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08 September 2009

NEX METALS EXPLORATIONS

Diamond Drilling Commences, Kookynie Project Update

The **Nex Metals Explorations Ltd (Nex or The Company)** is Nex Metals Explorations Ltd (ASX; NME) ("Nex") is pleased to advise the following update and plans for progression of its 100% owned Kookynie Project.

1. Diamond Drilling beneath the Cosmopolitan Goldmine

Diamond drilling has commenced at the Historical Cosmopolitan goldmine at Kookynie Township. The drilling program is planned to be at depth and along strike of the historical shafts. Historical production from the Cosmopolitan goldmine is 312,000 oz to 350m depth at an average grade of 16 grams of gold per tonne of ore mined.

2. First pass Grade Control Drilling at the Orient Well Laterite Project is Completed

The initial first pass of grade control drilling at Orient Well laterite has been completed. The drilling covers an area of 1.8km of strike @ approximately 300m width and depth between 2 and 10 metres, (refer to the plan below). A total of 405 holes for 4,050 metres of drilling was completed to infill the existing drilling dataset on an 10m X 10m and 25m X25m grid pattern.

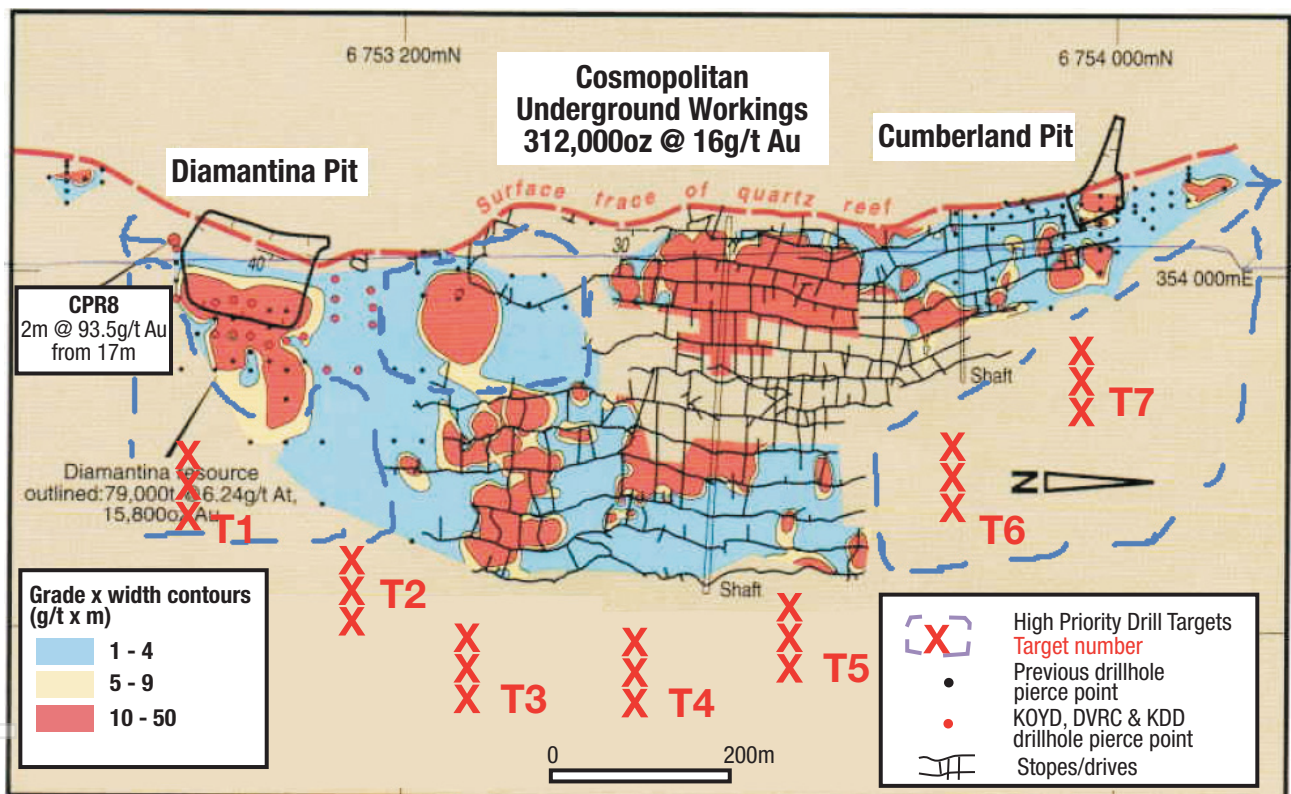
These activities pertain directly to the Nex Metals Explorations Ltd 3 Phase Plan for growth.

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|----------------|---|
| Phase 1 | Swift Low Cost Gold Production, Orient Well laterite Heap Leach |
| Phase 2 | Re – Optimisation of shallow previously mined open pits, super pit heap leach. |
| Phase 3 | Establishing a High Grade Underground Goldmine supplemented by lower grade feed from surrounding open pits and processing within a Carbon in Leach (CIL) mill. |



1. Drilling at Cosmopolitan Project is part of Phase 3 strategy mentioned above. The drilling is planned to;

- Test for extensions of gold mineralisation beneath a historical underground goldmine with impressive production history. Nex plans to thoroughly test for depth extensions to the Cosmopolitan goldmine by budgeting \$1M in diamond drilling expenditure within the next 12 months. The plan (below) shows the target zones for broad spaced multi intercept diamond drilling.
- Significantly expand the current non - Joint Ore Reserve Committee (JORC) historical gold estimates, (refer www.nexmetals.com).
- Move gold inventory from non - JORC historical gold estimates to JORC compliant resource category.





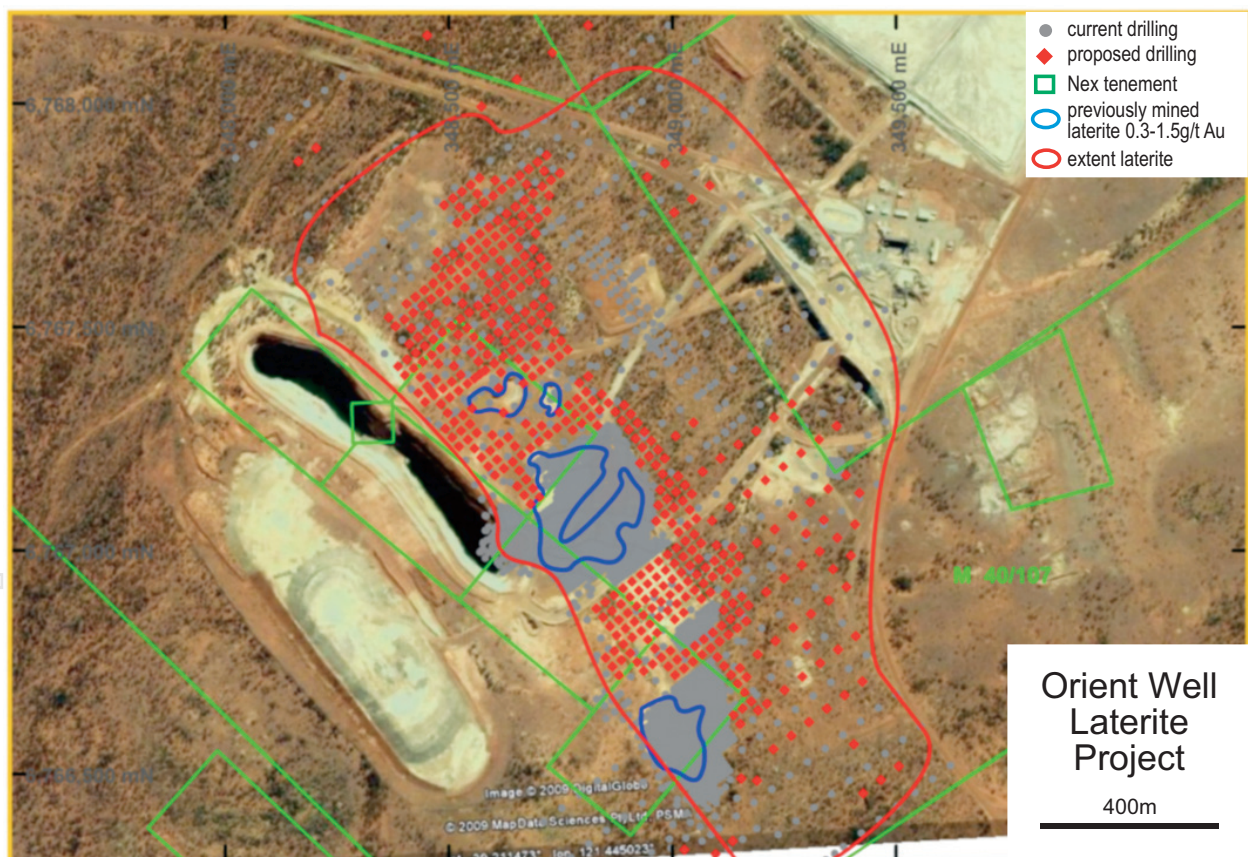
2. Nex has completed the first pass drilling of the Orient well laterite.

Nex is now awaiting survey and assay data from local suppliers to calculate tonnes and grade of Laterite ore available for processing at the (100% Nex) Orient Well Laterite Gold Project. A further round of drilling is envisaged to close off the mineralisation and define the pit limits. Nex is in the process of producing mining reserves for the Laterite project.

The plan (below) shows the existing drilling in grey and Nex infill Laterite grade control drilling in red. The strike length is approximately 1.8km and the depth of mineralisation varies from 1 to 8 metres.

3. Additional work underway on the (Nex 100% owned) Kookynie Gold Project;

1. Nex is working with Perth resource specialists Hellman and Schofield to convert the sizeable historical resource estimates (refer www.nexmetals.com) into JORC reporting status.



2. Preliminary metallurgical column leach test work has been sent to consultant metallurgists Amdel of Kalgoorlie. A total of 240kg of random sample sitting on the surface within the proposed mining area has been sent to the lab for analysis. Test work will consist of 2 X 50kg column tests to gauge a) gold recovery, b) chemical consumption c) and stacking characteristics of the gold mineralised laterite rock.
3. A Mining Proposal has been submitted to the Department of Minerals and Petroleum (DMP) to commence mining.
4. A works approval has been submitted to the Department of Environment and Conservation (DEC) for clearing of areas to setup the gold processing facility.



5. Scoping Study

Nex has assembled a steering committee of experienced industry professionals to provide recommendations on likely capital and operating costs of the Phase 1 Orient Well Heap Leach Project for;

- a) Plant layout and equipment requirements.
- b) Treatment and processing of the ore.
- c) Mining.
- d) Staffing and accommodation.

The board of Nex believe that, subject to regulatory approvals, mining of the laterites can be started within the December 2009 quarter and gold production within the March 2010 quarter.

Please view the website for a full briefing of the ambitious Nex Metals plans. **www.nexmetals.com**

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.