



Company Announcements Office
Australian Stock Exchange Limited

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www.apexminerals.com

ASX Code: AXM

Apex Repositions For Increased Australian Focus

The Directors of Apex Minerals NL are pleased to announce a new strategic direction for the Company in the Australian minerals industry. This includes a number of key Board and management changes and a share placement of 100,000,000 fully paid ordinary shares at an issue price of \$0.07 per share to raise a total of \$7 million. The placement is being undertaken in two stages.

The first stage, completed today, was an issue of 8,790,000 fully paid ordinary shares (representing the 15% available to be issued without shareholder approval) to raise \$615,300 to former LionOre Australia CEO and MD, Mr Mark Ashley. Subsequent to that issue, Mr Ashley has agreed to join the Company as Chief Executive Officer and Managing Director with immediate effect.

Subject to any necessary regulatory and shareholder approvals, the Company proposes to issue the second stage of 91,210,000 fully paid ordinary shares representing the balance of the placement. Sydney-based stockbroking firm Southern Cross Equities has provided a firm commitment to the Company to undertake the second stage of the placement to its clients.

Mr Ashley will subscribe for a total of 16,000,000 shares in both stages, representing a total investment in the Company of \$1.12 million. Following completion of the placement, Mr Ashley will hold approximately 10% of the expanded issued capital of Apex.

The Company's largest shareholder, Mr Mark Creasy, who currently has a stake of 44% and will remain Apex's largest shareholder with an expected diluted holding of approximately 16%, has indicated that he will be supporting the transaction.

The issue price of \$0.07 per share under the placement has been based on the volume weighted average share price over the period of 30 trading days preceding the announcement of just over \$0.08 per share.

It is anticipated that a meeting of shareholders to approve the various transactions will occur in May 2006.

Apex Minerals NL

PO Box 682 West Perth, Western Australia 6872 Tel: 61 8 9486 8000 Fax: 61 8 9486 8044 admin@apexminerals.com
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Australian Exploration Focus

Apex has a number of exploration properties in Australia - namely the Windimurra and Jillawarra projects through farm-in and joint venture agreements with Perilya Limited and Maximus Resources Limited, which it holds in addition to its exploration properties in China.

On completion of the placement, Apex will actively pursue additional Australian based projects and evaluate opportunities that it believes will enable it to move to production status as quickly as possible. The Company also intends to remain committed to its Chinese exploration assets.

Other Board Appointments

Mr Ashley is joined on the Board by Mr Kim Robinson as a Non-Executive Director, who is Executive Chairman of Kagara Zinc Ltd, effective immediately. In addition, Dr Mark Bennett is expected to join the Company as Exploration Director in mid-May 2006.

Dr Bennett and Mr Robinson are both highly respected and recognised professionals in the resources industry. Dr Bennett's participation in the discovery of the Thunderbox gold and Waterloo nickel deposits earned him the AMEC Prospector of the Year Award in 2002.

The announcement of a number of additional key appointments is expected to be made in the near future.

Mr Stephen Stone will become Non-Executive Chairman and will continue to manage the Company's China operations. Mr Steve Lowe will continue as a Non-Executive Director and Mr Philip Pullinger will step down from the Board.

Further information with respect to Mr Mark Ashley, Dr Mark Bennett and Mr Kim Robinson is set out below.

Mark John Ashley FCMA

Mr Ashley is a management accountant with over 18 years experience in the natural resource industry. Mr Ashley has held senior positions with Cluff Resource plc (Executive Director), Normandy Mining (General Manager), and Forrestania Gold NL (Finance Director) and most recently as an Executive Director of the LionOre group. Mr Ashley has an intimate knowledge of project financing and resource-based corporate transactions both internationally and in Australia. Mr Ashley is a Non-Executive Director of Kagara Zinc Limited and Tianshan Goldfields Limited, a Director of the Australian Gold Council and has been Chairman of the Major Gifts Committee for the Royal Flying Doctor WA.

Mark Bennett B.Sc Ph.D MAusIMM FGS

Dr Bennett is a geologist with over 21 years experience, predominantly in gold, nickel and base metal exploration and mining. He holds a B.Sc. in Mining Geology from the University of Leicester, and a Ph.D. from the University of Leeds, is a member of the Australasian Institute of Mining and Metallurgy and an elected Fellow of the Geological Society of London.

Mark has worked in Europe, West Africa, and Australia, and has spent much of his career working for WMC Resources and LionOre in Australia. Previous positions held include Exploration Manager and Chief Geologist, including periods at WMC's Kambalda Nickel Operations, Gold Fields' St.Ives Gold Mines, Forrestania Gold's Bounty Gold Mine, and WMC's Melbourne head office.

In 2002, Mark received the Association of Mining and Exploration Companies (AMEC) Prospector of the Year award in recognition of his contribution to the discovery of the Thunderbox gold and the Waterloo nickel deposits.

Kim Robinson B.Sc (Geology)

Mr Robinson is a founding Director of Kagara Zinc Limited and its current Executive Chariman. Mr Robinson graduated from the University of Western Australia in 1973 with a degree in Geology and has 29 years experience in the minerals exploration and mining industries, including 10 years as Executive Chairman of Forrestania Gold NL. Mr Robinson is also the Non-Executive Chairman of Metex Resources Ltd,

Issue of Options

In addition to the placement, the Company proposes to implement a number of option incentive schemes to executives and key employees, as well as issue options to Mr Ashley, Mr Robinson and Dr Bennett. These options will be exercisable at 14 cents within 5 years, and must be held for a period of 2 years before they can be exercised. The exercise price represents a 100% premium to the price at which the placement is undertaken.

A total of 2 million options will be issued to Mr Ashley, 2 million options to Dr Bennett and 1 million options to Mr Robinson.

In addition, 1.7 million options with the same exercise price and conditions will be issued to other present and future employees of the Company.

An additional 2.3 million 5-year options with an exercise price of 20 cents will be issued to other parties for commercial services, including 1.5 million to Southern Cross Equities in addition to a cash component of \$175,000 being its fee for managing the placement.

Use of Funds

Upon completion of the placement, the Company will have approximately \$8 million in liquid funds which it intends to apply over the next 2 years in the following manner:

Application of Funds	Amount
Australian exploration opportunities	\$3,700,000
China exploration	\$1,000,000
Administration/Working Capital	\$2,500,000
Repayment of Debt	\$550,000
Costs of transaction	\$250,000
Total	\$8,000,000

Press Release

A media release accompanies this announcement.

Yours sincerely,



Stephen Stone
Executive Chairman
For and on behalf of the Board

Please contact:

Stephen Stone 0418804564

Mark Ashley 0411470104

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Stephen Stone, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Stone is employed by West One Management Pty Ltd and has sufficient experience which is relevant to the style of mineralisation 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 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stone consents to the inclusion in the report of the matters based on his information in the form and context which it appears.



APEX UNVEILS SIGNIFICANT NEW DIRECTION WITH KEY APPOINTMENTS, \$7M CAPITAL RAISING

MARK ASHLEY APPOINTED AS CEO AND MANAGING DIRECTOR

Perth-based Apex Minerals NL (ASX: **AXM**) today unveiled a significant new strategic direction in the Australian minerals industry after announcing the appointment of former LionOre Australia CEO, Mr **Mark Ashley**, as Managing Director in conjunction with a **\$7 million capital raising** and other senior Board and management appointments.

The capital raising and new appointments – which include senior mining executive and Kagara Zinc Executive Chairman, Mr Kim Robinson, as a non-executive director and, effective mid-May 2006, the current LionOre Australia Exploration Manager, Dr Mark Bennett, as Exploration Director – will position Apex as a substantial new growth vehicle in the Australian minerals industry with a focus on securing exploration and development assets within Australia.

Apex announced today that it would raise \$7 million through the issue of 100 million shares at a price of \$0.07 in two stages, with the first stage comprising 8.79 million shares (representing the 15% available to be issued without shareholder approval) to raise \$615,300 to Mr Ashley, who has agreed to join Apex as CEO and Managing Director, effective immediately.

The second stage, comprising 91.21 million shares at \$0.07 each, will be made to clients of Sydney-based stockbroking firm Southern Cross Equities which has provided a firm commitment to undertake the second stage of the placement.

A shareholder meeting to approve the second stage of the placement and a number of other resolutions in relation to the transaction with Mr Ashley and the appointment of other new board members will be convened during May 2006.

Apex's largest shareholder, Mr Mark Creasy, who holds 44% in the Company, has separately indicated that he will support the transaction. Mr Creasy will remain Apex's largest shareholder, with an expected diluted holding of approximately 16%.

NEW BOARD AND MANAGEMENT APPOINTMENTS

Mr Ashley will subscribe for a total of 16 million shares in both stages, representing a total investment in the Company of over \$1 million. Following completion of the placement, he will hold approximately 10% of the expanded issued capital of Apex.

He will lead an experienced Board and management team in the delivery of a focused growth strategy in the Australian minerals sector, drawing on the support and expertise of some of the most experienced and accomplished mining executives and geologists in Australia.

Mr Ashley recently left LionOre following more than a decade with the Group, most recently as a Director of LionOre Mining International and Managing Director of LionOre's Australian operations

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and, before that, as Finance Director of Forresteria Gold NL, which merged with LionOre in the late 1990s. He is also a Non-executive Director of Kagara Zinc Limited and Tianshan Goldfields Limited.

He will be joined on the reconstituted Apex Board by Mr Kim Robinson, who is Executive Chairman of Kagara Zinc, and later by Dr Mark Bennett who is expected to join Apex as Exploration Director in May 2006.

Dr Bennett has served as Exploration Manager for LionOre in Australia since 2003 and held senior positions with the Group from 1997, where he headed up the team responsible for the discovery of the 2 million ounce Thunderbox gold deposit near Leinster, as well as the nearby Waterloo and Amorac nickel deposits. Mr Bennett's achievements were recognized in 2002, when he received the "Prospector of the Year" award from the Association of Mining and Exploration Companies (AMEC) for the discovery of Thunderbox and Waterloo.

As part of the Board and management restructure, Mr Stephen Stone will become non-executive Chairman, and will continue to manage the Company's China operations. Mr Steve Lowe will continue as a non-executive director, while Mr Philip Pullinger will step down from the Board.

CORPORATE STRATEGY AND USE OF FUNDS

Following completion of the placement, Apex will have cash of approximately \$8 million, which it intends to utilize to progress its existing exploration assets in China, together with a strong focus on securing and pursuing new exploration and development projects in Australia, with a view to moving to a production status as rapidly as possible.

The Company has maintained exploration interests in Australia at its Windimurra and Jillawarra Projects, and it intends to build on these interests in the near future.

Incoming Apex Managing Director, Mark Ashley, said: "This represents a very exciting new direction for Apex, drawing together the expertise and capabilities of some of the best talent currently available in the mining industry. Our intention is to leverage this expertise to secure attractive new growth assets in Australia as the basis for a substantial new Australian mining company."

"We believe the transactions announced today represent an historic alliance of some of the most accomplished exploration talent in the country, backed by successful exploration geologist, prospector, investor and major Apex shareholder, Mark Creasy," he added. "Our exploration team will be headed by Mark Bennett, with the support and guidance of Kim Robinson, one of the mining industry's most successful geologists and executives."

"I am personally delighted to be involved in this very exciting new venture, and I look forward to working with my new colleagues at Apex and some old friends in building a very significant new force in the Australian minerals and resources industry," Mr Ashley said.

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