



Nex Metals
Explorations Ltd

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Company Announcements Officer

Australian Securities Exchange

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NEX METALS EXPLORATIONS LTD

Shareholder Update.

Nex Metals Explorations Ltd (Nex or the Company) undertook the first blast in the Butterfly pit.

This was undertaken in waste rock first to test the blast dynamics. As a waste blast it was centre lifted for maximum efficiency. Overall fragmentation was excellent with no obvious signs of oversize. From this shot the indications are we may be able to widen pattern and decrease powder factor leading to lower costs. Water from recent heavy rains are flowing into the blast but will level out. Digger is expected on site this weekend from the Pilbara (delayed due to the recent cyclone in the region) which will dig a sump and commence removal of blasted rock. Stone Resources Australia Ltd (formerly A1 Minerals Ltd) advise that upgrades to the Brightstar plant is near completion with processing of Nex ore to commence on or about 31 January. Trucking from stockpiles still continues.

Costs of production are expected in the region of \$1250 per ounce (including Toll Treating and Trucking costs). With trucking costs in the range of \$380/ounce this will make cash costs on site at Orient Well, significantly lower based on initial scoping studies of refurbished mill and pit optimizations. Current planning has initial treatment capacity for 5 years. Exploration will recommence to increase resource base in the next quarter.

For further details please contact:
www.nexmetals.com

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.



First Blast at Butterfly Pit



Loading of blast holes



Drill and Blast staff reviewing post blast.