Nex Metals Explorations Ltd

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TERMS AND CONDITIONS OF UNLISTED OPTIONS

($0.25, 4 YEAR EXPIRY)

(a) Each Option shall entitle the Option holder, when exercised, to one fully paid ordinary share in the Company ("**Share**").

(a) The Options are exercisable wholly or in part at any time prior to 5.00 pm (WST) on the date which is 4 years from the date of listing of the Purchaser on ASX ("**Expiry Date**"). Options not exercised by that date shall lapse.

(b) Each Option may be exercised by notice in writing to the Company, together with the payment for the number of Shares in respect of which the Options are exercised, at any time before the Expiry Date. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

(c) The Option exercise price is $0.25 per Option.

(d) An Option does not confer the right to a change in exercise price or a change in the number of the underlying Shares over which the Option can be exercised.

(e) Shares issued upon exercise of the Options will be issued following receipt of all the relevant documents and payments and will rank equally in all respects with the then issued Shares.

(f) The Company may apply for quotation on ASX of the Options.

(g) The Company will apply for quotation on ASX of all Shares issued upon exercise of the Options.

(h) Subject to the Corporations Act, the Constitution and the Listing Rules, the Options are freely transferable.

(i) There are no participating rights or entitlements inherent in the Options and Option holders will not be entitled to participate in new issues of securities offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced so as to give Option holders the opportunity to exercise their Options before the date for determining entitlements to participate in any issue.

(j) If at any time the issued capital of the Company is reorganised, the rights of an Option holder are to be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

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TERMS AND CONDITIONS OF UNLISTED DIRECTORS' OPTIONS
(VARIOUS EXERCISE PRICES, 30 NOVEMBER 2012 EXPIRY)

(a) The exercise prices of the Options, with respect to each Director's holding of Options, are as follows:

   (i) 500,000 Options are exercisable at $0.25 per Option;

   (ii) 250,000 Options are exercisable at $0.40 per Option;

   (iii) 250,000 Options are exercisable at $0.50 per Option;

   (iv) 500,000 Options are exercisable at $0.60 per Option;

   (v) 500,000 Options are exercisable at $0.75 per Option; and

   (vi) 1,000,000 Options are exercisable at $1.00 per Option.

(b) The Options expire at 5.00pm WST on 30 November 2012.

(c) Shares issued as a result of the exercise of any of these Options will rank equally in all respects with previously issued Shares.

(d) The Options are exercisable by completing the application for exercise of Options and delivering the same together with payment for the number of Shares in respect of which the Options are exercised to the registered office of the Company.

(e) Subject to the ASX Listing Rules, the Options are freely transferable in whole or part at any time prior to expiry.

(f) Within 14 days of the receipt of a properly executed notice of exercise and application monies the Company will issue to the optionholder the number of Shares specified in that notice.

(g) The Company will not apply for Official Quotation of the Options. The Company will apply for Official Quotation of all Shares issued and allotted pursuant to the exercise of the Options.

(h) Optionholders are permitted to participate in new issues of securities offered to Shareholders on the prior exercise of the Option in which case the optionholder shall be afforded the period of at least 10 Business Days prior to and inclusive of the books' closing date (to determine the entitlements to the issue) to exercise the Option.

(i) In the event of any reorganisation (including consolidation, subdivision, reduction or cancellation) of capital of the Company, the rights of optionholders are to be changed to the extent necessary to comply with the ASX Listing Rules on a reorganisation of capital at the time of the reorganisation.