



PATERSON RESOURCES LTD

ABN 45 115 593 005

HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2023

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CORPORATE DIRECTORY

Board of Directors

Nick Johansen	Non-Executive Chairman
Matthew Bull	Executive Director
Kenneth Banks	Non-Executive Director

Secretary

Ms Sarah Smith

Registered Office

Suite 11, Level 2
23 Railway Road
Subiaco WA 6008

Website: www.patersonresources.com.au

Stock Exchange Listing

Listed on the Australian Securities Exchange (ASX Code: PSL)

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

Solicitors

HWL Ebsworth Lawyers
Level 20, 240 St Georges Terrace
Perth WA 6000

Bankers

Westpac Banking Corporation
Level 13, 109 St Georges Terrace
Perth WA 6000

Share Registry

Computershare Investor Services Pty Limited
Level 17, 221 St Georges Terrace
Perth WA 6000

Country of Incorporation

Paterson Resources Ltd is domiciled and incorporated in Australia

DIRECTORS' REPORT

The Directors present their report for the consolidated entity consisting of Paterson Resources Ltd ("PSL" or "the Company") and the entities it controlled ("the Group") for the half-year ended 31 December 2023.

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2023 and considered together with any public announcement made by the Company during the period and up to the date of this report.

DIRECTORS

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. Directors were in office for this entire Period unless otherwise stated.

Director	Position
Nick Johansen	Non-Executive Chairman
Matthew Bull	Executive Director
Kenneth Banks	Non-Executive Director

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was mineral exploration.

REVIEW OF OPERATIONS

Exploration Programs

The Company's current strategy is to conduct exploration programs to advance existing near surface targets at all its projects utilising surface geochemistry, geophysics, and geological mapping, followed by focused drilling.

During this period, exploration programs have included target generation and drilling.

Grace Project – Paterson Province, Western Australia

The Company's priority for focused exploration was at the Grace Gold-Copper Project in the highly prospective Paterson Province, home to Newcrest's world class gold and copper Telfer Mine located 25km to the northeast. The Paterson Range is also host to several other additional major discoveries including Rio Tinto's Winu copper project and the Havieron gold and copper discovery, a joint venture between Newcrest and AIM listed Greatland Gold.

The Grace Gold-Copper Project covers over 345km² of prospective geology in the Paterson Province. The project has been previously explored by Newcrest Mining which identified outcropping gold and copper mineralisation at the Bemm and Grace Prospects, along with bedrock mineralisation at the Lakes, Genoa and Halls Knob Prospects.

The Grace-Bemm deposit has been drilled along 450-500m of strike and 90m across strike to an average depth of 73m. High grade shallow oxide gold mineralisation commences from surface. The historic drilling has allowed the calculation of an inferred mineral resource of 1.59mt @ 1.35g/t Au for 69,000ozs outlined in Table 1 (*PSL ASX Announcement 22 May 2020 – Entitlement Issue Prospectus).

Directors' Report

REVIEW OF OPERATIONS (Continued)

Table 1: Grace Mineral resource statement (*PSL ASX Announcement 22 May 2020 – Entitlement IssueProspectus)

Class	Type	Tonnes (Mt)	Au (g/t)	Ounces (koz)
Inferred	Oxide / Transitional	1.59	1.35	69
	TOTAL	1.59	1.35	69

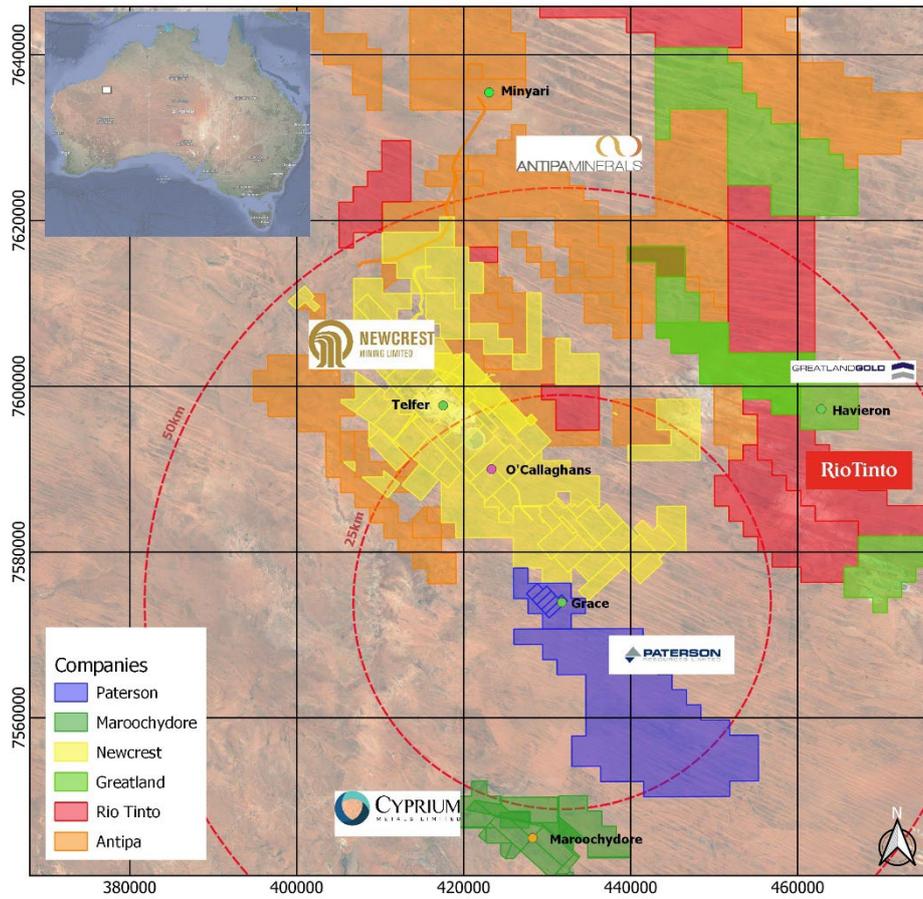


Figure 1: Grace Project Location Map

Directors' Report

REVIEW OF OPERATIONS (Continued)

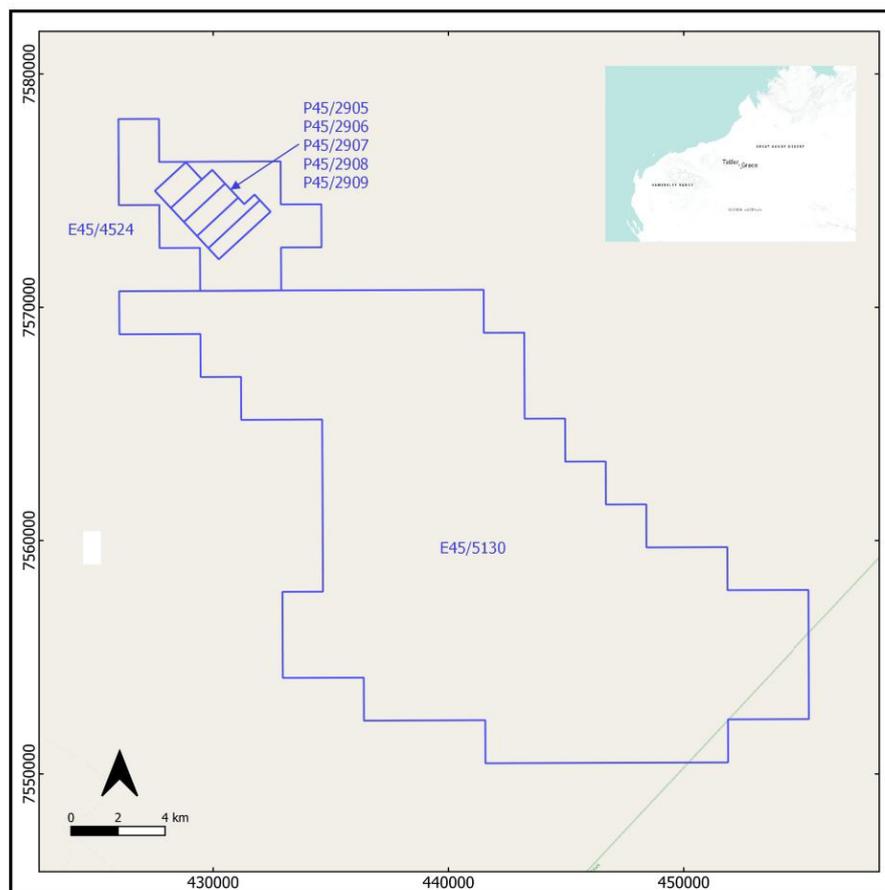


Figure 2: Grace Project Tenement Map

The best intercepts for historic drilling in the Grace Project include:

- 10.0m @ 20.95 g/t Au from 6.0m - GPB0801 (RAB)
- 33.0m @ 1.55 g/t Au from 53.0m - GR124502 (RC)
- 12.0m @ 14.38 g/t Au from 56.0m - GR037 (RC)
- 3.1m @ 8.28 g/t Au from 17.1m - GPC9106 (DDH)
- 22.0m @ 1.31 g/t Au from 71.0m - GR124002 (RC)
- 6.0m @ 5.61 g/t Au from 34.0m - GR128001 (RC)
- 4.0m @ 7.04 g/t Au from 38.0m - GR124501 (RC)
- 16.0m @ 2.64 g/t Au from 34.0m - BR8-5 (RAB)
- 4.0m @ 5.13 g/t Au from 30.0m - HK3-4 (RAB)

(PSL Entitlement Issue Prospectus – ASX Ann 22 May 2020)

Reverse Circulation Drilling at Grace-Bemm

The Company's third phase reverse circulation (RC) drilling program at the Grace Project commenced in July 2023. A total of 15 holes were completed for 3809 meters with an average hole depth of 257m. The drilling program was designed to target dip and strike extensions of the thick high-grade mineralised shoot discovered in 2022 along with continued development of the Grace-Bemm deposit.

Directors' Report

REVIEW OF OPERATIONS (Continued)

Bemm Extension Target

A further six drill holes 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 returned 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** (23PRC003)
- 9m @ 0.42 g/t Au from 308m including **1m @ 1.04 g/t Au from 308m** (23PRC004)
- 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 (23PRC007)
- 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 (23PRC008)
- 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** (23PRC009)
- 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)

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 3), 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 5) suggesting a continuation of gold mineralisation towards the deep-seated felsic intrusive which is thought to be the source of gold mineralisation.

Directors' Report

REVIEW OF OPERATIONS (Continued)

The best intercepts include:

- 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)

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.

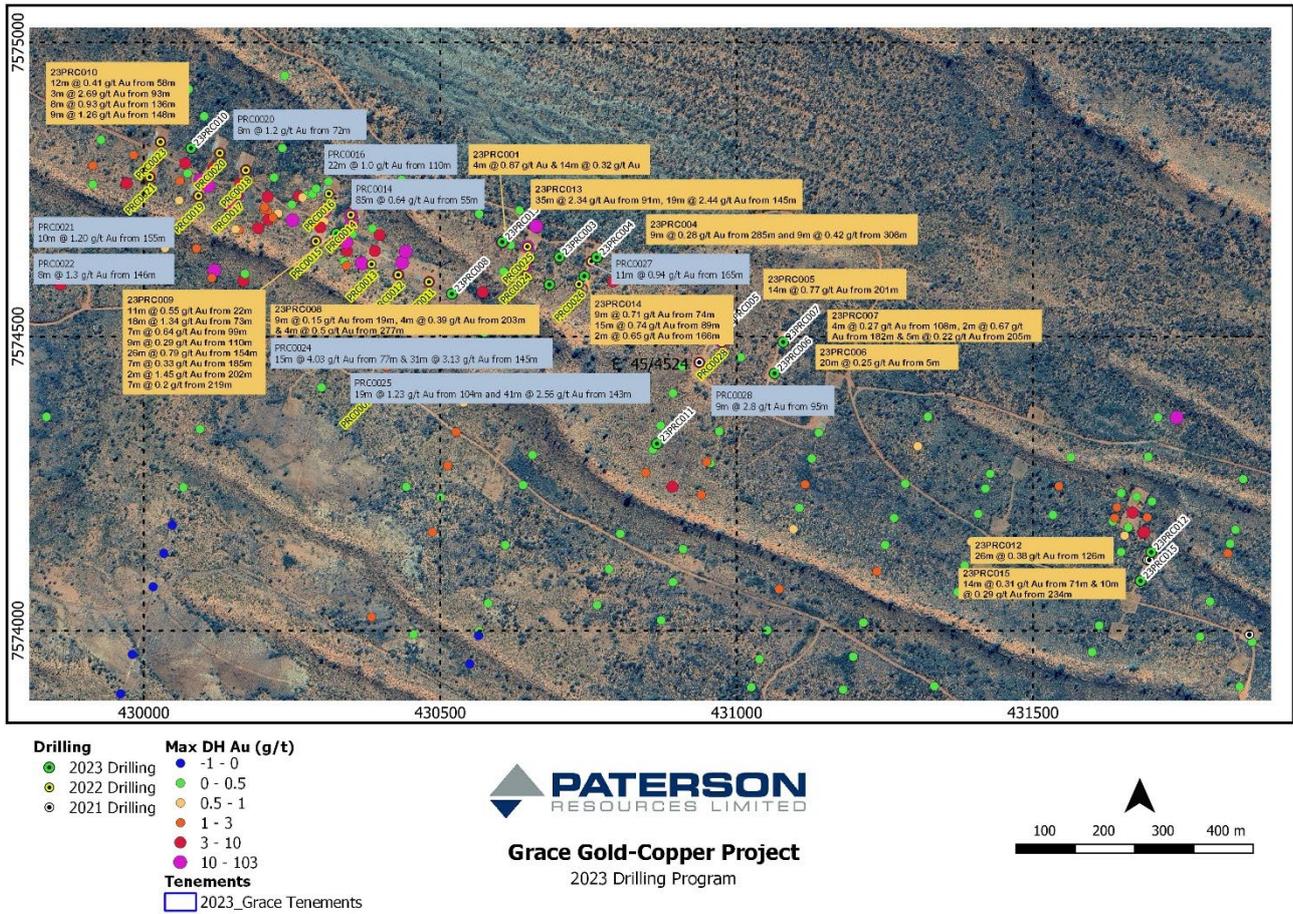


Figure 3: Location plan of 2023 RC drilling program with significant intercepts

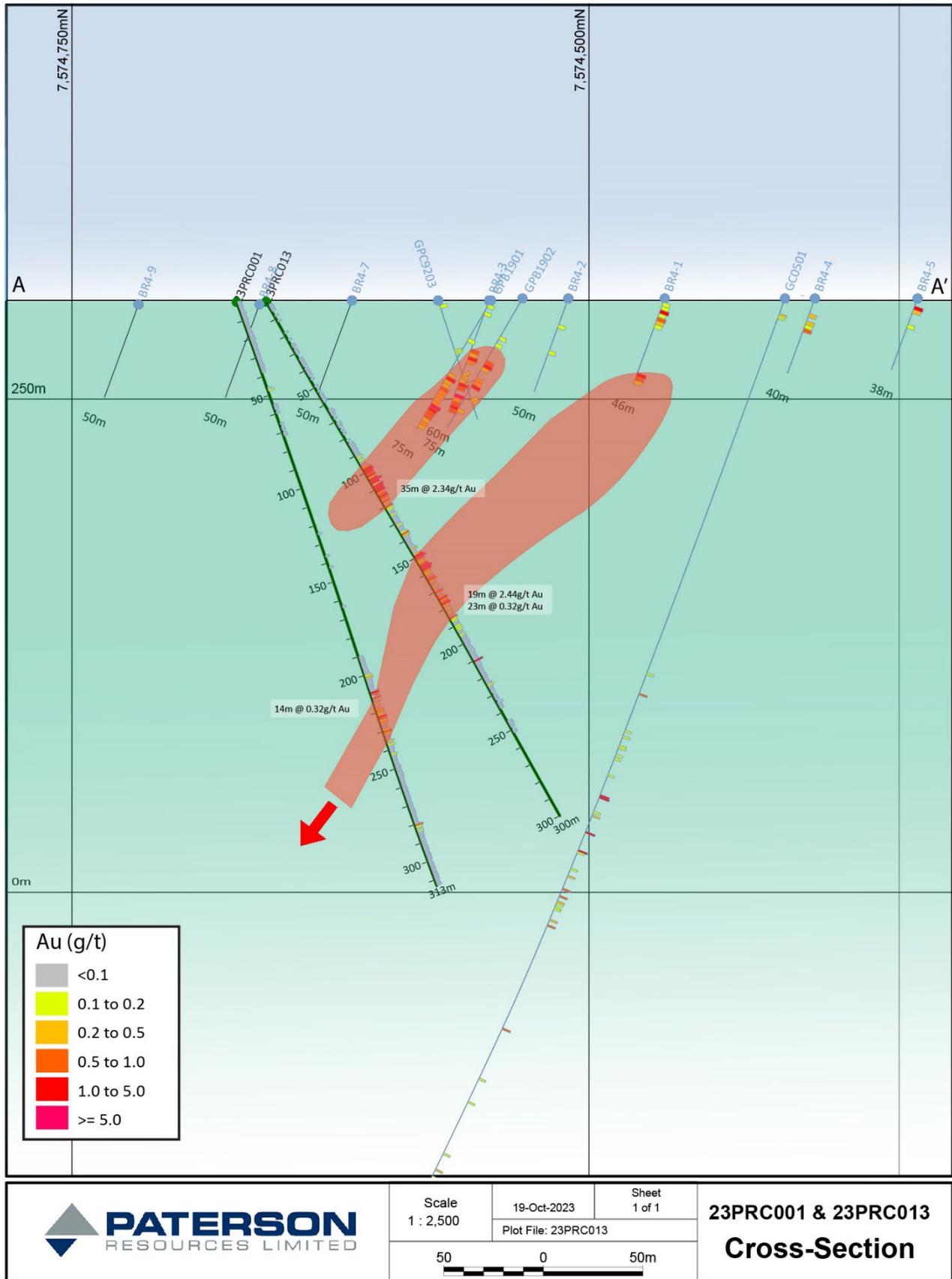


Figure 4: Cross-section passing through 23PRC001 and 23PRC013

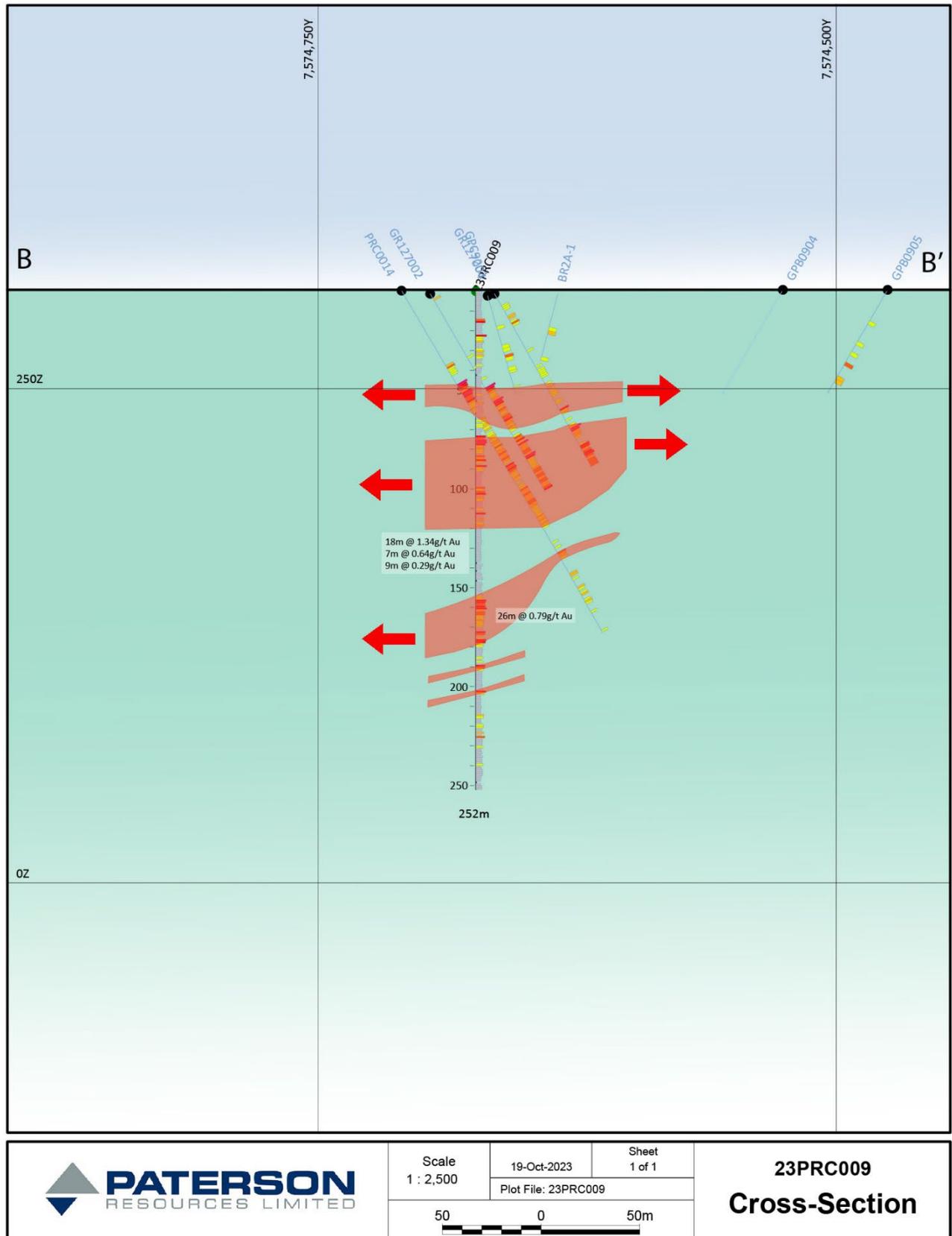


Figure 5: Cross-section passing through 23PRC009

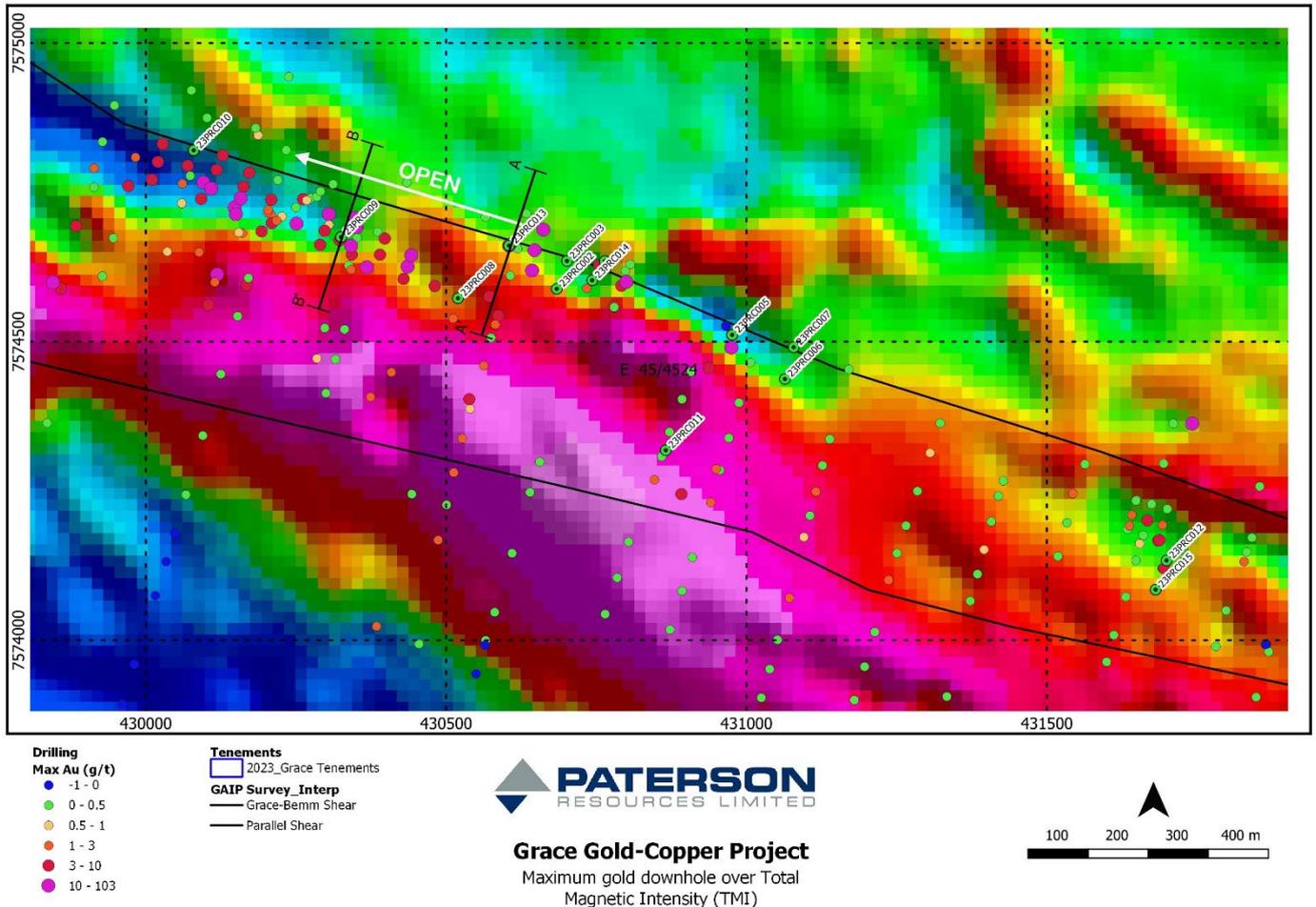


Figure 6: Maximum gold downhole plotted over total magnetic intensity

Grace East Target

A total of two RC holes, 23PRC012 and 23PRC015, targeted a strong ground Induced Polarisation chargeability anomaly at Grace East (Figure 8), 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 7) with associated low-level gold mineralisation returning:

- o 26m @ 0.38 g/t Au from 126m including 2m @ 1.65 g/t Au from 139m (23PRC012)
- o 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)

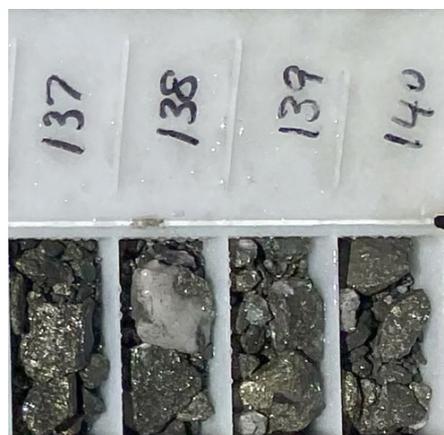


Figure 7: Sulphide (pyrite) skarn replacement from 23PRC012

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

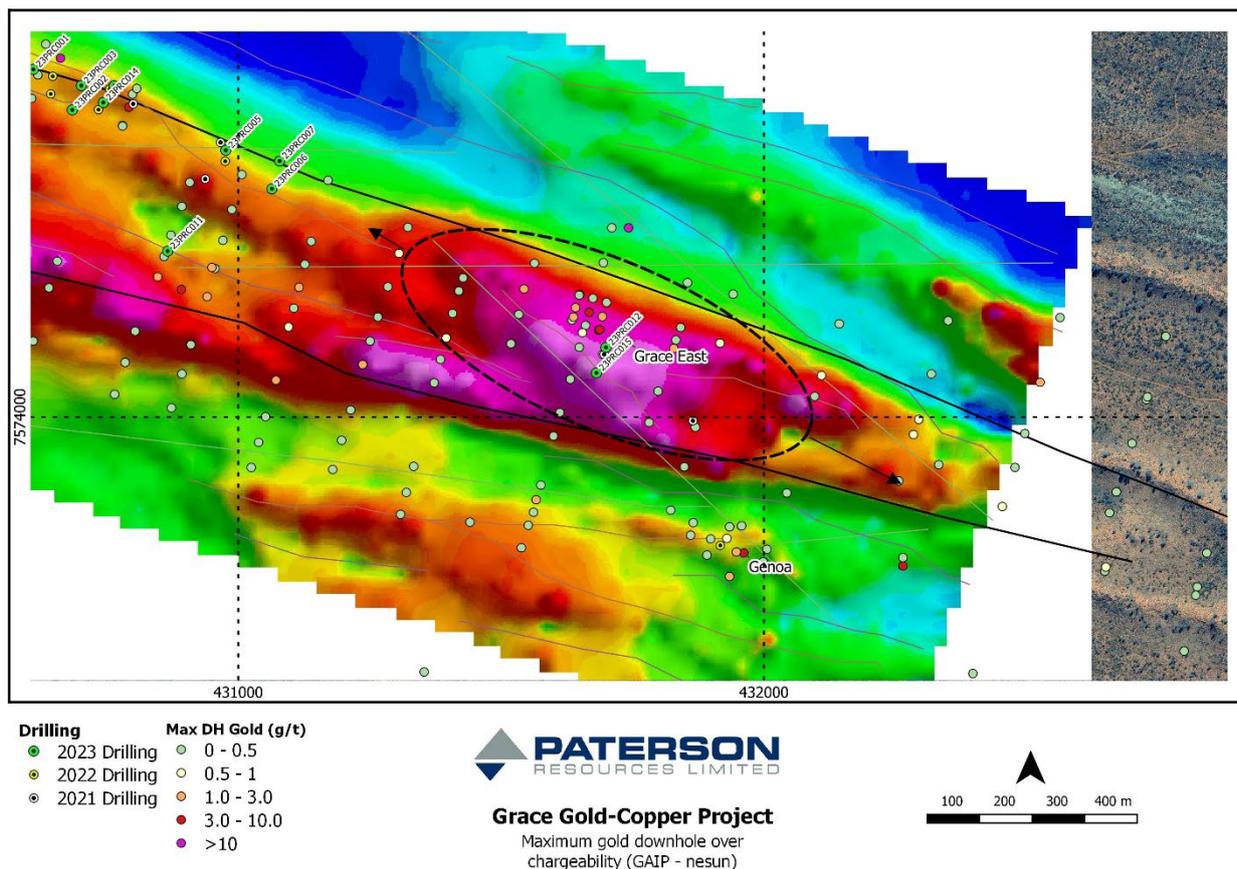


Figure 8: Drilling over a strong Induced Polarisation (chargeability) anomaly at Grace East

Next Steps

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.

Burruga Project – Lachlan Fold Belt, New South Wales

As part of the comprehensive geological report for the technical section of the entitlement issue prospectus (PSL ASX Ann 22 May 2020) was a re-statement of the Lloyd’s copper-gold resource and also a Mineral Resources Estimate for the Lucky Draw and Hackney’s Creek gold prospects.

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

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

Directors' Report

REVIEW OF OPERATIONS (Continued)

Future Work

Over the coming reporting period, the company will:

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

CORPORATE

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.

In addition, 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.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial half-year.

FINANCIAL RESULTS

The financial results of the Group for the half-year ended 31 December 2023 are:

	31-Dec-23	30-Jun-23
Cash and cash equivalents (\$)	812,547	586,640
Net assets (\$)	8,130,830	7,120,117

	31-Dec-23	31-Dec-22
Other income (\$)	1,696	2,696
Net loss after tax (\$)	(564,962)	(459,255)
Loss per share (cents)	(0.14)	(0.14)

ROUNDING OF AMOUNTS

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration under section 307C of the Corporations Act 2001 is included within this financial report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Mathew Bull
Executive Director
13 March 2024



RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Paterson Resources Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 13 March 2024

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

**Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2023**

	Notes	31-Dec-23 \$	31-Dec-22 \$
Revenue from continuing operations			
Other income		1,696	2,696
Administrative expenses		(112,170)	(112,380)
Compliance and regulatory expenses		(48,020)	(34,629)
Corporate advisory and consulting fees		(39,651)	(29,855)
Depreciation		(6,810)	(8,125)
Employee benefit expenses		(227,362)	(174,542)
Exploration fees		(60,884)	(11,831)
Fair value of available for sale financial assets		(7,090)	-
Legal fees		(23,917)	(39,267)
Occupancy costs		(2,600)	(2,600)
Share-based payments expense	3	-	(22,164)
Impairment		(21,941)	-
Other expenses		(16,213)	(26,558)
Loss before income tax expense		(564,962)	(459,255)
Income tax expense		-	-
Loss after income tax for the period		(564,962)	(459,255)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to members of Paterson Resources Ltd		(564,962)	(459,255)
Loss per share for the period attributable to the members of Paterson Resources Ltd:			
Basic and diluted loss per share (cents)		(0.14)	(0.14)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

As at 31 December 2023

	Notes	31-Dec-23 \$	30-June-23 \$
ASSETS			
Current Assets			
Cash and cash equivalents		812,547	586,640
Trade and other receivables		213,452	101,194
Total Current Assets		1,025,999	687,834
Non-Current Assets			
Plant and equipment		-	6,810
Financial assets at fair value through profit or loss		4,104	11,194
Exploration and evaluation expenditure	4	7,566,775	6,628,186
Total Non-Current Assets		7,570,879	6,646,190
TOTAL ASSETS		8,596,878	7,334,024
LIABILITIES			
Current Liabilities			
Trade and other payables		466,048	213,907
Total Current Liabilities		466,048	213,907
TOTAL LIABILITIES		466,048	213,907
NET ASSETS		8,130,830	7,120,117
EQUITY			
Contributed equity	5	37,362,039	35,786,364
Reserves		-	5,785,846
Accumulated losses		(29,231,209)	(34,452,093)
TOTAL EQUITY		8,130,830	7,120,117

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2023

31 December 2023	Issued Capital	Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
At 1 July 2023	35,786,364	5,785,846	(34,452,093)	7,120,117
Loss for the period	-	-	(564,962)	(564,962)
Total comprehensive loss for the period after tax	-	-	(564,962)	(564,962)
Transactions with owners in their capacity as owners:				
Shares issued	1,644,820			1,644,820
Share issue costs	(69,145)			(69,145)
Reclassification of expired options	-	(5,785,846)	5,785,846	-
Balance at 31 December 2023	37,362,039	-	(29,231,209)	8,130,830
31 December 2022	\$	\$	\$	\$
At 1 July 2022	34,161,364	5,741,518	(28,795,651)	11,107,231
Loss for the period	-	-	(459,255)	(459,255)
Total comprehensive loss for the period after tax	-	-	(459,255)	(459,255)
Transactions with owners in their capacity as owners:				
Share-based payments (note 3)	-	22,164	-	22,164
Balance at 31 December 2022	34,161,364	5,763,682	(29,254,906)	10,670,140

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2023

	31-Dec-23	31-Dec-22
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(447,219)	(328,992)
Interest received	1,696	2,696
Net cash used in operating activities	(445,523)	(326,296)
Cash flows from investing activities		
Payment for exploration and evaluation expenditure	(816,539)	(541,997)
Net cash used in investing activities	(816,539)	(541,997)
Cash flows from financing activities		
Proceeds from issue of shares	1,557,114	-
Share issue costs	(69,145)	-
Net cash from financing activities	1,487,969	-
Net Increase / (decrease) in cash and cash equivalents	225,907	(868,293)
Cash and cash equivalents at beginning of the period	586,640	1,378,246
Cash and cash equivalents at end of the period	812,547	509,953

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going Concern

As disclosed in the financial statements, the Group incurred a loss of \$564,962, and had net cash outflows from operating and investing activities of \$445,523 and \$816,539 respectively for the half-year ended 31 December 2023.

These conditions above indicate a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. However the Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report due to the following factors:

- The Group, if required, plans to scale down its operations during the next 12 months, including corporate overheads, in order to curtail expenditure, to ensure the Group has sufficient cash available to meet committed expenditure; and
- The Group has the ability to raise capital through the issue of equity.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

(b) New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

NOTE 2 SEGMENT INFORMATION

The Group operates in the mineral exploration industry in Australia only.

Given the nature of the Group, its size and current operations, management does not treat any part of the Group as a separate operating segment. Internal financial information used by the Group's decision makers is presented on a "whole of entity" manner without dissemination to any separately identifiable segments.

The Group's management operate the business as a whole without any special responsibilities for any separately identifiable segments of the business.

Accordingly, the financial information reported elsewhere in this financial report is representative of the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

Notes to the Consolidated Financial Statements

NOTE 3 SHARE-BASED PAYMENTS

	31-Dec-23	31-Dec-22
	\$	\$
Recognised share-based payment transactions		
Performance rights issued in the prior year	-	22,164
	-	22,164
Reconciliation:		
Recognised as share-based payment expenses in Statement of Profit or Loss and Other Comprehensive Income	-	22,164
	-	22,164

NOTE 4 EXPLORATION AND EVALUATION EXPENDITURE

	31-Dec-23	30-Jun-23
	\$	\$
Carrying amount of exploration and evaluation expenditure	7,566,775	6,628,186
At the beginning of the period	6,628,186	9,816,751
Exploration expenditure incurred	960,530	1,581,065
Impairment	(21,941)	(4,769,630)
At the end of the period	7,566,775	6,628,186

NOTE 5 CONTRIBUTED EQUITY

(a) Issued and fully paid

	31-Dec-23		30-Jun-23	
	No.	\$	No.	\$
Ordinary shares	456,037,879	37,362,039	397,294,317	35,786,364

(b) Movement reconciliation

		Issue Price	Number	\$
1 July 2022	Opening Balance		339,258,603	34,161,364
9/03/2023	Placement	0.028	58,035,714	1,625,000
At 30 June 2023	Closing Balance		397,294,317	35,786,364
At 1 July 2023	Opening Balance		397,294,317	35,786,364
5 December 2023	Placement	0.028	13,922,130	389,820
11 December 2023	Placement	0.028	17,142,857	480,000
21 December 2023	Placement	0.028	17,857,146	500,000
22 December 2023	Placement	0.028	9,821,429	275,000
	Share issue costs		-	(69,145)
At 31 December 2023	Closing Balance		456,037,879	37,362,039

NOTE 6 DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2023 (30 June 2023: Nil), and the Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2023.

Notes to the Consolidated Financial Statements

NOTE 7 CONTINGENCIES

Contingent liabilities

There are no contingent liabilities as at 31 December 2023 (2022: Nil).

Contingent assets

There are no contingent assets as at 31 December 2023 (2022: Nil).

NOTE 8 COMMITMENTS

(a) Tenement Commitments

In relation to the WA tenements, the Group must meet the following tenement expenditure commitments to maintain them in good standing until they are joint ventured, sold, reduced, relinquished, exceptions from expenditure are applied or are otherwise disposed of. The commitments that are not provided for in the financial statements are:

	31-Dec-23	30-Jun-23
	\$	\$
- Within one year	263,927	386,072
- Later than one but not later than five years	286,955	557,929
	550,882	944,001

NOTE 9 FAIR VALUE MEASUREMENT

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Consolidated - 31 December 2023				
<i>Assets</i>				
Ordinary shares at fair value through profit or loss	4,104	-	-	4,104
Total assets	4,104	-	-	4,104
<i>Liabilities</i>				
Total liabilities	-	-	-	-
Consolidated – 30 June 2023				
<i>Assets</i>				
Ordinary shares at fair value through profit or loss	11,194	-	-	11,194
Total assets	11,194	-	-	11,194
<i>Liabilities</i>				
Total liabilities	-	-	-	-

NOTE 10 EVENTS SUBSEQUENT TO THE REPORTING PERIOD

There are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

DIRECTORS' DECLARATION

In the directors' opinion:

The financial statements and notes thereto of the Group, as set out within this financial report, are in accordance with the *Corporations Act 2001* including:

- a. Complying with Australian Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- b. Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year then ended on that date.
- c. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mathew Bull
Executive Director
13 March 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF PATERSON RESOURCES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Paterson Resources Limited which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Paterson Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the half-year financial report, which indicates that the Group incurred a net loss of \$564,962, had net cash outflows from operating activities of \$445,523 and net cash outflows from investing activities of \$816,539 during the half year ended 31 December 2023. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of Paterson Resources Limited in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Paterson Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of Paterson Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

RSM

RSM AUSTRALIA PARTNERS

A Whyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 13 March 2024