

30 September 2022

The Company Announcements Officer  
The Australian Securities Exchange  
Level 40, 152-158 St Georges Terrace  
Perth WA 6000

### **Proposed Conversion of Directors Debt**

The Directors of Nex Metals Explorations Ltd (Nex or The Company) have each agreed to convert outstanding Directors fees to equity in the Company, subject to shareholder approval.

A General Meeting will be called and notice of meeting forwarded to shareholders in due course.

The current proposed conversion price is \$0.05/share which is a 42.86% premium to the closing price of \$0.035 on 29 September 2022, the conversion price will be adjusted up should the 10 day VWAP also move upwards.

This will decrease debt on the Balance Sheet of 30 June 2022 by circa \$2,152,733 relating to outstanding directors' fees. In addition, Allens Business Group Pty Ltd has also agreed to convert debt as at 30 June 2022 of circa \$806,673.

The Board believes that this is in the best interests of the Company from a solvency point of view.

The commercial reality of raising funds to clear director debt has never been the purview of the directors and would be uncertain in the current market.

This will allow any future funds raised to be used to advance the Kookynie Gold Project and its processing of the Kookynie Research Tailings.

In conjunction of clearing other creditors by the issue of shares at \$0.05 again assists the Company to maintain its solvency.

With the proposed rights issue which is on foot those funds can then be best served in advancing the interests of shareholders.

This announcement is authorised by the Board.

ENDS.