



Announcement Summary

Entity name

NELSON RESOURCES LIMITED.

Announcement Type

New announcement

Date of this announcement

Tuesday June 9, 2020

The Proposed issue is:

A standard pro rata issue (including non-renounceable or renounceable)

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	Quoted options with an exercise price of \$0.08 each expiring 24 months from the date of issue	26,410,881
NES	ORDINARY FULLY PAID	52,821,762

Ex date

Thursday June 11, 2020

+Record date

Friday June 12, 2020

Offer closing date

Wednesday July 1, 2020

Issue date

Wednesday July 8, 2020

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

NELSON RESOURCES LIMITED.

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ACN

Registration Number

127620482

1.3 ASX issuer code

NES

1.4 The announcement is

New announcement

1.5 Date of this announcement

Tuesday June 9, 2020

1.6 The Proposed issue is:

A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

+ Renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

NES : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +Security Code and Description

NES : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

1



What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum Number of +securities proposed to be issued

52,821,762

Purpose of the issue

Exploration of Woodline project, working capital and costs of the offer.

Offer price details for retail security holders

Issue Currency

AUD - Australian Dollar

Offer Price per +security

AUD 0.03800

Estimated or Actual?

Actual

Oversubscription & Scale back details

Are +security holders allowed to oversubscribe?

Yes

Provide the oversubscription details

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares, regardless of the size of their present holding by completing the Entitlement and Acceptance Form in accordance with the instructions set out on that form.

May a scale back be applied to this event?

Yes

Provide the scale back details

At the discretion of the Directors.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

**ISIN Code for the tradable rights created under a renounceable right issue (if Issuer is foreign company and +securities are non CDIs)**

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

Yes

ASX +Security Code

New class-code to be confirmed

+Security Description

Quoted options with an exercise price of \$0.08 each expiring 24 months from the date of issue

+Security Type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

1

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum Number of +securities proposed to be issued

26,410,881

Offer price details for retail security holders

Issue Currency

AUD - Australian Dollar

Offer Price per +security

AUD 0.00000

Estimated or Actual?

Actual

Oversubscription & Scale back details

Are +security holders allowed to oversubscribe?

No

May a scale back be applied to this event?

No

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details



+Security Currency

AUD - Australian Dollar

Exercise Price

AUD 0.0800

Expiry date

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

NES : ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Quoted options will expire 24 months from date of issue

Part 3C - Timetable

3C.1 +Record date

Friday June 12, 2020

3C.2 Ex date

Thursday June 11, 2020

3C.3 Date rights trading commences

Thursday June 11, 2020

3C.4 Record date

Friday June 12, 2020

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Wednesday June 17, 2020

3C.6 Offer closing date

Wednesday July 1, 2020

3C.7 Last day to extend the offer closing date

Friday June 26, 2020

3C.8 Date rights trading ends

Wednesday June 24, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Thursday June 25, 2020



3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Monday July 6, 2020

3C.11 Issue date

Wednesday July 8, 2020

3C.12 Date trading starts on a normal T+2 basis

Thursday July 9, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Monday July 13, 2020

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

Mahe Capital Pty Ltd

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

\$30,000 with an additional \$30,000 if the Offer closes oversubscribed; a lead manager fee of 1% of the total amount raised under the Offer.

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

Mahe Capital Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Partially underwritten to \$600,000

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

An underwriter fee of 5% of the Underwritten Amount; a placement fee of 5% of any Shortfall securities placed by the Underwriter beyond the Underwritten Amount; and, subject to shareholder approval, 1 Underwriter Option for every \$1 raised.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer to s8.4(j)(i) - (viii) of the prospectus released

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

Yes

3E.2e (i) What is the name of that party?

Warren Hallam (Non-Executive Chair), Adam Scholfield (Executive Director), Stephen Brockhurst (Non-Executive Director & Company Secretary) and Mining Corporate Pty Ltd (entity controlled by Stephen Brockhurst)



3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

\$150,000 collectively

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

Nil

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purposes for which the entity intends to use the cash raised by the proposed issue

Exploration of Woodline project, working capital and costs of the offer.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has security holders who will not be eligible to participate in the proposed issue

All countries other than Australia and New Zealand

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

<https://nelsonresources.com.au/asxannouncements/>

3F.7 Any other information the entity wishes to provide about the proposed issue