



RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$2 MILLION

- **2 for 7 Renounceable Rights Issue to raise up to \$2 million**
- **Attractively priced at 4.7 cents per share**
- **Discount of 20% to the 10-day VWAP of 5.9 cents and 31% to the 90-day VWAP of 6.8 cents**
- **With every two New Shares, shareholders receive one free attaching New Option**
- **New Options will have Exercise Price of 8 cents, term of two years and will be listed**
- **Shareholders can trade their rights and apply for additional shares and options**
- **Rights to start trading from 23 July 2021**
- **Directors to participate for their full entitlement and will sub-underwrite a portion of the shortfall**
- **Funds to be used to complete current drilling programs and expand upon the company's exploration programs at its Woodline and Tempest projects.**

Nelson Resources Limited (ASX: [ASX]) ("Nelson Resources" or "the Company") is pleased to announce a Renounceable Rights Issue to raise up to \$2 million to fund completion of its current drilling programs and expand upon its exploration programs at its Woodline and Tempest projects. These expanded programs will include additional drilling and geophysics programs to be conducted with the company's wholly owned drilling and geophysics equipment.

Under the offer, shareholders will be offered two New Shares for every seven existing shares held on 26 July 2021 ("Record Date"), with one attaching listed Option, exercisable at \$0.08 and expiring on 31 August 2023, for every two New Shares subscribed.

The rights issue price represents a discount of:

- 20% to the Company's 10 day VWAP of \$0.059; and
- 31% to the Company's 90 day VWAP of \$0.068.

On completion, the Company will be well-funded with up to \$1.8 million available to:

- complete its current drilling programs and expand upon its exploration programs at its Woodline and Tempest projects located at the boundary of the Albany Fraser Oregon and Yilgarn Craton; and
- contribute towards working capital requirements and costs of the offer.

The Rights Issue is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold Shares on the Record Date. The Rights Issue will close on 10 August 2021 (unless extended), and eligible shareholders can apply for shortfall in excess of their entitlement. Shareholders can also trade their rights from 23 July 2021.

Mahe Capital advised on the issue and acts as Lead Manager and Underwriter. The issue is partially underwritten to \$1.5 million, subject to certain terminating events at the Underwriter's election (as set out in the schedule).

CAPITAL STRUCTURE

ORDINARY SHARES

Issued 145,473,192

OPTIONS

Listed options 33,299,895

Unlisted options 15,189,458

BOARD

Executive Director - Adam Schofield

Non-Executive Chairman - Warren Hallam

Non-Executive Director - Stephen Brockhurst

Company Secretary - Stephen Brockhurst



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All New Shares issued will rank equally with existing shares on issue and the Company will apply for quotation of the New Shares and Options. A prospectus in relation to the Rights Issue will be lodged with ASIC on 21 July 2021 and, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the prospectus in deciding whether to acquire securities under the Rights Issue, and will need to follow the instructions on the entitlement and acceptance form that will accompany the prospectus. The following are indicative dates in respect of the capital raising:

Event	Date
Prospectus lodged with ASIC and announced to ASX	21 July 2021
Ex entitlement date	23 July 2021
Rights trading commences on a deferred settlement basis	
Record Date for determining entitlements (5:00pm EST)	26 July 2021
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders	27 July 2021
Rights trading ends	3 August 2021
Closing date of entitlement issue (5:00pm EST)	10 August 2021
ASX notified of under subscriptions	13 August 2021
Issue date	17 August 2021

These dates are indicative only and may change, subject to the Corporations Act and Listing Rules.

This ASX Announcement has been approved for release by the Board.

For further information please contact:

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Material terminating events

- the All Ordinaries index as published by ASX is at any time after the date of the underwriting agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the underwriting agreement.
- the price of COMEX gold or NYMEX WTI crude is at any time after the date of the underwriting agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the underwriting agreement.
- the Company does not lodge the Prospectus by 8am Perth time on 21 July 2021 or the Offer is withdrawn by the Company.
- the issue price under the Offer is greater than the volume weighted average price (as defined in the Listing Rules) of Shares calculated over three consecutive trading days after the date of the underwriting agreement.



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