



Update Summary

Entity name

NELSON RESOURCES LIMITED.

Announcement Type

Update to previous announcement

Date of this announcement

24/1/2022

Reason for update to a previous announcement

Amendment to securities issue date

Refer to next page for full details of the announcement

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Part 1 - Entity and announcement details

1.1 Name of +Entity

NELSON RESOURCES LIMITED.

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

127620482

1.3 ASX issuer code

NES

1.4 The announcement is Update/amendment to previous announcement**1.4a Reason for update to a previous announcement**

Amendment to securities issue date

1.4b Date of previous announcement to this update

24/1/2022

1.5 Date of this announcement

24/1/2022

1.6 The Proposed issue is: A standard +pro rata issue (non-renounceable or renounceable)**1.6a The proposed standard +pro rata issue is:** + Renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

NES : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

Yes

Details of +securities proposed to be issued

ASX +security code and description

NES : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

2

For a given quantity of +securities held

5



What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

77,716,878

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.02500

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

Yes

Describe the limits on over-subscription

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares, regardless of the size of their present holding by completing the Entitlement and Acceptance Form in accordance with the instructions set out on that form.

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

At the discretion of the Directors.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

Existing class

Attaching +Security - Existing class (additional +securities in a class that is already quoted or recorded by ASX)

Details of attaching +securities proposed to be issued



ASX +security code and description

NESO : OPTION EXPIRING 17-AUG-2023

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

38,858,439

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

Yes

Describe the limits on over-subscription

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares, regardless of the size of their present holding by completing the Entitlement and Acceptance Form in accordance with the instructions set out on that form.

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

At the discretion of the Directors.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

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Details of company options where holders entitled to participate in the offer

ASX +security code and description

NESO : OPTION EXPIRING 17-AUG-2023

Date Option must be exercised by

28/1/2022

Part 3C - Timetable

3C.1 +Record date

28/1/2022

3C.2 Ex date

27/1/2022

3C.3 Date rights trading commences

27/1/2022

3C.4 Record date

28/1/2022

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

1/2/2022

3C.6 Offer closing date

15/2/2022

3C.7 Last day to extend the offer closing date

10/2/2022

3C.8 Date rights trading ends

8/2/2022

3C.9 Trading in new +securities commences on a deferred settlement basis

9/2/2022

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

22/2/2022



3C.12 Date trading starts on a normal T+2 basis

23/2/2022

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

25/2/2022

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

Mahe Capital Pty Ltd

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

Lead manager fee of \$30,000 with additional \$30,000 paid if the issue closes oversubscribed. Management fee of 1% of the total amount raised. Plus 1 option for every \$1 raised. These options will have the same terms as the NESO options. Placement fee of 5% of any shortfall placed beyond the underwritten amount.

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

Mahe Capital Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

The issue is partially underwritten to \$1m, subject to certain terminating events at the Underwriter's election.

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

Underwriting fee of 5% of the underwritten amount.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Set out in section 8.4 of the Prospectus

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer



Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

Initiate a maiden drilling program at the Company's Fortnum Project, continue drilling at the Woodline project and initiate a number of geophysics programs at the Tempest project and working capital.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

All countries other than Australia and New Zealand

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://nelsonresources.com.au/asx-announcements/>

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a +disclosure document or +PDS for the +securities proposed to be issued