



2 September 2010

NEX METALS EXPLORATIONS LTD

100% Kookynie Gold Project

Mineral Resource Estimate Increased by 33,000 Ounces.

Nex Metals Explorations Ltd (ASX; NME) ("Nex") is pleased to announce an update of the Mineral Resource Estimates for the Kookynie Gold Project.

The estimates were completed by APEX Geoscience Ltd (APEX) (independent geological consultants). APEX have calculated the resources at the previously unreported "Leipold Deposit" West of Kookynie which forms part of the proposed Phase 3 plan.

The result is a significant 33,000 gold ounce increase in inventory to the previous mineral resource estimate for a combined 22,180,000 tonne for 749,000 ounces with the mineral resource estimates largely shallower than 110 vertical metres from surface.

The Leipold Deposit was previously called the Lubra Queen, Nex have renamed¹ the prospect in the memory of the Leipold family who settled in the Kookynie district in the early 1900's and were prominent in the gold mining industry of the time².

Nex has continued to systematically review all tenements and project areas in its extensive data base and has allocated internal man power and resources with the aim of achieving a Gold Inventory milestone of 1,000,000 ounces. Leipold prospect is a result of these efforts.

The Directors remain focussed on Phase 1 with the imminent commencement of construction of the Dump Leach pad and facilities. However as with the increasing inventory base and hence comfort levels your directors continue to assess which project areas can be fast tracked into production. Pricing has been sought to re-commission the existing Orient Well CIP/CIL plant for a 300,000 tonne per annum capacity which are coming in the lower range of expectation. The concept of the lower capacity mill is that Nex can then maintain a longer term outlook of the project area by weathering the traditional fluctuations in gold price through processing a higher grade feed stock which is expected from phase 3 operations (with the combination of heap leaching the lower grade bulk resources).

Table 1 - APEX resource calculations

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

Phase 3 Deposits	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
West Kookynie (Leipold)				0.35	2.18	24,000	0.18	1.6	9,000	0.53	2.0	33,000

Note: Figures may not sum due to rounding. Significant figures do not indicate an added level of precision. Well defined geological continuity and limited support QAQC.

¹ Subject to DMP approval.

² "Niagra/Kookynie – How it was" book publication by and courtesy of Mrs Margaret Pusey (Grand Hotel Kookynie).



The Leipold deposit has a strike length of 400 metres and is drilled with close spaced Reverse Circulation (RC) drilling on an approximate 20X20m grid pattern to a depth of approximately 70 vertical metres.

The deposit displays excellent continuity along strike and down dip and dips at approximately 50 degrees to the east.

The gold mineralisation appears to have a 0 to 10m near surface depletion. The mineralisation has not been adequately drill tested along strike or closed off down dip. (Refer long section and Plan appendices)

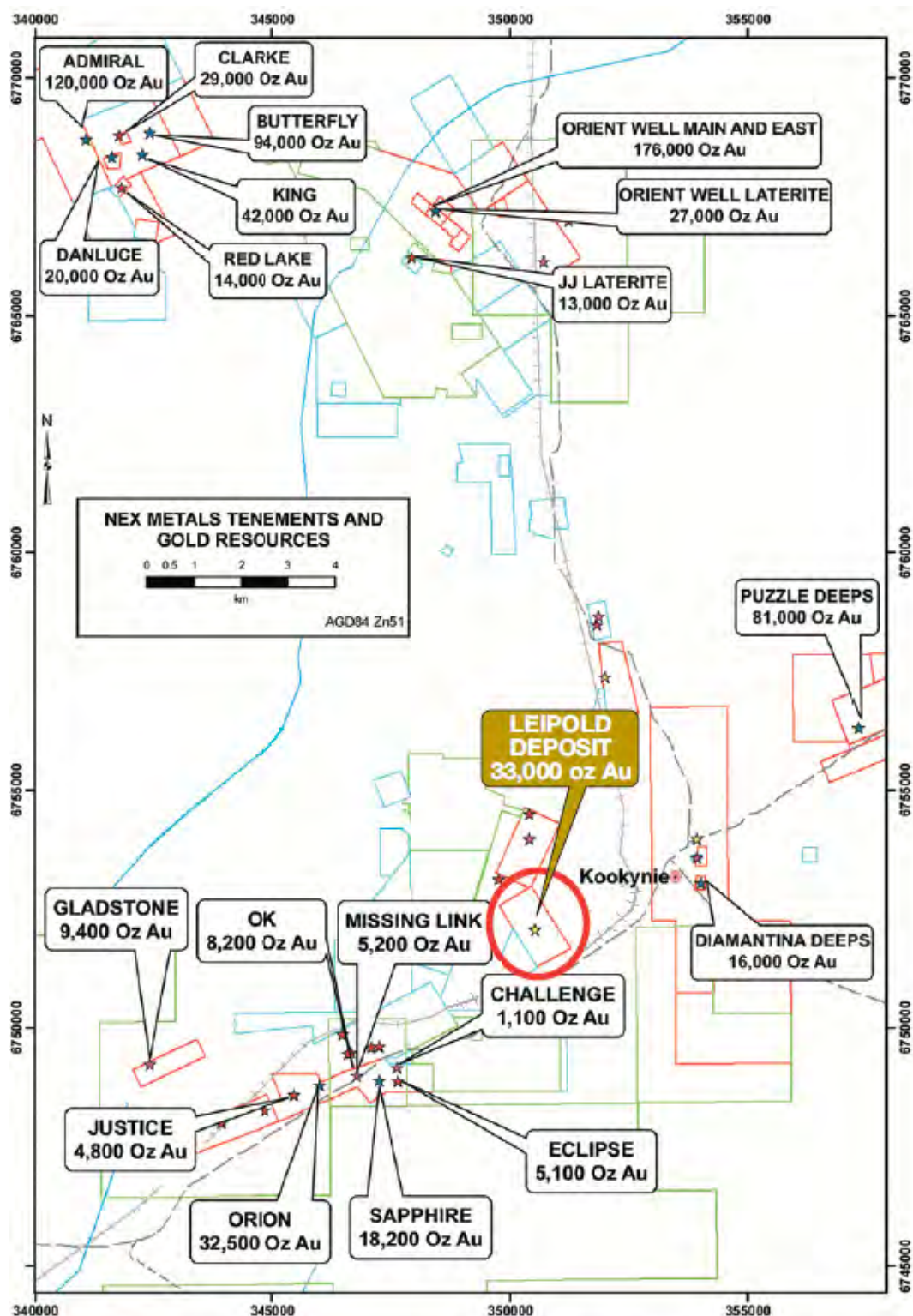




Table 2: Resource Estimate Summary Total Kookynie Gold Project

Resource summary at a 0.35g/t cut-off grade

Phase 1 deposits	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Orient Well Laterite	-	-	-	0.67	0.53	11,000	1.17	0.4	15,000	1.84	0.5	27,000
Double J Laterite	-	-	-	0.17	0.51	3,000	0.67	0.5	10,000	0.84	0.5	13,000
Laterite Resources Subtotal	-	-	-	0.84	0.52	14,000	1.84	0.4	25,000	2.68	0.5	40,000

Resource summary at a 0.50g/t cut-off grade

Phase 2 deposits	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	1.39	1.19	53,000	1.31	1.18	49,000	0.50	1.1	17,000	3.20	1.2	120,000
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
King	-	-	-	1.48	0.80	38,000	0.15	0.7	3,000	1.63	0.8	42,000
Danluce	-	-	-	0.48	1.01	16,000	0.13	0.9	4,000	0.61	1.0	20,000
Butterfly Project Areas Subtotal	1.39	1.19	53,000	5.95	1.06	202,000	1.97	1.0	63,000	9.31	1.1	319,000
Orient Well Main	-	-	-	4.15	1.03	137,000	0.84	1.0	28,000	4.99	1.0	165,000
Orient Well East	-	-	-	0.26	0.86	7,000	0.15	0.9	4,000	0.41	0.9	11,000
Orient Well Project Areas Subtotal	-	-	-	4.41	1.02	144,000	0.99	1.0	32,000	5.40	1.0	176,000
Puzzle Deeps	-	-	-	1.93	0.93	58,000	0.76	0.9	23,000	2.70	0.9	81,000
Puzzle Deeps Subtotal	-	-	-	1.93	0.93	58,000	0.76	0.9	23,000	2.70	0.9	81,000

Resource summary at a 3.00g/t cut-off grade

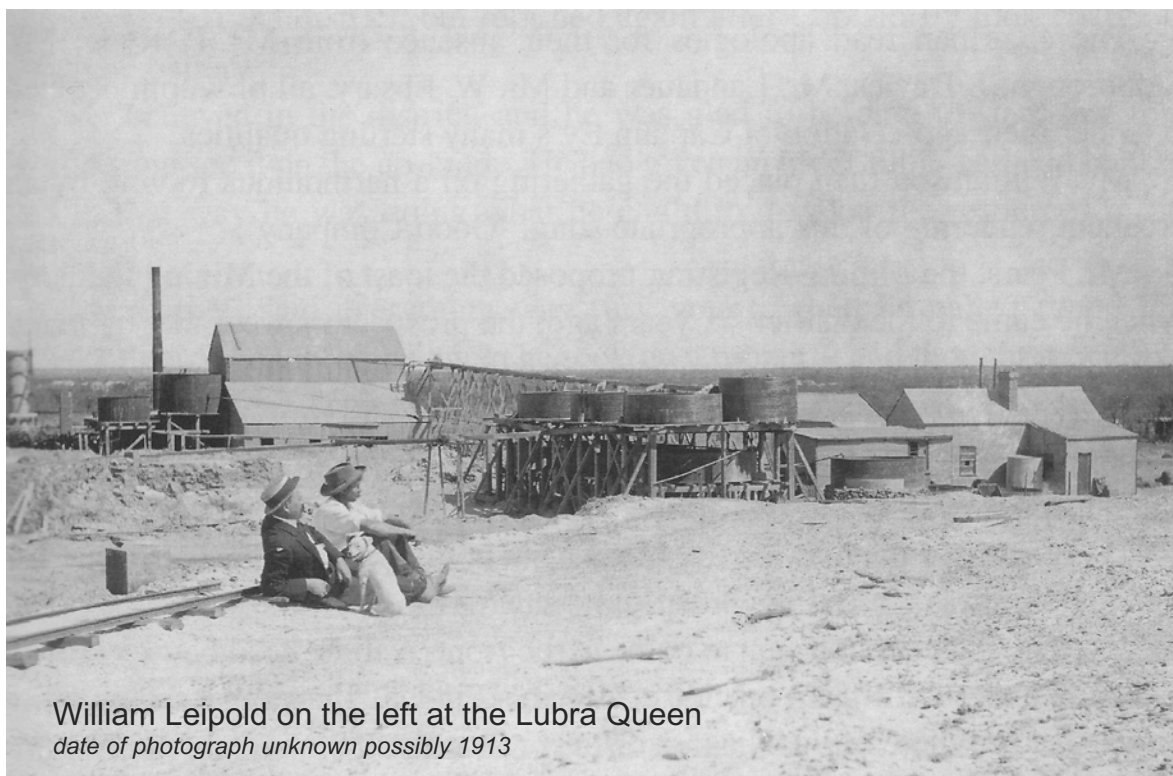
Phase 3 deposits	Measured			Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Diamantina Deeps	-	-	-	0.04	5.47	8,000	0.05	5.0	8,000	0.10	5.2	16,000
Diamantina Deeps Subtotal	-	-	-	0.04	5.47	8,000	0.05	5.0	8,000	0.10	5.2	16,000

Resource summary at a 3.00g/t cut-off grade

Phase 3 deposits

Niagara total				0.7	2.40	52,000	0.67	1.3	32,000	1.46	1.8	84,000
West Kookynie (Leipold)				0.35	2.18	24,000	0.18	1.6	9,000	0.53	2.0	33,000,
Combined Kookynie Projects Total	1.39	1.19	53,000	14.74	1.06	502,000	6.46	0.9	192,000	22.18	1.1	749,000

*Note: Figures above may not sum due to rounding
Significant figures do not indicate an added level of precision
Assumed bulk density values ox=1.8, tr=2.1 fr=2.7
Limited recovery and supportive QAQC
Well defined geological continuity*



William Leipold on the left at the Lubra Queen
date of photograph unknown possibly 1913

For more information please visit the website www.nexmetals.com.

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Responsibility Statement

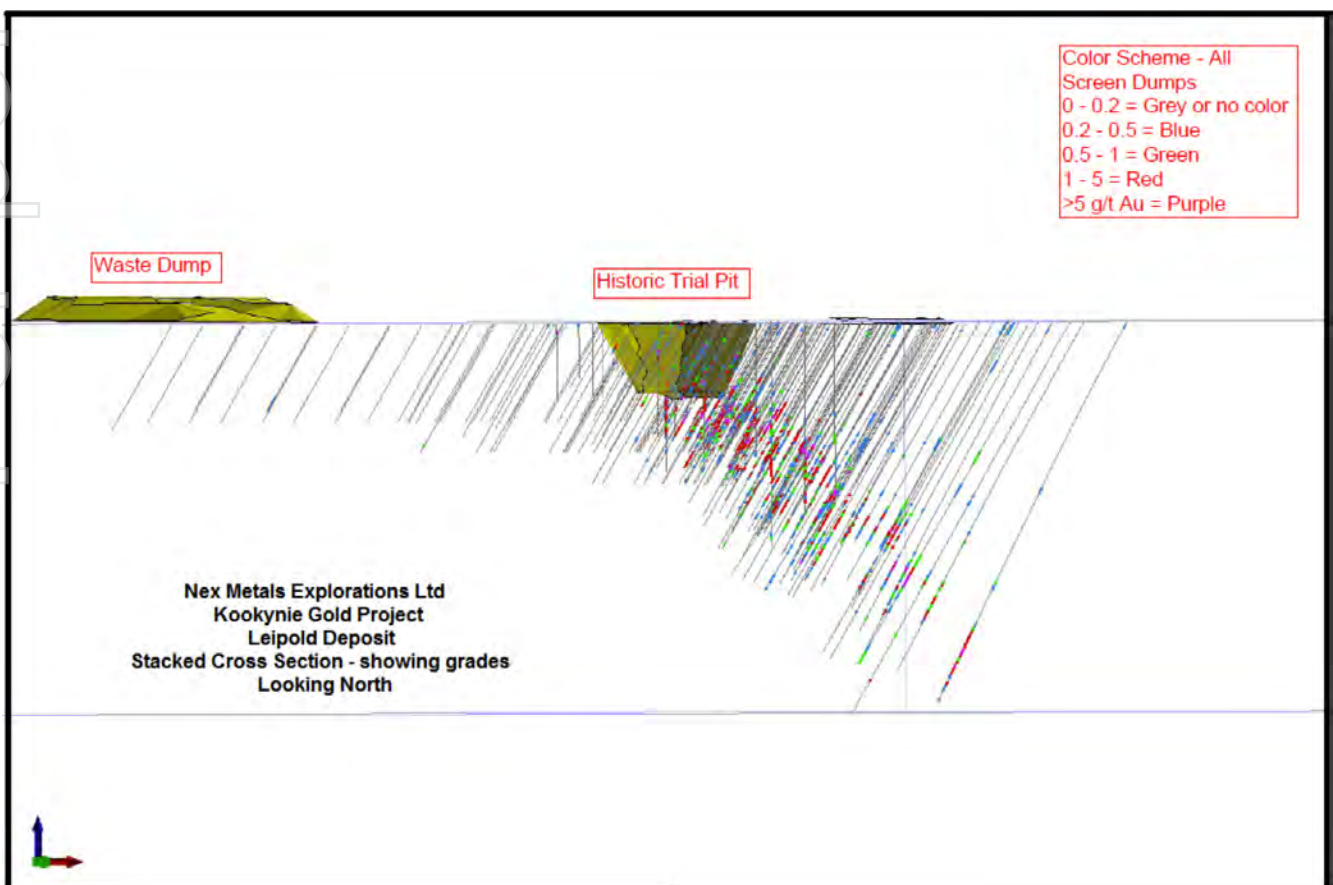
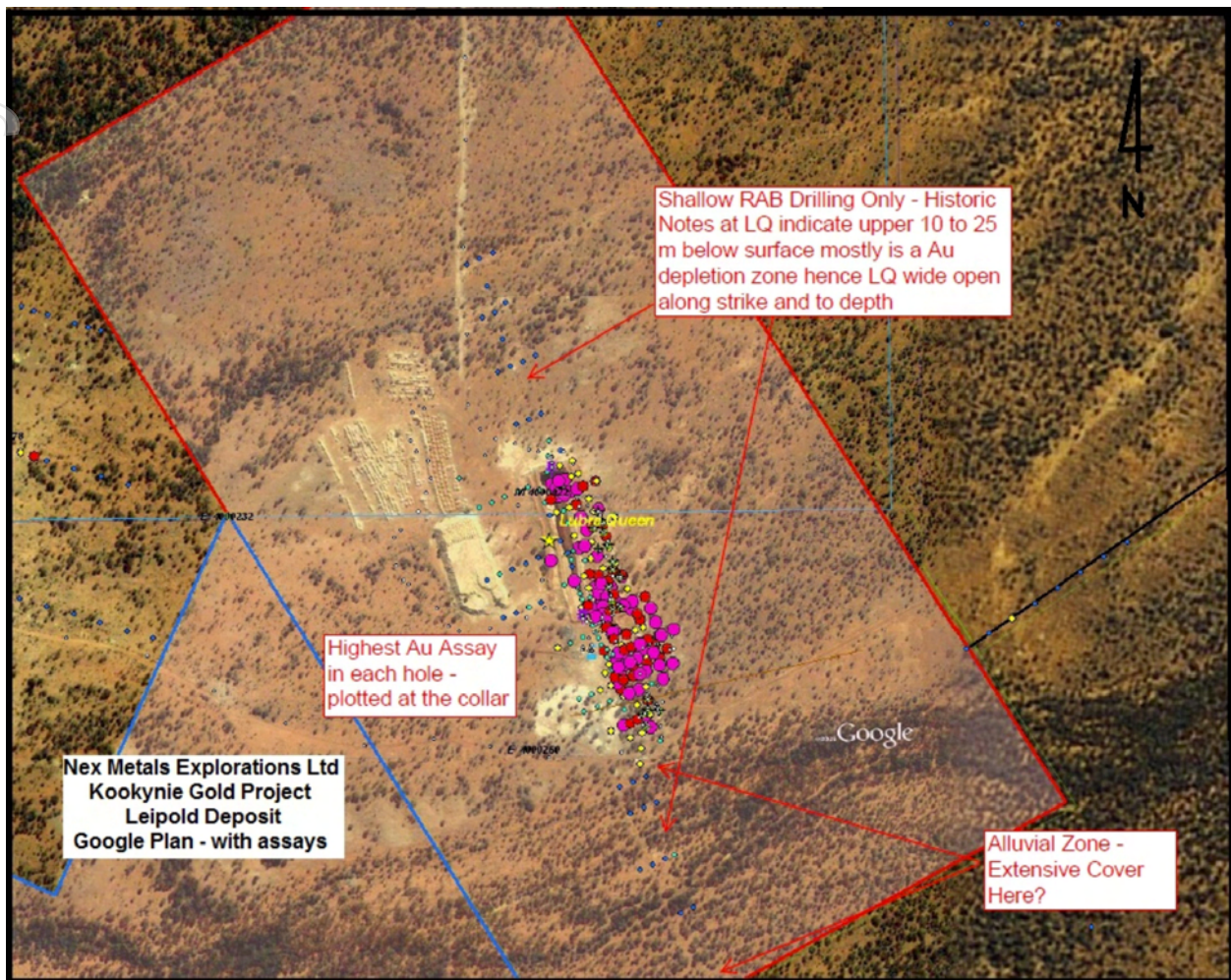
The information in Table 1 & 2 pertaining to the Leipold and Niagara deposits is based on information compiled by Mr. Michael Dufresne, M.Sc., P.Geol., who is a full time employee and President of APEX Geoscience Ltd. and a director of APEX Geoscience Australia Pty Ltd. and Mr Edd Prumm who is a full time employee of the Company. Mr Dufresne and Mr Prumm have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are 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. Dufresne and Mr. Prumm consent to the inclusion in this report of the matters based on their information in the form and context in which it appears. Mr E Prumm the Technical Director and Exploration Manager of the Company is a Member of the Australasian Institute of Mining and Metallurgy, and the Australian Institute of Geoscientists, Mr Dufresne is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta.

The remainder of the Mineral Resource Estimate results displayed in table 2 is based on information compiled by Mr. Robert Spiers who is a full time employee of Hellman & Schofield Pty Ltd and Mr Edd Prumm who is a full time employee of the Company. Mr. Spiers and Mr Prumm have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are 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. Spiers and Mr Prumm consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Mr E Prumm the Technical Director and Exploration Manager of the Company is a Member of the Australasian Institute of Mining and Metallurgy, and the Australian Institute of Geoscientists, Mr Spiers is a Member of the Australian Institute of Geoscientists.



Appendices





Appendices

