



**Nex Metals**  
Explorations Ltd

**ABN 63 124 706 449**

## **SHORT FORM PROSPECTUS**

For a pro rata non-renounceable entitlement issue of 1 Option for each 2 Shares held at an issue price of 1 cent per Option ("Rights Issue")

### Important Notice

This Prospectus is a short form prospectus pursuant to Section 712 of the Corporations Act. This Prospectus does not contain all the information that is generally required to be set out in a full prospectus, but refers to other documents, the information from which is deemed to be incorporated in this Prospectus

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## IMPORTANT NOTES

### **This Prospectus**

This Prospectus is dated 3 April 2008 and was lodged with ASIC on that date. ASIC takes no responsibility for the contents of this Prospectus.

No Options will be allotted or issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. Options allotted or issued pursuant to this Prospectus will be allotted or issued on the terms and conditions set out in this Prospectus.

Applicants should read the entire Prospectus and if in any doubt should seek professional advice from an accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

Certain terms and abbreviations used in this Prospectus have defined meanings, which are explained in Section 7 of this Prospectus

This Prospectus is a short form prospectus pursuant to Section 712 of the Corporations Act. This Prospectus does not contain all the information that is generally required to be set out in a full prospectus, but refers to other documents which have been lodged with the ASIC, the information from which is deemed to be incorporated in this Prospectus.

This Prospectus refers to the Prospectus lodged by the Company with ASIC on 11 October 2007 for the offer of 24,000,000 Shares at an issue price of 25 cents each to raise up to \$6,000,000 ("the IPO Document"). (The IPO Document raised its Maximum Subscription of \$6,000,000 which resulted in the issue of 24,000,000 Shares.)

In referring to the IPO Document, the Company identifies the IPO Document as being relevant to the offer of Options made by this Prospectus and containing information that will provide investors and their advisers with information to assist them in making an informed assessment of this Offer.

**Options offered by this Prospectus are speculative.**

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## CORPORATE DIRECTORY

### DIRECTORS

Tom Percy QC

Sharad Nigam

Kenneth Malcolme Allen

Horst Edmund Prumm

Shashwat Nigam

Kasit Phisitkul

### REGISTERED OFFICE

Level 6, 533 Hay Street, Perth WA 6000

ASX CODE: NME

### SHARE REGISTRY

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
APPLECROSS WA 6153

### INDEPENDENT GEOLOGIST

Hellman & Schofield Pty Ltd  
102 Colin Street  
WEST PERTH WA 6005

### COMPANY AUDITOR

RSM Bird Cameron Partners  
8 St Georges Terrace  
PERTH WA 6000

### INVESTIGATING ACCOUNTANTS

RSM Bird Cameron Corporate Pty Ltd  
8 St Georges Terrace  
PERTH WA 6000

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**CHAIRMAN'S INVESTMENT INVITATION**

3 April 2008

Dear Shareholder

Nex Metals Explorations Ltd is pleased to offer its Shareholders the opportunity to subscribe for Options by participating in a 1 for 2 Rights Issue as foreshadowed in the IPO Document.

This Rights Issue plans to raise a further \$384,000 for working capital.

The details of the Offer of Options are described in this Prospectus. You should have received a personalised Entitlement and Acceptance Application Form with this Prospectus, but if you are any doubt, please contact the Company's Share Registry.

Please note that the Closing Date for acceptances is 5.00 pm WST on Thursday, 22 May 2008. If you wish to participate in this Rights Issue of Options it is essential that your completed Entitlement and Acceptance Application Form reaches the Company's Share Registry by this time.

I, on behalf of the Board of Directors would like to take this opportunity to thank all Nex Metals Shareholders for your support for the Company's listing on the ASX and your continuing support in the future.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Tom Percy QC', with a stylized flourish at the end.

Tom Percy QC  
CHAIRMAN

## 1. DETAILS OF THE OFFER OF OPTIONS

### The Rights Issue Offer

By this Prospectus, the Company invites its shareholders to subscribe for a total 38,481,646 Options at an issue price of one (1) cent each to raise \$384,217.

All shareholders registered on the Share Register of the Nex Metals at the Record Date of Thursday, 24 April 2008 are entitled to participate in this pro rata non-renounceable entitlement issue (Rights Issue) of Options on the basis of one Option for every two Shares held.

The Options will be issued at one (1) cent each with an exercise price of 25 cents and an expiry date of 30 November 2011.

The rights attaching to the Options and the underlying Shares are summarised in Section 4.

### Indicative Timetable

Date	Action
3 April 2008	Prospectus lodged with ASIC
4 April 2008	Prospectus lodged with ASX
24 April 2008	Record Date to identify shareholders entitled to participate in the Rights Issue
30 April 2008	Despatch Prospectus
22 May 2008	Closing Date
29 May 2008	Deferred settlement quotation of Options

These dates are indicative only and may change. The Directors and the Underwriter reserve the right to vary the Closing Date and this may impact on the quotation date of the Options.

### Minimum Subscription and Oversubscriptions

There is no minimum subscription amount under this Prospectus.

There is no provision for oversubscriptions.

### How to apply for Options

The number of Options to which you are entitled is shown on the accompanying Entitlement and Acceptance Application Form.

This Offer may be accepted in whole or in part prior to 5.00 pm WST on 22 May 2008, the Closing Date. Instructions for completion and lodgement of acceptances are set out on the attached Entitlement and Acceptance Application Form. The number of Options accepted must not exceed your entitlement as shown on the form. Applications must be accompanied by payment in full of one (1) cent for each Option to which you are entitled and in respect of which you accept the Offer under this Prospectus.

## NEX METALS EXPLORATIONS LTD

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**If you wish to take up ALL of your entitlement** - Complete the accompanying Entitlement and Acceptance Application Form in accordance with the instructions set out on the form and send the form together with your cheque for the amount shown on the form to reach the Company's Share Registry at the address specified on the form not later than 5.00 pm WST on the Closing Date (22 May 2008).

**If you wish to take up PART only of your entitlement** - Complete the accompanying Entitlement and Acceptance Form by inserting the number of Options for which you wish to accept under this Prospectus (being less than your entitlement as specified on the Entitlement and Acceptance Application Form) and send the form together with your cheque for the total amount payable on the basis of one (1) cent for each Option accepted, to reach the Company's Share Registry at the address specified on the form not later than 5.00 pm WST on the Closing Date.

**If you DO NOT WISH TO TAKE UP any part of your entitlement** - You are not required to take any action.

The Offer is non-renounceable. You may not sell or dispose of any part of your entitlement.

To participate in the Issue, the Entitlement and Acceptance Application Form attached to or accompanying this Prospectus must be completed in accordance with the instructions accompanying the Form and be delivered to:

Security Transfer Registrars Pty Ltd  
770 Canning Highway  
APPLECROSS WA 6153

Payment must be by way of cheque or bank draft drawn on and payable on an Australian bank and should be made payable to "**Nex Metals Explorations Ltd - Option Issue**" and crossed "Not Negotiable".

No brokerage or stamp duty is payable by Applicants in respect of their Applications for Options under this Prospectus. The amount payable on Application will not vary during the period of the Issue and no further amount is payable on allotment.

A duly completed and lodged Entitlement and Acceptance Form will constitute an offer by the Applicant to subscribe for the number of Options applied for pursuant to the Application Form.

Any Options not taken up by shareholders may be placed by the directors at any time within 3 months of the close of the offer on the same terms and conditions offered to shareholders.

### **Allotment of Options**

Allotment of Options will take place as soon as practicable after the Closing Date.

### **Australian Stock Exchange Ltd**

Application will be made by the Company to ASX for official quotation by ASX of the Options within seven days of the date of this Prospectus. Application for official quotation of Shares allotted and issued as a result of the exercise of Options issued pursuant to this Prospectus will be made within three business days of allotment and issue. If ASX does not grant permission for official quotation of the Options within three months after the date of this Prospectus, none of the Options will be granted and all Applications will be dealt with

in accordance with Section 724 of the Corporations Act.

### **Applicants outside Australia**

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person whom it would be illegal to issue it or make the Offer. It is the responsibility of any applicant who is resident outside of Australia to ensure compliance with all laws of any country relevant to their application. No action has been taken to register or qualify the Options or the offer or otherwise permit a public offering of the Options in any jurisdiction other than Australia.

### **Enquiries**

If you have any questions concerning your entitlement, please contact the Company's Share Registry by telephone on 08 9315 2333 or by fax on 08 9315 2233, or contact your professional adviser.

## **2. INFORMATION DEEMED TO BE INCORPORATED IN PROSPECTUS**

### **2.1 Short Form Prospectus**

This Prospectus is a short form prospectus pursuant to Section 712 of the Corporations Act. This Prospectus does not contain all the information that is generally required to be set out in a full prospectus, but refers to other documents which have been lodged with the ASIC, the information from which is deemed to be incorporated in this Prospectus.

This Prospectus refers to the Prospectus lodged by the Company with ASIC on 11 October 2007 for the offer of 24,000,000 Shares at an issue price of 25 cents each to raise a total of \$6,000,000 ("the IPO Document"). The information deemed to be incorporated by reference into this Prospectus is summarised in Section 2.2.

Shareholders, investors and their professional advisers may obtain copies of the IPO Document by phoning the Company at 08 9221 6813 during normal business hours or from the Company's website at [www.nexmetals.com](http://www.nexmetals.com).

### **2.2 Summary Information Deemed to be Incorporated**

Set out below is a summary of the information contained in the IPO Document that is deemed to be incorporated in this Prospectus. The Sections referred to below are references to the IPO Document (Prospectus dated 11 October 2007).

#### **Section 1 – *Investment Summary***

Section 1 contains a summary of the investment proposal offered under the original IPO Document.

***Section 3 – Projects and Project Summary***

Section 3 contains a summary of Nex Metals' capital structure and the proposed use of funds, summaries of the Company's exploration projects and the proposed exploration programs.

***Section 4 – Profile of Directors and Management***

Section 4 provides information on the Company's Directors.

***Section 5 - Independent Consulting Geologists' Report***

Section 5 is a report prepared by independent geologist Hellman & Schofield Pty Ltd. The report, including several figures and describes in some detail Nex Metals' exploration projects in Western Australia.

***Section 6 - Solicitor's Report on Mining Tenements***

Section 6 is a report by Pullinger Readhead Lucas on the Company's mining tenements, including a Schedule of Tenements.

***Section 7 - Investigating Accountant's Report***

Section 7 is a report prepared by RSM Bird Cameron Corporate Pty Ltd which presents both historical information and actual and pro forma financial information as at 30 June 2007. Their opinion, based on the scope of their independent review, which was not an audit, concludes that the reviewed statement of financial position as at 30 June 2007 and the notes to the financial position are fairly presented in accordance with generally accepted accounting principles as applied in Australia for reporting financial information in a Prospectus.

***Section 9 - Risk factors***

Section 9 notes that potential investors should consider that an investment in Nex Metals is speculative and describes a number of share investment, exploration, native title, operational risks and other risks.

***Section 10 - Additional information***

Section 10 sets out information not elsewhere disclosed in the IPO Document, including the rights attaching to the Shares, Directors' interests, material contracts and fees payable to experts, consents of experts and other parties named in that Prospectus, expenses of the issue and litigation.

### **3. COMPANY OVERVIEW**

#### **3.1 Overview and Reference to the IPO Document**

A comprehensive review of the Company is set out in the IPO Document for an offer of 24,000,000 Shares which resulted in the issue of 24,000,000 Shares and raised \$6,000,000. The information in the IPO Document is summarised in the previous section of this Prospectus.

Pursuant to the IPO Document, 24,000,000 Shares were allotted on 30 November 2007 and the Company commenced quotation on the ASX on 6 December 2007. Nex Metals' ASX code is NEX.

The Company now has 76,843,292 Shares on issue. 27,936,493 Shares are quoted on ASX and the remainder are subject to ASX restrictions. The Company's Share Registry has put a holding lock on the 48,906,799 restricted (escrowed) Shares which become eligible for quotation on various dates.

#### **3.2 Exploration activities since listing on ASX**

Nex Metals has been preparing for its first drilling program on its Kalgoorlie Weti Gold Project in Western Australia. Drilling will commence in 2<sup>nd</sup> half of 2008 and the program will target a number of identified high priority gold targets. Field work has also started at Kalgoorlie West and Randalls Projects. Work on other exploration projects has also been of a planning nature preparatory to field work to start later in 2008.

#### **3.3 Effect of the Offer on Nex Metals**

38,421,646 Options will be issued if the issue is fully subscribed. These options will raise \$384,217 to be added to working capital, less the expenses of the issue estimated at \$25,000.

Upon completion of the Offer, the Company will have on issue 76,843,292 Shares and 61,421,646 Options.

#### **3.4 Circumstances or matters subsequent to the IPO Document**

Other than the matters stated in this Prospectus, the Company is not aware of any material matter or circumstance that would impact on the contents of the IPO Document or the activities and prospects of the Company and be relevant to assist shareholders, investors and their professional advisers making an informed assessment of matters relevant to Nex Metals .

#### **3.5 Statements of Financial Position**

The IPO Document contain a set of accounts to 30 June 2007 and a Pro Forma Statement of financial Position as at that date showing the effect of the fundraising pursuant to the IPO Document.

Set out below is the Company's Statement of Financial Position as at 31 December 2007, which has not been audited, and has been prepared as part of the management accounts to show the financial position of the Company as at that date. Also set out is a pro forma Statement of Financial Position as at 31 December 2007 which does take into account the funds to be raised by the issue of the Options pursuant to this Prospectus.

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2007

	31 December 2007 Management Accounts	31 December 2007 Proforma
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$5,761,603	\$6,145,603
Trade and other receivables	\$110,526	\$110,526
Other current assets	\$50,000	\$50,000
<b>TOTAL CURRENT ASSETS</b>	<b>\$5,922,129</b>	<b>\$6,306,129</b>
<b>NON CURRENT ASSETS</b>		
Exploration expenditure	\$2,352,754	\$2,352,754
Property, plant and equipment	\$24,631	\$24,631
<b>TOTAL NON CURRENT ASSETS</b>	<b>\$2,377,385</b>	<b>\$2,377,385</b>
<b>TOTAL ASSETS</b>	<b>\$8,299,514</b>	<b>\$8,683,514</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	\$228,480	\$228,480
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$228,480</b>	<b>\$228,480</b>
<b>TOTAL LIABILITIES</b>	<b>\$228,480</b>	<b>\$228,480</b>
<b>NET ASSETS</b>	<b>\$8,071,034</b>	<b>\$8,455,034</b>
<b>EQUITY</b>		
Issued capital	\$7,885,164	\$7,885,164
Reserves	\$1,852,903	\$2,236,903
Retained earnings	(\$1,667,033)	(\$1,667,033)
<b>TOTAL EQUITY</b>	<b>\$8,071,034</b>	<b>\$8,455,034</b>

## 4. TERMS OF OPTIONS AND RIGHTS ATTACHING TO SHARES

### 4.1 Terms and Conditions of Options

*The material terms and conditions of the Options are as follows:*

1. *Each Option entitles the holder to subscribe for one Share;*
2. *The Options are exercisable at any time on or prior to 30 November 2011 (the "Expiry Date");*
3. *The amount payable on exercise of each Option is 1 cent;*
4. *Subject to the Corporations Act and the ASX Listing Rules, the Options are transferable;*
5. *All Shares issued upon exercise of the Options will rank pari passu in all respect with the Company's then existing fully paid shares;*
6. *Exercise of the Options is effected by completing the Notice of Exercise of Options and forwarding it to the Company together with the requisite application monies;*
7. *There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. The Company, however, will ensure that for the purposes of determining entitlements to any such issue, the books closing date will be at least seven Business Days after the issue is announced This will give Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue;*
8. *In the event of any reconstruction (including consolidation, sub-division, reduction or return) of issued capital of the Company, the terms of the Options will be varied in a manner consistent with the ASX Listing Rules;*
9. *In the event that the Company makes a pro rata issue of securities, the exercise price of the options will change in accordance with the formula set out in the ASX Listing Rules, if applicable; and*
10. *Options not exercised by 5.00 pm WST on 30 November 2011 will automatically expire.*

## 4.2 Rights Attaching to Shares

There is only one class of shares on issue in the Company being fully paid ordinary shares. The rights attaching to Shares in the Company are set out in the Constitution of the Company and, in certain circumstances, regulated by the Corporations Act, the Listing Rules of the ASX, the SCH Business Rules and the general law.

*The following is a summary of the principal rights of the holders of Shares.*

### **Voting**

*Every holder of Shares present in person or by proxy, attorney or representative at a meeting of shareholders has one vote on a vote taken by a show of hands, and, on a poll every holder of Shares who is present in person or by proxy, attorney or representative have one vote for the Share and a fraction of a vote for every partly paid share proportional to the amount paid up per partly paid share, registered in such shareholder's name on the Company's share register. A poll may be demanded by the chairperson of the meeting, by any five shareholders present in person or by proxy, attorney or representative, or by any one or more shareholders who are together entitled to not less than 5% of the total voting rights of, or paid up value of, the shares of all those shareholders having the right to vote at that meeting.*

### **Dividends**

*Dividends are payable out of the Company's profit and are declared by the Directors. Dividends declared will be payable on the Shares at an amount per share determined by the Directors.*

### **Transfer of Shares**

*A shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by the ASX or the Corporations Act for the purpose of facilitating transfers in shares or by an instrument in writing in a form approved by the ASX or in any other usual form or in any form approved by the Directors. The Directors may refuse to register any transfer of Shares, other than a Proper SCH Transfer (as defined in the Corporations Act), where permitted by the Listing Rules of the ASX. The Company must not refuse to register or give effect to or delay or in any way interfere with a Proper SCH Transfer of Shares or other securities.*

### **Meetings and Notice**

*Each shareholder is entitled to receive notice of and to attend general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution of the Company, the Corporations Act or the ASX Listing Rules.*

### **Liquidation Rights**

*The Shares rank equally in the event of liquidation. Once all the liabilities of the Company are satisfied, a liquidator may, with the authority of a special resolution of shareholders divide the whole or any part of the remaining assets of the Company between the shareholders in proportion to the paid-up value of their respective holdings. The liquidator can with the sanction of a special resolution of the Company's shareholders vest the whole or any part of the assets in trust for the benefit of shareholders as the liquidator thinks fit,*

*but no shareholder of the Company can be compelled to accept any shares or other securities in respect of which there is any liability.*

*As the Shares are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.*

### **Alteration to the Constitution**

*The Constitution can only be amended by a special resolution passed by at least 75% of shareholders present and voting at the general meeting. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.*

### **ASX Listing Rules**

*If the Company is admitted to the Official List of the ASX; then despite anything in the Constitution of the Company, if the ASX Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision or not to contain a provision the Constitution is deemed to contain that provision or not to contain that provision (as the case may be). If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.*

## **5. ADDITIONAL INFORMATION**

### **5.1 Market Price of Shares**

Nex Metals Shares commenced quotation on ASX on 6 December 2007 and have since traded between 20 cents and 41 cents. The Share price sales on 2 April 2008 were up to 36 cents.

The Company has no Options currently quoted on ASX.

### **5.2 Contingent Disclosure and Documents Available for Inspection**

Nex Metals (ASX Code: NME) is a disclosing entity under the Corporations Act and, as such, is subject to regular reporting and disclosure requirements. As an ASX listed company, Nex Metals is subject to Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of documents lodged in relation to the Company with the ASIC may be obtained from or inspected at any office of the ASIC. This includes the IPO Document.

Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make this Prospectus complete.

The Company will provide free of charge, to any person on request during the application period in relation to this Prospectus a copy of each of the documents used to notify ASX of information relating to the Company under the provisions of the ASX Listing Rules.

**NEX METALS EXPLORATIONS LTD**

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The following is a list of such documents lodged with ASX since the IPO Document and to the date of this Prospectus.

<b>Date</b>	<b>Details</b>
14.3.08	Half Year Accounts
1.2.08	Quarterly Cashflow Report
31.1.08	Quarterly Activities Report
25.1.08	Exploration Update and Appointment of Geologists
19.12.07	Becoming a substantial holder
4.12.07	Completion of Mining Tenement sale agreements
4.12.07	Terms and conditions of Unlisted Options
4.12.07	Employee Share Option Plan Rules
4.12.07	Details of Securities subject to Escrow
4.12.07	Pro-Forma Balance Sheet and Statement of Commitments
4.12.07	Top 20 shareholders
4.12.07	Security holder details - other
4.12.07	Pre-Quotation Disclosure
4.12.07	Appendix 1A
4.12.07	Constitution
4.12.07	ASX Circular: Commencement of Official Quotation
4.12.07	Admission to Official List
24.10.07	Disclosure document

### 5.3 Interests of Directors and Experts

A full disclosure of the interests of Directors and experts of the Company is set out in the IPO Document and other than set out below or elsewhere in this Prospectus, that information is current.

#### ***Directors' Shareholdings***

The Directors' interests in the Shares as at the date of this Prospectus are:

<b>Director</b>	<b>Shares</b>	<b>Options exercisable at 25 cents on or before 30 Nov 2012</b>
Tom Percy QC	1,000,000	3,000,000
Sharad Nigam	6,800,001	3,000,000
Kenneth Malcolme Allen	6,500,001	3,000,000
Horst Edmund Prumm	2,080,000	3,000,000
Shashwat Nigam	6,350,001	3,000,000
Kasit Phisitkul	1,000,000	3,000,000

### 5.4 Expenses of the Issue

The total estimated costs of the Issue, including, underwriting fees, will be approximately \$25,000 including GST where applicable.

### 5.5 Consents

Pullinger Readhead Lucas, Hellman and Schofield Pty Ltd and RSM Bird Cameron Corporate Pty Ltd gave their written consents to their names and independent reports being included in the IPO Document. None of these parties have made statements included in this Prospectus, nor are there any statements made in this Prospectus on the basis of any statements made by those persons except where there is reference to the IPO Document. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of this Prospectus.

There may be other persons referred to elsewhere in this Prospectus who are not experts and who have not made statements included in this Prospectus, nor are there any statements made in this Prospectus on the basis of any statements made by those persons. These persons did not consent to being named in the Prospectus and did not authorise or cause the issue of the Prospectus.

Security Transfer Registrars Pty Ltd has consented to being named as the Company's Share Registrar in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

RSM Bird Cameron Partners has consented to being named as the Company's Auditor in this Prospectus and has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

**6. DIRECTORS' RESPONSIBILITY STATEMENT AND CONSENT**

This Prospectus is authorised by the Company and is lodged with the ASIC pursuant to Section 718 of the Corporations Law. The Directors have consented in writing to this lodgement under the terms of Section 720 of the Corporations Law.



Tom Percy QC  
CHAIRMAN

DATED 3rd April 2008

## 7. DEFINED TERMS

The following definitions apply throughout this document unless the context requires otherwise.

Applicant( s)	The person(s) who submit valid Entitlement & Acceptance Forms pursuant to this Prospectus.
Application	A valid application made to subscribe for a specified number of Shares pursuant to this Prospectus.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Ltd.
Closing Date	5.00 pm Western Standard Time 22 May 2008.
Directors	The directors of the Company.
Entitlement and Acceptance Form	The form so described and attached to or accompanying this Prospectus.
Nex Metals or Company	Nex Metals Explorations Ltd ABN 38 115 157 689
IPO Document	The Prospectus dated 11 October 2007.
Listing Rules	The official Listing Rules of ASX.
Offer	The Rights Issue pursuant to this Prospectus to subscribe for Options.
Official List	The Official List of ASX.
Option(s)	An option to subscribe for a Share with an exercise price of 25 cents and an expiry date of 30 November 2011.
Prospectus	This Prospectus dated 3 April 2008 for the offer of 38,421,646 Options
Rights Issue	The pro rata non-renounceable entitlement issue of Options to Shareholders pursuant to this Prospectus.
Share(s)	Fully paid ordinary share(s) in the Company
WST	Western Standard Time, Perth, Western Australia



Share Registry Use Only	Registry Date Stamp
NME 5	

RI: 300

## EXPLANATION OF ENTITLEMENT

1. The front of this form sets out the number of Options which you are entitled to accept.
2. Your entitlement may be accepted either in full or in part. There is no minimum acceptance.
3. You may not apply for Options in excess of your maximum entitlement using this form.
4. The price payable on acceptance of each Option is \$0.01
5. You may accept your entitlement in full by completing the Entitlement and Acceptance Form overleaf.

## APPLICATION INSTRUCTIONS

1. The issue price of \$0.01 per Option is payable in full upon application.
2. Payments must be made in Australian currency by cheque or bank draft drawn on and payable at a bank within Australia. Cheques and bank drafts drawn on banks outside Australia in either Australian currency or in foreign currency will not be accepted.

Do not forward cash as receipts will not be issued.

3. The cheque or bank draft must be made payable to NEX METALS EXPLORATIONS LTD – OPTION ISSUE and crossed “Not Negotiable”.
4. When completed, this form together with the appropriate payment in Australian currency should be forwarded to our Registry: Security Transfer Registrars Pty Ltd, PO Box 535, APPLECROSS WA 6953.
5. Acceptances must be received by Security Transfer Registrars Pty Ltd no later than 5.00pm WST on  
22 May 2008

## ENQUIRIES

Any enquiries should be directed to:

**The Company's share registry:**

Security Transfer Registrars Pty Ltd  
PO Box 535  
Applecross, Western Australia 6953

**Street Address:**  
Alexandrea House, Suite 1  
770 Canning Highway  
Applecross, Western Australia 6153

Telephone (61-8) 9315 2333  
Facsimile (61-8) 9315 2233