

## NELSON TO COMMENCE DRILLING AND IP SURVEYS AT WOODLINE

**Nelson Resources Limited** (ASX: **NES**) (**Nelson** or **the Company**) is pleased to provide this exploration update for its 100% owned Woodline Project in the Fraser Range, Western Australia.

- Drilling is scheduled to commence at the Woodline Project, with drill holes planned for Redmill, Grindall and Socrates.
- The planned Induced Polarisation (IP) and resistivity survey will also commence over 10km of interpreted strike associated with Redmill, Grindall and Socrates.
- A “Loupe” ground electro-magnetic survey has been completed at Redmill and another is already underway at Grindall. Additional Loupe surveys are planned for Socrates, West Socrates and at an untested Nickel target.

Nelson’s field team is currently on site at Woodline with the company’s drill rig to be mobilised to site this week, with drilling scheduled to commence over the weekend.

The company anticipates completing 1000m to 1500m of diamond drilling before the end of January 2021. The drilling has been designed to target recently identified structures, interpreted extensions to known mineralisation and to follow-up previous drilling to provide important structural and petrophysical information for on-going targeting.

Once the diamond drill program has been completed, the company’s drill rig will be set up for reverse circulation (RC) drilling, with an additional 6000m to 8000m of drilling planned for Woodline before mid-2021.

Current available cash reserves cover all these planned work programs.

The decision to acquire a drill rig guarantees the company can drill when it wishes to do so and enables the company to drill more meters at a lower cost than originally planned.

### CAPITAL STRUCTURE

#### ORDINARY SHARES

Issued 114,802,142

#### OPTIONS

Listed options 33,345,410

Unlisted options 15,614,458

### BOARD

Executive Director - Adam Schofield

Non-Executive Chairman - Warren Hallam

Non-Executive Director - Stephen Brockhurst

Company Secretary - Stephen Brockhurst

### LAST CAPITAL RAISE

July 2020

Entitlements Offer & Placement

\$2.355m @ 3.8c

## Technical Discussion

Nelson is commencing drilling and ground IP and resistivity surveys at Redmill, Grindall and Socrates (Figures 1 to 3). The drilling has been designed to target recently identified structures, interpreted extensions to known mineralisation and to follow-up previous drilling to provide important structural and petrophysical information for on-going targeting.

The purpose of the IP survey is to map the disseminated sulphides associated with mineralisation and improve the positioning of the up-coming drilling within the target geological units that have been already been defined from surface geochemistry and the high-resolution ground magnetics survey completed in September this year <sup>1</sup>.

The use of IP has been demonstrated to be an effective exploration tool for gold mineralisation at the Tropicana gold deposit, which the Company believes to be a similar style deposit to the gold mineralisation at Redmill and Grindall <sup>2</sup>.

A location plan for the IP surveys at Redmill and Grindall as well as Socrates within the overall Woodline Project area is shown in Figure 4.

The company's IP survey is being supported by "Loupe" electro-magnetic surveys which is a newly developed, low-cost and rapid electromagnetic ground geophysical technique. The purpose of the Loupe survey is to determine whether the system can be used to rapidly refine target areas for follow-up IP. The ease of use and rapid data collection from the Loupe system is highly appealing for the rapid development of and refining of drilling targets for Nelson.



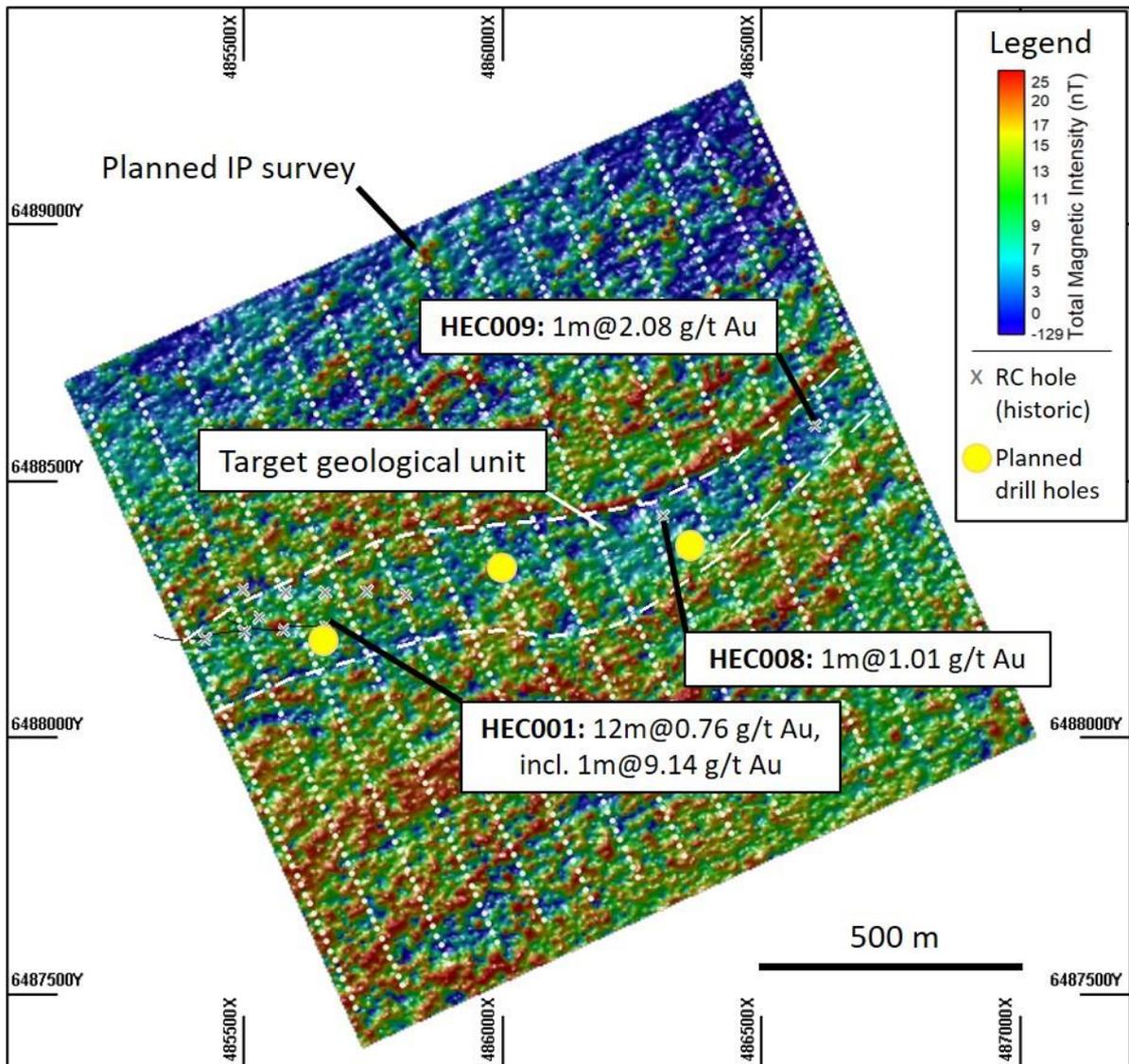


Figure 1: Grindall Total Magnetic Intensity showing target geological unit, initial drill holes planned and planned IP survey grid and historic RC drill holes<sup>3</sup>.



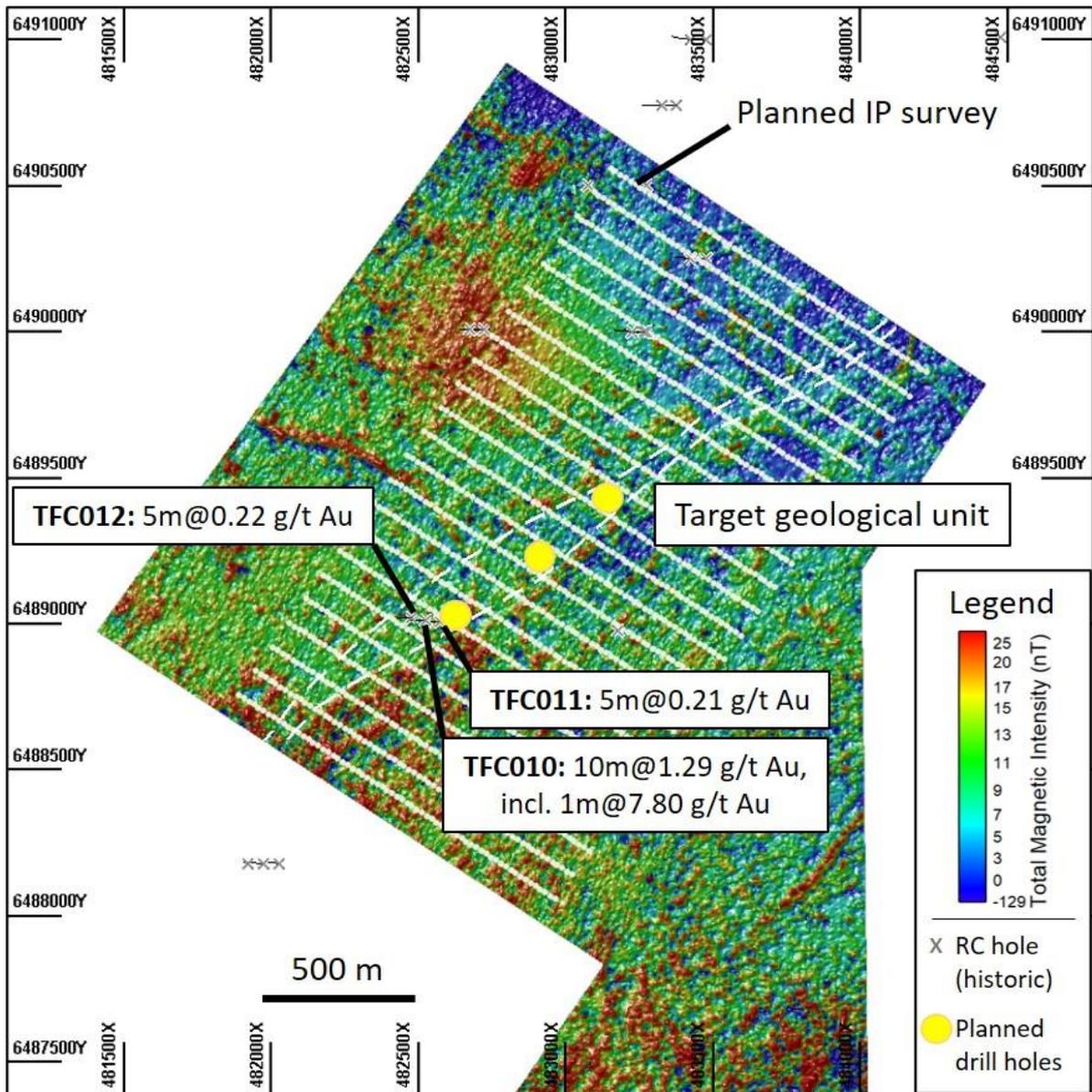


Figure 2: Redmill Total Magnetic Intensity showing target geological unit, initial drill holes planned and planned IP survey grid and historic RC drill holes<sup>4</sup>.



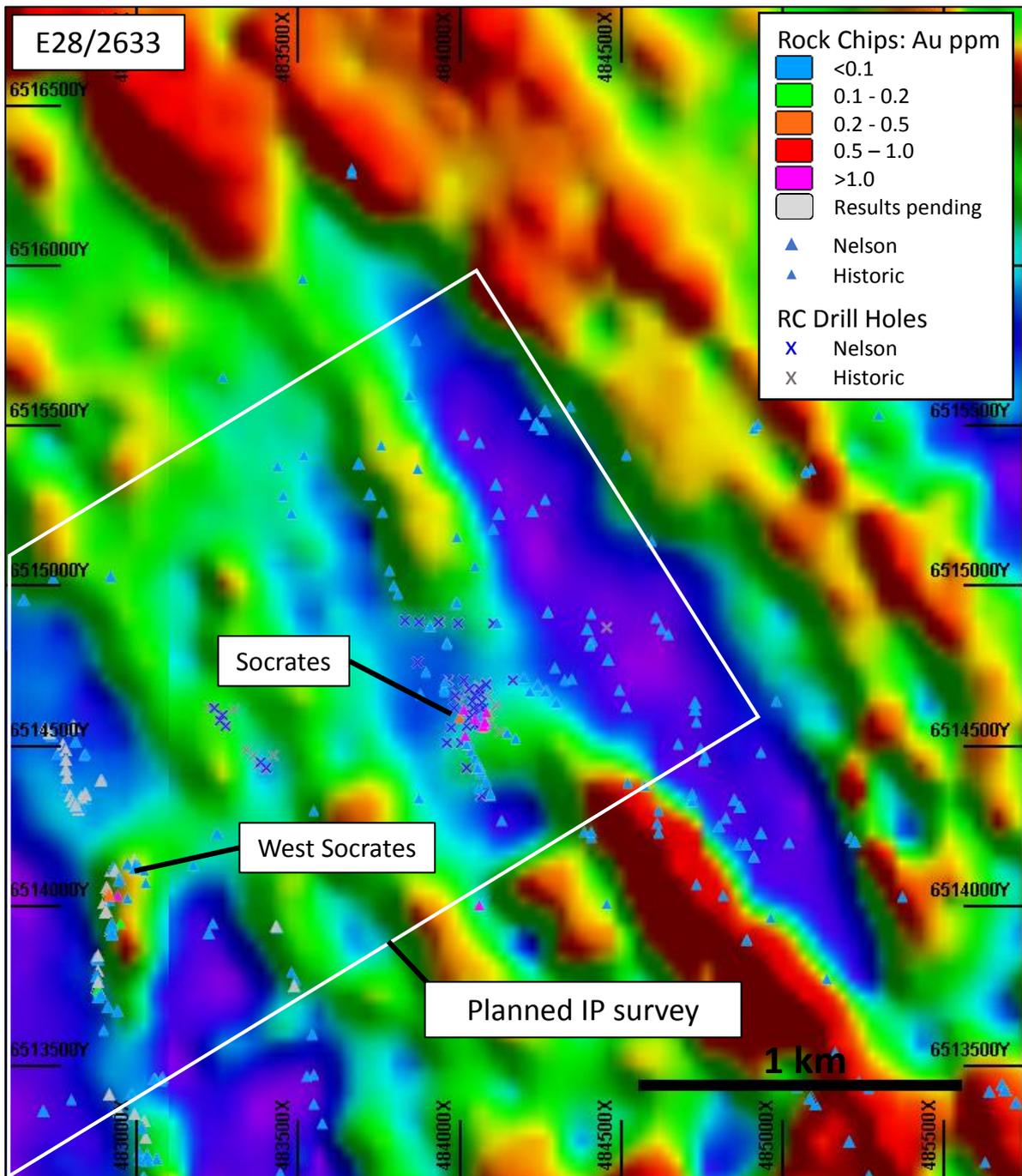


Figure 3: Socrates HoistEM electromagnetic survey 100m depth slice<sup>5</sup> showing the planned IP survey as well as previously reported RC drill hole locations and anomalous rock chip sample results at Socrates and West Socrates. Drill hole planning will be guided by the results of the current Loupe Survey being conducted.



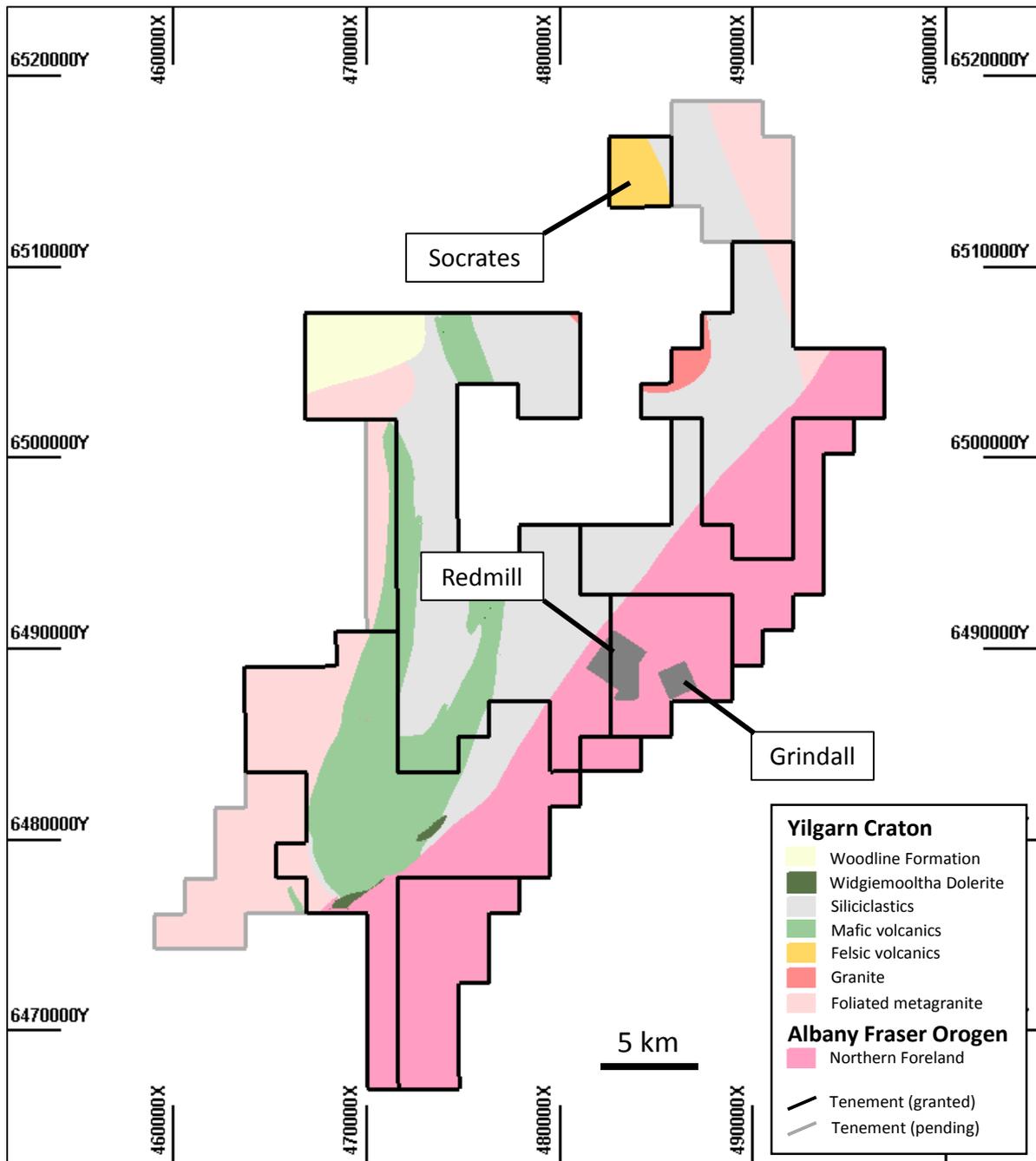


Figure 4: Geology of the Woodline Project showing the project locations of the planned drilling and IP surveys at Redmill, Grindall and Socrates.



## ABOUT NELSON RESOURCES

Nelson Resources is a Western Australia Gold Focused exploration company with a highly prospective 956km<sup>2</sup> tenure holding. The key focus for the company is its 828 km<sup>2</sup> Woodline Gold Project.

The Woodline Project lies on the boundary of the Albany Fraser Oregon and the Norseman - Wiluna Greenstone belt in Western Australia.

### The Woodline Project contains:

- 45km of the Cundelee Shear Zone which already consists of a known +20km Gold Geochemical and bedrock anomaly, hosted in the same geological structural setting<sup>6</sup> as the 7.7 million ounce Tropicana Gold mine<sup>7</sup>.
- 30km of significantly unexplored greenstones along the Norseman-Wiluna greenstone belt.
- A significant and unique holding within the confluence of the Keith-Kilkenny Fault / the Claypan Shear Zone and the Cundelee Shear Zone. These three Shears have hosted many of the largest gold projects in Western Australia.

Historical exploration of \$14 million by the Company, Sipa Resources, Newmont and MRG.

The 7.7 million ounce Tropicana Gold Mine which is operated by AngloGold Ashanti was discovered in 2005 by IGO Group Limited via a gold-in-soil anomaly that led to further exploration and is one of the most important gold discoveries in Australia for decades. Tropicana currently produces approximately 450,000 ounces per annum<sup>8</sup>. In today's gold price terms, that equates to over A\$1 billion dollars per annum.

Nelson Resources confirms that it is not aware of any new information or data that materially affects the exploration results included in this announcement.

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### Previous ASX Announcements and report references

<sup>1</sup> ASX Announcement 'Nelson Completes Successful Geophysics Program at Woodline. Nelson Resources Limited, 21 September 2020.

<sup>2</sup> Martin, K. 2015. Geophysics of the Tropicana Gold Deposit. ASEG Extended Abstracts 2015(1) 1 – 1.

<sup>3</sup> ASX Announcement 'Encouraging Drilling Results at Woodline'. Sipa Resources Limited, 18 February 2010.

<sup>4</sup> ASX Announcement 'Woodline Gold and Basemetals Project'. Sipa Resources Limited, 26 May 2011.

<sup>5</sup> WAMEX open file report a78296.

<sup>6</sup> <https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Korsch-presentations-0012.pdf>

<sup>7</sup> [https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Spaggiari\\_2-presentations-0004.pdf](https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Spaggiari_2-presentations-0004.pdf)

<sup>8</sup> <http://www.tropicanaajv.com.au/irm/content/reserves-resource-statement1.aspx?RID=284>

<sup>9</sup> <http://www.tropicanaajv.com.au/irm/content/fact-sheet.aspx?RID=318>

