

24 December 2020

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

Shareholder Update

Nex Metals Explorations Ltd (Nex Metals or the company) is pleased to provide the following update to shareholders with respect to the tailings processing trial at the Kookynie Tailings Research Project¹.

Processing equipment has now been commissioned and operational with minor improvements to follow as part of the ongoing process, but they will not impede the operations.

Daily a number of assays will be taken which will enable the Company to reconcile from initial tailings through the processing to end tailings to ensure the desired recoverability of the gold, early indications are positive, however. A Kalgoorlie assay laboratory has been engaged to provide 24-hour turnaround of assay results excluding weekends.

Statewest Group (electrical contractors) of Kalgoorlie assisted with the commissioning of the plant along with other Kalgoorlie and Leonora based contractors and suppliers which has been greatly appreciated.

Borehole has been drilled and cased for the water supply (monitored) for the plant and dust suppression, recycling of water should minimise use.

Early reconciliations are expected in the first 2 weeks of January 2021.

¹ Please refer to ASX Announcement 6th May 2019 "Farm-in agreement with Metalicity Ltd (ASX: MCT) wherein MCT has the right to earn into 51% of Nex Metals projects.

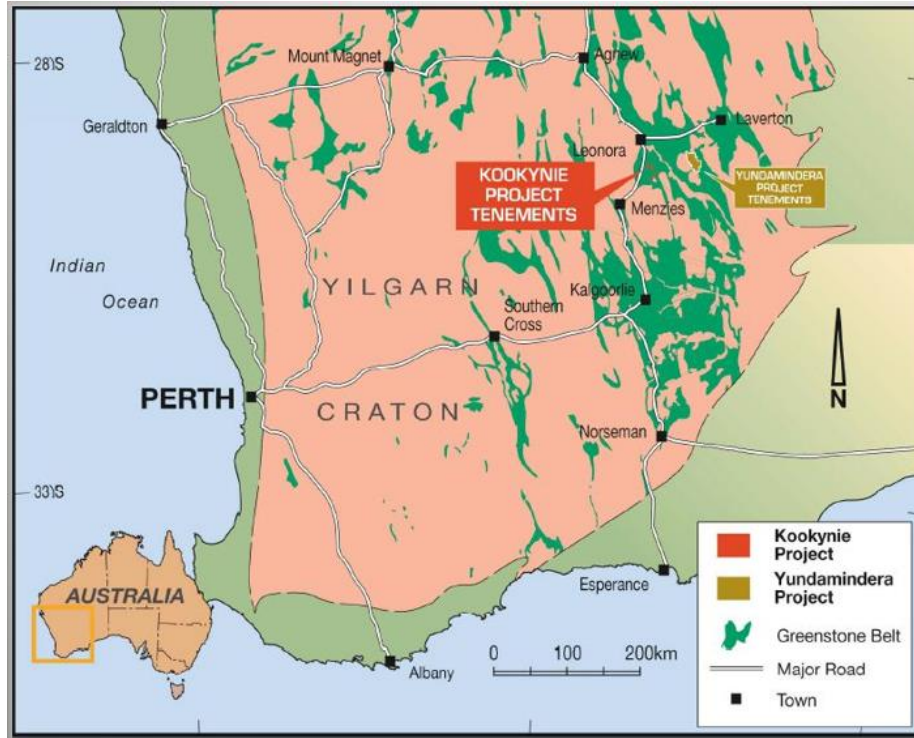


Figure 1. Kookynie Project Location map.



Photo 1: Equipment as arrived on site next to the historical Cosmopolitan Mine foundations and Dump 5.

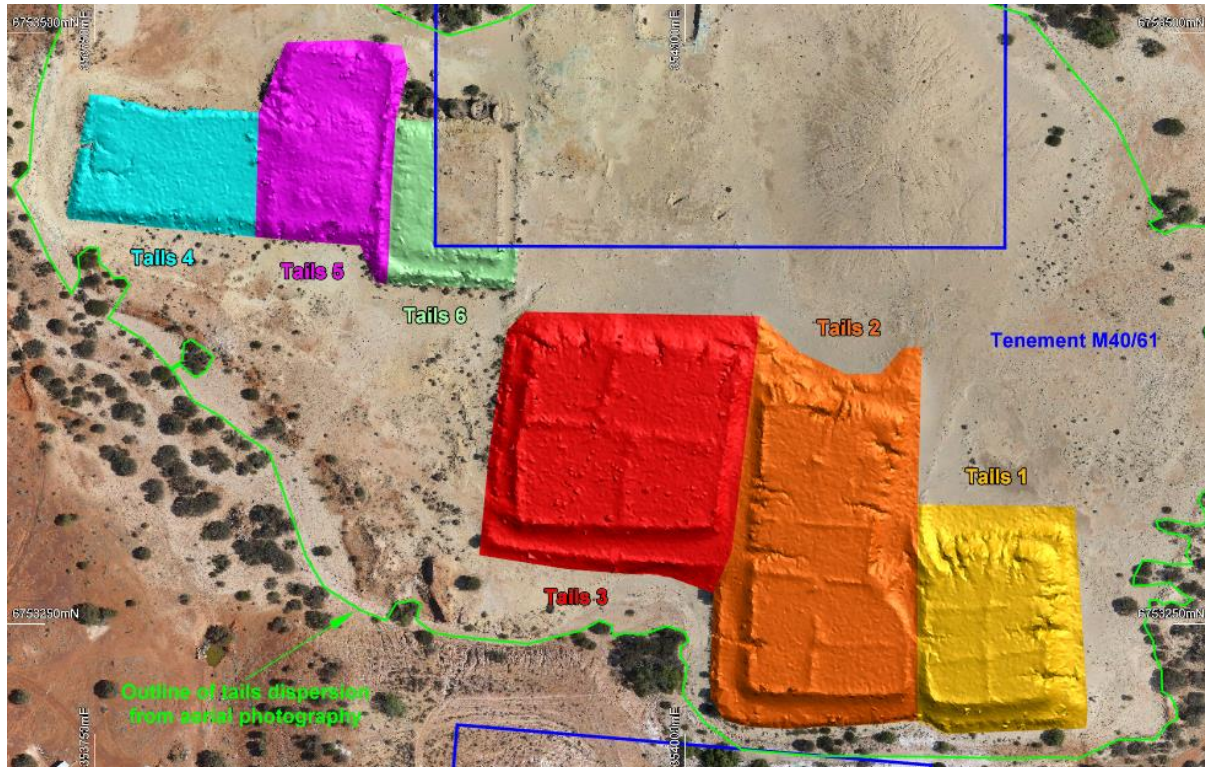


Photo 2: Cosmopolitan tailings Dump sites.

This announcement is approved by authority of the Managing Director, Kenneth Allen.

JORC 2012 Competent Person Statement

The information in this release that relates to “exploration results” for the Prospect is based on information compiled or reviewed by Mr. Steven Nicholls. Mr. Nicholls is a full-time employee of Apex Geoscience Australia Pty Ltd. Mr Nicholls has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr. Nicholls consents to the release of the exploration results for the Prospect in the form and context in which it appears.

Forward Looking Statements

All statements other than statements of historical fact included on this announcement including, without limitation, statements regarding future plans and objectives of Nex Metals, are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘future’, ‘intend’, ‘may’, ‘opportunity’, ‘plan’, ‘potential’, ‘project’, ‘seek’, ‘will’ and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Nex Metals that could cause Nex Metals actual results to differ materially from the results expressed or anticipated in these statements. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained on this announcement will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. Nex Metals does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained on this announcement, except where required by applicable law and stock exchange listing requirements.