



4 November 2009

## NEX METALS EXPLORATIONS LTD

### Phase 2 Kookynie Gold Project JORC compliant Resource Estimates 12.3 Mt @ 1.1 g/t Au for 432,000 Ounces of Gold

The board of Nex Metals Explorations Ltd (ASX; NME) ("Nex") is pleased to announce the following update on the Kookynie Gold Project.

The Joint Ore Reserve Committee (JORC) compliant Resource Estimates on Phase 2 of the Nex Metals wholly owned Kookynie Gold Project has been completed.

**Table 1 - Phase 2 JORC compliant Resource Estimates – Kookynie Gold Project**

**Resource summary at a 0.5g/t cut-off grade**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Total	9.46	1.11	337,000	2.86	1.0	93,000	12.30	1.1	432,000

**Resource summary at a 1.0g/t cut-off grade**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Total	2.88	1.83	169,000	0.68	1.7	37,000	3.55	1.8	207,000

**Resource summary at a 1.5g/t cut-off grade**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Total	1.10	2.50	88,000	0.22	2.6	18,000	1.31	2.5	106,000

1- Additional decimal places do not imply an added level of precision.

Note: Figures quoted may not sum due to rounding.

The Resource Estimation was completed by independent geological consultants, Hellman and Schofield (H&S) of Perth, Western Australia.

Nex believe that there is potential to extend the mineralisation both at depth and along strike within the Nex's tenements, hence there is potential to expand this resource.

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This result is an excellent one for Nex Metals for the following reasons;

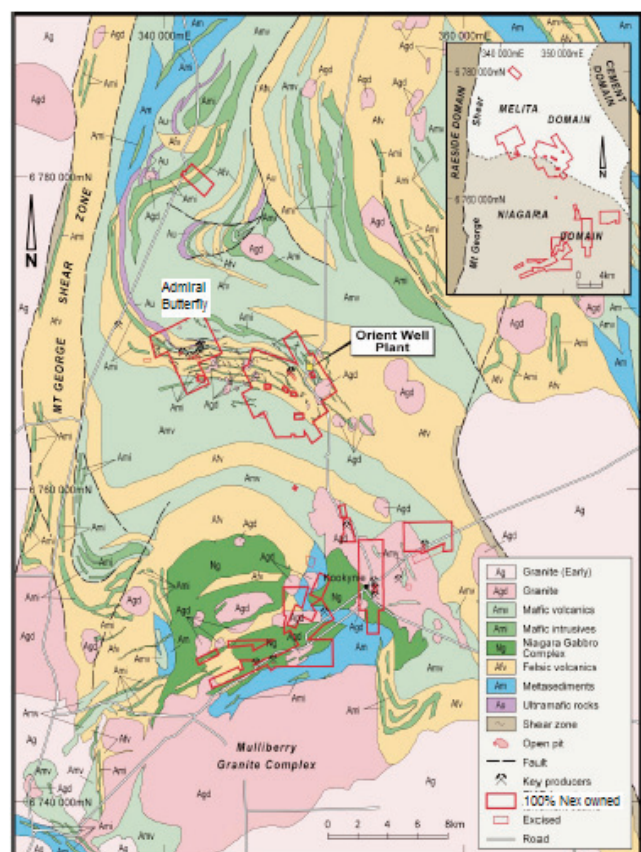
- The resource total, 12,300,000 tonnes @ 1.1g/t Au containing 430,000 ounces of gold at 0.5g/t Au lower cut-off grade, is comprised of 5 prospects, 4 of which are within 1 km proximity to one another (see figure 2 next page).
- The depth of resource ranges from near surface (Clark mineralisation) to a maximum depth of 120m (Orient Well stockwork mineralisation).
- Much of the drilling is close spaced reverse circulation drilling on a 20mE X 20mN grid pattern.
- Preliminary metallurgical test work on transitional ore collected from the base of the Butterfly open pit, reported to the ASX July 2009, indicates potential for heap leach treatment of this ore. More than 50% of the resource estimates are above fresh rock in transitional and oxide zone.
- The mineralisation is broad and robust. As a consequence of the perceived continuity in the mineralisation and the combination of high and low grade material potentially available, there may be potential for a simultaneous CIP / Heap Leach treatment.

E.g.\* 12.3 Mt @ 1.1g/t = 430,000 oz. @ 0.5 g/t (Au) lower cut-off inclusive of  
 (1.3 Mt @ 2.5g/t = 106,000 oz. @ 1.5 g/t (Au) lower cut-off (say for CIP))

Therefore 11.0 Mt @ 0.9g/t = 324,000 oz  
 (Potentially heap Leachable assuming 100% conversion to reserves).

- Within the Kookynie Gold Project Nex Metals has an additional 7 prospects with non JORC Historical Gold Estimates, (see figure 1) refer [www.nexmetals.com](http://www.nexmetals.com) (ASX announcement June 2009). Field activities required to convert these historical estimates to JORC compliant resources will start soon.

**Figure 1 - Tenement Location Diagram with Geology Kookynie Gold Project - 100% Nex Metals**



\* (The calculation and concept, above, is a conceptual “what if ratio proportion exercise”.)

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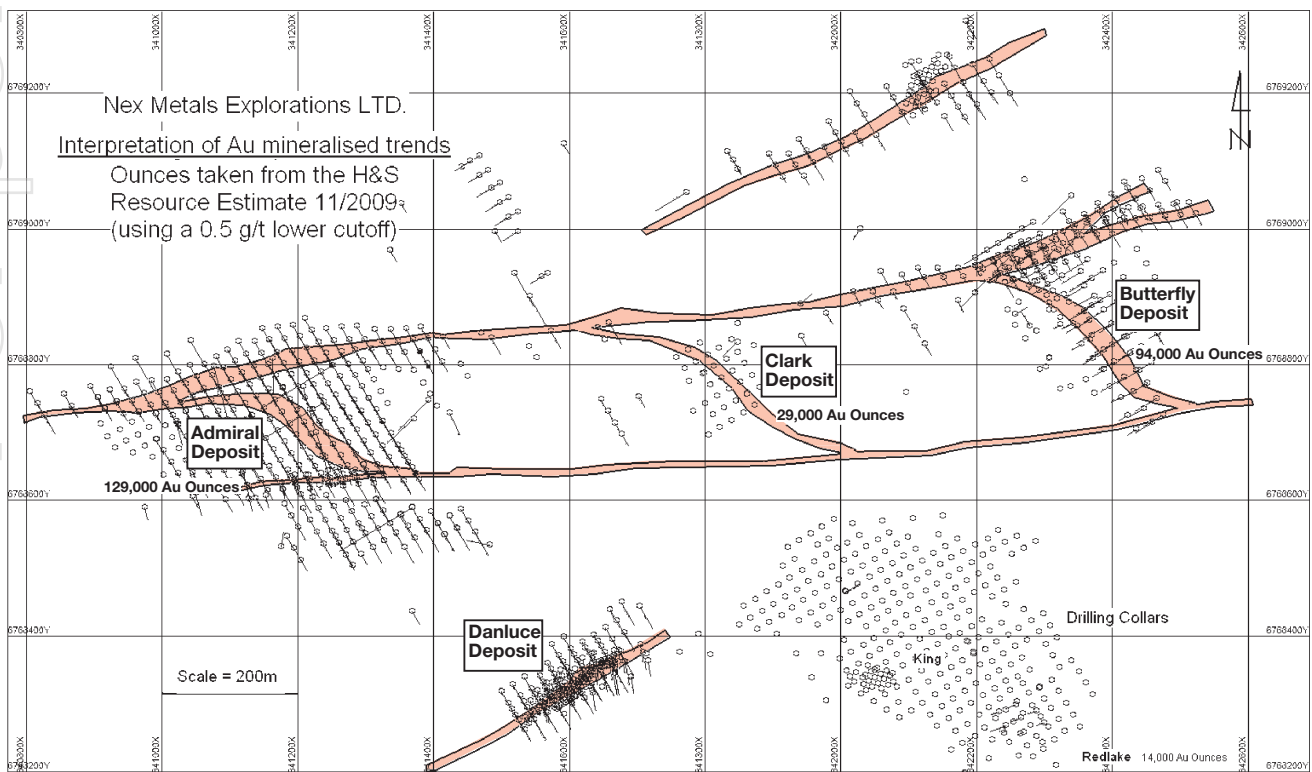
The resource estimates are from Phase 2. Nex Metals has recently reported to the ASX, JORC resources for Phase 1, Kookynie Gold Project (100% Nex Metals) and the Yundamindera Gold Project (Nex Metals earning 70%).

**Table 2 - Nex Metals JORC compliant Resource Inventory as at 01/11/2009**

Project	Indicated Tonnes	g/t	Inferred Tonnes	g/t	Total Tonnes	g/t	Ounces	Max Depth
Phase 2*	9,460,000	1.11	2,860,000	1.0	12,300,000	1.1	432,000	120m
Phase 1*	670,000	0.53	1,200,000	0.41	1,870,000	0.5	27,000	8m
Yundamindera **	1,850,000	1.34			1,850,000	1.3	79,600	50m
<b>TOTAL</b>					<b>16,020,000</b>	<b>1.0</b>	<b>538,200</b>	

\*Hellman and Schofield - 2009 \*\* Sons of Gwalia - 2002

**Figure 2 - Butterfly project area, proximity of adjacent areas  
Kookynie Gold Project - 100% Nex Metals**





**Table 3 - Phase 2 Resource Estimates – by confidence categories and prospect locations**

**Resource summary at a 0.5g/t cut-off grade**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	2.61	1.22	102,000	0.83	1.0	27,000	3.44	1.2	129,000
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
<b>Subtotal</b>	<b>5.29</b>	<b>1.18</b>	<b>200,000</b>	<b>2.02</b>	<b>1.0</b>	<b>65,000</b>	<b>7.31</b>	<b>1.1</b>	<b>267,000</b>
Orient Well Main	4.15	1.03	137,000	0.84	1.0	28,000	4.99	1.0	165,000
<b>Total</b>	<b>9.46</b>	<b>1.11</b>	<b>337,000</b>	<b>2.86</b>	<b>1.0</b>	<b>93,000</b>	<b>12.30</b>	<b>1.1</b>	<b>432,000</b>

**Resource summary at a 1.0g/t cut-off grade**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	0.91	1.90	55,000	0.16	1.8	9,000	1.07	1.9	65,000
Butterfly	0.61	1.81	35,000	0.24	1.5	11,000	0.85	1.7	47,000
Clarke	0.20	1.80	12,000	0.01	1.7	1,000	0.21	1.8	12,000
Red Lake	0.06	2.12	4,000	0.07	2.0	4,000	0.13	2.1	8,000
<b>Subtotal</b>	<b>1.78</b>	<b>1.86</b>	<b>106,000</b>	<b>0.48</b>	<b>1.7</b>	<b>25,000</b>	<b>2.25</b>	<b>1.8</b>	<b>132,000</b>
Orient Well Main	1.10	1.78	63,000	0.20	1.9	12,000	1.30	1.8	75,000
<b>Total</b>	<b>2.88</b>	<b>1.83</b>	<b>169,000</b>	<b>0.68</b>	<b>1.7</b>	<b>37,000</b>	<b>3.55</b>	<b>1.8</b>	<b>207,000</b>

**Resource summary at a 1.5g/t cut-off grade**

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	0.36	2.50	29,000	0.05	2.6	4,000	0.41	2.5	33,000
Butterfly	0.21	2.58	18,000	0.06	2.1	4,000	0.27	2.5	21,000
Clarke	0.08	2.40	6,000	-	0.0	-	0.08	2.4	6,000
Red Lake	0.03	2.84	2,000	0.03	2.8	3,000	0.06	2.8	5,000
<b>Subtotal</b>	<b>0.68</b>	<b>2.52</b>	<b>55,000</b>	<b>0.14</b>	<b>2.4</b>	<b>11,000</b>	<b>0.82</b>	<b>2.5</b>	<b>66,000</b>
Orient Well Main	0.42	2.50	33,000	0.08	2.9	7,000	0.49	2.6	40,000
<b>Total</b>	<b>1.10</b>	<b>2.50</b>	<b>88,000</b>	<b>0.22</b>	<b>2.6</b>	<b>18,000</b>	<b>1.31</b>	<b>2.5</b>	<b>106,000</b>

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### **Responsibility Statement**

*The information in this report which relates to exploration results, quality of data, geological interpretations, reasonable expectation of potential viability of quoted gold resources, comments on metallurgy and marketing and appropriateness of cut-off grades is based on information compiled by Edd Prumm who is the Exploration Manager of the Company and who is a Member of the Australasian Institute of Mining and Metallurgy. 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 reporting of this information in the form and context in which it appears.*

*Information in this report that relates to mineral resource estimation reflects information compiled by Mr Robert Spiers. Resource estimation was undertaken by Mr Spiers who is a full time employees of Hellman and Schofield Pty Ltd. Mr Spiers is a Member of the Australian Institute of Geoscientists and 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 Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Spiers consents to the reporting of this information in the form and context in which it appears.*

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