

QUARTERLY ACTIVITIES REPORT ENDED 30 SEPTEMBER 2024

Nelson Resources Limited (“Nelson” or “the Company”) is pleased to provide shareholders its Activities Report for the quarter ended 30 September 2024.

Highlights:

① Corporate

- Post Quarter-end, the Company announced a placement of up to \$2.3 million (before costs) through the issue of 1.6 billion new ordinary shares at \$0.0015 each
- Post Quarter-end, Mr Gernot Abl, an experienced corporate adviser and company director, was appointed Non-executive Chairman following the resignation of Mr Peter Bird
- The Company continues to review new project opportunities, both in Australia and overseas, to complement existing projects and to drive value to shareholders.

① Operations

- Ongoing desktop review of the Yarri Project has identified additional regional target areas warranting on-ground exploration. Nelson proposes to:
 - complete mapping and sampling on accessible workings to determine controls on mineralisation. It is well known that the veins are late, have a northerly plunge, parallel to interpreted regional folding, and are within a high-strain shear zone. However, the relationship between folds, shear zones and veining are not well understood.
 - complete a remote survey of the workings to determine exactly where material has been removed so that this material can be discounted from resource estimation.
 - If warranted, twin a few holes previously completed by Rock Mining Australia.
 - undertake a regional surface sampling program utilising modern geochemistry to identify additional mineralisation over the target areas

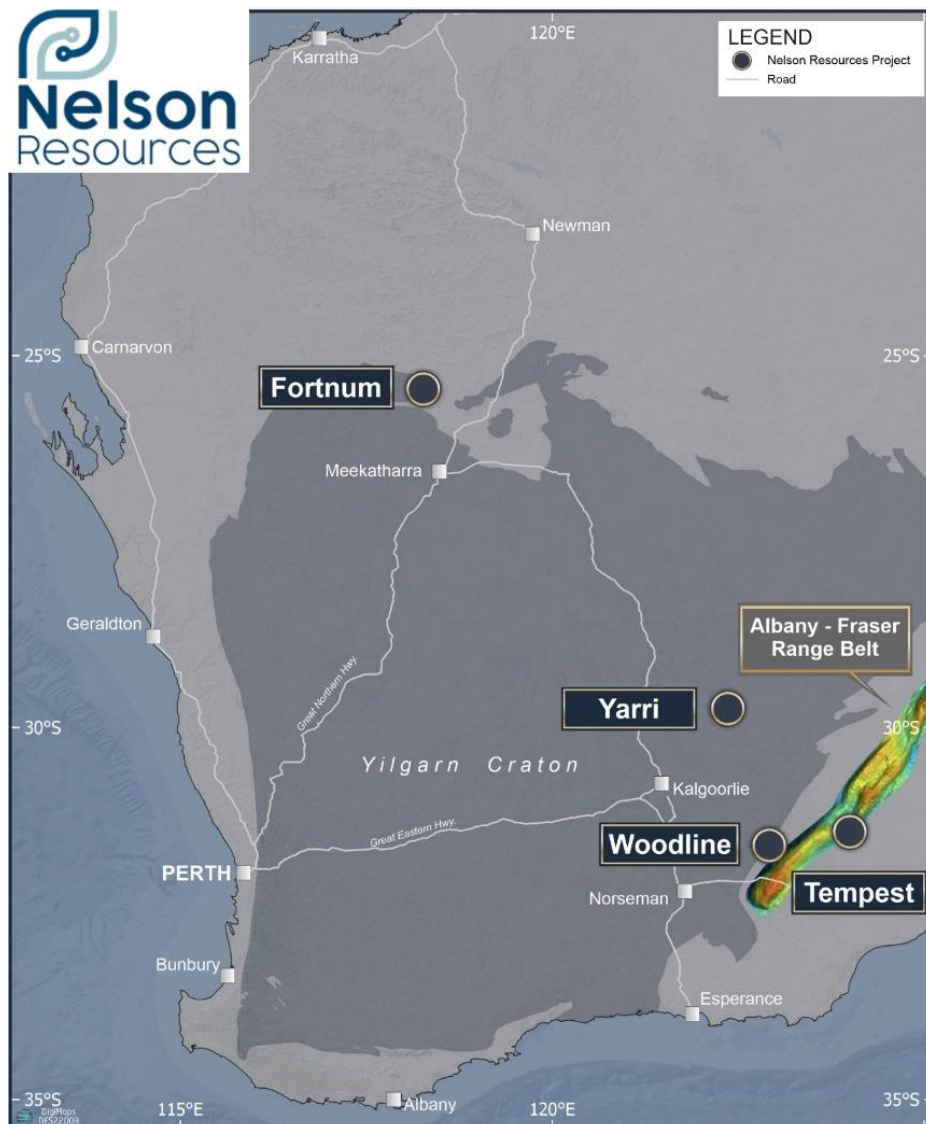


Figure 1: Project Locations.

OPERATIONS

Fortnum Project

Nelson have explored the project since 2017 and have put a substantial amount of effort into compiling the historical data for the project, which includes:

- Aerial photography, aeromagnetic and remote sensing surveys.
- 2,992 surface samples over the area of the project.
- 566 RAB, and some aircore, drill holes for 14,174m.

This work effectively outlined two linear targets coincident with the western edge of the Despair Granite. Further compilation of the geology also identified that significant areas of the project were poorly tested because the original drilling was too shallow or had been sampled ineffectively.

Out of the 677 assay results returned from the 4m composites sampled from the drilling, nearly 5% were anomalous (i.e.: greater than 0.1 g/t Au). These results are encouraging and give a strong indication of the presence of a mineralised system. However, the drill type (aircore and RAB) are not suitable to allow a JORC Compliant Mineral Resource Estimate to be calculated.

These results will need further exploration drilling in order to advance the project. At this stage, it is anticipated that the future work will comprise aircore drilling to fill in the current drill pattern and define the outline of the mineralised system. Subject to funding, this work will need to be followed up with RC drilling to define mineralisation below the shallower anomalous results identified in RAB and aircore drilling.

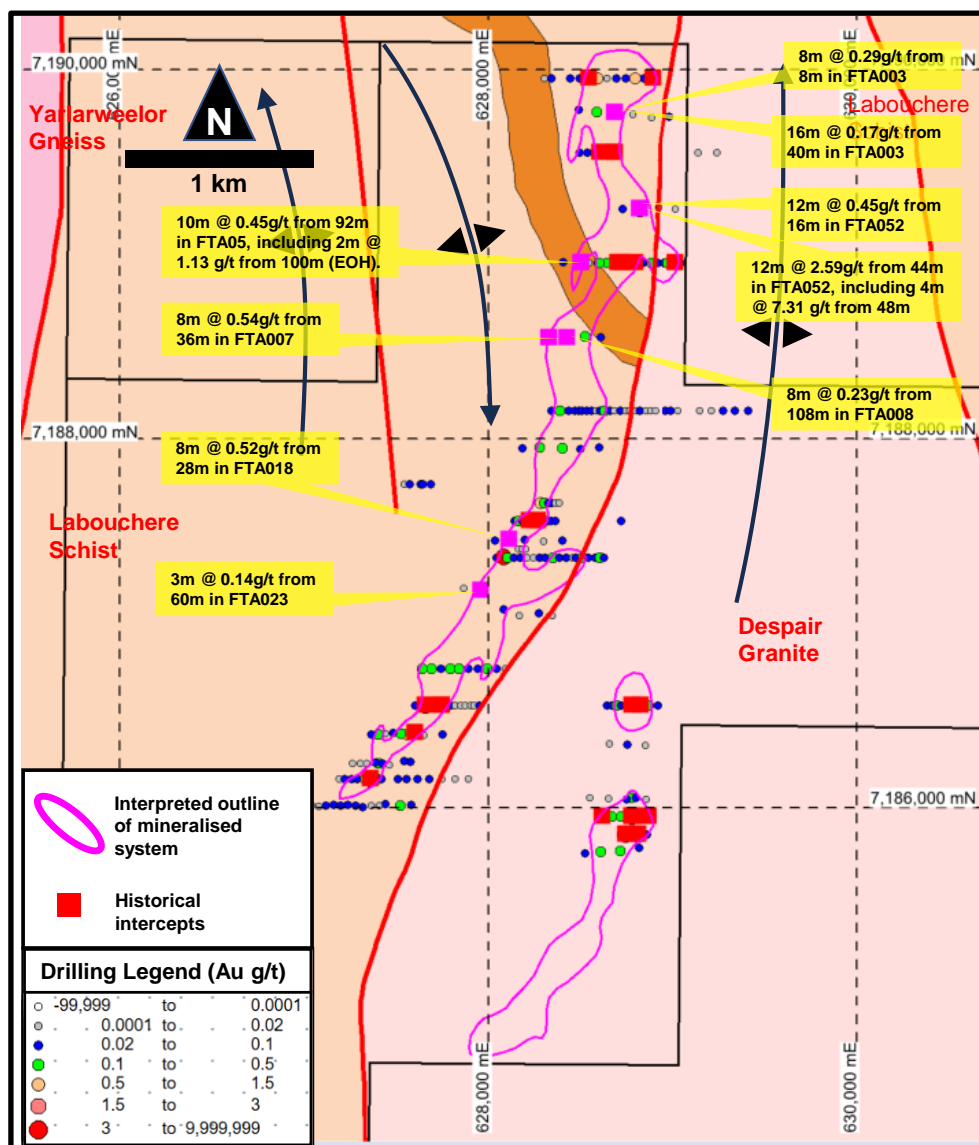


Figure 2: Fortnum Significant intercepts from the recent drilling program on interpreted geology (GSWA) showing location of historical intercepts.

Yarri Project

The Yarri Project is approximately 140km northeast of Kalgoorlie. Historical drilling campaigns at Yarri have generated numerous significant results, as previously reported (**Figure 3**). Subsequent to the acquisition of the Rock Mining Australia tenure, Nelson compiled all of the drilling data from the project, surveyed all available drill collars with RTK-DGPS and then completed rehabilitation on all drill collars. From this work, most of the historical drill collars have been located.

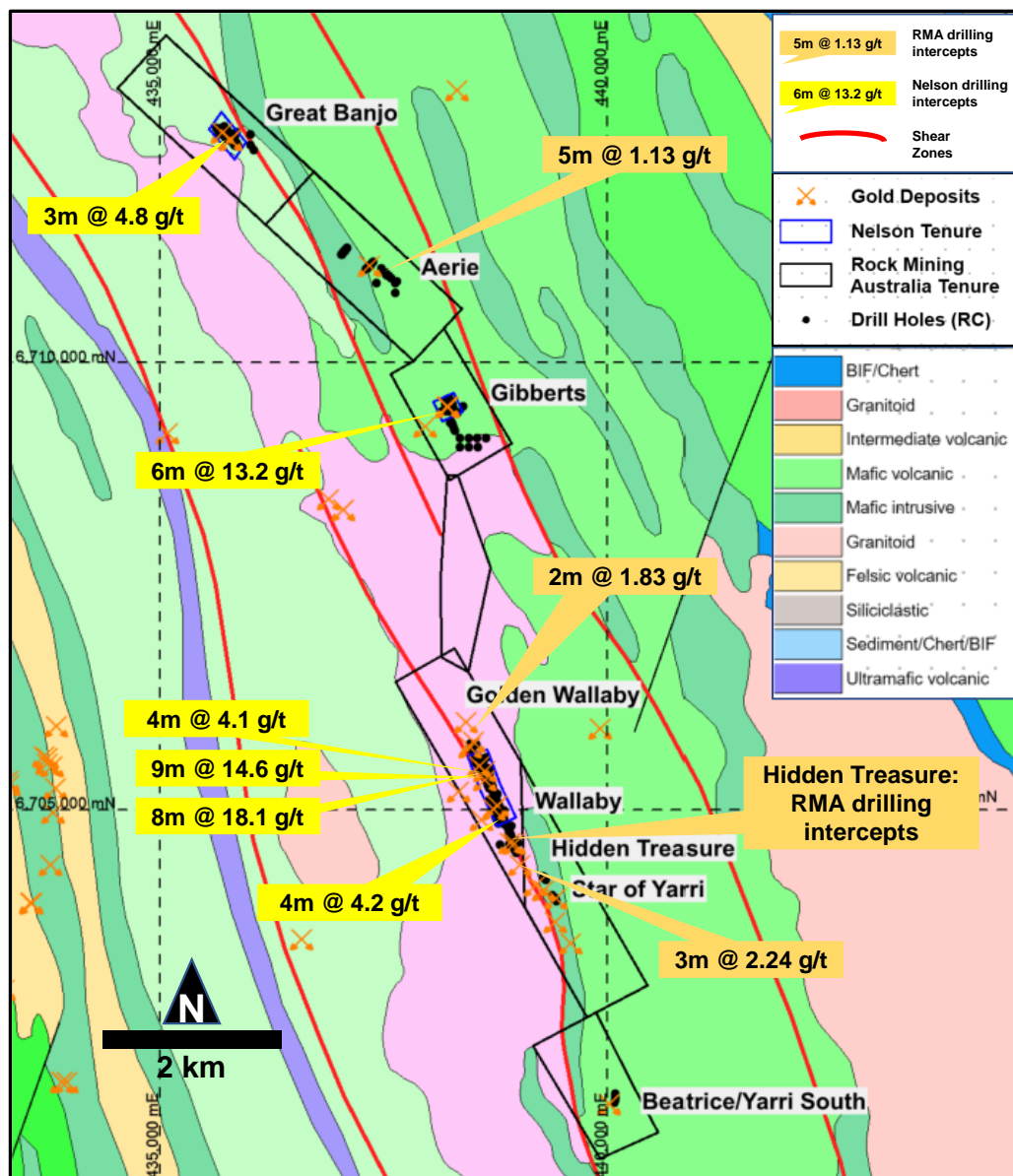


Figure 3: Yarri Project, showing drilling and intercepts at various regional prospects.

Outside of the Wallaby to Britisher area, the project has been poorly tested. Numerous small and commonly shallow drill programs have tested the prospects to the south but there has been no systematic attempt to define the full extent of the mineralised structure.

The mineralised system, defined by the drilling and historical mining is approximately 1.7km long and stretches from Golden Wallaby to Britisher following the main trend of the Wallaby Shear. Although there are several named prospects along the trend, it is all effectively the same deposit.

Further work is needed at Yarri to realise the potential of the area. Nelson proposes to:

- Complete mapping and sampling on accessible workings to determine controls on mineralisation. It is well known that the veins are late, have a northerly plunge, parallel to interpreted regional folding, and are within a high-strain shear zone. However, the relationship between folds, shear zones and veining are not well understood.
- Complete a remote survey of the workings to determine exactly where material has been removed so that this material can be discounted from resource estimation.
- Twin a few holes previously completed by Rock Mining Australia.
- Undertake a regional surface sampling program utilising modern geochemistry to identify additional mineralisation.

Woodline Project

The compilation of the previous work, for the tenements granted during the previous quarter, continued up to the end of September. A review of the project is in progress.

Tempest Project

The application for new tenement (E28/3342) was granted during the June quarter. Tenement application E28/3341 is still pending subject to negotiation of heritage protection agreement.

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.

Capital Raising

On 4 October, the Company announced that it had received firm commitments to raise up to \$2.25 million (subsequently increased to \$2.3 million) through the issue of up to 1.6 billion new ordinary shares at \$0.0015 each by way of a two-tranche placement (**Placement**). Tranche 1 of the Placement, consisting of 66,666,666 shares to raise \$100,000, was completed on 11 October 2024. Tranche 2 is subject to Shareholder approval at the Company's upcoming AGM.

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 September 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 \$44k spent on exploration and evaluation of projects. Administration and corporate costs were \$29k.

The Company's cash position as of 30 September 2024 was approximately \$43k.

Note 6 to Appendix 5B

Payments to related parties of the entity and their associates:

- Directors fees and wages of \$6,000.

For further information please contact:

Nicholas Ong

Dan Smith

Director and Company Secretary

Director

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Edward Mead, a consulting geologist employed by Nelson Resources Limited. Mr Mead 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 Mead consents to the inclusion in the report of the matters in the form and context in which it appears.

Schedule of Exploration Tenements

The schedule of tenements as of 30 September 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%
E28/2873	Woodline	Live	100%			100%
E28/2769	Woodline	Surrendered	100%		100%	
E28/2679	Woodline	Live	100%			100%
E28/3210	Woodline	Live	100%			100%
E28/3342	Tempest	Live	100%			100%
E28/3341	Tempest	Pending	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%
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")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(29)	(29)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
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	(29)	(29)

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	(44)	(44)
	(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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	15	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	(29)	(29)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	101	101
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(29)	(29)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(29)	(29)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	43	43

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	43	101
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)	43	101

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	6
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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

7. Financing facilities <i>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.</i>		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)	(29)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(44)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(73)
8.4	Cash and cash equivalents at quarter end (item 4.6)	43
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	43
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.6
<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: Yes		
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 announced a two stage placement on 4 October 2024 raising a total of \$2.25m, which was subsequently increased to \$2.3m. Tranche 1 placement worth \$100k was completed on 11 October 2024. Tranche 2 is subject to shareholder approval at the coming AGM.		
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: Yes. See 8.8.2 above		
<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: 22 October 2024

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.