



NEXUS MINERALS

NEXUS MINERALS LIMITED

ABN: 96 122 074 006

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2022

Corporate Directory

Directors

Paul Boyatzis Non-Executive Chairman
 Andy Tudor Managing Director
 Bruce Maluish Non-Executive Director

Company Secretary

Phillip MacLeod

Registered Office

Units 8-9, 88 Forrest Street
 Cottesloe, Western Australia, 6011

Principal Office

41-47 Colin Street
 West Perth, Western Australia, 6005
 (08) 9387 1749
www.nexus-minerals.com

ABN

96 122 074 006

Solicitors

Fairweather Corporate Lawyers
 Suite 2, 589 Stirling Highway
 Cottesloe, Western Australia, 6011

Auditor

Nexia Perth Audit Services Pty Ltd
 Level 3,
 88 William Street
 Perth, Western Australia, 6000

Share Registry

Advanced Share Registry Services
 110 Stirling Highway
 Nedlands, Western Australia, 6009
 (08) 9389 8033

Securities Exchanges

ASX Limited
 Home Branch: Perth
 Code: NXM

Frankfurt Stock Exchange
 Code: YAK

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Directors' Report

The directors present their report together with the interim financial report of the Group consisting of Nexus Minerals Limited ("the Company") and the entities it controlled (together referred to as the "Group") for the half-year ended 31 December 2022 and the auditor's report thereon.

1. Directors

The directors of the Company at any time during or since the end of the half-year are:

Paul Boyatzis	Chairman, Non-Executive Director
Andy Tudor	Managing Director
Bruce Maluish	Non-Executive Director
Dr Mark Elliott	Non-Executive Director (resigned 23 November 2022)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

2. Review of operations

Nexus Minerals Ltd ("Nexus" or "the Company") provides this Review of Operations report.

Nexus' strategy is to invest and actively explore for gold and copper and develop its assets. The Company's significant landholdings are located in the Eastern Goldfields of Western Australia and Bethanga, Victoria.

The Wallbrook Gold Project ("Wallbrook") was acquired from multiple entities in 2018 and consists of a contiguous package of some 250km² in Western Australia. The Wallbrook tenement package is considered highly prospective for the discovery of significant gold mineralisation. The Wallbrook tenement package has been the primary focus for Nexus during the reporting period.

Nexus acquired 100% of the Bethanga porphyry copper-gold project in January 2022. The Bethanga porphyry copper-gold project area is 194km² and located in Victoria. Nexus is targeting large-scale porphyry copper-gold systems and advanced the project porphyry fertility assessment during the half year.

Nexus had previously entered into a Farm-In and Joint Venture Agreement with Northern Star (Carouse Dam) Pty Ltd, a subsidiary of successful ASX- listed gold producer Northern Star Limited ("NST" or "Northern Star"), over the Pinnacles Gold Project ("Pinnacles JV") in September 2015. Nexus currently holds a 90% interest in the Pinnacles JV (Northern Star 10%). The Company also holds the Pinnacles Gold Project ("PGP"), with tenements that cover approximately 125km² in Western Australia and encapsulate the Pinnacles JV Project.

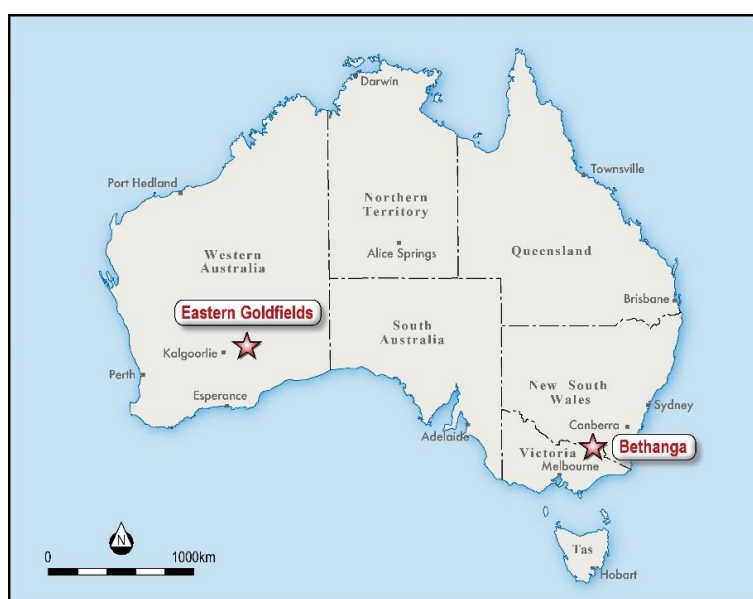


Figure 1: Nexus Western Australian and Victorian projects

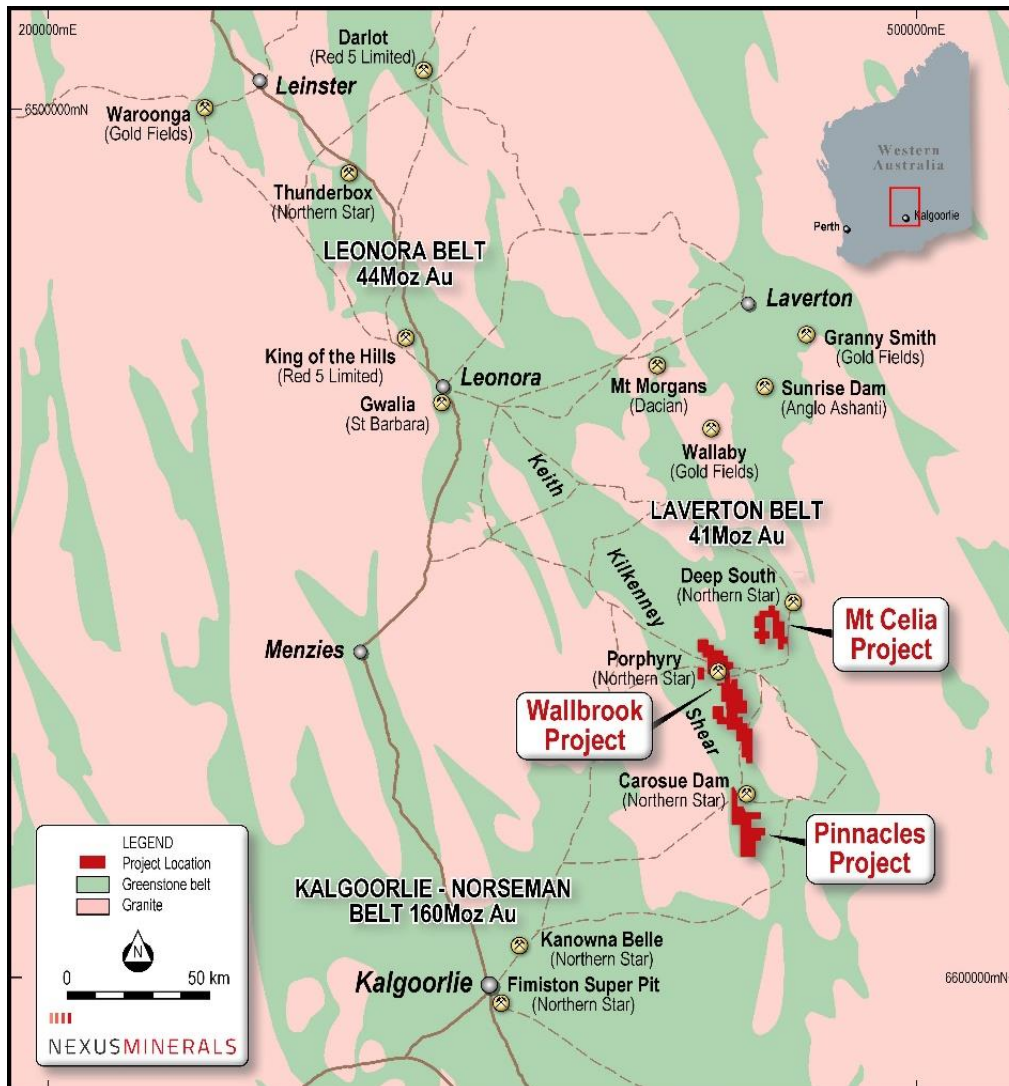


Figure 2. Project locations, Eastern Goldfields Western Australia.

Wallbrook Gold Project

Regional Geology

The Wallbrook Project occurs within the Norseman - Wiluna Archaean Greenstone belt in the Eastern Goldfields province of the Yilgarn Craton. The Project is located within the Edjudina Region in the Laverton Tectonic Zone, centrally between Kalgoorlie and Laverton, and 35km north of Northern Star Limited's Carosue Dam Gold Mining Operation.

The granite-greenstone belt is approximately 600 kilometres in length and is characterised by thick, possibly rift-controlled accumulations of ultramafic, mafic, felsic volcanic, intrusives and sedimentary rocks. Greenstone successions of the southern Eastern Goldfields have been segregated into elongate structural terranes bounded by regional NNW-trending faults (Swager, 1995). These terranes include the Kalgoorlie Terrane, Gindalbie Terrane, Kurnalpi Terrane and the Edjudina Terrane. These terranes contain distinct similarities, including timing of the deposition of volcano-sedimentary sequences (2720-2675 Ma) and regional deformation and plutonism (2675-2620 Ma). The terranes differ only in lithostratigraphic development and early tectonic history (Swager, 1995).

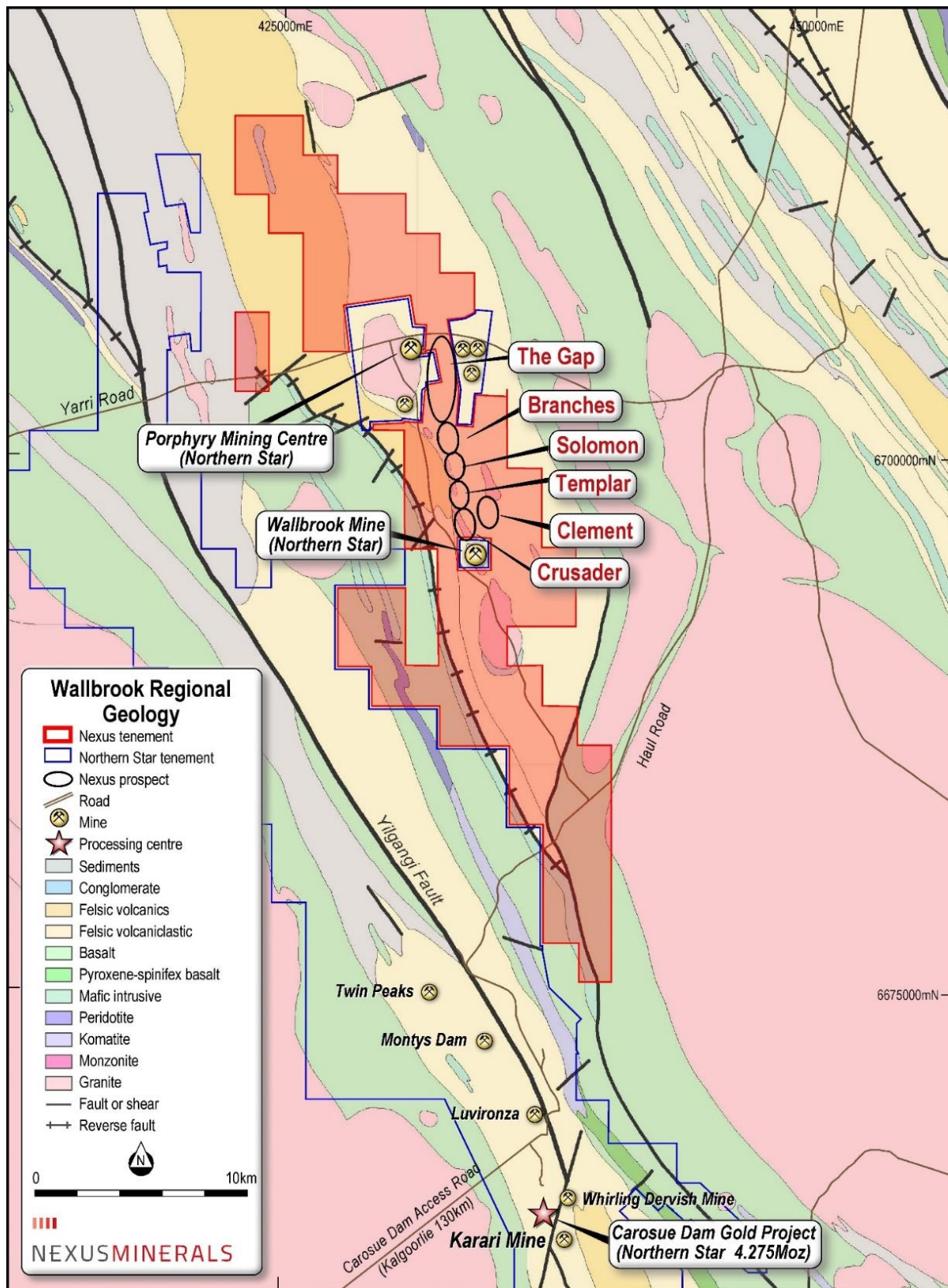


Figure 3. Wallbrook Project Regional Geology

Local Geology and Mineralisation

The Wallbrook Project area is located between two major converging tectonic features, the Laverton and Keith-Kilkenny tectonic zones. The Laverton Tectonic Zone (LTZ) forms the central portion of the Laverton Greenstone Belt, running north-south in the eastern parts of the Wallbrook Project. The LTZ is recognised as a world class gold province, with a mineral endowment (production + resources) of over 20 Moz of gold. Major deposits include Sunrise Dam (8.0 Moz), Wallaby (8.0 Moz) and Granny Smith (3.6 Moz). The Keith-Kilkenny Tectonic Zone (KKTZ) has a northwest-southeast orientation and is an important vector to mineralisation in the region between Leonora and Leinster. The southern extension of the KKTZ intersects the Carosue Dam Operation (4.275 Moz).

The lithologies at Wallbrook are dominated by intermediate (andesitic) volcanics, intrusive felsic porphyries and granite. The dominant feature in the project area is the Wallbrook Monzonite. North of the monzonite are relatively smaller granitic intrusions and related narrow felsic porphyry dykes/sills which run predominantly parallel to the regional trend.

The project area covers the convergence of two major trends wrapping around the northern end of the tear-shaped Wallbrook Monzonite. There are several phases of alteration observed, including:

- chlorite + magnetite (associated with regional deformation);
- hematite + silica + sulphides (+ associated felsic intrusives); and
- sericite + silica + carbonate + pyrite + gold (late tectonic + mineralising event).

As with many of the gold deposits within the Eastern Goldfields, gold mineralisation occurred relatively late in the deformational history of the area. Within the felsic lithologies there is a relationship between the hematite/silica alteration and gold mineralisation. Arnold (1999) suggests gold mineralisation is related to hematite bearing oxidized alteration assemblages, with deposition occurring where gold bearing fluids have come into contact with earlier magnetite-hematite assemblages.

Nexus owns 100% of the highly prospective Wallbrook project in the Eastern Goldfields of Western Australia. The 250km² highly prospective gold tenement package was the focus of exploration activity during the period with the Company undertaking significant drill campaigns at the Crusader-Templar and Branches Prospects, within the broader Wallbrook Gold Project. In addition, successful field campaigns including geological mapping and an ongoing high resolution ground magnetometer survey were also undertaken.

WALLBROOK GOLD PROJECT

Crusader-Templar Prospect

Nexus undertook a reverse circulation (RC) drilling campaign in the second half of 2022 totaling 3,210m. The RC drilling was designed to test southern extensions to the Templar mineralised trend above 200 metres vertical depth.

Geological observations were consistent with previous drilling. Gold mineralisation is closely associated with a quartz-goethite supergene stockwork in the oxide regolith profile. The stockwork intensity correlates closely with higher gold grades. In the fresh rock, high-grade mineralisation occurs within a series of steeply dipping structures defined by quartz sulphide veining within potassic altered quartz porphyry / volcanoclastic units that have undergone extensive alteration and silicification. The hematite alteration is ubiquitous to all zones of mineralisation and is distinct by its brick red appearance. Often referred to in Nexus presentations as the “Right Rocks”.

Following the successful drill program Nexus undertook geological modelling and interpretation work, the results of which are in the process of being incorporated into a Mineral Resource Estimate which is on track for delivery by the end of the March quarter.

RC drilling results include:

- 10m @ 5.80g/t Au (within 13m @ 4.53g/t Au from 90m);
- 5m @ 8.93g/t Au (within 12m @ 3.79g/t Au from 122m); and
- 17m @ 2.32g/t Au (within 28m @ 1.57g/t Au from 61m).

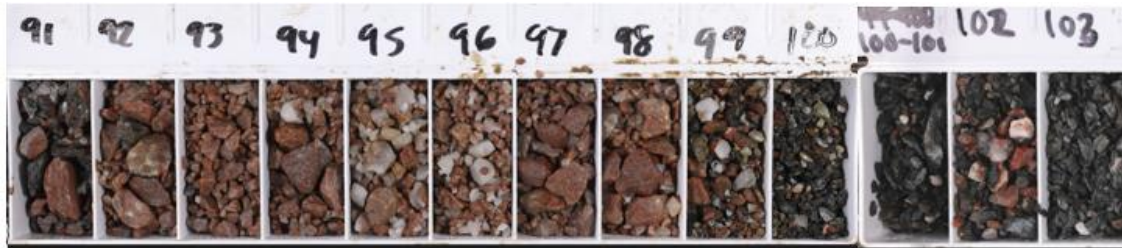


Photo 1: NMWBRC22-605 90-103m – Hematite + Albite + Quartz altered Quartz Porphyry (10m @ 5.80g/t Au - within 13m @ 4.53g/t Au from 90m) - “The Right Rocks”

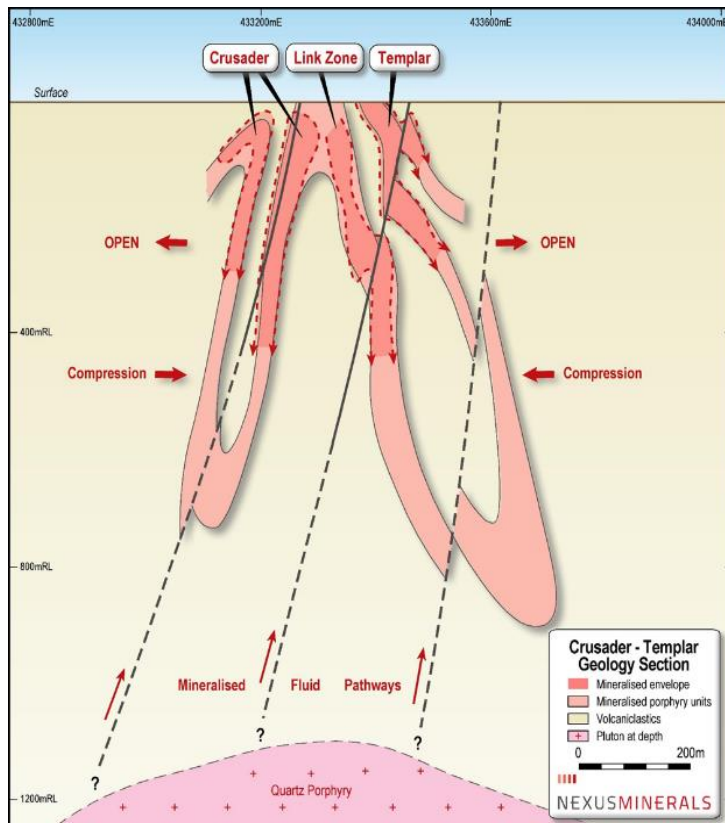


Figure 4: Crusader – Templar Prospect – Exploration Geology Model

The drilling completed has assisted mapping the geological characteristics through the system and reinforced prior interpretation. The structural logging, in addition to petrology and geochemical analysis, have been integral in updating the geological framework and targeting model for the Crusader-Templar prospect. The host rock sequence has been compressed and folded to produce a series of tight folds with deep-seated structures. These deep-seated structures represent potential fluid conduits for gold bearing fluids, whilst the folded porphyry dyke swarm presents a rheological and chemically favourable horizon to precipitate gold. The updated geological model is supported by structural, lithological and gold distribution in drilling, and is further supported by the high-resolution geophysical programs (ground magnetics and gravity) completed on the project.

This framework has broader positive implications for prospectivity and targeting of the regional Wallbrook tenement package, with Company geologists currently reviewing a suite of regional targets.

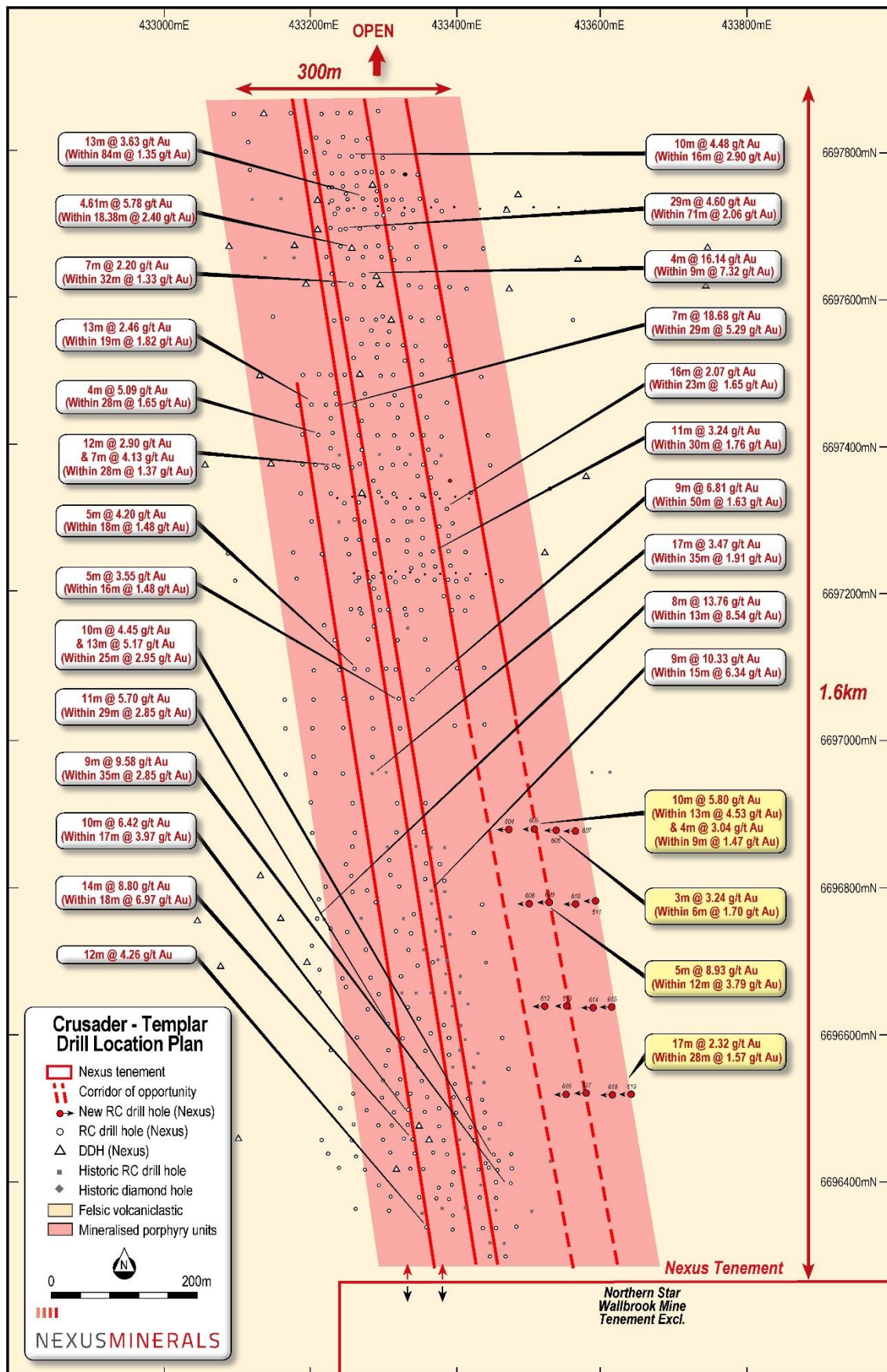


Figure 5. Crusader-Templar Prospect Plan – Selected Drill Results (over Geology)

(Yellow boxes are recent Nexus RC drill results)

Branches Prospect

Nexus undertook a reverse circulation (RC) drilling campaign in the second half of 2022 totaling 5,562m. The RC drilling was designed to test southern and northern extensions to the Branches mineralised trend, in addition to conceptual down dip extensions to the folded system.

The Branches RC drill program successfully extended the mineralised corridor to ~1.1km in strike length (increased from 600 metres). Broad fences of extensional drill holes intercepted mineralisation at shallow depths above 150 metres. Positive drill results on the most northern (4m at 2.85g/t Au within 10m @ 1.33g/t Au) and most southern drill lines (12m @ 1.84g/t Au within 17m @ 1.39g/t Au), in areas of no previous exploration, support the ongoing potential of mineralised corridor MC1, which remains open in all directions. Conceptual extensional drill holes down dip from the previously defined mineralised envelope returned results up to 6m at 5.57g/t Au within 9m at 3.80g/t Au. Mineralisation is hosted within, and on the boundaries of, altered quartz porphyry dykes, consistent with previous observations at Branches – “*the right rocks*”.

Company geologists are in the process of undertaking an interpretation and review exercise within the currently defined mineralised envelope to effectively define mineralised zones of highest economic potential for future follow up drilling. Further extensions to the corridor are also being reviewed as part of a broader aircore drilling program.

RC drilling results include:

- 6m @ 5.57g/t Au (within 9m @ 3.80g/t Au from 169m);
- 2m @ 5.19g/t Au (within 12m @ 1.53g/t Au from 86m);
- 4m @ 2.85g/t Au (within 10m @ 1.33g/t Au from 110m) – most northerly line drilled;
- 12m @ 1.84g/t Au (within 17m @ 1.39g/t Au from 25m) – most southerly line drilled; and
- 7m @ 1.52g/t Au (within 12m @ 1.17g/t Au from 165m).

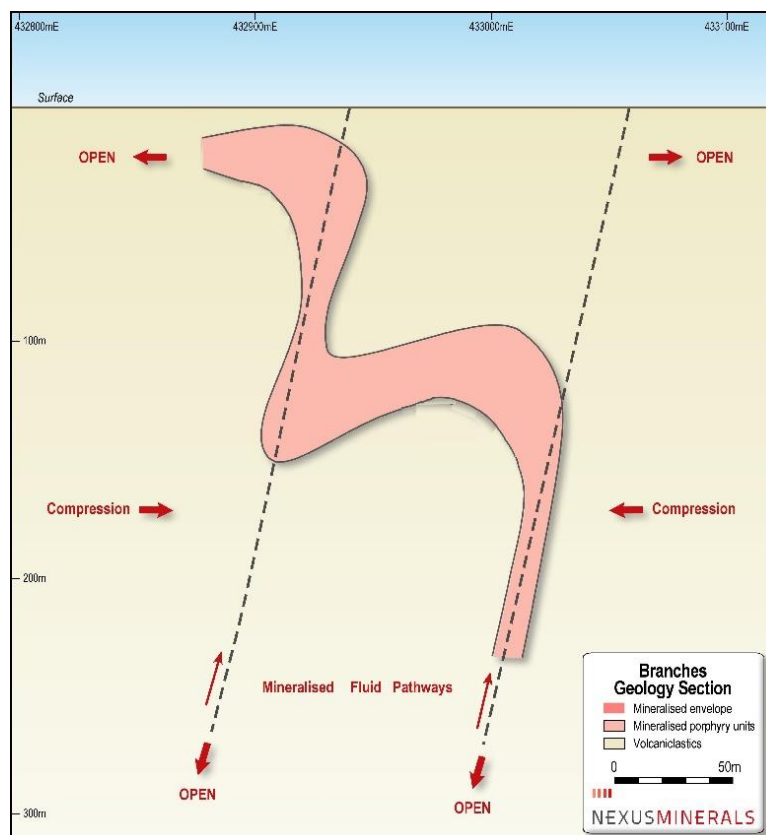


Figure 6: Branches Prospect Exploration Model

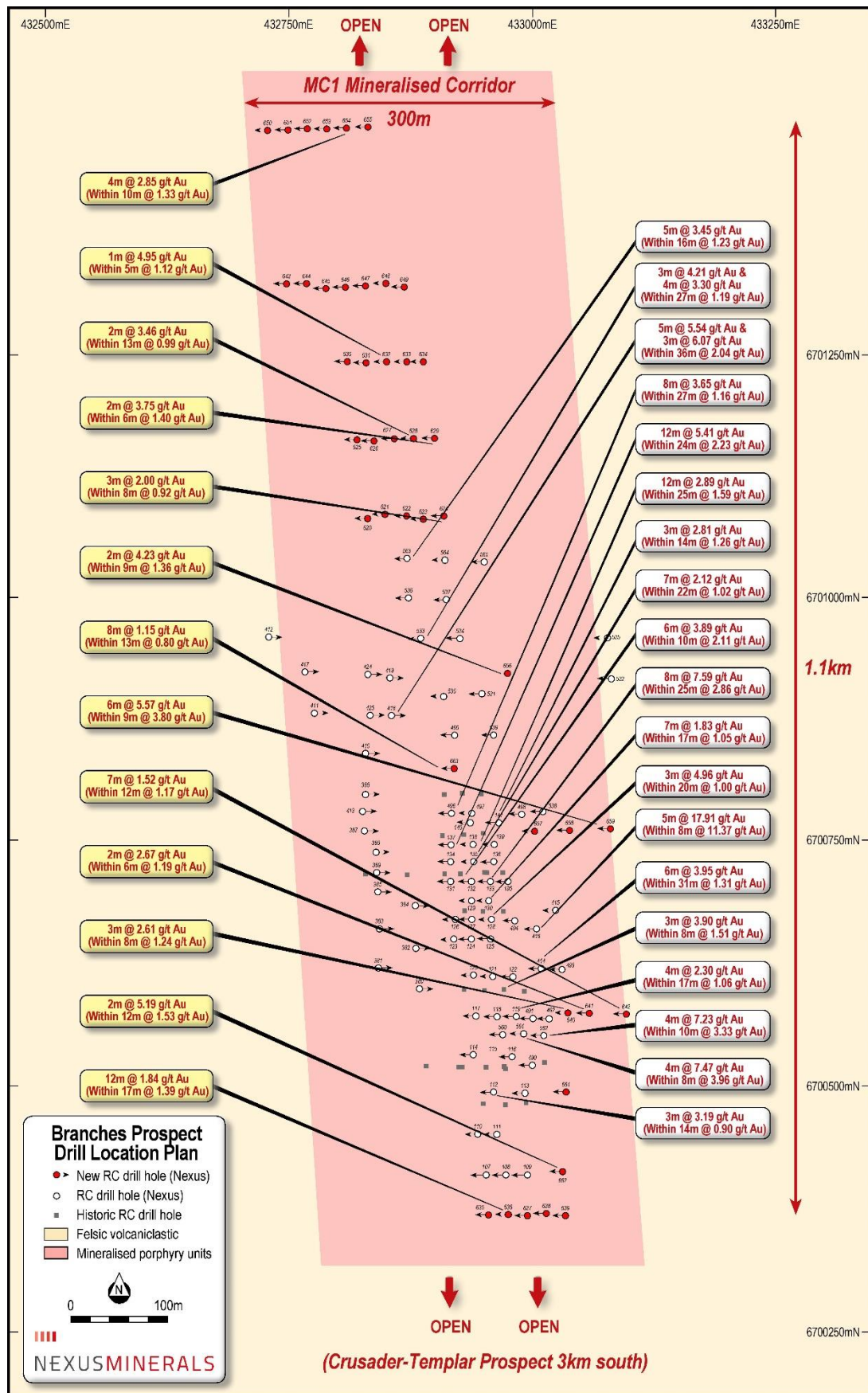


Figure 7. Branches Prospect Plan – Selected Drill Results (over Geology)

(Yellow boxes are recent Nexus RC drill results)

Regional Exploration

Nexus undertook an aircore (AC) drilling campaign in the second half of 2022 totaling 8,429m. Two targets MC4.1 (5,167m drilled) and MC3.1 (3,263m drilled) were subject to first-pass aircore drill testing.

In addition to drilling, Nexus completed soil sampling program targeting geological anomaly MC3.2.

Nexus also undertook regional geophysical interpretation of combined gravity and magnetic survey datasets identifying numerous regional targets requiring drill/soil testing.

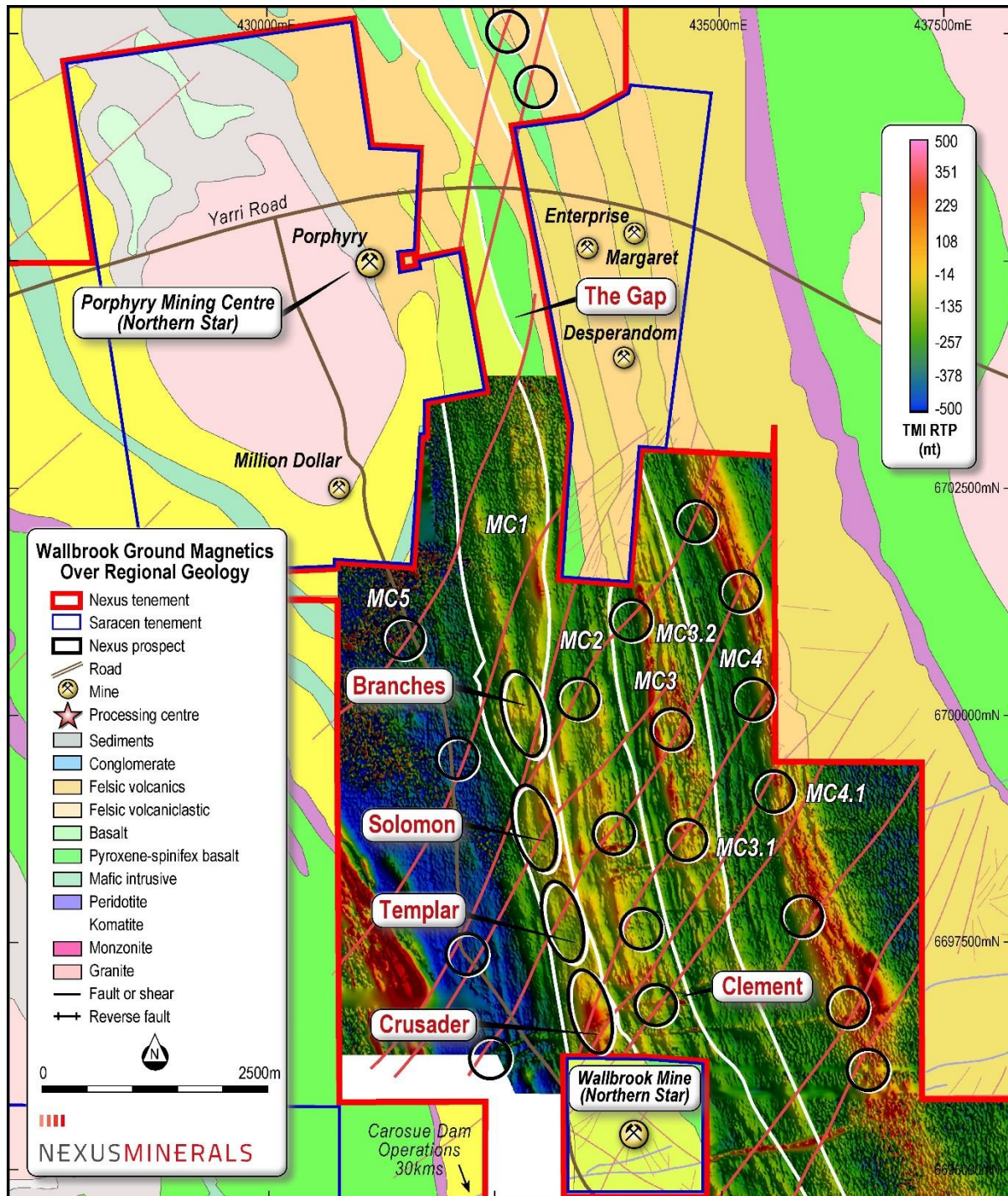


Figure 8. Wallbrook Regional Prospects (over Magnetics)

Target 4.1

Target MC4.1 intersected mineralised quartz-goethite alteration and hematite altered quartz porphyry in a number of the holes drilled. This is the same mineralisation style as that seen at the Crusader-Templar and Branches prospects. Gold mineralisation is supported by multielement anomalism. This prospect is now ready for first pass RC drill testing.

AC drilling results include:

- 8m @ 4.00g/t Au (within 21m @ 1.69g/t Au from 24m)
- 4m @ 2.58g/t Au (within 9m @ 1.49g/t Au from 16m)
- 4m @ 2.10g/t Au (within 8m @ 1.14g/t Au from 24m)
- 3m @ 2.52g/t Au (within 7m @ 1.61g/t Au from 43m to eoh)

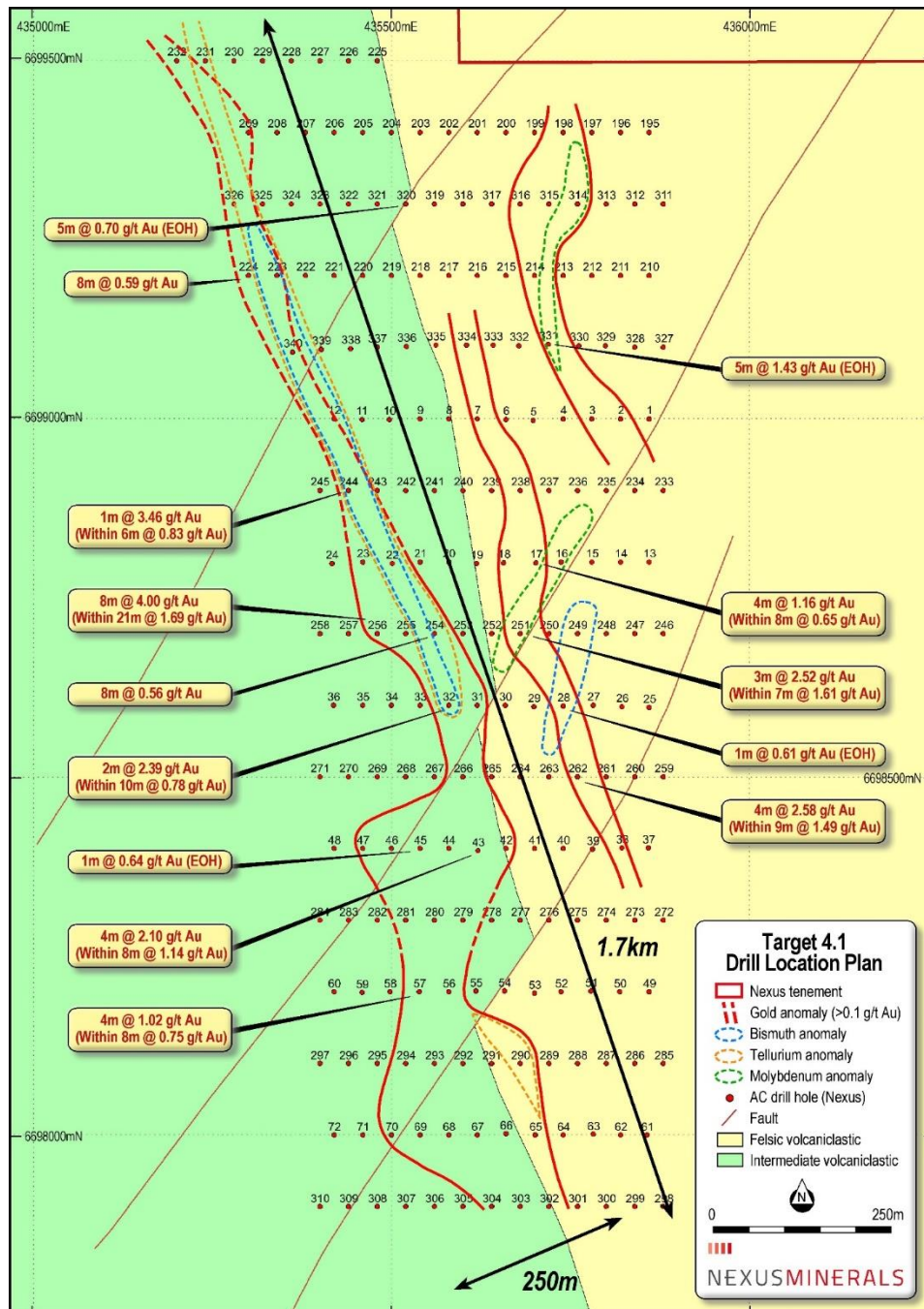


Figure 9. Target MC4.1 Plan – Selected Drill Results (over Geology)
(Yellow boxes are recent Nexus AC drill results)

Target 3.2

The soil program at MC3.2 successfully identified a large gold soil anomaly with a +0.1g/t Au footprint of 1km X 0.7km hosted in the same mineralised corridor as Northern Star Resources historically mined Margaret gold deposit. Highest gold values correlate with the gravity lows and gravity gradients and supports Nexus' broader exploration vectoring strategy on the project. The anomaly also shows a positive correlation with a northeast trending fault interpreted from the ground magnetic imagery. This is a known fertile structural setting implicated in controlling many of the neighbouring gold deposits. Ground truthing and drill program planning of the anomaly is underway.

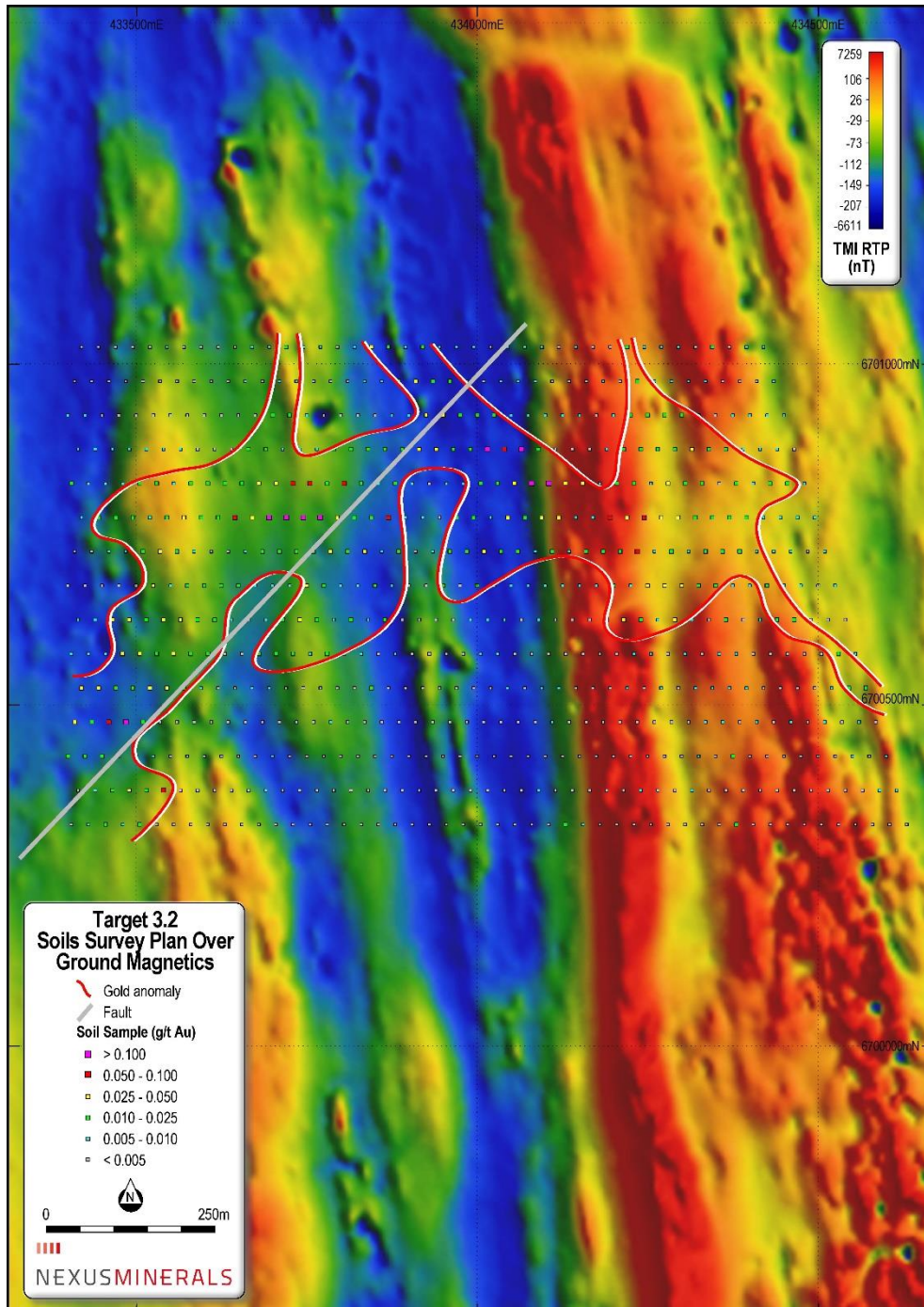


Figure 10. Target MC3.2 Plan – Soil Survey Results (over Magnetics)

BETHANGA PROJECT

Nexus announced in January 2022 that it had completed the purchase of the Bethanga Porphyry Copper-Gold Project in northeast Victoria. Land holding covers 194km² across two granted exploration licenses located in Australia's premier Porphyry Copper-Gold geological terrane. The Bethanga project is located in the same geological host as the world class Cadia-Ridgeway and Northparkes Porphyry Copper-Gold projects further north in NSW. The project area is recognised by Geological Survey of Victoria as a region prospective for Porphyry Copper-Gold and VHMS mineralisation. Bethanga has historically been mined for copper and gold in the early 1900's (118kOz Au at 39g/t and 618t Cu) and there has been no exploration activity since 1987. Nexus has been undertaking a Porphyry Cu-Au fertility assessment study at the Bethanga project throughout the half year.

The porphyry fertility assessment work completed to date includes:

- Regional soil sampling program;
- Regional geological mapping and litho-geochemical sampling;
- Re-processing and 3D inversion of regional aeromagnetic data;
- Detailed soil sampling program;
- Detailed geological mapping and litho-geochemical sampling; and
- Ground magnetic survey.

Work to be completed includes interpretation of combined datasets.

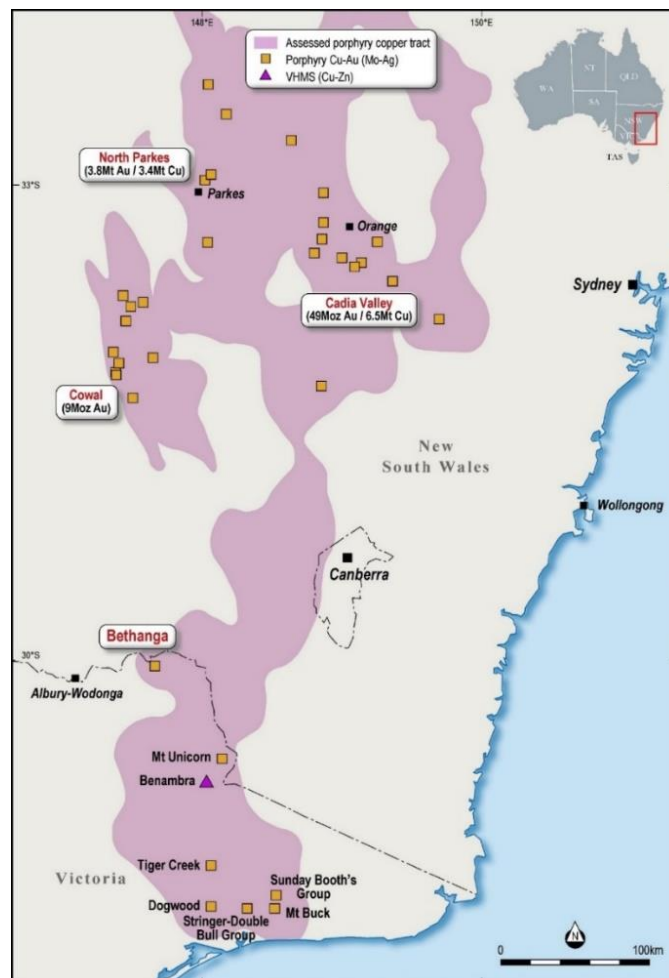


Figure 11: Bethanga Porphyry Cu-Au Project - Victoria

PINNACLES GOLD PROJECT

The Pinnacles Gold Project tenements cover approximately 125km². The tenement area is immediately to the south of Northern Star's Carosue Dam mining operation, which includes the Karari underground gold mine, currently in operation. The Carosue Dam district exhibits a large scale mineralised hydrothermal gold system having produced multi-million ounces of gold to date, and still today contains >4Moz gold in regional resources.

The geological setting provides for a location between two large granite batholiths, where the basal sequence of basalt and dolerite is overlain by a volcanoclastic sedimentary sequence. Structurally, the Project is within a major regional shear zone, with the Yilgangi Fault (the southern extension of the Keith-Kilkenny Fault) and numerous large scale north-south regional structures evident. The district represents a large Archaean intrusion related alteration system that hosts significant gold mineralisation.

PINNACLES GOLD JV PROJECT

Nexus continues to assess the exploration potential of the Pinnacles Gold JV Project (Nexus 90% / NST 10%).

MT CELIA PROJECT

Field work continued during the half year on the tenement package. Ground geological mapping and a ground magnetic survey was undertaken.

CORPORATE

A placement of approximately 27.8 million shares at A\$0.18 per share to raise \$5 million (before costs) was completed during September 2022. The placement proceeds are to advance drilling activities at the Crusader-Templar prospect and other regional exploration activities at the wider Wallbrook Gold Project and Bethanga Copper-Gold Project. Positive support was received from new and existing shareholders reflecting confidence in the Company's ongoing exploration activities.

During the half year Nexus Managing Director Andy Tudor presented to a number of stockbrokers, fund managers and high net worth investors in Perth as well as via Zoom to Sydney/Melbourne/Adelaide. The presentations were well received and provided an update of the Company's activities at the Wallbrook Gold project, and other Company projects.

Nexus attended multiple conferences during the half year and the Company presentation was well received.

The Company held its Annual General Meeting on 23 November 2022. All resolutions were passed by a poll.

5,000,000 unlisted options were issued to Directors during the half year, approved at the Company's Annual General Meeting. The options have an exercise price of 27 cents and an expiry date of 22 November 2025.

Mineral Resource and Ore Reserve Governance and Internal Controls

Nexus Minerals ensures that the Mineral Resource estimate quoted is subject to governance arrangements and internal controls activated at a site level and at the corporate level. Internal and external reviews of Mineral Resource estimation procedures and results are carried out through a technical review team which is comprised of highly competent and qualified professionals. These reviews have not identified any material issues. The Company has finalised its governance framework in relation to the Mineral Resource estimate in line with its business structure. Nexus Minerals reports its Mineral Resource on an annual basis in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code) 2012 Edition. Competent Persons named by Nexus Minerals are Members or Fellows of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined in the JORC Code.

Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves 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 and the Australian Institute of Geoscientists. Mr Tudor is the Managing Director and 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". Mr Tudor consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The results are available to be viewed on the Company website 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.

The information in this report that relates to the Nexus Minerals Limited Wallbrook Mineral Resource is based upon information from the Company's announcement dated 8 July 2019 and is available to view on the Company's website at www.nexus-minerals.com. The information was compiled by Mr Adam James, a Competent Person who is a member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr James is a full time employee of Nexus Minerals Limited. Mr James has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed.

The information in this report that relates to the Nexus Minerals Limited Pinnacles JV Mineral Resource is based upon information from the Company's announcement dated 27 February 2020 and is available to view on the Company's website at www.nexus-minerals.com. The information was compiled by Mr Mark Drabble, a Competent Person who is a member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Drabble is a full-time employee of Optiro Pty Ltd, consultants to Nexus Minerals Limited. Mr Drabble has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed.

No Ore Reserves have currently been defined on the Wallbrook or Pinnacles tenements. There has been insufficient exploration and technical studies to estimate an Ore Reserve and it is uncertain if further exploration and/or technical studies will result in the estimation of an Ore Reserve. The potential for the development of a mining operation and sale of ore from the Wallbrook or Pinnacles tenements has yet to be established.

The exploration results are available to be viewed on the Company website www.nexus-minerals.com. The Company confirms it is not aware of any new information that materially affects the information included in the original announcement. The Company confirms that the form and context in which the Competent Person's findings are present have not been materially modified from the original announcements of 13/10/2016, 7/2/2017, 6/9/2018, 20/9/2018, 16/10/18, 29/11/2018, 24/1/2019, 4/2/2019, 27/2/19, 15/3/2019, 2/4/2019, 9/4/2019, 16/4/2019, 18/4/2019, 29/5/2019, 8/7/2019, 28/8/2019, 8/10/2019, 21/10/2019, 27/2/2020, 13/3/2020, 21/4/2020, 29/6/2020, 15/7/2020, 16/7/2020, 24/7/2020, 13/8/2020, 28/8/2020, 1/8/2020, 5/10/2020, 19/10/2020, 2/11/2020, 17/11/2020 and 23/11/2020, 2/12/2020, 7/12/2020, 15/12/2020, 29/1/2021, 16/2/2021, 21/4/2021, 23/4/2021, 28/4/2021, 27/5/2021, 13/7/2021, 28/7/2021, 16/8/2021, 23/8/2021, 8/9/2021, 11/10/2021, 25/10/2021, 8/11/2021, 9/11/2021, 15/11/2021, 21/12/2021, 24/12/2021, 18/1/2022, 25/1/2022, 3/03/2022, 14/3/2022, 31/3/2022, 11/04/2022, 19/4/2022, 21/04/2022, 3/5/2022, 9/5/2022, 16/5/2022, 24/05/2022, 25/5/2022, 28/6/2022, 7/7/2022, 26/7/2022, 8/8/2022, 16/8/2022, 24/8/2022, 9/9/2022, 20/09/2022, 24/10/2022, 17/11/2022, 23/11/2022, 24/01/2023 and 8/02/2023.

3. Events subsequent to reporting date

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group operations, the results of those operations, or the Group's state of affairs in future financial years.

15. Auditor's independence declaration under section 307C of the Corporations Act 2001

Section 307C of the Corporations Act 2001 requires our auditors, Nexia Perth Audit Services Pty Ltd, to provide the Directors of the Company with an independence declaration in relation to the review of the interim financial report. This independence declaration is set out on page 18 of the financial report for the half-year ended 31 December 2022.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.

Signed in accordance with a resolution of the directors:

A handwritten signature in black ink, appearing to be 'P Boyatzis', enclosed within a large, loopy oval shape.

P Boyatzis
Chairman
Perth, Western Australia

Dated 8th March 2023

To the directors of Nexus Minerals Limited

Auditor's independence declaration under section 307C of the *Corporations Act 2001*

As lead audit director for the review of the financial statements of Nexus Mineral Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

Yours sincerely



Nexia Perth Audit Services Pty Ltd



M. Janse van Nieuwenhuizen
Director

Perth
8 March 2023

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half-Year Ended 31 December 2022

	Note	Consolidated 31 December 2022 \$	Consolidated 31 December 2021 \$
Other income	2	49,000	-
Exploration expenditure expensed as incurred		(5,201,563)	(4,303,479)
Employee benefits		(209,091)	(102,842)
ASX and regulatory expenses		(67,583)	(77,554)
Depreciation		(62,782)	(27,596)
Directors' fees		(99,560)	(90,710)
Insurance		(26,919)	(16,285)
Legal and professional fees		(47,902)	(58,109)
Occupancy expenses		(32,854)	(24,833)
Marketing and promotion		(109,959)	(141,051)
Share-based compensation	10	(533,794)	(1,769,003)
Other expenses		(69,327)	(34,176)
Loss for the year before financial income		(6,412,334)	(6,645,638)
Financial income		39,489	5,435
Financial expenses		(6,285)	(2,772)
Net financial income		33,204	2,663
Loss from continuing operations before tax		(6,379,130)	(6,642,975)
Income tax expense		-	-
Loss for the half-year		(6,379,130)	(6,642,975)
Other comprehensive income			
Items that may not be reclassified to profit and loss			
Net change in the fair value of financial assets	3	69,708	52,125
Other comprehensive income for the year net of tax		69,708	52,125
Total comprehensive loss for the half year		(6,309,422)	(6,590,850)
Earnings/(loss) per share			
Basic and diluted loss per share		(2.1) cents	(2.6) cents

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Financial Position

As at 31 December 2022

	Note	Consolidated 31 December 2022 \$	Consolidated 30 June 2022 \$
Current assets			
Cash and cash equivalents		6,910,655	6,846,408
Trade and other receivables		369,539	923,903
Other financial assets		132,828	132,812
Other assets		49,162	97,021
Total current assets		7,462,184	8,000,144
Non-current assets			
Financial assets	3	341,958	272,250
Exploration and evaluation assets		1,125,160	1,125,160
Right-of-use asset	4	109,612	127,881
Plant and equipment		340,609	360,621
Total non-current assets		1,917,339	1,885,912
Total assets		9,379,523	9,886,056
Current liabilities			
Trade and other payables		435,935	486,559
Lease liabilities	5a)	43,711	31,772
Provisions		124,885	93,449
Total current liabilities		604,531	611,780
Non-current liabilities			
Lease liabilities	5b)	101,479	120,587
Provisions		1,912	51,329
Total non-current liabilities		103,391	171,916
Total liabilities		707,922	783,696
Net assets		8,671,601	9,102,360
Equity			
Issued capital	6	55,232,173	49,755,368
Reserves	7	2,210,678	1,739,112
Accumulated losses		(48,771,250)	(42,392,120)
Total equity		8,671,601	9,102,360

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Cashflows

For the Half-Year Ended 31 December 2022

	Note	Consolidated 31 December 2022 \$	Consolidated 31 December 2021 \$
Cash flows from operating activities			
Receipts from camp usage fees		42,600	-
Interest received		35,827	4,960
Interest paid		(3,082)	(2,772)
Exploration expenditure		(4,953,148)	(3,988,663)
Payments to suppliers and employees		(961,947)	(935,446)
Net movement in GST		594,000	(279,872)
Net cash used in operating activities		(5,245,750)	(5,201,793)
Cash flows from investing activities			
Cash transferred to/(from) term deposit		-	4,602
Payments for purchase of plant and equipment		(24,501)	(165,168)
Net cash (used in)/provided by investing activities		(24,501)	(160,566)
Cash flows from financing activities			
Proceeds from issue of shares		5,000,000	19,000,000
Proceeds from exercise of options		555,000	250,000
Share issue expenses		(210,131)	(1,012,669)
Repayment of lease liabilities		(10,371)	(14,328)
Net cash provided by financing activities		5,334,498	18,223,003
Net increase in cash and cash equivalents		64,247	12,860,644
Cash and cash equivalents at 1 July		6,846,408	8,996,975
Cash and cash equivalents at 31 December		6,910,655	21,857,619

The accompanying notes form part of these financial statements.

Condensed Consolidated Statement of Changes in Equity

For the Half-Year Ended 31 December 2022

31 December 2022	Issued Capital \$	Accumulated Losses \$	Share-based Payment Reserve \$	Fair value Reserve \$	Total Equity \$
Balance at 1 July 2022	49,755,368	(42,392,120)	2,872,362	(1,133,250)	9,102,360
Total comprehensive loss for the half-year					
Loss for the half-year	-	(6,379,130)	-	-	(6,379,130)
Other comprehensive income					
Change in the fair value of financial assets	-	-	-	69,708	69,708
Total comprehensive loss for the half-year	-	(6,379,130)	-	69,708	(6,309,422)
Transactions with owners of the Company recognised directly in equity					
Issue of options	-	-	533,794	-	533,794
Shares issued on conversion of options	686,936	-	(131,936)	-	555,000
Issue of shares for cash	5,000,000	-	-	-	5,000,000
Share issue costs	(210,131)	-	-	-	(210,131)
Total transactions with owners of the Company	5,476,805	-	401,858	-	5,878,663
Balance at 31 December 2022	55,232,173	(48,771,250)	3,274,220	(1,063,542)	8,671,601

Condensed Consolidated Statement of Changes in Equity (Continued)

For the Half-Year Ended 31 December 2022

31 December 2021	Issued Capital \$	Accumulated Losses \$	Share-based Payment Reserve \$	Fair value Reserve \$	Total Equity \$
Balance at 1 July 2021	31,683,130	(21,289,097)	188,265	(890,625)	9,691,673
Total comprehensive loss for the half-year					
Loss for the half-year	-	(6,642,975)	-	-	(6,642,975)
Other comprehensive income					
Change in the fair value of financial assets	-	-	-	52,125	52,125
Total comprehensive loss for the half-year	-	(6,642,975)	-	52,125	(6,590,850)
Transactions with owners of the Company recognised directly in equity					
Issue of shares for cash	19,000,000	-	-	-	19,000,000
Shares issued on conversion of options	296,941	-	(46,941)	-	250,000
Issue of options	-	-	2,740,425	-	2,740,425
Share issue costs	(1,984,091)	-	-	-	(1,984,091)
Total transactions with owners of the Company	17,312,850	-	2,693,484	-	20,006,333
Balance at 31 December 2021	48,995,980	(27,932,072)	2,881,749	(838,500)	23,107,157

The accompanying notes form part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2022

1. Significant Accounting Policies

Nexus Minerals Limited (the “Company” or “Parent”) is a company domiciled in Australia. The interim financial report of the Company and its subsidiaries (together referred to as the “Group”) is for the half-year ended 31 December 2022.

a) Statement of Compliance

The condensed consolidated interim financial report is a general-purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 ‘Interim Financial Reporting’. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 ‘Interim Financial Reporting’.

The condensed consolidated interim financial report does not include full disclosure of the type normally included in an annual financial report, and accordingly this report should be read in conjunction with the most recent annual financial report and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX listing rules.

b) Basis of Preparation

The condensed consolidated interim financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. The Group, comprising Nexus Minerals Limited, Nexus Minerals Australia Pty Ltd, Nexus Wallbrook Pty Ltd, Nexus Mt. Celia Pty Ltd, Nexus Pinnacles Pty Ltd, Nexus Gold Pty Ltd and Jamieson Minerals Pty Ltd, is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the Company’s 30 June 2022 Annual Report. For the purpose of preparing the report the half-year ended 31 December 2022 has been treated as a discrete reporting period.

c) Amendments to AASBs and new Interpretations which are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current year.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory, as listed below, have not been early adopted.

Effective Date	Reference	New Standard, Interpretation and Amendments
1 January 2023	AASB 2020-1 AASB 2020-6	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current
1 January 2023	AASB 2020-2	Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates
1 January 2023	AASB 3032-5	Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

d) New Accounting Standards and Interpretations not yet mandatory or early adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact on the Group of the Standards and Interpretations on issue not yet adopted and, therefore, no change is necessary to Group accounting policies.

Notes to the Condensed Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2022

e) Significant Accounting Judgements and Key Estimates

The preparation of this interim financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the 30 June 2022 Annual Report.

	Consolidated 31 December 2022 \$	Consolidated 31 December 2021 \$
2. Revenue		
Other income – Camp usage fees	49,000	-
	<u>49,000</u>	<u>-</u>

	Consolidated 31 December 2022 \$	Consolidated 30 June 2022 \$
3. Financial assets		
Non-current		
Fair value at beginning of the period	272,250	514,875
Revaluation taken to reserve	69,708	(242,625)
Fair value at end of the period	<u>341,958</u>	<u>272,250</u>

4. Right-of-use assets

Non-current

Land and buildings – Cost	146,150	146,150
Less: Accumulated amortisation	(36,538)	(18,269)
Fair value at end of the year	<u>109,612</u>	<u>127,881</u>

5. Lease liabilities

a) Current

Lease liabilities	<u>43,711</u>	<u>31,772</u>
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b) Non-current

Lease liabilities	<u>101,479</u>	<u>120,587</u>
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Notes to the Condensed Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2022

	Company 31 December 2022 \$	Company 30 June 2022 \$
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6. Share capital

Fully paid ordinary shares	55,232,173	49,755,368
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	31 December 2022		30 June 2022	
	Number	\$	Number	\$
<i>Movements during the period</i>				
Balance at beginning of period	289,675,531	49,755,368	244,151,671	31,683,130
Shares issued for cash	27,777,778	5,000,000	41,304,348	19,000,000
Shares issued on conversion of options	8,000,000	686,936	3,000,000	356,329
Shares issued on acquisition of Jamieson Minerals Pty Ltd	-	-	1,219,512	700,000
Transaction costs arising on share issues	-	(210,131)	-	(1,984,091)
Balance at end of period	325,453,309	55,232,173	289,675,531	49,755,368

Options

The movement of the unlisted options on issue during the half-year is set out below:

Exercise price \$	Expiry date	Balance at beginning of period	Issued	Exercised	Lapsed	Balance at end of period
0.065	15/11/2022	7,000,000	-	(7,000,000)	-	-
0.100	26/08/2022	1,000,000	-	(1,000,000)	-	-
0.500	28/09/2024	1,000,000	-	-	-	1,000,000
0.680	09/11/2023	4,000,000	-	-	-	4,000,000
0.680	09/11/2024	6,500,000	-	-	-	6,500,000
0.270	22/11/2025	-	5,000,000	-	-	5,000,000
		19,500,000	5,000,000	(8,000,000)	-	16,500,000

Notes to the Condensed Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2022

	Consolidated 31 December 2022 \$	Consolidated 30 June 2022 \$
7. Reserves		
Share-based payment reserve	3,274,220	2,872,362
Fair value reserve	(1,063,542)	(1,133,250)
	<u>2,210,678</u>	<u>1,739,112</u>
 Movements:		
<i>Share-based payment reserve</i>		
Balance at beginning of period	2,872,362	188,265
Options exercised during the period	(131,936)	(56,329)
Share-based payments for the period	533,794	2,740,426
Balance at end of period	<u>3,274,220</u>	<u>2,872,362</u>
 <i>Assets classified as fair value through OCI</i>		
Balance at beginning of period	(1,133,250)	(890,625)
Increase/(decrease) in fair value recognised in reserve	69,708	(242,625)
Balance at end of period	<u>(1,063,542)</u>	<u>(1,133,250)</u>
 8. Commitments		
Exploration Expenditure Commitments		
<i>Minimum exploration expenditure</i>		
Not later than 1 year	701,000	731,000
Later than 1 year but not later than 5 years	1,729,519	1,932,447
Later than 5 years	587,807	750,382
	<u>3,018,326</u>	<u>3,413,829</u>

Exploration expenditure commitments are only mandatory to the extent the Group wishes to retain tenure to the underlying tenements.

9. Contingent liabilities

In the opinion of the directors, there were no contingent liabilities at the date of this report.

Notes to the Condensed Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2022

10. Share-based payments

During the half-year the Company issued 5,000,000 unlisted options (2022: 11,500,000). 5,000,000 unlisted options were granted to Directors following shareholder approval at the Company's Annual General Meeting held on 23 November 2022.

The inputs to the valuation of options granted as share-based compensation during the half-year were as follows:

	Director Options
Dividend yield	nil%
Expected volatility	99.7%
Risk-free interest rate	3.28%
Expected life of option	3 years
Exercise price	27 cents
Grant date	23/11/2022
Grant date share price	19.0 cents
Amount recognised in statement of comprehensive income	\$533,794
Amount recognised in Equity	-

During the half-year a total of \$533,794 (2021: \$1,769,003) was recognised in profit or loss and \$Nil (2021: \$971,422) was recognised in equity.

The valuation of options granted was determined using the Black-Scholes model. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

8,000,000 options were exercised during the half-year (31 December 2021: 2,500,000). No options expired during the half-year (31 December 2021: Nil).

11. Related parties

Transactions with directors and director-related entities continue to be in place. For details on these arrangements, please refer to the 30 June 2022 annual financial report. During the prior half-year ended 31 December 2021 a \$75,000 bonus was paid to a related party of Managing Director Andy Tudor (31 December 2022: \$Nil).

Key management personnel continue to receive compensation in the form of short-term employee benefits, post-employment benefits and share-based payments.

Notes to the Condensed Consolidated Interim Financial Report

For the Half-Year Ended 31 December 2022

12. Segment information

The Group's operating segments have been determined with reference to the monthly management accounts used by the chief operating decision maker to make decisions regarding the consolidated entity's operations and allocation of working capital.

Due to the size and nature of the Company, the Board as a whole has been determined as the chief operating decision maker.

The Group operates in one business segment and one geographical segment, namely the mineral exploration industry in Australia.

13. Events subsequent to reporting date

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the Group operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' Declaration

In the Directors' opinion:

- 1) the attached condensed consolidated interim financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including;
 - a) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and;
 - b) giving a true and fair view of the Consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year then ended.
- 2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors.

On behalf of the directors

A handwritten signature in black ink, appearing to be 'P Boyatzis', enclosed within a large, loopy oval shape.

P Boyatzis
Chairman

Perth, Western Australia
Dated this 8th March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Nexus Minerals Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the interim financial report of Nexus Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of the Group does not comply with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the interim ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Nexia Perth Audit Services Pty Ltd



Muranda Janse Van Nieuwenhuizen

Director

8 March 2023

Perth, Western Australia