



PATERSON RESOURCES LTD

ABN 45 115 593 005

HALF-YEAR FINANCIAL REPORT 31 DECEMBER 2025

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CORPORATE DIRECTORY

Board of Directors

Matthew Bull	Executive Director
John Kay	Non-Executive Chairman
Greg Entwistle	Non-Executive Director

Secretary

Ms Sarah Smith

Registered Office

Unit 1, 1 Centro Avenue
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

Hamilton Locke Australia
Level 39, 152-158 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, together with the financial statements, on 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 2025.

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2025 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
Matthew Bull	Executive Director
Kenneth Banks	Non-Executive Director (resigned 28 January 2026)
Greg Entwistle	Non-Executive Director
John Kay	Non-Executive Chairman (appointed 28 January 2026)

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial period 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 its project, utilising surface geochemistry, geophysics, and geological mapping, followed by focused drilling.

During this period, exploration programs have included scoping studies at the Grace Project.

Grace Project – Paterson Province, Western Australia

The Company's priority for focused exploration is at the Grace Gold-Copper Project in the highly prospective Paterson Province, home to Greatland Gold's (previously 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, Greatland's Havieron gold and copper discovery, and Cyprium Metal's Maroochydore copper prospect to the south.

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)

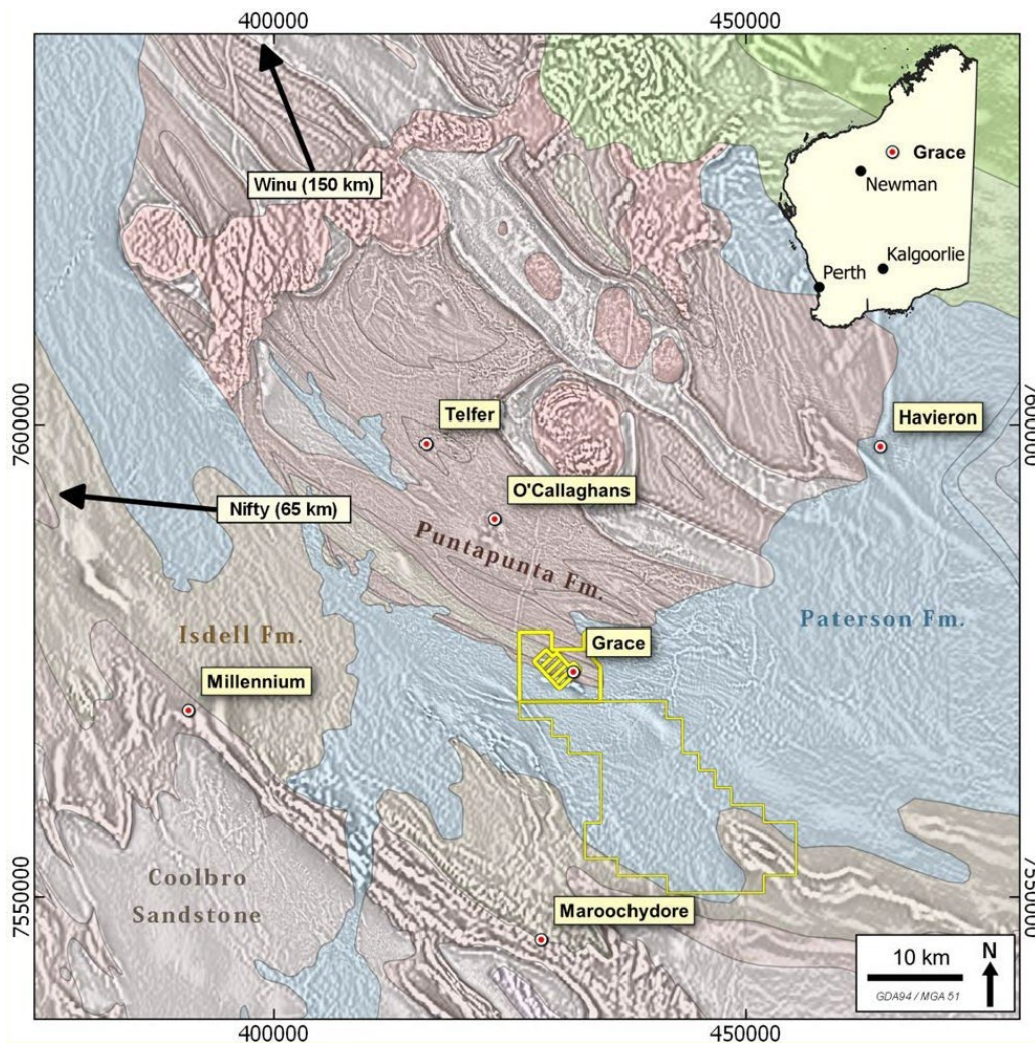


Figure 1: Locality map shopping prominent gold and copper deposits in the Paterson Province

During the review period, Phase I of the comprehensive 8,500m Reverse Circulation drilling campaign was successfully completed on time and within budget. The drilling contractor finished 18 drill-holes for circa 2,500m. Please refer to ASX announcement dated 16 December 2025 for further details.

The drilling campaign has largely been designed to test extensions to known mineralisation and bolster areas of the resource that require further information to extend the classification to a JORC 2012 Indicated MRE.

Of particular interest is the high-grade lode discovered from previous drilling that runs parallel to the existing Inferred MRE (1.59mt @ 1.35g/t Au for 69,000oz*) at the Grace Copper-Gold Project. The current campaign aims to test potential extensions to this high-grade lode.

The team dispatched samples via truck to SGS Australia (Perth) for fire assay test-work. Insights from the assay results from this first tranche of drilling have been released post the end of the review period.

Directors' Report

REVIEW OF OPERATIONS (Continued)

Next Steps

Paterson is in the process of:

- Completing the analysis of the Phase I campaign .
- Preparing for Phase II of the drilling campaign, comprising 32 drill-holes for approximately 6,000m, which is expected to commence in late March/early April.
- Progressing documentation for a mining lease application.

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 2025 are:

	31-Dec-25	30-Jun-25
Cash and cash equivalents (\$)	2,583,423	1,920,241
Net assets (\$)	7,805,759	6,573,739

	31-Dec-25	31-Dec-24
Other income (\$)	21,627	11,729
Net loss after tax (\$)	(412,583)	(165,776)
Loss per share (cents)	(0.08)	(0.04)

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.

Directors' Report

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director's 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



John Kay
Non-Executive Chairman
16 March 2026

Forward-Looking Statements

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's control.

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 Matthew 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.

ASX Listing Rule 5.23.2

In relying on the above mentioned ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the above-mentioned announcements, and in the case of estimates of mineral resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Paterson Resources Ltd for the half-year ended 31 December 2025, 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 AUSTRALIA



TUTU PHONG
Partner

Perth, WA
Dated: 16 March 2026



Consolidated Statement of Profit or Loss and Other Comprehensive Income For the half-year ended 31 December 2025

	Notes	31-Dec-25 \$	31-Dec-24 \$
Revenue from continuing operations			
Other income		21,627	11,729
Profit on disposal of subsidiary		-	286,580
Administrative expenses		(140,088)	(135,278)
Compliance and regulatory expenses		(75,294)	(42,576)
Corporate advisory and consulting fees		(11,980)	(75,278)
Employee benefit expenses		(143,875)	(162,542)
Exploration fees		-	(9,251)
Fair value of available for sale financial assets		-	1,716
Legal fees		(40,287)	(23,634)
Marketing and investor relations		(7,095)	-
Share-based payments expense	3	(8,181)	(8,493)
Other expenses		(7,410)	(8,749)
Loss before income tax expense from continuing operations		(412,583)	(165,776)
Income tax expense		-	-
Loss after income tax for the period from continuing operations		(412,583)	(165,776)
Loss after income tax for the period		(412,583)	(165,776)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to members of Paterson Resources Ltd		(412,583)	(165,776)
Continuing operations		(412,583)	(165,776)
Owners of to members of Paterson Resources Ltd		(412,583)	(165,776)
Loss per share from continuing operations for the period attributable to the members of Paterson Resources Ltd:			
Basic and diluted loss per share (cents)		(0.08)	(0.04)
Loss per share from for the period attributable to the members of Paterson Resources Ltd:			
Basic and diluted loss per share (cents)		(0.08)	(0.04)

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 2025

	Notes	31-Dec-25 \$	30-June-25 \$
ASSETS			
Current Assets			
Cash and cash equivalents		2,583,423	1,920,241
Trade and other receivables		108,456	50,562
Total Current Assets		2,691,879	1,970,803
Non-Current Assets			
Financial assets at fair value through profit or loss		2,388	2,388
Exploration and evaluation expenditure	4	5,217,107	4,641,264
Total Non-Current Assets		5,219,495	4,643,652
TOTAL ASSETS		7,911,374	6,614,455
LIABILITIES			
Current Liability			
Trade and other payables		105,615	40,716
Total Current Liability		105,615	40,716
TOTAL LIABILITIES		105,615	40,716
NET ASSETS		7,805,759	6,573,739
EQUITY			
Contributed equity	5	38,983,023	37,346,601
Reserves		8,181	-
Accumulated losses		(31,185,445)	(30,772,862)
TOTAL EQUITY		7,805,759	6,573,739

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 2025

31 December 2025	Issued Capital	Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
At 1 July 2025	37,346,601	-	(30,772,862)	6,573,739
Loss for the period	-	-	(412,583)	(412,583)
Total comprehensive loss for the period after tax	-	-	(412,583)	(412,583)
Transactions with owners in their capacity as owners:				
Shares issued	1,662,132	-	-	1,662,132
Share-based payments	-	8,181	-	8,181
Share issue costs	(25,710)	-	-	(25,710)
Balance at 31 December 2025	38,983,023	8,181	(31,185,445)	7,805,759
31 December 2024	Issued Capital	Reserves	Accumulated Losses	Total
	\$	\$	\$	\$
At 1 July 2024	37,346,601	67,507	(30,378,219)	7,035,889
Loss for the period	-	-	(165,776)	(165,776)
Total comprehensive loss for the period after tax	-	-	(165,776)	(165,776)
Transactions with owners in their capacity as owners:				
Share-based payments	-	8,493	-	8,493
Reclassification of expired options	-	(76,000)	76,000	-
Balance at 31 December 2024	37,346,601	-	(30,467,995)	6,878,606

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 2025

	31-Dec-25	31-Dec-24
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(377,027)	(718,650)
Interest received	21,627	11,729
Net cash used in operating activities	(355,400)	(706,921)
Cash flows from investing activities		
Payment for exploration and evaluation expenditure	(575,840)	(179,197)
Proceeds from disposal of subsidiary	-	2,650,000
Net cash (used in) / from investing activities	(575,840)	2,470,803
Cash flows from financing activities		
Proceeds from issue of shares	1,620,132	-
Share issue costs	(25,710)	-
Net cash from financing activities	1,594,422	-
Net increase in cash and cash equivalents	663,182	1,763,882
Cash and cash equivalents at beginning of the period	1,920,241	475,514
Cash and cash equivalents at end of the period	2,583,423	2,239,396

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 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2025 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 2025 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 material accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

(b) New or amended Accounting Standards and Interpretations adopted

The Group 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.

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.

NOTE 3 SHARE-BASED PAYMENTS

	31-Dec-25	31-Dec-24
	\$	\$
Recognised share-based payment transactions		
Performance rights vested during the period	8,181	8,493
	8,181	8,493
Reconciliation:		
Recognised as share-based payment expenses in Statement of Profit or Loss and Other Comprehensive Income	8,181	8,493
	8,181	8,493

Notes to the Consolidated Financial Statements

NOTE 3 SHARE-BASED PAYMENTS (Continued)

Summary of performance rights:

2025							
Grant Date	Expiry Date	Exercise Price	Balance at the Start of the Year	Granted	Exercised	Expired	Balance at the End of the Year
28/11/2025	2/12/2027	\$0.00	-	3,333,333	-	-	3,333,333
28/11/2025	2/12/2028	\$0.00	-	3,333,333	-	-	3,333,333
28/11/2025	2/12/2029	\$0.00	-	3,333,334	-	-	3,333,334
			-	10,000,000	-	-	10,000,000

Following shareholder approval at the AGM on 28 November 2025, the Company issued performance rights to Mr Matthew Bull. The vesting of the Performance Rights is subject to the achievement of the following performance milestones, which is to be determined by the Board in its discretion:

- 3,333,333 Performance Rights will vest upon the Company's Shares achieving a VWAP of \$0.05 over any 20 consecutive day period on which shares are traded on ASX, expiring 24 months after issue;
- 3,333,333 Performance Rights will vest upon the Company's Shares achieving a VWAP of \$0.075 over any 20 consecutive day period on which shares are traded on ASX, expiring 36 months after issue;
- 3,333,334 Performance Rights will vest upon the Company's Shares achieving a VWAP of \$0.10 over any 20 consecutive day period on which shares are traded on ASX, expiring 48 months after issue.

The Performance rights issued during the year, have been valued using the Hoadley Barrier valuation model. The model and assumptions are shown in the table below:

2025			
	Tranche 1	Tranche 2	Tranche 3
Share price target	20 day VWAP achieving greater than \$0.05	20 day VWAP achieving greater than \$0.075	20 day VWAP achieving greater than \$0.1c
Underlying Share Price (at date of issue)	\$0.033	\$0.033	\$0.033
Expected life of rights (months)	24	36	48
Risk free rate	3.81%	3.87%	4.05%
Volatility	100%	100%	100%
Number of rights Issued	3,333,333	3,333,333	3,333,334
Fair value per right	\$0.0251	\$0.0249	\$0.0257
Fair Value of performance right	\$83,667	\$83,000	\$85,667
Share-based payment expense for the period	\$3,761	\$2,490	\$1,930

NOTE 4 EXPLORATION AND EVALUATION EXPENDITURE

	31-Dec-25	30-Jun-25
	\$	\$
Carrying amount of exploration and evaluation expenditure	5,217,107	4,641,264
At the beginning of the period	4,641,264	4,580,818
Exploration expenditure incurred	575,843	60,446
At the end of the period	5,217,107	4,641,264

Notes to the Consolidated Financial Statements

NOTE 5 CONTRIBUTED EQUITY

(a) Issued and fully paid

	31-Dec-25		30-Jun-25	
	No.	\$	No.	\$
Ordinary shares	548,377,351	38,983,023	456,037,879	37,346,601

(b) Movement reconciliation

		Issue Price	Number	\$
At 1 July 2024	Opening Balance		456,037,879	37,346,601
At 30 June 2025	Closing Balance		456,037,879	37,346,601
24 September 2025	Share placement	\$0.018	28,333,334	510,000
30 October 2025	Share placement	\$0.018	41,781,761	752,072
29 December 2025	Share placement	\$0.018	22,222,222	400,000
29 December 2025	Conversion of options		2,155	60
	Share issue costs		-	(25,710)
At 31 December 2025	Closing Balance		548,377,351	38,983,023

NOTE 6 DIVIDENDS

No dividend has been declared or paid during the half-year ended 31 December 2025 (30 June 2025: Nil), and the Directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2025.

NOTE 7 CONTINGENCIES

Contingent liabilities

There are no contingent liabilities as at 31 December 2025 (30 June 2025: Nil).

Contingent assets

There are no contingent assets as at 31 December 2025 (30 June 2025: Nil).

NOTE 8 COMMITMENTS

(a) Tenement Commitments

There have been no material changes to commitments since 30 June 2025.

NOTE 9 EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 10 February 2026, the Company issued 150,000 shares on the conversion of free-attaching options expiring 30 October 2028, with an exercise price of \$0.028.

There are no other 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 2025 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



John Kay
Non-Executive Chairman
16 March 2026



RSM Australia Partners

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

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Paterson Resources Ltd (the Company) and its subsidiaries (the Consolidated Entity) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes to the financial statements comprising material accounting policy information and other explanatory information, and the directors' declaration of the Consolidated Entity 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 the Consolidated Entity is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 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*.

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 Half-Year Financial Report* section of our report. We are independent of the Consolidated Entity 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 Ltd, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Directors' Responsibility for the Half-Year Financial Report

The directors of Paterson Resources Ltd 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 Half-Year Financial Report

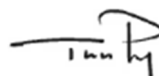
Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, 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 Consolidated Entity's financial position as at 31 December 2025 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.

Perth, WA
Dated: 16 March 2026



RSM AUSTRALIA



TUTU PHONG
Partner

