

### **Legal Claim by Drilling Contractor**

Paterson Resources Limited (ASX: PSL) advises that it has been served with proceedings in the Federal Circuit and Family Court of Australia by its former drilling contractor, iDrilling Australia Pty Ltd.

The proceedings relate to a commercial dispute concerning amounts alleged to be payable in connection with the Company's Phase I drilling program at the Grace Project. The total amount claimed is approximately \$0.5m to \$0.7m (inclusive of GST), plus interest and costs.

The Company disputes the claim and intends to defend the proceedings.

At this stage, the Company does not consider the proceedings are expected to have a material impact on its operations. The Company will keep the market informed of any material developments in accordance with its continuous disclosure obligations.

***This announcement has been approved for release to ASX by the Board of Paterson Resources***