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3 December 2009

NEX METALS EXPLORATIONS LTD

Increased Mineral Resource Estimate

Phase 2 Kookynie Gold Project

17.24Mt @ 1.0g/t for 574,000 Gold Ounces

The board of Nex Metals Explorations Ltd (ASX; NME) ("Nex") is pleased to announce the following update on the Kookynie Gold Project.

Mineral Resource Estimates on an additional 3 prospects in Phase 2 of the Nex 100% owned Kookynie Gold Project has been completed by independent consultants Hellman and Schoefield of Perth W.A.

A breakdown of the resources, to date, for Phase 2 of the Nex Metals 3 Phase Plan for Growth are summarised on table 1 below. Note the highlighted resource estimates are those recently completed.

Table 1 - The Nex Metals Phase 2 Mineral Resource Inventory as at 02/12/2009

Resource summary at a 0.5g/t cut-off grade

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	2.61	1.22	102,000	0.83	1.0	27,000	3.44	1.2	129,000
Butterfly	1.85	1.12	67,000	0.86	1.0	27,000	2.71	1.1	94,000
Clarke	0.68	1.18	26,000	0.13	0.9	4,000	0.81	1.1	29,000
Red Lake	0.15	1.33	6,000	0.20	1.2	8,000	0.35	1.2	14,000
King	1.48	0.80	38,000	0.15	0.7	3,000	1.63	0.8	42,000
Danluce	0.48	1.01	16,000	0.13	0.9	4,000	0.61	1.0	20,000
Subtotal	**7.25**	**1.09**	**255,000**	**2.30**	**1.0**	**73,000**	**9.55**	**1.1**	**328,000**
Orient Well Main	4.15	1.03	137,000	0.84	1.0	28,000	4.99	1.0	165,000
Puzzle Extension	1.93	0.93	58,000	0.76	0.9	23,000	2.70	0.9	81,000
Total	**13.33**	**1.05**	**450,000**	**3.90**	**1.0**	**124,000**	**17.24**	**1.0**	**574,000**

Resource summary at a 1.0g/t cut-off grade

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	0.91	1.90	55,000	0.16	1.8	9,000	1.07	1.9	65,000
Butterfly	0.61	1.81	35,000	0.24	1.5	11,000	0.85	1.7	47,000
Clarke	0.20	1.80	12,000	0.01	1.7	1,000	0.21	1.8	12,000
Red Lake	0.06	2.12	4,000	0.07	2.0	4,000	0.13	2.1	8,000
King	0.27	1.28	11,000	0.01	1.3	1,000	0.28	1.3	11,000
Danluce	0.08	1.79	5,000	0.03	1.5	1,000	0.11	1.7	6,000
Subtotal	**2.13**	**1.78**	**122,000**	**0.52**	**1.6**	**27,000**	**2.65**	**1.8**	**149,000**
Orient Well Main	1.10	1.78	63,000	0.20	1.9	12,000	1.30	1.8	75,000
Puzzle Extension	0.46	1.52	22,000	0.17	1.7	9,000	0.63	1.6	32,000
Total	**3.69**	**1.75**	**207,000**	**0.89**	**1.7**	**48,000**	**4.58**	**1.7**	**256,000**

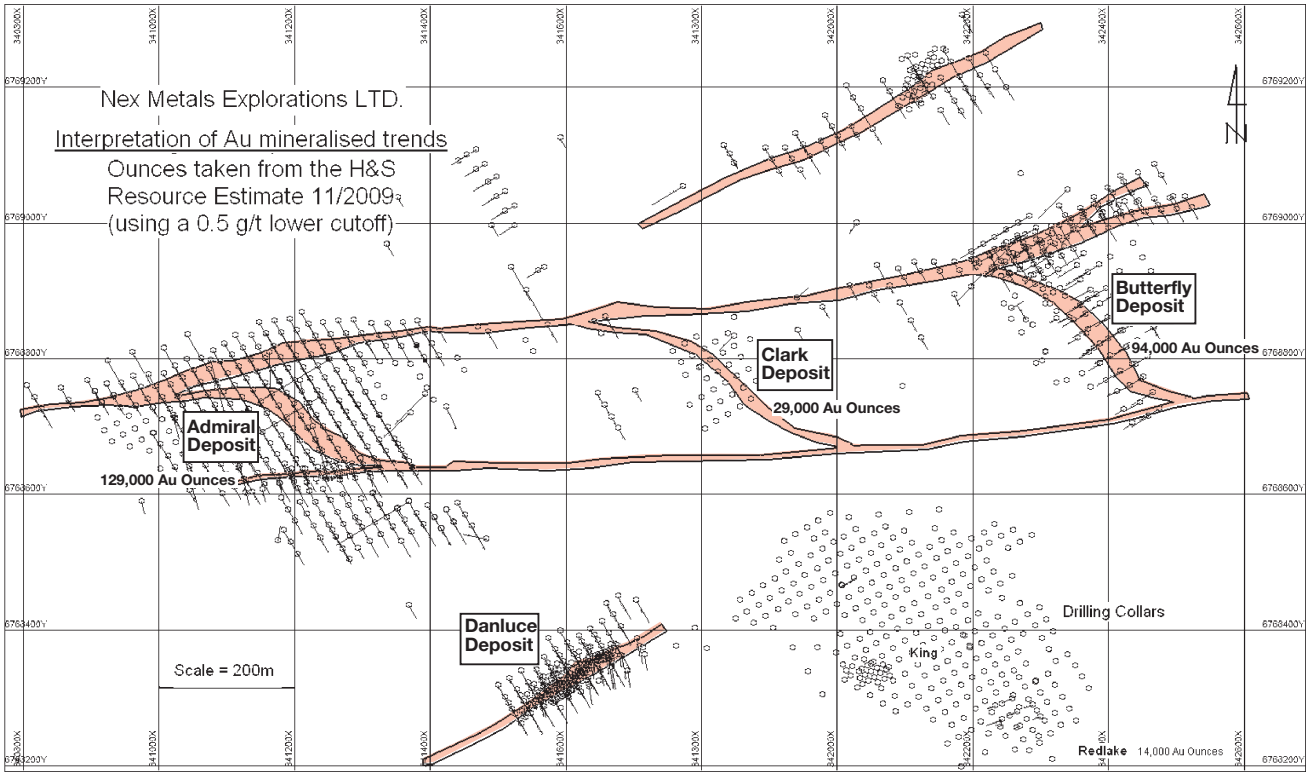
Resource summary at a 1.5g/t cut-off grade

Deposit	Indicated			Inferred			Total		
	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces	Mt	Au g/t	Ounces
Admiral	0.36	2.50	29,000	0.05	2.6	4,000	0.41	2.5	33,000
Butterfly	0.21	2.58	18,000	0.06	2.1	4,000	0.27	2.5	21,000
Clarke	0.08	2.40	6,000	-	0.0	-	0.08	2.4	6,000
Red Lake	0.03	2.84	2,000	0.03	2.8	3,000	0.06	2.8	5,000
King	0.02	1.72	1,000	-	0.0	-	0.02	1.7	1,000
Danluce	0.01	2.70	1,000	-	0.0	-	0.01	2.7	1,000
Subtotal	**0.71**	**2.49**	**57,000**	**0.14**	**2.5**	**11,000**	**0.85**	**2.5**	**67,000**
Orient Well Main	0.42	2.50	33,000	0.08	2.9	7,000	0.49	2.6	40,000
Puzzle Extension	0.12	2.16	8,000	0.05	2.5	4,000	0.17	2.3	13,000
Total	**1.25**	**2.44**	**98,000**	**0.27**	**2.6**	**22,000**	**1.51**	**2.5**	**120,000**

Numbers in this table may not sum due to rounding errors
Significant figures or decimal points do not imply an added level of accuracy

Evaluation of all Phase 2 gold prospects should be completed during January 2010, providing Nex shareholders with a total resource picture of the existing dataset purchased from FMR Resources. These resources are drilled with close spaced RC drilling however have little additional drilling along strike and down dip (refer to Diagram 1 below).

Diagram 1 Interpretation of gold mineralisation and drill hole collar location plan.



Phase 2 - Planned Work Program;

The existing Phase 2 resources are significant, already 17.24MT for 575,000 ounces of gold. Nex are evaluating the viability of a 4Mt pa heap leach operation at Phase 2.

The directors believe that if viable, at the current gold price, this asset should be exploited as quickly as possible. The 6 month Nex Phase 2 work program is as follows;

Evaluation

- Upper and lower cut off grade analysis for each prospect in Phase 2,
- Re running the Mineral resource estimates at the applicable cut off grades.
- Tonnes and grade, pit designs and ore to waste stripping ratios

Metallurgy

Drill Pq sized core for;

- Metallurgical analysis to define recoveries from fresh transitional and oxide ore zones.
- Rock hardness and strength for mining and crushing cost data.
- Bulk density analysis.

Reverse Circulation (RC) Drilling

- Block out, on a 25m X 25m grid pattern, ore extentions along strike and at depth of the larger existing resources.

Mr Ken Allen
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Mr Edd Prumm
Technical Director
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Responsibility Statement

The information in this report which relates to exploration results, quality of data, geological interpretations, reasonable expectation of potential viability of quoted gold resources, comments on metallurgy and marketing and appropriateness of cut-off grades is based on information compiled by Edd Prumm who is the Exploration Manager of the Company and who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Prumm has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Prumm consents to the reporting of this information in the form and context in which it appears.

Information in this report that relates to mineral resource estimation reflects information compiled by Mr Robert Spiers. Resource estimation was undertaken by Mr Spiers who is a full time employees of Hellman and Schofield Pty Ltd. Mr Spiers is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Spiers consents to the reporting of this information in the form and context in which it appears.