



apex

## Apex Minerals NL

ACN 098 612 974

### **Notice of Meeting Proxy Form Explanatory Memorandum**

#### **Date of Meeting**

Thursday, 30 November 2006

#### **Time of Meeting**

11.00am

#### **Place of Meeting**

Seminar Room 2  
University Club  
University of Western Australia  
(Hackett Entrance, Car Park 3)  
Hackett Drive  
Matilda Bay  
Perth WA

# Notice of Meeting

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF APEX MINERALS NL ACN 098 612 974 ("APEX/THE COMPANY") WILL BE HELD AT SEMINAR ROOM 2, UNIVERSITY CLUB, UNIVERSITY OF WESTERN AUSTRALIA, (HACKETT ENTRANCE, CAR PARK 3) HACKETT DRIVE, MATILDA BAY, PERTH, WESTERN AUSTRALIA ON THURSDAY 30 NOVEMBER 2006, AT 11.00 AM (WST).

## Agenda

### Business

An Explanatory Statement containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

### Ordinary Business

To receive and consider the annual financial report of the Company and the reports of the Directors and the Auditors for the financial year ended 30 June 2006.

To consider and if thought fit, to pass, with or without amendment, the following resolutions as ordinary resolutions:-

**1. Resolution 1 - Adoption of Remuneration Report**

"That the remuneration report forming part of the Company's 2006 Annual Report, which accompanied the notice convening this meeting, be adopted."

**2. Resolution 2 - Re-election of Mr Stephen Lowe as a Director**

"That, Mr Stephen Lowe, being a Director of the Company, retires by rotation in accordance with clause 14.9 of the Constitution of the Company and being eligible for re-election, be hereby re-elected as a Director of the Company."

**3. Resolution 3 - Re-election of Mr Kim Robinson as a Director**

"That, Mr Kim Robinson, being a Director of the Company, retires by rotation in accordance with clause 14.9 of the Constitution of the Company and being eligible for re-election, be hereby re-elected as a Director of the Company."

**4. Resolution 4 - Ratification of previous option issues**

"That, for the purpose of Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Ltd (ASX) and for all other purposes, the issue of 1,500,000 options to subscribe for shares in the capital of the Company to Lost Ark Nominees Pty Ltd at an issue price of 20 cents in July 2006 expiring in 5 years of issue be approved."

**5. Resolution 5 - Ratification of previous option issues**

"That, for the purpose of Listing Rule 7.4 of the Listing Rules of Australian Stock Exchange Ltd (ASX) and for all other purposes, the issue of 1,500,000 options to subscribe for shares in the capital of the Company to Mr Glenn Jardine at an issue price of 35 cents in November 2006 expiring in 5 years of issue be approved."

### *Voting Exclusion Statement:*

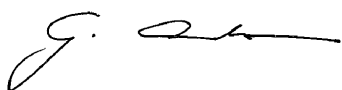
For the purpose of Resolution 4 and 5, the Company will disregard any votes cast on this resolution by a person who participated in the issue and any of its associates.

However, the Company need not disregard a vote if:

- It is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

BY ORDER OF THE BOARD

Dated 25 October 2006



Graham D Anderson  
Company Secretary

## Proxy

A member entitled to attend and to vote at the meeting is entitled to appoint a proxy to attend and to vote instead of the member. The proxy need not be a member of Apex. Proxy Forms must be lodged at the principal office of Apex at 31 Ventnor Avenue, West Perth, Western Australia 6005, (PO Box 682 West Perth, Western Australia 6872) or the proxy may be sent by facsimile to the Company on facsimile number (08) 6311 5556 not later than 48 hours before the time of the meeting.

For the determination of voting entitlements, the Directors have determined that the numbers of shares registered in the names of each member 48 hours prior to the time of the meeting will be taken, for the purposes of the meeting, to be held by the person who held them at that time.

A Proxy Form accompanies this Notice of Meeting.

### Notes to the Proxy Form

Pursuant to the Company's Constitution and the Corporations Act 2001, any person registered in the Register of Shareholders as a holder of one or more shares 48 hours prior to the time of commencement of the Meeting is entitled to attend and vote at the Meeting.

Members are entitled to appoint up to two individuals to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.

The Proxy Form and the Power of Attorney (if any) or the instrument appointing the proxy and power of attorney (if any) under which it is signed (or an office copy or notarially certified copy thereof) must be deposited at the Registered Office of the Company at 31 Ventnor Avenue, West Perth, WA 6005 (PO Box 682 West Perth WA 6872) at least 48 hours prior to the time of holding of the Meeting (and at any adjournment thereof), at which the individual named in the Proxy Form proposes to vote.

A proxy must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, under its common seal or under the hand of an authorised officer or attorney.

A person authorised (pursuant to the provisions of the Corporations Act 2001) by a corporation which is a member of the Company to act as its representative at the Meeting is entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member of the Company.

A legible facsimile transmission copy of the instrument and the power of attorney or other authority is acceptable. The facsimile number to which a Proxy Form may be sent is (08) 6311 5556.

The proxy may, but need not be, a member of the Company.

### Corporate Representation

A company may only vote by proxy, power of attorney or by appointment of a corporate representative. The instrument appointing a proxy is not valid unless the original instrument and the power of attorney or other authority (if any) under which the instrument is signed (duly stamped where necessary) or a copy or facsimile which appears on its face to be an authentic copy of that proxy, or power of attorney is submitted to the Registered Office within the time set out herein. A company must sign a proxy under common seal in accordance with its Constitution or otherwise in accordance with the Corporations Act 2001 or under power of attorney which must be produced with the Proxy Form.

If the shares are registered in the name of more than one person, all such holders must sign the Proxy Form.

To be valid a Proxy Form and the Power of Attorney under which it is signed or proof thereof must be to the satisfaction of the Directors.

# Explanatory Statement

This Explanatory Statement is for the information of members of Apex Minerals NL (Apex) in connection with Resolutions to be considered at the Annual General Meeting of Apex to be held on Thursday, 30 November 2006 at 11.00am (WST). If members are in doubt as to how they should vote, they should seek advice from their professional advisors before voting.

## Ordinary Business

### *Annual Financial Report*

The Annual Report 2006 (including the financial statement, Directors' report and Auditor's report for the financial year ended 30 June 2006) has been sent to all members and will be tabled at the meeting. There is no formal resolution to accept the financial statements and reports, but provision will be made for members to question the Directors and the Auditor should they wish to do so.

### **Resolution 1 – Adoption of Remuneration Report**

Section 250R of the Corporations Act requires a listed company to put to its members at each Annual General Meeting a resolution adopting the report on the remuneration of the Company's Directors, Executives and Senior Managers included in the Company's annual report. The above resolution is being proposed to comply with this requirement. The vote on this resolution is advisory only and does not bind the Company's Directors.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

### **Resolution 2 – To Re-elect Mr Stephen Lowe as a Director**

The Constitution of the Company requires that one third of the Directors in office (other than a Managing Director) must retire by rotation at each Annual General Meeting of the Company.

Mr Lowe therefore retires at the forthcoming Annual General Meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

The Board of Directors, with Mr Lowe abstaining, recommends that members vote to approve this Resolution.

### **Resolution 3 – To Re-elect Mr Kim Robinson as a Director**

The Constitution of the Company requires that one third of the Directors in office (other than a Managing Director) must retire by rotation at each annual general meeting of the Company.

Mr Robinson therefore retires at the forthcoming Annual General Meeting in accordance with the Constitution and being eligible, has offered himself for re-election at the meeting.

The Board of Directors, with Mr Robinson abstaining, recommends that members vote to approve this Resolution.

### **Resolution 4 – To Ratify Option Issues to Reinstate the 15% Placement Power**

In July 2006 Apex issued 1,500,000 5-year options to subscribe for fully paid ordinary shares at an issue price of 20 cents each to Lost Ark Nominees Pty Ltd, a company associated with Southern Cross Equities Pty Ltd as part consideration for their fee for acting as underwriter to the Company's placement of \$7,000,000 in July 2006. A summary of terms and conditions is set out in Annexure A to this Explanatory Statement.

Resolution 4 seeks member approval under Listing Rule 7.4. Listing Rule 7.4 provides that an issue of securities which is made without member approval under Listing Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following applies:

- (a) the issue did not breach Listing Rule 7.1; and
- (b) the holders of ordinary securities subsequently approve it.

The Directors confirm that the issue did not breach Listing Rule 7.1. The effect of members passing Resolution 4 will be to restore the Company's ability to issue shares within the 15% limit currently imposed by Listing Rule 7.1 to the extent of the aggregate 1,500,000 options issued.

The information requirements of ASX Listing Rule 7.5 require the following information to be provided to shareholders:

Number of Options allotted: 1,500,000  
Exercise Price : 20 cents  
Terms of the Options : 5 years

The funds raised from the options being exercised will be used for working capital.

**Resolution 5 – To Ratify Option Issues to Reinstate the 15% Placement Power**

At the date of this Notice, the Company has an agreement to issue 1,500,000 options to Glenn Jardine pursuant to the terms of his employment/consultancy agreement. The Company anticipates that these shares will be issued prior to the Annual General Meeting.

ASX Listing Rule 7.1 provides that the prior approval of the shareholders of a company is required for an issue of equity securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Under ASX Listing Rule 7.4, an issue of securities made without approval under ASX Listing 7.1 is treated as having been made with approval for the purpose of ASX Listing Rule 7.1 if each of the following applies:

- (a) The issue did not breach ASX Listing Rule 7.1; and
- (b) Holders of ordinary securities subsequently approve the issue.

The issue by the Company of 1,500,000 options shares will not result in the company being in breach of ASX Listing Rule 7.1 because the shares, when aggregated with securities issued by the Company during the previous 12 months (other than securities issued with shareholder approval), will not exceed 15% of the number of securities on issue at the commencement of that 12 month period calculated under the formula set out in ASX Listing Rule 7.1.

However, as the Company anticipates that it will have completed the issue of the 1,500,000 options shares by the time Annual General Meeting is held, it will be seeking shareholder ratification of the issue under Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without first having to obtain shareholder approval.

The information requirements of ASX Listing Rule 7.5 require the following information to be provided to shareholders:

Number of Options allotted: 1,500,000  
Exercise Price : 35 cents  
Terms of the Options : 5 years

The funds raised from the options being exercised will be used for working capital.

A summary of terms and conditions is set out in Annexure B to this Explanatory Statement.

# Annexure A

## Terms and Conditions of Option

1. Each option ("Option") shall entitle the holder the right to subscribe for one (1) fully paid ordinary share in the capital of the Company.
2. No amount is payable by the holder of an Option for the issue of that Option to that holder.
3. The Options shall expire 5 years from the date of issue ("Expiry Date").
4. Each ordinary share allotted as a result of the exercise of an Option will, subject to the Constitution of the Company, rank in all respects *pari passu* with the existing ordinary fully paid shares in the capital of the Company on issue at the date of allotment.
5. A registered owner of an Option ("Option Holder") will be entitled to receive and will be sent all reports, accounts and notices required to be given to members of the Company but will not be entitled to attend or vote at any meetings of the members of the Company unless they are members of the Company.
6. The exercise price for each Option shall be 20 cents.
7. A certificate or holding statement will be issued by the Company with respect to Options held by an Option Holder. Options may be exercised by the Option Holder completing a Notice of Exercise of Options and forwarding the same to the Secretary of the Company. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be allotted; which number of Options must be a multiple of 1,000 if only part of the Option Holder's total Options are exercised, or if the total number of Options held by an Option Holder is less than 1,000, then the total of all Options held by that Option Holder must be exercised.
8. In the event of a reconstruction (including a consolidation, sub-division, reduction, return or pro-rata cancellation) of the issued capital of the Company, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with ASX Listing Rule 7.22 such that there will not result in any benefits being conferred on the Option Holders which are not conferred on shareholders (subject to the provision with the respect to rounding of entitlements sanctioned by the meeting of shareholders approving the reconstruction of capital) but in all other respects the terms of the exercise of Options shall remain unchanged.
9. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the Option Expiry Date unless and until Options are exercised. The Company will ensure that during the exercise period of the Options, the record date for the purposes of determining entitlements to any new such issue, will be at least 9 Business Days after such new issues are announced in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.

## Annexure B

### Terms and Conditions of Option

1. Each option ("Option") shall entitle the holder the right to subscribe for one (1) fully paid ordinary share in the capital of the Company.
2. No amount is payable by the holder of an Option for the issue of that Option to that holder.
3. The Options shall expire 5 years from the date of issue ("Expiry Date").
4. Each ordinary share allotted as a result of the exercise of an Option will, subject to the Constitution of the Company, rank in all respects *pari passu* with the existing ordinary fully paid shares in the capital of the Company on issue at the date of allotment.
5. A registered owner of an Option ("Option Holder") will be entitled to receive and will be sent all reports, accounts and notices required to be given to members of the Company but will not be entitled to attend or vote at any meetings of the members of the Company unless they are members of the Company.
6. The exercise price for each Option shall be 35 cents.
7. A certificate or holding statement will be issued by the Company with respect to Options held by an Option Holder. Options may be exercised by the Option Holder completing a Notice of Exercise of Options and forwarding the same to the Secretary of the Company. The Notice of Exercise of Options must state the number of Options exercised and the consequent number of ordinary shares in the capital of the Company to be allotted; which number of Options must be a multiple of 1,000 if only part of the Option Holder's total Options are exercised, or if the total number of Options held by an Option Holder is less than 1,000, then the total of all Options held by that Option Holder must be exercised.
8. In the event of a reconstruction (including a consolidation, sub-division, reduction, return or pro-rata cancellation) of the issued capital of the Company, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with ASX Listing Rule 7.22 such that there will not result in any benefits being conferred on the Option Holders which are not conferred on shareholders (subject to the provision with the respect to rounding of entitlements sanctioned by the meeting of shareholders approving the reconstruction of capital) but in all other respects the terms of the exercise of Options shall remain unchanged.
9. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the Option Expiry Date unless and until Options are exercised. The Company will ensure that during the exercise period of the Options, the record date for the purposes of determining entitlements to any new such issue, will be at least 9 Business Days after such new issues are announced in order to afford the Option Holder an opportunity to exercise the Options held by the Option Holder.



# Proxy Form

## Shareholder Details

Name of Shareholder: .....  
(Surname/Company Name) (Given Names)

Address of Shareholder: .....  
.....

I/We being a member(s) of Apex Minerals NL ACN 098 612 974, hereby appoint the following person or failing him/her the Chairman of the Meeting as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at Seminar Room 2, University Club, University of Western Australia (Hackett Entrance, Car Park 3) Hackett Drive, Matilda Bay, Perth, Western Australia on Thursday, 30 November 2006 at 11.00am (and at any adjournment thereof) in the manner indicated below or as he/she thinks fit.

## Proxy's Details

Name of Proxy: .....  
(Surname/Company Name) (Given Names)

Address of Proxy: .....  
.....

### INSTRUCTIONS AS TO VOTING – Refer Attached Notes to the Proxy Form

If you wish to direct your proxy how to vote with respect to the proposed Resolutions, please indicate the manner in which your proxy is to vote by placing a "X" in the appropriate box below, otherwise your proxy will vote or abstain from voting as he/she thinks fit.

#### Resolutions:

##### Ordinary Business

|  | For                      | Against                  | Abstain                  |
|--|--------------------------|--------------------------|--------------------------|
| 1. Adoption of Remuneration Report                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Re-election of Stephen Lowe                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Re-election of Kim Robinson                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Ratification of Previous Option Issues to Lost Ark Nominees | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Ratification of Previous Option Issues to Glenn Jardine     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

#### OR

If you do not wish to direct your proxy how to vote, please place a mark in this box.

By marking this box, you acknowledge that if you have appointed the Chairperson as your proxy, the Chairperson may exercise your proxy even if he has an interest in the outcome of the Resolution and any votes cast by him other than as proxyholder will be disregarded because of that interest.

**The Chairperson intends to vote all undirected proxies in favour of all Resolutions.**

#### For Individuals or Joint Holders

.....  
Signature of Shareholder Name (Please Print) Date

.....  
Signature of Shareholder Name (Please Print) Date  
(Joint Shareholders)

**IF THE MEMBER IS A COMPANY.** The COMMON SEAL of the company was herewith affixed in accordance with the Constitution in the presence of:

.....  
Director Director/Secretary Date

**IF THE MEMBER IS A COMPANY HAVING ONE PERSON AS ITS SOLE DIRECTOR AND SOLE COMPANY SECRETARY.** The COMMON SEAL of the company was herewith affixed in accordance with the Constitution in the presence of:

.....  
Sole Director/Company Secretary Date