

NON-RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$1.47 MILLION

- ① 1 for 1 Non-Renounceable Rights Issue to raise up to \$1.47 million, underwritten for \$1 million
- ① Attractively priced at 0.5 cents per share
- ① Discount of 50% to the 5-day VWAP of 1 cent
- ① Directors to participate for their full entitlement
- ① Funds to be used to advance work programs across the Company's project portfolio, evaluate new business opportunities, and for general working capital.

Nelson Resources Limited (ASX: NES) (Nelson Resources or the Company) is pleased to announce that it is undertaking a 1 for 1 non-renounceable rights issue (**Rights Issue**) at \$0.005 per Share to raise up to \$1.47 million (before costs).

The rights issue price represents a discount of 50% to the Company's 5 day VWAP of \$0.01.

On completion, the Company will be well-funded with up to \$1.47 million available to:

- ① Continue exploration activities at the Company's highly-prospective Woodline and Tempest projects;
- ① Evaluate potential project opportunities
- ① 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 11 November 2022 (unless extended), and eligible shareholders can apply for shortfall in excess of their entitlement.

Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246) (**Mahe Capital**) advised on the issue and acts as Lead Manager and Underwriter. The issue is partially underwritten to \$1 million, subject to certain terminating events at the Underwriter's election. Directors will participate in the offer with two Directors to sub-underwrite for an additional \$200,000.

All New Shares issued will rank equally with existing shares on issue and the Company will apply for quotation of the New Shares. A prospectus in relation to the Rights Issue was lodged with ASIC on 21 October 2022 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.

CAPITAL STRUCTURE ORDINARY SHARES

Issued 294,297,164

OPTIONS

Listed options 79,198,858

Unlisted options 10,152,539

BOARD

Non-Executive Chairman – Jonathan Shellabear

Non-Executive Director – Dan Smith

Non-Executive Director - Stephen Brockhurst

Company Secretary - Stephen Brockhurst

The following are indicative dates in respect of the capital raising:

Event	Date
Prospectus lodged with ASIC and announced to ASX	21 October 2022
Ex entitlement date	25 October 2022
Record Date for determining entitlements (7:00pm AEDT)	26 October 2022
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders	28 October 2022
Closing date of entitlement issue (5:00pm AEDT)	11 November 2022
ASX notified of under subscriptions	18 November 2022
Issue date	
Quotation of Shares issued under the Offer	21 November 2022

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:

Stephen Brockhurst
Non-Executive Director & Company Secretary
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ABOUT NELSON RESOURCES

Nelson Resources is an exploration company with a significant and highly prospective 1488km² tenure holding (Granted and Pending). The key focus for the Company is its 1220km² Woodline Project (Granted and Pending).

The Woodline Project lies on the boundary of the Albany Fraser Orogen and the Norseman - Wiluna Greenstone belt in Western Australia.

The Woodline Project contains:

- ① 65km of the Cundeelee Shear Zone which already consists of a known +20km Gold Geochemical and bedrock anomaly, hosted in the same geological structural setting 2 as the 7.7 million ounce Tropicana Gold mine ¹.
- ① 30km of significantly unexplored greenstones along the Norseman-Wiluna greenstone belt.
- ① A significant and unique holding within the confluence of the Keith-Kilkenny Fault / the Claypan Shear Zone and the Cundeelee Shear Zone. These three Shears have hosted many of the largest gold projects in Western Australia.
- ① Historical exploration of \$16 million by the Company, Sipa Resources, Newmont and MRG.

The 7.7 million ounce Tropicana Gold Mine which is operated by AngloGold Ashanti was discovered in 2005 by IGO Group Limited via a gold-in-soil anomaly that led to further exploration and is one of the most important gold discoveries in Australia for decades. Tropicana currently produces approximately 450,000 ounces per annum².

The Tempest and Fortnum projects present significant gold exploration opportunities for the Company. The Fortnum project is located in a poorly explored section of greenstone belt and based on historical exploration the project should deliver an effective return at a low cost to the Company.

Nelson Resources confirms that it is not aware of any new information or data that materially affects the exploration results included in this announcement.

Previous ASX Announcements and report references

- 1 <http://www.tropicanaajv.com.au/irm/content/reserves-resource-statement1.aspx?RID=284>
2 <http://www.tropicanaajv.com.au/irm/content/fact-sheet.aspx?RID=3>

