

APEX MINERALS NL

ACN 098 612 974

NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

EXPLANATORY STATEMENT

Date of Meeting

Tuesday, 24 November 2009

Time of Meeting

10.00am

Place of Meeting

Freshwater Bay Room

Hyatt Regency Perth

99 Adelaide Terrace

Perth WA 6000

This Notice of Meeting and Explanatory Statement should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF APEX MINERALS NL ACN 098 612 974 ("Apex" or "the Company") WILL BE HELD AT THE FRESHWATER BAY ROOM, HYATT REGENCY PERTH, 99 ADELAIDE TERRACE, PERTH, WESTERN AUSTRALIA ON TUESDAY, 24 NOVEMBER 2009 AT 10.00AM (WST).

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered at the Annual General Meeting. Shareholders should read the Explanatory Statement accompanying this Notice of Meeting before deciding how to vote.

AGENDA

1. **Financial Reports**

To receive and consider the annual financial statements of the Company for the year ended 30 June 2009, together with the Directors' report and the auditor's report in accordance with the Corporations Act 2001 (Cth).

2. **Resolution 1 - Adoption of Remuneration Report**

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:-

"That, for the purposes of section 250R(2) of the Corporations Act 2001, the remuneration report forming part of the Company's 2009 Annual Report be adopted."

2. **Resolution 2 - Re-election of Mr Kim Robinson as a Director**

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:-

"That, Mr Kim Robinson, having been appointed as a Director and who, in accordance with section 14 of the Constitution of the Company retires at the end of this meeting and who, being eligible to be re-elected as a Director of the Company, and having consented to act, be, and is, hereby re-elected as a Director of the Company."

3. **Resolution 3 - Re-election of Mr Stephen Lowe as a Director**

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:-

"That, Mr Stephen Lowe, having been appointed as a Director and who, in accordance with section 14 of the Constitution of the Company retires at the end of this meeting and who, being eligible to be re-elected as a Director of the Company, and having consented to act, be, and is, hereby re-elected as a Director of the Company."

4. **Resolution 4 - Grant of Options to Mr Kim Robinson**

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:-

"That, for the purpose of ASX Listing Rule 10.11 and all other purposes, the Directors be authorised to grant Mr Kim Robinson or his nominee 1,487,600 Options to subscribe for Shares in the Company on the terms set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by Mr Kim Robinson or an associate of Mr Kim Robinson. However, the Company need not disregard a vote if it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form);
or
- by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

6. **Resolution 5 - Ratification of Previous Share Placement**

To consider and, if thought fit, pass with or without amendment, the following resolution as an **ordinary resolution**:-

*"That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the allotment and issue of 69,426,556 Shares at \$0.20 cents each to institutional and sophisticated investors ("**Placement Shares**"), for the purposes and on the terms set out in the Explanatory Statement."*

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 5 by any person who participated in the placement or any of their associates, unless it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form);
or
- by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

7. **Resolution 6 - Approval of Employee Share Option Plan**

To consider and, if thought fit, pass the following resolution as an **ordinary resolution**:-

"That, for the purposes of Listing Rule 7.2 (Exception 9) and for all other purposes, approval is given for the continued operation of the Company's Employee Share Option Plan ("ESOP"), as described in the Explanatory Statement, and that the grant of options from time to time under the ESOP remain an exception to Listing Rule 7.1."

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 6 by any person who participated in the issue or any of their associates, unless it is cast:

- by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

BY ORDER OF THE BOARD

Dated Thursday 22nd October 2009



Anna Neuling
Company Secretary

PROXY

In accordance with section 249L(1)(d) of the Corporations Act 2001, Shareholders are advised:

- Each Shareholder has a right to appoint a proxy.
- The proxy need not be a Shareholder of the Company.
- A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one half of the votes.

In accordance with section 250BA of the Corporations Act 2001, the Company specifies the following for the purposes of receipt of proxy appointments:

Apex Minerals NL
First Floor
10 Ord Street
West Perth WA 6005

Postal Address:
PO Box 682
West Perth WA 6872

Facsimile Number: +61 8 6311 5556

Each Shareholder entitled to vote at the Annual General Meeting has the right to appoint a proxy to vote on each resolution. The Shareholder may specify the way in which the appointed proxy is to vote on a particular resolution or may allow the appointed proxy to vote at its discretion. The instrument appointing the proxy must be received by the Company as provided in its Constitution not later than 48 hours before the time of the commencement of the Annual General Meeting.

For the purposes of Regulation 7.11.37 of the Corporations Regulations the Company determines that Shareholders holding ordinary Shares at 5.00 pm, Friday 20 November 2009 will be entitled to attend and vote at the Annual General Meeting.

A Proxy Form accompanies this Notice of Meeting.

BODIES CORPORATE

A body corporate may appoint an individual as its representative to exercise all or any of the powers the body corporate may exercise at meetings of the Shareholders. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise on the body corporate's behalf all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

REQUIRED MAJORITIES

Resolutions 1 to 6 are ordinary resolutions and will be passed only if supported by a majority of the votes cast by Shareholders entitled to vote on the Resolutions.

INCORPORATION OF EXPLANATORY STATEMENT

The Explanatory Statement to Shareholders attached to this Notice of Annual General Meeting, is hereby incorporated into and forms part of this Notice of Annual General Meeting.

APEX MINERALS NL
ACN 098 612 974

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders of Apex Minerals NL ("Apex" or "the Company") in connection with the business to be conducted at the Annual General Meeting to be held at the Freshwater Bay Room, Hyatt Regency Perth, 99 Adelaide Terrace, Perth, Western Australia on Tuesday, 24 November 2009 at 10.00am (WST).

This Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

This Explanatory Statement should be read in conjunction with the accompanying Notice of Annual General Meeting.

FINANCIAL REPORTS

Section 317 of the Corporations Act requires the Company's financial statements and reports of the Directors' and of the auditor for the year ended 30 June 2009 to be laid before the Annual General Meeting. The financial statements and the reports of the Directors' and of the Company's auditor are contained in the Company's 2009 Annual Report, a copy of which has been sent to Shareholders with this Explanatory Statement and the accompanying Notice of Meeting, and is also available on request to the Company.

While no resolution is required in relation to this item, Shareholders should consider the documents and raise any matters of interest with the Directors when this item is being considered.

The Company's auditor will also be present at the meeting and Shareholders will have an opportunity to ask the external auditor questions in relation to the conduct of the audit, the auditor's report and the independence of the auditor.

RESOLUTIONS

Resolution 1 – Adoption of Remuneration Report

The Remuneration Report which details the Company's policy on the remuneration of non-executive directors and executive directors is set out within the Directors' Report of the Company's 2009 Annual Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. The vote on the resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is required to be considered for adoption in accordance with section 250R(2) of the Corporations Act.

Resolution 2 – To Re-elect Mr Kim Robinson as a Director

Resolution 2 seeks approval of Shareholders to the re-election of Mr Kim Robinson as a Director.

The Constitution of the Company provides that at every Annual General Meeting one-third of the Directors of the Company (other than a Managing Director or Alternative Director), or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office and shall be eligible for re-election. A Director's retirement is effective at the end of the relevant Annual General Meeting.

Mr Kim Robinson therefore retires effective at the end of the Annual General Meeting in accordance with the Constitution, and being eligible, has offered himself for re-election.

Mr Kim Robinson is a founding Director of the Company with over 25 years experience in the minerals exploration and mining industries. Kim Robinson has been involved in a number of successful mine developments in Western Australia including the Bounty Gold Mine, the Mt McClure Gold Mine, the Cosmos Nickel Mine and the discovery of the Emily Anna and Maggie Hays Nickel deposits.

The Board of Directors, with Mr Kim Robinson abstaining, recommends that Shareholders vote to approve this Resolution.

Resolution 3 – To Re-elect Mr Stephen Lowe as a Director

Resolution 3 seeks approval of Shareholders to the re-election of Mr Stephen Lowe as a Director.

The Constitution of the Company provides that at every Annual General Meeting one-third of the Directors of the Company (other than a Managing Director or Alternative Director), or if their number is not a multiple of three then the number nearest to but not exceeding one-third shall retire from office and shall be eligible for re-election. A Director's retirement is effective at the end of the relevant Annual General Meeting.

Mr Stephen Lowe therefore retires effective at the end of the Annual General Meeting in accordance with the Constitution, and being eligible, has offered himself for re-election.

Mr Stephen Lowe is a taxation specialist with over 15 years experience consulting to a wide range of corporate and private clients on a broad range of taxation issues. He is a director of the Perth based specialist taxation firm MKT - Taxation advisors and has been a director of several other public listed companies. His qualifications include a Bachelor of Business, Post-Graduate Diploma in Advanced Taxation and a Master of Taxation from the University of New South Wales. He is a Fellow of the Taxation Institute of Australia and a Member of the Australian Institute of Company Directors.

The Board of Directors, with Mr Stephen Lowe abstaining, recommends that Shareholders vote to approve this Resolution.

Resolution 4 – Grant of Options to Mr Kim Robinson

Resolution 4 seeks Shareholder approval for the Company to grant 1,487,600 Options to Mr Kim Robinson.

Shareholder approval for the grant of the Options, the subject of Resolution 4, is sought for the purposes of Listing Rule 10.11 which requires the grant of securities to a director of a company be approved by shareholders. Shareholder approval is not sought under Division 3 of Part 2E.1 of the Corporations Act (which governs the giving of financial benefits to “related parties”, e.g. directors of a company) as the Board of the Company considers that the issue of the Options to Mr Kim Robinson is on arm’s length terms in accordance with section 210 of the Corporations Act as it forms part of the arrangements made in common with all other Noteholders in relation to the restructuring of the Senior Secured Notes due in 2011 (“Notes”).

If approval for the grant of the Options to Mr Kim Robinson is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

The Options are being issued to Mr Kim Robinson pursuant to the terms of the Noteholders Restructuring Agreement dated 21 September 2009 entered into by the Company with each of the Noteholders. Mr Kim Robinson, a Director and the Chairman of the Company, is the holder of 4 Notes with a face value of \$2 million and is a party to the Noteholders Restructuring Agreement.

Under the Noteholders Restructure Agreement:

- (a) The Company agrees to purchase all Notes held by each Noteholder for a purchase price consisting of:
 - (i) \$440,000 per Note which is a discount of 12% of the \$500,000 face value of each Note; and
 - (ii) the issue of 371,900 Options per Note (being a total of 44,999,900 Options).
- (b) Mr Robinson will therefore receive \$1,760,000 and 1,487,600 Options in consideration of the purchase of the 4 Notes held by Mr Robinson which have an aggregate face value of \$2 million.
- (c) Completion of the purchase of the Notes is to take place on completion of the Rights Issue subject to the successful completion of the Rights Issue.
- (d) Each of the Noteholders, including Mr Robinson, has agreed to sub underwrite the Rights Issue up to an amount being 56% of the cash purchase price to be received from Apex as consideration for the purchase of the Notes. Any subscription amounts owing to Apex in relation to such sub underwriting may be set off against the amount owing by Apex for the purchase of the Notes. As such, Mr Robinson has agreed to sub-underwrite the Rights Issue up to an amount of \$985,600. No sub-underwriting fee is payable to Mr Robinson in relation to this sub-underwriting.
- (e) The sub underwriting is on the same terms as other sub underwriters of the Rights Issue.
- (f) Usual representations and warranties are made by the parties to the Noteholders Restructure Agreement.

Mr Robinson has also entered into additional sub-underwriting arrangements with the Underwriter of the Rights Issue on the same terms as other sub-underwriters for an additional sub-underwritten amount of \$450,000. Mr Robinson will receive sub-underwriting fees of \$18,000 in respect of these additional sub-underwriting arrangements. These fees may be offset against monies that would otherwise be payable by Apex to repurchase the Notes from Mr Robinson pursuant to the Noteholders Restructuring Agreement.

In accordance with the requirements of Listing Rule 10.13, the following information is provided to Shareholders to allow them to assess the proposed grant of Options:

- (a) The person to whom the Options will be issued is Mr Kim Robinson or his nominee.
- (b) The maximum number of options to be issued to Mr Kim Robinson is 44,999,900, entitling Mr Kim Robinson or his nominee to subscribe for 44,999,900 Shares in aggregate.
- (c) The Options will be issued within one month of obtaining Shareholder approval.
- (d) Mr Kim Robinson is a Director of the Company.
- (e) If Shareholder approval is obtained, the Options will be exercisable at \$0.06 cents and issued on the terms and conditions set out in Annexure “A”.
- (f) Funds which may be raised on the exercise of the Options will be used for general working capital.

Mr Kim Robinson has a material personal interest in the outcome of Resolution 4 and therefore declines to make any comment as to how Shareholders should vote in relation to Resolution 4. The rest of the Board (who have no interest in the outcome of Resolution 4) recommend that Shareholders vote in favour of Resolution 4.

Resolution 5 – Ratification of Previous Share Placement

Resolution 5 seeks the ratification of the issue of the Placement Shares which took place on 22 May 2009. The issue of the Placement Shares did not require the prior approval of Shareholders as it was made in accordance with the 15% limit allowed under Listing Rule 7.1.

Listing Rule 7.1 allows a company to issue securities without the prior approval of its Shareholders if the securities will not, in themselves or when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 allows issues of securities to be subsequently ratified and thereby reinstate the ability of the company to issue up to 15% of its issued share capital under Listing Rule 7.1. Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 (as is the case with the Placement Shares) is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

In accordance with Listing Rule 7.4, the Company seeks from Shareholders, approval for the issue of the Placement Shares so as to enable it to issue up to 15% of its share capital within the next 12 months if so required.

Outlined below is the information required to be provided to Shareholders pursuant to Listing Rule 7.5 for the purpose of obtaining Shareholder approval under Listing Rule 7.4:

- (a) the number of securities which were allotted was 69,426,556 Shares;
- (b) the Shares were issued at \$0.20 cents each;
- (c) the Shares have been issued to a range of institutional and sophisticated investors as determined by the managers of the placement;
- (d) the Shares rank pari passu with existing Shares on issue;
- (e) the funds were used to meet the Company's financial obligations stemming from the slower than expected ramp up of gold production in the March 2009 Quarter at its Wiluna Gold Operations; and
- (f) the Company will disregard any votes cast on this resolution by any person who participated in the issue and any of their associates.

The Board believes that the ratification of this issue is beneficial for the Company. The Board recommends Shareholders vote in favour of this Resolution as it allows the Company to ratify the above issue of Shares and retain the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months.

Resolution 6 – Approval of Employee Share Option Plan (“ESOP”)

In accordance with Exception 9 of Listing Rule 7.2, the Directors hereby submit the Company's ESOP to the Shareholders to approve its continued operation and the issue of securities from time to time under the ESOP as an exception to Listing Rule 7.1. The ESOP rules are attached to this Explanation Statement as Annexure “B”.

18,106,000 employee options have been issued under the ESOP since it was last approved at a General Meeting of Shareholders on 22 June 2006. The Board believes that the ESOP continues to form an effective means of rewarding past contributions and providing an incentive for future performance. Accordingly, the Directors (none of whom participate in the ESOP) recommend that Shareholders vote in favour of this Resolution.

Definitions

Apex or Company means Apex Minerals NL ACN 098 612 974.

Board means the board of directors of the Company.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Listing Rules means the Listing Rules of ASX Limited.

Option means an option to subscribe for one (1) Share in the Company.

Rights Issue means the fully underwritten renounceable rights issue of approximately 2,714 million new Shares to raise approximately \$108.6 million announced by the Company on 25 September 2009.

Shares means the fully paid ordinary shares of the Company.

Shareholder means a registered member of the Company.

ANNEXURE A

Terms and conditions of Options

The Options will entitle the holders to subscribe for fully paid ordinary shares in the Company on the following terms:

- (a) Each Option entitles the holder (**Optionholder**) to subscribe for one fully paid ordinary Share in the Company.
- (b) The exercise price of each Option is \$0.06 (**Exercise Price**).
- (c) The Options may be exercised at any time until the date three years from the date of issue. Each Option may be exercised by forwarding to the Company, at its registered office, the exercise notice, duly completed, together with payment of the Exercise Price.
- (d) The Options will lapse on the date three years from the date of issue (**Expiry Date**).
- (e) The Options are transferable, subject to any restrictions that may be imposed by ASX. An application will be made to ASX for official quotation of the Options.
- (f) Shares will be allotted and issued pursuant to the exercise of Options not more than 10 business days after receipt of a properly executed notice of exercise and payment of the requisite application moneys.
- (g) Shares issued upon exercise of the Options will rank pari passu in all respects with the Company's Shares. The Company will apply for official quotation by ASX of all Shares issued upon the exercise of Options within 3 business days after the date of allotment of those Shares.
- (h) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered or made to the Shareholders during the currency of the Options. However, the Company will send a notice to each Optionholder at least 10 business days before the record date for any proposed issue of capital. This will give the Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (i) In the event of any reorganisation of the issued capital of the Company on or prior to the Expiry Date, the rights of an Optionholder will be changed to the extent necessary to comply with the applicable Listing Rules at the time of the reorganisation.
- (j) The Company will, at least 20 business days before the Expiry Date, send notices to the Optionholders stating the name of the Optionholder, the number of Options held, the number of Shares to be issued on exercise of the Options, the exercise price, the due date for payment of the exercise price, and the consequences of non-payment.

ANNEXURE B

APEX MINERALS NL'S EMPLOYEE SHARE OPTION PLAN

EMPLOYEE SHARE OPTION PLAN RULES

APEX MINERALS NL
ABN 22 098 612 974

Level Two Fortescue House
50 Kings Park Road
West Perth WA 6005
Australia

REF: PAL:SF
MATTER: 60505

PO Box 630
West Perth WA 6872
T: (08) 9320 4999
F: (08) 9320 4900
E: info@prllawyers.com.au
www.prllawyers.com.au

CONTENTS

1	Definition and Interpretation	1
	1.1 Definition	1
	1.2 Interpretation	2
2	Grant of Options	3
	2.1 General Eligibility	3
	2.2 Price of Options	3
	2.3 Issue of Options	3
3	Maximum Number of Options	3
	3.1 5% Limit	3
	3.2 Exceptions	4
4	Options Terms	4
	4.1 Essential Terms	4
	4.2 Variation of Terms	4
5	Overriding Restrictions on Issue and Exercise	4
6	Administration of the Plan	5
	6.1 Delegation	5
	6.2 Procedures	5
	6.3 Covenant or exercise of discretion	5
7	Advice	5
	7.1 Adjustment to Number of Shares	5
	7.2 Market and Exercise Price	5
1	Entitlement	6
2	Exercise of Options	6
3	Transfer	8
4	Quotation of Options and Shares	8
5	Future Issues of Shares	8
6	Reconstruction of Capital	9
7	Advice	9
8	Notices	9
9	Right to Accounts	9
10	Assignment of Options	9
11	Company's Rights not Waived	10

12	Governing Law	10
13	Severance	10
14	Amendment of Rules	10
15	Suspension or Termination of the Plan	11
	Form of Notice of Exercise	12

1 DEFINITION AND INTERPRETATION

1.1 Definition

In these Rules, unless the contrary intention appears:

“Associated Body Corporate” means any:

- (a) related body corporate of the Company under Section 50 of the Corporations Act; or
- (b) a body corporate that has voting power in the Company of not less than 20%; and
- (c) a body corporate in which the Company has voting power of not less than 20%.

“ASX” means Australian Stock Exchange Limited.

“Board” means all or some of the Directors of the Company acting as a board.

“Business Day” means any day that is not Saturday, Sunday or public holiday in Western Australia.

“Change of Control Event” means:

- (a) the Company entering into a scheme of arrangement with its creditors or members or any class thereof pursuant to section 411 of the Corporations Act;
- (b) the commencement of a Takeover Period; or
- (c) a person or a group of associated persons having a relevant interest in, subsequent to the adoption of these Rules, sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.

“Company” means Apex Minerals NL Limited ABN 22 098 612 974.

“Essential Terms” means the terms of issue of Options set out in the Schedule.

“Exercise Price” means in relation to a Share to be issued upon exercise of an Option the issue price of that Share as determined in accordance with **clause 1.2** of the Essential Terms.

“Expiry Date” means in relation to an Option the date which is the second anniversary of the Issue Date.

“Issue Date” means the date determined by the Board as the date on which an Option was granted.

“Listing Rules” means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any waiver by ASX.

“Official List” means the Official List of entities that ASX has admitted and not removed.

“Option” means an option issued under this Plan to subscribe for Shares.

“Participant” means a full-time or part-time employee or director of the Company or an Associated Body Corporate, who is invited by the Board to participate in the Plan and is issued Options under the Plan and includes a nominee of the employee or director.

“Plan” means this Employee Share Option Plan as in force and amended from time to time.

“Rules” means these Rules as altered or added to from time to time and a reference to a provision of these Rules is a reference to that provision as altered or added to from time to time, and for the avoidance of doubt, includes the Essential Terms.

“Schedule” means schedule to, and forming part of, these Rules.

“Share” means a fully paid ordinary share in the capital of the Company.

“Takeover Period” in relation to a takeover bid in respect of Shares means the period referred to in section 624 of the Corporations Act, provided that where a takeover bid is publicly announced prior to the service of a bidder’s statement on the Company in relation to that takeover bid, the takeover period shall be deemed to have commenced at the time of that announcement.

1.2 Interpretation

For the purposes of these Rules, unless the contrary intention appears:

- (a) the singular includes the plural and vice-versa;
- (b) words denoting a gender include all genders;
- (c) if a word or phrase is defined cognate words and phrases have corresponding definitions;
- (d) a reference to a related body corporate of the Company is a reference to a body corporate which is so related within the meaning of the Corporations Act;
- (e) a reference to a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements or any of them; and
- (f) any power, authority or discretion vested in the Company or the Board may be exercised at any time and from time to time and unless expressed otherwise, in their absolute discretion.

2 GRANT OF OPTIONS

2.1 General Eligibility

At any time and from time to time, the Board may issue Options to Participants (or to a nominee as the Participant directs) having regard, in each case, to:

- (a) the contribution to the Company which has been made by the Participant;
- (b) the period of employment of the Participant with the Company, including (but not limited to) the years of service by that Participant;
- (c) the potential contribution of the Participant to the Company; and
- (d) any other matters which the Board considers in its absolute discretion, to be relevant.

2.2 Price of Options

Options are to be issued to Participants at a price the Board considers to be appropriate, but in any case must be for no more than nominal consideration.

2.3 Issue of Options

Each Option must be issued on the terms of these Rules and each Participant will be taken to have agreed to be bound by these Rules on acceptance by that Participant of an Option.

3 MAXIMUM NUMBER OF OPTIONS

3.1 5% Limit

Subject to **clause 3.2** of these Rules, an Option may not be issued if, immediately following its issue, the shares to be received on exercise of the Option when aggregated with:

- (a) the number of shares in the same share class which would be issued if each outstanding offer of shares and options under the Plan or any other employee incentive scheme of the Company were accepted or exercised; and
- (b) the number of shares in the same class issued during the previous 5 years under the Plan or any other employee incentive scheme of the Company extended to full-time or part-time employees or directors of the Company or an Associated Body Corporate,

exceeds 5% of the total number of issued shares in that share class of the Company at the time the Option is offered, provided that the Board may, in its absolute discretion, increase this percentage, subject to any applicable Corporations Act, Listing Rule (including the conditions and restrictions on issuing securities in Listing Rule 7.1) or Class Order requirements.

3.2 Exceptions

When aggregating the number of shares for the purposes of **clause 3.1** of these Rules, the Company may disregard any offer made, option acquired or share issued by way of or as a result of:

- (a) an offer to a person situated at the time of receipt of the offer outside of Australia;
- (b) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (c) an offer made under a disclosure document in accordance with Chapter 6D of the Corporations Act.

4 OPTIONS TERMS

4.1 Essential Terms

An Option must be granted on the Essential Terms and may be granted on such other additional terms, conditions or restrictions, not being inconsistent with these Rules or the Essential Terms, as the Board determines either generally or in relation to particular Options.

4.2 Variation of Terms

Despite anything to the contrary in these Rules, to the full extent permissible by the Listing Rules and law, the Board may from time to time vary the Exercise Price, the period in which an Option may be exercised and the conditions to which an Option is subject or any of them.

5 OVERRIDING RESTRICTIONS ON ISSUE AND EXERCISE

Notwithstanding anything else in these Rules or in the terms of any Option, an Option may not be offered, issued, or exercised if to do so:

- (a) would contravene the Corporations Act or the Listing Rules; or
- (b) would contravene the local laws of, or the rules or requirements of any regulatory or statutory body in, a Participant's country of residence or in the opinion of the Board compliance with those local laws, rules or requirements would be impractical or result in any unnecessary or unreasonable expense in the circumstances.

6 ADMINISTRATION OF THE PLAN

6.1 Delegation

The Plan shall be in all respects administered under the directions of the Board or a committee of the Board. The Board or committee may appoint, for the proper administration and management of the Plan, such secretarial or executives or staff or other persons as it considers desirable and may delegate to those persons such powers and authorities as may be necessary or desirable for the administration and management of the Plan.

6.2 Procedures

Subject to these Rules, the Board may make such regulations and establish such procedures for the administration and management of the Plan as it considers appropriate. If any disagreement or dispute with respect to the interpretation of these Rules or the terms of grant of any Option arises, such disagreement or dispute shall be referred to the Board and the decision of the Board shall, in the absence of manifest error, be final and binding upon all parties.

6.3 Covenant or exercise of discretion

The Company or an Associated Body Corporate or the Board may, subject to any express provision in these Rules, the Listing Rules or the Corporations Act to the contrary:

- (a) do any act, matter or thing or make any decision, determination or resolution; or
- (b) conditionally or unconditionally give or withhold any consent or approval,

as contemplated by these Rules in its absolute uncontrolled and unexaminable discretion and is not obliged to give reasons for so doing.

7 ADVICE

7.1 Adjustment to Number of Shares

The Company shall give notice to each Participant of any adjustment to the number of Shares which the Participant is entitled to subscribe for or be issued on exercise of an Option or the exercise price per Share in accordance with the Listing Rules.

7.2 Market and Exercise Price

The Company will provide to a Participant upon request, within a reasonable time, either verbally or in writing, details of the current market price (in Australian dollars) of the Shares and details of the Exercise Price in relation to Options held by that Participant.

SCHEDULE

TERMS OF ISSUE OF OPTIONS

1 ENTITLEMENT

- 1.1** Each Option entitles the holder to subscribe for and be issued, credited as fully paid, the number of Shares specified in the Option.
- 1.2** The Exercise Price of a Share to be issued on exercise of an Option shall be Exercise Price as determined by the Board (in its discretion) on or before the Issue Date.
- 1.3** Subject to these Rules, the Company shall issue Shares on exercise of an Option in accordance with the Listing Rules and shall either issue a certificate, or cause a holding statement to be issued, for Shares so issued within 10 Business Days after the date of exercise of the relevant Option.
- 1.4** Shares issued on the exercise of Options will rank pari passu with all existing Shares in the capital of the Company from the date of issue of those Shares.

2 EXERCISE OF OPTIONS

- 2.1** Subject to **clause 2.2** of this Schedule, an Option is exercisable by the holder lodging with the Company Secretary:
- (a) a notice of exercise of that Option in the form attached to this Schedule;
 - (b) a cheque for the Exercise Price for each Share to be issued on the exercise of that Option; and
 - (c) the certificate for that Option.

In the event of the death of a holder of Options, those Options are exercisable by the executor of the estate of the holder in the same manner as set out above.

- 2.2** An Option must be exercised (if at all) not later than its Expiry Date and, subject to this **clause 2**, may only be exercised at any time after the option has been vested and before its Expiry Date. The Board may determine (in its absolute discretion) any further conditions of exercise consistent with these Rules that apply to an Option. The exercise of some Options only does not affect the Participant's right to exercise other Options at a later time. If the Participant exercises less than all Options represented by the certificate then the Company will cancel the certificate and issue a new certificate for the balance.
- 2.3** The Board will from time to time determine the time periods after which the Options issued will vest in the Optionholder and the percentage of Options issued which will vest at each particular time.
- 2.4** An Option held by a Participant will immediately lapse upon the first to occur of:

- (a) its Expiry Date;
- (b) the making by the Board of a determination that:
 - (i) the Participant has acted fraudulently, dishonestly or in breach of the Participant's obligations to the Company or an Associated Body Corporate; and
 - (ii) the Option is on that account to be forfeited;
- (c) subject to **clause 2.5** of this Schedule, the Participant ceasing to be employed by the Company or an Associated Body Corporate for any reason (or, in the case of an Option held by a nominee, the employment of the nominating Participant is terminated) except where the Participant ceases to be employed as a direct result of the disposal or sale of the Company or Associated Body Corporate (in which case, for the avoidance of doubt, such Options shall not lapse by virtue of that event alone);
- (d) the day which is 30 days following any person or corporation having a relevant interest in not less than 90% of the Shares; or
- (e) the day which is 10 days following the Company issuing a notice of meeting convening a meeting of shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation having a relevant interest in not less than 90% of the Shares.

2.5 For the purposes of **clause 2.4(c)** of this Schedule, a Participant shall be deemed to have ceased to be employed by the Company or an Associated Body Corporate:

- (a) on the day which is twelve months after the day the Participant ceases to be employed by the Company or an Associated Body Corporate by virtue of:
 - (i) the Participant's death; or
 - (i) the Participant being retrenched or made redundant by the Company or an Associated Body Corporate (other than as a direct result of the disposal or sale of the Company or Associated Body Corporate); and
- (b) on the later of 2 months following the Participant ceasing to be employed by the Company or an Associated Body Corporate, or such later date that the Board determines in its absolute discretion where the Participant ceases to be employed by virtue of:
 - (i) the Participant retiring; or
 - (ii) the Participant's permanent illness or permanent physical or mental incapacity (as certified by a medical practitioner who is approved in writing by the Board).

2.6 If, in the opinion of the Board, a Change of Control Event has occurred, or is likely to occur, the Board may declare an Option to be free of any conditions of exercise and

Options which are so declared may, subject to **clause 2.4** of this Schedule, be exercised at any time on or before the Expiry Date and in any number.

- 2.7** If any person or corporation having a relevant interest in not less than 90% of the Shares or the Company issues a notice of meeting convening a meeting of shareholders in order to enter into a scheme of arrangement (pursuant to the provisions of the Corporations Act) which, if implemented would result in a person or corporation having a relevant interest in not less than 90% of the Shares, all Options shall be free of any conditions of exercise and may be exercised at any time prior to their lapsing pursuant to **clause 2.4** of this Schedule.

3 TRANSFER

An Option is personal to the Participant to whom it was granted, and the Participant may not sell, transfer or otherwise dispose of, or make a declaration of trust without the prior consent of the Company.

4 QUOTATION OF OPTIONS AND SHARES

Options will not be listed for quotation on ASX, however, the Company will make application for official quotation of Shares issued on the exercise of options to ASX and to each other stock exchange on which Shares are listed at the time.

5 FUTURE ISSUES OF SHARES

5.1 New Issues

There are no participating rights or entitlements inherent in the Options and Participants will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Options. However, the Company will ensure that the record date for determining entitlements to any such issue will be at least 9 Business Days after the issue is announced. Participants shall be afforded the opportunity to exercise all Options which they are entitled to exercise pursuant to these Rules prior to the date for determining entitlements to participate in any such issue.

5.2 Bonus Issues

If the Company makes an issue of Shares to the holders of Shares in the Company by way of capitalisation of profits or reserves ("**Bonus Issue**"), each Participant holding any Options which have not expired at the time of the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to him upon exercise of any of those Options the number of Shares which would have been issued under the Bonus Issue ("**Bonus Shares**") to a person registered as holding the same number of Shares as that number of Shares to which the Participant may subscribe pursuant to the exercise of those Options immediately before the record date determining entitlements under the Bonus Issue (in addition to the Shares which he or she is otherwise entitled to

have issued to him or her upon such exercise). The Bonus Shares will be paid by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Issue and upon issue rank pari passu in all respects with the other Shares issued upon exercise of the Options.

6 RECONSTRUCTION OF CAPITAL

In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the expiry of any Options, the number of Options to which each Participant is entitled or the exercise price of his or her Options or both or any other terms will be reconstructed in a manner determined by the Board which complies with the provisions of the Listing Rules.

7 ADVICE

7.1 The Company shall give notice to each Participant of any adjustment to the number of Shares which the Participant is entitled to subscribe for or be issued on exercise of an Option or the exercise price per Share in accordance with the Listing Rules.

7.2 The Company will provide to a Participant upon request, within a reasonable time, either verbally or in writing, details of the current market price (in Australian dollars) of the Shares in the Company and details of the Exercise Price in relation to Options held by that Participant.

8 NOTICES

Notices may be given by the Company to the Participant in the manner prescribed by the constitution of the Company for the giving of notices to members of the Company and the relevant provisions of the constitution of the Company apply with all necessary modification to notices to Participants.

9 RIGHT TO ACCOUNTS

Participants will be sent all reports and accounts required to be laid before members of the Company in general meeting and all notices of general meetings of members but will not have any right to attend or vote at those meetings.

10 ASSIGNMENT OF OPTIONS

Subject to **clause 3** of this Schedule, a Participant may not assign or transfer an Option except during a Takeover Period, in which case the Options may only be transferred by the Participant to the bidder or its nominees in accordance with the Corporations Act.

11 COMPANY'S RIGHTS NOT WAIVED

- 11.1** The Company's right to terminate or vary the terms of employment of any Participant shall not be prejudiced in any way by the Company or any Participant participating in the Plan or anything contained in these Rules or both. Further, participation in the Plan, the rights or benefits of a Participant under these Rules or the inability or restricted ability of a Participant to exercise an Option or any of them, shall not be used as grounds for granting or increasing damages in any action brought by any Participant against the Company whether in respect of any alleged wrongful dismissal or otherwise.
- 11.2** None of the Company, its directors, officers or employees represents that the Company's share price will attain, maintain or exceed the Exercise Price. A Participant who chooses to exercise any Option does so at his own risk in that he may suffer financial detriment if the Company's share price falls.

12 GOVERNING LAW

This Plan and these Rules shall in all respects be governed by and shall be construed in accordance with the laws of Western Australia.

13 SEVERANCE

If any provision in these Rules is void, voidable by any party or illegal, it shall be read down so as to be valid and enforceable or, if it cannot be so read down, the provision (or where possible, the offending words) shall be severed from these Rules without affecting the validity, legality or enforceability of the remaining provisions (or parts of those provisions) of these Rules which shall continue in full force and effect.

14 AMENDMENT OF RULES

Subject to and in accordance with the Listing Rules (including any waiver granted under the Listing Rules):

- (a) subject to **clause 14(b)** of this Schedule, the Board may from time to time amend (including the power to revoke, add to or vary) all or any of the provisions of these Rules in any respect whatsoever, by an instrument in writing without the necessity of obtaining the prior or subsequent consent of shareholders of the Company or any Associated Body Corporate in a general meeting; and
- (b) the Board may make any amendment to these Rules with retrospective effect as the Board may determine in good faith, providing that the Board obtains the prior approval of at least 50% of Participants who shall be adversely affected by the retrospective amendment in relation to Options previously granted to them.

15 SUSPENSION OR TERMINATION OF THE PLAN

The Board may suspend or terminate the Plan at any time, in which case the Company shall not make any further grants of Options under the Plan during the suspended or terminated period. However, during that period the Board shall otherwise continue to administer the Plan in accordance with these Rules until all Options have been exercised or expired.

FORM OF NOTICE OF EXERCISE

The Company Secretary
[address]

Dear Sir/Madam

[Name of Optionholder] hereby gives notice of the exercise of [number of Options] issued pursuant to the Company’s Employee Share Option Plan and exercisable at [\$*].

The certificate for these Options, along with a cheque made payable to “[*]” for [\$* (being the total of the exercise price payable on the exercise of these Options), is enclosed.

[Optionholder to sign]

Individual:

SIGNED by[*])
in the presence of:)
)

.....
Witness

.....
Name of Witness (print)

Company:

EXECUTED by **APEX MINERALS NL**)
ABN 22 098 612 974)
in accordance with section 127 of the)
Corporations Act by:

.....
Secretary/Director

.....
Director

.....
Name of Secretary/Director (print)

.....
Name of Director (print)

**APEX MINERALS NL
ACN 098 612 974**

Level 1, 10 Ord Street, West Perth, WA, 6005
PO Box 682 West Perth, WA, 6872

PROXY FORM

Shareholder Details

Name:

Address:

Contact Telephone No:

Contact Email Address:

Contact Name (if different from above):

Appointment of Proxy

I/We being a shareholder/s of Apex Minerals NL and entitled to attend and vote hereby appoint

The Chairman
of the meeting

OR

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

(mark with an 'X')

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to attend and act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of Apex Minerals NL to be held at the Freshwater Bay Room, Hyatt Regency Perth, 99 Adelaide Terrace, Perth, Western Australia on Tuesday, 24 November 2009 at 10.00am WST and at any adjournment of that meeting.

IMPORTANT: FOR ITEMS BELOW. If the Chairman of the Meeting is to be your proxy and you have not directed your proxy how to vote on the items below, please place a mark in the box. BY marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on the items he has an interest in the outcome of and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote undirected proxies in favour of all items.

Voting directions to your proxy – please mark to indicate your directions

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Kim Robinson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Stephen Lowe as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Grant of Options to Mr Kim Robinson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Ratification of Previous Share Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval of Employee Share Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OR	If you do NOT wish to direct your Proxy how to vote	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

*Appointment of a second proxy (see instructions attached).

%

*If you wish to appoint a second proxy, state the % of your voting rights applicable to the proxy appointed by this form

*In addition to the intention advised above, the Chairman of the General Meeting intends to vote undirected proxies in favour of each item of business.

PLEASE SIGN HERE This section must be signed in accordance with the instructions attached to enable your directions to be implemented

Individual or Shareholder 1

Sole Director and
Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

HOW TO COMPLETE THE PROXY FORM

1. Shareholder Details

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. Please note, you cannot change ownership of your securities using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company.

3. Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

5. Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at the address given below not later than 48 hours before the commencement of the meeting on 24 November 2009. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged

- by delivery or facsimile

Apex Minerals NL
First Floor
10 Ord Street
West Perth WA 6005

Postal Address:
PO Box 682
West Perth WA 6872

Facsimile (within Australia) (08) 6311 5556
Facsimile (outside Australia) +61 8 6311 5556