

23 June 2022

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

Defence by Nex Metals Explorations Ltd - Supreme Court action commenced by KYM Mining Pty Ltd (CIV 1582 of 2022)

Nex Metals Explorations Ltd ('NME') refers to the orders made by the Honourable Justice Hill of the Supreme Court of Western Australia in respect of the action commenced by KYM Mining Pty Ltd ('KYM') being CIV 1582 of 2022 (see link for orders);
<https://www.nexmetals.com/wp-content/uploads/2022/06/Orders-Justice-Hill-22-June-2022.pdf>

KYM is a wholly owned subsidiary of Metalicity Ltd ('MCT'), a publicly listed company on the Australian Securities Exchange. MCT and KYM are collectively Joint Venture partners with NME in the Farm-In and Joint Venture Agreement (JVA) executed on 4 May 2019 (see NME announcement dated 6 May 2019 headed "Farm-In Agreement with Metalicity Ltd (ASX:MCT) on Kookynie and Yundamindra Projects").

On 14 June 2022, MCT announced that it commenced proceedings in the Supreme Court of Western Australia in relation to its claim that NME failed to pay \$1.28M of costs to MCT (attached) pursuant to the JVA.

NME reaffirms that it disputes MCT's claim (see "Supreme Court Defence" announcement made by NME dated 14 June 2022) and that it will vigorously defend this claim.

The orders made by the Honourable Justice Hill make reference to a proposed Mediation Conference to be listed for later this year. NME has been informed by legal counsel that the proposed Mediation date is unlikely to occur before September 2022 and may occur after the lapse of the 12-month Takeover Bid period; this being the Takeover Bid commenced by MCT on 14 September 2021 and currently extended to 4th July 2022.

This announcement is authorised by Kenneth Allen.

ENDS