

QUARTERLY ACTIVITIES REPORT ENDED 31 DECEMBER 2024

Nelson Resources Limited (“Nelson” or “the Company”) is pleased to provide shareholders its Activities Report for the quarter ended 31 December 2024.

Highlights:

- Corporate
 - The Company completed a placement of \$2.3 million (before costs) through the issue of 1.53 billion new ordinary shares at \$0.0015 each, with a free attaching option for every share subscribed for under the placement.
 - Dr Louis Bucci, an experienced economic geologist with over 20 years’ experience in mineral resources sector, was appointed as Executive Director of the Company.
 - The Company continues to review new project opportunities, both in Australia and overseas, to complement existing projects and to drive value to shareholders.
- Operations
 - Review of existing Fortnum, Yarri and Woodline gold projects are on-going, with no site work completed during the quarter. Desktop review at Fortnum and Yarri has identified additional target areas which will be tested with on-ground exploration in the first quarter of 2025. Nelson proposes to:
 - Test the southern extension of the contact between the Labourchere Formation and Despair contact at Fortnum south.
 - Undertake structural mapping on accessible workings at Yarri to establish potential controls to vein-style mineralisation for future drill testing between the Great Banjo and Gibberts, and Star of Yarri and Beatrice / Yarri South, prospects.

For personal use only



Figure 1: Project Locations.

OPERATIONS

Fortnum Gold Project

Historic and the more recent drilling by Nelson (September 2023) has defined a broad mineralised structure / corridor along the contact between country rock sedimentary units (Labourchere Formation) & granite (the Despair Granite). Although tested in the northern part of the tenement and predominantly within the Labourchere Formation, there is a paucity of drilling along and across the contact. This is particularly the case toward the southern end of the tenement (Figure 2).

With mineralisation distributed throughout both metasedimentary and granitic host rocks, including regolith, further testing across the contact zone is planned within the southern part of the tenement, which also incorporates the interpreted extent of mineralisation as defined by historic drilling with the Despair Granite (see Figure 2 inset). This work is designed to

better-define the scale and distribution of mineralisation in the broader Fortnum Project area.

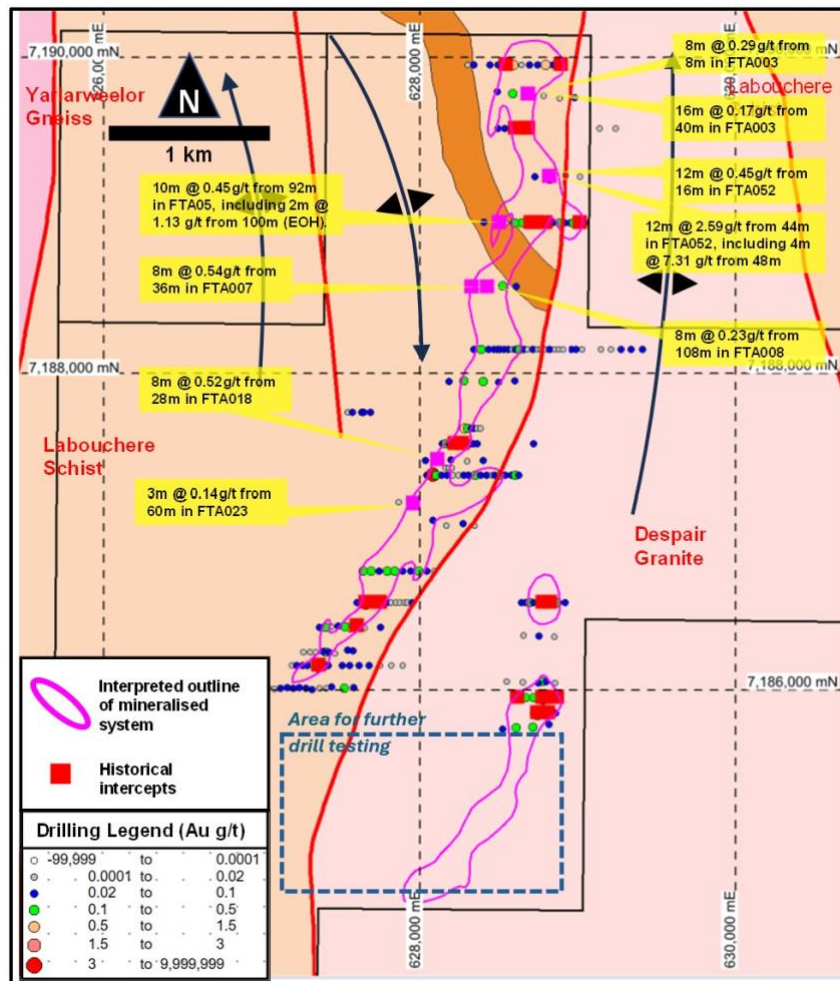


Figure 2: Fortnum previously reported Nelson and historic significant intercepts on interpreted geology (GSWA) and showing location of proposed future drill testing (inset).

Yarri Project

Historic drilling campaigns at Yarri have generated numerous significant results, which have been previously reported for the broader Wallaby to Britisher area (Figure 3). Collectively, the Yarri tenements host an array of Au prospects that form a semi-continuous gold mineralised zone that is NW striking along the margin of the Yarri Monzogranite (Figure 3).

Although no site work was completed during the quarter, the Company is currently finalising a field program of mapping and sampling on accessible workings to better define local structural controls to the mineralisation identified in previous drilling. This work will form the basis of targeting favourable structural positions for future drilling programs in untested areas between the Great Banjo and Gibberts, and Star of Yarri and Beatrice / Yarri South, prospects.

For personal use only

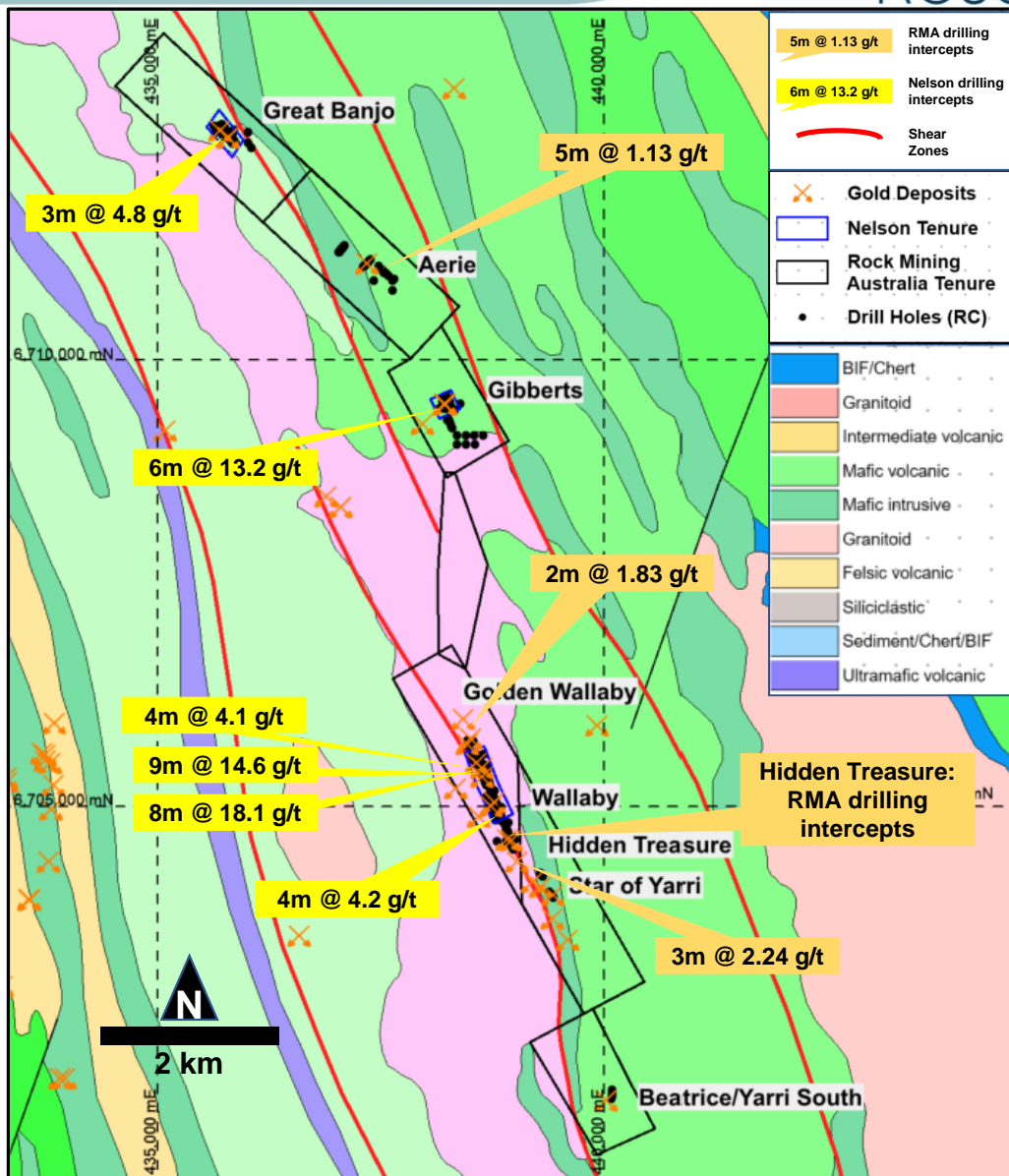


Figure 3: Yarri Project, showing drilling and intercepts at various regional prospects.

Woodline Project

No field work was undertaken at Woodline during the quarter, with a desktop review of the project continuing. Additional data acquisition and compilation work is largely focussed on supplementing open file compilation of previous exploration activity and reprocessing of close-spaced aeromagnetic data over the project area.

Tempest Project

The application for new tenement (E28/3342) was granted during the June quarter. Tenement application E28/3341 was withdrawn during the quarter.

Happy Jack

The Company has a retained 1% NSR on any future gold production on this tenement.

CORPORATE

Board Changes

On 3 October, the Company announced that Mr Gernot Abl had been appointed as Non-executive Chairman. Concurrently, Mr Peter Bird resigned as Chairman and director of the Company.

On 10 December, the Company announced that Dr Louis Bucci had been appointed as Executive Director. Concurrently, Mr Nicholas Ong resigned as director of the Company.

Capital Raising

During the quarter, the Company completed a two-tranche placement and issued approximately 1.53 billion shares at \$0.0015 each. Tranche 1 of the Placement, consisting of 66.67 million shares to raise \$100,000, was completed on 11 October. Tranche 2 of the Placement was approved by Shareholder at the Company's AGM, and was completed on 5 December.

New Project Opportunities

The Company has allocated part of its working capital budget to the identification and evaluation of new mineral resource opportunities in Australia and overseas, undertaking a review of a range of opportunities during the December quarter. Discussions and due diligence are on-going with several opportunities but no decisions have been made at this stage.

In accordance with Listing Rule 5.3.1, the Company reports that there was \$84k spent on exploration and evaluation of projects. Administration and corporate costs were \$222k.

The Company's cash position as of 31 December 2024 was approximately \$2.035 million.

Note 6 to Appendix 5B

Payments to related parties of the entity and their associates:

- Directors fees and wages of \$175k.

For further information please contact:

Gernot Abl

Chairman

+61 8 9486 4036

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr Louis Bucci, a consulting geologist employed by Nelson Resources Limited. Mr Bucci is a Member Australian Institute of Geoscientists and has sufficient experience that is relevant to this style of mineralisation and type of deposit under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bucci consents to the inclusion in the report of the matters in the form and context in which it appears.

For personal use only

Schedule of Exploration Tenements

The schedule of tenements as of 31 December 2024 is shown below.

TenementID	Name	Status	Interest: Previous Period	Interest Acquired	Interest Reduced	Interest: Current Period
E28/2923	Woodline	Live	100%			100%
E28/2874	Woodline	Live	100%			100%
E28/2633	Woodline	Live	100%			100%
E28/2679	Woodline	Live	100%			100%
E28/2769	Woodline	Live	100%			100%
E28/3210	Woodline	Live	100%			100%
E28/3342	Tempest	Live	100%			100%
E28/3341	Tempest	Live	100%			100%
P31/2085	Tempest	Live	100%			100%
P31/2090	Yarri	Live	100%			100%
P31/2088	Yarri	Live	100%			100%
P31/2087	Yarri	Live	100%			100%
P31/2086	Yarri	Live	100%			100%
P31/2091	Yarri	Live	100%			100%
P31/2089	Yarri	Live	100%			100%
E28/2805	Yarri	Live	100%			100%
P31/2093	Yarri	Live	100%			100%
P31/2096	Yarri	Live	100%			100%
M31/490	Yarri	Pending	100%			100%
M31/489	Yarri	Pending	100%			100%
M31/503	Yarri	Pending	100%			100%
M31/504	Yarri	Pending	100%			100%
M31/505	Yarri	Pending	100%			100%
E52/3695	Fortnum	Live	100%			100%
E52/4133	Fortnum	Live	100%			100%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Nelson Resources Limited

ABN

83 127 620 482

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(222)	(251)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(220)	(249)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(84)	(128)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	15
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(84)	(113)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,300	2,300
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(4)	(4)
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	2,296	2,296
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	43	101
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(220)	(249)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(84)	(113)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,296	2,296

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,035	2,035

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	2,035	43
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)	2,035	43

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	175
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

For personal use only

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(220)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(84)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(304)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,035
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,035
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.7
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

Date: 29 January 2025

Authorised by: By the Board of Nelson Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.