



**Nelson
Resources**
L I M I T E D

QUARTERLY ACTIVITIES REPORT

Nelson Resources Limited

ABN 83 127 620 482

ASX Code: NES

Board and Management

Executive Director
Adam Schofield

Non-Executive Chairman
Peter Cook

Non-Executive Director
Brett Clark

Company Secretary
Stephen Brockhurst

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Quarter ended 31 March 2018

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HIGHLIGHTS

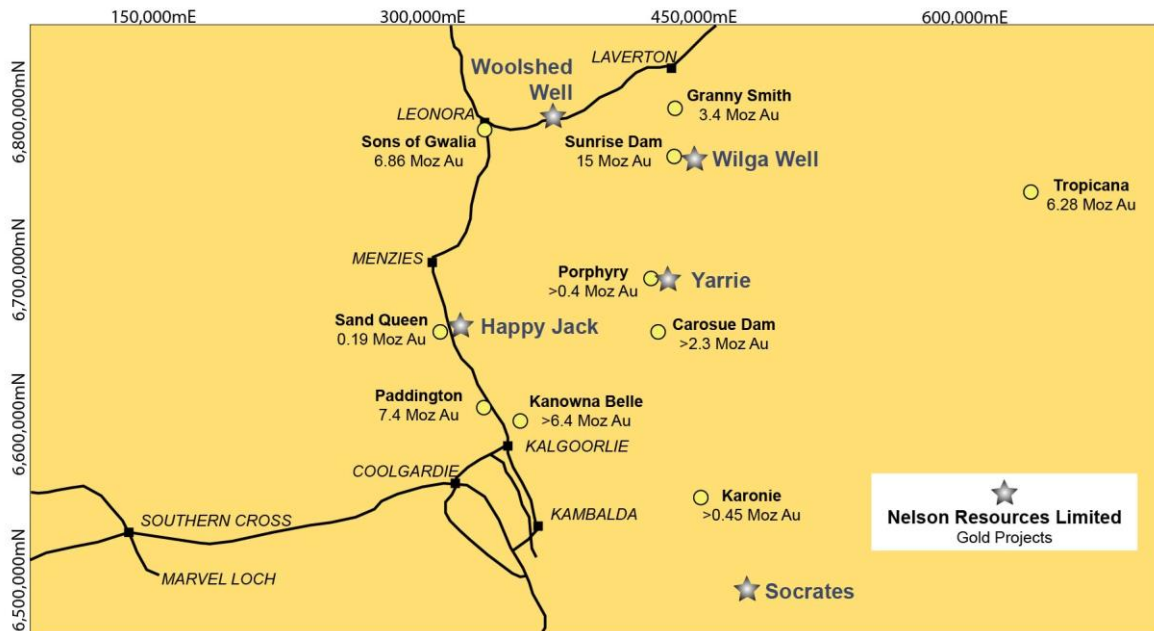
- **Maiden 1,210m drill program completed at the Socrates Gold Project (E28/2633);**
- **High grade gold intercepts including 14m at 6.96g/t Au from 20m (Including 2m at 14.7g/t Au from 24m & 2m at 23.5g/t Au from 27m);**
- **Planning underway for ground magnetic programs and additional / new drilling at Wallaby, Socrates and Happy Jack;**
- **Planning underway to delineate drill programs for Wilga Well, Great Banjo (Yarrie) and Gibberts (Yarrie).**

Nelson Resources Limited (ASX: NES) (**Nelson or Company**) is pleased to provide its Activities Report for the quarter ended 31 March 2018.



ACQUISITIONS

Nelson Resources has not made any acquisitions during the quarter.



Socrates

The Socrates Gold Project lies 155km southeast of Kalgoorlie and 110km northeast of Norseman. The project lies over the reworked Archaean margin adjacent to the Albany-Fraser Province.

Yarrie

Yarrie lies 30km's north of Saracen Mineral's Carosue Dam Operations and 9km's west of their Red October haul road. Yarrie includes the Wallaby, Gibberts and Great Banjo prospects.

Happy Jack

Happy Jack lies 30 km south of Menzies, on the Goldfields Highway and 60km's north of Norton Goldfield's Paddington Gold operations. Eastern Goldfields Limited's Davyhurst Operations lies 50km WSW.

Wilga Well

Wilga Well lies 9 km's east of AngloGold Ashanti's Sunrise Dam project.

Woodshed Well

Woolshed Well lies 20 km's east of Leonora.



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COMPANY PROJECT ACTIVITY

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

Socrates

The Company has completed its maiden drilling program consisting of a total of 23 RC holes for 1,210m of drilling. The Company views this drill program as a technical success validating its view of the orientation of mineralisation. The exceptional results returned include 23.5g/t Au for 2 meters from 28 meters. The drilling completed has tested approximately 120m of a total 300m strike length defined by previous soil geochemical surveys and has highlighted the shallow, high-grade nature of what appears to be a considerable gold mineralised system.

In the next quarter the company intends to conduct a ground magnetic survey to better understand the structural setting prior to a second phase of RC and diamond drilling. This drilling is intended to determine the tenor and extent of mineralisation at Socrates.

Yarrie

- Wallaby – Post the maiden 1183m drill program at Wallaby the company engaged a surveyor to conduct a Drone survey which included a drill hole collar survey, a high resolution terrain model and aerial imagery.
- Great Banjo (Yarrie) - No work done in quarter;
- Gibberts (Yarrie) - No work done in quarter.

In the next quarter the company intends to conduct ground magnetic surveys on the three Yarrie Tenements to better understand the structural setting prior to determining any future drilling.

Happy Jack

The Conservation Management Plan has been approved by the Department of Planning and the Department of Mines and Petroleum and a POW has been issued.



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Additionally the historical mine workings have been modelled in Surpac with a view to guiding future exploration.

In the next quarter the company intends to

- conduct a Drone survey to include a high resolution terrain model, aerial imagery and a volume assessment of the tailings which are reported to contain and average of +/- 1.8 g/t Au;
- conduct a 12 hole, 580meter RC drilling program that has been proposed to test the 200m strike length of the lode.

Wilga Well

No work done in quarter.

Woodshed Well

No work done in quarter.

CORPORATE

Capital

The Company's cash balance as at 31 March 2018 was A\$3,832,355.

Capital Structure

Fully Paid Ordinary Shares	361,283,292
Unlisted Options	5,000,000 exercisable at \$0.044 on or before 31 May 2018

ABOUT NELSON RESOURCES

Nelson Resources is a minerals exploration company based in Perth, Western Australia. The Company holds a number of gold tenements in the Eastern Goldfields. The Company's objectives are to identify, delineate and develop viable gold resources. The Company is actively looking to increase its gold asset base.



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Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Mark Hill who is a member of The Australasian Institute of Geoscientists. Mr Hill is a Principal Consultant with Red Terra Contracting. Mr Hill has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves. Mr Hill consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

For further information please contact:

Adam Schofield
Executive Director

Peter Cook
Chairman

Appendix 1 – Tenement Information as Required by Listing Rule 5.3.3.

Country	Location	Project	Tenement	Change in Holding (%)	Current Interest (%)
Australia	WA	Socrates	E28/2633	-	100
Australia	WA	Wilga	P39/5586	-	100
Australia	WA	Yarrie (Wallaby)	P31/2085	-	100
Australia	WA	Yarrie (Gibberts)	P31/2086	-	100
Australia	WA	Yarrie (Great Banjo)	P31/2087	-	100
Australia	WA	Woolshed Well	P37/8597	-	100
Australia	WA	Woolshed Well	P37/8598	-	100
Australia	WA	Woolshed Well	P37/8599	-	100
Australia	WA	Woolshed Well	P37/8600	-	100
Australia	WA	Happy Jack	P29/2217	-	100



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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Nelson Resources Limited and Its Controlled Entity

ABN

83 127 620 482

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(312)	(358)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(128)	(458)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other – payment on listing on the ASX in order to settle a legal dispute	-	(100)
1.9 Net cash from / (used in) operating activities	(435)	(911)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)*	-	12
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Cash acquired on acquisition of subsidiary	-	-
2.6	Net cash from / (used in) investing activities	-	12

*Deposit for sale of Mongolian Resources tenements.

3.	Cash flows from financing activities		
3.1	Proceeds from issues of IPO shares	-	5,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares (IPO), convertible notes or options	-	(481)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	4,519

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,267	212
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(435)	(911)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	12
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	4,519

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,832	3,832

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,832	4,267
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,832	4,267

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	98
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors including non-executive and executive director's fees for the quarter.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	310
9.2 Development	-
9.3 Production	-
9.4 Staff costs	70
9.5 Administration and corporate costs	85
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	465

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company Secretary)

Date:30 April 2018.....

Print name: Stephen Brockhurst

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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