



ASX/MEDIA ANNOUNCEMENT

WEDNESDAY, 20 JUNE 2007

APEX EXPANDS WA GOLD CONSOLIDATION STRATEGY WITH A\$29.5 MILLION WILUNA ACQUISITION

Apex Minerals NL (ASX:AXM) has further expanded its footprint on Western Australia's Eastern Goldfields region with the announcement today (Wednesday) that it has entered into an agreement with Melbourne-based Oxiana Limited (ASX:OXR) to acquire 100% ownership of the Wiluna gold mining and processing operation (see Figure 1). The acquisition includes the plant and infrastructure, existing gold resources and additional exploration potential (see Figure 2). Oxiana will retain a number of additional tenements in the region of the Wiluna mine acquired when it assumed ownership of Agincourt Resources Ltd in April 2007, as well as retaining the nickel and uranium rights over the sale tenements.

The A\$29.5 million Wiluna acquisition will be satisfied by the payment to Oxiana by Apex of A\$16.5 million in cash, the issue of A\$10 million in Apex shares (based on the volume weighted average price of Apex over the 30 day period prior to Completion) and a further contingent payment of A\$3 million to be made upon the resumption of gold production from the Sale Tenements. The transaction will require certain regulatory and other approvals including any required approvals under the ASX Listing Rules.

Apex will take possession of the Wiluna Project on 1st August 2007 on a care and maintenance basis. To that end, Oxiana will cease mining operations this month and continue processing ore until 31st July 2007.

The Wiluna Gold Project is situated 1,000 kilometres northeast of Perth and comprises granted mining leases covering approximately 50 square kilometres, as well as miscellaneous licences. The operation has access to the Goldfields Gas Pipeline and includes gold resources totalling over 700,000 ounces (see Table 1), a ~1Mtpa processing facility and a BIOX[®] bacterial oxidation plant, along with other established infrastructure.

This acquisition increases Apex's classified gold resource inventory to approximately 2.5 million ounces, and expands its total landholdings in the Eastern Goldfields to over 3,800 square kilometres.

Apex's Managing Director, Mr Mark Ashley, said the Wiluna acquisition complements the Company's broader gold strategy, considerably enhancing its plans to consolidate the ownership of various refractory gold deposits in the Eastern Goldfields region under a single company.

"In its recent history, the feed for the 1mtpa plant at the Wiluna operation has consisted of approximately 50% high grade underground ore with the balance made up from low grade open pit ore and stockpiles.

"Under Apex's strategy, the low grade material will be replaced with high grade feed from the Wilsons Deposit at Gidgee and from Youanmi.

"Ideally, we would have liked to maintain continuity of production at Wiluna following the acquisition, however our due diligence studies confirmed Oxiana's assessment that the operation cannot be sustained in its present form on the current reserves. Our view is that the economics of the operation would be significantly enhanced by Wiluna being placed on care and maintenance while resource and reserve extension drilling is undertaken and by combining future Wiluna production with production from the other recently acquired high grade deposits of Wilson's (Gidgee) and Youanmi, approximately 120km and 320km from Wiluna respectively", Mr Ashley said (see Figure 1).

Apex expects to be in a position to make offers of employment to some current Wiluna employees as soon as practicable to assist with its proposed care and maintenance, resource and reserve extension and proposed future production activities. The Company intends to embark on a comprehensive underground resource extension and exploration drilling program following Completion of the acquisition.

It is now proposed that Wiluna will become the central treatment facility for Apex, replacing Gidgee as previously contemplated in the Company's announcement of the 3rd May 2007.

"We expect considerable capital and operating cost savings to accrue from access to gas generated power, along with the economies of scale achievable through the utilisation of Wiluna's 1Mtpa plant capacity (compared to Gidgee's 0.6Mtpa capacity), offsetting the increased costs of trucking", Mr Ashley said. "A large part of the consideration for Wiluna can be justified on the savings that would accrue from not having to refurbish and upgrade the Gidgee plant and relocate the BacTech plant from Youanmi to Gidgee as previously contemplated."

Mr Ashley further commented that it was a significant vote of confidence for Apex to welcome Oxiana as a shareholder and the board looked forward to a mutually beneficial association in the future.

"The option of utilising Wiluna as our first central processing facility presents Apex with a number of advantages over the plant refurbishment and relocation previously contemplated at Gidgee. Importantly, the Wiluna plant will be placed on care and maintenance in such a manner that it can be restarted rapidly and at minimal cost," Mr Ashley said. "This could also enable us to restart the plant earlier than currently planned if a suitable opportunity presented itself."

In order to fund the cash component of the Wiluna acquisition and provide working capital to advance this project, the Company expects to undertake a further capital raising to that announced on 1st June 2007.

Following the Wiluna acquisition and subject to relevant feasibility studies, Apex plans to be in a position to commence gold production within approximately 18 - 24 months at the initial

rate of around 200,000 ounces per annum (an increase of over 50% over that previously forecast), increasing to approximately 350,000 ounces per annum within three years which contemplates production from Aphrodite.

Completion of the Wiluna acquisition is currently expected to occur during August 2007.

The Wiluna Acquisition

Wiluna is a world class goldfield, having produced approximately 4 million ounces of gold during its history. Previous production and known resources occur in two main fault structures, the East Lode and West Lode, to a depth of 1,000m below surface (Figures 2 and 3). Current resources are summarised in Table 1. It is estimated that only 50% of the known extent of these lodes has been tested by systematic exploration drilling, and much of this at a very broad drill spacing. As such, there is considerable potential for the delineation of additional resources that will have a high probability of converting to reserves.

Apex intends to pursue a vigorous drilling program with the dual aim of infill drilling known resources to the indicated category, and drilling around known mineralised intercepts to delineate additional resources. This program will likely continue for 12 months in order to define sufficient resources and reserves at Wiluna to recommence mining at the same time as the Wilsons and Youanmi deposits are proposed to commence production.

Initial infill resource drilling will focus on the Henry5 and Calais zones, with concurrent extensional drilling at Calais South. Drilling will also be undertaken on additional targets known as Crispin, Henry North, Scroop and Brothers Reef to follow up previous mineralised drill intercepts with the aim of identifying additional resources.



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Table 1. Wiluna Mineral Resources as of 1st June 2007.

WESTERN AUSTRALIA - WILUNA	MEASURED			INDICATED			INFERRED			TOTAL MINERAL RESOURCES		
	Tonnes '000	Gold (g/t)	Oz '000	Tonnes '000	Gold (g/t)	Oz '000	Tonnes '000	Gold (g/t)	Oz '000	Tonnes '000	Gold (g/t)	Oz '000
East Lode - West Lode	0	0.0	0	1,222	5.6	218	1,108	5.4	191	2,330	5.5	410
Calais	24	6.9	5	191	6.9	43	82	8.3	22	296	7.3	70
Henry5	0	0.0	0	159	8.2	42	148	7.9	37	307	8.0	79
Happy Jack	0	0.0	0	0	0.0	0	118	7.6	29	118	7.6	29
Lone Hand - Adelaide - Moonlight	0	0.0	0	50	5.7	9	851	5.6	154	901	5.6	164
Magazine	0	0.0	0	51	3.6	6	9	4.8	1	60	3.8	7
Stockpiles	177	1.8	10	0	0.0	0	0	0.0	0	177	1.8	10
Total Wiluna Operation	201	2.4	16	1,673	5.9	318	2,315	5.8	435	4,189	5.7	768

Tonnes and ounces are rounded, causing minor computational errors.

These resources were correct as of 1st June 2007, but will have been partially depleted by mining during the two months from this date to the sale completion date of 31st July 2007.

The information in this report that relates to gold resources at Wiluna is based on information compiled by Paul Tan, who is a full time employee of Oxiana. Mr. Tan has sufficient experience of relevance to the style of mineralization 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. Tan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Figure 1. Apex project locations.

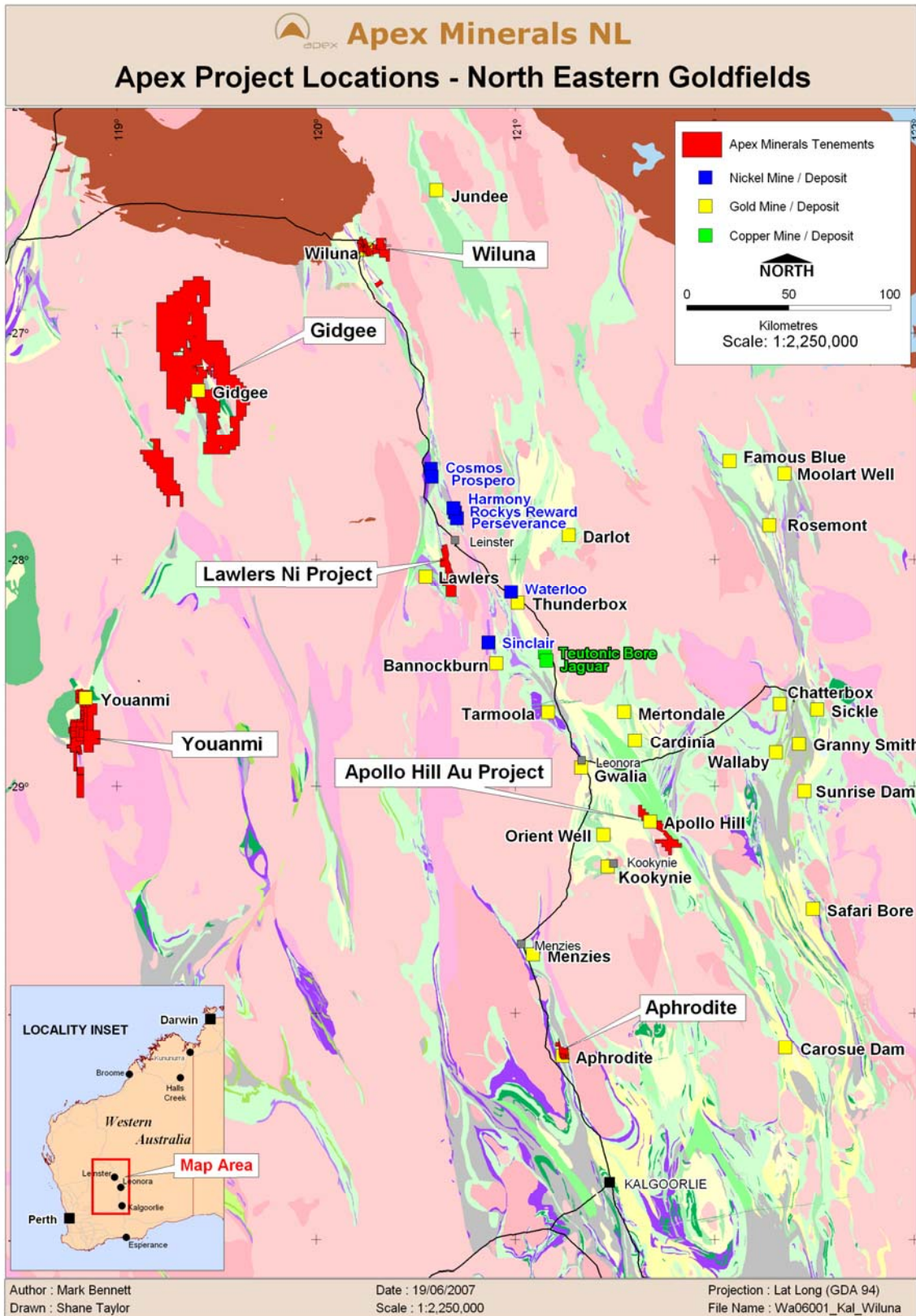


Figure 2. Wiluna project tenements and operations.

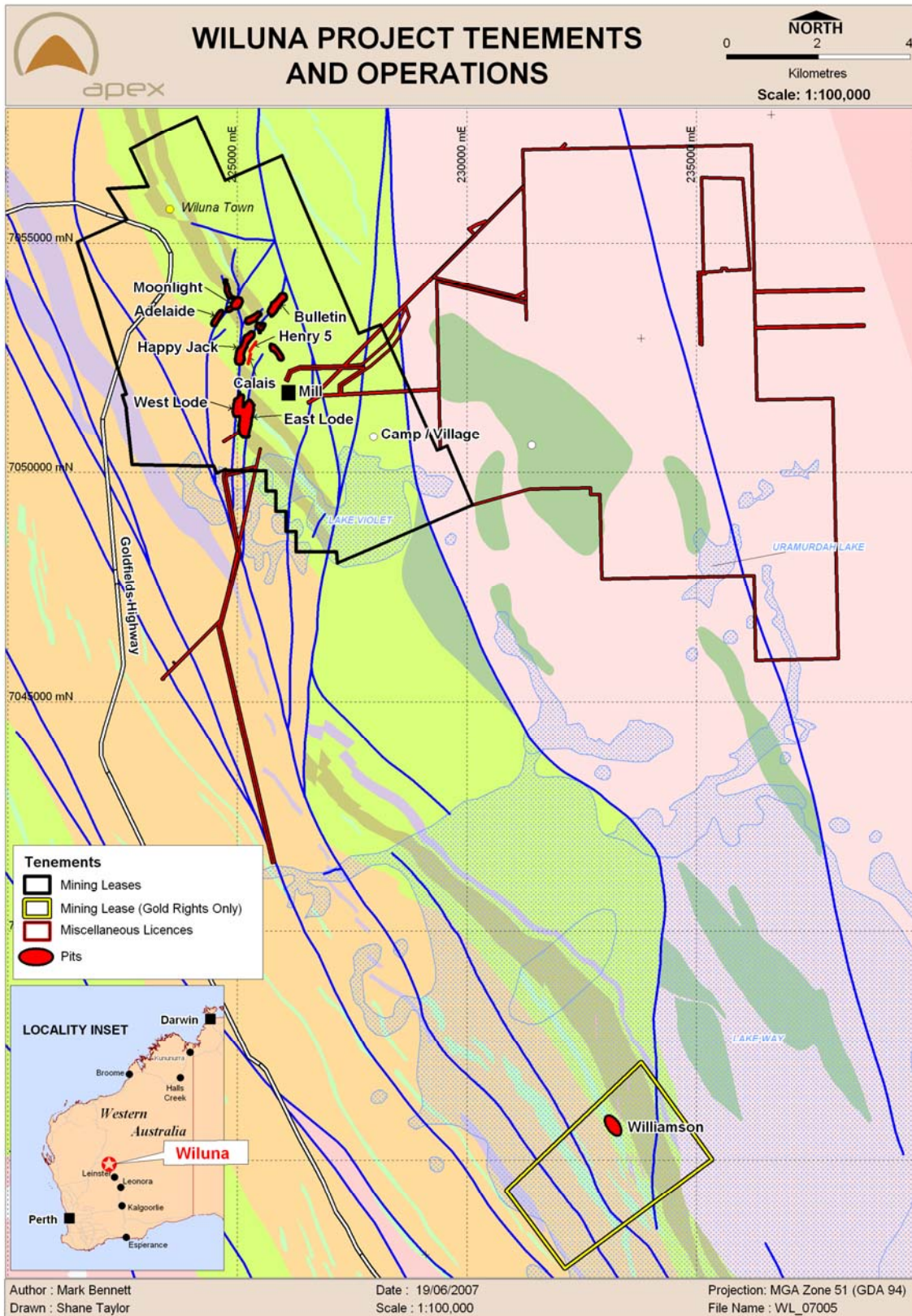


Figure 3. Wiluna composite long projection showing development, resources and targets on East Lode and West Lode.

