

31 October 2024

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

Quarterly Report for the Period Ended 30 September 2024

Nex Metals Explorations Ltd (Nex or the Company) provides the following update on recent Company activities.

1. Termination of Acquisition of Tenements.

The Company announced on 15 July 2024 that the proposed acquisition of tenements in the Kookynie region from Iris Metals Ltd (ASX:IR1) was at an end and will no longer proceed¹.

2. Tailings Project.

The Company's newly appointed Chief Executive Officer², Mr Maki Petkovski, along with his technical team, commenced reviewing the Kookynie Gold Tailings Project and existing package of tenements held by the Company in the Kookynie region of the North-Eastern Goldfields and provided the following update.

Technical Review Update:

- **Regulatory consent:** The Department of Energy, Mines, Industry Regulation & Safety (DEMIRS) had previously, in 2020, approved a 'Pilot Production Run' for 20,000 tons of tailings.³ Application for permit of works to commence for the remaining project tonnage.
- **Implementation Plan:** An independent consultant engineer has been engaged to review the feasibility of the proposed Pilot Production Run and to review and deliver an implementation plan for the existing and remaining tonnage.
- **Equipment Assessment:** The Company is reviewing applicable equipment and contractors for the provision of equipment and services for production operations.

The Company will utilise a portion of the capital raise (please refer to point 5) to explore development options for the Kookynie Tailings Project.

¹ Please refer to ASX announcement dated 15 July 2024 "Proposed Acquisition Terminated".

² Please refer to ASX announcement on 15 August 2024 – "Appointment of Chief Executive Officer".

³ Please refer to ASX announcement 29 July 2020 – "Re-Commencement of Tailings Processing Trial".

3. Exploration.

The Company, via its 20% interest in the Kookynie and Yundamindra Gold projects with Arika Resources Ltd (ASX:ARI) (previously known as Metalicity Ltd) advises that Arika has announced on the ASX platform of both NME and ARI results relating to drilling at the Yundamindra Gold project. The company encourages shareholders to review both ASX platforms (and relevant webpages of both companies) for the results. The Company notes that the information contained in those announcements is that of Arika.

4. Appointment of Chief Executive Officer (CEO).

The Company announced the appointment of Mr. Maki Petkovski as the Chief Executive Officer of the Company, effective as of 15 August 2024. Mr Petkovski was brought in (as part of his role) and along with his extensive⁴ technical network to further the Kookynie gold tailings project to both optimise and expedite the monetising of the project for shareholders. Mr. Petkovski is a geologist and senior executive in the resource industry with extensive experience across the Australasian and Middle East North African (MENA) regions. Beginning his career in the gold sector with Central Norseman Gold Corporation in Western Australia, he has since developed a strong technical background as both a geologist and a geophysicist. His notable career spans over 30 years in the international upstream oil and gas industry, where he has held various managerial and senior technical roles with companies such as BP, Ampolex Ltd, Oil Search Ltd, and Petsec Energy Limited. Throughout his career, Mr. Petkovski has been part of teams in a number of resource discoveries, leading multi-disciplinary teams, and managing exploration and production assets in regions such as Egypt, Tunisia, Iraqi Kurdistan, Oman, Libya, Tunisia, and Algeria. In Australia, his operational experience includes contributions to projects in the Bonaparte, Browse, and Canning Basins, and the Northwest Shelf.

5. Appointment of Advisers and Capital Raising.

The Company appointed Indian Ocean Capital Pty Ltd (Sydney office) ('IOC') as its financial and strategic adviser⁵.

IOC has been engaged to review and provide a range of strategic and corporate advisory services to the Company in connection with its general capital markets strategy, and to assist in maximising longer-term stakeholder value⁶ with particular focus on funding the Kookynie Gold Project.

Integral to IOC's engagement is a review of Nex Metals capital raising initiatives, strategic investments and optimising the Company's current capital structure for future growth.

The Company undertook a \$1,530,000 (before costs) equity raise via a share placement to institutional and sophisticated investors.

⁴ Please refer to Forward Looking Statements when reading this announcement with words or similar words as listed.

⁵ Please read Important Notice at the end of this announcement.

⁶ Please refer to the Forward-Looking Statements when reading this announcement with words or similar words or phrases listed.

Funds raised will be used to assess development options for the Kookynie Tailings Project, JV expenditure on tenements held by NEX, working capital, and to explore potential value adding acquisition opportunities.

IOC acted as the Lead Manager on the capital raise, which was strongly supported. IOC has received firm commitments from new and existing institutional and sophisticated investors to subscribe for approximately 42.86 million new fully paid ordinary shares (Shares) at a volume weighted average price of \$0.036 per Share, as detailed below:

- i. 28,063,914 Shares issued at \$0.035 per Share raising \$982,237. Shares issued under the Company's available ASX listing rule 7.1 placement capacity.
- ii. 14,793,229 Shares issued at \$0.037 per Share raising \$547,349. Shares issued under the Company's available ASX listing rule 7.1a placement capacity.

Settlement of the placement is delayed due to pending monetary transfers from committed investors.

6. Finalisation of Matters with Metalicity Ltd (now Arika Resources Ltd ASX:ARI).

The Company announced that all conditions have been satisfied or waived under the Formal Agreements with Metalicity Ltd ("MCT") regarding the Kookynie and Yundamindra Joint Venture ("JV") and completion has now taken place including the selective buy-back of 91,365,685 fully paid ordinary shares in the Company as approved at the shareholders meeting held on 24 June 2024, the Formal Agreements, amongst other things, brings to a closure the disputes between the 2 Companies allowing both Companies to moved forward both in their own right but also on the JV. Nex Metals interest in the JV is now to 20%, with ARI holding 80%⁷.

The Company is happy to report that management of both Companies have a good professional working relationship.

7. Corporate.

The Company completed the Annual Report to shareholders which was lodged on 30 September 2024 along with the Corporate Governance Statement – Appendix 4G.

Annual General Meeting: **Please note that the meeting has changed from the date as advised to the market on 19 September 2024 from 8 November 2024 to new meeting time below.**

Time and date: 2:00pm (AWST) on Monday, 25 November 2024

Location: Ambassador Hotel, 196 Adelaide Terrace, Perth WA 6000.

This announcement is authorised by the Managing Director, Kenneth Allen.

⁷ Please refer ASX announcement dated 29 September 2023 "Nex and Metalicity settle Disputes".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This announcement contains forward-looking statements and forward-looking information within the meaning of applicable Australian securities laws, which are based on expectations, estimates and projections as of the date of this announcement. This forward-looking information includes, or may be based upon, without limitation, estimates, forecasts and statements as to management's expectations with respect to, among other things, the timing and amount of funding required to execute the Company's exploration, development and business plans, capital and exploration expenditures, the effect on the Company of any changes to existing legislation or policy, government regulation of mining operations, the length of time required to obtain permits, certifications and approvals, the success of exploration, development and mining activities, the geology of the Company's properties, environmental risks, the availability of labour, the focus of the Company in the future, demand and market outlook for precious metals and the prices thereof, progress in development of mineral properties, the Company's ability to raise funding privately or on a public market in the future, the Company's future growth, results of operations, performance, and business prospects and opportunities. Wherever possible, words such as 'anticipate', 'confident', 'forward', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'potential', 'project', 'seek', 'will', 'indicate', 'advance', 'target', 'continue', 'delivering', 'generate', 'value', 'network', 'track record', 'extensive', 'experience', 'notable', 'possible', 'expedite', 'enhancing', 'leading', 'monetising', 'vast', 'expansion' and similar words and or expressions have been used to identify such forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and on information available to management at such time. Forward-looking information involves significant risks, uncertainties, assumptions, and other factors that could cause actual results, performance, or achievements to differ materially from the results discussed or implied in the forward-looking information. These factors, including, but not limited to, fluctuations in currency markets, fluctuations in commodity prices, the ability of the Company to access sufficient capital on favourable terms if at all, changes in national and local government legislation, taxation, controls, regulations, political or economic developments in Australia or other countries in which the Company does business or may carry on business in the future, operational or technical difficulties in connection with exploration or development activities, employee relations, the speculative nature of mineral exploration and development, obtaining necessary licenses and permits, diminishing quantities and grades of mineral reserves, contests over title to properties, especially title to undeveloped properties, the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drill results and other geological data, environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding, limitations of insurance coverage and the possibility of project cost overruns or unanticipated costs and expenses, and should be considered carefully. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Prospective investors should not place undue reliance on any forward-looking information. Although the forward-looking information contained in this announcement is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Company does not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.

This cautionary note regarding forward-looking statements in of itself is not to be interpreted as any form of approval, validation, or endorsement of the Company's operations, financial position, or future prospects.

Important Notice – Regulatory Authorities

No securities exchange, regulation services provider, securities commission or other regulatory authority has approved or disapproved the information contained in this announcement, irrespective of its release or disclosure on a public platform.

Important Notice - Previous Announcements

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted above and or in the footnotes and that all material assumptions and any technical parameters underpinning those previous market announcements continue to apply and have not materially changed.

---ENDS---

Nex Metals Explorations Ltd
Consolidated Tenement Schedule as at 30 September 2024

| Tenement | Registered Holder | Shares Held | Status | Area (ha) | Nature of Interest | Interest ⁸ |
|-----------------|---------------------------------|-------------|--------|-----------|--------------------|-----------------------|
| P40/1331 | KYM Mining Limited | 100/100 | Live | 161.2 | Per Joint Venture | 80% |
| E40/390 | KYM Mining Limited | 100/100 | Live | 3,300.0 | Per Joint Venture | 80% |
| E40/350 | KYM Mining Limited | 100/100 | Live | 2,394.0 | Per Joint Venture | 80% |
| E40/357 | KYM Mining Limited | 100/100 | Live | 1,194.0 | Per Joint Venture | 80% |
| E40/401 | KYM Mining Limited | 100/100 | Live | 598.0 | Per Joint Venture | 80% |
| P40/1407 | KYM Mining Limited | 100/100 | Live | 10.0 | Per Joint Venture | 80% |
| P40/1430 | KYM Mining Limited | 100/100 | Live | 9.9 | Per Joint Venture | 80% |
| P40/1510 | Metalicity Limited | 100/100 | Live | 185.0 | Per Joint Venture | 100% |
| P40/1511 | Metalicity Limited | 100/100 | Live | 176.7 | Per Joint Venture | 100% |
| E40/387 | Metalicity Limited | 100/100 | Live | 299.0 | Per Joint Venture | 80% |
| G40/3 | Nex Metals Explorations Limited | 100/100 | Live | 7.2 | Direct Holding | 80% |
| L40/9 | Nex Metals Explorations Limited | 100/100 | Live | 1.0 | Direct Holding | 80% |
| E40/332 | Nex Metals Explorations Limited | 100/100 | Live | 600.0 | Direct Holding | 80% |
| M40/22 | Nex Metals Explorations Limited | 100/100 | Live | 121.7 | Direct Holding | 80% |
| M40/27 | Nex Metals Explorations Limited | 100/100 | Live | 85.5 | Direct Holding | 80% |
| M40/61 | Nex Metals Explorations Limited | 100/100 | Live | 832.7 | Direct Holding | 80% |
| M40/77 | Nex Metals Explorations Limited | 100/100 | Live | 119.2 | Direct Holding | 80% |
| P40/1499 | Nex Metals Explorations Limited | 100/100 | Live | 8.3 | Direct Holding | 100% |
| P40/1500 | Nex Metals Explorations Limited | 100/100 | Live | 5.9 | Direct Holding | 100% |
| P40/1501 | Nex Metals Explorations Limited | 100/100 | Live | 21.1 | Direct Holding | 80% |
| E40/289 | Paris Enterprises Pty Ltd | 100/100 | Live | 1,222.7 | Per Joint Venture | 80% |
| 11,353.1 | | | | | | |
| L39/34 | Nex Metals Explorations Limited | 100/100 | Live | 1.0 | Direct Holding | 80% |
| L39/52 | Nex Metals Explorations Limited | 100/100 | Live | 1.0 | Direct Holding | 80% |
| L39/258 | Nex Metals Explorations Limited | 100/100 | Live | 3.2 | Direct Holding | 80% |
| M39/84 | Nex Metals Explorations Limited | 100/100 | Live | 378.0 | Direct Holding | 80% |
| M39/274 | Nex Metals Explorations Limited | 100/100 | Live | 230.0 | Direct Holding | 80% |
| M39/406 | Nex Metals Explorations Limited | 100/100 | Live | 124.0 | Direct Holding | 80% |
| M39/407 | Nex Metals Explorations Limited | 100/100 | Live | 896.0 | Direct Holding | 80% |
| M39/408 | Nex Metals Explorations Limited | 100/100 | Live | 785.0 | Direct Holding | 80% |
| M39/409 | Nex Metals Explorations Limited | 100/100 | Live | 966.0 | Direct Holding | 80% |
| M39/410 | Nex Metals Explorations Limited | 100/100 | Live | 978.0 | Direct Holding | 80% |
| M39/839 | Nex Metals Explorations Limited | 100/100 | Live | 7.3 | Direct Holding | 80% |
| M39/840 | Nex Metals Explorations Limited | 100/100 | Live | 9.7 | Direct Holding | 80% |
| P39/6126 | Nex Metals Explorations Limited | 100/100 | Live | 10.4 | Direct Holding | 80% |
| P39/6127 | Nex Metals Explorations Limited | 100/100 | Live | 5.6 | Direct Holding | 80% |
| E39/1773 | Paddick Investments Pty Ltd | 100/100 | Live | 903.0 | Per Joint Venture | 49% |
| E39/1774 | Paddick Investments Pty Ltd | 100/100 | Live | 2,517.0 | Per Joint Venture | 49% |
| 7,815.1 | | | | | | |

⁸ Please refer to ASX announcement dated 29 September 2023 "Nex and Metalicity settles disputes"

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Nex Metals Explorations Ltd

ABN

63124706449

Quarter ended ("current quarter")

30 September 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date 3 months \$A'000 |
|---|----------------------------|-------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | - |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (4) | (4) |
| (e) administration and corporate costs | (111) | (111) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (Tax Refund) | 9 | 9 |
| 1.9 Net cash from / (used in) operating activities | (106) | (106) |

| | | |
|--|---|---|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | - | - |
| (d) exploration & evaluation | - | - |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date 3 months \$A'000 |
|--------------------------------------|---|----------------------------|-------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | - | - |

| | | | |
|-------------|---|------------|------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 754 | 754 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | (102) | (102) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (Loan to Others) | - | - |
| 3.10 | Net cash from / (used in) financing activities | 652 | 652 |

| | | | |
|-----------|--|-------|-------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 290 | 290 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (106) | (106) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | - |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 652 | 652 |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date 3 months \$A'000 |
|---|---|------------------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | -- | - |
| 4.6 | Cash and cash equivalents at end of period | 836 | 836 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 836 | 290 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 836 | 290 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|-----------|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 0 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | 0 |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|--|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | 750 | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | 750 |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | <p>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. No additional facilities have been entered into after March Quarter end</p> | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | 106 |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | 106 |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 836 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | 750 |
| 8.6 Total available funding (item 8.4 + item 8.5) | 1,586 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 14.96 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: Yes | |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: Allen's Business Group Pty Ltd has agreed to cover any short-term funding needs with a facility of clear funding of \$750,000 this is unsecured, with no set maturity date and no interest chargeable (as per item 7.2 above). No additional facilities have been entered into after September Quarter end. | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, as per 8.8.2 above

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2024

Authorised by: Managing Director, Kenneth M Allen

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.