ASX RELEASE
29 JUL 2022
ASX:NES

QUARTERLY ACTIVITIES REPORT FOR QUARTER ENDED 30 JUNE 2022

Nelson Resources ("Nelson" or "the Company") is pleased to provide shareholders its Activities Report for the quarter ended 30 June 2022.

Highlights:

- Completion of passive seismic geophysics program at Tempest to aid with planning of upcoming drilling program.
- Completion of Hyperspectral geophysics data processing program at Fortnum to further plan upcoming drilling program.
- Continued planning for a 12,800m Aircore drilling program to be conducted at eight of the Company's prospects at the Woodline and Tempest Projects commencing in late August due to rig availability.
- Continued to negotiate a new Native Title Heritage agreement covering the Company's Woodline and Tempest Projects.

COVID-19:

During the quarter, the Company continued to follow all State Government directives in respect to COVID-19 and the Company's operations. The Company did not experience any operational delays due to COVID-19 during the quarter, however it is experiencing difficulties in finding part time field geologists and field assistants.

Corporate and Finance:

During the quarter, the Company continued repairs and maintenance on its drilling equipment and support vehicles with an aim to sell the equipment in the next 1-2 quarters.

The Company minimised expenditure during the quarter whilst preparing for a large Aircore Drilling program in the next quarter.

EXISTING PROJECTS

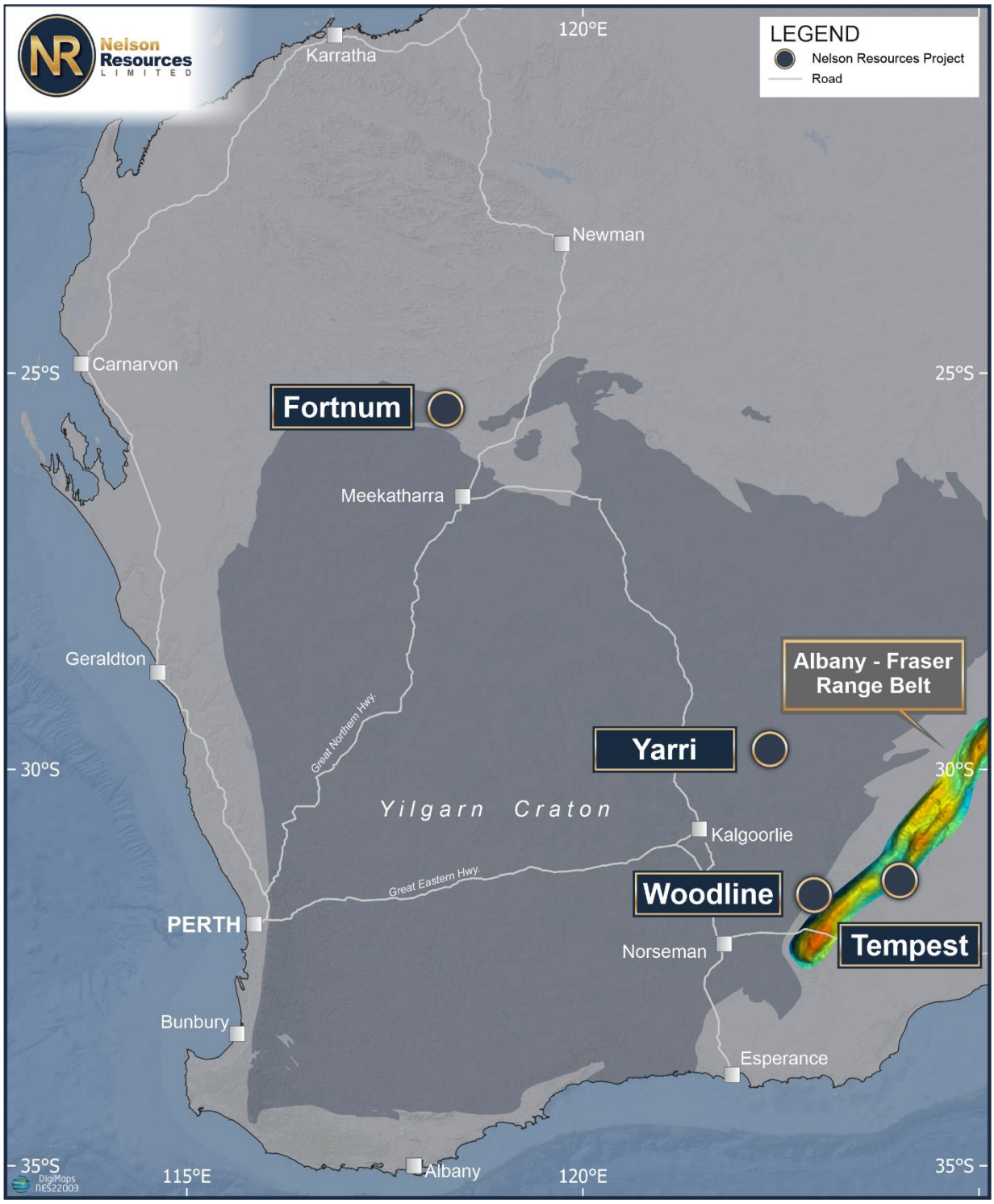

Figure 1 – Project Locations.

Project Activity

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

WOODLINE
Socrates-Grindall-Redmill-Harvey

During the quarter, the following work was done at Woodline:

- Planning of 10,800m of Aircore drilling at seven Woodline targets continued with anticipated start date in late July subject to drill rig availability (Figure 2).
- Drill hole markup and access confirmed.
- Continued to negotiate a new Native Title Heritage agreement covering the Company's Woodline and Tempest Projects.

Morris-Tyler

During the quarter the company planned a small drill program at Morris to test a Nickel surface anomaly previously identified by SIPA / Newmont. Due to POW delays the company is unlikely to drill this prospect in the next quarter.

The Company conducted no work at its new Tyler prospect.

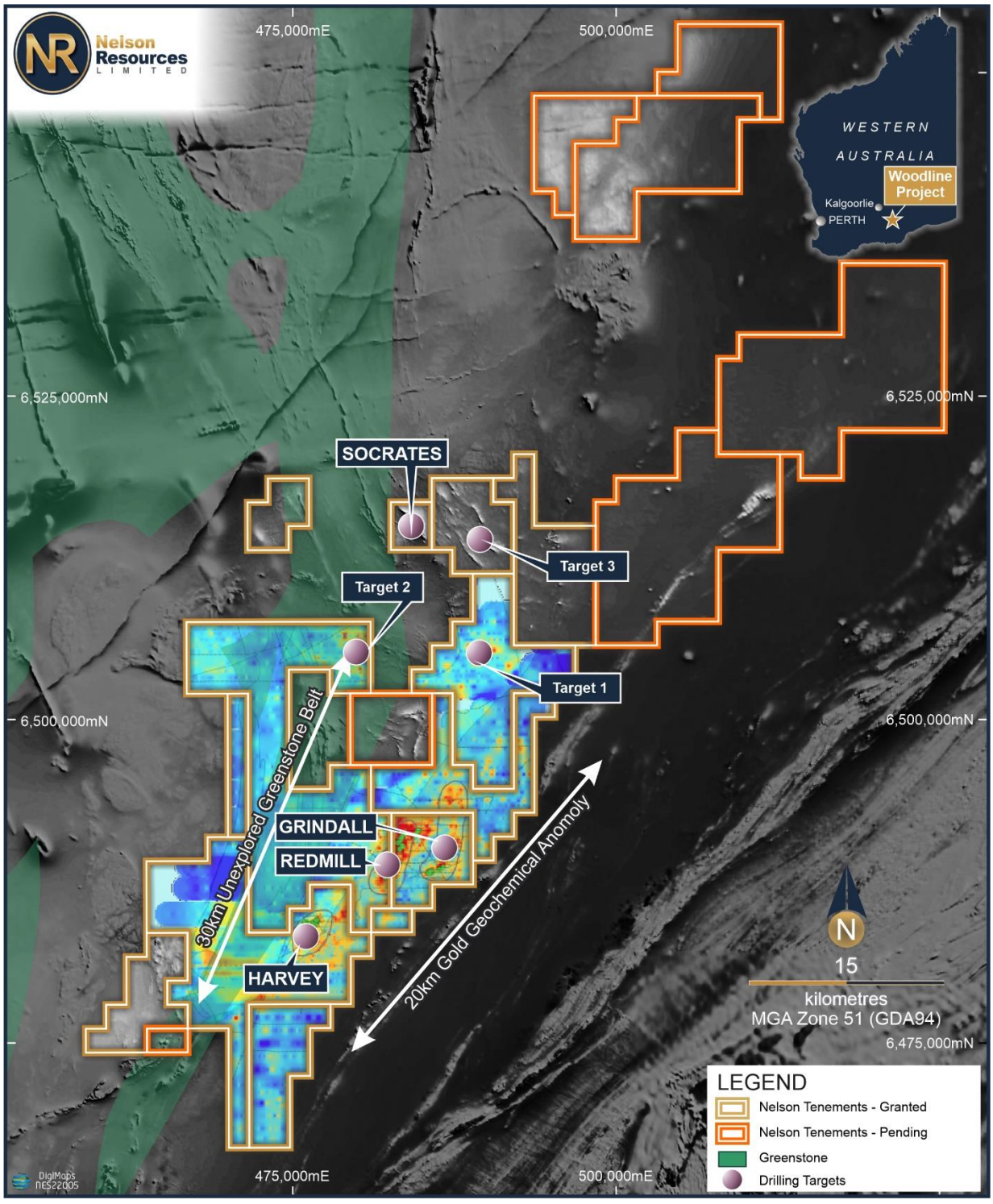

Figure 2 – Surface geochemistry image over the Woodline Project showing location of planned Aircore Drilling and new tenure.

TEMPEST PROJECT

During the quarter, the following work was done at Tempest:

- Established site access.
- Completion of a passive seismic geophysics survey.
- Planned Aircore drilling program due to commence in September

The passive seismic survey (Figure 3) covered a series of traverses across the main area of interest in the southern part of the project. Enough data was gathered to interpret the possible depth to basement and the likely shape of the contact. This data has been used to delineate the upcoming Aircore program.

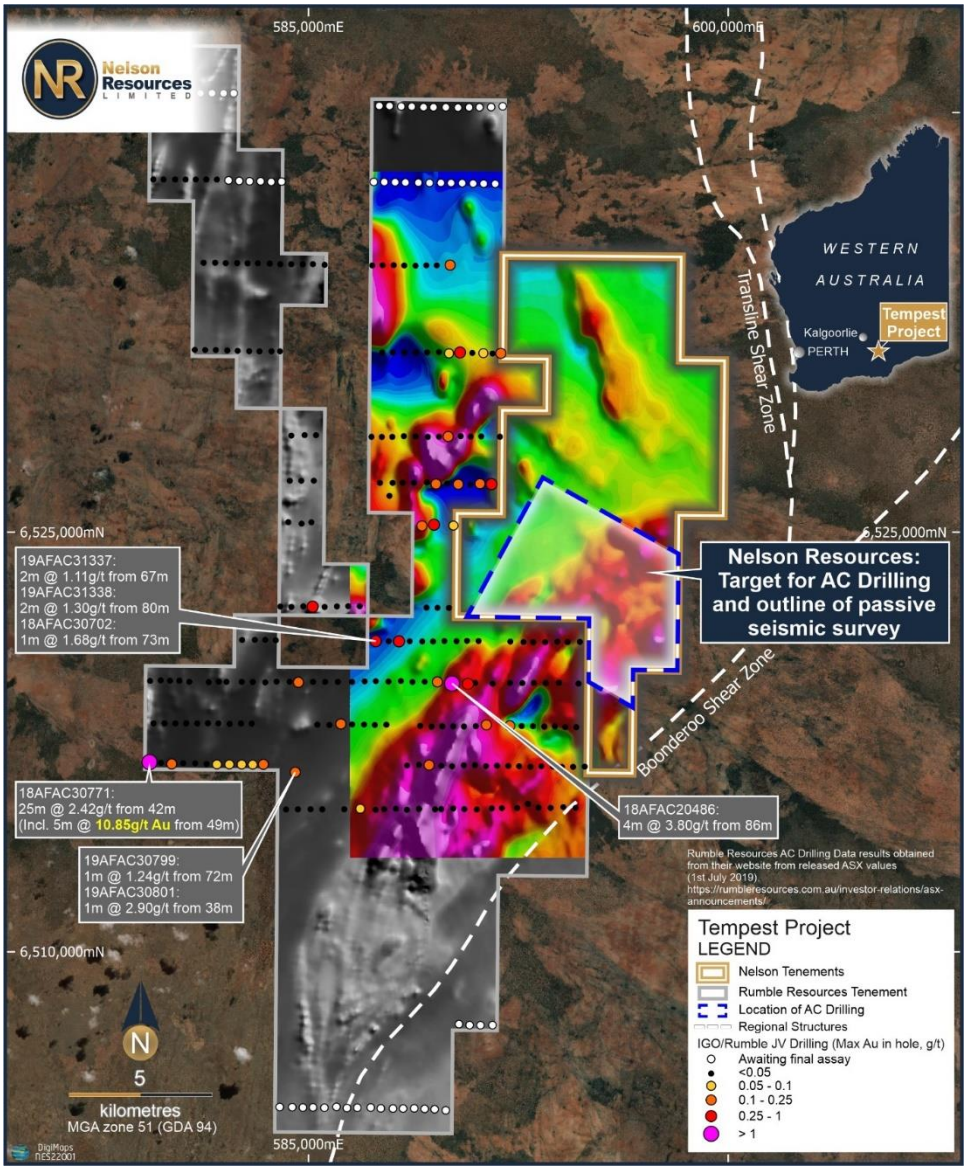

Figure 3: Location of passive seismic survey showing IGO/Rumble tenement & significant results on NES aeromagnetic survey.

Fortnum Project

During the quarter, the following work was completed at Fortnum:

- A review of hyperspectral geophysics data received from Western Geospectral was commenced with a view to combining this data with historical drilling and surface sampling to generate Aircore and RC drill targets
- The Company continued to refine its planned drilling program planned for September / October.

Details of the Hyperspectral Review:

The equipment used was a HyMap sensor which is a 4-spectrometer, opto-mechanical, line-scanning system that captures imagery in 128 channels across the reflective solar region of the electromagnetic spectrum. This spans the visible and near infrared (VNIR) to the short-wave infrared (SWIR) spectral regions from approximately 450nm to 2500nm.

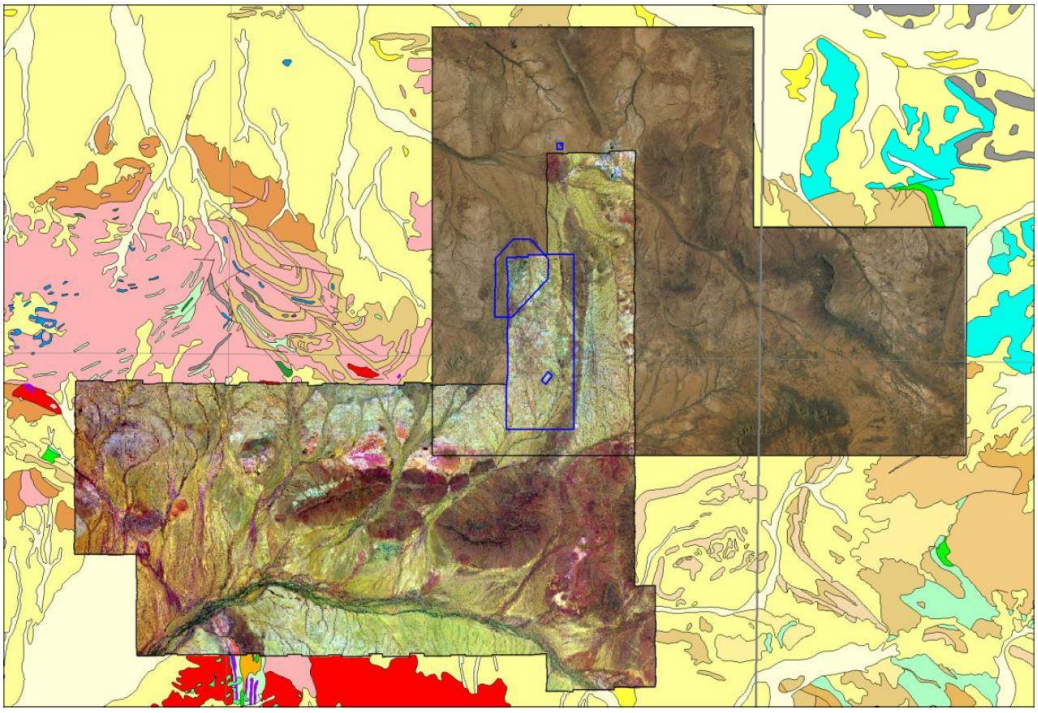

Figure 4: Multispectral Image over the Company's area-of-interest with 1:250,000 regional geology. The smaller blue polygon shows the areas of interest. The larger blue rectangle shows the HyMap subset processed.

Analysis:

The Labouchere Formation in the Company's area of interest, represents a deformed and foliated meta-sedimentary wedge between the Despair Granite and the Yarlarweelor Gneiss Complex to the west. According to the GSWA, large-scale tectonic interleaving has been observed between the Labouchere Formation and the granitic rocks and in places it is difficult to distinguish the meta-sediments from the granites.

The HyMap imagery shows that there is a different structural tenor between the Despair Granite and the western exposure of Labouchere Formation. This likely reflects different deformation histories and possibly some stratigraphic control in the meta-sediments, although the dominant linear feature in the area may be a bedding-parallel fault.

This potential parallels the apparent contact with the Despair Granite and, in part, is co-incident with Nelson's geochemical targets so is considered a feature of interest.

In the Company's target area several SWIR and VNIR end-members highlight features of interest that align with some of the geochemical targets. In this area the expression of white mica is somewhat subdued, but is characterised, in general, by intermediate-Al compositions. Small discrete high-Al white mica features are present at several locations, some co-incident with geochemical targets, that show changes and high gradients in white mica chemistry that could be due to hydrothermal alteration.

In the SWIR a jarosite end-member was identified at a small discrete feature adjacent to drainage to the south-east of Wilthorpe mine to the South of the Fortnum project. The mineral map derived from this end-member shows low abundances of possible jarosite elsewhere, but of interest is that its distribution corresponds with that of VNIR end-member 7. This end-member shows discrete features aligned along the prominent linear trend described above. The VNIR signatures of these features appear to be due to goethite or a mixed hematite-goethite that are characterised by a prominent high reflectance toward 1300nm. The distribution and signatures of these features suggest they are worth investigating.

This end-member also highlights a discrete circular feature over the northern extent of the main linear of interest that is coincident with a weak circular chlorite feature. This lies at the southern end of one of the larger soil geochemical anomalies and represents a potentially significant target.

Further interpretation of the data will likely reveal other features of interest that will help prioritise geochemical anomalies for investigation.

Yarri Project

During the quarter, the Company commenced a new review of the Yarri Project data with a view to determining what future work can be done to add value to this project.

Happy Jack

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

PROJECTS OVERVIEW

Woodline Projects

Grindall-Redmill-Harvey, Socrates, Tyler & Morris

The Woodline Project (Figure 2) lies 140km South East of Kalgoorlie and is halfway between the Trans Australia Rail line and the Eyre Highway. The Woodline Project consists of the Grindall, Redmill, Harvey, Socrates & Morris Projects which makes up 1220km² of prime exploration tenure.

The Project lies across the boundary of the Archaean Yilgarn Craton and the Proterozoic Northern Foreland of the Albany-Fraser Orogen.

Work carried out by Nelson at Socrates has returned several significant gold intersections, suggesting a large underlying gold system. The Company believes that Grindall, Redmill, and Harvey each have the potential to host a Tropicana scale gold deposit.

The Woodline Project incorporates:

- 65km of the Cundeelee fault within its tenure and contains an identified >20km gold geochemical and bedrock gold anomaly which is in the same geological structural setting 2 as the 7.7 million ounce Tropicana Gold Mine[3]
- 30km of significantly unexplored greenstones within the Norseman-Wiluna greenstone belt, and
- A significant and unique holding within the confluence of the Keith-Kilkenny Fault / the Claypan Shear Zone and the Cundeelee Shear Zone. These three Shears have hosted many of the largest gold projects in Western Australia.
- Recent drilling geophysics has identified several mineralised zones and extensions at Socrates Main, Socrates West and Socrates East.

Socrates

Socrates Main

The Socrates Project (12km²) (Figure 2) is hosted within a mafic unit that is bounded to the west by andesitic and rhyolitic volcanics and sediments to the east. This mafic unit is located within the Claypan Fault. The project is the Company's original project and has had approximately 8,400 meters of RC drilling completed. The bulk of this drilling is on a mineralised zone that currently extends for approximately 350m and is open on strike and down dip. Recent geophysics has highlighted up to 2km of potential mineralised structures.

Previous drilling results include:

- **1m @ 142 g/t Au**
- **192m @ 0.5 g/t Au**
- **8m @ 3.53 g/t Au**
- **25m @ 2.06 g/t Au**

Socrates West

The West Socrates prospect is within the Socrates Tenement and has been identified from previous drilling by Nelson[5] as well as mapping and rock chip sampling by Nelson[6].

Previous drilling results include:

- **7m @ 5.02 g/t Au**
- **1m @ 1.12 g/t Au**
- **1m @ 1.04 g/t Au**

Socrates East

The Socrates East prospect is within the Socrates Tenement and is a drill target that has been identified through historic gold geochemistry work done by SIPA/Newmont (Figure 2).

Grindall-Redmill-Harvey

The Grindall, Redmill & Harvey prospects are associated with sub-parallel curvilinear structures that dip moderately to the east. The structures are interpreted to form in the hanging wall of the (deep seated / crustal scale) Cundeelee Fault which is the boundary between the Yilgarn Craton and the Albany-Fraser Orogen and are coincidental with a surface geochemical anomaly that has been defined from previous geochemical data and extends for a strike length of more than 20km (Figure 2). Anomalous Au, Te, Bi and Cu present in the bedrock can be used to identify structurally-controlled gold mineralisation and has been identified over a strike length of 12 km on the Redmill-Harvey trend and over 5 km at Grindall.

At Grindall, the Company has successfully targeted and intersected a gold mineralised structure with a strike length of more than 500m.

The Company has completed high-resolution geophysical surveys to aid the interpretation of the bedrock geology and shear zones beneath the surface geochemical anomaly at Grindall and Redmill. The geological interpretation from the geochemistry and geophysics was used to derive drill targets which will continue to tested as part of the Company's on-going drilling programs.

Previous drilling results include:

- **9m at 0.41g/t Au from 81m, incl. 0.9m at 1.13g/t Au from 82.1m**
- **and 1m at 1.14g/t Au from 87m.**
- **2m at 0.25g/t Au from 127m and 1m at 0.38g/t Au from 130.6m.**
- **3m at 0.30g/t Au from 91m, 2m at 0.43g/t Au from 101m**
- **and 2m at 0.70g/t Au from 108m.**

Tyler

The 35 km² Tyler prospect was previously explored by Sipa / Newmont JV from 2006 to 2013. During the Sipa / Newmont tenure exploration totalled $1.5M and included:

- **Project-wide auger calcrete sampling (641 samples).**
- **RAB drilling (451 holes for 13,574m).**
- **Aircore drilling (8 holes for 240m).**
- **Mapping and rock chip sampling (28 samples).**

The RAB drilling and sampling was completed by the Sipa-Newmont JV in 2011 and reported during 2011 and 2012 (see also WAMEX A93132). These results have been reassessed by the Company and include 1m @ 5.26g/t (from 16m in WDR2193), 2m @ 1.91g/t (from 25m in WDR1816) and 3m @ 2.13g/t (from 27m in WDR1819).

Morris

The Morris nickel prospect (Figure 2) is located in the south of the Woodline Project area, where mafic and ultramafic rocks of the Yilgarn Craton are intruded by the Jimberlana Dyke and are in faulted contact with the Northern Foreland of the Albany Fraser Orogen.

The concept for a nickel target at Morris was originally described by Western Mining Services' renowned geologist Dr Jon Hronsky OAM as part of a review of the magmatic nickel sulphide potential of the Jimberlana Dyke. The review identified the intersection of the Keith-Kilkenny, Jerdacuttup and Cundeelee Faults as a possible magmatic foci1.

Tempest Project

The Tempest gold project is located 250km ESE of Kalgoorlie and 90km NE from Nova-Bollinger Mine in the Albany-Fraser orogen (Figure 1). The project has an area of 105 km² and borders the IGO / Rumble Thunderstorm JV project (Figure 3). Drilling at the Thunderstorm JV includes an exceptional intercept of 25m @ 2.42g/t Au at the Themis Prospect and 4m @ 3.8g/t Au at the Pion Prospect[5]. More recent drilling includes an equally exceptional intercept of 16m @ 6.69 g/t Au from 42m (including 4m @ 22.2 g/t Au from 50m)[6].

The project is located in the Fraser Complex of the Proterozoic Albany-Fraser Orogen and is east of the Archean Yilgarn Craton. The Proterozoic geology is completely obscured by Tertiary fluvio-marine sediments associated with the Eucla Basin, which cover much of the region.

The project has the potential to host gold resources and historical exploration is both limited and early stage. Historical work completed is unrelated to the potential extension of the gold-bearing paleochannel identified at the neighbouring Thunderstorm project.

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 (Figure 1) consists of three prospects to the North and East of the historic Yarri State Battery site. The Company's focus has been on the Wallaby line of workings immediately to the East of Yarri, where drilling by the Company has returned a number of high-grade gold drilling 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 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 (E52/3695) is a 21km² tenement located within the Peak Hill Mineral Field, approximately 14km southwest of the Fortnum Mining centre (Figure 1). The geology of the tenure consists of a fault bounded package of schists derived from the Labouchere Formation constrained by the Despair Granite to the east and Yarlarweelor Gneiss complex to the West.

Previous drilling has not fully tested the anomalous gold-in-soil results on the existing targets that has been the focus of previous drilling. Historical drilling returned significant results including 5m @ 4.71 g/t from 35m in FRB3032, 8m @ 2.41 g/t from 52m in FRB1117 and 3m @ 2.43 g/t from 2m in FRB3032. These results present a compelling target for follow-up drilling. The Company believes that Fortnum is an excellent short-term exploration opportunity with its historical results and proximity to processing facilities at Fortnum.

Corporate

During the quarter, the Company continued repairs and maintenance on its drilling equipment and support vehicles with an aim to selling the equipment in the next 1-2 quarters.

Financial commentary

The Appendix 5B for the quarter ended 30 June 2022 provides an overview of the Company's financial activities. Exploration expenditure for the quarter was $162K and plant and equipment expenditure for the quarter was $63K. Corporate and other expenditure for the quarter was $69K. The total amount paid to Directors of the Company, their associates and other related parties was $103K and includes salary, fees and superannuation.

FUTURE EXPLORATION PROGRAMS

Nelson has extensive fieldwork programs planned for the remainder of 2022. These include:

Aircore Drilling

- At Socrates-Grindall-Redmill-Harvey, a 12,800m program of Aircore drilling is planned for late July to test incompletely explored portions of seven mineralised systems. Three of these (Figure 2) being targets 1,2 & 3 have never been drilled. Previous RAB drilling has not been effective and the recent results clearly indicate that some of this historical work needs to be repeated.
- Tempest: First pass drilling program over the main target zone identified from the project review. This is currently planned for August.
- Fortnum: First pass drilling program over the main target zone identified through the recent project review. This is currently planned for September / October and is subject to Native Title clearance.

RC Drilling

- Follow-up any results from Aircore drilling, discussed above.
- At Socrates and Grindall-Redmill, several planned holes were not completed last year and these will be revisited for 2022. In addition, new RC drilling targets are anticipated to be generated from the ongoing project review.

Other

- Follow-up surface geochemistry and geophysics at the Morris nickel prospect to define targets for RC drilling.
- At Tempest, an IP geophysical survey may be conducted to follow up on drilling planned for late May / early June.

ABOUT NELSON RESOURCES

Nelson Resources is an exploration Company with a significant and highly prospective 1488km² tenure holding (Granted and Pending). The key focus for the Company is its 1220km² Woodline Project (Granted and Pending).

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:

- 65km of the Cundeelee Shear Zone which already consists of a known +20km Gold Geochemical and bedrock anomaly, hosted in the same geological structural setting 2 as the 7.7 million ounce Tropicana Gold mine[3].
- 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 Cundeelee Shear Zone. These three Shears have hosted many of the largest gold projects in Western Australia.
- Historical exploration of $18 million by the Company, Sipa Resources, Newmont and MRG.

Fortnum presents a significant Gold exploration opportunity for the Company. The project is located in a poorly explored section of greenstone belt and based on historical exploration the project should deliver an effective return at a low cost to the Company.

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

For further information please contact:

Adam Schofield
Executive Director
ceo@nelsonresources.com.au

Previous ASX Announcements and report references

[1] https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Korsch-presentations-0012.pdf
[2] https://www.dmp.wa.gov.au/Documents/Geological-Survey/GSWA-AFO-Spaggiari_2-presentations-0004.pdf
[3] http://www.tropicanajv.com.au/irm/content/reserves-resource-statement1.aspx?RID=284
[4] http://www.tropicanajv.com.au/irm/content/fact-sheet.aspx?RID=318
[5] https://secureservercdn.net/198.71.233.9/eb2.ffb.myftpupload.com/wp-content/uploads/2018/09/02022900.pdf
[6] https://secureservercdn.net/198.71.233.9/eb2.ffb.myftpupload.com/wp-content/uploads/2020/09/02282936.pdf
[7] https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02453051-6A1063133?access_token=83ff96335c2d45a094df02a206a39ff4
[8] https://www.dmp.wa.gov.au/WAMEX-Minerals-Exploration-1476.aspx (Report A119961)

Schedule of Exploration Tenements

Project Name	Tenement	Granted or Pending or Withdrawn	Interest: 31/03/22	Interests in mining tenements and petroleum tenements acquired or increased	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Interest: 30/06/22
Socrates	E 28/2633	G	100%	-	-	100%
Grindall North	E 28/2769	G	100%	-	-	100%
Socrates - South	E 28/2873	G	100%	-	-	100%
Socrates – East	E 28/2993	G	100%	-	-	100%
Socrates - East	E 28/2953	G	100%	-	-	100%
Morris	E 28/2941	G	100%			100%
Grindall	E 28/2679	G	100%	-	-	100%
Grindall South	E 28/2768	G	100%	-	-	100%
Redmill	E 28/2874	G	100%	-	-	100%
Redmill West	E 28/2987	G	100%	-	-	100%
Tyler	E 28/3210	P	-	100%	-	-
Harvey South	E 63/1971	G	100%	-	-	100%
Harvey	E 28/2923	G	100%	-	-	100%
Harvey West	E 28/2986	G	100%	-	-	100%
Harvey West	E 28/3081	P	-	-	-	-
Hope West	E 28/3127	P	-	-	-	-
Hope East	E 28/3130	P	-	-	-	-
Orion North	E 28/3128	P	-	-	-	-
Orion South	E 28/3129	P	-	-	-	-
Tempest	E 28/2805	G	100%	-	-	100%
Yarri - Wallaby	P 31/2085	G	100%	-	-	100%
Yarri - Gibberts	P 31/2086	G	100%	-	-	100%
Yarri - Gt Banjo	P 31/2087	G	100%	-	-	100%
Fortnum	E 52/3695	G	100%	-	-	100%

Tenement Applications

None during the quarter.

Appendix 5B

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

Name of entity	
Nelson Resources Limited	
ABN	**Quarter ended ("current quarter")**
83 127 620 482	30 June 2022

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	347
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(126)	(1,135)
	(e) administration and corporate costs	(69)	(824)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(2)	(11)
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**	**(197)**	**(1,623)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(63)	(366)
	(d) exploration & evaluation	(162)	(1,335)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	31
	(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**	**(225)**	**(1,670)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,793
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	(15)	(532)
3.5	Proceeds from borrowings	-	124
3.6	Repayment of borrowings	(12)	(162)
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**	**(27)**	**4,223**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,506	127
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(197)	(1,623)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(225)	(1,670)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(27)	4,223

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,057**	**1,057**

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	1,057	1,506
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)**	**1,057**	**1,506**

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	103
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.

Includes Directors' salaries, fees and superannuation (inclusive of GST).

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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)	(197)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(162)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(359)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,057
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,057
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.9

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.

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: The Company expects to have similar net operating cashflows for the time being. The Company anticipates the selling of its drilling business to be completed within the next 1 - 2 quarters.

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: The Company does not intend to raise any further cash in the near term.

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: The Company does expect to continue its operations and meet its business objectives as outlined in questions 8.8.1 and 8.8.2.	
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.	

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 July 2022

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.