



31 July 2009

NEX METALS EXPLORATIONS

Preliminary metallurgy results - Butterfly open pit Kookynie Gold Project

The Nex Metals Explorations Ltd (Nex or The Company) is pleased to announce that preliminary metallurgical test work has been completed by consultant metallurgists Ammtech of Balcatta Perth, on 2 in pit 50kg grab sample of gold mineralised rock in the base of the Butterfly open pit, part of the 100% Nex Kookynie Gold Project.

The better of the results show that at a crush size of 25mm, 68% of the gold mineralisation has been recovered using cyanide extraction on a static bucket leach. The success of this preliminary test work indicates potential viability of heap leach gold extraction from this style of gold mineralisation.

Gold mineralisation in the Butterfly pit was historically economic where the shears intersected brittle Dolerite intrusives. This same association occurs throughout the Butterfly area in other gold prospects such as the King, Admiral and Danluce open pits and the unmined but close spaced (20m X20m) drilled Clark and Redlake prospects.

These deposits have the same mineralogy and therefore it is likely they have the same metallurgical characteristics. The inference is the success of this preliminary test work indicates potential viability of heap leach gold extraction from all of the prospects mentioned above.

The success of this preliminary test work means Nex Metals will move on to more rigorous metallurgical testing of the mineralised rock. This will involve a consultant metallurgical group, performing column leach tests to calculate the optimum crush size and cyanide consumption and most importantly gold recovery from heap leach treatment of the mineralised rock.

The Admiral Butterfly area is located approximately 200 km north of Kalgoorlie and 50 km south of Leonora on the bitumised Goldfields Highway.

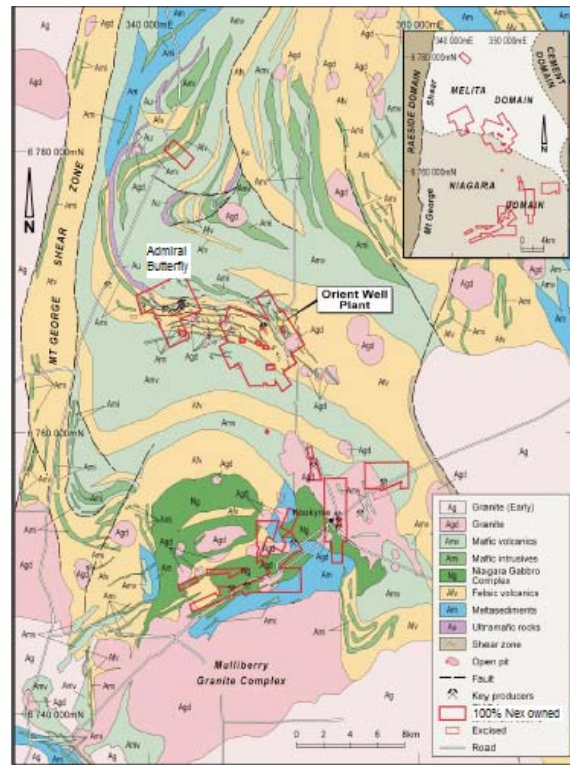
The Butterfly open pit was mined to 25 metres depth, of a planned 50 m deep open pit, by Sons of Gwalia in 2003. This means the majority of the waste of the open pit has already been removed leaving very low strip ratio ore available at the existing base of the open pit.

Anecdotal and non definitive data indicates that 150,000 tonnes of ore grading 2.4g/t was mined from this pit, and mining ceased immediately when Sons Of Gwalia was placed into administration

For personal use only



**Figure 1 - General Geology of the Admiral – Butterfly Area
(Owned 100% by Nex Metals and Explorations Ltd)**



For personal use only



Table 1 - The remaining NON JORC historical gold estimates for these prospects as previously reported to the ASX (June 2009).

	Indicated			Inferred			Total		
	Tonnes	Grade g/t	Oz.	Tonnes	Grade g/t	Oz.	Tonnes	Grade g/t	Oz.
Admiral	695,000	2.95	65,920	130,000	2.37	9,900	825,000	2.86	75,900
Butterfly	290,000	2.7	25,160	187,200	1.06	9,600	477,000	2.27	34,800
Clark	380,400	1.67	20,400	40,000	1.38	1,780	420,000	1.64	22,180
King	100,000	2.2	7,075				100,000	2.2	7,075
Red Lake	96,000	2.4	7,400	18,000	1.9	1,100	114,000	2.32	8,500
Total							1,936,000	2.38	148,455


CODE COMPLIANCE STATEMENT

Horst Prumm B.Sc. AIG, AIMM is an Executive Director and the Exploration Manager for Nex Metals Explorations (ASX code NME) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" and accepts the responsibility for the accuracy of the summary disclosed in 2 to 9 above.



Appendices - Leach test results

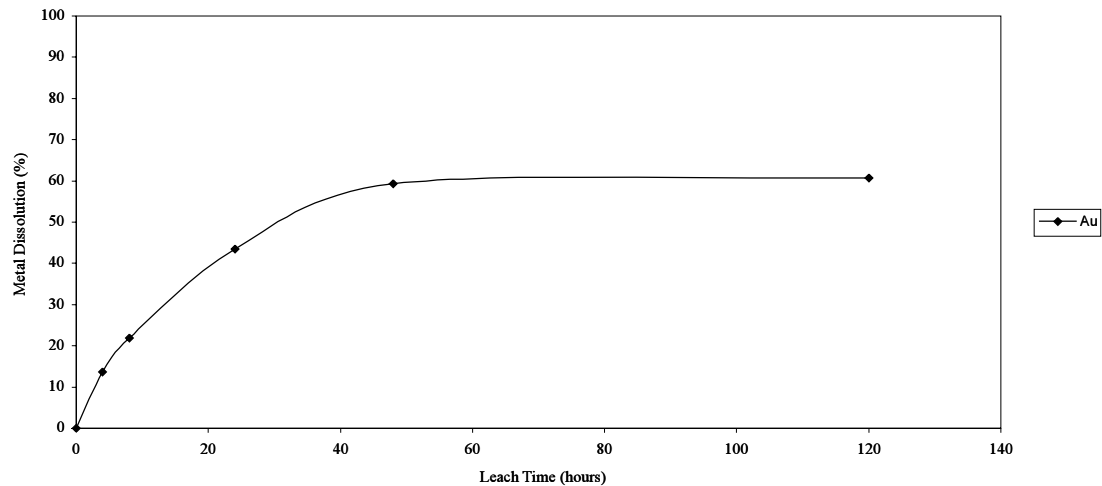
INTERMITTENT CYANIDE LEACH TEST

Test No.		1					
Sample Tested		Regal 9.5mm					
Sample Weight (g)		9136.9					
Target Parameters							
Grind Size (mm)		100% - 9.5 mm					
NaCN Concentration (%)		0.050					
pH		10.5					
Leach Time (hours)		0	4	8	24	48	120
Solids Assays (ppm)	Calculated Head	Head					Final Residue
Au	2.25	2.31					0.89
Solution Assays (mg/L)							
Au			0.31	0.49	0.99	1.35	1.38
Metal Dissolution (%)							
Au			14	22	44	59	61
Leach Conditions							
Slurry Density (%w/w)		50	50	50	50	51	51
NaCN conc (pre-adjustment)		0.000	0.030	0.050	0.045	0.050	0.043
NaCN conc (post-adjustment)		0.049	0.050	0.050	0.050	0.050	
NaCN added (kg/t)		0.5	0.7	0.7	0.7	0.7	0.7
NaCN [1] consumed (kg/t)			0.19	0.19	0.24	0.24	0.31
CaO[2] added (kg/t)		0.09	0.15	0.15	0.26	0.26	0.44
pH (pre-adjustment)		7.6	10.1	10.6	10.2	10.4	10.0
pH (post-adjustment)		10.3	10.5	10.6	10.5	10.4	
Printed 28/07/09		Comments Sample crushed to 9.5mm and a bulk intermittent bottle roll was performed, rolling for 1 minute every hour. Leached in tap water. Assays Au 1 Au 2 Au Avg Head 2.29 2.32 2.31 Residue 0.88 0.89 0.89					
Job No. 9KM1460							
Technician WC							
Test Date 1/07/09							
File ref Brett Royle							
		<small>Gandel Leach v16 07 Jul 2009</small> Version 5					

[1] Cumulative NaCN consumed (kg/t) : NaCN added - (NaCN in leach solution + NaCN removed in samples)

[2] Cumulative CaO addition relates to a pure reagent and allows for test additions of Lime with an activity/concentration of 62.0 %.


Au





For personal use only

INTERMITTENT CYANIDE LEACH TEST

Test No.		2							
Sample Tested		Regal 25mm							
Sample Weight (g)		8896.0							
Target Parameters									
Grind Size (mm)		100% - 25 mm							
NaCN Concentration (%)		0.050							
pH		10.5							
Leach Time (hours)		0	4	8	24	48	120	168	210
Solids Assays (ppm)	Calculated Head	Head							Final Residue
Au	2.50	2.29							0.74
Solution Assays (mg/L)									
Au			0.23	0.32	0.69	0.97	1.49	1.69	1.80
Metal Dissolution (%)									
Au			9	13	28	38	59	66	70
Leach Conditions									
Slurry Density (%w/w)		50	50	50	50	51	51	51	51
NaCN conc (pre-adjustment)		0.000	0.040	0.050	0.045	0.042	0.043	0.055	0.047
NaCN conc (post-adjustment)		0.049	0.050	0.050	0.049	0.049	0.050	0.055	
NaCN added (kg/t)		0.5	0.6	0.6	0.6	0.7	0.8	0.8	0.8
NaCN [1] consumed (kg/t)			0.09	0.09	0.14	0.21	0.27	0.21	0.29
CaO[2] added (kg/t)		0.08	0.14	0.14	0.14	0.18	0.27	0.27	0.27
pH (pre-adjustment)		6.7	10.2	10.6	10.4	10.2	10.1	10.4	10.1
pH (post-adjustment)		10.2	11.0	10.6	10.4	10.5	10.5	10.4	
Printed	28/07/09	Comments Sample crushed to 25mm and a bulk intermittent bottle roll was performed, rolling for 1 minute every hour. Leached in tap water. Assays Au 1 Au 2 Au Avg Head 2.27 2.30 2.29 Residue 0.75 0.73 0.74							
Job No.	9KM1460								
Technician	WC								
Test Date	1/07/09								
File ref	Brett Royle								
									
<small>QyandLeach.v5 14th/0999 Version 5</small>									

[1] Cumulative NaCN consumed (kg/t) = NaCN added - (NaCN in leach solution + NaCN removed in samples)

[2] Cumulative CaO addition relates to a pure reagent and allows for test additions of Lime with an activity/concentration of 62.0 %.

