



ASX/MEDIA ANNOUNCEMENT

23RD JUNE 2008

APEX COMMITS TO PROJECT DEVELOPMENT AT WILUNA AND WILSONS

Apex Minerals NL is pleased to announce that it has commenced project development at its Wiluna Project in Western Australia after finalising an implementation study which has estimated average cash costs of approximately A\$560 per ounce across the group's projects, including the Wiluna and Wilsons ore bodies. Costs for the Wiluna underground mine are forecast at under A\$500 per ounce.

Apex expects to achieve an initial production rate of 100,000ozs per annum when production from Wiluna commences, increasing to 150,000 ounces per annum shortly thereafter with the addition of production from Wilsons. Production is forecast to rise further to 200,000 ounces per annum once ore from the Youanmi mine becomes available later next year. Production for the 2009 calendar year is forecast at 150,000 ounces, rising to 200,000 ounces per annum in subsequent years.

The positive study results have validated the Company's integrated mine strategy, which will deliver cost synergies from an expanded production base utilising ore from the Wiluna, Wilsons and Youanmi projects, and have encouraged Apex to accelerate its drill program at Wiluna.

As Apex moves into production it will emerge as one of Australia largest domestically listed gold producers at competitive cash costs delivering substantial cash margins

The study has verified the integrity of the BIOX ® bacterial oxidation plant at Wiluna. It has also confirmed the amenability of processing Wiluna, Wilsons and Youanmi ore types through the Wiluna plant. The study has established reserves from the ore bodies at Wiluna and the nearby Wilsons deposit, from which ore will be trucked to the Wiluna processing plant. Reserves at Youanmi will be delineated once dewatering and refurbishment of the decline has been completed allowing infill drilling from underground which is anticipated to be during the first half of next calendar year.

The study has indicated robust financial returns with a forecast pre-tax IRR of 36% on an initial 3 year mine life at Wiluna and Wilsons, at an assumed gold price of A\$900/oz and a metallurgical recovery of 88%. Financial returns are expected to further improve as more reserves are added through on-going drill programs.

The significant reduction in cash costs from those of previous operators has been achieved by optimising mill throughput, whereby low grade material which previously accounted for a large percentage of the ore feed will be replaced with high grade ore from the Wilsons deposit. Apex's decision to implement owner-mining, rather than contractor mining, has also delivered lower mining costs.

Mining is scheduled to begin at Wiluna underground and East Pit (open pit) in October 2008 with ore being accessed immediately from these two sources. At the same time, decline development will begin at Wilsons, where first ore is expected to be mined in February 2009.

First gold is expected to be poured in November this year with commercial production commencing in the March quarter 2009. At this stage, Youanmi is scheduled to contribute to production in the second half of next year once dewatering and decline refurbishment has been completed.

The study has been completed on the basis that gas supply for its existing 13MW gas power station at Wiluna will be available upon the recommencement of production at the end of 2008 and this gas supply has been secured from Apache through a third party. Apex's gas fired power station is capable of supplying all of the operation's power requirements. Power to the site during the current project development is being provided by the company's diesel power station for the period that gas supplies are suspended. Power generation at Wilsons and Youanmi is planned to be by diesel generation.

The reserve definition at Wiluna is centred on the immediate area surrounding existing underground mine infrastructure at the Woodley and Calais decline. While exploration has so far focussed on these areas to bring the mine back into production, part of the focus will now move to various other areas within the mine environs in order to open up other potential production areas. Within the Gidgee tenements exploration has also been very focussed, in this case on the Wilsons deposit. Now that the initial mine life is established here, exploration will also move to defining other areas of potential production within the tenement package. This, together with exploration to be carried out at Youanmi will provide additional development opportunities for Apex.

RESOURCES AND RESERVES

Mineral Resources and Reserves for the proposed areas of production are tabulated below.

Table 1 - Wiluna Resources

	Indicated Resources			Inferred Resources			Total Resources		
	000's tonnes	Grade, g/t Au	000's Oz Au	000's tonnes	Grade, g/t Au	000's Oz Au	000's tonnes	Grade, g/t Au	000's Oz Au
Calais	520	6.5	109	219	6.3	44	739	6.4	153
Burgundy	382	6.4	78	401	5.5	70	782	5.9	149
Henry5	228	7.6	56	130	5.4	22	358	6.8	78
Henry5 Nth	238	7.1	54	403	5.8	75	641	6.3	129
Scroop	-	-	-	85	4.4	12	85	4.4	12
Total u/g	1,368	6.7	297	1,238	5.6	224	2,606	6.2	521
East Pit	289	4.0	38	-	-	-	289	4.0	38
Total	1,657	6.3	335	1,238	5.6	224	2,895	6.0	559

Wiluna Calais area underground and East Pit open pit Mineral Resources as at 30th April 2008, using a 3.5g/t Au lower cutoff for underground resources and 1.5g/t Au lower cutoff for open pit resources. The East Pit Indicated Resource was estimated in May 2007 and has been slightly depleted by mining in June 2007.

Table 2 - Wilsons Resources

	Indicated Resources			Inferred Resources			Total Resources		
	000's tonnes	Grade, g/t Au	000's Oz Au	000's tonnes	Grade, g/t Au	000's Oz Au	000's tonnes	Grade, g/t Au	000's Oz Au
Wilsons 1	473	5.9	89	308	5.7	56	781	5.8	145
Wilsons 2	325	7.3	76	219	7.2	50	544	7.3	127
Wilsons 3	123	12.5	49	9	14.4	4	132	12.6	53
Total	921	7.3	215	535	6.4	110	1,457	6.9	325

Wilsons Mineral Resource as at 30th April 2008, using a 4.5g/t Au lower cutoff.

The Reserves stated (tabulated below) are based upon Resource estimates released to the market on 27 May 2008 from drilling completed at Wiluna up to the end of April.

Subsequently, additional infill drilling has been undertaken at Wiluna and Wilsons focussing upon the conversion of Inferred Resources to Indicated status. The results of this drilling have not yet been incorporated into the Reserve estimate.

Table 3 –Wiluna Ore Reserves as at 15 June 2008

	Proved			Probable			Total		
	000's tonnes	Grade g/t Au	000's Oz Au	000's tonnes	Grade g/t Au	000's Oz Au	000's tonnes	Grade g/t Au	000's Oz Au
Burgundy	0	0.0	0	251	6.1	49	251	6.1	49
Calais	0	0.0	0	333	6.1	65	333	6.1	65
Henry 5	0	0.0	0	180	7.2	41	180	7.2	41
Henry 5 North	0	0.0	0	191	6.8	41	191	6.8	41
U/G Total	0	0.0	0	955	6.4	197	955	6.4	197
East Pit O/C	0	0.0	0	264	3.3	30	264	3.3	30
Total	0	0.0	0	1,219	5.8	227	1,219	5.8	227

Wiluna Underground Ore Reserve as at 15th June 2008, using a 4.5g/t Au lower cutoff.

Wiluna Open Pit Ore Reserve as at 15th June, 2008 using a 1.5g/t Au lower cutoff.

Table 4 – Wilsons Ore Reserve as at 15 June 2008

	Proved			Probable			Total		
	000's tonnes	Grade g/t Au	000's Oz Au	000's tonnes	Grade g/t Au	000's Oz Au	000's tonnes	Grade g/t Au	000's Oz Au
Wilsons 1	0	0.0	0	310	5.4	53	310	5.4	53
Wilsons 2	0	0.0	0	313	6.2	62	313	6.2	62
Wilsons 3	0	0.0	0	203	8.4	55	203	8.4	55
Total	0	0.0	0	826	6.4	170	826	6.4	170

Wilsons Ore Reserve as at 15th June 2008, using a 4.5g/t Au lower cutoff.

PROJECT DEVELOPMENT AND PRODUCTION SCHEDULE

The refurbishment of the Wiluna plant and infrastructure is well underway and processing is scheduled to recommence in November

Production will commence at Wiluna from underground stopes already developed in the Calais zone above 600mRL and the East Pit open pit where the next bench has already been production drilled.

Production from East Pit is expected to be treated by the June quarter 2009 by which time all ore will be coming from high grade underground sources.

While ore is being sourced from Calais above 600mRL and East Pit, development will be undertaken to the new zones of Henry V, Henry V North and Burgundy and extensions to Calais below 600mRL. Production from these zones will commence from ore driving in the first quarter calendar year 2009.

Underground development of the Wilsons deposit is scheduled to commence in October 2008 via an adit developed off the base of the existing Wilson's 3 open pit. First ore production from Wilsons is also expected in the first quarter calendar year 2009 from development.

At the Youanmi mine, dewatering began from surface in January this year. The open pit is expected to be dewatered by the end this calendar year. Underground dewatering will commence in early calendar year 2009 with first ore production expected in the third quarter calendar year 2009.

PROJECT STATUS

The project has been advancing on several fronts while infill and extensional drilling and the project implementation study has been undertaken.

Wiluna

Process Plant

A significant amount of work has already been undertaken to refurbish and improve the Wiluna process plant. To date this work has included:

- Completion of the refurbishment of the flotation circuit;
- Commencement of the refurbishment of the crushing, cyanide leach and BIOX circuits;
- Commencement of the refurbishment of the water supply, electrical distribution and instrumentation and control systems.

Contracts have been let for the refurbishment of the plant and work has already commenced on site.

The refurbishment of the plant and infrastructure is being managed by Rapallo Engineering. At present a team of 150 personnel is involved in plant refurbishment activities on site.

Bacteria

Bacteria previously used for production at Wiluna using the BIOX process have been sustained in laboratories in Perth for future use and metallurgical test-work. Propagation of the bacteria into large vessels ready for transport to the site for commercial use has commenced.

Village

The Wiluna village is being upgraded to meet modern workforce expectations. Work completed to date includes the refurbishment of the wet and dry messes, gymnasium, pool and sections of accommodation units. This work will continue prior to the re-commencement of operation.

Power Station

The company owns the 13MW gas fired power station at Wiluna. Improvements are being made to the engine managements systems on the generators and the power station control system to improve the efficiency and operation of the station. This facility will provide all of the power requirements for the site.

The company also owns has an 8MW diesel power station at Wiluna that is a standby facility in the event of interruption to gas supplies.

The site is being supplied with power from this back-up diesel generating power system during refurbishment. The current gas supply shortage in Western Australia is not expected to affect the refurbishment schedule

Underground Mining

The underground mine at Wiluna has been kept dewatered and ventilated to allow the infill and extensional drilling programme to be undertaken.

The underground mobile equipment fleets for Wiluna and Wilsons have been ordered and equipment has already commenced arriving in Australia.

East Pit

East Pit will be mined under contract and the next bench has been drilled out ahead of the recommencement of mining. Dewatering below the pit has been maintained during care and maintenance.

Personnel

The company has been successful in securing technical and operational personnel including the retention of personnel with experience at the Wiluna operation.

Geology

The company currently has a team of 5 geologists and support staff at Wiluna including the previous Wiluna senior project geologist and support crew.

Mining

The previous mine foreman has been retained and the underground manager has been recruited.

Metallurgy

The previous plant metallurgists, process foreman and two senior plant operators have been retained by the company and have been intimately involved in the upgrading and refurbishment of the plant.

Maintenance

A crew of over a dozen tradesmen with prior experience at Wiluna have been retained by the company over the past 12 months and have been engaged in care and maintenance activities.

The company successfully recruited an additional 20 maintenance personnel in May to assist with plant refurbishment tasks ahead of start-up.

Administration

The following personnel are currently employed at Wiluna in administrative roles; contract resident manager, senior site administrator, health and safety advisor, purchasing officer, receptionist and medic.

FINANCIAL DISCUSSION

The implementation study has delivered results in line with the company's previous expectations. Overall average cash costs are expected to be around A\$560 per ounce both before and after production from Youanmi is initiated

Importantly, cash costs from Wiluna underground are expected to average less than A\$500/oz giving Apex further impetus to increase exploration at Wiluna. An analysis of the cash costs for each deposit is provided in the table below

Table 5 – C1 Cash cost breakdown (A\$ per ounce produced)

	Wiluna (u/g)	Wiluna East Pit	Wilsons	Youanmi	Average
Mining	231	208	325	384	289
Processing	166	293	158	89	153
Admin	55	96	52	29	50
Transport	0	0	82	108	46
Royalties	27	27	27	27	27
Total	478	625	644	637	566

The diesel price assumed in the study is A\$1.40 per litre (before government rebates). Sensitivity analysis highlights a that a 10c movement in the diesel price results in a 1% change (approximately A\$5 per ounce) in operating costs at Wiluna and a 2% change (approximately A\$12/ounce) at Wilsons.

The study has shown pre production capital (excluding corporate and explorations costs) from April 2008 to December 2008 of A\$62m, a small increase on previous forecasts reflecting current industry capital cost trends. The company will capitalise all production up until December 31 at which point commercial production is expected to begin. The company believes that a number of optimisation opportunities exist with regard to reducing capital costs and/or deferral (into the post production period). These opportunities are currently being reviewed but will not delay the project.

At a gold price of A\$900 per ounce the pre-tax Internal Rate of Return for the initial 3 year life is calculated to be 36%. This increases to 57% at a gold price of A\$950.



Mark Ashley
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Competent Person's statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Andrew Thompson who is an employee of the company, and in the case of the underground resources depicted in Tables 1 and 2, by Mr. Brian Wolfe who is an employee of Coffey Mining Pty. Ltd. Mr. Thompson and Mr. Wolfe are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Thompson and Mr. Wolfe consent to the inclusion in this report of the matters based on information in the form and context in which it appears.

Reverse circulation (RC) drill samples are obtained by collecting meter samples via a three stage riffle or cone splitter, and diamond drill hole results are obtained from half NQ core or quarter HQ core sampled to geological boundaries where appropriate.

Samples are prepared at Genalysis' Kalgoorlie and Perth laboratories using single stage pulverization of the entire sample. Samples are analysed at Genalysis' Perth laboratory. Gold assays are obtained using a 50g lead collection fire assay digest and atomic absorption spectrometry (AAS) analysis techniques. Multi-element analyses (arsenic, sulphur, iron, lead, zinc, bismuth, antimony and tellurium) are obtained using a four acid total digest and inductively coupled plasma optical emission spectrometry (ICP OES) analysis techniques. Full analytical quality assurance - quality control(QAQC) is achieved using a suite of certified standards, laboratory standards, field duplicates, laboratory duplicates, repeats, blanks and grind size analysis.

The spatial location of samples from surface holes is derived using a combination of surveyed grid co-ordinates and 3D differential GPS collar survey pickups, and Reflex single shot and gyroscopic downhole surveys. The spatial location of samples from underground holes is derived using surveyed rig setups and Reflex multi-shot downhole surveys. True widths are calculated using the mean dip and strike of the mineralization from 3D wireframe models and downhole surveys.

Quoted drill intersections are based on situation specific criteria, which include using a lower cutoff of 1g/t or 2g/t gold and acceptable levels of internal dilution.

Mineral Resources have been estimated using standard accepted industry practices. All Resources have been estimated via Block Ordinary Kriging using 1m composite samples. Top cuts have been applied to the composites and are considered appropriate for the nature and style of mineralization in all cases. Directional grade variography was modeled for all zones based on 1m composites. Geological and mineralization modeling has been achieved by 3D modeling of footwall and hangingwall structures (a lower 2g/t Au cutoff was applied in the case of Wilsons Deposit). Block models have been developed for these deposits incorporating a suitable parent and sub block dimension to allow adequate volume resolution of modeled geology and mineralization. Grade interpolation (via Block Ordinary Kriging) was then undertaken using a multiple estimation pass strategy.

Where quoted, Mineral Resource and Ore Reserve tonnes and ounces are rounded to appropriate levels of precision, causing minor computational errors.

Mineral Resources are classified on the basis of drillhole spacing, geological continuity and predictability, geostatistical analysis of grade variability, sampling, analytical, spatial and density QAQC criteria and demonstrated amenability of mineralization style to proposed processing methods.

Ore Reserves have been estimated in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

The information in this report which relates to the Wiluna and Wilsons Underground Ore Reserves (summarised in tables 3 and 4) is based on and accurately reflects the information compiled by Mr Blair Duncan a consultant to Apex Minerals NL and Principal of Arbitrage Consulting Australia Pty Ltd. The information in this report which relates to the Wiluna Open Pit Ore Reserve (summarised in table 3) is based on and accurately reflects the information compiled by Mr Linton Putland a consultant to Apex Minerals NL and Principal of Linton Putland and Associates Pty Ltd. Mr. Duncan and Mr. Putland are members of The Australasian Institute of Mining and Metallurgy ("AusIMM") and have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a 'Competent Person' as defined in the 2004 Edition of the Joint Ore

Reserves Committee (JORC) Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Duncan and Mr. Putland consent to the inclusion in this report of the matters based on information in the form and context in which it appears.

Key Points relating to the Wiluna and Wilsons June 15, 2008 Ore Reserve Statement

Metal Prices

An average gold price of AU\$800 per ounce was used.

Classification

Ore Reserves are derived from the economic portions of the Measured and Indicated Resources. Those Measured and Indicated Resources have been modified to allow for mine losses and dilution to produce the Ore Reserve estimates of mill ore feed tonnes that will be mined from those Measured and Indicated resources only. The Ore Reserves estimated to be mined from Measured Resources are categorised as "Proved Ore Reserves" and the Ore Reserves from Indicated Resources are categorised as "Probable Ore Reserves".

Significant portions of the Wiluna's ore-bodies that are currently classified as Inferred Resources will also be mined and processed as ore – but these Inferred Resources are excluded from being reported in public Ore Reserve statements until additional drilling and re-estimation is carried out in the normal course of operations.

Cut-Off Grade

A cut-off grade of 4.5 g/t Au has been applied to achieve the Ore Reserve statement for Underground reserves at Wiluna and Wilsons and 1.5g/t Au for the Open Pit reserves at Wiluna (East Pit)

Mining Factors and Assumptions

Wiluna Underground Mining Method

Ore Reserves are assumed to be recovered from 2 underground mining methods as follows:

1. Development Ore – Ore produced from mine development and may be subject to planned dilution so as to position the ore drives for optimum practical stope extraction.
2. Bench Stopping Ore – Ore produced from "longitudinal bench stopes" orientated along the strike direction of the orebody where the orebody is up to 8 metres wide. Where possible stope development will occur "bottom up" with mullock used to fill the stope void at completion of individual stope mining.

Wilsons Underground Mining Method

Ore Reserves are assumed to be recovered from 2 underground mining methods as follows:

3. Development Ore – Ore produced from mine development and may be subject to planned dilution so as to position the ore drives for optimum practical stope extraction.
4. Bench Stopping Ore – Ore produced from "longitudinal bench stopes" orientated along the strike direction of the orebody where the orebody is up to 8 metres wide.

Wiluna Open Pit Mining Method

Ore Reserves are assumed to be recovered from completion of the partially mined East Pit Cutback. The cutback will be mined utilising standard diesel hydraulic open pit mining equipment. Ore and waste boundaries will be delineated by in-pit grade control drilling with ore and waste being mined separately. All material will require drilling and blasting.

Underground Estimation Procedure

Three dimensional outlines of mining stopes and development horizons were designed based on the April 2008 Resource Model using standard proprietary mining software. A minimum mining width of 2.0 m was applied. Development openings were designed to achieve practical stope extraction and minimise planned dilution depending on immediate local conditions.

Open Pit Estimation Procedure

Estimations were based on the Version 2 resource model generated by Snowden's in 2006 and the Agincourt East Pit Cutback design 16 and includes material which lies between the existing topographical pit surface (as surveyed at the end of June 2007) and Cutback design 16, at a cut-off grade of 1.5g/t Au .

Wiluna Underground Ore Recovery and Dilution

Historical underground reconciliations were examined and consideration of the "bottom up" mining method was used to determine the dilution estimates of 15% at a grade of 2.0 g/t.

Mining Recovery from development and stopping shapes is assumed to be 100%.

Wiluna Open Pit Ore Recovery and Dilution

A mining dilution of 20% additional tonnes at a grade of 0g/t Au were applied based on historical estimates..

A mining recovery of 95% of overall ore tonnes and 88% of the estimated grade for stope fill material were applied based on historical estimates.

Wilsons Underground Ore Recovery and Dilution

The three dimensional mining stopes were expanded by 0.50 m on the hanging wall and 0.25 m on the footwall. The resulting dilution skins were assessed for Au content. In percentage terms dilution averages 17% at a grade of 2.4 g/t has been applied.

Mining Recovery from development and stopping shapes is assumed to be 89%.