



**ASX/MEDIA ANNOUNCEMENT**

**28<sup>th</sup> July 2008**

## **DRILLING IMPROVES CALAIS AND EXPANDS BURGUNDY AT WILUNA**

### **INDICATED RESOURCE UPGRADE EXPECTED BY EARLY SEPTEMBER**

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Apex Minerals NL (**ASX: AXM**) is pleased to announce further encouraging results from underground drilling which has improved the Calais zone and extended the Burgundy zone, which is likely to increase the Indicated Resource in this area.

A resource statement for the Calais area was announced on 27<sup>th</sup> May and an initial Probable Reserve based on the Indicated portion of this resource was announced on 23<sup>rd</sup> June 2008. Both of these statements were based on drilling undertaken to the end of April 2008.

None of the results in this announcement have yet been incorporated into resource or reserve estimates. A revised resource estimate will be completed during the September quarter.

#### **Calais**

Infill drilling of the Calais zone continues to confirm the presence of thick high grade mineralisation close to existing development, which will be the basis of initial underground mining at Wiluna (Table 1 and Figure 1). Many of these new intersections are thicker and/or higher grade than previous nearby intersections. Better results include:

- **15.4m @ 15.7g/t gold** (est. 14.5m true width) from 27.0m in CADH1062 (100 lens – not shown in figure).
- **2.5m @ 15.7g/t gold** (est. 2.5m true width) from 63.5m in the Calais 100 lens, and **7.2m @ 9.9g/t gold** (est. 7.1m true width) from 77.3m in the Calais 50 lens in CADH751.

#### **Burgundy**

Drilling beyond the limits of the currently defined Indicated Resource at Burgundy has shown that this zone continues up plunge to the south and down plunge to the north, where it links with the down dip continuation of the Calais 50 lens (Table 1 and Figure 1). Better results are summarised below:

- **7.62m @ 6.1g/t gold** (est. 4.9m true width) from 207.4m in CADH936.
- **9.9m @ 5.9g/t gold** (est. 5.0m true width) from 220.0m in CADH937.
- **8.35m @ 5.4g/t gold** (4.2m true width) from 317.8m in CADH931.

Drilling on the fringes of the current Indicated Resource at Burgundy has also confirmed the presence of mineable grades and widths in this area (Table 1 and Figure 1). Better results include:

- **10.5m @ 6.2g/t gold** (est. 5.2m true width) from 214.2m in CADH927.
- **8.4m @ 5.9g/t gold** (est. 4.2m true width) from 223.9m in CADH933.

None of these intersections are yet included in any resource estimate, but they will be incorporated into the resource estimate scheduled for the September quarter 2008, which is expected to increase the Indicated Resource in this area.

## Other zones

Exploration drilling has intersected additional zones of mineralisation. Better results are summarised below and shown in Table 1.

- **3.4m @ 10.9g/t gold** (est. 2.4m true width) from 168.5m in CADH907, in a cross lode.
- **1.7m @ 9.0g/t gold** (est. 1.2m true width) from 41.0m in CADH907, in an unknown quartz reef.

These intersections will be followed up as underground drilling positions become available during the establishment of new development headings.



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## Important Notice

*This press release is not an offer of securities for sale in the United States. No security of Apex has been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and no such security may be offered or sold in the United States absent registration under the U.S. Securities Act and applicable state securities laws or an exemption from registration under the U.S. Securities Act and such laws.*

## 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 new resources 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.*

*Assay results are obtained from Intertek (formerly known as Genalysis) and ALS Chemex Laboratories in Perth. Samples are prepared using single stage pulverization of the entire sample. Gold assays are obtained using a 30g or 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. Assays quoted in announcements may be of a preliminary nature. Assays used in resource estimates have undergone full QAQC.*

*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 both 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.*

*The information in this report which relates to the Wiluna and Wilsons Underground Ore Reserves is based on and accurately reflects the information compiled by Mr Blair Duncan a consultant to the company and Principal of Arbitrage Consulting Australia Pty Ltd. The information in this report which relates to the Wiluna Open Pit Ore Reserve is based on and accurately reflects the information compiled by Mr Linton Putland a consultant to the company 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.

\* denotes an intersection previously disclosed in a quarterly report but not yet incorporated into current Mineral Resource or Ore Reserve estimates.

Table 1. Intersections from underground drilling in the Calais area at Wiluna calculated using a 1g/t gold cutoff.

Drillhole	From, m	To, m	Downhole length, m	True width, m	Grade, g/t Au	Lens
CADH00751	50.0	54.0	4.0	3.9	2.6	Calais 100
<b>CADH00751</b>	<b>63.5</b>	<b>66.0</b>	<b>2.5</b>	<b>2.5</b>	<b>15.7</b>	<b>Calais 50 HW</b>
<b>CADH00751</b>	<b>77.3</b>	<b>84.5</b>	<b>7.2</b>	<b>7.1</b>	<b>9.9</b>	<b>Calais 50</b>
CADH00751	340.7	343.5	2.8	2.6	7.6	Burgundy 50
CADH00898	38.9	39.2	0.3	Unknown	11.0	Unknown Quartz Reef
CADH00898	119.4	122.2	2.8	Unknown	7.9	Cross Lode
CADH00898	179.4	179.8	0.4	0.3	9.8	Burgundy 100
CADH00898	212.8	213.5	0.7	0.5	2.3	Burgundy 50
CADH00901	113.9	114.3	0.4	Unknown	19.8	Cross Lode
CADH00901	209.2	210.6	1.4	1.0	6.9	Burgundy 50
CADH00903	151.6	159.1	3.45	2.2	4.8	Cross Lode
CADH00903	278.05	280.5	2.45	0.8	0.0	Burgundy 50
CADH00904	306.3	307.9	1.6	1.4	5.8	Burgundy 50
CADH00907	41.0	42.7	1.7	1.2	9.0	Unknown Quartz Reef
CADH00907	136.4	137.1	0.7	0.5	6.9	Cross Lode
<b>CADH00907</b>	<b>168.5</b>	<b>171.9</b>	<b>3.4</b>	<b>2.4</b>	<b>10.9</b>	<b>Cross Lode</b>
CADH00907	226.4	227.2	0.8	0.4	0.1	Burgundy 50
CADH00910	171.0	176.0	5.0	4.3	NSI	Calais 100
CADH00911	36.8	37.3	0.5	0.4	11.8	Unknown Quartz Reef
CADH00911	135.9	137.5	1.6	Unknown	2.1	Cross Lode
CADH00911	163.3	163.9	0.6	0.4	3.1	Burgundy 100 HW
CADH00927	64.3	64.9	0.6	0.5	5.8	Calais 100
<b>CADH00927</b>	<b>214.2</b>	<b>224.7</b>	<b>10.5</b>	<b>8.0</b>	<b>6.2</b>	<b>Burgundy 50</b>
CADH00927	226.7	234.5	7.8	6.0	2.8	Burgundy 50 FW
<b>CADH00931</b>	<b>317.8</b>	<b>323.0</b>	<b>5.2</b>	<b>Unknown</b>	<b>5.3</b>	<b>Burgundy 50</b>
CADH00932	172.8	173.1	0.3	0.2	2.8	Burgundy 50
<b>CADH00933</b>	<b>221.6</b>	<b>232.3</b>	<b>10.7</b>	<b>4.5</b>	<b>5.0</b>	<b>Burgundy 50</b>
CADH00934	289.4	294.1	4.7	2.4	2.7	Burgundy 50
CADH00936	64.1	64.7	0.6	0.6	0.3	Calais 100
CADH00936	203.8	205.0	1.2	0.8	4.5	Burgundy 50 HW
<b>CADH00936</b>	<b>207.4</b>	<b>215.0</b>	<b>7.6</b>	<b>4.9</b>	<b>6.1</b>	<b>Burgundy 50</b>
CADH00936	217.8	219.9	2.1	1.4	3.9	Burgundy 50 FW
CADH00937	69.3	70.9	1.6	1.1	0.5	Calais 100
CADH00937	220.0	229.9	9.9	5.0	5.9	Burgundy 50
CADH00938	70.9	72.05	1.15	0.9	0.9	Calais 100
CADH00938	241.7	243.9	2.2	1.3	4.3	Burgundy 50
CADH00939	76.0	78.0	2.0	1.9	0.2	Calais 100
CADH00939	309.5	311.4	1.9	1.2	2.1	Burgundy 50
CADH00940	63.2	63.5	0.3	0.2	0.7	Calais 100
CADH00940	209.1	211.0	1.9	1.2	12.1	Burgundy 50
CADH00940	221.1	223.6	2.5	1.7	3.6	Burgundy 50 FW
CADH00941	69.9	71.4	1.5	1.2	0.2	Calais 100
CADH00941	224.0	226.4	2.4	1.7	5.6	Burgundy 50 HW
CADH00941	231.3	235.0	3.7	2.6	7.7	Burgundy 50
CADH00985	41.9	42.6	0.7	0.7	5.8	Calais 100
CADH00986	39.0	41.0	2.0	2.0	7.4	Calais 100

CADH01009	61.8	64.8	3.0	1.9	5.5	Calais 100 HW
CADH01009	72.4	76.6	4.2	2.7	0.8	Calais 100
CADH01010	55.6	58.9	3.3	2.3	3.3	Calais 100
CADH01013	41.9	43.8	1.9	1.9	3.4	Calais 100
CADH01013	95.2	96.2	1.0	0.9	1.8	Calais 50
CADH01013	107.7	108.4	0.7	0.7	1.1	Calais 50 FW
CADH01013	115.7	116.2	0.5	0.5	2.0	Calais 50 FW
CADH01022	55.0	56.0	1.0	0.7	5.1	Calais 100 HW
CADH01022	79.0	83.1	4.1	2.9	6.6	Calais 100
CADH01023	79.9	80.9	1.0	0.8	1.5	Calais 100
CADH01023	102.6	104.4	1.8	1.4	7.5	Calais 100 FW
CADH01024	82.1	83.0	0.9	0.9	4.4	Calais 100
CADH01061	4.8	5.4	0.6	0.6	7.3	Calais 100 HW
CADH01061	23.0	31.0	8.0	7.5	2.6	Calais 100 HW
CADH01061	34.6	36.2	1.6	1.5	6.8	Calais 100
<b>CADH01062</b>	<b>27.0</b>	<b>42.4</b>	<b>15.4</b>	<b>14.5</b>	<b>15.7</b>	<b>Calais 100</b>
CADH01063	30.0	38.3	8.3	7.8	2.2	Calais 100
CADH01090	95.5	96.9	1.4	1.4	0.2	Calais 100
CADH01090	202.8	203.4	0.6	0.5	1.0	Calais 50
CADH01091	95.0	96.2	1.2	0.8	5.3	Calais 100
CADH01091	201.0	202.2	1.2	0.8	5.2	Calais 50
CADH01092	102.2	102.4	0.2	0.1	1.0	Calais 100
<b>CADH01092</b>	<b>210.0</b>	<b>215.0</b>	<b>5.0</b>	<b>0.8</b>	<b>5.2</b>	<b>Calais 50</b>
CADH01093A	91.2	94.1	2.9	2.9	9.0	Calais 100
CADH01093A	188.9	191.7	2.8	2.5	3.4	Calais 50
CADH01094	92.1	96.8	4.7	4.6	3.4	Calais 100
CADH01094	194.1	195.1	1.0	0.8	3.4	Calais 50

Figure 1. Long projection of the Burgundy and Calais 50 lens at Wiluna, showing the extent of the current Indicated Resource and the location of new drill intersections.

