



**The following is a presentation to be given by the CEO of Apex Minerals, Mr Mark Ashley
at the Company's AGM at the Hyatt Regency, Perth
10.00am, Friday 26th November, 2010**

Highlights

- Production, cash costs and metallurgical recoveries continued to improve throughout the 2010 Calendar year.
- October production – 6,822 ounces (the highest this calendar year)
- Cash operating costs for October were \$850 per ounce (down 32% from that recorded for the September quarter and 23% lower than quarter end)

APEX MINERALS



**ANNUAL GENERAL MEETING
PERTH, WESTERN AUSTRALIA
26TH NOVEMBER 2010**

DISCLAIMER

- ✘ ~~Certain statements contained in this presentation, including information as to the future financial or operating performance of Apex Minerals and its projects, are forward-looking statements. Such forward-looking statements:~~
 - + *are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Apex Minerals, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;*
 - + *involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and*
 - + *may include, among other things, statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.*
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- ✘ *All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein*

OPERATIONAL FOCUS 09/10

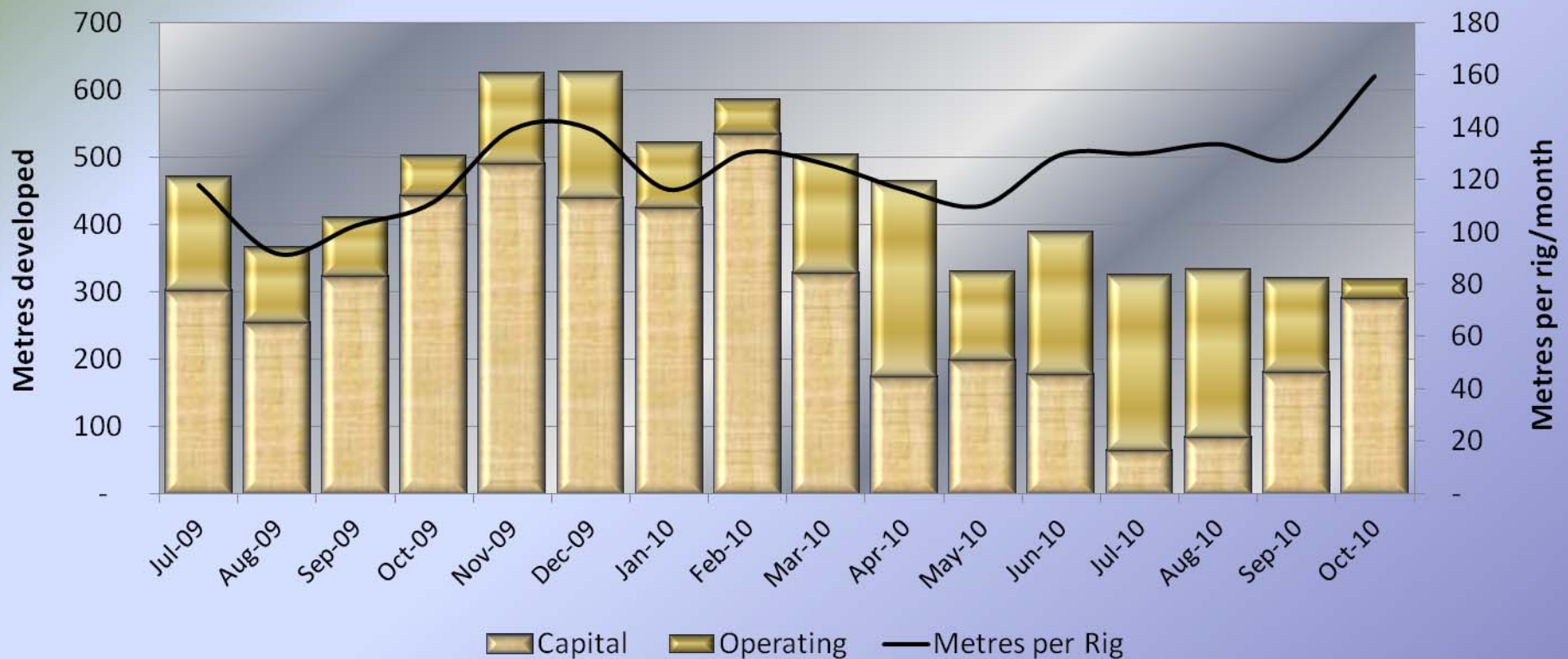
- ✘ Improving core competencies
- ✘ Building “team” and
- ✘ Improving morale at Wiluna
- ✘ Required hands on approach – CEO based at Wiluna full time February– August.
- ✘ Appointment of Allan King as COO in July (based at Wiluna)

RESULT

**INCREASED PRODUCTION, IMPROVED RECOVERIES,
REDUCED COSTS**

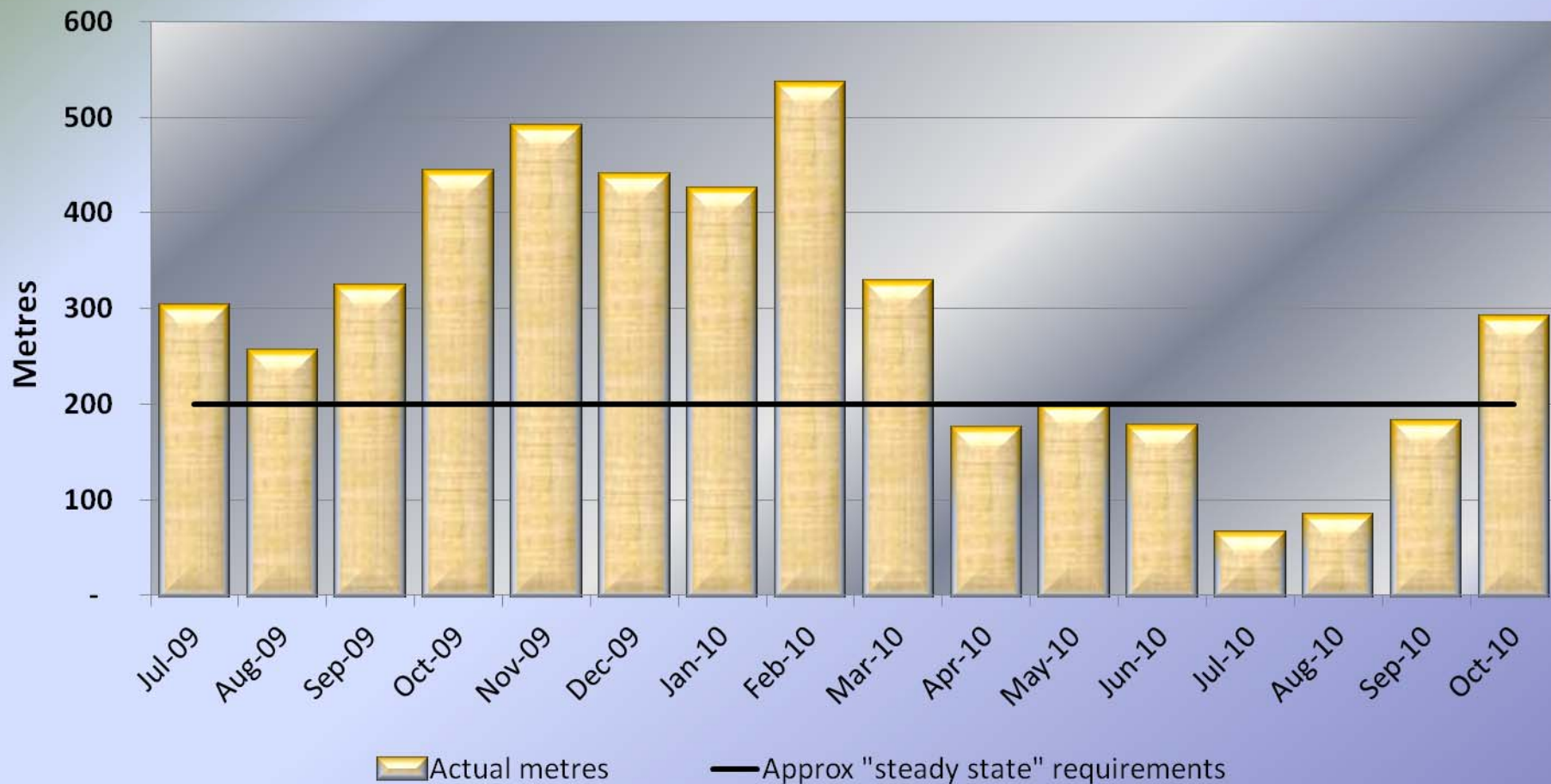
UNDERGROUND DEVELOPMENT STATISTICS

- Initial focus on Capital development
- Improved development rates (from ~100 to 160 metres per rig per month) – and improving
- Less equipment now required (from 4 to 2)

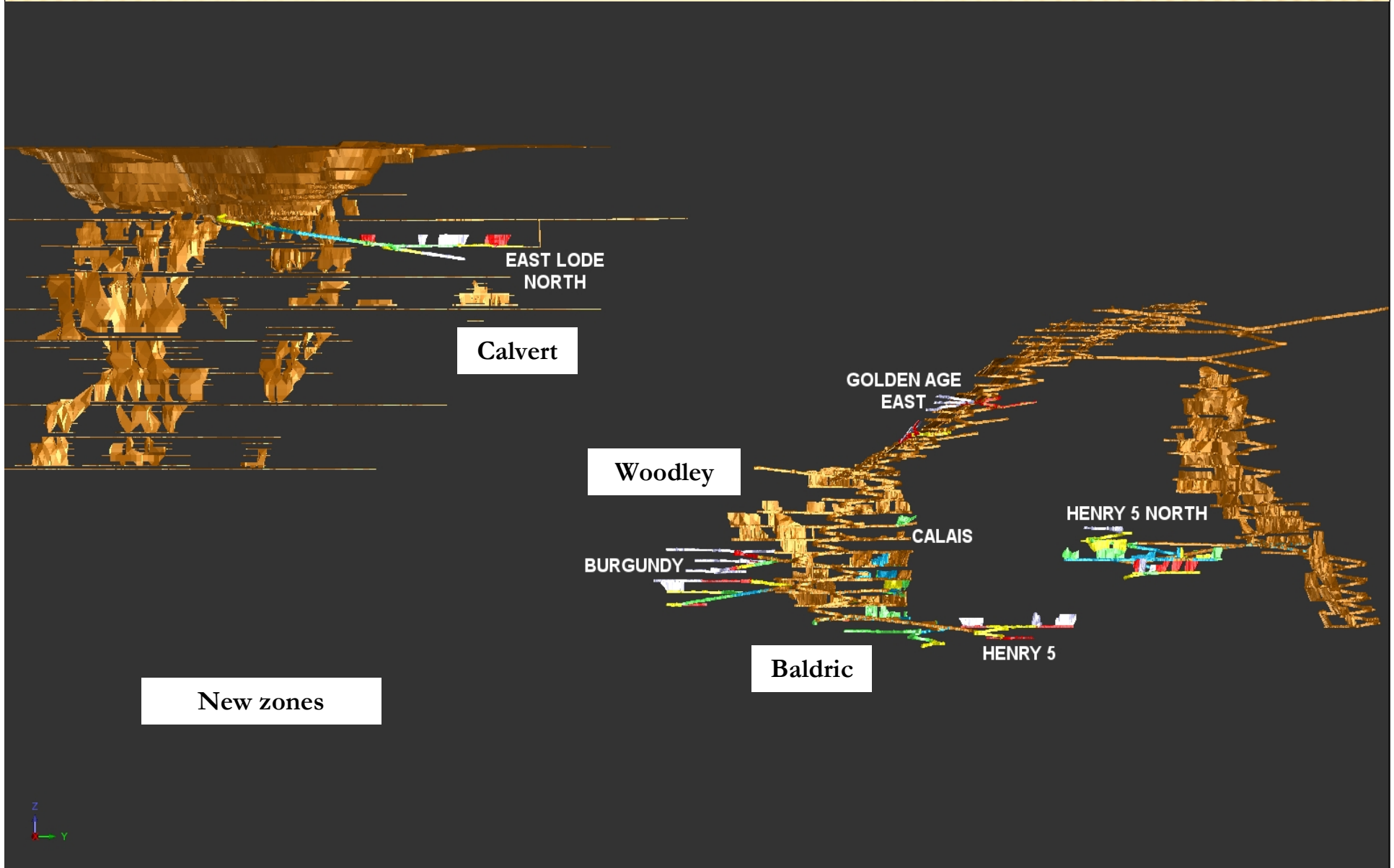


CAPITAL DEVELOPMENT PROFILE

Capital development now at "steady state" level (around 200 metres per month)



WILUNA LONG SECTION



OPERATIONS

Improving Production

Better recoveries

Lower costs

GOLD PRODUCTION AND CASH COSTS

- Progressive and continued improvement in production during 2010
- Production expected to stabilise at 6,500 – 7,200 ounces per month

October actual at 6,820 ounces – the highest this year



GOLD PRODUCTION AND CASH COSTS

- October actual at 6,820 ounces – the highest this year
- Cash operating costs also showing continued improvement
- **OCTOBER COSTS ~A\$850 per ounce 23% lower than September**



GOLD PRODUCTION AND CASH COSTS

**Metallurgical recoveries increased from 72%~85% (~\$1.4mpm)
Targeting 88 - 90%**



SUMMARY

- Development rates reduced having achieved the capital development required to access all six ore bodies
 - × East Lode North
 - × Henry 5
 - × Henry 5 North
 - × Calais
 - × Burgundy
 - × Golden Age (free milling)
- Less equipment required
- Equipment availability still an issue but not as significant
- Production stabilizing at around 6,500 – 7,200 ounces per month (Wiluna only) - +20,000 ounces per quarter
- At this level, the process plant is approx 60% utilised – offering opportunity to increase production/better economies of scale

KEY COST SAVING INITIATIVES

Area	When	Savings per month	Effect on Op costs	Effect on Capital	Future
Underground Fleet Maintenance	Mid July 2010	\$500k	\$400k	\$100k	Same
Gas Power	29 th Sept 10	\$400k	\$300k	\$100k	Same
Reduction contractors/personnel	Mid Sept 10	\$700k	\$500k	\$200k	Further ~\$200k per month in next few months
Other	October 10	\$400k	\$400k		Additional \$300k per month targeted in next few months
SAVINGS SO FAR		\$2,000k	\$1,600k		

KEY COST SAVING INITIATIVES

- ✘ Cash operating cost for October at \$850/oz is \$400/oz lower than the September quarter and \$250/oz lower than the month of September.
- ✘ Other initiatives to reduce costs in next few months targeting \$500kpm (\$50-75/ounce).

October operating savings (from Sept) - \$1.6m (as above)	\$200/oz
increased production (economies of scale – fixed costs)	\$ 50/oz
Total October savings	\$250/oz

FUTURE

- ✘ Continue to focus on stabilising and improving production and reduce costs at Wiluna
- ✘ Now starting to assess mining/geological opportunities
 - + Better understanding of known resources (example next slide)
 - + Development of other deposits at Wiluna (Baldrick, Calvert and others)
- ✘ Start to build cash buffer
- ✘ Considering other assets to realise medium term value (investments/Younami)
- ✘ Later to develop WILSONS (but focus on Wiluna first).
- ✘ Cash remains tight, but no debt and improving position

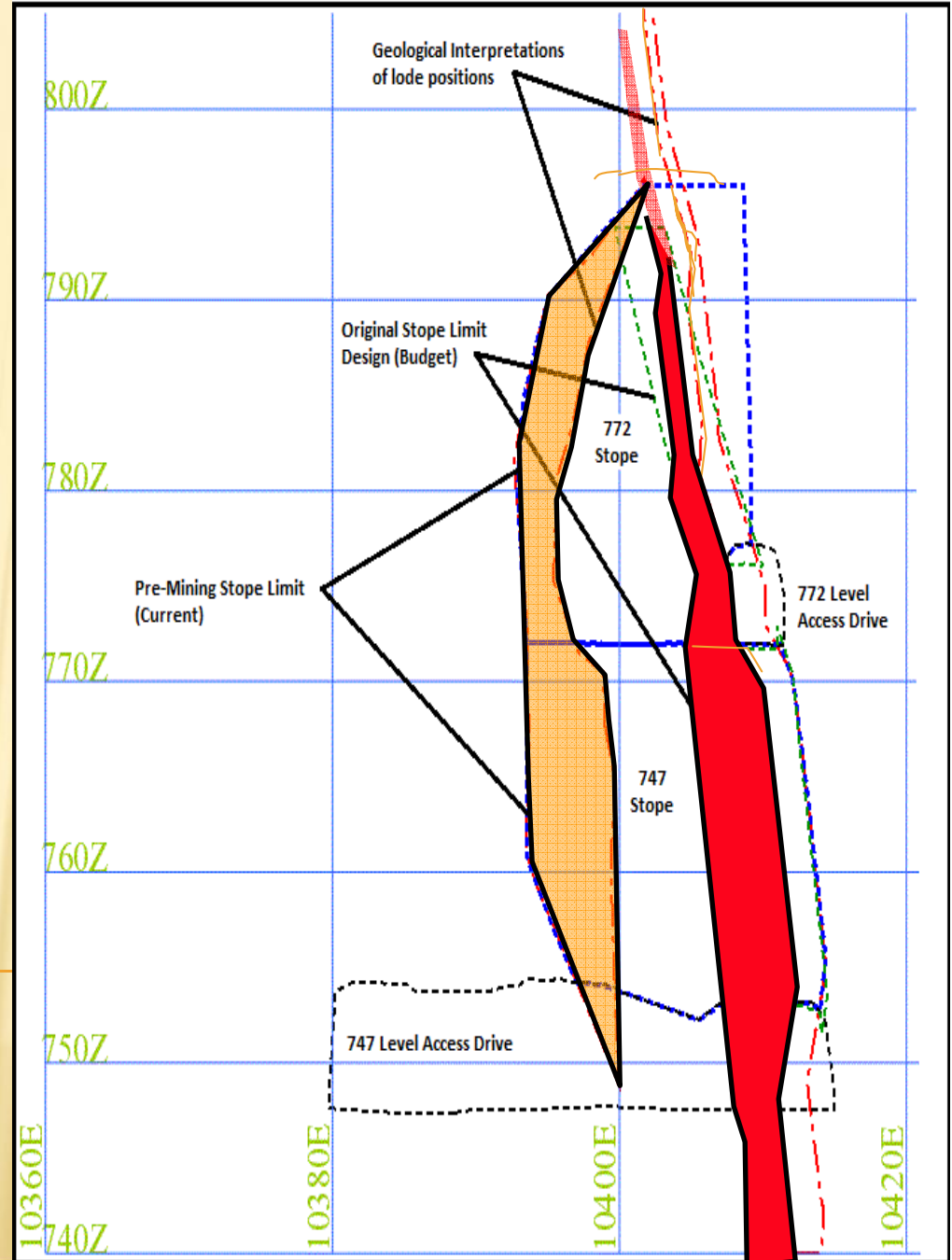
OPPORTUNITIES

An example -

Henry V North

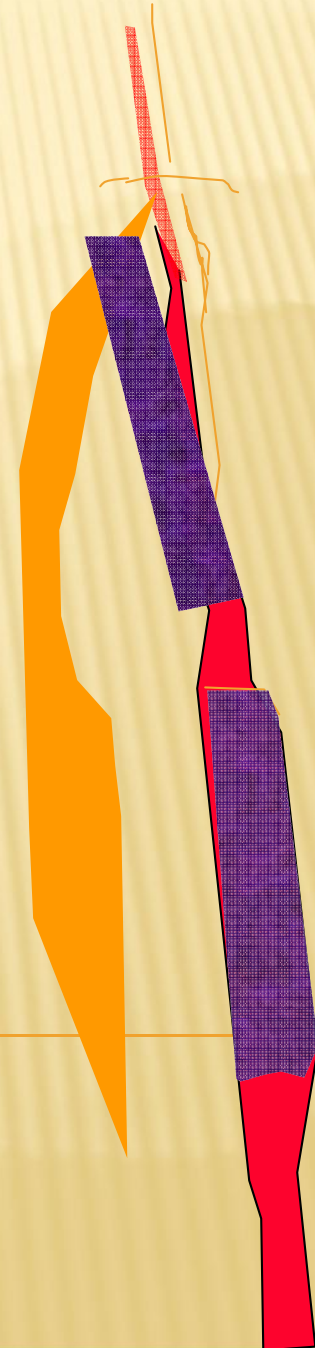
Henry 5 North – 772 and 747 Stope Design

- Original design only targeted the eastern Lode.
- Mining of the two lodes as discrete stopes with out expensive cemented fill would be problematic.



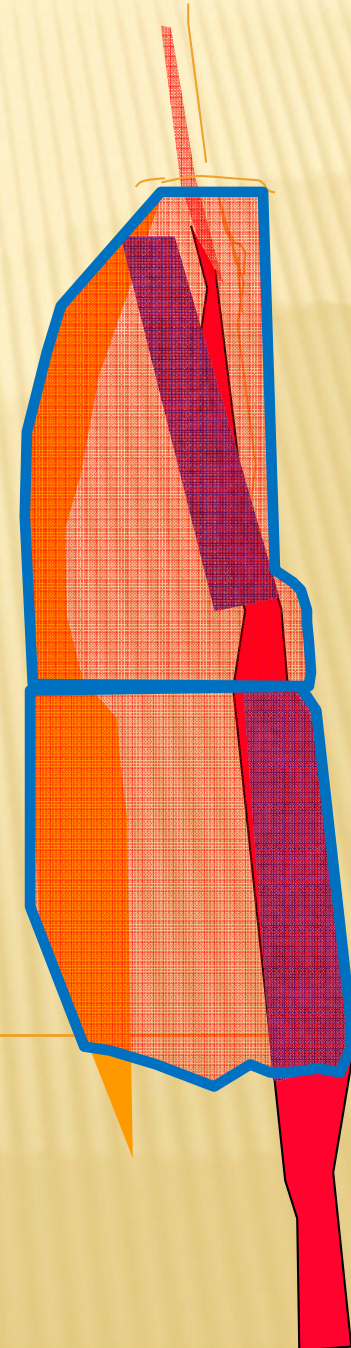
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- Mining of the bulk stope offer an opportunity to stabilise stope production, improve stope bogging efficiency, increase production and cash
- Original Stope design provided 32,000 tonnes @ 6.15g/t for 6,600 ounces
- **New Stope design provides 82,000 tonnes @ 4.84g/t for 12,800 ounces**



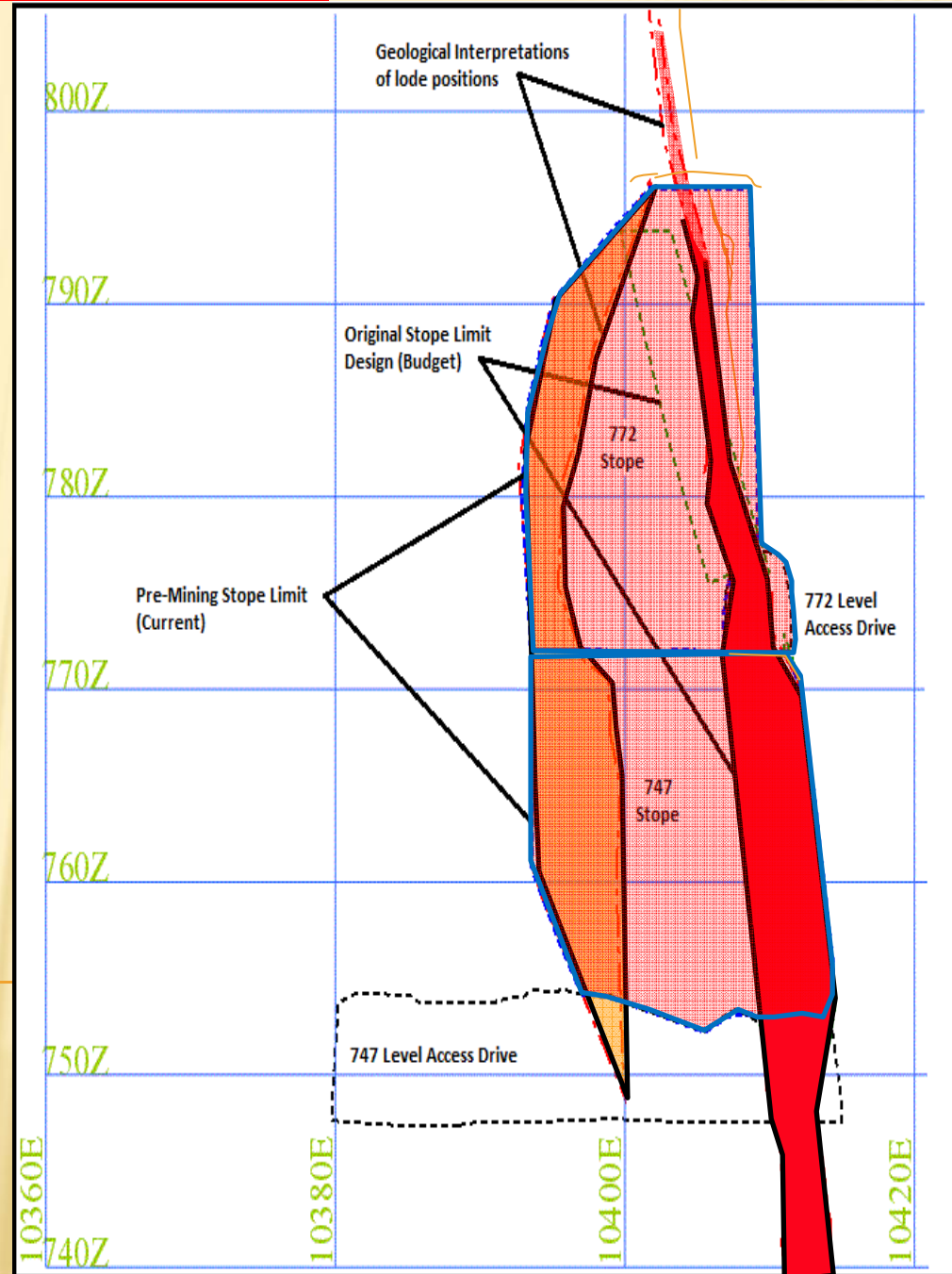
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	Tonnes	Grade g/t	Contained Ounces
Preliminary design (East lode only)	32,000	6.15	6,600
Revised design (bulk)	82,000	4.84	12,814

Benefits

- Extra 6,200 ounces contained
- Extra Revenue ~ \$4.5m
- Additional costs ~\$2.0m (variable)
- Reduction in C1 cash costs ~\$100/oz



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CONCLUSION

- ✘ Tough start, but great asset.
- ✘ Great commodity!
- ✘ Strong/Committed team.
- ✘ Supportive shareholder base
 - + Goldman Sachs – 15%
 - + Baker Steel – 13%
 - + M&G (Vanguard) – 11%
 - + TG Gold (Hong Kong) – 7%

CONCLUSION

- ✘ Focus on operational improvements (production/costs)
- ✘ Target production to over 100,000 ounces per annum
- ✘ Build cash buffer
- ✘ Re-commence exploration (Wiluna)
- ✘ Wilson's to be reviewed ONLY once Wiluna foundation stronger to increase production to over 100,000 ounces per annum
- ✘ ORIGINAL CONCEPT NOT CHANGED (targeting 140,000 ounces per annum in the medium term)
- ✘ EMPHASIS ON MAXIMISING LONG TERM CASH/PROFIT
- ✘ Corporate Opportunities to be considered when appropriate



Precious Commodities
Gold

**Thank you for your
attendance.**