Nex Metals Explorations Ltd

ABN 63 124 706 449

Circular to Shareholders including
NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT
PROXY FORM

Annual General Meeting of Nex Metals Explorations Ltd
to be held at the Crowne Plaza Perth,
54 Terrace Rd, Perth WA 6000
on 29 day of November 2010
commencing at 9.30 am (WST).

This document should be read in its entirety. If after reading this Circular to Shareholders you have any questions or doubts as to how you should vote, you should contact your stockbroker, solicitor, accountant or professional adviser.

NEX METALS EXPLORATIONS LTD
ABN 63 124 706 449

Corporate Directory

Directors	Thomas Percy QC Kenneth Allen Horst Edmund Prumm Kasit Phisitkul Hock Hoo Chua	Chairman – Non-Executive Managing Director Director – Non Executive Director – Non-Executive Director – Non-Executive
Secretary	Kenneth Allen	
Head Office	Unit 2 42-52 Terrace Road EAST PERTH WESTERN AUSTRALIA 6004 Phone: (08) 9221 6813 Fax: (08) 9221 3091 Website: www.nexmetals.com	
Registered Office	Unit 2 42-52 Terrace Road EAST PERTH WESTERN AUSTRALIA 6004	
Auditors	RSM Bird Cameron Pty Ltd 12 St Georges Terrace PERTH WESTERN AUSTRALIA 6000	
Solicitors	Lawton Gillon Level 11 16 St Georges Terrace PERTH WESTERN AUSTRALIA 6000	
Share Registry	Security Transfer Registrars Pty. Limited 770 Canning Highway APPLECROSS WESTERN AUSTRALIA 6153	
ASX Code	NME, NMEO	

Notice of Annual General Meeting

NOTICE IS GIVEN THAT an Annual General Meeting of the Company will be held at the Crowne Plaza Perth, 54 Terrace Rd, Perth WA 6000 on the 29 day of November 2010 commencing at 9.30 am (WST).

Information on the proposals to which the resolutions set out below relate is contained in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.

BUSINESS OF THE MEETING

Ordinary Meeting

Financial Statements

To receive and consider the financial statements of the Company for the year ended 30 June 2010 consisting of the annual financial report, the directors' report and auditor's report.

RESOLUTIONS

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, pass with or without amendment the following resolution as an ordinary resolution:

> *"To adopt the Remuneration Report, which forms part of the Directors' Report, for the year ended 30 June 2010."*

The vote on this resolution is advisory only and does not bind the directors or the Company.

2. Resolution 2 – Re-election of Thomas Percy as a Director

To consider and, if thought fit, pass with or without amendment the following resolution as an ordinary resolution:

> *"That Thomas Percy, having retired as a director of the Company pursuant to the Company's constitution and being eligible, having offered himself for re-election be appointed as a director of the Company."*

3. Resolution 3 – Election of Hock Hoo Chua as a Director

To consider and, if thought fit, pass with or without amendment the following resolution as an ordinary resolution:

> *"That Hock Hoo Chua, being eligible, having offered himself for election be appointed as a director of the Company."*

"Snap-Shot" Time

The Corporations Act permits the Company to specify a time, not more than 48 hours before the meeting, at which a "snap-shot" of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the meeting.

The Company's directors have determined that all shares of the Company that are quoted on ASX at 10.00 am WST, 27 November 2010 shall, for the purposes of determining voting entitlements at the General Meeting, be taken to be held by the persons registered as holding the shares at that time.

PROXIES

Please note that:

(a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;

(b) a proxy need not be a member of the Company; and

(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion is not specified each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms.

DATED: 25 October 2010

BY ORDER OF THE BOARD

Kenneth M Allen
Company Secretary
Nex Metals Explorations Ltd

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. You should read all documents carefully. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice of Meeting, you should contact your stockbroker or other professional adviser.

General Information.

This Explanatory Statement has been prepared for the information of Shareholders of Nex Metals Explorations Ltd in connection with the business to be conducted at the Annual General Meeting to be held at the Crowne Plaza Perth, 54 Terrace Rd, Perth, Western Australia on the date set out in the notice of meeting.

The purpose of this Explanatory Statement is to provide Shareholders with information which is reasonably required by Shareholders to decide how to vote upon the resolution. This Explanatory Statement should be read in conjunction with the accompanying Notice of Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Financial Statements and Reports

The Annual Financial Report, Directors' Report and Auditor's Report for the Company for the year ending 30 June 2010 will be laid before the meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

In addition to taking questions at the meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- the preparation and content of the Auditor's Report;
- the conduct of the audit;
- accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the auditor in relation to the conduct of the audit

may be submitted no later than 5 business days before the meeting date to Mr Kenneth Allen, Company Secretary.

1 Adoption of Remuneration Report (Resolution 1)

The Remuneration Report of the Company for the financial year ending 30 June 2010 is set out in the Director's Report on pages 7 to 9 of the Company's Annual Report.

The Remuneration Report sets out the Company's remuneration arrangements for the executive and non-executive Directors and executive employees of the Company.

A reasonable opportunity will be given for the discussion of the Remuneration Report at the meeting. Shareholders should note that the vote on this resolution is advisory only and does not bind the Company or the Directors.

2 Re-election of Director – Thomas Percy (Resolution 2)

In accordance with the Company's constitution one third of the Board (excluding the managing director) will retire at each annual general meeting and being eligible may offer themselves for re-election. As a consequence, Mr Percy is required to be re-elected at this annual general meeting.

3 Election of Director – Hock Hoo Chua (Resolution 3)

In accordance with Listing Rule 14.4, any director appointed by the Board, either to fill a casual vacancy or as an addition to the Board, must retire at the next annual general meeting following his or her appointment but remains eligible for re-election at that annual general meeting. Mr Chua was appointed as a Director of the Company on 13 September 2010.

Mr Chua qualified as a professional accountant from the Chartered Institute of Management Accountants in the 90's, his Master of Business Administration (MBA) from Oklahoma City University, USA in 1995, and currently pursuing his Doctorate in Business Administration (DBA) with University of Malaya. Mr Chua distinguished himself in practice in Malaysia as an auditor, licensed liquidator and tax consultant. He is the co-founder of Cheng & Co, one of the largest local chartered accounting firms in Malaysia, and currently is the Managing Partner of Cheng & Co. He is a member of the Malaysia Institute of Accountants, Institute of Certificate Management Accountants (Australia), a Fellow Member of CPA, Australia, Fellow Member of the Chartered Institute of Management Accountants (UK), Malaysia Institute of Taxation, associate member of the Institute of Internal Auditors Malaysia, and member of Malaysian Institute Director. He was the President of the Persatuan Alumni Oklahoma City University Malaysia. He is also the CFP certification member of Financial Planning Association of Malaysia.

In this Notice of Meeting and Explanatory Statement, the following terms have the following unless the context otherwise requires:

DEFINITIONS

“ASIC” means the Australian Securities & Investments Commission;

“ASX” means Australian Securities Exchange Limited (ACN 008 624 691);

“Board” means the Directors of the Company from time to time;

“Business Day” has the meaning ascribed to that term by the Listing Rules;

“Company” means Nex Metals Explorations Ltd (ABN 63 124 706 449);

“Directors” means each of the persons who acts as directors of the Company;

“Listing Rules” means the official listing rules of ASX;

“Meeting” and **“Shareholders’ Meeting”** means the meeting of Shareholders convened by the Notice;

“Notice” means the notice of meeting to which this Explanatory Statement is attached;

“Shares” means ordinary fully paid shares in the capital of the Company and **“Shareholders”** has a corresponding meaning;

NOTES

A shareholder who is entitled to attend and vote at a meeting of shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the company.

Where a voting exclusion applies, the company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions of the proxy form or it is cast by a person chairing the meeting as proxy for person who is entitled to vote in accordance with the direction of the proxy form to vote as the proxy decides. The directors of the company have set a snapshot date to determine the identity of those entitled to attend and vote at the meeting. The snapshot date is stated above.

A proxy form is attached. If required, it should be completed, signed and returned in accordance with the proxy instructions on that form. To be effective, the proxy form (and any power of attorney) must be lodged at the registered office of the company not less than 48 hours before the time of holding the meeting. The proxy may be lodged by facsimile transmission to Security Transfer Registrars Pty Ltd facsimile number:- (08) 9315 2233.

Proxy Form

NEX METALS EXPLORATIONS LTD
ABN 63 124 706 449

All correspondence to:
Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Enquiries (within Australia)
(08) 9315 2333
(outside Australia) 61 8 9315 2333
Facsimile 61 8 9315 2333

Shareholder
Name, address and daytime telephone number of shareholder.

Name……………………………………………………………….

Address…………………………………………………………….

…………………………………………………………………………

Daytime telephone no……………………………………Email Address:…………………………........

Appointment of Proxy

I/we being member/s of Nex Metals Explorations Ltd and entitled to attend and vote hereby appoint

The Chairman of the Meeting (mark with an "X") **OR** Write here the name of the person you are appointing if this person **is someone other than** the Chairman of the Meeting.

or, failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Nex Metals Explorations Ltd to be held at the Crowne Plaza Perth, 54 Terrace Rd, Perth WA 6000 on the 29 day of November 2010 commencing at 9.30 am (WST).

The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.

Voting directions to your proxy – please X to indicate your directions

PROXY'S VOTING INSTRUCTIONS (OPTIONAL)	**FOR**	**AGAINST**	**ABSTAIN***	**PROXY'S DISCRETION**
1. Resolution 1 – Adoption of Remuneration Report				
2. Resolution 2 – Re-election of Director – Thomas Percy				
3. Resolution 3 – Election of Director – Hock Hoo Chua				

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be countered in computing the required majority on a poll.

PLEASE SIGN HERE This section MUST be signed in accordance with the instructions overleaf to enable your directions to be implemented

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**
Sole Director and Sole Company Secretary	Director	Director/ Company Secretary

Contact Name	**Daytime contact telephone**	**Date**

HOW TO COMPLETE THE PROXY FORM

1. Your Name and Address
This is your name and address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Security holders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

2. Appointment of a Proxy
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company.

3. Votes on Items of Business
You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy
You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Reception on +61 8 9315 2333 or you may copy this form.

To appoint a second proxy you must:
(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded;
(b) return both forms together in the same envelope.

5. Signing Instructions
You must sign this form as follows in the spaces provided:

Individual:	where the holding is in one name, the holder must sign.
Joint Holding:	where the holding is in more than one name, all of the security holders should sign
Power of Attorney:	to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgment of a Proxy
This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting at 9.30 am on 29 November 2010.

Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged
by delivery, mail or facsimile to the Security Transfer Registrars Pty Ltd
770 Canning Highway, Applecross WA 6153

Enquiries (within Australia)	(08) 9315 2333
(outside Australia)	61 8 9315 2333
Facsimile	61 8 9315 2333