



Nex Metals Explorations Ltd

ABN 63 124 706 449
of Perth WA 6000

**Circular to Shareholders including
NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT
PROXY FORM**

**Annual General Meeting of Nex Metals Explorations Ltd
to be held at the Goldsworthy Room, Sheraton Hotel,
207 Adelaide Terrace, Perth WA 6000
on Thursday, the 30th day of November 2009
commencing at 2.30 pm (WST).**

This document should be read in its entirety. If after reading this Circular to Shareholders, you have any questions or doubts as to how you should vote, you should contact your stockbroker, solicitor, accountant or professional adviser.

Corporate Directory

Directors

Tom Percy QC (Chairman)
Kenneth M Allen (Managing Director)
Edd Prumm (Director)
Kasit Phisitkul (Director)

Secretary

Kenneth M Allen

Head Office

Level 2, 533 Hay Street
PERTH, WESTERN AUSTRALIA 6000
Phone: (08) 9221 6813
Fax: (08) 9221 3091
www.nexmetals.com

ASX Code NME, NME0

Registered Office

Level 2, 533 Hay Street
PERTH, WESTERN AUSTRALIA 6000

Auditor

RSM Bird Cameron Partners
8 St Georges Terrace
PERTH, WESTERN AUSTRALIA 6000

Solicitors

Lawton Gillon
Level 11, 16 St Georges Terrace
PERTH, WESTERN AUSTRALIA 6000

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS, WESTERN AUSTRALIA 6153

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Notice of Annual General Meeting

NOTICE IS GIVEN THAT an Annual General Meeting of the Company will be held at the Goldsworthy Room, Sheraton Hotel, 207 Adelaide Terrace, Perth WA 6000 on Monday, the 30th day of November 2009 commencing at 2.30 pm (WST).

Information on the proposals to which the resolutions set out below relate is contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.

BUSINESS OF THE MEETING

Ordinary Meeting

Financial Statements

To receive and consider the financial statements of the Company for the year ended 30 June 2009 consisting of the annual financial report, the directors' report and auditor's report.

Resolutions

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, pass with or without amendment the following resolution as an ordinary resolution:

“To adopt the Remuneration Report, which forms part of the Directors' Report, for the year ended 30 June 2009.”

The vote on this resolution is advisory only and does not bind the directors or the Company.

2. Resolution 2 - Re-election of Horst Edmund Prumm as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Horst Edmund Prumm, having retired as a director of the Company pursuant to the Company's constitution and being eligible, having offered himself for re-election be appointed as a director of the Company.”

3. Resolution 3 – Re-election of Kasit Phisitkul as a Director

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That Kasit Phisitkul, having retired as a director of the Company pursuant to the Company's constitution and being eligible, having offered himself for re-election be appointed as a director of the Company.”

4. Resolution 4 – Ratification of issue of Shares

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of Listing Rule 7.4 of the Listing Rules of ASX and for all other purposes, shareholders ratify and approve the allotment and issue of 8,235,000 fully paid ordinary shares on the terms and conditions set out in the Explanatory Statement accompanying this notice.”

The Company seeks shareholder ratification of the issue of the shares under ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15 per cent of its issued ordinary capital, if required, in the next 12 months without shareholder approval. Please refer to the Explanatory Statement for further details.

Voting Exclusion

For the purposes of Listing Rule 7.4 the Company will disregard any votes cast on this resolution by persons who participated in the issue of shares and any associates of those persons. However, the Company need not disregard a vote if the vote is cast by a person as proxy for another person who is entitled to vote, in accordance with the directions on the proxy form or the vote is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the direction of the proxy form to vote as the proxy decides.

"Snap-Shot" Time

The Corporations Act permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Company's directors have determined that all shares of the Company that are quoted on ASX at 3.00 pm WST, 28 November 2009 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the shares at that time.

PROXIES

Please note that:

- (a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion is not specified each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

DATED: 29 October 2009

BY ORDER OF THE BOARD



Kenneth M Allen
Company Secretary
Nex Metals Explorations Ltd

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. You should read all documents carefully. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, you should contact your stockbroker or other professional adviser.

General Information.

This Explanatory Statement has been prepared for the information of Shareholders of Nex Metals in connection with the business to be conducted at the Annual General Meeting to be held at the Goldsworthy Room, Sheraton Hotel, 207 Adelaide Terrace, Perth, Western Australia on the date set out in the notice of meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information which is reasonably required by Shareholders to decide how to vote upon the resolution. This Explanatory Statement should be read in conjunction with the accompanying Notice of Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Financial Statements and Reports

The Annual Financial Report, Directors' Report and Auditor's Report for the Company for the year ending 30 June 2009 will be laid before the meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- the preparation and content of the Auditor's Report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit

may be submitted no later than 5 business days before the meeting date to Mr Kenneth Allen, Company Secretary.

1 Adoption of Remuneration Report (Resolution 1)

The Remuneration Report of the Company for the financial year ending 30 June 2009 is set out in the Director's Report on pages 5 to 8 of the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting. Shareholders should note that the vote on this resolution is advisory only and does not bind the Company or the Directors.

2 Re-election of Director – Horst Edmund Prumm (Resolution 2)

In accordance with the Company's constitution one third of the Board (excluding the managing director) will retire at each annual general meeting and being eligible may offer themselves for re-election. As a consequence, Mr Prumm is required to be re-elected at this annual general meeting.

3 Re-election of Director - Kasit Phisitkul (Resolution 3)

In accordance with the Company's constitution one third of the Board (excluding the managing director) will retire at each annual general meeting and being eligible may offer themselves for re-election. As a consequence, Mr Phisitkul is required to be re-elected at this annual general meeting.

4 Ratification of issue of Shares (Resolution 4)

Resolution 4 seeks shareholder ratification of the issue of 8,235,000 shares referred to in the introduction set out above.

ASX Listing Rule 7.1 provides that a listed company must not, subject to certain specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities, with rights of conversion to equity if the number of those securities exceeds 15 per cent of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. This will provide that where a company in general meeting ratifies the previous issue of securities made without approval under ASX Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purposes of ASX Listing Rule 7.

Accordingly the Company seeks shareholder ratification of the issue of 8,235,000 shares pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15 per cent of its issued ordinary capital, if required, in the next 12 months without shareholder approval.

ASX Listing Rule 7.5 requires that the following information be provided to shareholders for the purposes of obtaining shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of shares allotted and issued by the Company was 8,235,000 shares;
- (b) the issue price of the shares was as set out below;
- (c) the issued shares are fully paid ordinary shares and they rank equally in all respects with the Company's other existing ordinary shares on issue;
- (d) no funds were raised. The shares were used for the acquisition of tenements;
- (e) the shares were issued to the following parties:

Date of Issue	Allottee	Issue price	Number of Fully Paid Ordinary Shares
10.6.09	FMR Investments Pty Ltd	0.10	6,800,000
10.6.09	Atlantic Gold Exploration Pty Ltd	0.10	1,000,000
28.10.09	Peter Andrew Wiltshire	0.23	435,000
TOTAL			8,235,000

DIRECTORS' RECOMMENDATION

The Board believes that the ratification of these issues is beneficial for the Company.

The Board recommends Shareholders vote in favour of Resolution 4 as it ratifies the above issue of shares and thereby retains for the Company the flexibility to issue further shares representing up to 15 per cent of the Company's share capital during the next 12 months without the need to firstly seek shareholder approval.

In this Notice of Meeting and Explanatory Statement, the following terms have the following unless the context otherwise requires:

DEFINITIONS

- “**ASIC**” means the Australian Securities & Investments Commission;
- “**ASX**” means Australian Securities Exchange Limited (ACN 008 624 691);
- “**Board**” means the Directors of the Company from time to time;
- “**Business Day**” has the meaning ascribed to that term by the Listing Rules;
- “**Company**” means Nex Metals Explorations Ltd (ABN 63 124 706 449);
- “**Directors**” means each of the persons who acts as directors of the Company;
- “**Listing Rules**” means the official listing rules of ASX;
- “**Meeting**” and “**Shareholders’ Meeting**” means the meeting of Shareholders convened by the Notice;
- “**Notice**” means the notice of meeting to which this Explanatory Statement is attached;
- “**Shares**” means ordinary fully paid shares in the capital of the Company and “**Shareholders**” has a corresponding meaning.

NOTES

A shareholder who is entitled to attend and vote at a meeting of shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the company.

Where a voting exclusion applies, the company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions of the proxy form or it is cast by a person chairing the meeting as proxy for person who is entitled to vote in accordance with the direction of the proxy form to vote as the proxy decides. The directors of the company have set a snapshot date to determine the identity of those entitled to attend and vote at the meeting. The snapshot date is stated above.

A proxy form is attached. If required, it should be completed, signed and returned in accordance with the proxy instructions on that form. To be effective, the proxy form (and any power of attorney) must be lodged at the registered office of the company not less than 48 hours before the time of holding the meeting. The proxy may be lodged by facsimile transmission to Security Transfer Registrars Pty Ltd facsimile number:- (08) 9315 2233.

PROXY FORM

(Name of member/s)

(Address of member/s)

(Daytime telephone no)

(Email Address)

Appointment of Proxy - I/We being a member/s of Nex Metals Explorations Ltd and entitled to attend and vote hereby appoint

Chairman of the Meeting
(mark with an "X") **OR**

Write here the name of the person you are appointing if this person is **someone other than** the Chairman of the Meeting

or, failing the person named, or if no person is named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Nex Metals Explorations Ltd to be held at the Goldsworthy Room, Sheraton Hotel, 207 Adelaide Terrace, Perth WA 6000 on Monday, the 30th day of November 2009 commencing at 2.30 pm (WST).

The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.

Voting directions to your proxy - please X to indicate your directions

PROXY'S VOTING INSTRUCTIONS (OPTIONAL)	FOR	AGAINST	ABSTAIN*	PROXY DISCRETION
1. Resolution 1 - Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Resolution 2 - Re-election of Director - Horst Prumm	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Resolution 3 - Re-election of Director - Kasit Phisitkul	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Resolution 4 - Ratification of issue of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE This section **MUST** be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Securityholder 1

Securityholder 2

Securityholder 3

Individual/Sole Director
and Sole Company Secretary

Director

Director/Company Secretary

Contact name

Contact daytime telephone

Date

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HOW TO COMPLETE THE PROXY FORM

1. Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Reception on +61 8 9315 2333 or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded;
- (b) return both forms together in the same envelope.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry.

If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting at 2.30 pm on 30 November 2009.

Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged

by delivery, mail or facsimile to the Security Transfer Registrars Pty Ltd

770 Canning Highway, Applecross WA 6153

Enquiries (within Australia) (08) 9315 2333

(outside Australia) 61 8 9315 2333

Facsimile 61 8 9315 2233