



Company Announcements Office
Australian Stock Exchange Limited

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www.apexminerals.com

ASX Code: AXM

Share Purchase Plan

Drilling To Start At G2 Porphyry Copper Project

The Board of Apex Minerals NL has resolved to invite Apex Shareholders as at 5.00pm WST Monday 8th August 2005 to participate in a Share Purchase Plan ('SPP') whereby they will be able to purchase up to \$5,000 of new fully-paid shares at a discounted offer price of 10 cents per share to raise up to \$2,275,000.

Apex provides investors with a highly leveraged exposure to early stage, fast-track exploration for major mineralised deposits in Western China. The additional funds will be used to develop this business and other resource opportunities that may present themselves.

Apex is making good progress in China on several fronts; it is about to drill its 'G2' porphyry copper target in eastern Xinjiang and through an alliance with Canadian mining house, Noranda Inc, is evaluating and applying for licences over new porphyry targets.

In Western Australia Apex has farmed out its Jillawarra project to Perilya Limited ('Perilya'), which is exploring for base and precious metals adjacent to the Abra polymetallic discovery, and its Windimurra-Narndee project to Maximus Resources Limited ('Maximus') which will explore for nickel, platinum, gold and uranium.

Drilling of G2 Porphyry Copper Project

In its just released June Quarterly Report, Apex announced that it will shortly commence a 1,000 metre diamond drilling programme at its recently acquired 'G2' 1.5 x 1.0 kilometre porphyry copper target.

This project lies within the Altaid – Tianshan mountain orogenic belt, regarded by geologists as being highly prospective for the discovery of major copper and gold deposits.

Inclined holes will test a prominent geophysical (IP – Induced Polarisation) anomaly proximal to a northwest trending magnetic feature. These lie immediately below a broad zone of anomalous copper and zinc rock chip sampling results.

G2 is the largest in a cluster of similar intrusive related alteration systems in the Kalatage area, 130 southwest of the regional city of Hami, in eastern Xinjiang.

'We are encouraged by the fact that recent drilling by Chinese government exploration brigades at two adjacent alteration systems in the Kalatage cluster confirmed the presence of mineralisation in the area' comments Apex Executive Chairman, Stephen Stone.

Apex Minerals NL

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An application over another porphyry copper target has just been lodged and Apex's field crew is presently evaluating several other targets as part of the continuing alliance between Apex and Canadian mining house, Noranda Inc, to explore a 350,000 square kilometre region of eastern Xinjiang for porphyry copper deposits.

Several other China minerals projects generated from Apex's expanding China network are also being assessed.

Western Australia

The Windimurra-Narndee project has been farmed out to Maximus which will explore the 5,000 square kilometre project for nickel, platinum, gold and also for uranium at two known paleochannels at Wondinong and Windimurra.

Historical drilling at the latter returned intersections including 3.1 metres grading 0.26 kilogrammes per tonne U₃O₈ and 2.1 metres grading 0.43 kilogrammes per tonne U₃O₈.

The farm-out is subject to Maximus listing on ASX and it has advised Apex that it is well advanced with this process.

Perilya has commenced exploration for base and precious metals at Apex's Jillawarra project which lies immediately west of the Abra polymetallic discovery.

SPP Details

Australian and New Zealand Shareholders of Apex as at 5.00pm WST on Monday 8th August (the 'Record Date') will be entitled to subscribe for up to \$5,000 of new fully paid shares in the Company at a price of 10 cents per share ('Offer Price').

The Apex Directors believe that the proposed SPP provides several benefits to Apex Shareholders as:

1. the Offer Price represents a 17% discount to the last market price of Apex shares at the close of business on Wednesday 27th July 2005;
2. entitlements are irrespective of the size of a participant's existing shareholding;
3. the share purchase will not be subject to brokerage, commission or stamp duty or any other transaction costs that would apply if the shares were purchased on market; and
4. Shareholders with less than a 'marketable parcel' of shares i.e. with a combined market value of less than \$500, will have the opportunity to increase their shareholding to a marketable parcel and improve the liquidity of their holding.

General Meeting

The Apex Directors have also resolved to call a General Meeting of Shareholders. Several matters will be addressed including approvals to place all or a proportion of the SPP shares not taken up by qualifying Shareholders to potential underwriters of the SPP and, within three months of the close of the SPP, to third party investors.

Shareholders will shortly receive full details of the SPP, an Application Form with lodgement instructions and a Notice of General Meeting.

Timetable

The indicative timetable for the SPP is as follows:

- ASX announcement and introduction of SPP Thursday 28th July 2005
- Issue of Notice of General Meeting Friday 5th August 2005
- Record Date for entitlements 5.00pm WST Monday 8th August 2005
- SPP opens Tuesday 9th August 2005
- Dispatch of documentation and Notice of General Meeting Wednesday 10th August 2005
- General Meeting Wednesday 7th September 2005
- Closing date for applications 5.00pm WST Friday 9th September 2005
- Issue and allotment of shares Within 10 days of the closing of the SPP

Broker Handling Fee

Apex will pay a 2% broker handling fee to facilitate acceptances under the SPP. The fee will be payable to any Participating Organisation of ASX whose stamp appears on the Acceptance Form or where the acceptance for a Broker Sponsored client is initiated through CHESS by a broker participant on behalf of a client.

Contact:

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Unless otherwise indicated, technical information contained in this report is based on information compiled by a competent person who is a corporate member of the Australasian Institute of Mining and Metallurgy. The competent person is Mr Stephen Stone who is Executive Chairman. Whilst the expectations expressed in any forward looking statements in this report are based on reasonable expectations, investors are cautioned that such statements are not guarantees of future performance and results or developments may for several reasons differ materially from those stated.