

NEMEX

RESOURCES LIMITED

ACN 146 243 843



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Fast Facts

Capital Structure

Shares on issue 42.6M
Options 27.3M
ASX Code NXR

Directors & Senior Management

Patrick Flint

Chairman

Peter Turner

Managing Director

Paul Jurman

Non-Exec Director &
Company Secretary

Project Highlights

Guinea (Iron)

- *High-grade iron discovery*
- *Large resource potential*
- *Targeting DSO production*
- *Modern, multi-user rail*

Côte d'Ivoire (Gold)

- *New licence applications*
- *Geophysical anomalies*
- *Exciting opportunity*
- *Under-explored country*

W Australia (Iron)

- *Woodley DSO Project*

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Further high-grade drill results, resource estimate and metallurgical test work update, Télimélé Iron Project, Guinea

Perth-based explorer Nemex Resources Limited (ASX: NXR) is pleased to report high-grade results of a further 71 reverse circulation (RC) drill holes (BLRC225 – BLRC295) that will be used in Nemex's maiden iron resource estimation at the Boulere Prospect, Télimélé licence in Guinea, West Africa.

TÉLIMÉLÉ DRILLING HIGHLIGHTS

■ Current drill results from Boulere include:

- **3m @ 52.7% Fe (58.0% Ca Fe)** from 2m (BLRC230);
- **3.5m @ 54.3% Fe (59.1% Ca Fe)** from 2m (BLRC239);
- **4m @ 54.4% Fe (59.1% Ca Fe)** from 1.5m (BLRC243);
- **4m @ 56.8% Fe (60.8% Ca Fe)** from 1.5m (BLRC247);
- **3.5m @ 55.1% Fe (58.9% Ca Fe)** from 0.5m (BLRC249);
- **3m @ 57.5% Fe (61.2% Ca Fe)** from 4m (BLRC255);
- **2.5m @ 57.9% Fe (61.1% Ca Fe)** from 8m (BLRC259);
- **3m @ 54.4% Fe (55.9% Ca Fe)** from 11.5m (BLRC260);
- **3m @ 51.0% Fe (55.8% Ca Fe)** from 8.5m (BLRC288);
- **1.5m @ 59.4% Fe (62.5% Ca Fe)** from surface (BLRC289).

TÉLIMÉLÉ PROJECT HIGHLIGHTS

- Maiden resource estimation on track for January 2013 release
- Mineralisation remains open in all directions
- Only 5% of targets drilled to date
- Seven metallurgical samples awaiting test work in Australia

"We are very pleased with these results which continue to show high-grade ironstone close to surface over a considerable area" Nemex's Managing Director, Peter Turner said.

"Our focus is now on delivery of the resource estimate, demonstrating a direct shipping ore (DSO) product and working towards development options"



The 71 drill holes were drilled on a 100m x 100m grid at the southeast and northwest of the Boulere Prospect and the results of the drilling are shown in **Table 1** and summarised in **Figures 2** and **3**.

Resource Estimation Update

The current drill results are the last results of the 295 drill holes that will be included for the initial resource estimation over the Boulere Prospect by leading independent mineral resource consultants, CSA Global in Perth. The resource model will be completed and validated by mid January 2013.

The Téliimélé ironstone mineralisation is flat-lying and is found predominantly on surface plateaus where no vegetation or population exists. The maiden resource estimation will include all mineralisation over one such plateau (Boulere) and the mineralisation remains open in all directions. Neighbouring plateaus, and plateau areas up to 30km away from Boulere, are known to have the same Téliimélé ironstone and these will be drilled in due course for the high-grade iron mineralisation. The potential to grow the maiden resource over the 1,500km² licence and licence applications is very high (**Figure 4**).

Drilling at the **Boulere North** and **Madina Prospects** (**Figure 2**) intersected high-grade Téliimélé ironstone at each prospect earlier this year (see ASX announcements dated 9 July and 28 August 2012) and will be infill drilled prior to incorporation into the resource model later in 2013.

The Téliimélé ironstone is on average 3.6m deep, reducing potential stripping during a mining operation. In many areas, the high-grade Téliimélé ironstone crops out at surface.

Nemex estimates that approximately 5% of the prospective target areas where Téliimélé ironstone is either known to exist through *in-situ* rock chip sampling (see **Figure 4**) or is thought to occur by geophysical and remote sensing imagery analysis, has been drill tested to date.



Figure 1. Regional location of Nemex's Coastal Iron Project (red outlines), including the Télimélé licence area and exploration licence applications (yellow outlines) in western Guinea.

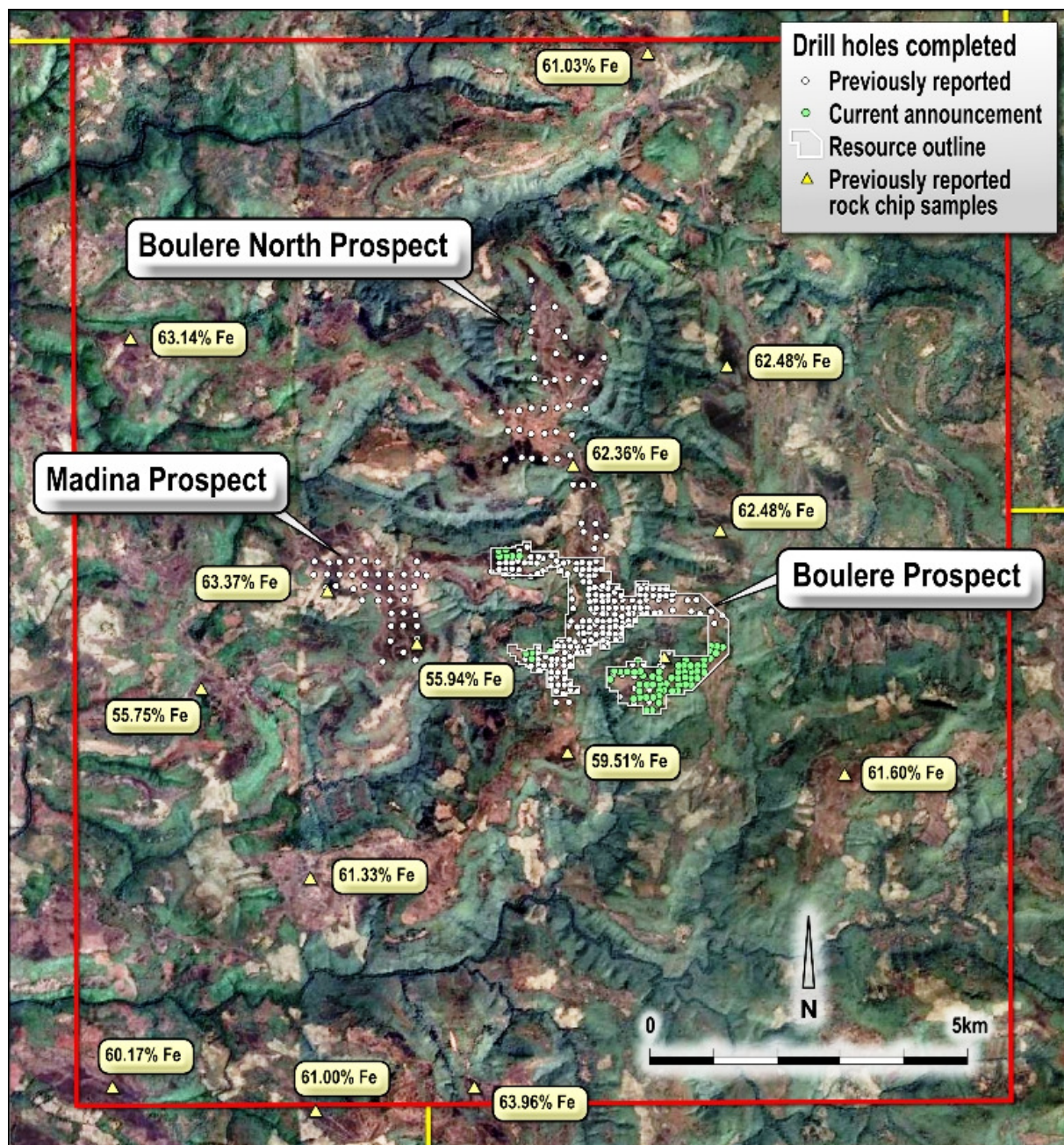


Figure 2. Google Earth image of the Témimélic Licence (red outline) showing all completed drill holes. The white outline covers all drill holes that will be used in the maiden resource estimation at the Boulere Prospect. Yellow triangles are ironstone rock chip samples with iron results (previously announced on 17 August 2011) showing the wide distribution of the Témimélic ironstone unit. See Figure 3 for detailed results at Boulere and Figure 4 for regional drill targets.

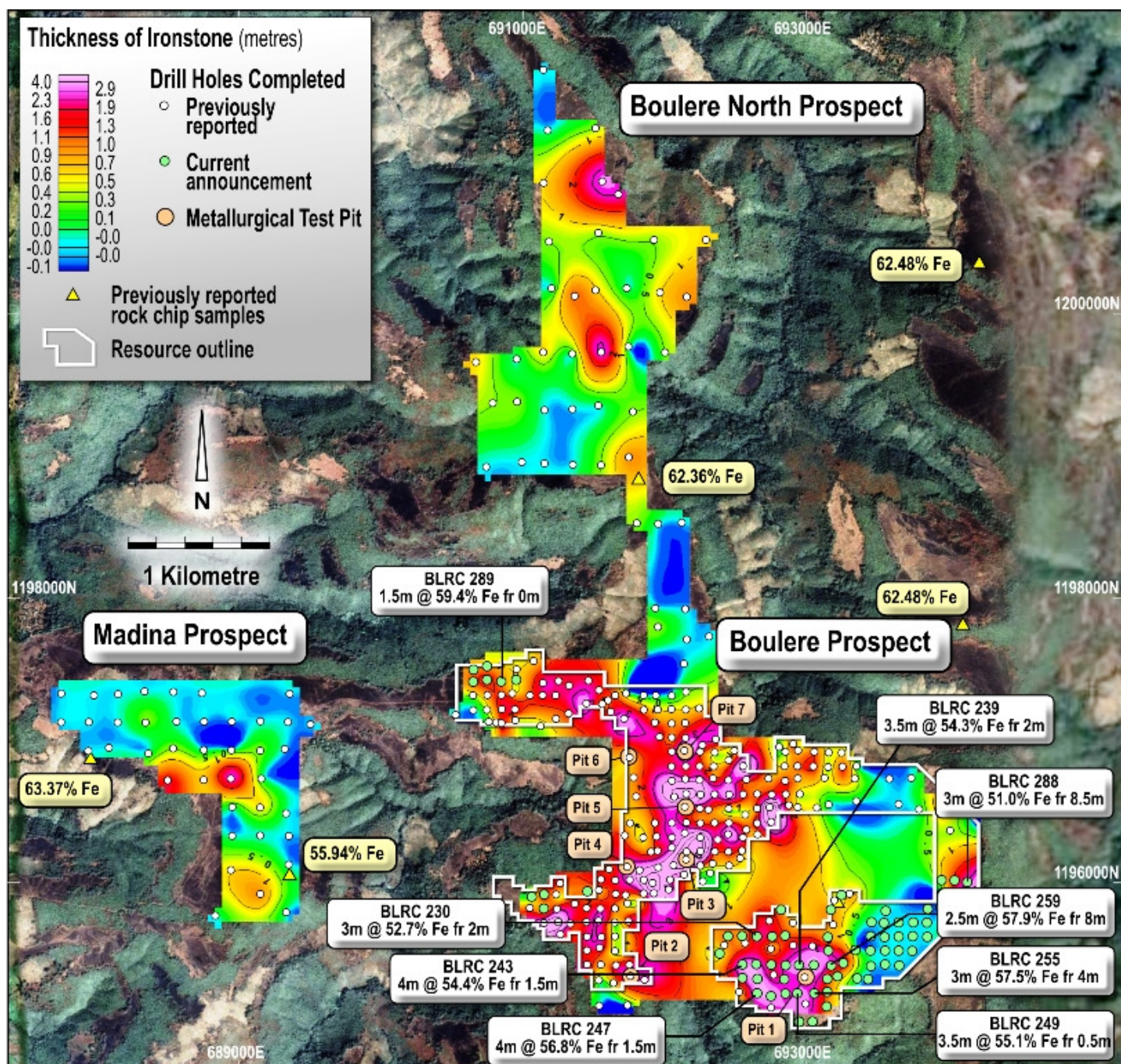


Figure 3. Summary of selected drill results from the Boulere Prospect (this announcement only) superimposed on an image contoured to the thickness of high-grade ironstone (background image is from Google Earth). The white polygon surrounding thicker ironstone is the focus of the resource estimation at the Boulere Prospect. Refer to releases dated August 28, September 25 & October 22, 2012 for more information.

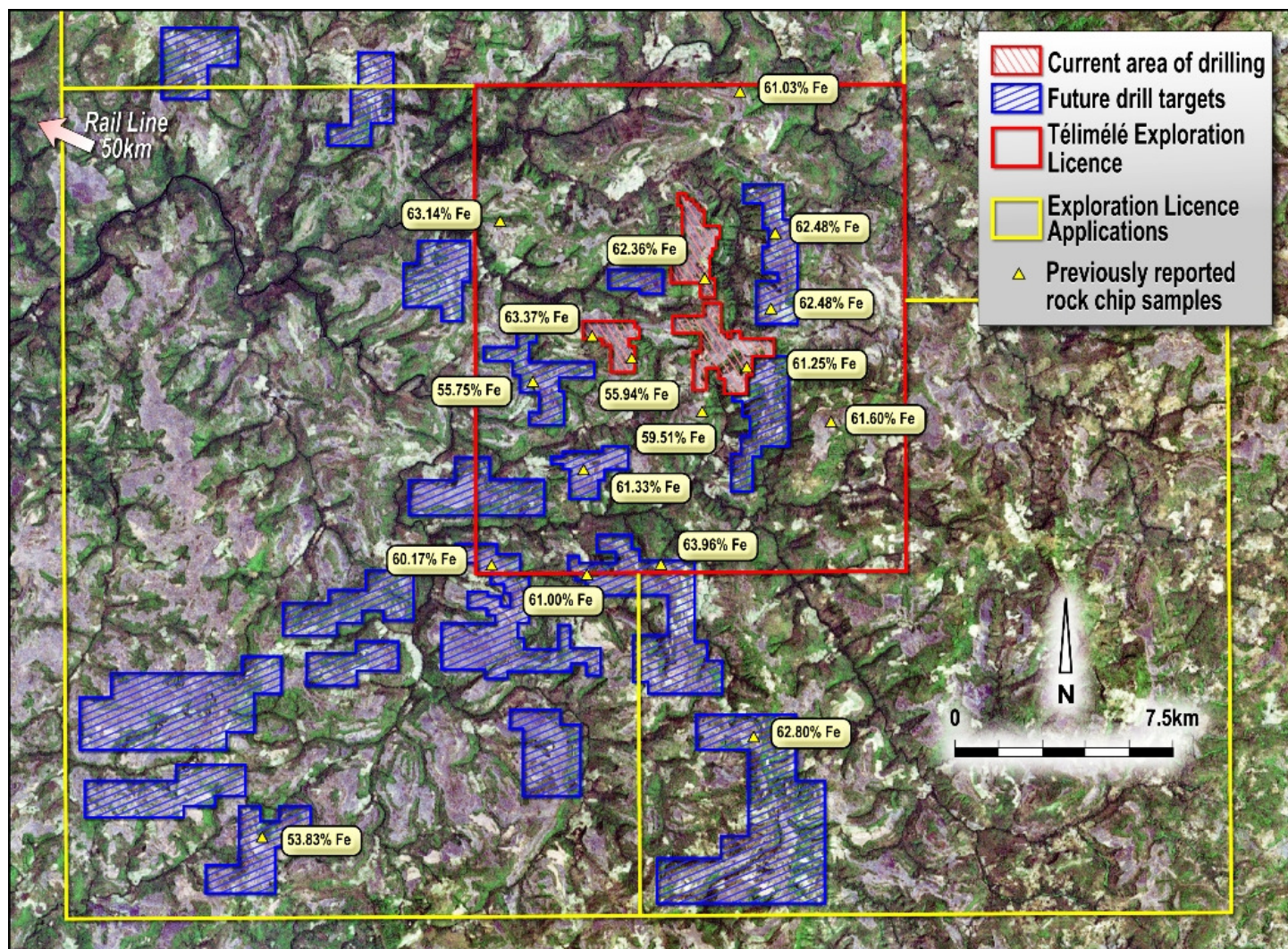


Figure 4. Téliimélé Licence area (red outline) showing the position of drilled prospects (red polygons) and future drill targets (blue polygons) where coincident aeromagnetic anomalies occur with Téliimélé Ironstone rock chip samples (yellow triangles with Fe% values). The background image is a Landsat image (bands 321-RGB).



Metallurgical Test Work Update

Seven +200kg metallurgical samples from four pits at Boulere have been flown to Perth for metallurgical test work. Three of these samples are high-grade Télimélé ironstone. Metallurgical test work will be undertaken at the Bureau Veritas laboratory under the auspices of AMEC Ltd, Nemex's metallurgical consultants. Nemex's strategy is to develop a mining operation based on a direct shipping ore (DSO) operation at Boulere with a product that **does not** require beneficiation prior to export.

Nemex has reported a consistent pattern of blocky ironstone in the profiles across the Boulere area that has the potential to be a DSO product.

The three samples are lumpy, black to dark grey, magnetic ironstone (similar to that pictured in **Figure 5**) comprising magnetite-hematite-maghemite-goethite and known to be high-grade (58-64% Fe) wherever sampled. The metallurgical test work of the three high-grade Télimélé ironstone samples will include:

- 1) Drop-tower tests to determine the relative split of lump to fines;
- 2) Davis Tube Recovery (DTR) analysis to determine the extent of magnetic minerals;
- 3) 3kg sample of each for mineralogical examination.

Results will be available through Q1, 2013.

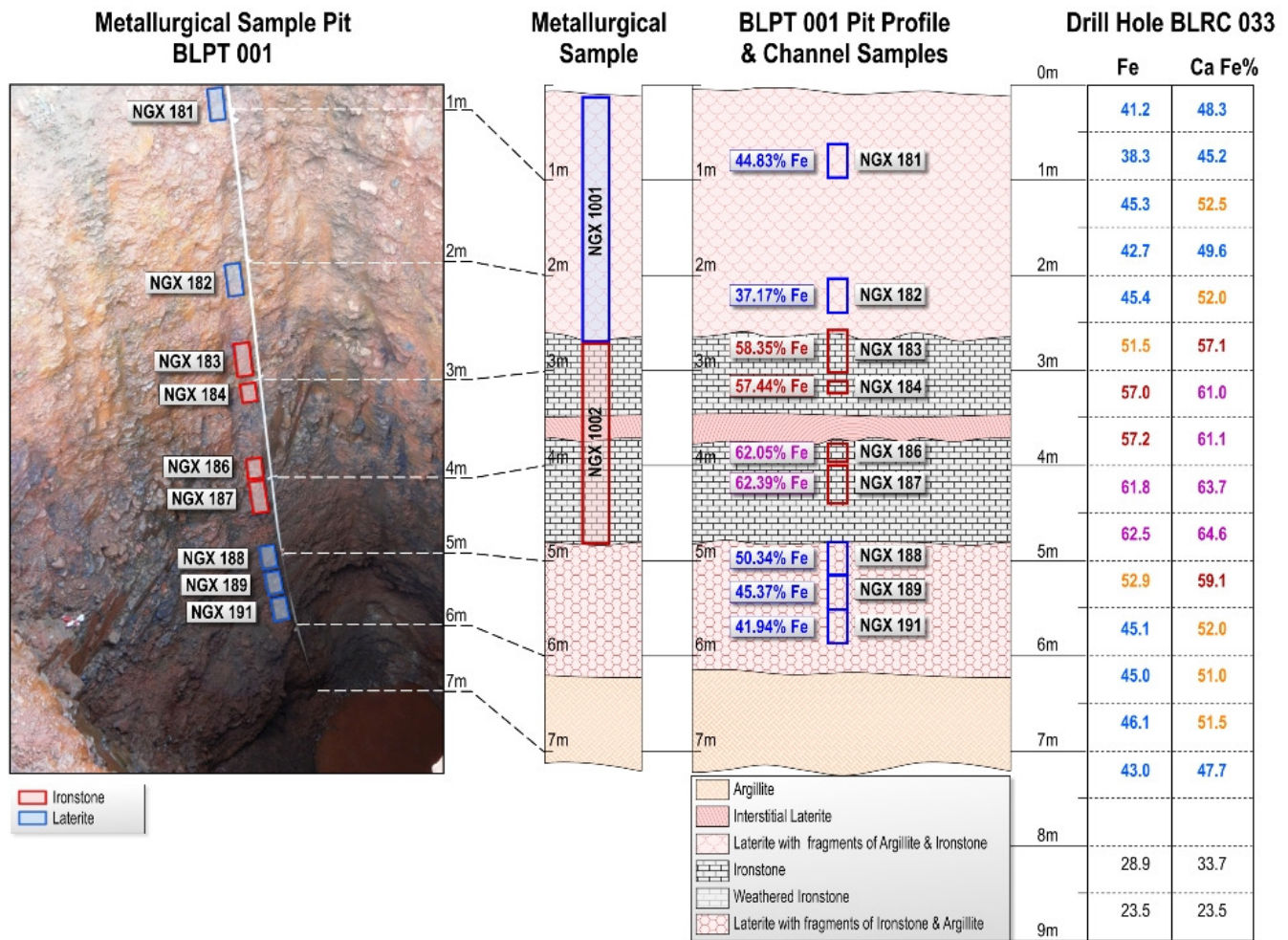


Figure 5. Metallurgical test pit BLPT001 – pit profile with channel sample identifiers (left), metallurgical samples (middle-left), schematic profile with channel sample results (middle-right) and neighbouring drill hole results (right). See Figure 3 for location of Pits BLPT001 – BLPT007.

The other four metallurgical samples are of Fe-rich laterite (generally 40-50% Fe) with dominant hematite-goethite-gibbsite chemistry and with variable magnetic characteristics. The laterite can attain up to 11m in thickness and is a potential source of ore. The metallurgical test work flow-sheet for this lower grade material will be developed on the basis of gravity and magnetic separation to produce a product of >58% Fe.



Detailed information about Nemex's projects is available at www.nemexres.com.au

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About Nemex Resources

Nemex Resources is a mineral exploration company focused on DSO iron projects in Guinea, West Africa and the Mid-West of Western Australia and gold and base metal opportunities in Côte d'Ivoire, West Africa. Nemex is earning an 85% interest in the Coastal Iron Project in Guinea, West Africa where an extensive ironstone formation has been discovered over a large area and is linked to ports via a multi-user rail line.

In Côte d'Ivoire, West Africa, Nemex has recently made applications for licences prospective for gold and base metals.

In Western Australia, Nemex has signed an agreement with ASX-listed Golden West Resources Limited ('GWR') whereby GWR can earn up to an 85% interest in Nemex's Woodley Iron Project.

Competent Person's Statement

The information contained in this release which relates to Exploration Results is based on information compiled by Dr Peter Turner, a Member of the Australian Institute of Geosciences (AIG). Dr Turner is the Managing Director and a full-time member of Nemex Resources Limited. Dr Turner has sufficient experience which is relevant to the style of mineralization 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'. Dr Turner consents to the inclusion in the press release of the matters based on his information in the form and context in which it appears.

Hole	From	To	Interval m	Fe %	Ca Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	TiO ₂ %	LOI %
BLRC225	NSI										
BLRC226	NSI										
BLRC227	3	6	3	49.7	56.0	1.6	13.3	0.29	0.06	1.0	11.4
<i>including</i>	4.5	5	0.5	55.1	60.6	1.5	7.8	0.35	0.05	0.7	9.2
BLRC228	0	2	2	55.0	60.3	1.1	9.2	0.52	0.03	0.7	8.9
<i>including</i>	0.5	1.5	1	59.2	63.3	0.7	5.7	0.51	0.02	0.6	6.5
BLRC229	0	1	1	55.8	59.1	3.4	7.3	0.34	0.02	0.7	5.6
BLRC230	2	5	3	52.7	58.0	0.7	12.9	0.26	0.04	0.9	9.3
<i>including</i>	3	4.5	1.5	57.5	61.9	0.5	9.4	0.23	0.03	0.8	7.2
BLRC231	1	3.5	2.5	57.9	60.4	1.7	8.4	0.32	0.03	0.7	4.3
BLRC232	0	2	2	57.2	60.3	1.3	8.7	0.33	0.02	0.8	5.2
BLRC233	0	1.5	1.5	60.1	62.7	0.9	6.9	0.31	0.02	0.7	4.2
<i>and</i>	3.5	4	0.5	57.1	62.3	6.5	2.7	0.13	0.01	0.1	8.4
BLRC234	5	6	1	49.4	56.8	1.3	13.9	0.37	0.05	1.0	13.1
BLRC235	0	1.5	1.5	50.8	56.8	1.9	13.8	0.32	0.04	0.9	10.5
BLRC236	0	0.5	0.5	53.8	58.9	1.3	11.7	0.24	0.04	0.9	8.7
BLRC237	2	5	3	53.7	58.7	0.9	12.0	0.32	0.03	0.8	8.5
BLRC238	1	5.5	4.5	50.3	56.4	2.6	12.9	0.38	0.02	0.8	10.7
BLRC239	2	5.5	3.5	54.3	59.1	1.5	10.7	0.30	0.03	0.9	8.3
<i>including</i>	3	4	1	60.6	63.3	0.4	6.4	0.31	0.02	0.7	4.2
BLRC240	1	4.5	3.5	54.1	59.0	2.5	9.7	0.42	0.03	0.7	8.5
<i>including</i>	2	4	2	56.1	60.5	1.9	8.0	0.39	0.02	0.7	7.3

BLRC241	1.5	4	2.5	55.7	60.0	0.8	9.6	0.40	0.02	0.7	7.3
<i>including</i>	2	3.5	1.5	59.3	62.4	0.6	7.0	0.37	0.01	0.6	5.0
BLRC242	3	6.5	3.5	53.5	58.3	1.5	11.6	0.20	0.05	1.0	8.4
<i>including</i>	4	4.5	0.5	57.9	61.8	0.5	8.4	0.19	0.03	0.8	6.3
<i>including</i>	5	5.5	0.5	55.8	60.1	1.6	8.9	0.16	0.04	0.9	7.2
BLRC243	1.5	5.5	4	54.4	59.1	0.9	11.0	0.28	0.03	0.9	8.2
<i>including</i>	3	5	2	58.0	61.8	0.5	8.0	0.28	0.03	0.8	6.3
BLRC244	0	0.5	0.5	50.3	56.5	2.2	12.0	0.58	0.04	0.9	11.0
BLRC245	1.5	4.5	3	53.4	57.6	0.8	13.0	0.19	0.03	0.9	7.6
<i>including</i>	3.5	4.5	1	60.2	63.0	0.5	7.2	0.25	0.02	0.8	4.5
BLRC246	2	6.5	4.5	50.9	56.4	1.2	13.4	0.31	0.03	1.0	10.1
<i>including</i>	4.5	5.5	1	57.7	61.6	0.7	7.7	0.38	0.02	0.8	6.4
BLRC247	1.5	5.5	4	56.8	60.8	0.9	8.5	0.26	0.03	0.8	6.7
BLRC248	2.5	6.5	4	52.3	57.6	0.7	13.0	0.30	0.04	0.9	9.5
<i>including</i>	4	5.5	1.5	58.7	62.6	0.5	7.5	0.33	0.03	0.7	6.2
BLRC249	0.5	4	3.5	55.1	58.9	3.5	8.5	0.53	0.02	0.7	6.6
<i>including</i>	2	3.5	1.5	60.2	61.5	3.6	5.4	0.54	0.01	0.6	2.1
BLRC250	3	6	3	56.9	60.3	2.4	7.5	0.45	0.02	0.7	5.6
BLRC251	2	5	3	56.1	59.8	2.3	8.8	0.53	0.03	0.7	6.2
BLRC252	NSI										
BLRC253	NSI										
BLRC254	5	6.5	1.5	53.8	58.2	2.9	10.1	0.39	0.06	0.76	7.7
BLRC255	4	7	3	57.5	61.2	3.0	6.6	0.61	0.02	0.63	6.1

BLRC256	NSI											
BLRC257	NSI											
BLRC258	7	8	1	52.2	58.5	1.6	10.8	0.44	0.05	0.8	10.8	
BLRC259	8	10.5	2.5	57.9	61.1	3.4	5.9	0.70	0.01	0.7	5.2	
BLRC260	11.5	14.5	3	54.4	55.9	7.0	7.4	0.61	0.02	0.7	2.9	
<i>including</i>	12	14	2	56.8	57.6	5.8	6.0	0.67	0.01	0.6	1.4	
BLRC261 to BLRC284	NSI											
BLRC285	1.5	3.5	2	46.1	53.2	2.3	16.0	0.32	0.06	1.1	13.5	
<i>and</i>	6.5	9.5	3	50.8	57.3	2.2	12.1	0.57	0.03	0.8	11.4	
BLRC286	0.5	1.5	1	56.1	61.0	1.7	8.2	0.48	0.02	0.7	8.0	
BLRC287	NSI											
BLRC288	8.5	11.5	3	51.0	55.8	6.0	9.1	0.67	0.02	0.7	8.9	
<i>including</i>	8.5	9	0.5	57.0	60.1	2.5	6.9	0.37	0.03	0.6	5.1	
<i>including</i>	10	10.5	0.5	60.3	63.2	2.4	4.8	0.51	0.01	0.4	4.5	
BLRC289	0	1.5	1.5	59.4	62.5	1.5	6.5	0.31	0.02	0.6	4.9	
BLRC290	0	2.5	2.5	50.5	56.0	1.2	14.8	0.26	0.04	0.9	9.9	
<i>including</i>	0	0.5	0.5	56.6	61.1	1.4	7.5	0.49	0.02	0.6	7.4	
BLRC291	0.5	2.5	2	47.7	54.4	2.2	15.1	0.22	0.06	1.0	12.3	
BLRC292	0	1.5	1.5	51.7	57.8	1.8	12.3	0.36	0.03	0.8	10.7	
<i>including</i>	0	0.5	0.5	58.1	62.0	1.1	8.4	0.16	0.03	0.7	6.2	
BLRC293	0	1	1	54.8	59.5	1.4	10.8	0.22	0.04	0.7	7.9	
BLRC294	0	1	1	54.1	59.0	1.1	11.5	0.26	0.04	1.0	8.4	
BLRC295	5.5	7	1.5	54.8	59.1	2.4	8.7	0.36	0.02	0.7	7.4	

Table 1. Drill intercepts from holes BLRC225 – 295(Boulere Prospect) from the Téliimélé Licence.



Notes

- 1) The drilling type is reverse circulation (RC) and all drill samples are collected from the cyclone in 0.5m down-hole intervals
- 2) Intercepts may include up to 2m of 'waste' material (i.e., lower than 47% Fe grade material)
- 3) All drill samples are logged and analysed on-site using a Niton XL3t hand-held x-ray fluorescence (XRF) spectrometer to determine approximate iron values. Samples that contain greater than 25% Fe are split using a riffle splitter before being sent to SGS's Laboratory in Monrovia, Liberia for independent XRF analyses. Therefore, not all sample intervals are assayed.
- 4) All Nemex samples submitted to the SGS laboratory include international standards and duplicate samples inserted in sequence into each sample batch by Nemex at a frequency of not less than 1 per 20 samples (5%) to ensure that the laboratory delivers sample results that are both accurate and precise before sample results are released to the public.
- 5) All drill intercepts quoted in Table 1 are generally constrained to geology, in particular the presence of magnetic, black/brown ironstone, and their iron values (generally >47% Fe). All drill results generally show a lower grade iron halo of between 2 to 11m in each hole.
- 6) * denotes that the sample is a composite sample derived from the combination of a number of consecutive metre intervals of similar geology.
- 7) Ca Fe is calcined Fe and is calculated by Nemex using the formula, $Ca\ Fe = Fe\% / ((100-LOI) / 100)$ where LOI is 'loss on ignition' in %.
- 8) NSI – means that no significant intercepts were reported, i.e., no intervals where Fe grades were above 47% Fe