



Nex Metals Explorations Ltd

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Australian Securities Exchange
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Announcements Officer

Toll Milling Agreement

The Directors of Nex Metals Explorations Ltd (the Company or Nex) are pleased to announce that the Company has concluded a Toll Milling Agreement with A1 Minerals Ltd (A1) for their Brightstar Mill south of Laverton.

This will give Nex exclusive use of the Mill for a period up to 6 months from December 2011. The agreement provides for a production rate of 1,200 tonnes per 24 hour period. Nex currently has a mining schedule established for the Butterfly Pit of 186,000 tonnes at an average grade of 2.55 g/t (by Minecomp Pty Ltd). The balance of mill feed is expected to come from the Kookynie Project (including the Leipold deposit) which comprise softer oxide materials.

Start up capital required under this arrangement is significantly less for the Company and funding can now be finalised with this agreement in hand. Toll treating with A1 (supplementing the existing agreement in place with Navigator Resources Ltd) will allow Nex to join the gold producer ranks. The Company has expended on the basis of making the Company a producer not just an exploration company and returning positive cash flows to the Company whilst minimising dilution to existing shareholders.

The Company acknowledges the delays in commencing production (including putting the Heap Leach on hold) but Toll Treating provides a safer and more reliable return to the Company in the shorter term with the increasing gold price.

Yours sincerely

Ken Allen
Managing Director

Responsibility Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Rob L'Heureux, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta (Canada). Mr. L'Heureux M.Sc., P.Geol., who is a full time employee of APEX Geoscience Ltd., has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken 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. L'Heureux consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

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