



QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING SEPTEMBER 2018

ASX: NXM

Capital Structure

Shares on Issue 88.6 million
Options 10.6 million
Cash on Hand \$3.08million
(31/9/2018)

Corporate Directory

Mr Paul Boyatzis
Non-Executive Chairman

Mr Andy Tudor
Managing Director

Dr Mark Elliott
Non-Executive Director

Mr Bruce Maluish
Non-Executive Director

Mr Phillip Macleod
Company Secretary

Company GOLD Projects

Wallbrook Project

Pinnacles Project

Pinnacles JV Project
(with Saracen Gold Mines)

Triumph Project

Mt Celia Project

HIGHLIGHTS

➤ Wallbrook Gold Project

- ❖ Nexus' initial Wallbrook 18 hole broadly spaced reconnaissance RC drill program for 3,992m completed in June, in conjunction with the Company's Research and Development (R&D) project;
- ❖ High grade intersections from 1m samples include:
 - ❖ 3m @ 19.36g/t Au (incl 2m @ 27.18g/t Au)
 - ❖ 3m @ 6.04g/t Au (incl 1m @ 14.76g/t Au)
 - ❖ 3m @ 4.88g/t Au (incl 1m @ 9.70g/t Au)
 - ❖ 2m @ 3.65g/t Au (incl 1m @ 6.03g/t Au)
 - ❖ 2m @ 2.93g/t Au (incl 1m @ 4.75g/t Au)
 - ❖ 3m @ 2.45g/t Au
 - ❖ 1m @ 5.85g/t Au;
- ❖ Results confirm the presence of high grade mineralised zones within broader low-grade mineralised halo;
- ❖ Mineralisation, alteration style and grades analogous to Saracen Mineral Holdings operating Karari mine, and their historic Porphyry and Wallbrook mines;
- ❖ Newmont and Nexus execute Tenement Sale and Purchase Agreement – Nexus to acquire 190km² Newmont tenement package adjacent to Wallbrook Gold Project;
- ❖ Newmont tenements abut Nexus current Wallbrook tenements to both the north and the south;
- ❖ Post completion, Nexus' greater Wallbrook Gold Project will cover 250km² of prospective geological units;
- ❖ Nexus to accelerate exploration across the enlarged underexplored Wallbrook Gold Project;
- ❖ Tenement package compliments Nexus' current exploration tenement packages in the Eastern Goldfields, and its focus on discovery of gold deposits



NEXUSMINERALS

During the quarter ended 30 September 2018, Eastern Goldfields explorer **Nexus Minerals Limited (ASX: NXM) (Nexus or the Company)** undertook ground-based exploration activities, including reverse circulation (RC) drilling, as part of its R&D project, at the Company's Wallbrook Gold Project (acquired from Saracen Mineral Holdings (**Saracen**) see Nexus ASX releases 17/1/18 and 23/4/18). Nexus also announced the signing of a Tenement Sale and Purchase Agreement with Newmont Exploration Pty Ltd (**Newmont**), pursuant to which Nexus will purchase three tenements from Newmont covering some 190km² of prospective geological terrain contiguous with the Company's existing Wallbrook Gold Project (see Nexus ASX release 20/9/18).

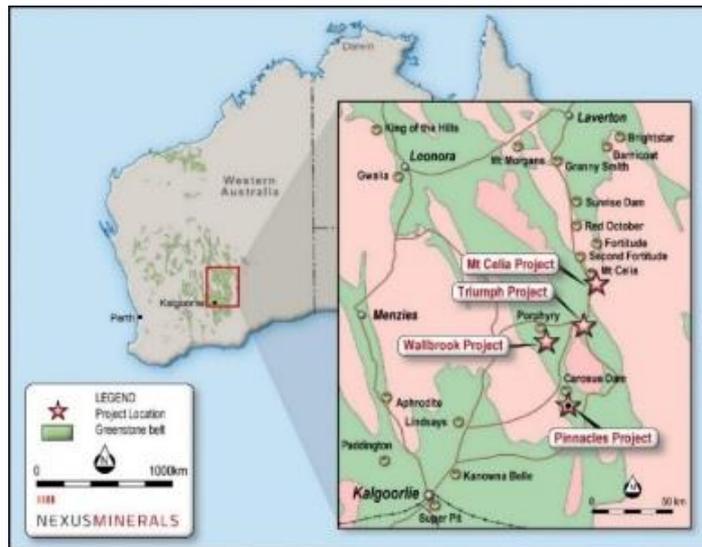


Figure 1: Nexus Project Locations, Eastern Goldfields, Western Australia

Wallbrook Reconnaissance RC Drill Program Results

Gold enrichment encountered in this first pass drill program provided a broad mineralised halo, as identified by 4m composite sampling of all drill holes (>0.1g/t Au). Drilling by Nexus returned mineralised intervals including 64m @ 0.32g/t Au, 48m @ 0.36g/t Au, 32m @ 0.43g/t Au and 40m @ 0.24g/t Au.

Within these broad mineralised zones, narrower higher-grade zones were identified in the initial 4m composite assays, and these zones were re-sampled using 1m intervals (Figure 2). The higher-grade mineralised zones, often exhibiting brick-red coloured hematitic alteration, have returned results including:

- **3m @ 19.36g/t Au (incl 2m @ 27.18g/t Au) (Hole NMWBRC18-018)**
- **3m @ 6.04g/t Au (incl 1m @ 14.76g/t Au) (Hole NMWBRC18-015)**
- **3m @ 4.88g/t Au (incl 1m @ 9.70g/t Au) (Hole NMWBRC18-013)**
- **2m @ 3.65g/t Au (incl 1m @ 6.03g/t Au) (Hole NMWBRC18-014)**
- **2m @ 2.93g/t Au (incl 1m @ 4.75g/t Au) (Hole NMWBRC18-009)**

Gold mineralisation in the Wallbrook area is known to be closely associated with quartz +/- pyrite and brick-red coloured hematitic alteration of high-level porphyry intrusives and their volcanic/sedimentary host rocks. Some of these geological features are currently being assessed, with testing to provide base line data being undertaken, as part of the Company's R&D project.



NEXUSMINERALS

Results from Nexus drilling show that the prospective rocks are being mapped quite accurately with the use of gravity and IP geophysics. These prospective altered rocks occur over an extensive corridor striking 10's of kilometres with widths of up to 1km within the Nexus tenement package and are widely gold mineralised within this zone. This now provides 'proof of concept' and focus for ongoing exploration planning throughout the complete 250km² tenement package.

Drilling intersected the altered intrusive and volcanic rocks down to 300m depth across a width of approximately 800m and contain broad zones of prospective brick-red hematitic hydrothermal alteration and associated elevated mineralisation.

Targeted exploration of the project area will utilize surface geology and geochemistry, in conjunction with gravity / IP survey results and historical aeromagnetic data, to guide exploration drill programs.

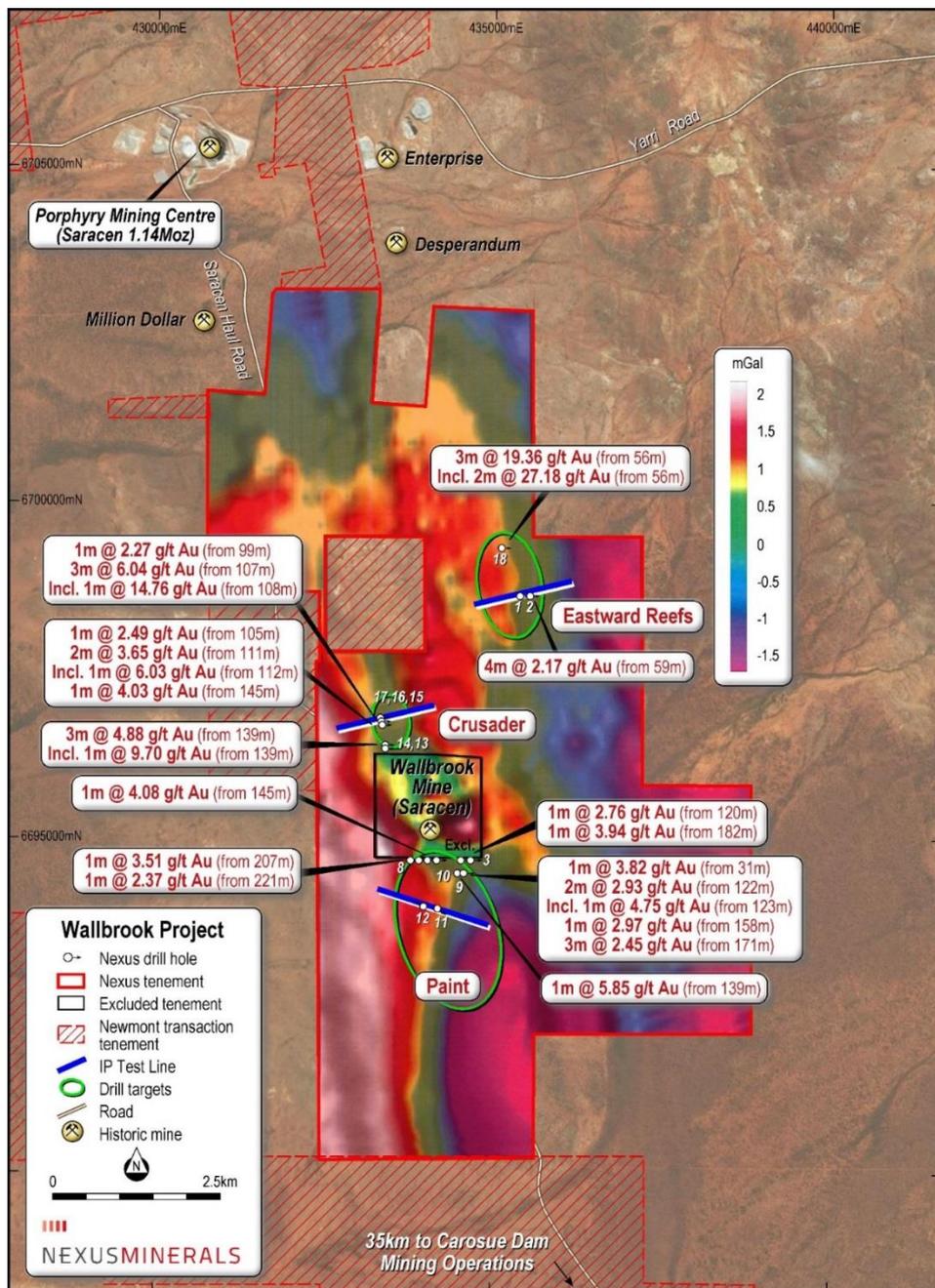


Figure 2: Wallbrook Gold Project – Eastern Goldfields, Western Australia
1m Assay Results from RC Drill Holes (>2g/t Au), Gravity Survey and IP Survey Lines



NEXUSMINERALS

Additional Wallbrook Tenements Purchased from Newmont

Nexus announced the signing of a Tenement Sale and Purchase Agreement (**Agreement**) with Newmont, pursuant to which Nexus will purchase three tenements from Newmont covering some 190km² of prospective geological terrain.

Nexus will acquire the tenements for a total consideration of \$13,100 and a 2% net smelter royalty on all mineral product extracted and recovered from the tenements. Completion under the Agreement is conditional on receipt of government approvals and execution of third-party deeds.

The tenements are located along strike immediately to the north, south and encompassed within the existing Wallbrook Gold Project tenements, already owned by Nexus. They complement Nexus' existing landholding for a total contiguous package of some 250km².

Within the Carosue Dam district over 5.0 million ounces of gold resources are hosted in a similar geological setting to that underlying the Nexus tenement holding (see Saracen Annual Report 2017 – Mineral Resources and Ore Reserve Statement).

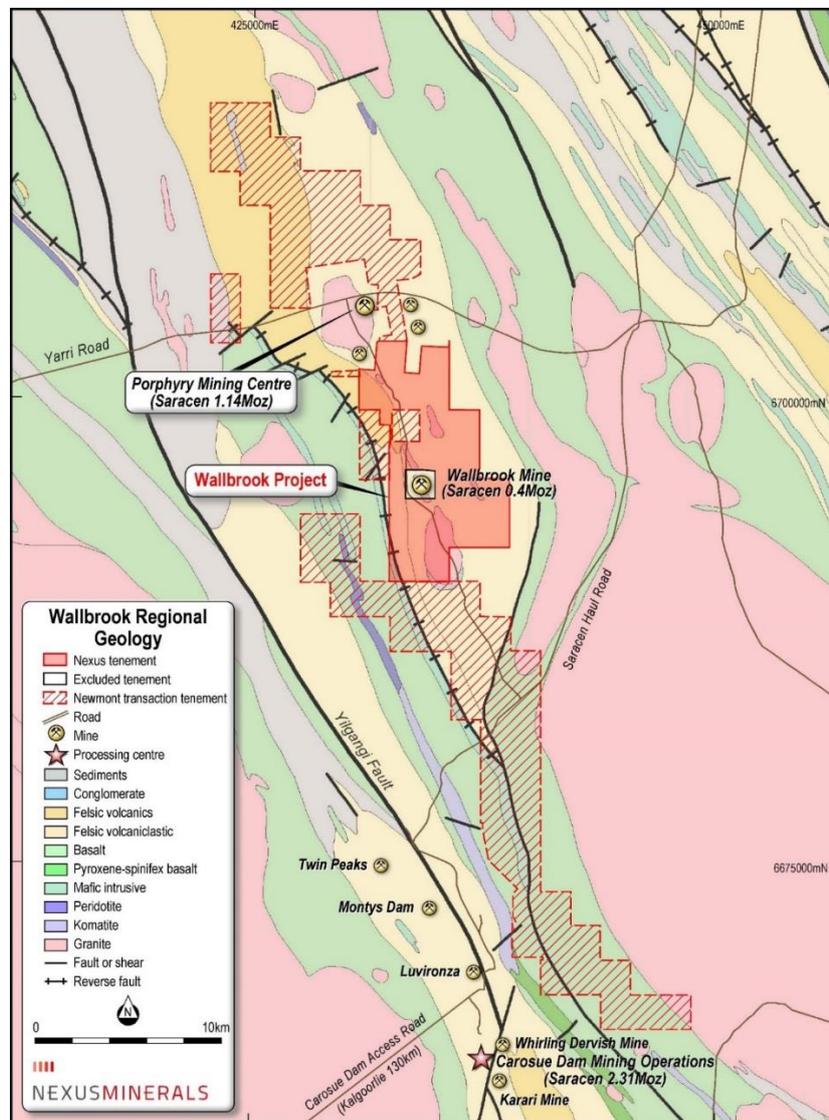


Figure 3: Nexus Wallbrook Gold Project, Eastern Goldfields, Western Australia



NEXUSMINERALS

Upon completion of the acquisition Nexus intends to undertake a review of the various historical data sets from the new tenements which will be assembled and integrated into the current database.

Previous exploration has demonstrated that gold mineralisation in the district tends to occur on the margins of porphyritic intrusions. Mineralisation is known to occur within the margins of these porphyries themselves, and also within the intruded sheared and altered greenstone sequence lithologies and as mineralised quartz vein stockworks.

Geological mapping of the tenement package will be completed by exploring for host rock alteration where surface outcrop is evident. Surface geochemistry data will be assessed and areas of limited or no coverage will be sampled in the search for high level gold anomalism.

The use of gravity surveys has proven to be an effective tool used to map the location of non-outcropping porphyritic intrusives and dyke stocks, above larger intrusive bodies. IP / Resistivity surveys are also an effective exploration tool, with IP resistivity highs associated with possible intrusive bodies or siliceous alteration and chargeability highs with disseminated sulphides often associated with mineralisation.

This work, in conjunction with factors determined as part of the R&D framework, will culminate in the drill testing of priority targets identified.

The addition of the three regional Newmont tenements adds a significant new prospective land holding to the already highly prospective Nexus tenement package at Wallbrook.

Pinnacles Gold Project

GT6 Prospect

Results were received during the quarter for the 4,156m follow up aircore program completed at the GT6 prospect. The holes were drilled to top of fresh rock with samples subjected to multi-element geochemical analysis and geological / alteration mapping. No significant intercepts were received.

Pinnacles Regional Auger Geochemistry Program

Regional auger geochemical sampling programs have successfully identified multiple target areas over the Pinnacles tenement package. All of these anomalies have now been subjected to follow up infill auger programs and ground geological assessment. Anomaly GT7 remains a priority exploration target.

Triumph Project

An application was made during the quarter for an exploration tenement covering the regional trend of the historical Triumph Gold Project.

Mt Celia Project

The project area contains numerous small historic gold workings, within a shear zone extending locally over 3km in length, and consisting of quartz filled shears within mafic lithologies.

No field work was undertaken during the quarter.



NEXUSMINERALS

Corporate

During the quarter, Managing Director Andy Tudor presented updates to brokers on the Company's activities.

At the end of the September quarter, the Company held A\$3.08m cash and equivalents.

December 2018 Quarter – Work Program

During the December 2018 quarter, the Company intends to undertake the following activities:

Wallbrook Gold Project

- Historical data review and database integration of new tenements;
- Geological and structural mapping;
- Analysis of regional geochemistry;
- Geophysical programs including gravity, ground magnetics and induced polarization (IP) surveys; and
- R&D sampling and exploration drill target planning.

Pinnacles Gold Project

- GT7 geological mapping and interpretation; and
- R&D sampling and exploration drill target planning.

Nexus R&D Project

Nexus is undertaking a Research and Development project, aiming to develop new knowledge on the application of spectral data in the mineral exploration industry. The project involves the experimentation of new exploration and geo-sensing techniques utilizing spectral data.

The experimental activities will attempt to achieve an outcome by applying a systematic progression of work that proceeds from hypothesis to experimental phase (or phases as required), observation and evaluation, leading to logical conclusions. This will result in the generation of new scientific knowledge.

The R&D project is being undertaken on both Nexus' Wallbrook and Pinnacles Gold Projects, where relevant geological and mineralogical characteristics are known or are being characterized by Nexus, which assists in the evaluation of the new exploration technique. Multiple project areas allow for a series of varying geological settings upon which to undertake the experimental activities and gather sufficient samples/datasets to allow logical conclusions to be reached post analysis.

The research and development project will be undertaken over an approximate three-year time line, which commenced July 2017, with the first two years mainly consisting of data collection with ongoing analysis and the final year consisting of results-based interpretation and conclusions.



NEXUSMINERALS

About Nexus

Nexus is actively exploring for gold deposits on its highly prospective tenement package in the Eastern Goldfields of Western Australia. The addition of the three Newmont tenements to the Wallbrook Gold Project (250km²) will further advance these gold exploration efforts.

Nexus Minerals' tenement package at the Pinnacles Gold Project is largely underexplored and commences less than 5km to the south of, and along strike from, Saracen's >5Moz Carosue Dam mining operations, and current operating Karari underground gold mine. Nexus holds a significant land package (125km²) of highly prospective geological terrain within a major regional structural corridor and is exploring for gold deposits.

Nexus is actively investing in new exploration techniques to refine the targeting approach for their current and future tenements, including the use of spectral data.

The Company also has a joint venture over the Pinnacles JV Gold Project with Saracen (see ASX Release 17 September 2015). This joint venture is consistent with the Company strategy of investing in advanced gold exploration assets.

Nexus Minerals is a well-funded resource company with a portfolio of gold projects in Western Australia. With a well-credentialed Board, assisted by an experienced management team, the Company is well placed to capitalise on opportunities as they emerge in the resource sector.

- Ends -

Enquiries **Mr Andy Tudor, Managing Director**
Mr Paul Boyatzis, Non-Executive Chairman

Contact **Phone: 08 9481 1749**
Website www.nexus-minerals.com

ASX Code **NXM**

For Media and Broker Enquiries:

Andrew Rowell – Cannings Purple +61 8 6314 6314

The information in this report that relates to Exploration Results 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. Mr Tudor is a 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".

The exploration 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. Mr Tudor consents to the inclusion in the reports of the matters based on his information in the form and context in which it appears.

No Ore Reserves have currently been defined on the Pinnacles or Wallbrook 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 Pinnacles or Wallbrook tenements has yet to be established.



NEXUS MINERALS

SUMMARY OF NEXUS MINERALS LIMITED TENEMENTS

AUSTRALIA	Interest at beginning of Quarter	Interest at end of Quarter
Pinnacles (Gold)		
M28/243	88% Contributing JV	88% Contributing JV
E28/2526	90%	90%
E28/2487	100%	100%
Wallbrook (Gold)		
E31/1160	100%	100%
M31/157	0%	100%
M31/188	0%	100%
M31/190	0%	100%
M31/191	0%	100%
M31/231	0%	100%
M31/251	0%	100%
Triumph (Gold)		
E31/1161	100%	100%
E39/2044	100%	100%
E39/2045	100%	100%
E31/1179 (Application)	0%	0%
Mt Celia (Gold)		
P39/5484	100%	100%
P39/5485		
P39/5486		
E39/1890		
E39/2037	100%	100%
P39/5836	100%	100%
E39/2025	100%	100%
Lindsays (Gold)		
P27/2384 (Application)	0%	0%