



ASX ANNOUNCEMENT

8 May 2018

## PINNACLES GOLD PROJECT GT6 DRILL PROGRAM COMPLETED INITIAL RESULTS RETURN WIDE HIGH-GRADE GOLD INTERSECTION

### Highlights

- 4,672m aircore drill program completed at Pinnacles GT6 prospect
- Four broad spaced lines were drilled, testing a 3km x 600m surface auger gold anomaly
- 4m composite gold results received from approximately 50% of program with the balance due this month.
- Wide anomalous gold intersection to end of hole NPAC032
  - 12m @ 3.27g/t Au (from 100-112m end of hole)
  - Incl: 4m @ 6.37g/t Au (from 108-112m end of hole)
- 6,000m follow up GT6 aircore program covering 800m x 400m core anomaly to commence early June.
- Mineralisation in quartz + carbonate + pyrite altered Carosue Dam sediments, adjacent to major regional structure, over gravity low
- Auger regional geochemical sampling program also completed infilling three targets previously identified – results pending

Eastern Goldfields gold explorer, **Nexus Minerals Limited (ASX: NXM)** (**Nexus or the Company**) is pleased to announce the completion of a 4,672m aircore drill program at the Pinnacles GT6 prospect. Concurrently Nexus undertook a regional auger geochemical program infilling three key target areas identified in its first pass regional auger geochemical program.

The aircore program consisted of 76 holes drilled to top of fresh rock. Bottom of hole samples are being subjected to multi-element geochemical analysis (results pending) and geological / alteration mapping (petrology pending).

#### ASX: NXM

##### Capital Structure

Shares on Issue 88.6 million  
Options 10.6 million  
Cash on Hand \$4.23million  
(30/3/2018)

##### 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

Pinnacles Project (Gold)

Pinnacles JV Project (Gold)  
(with Saracen Gold Mines)

Wallbrook Project (Gold)

Mt Celia Project (Gold)

Triumph Project (Gold)

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## GT6 Anomaly

Gold mineralisation was intersected from 100-112m (end of hole) in quartz + carbonate + pyrite altered Carosue Dam sediments, adjacent to the major Yilgangi Fault splay regional structure, over a gravity low. This intersection, in conjunction with the previous Nexus drill intercepts 800m to the north east, and the high-level auger geochemical gold anomaly, has highlighted the 800m x 400m mineralised corridor adjacent to the Yilgangi Fault splay as a compelling target for the proposed 6,000m follow up aircore drill program.

Hole No	Easting	Northing	Dip	Azimuth	From (m)	To (m)	Interval (m)	g/t Au
NMPAC032	441635	6647937	-60	302	100	112 (eoh)	12	3.27
incl					108	112 (eoh)	4	6.37

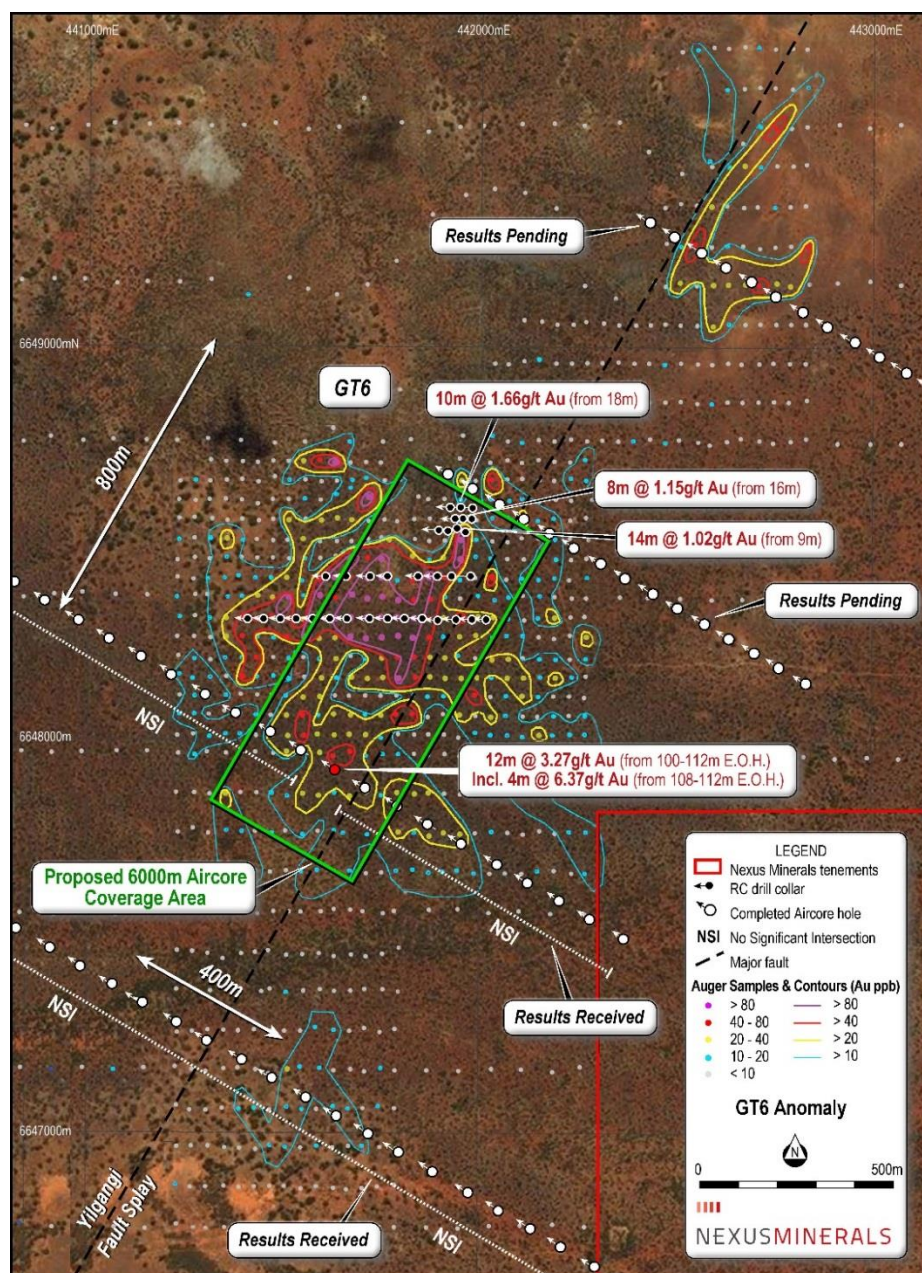


Figure 1: Nexus Pinnacles GT6 Prospect – Completed Aircore holes over Auger Geochemistry



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The setting of the GT6 anomaly is considered highly prospective for the discovery of significant gold mineralisation. The anomaly is situated on a north-south offset of the Yilgarni Fault, a structural setting synonymous with all Carosue Dam deposits. In addition, the anomaly is situated over Carosue Dam Basin sediments and is proximal to a 1.7km gravity low corridor.

The GT6 gold anomaly covers an area of some 3.5km x 600m (+9 ppb Au), with associated trace elements arsenic (As) and wolfram (W). The extensive GT6 anomaly is composed of three areas, the main central anomaly which overlies a gentle to moderate ferruginous topographic rise, and two smaller anomalies to the south and north that overly a lower residual regolith regime. The larger central anomaly forms a rough crescent shape which fringes a gravity low to the south west. The southern anomaly is centered on the gravity low that extends in a corridor to the south, whilst the northern anomaly is offset to the northeast of the main anomaly.

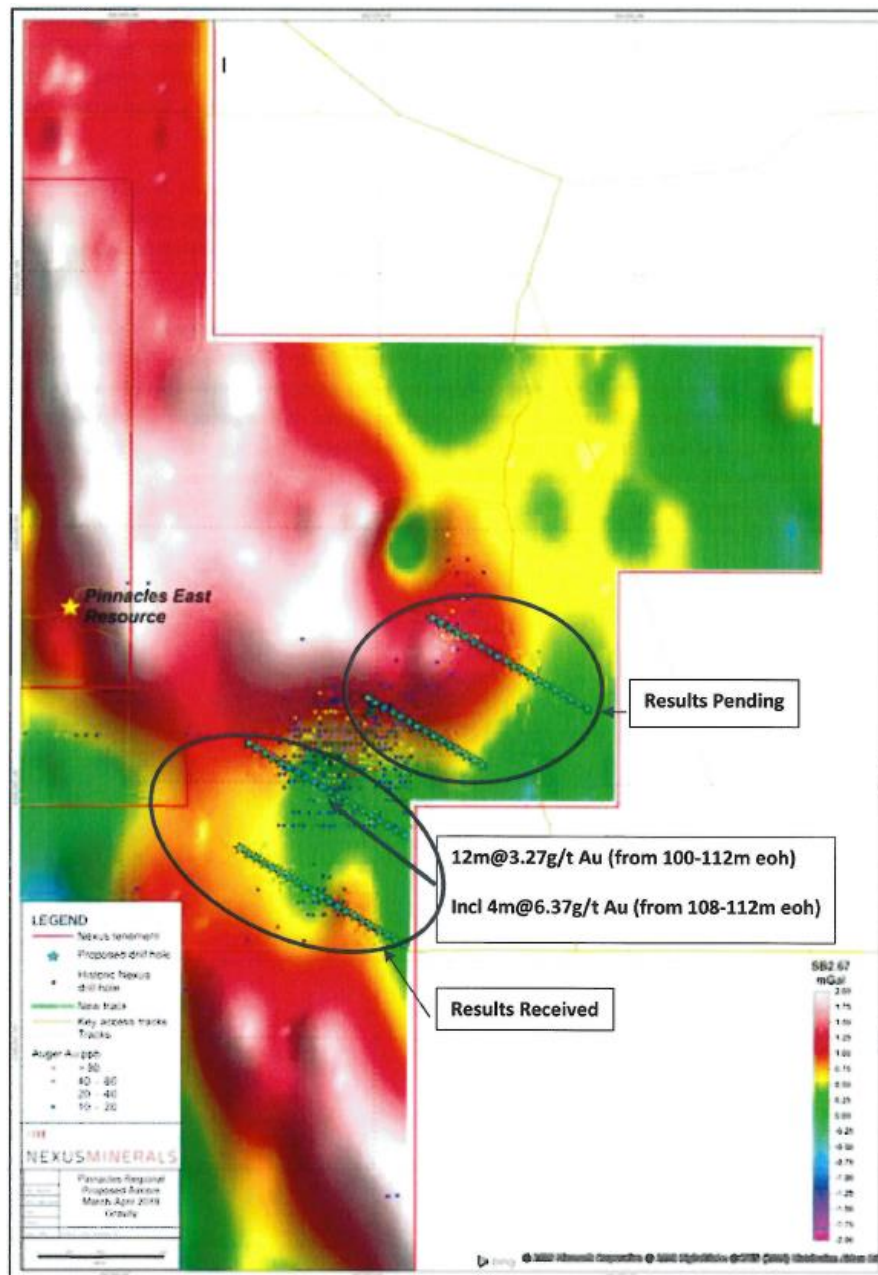


Figure 2: Nexus Pinnacles GT6 Prospect – Completed Aircore holes over Gravity





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## Regional Auger Geochemistry Program

Regional auger geochemical sampling programs have successfully identified multiple target areas over the Pinnacles tenement package. This current campaign will complete first pass coverage of the project area and will provide infill data over three gold anomalies identified in previous regional programs.

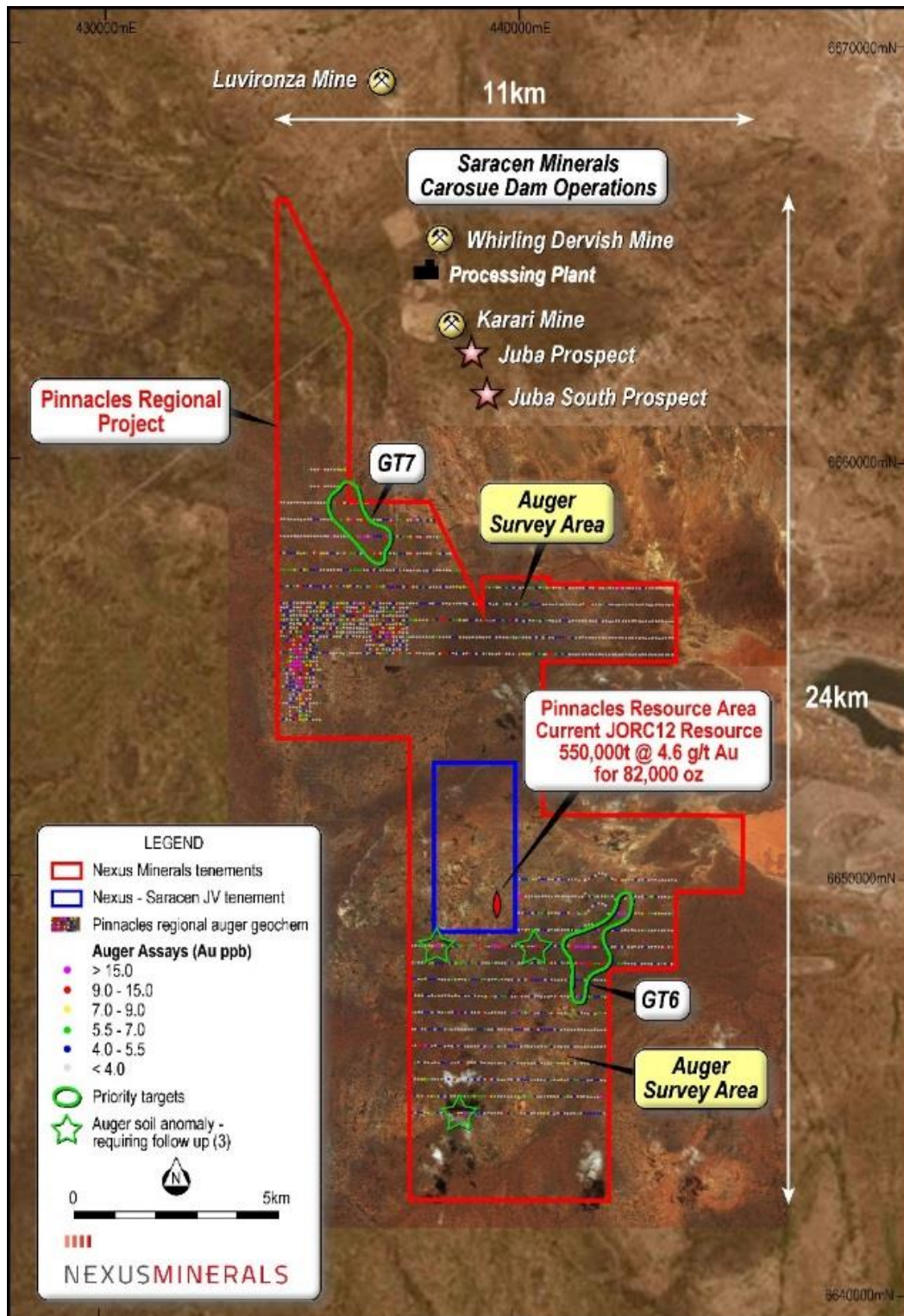


Figure 3: Nexus Pinnacles Auger Soil Survey Results and Prospect Areas



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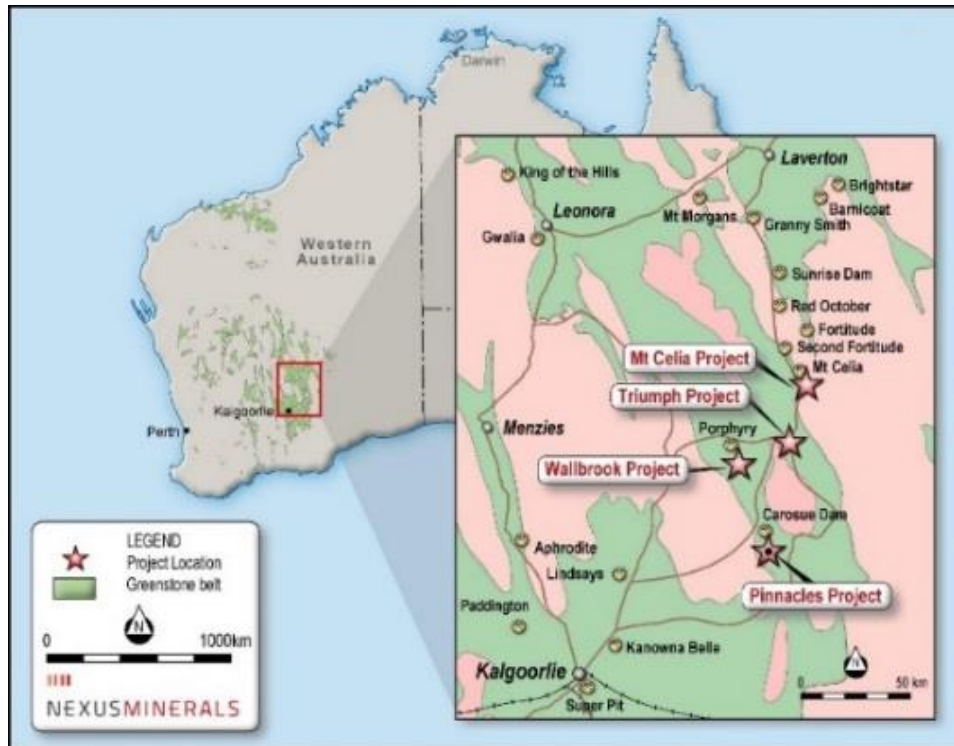


Figure 4. Nexus Projects Eastern Goldfields – Western Australia

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 (see ASX Release 23 January 2018).

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 Mineral Holdings Limited's (ASX:SAR) (Saracen) 4Moz Carosue Dam mining operations, and current operating Karari underground gold mine. Nexus holds a significant land package (125km<sup>2</sup>) 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.

- 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 "Australasian 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](http://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.*

*No Ore Reserves have currently been defined on the Pinnacles or the Wallbrook tenements. There has been insufficient exploration and technical studies to estimate an Ore Reserve and it is uncertain if further exploration and/or technical studies will result in the estimation of an Ore Reserve. The potential for the development of a mining operation and sale of ore from the Pinnacles or the Wallbrook tenements has yet to be established.*

## Appendix A 8 May 2018

### JORC Code, 2012 Edition – Table 1

#### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

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>The sampling was carried out using AirCore Drilling (AC) (76 holes) were drilled in this program.</p> <p>AC chips provide representative samples for analysis. This release relates to the 2 southern lines only, representing approximately 50% of total program.</p> <p>Sampling was carried out in accordance with Nexus Minerals protocols and QAQC procedures which are considered to be industry best practice.</p> <p>AC holes were drilled to refusal, with 1m samples collected in buckets through a cyclone and upended on the ground in rows of 20m. All samples had 4 consecutive 1m samples composited to form a 4m composite sample which was sent to the laboratory for analysis. The bottom of hole sample was collected as a 1m sample and sent to the laboratory for analysis</p> <p>All 4m composite samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish and multi element portable XRF (29 elements) analysis undertaken on the sample pulps by the laboratory.</p> <p>All 1m bottom of hole samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish and four acid digest multi element (48 elements) analysis undertaken on the sample pulps by the laboratory.</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>	<p>An AC drilling rig, owned by Raglan Drilling, was used to undertake the AC drilling and collect the samples. 76 holes were completed. Total AC 4672m.</p>



Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<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><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></p>	<p>All samples were dry with no significant ground water encountered.</p> <p>AC face sampling bits and dust suppression were used to minimise sample loss. Average AC meter sample weight recovered was 20kg with minimal variation between samples.</p> <p>No sample bias is believed to have occurred during the sampling process.</p>
<i>Logging</i>	<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>	<p>All AC chip samples were geologically logged by Nexus Minerals Geologists, using the approved Nexus Minerals logging code.</p> <p>Logging of AC chips: Lithology, mineralogy, alteration, mineralisation, colour, weathering and other characteristics as observed. All AC samples were wet sieved.</p> <p>All holes and all meters were geologically logged.</p>
<i>Sub-sampling techniques and sample preparation</i>	<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>AC holes were drilled to refusal, with 1m samples collected in buckets through a cyclone and upended on the ground in rows of 20m. All samples had 4 consecutive 1m samples composited to form a 4m composite sample which was sent to the laboratory for analysis. The bottom of hole sample was collected as a 1m sample and sent to the laboratory for analysis</p> <p>For composite samples four consecutive meters were sampled using an aluminium scoop which penetrates the entire sample with multiple slices taken from multiple angles to ensure a representative sample is collected. These are combined to produce a 4m composite sample of 2-3kg.</p> <p>All samples submitted for analysis were dry.</p> <p>Samples were prepared at the Intertek Laboratory in Kalgoorlie. Samples were dried, and the whole sample pulverized to 85% passing 75um, with</p>



Criteria	JORC Code explanation	Commentary
	<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>	<p>a sub-sample of ~200g retained. A nominal 50g was used for analysis. This is best industry practice.</p> <p>No duplicate field samples were taken.</p> <p>Sampling methods and company QAQC protocols are best industry practice.</p> <p>Sample sizes are considered appropriate for the material being sampled and the sample size being submitted for analysis.</p>
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><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>	<p>Samples were analysed at the Intertek laboratory Perth.</p> <p>4m and 1m samples were analysed for gold using Fire Assay technique with ICP finish. This method is considered appropriate for the material being assayed. The method provides a near total digestion of the material.</p> <p>This method is considered appropriate for the material being assayed. The method provides a near total digestion of the material.</p> <p>No other geophysical tools, spectrometers etc... were used in this drill program.</p> <p>Nexus Minerals protocol provides for Certified Reference Material (Standards and Blanks) to be inserted at a rate of 4 standards and 2 blanks per 100 samples. Field duplicates were not collected.</p>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<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>Significant intersections were verified by the Exploration Manager.</p> <p>No twin holes were drilled as part of this program</p> <p>All field logging is carried out on a Toughbook computer. Data is submitted electronically to the database geologist in Perth. Assay files are received electronically from the laboratory and added to the database. All data is managed by the database geologist.</p> <p>No adjustment to assay data has occurred.</p>
Location of data points	<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>Drill hole locations were determined using a handheld GPS, with an accuracy of 5m. No down hole surveys were taken.</p> <p>Grid projection is GDA94 Zone51.</p> <p>The drill hole collar RL is allocated from a handheld GPS.</p> <p>Accuracy is +/- 5m.</p>
Data spacing and distribution	<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>Drilling took place in 1 prospect area GT6.</p> <p>This release refers to GT6 gold results only.</p> <p>Line spacing was 7500m / Hole Spacing 75m.</p> <p>The data spacing and distribution is not sufficient to establish the degree of geological and grade continuity appropriate for any Mineral Resource and Ore Reserve estimation procedure(s) and classifications to be applied.</p> <p>Yes as stated above.</p>
Orientation of data in relation to geological structure	<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>The orientation of the drill lines is considered to be perpendicular to the strike of the regional structures controlling the mineralisation (30 degrees). All holes were drilled -60 degrees towards 300 degrees.</p>

Criteria	JORC Code explanation	Commentary
	<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>	The relationship between the drilling orientation and the orientation of key mineralised structures is not considered to have introduced a sampling bias.
Sample security	<i>The measures taken to ensure sample security.</i>	Pre-numbered calico bags were placed into green plastic bags, sealed and transported to the Intertek laboratory in Kalgoorlie by company personnel.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	All sampling, logging, assaying and data handling techniques are considered to be industry best practice.

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<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>Drilling was undertaken on tenement E28/2526.</p> <p>Nexus 90% / Pumphrey 10%</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>
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The tenement has been subject to minimal prior exploration activities.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The Pinnacles Regional Gold Project area covers 125km <sup>2</sup> of a highly deformed An 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.

Criteria	JORC Code explanation	Commentary
		Gold mineralisation is known to occur within shear zones hosted within all rock types. It is often associated with quartz veining and sheared altered host rocks.
<i>Drill hole Information</i>	<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"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> <p><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion dip not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	Refer to ASX announcements for full tables.
<i>Data aggregation methods</i>	<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 top cuts have been applied to the reported assay results.</p> <p>No aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results.</p> <p>No metal equivalent values were reported.</p>
<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>	<p>The orientation of the drill lines is considered to be perpendicular to the strike of the regional structures controlling the mineralisation (30 degrees). All holes were drilled -60 degrees towards 300 degrees.</p> <p>All reported intersections are down-hole length – true width not known.</p>



Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<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>	Refer to the maps included in the text.
<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>	See Table 1 for full list of results.
<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>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).  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>	Post full assessment of recent AC drill results and integration with existing data sets, future work programs may include further AC and/or RC/Diamond drilling to follow up on the results received from this drill program.