

Nex Metals Explorations Ltd

ACN 124 706 449

Notice of General Meeting Explanatory Statement Proxy Form

A General Meeting of Nex Metals Explorations Ltd will be held at
2.00 pm (WST) on 4 January 2023
at Quality Hotel Ambassador Perth,
196 Adelaide Terrace EAST PERTH WA 6004

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9221 6813.

NEX METALS EXPLORATIONS LTD

ACN 124 706 449

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of Nex Metals Explorations Ltd ("Company") will be conducted at Quality Hotel Ambassador Hotel Perth, 196 Adelaide Terrace, Perth, WA, 6000 at 2.00 pm (WST) 4 January 2023 ("Meeting").

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

The Proxy Form forms are part of this Notice of General Meeting ("Notice").

Unless otherwise defined, capitalised terms used in this Notice are defined in the Glossary of the Explanatory Statement accompanying this Notice.

Voting eligibility

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 2.00pm (WST) on 4 January 2023.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and

- if the proxy is not the chair, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

Voting exclusion statements

The Corporations Act and the Listing Rules require that certain persons must not vote, and the Company will disregard any votes cast in favour by or on behalf of certain persons and their associates, on the Resolutions to be considered at the meeting.

However, the Company need not disregard a vote if it is cast in favour of a resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way.

(b) the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

(ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

The Company will disregard any votes cast in favour on a Resolution as set out in the table below:

Resolution	Nature of resolution	Persons excluded from voting
1	Approval to issue Shares	Mr Kenneth Allen or any associate of Kenneth Allen and any other person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary Shares in the Company).
2	Approval to Issue Shares	Allens Business Group Pty Ltd or any associate of Allens Business group Pty Ltd and any other person who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary Shares in the Company).
3	Ratification of issue of Shares	Legalwest Pty Ltd or any associate of Legalwest Pty Ltd
4	Ratification of issue of Shares	Georgios Papamihail or any associate of Georgios Papamihail

5	Ratification of issue of Shares	Indian Ocean Capital Pty Ltd or any associate of Indian Ocean Capital Pty Ltd
6	Ratification of issue of Shares	Mat Mining Pty Ltd or any associate of Mat Mining Pty Ltd
7	Ratification of issue of Shares	Aaxxa Group Pty Ltd or any associate of Aaxxa Group Pty Ltd

BUSINESS OF THE MEETING

Agenda

1. Approval to Issue Shares in lieu of Director's Fees – Kenneth Allen

To consider, and if thought fit, to pass with or without amendment the following resolution as an **ordinary** resolution:

"That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 28,461,848 shares to Mr Ken Allen (or his nominee) for unpaid accrued director fees up to 30 June 2022 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Allen and his nominees and any Associates of those persons *and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit by reason of being a holder of ordinary securities in the entity.* However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person or attorney as a proxy for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

In accordance with section 250BB of the Corporations Act, a person appointed as a proxy must not vote, based on that appointment, on this Resolution if:

- (a) the proxy is either:
 - A. a member of the Key Management Personnel; or
 - B. a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Further, a Restricted Voter who is appointed as a proxy will not vote on this Resolution unless:

 - A. The appointment specifies the way the proxy is to vote on this Resolution; or
 - B. The proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

Please Note: if the Chair is a person referred to in section 224 of the Corporations Act in the voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on this Resolution. If you are a Restricted Voter and purport to cast a vote other than as permitted above, that will vote will be disregarded by the Company and may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

2. Approval to Issue Shares in lieu of Related Party Loan – Allens Business Group Pty Ltd

To consider, and if thought fit, to pass with or without amendment the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 16,133,469 shares to Allens Business Group Pty Ltd for the repayment of loans provided to the Company up to 30 June 2022 on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Allens Business Group Pty Ltd and their nominees and any Associates of those persons and *any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit by reason of being a holder of ordinary securities in the entity.* However, the Company need not disregard a vote if it is cast in favour of the resolution by:

- (a) a person or attorney as a proxy for a person who is entitled to vote, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Prohibition Statement:

In accordance with section 250BB of the Corporations Act, a person appointed as a proxy must not vote, based on that appointment, on this Resolution if:

- (a) the proxy is either:
 - A. a member of the Key Management Personnel; or
 - B. a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Further, a Restricted Voter who is appointed as a proxy will not vote on this Resolution unless:

 - A. The appointment specifies the way the proxy is to vote on this Resolution; or
 - B. The proxy is the Chair of the meeting and the appointment expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

Please Note: if the Chair is a person referred to in section 224 of the Corporations Act in the voting exclusion statement above, the Chair will only be able to cast a vote as proxy for a person who is entitled to vote if the Chair is appointed in writing and the Proxy Form specifies how the proxy is to vote on this Resolution. If you are a Restricted Voter and purport to cast a vote other than as permitted above, that will vote will be disregarded by the Company and may be liable for breaching the voting restrictions that apply to you under the Corporations Act.

Shareholders should note that the Chair intends to vote any undirected proxies in favour of this Resolution.

3 Ratification of Prior Issue of Shares to Legalwest Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary** resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,500,000 Shares to Legalwest Pty Ltd on the terms and conditions set out in the Explanatory Statement."

4 Ratification of Prior Issue of Shares to Georgios Papamihail

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary** resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,460,000 Shares to Georgios Papamihail on the terms and conditions set out in the Explanatory Statement."

5 Ratification of Prior Issue of Shares to Indian Ocean Capital Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary** resolution:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,346,700 Shares to Indian Ocean Capital Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

6 Ratification of Prior Issue of Shares to Mat Mining Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary** resolution:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,760,000 Shares to Mat Mining Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

7 Ratification of Prior Issue of Shares to Aaxxa Group Pty Ltd

To consider and, if thought fit, to pass, with or without amendment, the following **ordinary** resolution:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,650,000 Shares to Aaxxa Group Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

BY ORDER OF THE BOARD

Kenneth M Allen
Company Secretary
Nex Metals Explorations Ltd
1 December 2022

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the General Meeting.

The purpose of this Explanatory Memorandum is to provide Shareholders with all information known to the Company which the Directors believe is material to a decision on how to vote on the resolutions in the accompanying Notice of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Capitalised terms in the Explanatory Statement are defined in the Glossary.

Ordinary Resolutions 1 and 2 – Approval to Issue Shares in lieu of accrued Director’s Fees to Kenneth Allen and related party loans

1.1 General

Mr Kenneth Allen elected to accrue his fees for services to the Company to allow the Company to apply those funds which would have been applied to Director’s remuneration to its exploration programs. These fees have been treated as accrued expenses in the records of the Company and reported in the audited accounts of the Company, including the audited Remuneration Reports. The Company proposes that accrued director fees are converted into Shares in the Company.

Resolution 1 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of the Director Shares (**Director Shares**) to Mr Kenneth Allen (or his nominee) in lieu of accrued fees up to 30 June 2022.

Allens Business Group Pty Ltd has provided loans to the Company for the purposes of working capital requirements and Allens Business Group Pty Ltd have agreed to in not seek cash payments for their unpaid balances until the company is in a position to pay.

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 10.11 for the issue of Shares to Allens Business Group Pty Ltd in satisfaction of loans.

The Shares proposed to be issued under Resolutions 1 and 2 are to be issued at a deemed issue price of \$0.05 per share and will be issued on the same terms and conditions as the Company’s fully paid ordinary shares.

1.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company’s members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Shares pursuant to Resolutions 1 and 2 to Mr Allen and Allens Business Group Pty Ltd constitutes a financial benefit and each are related parties of the Company.

The Board (other than Mr Kenneth Allen) has considered the application of Chapter 2E of the Corporations Act (Related party provisions) and has resolved that in the Company's circumstances:

- (a) the reasonable remuneration exception provided by section 211 of the Corporations Act applies to Resolution 1; and
- (b) the arm's length exception provided by section 210 of the Corporations Act applies to Resolution 2.

On this basis Shareholder approval is not sought under Chapter 2E of the Corporations Act.

1.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue equity securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%) holder in the company (Listing Rule 10.11.2).
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3).
- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or

a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.3 is such, that in ASX's opinion, the issue or agreement should be approved by Shareholders, unless it obtains the approval of its shareholders.

The proposed issue of Shares to Mr Kenneth Allen under Resolution 1 falls within Listing Rule 10.11.1 as Mr Allen is a related party of the Company by virtue of being a Director of the Company.

The proposed issue of Shares to Allens Business Group Pty Ltd under Resolution 2 falls within Listing Rule 10.11.1 as Allens Business Group Pty Ltd is a related party of the Company by virtue of being an entity controlled by a Director of the Company, Kenneth Allen.

As the proposed issues under Resolutions 1 and 2 involve the issue of securities to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances. Therefore, shareholder approval under Listing Rule 10.11 is sought for the proposed issues of securities under Resolutions 1 and 2.

1.4 Information Required by Listing Rule 14.1A

If Resolution 1 is passed, the Company will be able to proceed with the issue of Shares. Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares to Mr Allen under Resolution 1 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Shares under Resolution 1 will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1 and will therefore not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

If Resolution 1 is not passed, the Company will not be able to issue the Shares under Resolution 1. The Company will be liable to satisfy the accrued director fees with cash payments which will impact on the Company's available cash and mean less cash for the Company to spend on its projects and a decrease in available working capital.

If Resolution 2 is passed, the Company will be able to proceed with the issue of Shares. Approval pursuant to Listing Rule 7.1 is not required in order to issue the Shares to Allens Business Group Pty Ltd under Resolution 2 as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Shares under Resolution 2 will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1 and will therefore not reduce the Company's 15% capacity for the purposes of Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to issue the Shares under Resolution 2. The Company will be liable to satisfy the loans with cash payments which will impact on the Company's available cash and mean less cash for the Company to spend on its projects and a decrease in available working capital.

Further, if Resolutions 1 and 2 are not approved, payment of the accrued director's fees and repayments of loans will be extended until the latest of June 2023 or when the Company is in a position to repay in cash.

1.5 Information required by Listing Rule 10.13 – Resolution 1

Pursuant to and in accordance with Listing Rule 10.13, the information below is provided in relation to the issue of Shares pursuant to Resolution 1:

- (a) The Shares are to be issued to Mr Allen.
- (b) Mr Allen is a related party of the Company by virtue of being a director (Listing Rule 10.11.1).
- (c) A total of 28,461,848 fully paid ordinary Shares are to be issued to Mr Allen (or his nominee) under Resolution 1.
- (d) The Shares will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (e) The Shares will be issued for nil cash consideration at a deemed issued price of \$0.05 per Share. The deemed issue price is a premium of 42.86% of the closing price of \$0.035 on 27 September 2022. The Shares are being issued in lieu of the following accrued director fees owing to Mr Allen for the period from June 2012 to June 2022:

Ordinary Resolution	Person/Entity	Amount Owed	Number of Shares in Lieu at deemed issue price \$0.05/ share	Dilutionary effect
1	Kenneth Allen	\$1,423,092.40	28,461,848	10.66%

- (e) The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) No funds will be raised from the issue as the Shares are being issued in consideration for director services provided to the Company.
- (g) The purpose of the issue is to satisfy accrued director fees for the period June 2012 to June 2022.
- (h) The Shares are not being issued pursuant to an agreement.
- (i) A voting exclusion statement is included in the Notice.
- (j) Directors' fees and years for which Resolution 1 proposes full satisfaction via issue of shares at a deemed price of \$0.05.
- (k) Details of Mr Allen's remuneration for each year are set out in the below table

Kenneth Allen						
Year	Salary and fees	Non Cash	Superannuation	Post Employment	Performance related	Total Outstanding
30/06/2012	78,586.00	2,997	7,073.00			88,656.00
30/06/2013	122,004.00		10,980.00			132,984.00
30/06/2014	122,004.00		10,086.00			132,090.00
30/06/2015	122,004.00		11,590.00			133,594.00

30/06/2016	122,004.00		11,590.00			133,594.00
30/06/2017	122,004.00		11,590.00			133,594.00
30/06/2018	122,004.00		11,590.00			133,594.00
30/06/2019	122,004.00		11,590.00			133,594.00
30/06/2020	122,004.00		11,590.00			133,594.00
30/06/2021	122,004.00		11,590.00			133,594.00
30/06/2022	122,004.00		12,200.40			134,204.40
	1,298,626.00	2,997.00	121,469.40	0.00	0.00	1,423,092.40

1.6 Information required by Listing Rule 10.13 – Resolution 2

Pursuant to and in accordance with Listing Rule 10.13, the information below is provided in relation to the issue of Shares pursuant to Resolution 2:

- (a) The Shares are to be issued to Allens Business Group Pty Ltd.
- (b) Allens Business Group Pty Ltd is a related party of the Company by virtue of being an entity controlled by a Director of the Company (Listing Rule 10.11.1).
- (c) A total of 16,133,469 fully paid ordinary Shares are to be issued to Allens Business Group Pty Ltd under Resolution 2.
- (d) The Shares will be issued no later than 1 month after the date of the meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (e) The Shares will be issued for nil cash consideration at a deemed issued price of \$0.05 per Share. The deemed issue price is a premium of 42.86% of the closing price of \$0.035 on 27 September 2022. The Shares are being issued to repay loans owing to Allens Business Group Pty Ltd:

Ordinary Resolution	Person/Entity	Amount Owed	Number of Shares in Lieu at deemed issue price \$0.05/ share	Dilutionary effect
2	Allens Business Group Pty Ltd	\$806,673.49	16,133,469	6.04%

- (e) The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) No funds will be raised from the issue as the Shares are being issued in consideration for loans provided to the Company. The funds provided by Allens Business. Allen's Business Group Pty Ltd has agreed to cover any short-term funding needs for the Company with a facility of clear funding of \$750,000 that is unsecured, with no set maturity date and no interest chargeable. (g) The purpose of the issue is to satisfy loans provided to the Company.
- (h) The Shares are being issued pursuant to an agreement. The agreement provides that, Allen's Business Group Pty Ltd has agreed to cover any short-term funding needs with a facility of clear credit of \$750,000 that is unsecured, with no set maturity date and no interest chargeable.
- (i) A voting exclusion statement is included in the Notice.

1.7 Additional information

Table: Shares held by Director and related party pre and post (if) shareholder approval

Director	Shares	Options	Proposed Shares to be issued under Resolutions 1 & 2	Shares held after approval by Shareholders and after issue
Kenneth M Allen and related entity	7,658,303	Nil	44,595,317	52,253,620

Remuneration Report

Although not specifically disclosed for the years 2012 to 2022 in the remuneration report, it was an oversight by the Company not to disclose the deferral of Directors Fees, although the Remuneration report for each year was audited.

Below is a table for each year from 2012 until 2022 identifying the relevant pages and notes that shareholders can refer to.

	Total Payables and Accruals \$	Payable to directors (accruals)	Note #	Page # in Accounts	Related Party Disclosures	Note #	Page # in Accounts	Remuneration Audited
FY2012	\$ 7,423,050		11	26	\$ 241,094	19+20	29	yes
FY2013	\$ 6,956,553	\$ 459,753	11+20	24	\$ 226,109	20+21	27	yes
FY2014	\$ 4,252,172	\$ 593,889	11+19	24	\$ 212,872	18+19	27	yes
FY2015	\$ 3,939,788	\$ 798,803	10+19	29	\$ 202,032	18+19	33	yes
FY2016	\$ 3,959,569	\$ 997,953	10+18	29	\$ 202,032	17+18	32	yes
FY2017	\$ 1,736,250	\$ 1,199,985	9+18	29	\$ 202,032	17+18	32	yes
FY2018	\$ 1,751,789	\$ 1,402,017	9+18	42	\$ 202,032	17+18	44	yes
FY2019	\$ 2,350,869	\$ 1,604,049	9+18	31	\$ 202,032	17+18	33	yes
FY2020	\$ 2,707,390	\$ 1,806,081	9+17	30	\$ 202,032	17+18	33	yes
FY2021	\$ 2,308,427	\$ 2,008,113	9+18	35	\$ 202,032	17+18	38	yes
FY2022	\$ 3,889,116	\$ 2,211,067	9+18	40	\$ 202,032	17+18	43	yes

1.8 Directors Recommendation

The Directors, excluding Mr Allen, recommend that Shareholders vote in favour of Resolutions 1 and 2 as the issue of Shares will satisfy liabilities owed to Mr Allen and Allens Business Group Pty Ltd without impacting on the Company's available cash.

2. Ordinary Resolution 3,4, 5, 6, and 7 - Ratification of Prior Issues of Shares

2.1 Background

As announced to ASX, on 29 September 2022, the Company issued 23,716,700 Shares to corporate and professional advisors to the Company in lieu of fees (**Issues**).

2.2 Corporations Act

None of the allottees the subject of Resolutions 4 to 8 in conjunction with any of their associates, hold, either before, during, or after any of the issues the subject of Resolutions 6 more than 19.9% of the issued capital of the Company.

2.3 Listing Rule 7.4

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without then approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Issues do not fit within any of these exceptions and, as they have not yet been approved by the Company's Shareholders, effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without shareholder approval under Listing Rule 7.1 for the 12-month period following the Issue Date.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to maintain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under Listing Rule 7.1.

To this end, Resolutions 4 to 8 seek Shareholder approval to the Issues under and for the purposes of Listing Rule 7.4

By ratifying the issue of the Shares, the subject of Resolutions 3 to 7 the Company will retain the flexibility to issue equity securities in the future of up to the 15% annual placement capacity set out in Listing Rule 7.1 or part thereof.

2.4 Information required by Listing Rule 14.1A

If Resolutions 4 to 8 are passed, the Issues will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

If Resolutions 4 to 8 are not passed, the Issues will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Issue Date.

2.5 Information required by Listing Rule 7.5

The information required by Listing Rule 7.5 is provided in the following table and otherwise below:

Resolution	Name of Allottee	No of shares	Percentage of share capital represented by Issue	Deemed Issue Price	Date Issued	Purpose of Issue
3	Legalwest Pty Ltd	6,500,000	2.43%	\$0.05	29 Sept 2022	Creditor Payment. The Company did not raise any funds from this issue of shares as they were issued to satisfy a payment to a creditor for Legal services rendered in relation to application for forfeiture and other advisory services.
4	Georgios Papamihail	10,460,000	3.92%	\$0.05	29 Sept 2022	Creditor Payment. The Company did not raise any funds from this issue of shares as they were issued to satisfy a payment to a creditor for Legal services rendered in relation to Takeover advisory services including various applications to the

						Takeovers Panel and Supreme Court.
5	Indian Ocean Capital Pty Ltd	3,346,700	1.25%	\$0.05	29 Sept 2022	Creditor Payment. The Company did not raise any funds from this issue of shares as they were issued to satisfy a payment to a creditor for Corporate advisory services
6	Mat Mining Pty Ltd	1,760,000	0.66%	\$0.05	29 Sept 2022	Creditor Payment. The Company did not raise any funds from this issue of shares as they were issued to satisfy a payment to a creditor for services rendered with respect to Geological advisory services.
7	AAxxa Group Pty Ltd	1,650,000	0.62%	\$0.05	29 Sept 2022	Creditor Payment. The Company did not raise any funds from this issue of shares as they were issued to satisfy a payment to a creditor for services rendered in relation to processing advice and design for the Kookynie Tailings Research Project.

In addition to the information provided in the above table:

- (a) none of the parties to whom Shares were issued under Resolutions 3 to 7 are related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company or an associate of any of these parties.
- (b) The deemed conversion price is a premium of 42.86% of the closing price of \$0.035 on 27 September 2022.
- (c) A voting exclusion statement is included in the Notice.
- (d) Pursuant to Listing rule 7.5.7 The Company advises with respect resolutions 3 to 7 there are no material terms or agreements not otherwise listed other than that the issue of securities as previously advised satisfies in full the services and invoices raised. No interest is payable on any outstanding amounts.

2.6 Board recommendation

None of the Directors have a material personal interest in the subject matter of Resolutions 3 to 7. The Board believes that the ratification of the issues of the Shares is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolutions 3 to 7 as it will refresh the Company's 15% capacity under Listing Rule 7.1 and, subject to the limits under the Listing Rules, will provide the Company with the flexibility to issue further securities during the next 12 months without Shareholder approval

3. Additional Shareholder Information

The Company has included the following information as being relevant for Shareholders to make a decision on the Resolutions set out in this Notice:

3.1 Details of Substantial Holders

Based on publicly available information as at the date of this Notice of Meeting, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%	Date Announced
Metalicity Limited	91,340,106	34.21%	4 May 2022

3B Prospecting Pty Ltd	17,000,000	5.74%	11/11/2022
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3.2 Litigation

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject to, could have a material effect on the Company's operations, financial position, and the value of the Company's securities.

- A. On 4 May 2018, the Company advised that it had received applications for forfeiture on Yundamindera tenements M39/84, M39/274, M39/406, M39/407, M39/408, M39/409, M39/410, M39/839, M39/840. The applicant is MCA Nominees Pty Ltd who hold the tenements immediately north of Nex Yundamindera Tenements.

The matter has been set down for hearing in the Wardens Court at Perth on 5 December 2022.

The Company is defending the matter in the normal course.

An adverse finding against the Company by the Warden will not have an effect on the Company as a going concern.

- B. On September 14 2021, a takeover bid was launched by Metalicity Limited (Joint Venture partner) to acquire Nex shares based upon 4.81 Metalicity shares for every 1 Nex shares. The takeover Lapsed on 29 August 2022.

- C. Metalicity currently has before the Supreme Court an action claiming the following: –

- (a) In August 2022, Metalicity Limited launched court action against Nex Metals Exploration Ltd's Managing Director Mr Ken Allen, Chairman Mr Tom Percy QC, Non-Executive Director Mr Hock Hoo Chua and a number of Nex Metals shareholders. Together these shareholdings represent approximately 60 million shares (being 22.28% of Nex Metals).
- (b) The court action alleges that Mr Ken Allen purported to lodge proxy voting instructions online "on behalf" of a large number of shareholders without clear authority at the recent Nex Metals AGM.
- (c) Amongst other claims, Metalicity is seeking a declaration that approximately 54 million votes purportedly cast by Mr Allen on behalf of others be declared invalid, with a subsequent impact as to the results of the Nex Metals AGM held on 31 March 2022. Similar declarations are sought for the EGM held on 25 July 2022. Similar declarations are also sought in relation to the other shares for whom proxies were purportedly lodged online from the same IP address.
- (d) Metalicity is also seeking an order that approximately 60 million shares held by the defendants be vested with Australian Securities and Investments Commission (ASIC) and sold.
- (e) Metalicity's claim is brought on two bases: first, that the proxies purportedly lodged online on behalf of shareholders (rather than by the shareholders themselves) for the AGM were invalid; and second, that Mr Allen and other shareholders are, and have been for some time, undisclosed associates in breach of various provisions of the Corporations Act.
- (f) Nex Metals denies the claim and cannot currently assess the financial impact at this stage.

- D. On 4 October Metalicity Ltd launched Supreme Court action and is seeking the following orders:

1. An order pursuant to s 233 of the Corporations Act 2001 (Cth) ("the Act") declaring the issue of 28,919,475 shares in the capital of the first defendant as first announced by the first defendant on 29 September ("the Placement") to be invalid.
2. In the alternative to order 1 an order pursuant to s 233 of the Act declaring that part of the Placement which comprised the issue of shares to any director of the first defendant or any associate of any director of the first defendant to be invalid.
3. An order permanently restraining the first defendant whether by its servants, agents or otherwise from

proceeding with each of the share issues announced on 30 September 2022*.

4. An order that the shares in the capital of the first defendant held by each of the second to fourth defendants be vested in the Australian Securities and Investments Commission ("ASIC") by the transfer of those shares by the holders thereof to ASIC for ASIC to:
 - a. sell the vested shares;
 - b. subject to any requirement arising under any law relating to taxation, account to the persons who, immediately before the making of this order, were the registered holders of the vested shares for the proceeds of sale, net of the costs, fees and expenses of the sale and any costs, fees and expenses incurred by ASIC or which ASIC reasonably incurs or estimates it will incur, in complying with these orders.
5. An order prohibiting each of the second to fourth defendants from acting as a director of the first defendant for two years from the making of these orders.
6. Alternatively to orders 1 to 5, an order pursuant to s 233 of the Corporations Act 2001 (Cth) ("the Act") that the first defendant be wound up.
7. Such further or alternative orders as this Honourable Court deems fit.
8. Costs.

*The issue of shares as contemplated in resolution 1 to 7 was announced on 30 September 2022. At the time of this notice of meeting Metalicity Ltd has not been granted nor sought any injunction to restrain the Company from proceeding with the issue shares as contemplated under these resolutions.

E. Further Action in the Supreme Court by Metalicity Ltd (MCT):

MCT claims that \$1.28 million is due to it from NME, arising from the provisions of the farm-in and joint venture agreement made on or about 4 May 2019 ("the JVA") between MCT and NME.

MCT claims the following amounts from NME: –

1. The amount of \$188,618 (the subject of a billing statement from the plaintiff to the defendant dated 3 March 2022).
2. The further amount of \$989,712.22 (the subject of a billing statement from the plaintiff to the defendant dated 11 March 2022).
3. The further amount of \$101,464.04 (the subject of another billing statement from the plaintiff to the defendant dated 11 March 2022) and therefore a total amount of \$1,279,794.26.

The aforementioned claims by MCT are disputed by NME on the basis inter alia, the amounts were never authorised as part of an approved budget and accordingly are at MCT own expense. MCT and NME until recently had been engaged in a dispute resolution process pursuant to the provisions of the JVA.

NME disputes the claims by MCT. A mediation session is listed for 11 November 2022. There was no resolution at the mediation

- F. The Company has been joined to proceedings in the Warden's Court in a matter commenced by a party who sold tenements to the Company in 2013. The proceedings relate to that person's entitlement to future royalty payments and damages.

3.3 Continuous Disclosure Obligations

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Notice of Meeting are set out in the table below.

Date	Description of Announcement
1 December 2022	Results of Meeting
30 November 2022	Chairpersons Address
11 November 2022	Becoming a substantial holder
4 November 2022	Third Replacement Prospectus
3 November 2022	Notice of Annual General Meeting/Proxy Form - Amended
3 November 2022	Corporate Governance Statement – Amended
3 November 2022	Second Replacement Prospectus
3 November 2022	Appendix 4G - Amended
2 November 2022	Notice of Annual General Meeting/Proxy Form - Amended
2 November 2022	Appendix 3B
1 November 2022	Letter to Shareholders
1 November 2022	Notice of Annual General Meeting/Proxy Form
1 November 2022	Appendix 3B
1 November 2022	Extension of Rights Issue
31 October 2022	Quarterly Activities/Appendix 5B Cash Flow Report
31 October 2022	Annual Report To Shareholders
31 October 2022	Appendix 4G
3 October 2022	Amendment to Significant Reduction in Creditors
3 October 2022	Full Year Statutory Accounts

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

3.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Notice of Meeting and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.036	9 September 2022
Lowest	\$0.025	21 September 2022
Last	\$0.035	1 December 2022

Glossary

In this Explanatory Statement, the following terms have the following meanings unless the context otherwise requires:

ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691) and, where the context permits the Australian Securities Exchange operated by ASX Limited
Board	Board of Directors
Company	Nex Metals Explorations Ltd (ACN 124 706 449)
Constitution	constitution of the Company
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
Director	each of the persons who acts as directors of the Company
Explanatory Statement	the information attached to the Notice, which provides information to Shareholders about the resolutions contained in the Notice
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Listing Rule	the listing rules of the ASX
Meeting or General Meeting	means the general meeting convened by the Notice
Notice	the notice of meeting which accompanies this Explanatory Statement
Share	fully paid ordinary share in the capital of the Company
Shareholder	a holder of a Share
WST	Australian Western Standard Time

Notes

A shareholder who is entitled to attend and vote at a meeting of shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the company.

Where a voting exclusion applies, the company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions of the proxy form or it is cast by a person chairing the meeting as proxy for person who is entitled to vote in accordance with the direction of the proxy form to vote as the proxy decides. The directors of the company have set a snapshot date to determine the identity of those entitled to attend and vote at the meeting. The snapshot date is Monday 2 January 2023 at 2.00pm.

A proxy form is attached. If required, it should be completed, signed and returned in accordance with the proxy instructions on that form. To be effective, the proxy form (and any power of attorney) must be lodged at the registered office of the company not less than 48 hours before the time of holding the meeting. The proxy may be lodged by facsimile transmission to Advanced Share Registry on (+61 8) 9262 3723.

NEX METALS EXPLORATIONS LTD

Appointment of proxy

If you propose to attend and vote at the General Meeting, please bring this form with you. This will assist in registering your attendance.

All Registry communication to:
Advanced Share Registry Ltd
 110 Stirling Highway
 Nedlands WA 6009
 PO Box 1156
 Nedlands WA 6909
 Telephone: (08) 9389 8033
 Facsimile: (08) 9262 3723
 Website: www.advancedshare.com.au



You can now vote online at
www.advancedshare.com.au/investors.aspx

I/We being a member(s) of NEX METALS EXPLORATIONS Ltd ACN 124 706 449 and entitled to attend and vote hereby appoint.

A the Chairman of the Meeting
 (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy

Or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the General Meeting of the Company to be held at 2:00pm, 4 January 2023 and at any adjournment of that meeting. Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received at the Company's registered office no later than 48 hours before the meeting.

If you appoint the Chairman of the Meeting as your proxy you acknowledge that in acting as your proxy the Chairman may exercise your undirected proxy votes (if you do not specify below how your proxy is to vote) even if he or she has an interest in the outcome of the resolution which carries a voting exclusion providing that votes cast by him or her other than as a proxyholder will be disregarded because of that interest. The Chairman intends to vote undirected proxies IN FAVOUR of each resolution.

Should you desire to direct your proxy how to vote on any resolution please insert in the appropriate box below:

		For	Against	Abstain*
Resolution 1	Approval to issue Shares in lieu of Director fees – Kenneth Allen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue shares to Allens Business Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Prior Issue of Shares – Legalwest Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Prior Issue of Shares – Georgios Papamihail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Prior Issue of Shares – Indian Ocean Capital Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Ratification of Prior Issue of Shares – Mat Mining Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Issue of Shares – Aaxxa Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

B PLEASE SIGN HERE This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented

Securityholder 1 (individual)

Sole Director and Sole Company Secretary

Joint Securityholder 2 (individual)

Director/Company Secretary (Delete one)

Joint Securityholder 3 (individual)

Director

Contact Name

Contact Daytime Telephone or Email

Date

Proxy Instructions

Generally

A shareholder entitled to attend and vote at the General Meeting convened by the Notice is entitled to appoint not more than 2 proxies to vote on the shareholder's behalf. A proxy need not be a shareholder. The proxy appointment may be a standing appointment for all General Meetings until it is revoked. Additional proxy forms are available from the Company.

If a representative of a shareholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission. A form of the certificate may be obtained from the Company's share registry by calling +61 8 9389 8033.

Appointing Two Proxies

A shareholder entitled to cast 2 or more votes may appoint 2 proxies. Where 2 proxies are appointed, if the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise one half of your votes. Fractions of votes will be disregarded.

Signing Instructions

Individuals: The shareholder must sign personally.

Joint Holding: If the holding is in more than 1 name, all of the shareholders must sign.

Company: Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held.

Power of Attorney: The attorney must sign and the power of attorney must be deposited at the Company's registered office for inspection and return, when the proxy is lodged.

Lodgement of a Proxy

Proxy forms (and the power of attorney, if any, under which the proxy form is signed) must be lodged at, or sent by facsimile transmission to, the offices of the Company so that it is received no later than 2:00pm, 2 January 2023.

Documents may be lodged:

IN PERSON Share Registry – Advanced Share Registry, 110 Stirling Highway Nedlands WA 6009, Australia
Registered Office

BY MAIL Share Registry – Advanced Share Registry, PO Box 1156, Nedlands WA 6909, Australia

BY FAX +61 8 9262 3723

Your Address

This is your address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form and sign it. Security holders sponsored by a broker (in which case your reference number overleaf will commence with an "X") should advise your broker of any changes. You cannot change ownership of your shares using this form.