



## Pinnacles Gold Project returns Multiple Auger Soil Anomalies

### ASX: NXM

### Capital Structure

Shares on Issue 83.3 million

Unlisted Options 2.3 million

### Corporate Directory

Mr Paul Boyatzis  
Non-Executive Chairman

Mr Andy Tudor  
Managing Director

Dr Mark Elliott  
Non-Executive Director

Mr Bruce Maluish  
Non-Executive Director

Mr Phillip Macleod  
Company Secretary

### Company Projects

Eastern Goldfields WA  
Company and Farm-In JV  
tenements

Pinnacles JV Project (Gold)

Pinnacles Project (Gold)

Triumph Project (Gold)

Mt Celia Project (Gold)

Pinnacles gold project Phase 2 regional auger soils exploration program completed:

- Phase 2 auger survey completes ~50% tenement coverage
- Auger soil results to date define 16 gold anomalies
- 2 high priority / 1 medium priority / 13 areas of interest
- GT5 (high priority) infill sampling of phase 1 anomaly defines robust Au (+ Bi-Cu-Mo-Te) anomaly 1.9km x 300m
- GT6 (high priority) Au (+ As) anomaly 2km x 600m identified in phase 2 program
- GT7 (medium priority) upgraded from “broad anomalous zone” identified in phase 1 following encouraging ground investigation
- Ground geological / structural mapping completed over auger soils coverage area

Eastern Goldfields gold explorer, **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** is pleased to announce the results of its completed (phase 1 and 2 auger soil geochemical sampling program, and ground geological activities over the highly prospective Pinnacles regional tenement area.

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

Nexus holds a significant land package (100km<sup>2</sup>) of highly prospective geological terrain within a major regional structural corridor, and is actively exploring for gold deposits.

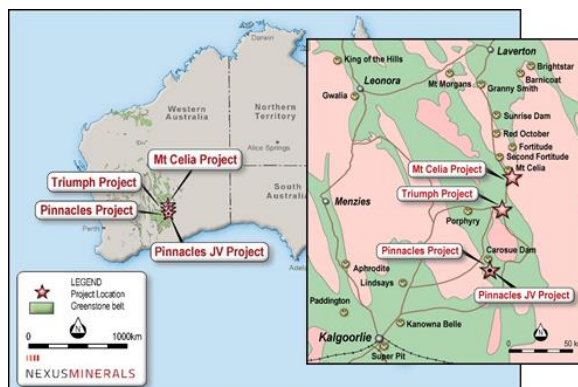


Figure 1: Nexus Project Locations – Eastern Goldfields, Western Australia.

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## Auger Soil Geochemical Program

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

This phase 2 program (Fig. 2 and 3 “Auger Survey Area”) was designed to cover an area of prospective geological units, and north/south structures (Fig. 4) that also exhibit gravity lows (Fig. 5) – the “ingredients” of Carosue Dam style mineralisation.

The program also infilled anomalous area GT5 identified in the phase 1 program (Fig. 2 and 3 “Auger Infill Area”), reducing the sample spacing from 400mx80m to 100mx80m.

836 shallow auger samples were collected across the south eastern 25% of the tenement area. Samples were collected on a 400m x 80m grid and analysed for gold and 32 additional pathfinder elements to identify mineralisation and as a lithological mapping tool. 408 samples were collected as infill samples to GT5 phase 1 anomaly. Sample spacing reduced from 400mx80m to 100mx80m.

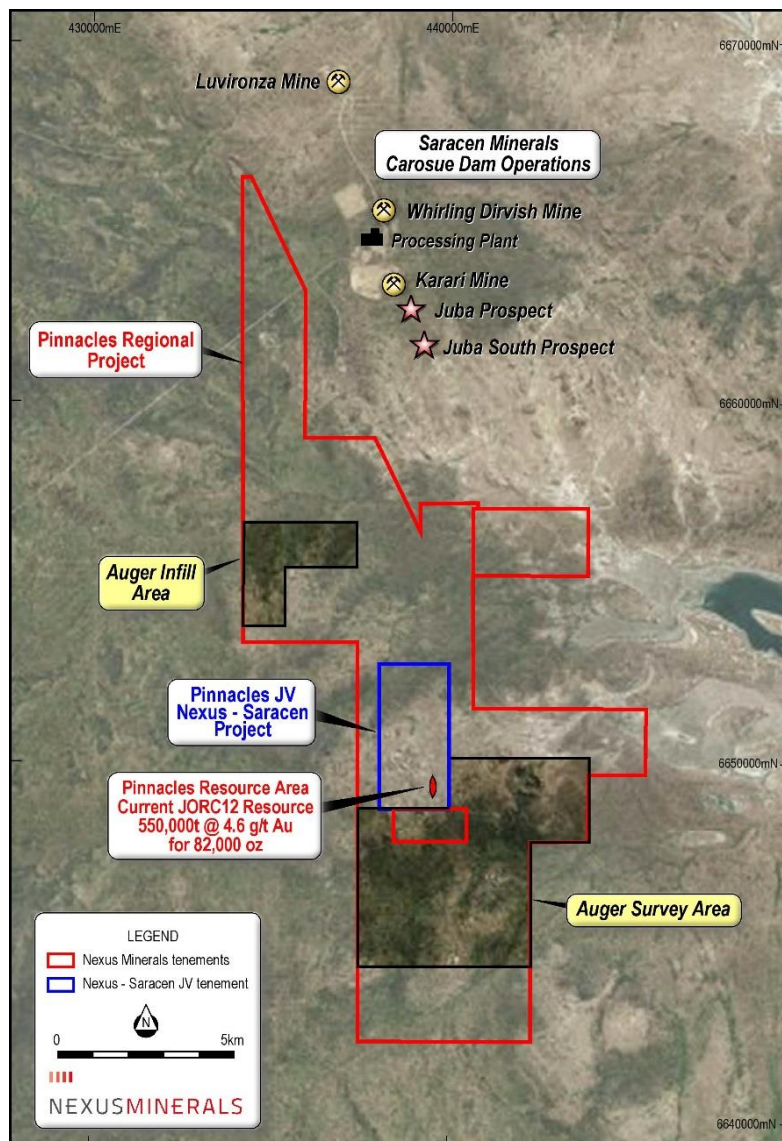


Figure 2: Nexus Pinnacles Regional Auger Soil Survey

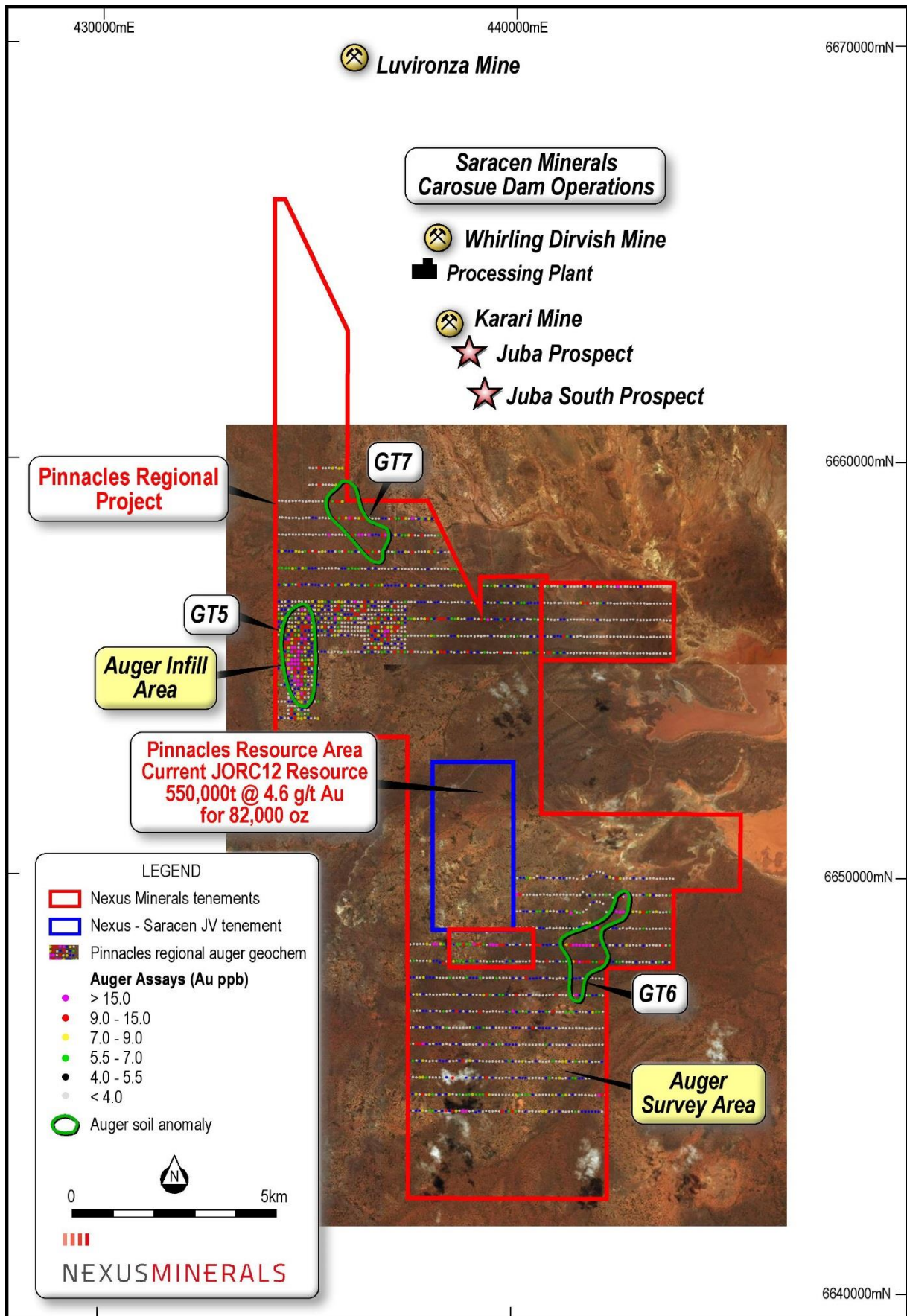


Fig 3: Nexus Pinnacles Regional Auger Soil Survey Results



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- 1) **GT5** – This high priority 2.4km x 300m Au anomaly (max 61.7 ppb Au) was identified in the phase 1 program. The anomaly shows good strike continuity across six of the 400m spaced survey lines and is striking north-south within a sheared ultramafic unit. This area is located in a gravity low and had been highlighted previously as a zone of interest from Nexus regional aeromagnetic assessment and interpretation.

The phase 2 Infill auger soil lines were undertaken at 100m x 80m over the 2.4km x 300m and have constrained the core Au (+ Bi-Cu-Mo-Te) anomaly boundaries further to 1.9km x 300m. A final auger soil program will be undertaken to reduce the sampling density to 50m x 40m to further define the core of the anomaly and allow drill targets to be defined.

- 2) **GT6** – This high priority 2.0km x 600m Au (+ As) anomaly has been identified in this phase 2 program. The coherent anomaly is defined by +9ppbAu (max 619ppbAu / 91ppmAs). The anomaly occurs in a prospective structural setting located on a north south fault offsetting the regional Yilgarni fault. This is a similar structural setting to that of the Carosue dam deposits of Karari and Whirling Dervish immediately to the north of the Nexus tenements. The anomaly is also situated within the Carosue Dam basin sediments and is located over a gravity low – also “ingredients” of the Carosue Dam deposits.

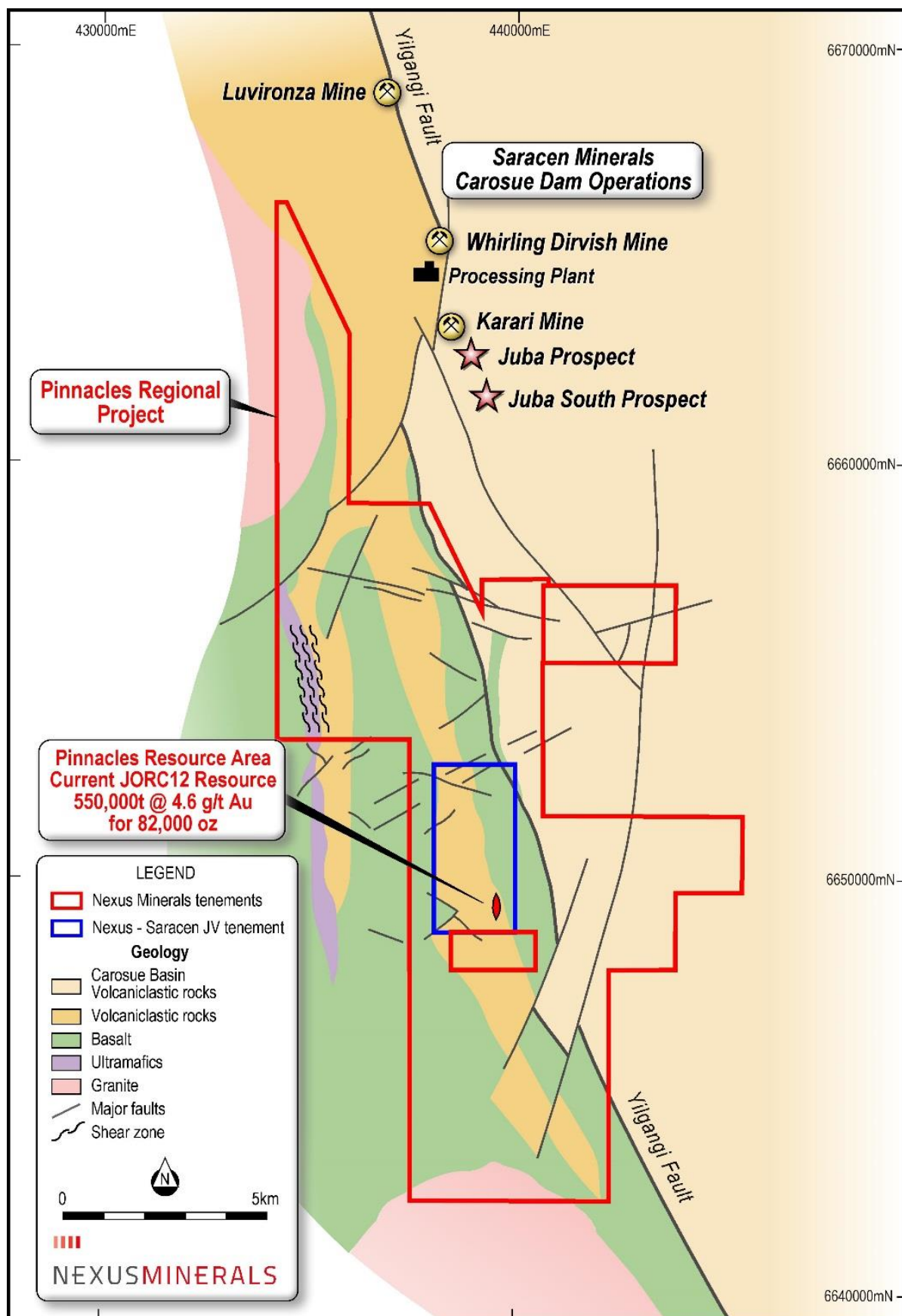
This anomaly will now be subject to infill auger sampling to 100m x 40m to define the core of the anomaly and allow drill targets to be defined.

- 3) **GT7** – Previously “Broad anomalous zone” – This medium priority anomaly is elevated in Au +As/Bi/Sb/Te (Au pathfinder elements) – this 2.5km x 1.5km zone identified in the phase 1 program, contains a medium priority gold anomaly (max 47 ppb Au) that surrounds a pathfinder element anomaly. The structural setting is significant as it is located on the same fault that displaces the Karari and Whirling Dervish gold mines to the north east. Mapping has identified sheared and silicified tuff and volcanoclastic sedimentary units, with local felsic intrusive. Detailed mapping was undertaken over this anomaly to better define geology and structure.

This anomaly will now be subject to infill auger sampling to 200m x 80m to better define the core and extent of the anomaly, thus allowing drill targets to be defined.

- 4) **Triple/Double/Single sample site anomalies (13 of)** – multiple sample site elevated gold results >9 ppb Au. With the initial broad 400m x 80m sample spacing providing significant scope to host significant mineralisation. These areas require ground geological truthing and infill auger soil lines to better define these anomalies.

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**Figure 4: Nexus Pinnacles Regional Geology & Structure**



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## Geology and Structure

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

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

Mineralisation is known to occur proximal to, and east and west of the Yilgangi fault. This fault is a major feature that dissects the Nexus tenement package for a strike distance of some 15km. It can clearly be seen as a “spine” feature on the gravity survey map (Fig. 5)

## Gravity Survey

The successful use of a gravity survey to identify the stratigraphy hosting major deposits in the Carosue Basin by Saracen, on their tenement immediately to the north of Nexus regional tenements, provided Nexus with the encouragement to undertake its own gravity survey, now completed, covering the Company’s 100km<sup>2</sup> regional package (Fig. 5).

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

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



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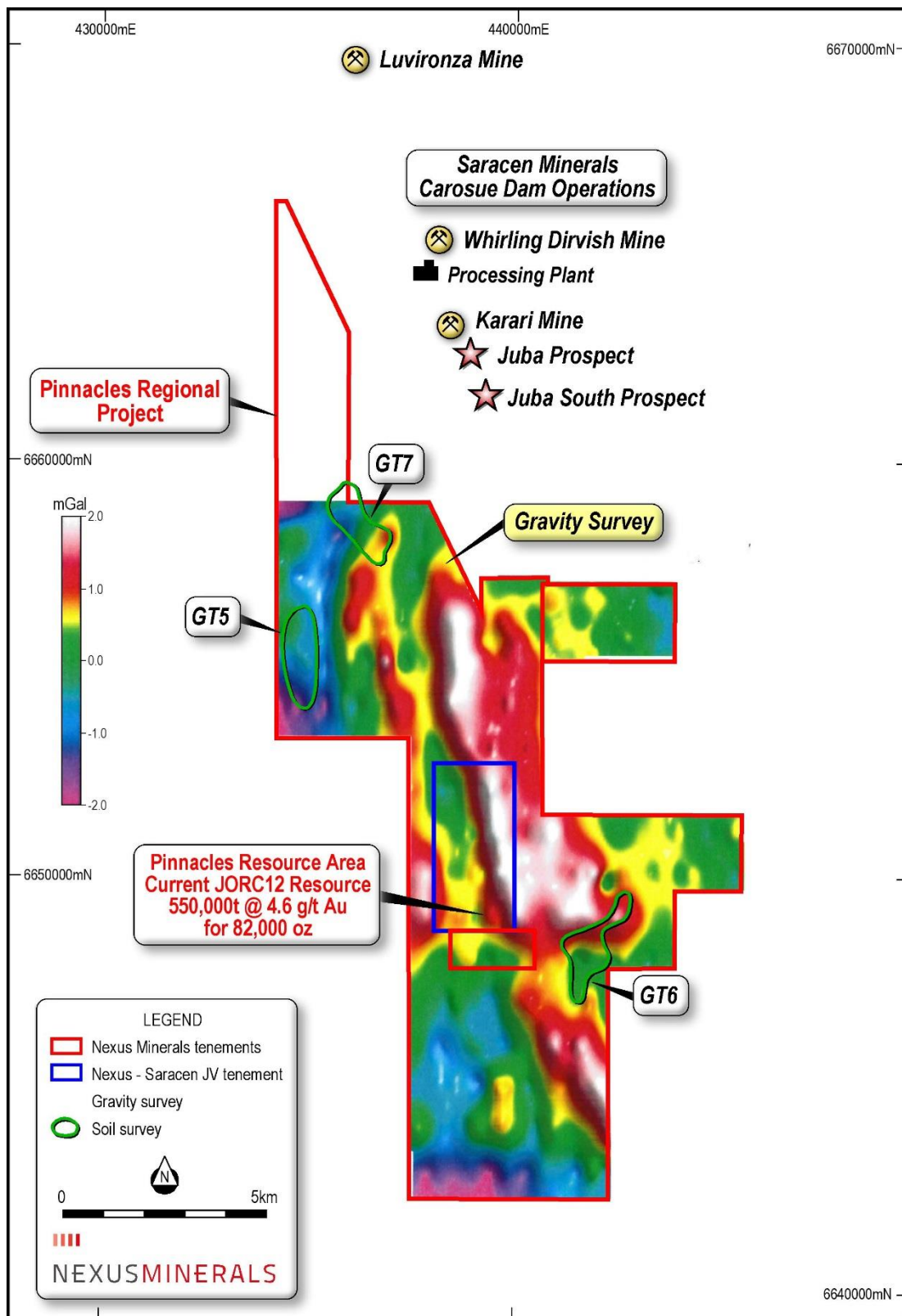


Figure 5: Nexus Pinnacles Regional Gravity Survey with Auger Geochemistry anomalies GT5 / GT6 / GT7 overlain



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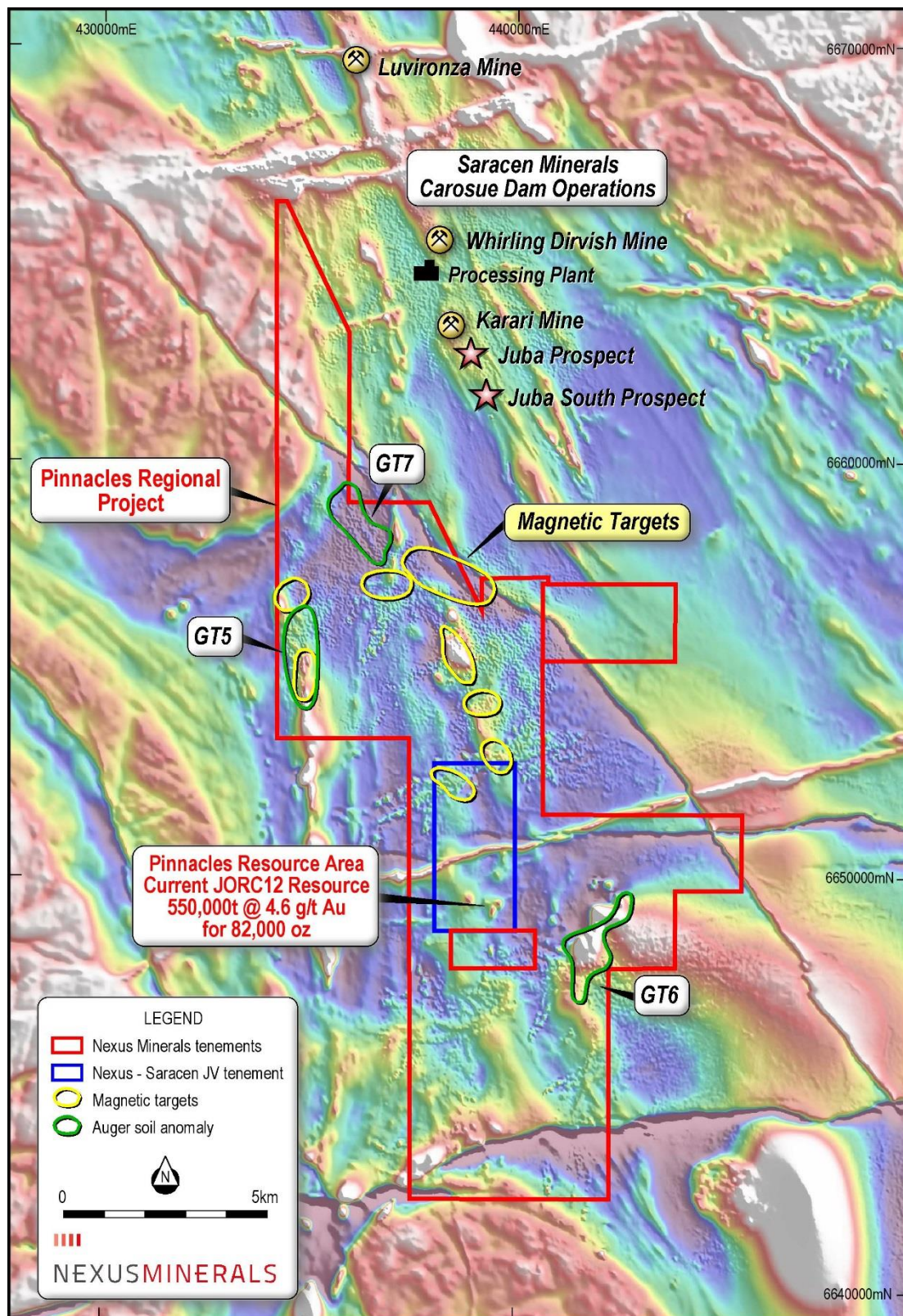


Figure 6: Nexus Pinnacles Regional Airborne Magnetic Targets with Auger Geochemistry anomalies GT5 / GT6 / GT7 overlain



# NEXUSMINERALS

## **About Nexus**

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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**ASX Code**        **NXM**

### **For Media and Broker Enquiries:**

**Andrew Rowell – Cannings Purple +61 8 6314 6314**

*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](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.*

## Appendix A June 2017

### 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>Auger Soil Sampling program, with auger hole depths from 0.5m-1.5m. Sample were taken from the calcrete layer where observed and bottom of hole (1.5m) where calcrete layer not observed.</p> <p>Survey spacing was 400m north-south lines with 80m sample spacing</p> <p>Infill lines were 100m north-south lines with 80m sample spacing</p> <p>Sampling techniques considered to be appropriate for this style of exploration.</p>
Drilling techniques	<p><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></p>	<p>Auger drilling</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p>	<p>No issues with hole depths or sample recovery.</p> <p>Sample recovery was 100%. 200g sample of calcrete horizon sampled. In an absence of the calcrete horizon bottom of 1.5m hole sample collected.</p>

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

Criteria	JORC Code explanation	Commentary
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	69 routine standards(23), blanks(23), and duplicates(23) were inserted by the auger contractor. No material issue noted.
<i>Verification of sampling and assaying</i>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>No verification of significant intersections or twin holes required in this Auger program.</p> <p>Nexus strict procedures for data capture, data flow, data storage and validation adhered to.</p> <p>No adjustment to assay data.</p>
<i>Location of data points</i>	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>Dual GPS for locations recorded.</p> <p>MGA94, UTM51</p>
<i>Data spacing and distribution</i>	<p>Data spacing for reporting of Exploration Results.</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied.</p>	<p>Survey spacing was 400m north-south lines with 80m sample spacing</p> <p>Infill lines were 100m north-south lines with 80m sample spacing</p> <p>The spacing and distribution of the data is acceptable for this stage of exploration.</p> <p>No sample compositing</p>
<i>Orientation of data in relation to geological structure</i>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	<p>The orientation of the survey lines is considered to be perpendicular to the strike of the regional structures</p> <p>For this type of exploration the sample orientation is deemed representative</p>

Criteria	JORC Code explanation	Commentary
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Nexus personnel were responsible for the chain of custody procedures from sampling to delivery of the samples to the laboratory.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	None undertaken

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<p>Auger soil survey was undertaken on tenements E28/2526 and P28/1185,</p> <p>There are no other known material issues with the tenements.</p> <p>The tenements are in good standing with the Western Australian Mines Department (DMP).</p>
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The tenements were subject to minor exploration activities in the early to mid 1980's.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Pinnacles Project area covers part of a highly deformed Archaean greenstone sequence of basalts, dolerites, and comagmatic high-level intrusions. This mafic volcanic association is overlain by a series of medium to coarse grained volcanoclastic sandstones and subordinate felsic volcanic rocks. These greenstones have been intruded and disrupted by the forceful intrusion of a series of granitoid rocks.</p> <p>Target is gold mineralisation occurring in multiple styles within the various rock units.</p>

Criteria	JORC Code explanation	Commentary
<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>o easting and northing of the drill hole collar</i></li> <li><i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>o dip and azimuth of the hole</i></li> <li><i>o down hole length and interception depth</i></li> <li><i>o 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>	The location of the auger holes is shown in a diagram in the main body of the release
<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>	No data aggregation methods employed in this program
<i>Relationship between mineralisation widths and intercept lengths</i>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</i></p>	No mineralisation widths reported
<i>Diagrams</i>	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	Refer to the maps included in the announcement.

Criteria	JORC Code explanation	Commentary
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Data results are contoured to define areas of anomalism, and areas of no mineralisation
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	No other exploration data to be reported.
<i>Further work</i>	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	Future work programs may include auger/soil sampling programs, aircore/ RC / Diamond drilling to follow up on the results received from these programs.