

22 July 2020

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

Drilling Recommences at the High-Grade Kookynie Gold Project

Nex Metals Explorations Ltd (Nex or the Company) is pleased to attach an announcement by Metalicity Ltd (ASX: MCT) our Joint Venture Partner (refer to ASX announcement dated 4 May 2019) with respect to drilling recommencing at the high-grade Kookynie Gold Project. Metalicity will undertake an initial 5,000 metres of RC drilling over the coming weeks at Leipold, McTavish and other prospects. Further drilling is expected after review of recent drone magnetic observations.

Pleased note the attached announcement forms part of this announcement and should be read in its entirety.

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

Yours Faithfully



Kenneth M Allen

Drilling Recommences at High Grade Kookynie Gold Project

HIGHLIGHTS

- Major drilling programme has commenced at the high-grade Kookynie Gold Project in WA, circa 60 kms south of Leonora.
- The Kookynie Gold Project includes the historic Cosmopolitan mine which produced 360,000oz at a very high average head grade of 15 grams per tonne (g/t).
- Recent holes drilled by Metalicity have returned near surface intersections such as¹:
 - Leipold:
 - LPRC0012 – 4 metres @ 16.3g/t Au from 42 metres,
 - inc. 3 metres @ 20.7g/t Au from 42 metres
 - LPRC0015 – 9 metres @ 5.7g/t Au from 35 metres,
 - inc. 2 metres @ 17.9g/t Au from 40 metres.
 - LPRC0032 – 10 metres @ 3.21 g/t Au from 26 metres,
 - LPRC0036 - 8 metres @ 4.05 g/t Au from 59 metres,
 - McTavish:
 - McTRC0015 - 2 metres @ 14.11 g/t Au from 39 metres,
 - Inc. 1 metre @ 19.42 g/t Au from 39 metres.
- Limited work has been conducted in and around the Cosmopolitan Gold Mine and other key prospects including Champion, McTavish, Leipold and with a further 8kms of strike extensions to known mineralisation still to be tested.
- An initial drilling programme of 5,000 metres of RC will be completed over the coming weeks at Leipold, McTavish and other Prospects as the drone magnetic survey is finalised.
- This programme is expected to be significantly expanded upon review of the drone magnetic observations and results which is expected shortly.

Metalicity Limited (ASX: MCT) (“MCT” or “Company”) is pleased to announce that drilling has recommenced at the Kookynie Gold Project (“Kookynie”). The return of significant intercepts from the Phase One June 2020 drilling programme confirmed mineralisation extends past previously developed and drilled areas for the Kookynie Gold Project and a staged programme has begun to follow up on these results.

Our Farm-In Project with Nex Metals Explorations (ASX:NME), The Kookynie Gold Project is located 60 kilometres south south-east from Leonora, Western Australia and is host to seven, significant prospects; Champion, McTavish, Leipold, Diamantina, Cosmopolitan and Cumberland, collectively known as the DCC Trend, and finally, the Altona Trend. Diamantina, Cosmopolitan and Cumberland are known collectively as the DCC Trend (see Figure 1). The historic Cosmopolitan mine which produced 360,000oz at a very high average head grade of 15 grams per tonne (g/t).

The Kookynie Gold Project is underexplored and contains some excellent historical intersections including²:

- Leipold - 3m @ 107.2 g/t Au from 32 metres in LQRC0026
- Leipold - 4m @ 104.8 g/t Au from 36 metres in BLQ012
- McTavish - 3m @ 52.33 g/t Au from 23m in hole CRC136
- Cumberland - 3m @ 44.0 g/t Au from 18 metres in KOYC106

¹ASX Announcement “Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project” dated 25 June 2020,

¹ASX Announcement “Metalicity Continues to Deliver Excellent Drill Hole Results for the Kookynie Gold Project” dated 2 July 2020, &

¹ASX Announcement “Metalicity Delivers More Outstanding Drill Hole Results for the Kookynie Gold Project. Phase Two Drilling to Commence

²Please refer to ASX Announcement “Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA” dated 6 May 2019.

Commenting on the drilling commencement, Metalicity Managing Director, Jason Livingstone said:

“It is exciting to be heading back out to Kookynie to follow up on the Phase One June 2020 drilling programme. The results we received were incredibly consistent and high grade. The Company is well-funded to execute this programme and I sincerely look forward to presenting the results over the coming period.”

Planned Drilling Programme:

The drilling programme at the Kookynie Gold Project (for location, please refer to Figure 1) is designed to follow up on the phenomenal drill hole results to date from the Phase One June 2020 programme and to further step out from the completed drilling. Below is a series of drill hole plane of vein long sections that illustrate the recent and historical drilling pierce points, coupled with discussion detailing the significance of the results to date at each of the Prospects and the areas we intend to explore:

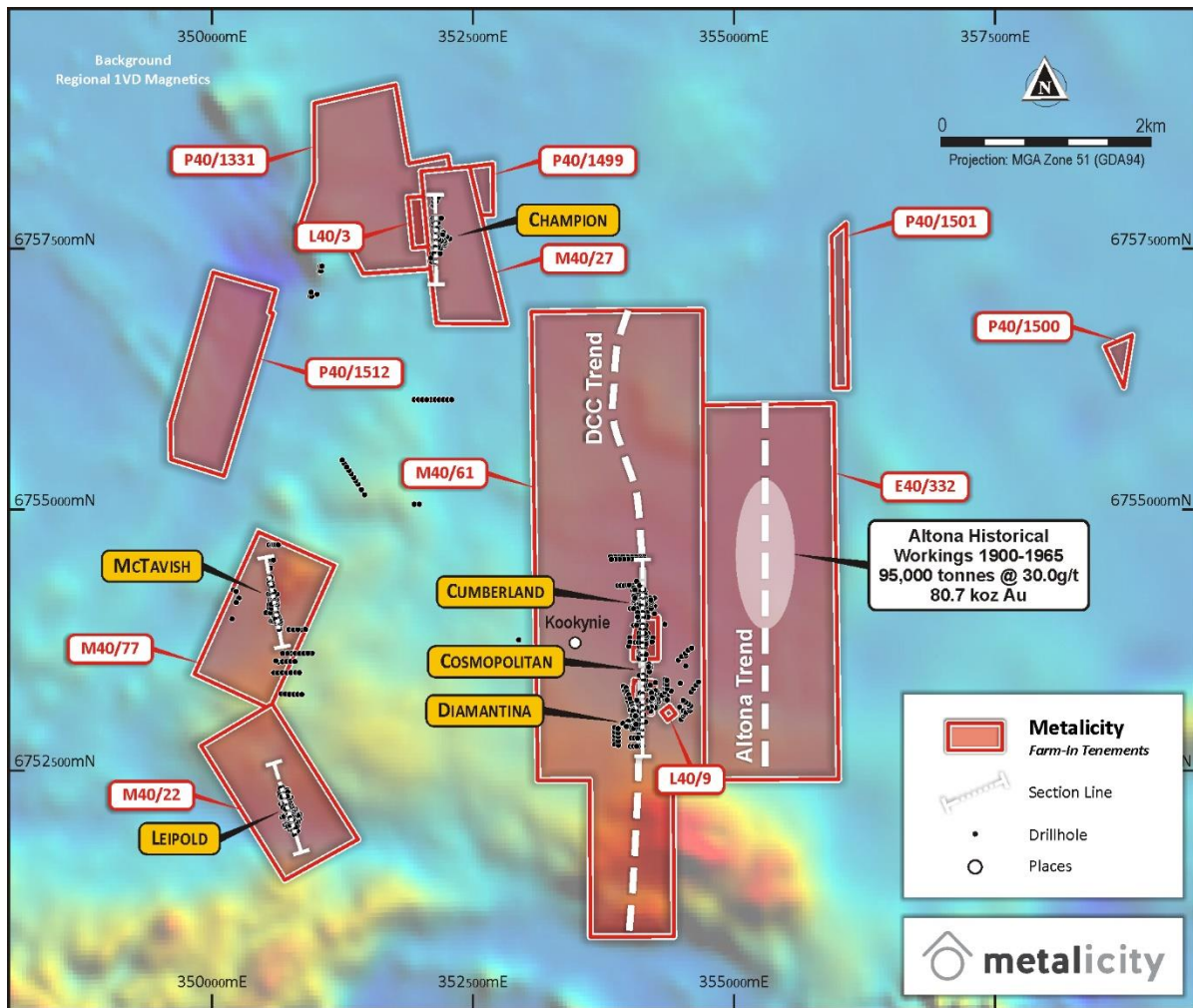


Figure 1 – Kookynie Prospect Locality Map with mineralised trends.

The Leipold Prospect

The Company has previously confirmed and stepped out from the mineralisation; this follow up programme to infill the area shaded pink, please refer to Figure 2. This southern and northern extents, up and down dip, and along strike area where previous drilling represents an incredible opportunity to not only confirm aspect of the JORC 2004 Mineral Resource Estimate (please refer to ASX Announcement by NME dated 1st August 2011 "Update on activities") but also to expand and allow Metalicity to potentially re-estimate and significantly refine the mineralisation model to JORC 2012 guidelines. The southernmost drill hole recently completed of 10 metres @ 3.21 g/t Au from 26 metres in LPRC0032 demonstrates that the Prospect is open to the south:

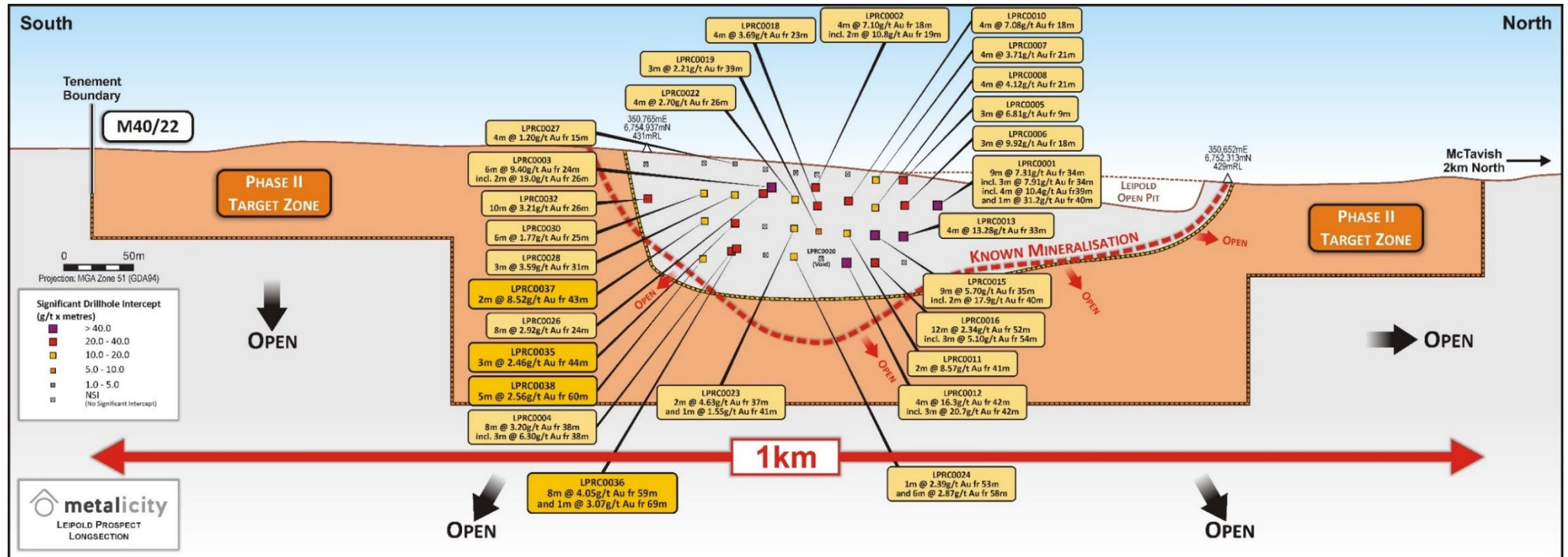


Figure 2 – Leipold Plane of Vein Section with recent drilling.

The McTavish Prospect

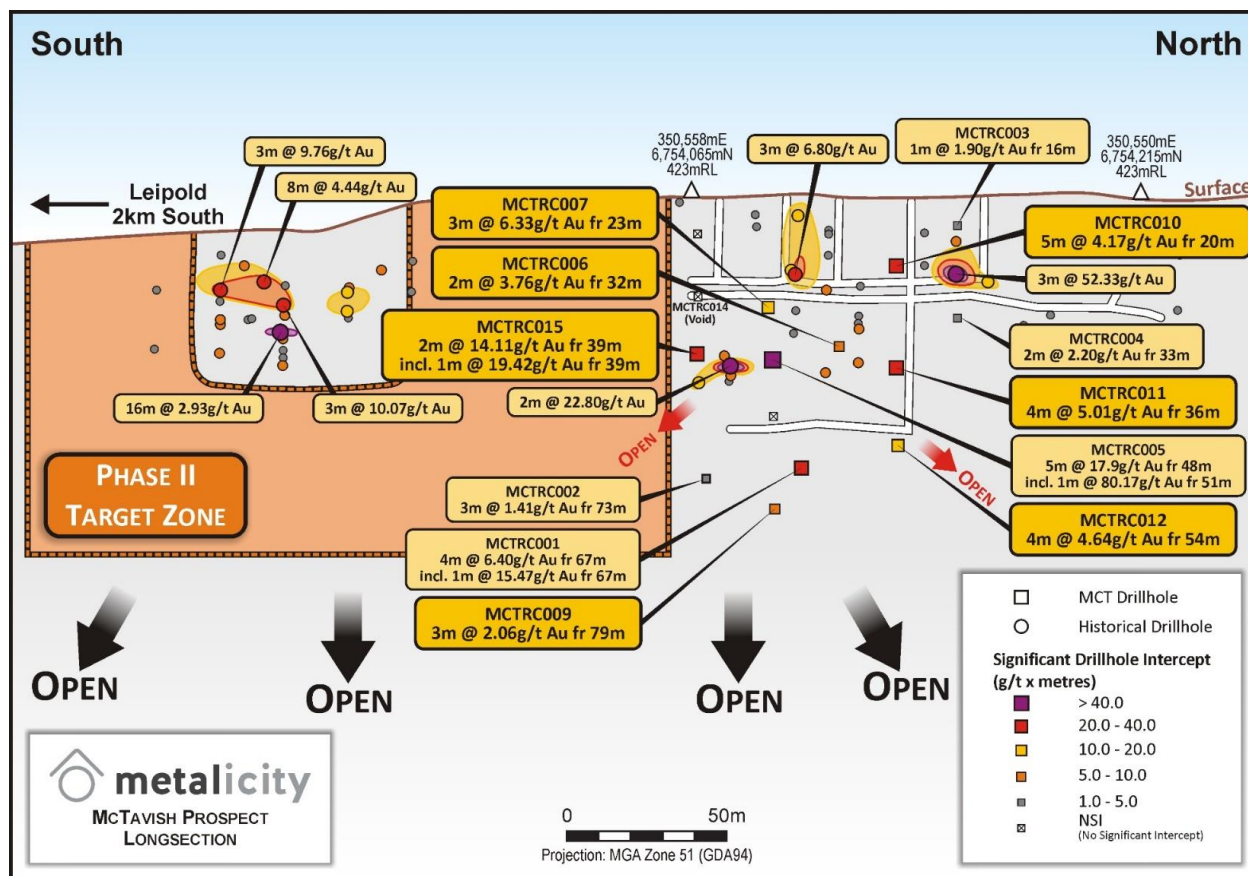


Figure 3 – McTavish Plane of Vein Section with recent drilling.

The McTavish Prospect had 10 holes completed for 534 metres during the June 2020 Phase One Drilling Programme. The premise again was to confirm and step out from known mineralisation in assisting the Company in evaluating and converting the McTavish JORC 2004 compliant mineral resource estimate.

Similar issues around down hole surveys and the extent of the underground workings are required for the Company to be able to complete a JORC 2012 compliant Mineral Resource Estimate. Through our methodical exploration and development where we are addressing these aspects and intend to aggressively expand our known mineralisation strike of McTavish from approximately 200 metres of strike, to over 400 metres with our Phase Two Drilling Programme.

Nevertheless, McTavish has again returned high grade intercepts such as 2 metres @ 14.11 g/t Au from 39 metres, including 1 metre @ 19.42 g/t Au from 39 metres. This drill hole represents a 20-metre step out south from MCTRC0005 which returned 5 metres @ 17.9 g/t Au from 48 metres including 1 metre @ 80.17 g/t Au from 51 metres. Please refer to Figure 3 below.

Similarly, at McTavish, the Company is observing widths, and most importantly grades well and truly above the JORC 2004 Mineral Resource Estimate. This bodes well for when a Mineral Resource Estimate is conducted with much more geological and grade information to be inputted, for a potential, and significantly increased Mineral Resource inventory. Therefore, as with Leipold, we are expanding our aggressive Phase Two Drilling Programme to potentially delineate high grade mineralisation over a 400-500 metre strike length at McTavish.

MGA 94 Zone 51 South																
Prospect	Hole ID	Tenement	Hole Type	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Down Hole Width (m)	Grade (Au g/t)	Comments		
Leipold	LPRC0001	M40/22	RC	350,744	6,752,130	420	48	-60	250	34	43	9	7.31	9m @ 7.31 g/t Au from 34m		
								including		34	37	3	7.91	inc. 3m @ 7.91 g/t Au from 34m		
								including		39	43	3	10.4	inc. 3m @ 10.4 g/t Au from 39m		
								including		40	41	1	31.2	inc. 1m @ 31.2 g/t Au from 40m		
	LPRC0002		RC	350,760	6,752,040	431	42	-60	250	18	22	4	7.1	4m @ 7.1 g/t Au from 18m		
								including		19	21	2	10.8	inc. 2m @ 10.8 g/t Au from 19m		
								-60	250	26	29	3	3.4	3m @ 3.4 g/t Au from 26m		
	LPRC0003		RC	350,766	6,752,030	431	42	-60	250	24	30	6	9.4	6m @ 9.4 g/t Au from 24m		
								including		26	28	2	19	inc. 2m @ 19 g/t Au from 26m		
	LPRC0004		RC	350,785	6,752,027	431	60	-60	250	38	46	8	3.2	8m @ 3.2 g/t Au from 38m		
								including		38	41	3	6.3	inc. 3m @ 6.3 g/t Au from 38m		
	LPRC0005		RC	350,713	6,752,113	430	30	-60	250	9	12	3	6.81	3m @ 6.81g/t Au from 9 m		
	LPRC0006		RC	350,732	6,752,121	430	36	-60	250	18	21	3	9.92	3m @ 9.92g/t Au from 18 m		
										26	27	1	2.7	1m @ 2.7g/t Au from 26 m		
	LPRC0007		RC	350,720	6,752,092	430	30	-60	250	15	19	4	3.71	4m @ 3.71g/t Au from 15 m		
	LPRC0008		RC	350,739	6,752,099	430	36	-60	250	21	25	4	4.12	4m @ 4.12g/t Au from 21 m		
	LPRC0009		RC	350,728	6,752,074	430	30	-60	250	No intercept >1g/t Au						
	LPRC0010		RC	350,746	6,752,081	430	36	-60	250	18	22	4	7.08	4m @ 7.08g/t Au from 18 m		
	LPRC0011		RC	350,765	6,752,088	430	54	-60	250	32	33	1	1.98	1m @ 1.98g/t Au from 32 m		
										41	43	2	8.57	2m @ 8.57g/t Au from 41 m		
										31	32	1	1.26	1m @ 1.26g/t Au from 31 m		
	LPRC0012		RC	350,784	6,752,096	430	78	-60	250	42	46	4	16.3	4m @ 16.3g/t Au from 42 m		
										Including		42	45	3	20.7	inc. 3m @ 20.7g/t Au from 42 m
	LPRC0013		RC	350,751	6,752,128	430	54	-60	250	33	37	4	13.28	4m @ 13.28g/t Au from 33 m		
	LPRC0015		RC	350,757	6,752,107	430	60	-60	250	30	31	1	2.69	1m @ 2.69g/t Au from 30 m		
										35	44	9	5.7	9m @ 5.7g/t Au from 35 m		
	LPRC0016		RC	350,776	6,752,114	430	84	-60	250	46	47	1	1.26	1m @ 1.26g/t Au from 46 m		
										49	50	1	4.48	1m @ 4.48g/t Au from 49 m		
										52	64	12	2.34	12m @ 2.34g/t Au from 52 m		
										54	57	3	5.1	inc. 3m @ 5.1g/t Au from 54 m		
	LPRC0014		RC	350,769	6,752,135	430	75	-60	250	No intercept >1g/t Au						
	LPRC0017		RC	350,736	6,752,057	430	30	-60	250	No intercept >1g/t Au						
	LPRC0018		RC	350,755	6,752,064	430	42	-60	250	23	27	4	3.69	4 m @ 3.69 g/t Au from 23m		
	LPRC0019		RC	350,774	6,752,071	430	54	-60	250	39	42	3	2.21	3 m @ 2.21 g/t Au from 39m		
	LPRC0020		RC	350,792	6,752,079	430	72	-60	250	57	60	3	-	Void - Historical Workings Intersected		
	LPRC0021		RC	350,745	6,752,037	430	30	-60	250	No intercept >1g/t Au						
	LPRC0022		RC	350,764	6,752,044	430	42	-60	250	26	30	4	2.7	4 m @ 2.7 g/t Au from 26m		
	LPRC0023		RC	350782.5	6752051.2	430	60	-60	250	37	39	2	4.63	2 m @ 4.63 g/t Au from 37m		
41		42								1	1.55	1 m @ 1.55 g/t Au from 41m				
LPRC0024	RC	350801.2	6752058.5	430	78	-60	250	53	54	1	2.39	1 m @ 2.39 g/t Au from 53m				
								58	64	6	2.87	6 m @ 2.87 g/t Au from 58m				
LPRC0025	RC	350,753	6,752,019	430	30	-60	250	No intercept >1g/t Au								
LPRC0026	RC	350,772	6,752,026	430	40	-60	250	24	32	8	2.92	8 m @ 2.92 g/t Au from 24m				
LPRC0027	RC	350,759	6,751,999	430	36	-60	250	15	19	4	1.2	4 m @ 1.2 g/t Au from 15m				
LPRC0028	RC	350,778	6,752,006	430	42	-60	250	31	34	3	4.59	3 m @ 4.59 g/t Au from 31m				
LPRC0029	RC	350,763	6,751,977	430	30	-60	250	No intercept >1g/t Au								
LPRC0030	RC	350,781	6,751,984	430	40	-60	250	25	31	6	1.77	6 m @ 1.77 g/t Au from 25m				
LPRC0031	RC	350,775	6,751,941	430	30	-60	250	No intercept >1g/t Au								
LPRC0032	RC	350,794	6,751,948	430	48	-60	250	26	36	10	3.21	10 m @ 3.21 g/t Au from 26m				
LPRC0033	RC	350,790	6,752,033	430	60	-60	250	No intercept >1g/t Au								
LPRC0034	RC	350,809	6,752,041	430	78	-60	250	No intercept >1g/t Au								
LPRC0035	RC	350,796	6,752,014	430	60	-60	250	44	47	3	2.46	3 m @ 2.46 g/t Au from 44 m				
								59	67	8	4.05	8 m @ 4.05 g/t Au from 59 m				
LPRC0036	RC	350,815	6,752,021	430	78	-60	250	69	70	1	3.07	1 metre @ 3.07 g/t Au from 69 m				
								43	45	2	8.52	2 m @ 8.52 g/t Au from 43 m				
LPRC0037	RC	350,800	6,751,991	430	60	-60	250	43	45	2	8.52	2 m @ 8.52 g/t Au from 43 m				
LPRC0038	RC	350,819	6,751,999	430	78	-60	250	60	65	5	2.56	5 m @ 2.56 g/t Au from 60 m				

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MGA 94 Zone 51 South															
Prospect	Hole ID	Tenement	Hole Type	Easting	Northing	RL	EOH	Dip	Azi	From (m)	To (m)	Down Hole Width (m)	Grade (Au g/t)	Comments	
McTavish	McTRC0001	M40/77	RC	350,647	6,754,118	423	112	-60	270	67	71	4	6.4	4m @ 6.4 g/t Au from 67m	
	McTRC0002				350,647	6,754,098	424	84	-60	270	73	76	3	1.41	3m @ 1.41 g/t Au from 73m
	McTRC0003			RC	350,576	6,754,153	423	30	-60	270	14	15	1	1.9	1m @ 1.9 g/t Au from 14m
	McTRC0004			RC	350,596	6,754,153	423	48	-60	270	33	35	2	2.2	2m @ 2.2 g/t Au from 33m
	McTRC0005		RC	350,618	6,754,083	424	66	-60	270	48	53	5	17.9	5m @ 17.9 g/t Au from 48m	
	McTRC0006		M40/77	RC	350,599	6,754,095	423	42	270	-60	32	34	2	3.76	2 m @ 3.76 g/t Au from 32 m
	McTRC0007			RC	350,595	6,754,080	423	48	270	-60	23	26	3	6.33	3 m @ 6.33 g/t Au from 23 m
	McTRC0008			RC	350,635	6,754,080	423	72	270	-60	No intercept >1g/t Au				
	McTRC0009			RC	350,655	6,754,080	423	84	270	-60	79	82	3	2.06	3 m @ 2.06 g/t Au from 79 m
	McTRC0010			RC	350,590	6,754,120	423	36	270	-60	20	25	5	4.17	5 m @ 4.17 g/t Au from 20 m
	McTRC0011			RC	350,610	6,754,120	423	54	270	-60	36	40	4	5.01	4 m @ 5.01 g/t Au from 36 m
	McTRC0012			RC	350,630	6,754,125	423	66	270	-60	54	58	4	4.64	4 m @ 4.64 g/t Au from 54 m
	McTRC0013			RC	350,575	6,754,050	423	36	270	-60	No intercept >1g/t Au				
McTRC0014		RC		350,595	6,754,050	423	42	270	-60	20	21	1	-	Void - Historical Workings Intersected	
McTRC0015		RC		350,615	6,754,050	423	54	270	-60	39	41	2	14.11	2 m @ 14.11 g/t Au from 39 m	
Champion	CPRC0001	M40/27		RC	352,224	6,757,503	417	112	-60	270	Stope fill intersected - structure present but mined out.				
	CPRC0002														
	CPRC0003			RC	352,265	6,757,582	416	138	-60	250	127	128	1	1.35	
	CPRC0004			RC	352,158	6,757,586	417	48	-60	270	31	33	2	1.8	2m @ 1.8 g/t Au from 31m
	CPRC0005			RC	352,149	6,757,566	417	30	-60	270	28	30	2	25.2	2m @ 25.2 g/t Au from 28m to EOH
DCC Trend	CDRCDD0001	M40/61	RC/DD Tail	354,377	6,753,209	427	186.33	-60	270	167	167.72	0.72	3.1	0.72m @ 3.1 g/t Au from 167m	
										173.07	173.28	0.21	8.8	0.21m @ 8.8 g/t Au from 173.07m	
										174.85	176	1.15	1.5	1.15m @ 1.5 g/t Au from 174.85m	
	CLRC0001	M40/61	RC	354,153	6,754,058	429	136	-60	270	72	74	2	1.4	2m @ 1.4 g/t Au from 72m	
	CDDD0001	E40/332	DD	354728	6753398	432	529.5	-60	270	Structure diluted by Proterozoic Dolerite Dyke					
CDRC0001	M40/61	RC	354284	6753513	430	148	-60	270	76	78	2	22.1	2m @ 22.1 g/t Au from 76m		

Table 1 – All Significant Drill Hole Intercepts to date*

*Please refer to announcements:

ASX Announcement "Metalicity Confirms Mineralisation" dated 31 July 2019,

ASX Announcement "Metalicity Confirms Additional Gold Mineralisation at Kookynie" dated 2 October 2019,

ASX Announcement "Metalicity Reports Drill Hole Intercepts Up To 80 g/t Au & Additional Tenement Acquisition for Kookynie" dated 21 January 2020,

ASX Announcement "Metalicity Continues to Deliver Spectacular Drill Hole Results for the Kookynie Gold Project" dated 25 June 2020,

ASX Announcement "Metalicity Continues to Deliver Excellent Drill Hole Results for the Kookynie Gold Project" dated 2 July 2020, &

ASX Announcement "Metalicity Delivers More Outstanding Drill Hole Results for the Kookynie Gold Project. Phase Two Drilling to Commence Imminently" dated 10 July 2020.

Summary:

Based on the results obtained from the drilling programmes to date, the proposal is to continue with the same the same methodical, results driven approach to the exploration of the Prospects we have performed before.

The objective is to efficiently explore the large high-grade mineralised systems that the Company's work has identified. The first stage of this expanded exploration programme will be concentrated on the Leipold and McTavish Prospects.

Concurrent to this drilling, the drone magnetic survey will be finalised to assist in geological interpretations of the strike extents of the known mineralised areas of Leipold, McTavish, Champion and the DCC Trend. This work will be folded in and targets generated will be tested expeditiously

As results are received, and geological interpretations confirmed, the exploration programme will be further extended. This proposed staged approach will allow for results to be interpreted and incorporated into future plans, ensuring that all the follow-up exploratory stages will be carried out as efficiently and cost effective as possible.

ENQUIRIES

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Note

This Announcement is designed to also supplement for Nex Metals Exploration as it relates to our farm-in agreement as announced on the 6th May 2019 titled *"Metalicity Farms Into Prolific Kookynie & Yundamindra Gold Projects, WA"*.

Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have reasonable basis. However, forward-looking statements:

(a) are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;

(b) involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such risks include, without limitation, resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which the Company operates or supplies or sells product to, and governmental regulation and judicial outcomes; and

(c) may include, among other things, statements regarding estimates and assumptions in respect of prices, costs, results and capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

The words "believe", "expect", "anticipate", "indicate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements.

All forward-looking statements contained in this presentation are qualified by the foregoing cautionary statements. Recipients are cautioned that forward-looking statements are not guarantees of future performance and accordingly recipients are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

The Company disclaims any intent or obligation to publicly update any forward-looking statements, whether as a result of new information, future events or results or otherwise.