



ASX/MEDIA ANNOUNCEMENT

10<sup>th</sup> September 2007

## EXPLORATION UPDATE

### CONTINUED DRILLING SUCCESS AT GOLD PROJECTS, AND NEW EM TARGETS AT LAWLERS NICKEL JV

Apex Minerals NL (ASX:AXM) is pleased to announce further positive results from drilling at its Wiluna, Gidgee and Aphrodite gold projects in the Eastern Goldfields region of Western Australia where exploration, extension and infill drilling is progressing on a number of fronts. In addition, several conductors have been identified in the first phase of electromagnetic (EM) geophysics at the Lawlers Nickel JV.

#### Wiluna Gold Mine

At Wiluna, underground diamond drilling is continuing, and assays received to date continue to confirm the potential of the project (Tables 1 & 2, and Figs. 1 & 2). Assay results are now expected on a regular basis after a four week delay due to the closure of the site laboratory and the redirection of drilling samples to a commercial laboratory. Better intersections include:

Burgundy (*formerly known as Calais South 50 Lens*):

- **16.4m @ 8.1g/t gold** (est. 11.6m true width), including **7.5m @ 12.2g/t gold** (est. 5.2m true width) in CADH616, some 100m north and down plunge of previously reported hole CADH612 (9.0m t/w @ 10.2g/t gold);
- **8.9m @ 5.1g/t gold** (est. 6.3m true width) in CADH618, approximately 70m down dip of CADH616 reported above;
- These three holes (CADH616, CADH612 & CADH618) span a plunge extent of over 200m.

Henry5 North (100 Lens):

- **12.0m @ 7.7g/t gold** (est. 6.0m true width) in WDH1134, some 90m down plunge of previously reported hole WDH1129 (10.0m t/w @ 4.7g/t gold);
- **17.6m @ 6.0g/t gold** (est. 12.6m true width), and **4.0m @ 6.4g/t gold** (est. 2.4m true width) in WDH1123, some 55m up dip of previously reported hole WDH1127A (8.6m t/w @ 18.7g/t gold);
- These four holes (WDH1134, WDJ1129, WDH1123 & WDH1127A) span a dip extent of over 200m.

This drill program is extending and infilling the new Burgundy and Henry5 North zones while extensional and resource infill drilling has commenced on the Henry5 zone with the dual aim of upgrading this from

Inferred to Indicated Resource status and extending the mineralisation down plunge. To facilitate this, a fourth rig has commenced work, and a fifth rig is scheduled to commence in early October.

### **Gidgee Gold Mine**

At Gidgee, six diamond holes have been drilled on the Wilsons 1 and Wilsons 3 shoots with the objective of obtaining additional information for resource estimation purposes, extending the known limits of the mineralisation and providing samples for metallurgical test work.

At the Wilsons 3 shoot, five diamond holes have been drilled and to date results have been received for three of these (Table 3). The best result comprises:

- 4.25m @ 22.7g/t gold (est. 4.0m true width) from 153.95m in AGDD13.

This intersection is an infill hole which confirms the width and internal continuity of the Wilsons 3 shoot in the area tested and is of higher grade than that encountered in previous drilling. The other holes are interpreted to have defined the apparent down plunge termination of mineralisation, which may be truncated (and perhaps displaced) by a fault (Figures 3 & 4).

At the Wilsons 1 shoot, one diamond hole has been completed to date and results are awaited. Drilling is currently focussing on infilling previous drilling and testing for extensions of the Wilsons 2 and 3 shoots. The number of surface rigs will be increased from one to three by mid-September to expedite this process.

### **Aphrodite Gold Project**

At Aphrodite, a diamond hole drilled on the Alpha lode, some 50m beneath the deepest previous holes, intersected mineralisation where expected (Table 4, Figure 5), as follows:

- 7.0m @ 6.1g/t gold (est. 2.5m true width) from 526m in AAPD3.

This intersection confirms that mineralisation persists at this depth, albeit as a narrower zone where tested. It is situated 60m from previously reported hole SCRC164D (11.0m @ 9.3g/t - est. 6.7m true width) and 110m from previously reported hole SCRC165D (21.0m @ 7.9g/t - est. 9.1m true width).

Recently reported drilling on the Phi lodes has led to a reinterpretation of the mineralised zones, with three separate mineralised surfaces being defined. Of these, the Phi 15 Lode appears to have the most consistent high grades and widths (Figures 6 & 7). An initial Inferred Resource estimate will be announced during the December quarter. A major resource drilling program is scheduled to commence on the Phi lodes late in 2007 with the aim of upgrading this to an Indicated Resource early in 2008.

### **Youanmi Gold Mine**

At Youanmi, a deep diamond drilling program will commence in mid-September to infill drill the Youanmi Deeps Inferred Resource with the aim of establishing an Indicated Resource in the March 2008 Quarter.

### **Lawlers Nickel JV**

At the Lawlers Nickel JV, the first phase of ground electromagnetic (EM) geophysical surveying covering one third of the prospective area has identified three distinct EM targets and several additional anomalies that require additional EM (Figure 8). The EM targets occur on or close to the interpreted prospective (basal) contact of the ultramafic stratigraphy and two of the three targets coincide with areas of favourable multi-element geochemical anomalies defined in both soils and previous drilling. A reverse circulation (RC) drilling program will commence in late September 2007.

## Comment

Commenting on the results, Apex's Exploration Director, Dr. Mark Bennett, said: "The drilling at Wiluna, and in particular at the Burgundy and Henry5 North lenses, reaffirms our view that Wiluna is a quality asset with considerable scope to rapidly increase the known gold resources."

"Apex has a \$20 million exploration and resource definition drilling program underway and has secured additional surface and underground drill rigs to expedite this. We will soon have eleven drill rigs working on our projects and importantly, we have been able to overcome the skills shortage and recruit several additional geologists to support these programs" he added.

Apex will continue to provide further updates on progress as results come to hand.



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The information in this report that relates to Exploration Results is based on information compiled by Dr. Mark Bennett and Mr. Andrew Thompson, who are employees of the company. Dr. Bennett and Mr. Thompson are Members of the Australasian Institute of Mining and Metallurgy and have 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 Persons 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 and Mr. Thompson consent to the inclusion in this report of the matters based on information in the form and context in which it appears.

Reverse circulation (RC) drilling results are obtained from meter samples collected via a three stage splitter, and diamond drill hole results are obtained from half NQ core or quarter HQ core. All samples are prepared at Genalysis Laboratory Services' Kalgoorlie facility using a single stage pulverisation, and assayed at Genalysis Laboratory Services' Perth laboratory using 50g lead collection fire assay digest and atomic absorption spectrometry (AAS) analysis techniques. Full quality control is achieved using a suite of certified standards, laboratory standards, duplicates, repeats, blanks and grind size analysis.

Drill intercepts are defined using a combination of geological criteria and an arbitrary 1g/t lower cutoff. No top cut is applied until the resource estimation stage. Intersections comprising multiple samples of variable length are length weighted, but not weighted for relative density (SG), as density differences are minor.

The spatial location of samples from surface holes is derived using a combination of surveyed grid co-ordinates and 3D differential GPS collar survey pickups, and Reflex single shot and gyro downhole surveys. The spatial location of samples from underground holes is derived using surveyed rig setups and Reflex multi-shot downhole surveys.

**Table 1. New drilling results – Wiluna East Lode 50 Lens (Calais Lens 50, Burgundy & Henry5 F/W).**

Hole Id	From	To	Lens	Downhole Length	True Width	Grade g/t Au	Location
CADH00616	194.6	211	Burgundy	16.4	11.6	8.1	100m down plunge of CADH612 (9.0m t/w @ 10.2g/t gold)
<i>Including</i>	<i>203.5</i>	<i>211</i>		<i>7.5</i>	<i>5.2</i>	<i>12.2</i>	
CADH00618	257.6	266.5	Burgundy	8.9	6.3	5.1	70m down dip from CADH616
CADH00635	260.8	265.5	Burgundy	4.7	2.3	5.8	Southern edge of mineralisation
CADH00636	330.3	335.0	Burgundy	4.7	2.3	1.1	South of Burgundy mineralisation
CADH00638	267	270	Burgundy	3.0	1.5	5.5	Southern edge of mineralisation
CADH00640	291.6	292.8	Burgundy	1.2	0.6	3.8	Southern edge of mineralisation

**Table 2. New drilling results – Wiluna East Lode 100 Lens (Calais Lens 100, Henry5 & Henry5 North).**

Hole Id	From	To	Lens	Downhole Length	True Width	Grade g/t Au	Location
WDH01123	283	300.6	Henry5 North	17.6	12.6	6.0	55m up dip of WDH1127A (8.6m t/w @ 18.7g/t gold)
and	304.8	308.8		4.0	2.4	6.4	Additional footwall zone
WDH01130	392	395	Henry5 North	3	1.7	2.2	40m south of WDH1129 (10.0m t/w @ 4.7g/t gold)
WDH01134	437	449	Henry5 North	12	6.0	7.7	70m down dip WDH1129 and 70m south of WDH567 (4.0m t/w @ 22.4g/t gold)

**Table 3. New drilling results – Gidgee.**

Hole Id	Northing	Easting	Azim	Dip	From	To	Lens	Downhole Length	True Width	Grade g/t Au	Location
AGDD0011	7051	10343	087	-60	240.75	242.3	Wilsons 3 shoot	N/A	N/A	NSI	Down plunge of Wilsons 3 shoot
AGDD0012	7069	10298	085	-63	308.75	311.0	Wilsons 3 shoot	N/A	N/A	NSI	Down plunge of Wilsons 3 shoot
AGDD0013	7021	10458	089	-60	153.95	158.2	Wilsons 3 Shoot	4.25	4.0	22.7	Infill to known mineralisation

**Table 4. New drilling results – Aphrodite.**

Hole Id	Northing	Easting	Azim	Dip	From	To	Lens	Downhole Length	True Width	Grade g/t Au	Location
AAPD3	6659858	329545	270	-60	526.0	535.7	Alpha lode	7.0	2.5	6.1	60m from nearest hole

Figure 1. Long projection of the 50 Surface at Wiluna, showing new drilling intercepts.

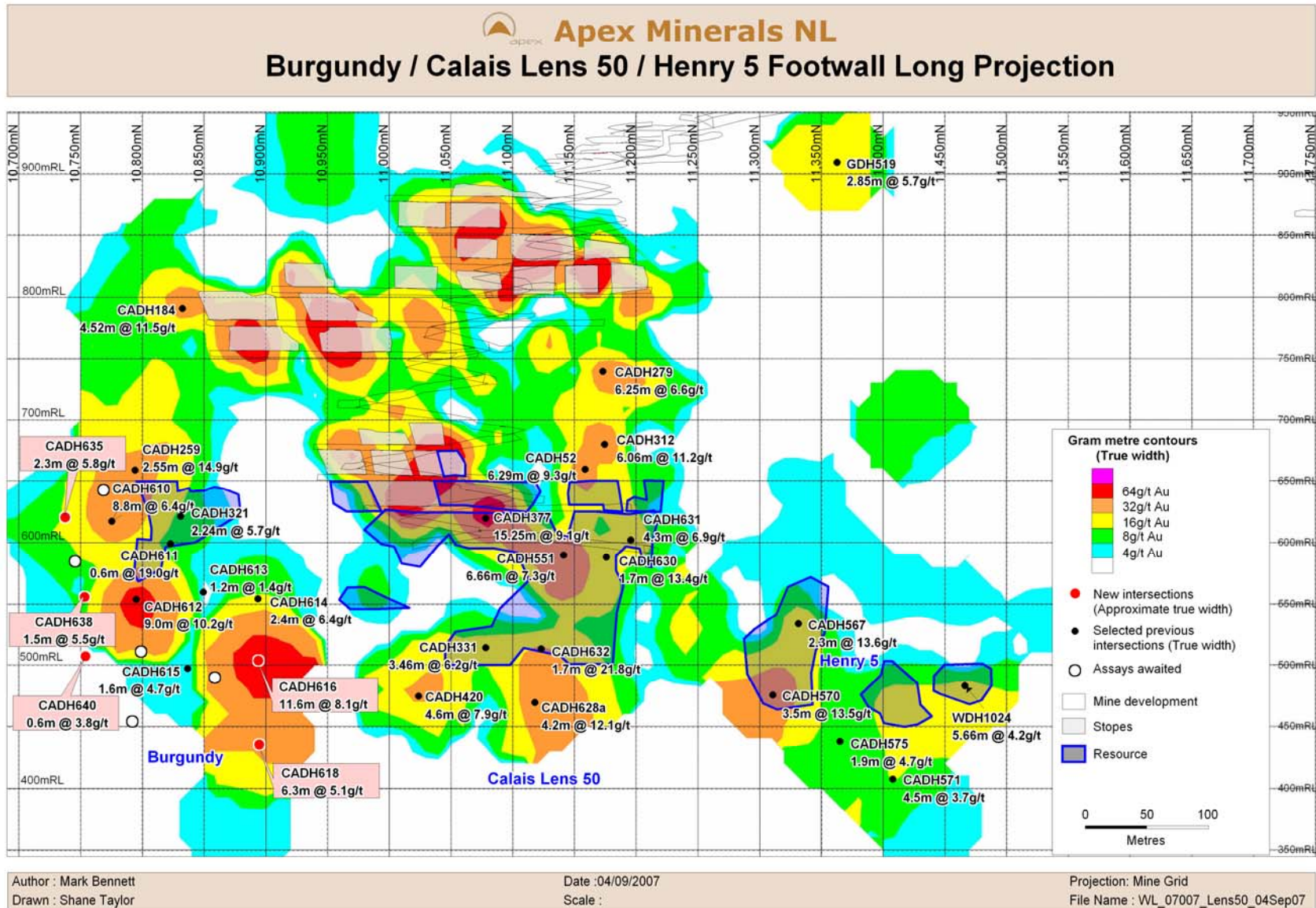


Figure 2. Long projection of the 100 Surface at Wiluna, showing new drilling intercepts.

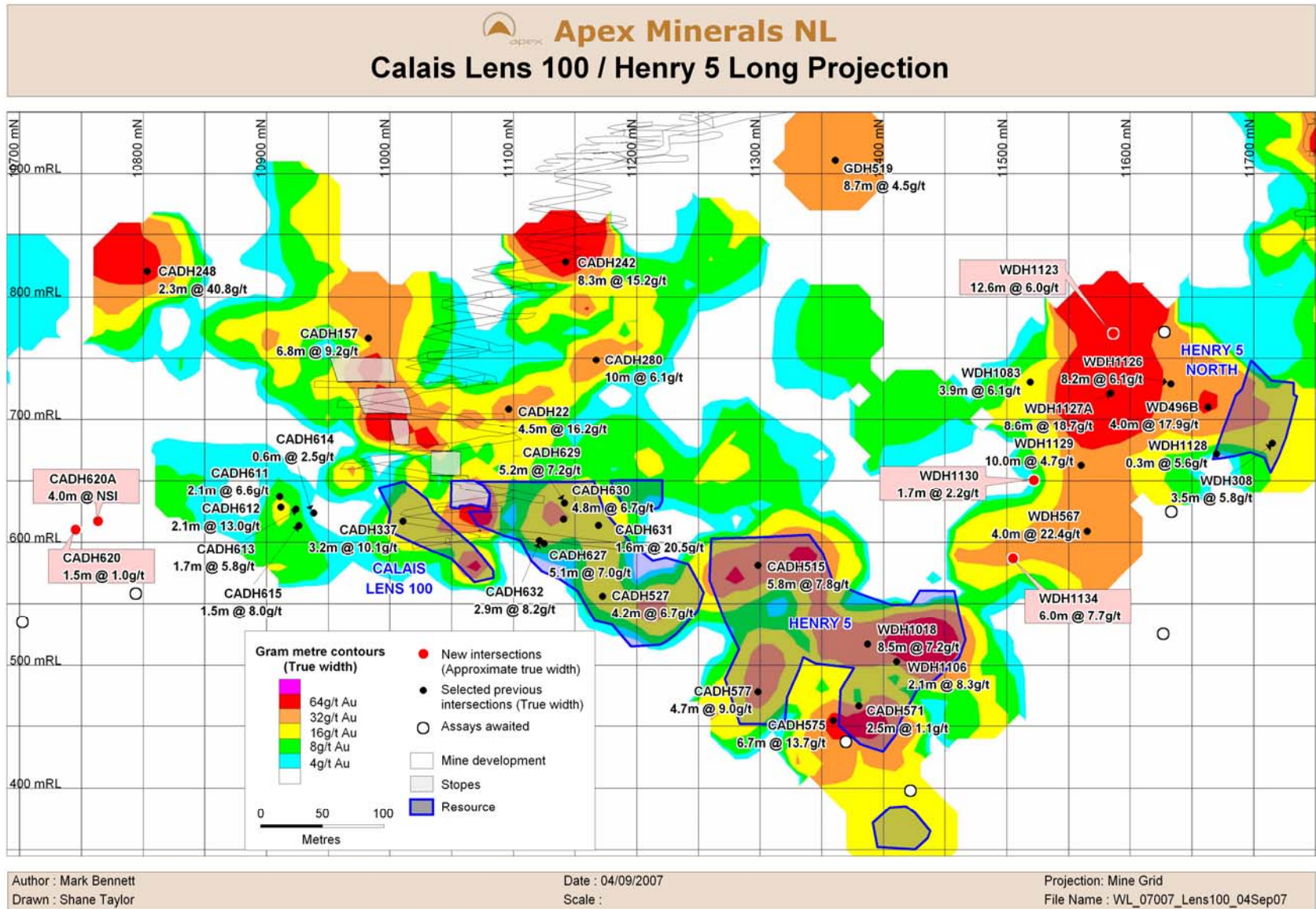


Figure 3. Long projection of the Wilsons deposit at Gidgee, showing new drilling intercepts.

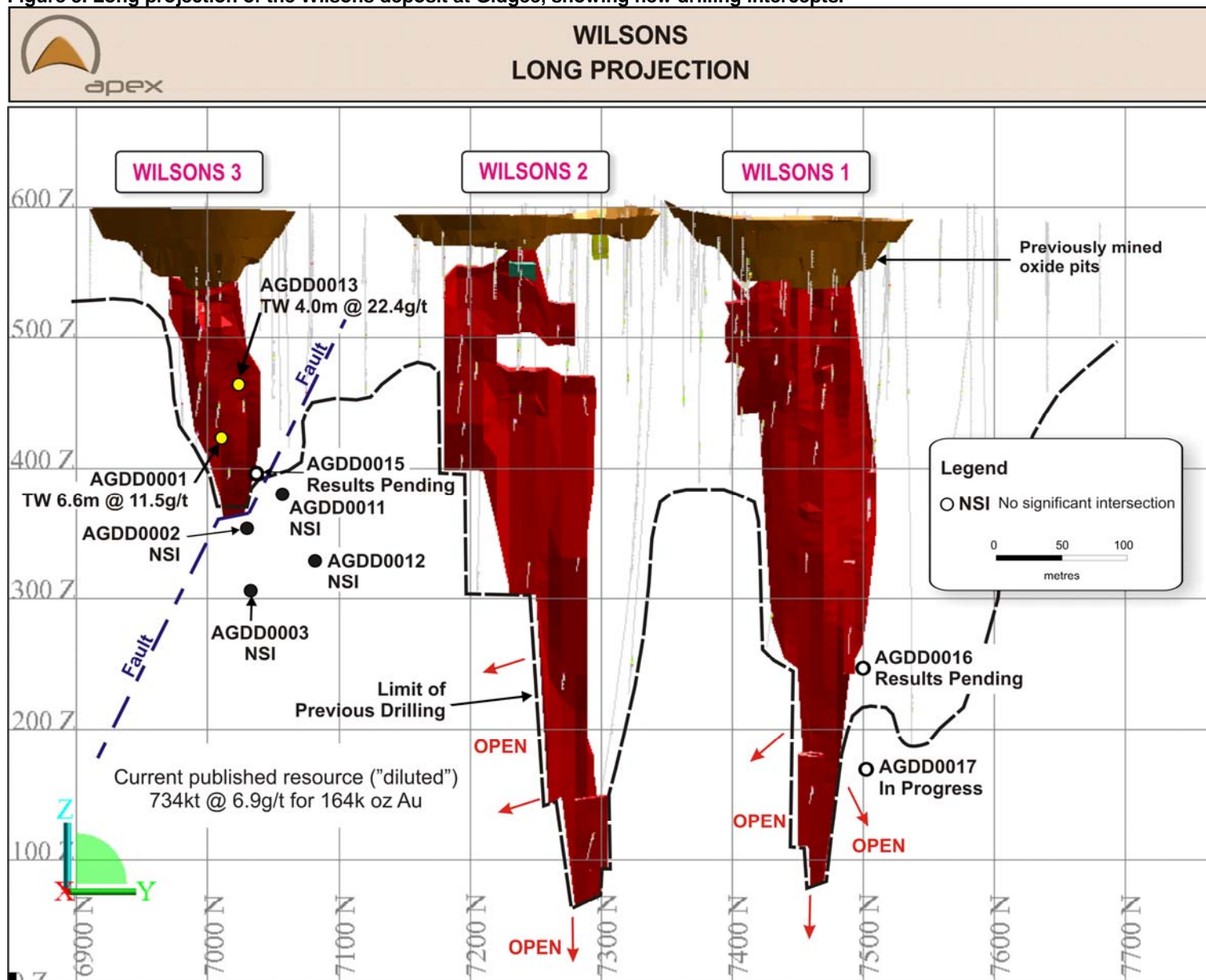


Figure 4. Cross section of the Wilsons 3 shoot at Gidgee, showing new drilling intercepts.

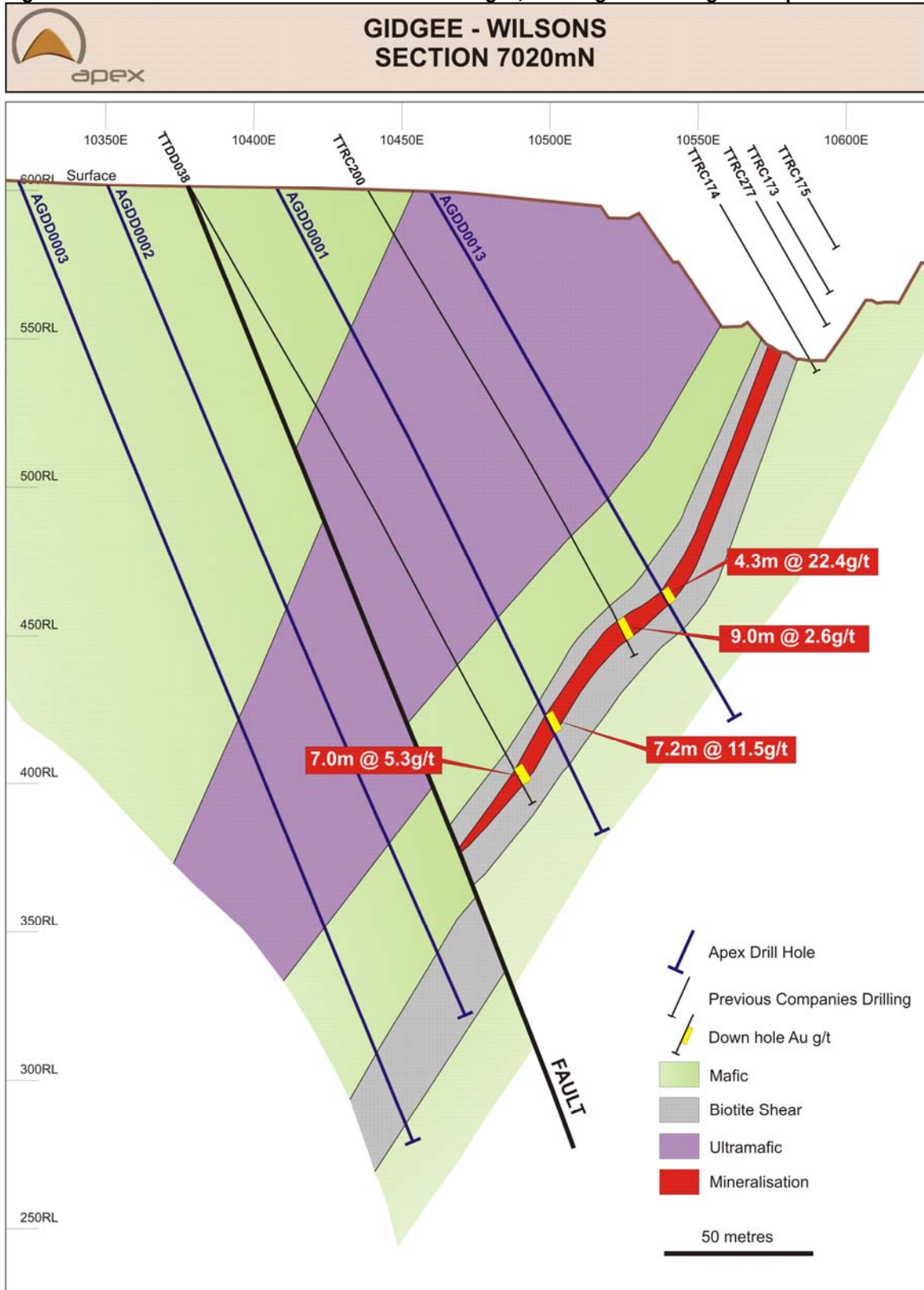




Figure 6. Long projection of the Phi 15 Lode at Aphrodite, showing new drilling intercepts.

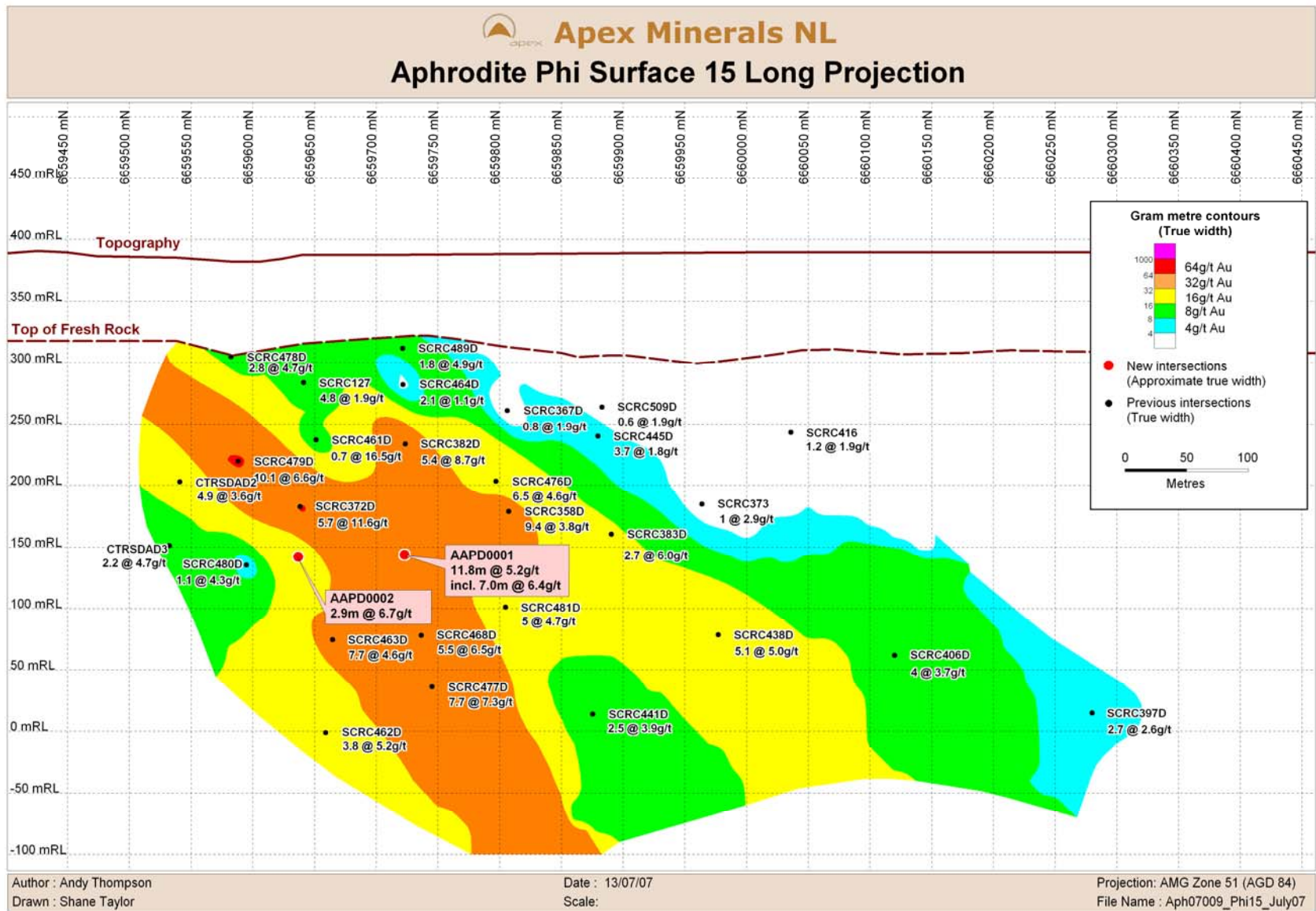


Figure 7. Cross sections of the Phi lodes at Aphrodite, showing all drilling intercepts.

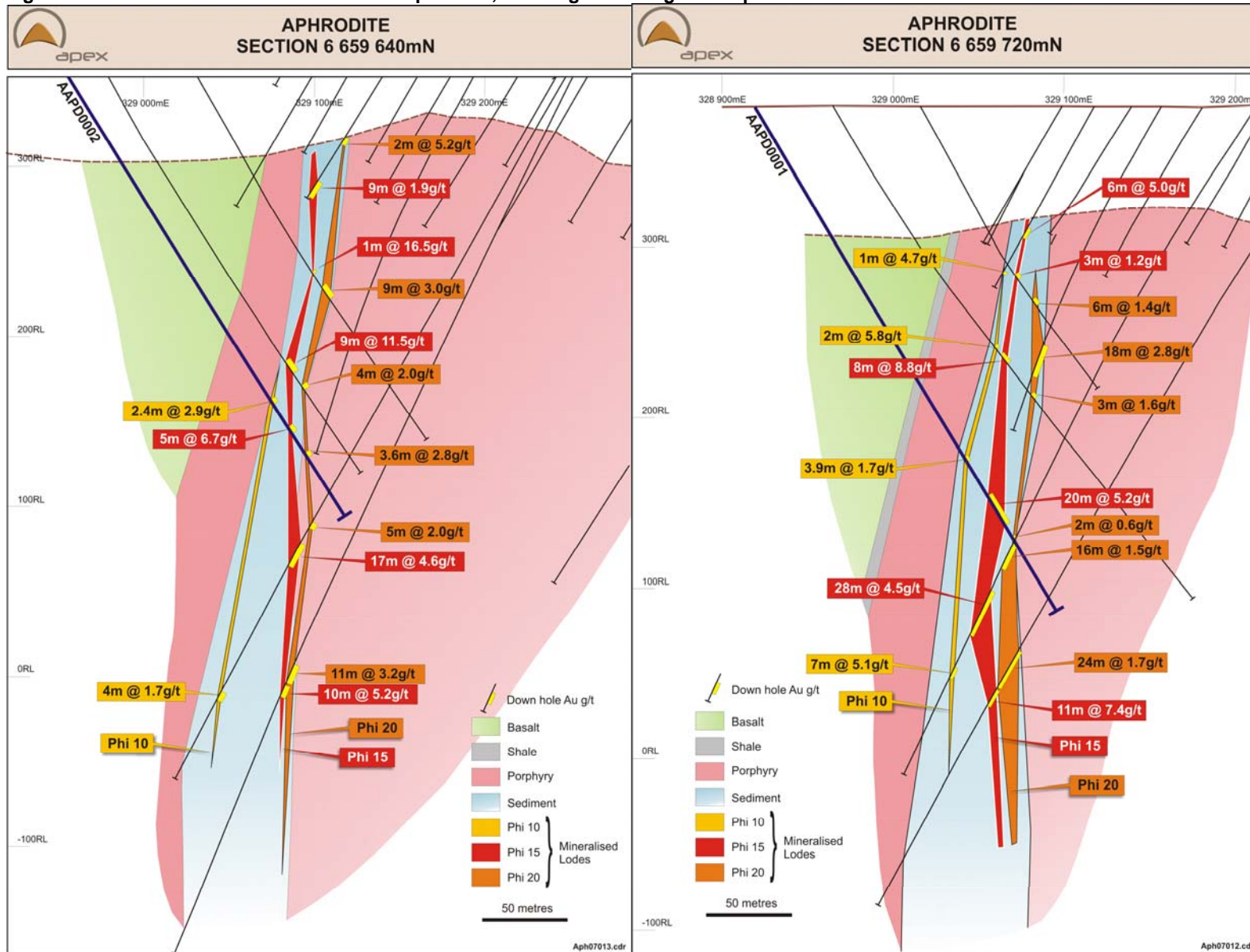


Figure 8. Electromagnetic (EM) targets and survey coverage at Lawlers Nickel JV.

