ASX ANNOUNCEMENT 30 October 2026

Quarterly Activities Report
Quarter Ended 30 September 2026

HIGHLIGHTS

- **During the quarter, Paterson secured all necessary regulatory approvals to commence a drilling campaign at the Grace Gold Project, aimed at enhancing the quality and size of the current Inferred Mineral Resource Estimate (MRE) of 3.46Mt @ 1.79 g/t Au for 200,000oz Au contained gold***
- **The campaign comprises two components: (a) diamond drilling of six drill-holes for 1,200m (contractor: FORACO Australia); and (b) reverse circulation (RC) drilling of 34 drill-holes for 8,000m (contractor: Stark Drilling)**
- **Diamond drilling is designed to aid a partial upgrade of the current Inferred MRE to Indicated status, while providing samples for metallurgical test-work**
- **RC drilling will focus on extending known shallow, high-grade mineralisation along the 1.3km strike extent and evaluating down-dip extensions of interpreted mineralised structures**
- **At the end of the quarter the cash position was $1.4m and no debt**

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** Refer PSL ASX announcement "Significant MRE Update to 200,000oz Au at Grace Gold Project", 3 June 2026*

GRACE GOLD-COPPER PROJECT

Paterson received approvals for a 9,200 m drilling program at the Grace Gold Project, comprising 1,200 m of diamond drilling and 8,000 m of RC drilling. Diamond drilling commenced on 21 October 2026, after quarter end.

The campaign is designed to improve both the quality and the size of the current JORC 2012 Inferred MRE of 3.46Mt @ 1.79 g/t Au for 200,000oz Au, which was upgraded from 69,000oz Au during the June 2026 quarter. Two reputable service providers, FORACO Australia and Stark Drilling, have been appointed to undertake the diamond and RC drilling programs respectively. The key parameters of the campaign are summarised in Table 1.

TABLE 1: GRACE GOLD PROJECT – 2026 DRILLING CAMPAIGN

Component	Contractor	Holes	Metres	Primary objective
Diamond	FORACO Australia	6	1,200	Partial upgrade of Inferred MRE to Indicated; samples for metallurgical test-work
RC	Stark Drilling	34	8,000	Extend shallow, high-grade mineralisation along the 1.3km strike extent and test down-dip extensions
Total		**40**	**9,200**	

Overall, the Board expects the 2026 drilling campaign along the 1.3km strike extent (Figure 1) to further de-risk the Grace Gold Project, while highlighting its significant exploration upside and value-creating potential.

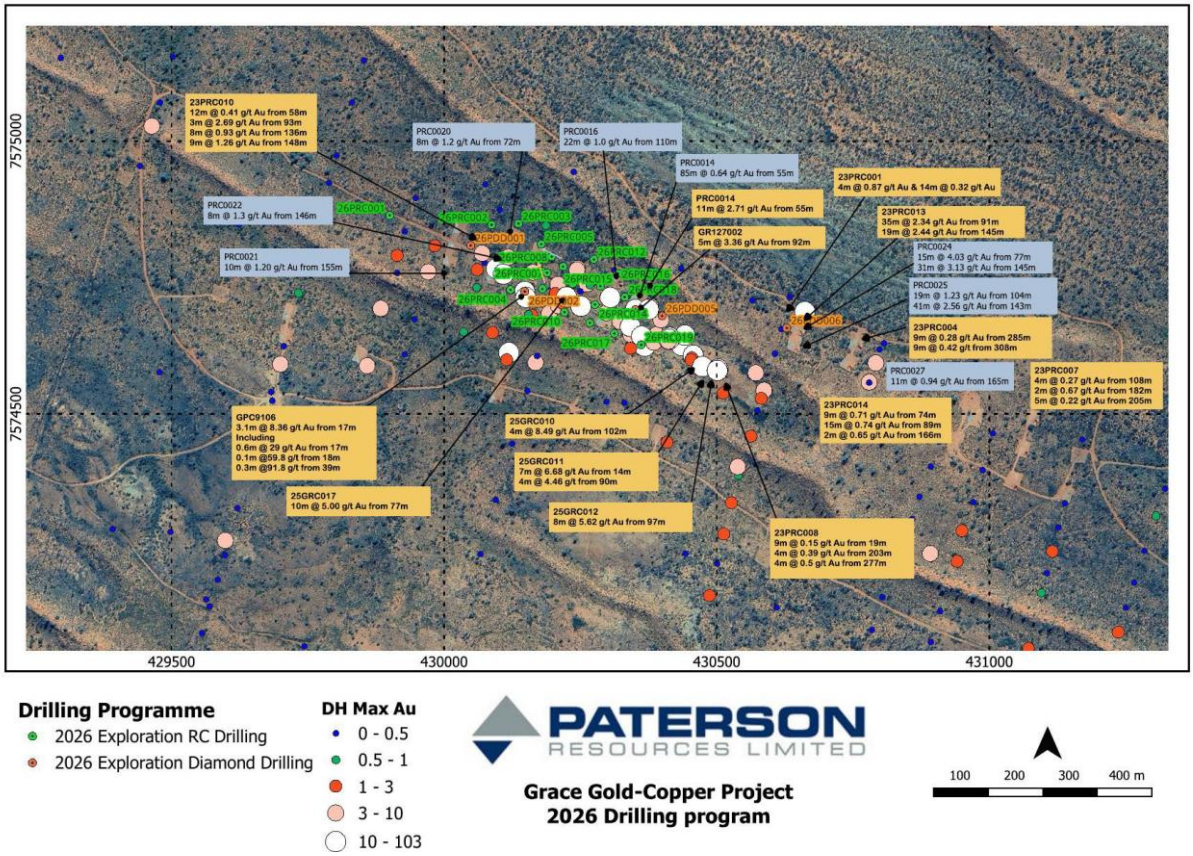


Figure 1: 2026 RC and Diamond Drilling Campaign at Grace Gold Project

Current Mineral Resource Estimate

The Grace Gold Project hosts a JORC 2012 compliant Inferred MRE of 3.46Mt @ 1.79 g/t Au for 200,000oz Au, reported above a 0.5 g/t Au cut-off and constrained within optimised pit shells. The MRE was prepared by independent geological specialists Measured Group and was announced on 3 June 2026. Mineralisation is shallow, high-grade and open along strike and at depth, with fresh rock grading 2.12 g/t Au (Table 2). There has been no change to the MRE during the September 2026 quarter.

TABLE 2: GRACE GOLD PROJECT – MRE BY OXIDATION STATE (0.5 G/T AU CUT-OFF)

Oxidation	Tonnes (Mt)	Au (g/t)	Contained Au (koz)	RD (g/cc)
Oxide	1.34	1.49	64	2.00
Transitional	1.11	1.86	66	2.30
Fresh	1.01	2.12	69	2.60
Total (Inferred)	**3.46**	**1.79**	**200**	**2.25**

Notes: Mineral Resources are reported on a dry in situ basis. Totals may differ due to rounding. Reported in accordance with the JORC Code 2012 Edition. No Measured or Indicated Mineral Resources have been defined at this stage.

Future Planning

Paterson's forward priorities include:

- Executing the diamond and RC drilling campaign, and releasing assay results and geological interpretations as they become available;
- Incorporating the results into an updated MRE, targeting a partial conversion of Inferred Resources to Indicated status;
- Progressing metallurgical test-work across the full oxidation profile using diamond drill core;
- Progressing into a Scoping Study for the Grace Gold Project, leveraging the MRE as a base case for economic assessment; and
- Advancing environmental, geotechnical and infrastructure studies to support mine development planning.

CORPORATE

Claim by Drilling Contractor

As previously advised, Paterson was served with proceedings in the Federal Circuit and Family Court of Australia by its former drilling contractor, iDrilling Australia Pty Ltd, relating to a commercial dispute concerning amounts alleged to be payable in connection with the Phase I drilling program at the Grace Project. The total amount claimed is circa $0.5m to $0.7m (inclusive of GST), plus interest and costs.

Paterson continues to dispute the claim and will defend the proceedings.

Paterson's legal adviser does not currently expect the proceedings to have a material impact on the group's operations. The Board will keep the market informed of any material developments in accordance with its continuous disclosure obligations.

Financial Position

At 30 September 2026, Paterson held cash and cash equivalents of $1.4m and has no debt.

Please refer to the following PSL ASX announcements for full details:

- Comprehensive Drilling Campaign to Commence at Grace Gold Project: 7 September 2026
- Quarterly Activities Report – Quarter Ended 30 June 2026: 31 July 2026
- Significant MRE Update to 200,000oz Au at Grace Gold Project: 3 June 2026
- Phase I Assays Continue to Shine: 26 March 2026
- Further High-Grade Shallow Gold Results Returned: 24 February 2026
- Initial Assays Confirm Zones of Shallow Gold Mineralisation: 9 February 2026
- Comprehensive RC Drilling Campaign Commences at Grace Gold Project: 26 November 2025

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.

LOCATION OF THE GRACE GOLD PROJECT

The Grace Gold Project is in the heart of the highly prospective Paterson Province, where numerous large groups including Rio Tinto, Antipa Minerals and Greatland Gold are actively exploring the region. Significant discoveries proximal to Paterson's Grace Gold Project include the Havieron 8.5-million-ounce gold-copper resource being developed by Greatland Gold, Cyprium Metal's Maroochydore copper prospect to the south and Greatland's world-class 30-plus million-ounce Telfer gold-copper mine, located 25km to the north-west.

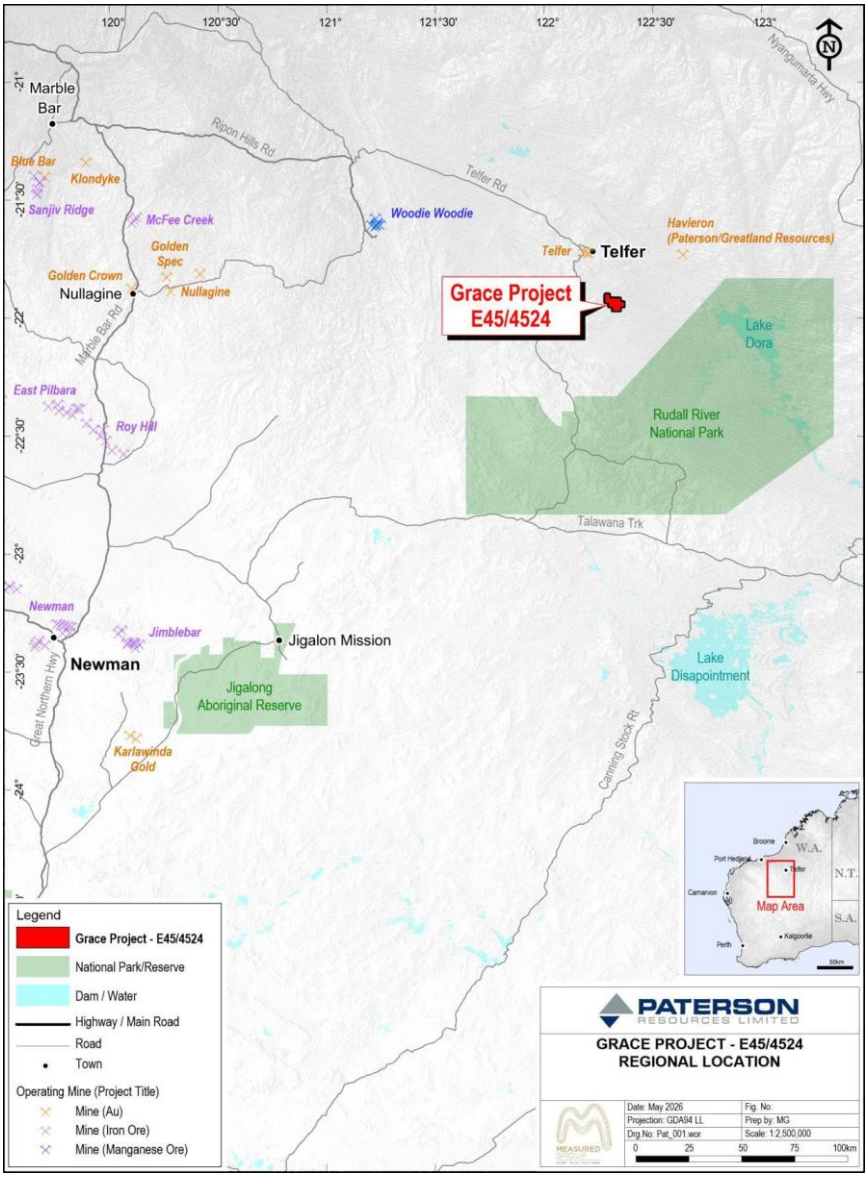


Figure 2: Regional location of the Grace Gold Project (E45/4524)

COMPETENT PERSON'S STATEMENTS

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.

The information in this announcement that relates to Mineral Resources is based on and fairly represents information reviewed or compiled by Mr Troy Lowien, a Competent Person who is a member of both AusIMM and the Australian Institute of Geoscientists. Mr Lowien is an employee of Measured Group. Mr Lowien 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 Lowien 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.

This announcement was authorised for release to ASX by the Board of Paterson Resources.

For further information, please visit www.patersonresources.com.au

ASX Listing Rule 5.3.1

Exploration and Evaluation expenditure during the quarter was $168k, the majority of which was spent on drilling approvals, campaign planning and contractor mobilisation at Grace, tenement administration costs.

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	$75k	Periodical fees paid to Directors and/or Director related entities
Director	Nil	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%

1. The mining tenement interests acquired during the quarter and their location: Not applicable.

2. The mining tenement interests disposed during the quarter and their location: Not applicable.

3. Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter: Not applicable.

4. Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter: Not applicable.

Appendix 5B

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

Name of entity	ABN	Quarter ended ("current quarter")
Paterson Resources Limited	45 115 593 005	30 September 2026

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for (a) exploration & evaluation	(2)	(2)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(227)	(227)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	13	13
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**	(216)	(216)
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	(168)	(168)
	(e) investments	-	-
	(f) other non-current assets	-	-
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)	-	-

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (3 months) $A'000
2.6	**Net cash from / (used in) investing activities**	(168)	(168)
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	-	-
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,824	1,824
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(216)	(216)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(168)	(168)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	1,440	1,440

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	440	324
5.2	Call deposits	1,000	1,500
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)**	1,440	**1,824**

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	(75)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

6.1 – Fees paid to Directors and/or Director related entities.

7.	Financing facilities	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
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	Description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured: N/A		

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(216)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(168)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(384)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,440
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	**Total available funding (item 8.4 + item 8.5)**	1,440
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.75

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: N/A

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: N/A

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: N/A

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: 30 October 2026

Authorised by: The Board of Paterson Resources Limited