



QUARTERLY ACTIVITIES REPORT

Quarter ended 30 September 2019

ASX RELEASE 31st October 2019

Nelson Resources ("Nelson" or "the Company") is pleased to provide shareholders its Activities Report for the quarter ended 30 September 2019.

HIGHLIGHTS

Woodline Project

During the quarter the Company continued to increase its tenure holding in the Albany-Fraser range and its consolidation of the Woodline Project with a new application for an additional 201 km² of tenure.

The tenement named the Morris Prospect (previously Adiemanthus) includes a substantial portion of the historic SIPA / Newmont Woodline Project. If this tenement is granted the Company will have reconsolidated 858 km² of the Woodline Project. The Woodline Project was previously explored by Sipa Resources and Newmont and MRG Metals and is located on the southern end of the interpreted Tropicana Belt 20 km north-west of the Albany-Fraser Province. The Woodline tenure includes an exciting 20km long geochemical anomaly (Figure 2) that has the potential to produce a Tropicana scale gold deposit. The historical expenditure by the previous explorers and the Company within the Woodline Tenure is approximately \$14 million.

The Company is Actively seeking Joint Venture Partners to continue the Company's and previous explorer's exploration success within the Woodline project.

Woodline Highlights:

- **20 Km geochemical gold anomaly**
- **858 km² of highly prospective tenure**
- **1556m of RC Drilling and 789m of Diamond Drilling**
- **\$14m of successful exploration work by Sipa / Newmont / MRG Metals / Nelson Resources**
- **Potential for a Tropicana scale Gold Deposit**

Nelson Resources Limited

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ASX Code: NES

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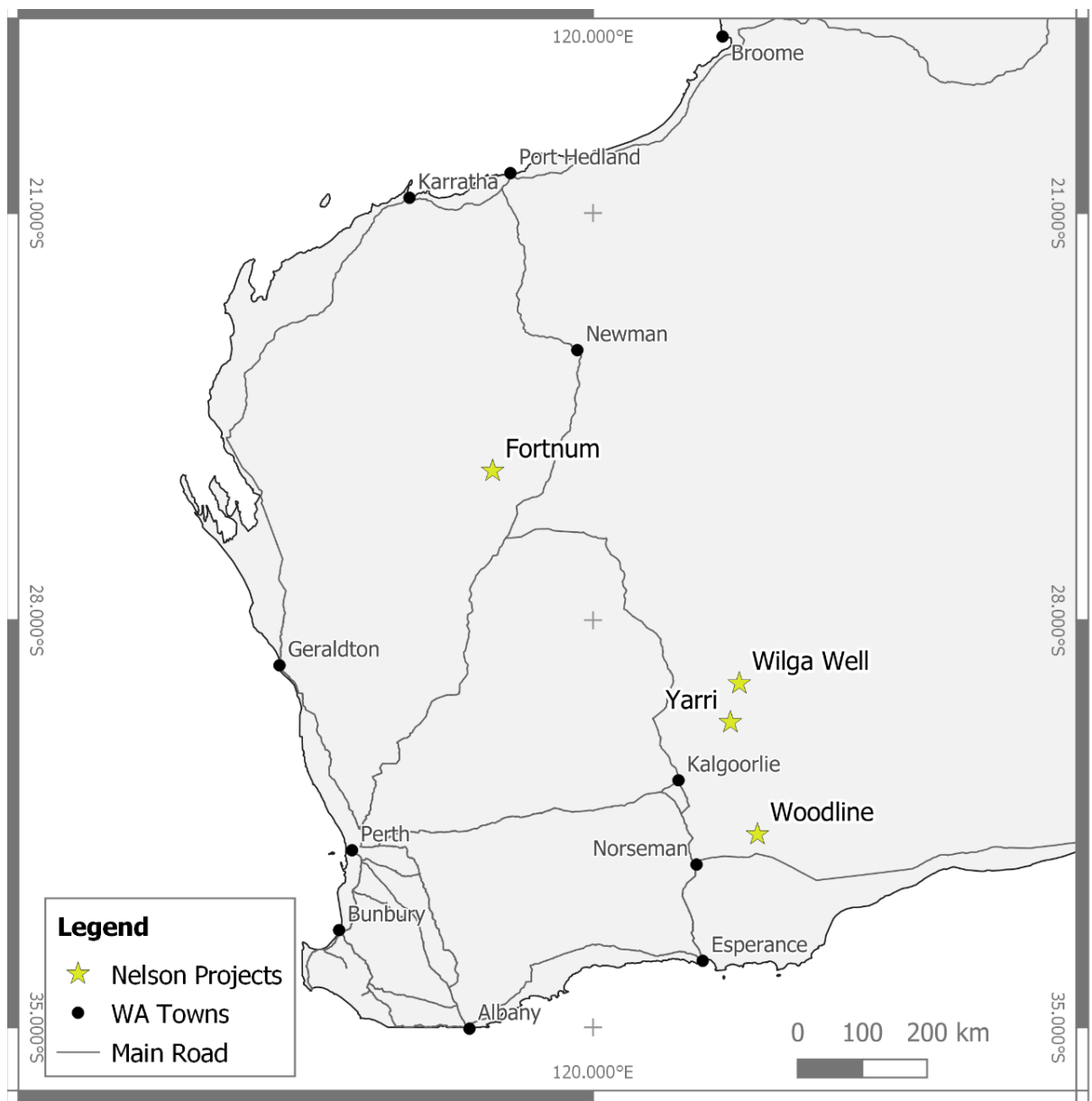
Website
www.nelsonresources.com.au



The following outlines the activities of Nelson Resources Ltd for the quarter ending 30 September 2019.

Existing Projects Summary:

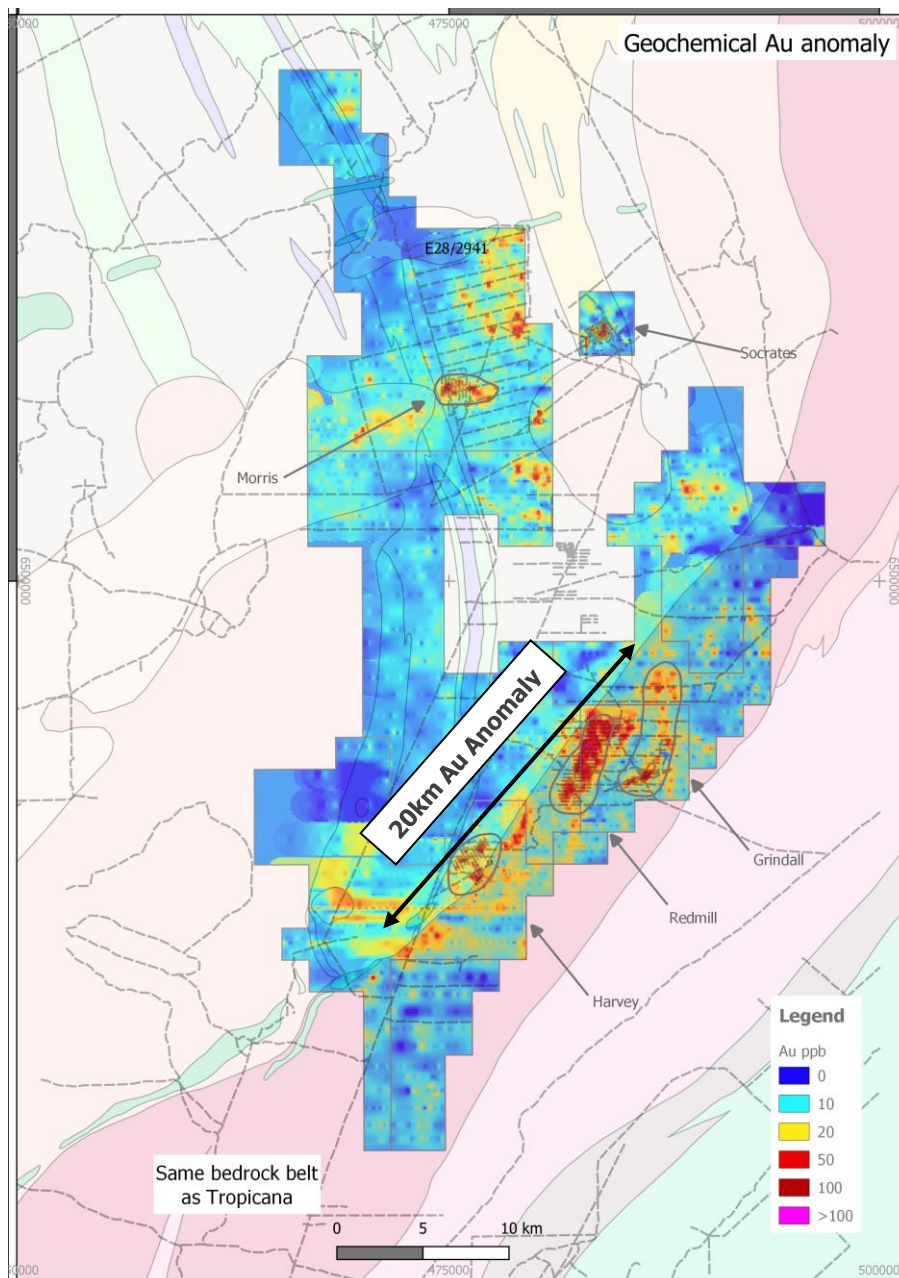
Figure 1 – Project Locations



Woodline (Socrates, Grindall, Redmill, Harvey & Morris)

The Woodline Projects lie 90km North East of Kalgoorlie and halfway between the Trans Australia Rail line and the Eyre Highway. The Woodline Project are made up of the Socrates, Grindall, Redmill, Harvey and Morris (application) Projects which make up 858km² of Tenure. The Projects lie over the reworked Archaean margin adjacent to the Albany-Fraser Province. Work carried out by Nelson at Socrates has returned some high calibre gold intersections, suggestive of a large gold system and it is believed that Grindall, Redmill & Harvey each have the potential to host a Tropicana scale gold deposit.

Figure 2. 20 Km Geochemical Gold Anomaly with Woodline tenure shown (Granted, Pending & Under Application)



Morris Prospect (New Application)

Application: E28/2941

Area of tenement: 201 km²

Geology

The Morris prospect lies on margin of sedimentary dominant rocks to the north-northeast and mafic dominant rocks to the south-southwest.

Previous Exploration

- Newmont explored part of the tenure in the early 1980's identifying mineralisation to the East of the Morris prospect.
- SIPA continued gold exploration within the tenure in a JV with Comet completing 535 soil samples.
- 2007 to 2010 Newmont conducted widespread shallow auger calcrete sampling over much of the southern half of the tenement, including rock chip sampling, geological mapping and RAB drilling.
- 2010 Sipa conducted close-spaced infill RAB drilling at the Morris prospect – best result 9m @ 1.3 g/t Au from 30m to EOH.

Total work

- 535 Soil samples collected within the tenement.
- 1490 Auger Calcrete samples taken within the tenement.
Lines are wide spaced (500mx200m) in east-west direction with some infill lines mostly in the southern portion of the tenement.
- 519 RAB holes within the tenement.

Morris Prospect (Work done by Sipa)

RAB Drilling wide spaced 200mx50m

Straddles a major structural break between sedimentary dominant rocks to the north-north east and mafic dominant to the south- south west.

The notable result of this RAB drilling was 9m @ 1.3 g/t Au from 30m to 39m (EOH)*.

*

http://www.sipa.com.au/irm/PDF/1059_0/EncouragingGoldResultsContinueatWoodline.

Holes are part of a RAB gold anomaly- striking east- south east over several hundred meters



Wilga Well

Wilga Well lies 9 km's East of AngloGold Ashanti's Sunrise Dam project (> 10 million ounces Au). The projects close proximity to Sunrise Dam and some significant historical drilling results indicate the project justifies both new geophysics work and drilling.

The tenement has at least 3 geochemically anomalous areas, one that corresponds to historical workings, while the other two have received little consideration. Drilling beneath the old workings is shallow, and the potential at depth remains largely untested.

Yarri

The Yarri Project lies 160km North East of Kalgoorlie on Edjudina Station and is 30km North of Saracens Carosue Dam Mine and 7.5km East of the Porphyry Mine. Nelson's Yarri project consists of three prospects to the North and East of the historic Yarri State Battery site. The Company's main focus is on the Wallaby line of workings immediately to the East of Yarri, where recent drilling by the Company has returned a number of high grade encouraging drill intersections.

The Wallaby lodes were mined from 1902 to 1914 and from 1934 to 1940 producing 22,000 ounces of gold. The maximum depth of the old workings was to a shallow 35 metres (100 feet) below surface.

The Great Banjo lodes were mined between 1903 and 1905 producing 84.2 ounces of gold from 129 tonnes of ore at an average grade of 20.3g/t.

The Gibberts lodes were also mined between 1903 and 1905 and produced 37.5 ounces from 64.5 tonnes at an average grade of 18.1g/t. No production is documented since this time.

In the region, the Porphyry Mine is located approximately 7.5 kilometres to the West in similar host rocks. It has amassed a resource of approximately 880,000 ounces of gold (production plus defined resource estimates obtained from available literature).

Fortnum

The Fortnum project tenement number E52/3695 was granted within the September quarter and totals 21km². The Project is located within the Peak Hill Mineral Field, 140km north-west of Meekatharra and approximately 14km southwest of the Fortnum Mining center, in the locality of Billara Bore.

The geology of the tenure consists of a fault bounded package of schists derived from the Narracoota and Labouchere Formation constrained by the Despair Granite to the east and Yarlalweelor Gneiss complex to the West.

Thin surficial cover extends over the area, with strong insitu regolith development in the eastern parts of the schist, adjacent to the Despair Granite.

There are four gold mineralisation prospects on the tenure. Billara A, Billara North and Billara South are associated with quartz veining in highly sheared mafic schist adjacent to the contact with the Despair Granite. Billara D is associated with quartz veins in a NNE-trending, biotiterich schist, the Despair Granite, analogous to the Wilthorpe gold mine, 9km to the south.



Project Activity:

Nelson Resources has completed the following work at each of its projects during the quarter:

Woodline

Redmill (Tenure Granted)

During the Quarter the Company continued the desktop review of the extensive data set it has for this tenement and based on the data the company has reviewed it has continued to plan its next AC / RC Drill program based on the tenure now being granted.

Harvey (Tenure Pending)

During the Quarter the Company commenced a review of the extensive data set it has for this tenement. The company has identified numerous Gold drill targets as well as some exciting Nickel anomalies it believes are worth pursuing being that the anomalism is proximal to IGO's Nova nickel Project. The company intends to run a Geophysics campaign in the next quarter to better map the geology at this project and at all its Woodline tenure.

Socrates

During the Quarter no work was done on the Socrates prospect.

Grindall

During the Quarter no work was done on the Grindall prospect.

Wilga Well

During the Quarter no work was done on the Wilga Well prospect.

Yarri Project

During the Quarter no work was done on the Wallaby, Great Banjo and Gibberts prospects.

Fortnum Project

During the Quarter the Company commenced a desktop review of the data it has for this tenement. The company has identified a number of potential drill targets it believes will improve the understanding of the geology of the project and add to the work done by previous explorers.

Happy Jack

The Company has a retained 1% net smelter royalty on any future gold production on this tenement.





ABOUT NELSON RESOURCES

Nelson Resources Limited is an ASX-listed gold exploration company with a portfolio of wholly owned gold projects located in Western Australia. Nelson's projects are located within the Eastern Goldfields Superterrane of the Yilgarn Craton, which contains substantial greenstone belts, considered highly prospective for gold mineralisation. This area is one of the most gold-endowed regions in the world and all tenements sit nearby to some of WA's largest gold mines; Paddington (7.4m oz), Kanowna Belle (6.4m oz), Sunrise Dam (15m oz) and Sons of Gwalia (6.8m oz).

The Company's flagship project is the Woodline project which lies over the reworked Archaean margin adjacent to the Albany-Fraser Province. It is made up of 656Km² of tenure with four individual projects being Socrates, Grindall, Redmill and Harvey with the later three each having the potential to host a Tropicana scale gold deposit.

The Company has also recently applied for tenure in the Fortnum area.

Competent Person Statement

The information in this announcement that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Mr. Simon Coxhell who is a consultant to Nelson Resources Limited.

Mr. Coxhell is a member of the Australasian Institute of Mining and Metallurgy.

Mr. Coxhell has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Coxhell consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

For further information please contact:

Adam Schofield

Executive Director & CEO

