

ASX ANNOUNCEMENT

16 September 2020

Dear Shareholder

IMPORTANT NOTICE

Sale of your Less than Marketable Parcel of Paterson Resources Limited Shares

Paterson Resources Limited (ASX: PSL) (**PSL** or **Company**) has established a share sale facility (**Facility**) for holders of parcels of fully paid ordinary PSL shares valued at less than \$500 as at 11 September 2020 (**Record Date**) (**Less than Marketable Parcels**).

Our records show that you held a Less than Marketable Parcel based on the Company's share price of \$0.004 as at the Record Date. Based on this share price, a Less than Marketable Parcel is comprised of 124,999 or fewer shares.

The Company is offering the Facility as it provides the following benefits:

- holders of Less than Marketable Parcels have the opportunity to sell their shares without incurring any brokerage or handling costs which, in proportion to the value of their holding, may otherwise render a sale unattractive or uneconomical; and
- relieving the Company of the considerable costs involved in administering the holdings of Less than Marketable Parcels.

The Company has approximately 3,765 shareholders of which approximately 2,020 hold a Less than Marketable Parcel. These shareholders in aggregate represent approximately 1.82% of all issued shares.

Key dates

Event	Date
Record Date	7.00pm (AEST) on 11 September 2020
Announcement to ASX of Facility	Monday, 14 September 2020
Letters sent to holders of Less than Marketable Parcels	Wednesday, 16 September 2020
Closing Date for receipt of Share Retention Forms	5.00pm (AEST) on 28 October 2020

ACN : 115 593 005

Suite 2 Level 1, 1 Altona Street, West Perth WA 6005

www.patersonresources.com.au

You may choose to sell all of your holding or retain your existing holding as explained below.

1. Sell all of your existing holding

If you wish to sell your shares through the Facility, you do not need to take any action.

By refraining from taking any action, the Company is authorized under its Constitution to sell your shares following the Closing Date of 28 October 2020. Your shares will be pooled with other shares under the Facility and sold as soon as practicable after the Closing Date.

The price you receive for each share sold through the Facility will be the volume weighted average price received for the sale of all shares under the Facility (**Sale Price**). All participants who have their shares sold will receive the same Sale Price per share, where the proceeds from the sale process will be apportioned pro rata amongst all participating shareholders according to the number of shares sold on their behalf.

Sale proceeds will be paid to you either by electronic transfer (if you have previously provided banking details to the Company's share registry) or alternatively by cheque to your registered address, as soon as practicable following the sale of your shares. A transaction confirmation statement will be sent to you confirming the number of your shares sold and the price and total sale proceeds you have received. All sale proceeds will be paid in Australian dollars and rounded to the nearest cent.

For ease of payment, enclosed with this letter is a Direct Credit Facility Form. You are encouraged to return a Direct Credit Facility Form to ensure prompt payment by electronic transfer and minimise handling of cheques in light of the COVID-19 pandemic.

All costs associated with the sale of your shares will be borne by the Company. No brokerage will be payable by you. Any tax consequences arising from the sale of your shares will be your responsibility.

If your shares are held in a CHESS holding, the Company may after the Closing Date, initiate a holding adjustment to move your shares to the issuer sponsored sub-register for the purpose of the Facility.

2. Retain your Less than Marketable Parcel

If you wish to retain your existing holding then you must either:

- correctly complete, sign and return the enclosed Share Retention Form so that it is received by 5.00pm (AEST) on 28 October 2020, being the Closing Date for the Facility; or
- arrange to have multiple holdings consolidated into the one holding which has 125,000 or more shares on the Closing Date; or
- make your own arrangements outside the Facility to purchase additional shares so that you are the registered holder of 125,000 or more shares on the Closing Date (which may include purchasing existing shares or participating in the Company's proposed Share Purchase Plan announced on 14 September 2020).

If you successfully take one of these steps, the Company will not be entitled to sell your shares.

Important Information

The Company reserves the right to vary, delay or terminate this sale facility by notice to the ASX.

The Company is not bound to sell any or all of the shares that may be available for it to sell under the Facility, and there is no guarantee that the Company will be able to sell your shares. In addition, the sale proceeds may differ from the market value of your shares on the Record Date, depending on movements in the market price of the shares and on the Company appointed brokers' ability to procure purchasers.

The Company will determine whether a shareholder has a less than marketable parcel as at the Record Date. The Company will not have any reference to any increase in the price of shares after the Record Date in determining whose shares may be sold or bought back pursuant to the Facility.

Neither the Company nor any other person involved in the Facility shall be liable for failure to sell the shares or at a particular price. The price of the Company's shares is subject to change and an up-to-date price can be obtained from the ASX website (www.asx.com.au) under the code "PSL".

The Company does not make any recommendation or provide any advice to you regarding whether to sell your holding under the Facility, retain your existing holding or acquire additional shares.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your appropriately qualified adviser.

If you require any further information you can also contact the Company's share registry Computershare on 1300 850 505 between the hours of 8:30 AM to 5:00 PM (AEST) Monday to Friday.

For and on behalf of the Board
Nick Johansen
Chairman

PSL

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

**Return your Form to the
Company's share registry:**



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

By Email:

corpactprocessing@computershare.com.au

For all enquiries:

Phone:



(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Share Retention Form

 **If you wish to retain your shares, your form must be received by 5.00pm (AEST) Wednesday, 28 October 2020**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Paterson Resources Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Paterson Resources Limited, do not complete or return this form. If you have more than one shareholding on Paterson Resources Limited's register and you do not wish to sell your shares under the Less than Marketable Parcel Share Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited (CIS) on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

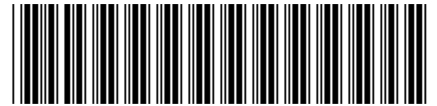
Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign; and a certified copy or original, of the required documentation must accompany this form. Details of the documentation required can be found by searching "deceased estates" on our website www.computershare.com or by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form ➔



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Share Retention Form

STEP 1**Shareholding Details**

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAPLETOWN NSW 2001



Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.

Shares held as at 7.00pm (AEST)
Friday, 11 September 2020:

2000

For your security keep your SRN/
HIN confidential.

STEP 2**Signature of Shareholder(s)***This section must be completed.*

By signing and returning this form, in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Less than Marketable Parcel Share Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3**Contact Details**

Contact
Name

Contact
Daytime
Telephone

Date / /

Email

Address

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.