NEXUSMINERALS

ASX ANNOUNCEMENT **25 January 2018**

QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING DECEMBER 2017

ASX: NXM
Capital Structure

Shares on Issue 83.3 million
Unlisted Options 8.7 million
Cash on Hand $4.52million (31/12/2017)

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

Pinnacles Project (Gold)

Pinnacles JV Project (Gold)

Mt Celia Project (Gold)

Triumph Project (Gold)

HIGHLIGHTS

Pinnacles Gold Project – Eastern Goldfields WA

- **7200m RC drill programs completed testing anomalies GT5, GT6 and GT8**
- **GT5 best 4m composite sample:**
  - **4m @ 19.74g/t Au from 68m**
- **GT5 best 1m sample results:**
  - **1m @ 20.53g/t Au**
  - **1m @ 5.60g/t Au**
- **GT6 4m composite samples return significant intersections from adjacent holes, confirmed with 1m sample splits:**

  8m @ 1.15g/t Au (within 24m @ 0.47g/t Au)

  12m @ 0.71g/t Au (within 24m @ 0.46g/t Au)

Wallbrook Gold Project – Eastern Goldfields WA

- **Nexus to acquire the Wallbrook Gold Project (Wallbrook) from Saracen (refer announcements 17 and 23 January 2018)**

During the quarter ended 31 December 2017, Eastern Goldfields gold explorer, **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** announced positive results of its RC drill programs at the **Pinnacles Gold Project**. Subsequent to the quarter Nexus announced its Wallbrook transaction with Saracen Gold Mines.

The RC drill programs were designed to test three previously identified high order auger soil geochemistry gold anomalies. Subsequent to results from the late September program, Nexus undertook an extended coverage RC drill program which was completed mid-December, with results pending.

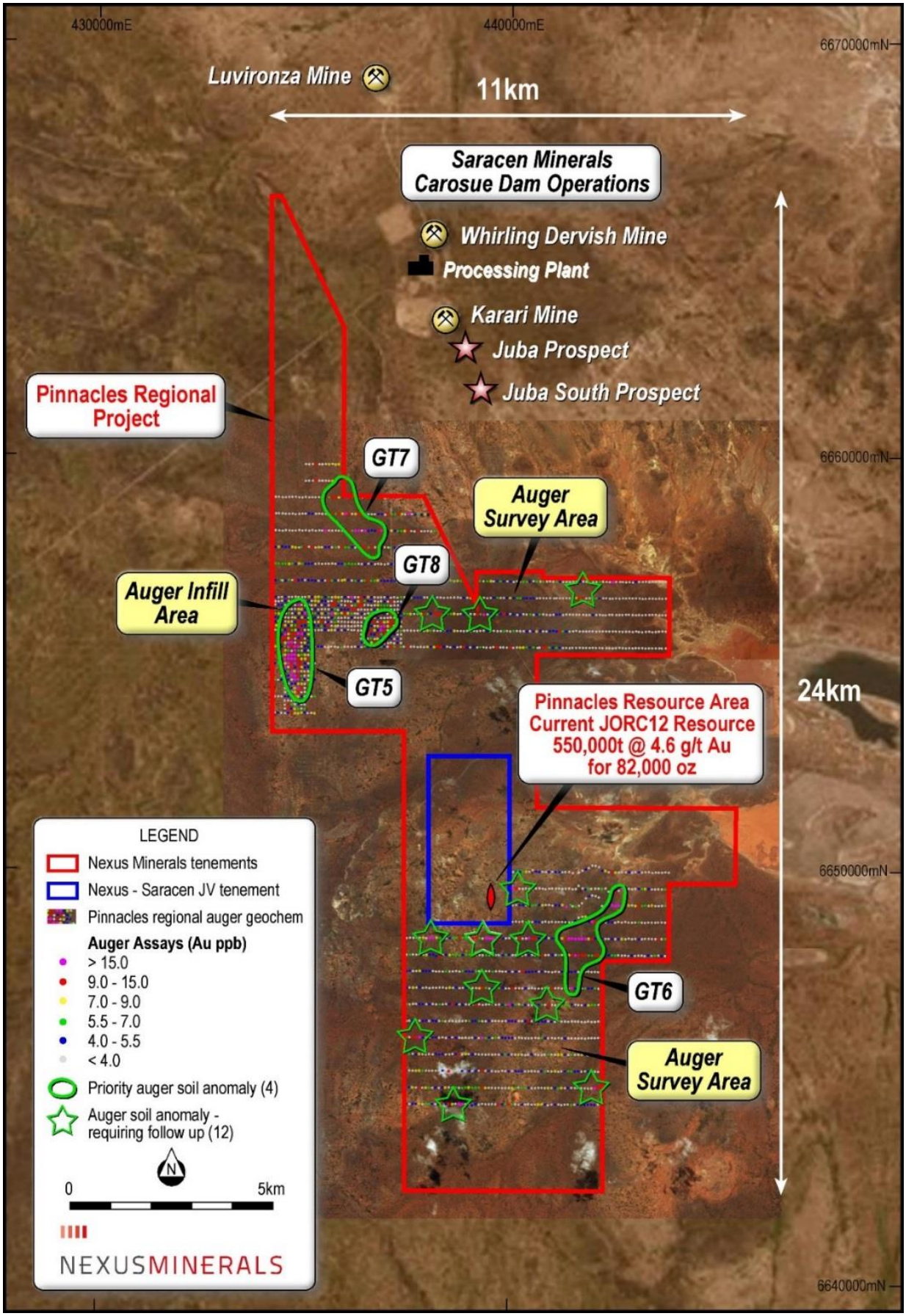

Figure 1: Nexus Pinnacles Auger Soil Survey Results

GT5 Anomaly Drill Results

The geology observed in GT5 drill holes - included a series of sheeted quartz porphyry dykes, with sheared basalt contacts and disseminated sulphides. The mineralised intersections are observed at the weathering boundary, on the top of fresh rock. The profile of depleted overburden and supergene enrichment surface at the fresh rock interface is consistent with Carosue Dam style gold deposits, immediately to the north of the project area.

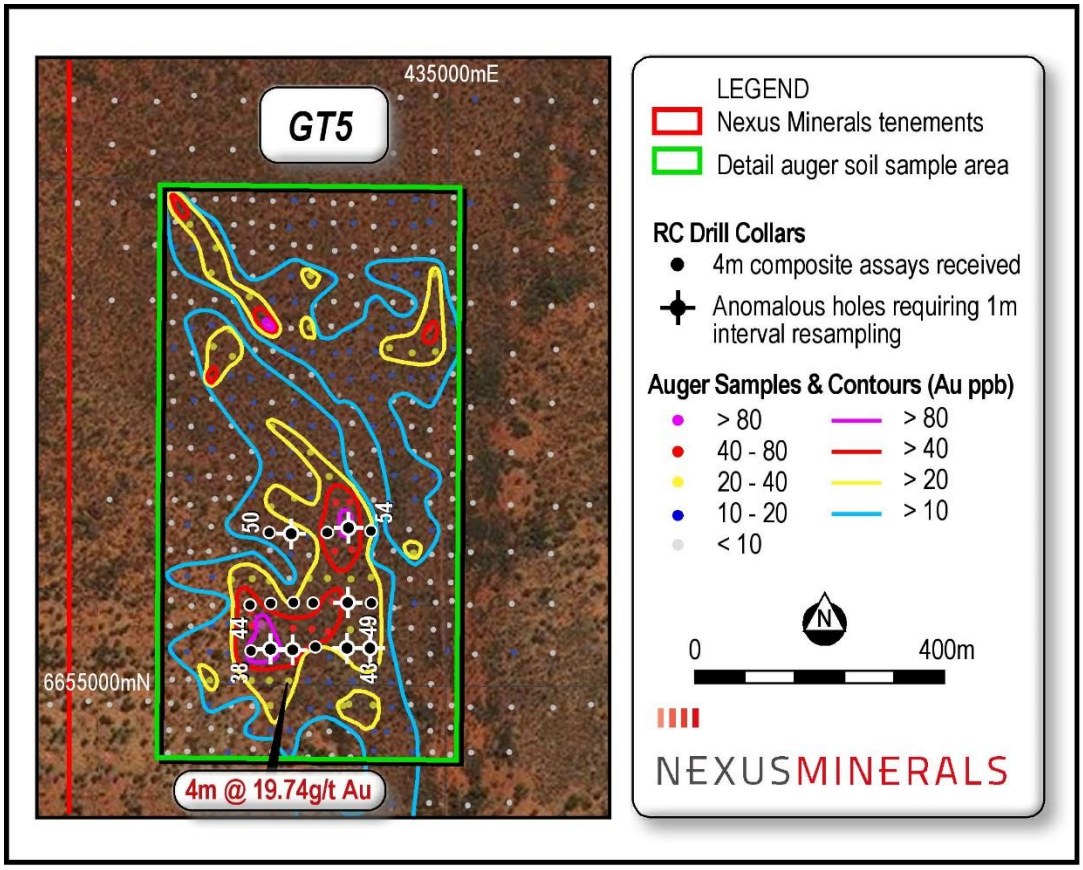

Figure 2: Nexus GT5 RC Drill Collar Locations and Results to Date

Hole_ID	GDA_94 East	GDA_94 North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
NMPRC38	434610	6655089	382	100	-60	270	NSI			
NMPRC39	434659	6655092	383	100	-60	270	52	56	4	**0.13**
							64	68	4	**0.24**
NMPRC40	434711	6655080	383	100	-60	270	60	64	4	**0.11**
							68	72	4	**19.74**
NMPRC41	434764	6655088	383	100	-60	270	NSI			
NMPRC42	434808	6655091	384	100	-60	270	72	76	4	**0.27**
NMPRC43	434858	6655092	383	100	-60	270	44	48	4	**0.10**
							56	64	8	**0.26**
NMPRC44	434615	6655189	380	100	-60	270	NSI			
NMPRC45	434663	6655186	382	100	-60	270	NSI			
NMPRC46	434715	6655187	382	100	-60	270	NSI			
NMPRC47	434766	6655188	382	100	-60	270	NSI			
NMPRC48	434816	6655188	381	100	-60	270	60	64	4	**0.203**
NMPRC49	434867	6655197	380	100	-60	270	NSI			
NMPRC50	434664	6655317	380	100	-60	270	NSI			
NMPRC51	434719	6655318	381	100	-60	270	60	64	4	**0.155**
NMPRC52	434765	6655320	380	100	-60	270	NSI			
NMPRC53	434815	6655319	380	100	-60	270	80	84	4	**0.235**
NMPRC54	434865	6655320	379	100	-60	270	NSI			

Table 1: Nexus GT5 4m Composite Gold RC Drill Results (>0.1g/t Au)

	Significant (>0.1ppm Au) 4 Meter Composite Results											1m Sample
	Hole_ID	GDA_94 East	GDA_94 North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)	Au (ppm)
GT5	NMPRC39	434659	6655092	383	100	-60	270	52	53	4	0.13	0.27
								53	54			0.03
								54	55			0.00
								55	56			0.00
								64	65	4	0.24	0.00
								65	66			0.59
								66	67			0.20
								67	68			0.04
	NMPRC40	434711	6655080	383	100	-60	270	60	61	4	0.11	0.07
								61	62			0.16
								62	63			0.03
								63	64			0.25
								68	69	**4**	**19.74**	**5.60**
								69	70			**20.53**
								70	71			**0.09**
								71	72			**0.05**
	NMPRC42	434808	6655091	384	100	-60	270	72	73	4	0.27	0.03
								73	74			0.02
								74	75			0.02
								75	76			0.04
	NMPRC43	434858	6655092	383	100	-60	270	44	45	4	0.10	0.01
								45	46			0.01
								46	47			0.01
								47	48			**1.92**
								56	57	8	0.26	0.04
								57	58			0.03
								58	59			0.00
								59	60			0.01
								60	61			0.16
								61	62			0.13
								62	63			0.21
								63	64			0.29
	NMPRC48	434816	6655188	381	100	-60	270	60	61	4	0.2	0.80
								61	62			0.21
								62	63			0.00
								63	64			0.00
	NMPRC51	434719	6655318	381	100	-60	270	60	61	4	0.16	0.06
								61	62			0.03
								62	63			0.01
								63	64			0.01
	NMPRC53	434815	6655319	380	100	-60	270	80	81	4	0.24	0.08
								81	82			0.08
								82	83			0.17
								83	84			0.04

Table 2: Nexus GT5 Prospect 1m Sample Results

GT6 and GT8 Anomaly Drill Results

26 holes were drilled at GT6 in the September program to test the surface calcrete anomaly (NMPRC61 to NMPRC85), with ten of the drill holes containing anomalous intersections. The two drill holes drilled to the northeast of the main calcrete anomaly returned significant mineralised intersections of 24m @ 0.47g/t Au from surface (incl. **8m@1.15g/t Au**) and 24m @ 0.46g/t Au from 20m (incl. **12m@0.71g/t Au)**.

Drilling at GT6 intersected a wide mineralised zone including 23m@0.57g/t Au, from highly weathered and altered volcaniclastic sediments. The 600m follow up RC drilling undertaken in late December (results pending) was targeting extensions to this mineralised zone.

5 holes were drilled at GT8 to test the surface calcrete anomaly (NMPRC55 to NMPRC59), with one drill hole containing an anomalous intersection.

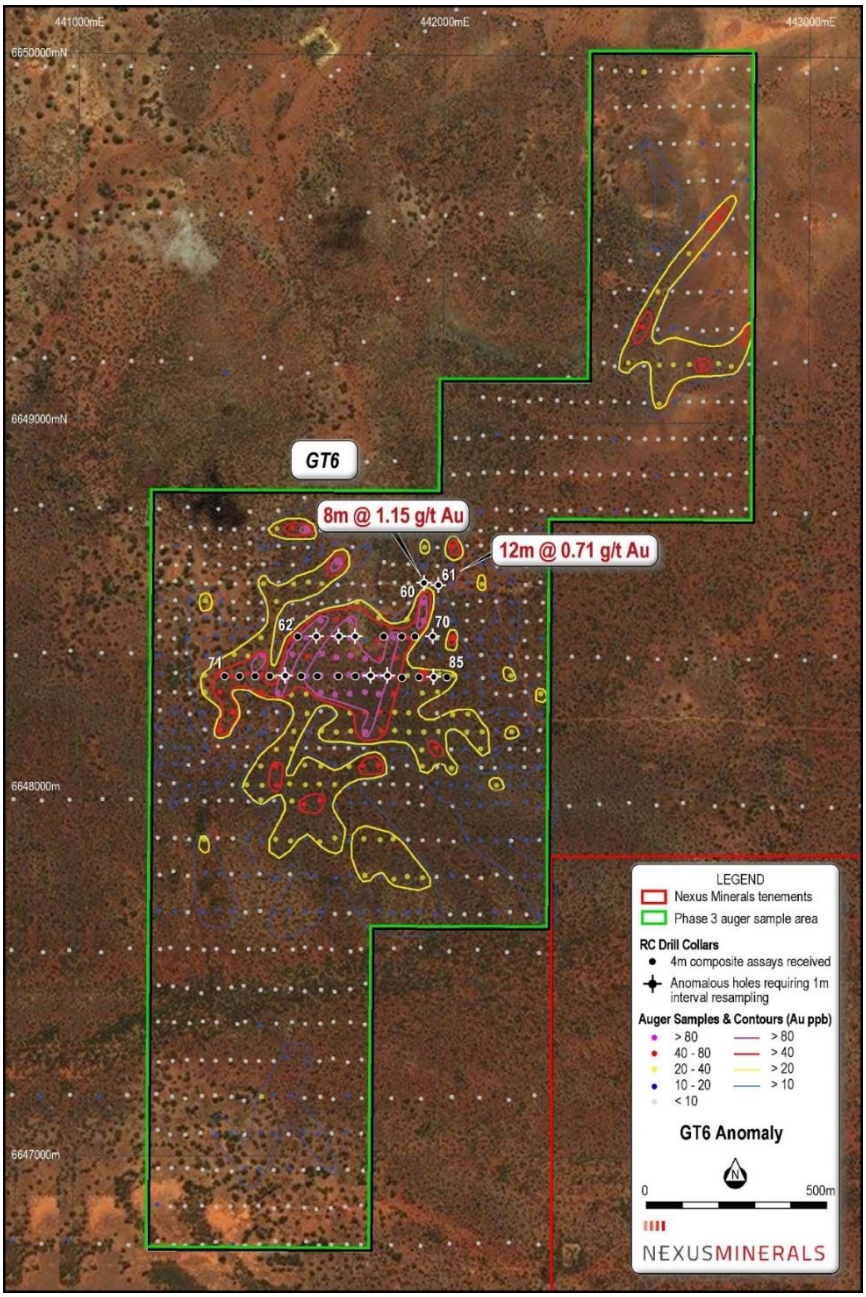

Figure 3: Nexus GT6 RC Drill Collar Locations and Results

	Hole_ID	GDA_94 East	GDA_94 North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)
GT8	**NMPRC55**	436846	6655688	375	100	-60	270	NSI			
	NMPRC56	436899	6655695	375	100	-60	270	NSI			
	NMPRC57	436944	6655691	375	100	-60	270	NSI			
	NMPRC58	436953	6655834	373	100	-60	270	56	60	4	**0.14**
	NMPRC59	437003	6655836	372	100	-60	270	NSI			
GT6	**NMPRC60**	441937	6648559	348	50	-60	270	**0**	**24**	**24**	**0.47**
								(inc. 8m @ 1.15 ppm Au from 16 to 24 meters)			
								36	40	4	**0.1**
	NMPRC61	441949	6648560	357	60	-60	270	**20**	**44**	**24**	**0.46**
								(inc. 12m @ 0.71 ppm Au from 20 to 32 meters)			
								52	56	4	**0.14**
	NMPRC62	441610	6648411	367	75	-60	270	NSI			
	NMPRC63	441654	6648411	368	75	-60	270	0	4	4	**0.25**
	NMPRC64	441700	6648414	371	75	-60	270	64	68	4	**0.15**
	NMPRC65	441748	6648412	373	75	-60	270	0	4	4	**0.34**
	NMPRC66	441789	6648401	370	75	-60	270	NSI			
	NMPRC67	441836	6648411	366	75	-60	270	NSI			
	NMPRC68	441880	6648408	363	75	-60	270	NSI			
	NMPRC69	441925	6648407	362	75	-60	270	NSI			
	NMPRC70	441976	6648412	361	75	-60	270	44	48	4	**0.22**
	NMPRC71	441392	6648309	350	75	-60	270	NSI			
	NMPRC72	441437	6648309	351	73	-60	270	NSI			
	NMPRC73	441480	6648308	351	75	-60	270	NSI			
	NMPRC74	441525	6648308	360	75	-60	270	NSI			
	NMPRC75	441570	6648305	365	75	-60	270	32	40	8	**0.14**
	NMPRC76	441616	6648310	370	75	-60	270	NSI			
	NMPRC77	441660	6648309	367	75	-60	270	NSI			
	NMPRC78	441706	6648308	369	75	-60	270	NSI			
	NMPRC79	441752	6648310	371	75	-60	270	NSI			
	NMPRC80	441798	6648310	369	75	-60	270	64	68	4	**0.1**
	NMPRC81	441840	6648312	366	75	-60	270	60	64	4	**0.17**
	NMPRC82	441884	6648312	366	75	-60	270	NSI			
	NMPRC83	441934	6648309	365	75	-60	270	NSI			
	NMPRC84	441976	6648309	363	75	-60	270	72	75 (EOH)	3	**0.12**
	NMPRC85	442019	6648306	362	75	-60	270	NSI			

Table 3: Nexus GT6 and GT8 4m Composite Gold RC Drill Results (>0.1g/t Au)

	Significant (>0.1ppm Au) 4 Meter Composite Results											1m Sample
	Hole_ID	GDA_94 East	GDA_94 North	RL	Depth (m)	Dip	Azimuth	From (m)	To (m)	Length (m)	Au (ppm)	Au (ppm)
GT6	NMPRC60	441937	6648559	348	50	-60	270	0	1	24	0.47	0.02
								1	2			0.11
								2	3			0.21
								3	4			0.20
								4	5			0.12
								5	6			0.07
								6	7			0.08
								7	8			0.14
								8	9			0.22
								9	10			0.14
								10	11			0.08
								11	12			0.06
								12	13			0.34
								13	14			0.02
								14	15			0.10
								15	16			0.16
								16	17			0.15
								17	18			0.15
								18	19			0.66
								19	20			0.29
								20	21			**3.19**
								21	22			**1.03**
								22	23			0.35
								23	24			0.02
								36	37	4	0.1	0.00
								37	38			0.01
								38	39			0.00
								39	40			0.24
	NMPRC61	441949	6648560	357	60	-60	270	20	21	24	0.46	0.95
								21	22			0.91
								22	23			0.37
								23	24			**1.23**
								24	25			0.76
								25	26			0.44
								26	27			0.95
								27	28			0.71
								28	29			**1.31**
								29	30			0.54
								30	31			0.29
								31	32			0.69
								32	33			0.54
								33	34			0.73
								34	35			0.30
								35	36			0.56
								36	37			0.63
								37	38			0.14
								38	39			0.07
								39	40			0.07
								40	41			0.24
								41	42			0.06
								42	43			0.68
								43	44			0.01
								52	53	4	0.14	0.05
								53	54			0.07
								54	55			0.13
								55	56			0.06
	NMPRC63	441654	6648411	368	75	-60	270	0	1	4	0.25	0.01
								1	2			0.31
								2	3			0.26
								3	4			0.11
	NMPRC64	441700	6648414	371	75	-60	270	64	65	4	0.15	0.03
								65	66			0.13
								66	67			0.35
								67	68			0.33
	NMPRC65	441748	6648412	373	75	-60	270	0	1	4	0.34	0.32
								1	2			0.42
								2	3			**1.41**
								3	4			0.09
	NMPRC70	441976	6648412	361	75	-60	270	44	45	4	0.22	0.08
								45	46			0.70
								46	47			0.73
								47	48			0.17
	NMPRC75	441570	6648305	365	75	-60	270	32	33	8	0.14	0.15
								33	34			0.07
								34	35			0.17
								35	36			0.02
								36	37			0.00
								37	38			0.13
								38	39			0.12
								39	40			0.34
	NMPRC80	441798	6648310	369	75	-60	270	64	65	4	0.1	0.16
								65	66			0.12
								66	67			0.00
								67	68			0.01
	NMPRC81	441840	6648312	366	75	-60	270	60	61	4	0.17	0.34
								61	62			0.02
								62	63			0.01
								63	64			0.00
	NMPRC84	441976	6648309	363	75	-60	270	72	73	3	0.12	0.02
								73	74			0.02
								74	75			0.14

Table 4: Nexus Pinnacles GT6 Prospect 1m Sample Results

Pinnacles Gold Project

The combined Pinnacles Gold Project area covers 125km^2 of highly deformed Archaean greenstone sequence of basalts, dolerites, and co-magmatic high-level intrusions. This mafic volcanic association is overlain by a series of medium to coarse grained volcaniclastic sandstones and subordinate felsic volcanic rocks. These greenstones have been intruded and disrupted by the forceful intrusion of a series of granitoid rocks. This geological and structural setting is considered to be highly prospective for gold mineralisation.

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 Yilgangi Fault. To the west of the Yilgangi 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 Yilgangi Fault. This fault is a major feature that dissects the Nexus tenement package for a strike distance of some 15km.

Auger sampling targeting calcareous soils (calcrete) has been successfully employed as the preferred geochemical sampling medium for gold exploration in the Eastern 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. Historically any auger soil result of >9ppb Au was considered anomalous and targeted for follow up work.

Mt Celia Project

The Mt Celia Gold Project lies 180km north east of Kalgoorlie within the southern part of the Laverton Tectonic Zone (**LTZ**). This structure hosts numerous major gold mines and currently contains Mineral Resources of ~20 million ounces.

The project area contains numerous small historic gold workings, within a shear zone extending locally over 3km in length, and consisting of quartz filled shears within mafic lithologies.

No field work was undertaken during the quarter.

Triumph Project

Following a full geological assessment of the main Triumph Gold Project tenements, they were relinquished during the quarter.

Corporate

During the quarter, Managing Director Andy Tudor presented updates to brokers on the Company's activities including the Pinnacles Gold project, and other Company projects.

The Company also undertook due diligence enquiries on the Wallbrook Gold Project. See Nexus ASX releases 17/1/2018 and 23/1/2018.

At the end of the December quarter, the Company held A$4.52m cash and equivalents.

March 2018 Quarter – Work Program

During the March 2018 quarter, the Company intends to undertake the following activities:

Pinnacles Gold Project

- Analyse and interpret drill results from 2017 drill programs
- Geophysical assessment and interpretation. Detailed ground programs over prospect areas

Wallbrook Gold Project

- Complete tenement transaction from vendor (Saracen Gold Mines) (refer announcements 17 and 23 January 2018).
- Complete project database integration of historical datasets
- Undertake regional gravity geophysical survey
- Ground geological mapping and interpretation
- Drill program planning

About Nexus

Nexus is actively exploring for gold deposits on its highly prospective tenement package in the Eastern Goldfields of Western Australia. The addition of the Wallbrook tenement package will further advance these gold exploration efforts.

Nexus Minerals tenement package at the Pinnacles Gold Project is largely underexplored and commences less than 5km to the south of, and along strike from, Saracen's >4Moz Carosue Dam mining operations, and current operating Karari underground gold mine. Nexus holds a significant land package (125km^2) of highly prospective geological terrain within a major regional structural corridor, and is actively exploring for gold deposits.

The Company also has a joint venture over the Pinnacles JV Gold Project with Saracen (see ASX Release 17 September 2015). This joint venture 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.

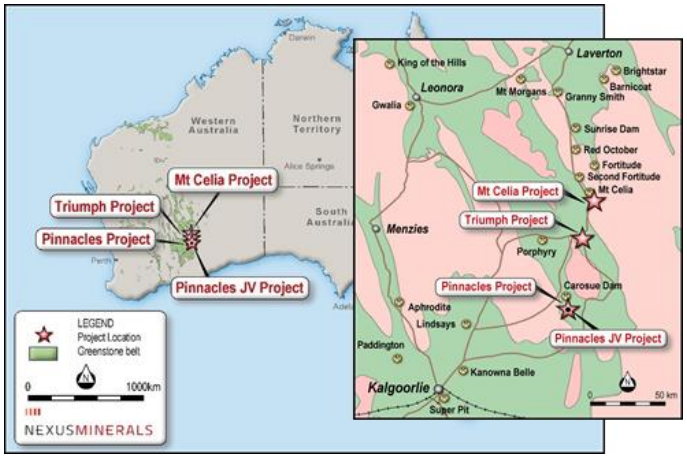

Figure 4: Nexus Project Locations – Eastern Goldfields, Western Australia

- Ends -

Enquiries **Mr Andy Tudor, Managing Director**
Mr Paul Boyatzis, Non-Executive Chairman

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ASX Code **NXM**

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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.

The information in this report that relates to the Nexus Minerals Limited Pinnacles JV Mineral Resource is based upon information from the Company's announcement dated 13 October 2016 and is available to view on the Company's website at www.nexus-minerals.com. The information was compiled by Mr Paul Blackney, a Competent Person who is a member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Blackney is a full-time employee of Optiro Pty Ltd, consultants to Nexus Minerals Limited. Mr Blackney has sufficient experience that is relevant to the style of mineralisation and type 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'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

NEXUSMINERALS

SUMMARY OF NEXUS MINERALS LIMITED TENEMENTS

AUSTRALIA	Interest at beginning of Quarter	Interest at end of Quarter
Pinnacles (Gold)		
M28/243	88%	88% - Earning interest through Farm-In / JV
P28/1185	100%	100%
E28/2526	90%	90%
E28/2487	100%	100%
Wallbrook (Gold)		
E31/1160 (Application)	0%	0%
Mt Celia (Gold)		
P39/5484	100%	100%
P39/5485		
P39/5486		
E39/1890		
E39/2037 (Application)	0%	0%
P39/5836 (Application)	0%	0%
E39/2025 (Application)	0%	0%
Triumph (Gold)		
E31/1088	100%	0%
P31/2074		
P31/2075		
P31/2076		
E31/819	80% - Earning interest through Farm-In JV	0%
E31/820		
P31/1960		
P31/1961		
P31/1962		
P31/1963		
P31/1964		
E31/1161 (Application)	0%	0%
E39/2044 (Application)	0%	0%
E39/2045 (Application)	0%	0%