUT PATERSON RESOURCES:

Paterson Resources (ASX: PSL) is a publicly listed, junior mineral resources company focused on the exploration and development of gold and copper projects. Paterson has aggregated a diversified portfolio of assets that are at multiple stages, commodities and jurisdictions. The Grace Gold Project located in the world class Paterson mineral province in Western Australia consists of two granted exploration licences and five granted prospecting licences (E45/4524, E45/5130, P45/2905, P45/2906, P45/2907, P45/2908, and P45/2909). The Company also has an extensive landholding prospective for gold in the Pilbara in Western Australia, with four exploration licences (E08/2880, E47/3578, E47/3827, and E45/5020). The Burruga Copper Gold Project, located in the world class minerals province of the East Lachlan Fold Belt in central western New South Wales consists of four contiguous exploration licences (EL6463, EL6874, EL7975 and EL8826) covering a total area of approximately 221km². Paterson is an active explorer with the aim of discovering a valuable mineral resource and delivering shareholder value.

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 Brian Thomas, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Thomas is a Director of Paterson Resources Limited. Mr Thomas 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 Thomas 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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Forward Looking Statements

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