

## REVIEW OF OPERATIONS AND COST SAVING MEASURES

**Nelson Resources Limited** (ASX: **NES**) (**Nelson** or the **Company**) is pleased to provide an update to shareholders regarding its operations.

### Exploration Activities

As outlined in the Company's rights issue prospectus dated 21 October 2022, Nelson will continue to assess its existing tenement packages in Western Australia. The Company is undertaking a comprehensive review to rank and prioritise the projects for exploration activities in the coming 2023 calendar year. The Board sees value in the Company's project portfolio, which is not currently reflected in the market.

The Company is also reviewing a number of new project opportunities, both in Australia and overseas, to complement existing projects and to drive value to shareholders.

### Nelson Exploration Services Pty Ltd (wholly owned subsidiary)

The Board has decided to cease the provision of third-party exploration services by its wholly-owned subsidiary, Nelson Exploration Services Pty Ltd. This venture has not been generating sufficient revenue over the past three years to justify the on-going carrying cost as well as depreciation of acquired equipment. The Company is in the process of disposing of the exploration equipment, including drill rig and trucks, through auctions or direct negotiation with interest unrelated parties.

### Corporate

Commencing November 2022, the Board agreed to a material reduction in director fees (from average \$4.8k per month to \$3k per month for each director), which will see savings to the Company of \$64k on an annualised basis. The Company will engage Minerva Corporate Pty Ltd to provide company secretarial, accounting and bookkeeping services, which will lead to additional savings of ~\$50k per annum. Mr Nicholas Ong will replace Mr Steve Brockhurst as Company Secretary effective from 22 December 2022.

### Administration

The Company's new board is undertaking a review of third party services contracts and office leases, with a view to identifying further cost reductions.

The above measure will not impact on the Company's ability to advance on its existing projects or to look for new ones. The cost saving measures are necessary to conserve cash and allows the Company to refocus on exploration.

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

### For further information please contact:

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**CAPITAL STRUCTURE**  
**ORDINARY SHARES**  
Issued 588,594,328

**OPTIONS**  
Listed options 79,198,858  
Unlisted options 10,152,539

**BOARD**  
**Non-Executive Chairman – Peter Bird**  
**Non-Executive Director – Dan Smith**  
**Non-Executive Director – Nicholas Ong**