



Apex discovers significant extensions to Apollo Hill gold mineralisation with maiden drilling program

Second phase of drilling accelerated to commence in early November

Apex Minerals NL (ASX: AXM) is pleased to announce that results from its first program of drilling at the Apollo Hill Joint Venture (Apex earning up to 60% from Hampton Hill Mining NL) have extended the known mineralisation, with three parallel trends, namely the Western, Main and Eastern zones (see Figure 1), remaining open along strike and down dip. This program, which was designed to test some geological concepts, has been successful in substantially increasing the knowledge base and the prospectivity of the Apollo Hill project.

In particular, two diamond holes drilled to test an interpreted northerly plunge of the Main Zone prospect have intersected significant visible gold some 60 metres and 160 metres down dip of historical drilling, in a new position off the previously drilled contact, wholly hosted by basalt.

The more significant Apex drill intersections are summarised below. True widths are interpreted to equate to between 70% and 100% of the quoted downhole widths.

- 10 metres @ 6.51g/t gold from 256 metres (including 5.05 metres @ 11.9g/t gold from 260.95 metres) in AAHD10 (Main Zone), being the most northerly hole drilled on the project to date
- 2 metres @ 30.93g/t gold from 146 metres (Eastern Zone), also in hole AAHD10
- 11.97 metres @ 4.48g/t gold from 186 metres (including 5 metres @ 7.74g/t gold from 189 metres) and 7 metres @ 2.04g/t gold from 203 metres in AAHD2, ending in mineralisation (Main Zone)
- 6 metres @ 4.38g/t gold from 124 metres in AAHC9 (Western Zone)
- 2 metres @ 6.38g/t gold from 14 metres in AAHD3 precollar (Eastern Zone)
- 4 metres @ 3.36g/t gold from 73 metres in AAHC11 (Eastern Zone)
- 21 metres @ 1.63g/t gold from 10 metres in AAHC12 (Main Zone)

The initial Apex drilling program, comprising just ten reverse circulation (RC) and three diamond drillholes, for a total of 1,833.1 metres, has greatly enhanced the potential of the project for the discovery of a significant gold deposit. In order to understand the results of the new drilling, they should be considered within the

context of historical results and, as such, the results from the new Apex drilling program are shown together with some of the more significant intersections from historical drilling undertaken by previous explorers including Battle Mountain, Homestake and Hampton Hill, in the attached tables.

Western Zone

Five RC holes drilled in the Western Zone have defined the extent of near surface oxide mineralisation and its continuity down dip into the primary zone over an area measuring 400 metres along strike and up to 150 metres down dip of the oxide mineralisation, with a best result of **6 metres @ 4.52g/t gold** from 124 metres in AAHC9 (Figure 2). The primary mineralisation occurs within a dolerite-hosted shear zone (Figure 3), and given the broad spacing of drilling to date there is considerable scope for extending the limits of the known primary mineralisation and for identifying specific thicker and/or higher grade mineralised shoots within this shear zone.

Main Zone

A single RC hole (AAHC12), drilled to verify known low grade oxide mineralisation at the northern end of the Main Zone, intersected 21 metres @ 1.63g/t gold from 10 metres, where anticipated.

Three diamond holes, drilled to test for potential northerly plunge extensions to the known mineralisation at the Main Zone prospect, all intersected significant widths of mineralisation where targeted (Figures 4, 5 & 6). The best results of **11.97 metres @ 4.48g/t gold, including 5 metres @ 7.74g/t** from 186 metres in AAHD2 (some 60 metres down dip of a previous intersection) and **10 metres @ 6.51g/t gold, including 5.05 metres @ 11.9g/t gold** from 256 metres in AAHD10 (some 70 metres north along strike of AAHD2 and 160 metres down dip of a previous intersection) confirm that there is considerable scope for extending the known mineralisation along strike and down dip, and for the occurrence of high grade lodes at depth, where mineralisation is characterised by quartz vein arrays with frequent visible gold.

Mineralisation has now been defined over a strike length of 200 metres and a dip extent of 250 metres from surface. It remains open in all directions, but is currently interpreted to be better to the north where the mineralised shear zone is predominantly hosted by mafic rocks. The success of this drilling is based on Apex's realisation that the mineralised structure moves away from the previously identified basalt-felsic contact and that the gold-bearing quartz vein arrays are at an oblique angle to the overall envelope of alteration, and sub-parallel to the direction of previous drilling. Given the irregular distribution of quartz veining and the nuggety nature of the gold within the veins, more drilling will be required to clarify the extent and internal continuity of the mineralisation.

Eastern Zone

Three RC holes and one diamond RC precollar, all designed to test a potential hangingwall zone to the east of the Main Zone, intersected gold mineralisation where targeted, with the best intersection comprising **2 metres @ 30.93g/t gold** from 146 metres in AAHD10. These new results confirm the presence of one or more relatively flat, narrow and high grade lodes in the Eastern Zone, which occur within a mineralised envelope measuring up to 240 metres along strike and 200 metres down dip (Figures 4 & 5).

Planned follow up

In the light of these drilling results, a planned second phase of drilling has been brought forward to commence in early November with the objectives of further expanding the limits of mineralisation, increasing confidence in its internal continuity, and determining the optimum drilling direction to better quantify the distribution and grade of the quartz vein hosted mineralisation. This program will comprise an estimated 1,500 metres of RC drilling and 600 metres of diamond drilling. It is anticipated that results from this program will be available by mid-December.

Background

Apex is earning up to a 60% percent interest in the Apollo Hill Joint Venture from Hampton Hill Mining NL. The project covers an area of 280 square kilometres, situated approximately 50 kilometres southeast of Leonora in the North Eastern Goldfields of Western Australia. Major gold mines in the region include Sons of Gwalia and Tarmoola to the northwest, Carosue Dam to the southeast, and in the adjoining Laverton area, Granny Smith, Wallaby and Sunrise Dam.

The project represents one of the first exploration opportunities secured by Apex following the Board and Senior Management restructure and capital raising completed earlier this year. It straddles a major shear zone which is a component of the Keith Kilkenny Fault system. This shear zone is largely concealed beneath transported overburden associated with the Lake Raeside drainage system, and previous surface geochemical sampling and shallow RAB drilling has consequently been of limited effectiveness. Deeper drilling by previous explorers has largely focussed on the only locality where this shear zone is exposed at surface, Apollo Hill itself, and also on a nearby parallel trend termed the Western trend.

Apex entered into this joint venture with the view that it had the hallmarks of a major mineralised system, showing extensive and intense hydrothermal alteration and deformation. This view has been affirmed by subsequent systematic re-evaluation of the previous drilling, which has led to the recognition that the mineralised surface diverges from the previously identified basalt-felsic contact, and that high grade mineralisation takes the form of abundant visible gold within quartz veins at an oblique angle to the overall envelope of mineralisation, and is therefore sub-parallel to previous drilling. The recent drilling program appears to confirm this, and positions Apex to make further advances towards the discovery of a significant gold deposit at Apollo Hill.

The Company continues to assess additional brownfields exploration, development and production opportunities as part of its vision to build a substantial new Australian resources vehicle.



Mark Ashley

Managing Director

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr. Mark Bennett, who is an employee and Director of the company. Dr. Bennett is a Member of the Australasian Institute of Mining and Metallurgy and has 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. Dr. Bennett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

All Apex Minerals' RC drilling results are obtained from meter samples collected via a three stage splitter, and all diamond drillhole results are obtained from half NQ core. All Apex samples are prepared at Genalysis Laboratory Services' Kalgoorlie facility using a single stage pulverisation, and assayed at Genalysis Laboratory Services' Perth laboratory using either 50g lead collection fire assay digest and atomic absorption spectrometry (AAS) analysis techniques, or large volume leachWELL digest and atomic absorption spectrometry (AAS) analysis techniques. The leachWELL technique is a strong accelerated cyanide leach of a 1kg sample designed to minimise the analytical variability in samples containing coarse nuggety gold. Full quality control is achieved using a suite of certified standards, and laboratory standards, duplicates, repeats and blanks.

Drill intercepts are reported using a 20g/t top cut where appropriate. The spatial location of Apex samples is derived using 3D differential GPS collar surveys, and Eastman single shot downhole surveys. Stated co-ordinates are based on the Apollo Hill local grid, in which grid north is equivalent to 315 degrees (north west) AMG. Sampling, analytical, and survey quality control for the various generations of previous drilling and assaying is unavailable.

Western Zone drill intercepts - Previous and new Western Zone drill intercepts, with new Apex drilling results (AAHC & AAHD prefix) shown in bold. On the basis of current interpretations, true widths are estimated to be equivalent to the quoted downhole widths. N.S.I. - No significant intersection.

Northing	Easting	Drillhole	Azim	Declin	From	To	Width	Grade
16500	10800	AAHC8	270	-60	32.00	34.00	2.00	1.07
16560	10760	FPR0257	270	-60	27.00	31.00	4.00	2.94
16560	10775	FPR0258	270	-60	38.00	42.00	4.00	7.27
16580	10745	FPR0232	270	-60	24.00	26.00	2.00	3.93
16580	10760	FPR0233	270	-60	31.00	36.00	5.00	2.92
16580	10790	FPR0255	270	-60	59.00	61.00	2.00	2.87
16600	10750	AAHC7	270	-60	7.00	8.00	1.00	2.09
					31.00	32.00	1.00	1.55
16600	10765	FPR0252	270	-60	34.00	39.00	5.00	2.57
16600	10795	FPR0254	270	-60	58.00	63.00	5.00	2.05
					72.00	74.00	2.00	14.6
16620	10755	FPR0230	270	-60	18.00	33.00	15.00	4.90
16620	10770	PKW0972	270	-60	24.00	29.00	5.00	2.59
					32.90	41.00	8.10	2.58
16620	10785	FPR0231	270	-60	59.00	60.00	1.00	12.40
16620	10860	AAHC9	270	-60	124.00	130.00	6.00	4.38
16640	10785	FPR0250	270	-60	49.00	60.00	11.00	6.27
16640	10800	FPR0259	270	-60	16.00	18.00	2.00	8.10
					63.00	64.00	1.00	11.5
16660	10770	FPR0228	270	-60	35.00	47.00	12.00	2.73
16660	10785	FPR0229	270	-60	45.00	46.00	1.00	31.20
16660	10802	FPR0245	270	-60	51.00	53.00	2.00	3.38

16680	10763	FPR0244	270	-60	24.00	31.00	7.00	3.76
16680	10783	FPR0246	270	-60	44.00	47.00	3.00	3.04
16680	10803	FPR0260	270	-60	59.00	68.00	9.00	2.45
16700	10740	PKW0726	270	-60	13.00	16.00	3.00	2.27
16700	10755	FPR0226	270	-60	23.00	33.00	10.00	2.78
16700	10770	PKW0877	270	-60	45.14	50.36	5.22	4.65
16700	10792	PKW0880	270	-60	55.75	64.40	8.65	1.93
16700	10810	FPR0261	270	-60	70.00	75.00	5.00	2.34
16700	10880	AAHC5	270	-60	127.00	128.00	1.00	2.22
16720	10740	AAHC6	270	-60				N.S.I
16720	10763	FPR0237	270	-60	37.00	42.00	5.00	3.28
16720	10783	FPR0240	270	-60	61.00	63.00	2.00	3.27
16900	10819	PKW0970	270	-60	73.80	77.00	3.20	3.03

Main and Eastern Zone drill intercepts - Previous and new Main & Eastern Zone drill intercepts, with new Apex drilling results (AAHC & AAHD prefix) shown in bold, and Eastern Zone intercepts shown in italics. On the basis of current interpretations, true widths are estimated to be approximately 75%-100% of the quoted downhole width. Asterisks denote an intercept to end of hole or limit of sampling.

Northing	Easting	Drillhole	Azim	Declin	From	To	Width	Grade
16893	11097	PHD0003	270	-60	43.00	44.00	1.00	37.60
					99.00	100.00	1.00	5.44
16900	10927	PKW0417	270	-60	20.00	22.00	2.00	*3.27
16900	10977	PKW0156	270	-60	40.00	41.00	1.00	5.02
16900	10982	PHD0002	270	-60	36.00	39.00	3.00	8.42
16950	11089	PKW0205	270	-60	18.00	20.00	2.00	*6.56
17020	11000	PKW0065	270	-60	1.00	4.00	3.00	2.02
17020	11025	PKW0064	270	-60	22.00	23.00	1.00	5.72
					25.00	28.00	3.00	2.06
17020	11058	PKW0062	270	-60	1.00	2.00	1.00	5.64
17020	11080	PKW0061	270	-60	22.00	27.00	5.00	3.58
17020	11108	PKW0060	270	-60	39.00	45.00	6.00	1.96
					65.00	67.00	2.00	5.00
17180	11073	PHD0005	270	-60	94.00	96.00	2.00	17.30
					326.00	328.00	2.00	4.30
17180	11147	PHD0006	270	-60	147.00	148.00	1.00	17.40
17200	11007	PKW0158	270	-60	66.00	67.40	1.40	7.52
17260	11135	PKW0044	270	-60	0.00	1.00	1.00	14.52
					12.00	14.00	2.00	3.43
17287	11182	PKW0628	270	-60	23.00	24.00	1.00	5.75
17290	11182	PKW0043	270	-60	34.00	36.00	2.00	19.30
17300	10962	PWP0009	270	-60	11.00	12.00	1.00	5.02
17300	11020	PWP0013	270	-60	14.00	16.00	2.00	*4.34
17300	11057	PKW0161	270	-60	69.00	74.30	5.30	3.69
					83.00	87.00	4.00	2.25
					92.00	93.00	1.00	7.01
17300	11129	PKW0644	270	-60	67.00	68.00	1.00	10.32
					89.00	91.64	2.64	3.42
					119.08	121.00	1.92	6.91
					144.00	146.00	2.00	3.27
					149.00	152.29	3.29	2.31
17300	11230	PKW0648	270	-60	5.60	6.30	0.70	10.85
					18.60	19.00	0.40	5.49
					214.00	216.70	2.70	2.88
17360	11070	PKW0046	270	-60	8.00	9.00	1.00	5.94

17390	11132	PKW0646	170	-50	72.00	73.00	1.00	29.50
17390	11075	ARC0015	270	-60	77.00	81.00	4.00	3.35
17390	11100	ARC0016	270	-60	69.00	74.00	5.00	4.32
					91.00	94.00	3.00	3.12
17420		PWP0017	90	-60	9.00	12.00	3.00	7.96
17421	11070	PKW0040	270	-60	25.00	28.00	3.00	3.43
					31.00	32.00	1.00	6.43
17420	11107	PKW0179	270	-55	88.00	89.00	1.00	37.65
17420	11120	PWD0002	270	-60	33.50	34.25	0.75	9.35
					98.20	112.70	14.50	3.56
17420	11280	AAHC14	270	-60				NSI
17418	11160	PKW0167	270	-60	29.00	36.00	7.00	3.51
17427	11225	AD0003	270	-60	70.70	74.00	3.30	16.24
					182.00	183.00	1.00	28.80
					203.75	212.00	8.25	2.24
17420	11350	PWD0005	266	-60	107.71	109.08	1.37	5.49
17450	11000	ARC0012	270	-60	13.00	16.00	3.00	2.05
17450	11025	ARC0013	270	-60	19.00	22.00	3.00	10.85
17450	11045	ARC0017	270	-60	0.00	6.00	6.00	2.37
					9.00	22.00	13.00	1.37
					64.00	67.00	3.00	9.80
17449	11069	ARC0018	270	-60	76.00	77.00	1.00	5.01
17470	11020	PKW0637	180	-60	3.00	6.00	3.00	3.04
17480	10980	PWP0006	90	-60	3.00	4.00	1.00	9.20
17480	11000	PWP0005	90	-60	4.00	5.00	1.00	38.60
17480	11010	PWP0004	90	-60	5.00	9.00	4.00	2.10
17478	11019	PKW0169	270	-60	0.00	8.00	8.00	1.97
17480	11020	PWP0003	90	-60	3.00	7.00	4.00	2.39
					18.00	19.00	1.00	7.40
17480	11030	PWP0002	90	-60	0.00	14.00	14.00	1.26
17480	11035	PWP0021	180	-60	4.00	20.00	16.00	1.58
17480	11039	PWP0001	90	-60	4.00	11.00	7.00	2.04
					15.00	23.00	8.00	2.33
17479	11044	PKW0170	270	-55	4.00	14.00	10.00	2.89
					26.00	37.00	11.00	1.99
17480	11075	PKW0181	270	-60	39.00	75.94	36.94	0.98
		Including			46.00	48.00	2.00	2.63
17480	11096	PWD0001	270	-60	71.07	97.05	25.98	1.14
		Including			71.07	74.32	3.25	3.53
					94.50	97.05	2.55	3.51
					115.00	115.80	0.80	*5.05
17480	11150	AD0002	270	-60	71.00	72.00	1.00	5.53
					135.65	168.25	32.6	2.39
		Including			143.45	147.00	3.55	10.77
					152.00	153.00	1.00	9.79
					156.00	163.00	7.00	1.92
					167.00	168.25	1.25	4.18
17480	11176	PKW0647	270	-80	31.00	34.00	3.00	8.34
					216.00	250.37	34.37	1.42
		Including			216.00	219.15	3.15	4.57
					242.68	250.37	7.69	2.67
17480	11320	AAHC11	270	-60	73.00	77.00	4.00	3.36
17510	11050	ARC0008	270	-60	13.00	16.00	3.00	2.30
17512	11075	ARC0009	270	-60	41.00	56.00	15.00	1.71

17512	11098	ARC0010	270	-60	64.00	76.00	12.00	2.37
					82.00	84.00	2.00	12.05
17540	10998	PWP0014	90	-60	6.00	7.00	1.00	10.00
17540	11020	PWP0008	90	-60	31.00	33.00	2.00	4.15
17540	11035	PWP0020	0	-90	11.00	23.00	12.00	1.56
					27.00	30.00	3.00	2.19
17540	11053	PKW0173	270	-60	14.00	18.00	4.00	2.02
					24.00	36.50	12.50	2.32
17540	11078	PKW0174	270	-60	43.45	84.00	40.55	1.34
		Including			50.00	54.00	4.00	5.57
17540	11090	PWD0003	270	-70	22.70	24.70	2.00	2.75
					69.36	108.70	39.34	1.30
		Including			76.51	90.35	13.84	1.44
					96.76	97.36	0.60	8.94
					99.87	104.55	4.68	2.20
17540	11150	AD0001	270	-60	53.00	54.00	1.00	7.46
					133.40	161.00	27.60	1.54
		Including			133.40	136.55	3.15	4.57
					143.10	146.00	2.90	2.82
					150.00	152.00	2.00	5.40
17540	11205	AAHD2	270	-60	186.00	197.97	11.97	4.48
		Including			189.00	194.00	5.00	7.74
					203.00	210.00	7.00	*2.04
17570	11025	ARC0003	270	-60	18.00	22.00	4.00	2.18
17570	11050	ARC0004	270	-60	15.00	22.00	7.00	1.71
					52.00	53.00	1.00	7.84
17570	11075	ARC0005	270	-60	40.00	56.00	16.00	1.62
					104.00	106.00	2.00	2.70
					128.00	130.00	2.00	2.50
17570	11100	ARC0006	270	-60	68.00	83.00	15.00	1.74
17600	11000	PHR0363	0	-90	4.00	8.00	4.00	2.65
17610	11014	PKW0645	270	-60	41.80	72.00	30.20	1.15
		Including			60.00	72.00	12.00	3.05
17610	11060	AAHC12	270	-60	10.00	31.00	21.00	1.63
17612	11151	PKW0187	180	-60	6.00	8.00	2.00	5.14
17609	11165	PWD0004	270	-50	38.00	39.00	1.00	7.84
					107.25	108.25	1.00	7.72
					111.46	114.42	2.96	2.99
17610	11180	AAHD3	270	-60	14.00	16.00	2.00	6.38
					114.60	122.00	7.4	0.96
					132.00	140.00	8.00	0.78
17610	11310	AAHD10	270	-60	146.00	148.00	2.00	30.93
					256.00	266.00	10.00	6.51
		Including			260.95	266.00	5.00	11.90
17640	10985	PKW0032	270	-60	26.00	27.00	1.00	15.85

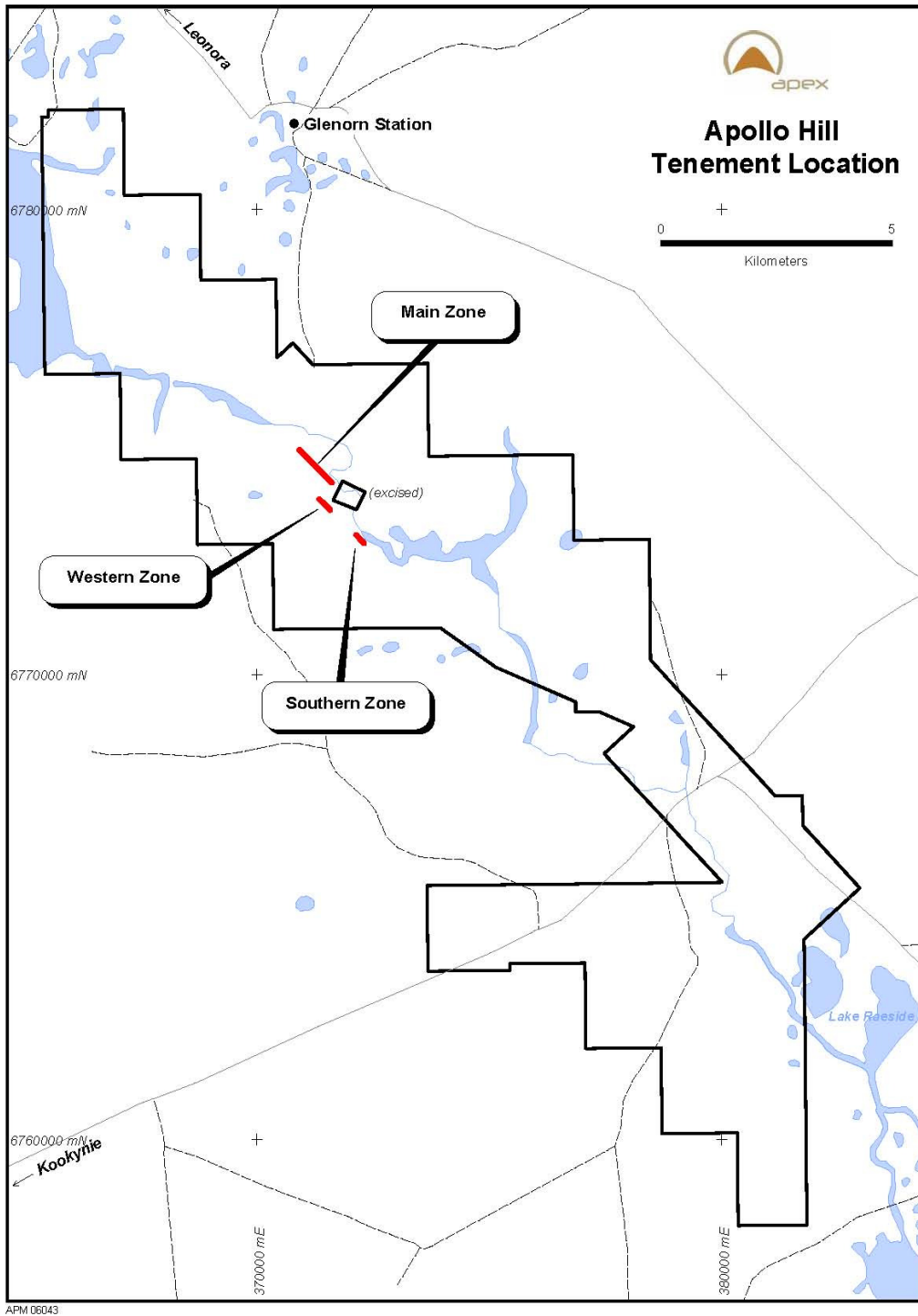


Figure 1: Location map.

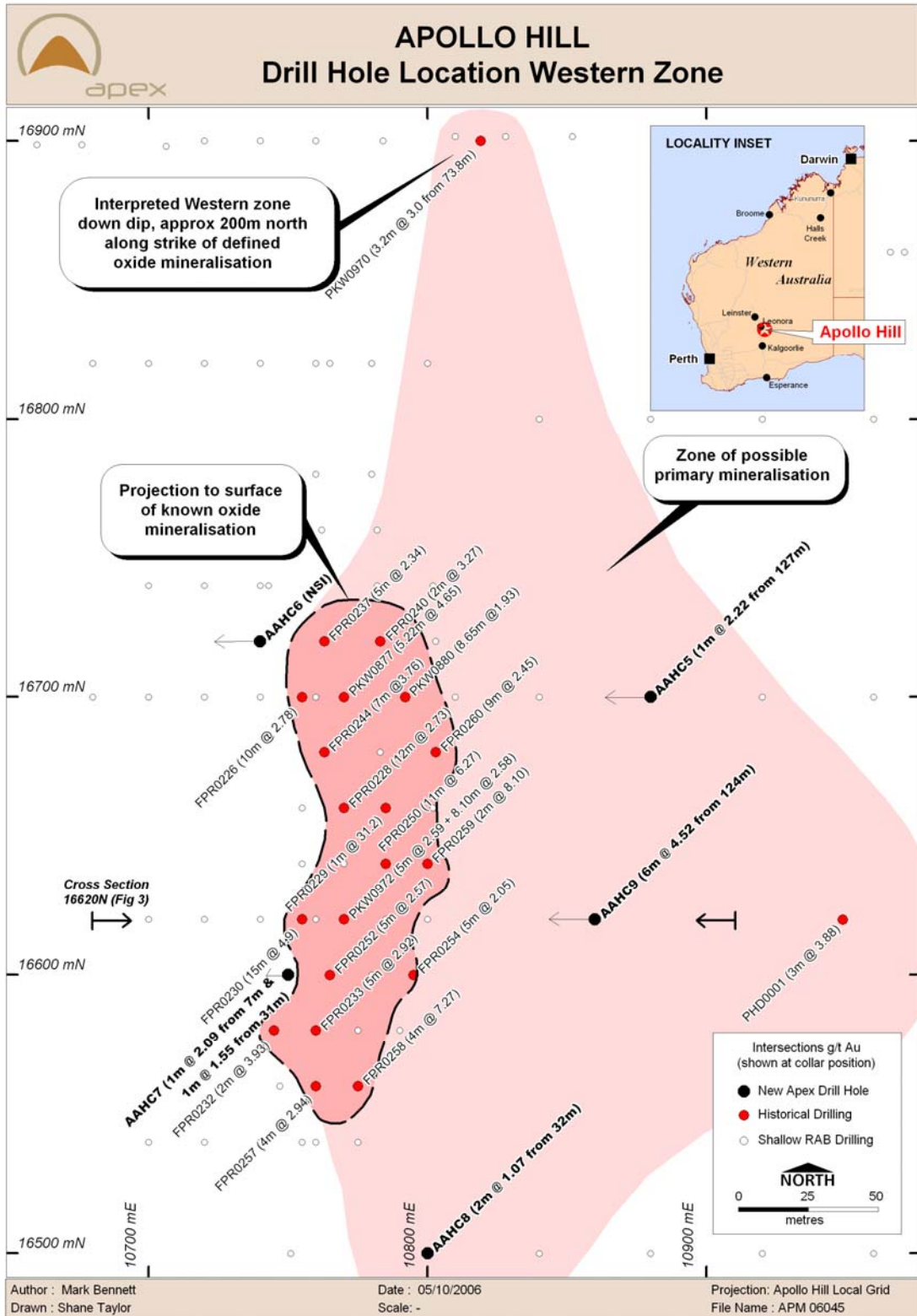
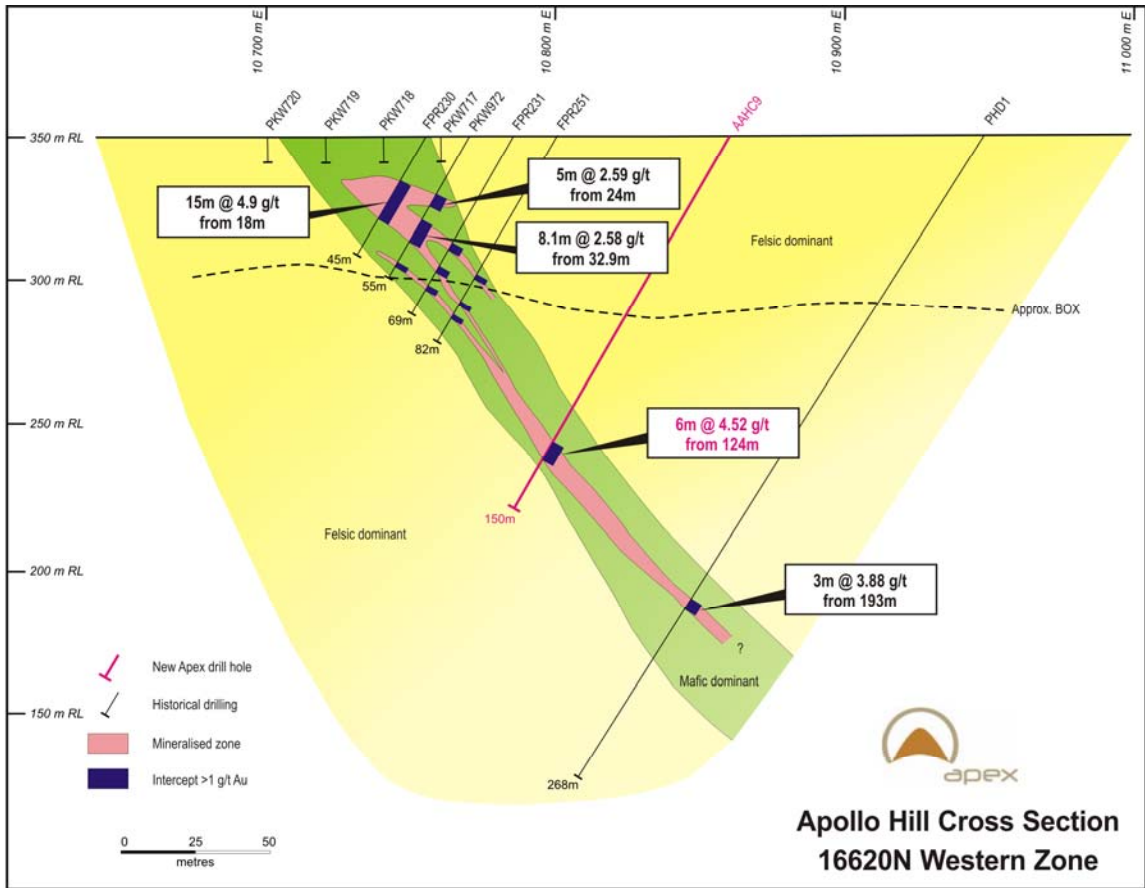
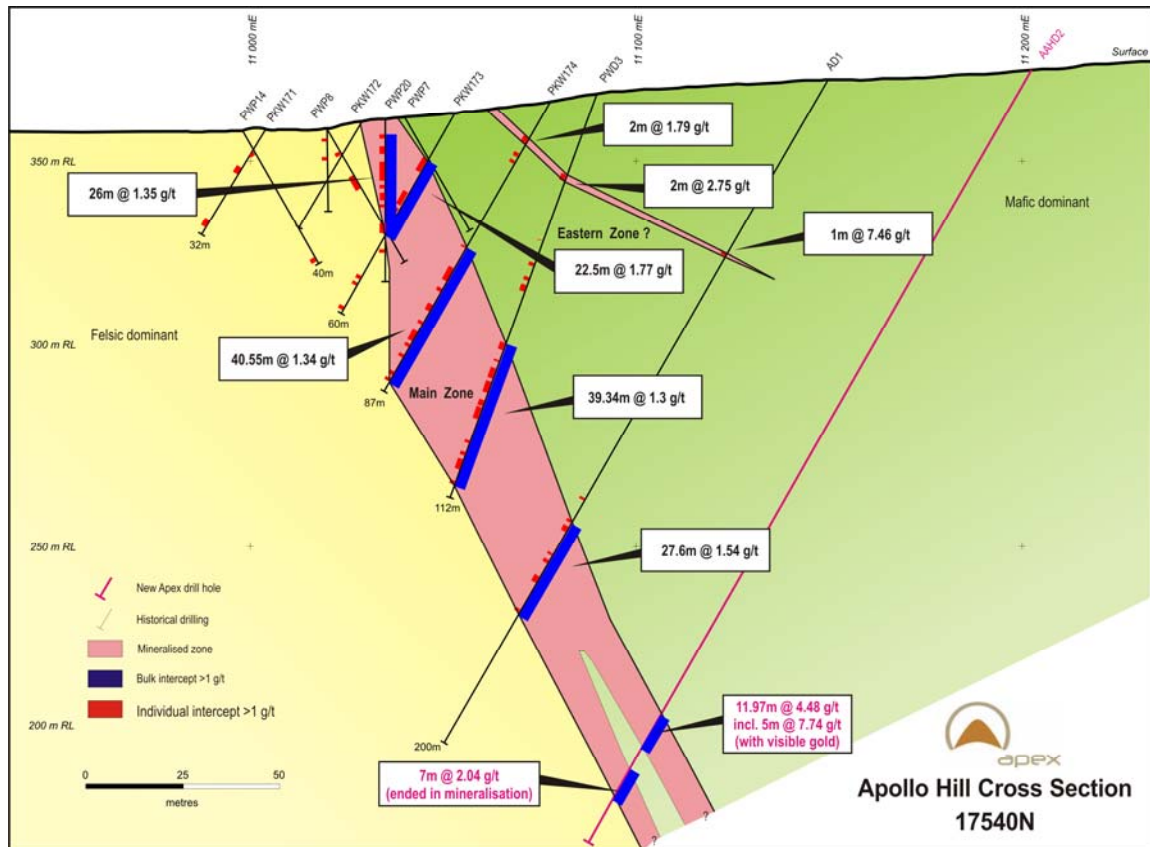


Figure 2: Schematic plan projection of oxide and primary mineralisation with drillhole collars, Western Zone.



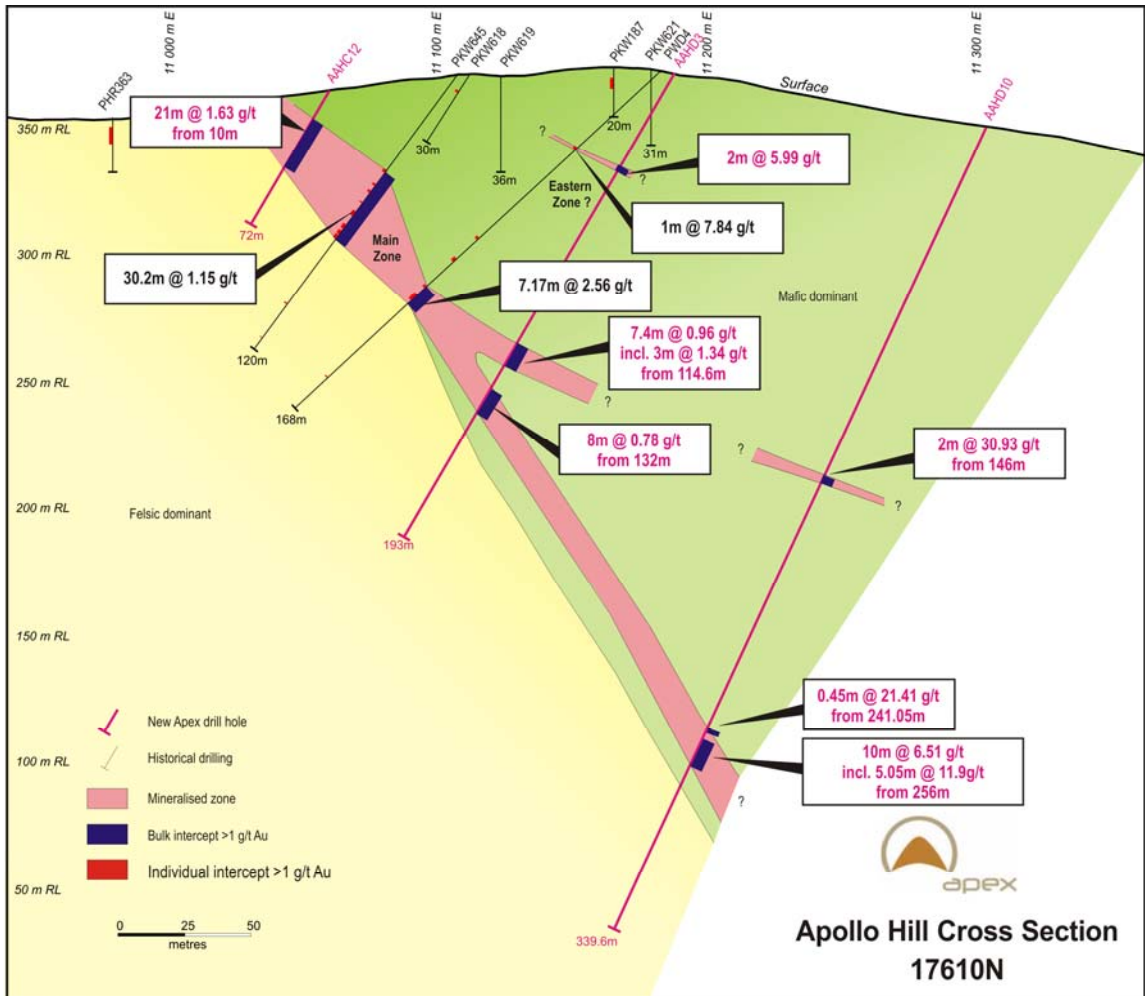
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Figure 3: Schematic cross section 16620N, Western Zone.

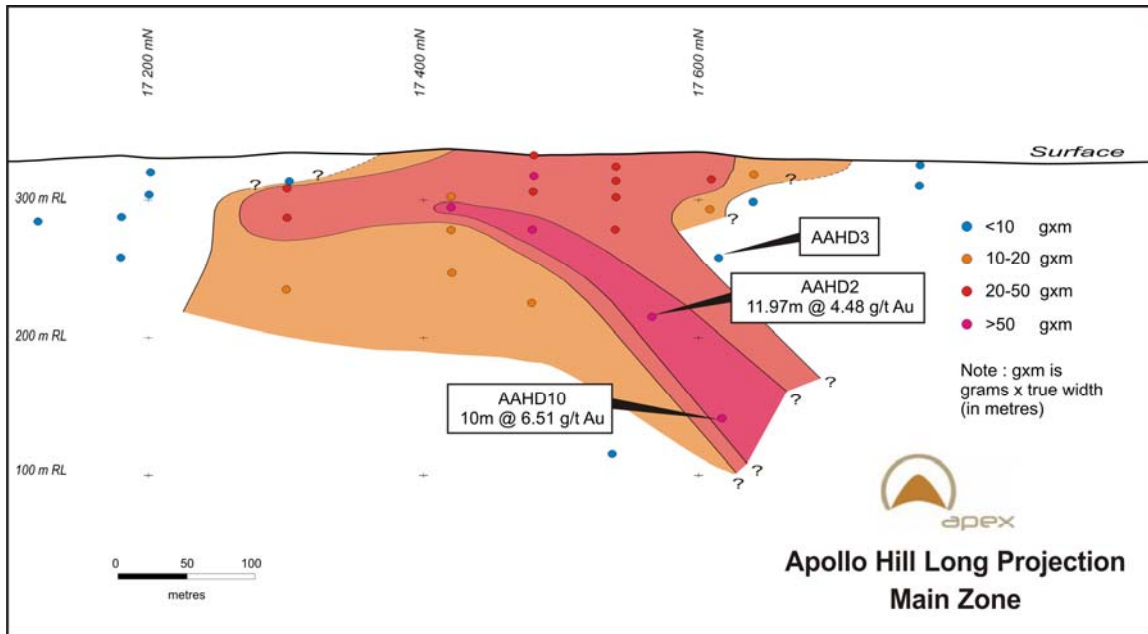


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Figure 4: Schematic cross section 17540N, Main & Eastern zones.



APM_06035
Figure 5: Schematic cross section 17610N, Main & Eastern zones.



APM_06042
Figure 6: Schematic long projection, Main Zone.