

**Attention ASX Company Announcements Platform
Lodgement of Open Briefing®**



Apex Minerals Limited
Level 1, 10 Ord Street
WEST PERTH, WA, 6005

Date of lodgement: 16-October-2008

Title: Open Briefing® . Apex. Funding Wiluna Project and Progress

Record of interview:

corporatefile.com.au

Apex Minerals (ASX code - AXM) recently announced it had completed a A\$58.5 million debt capital raising and a further A\$2 million subject to shareholder approval. Can you explain the instruments comprising the capital raising? Why have you chosen this type of funding?

MD, Mark Ashley

With the uncertainty in the capital markets, we met with Goldman Sachs JBWere to assess our funding requirements to finalise the Wiluna Project. We are having a lot of success at Wiluna and we wanted to keep the momentum of the exploration program.

We've issued a package of Senior Secured Notes, Warrants and Gold Upside Participation Notes (GUP Notes) to institutional and sophisticated investors. The Secured Notes carry a coupon of 11.25% pa and mature in 2011. The Warrants entitle holders to subscribe for a total of 43.5 million shares at an exercise price of 33.5c per share and GUP Note holders receive quarterly coupons and allow holders to participate in the upside in the average Australian dollar gold price.

We were quite adamant that we wanted an instrument that resulted in minimal dilution to shareholders, particularly when the Apex share price, along with other listed companies, has fallen so much.

corporatefile.com.au

How and when will the funds be allocated? To what extent will the capital raising fund your current growth objectives?

MD, Mark Ashley

A\$58.5 million of the A\$60.5 million was received the day after we announced the transaction on 29 September 2008. The remaining A\$2 million is a commitment from our Chairman, Kim Robinson, which is subject to shareholder approval at our AGM in late November. This substantial capital raising not only ensures we are fully funded, but will also enable us to maintain our successful exploration program.

The capital proceeds are being allocated approximately as follows:

1. Pre-production capital expenditure and working capital – A\$12 million
2. Purchase of gold put options to protect from a falling AUD gold price – A\$13.5-A\$14 million.
3. Exploration and evaluation, particularly at Wiluna – A\$30 million.
4. Transaction costs and issue expenses – A\$3 million.

corporatefile.com.au

Was the recently announced gold hedge program a condition of the funding? What level of hedging is required?

MD, Mark Ashley

There was a requirement to have hedging because this is predominately a debt facility. Fortunately the hedging requirement was similar to our preferred hedging strategy. We would have to rethink our funding if we weren't completely or substantially satisfied with the hedging program being required by the note holders.

The hedging program includes a combination of forward sales and put options – where we have the right, but no obligation, to deliver into the options. The hedging covers approximately 63% of expected production for the year ending June 2009, 65% in the year ending 2010 and 42% in the year ending June 2011.

corporatefile.com.au

Apex also recently announced further significant upgrades to its gold resources in the Calais, East Open Pit and East Lode North at Wiluna. How will these upgrades enhance the project?

MD, Mark Ashley

These upgrades in resources will quite substantially enhance the project because they are at Wiluna which is the first area we will mine. When we acquired the three mines (Wiluna, Gidgee (Wilson's) and Youanmi) eighteen months ago our main aim was to commence production by the end of 2009 and we're on target for that. Another major objective was to establish a three to five year mine life. Effectively we achieved the 3 year target when we announced our resources and reserves in June 2008. However, since then we have continued to drill and expand

the various zones that we had previously established and we're discovering more gold in a number of new zones at Wiluna.

The 70% increase in indicated resources at the Calais and East Lode North zones has boosted this part of the resource to 2.8 million tonnes at 6.6 g/t containing over 600,000 ounces of gold. Our next task will be converting these resources into reserves, which is expected to add mine life to an already substantial project.

corporatefile.com.au

Previously, capital expenditure for pre-production was A\$62 million. Do you expect any major deviations to this figure, particularly in light of some steam coming out of Western Australia's economy? What are your current expectations for cash costs?

MD, Mark Ashley

We are at the end of an eighteen month development program and the risks of overspend are now minimal because we've achieved most of our targets. We've recently spent A\$31 million on refurbishing the old plant and we believe that is sufficient to get it into good working order. Therefore, we remain confident that the budgeted A\$62 million for pre-production capital will not deviate.

Our expectations for cash costs have also not changed from those we announced in the implementation study in June 2008. The cash operating cost of A\$560 per ounce is an average across the three projects. Wiluna has the lowest cash cost at about A\$500 an ounce, and both the Wilsons and Youanmi mines are forecast at just over A\$600 an ounce.

corporatefile.com.au

You previously mentioned the re-commissioning of the Wiluna plant is scheduled to be completed by the end of the December quarter 2008. Can you update progress?

MD, Mark Ashley

We expect that the Wiluna plant will commence production next month. We are mining the open pit and the underground and we've accumulated reasonable stockpiles of ore ready for treatment. The bacteria in the BIOX process are being regenerated and we're about to complete the plant refurbishment program. We're on schedule for our first gold pour towards the end of November to be followed by commercial production almost immediately thereafter.

corporatefile.com.au

Apex has been successful with its recent exploration around Wiluna and Gidgee. What are the objectives of the follow up programs for both extensional and in-fill drilling? What other exploration do you plan?

MD, Mark Ashley

Our focus at the moment is in and around Wiluna, mainly because of its lower cash cost and its proximity to the plant. We have follow up programs at both the Baldric and Crispin zones. Drilling will continue to scope out the extent of the

Baldric zone over the next few months and detailed infill drilling will commence once the planned Henry5 decline has been established. At Crispin, drilling will also continue to scope out the extent of this zone over the next few months.

At the East Lode open pit, grade control drilling has increased the mineral resource by 74% to 402,000 tonnes at 4.1 g/t containing 54,000 ounces of gold.

The East Lode North zone will be another key focus area. It is situated close to the East Lode open pit and could be accessed through a short decline from the base of the pit once open pit mining is completed.

We expect to announce further resource upgrades over the coming months to coincide with initial production.

corporatefile.com.au

Can you outline future major milestones as you bring on each project?

MD, Mark Ashley

Apex's major objective is to commence gold production in November 2008 and to start generating significant cash flow, especially at the current A\$ gold price. We expect to increase the focus on the important exploration program at Wiluna so that we can provide more feed to the plant over the longer term to achieve economies of scale. We also want to prove up additional ounces at our other prospective tenements and convert them into reserves and cash flow.

We aren't interested in technical success in terms of production processing or geology. We're only interested in financial success and a discovery is only important if it turns into a profitable operation and adds to shareholder value.

corporatefile.com.au

Thank you Mark.

For further information on Apex Minerals please visit www.apexminerals.com or contact Glenn Jardine (Operations Director), Mark Bennett (Exploration Director) or Mark Ashley (Managing Director), on (08) 6311 5555.

To read or to receive Open Briefings by email, please visit www.corporatefile.com.au

DISCLAIMER: Corporate File Pty Ltd has taken reasonable care in publishing the information contained in this Open Briefing®. It is information given in a summary form and does not purport to be complete. The information contained is not intended to be used as the basis for making any investment decision and you are solely responsible for any use you choose to make of the information. We strongly advise that you seek independent professional advice before making any investment decisions. Corporate File Pty Ltd is not responsible for any consequences of the use you make of the information, including any loss or damage you or a third party might suffer as a result of that use.