



Pinnacles Gold Project returns Multiple Auger Soil Anomalies to 1552 ppb Au

ASX: NXM

Capital Structure

Shares on Issue 83.3 million

Unlisted Options 2.3 million

Corporate Directory

Mr Paul Boyatzis
Non-Executive Chairman

Mr Andy Tudor
Managing Director

Dr Mark Elliott
Non-Executive Director

Mr Bruce Maluish
Non-Executive Director

Mr Phillip Macleod
Company Secretary

Company Projects

Eastern Goldfields WA
Company and Farm-In JV
tenements

Pinnacles JV Project (Gold)

Pinnacles Project (Gold)

Triumph Project (Gold)

Mt Celia Project (Gold)

Pinnacles gold project Phase 1 regional auger soils exploration program completed:

- Maximum auger soil result of 1552 ppb Au
- 2.4km x 300m Au anomaly (GT5) – coincident over sheared ultramafic unit, aeromagnetic target and gravity low
- 2.5km x 1.5km coincident Au + As / Bi / Mo (Au pathfinder elements) anomaly
- Multiple auger soil geochemical anomalies identified
- Ground geological / structural mapping completed over auger soils coverage area
- Gravity survey over tenement package completed

Eastern Goldfields gold explorer, **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** is pleased to announce the results of its auger soil geochemical sampling program, the regional gravity survey and ground geological activities over the highly prospective Pinnacles regional 100km² tenement area.

Nexus Minerals tenement package is largely unexplored and commences less than 5km to the south of, and along strike from, Saracen Minerals (**Saracen**) >4Moz Carosue Dam mining operations, and current operating Karari underground gold mine.

Nexus holds a significant land package (100km²) of highly prospective geological terrain within a major regional structural corridor, and is actively exploring for gold deposits.

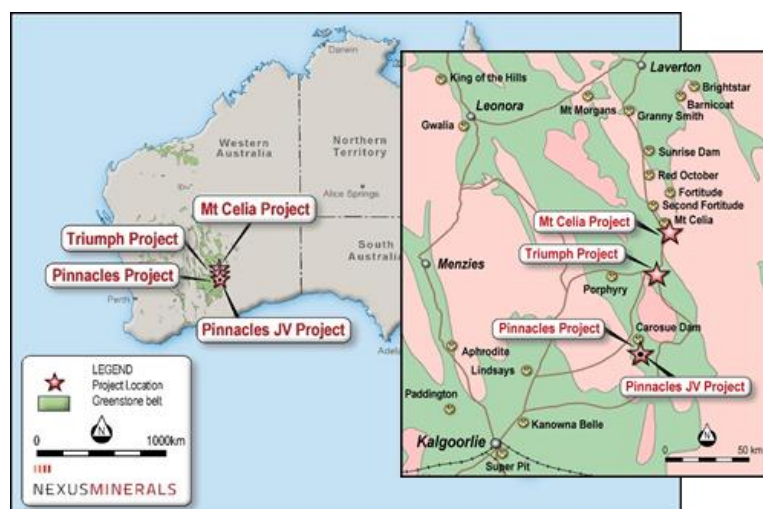


Figure 1: Nexus Project Locations – Eastern Goldfields, Western Australia.

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Auger Soil Geochemical Program

Auger sampling targeting calcareous soils (calcrete) has been successfully employed as the preferred geochemical sampling medium for gold exploration in the goldfields for the past decade. Mineralisation in the Carosue Dam district, including Karari, Whirling Dervish, Luvironza, Monty Dam and Twin Peaks deposits were all identified using this technique.

This phase 1 program (Fig. 2 and 3) has been designed to cover an area of prospective geological units, and north/south structures (Fig. 4) that also exhibit gravity lows (Fig. 6) – the “ingredients” of Carosue Dam style mineralisation. The program also traversed a number of aeromagnetic “area of interest” targets previously identified (Fig. 7).

988 auger samples were collected across the northern 25% of the tenement area. Samples were collected on a 400m x 80m grid and analysed for gold and 32 additional pathfinder elements to identify mineralisation and as a lithological mapping tool.

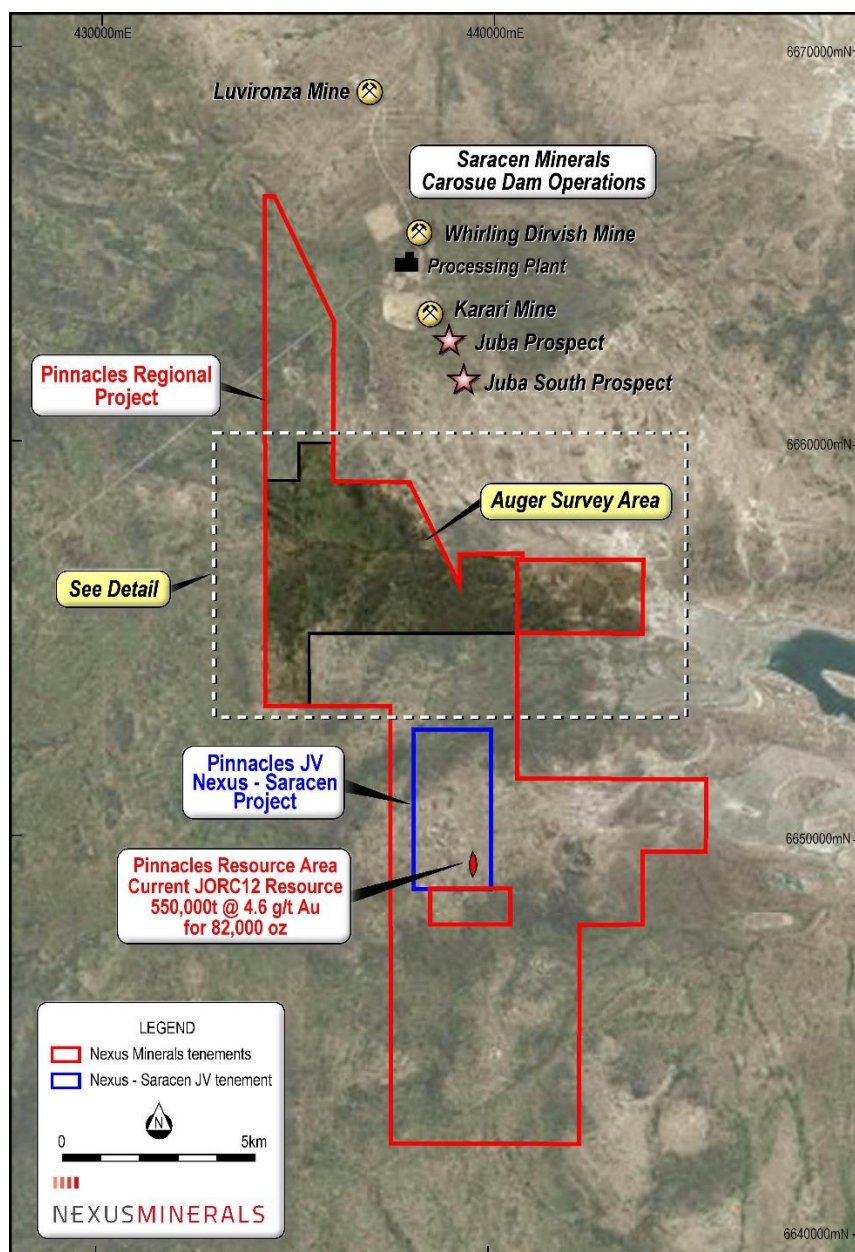


Figure 2: Nexus Pinnacles Regional Auger Soil Survey



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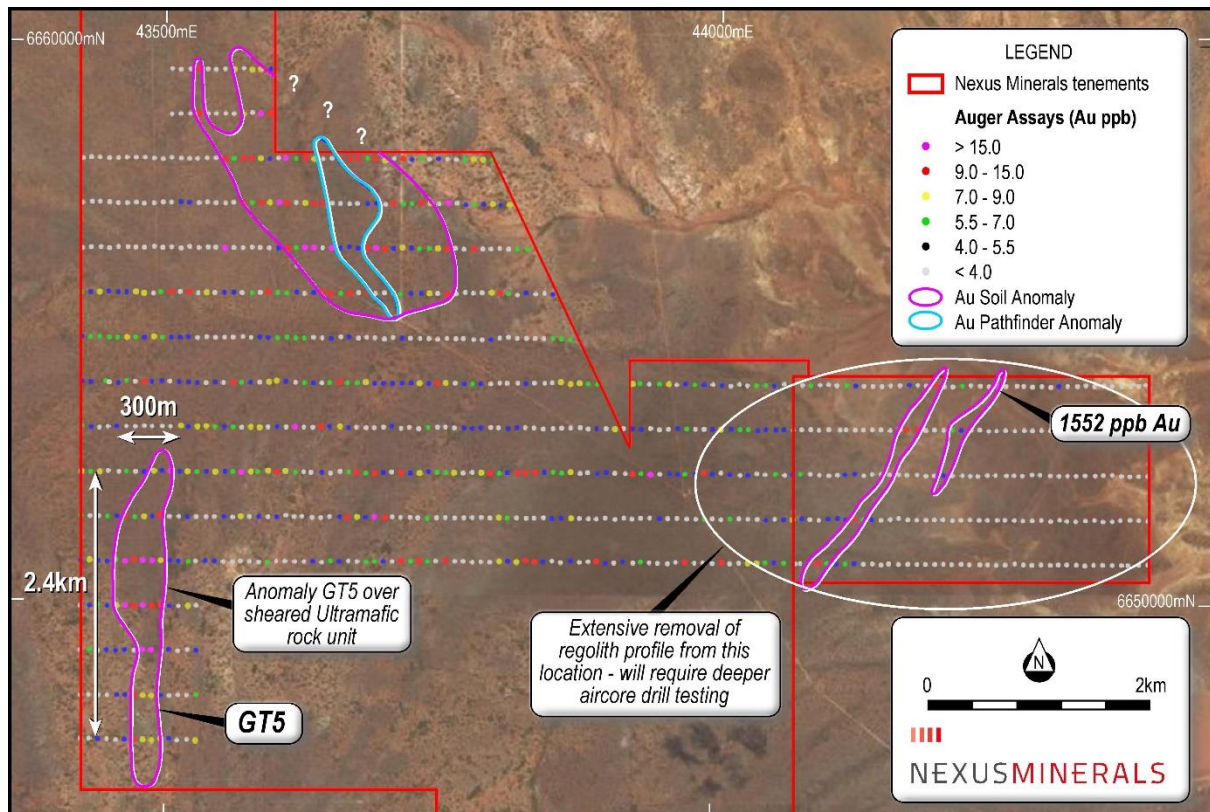


Fig 3: Nexus Pinnacles Regional Auger Soil Survey Results

- 1) **GT5** – This is a high order 2.4km x 300m Au anomaly (max 61.7 ppb Au) showing good strike continuity across six of the 400m spaced survey lines. The anomaly is striking north-south within a sheared ultramafic unit. This area is located in a gravity low and had been highlighted previously as a zone of interest from Nexus regional aeromagnetic assessment and interpretation. Infill auger soil lines at 100m x 80m will be undertaken to better constrain the anomaly boundaries prior to planning drill activities.
- 2) **1552 ppb Au** auger soil result – This extremely high-level result, and a number of anomalous results immediately to the west, highlight the prospective nature of this ground. Only a small number of auger holes intersected the required calcrete sampling layer - and hence the sampling method in the majority of this area is considered ineffective. This eastern side of the auger program is in an area where the regolith profile, and the calcrete layer, has been largely stripped away and will require aircore drilling to determine its prospectivity.
- 3) **Broad anomalous zone** – elevated in Au +As/Bi/Mo (Au pathfinder elements) – this 2.5km x 1.5km zone contains a gold anomaly (max 47 ppb Au) that surrounds a pathfinder element anomaly elevated in As, Bi and Mo. The structural setting is significant as it is located on the same fault that displaces the Karari and Whirling Dervish gold mines to the north east. Mapping has identified sheared and silicified tuff and volcanoclastic sedimentary units, with local felsic intrusive. Detailed mapping will be undertaken over this anomaly to better define geology and structure prior to further sampling programs.
- 4) **Triple/Double/Single sample site anomalies** – multiple sample site elevated gold results >9 ppb Au, with a maximum of 20.8 ppb Au. With the initial broad 400m x 80m sample spacing providing significant scope to host significant mineralisation. These areas require ground geological truthing and infill auger soil lines to better define these anomalies.

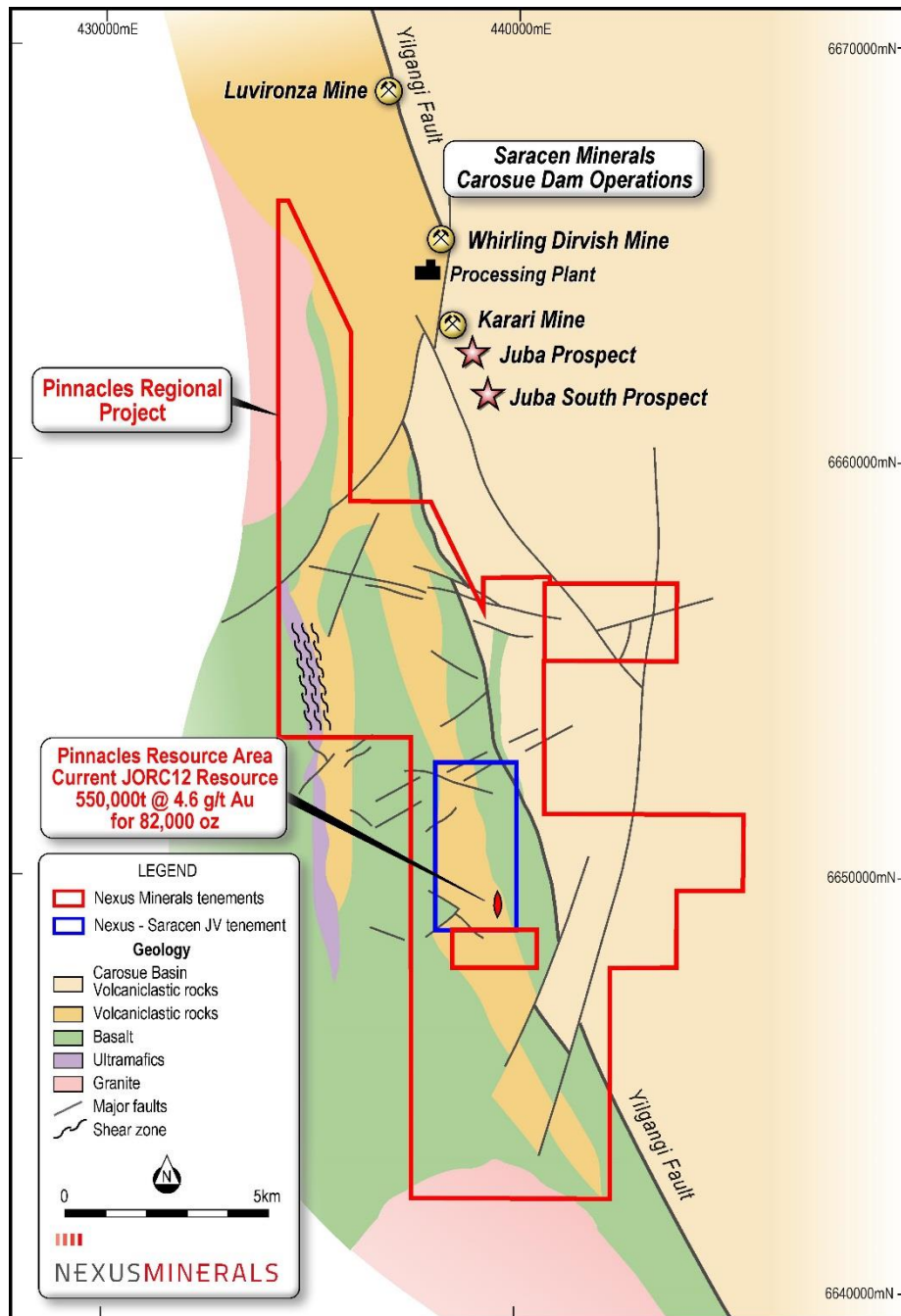


Figure 4: Nexus Pinnacles Regional Geology & Structure

Geology and Structure

The project tenements are underlain by a north-south trending Archaean greenstone sequence with the Carosue Basin volcaniclastic sediments dominating to the east of the Yilgarni fault. To the west of the Yilgarni fault a more mafic dominated package is observed consisting of volcaniclastic sediments intercalated with basalt and ultramafic rock units with minor units. This greenstone sequence is sandwiched between two ovoid Archaean granitoid plutons to the east and the west.

Structurally the region is cut by a series of north-south trending faults with offsets of tens to hundreds of metres. These faults are particularly common in this Carosue Dam region as the greenstone belt passes through a relatively narrow “neck” between the two granitoids. This is also the area where most of the known Carosue Dam mineralisation is concentrated.

Mineralisation is known to occur proximal to, and east and west of the Yilgarni fault. This fault is a major feature that dissects the Nexus tenement package for a strike distance of some 15km. It can clearly be seen as a “spine” feature on the gravity survey map (Fig. 6).

Another significant feature of the Carosue Dam style mineralisation is the presence of numerous quartz-poor igneous intrusions including lamprophyres, that have intruded the greenstone sequence. Lamprophyres are usually associated with voluminous granitoid intrusive episodes and are known to be spatially and temporally associated with gold mineralisation. They represent the injection of volatile rich magmas from deep sources along major structures – associated with gold mineralisation.

Encouragingly diamond drill core from the Pinnacles East resource area, completed December 2016, intersected a carbonate-chlorite-biotite altered lamprophyre (Fig. 5), confirming that the emplacement of this rock type continues through the Nexus tenement package.



Figure 5: Nexus Pinnacles Diamond Drill Hole NMPDD1 – 399.5m Lamprophyre

Gravity Survey

The successful use of a gravity survey to identify the stratigraphy hosting major deposits in the Carosue Basin by Saracen, on their tenement immediately to the north of Nexus regional tenements, has provided Nexus with the encouragement to undertake its own gravity survey, now completed, covering the Company's 100km² regional package (Fig. 6).

Saracen reported in its ASX release of 27 July 2016 that: *the gravity survey successfully defined the prospective corridor of late basin volcanoclastic sediments which host the major deposits in the Carosue Dam corridor. The key stratigraphy is defined in the gravity data as a gravity low. Many of the deposits in the Carosue district are hosted in this gravity low and are generally proximal to north south striking faults.*

Results are encouraging with gravity lows being identified in the east and west of the tenement package (volcaniclastic sediments), separated down the centre of the tenements by a gravity high (basalt) coincident with the Yilgarni fault zone.



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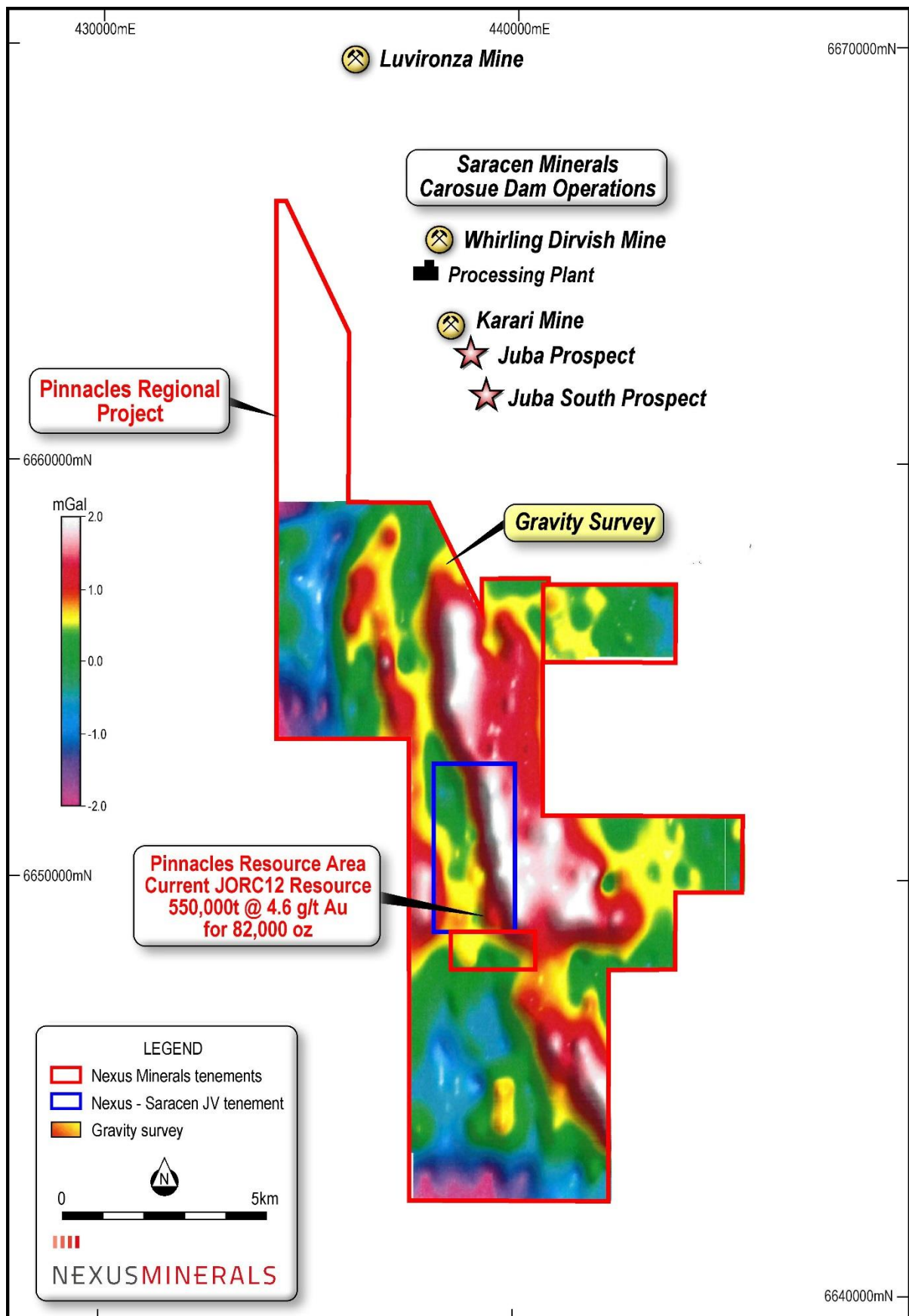


Figure 6: Nexus Pinnacles Regional Gravity Survey



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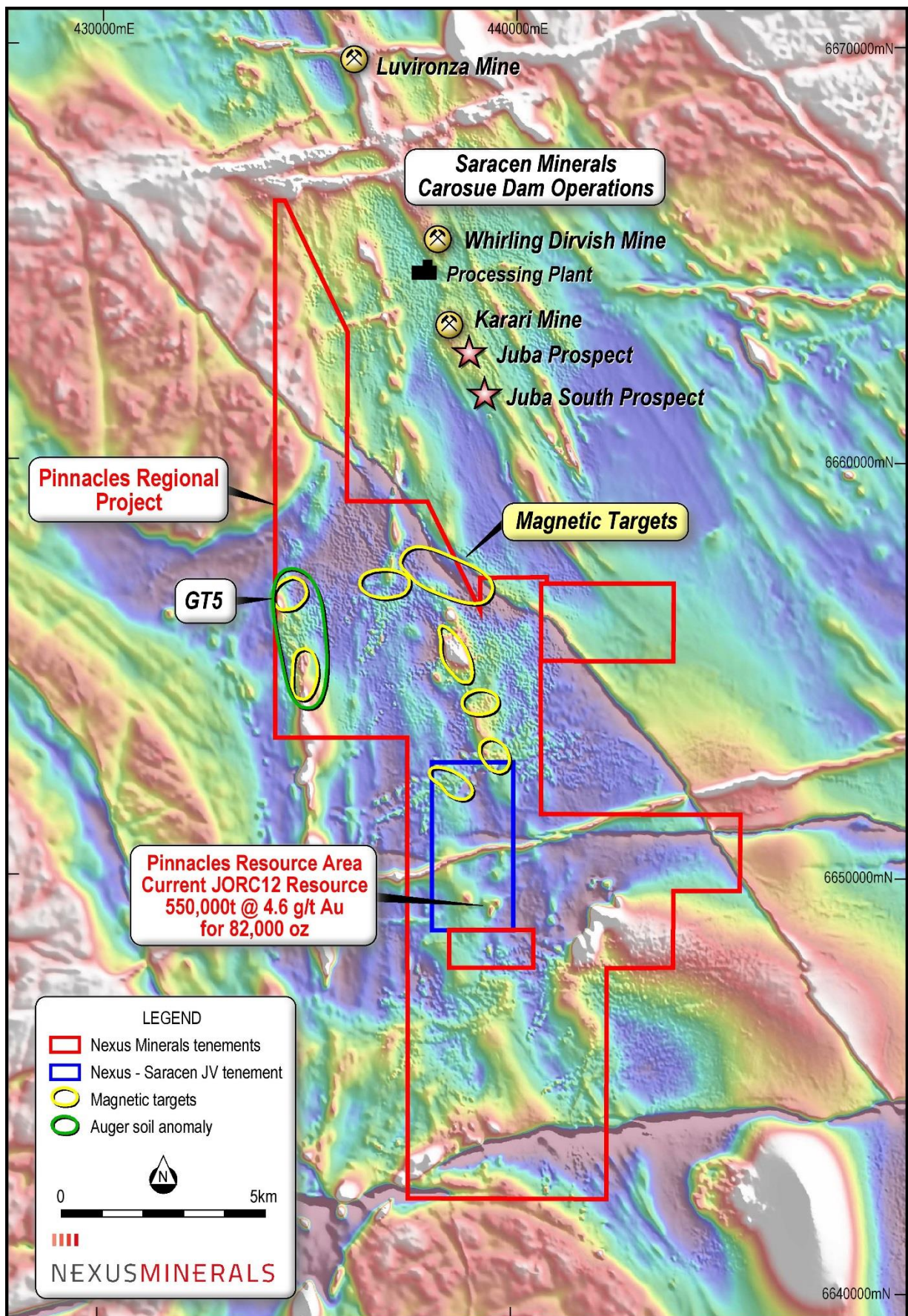


Figure 7: Nexus Pinnacles Regional Airborne Magnetic Targets with Auger Geochemistry anomaly GT5 overlain



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About Nexus

Nexus has entered into a Farm-in and Joint Venture Agreement over the Pinnacles JV Gold Project with Saracen Gold Mines Pty Ltd, a subsidiary of Saracen Mineral Holdings Limited (**ASX:SAR**) (see ASX Release 17 September 2015). This investment is consistent with the Company strategy of investing in advanced gold exploration assets.

Nexus Minerals is a well-funded resource company with a portfolio of gold projects in Western Australia. With a well-credentialed Board, assisted by an experienced management team, the Company is well placed to capitalise on opportunities as they emerge in the resource sector.

- Ends -

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The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation, prepared, compiled or reviewed by Mr Andy Tudor, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Tudor is a full-time employee of Nexus Minerals Limited. Mr Tudor has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The exploration results are available to be viewed on the Company website www.nexus-minerals.com. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements. Mr Tudor consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears.

Appendix A 30 March 2017

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.) (Black text refers to Auger Soil Program, [Blue text refers to Gravity survey](#))

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Auger Soil Sampling program, with auger hole depths from 0.5m-1.5m. Sample were taken from the calcrete layer where observed and bottom of hole (1.5m) where calcrete layer not observed.</p> <p>Ground Gravity Survey undertaken November – December 2016.</p> <p>Survey spacing was 1000m north-south lines with 200m station spacing.</p> <p>Survey spacing was 400m north-south lines with 80m sample spacing.</p> <p>Sampling techniques considered to be appropriate for this style of exploration.</p>
Drilling techniques	<p><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></p>	Auger drilling
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p>	<p>No issues with hole depths or sample recovery.</p> <p>Sample recovery was 100%. 200g sample of calcrete horizon sampled. In an absence of the calcrete horizon bottom of 1.5m hole sample collected.</p>

Criteria	JORC Code explanation	Commentary
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No relationship sample recovery/grade nor sample bias.
Logging	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	Auger soils were logged for Regolith type, strength of acid/calcrete reaction and colour.
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	No core drilling reported in this release.
Quality of assay data and laboratory tests	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p>	<p>200gm samples were provided to the Intertek Genalysis laboratory in Kalgoorlie for analysis.</p> <p>Samples pulverised so minimum 85% passed 75um.</p> <p>Analysis was aqua regia digest for gold (0.5ppb) and 32 additional elements. ICP-MS analysis.</p> <p>Scintrex CG-5 Gravity meter. Scintrex GSR 2700IS Base station.</p> <p>Repeats taken for ongoing QC and processing. Repeatability to be within 0.1mGal. Loop and drift integrity checked to ensure equipment operating</p>

Criteria	JORC Code explanation	Commentary
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	<p>within acceptable drift ranges. Any loops which show drift of more than 0.2mGal/hr are subject to re-acquisition the following day. DGPS locations added to gravity data to ensure horizontal and vertical position accuracy is within specs.</p> <p>48 routine standards(16), blanks(16), and duplicates(16) were inserted by the auger contractor. No material issue noted.</p>
<i>Verification of sampling and assaying</i>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>No verification of significant intersections or twin holes required in this Auger program.</p> <p>Nexus strict procedures for data capture, data flow, data storage and validation adhered to.</p> <p>All primary data recorded digitally by the contractor, processed data outputs provided to the client.</p> <p>No adjustment to assay data.</p>
<i>Location of data points</i>	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>Dual GPS for locations recorded.</p> <p>RTK DGPS locations provide horizontal and vertical positioning to typical accuracy of 0.01m.</p> <p>MGA94, UTM51</p>
<i>Data spacing and distribution</i>	<p>Data spacing for reporting of Exploration Results.</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied.</p>	<p>Survey spacing was 400m north-south lines with 80m sample spacing.</p> <p>Survey spacing was 1000m north-south lines with 200m station spacing.</p> <p>The spacing and distribution of the data is acceptable for this stage of exploration.</p> <p>No sample compositing.</p>

Criteria	JORC Code explanation	Commentary
<i>Orientation of data in relation to geological structure</i>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	<p>The orientation of the survey lines is considered to be perpendicular to the strike of the regional structures.</p> <p>For this type of exploration the sample orientation is deemed representative.</p>
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Nexus personnel were responsible for the chain of custody procedures from sampling to delivery of the samples to the laboratory.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<p>None undertaken.</p> <p>Data review and QC undertaken by geophysical contractor.</p>

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<p>Auger soil survey was undertaken on tenements E28/2526 and E28/2487.</p> <p>Gravity Survey was undertaken on tenement E28/2526.</p> <p>There are no other known material issues with the tenements.</p> <p>The tenements are in good standing with the Western Australian Mines Department (DMP).</p>
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The tenements were subject to minor exploration activities in the early to mid 1980's.

Criteria	JORC Code explanation	Commentary
Geology	<p><i>Deposit type, geological setting and style of mineralisation.</i></p>	<p>The Pinnacles Project area covers part of a highly deformed Archaean greenstone sequence of basalts, dolerites, and comagmatic high-level intrusions. This mafic volcanic association is overlain by a series of medium to coarse grained volcanoclastic sandstones and subordinate felsic volcanic rocks. These greenstones have been intruded and disrupted by the forceful intrusion of a series of granitoid rocks.</p> <p>Target is gold mineralisation occurring in multiple styles within the various rock units.</p>
Drill hole Information	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<p>The location of the auger holes is shown in a diagram in the main body of the release.</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>No data aggregation methods employed in this program.</p>

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></p>	No mineralisation widths reported.
<i>Diagrams</i>	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	Refer to the maps included in the announcement.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Data results are contoured to define areas of anomalism, and areas of no mineralisation.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	No other exploration data to be reported.
<i>Further work</i>	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	Future work programs may include auger/soil sampling programs, aircore / RC / Diamond drilling to follow up on the results received from these programs.