



29 July 2010

## NEX METALS EXPLORATIONS LTD

### 100% Kookynie Gold Project

**13.5% Gold Resource Increase,  
21.65 Mt for 716,000 gold ounce  
Mineral Resource Estimate.**

Nex Metals Explorations Ltd (ASX; NME) ("Nex") is pleased to announce an update of the Mineral Resource Estimates for the Kookynie Gold Project's Phase 3 area.

The estimates have been completed by Apex Geoscience Ltd (Apex). Apex have calculated the resources in the previously unreported Niagara and Gladstone areas. The result is a significant 13.5% increase in gold ounce mineral resource estimate to a total 716,000 ounce gold inventory for Nex Metals shareholders.

The directors believe there is huge potential to increase the Kookynie resources. Drilling to this aim will occur once the Laterite Dump Leach mining is underway and settled.

**Table 1 - Additional Kookynie Gold Mineral Resource Resource Estimate-  
Resource summary at a 0.5g/t cut-off grade**

Area	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
<b>GLADSTONE</b>				102,000	2.2	7,100	31,000	2.3	2,300	133,000	2.2	9,000
<b>NIAGARA</b>												
Orion				365,000	2.5	293,000	53,000	1.9	3,200	418,000	2.4	33,000
Sapphire				226,000	2.2	15,700	48,000	1.6	2,500	274,000	2.1	18,000
Missing Link							82,000	2.0	5,200	82,000	2.0	5,000
Eclipse							111,000	1.4	5,100	111,000	1.4	5,000
OK							321,000	0.8	8,200	321,000	0.8	8,000
Justice							80,000	1.9	4,800	80,000	1.9	5,000
Challenge							37,000	1.0	1,100	37,000	1.0	1,000
<b>Total</b>	-	-	-	<b>693,000</b>	<b>2.4</b>	<b>52,100</b>	<b>763,000</b>	<b>1.3</b>	<b>32,400</b>	<b>1,456,000</b>	<b>1.8</b>	<b>84,000</b>

*Note:*

*Resource summary at a 0.5 g/t gold lower cutoff*

*Gold grades are undiluted*

*Assumed bulk density value of 2.4gm/cc*

*Assumed recovery and minimal supportive quality control and quality assurance*

*Geological continuity is defined with close and wide spaced drilling*

*Figures above may not sum due to rounding*



## Kookynie Projects combined Mineral Resource Estimate Summary: NEW TOTAL INVENTORY Phase 1 - Resource summary at a 0.25g/t cut-off grade

Material Type	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Orient Well Laterite	-	-	-	0.67	0.53	11,000	1.17	0.4	15,000	1.84	0.5	27,000
Double J Laterite	-	-	-	0.17	0.51	3,000	0.67	0.5	10,000	0.84	0.5	13,000
<b>Laterite Resources Subtotal</b>	-	-	-	<b>0.84</b>	<b>0.52</b>	<b>14,000</b>	<b>1.84</b>	<b>0.4</b>	<b>25,000</b>	<b>2.68</b>	<b>0.5</b>	<b>40,000</b>

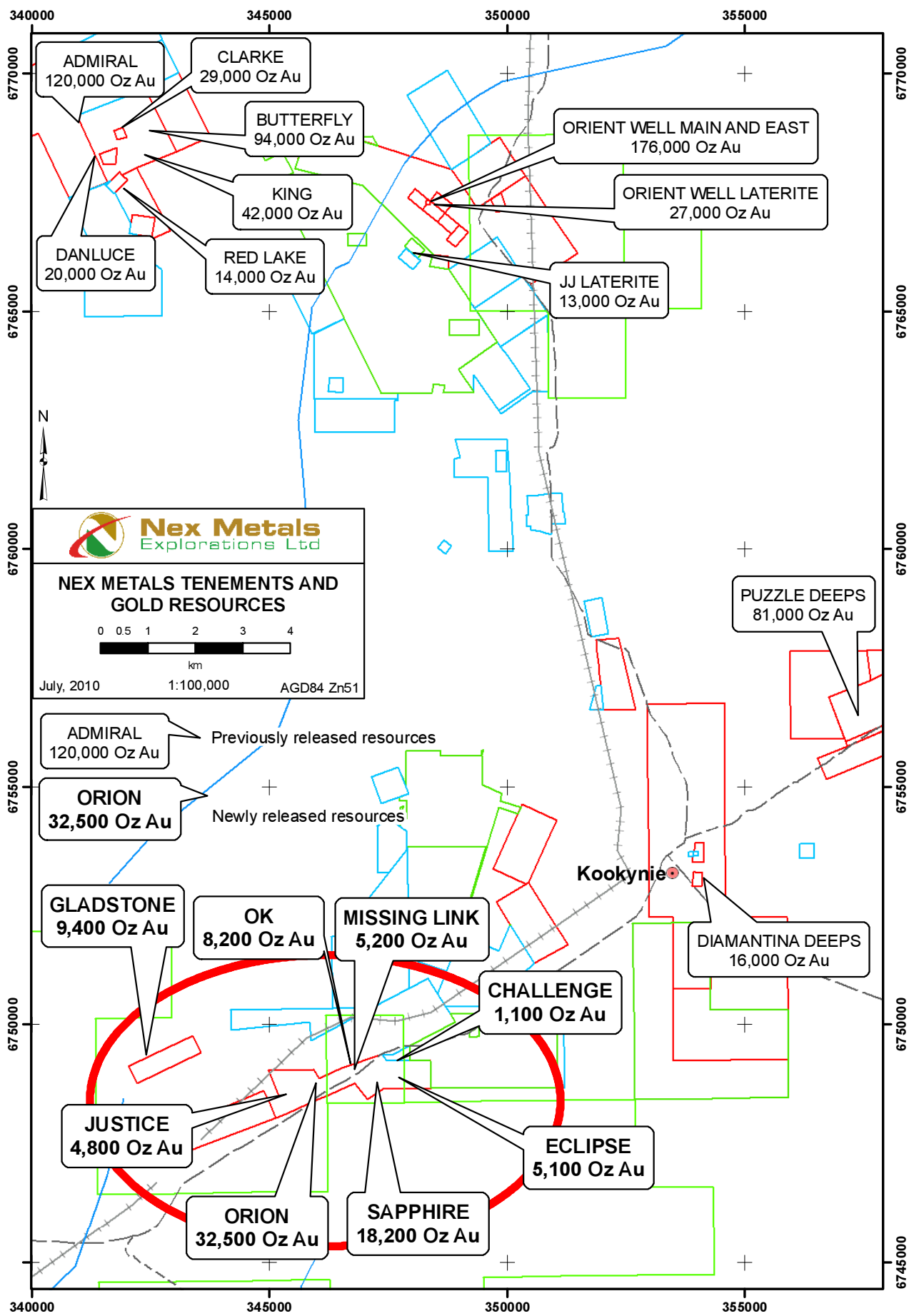
## Phase 2 - Resource summary at a 0.50g/t cut-off grade

Material Type	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	1.39	1.19	53,000	1.31	1.18	49,000	0.50	1.1	17,000	3.20	1.2	120,000
Butterfly	-	-	-	1.85	1.12	67,000	0.86	1.0	27,000	2.71	1.1	94,000
Clarke	-	-	-	0.68	1.18	26,000	0.13	0.9	4,000	0.81	1.1	29,000
Red Lake	-	-	-	0.15	1.33	6,000	0.20	1.2	8,000	0.35	1.2	14,000
King	-	-	-	1.48	0.80	38,000	0.15	0.7	3,000	1.63	0.8	42,000
Danluce	-	-	-	0.48	1.01	16,000	0.13	0.9	4,000	0.61	1.0	20,000
<b>Butterfly Project Areas Subtotal</b>	<b>1.39</b>	<b>1.19</b>	<b>53,000</b>	<b>5.95</b>	<b>1.06</b>	<b>202,000</b>	<b>1.97</b>	<b>1.0</b>	<b>63,000</b>	<b>9.31</b>	<b>1.1</b>	<b>319,000</b>
Orient Well Main	-	-	-	4.15	1.03	137,000	0.84	1.0	28,000	4.99	1.0	165,000
Orient Well East	-	-	-	0.26	0.86	7,000	0.15	0.9	4,000	0.41	0.9	11,000
<b>Orient Well Project Areas Subtotal</b>	-	-	-	<b>4.41</b>	<b>1.02</b>	<b>144,000</b>	<b>0.99</b>	<b>1.0</b>	<b>32,000</b>	<b>5.40</b>	<b>1.0</b>	<b>176,000</b>
Puzzle Deeps	-	-	-	1.93	0.93	58,000	0.76	0.9	23,000	2.70	0.9	81,000
<b>Puzzle Deeps Subtotal</b>	-	-	-	<b>1.93</b>	<b>0.93</b>	<b>58,000</b>	<b>0.76</b>	<b>0.9</b>	<b>23,000</b>	<b>2.70</b>	<b>0.9</b>	<b>81,000</b>

## Phase 3 - Resource summary at a 0.50g/t cut-off grade

Material Type	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Diamantina Deeps	-	-	-	0.04	5.47	8,000	0.05	5.0	8,000	0.10	5.2	16,000
Diamantina Deeps Subtotal	-	-	-	0.04	5.47	8,000	0.05	5.0	8,000	0.10	5.2	16,000
<b>GLADSTONE</b>				102,000	2.2	7,100	31,000	2.3	2,300	133,000	2.2	9,000
<b>NIAGARA</b>				365,000	2.5	293,000	53,000	1.9	3,200	418,000	2.4	33,000
Orion				226,000	2.2	15,700	48,000	1.6	2,500	274,000	2.1	18,000
Sapphire							82,000	2.0	5,200	82,000	2.0	5,000
Missing Link							111,000	1.4	5,100	111,000	1.4	5,000
Eclipse							321,000	0.8	8,200	321,000	0.8	8,000
OK							80,000	1.9	4,800	80,000	1.9	5,000
Justice							37,000	1.0	1,100	37,000	1.0	1,000
Challenge												
<b>Combined Kookynie Projects Total</b>	<b>1.39Mt</b>	<b>1.19</b>	<b>53,000</b>	<b>13.17Mt</b>	<b>1.00</b>	<b>426,000</b>	<b>5.61Mt</b>	<b>0.8</b>	<b>151,000</b>	<b>20.19Mt</b>	<b>1.0</b>	<b>632,000</b>
<b>Niagara and Gladstone total</b>				<b>0.7Mt</b>	<b>2.4</b>	<b>52,000</b>	<b>0.67Mt</b>	<b>1.3</b>	<b>32,000</b>	<b>1.46Mt</b>	<b>1.8</b>	<b>84,000</b>
<b>TOTAL</b>	<b>1.39Mt</b>	<b>1.19</b>	<b>53,000</b>	<b>13.87Mt</b>	<b>1.1</b>	<b>478,000</b>	<b>6.28Mt</b>	<b>0.9</b>	<b>183,000</b>	<b>21.65Mt</b>	<b>1.0</b>	<b>716,000</b>

Note: Figures above may not sum due to rounding. Significant figures do not indicate an added level of precision. Assumed bulk density values ox=1.8, tr=2.1 fr=2.7. Limited recovery and supportive QAQC. Well defined geological continuity.





For more information please visit the website [www.nexmetals.com](http://www.nexmetals.com).

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### ***Responsibility Statement***

*The information in Table 1 of this report that relates to Mineral Resources and Exploration Results is based on information compiled by Mr. Michael Dufresne, M.Sc., P.Geol., who is a full time employee and President of APEX Geoscience Ltd. and a director of APEX Geoscience Australia Pty Ltd. and Mr Edd Prumm who is a full time employee of the Company. Mr. Dufresne and Mr Prumm have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Dufresne and Mr. Prumm consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.*

*Mr E Prumm the Technical Director and Exploration Manager of the Company is a Member of the Australasian Institute of Mining and Metallurgy, and the Australian Institute of Geoscientists, Mr Dufresne is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.*

*The information in this report that relates to Mineral Resources and Exploration Results other than Gladstone and Niagara is based on information compiled by Mr. Robert Spiers who is a full time employee of Hellman & Schofield Pty Ltd and Mr Edd Prumm who is a full time employee of the Company. Mr. Spiers and Mr Prumm have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Spiers and Mr Prumm consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.*

*Mr E Prumm the Technical Director and Exploration Manager of the Company is a Member of the Australasian Institute of Mining and Metallurgy, and the Australian Institute of Geoscientists, Mr Spiers is a Member of the Australian Institute of Geoscientists.*