



## NEXUS PINNACLES JV GOLD PROJECT RESOURCE UPDATE

### ASX: NXM

#### Capital Structure

Shares on Issue 118 million  
Options 15.9 million  
Cash on Hand \$2.98 million  
(31/12/2019)

#### 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 GOLD Projects

Pinnacles JV Project  
(with Saracen Gold Mines)

Pinnacles Project

Wallbrook Project

Triumph Project

Mt Celia Project

### HIGHLIGHTS

- Pinnacles East combined Mineral Resource updated to:  
**609,000t @ 4.0g/t Au for 78,000 ounces**
- **Open Pit Resource 159,000t @ 2.4g/t Au for 12,000 ounces**
- **Underground Resource 450,000t @ 4.6g/t Au for 66,000 ounces**
- **22 drill holes for 2,425 metres added to previous resource**
- **Mineral Resource in Indicated category increased to 53%**
- **Project mine optimisation and development studies well advanced**

The Board of **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** is pleased to announce the successful completion of a mineral resource upgrade on the Pinnacles East gold resource area, within the Pinnacles JV gold project, located in the Eastern Goldfields, 120km northeast of Kalgoorlie.

The updated JORC 2012 combined mineral resource of 609,000t @ 4.0g/t Au for 78,000 ounces is in line with the Company's previous estimate of 550,000t @ 4.6g/t Au for 82,000 ounces (see ASX announcement 13/10/2016).

The 22 additional drill holes, drilled in December 2016 (see ASX announcement 7/2/2017), were targeting zones within the previous resource outline where a greater drill density was required to convert the existing inferred ounces to indicated status. This was achieved with the new total estimate containing 53% Indicated Mineral Resource. Importantly the resource from surface down to 200m contains >90% Indicated Mineral Resources. The additional drill hole data has also allowed for a more selective interpretation of the geological controls on the mineralisation.

Managing Director Andy Tudor said *"I am very pleased with the mineral resource in terms of both tonnes and particularly grade. These results, in conjunction with the current strong Australian gold price, further enhance the strength of the Pinnacle's project and its ability to produce a robust and viable gold mining operation. Due to the pre-existing ore sales agreement with Saracen, there is very low capital expenditure required to initiate mining, with any ore mined to be processed through Saracen's Carosue Dam Operation"*.



# NEXUSMINERALS

Further geotechnical, metallurgical and hydro-geological test work in addition to environmental base-line studies, are being undertaken to assist in determining mine development options.

Cut Off Grade (g/t Au)	Category	Tonnage (kt)	Grade (g/t Au)	Metal (kOz)	
0.5	O/P	Indicated	140	2.6	11
		Inferred	19	1.6	1
		Sub-total	159	2.4	12
1.0	U/G	Indicated	170	5.6	30
		Inferred	280	4.0	36
		Sub-total	450	4.6	66
Combined Total		609	4.0	78	

Table 1. Nexus Minerals JORC 2012 Mineral Resource Estimate

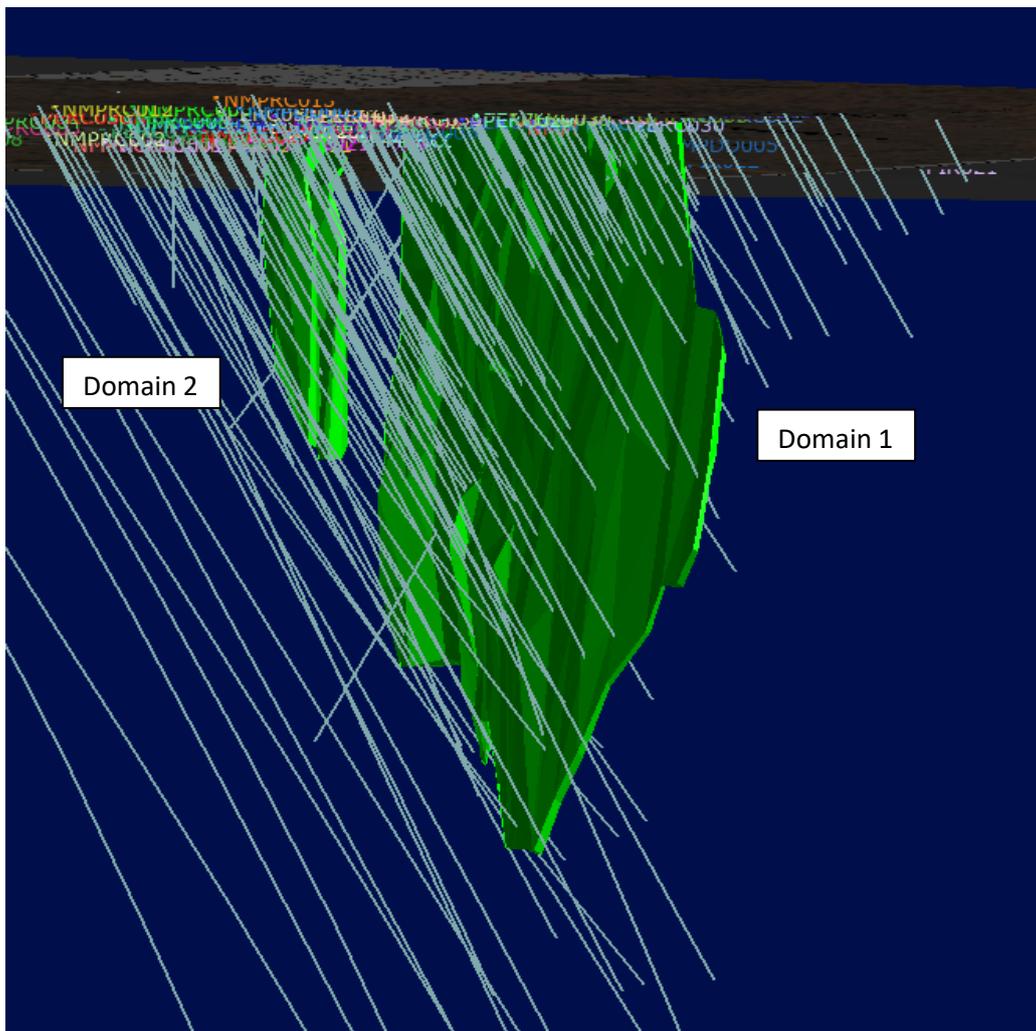


Figure 1. Pinnacles East Mineral Resource Model

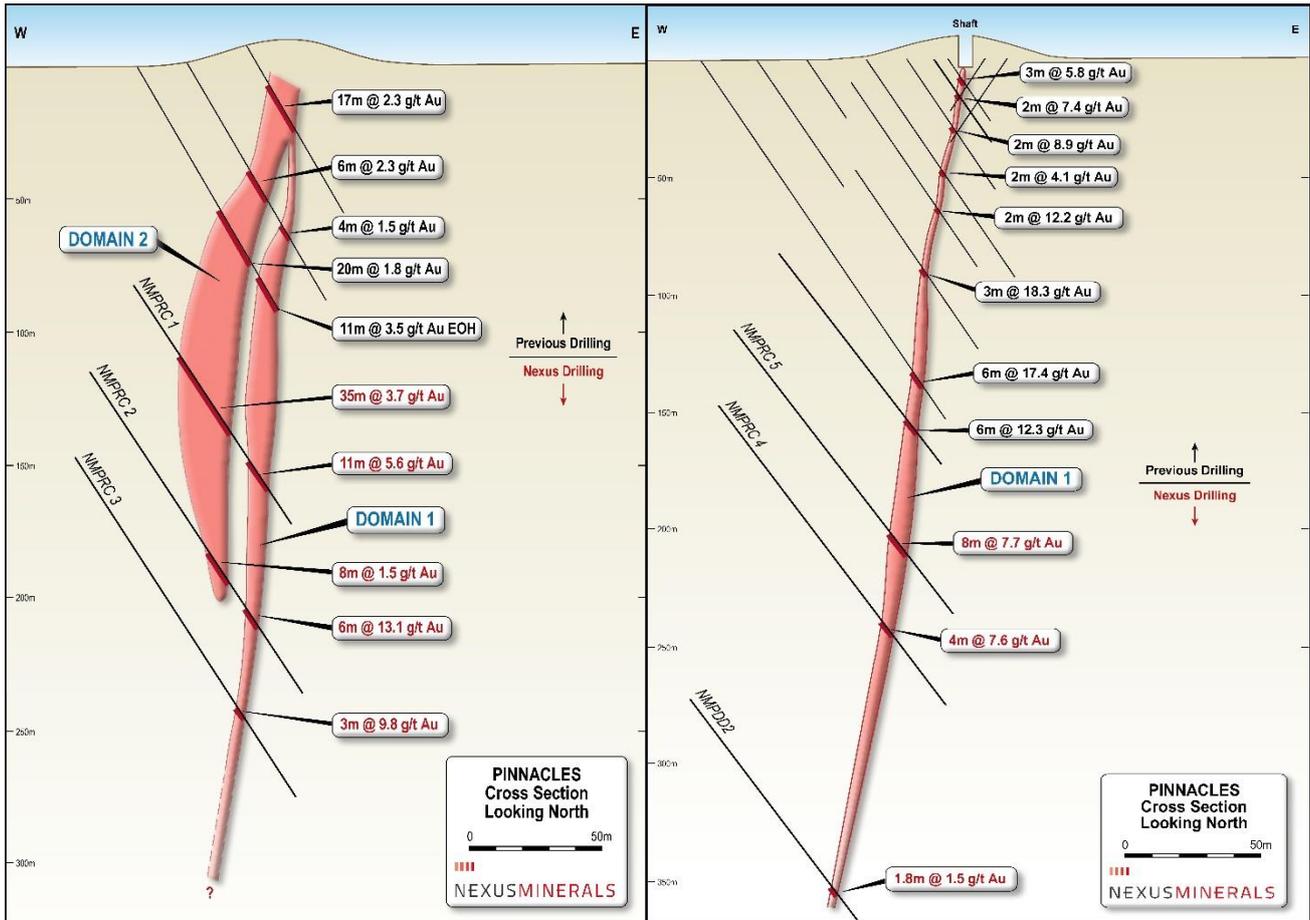
(Open Cut 0.5g/t Au Cut-off / Underground Cut-off 1.0g/t Au Cut-off)

Previous JORC-2012 compliant Indicated and Inferred Mineral Resource, completed by Nexus Minerals Limited, 550,000t @ 4.6g/t Au for 82,000oz gold (see ASX release 13 October 2016).

No Ore Reserves have currently been defined on the Pinnacles JV Gold Project. 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 JV Gold Project has yet to be established.



# NEXUSMINERALS



**Fig 2a Cross Section through Northern End of Resource**

**Fig 2b Cross Section through Centre of Resource**

The Pinnacles East gold resource drill programs have successfully tested for depth and strike extensions to the high-grade gold mineralisation identified by previous operators. The work undertaken by Nexus being a combination of RC drilling, and RC drill pre-collars with diamond core tails. The Pinnacles East Mineral resource area (which commences at surface) is now well defined and understood from surface down to approximately 250m. Mineralised intercepts include\*:

- 5m @ 20.9g/t Au
- 4m @ 19.5g/t Au
- 6m @ 17.4g/t Au
- 6m @ 12.3g/t Au
- 6m @ 11.5g/t Au

The drill programs intersected the primary structure hosting the mineralisation (Domain 1) at the depths interpreted, with the geological package of volcanoclastic sandstones, shales and conglomerates also intersected. The Pinnacles gold mineralisation is typically associated with an increase in silicification, quartz veining, chlorite alteration and increase in sulphide content.

A second body of mineralisation (Domain 2) has also been modelled at the northern end of the main Domain 1 structure, with further drilling required to fully define the geometry of the mineralised body. Only a limited number of holes have penetrated this structure with intersections to date including\*:

- 35m @ 3.7g/t Au
- 17m @ 3.2g/t Au
- 25m @ 2.3g/t Au

(\* see ASX announcements 21/1/2016, 6/5/2016, 9/9/2016, 13/10/2016, 28/10/2016, 7/2/2017)



# NEXUSMINERALS

Since entering into the JV with Saracen Mineral Holdings Limited, Nexus has drill tested the depth and continuity of the potential high grade mineralisation through a number of depth staged drill programs. The drill programs undertaken by Nexus have achieved this objective by intersecting mineralisation from surface to some 350m vertical depth, as well as testing the strike extent of the resource.

## **Pinnacles East Mining Studies Advancing**

Nexus is determining the feasibility of the open cut potential of the Pinnacles East gold resource area, with deeper mineralisation to be considered as a potential underground operation. Nexus consultants have been engaged to undertake a pit optimization study, and mine development plan options to assist in determining the financial viability of establishing a gold mining operation at Pinnacles East. Due to the pre-existing ore sales agreement with Saracen, there is minimal capital expenditure required to initiate mining, with any ore mined to be processed through Saracen's Carosue Dam Operation

Further drilling for geotechnical, metallurgical and hydro-geological test work, in addition to environmental base-line studies, are currently underway to assist in determining the mine development options.

## **Notes to accompany Mineral Resource Statement**

This mineral resource estimate will form the basis for mine studies.

Pinnacles East Gold mineralisation occurs within a sub-vertical shear zone hosted within volcanoclastic sediments, predominantly shales and sandstones. It is associated with quartz veining (2-5%), sulphides (2-5%) and sheared chlorite / carbonate / haematite altered host rocks.

The Pinnacles East resource model has been updated after the completion of a 22 hole drilling program by Nexus - comprising 18 reverse circulation (1,933m) and 4 diamond core holes (492m). These additional holes have allowed the narrow, steeply dipping deposit to be modelled in much greater detail than in the previous model. (Previous JORC-2012 compliant Indicated and Inferred Mineral Resource, completed by Nexus Minerals Limited of 550,000t @ 4.6g/t Au for 82,000oz gold. See Nexus Minerals Limited's ASX release 13 October 2016). The total drilling of the deposit comprises 183 holes, with the majority being reverse circulation (RC) (75%), followed by RAB (20%) and diamond drill holes (5%).

The input data is considered to be comprehensive in its coverage of the mineralisation, with the interpretation of mineralised zones based on a high level of geological understanding producing a robust model of mineralised domains. The Nexus mineralisation interpretation is based on a combination of geological and grade features. The interpretation is more selective than in the previous estimate and this modification, together with other changes, has contributed to the slight change to tonnes and grade than was previously reported.

Sampling was carried out in accordance with Nexus Minerals protocols and QA/QC procedures which are considered to be industry best practice. This included the insertion of field duplicates, standards and blanks. RC holes were drilled with a 5.5inch face sampling bit, with 1m samples collected through a cyclone and cone splitter producing a 2-3kg sample. For RC holes all samples had 4 consecutive 1m samples composited to form a 4m composite sample which was sent to the laboratory for analysis. Composite samples returning >0.1g/tAu were considered mineralised and the corresponding 1m samples sent to the laboratory for analysis. All samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish. Diamond core is NQ2, sampled at 1m intervals or geological boundaries and cut into half core for analysis. All samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish.

All Nexus drill holes, and a selection of holes drilled by previous operators, where the collar locations could be reliably located, were surveyed by RTK GPS in February 2020 by Minecomp Surveyors of Kalgoorlie. A total of 91 holes were located and used to create the model DTM. Drillholes that are used in the mineral resource estimate, but were not located in the latest survey, were assigned an RL according to the new DTM. Accuracy <10cm.



# NEXUSMINERALS

Bulk density is applied on the basis of Oxide / Transition / Fresh. Bulk density measurements were taken from NQ2 diamond ¼ drill core in waste and ore zones approximately every 5m. Core was not utilised if under 10 cm or over 40 cm in length. The top and bottom depth of each core segment was recorded for each bulk density value.

Samples were composited to 1m intervals using a best fit approach. Variography was carried out to determine continuity parameters. Statistical analysis showed the populations in each domain to have low coefficients of variation but some outlier values required top-cut values of 35g/t Au (Domain 1) and 14g/t Au (Domain 2) to be applied.

Grade modelling is based on ordinary kriging of top-cut drillhole sample gold grades into 5 mE by 10 mN by 5 mRL blocks that apply sub-cells down to 1 mE by 1 mN by 1 mRL to represent the interpreted boundaries of the mineralisation. The variography and estimation was carried out using Leapfrog Edge software.

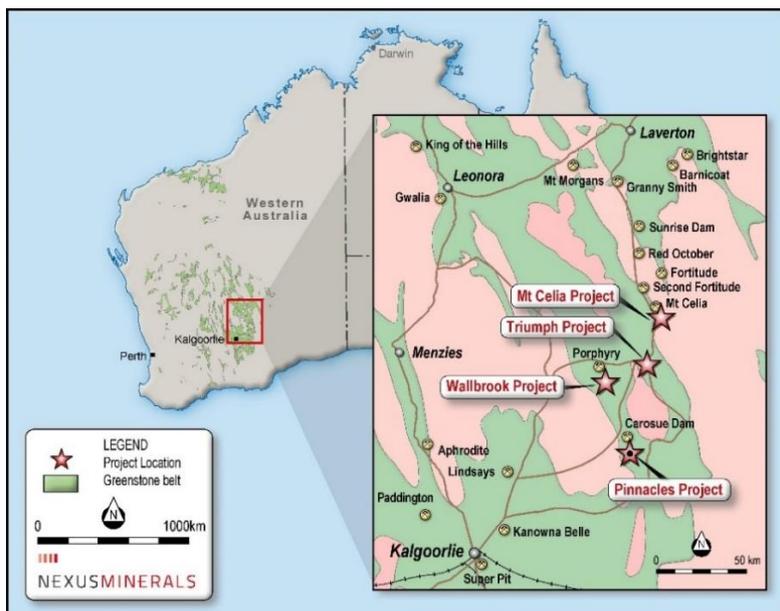
Based on the quality of the supporting data, the confidence in the deposit interpretation and geological continuity and the demonstrated grade continuity, combined with the current drill hole sample spacing, the deposit model has been categorised into Indicated and Inferred Mineral Resources. The geological framework has been refined in a 3D model which shows clear associations of structure, alteration, contacts, veining and host lithologies to the mineralisation controls. The domain interpretations have been supported during iterations of infill drilling and demonstrate continuity of structure.

Much of the upper portion of the Pinnacles East deposit (surface – 200m depth) has been assigned to an Indicated category, with the remaining resource (below 200m depth) within the limits determined via eventual economic extraction analysis, assigned to an Inferred category. Material outside the eventual economic extraction limits has not been classified or reported.

Reporting of the Mineral Resource has been divided into two parts, depending on geological confidence and sample density, and whether it has the potential to be extracted by open pit or by underground mining methods. A gold cut-off grade of 0.5 g/t has been applied for reporting of the potential open pit portion of the resource (down to 85 m below surface), while a cut-off grade of 1.0 g/t has been used to report that portion which presents an underground mining opportunity.

Tonnages, grades and contained metal have been rounded to reflect the accuracy of the calculations. Rounding errors will occur.

## About Nexus



**Figure 3: Nexus Project Locations, Eastern Goldfields, WA**



# NEXUSMINERALS

Nexus Minerals is a well-funded resource company with a portfolio of gold projects in Western Australia and a well-credentialed Board, assisted by an experienced management team.

Nexus is actively exploring for gold deposits on its highly prospective tenement package in the Eastern Goldfields of Western Australia.

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 >5Moz 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 terrane within a major regional structural corridor and is exploring for gold deposits.

The consolidation of the highly prospective Wallbrook Gold Project (250km<sup>2</sup>) by the amalgamation of existing Nexus tenements with those acquired from both Saracen Mineral Holdings and Newmont Exploration, will further advance these gold exploration efforts.

Nexus is actively investing in new exploration techniques to refine the targeting approach for their current and future tenements, including the use of spectral data.

- Ends -

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

**Contact**        **Phone: 08 9481 1749**  
**Website**       [www.nexus-minerals.com](http://www.nexus-minerals.com)  
**ASX Code**      **NXM**

## **Competent Persons' Statements**

*The information in the report to which this statement is attached that relates to Mineral Resources based upon information compiled by Mr Mark Drabble, a Competent Person who is a member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Drabble is a full-time employee of Optiro Pty Ltd, consultants to Nexus Minerals Limited. Mr Drabble 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'. Mr Drabble consents to the inclusion in the report of matters based on his information in the form and context in which it appears.*

*The information in this report that relates to Exploration Results is based on information compiled or reviewed by 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 "Australia Code for Reporting and Exploration Results, Mineral Resources and Ore Reserves".*

*The exploration results are available to viewed on the Company website [www.nexus-minerals.com](http://www.nexus-minerals.com). The Company confirms it is not aware of any new information that materially affects the information included in the original announcements, and in the case of Mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. 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 report 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 JV Gold Project. 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 JV Gold Project has yet to be established.*

## Section 1 - Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<p><b>Sampling techniques</b></p>	<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 (e.g. ‘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.</i></p> <p><i>Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>The Nexus sampling was carried out using Diamond Drilling (DDH) (8 holes) and Reverse Circulation Drilling (RC) (31 holes), drilled over four programs.</p> <p>RC chips and diamond core provide high quality representative samples for analysis.</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>RC holes were drilled with a 5.5inch face sampling bit, with 1m samples collected through a cyclone and cone splitter producing a 2-3kg sample. For RC holes all samples had 4 consecutive 1m samples composited to form a 4m composite sample which was sent to the laboratory for analysis. Samples logged as mineralised were also sent in 1m samples to the laboratory for analysis. All samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish.</p> <p>Diamond core is NQ, sampled at 1m intervals or geological boundaries and cut into half core for analysis. All samples were pulverized at the laboratory to -75um, to produce a 50g charge for gold Fire Assay with ICP finish.</p>
<p><b>Drilling techniques</b></p>	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or</i></p>	<p>An RC drilling rig, owned by Raglan Drilling, was used to undertake the drilling and collect the samples. The face sampling bit had a diameter of</p>

Criteria	JORC Code explanation	Commentary
	<p><i>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>5.5 inches (140mm). 39 holes were completed. 31 were RC and 8 were diamond drill holes. Total RC 6916.6m and total Diamond 912.5m.</p> <p>A Diamond Drill rig owned by Raglan Drilling, was used to undertake the Diamond drilling. Diamond core was oriented using Reflex Act 111 tool.</p>
<p><b>Drill sample recovery</b></p>	<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>RC face sampling bits and dust suppression were used to minimise sample loss. Average meter sample weight recovered was 25kg with minimal variation between samples.</p> <p>Diamond core recovery percentages calculated from measured core versus drilled intervals are logged and recorded in database. Recoveries averaged &gt;95%.</p> <p>Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking.</p> <p>No sample bias is believed to have occurred during the sampling process.</p>
<p><b>Logging</b></p>	<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>All RC chip and diamond core samples were geologically logged by Nexus Minerals Geologists, using the approved Nexus Minerals logging code.</p> <p>Logging of RC chips and diamond core recorded: Lithology, mineralogy, alteration, mineralisation, colour, weathering and other characteristics</p>

Criteria	JORC Code explanation	Commentary
	<p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>as observed. All RC samples were wet sieved. All diamond core was photographed.</p> <p>All holes and all meters were geologically logged.</p>
<p><b>Sub-sampling techniques and sample preparation</b></p>	<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>All drill core is cut in half using an automatic core saw. Samples always collected from the same side.</p> <p>One meter drill samples pass through a rotary cone splitter, installed directly beneath a rig mounted cyclone, and a 2-3kg sample collected in a numbered calico bag. The balance of the 1m sample ~25kg is collected in a green plastic bag. The green bags are placed in rows of 20 and the corresponding calico bag placed on top of the green bag.</p> <p>For composite samples four consecutive green bags were sampled using an aluminium scoop which penetrates the entire bag 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 a sub-sample of ~200g retained. A nominal 50g was used for analysis. This is best industry practice.</p> <p>A duplicate field sample is taken from the cone splitter at 1:25 samples.</p>

Criteria	JORC Code explanation	Commentary
	<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>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>
<p><b>Quality of assay data and laboratory tests</b></p>	<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>Samples were analysed at the Intertek laboratory Perth.</p> <p>4m composite samples and diamond drill core was analysed for gold only 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>1m samples are 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>No geophysical tools, spectrometers, handheld XRF, or any other instrument was used in drilling.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></p>	<p>Nexus Minerals protocol provides for Certified Reference Material (Standards and Blanks) to be inserted at a rate of between 2 and 4 standards and between 1 and 4 blanks per 100 samples. Field duplicates are inserted at a rate of 1 per 25 samples. Industry acceptable levels of accuracy and precision have been returned.</p>
<p><b>Verification of sampling and assaying</b></p>	<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>
<p><b>Location of data points</b></p>	<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>Grid projection is GDA94 Zone51.</p> <p>All Nexus drill holes, and a selection of holes drilled by Saracen and previous operators, whereby the collar locations could be reliably located, were surveyed by RTK GPS in February 2020 by Minecomp Surveyors of Kalgoorlie. A total of 91 holes were located and used to create the model DTM. Drillholes that are used in the mineral resource estimate but were not located in the latest survey were assigned an RL according to the new DTM. Accuracy &lt;10cm.</p>

Criteria	JORC Code explanation	Commentary
		<p>Diamond and RC hole surveys were undertaken every 50 m using an Eastman single shot instrument to monitor hole deviation during drilling. Hole deviation was minimised using corrective drilling technique and stabiliser tools. The single shot instrument is capable of measuring within +/- 0.25° dip, and +/- 0.5° azimuth in a non-magnetic environment. At the end of hole, a north seeking Reflex gyroscope instrument was used to survey the hole every 10 metres, accurate within +/- 0.2° dip, and +/- 0.5° azimuth.</p>
<p><b>Data spacing and distribution</b></p>	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>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.</i></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>Drilling took place in 1 prospect area. Line spacing was 25-75m.</p> <p>The data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedure and classifications applied.</p> <p>Samples were composited to 1m intervals for RC drilling and to geological intervals for diamond core. Only a small number of samples in the dataset were not 1m in length.</p>
<p><b>Orientation of data in relation to geological structure</b></p>	<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 (195 degrees). 36 holes were drilled -60 degrees towards 105 degrees, 2 holes were drilled -60 degrees towards 122 degrees and 1 geotechnical hole drilled -60 towards 285 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>	No bias has been introduced by drilling orientation, or the orientation of key mineralised structures.
<b>Sample security</b>	<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.
<b>Audits or reviews</b>	<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	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<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 M28/243.</p> <p>Nexus is the manager of a Farm-In &amp; JV Agreement with Saracen Mineral Holdings Limited (as detailed in ASX release 17/09/2015).</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>
<b>Exploration done by other parties</b>	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>The tenements were subject to minor mining activities in the early 1900's (2 shafts) and modern exploration activities since the mid 1980's.</p> <p>A number of companies explored the tenement between 1982 and 2014. Saracen Gold Mines Pty Ltd obtained the tenement in 2006 and has completed a number of drilling campaigns over the main Pinnacles project area. This work resulted in Saracen Gold Mines Pty Ltd releasing a JORC 2012 compliant resource of 413,000t @ 2.1g/t gold for 28,000 ounces.</p>
<b>Geology</b>	<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>

Criteria	JORC Code explanation	Commentary
		<p>Gold mineralisation occurs within a sub-vertical shear zone hosted within the sediments. It is associated with quartz veining (1-10cm) and sheared altered host rocks.</p>
<p><b>Drill hole Information</b></p>	<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 does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></p>	<p>See ASX releases 21/1/2016, 6/5/2016, 9/9/2016, 13/10/2016, 28/10/2016, 7/2/2017.</p>

Criteria	JORC Code explanation	Commentary
<b>Data aggregation methods</b>	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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>See ASX releases 21/1/2016, 6/5/2016, 9/9/2016, 13/10/2016, 28/10/2016, 7/2/2017.</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<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 (e.g. '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 (195 degrees). The majority of holes were drilled -60 degrees towards 105 degrees.</p> <p>All reported intersections are down-hole length – true width not known.</p>
<b>Diagrams</b>	<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>	<p>See ASX releases 21/1/2016, 6/5/2016, 9/9/2016, 13/10/2016, 28/10/2016, 7/2/2017.</p>

Criteria	JORC Code explanation	Commentary
<b>Balanced reporting</b>	<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>	Exploration results have been reported in a representative fashion (see ASX releases 21/1/2016, 6/5/2016, 9/9/2016, 13/10/2016, 28/10/2016, 7/2/2017).
<b>Other substantive exploration data</b>	<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 is material.
<b>Further work</b>	<p><i>The nature and scale of planned further work (e.g. 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>	Post full assessment of recent RC drill results and integration with existing data sets, future work programs may include further RC and/or Diamond drilling to follow up on the results received from this drill program.

### Section 3 - Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
<b>Database integrity</b>	Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	Geological logging and sampling took place on-site with data capture straight into Excel files.  The collar and assay data were reviewed by compiling the database in Excel and importing into various three-dimensional modelling packages. Some minor numbering discrepancies were identified and amended
	<i>Data validation procedures used.</i>	Optiro conducted data validation checks as part of the drillhole desurveying process such as <ul style="list-style-type: none"> <li>•missing assays and collars</li> <li>•below detection limit values</li> <li>•overlapping and duplicated sample intervals</li> <li>•comparison of assay and geology depths against collar end of hole depths</li> </ul> All issues found were resolved prior to commencing statistical analysis.
<b>Site visits</b>	<i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i>	A site visit was not carried out by Optiro.

Criteria	JORC Code explanation	Commentary
	<p><i>If no site visits have been undertaken indicate why this is the case.</i></p>	<p>Nexus's Competent Person has undertaken 3 site visits during each of the drilling campaigns undertaken. Drilling and sampling activities were reviewed with no issues identified.</p>
<p><b>Geological interpretation</b></p>	<p><i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></p>	<p>The confidence in the geological interpretation is considered high in the primary zone of mineralisation, a result of consistent geological logging, good data density in the top 150 metres and the accurate reflection of geological mapping.</p> <p>The host lithologies and structures have clear associations with the mineralisation geometry and extents, and these observations have been used in the interpretation of the 3D geological model for the deposit, and the evaluation of the internal relationships of mineralisation and characteristics.</p> <p>The veining structural readings has supported the shallow north plunging grade trends used in the estimation, rather than the previous south plunging models.</p>
	<p><i>Nature of the data used and of any assumptions made.</i></p>	<p>The geological interpretation is based on logging data assisted by assay results. The oxidation interpretation is based on geological logging codes, observations from core photographs and surface geological mapping. Oxidation boundaries were assumed to be gradational transitions relative to grade trends within the mineralised domains.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></p>	<p>No alternative interpretations have been considered. The additional drilling completed by Nexus produced results that were consistent with the structures interpreted by Saracen during the previous phase of resource estimation. This suggests the existing interpretation is relatively robust.</p>
	<p><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></p>	<p>There is a clear relationship between mineralisation and the footwall conglomerate, with mineralisation within the overlying shale on or close to the contact. Additional guidance for the interpretation is provided by: chlorite alteration, 2-5% quartz/sulphide content and elevated magnetic susceptibility values.</p>
	<p><i>The factors affecting continuity both of grade and geology.</i></p>	<p>The Pinnacles East mineralisation style is characteristic of a shear hosted orogenic gold deposit. The key factor affecting the continuity of grade and geology is the sheared contact between the mineralised shale and underlying conglomerate. Mineralisation is generally in narrow shears in the deposit, except to the north where intense folding (?) has resulted in significantly wider mineralised intersections.</p>
<p><b>Dimensions</b></p>	<p><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource</i></p>	<p>The Pinnacles East deposit has a defined strike length of 300 metres and is constrained at its northern and southern ends by barren drilling with contrasting geological characteristics. Mineralised structures dip steeply and have been drill tested to a depth of 300 m below surface.</p>

Criteria	JORC Code explanation	Commentary
<b>Estimation and modelling techniques</b>	<p><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></p> <p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p>	<p>Gold grade estimation used Ordinary Kriging (OK) in Leapfrog Edge software. Gold grade distributions within the mineralised domains exhibited relatively low degrees of variability which allowed the application of Ordinary Kriging, however top-cuts were applied to sample data supporting the main mineralisation hosts.</p> <p>The vast majority of the grade estimation occurred with the maximum grade continuity ranges determined from the geostatistical analysis. The drillhole coverage precluded grade estimates derived by extrapolation to a depth of around 200 m below surface. Grade is considered to have been extrapolated below the 130mRL in Domain 1, and the resource classification reflects this.</p> <p>Previous resource estimates were completed by Saracen Gold Mines Pty Ltd in 2012 and by Nexus in 2016. The 2020 estimate comparison to the 2016 MRE shows a reduction of 8.9% in grade and 7.7% in metal. The reduction could be the result of the change in variography, and the inclusion of lower grade material in Domain 2 to capture at least 3 vein sets that were selectively modelled in 2016.</p> <p>No previous mining activity has taken place in this area apart from 2 historical shafts.</p>
	<p><i>The assumptions made regarding recovery of by-products.</i></p>	<p>No assumptions have been made regarding recovery of by-products.</p>
	<p><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></p>	<p>No deleterious elements have been recognised or estimated.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p>	<p>The Pinnacles East block model was created with parent block dimensions of 5 mE by 10 mN by 5 mRL. Block sub-celling was allowed down to a minimum block size of 1 mE by 1 mN by 1 mRL to represent the narrow tabular domain boundaries.</p> <p>Grade estimation used a three pass search. The primary search radii were based on the maximum variogram range (60 m by 40 m by 25 m). The same search pass was used for all domains. Minimum (8) and maximum (32) informing sample numbers remained constant between the primary and secondary searches, with a min of (4) for tertiary searches. The primary search radii were doubled for the secondary search and tripled for the tertiary search. The maximum number of samples that could be utilised from a single drillhole was limited to 8. 80 to 94% of the main mineralisation domain blocks were informed by the first search pass. 5 to 15% were informed by the second search pass.</p>
	<p><i>Any assumptions behind modelling of selective mining units.</i></p>	<p>No selective mining units were assumed in this estimate.</p>
	<p><i>Any assumptions about correlation between variables.</i></p>	<p>Only gold grade has been estimated</p>
	<p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p>	<p>Drillhole sample data was flagged using domain codes generated from mineralisation interpretations.</p> <p>Mineralisation domains were treated as hard boundaries in the estimation. Oxidation was used to control density assignment.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>Discussion of basis for using or not using grade cutting or capping.</i></p>	<p>Top-cut analysis of gold grade was undertaken by viewing grade distribution plots and by identifying values at which the population distributions started to become discontinuous. Top-cuts were employed to reduce the influence of high-grade outliers that could affect the quality of a resource estimate.</p> <p>Based on this analysis, top-cuts were assigned to the two main mineralisation host domains.</p>
	<p><i>The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.</i></p>	<p>Estimated block grades were compared to the input drill data on a domain basis using visual appraisal, domain average grade comparisons and grade swath plots.</p> <p>Visual validation of grade trends and distributions was carried out.</p> <p>No significant mining has taken place; therefore no reconciliation data is available.</p>
<p><b>Moisture</b></p>	<p><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></p>	<p>The tonnages are estimated on a dry basis.</p>
<p><b>Cut-off parameters</b></p>	<p><i>The basis of the adopted cut-off grade(s) or quality parameters applied</i></p>	<p>Mineralisation is defined by geological features and a nominal 0.5 g/t cut-off grade. The resource is reported above a combination of potential open pit and underground cut-off grades depending on the potential mining method that more likely applicable. No quality parameters have been applied.</p>

Criteria	JORC Code explanation	Commentary
<b>Mining factors or assumptions</b>	<i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i>	<p>It is assumed that the Pinnacles East resource will be exploited using selective open pit mining methods. The reported resource has been constrained to the limits of a pit shell constructed assuming typical eastern goldfields wall angles, mining costs and processing costs, and toll milling. A projected future gold price of AUD2,100 was assumed.</p>
<b>Metallurgical factors or assumptions</b>	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	<p>Metallurgical recovery of gold was assumed to vary between 90 and 95% depending on oxidation condition when evaluating the limits of reasonable eventual economic extraction by open pit mining.</p>

Criteria	JORC Code explanation	Commentary
<b>Environmental factors or assumptions</b>	<i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made</i>	<p>No assumptions have been made. Environmental factors will form part of future works.</p>
<b>Bulk density</b>	<i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i>	<p>Fresh rock dry density factors have been determined from 92 core samples drawn from two diamond drillholes using water displacement measurement methods. Six of these samples represent mineralisation while the rest are surrounding waste rock. Typical eastern gold fields density factors have been applied to oxidised and transition mineralised and un-mineralised lithologies.</p>
	<i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,</i>	<p>Measurements were taken using the “Archimedes Principle” water displacement technique on diamond drill core. The fresh rocks from which density measurements have been collected were highly silicified which precluded the need for wax coating.</p>
	<i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	<p>Average density values were assigned relative to mineralisation and oxidation conditions.</p>

Criteria	JORC Code explanation	Commentary
<b>Classification</b>	<p><i>The basis for the classification of the Mineral Resources into varying confidence categories</i></p>	<p>The Mineral Resource classification is based on confidence in the geological and grade continuity, along with coverage achieved by the drillhole grid and surface outcrop mapping. The development of a 3D geological framework and the analysis of the structural information demonstrated that the continuity of mineralisation is robust. The interpretation has not changed significantly in geometry in three resource updates. The 2020 model has refined the deposit models with supporting information. The infill drilling has confirmed that higher grade trends are present, and follow the vein packages.</p> <p>On this basis, much of the upper portion of the Pinnacles East deposit has been assigned to an Indicated Mineral Resource category with the remaining resource within the limits determined via eventual economic extraction analysis assigned to an Inferred category. Material outside the eventual economic extraction limits has not been classified or reported.</p>
	<p><i>Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i></p>	<p>The resource classification process addresses all known contributing issues of confidence and materiality.</p>
	<p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p>	<p>The Mineral Resource estimate appropriately reflects the view of the Competent Persons</p>
<b>Audits or reviews</b>	<p><i>The results of any audits or reviews of Mineral Resource estimates.</i></p>	<p>No audits have been undertaken on the 2016 Mineral Resource Estimate at this stage.</p>

Criteria	JORC Code explanation	Commentary
	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate</i></p>	<p>The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the JORC Code (2012 Edition). No attempt has been made to quantify relative accuracy and confidence at this stage of analysis.</p>
	<p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used</i></p>	<p>The statement relates to global estimates of tonnes and grade.</p>
	<p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available</i></p>	<p>No production data is available.</p>