

APEX SILVER MINES LTD

Form 8-K

October 13, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

FORM 8-K

Current Report

**Pursuant to Section 13 or 15(D) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **October 12, 2005**

APEX SILVER MINES LIMITED

(Exact name of registrant as specified in its charter)

**Cayman Islands, British
West Indies**
(State or other jurisdiction of
incorporation or organization)

1-13627
(Commission
File Number)

Not Applicable
(I.R.S. Employer
Identification Number)

**Walker House
Mary Street
George Town, Grand Cayman
Cayman Islands, British West Indies**
(Address of principal executive offices)

Not Applicable
(Zip Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 3.02 Unregistered Sales of Equity Securities

Signature

Item 3.02 Unregistered Sales of Equity Securities

On October 12, 2005, the Company completed the issuance of an aggregate of 1,490,029 ordinary shares to a holder of the Company's 2.875% and 4.0% Senior Subordinated Convertible Notes due 2024 in a privately negotiated exchange transaction that was previously disclosed by the Company on September 27, 2005. The holder exchanged, and the Company will retire, (i) \$20 million principal amount of the 2.875% Notes, plus accrued interest and (ii) \$10 million principal amount of the 4.0% Notes, plus accrued interest. The aggregate amount of accrued interest on the 2.875% Notes and the 4.0% Notes was approximately \$40,000.

The ordinary shares were not registered under the Securities Act of 1933 and were issued in reliance on an exemption from registration pursuant to Section 3(a)(9) of the Securities Act. No underwriting discounts or commissions were involved in this transaction.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 12, 2005

Apex Silver Mines Limited

By: /s/ Mark A. Lettes
Mark A. Lettes
Chief Financial Officer