



30 October 2009

## NEX METALS EXPLORATIONS

### Euro Tenement Sale

The board of **Nex Metals Explorations Ltd (ASX; NME) ("Nex")** is pleased to advise the following update on the tenement re-organisation subsequent to the purchase of the Kookynie Gold Project from FMR Investments.

The Euro Project, a Nex tenement package consisting of 6 non contiguous prospecting leases, has been sold to Crescent Gold Ltd for the consideration of \$120,000 (staged payments). This is the latest step in the process of rationalising the tenement package which started with the onset of Global Financial Crisis.

Nex Metals is focused on developing the Kookynie and Yundamindera Gold Projects to a producing status (subject to regulatory approval by first quarter 2010) and as such will continue to rationalise its non-core assets.

### Kookynie Project Update

#### **Phase 1 Swift Low Cost Gold Production, Orient Well laterite Heap Leach.**

- Drilling of Laterite resource complete and JORC resources soon to be released.
- Mining Proposal Submission proceeding through the Department of Minerals and Petroleum.
- Mining Submission lodged with the Department of Environment and conservation.
- Recruitment underway for operational staff.

#### **Phase 2 Re – Optimisation of shallow previously mined open pits, super pit heap leach.**

- Work is progressing on the Independent Consultant Classification of Historical Estimates into Joint Ore Reserve Committee (JORC) compliant classification. Reanalysis of historical resources is occurring with accent on lowering cutoff grades in light of;
  - a. the historically high gold price and
  - b. as previously reported to the ASX, potential for the Phase 2 ore to be treated by the Heap / Dump Leach Gold Process.



**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.**

- Work continuing - \$1M Diamond drilling program started beneath and along strike from the Cosmopolitan Goldmine.

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](http://www.nexmetals.com).

*JORC CODE COMPLIANCE STATEMENT*

*The information in this release that relates to Exploration and Geological Work and Concepts is based on information compiled by Edd Prumm, who is a member of the Australian Institute of Mining and Metallurgy and is a consultant of the Company. Mr Prumm has sufficient experience which is 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 Exploration Results, Mineral Resources and Ore Reserves. Mr Prumm consents to the inclusion in the report of the matters based on information in the form and context in which it appears.*