



# Nexus Minerals

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## Nexus Minerals' Andy Tudor in Proactive Q&A Sessions

Nexus Minerals' (ASX:NXM) holds \$6 million in cash, yet has a market cap. circa \$4 million.

The company also has the ability to enter deals with the likes of gold-producer Saracen Mineral Holdings (ASX:SAR).

Proactive Investors is joined exclusively by Nexus Minerals' CEO, Andy Tudor.

PROACTIVE INVESTORS: Welcome Andy.

First of all Andy, how does a \$4M market cap. company do a deal with Saracen Mineral's a \$400M company and what is in it for them?

Andy Tudor: The deal was done as I have strong links to senior management at Saracen.

A number of the management team have worked with me in the past and we have a mutual respect for each other's professionalism and commitment to the success of any joint projects.

This discussion actually commenced at Diggers and Dealers over 12 months ago and it has taken this long to come to fruition.

Saracen is a very successful explorer and miner in the eastern goldfields through the Carosue Dam Gold mine operation, and recently purchased the Thunderbox Gold mine north of Leonora.

With these two operations a focus for them, they brought the Pinnacles project to Nexus as it was an advanced gold exploration project requiring further drilling to determine the potential of the project.

It fitted Nexus criteria of high grade gold, narrow vein, with the ability to significantly grow the resource both at depth and along strike.

The joint venture agreement also includes an Ore Sale & Purchase clause to process potential ore at Carosue Dam, located 13 kilometres to the north.

This reduces significantly any project capital requirements (CAPEX).

Saracen will remain as 15% partners at the completion of the earn-in period of the joint venture with Nexus 85%.

Saracen will benefit from seeing another project they are associated with possibly become a mining operation, and add higher grade ore feed to their mill at Carosue Dam.

With funding key in the current difficult financial environment, what could the JV ore sale agreements deliver Nexus Minerals'?

Andy Tudor: The ability to access the Carosue Dam processing facility was a critical component of the agreement.

These narrow vein high grade deposits can struggle to fund the CAPEX required (plus \$50 million) due to the tonnages

**Price:** A\$0.083

**Market Cap:** A\$5.842M

### 1 Year Share Price Graph



### Share Information

**Code:** NXM

**Listing:** ASX

**Sector:** General Mining

**Website:** [www.nexus-minerals.com](http://www.nexus-minerals.com)

### Company Synopsis:

*Nexus Minerals (ASX:NXM) is a diversified resources company with a portfolio of projects in Western Australia.*

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to be processed and the often short reserve mine life.

This agreement not only removes the CAPEX requirement but also allows Nexus access to the mill and also to other Saracen mine infrastructure, workshops, camp, haul roads etc.

What other key assets does the company's portfolio hold, and what are the plans for these?

Andy Tudor: The company also has under application in its own right the 94 square kilometre tenement that directly surrounds the Saracen Pinnacles joint venture tenement.

This tenement has been significantly under explored considering its proximity to the multi-million ounce gold camp at Carosue Dam, which remains at over 4 million resource ounces.

Data collation and interpretation is progressing with field work to commence once the tenement is granted.

The Triumph gold project is 70 kilometres to the north of Carosue Dam and Nexus has completed phase 1 IP geophysics and a 4000 metre reverse circulation drill program in 2015.

This successfully identified two prospects with high grade gold mineralisation intersected.

These results will be followed up with a phase 2 IP program in the first quarter of 2016, with results used to assist in further drill program planning.

The Mt Celia gold project is a further 50 kilometres to the north of Triumph and is a tenement abutting another resource company's modest high grade resource.

In regards to the company's \$6 million cash position, where will this be allocated over the next 12-months, and is there potential for an acquisition?

Andy Tudor: There may be other opportunities for farm-in joint venture agreements with Saracen on some of their other tenements in the area.

Discussions have commenced and options are certainly being investigated.

Nexus has been undertaking active due diligence on a number of gold projects in the Kalgoorlie/eastern goldfields region over the last 18 months, and a number of these projects remain of interest to Nexus, particularly in light of the finalisation of the Saracen agreement.

There are some distressed assets reaching the market place, and with the difficulty in accessing capital markets, more projects will inevitably become available.

The \$6million cash position opens the door to allow Nexus to be in a prime position to act upon these project opportunities as they present themselves.

I have a long history of involvement with the eastern goldfields, and extensive connections with exploration and mining company personnel, as well as prospectors, brokers, analysts and receivers/administrators.

These allow a wide source of opportunities to be brought to Nexus and assessed.

Can you provide some background to yourself?

I joined Nexus Minerals as CEO to drive the company direction and bring my extensive exploration and management experience.

I am a geologist and mining industry professional with 30 years' experience in the mineral exploration and mining industry.

I have covered all facets of the industry throughout my career from regional grassroots exploration through to advanced



exploration stage, resource evaluation, feasibility studies, mine planning, and mine operations.

I have worked for junior exploration companies and been responsible for the discovery of multiple gold mines in West Australia being King of the Hills and Bannockburn - both near Leonora, as well as the Mt Perry small high grade gold mine in southern Queensland which I was involved with from discovery through mine and process stage to closure.

I have also worked for large resource companies.

This includes Rio Tinto (ASX:RIO) as Project Manager PNG, responsible for management of the resource drilling and pre-feasibility study of the huge Wafi Golpu Copper Gold project.

Also Aberfoyle Indonesia as Exploration Manager responsible for management and exploration of 50,000 square kilometres of prospective gold tenements from Lombok to Irian Jaya, and some 250 employees.

I therefore bring to Nexus "big company" experience with "small company" exploration success.

Can you outline the composition of the board, and what key skills each member provides to advance the company?

Andy Tudor: The board is made up of mining industry professionals all having extensive experience in the mining industry.

The chairman, Paul Boyatzis, has over 25 years' experience in the investment and equity markets particularly with emerging growth companies within the resources and financial services sector in Australia and the United Kingdom.

In early 2007 Boyatzis was instrumental in the formation of Nexus Minerals and as founding chairman has played a pivotal role in the strategic development of the company.

Dr Mark Elliott is a chartered professional geologist with over 32 years' experience in the resources industry, corporate management and exploration in a wide range of commodities including base metals and gold.

Bruce Maluish is a mining professional with over 30 years' experience in the mining industry.

Maluish has had numerous roles as managing director and general manager with companies such as Hill 50, Abelle, Matilda Minerals and Forsyth Mining while mining gold from both open pits and underground.

Phillip MacLeod has more than 20 years' commercial experience and has held the position of company secretary with listed public companies since 1995.

Finally, why should an investor consider adding Nexus Minerals' to their share portfolio?

Andy Tudor: In my opinion the company is significantly undervalued in light of \$6 million in cash and a market cap of \$4 million.

Our cash position also ensures that Nexus is fully funded and does not need to go to the market to raise funds.

The funding allows Nexus the ability to either fund further farm in / joint venture deals or to fund near term exploration programs unhindered.

Now the company has entered into such a positive agreement with Saracen on the Pinnacles project, and with the plan to commence drilling this quarter, with follow up programs in the first quarter of 2016 it means there will be a steady flow of potentially positive news for Nexus shareholders.

PROACTIVE INVESTORS: Thank-you Andy.

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