



**Canary Capital** believe 2022 will be the year of rising volatility which we will focus on in an upcoming newsletter.

Volatility requires both discipline and diversification. The one asset that is relatively cheap and underrepresented in most accounts is gold. An increased allocation to this asset will reduce risk in portfolios when volatility rises. It will also protect accounts if an unforeseen shock were to arrive over the horizon. Joe Biden's nominee to run the Office of the Comptroller of the Currency (OCC) Saule Omarova, was recently quoted, "There will be no more private bank deposit accounts, and all of the deposit accounts will be held directly at the fed"

Canary's recommendation in the gold sector is Nexus Minerals (ASX:NXM).

**Nexus Minerals Limited (ASX: NXM)** is a company which Canary Capital believes could be on the verge of a major gold discovery. The company's Wallbrook Gold Project in the Eastern Goldfields of Western Australia, is located 140km east of Kalgoorlie in Western Australia. The AGM presentation is attached, however, we have identified some key slides below for you to focus on. The scale of the Crusader Templar discovery appears to be large and could host a multi-million ounce gold deposit if the mineralisation over the strike length (which is currently 1,600m) and the width of the mineralisation is confirmed to be consistent. The Crusader and Templar prospects have the four types of alteration "the right rocks" which are present in the 4.5m ounce Karari mine located 30km to the south. Large gold deposits require a unique set of ingredients to form. The mineralisation located within the Templar / Crusader prospects is associated with a gravity low corridor plus a magnetic Low (within a magnetic high) and Northeast structures to concentrate the mineralisation – "the right ingredients" with "the right rocks".

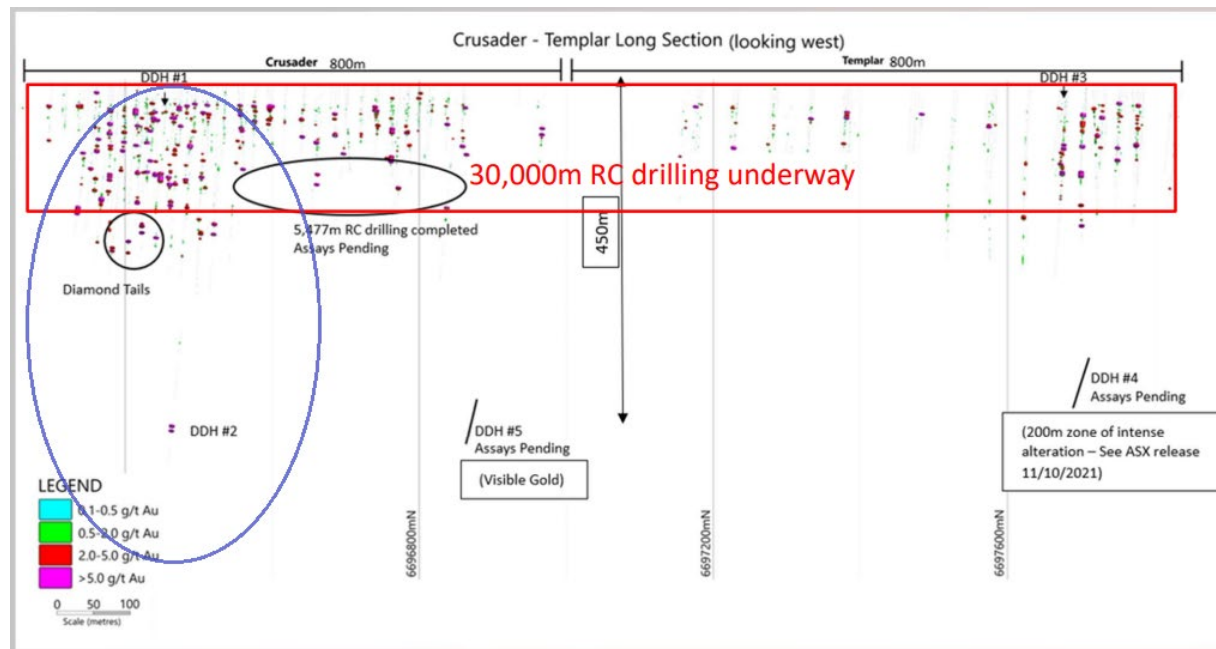
#### **Experienced Management Team**

We rate the management team highly. Andy Tudor (Managing Director) is an experienced geologist who has been involved with a number of significant discoveries including King of the Hills, Bannockburn and Wafi-Golpu. Paul Boyatzis, Chairman and Non-Executive Director, has over 25 years of experience in equity markets, particularly with emerging growth companies in the resources sector. He was instrumental in the formation of Nexus Minerals Limited and has played a significant role in keeping the capital structure of the company tight. Following completion of the current \$19m capital raising at 46 cents, Nexus will only have approximately 287m shares on issue with a healthy cash balance of around \$25m to fund

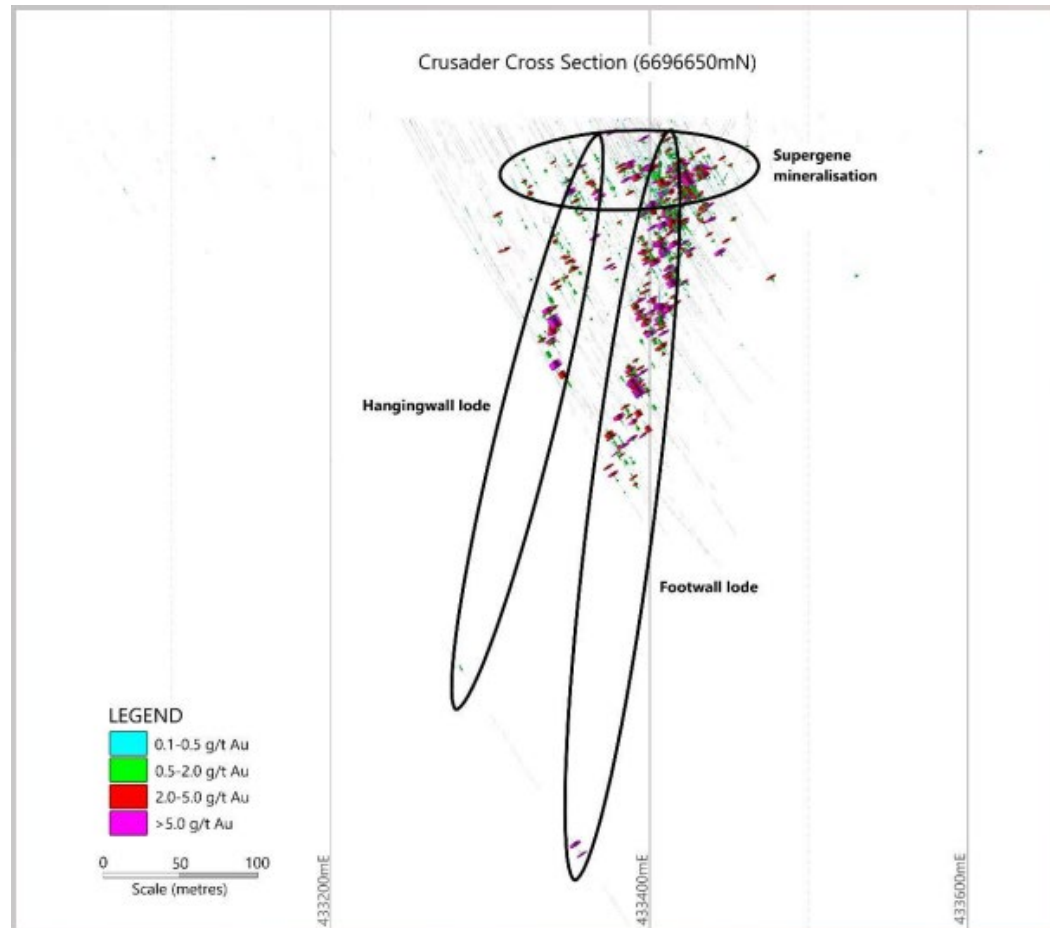
aggressive exploration programs. This is an amazing achievement given the company was originally formed in 2007 as Hemisphere Resources and later changed its name to Nexus Minerals Limited in 2012 with no share consolidations along the way!

**Key Slides form the 2021 AGM Presentation:**

**Number 7:** This slide highlights the sheer scale of the Crusader / Templar prospects. The current 30,000m RC (Reverse Circulation) exploration program will drill the entire 1,600m strike length between Crusader and Templar down to a 40m spacing. Note that there is no previous mining on this tenement and very little previous exploration, so we consider that this is virgin territory for a major discovery. This slide also shows the locations of DDH #4 and DDH #5 which are expected to deliver economic grades and provide vital information of what happens to the orebody at depth (the company is hoping for confirmation of increasing width and grades at depth which would make it suitable for underground mining). The blue ellipse on the left-hand side represents the approximate size of Northern Star's (ASX: NST) ~4.5m ounce Karari Gold Mine located 30km to the South of Crusader / Templar. If the entire 1,600m strike length has economic mineralisation then this project could be several times larger than the Karari gold mine.



**Number 8:** This slide shows the supergene mineralisation (suitable to open pit mining) and the footwall and hanging wall lodes. The significance of this is it includes all drill holes at Crusader and Templar to date, which shows the consistency of the mineralisation being intersected along the strike length so far.

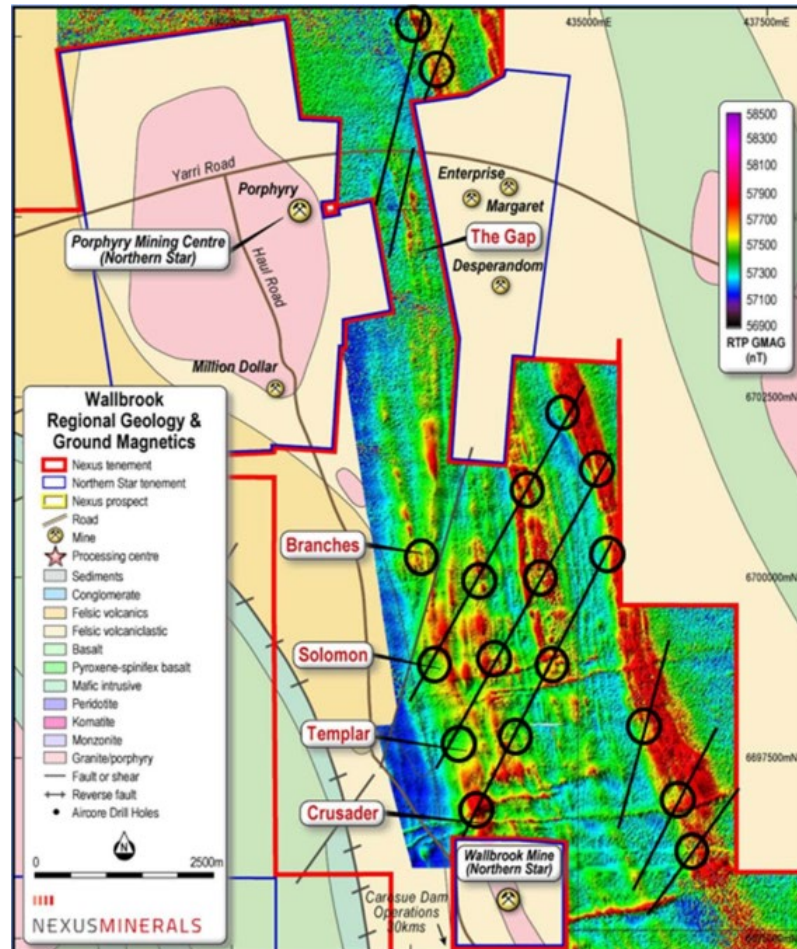


**Number 10:** Shows the drill core of DDH #5 and the visible gold from one tray of the 30m intercept. There was also visible gold in other trays within this interval. We would expect this to have high grade economic mineralisation based on the existence of visible gold in many locations.



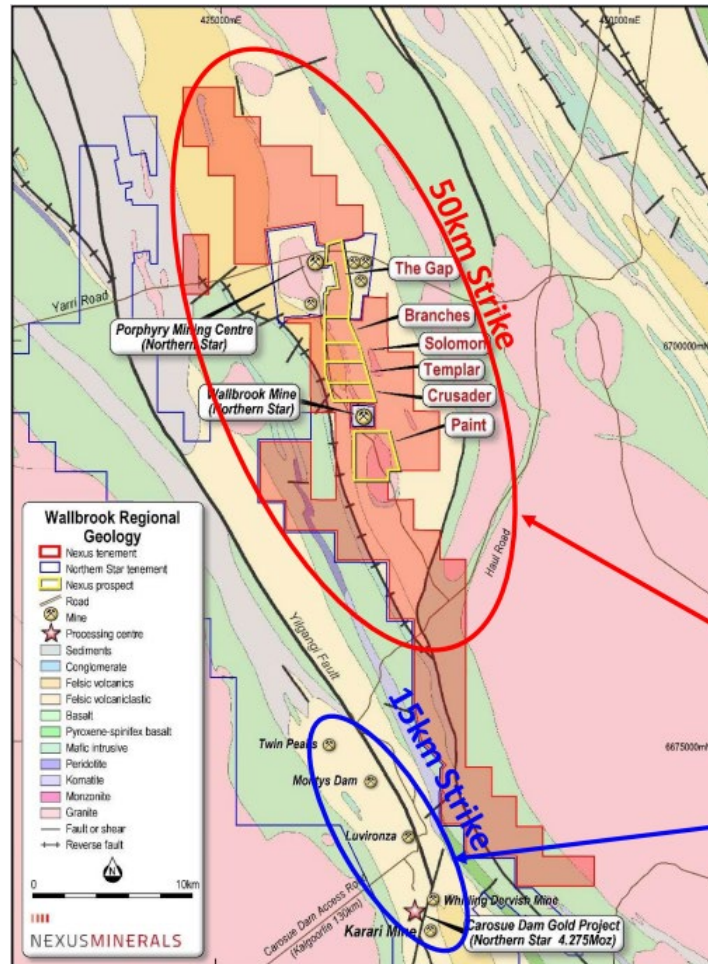
**Number 11:** The circles on this slide represent drilling targets after identifying magnetic highs (early phase of alteration / fluid flow), combined with magnetic lows located within the magnetic highs (associated with late phases of alteration / fluid flow) and located on northeast structures which concentrate fluid flow. From results received to date we already know that the area from Templar to Crusader is mineralised. The Branches prospect has

also had some excellent exploration results from drilling in 2021 including 25m @ 2.86 g/t Au from 43 metres and 13m @ 1.64 g/t Au from 35m. In addition to this there are 15 other targets that meet the same criteria in the immediate area, which makes it highly prospective for further significant discoveries.





**Number 12:** This shows the extent of the company's tenements and the 50km strike length they have within the region. Note that NXM is surrounded by Northern Star, including the Porphyry Mining Centre, the Wallbrook Mine (both located near the recent discovery) and the Carouse Dam Gold Mine and processing plant located 30km to the south.



Results from 5,477m of RC (Reverse Circulation) drilling at Templar / Crusader are due to be released in December along with results from DDH #4, which had 200m of intense alteration including the four types of rocks seen at Karari mine. There will also be assay results from 1,970m of RC drilling at the Paint prospect which is located immediately South of NST's Wallbrook mine. Results from DDH #5, which had a 30m intercept with visible gold in many locations, are due out during January 2022 along with further drilling results from the current 30,000m RC program.

Following completion of the current capital raise the company will be well funded to drill out the Templar / Crusader discovery and deliver a maiden resource during 2022. With an aggressive drilling program utilising multiple rigs, we expect a regular flow of assay results from now through to the end of next year which will help to maintain the market's interest in Nexus Minerals.

**Canary Capital, it's directors, employees and consultants own shares in Nexus Minerals Limited.**

Please follow the link below to view the Nexus Minerals Limited AGM presentation.

[https://drive.google.com/file/d/1\\_pZyM9glieuxE7CkvrZJMLxll1QojsaF/view?usp=sharing](https://drive.google.com/file/d/1_pZyM9glieuxE7CkvrZJMLxll1QojsaF/view?usp=sharing)

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