



ASX ANNOUNCEMENT

17 May 2013

WILUNA GOLD OPERATIONS UPDATE

Apex Minerals NL (ASX: AXM, "Apex" or the "Company") is pleased to provide the following update off the back of an improved operating performance at the Wiluna Gold Mine and positive net cash flow subsequent to the end of the March Quarter 2013.

Gold Production

Gold production during April and May 2013 has improved substantially and is on target to exceed 4,000 ounces for the month of May compared with 7,436 ounces for the March Quarter 2013.

The enhanced production is a result of a focus on the reduction of mine dilution, access to higher grade West Lode stopes and an increase in production from the free milling high grade Golden Age Reef. Mine grade in the month to date has improved to 5.8g/t compared to the March Quarter 2013 of 2.98g/t.

Metallurgical recovery has also improved and is currently at 80% compared to 71.9% for the March Quarter 2013. This has resulted from improved operating performance and higher grades. Further improvements in metallurgical recovery are anticipated from maintenance work being carried out on the BIOX circuit.

Mine production planning indicates that this improved production will continue for at least the next two to three months, generating positive cash flow in the order of \$1.0M per month at current gold prices. During this period future production plans will also be revised based on the lower gold price environment.

Operating Cost Reductions

Reducing operating costs continues to be a focus of all operational and management staff, with total mine operating costs for the month of April 2013 at \$4.7M compared to the average monthly cost of \$6.4M in the September Quarter 2012.

Initiatives are now underway to reduce total monthly operating costs to less than \$4.5M per month while maintaining gold production at 3,500 – 4,000 ounces per month.

Asset Sale Process

The sale process for the Wiluna Gold Operations is progressing, with Everprosperity Investment Co Ltd ("Everprosperity") continuing with its due diligence activities. The exclusive due diligence period has now been extended for 60 days until in consideration for a \$250,000 cash payment to Apex

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