



QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING 31 MARCH 2019

ASX: NXM

Capital Structure

Shares on Issue 117.1 million
Options 8.9 million
Cash on Hand \$3.97million
(31/03/2019)

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

Wallbrook Project

Pinnacles Project

Pinnacles JV Project
(with Saracen Gold Mines)

Triumph Project

Mt Celia Project

HIGHLIGHTS

- ❖ Completion of \$1,625,500 Capital Raising from a \$1,254,000 private placement and a \$371,500 Share Purchase Plan.
- ❖ Funds raised will allow accelerated drill testing of the Company's Wallbrook gold project.

Wallbrook Gold Project

- ❖ 6,960m (48 holes) RC drill program completed at Nexus' Wallbrook Gold Project across 2 prospects:
 - 3,708m (35 holes) at the Crusader Prospect; and
 - 3,252m (13 holes) at the Paint Prospect

CRUSADER PROSPECT

- ❖ All 35 holes intersected gold mineralisation along a continuous 600m strike length – open at depth and for 5km to the north along a mineralised corridor
- ❖ High grade gold intersected (max 30.33g/t Au) within broad mineralised zones. Best results include:
 - Hole#31 - 27m @ 3.18g/t Au (from 61m)
 - ✓ incl. 4m @ 11.70g/t Au
 - ✓ incl. 1m @ 30.33g/t Au
 - ✓ and 9m @ 3.40g/t Au
 - Hole#33 - 35m @ 2.85g/t Au (from 25m to EOH)
 - ✓ incl. 15m @ 6.23 g/t Au
 - ✓ incl. 1m @ 21.95g/t Au
 - Hole#43 - 20m @ 1.71g/t Au (from 93m)
 - ✓ incl. 7m @ 4.46g/t Au
 - Hole#49 - 29m @ 2.85g/t Au (from 30m)
 - ✓ incl. 8m @ 7.20g/t Au
 - ✓ incl. 2m @ 16.93g/t Au
 - ✓ incl. 1m @ 20.13g/t Au

- ❖ Gravity survey and high-resolution ground magnetic survey completed over Templar prospect



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PAINT PROSPECT

- ❖ 3,252m RC drill program completed at the Paint Prospect (13 holes)
- ❖ Broad zones of altered intrusive and volcanic rocks intersected with brick-red hematitic alteration
- ❖ Significant mineralisation intersected including:
 - 20m @ 0.58g/t Au – including 4m @ 2.17g/t Au
 - 16m @ 0.89g/t Au – including 8m @ 1.70g/t Au
 - 20m @ 0.63g/t Au – including 4m @ 1.20g/t Au and 4m @ 1.17g/t Au

During the quarter ended 31 March 2019, Eastern Goldfields explorer **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** undertook a 6,960m RC drill program covering its Crusader and Paint prospects. In addition, ground-based exploration activities at the Company's 100% owned Wallbrook Gold Project continued. The Wallbrook project covers some 250km² of prospective geological terrain considered highly prospective for the discovery of significant gold mineralisation.

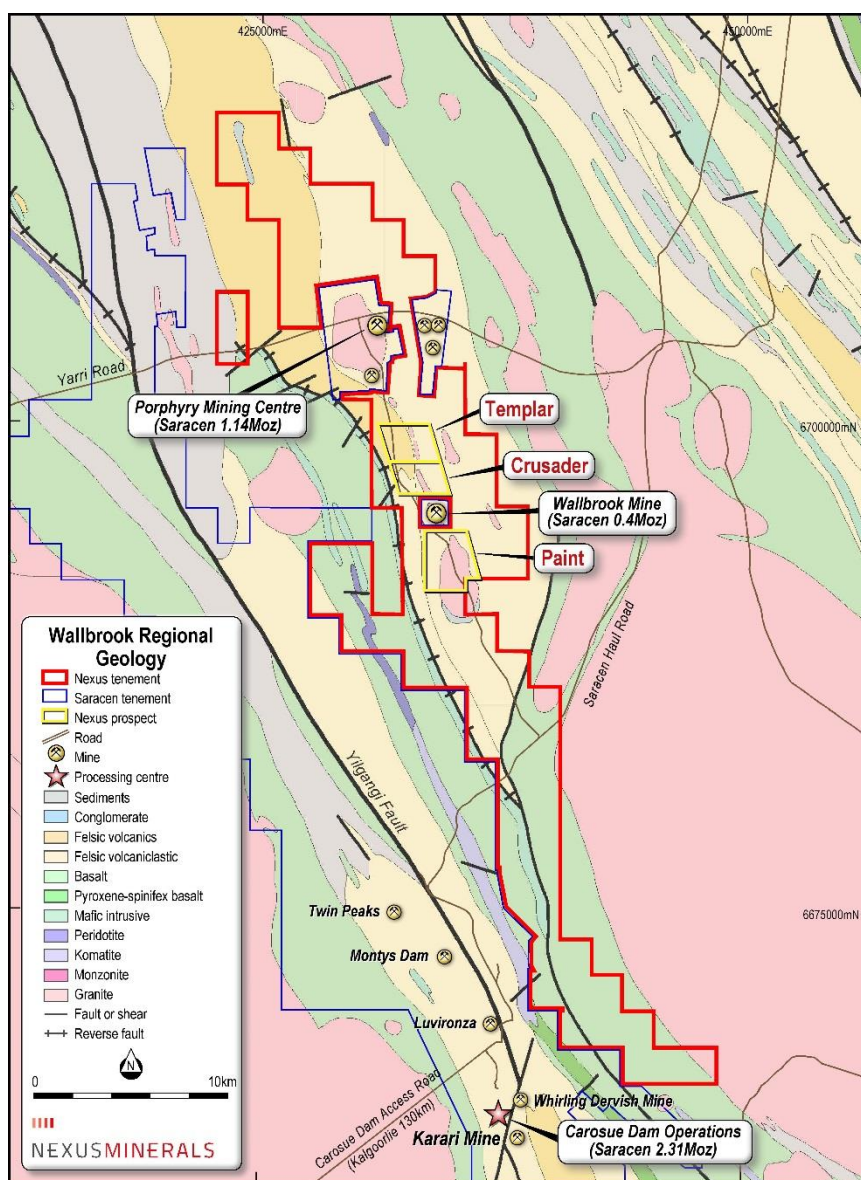


Figure 1: Wallbrook Gold Project



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Wallbrook Project

The Wallbrook Gold Project is considered underexplored and highly prospective for the discovery of significant gold mineralisation. Drilling recently completed by Nexus (see ASX releases 2/4/2019, 9/4/2019 and 16/4/2019) and drilling completed by Nexus in 2018 (see ASX releases 16/10/2018 and 6/9/2018) has demonstrated this prospectivity. Within the Carosue Dam district 5 million ounces of gold resources are hosted in a similar geological setting to that underlying the Nexus tenement holding (see Saracen Annual Report 2018 – Mineral Resources and Ore Reserve Statement).

Crusader Prospect Drill Results

The mineralisation is closely associated with a quartz-goethite supergene stockwork in the oxide regolith profile. The stockwork intensity correlates closely with higher gold grades. In the fresh rock, high-grade mineralisation is present and to date appears constrained to a series of steeply dipping structures defined by quartz sulphide veining within a potassic altered volcaniclastic host rock. Future drill programs will test for depth extensions to the mineralisation intersected in this program, as well as testing for strike extent of the mineralised corridor that continues some 5km to the north of the drilling completed to date.

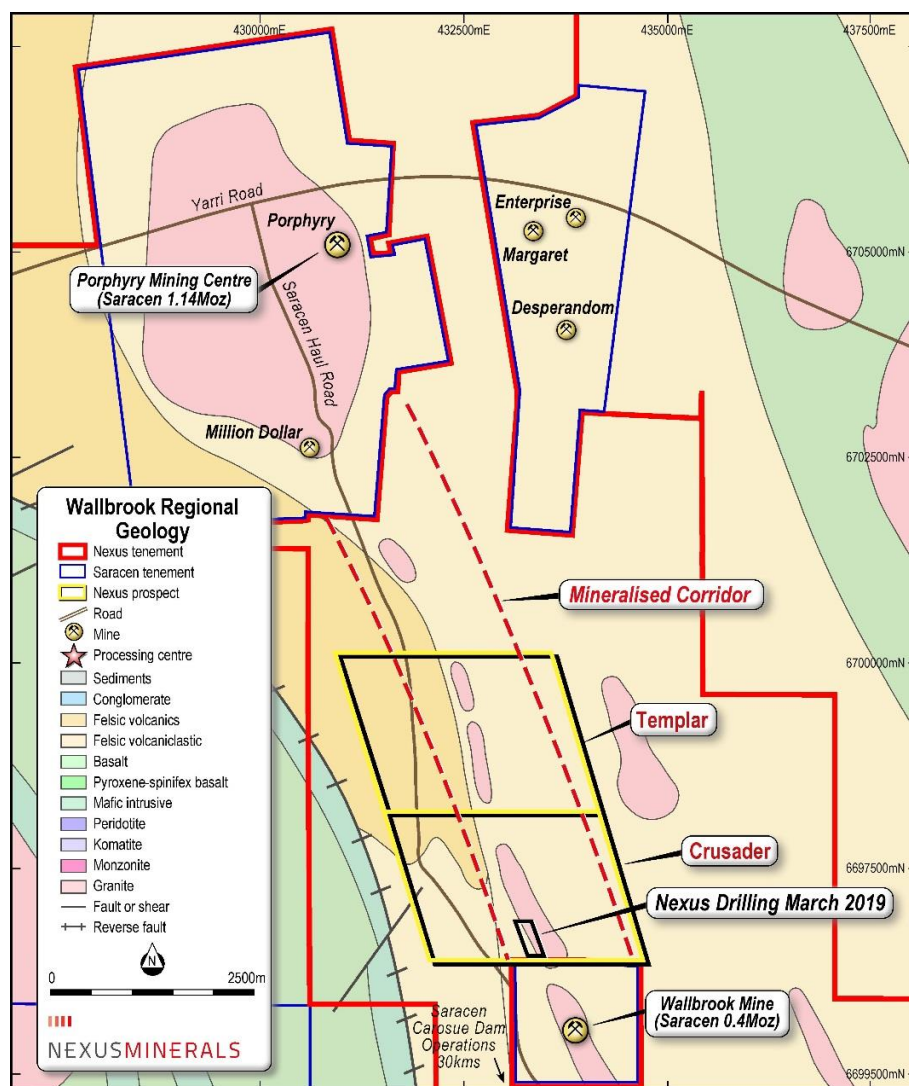


Figure 2: Nexus Crusader Prospect



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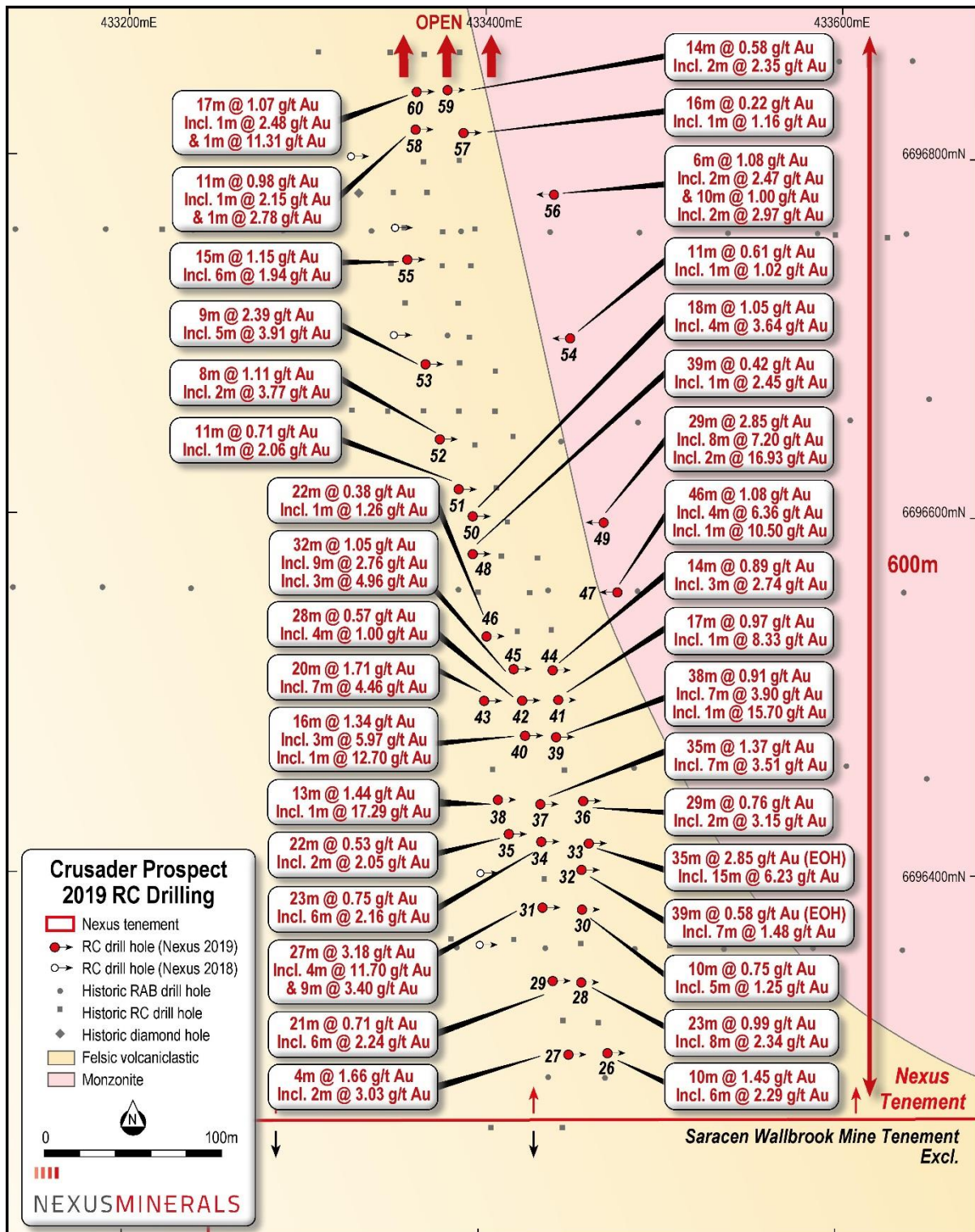


Figure 3: Crusader Prospect – Nexus 2019 RC drill hole locations and results



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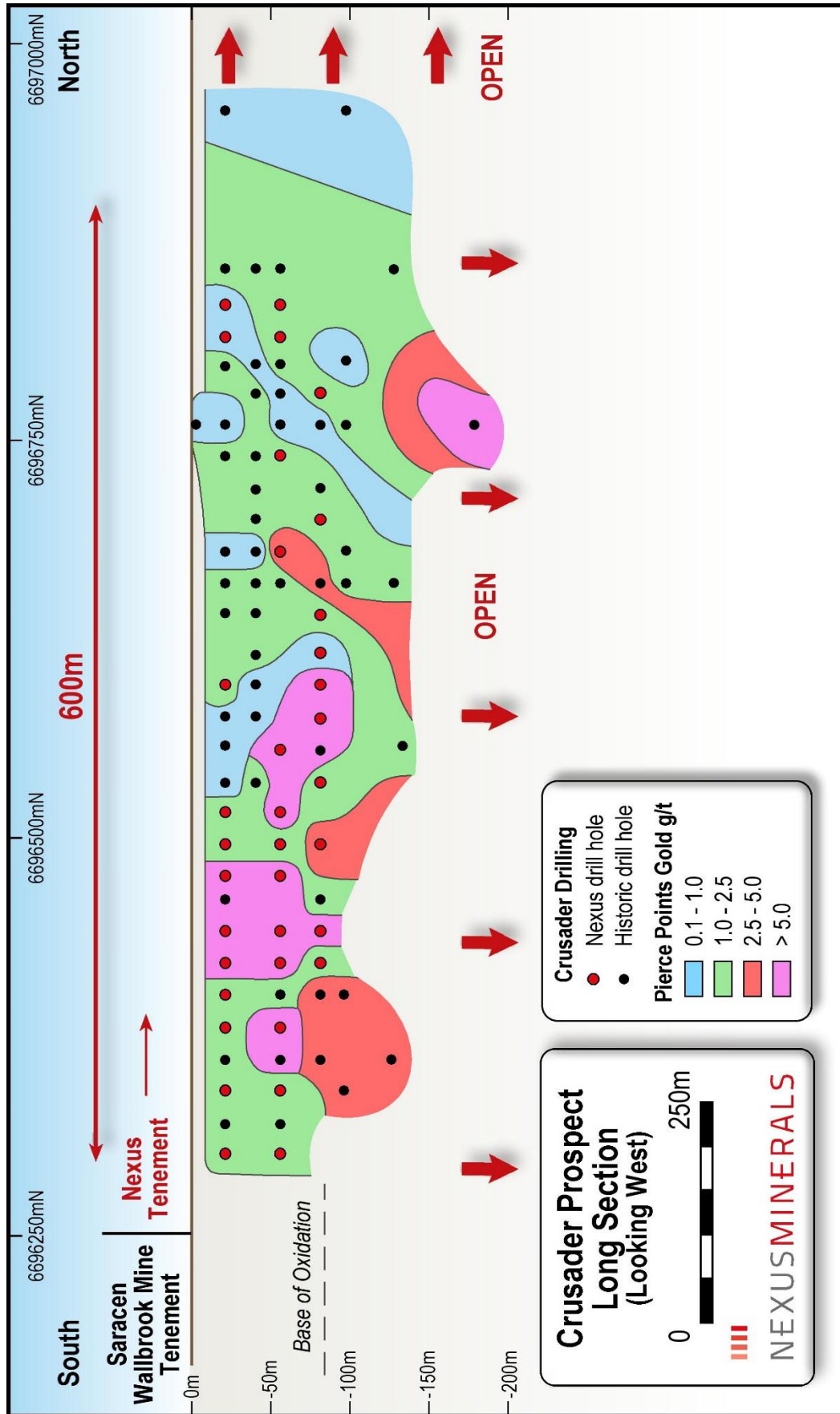


Figure 4: Crusader Prospect – Long Section Nexus 2019 RC drill hole locations



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| SiteID | Easting | Northing | Depth (m) | From | To | Width | Au (g/t) |
|--|---------|----------|-----------|---------------------------------|----------|-------|----------|
| NMWBRC19-028 | 433457 | 6696339 | 60 | 29 | 52 | 23 | 0.99 |
| | | | incl | 30 | 31 | 1 | 1.51 |
| | | | and | 36 | 44 | 8 | 2.34 |
| NMWBRC19-031 | 433435 | 6696381 | 100 | 61 | 88 | 27 | 3.18 |
| | | | incl | 62 | 66 | 4 | 11.70 |
| | | | | 1m @ 30.33g/t Au from 64 meters | | | |
| | | | incl | 78 | 87 | 9 | 3.40 |
| | | | | 1m @ 10.29g/t Au from 80 meters | | | |
| NMWBRC19-033 | 433461 | 6696417 | 60 | 25 | 60 (EOH) | 35 | 2.85 |
| | | | incl | 40 | 55 | 15 | 6.23 |
| | | | | 1m @ 21.95g/t Au from 42 meters | | | |
| | | | | 1m @ 20.29g/t Au from 44 meters | | | |
| | | | | 1m @ 12.38g/t Au from 48 meters | | | |
| NMWBRC19-039 | 433442 | 6696476 | 70 | 24 | 62 | 38 | 0.91 |
| | | | and | 37 | 44 | 7 | 3.90 |
| | | | | 1m @ 15.07g/t Au from 41 meters | | | |
| NMWBRC19-043 | 433402 | 6696496 | 140 | 93 | 113 | 20 | 1.71 |
| | | | incl | 95 | 102 | 7 | 4.46 |
| NMWBRC19-045 | 433419 | 6696514 | 120 | 46 | 78 | 32 | 1.05 |
| | | | incl | 47 | 56 | 9 | 2.76 |
| | | | incl | 47 | 50 | 3 | 4.96 |
| NMWBRC19-047 | 433476 | 6696557 | 158 | 33 | 79 | 46 | 1.08 |
| | | | and | 48 | 52 | 4 | 6.36 |
| | | | | 1m @ 10.50g/t Au from 49 meters | | | |
| NMWBRC19-049 | 433468 | 6696596 | 130 | 30 | 59 | 29 | 2.85 |
| | | | incl | 34 | 42 | 8 | 7.20 |
| | | | incl | 2m @ 16.93g/t Au from 38 meters | | | |
| | | | incl | 1m @ 20.13g/t Au from 38 meters | | | |
| NMWBRC19-053 | 433368 | 6696684 | 113 | 75 | 84 | 9 | 2.39 |
| | | | incl | 77 | 82 | 5 | 3.91 |
| NMWBRC19-060 | 433362 | 6696836 | 112 | 52 | 69 | 17 | 1.07 |
| | | | incl | 52 | 53 | 1 | 2.48 |
| | | | | 1m @ 11.31g/t Au from 62 meters | | | |
| Significant intercepts reported +0.1g/t Au (4 meters or less internal waste) | | | | | | | |
| +1g/t Au intercepts reported seperately (2 meters or less internal waste) | | | | | | | |
| Meters returning +10g/t Au stated | | | | | | | |
| All holes drilled -60 towards 090deg, except holes 47 and 49 drilled -60 towards 270deg. | | | | | | | |

Table 1: Crusader Prospect – Selected Significant Results March 2019 RC Drill Program



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Paint Prospect Drill Results

Gold enrichment encountered in the first pass drill program in 2018 provided a broad low-grade mineralised halo, with mineralised intervals including 64m @ 0.32g/t Au, 48m @ 0.36g/t Au, 32m @ 0.43g/t Au and 40m @ 0.24g/t Au (see ASX release 6/9/2018).

Within these broad low-grade zones narrower higher-grade zones exhibiting brick-red coloured hematitic alteration were observed. Gold mineralisation in the Wallbrook area is known to be closely associated with quartz +/- pyrite and brick-red coloured hematitic alteration of high-level porphyry intrusives and their volcanic/ sedimentary host rocks.

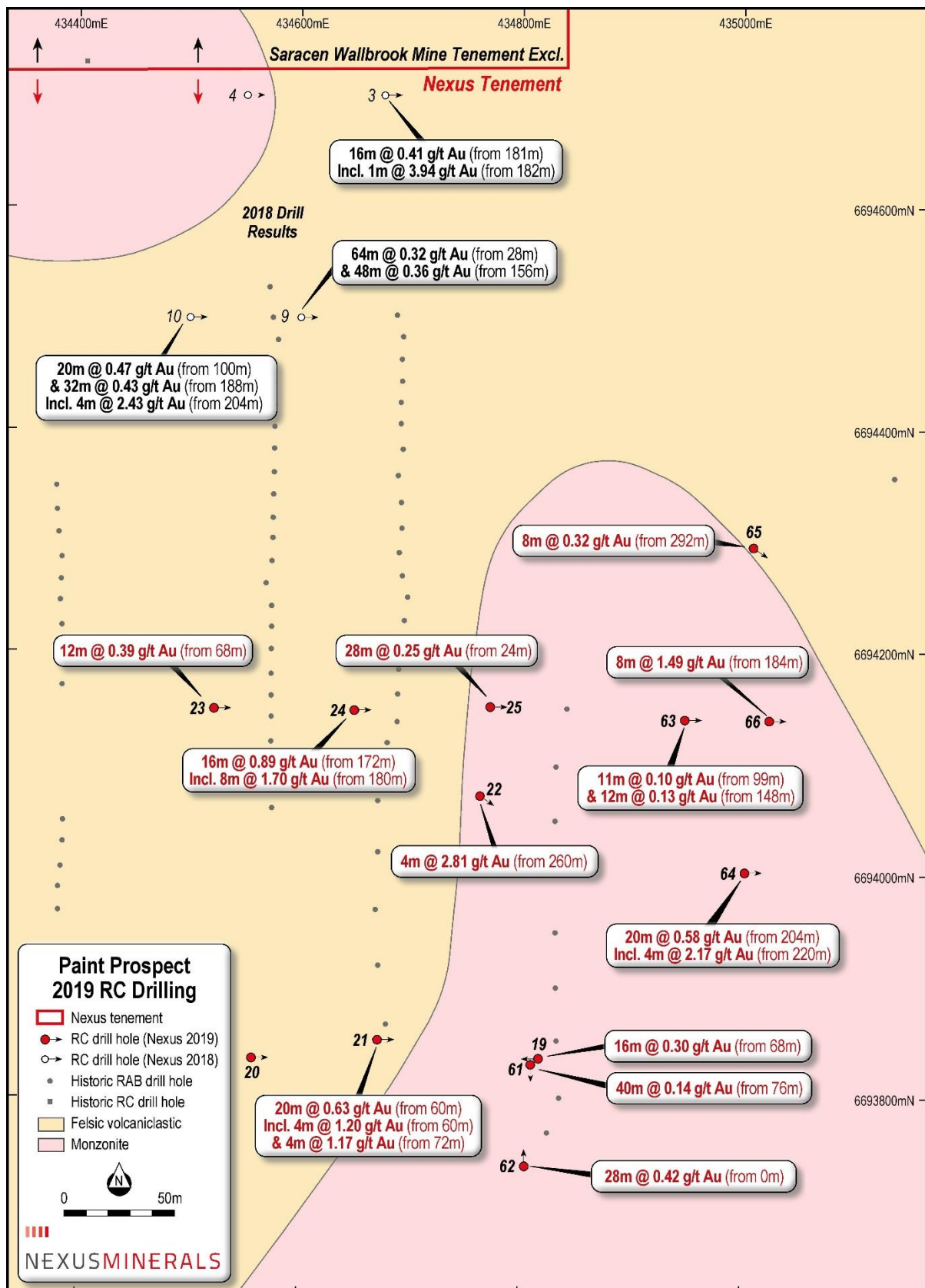
Recent Nexus drilling intersected altered intrusive and volcanic rocks down to 300m depth across a width of approximately 800m and contain broad zones of prospective brick-red hematitic hydrothermal alteration and associated elevated gold mineralisation. Mineralised intervals received from the program include 20m @ 0.58g/t Au (incl 4m @ 2.17g/t Au), 20m @ 0.63g/t Au (incl. 4m @ 1.20g/t Au & 4m @ 1.17g/t Au), 20m @ 0.42g/t Au, 28m @ 0.25g/t Au, 16m @ 0.89g/t Au (incl. 8m @ 1.7g/t Au) and 16m @ 0.30g/t Au. Geological interpretation and modelling have commenced.

| SiteID | Easting | Northing | Azimuth | Dip | Depth (m) | Sample type | From | To | Width | Au (g/t) |
|--|---------|----------|---------|-----|-----------|-------------|------------|------------|-----------|-------------|
| NMWBRC19-019 | 434818 | 6693835 | 270 | -55 | 250 | 4m Comp | 68 | 84 | 16 | 0.30 |
| NMWBRC19-020 | 434559 | 6693835 | 90 | -55 | 250 | 4m Comp | 164 | 168 | 4 | 0.16 |
| NMWBRC19-021 | 434673 | 6693852 | 90 | -60 | 250 | 4m Comp | 60 | 80 | 20 | 0.63 |
| | | | | | incl | 4m Comp | 60 | 64 | 4 | 1.20 |
| | | | | | and | 4m Comp | 72 | 76 | 4 | 1.17 |
| NMWBRC19-022 | 434764 | 6694071 | 140 | -60 | 288 | 4m Comp | 260 | 264 | 4 | 2.81 |
| NMWBRC19-023 | 434524 | 6694149 | 90 | -55 | 250 | 4m Comp | 212 | 224 | 12 | 0.39 |
| NMWBRC19-024 | 434650 | 6694148 | 90 | -55 | 250 | 1m | 15 | 16 | 1 | 1.78 |
| | | | | | 1m | | 37 | 38 | 1 | 1.48 |
| | | | | | | 4m Comp | 68 | 92 | 24 | 0.21 |
| | | | | | | 1m | 156 | 168 | 12 | 0.29 |
| | | | | | incl | 1m | 156 | 157 | 1 | 1.26 |
| | | | | | | 4m Comp | 172 | 188 | 16 | 0.89 |
| | | | | | incl | 4m Comp | 180 | 188 | 8 | 1.70 |
| | | | | | | 4m Comp | 196 | 236 | 40 | 0.17 |
| NMWBRC19-025 | 434774 | 6694151 | 90 | -55 | 300 | 4m Comp | 24 | 52 | 28 | 0.25 |
| | | | | | | 4m Comp | 144 | 160 | 16 | 0.32 |
| NMWBRC19-061 | 434811 | 6693830 | 180 | -60 | 150 | 4m Comp | 8 | 32 | 24 | 0.20 |
| | | | | | | 4m Comp | 76 | 116 | 40 | 0.14 |
| NMWBRC19-062 | 434806 | 6693739 | 0 | -60 | 100 | 4m Comp | 0 | 28 | 28 | 0.42 |
| | | | | | | 4m Comp | 44 | 56 | 12 | 0.12 |
| NMWBRC19-063 | 434949 | 6694140 | 90 | -55 | 276 | 1m | 99 | 110 | 11 | 0.10 |
| | | | | | | 1m | 148 | 160 | 12 | 0.13 |
| NMWBRC19-064 | 435003 | 6694003 | 90 | -55 | 282 | 4m Comp | 128 | 144 | 16 | 0.42 |
| | | | | | | 4m Comp | 152 | 168 | 16 | 0.29 |
| | | | | | | 4m Comp | 204 | 224 | 20 | 0.58 |
| | | | | | incl | 4m Comp | 220 | 224 | 4 | 2.17 |
| NMWBRC19-065 | 435010 | 6694295 | 114 | -55 | 306 | 4m Comp | 292 | 300 | 8 | 0.32 |
| NMWBRC19-066 | 435025 | 6694140 | 90 | -55 | 300 | 4m Comp | 184 | 192 | 8 | 1.49 |
| | | | | | incl | 4m Comp | 188 | 192 | 4 | 2.22 |
| | | | | | | 4m Comp | 292 | 296 | 4 | 0.95 |
| Significant intercepts reported +0.1g/t Au (4 meters or less internal waste) | | | | | | | | | | |
| +1g/t Au intercepts reported separately (2 meters or less internal waste) | | | | | | | | | | |

Table 2: Paint Prospect – Selected Significant Results March 2019 RC Drill Program



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Regional Exploration

Nexus has commenced reviewing and integrating various historical data sets from the 250km² tenement package which will be assembled and integrated into the current database.

Previous exploration has demonstrated that gold mineralisation in the district tends to occur on the margins of porphyritic intrusions. Mineralisation is known to occur within the margins of these porphyries themselves, and also within the intruded sheared and altered greenstone sequence lithologies and as mineralised quartz vein stockworks.

Geological mapping of the tenement package will focus on exploring for host rock alteration where surface outcrop is evident. Surface geochemistry data will be assessed and areas of limited or no coverage will be sampled in the search for high level gold anomalism.

The use of gravity surveys and high-resolution ground magnetic surveys have proven to be effective tools used to map the location of non-outcropping porphyritic intrusives and dyke stocks, above larger intrusive bodies. Induced Polarization (IP) / Resistivity surveys are also an effective exploration tool, with IP resistivity highs associated with possible intrusive bodies or siliceous alteration and chargeability highs with disseminated sulphides often associated with mineralisation. This work, in conjunction with factors determined as part of the Company's R&D framework, will culminate in the drill testing of priority targets identified.

June 2019 Quarter – Work Program

During the June 2019 quarter, the Company intends to undertake the following activities:

Wallbrook Gold Project

- Analyze data received from recently completed RC drill program;
- Undertake 3D modelling of Crusader RC drill data;
- Drill program planning at Crusader prospect to:
 - Infill current drill density to better define oxide gold potential (down to 100m);
 - Test for depth extensions below 100m
 - Test for strike extension of mineralisation to the north
- Integrate and analyze gravity and high-resolution ground magnetic data from Templar prospect to generate drill targets along prospective mineralised corridor;
- Geological and structural mapping;
- Analysis of regional geochemistry;
- Geophysical programs including high-resolution ground magnetics; and
- R&D sampling.

Pinnacles Gold Project

No field work was undertaken during the quarter.

Triumph Project

An application was granted during the quarter for an exploration tenement covering the regional trend of the historical Triumph Gold Project.

Mt Celia Project

No field work was undertaken during the quarter. Post a full geological review of the project tenements prospectivity, six of the seven tenements were relinquished.



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Corporate

Nexus completed a \$1.254 million private placement Capital Raising, with Hartleys Limited as Lead Manager, issuing 22,000,000 shares at 5.7 cents each. Company directors committed to 1,189,474 new shares, representing \$67,800 on the same terms as the placement, subject to shareholder approval. The placement was made to sophisticated and professional investors.

Nexus also completed a Share Purchase Plan (SPP) with applications received from eligible shareholders for 6,517,515 fully paid ordinary shares at 5.7 cents each, raising \$371,500.

During the quarter, Managing Director Andy Tudor met with a number of eastern states brokers, institutions and high net worth individuals. The presentations were well received and provided an update of the Company's activities including the Wallbrook project and other Company projects.

At the end of the March 2019 quarter, the Company held \$3.97 million in cash and equivalents.

Nexus R&D Project

Nexus is undertaking a Research and Development project, aiming to develop new knowledge on the application of spectral data in the mineral exploration industry. The project involves the experimentation of new exploration and geo-sensing techniques utilizing spectral data.

The experimental activities will attempt to achieve an outcome by applying a systematic progression of work that proceeds from hypothesis to experimental phase (or phases as required), observation and evaluation, leading to logical conclusions. This will result in the generation of new scientific knowledge.

The R&D project is being undertaken on both Nexus' Wallbrook and Pinnacles Gold Projects, where relevant geological and mineralogical characteristics are known or are being characterized by Nexus, which assists in the evaluation of the new exploration technique. Multiple project areas allow for a series of varying geological settings upon which to undertake the experimental activities and gather sufficient samples/datasets to allow logical conclusions to be reached post analysis.

The research and development project will be undertaken over an approximate three-year time line, which commenced July 2017, with the first two years mainly consisting of data collection with ongoing analysis and the final year consisting of results-based interpretation and conclusions.

During the quarter the drill chip trays from the recent RC drill program at Wallbrook, were dried and collated ready for data to be collected from the 6960 RC drill chip samples, using a TerraSpec SWIR unit attached to spectra acquisition software.



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About Nexus

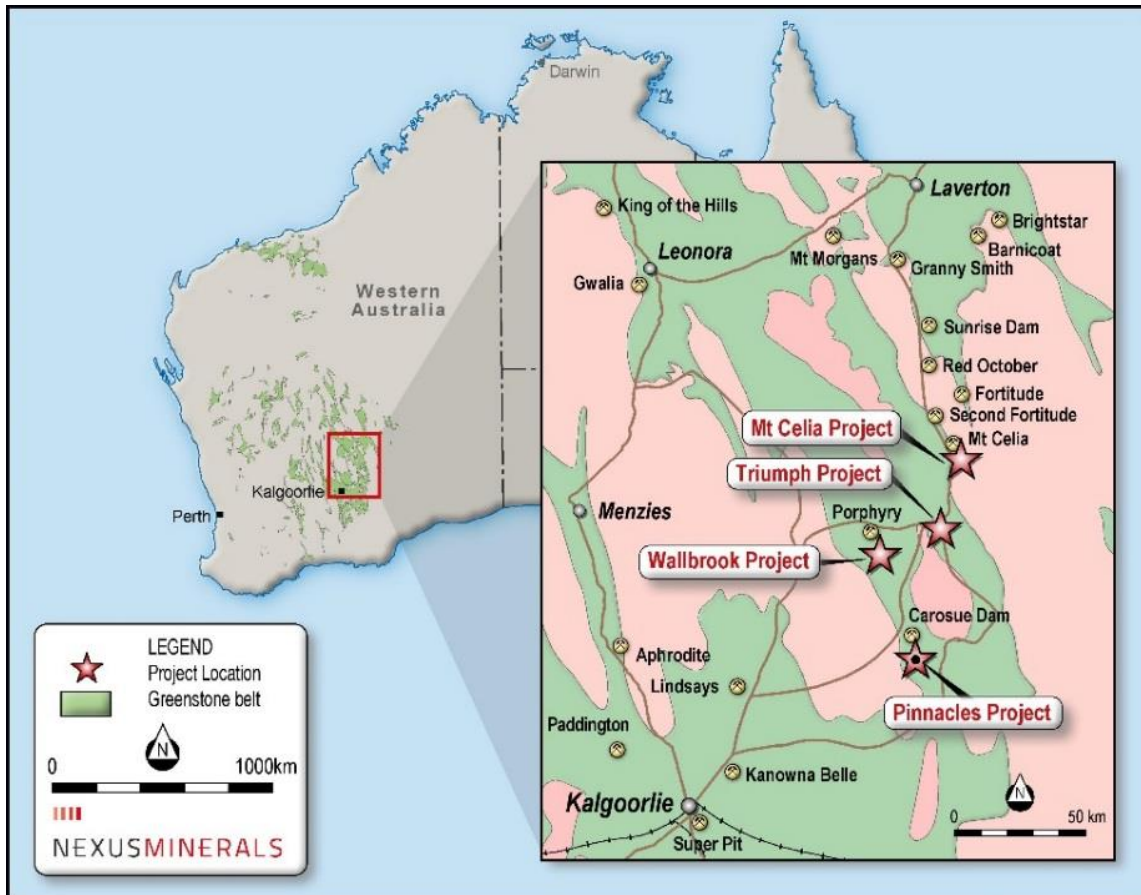


Figure 6: Nexus Project Locations, Eastern Goldfields, WA

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

The consolidation of the highly prospective Wallbrook Gold Project (250km²) 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 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 (125km²) of highly prospective geological terrane within a major regional structural corridor and is exploring for gold deposits.

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.

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.

- Ends -



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

Contact **Phone: 08 9481 1749**
Website www.nexus-minerals.com

ASX Code **NXM**

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Andrew Rowell – Cannings Purple +61 8 6314 6314

SUMMARY OF NEXUS MINERALS LIMITED TENEMENTS

| AUSTRALIA | Interest at beginning of Quarter | Interest at end of Quarter |
|-------------------------|----------------------------------|----------------------------|
| Wallbrook (Gold) | | |
| E31/1160 | 100% | 100% |
| M31/157 | 100% | 100% |
| M31/188 | 100% | 100% |
| M31/190 | 100% | 100% |
| M31/191 | 100% | 100% |
| M31/231 | 100% | 100% |
| M31/251 | 100% | 100% |
| E31/1107 | 100% | 100% |
| E31/1108 | 100% | 100% |
| E31/1118 | 100% | 100% |
| Pinnacles (Gold) | | |
| M28/243 | 88% Contributing JV | 88% Contributing JV |
| E28/2526 | 90% | 90% |
| E28/2487 | 100% | 100% |
| Triumph (Gold) | | |
| E31/1161 | 100% | 100% |
| E39/2044 | 100% | 100% |
| E39/2045 | 100% | 100% |
| E31/1179 | 0% | 100% |
| Mt Celia (Gold) | | |
| E39/2025 | 100% | 100% |

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.

No Ore Reserves have currently been defined on the Pinnacles or 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 Wallbrook tenements has yet to be established.