



9 March 2012

Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**APEX MINERALS NL PRO-RATA RENOUNCEABLE RIGHTS ISSUE – LETTERS TO SHAREHOLDERS**

Attached are copies of letters being sent today to eligible and ineligible shareholders in relation to Apex Minerals NL's (**Apex**) pro-rata renounceable rights issue of two fully paid ordinary shares in the capital of Apex for every one held.

Yours faithfully

**Kim Robinson**  
**Non-executive Chairman**



9 March 2012

Dear Shareholder

### **Apex Minerals NL - 2 for 1 pro-rata renounceable rights issue**

As announced on 7 March 2012, Apex Minerals NL (**Apex** or the **Company**) is undertaking a 2 for 1 pro-rata renounceable rights issue (**Rights Issue** or **Offer**) of approximately 11,100,487,426 fully paid ordinary shares in the capital of the Company (**New Shares**) to raise approximately A\$22,200,000. The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 7 March 2012.

This Offer forms part of a transaction which includes the proposed appointment (subject to the satisfaction of certain conditions) of a new corporate and operational management team to help establish Apex as a sustainable Australian gold producer.

The Offer is conditionally underwritten by Azure Capital Limited (**Underwriter**). The price of New Shares under the Offer is 0.2 cents each (**Issue Price**). Approximately \$10.0 million of the proceeds raised pursuant to the Rights Issue will be used to fund underground development as well as development and exploration drilling to help form part of the platform required to establish Apex as a sustainable gold producer. The remaining proceeds from the Rights Issue will be used to reduce current liabilities (approximately \$4.8 million), pay transaction costs (approximately \$1.53 million), termination payment (\$0.72 million), payment to Drummond Gold Limited (\$0.35 million) leaving approximately \$4.8 million to be applied towards general corporate, operational and working capital purposes.

The Offer is being made to all shareholders of the Company named on its register of members at 7pm (AEDT) on 19 March 2012 (**Record Date**), whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 11,100,487,426 New Shares resulting in total Shares on issue of approximately 16,650,731,139. The Company must pay the Underwriter an underwriting fee of 6% of the total amount raised pursuant to the Offer. The Company must also reimburse the Underwriter for costs incidental to the Offer.

Apex Minerals NL  
Level 1, 10 Ord Street, West Perth, Western Australia 6005  
PO Box 682 West Perth, Western Australia 6872  
Tel: 61 8 6311 5555 Fax: 61 8 6311 5556 admin@apexminerals.com.au  
ASX Code: AXM www.apexminerals.com.au ABN 22 098 612 974

A copy of the Prospectus is available on ASX's and Apex's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 22 March 2012. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded down to the nearest whole number of New Shares.

### **Actions required of Eligible Shareholders**

There are a number of actions Eligible Shareholders may take:

- You may take up all or some of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlements**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Link Market Services Limited (**Share Registry**) by no later than 5pm (AEST) on 11 April 2012, by either completing and returning you Entitlement and Acceptance Form together with your application money or making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may seek to sell all or some of your Entitlements on ASX. You can seek to sell your Entitlements on ASX from 13 March 2012 until the close of market on 2 April 2012. To sell any of your Entitlements you need to contact your broker as soon as possible.
- You may transfer all or some of your Entitlements to another person other than on ASX. To transfer all or some of your Entitlements you will either need to contact your CHESSE Controlling Participant (usually your broker) and follow their instructions or complete a renunciation and transfer form (which can be obtained from Share Registry) and return it, together with the purchaser's cheque for the Entitlements they wish to take up so that it is received by the Share Registry by no later than 5pm (AEST) on 2 April 2012.
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

### **Key dates for the Offer**

<b>Event</b>	<b>Proposed Date</b>
Prospectus and Appendix 3B lodged with ASX	7 March 2012
Notification sent to option holders	
Notice of Rights Issue sent to security holders	9 March 2012
Existing shares quoted on an 'ex' basis	13 March 2012
Rights start trading	
Record date	19 March 2012
Despatch of Rights Issue Documents to Eligible Shareholders	22 March 2012
Offer Period Opens	
Rights stop trading	2 April 2012

Shareholder Meeting	11 April 2012
Offer Period Closes	11 April 2012
Notification of under-subscriptions to ASX (if any)	16 April 2012
Shortfall Settlement date	18 April 2012
Shares Issued Holding statements despatched	19 April 2012
Commencement of deferred settlement trading in post-consolidation shares	24 April 2012

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Michael Andruszkiw, Apex's Company Secretary, on +61 8 9286 2828.

Yours sincerely



**Kim Robinson**  
**Non-executive Chairman**



9 March 2012

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New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 11,100,487,426 New Shares resulting in total Shares on issue of approximately 16,650,731,139. The Company must pay the Underwriter an underwriting fee of 6% of the total amount raised pursuant to the Offer. The Company must also reimburse the Underwriter for costs incidental to the Offer.

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## **Ineligible shareholders**

A Shareholder who has a registered address outside Australia and New Zealand (**Ineligible Shareholder**) will not be eligible to participate in the Offer.

You are not eligible to participate in the Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

The Company has appointed Morgan Stanley Smith Barney Australia Pty Ltd (**Nominee**) as nominee to sell the rights to subscribe for New Shares pursuant to the Prospectus (**Entitlements**) to which Ineligible Shareholders are entitled. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders.

The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee may sell Entitlements, Ineligible Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX and Ineligible Shareholders may receive no value for the Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements.

If you have any queries concerning the Rights Issue, please contact your financial adviser or Michael Andruskiw, Apex's Company Secretary, on +61 8 9286 2828.

Yours sincerely



**Kim Robinson**  
**Non-executive Chairman**