

APEX MINERALS NL
ABN: 22 098 612 974

2002/2003 HALF YEAR FINANCIAL REPORT

APEX MINERALS NL

DIRECTOR'S REPORT

Your directors present their report on the financial statements for the half-year ended 31 December 2002.

DIRECTORS

The directors of the Company during and since the end of the half-year are:

Stephen Stone	(Executive Chairman)
Phillip Pullinger	(Non Executive Director)
Stephen John Lowe	(Non Executive Director)

RESULTS

The loss for the half-year after income tax was \$63,542.

REVIEW OF OPERATIONS

During the period Apex continued its exploration activities at its almost exclusively owned regional scale Windimurra and Jilawarra projects.

For each project extensive datasets of historical data were assimilated into the Company's database, new datasets acquired and complete re-evaluations of prospective geology undertaken in order to identify broad target areas to be the focus of ground based exploration.

Windimurra Superproject

80% interest. Sole funding Windimurra Complex exploration.

Falconbridge – Implats JV funding Narndee Complex exploration.

The 5,000 square kilometre Windimurra Superproject encompasses the Windimurra and Narndee layered intrusions and is being explored for platinum, nickel-copper and gold mineralisation.

Apex and joint venture partners Falconbridge-Implats completed 21,500 and 17,300 line kilometre adjoining high-resolution aeromagnetic and radiometric surveys covering most of the Windimurra and Narndee Complexes.

These have for the first time provided complete and consistent high resolution coverage of the Windimurra Superproject enabling a more detailed interpretation of the internal structure and layered stratigraphy of the two complexes to be made.

Gold

The northern part of the Windimurra project area contains widespread shallow historical gold workings and prospecting pits generally known as the Paynesville mining district. It is relatively unexplored.

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The new aeromagnetic data has indicated that many of these workings are proximal to north-south trending structures or the north-south trending contact between Kantie Murdana felsic and gabbroic rocks.

A 2,000 soil sample survey over a large portion of the area to the south-west of the main Paynesville workings was undertaken to firm up and extend gold anomalies identified by a widely spaced soil sampling programme undertaken by Apex's project partners.

Overall the programme was successful in either extending or outlining several new gold anomalies (>9ppb gold) and has considerably increased the prospectivity of the Paynesville area.

PGE – Windimurra Complex

A multi-skilled task force was established to review Apex's new geophysical reinterpretations of the Windimurra Complex and other datasets acquired or compiled by the Company.

The Muleryon Hill, Corner Well and Wyemandoo areas have been ranked as presenting the most prospective areas for PGE mineralisation. They are relatively unexplored for PGE and will be the focus of future PGE exploration activities.

PGE - Narndee Complex

Encouraging results have been obtained by the Falconbridge-Implats joint venture from a multi-faceted four month exploration programme.

The programme tested a significant portion of the Narndee Complex. Its aim was to validate historical data, collect fresh rock samples and soil samples from large parts of the layered complex for geochemical analysis and ground check interesting magnetic features derived from its recently completed aeromagnetic and radiometric survey.

Results from the detailed and regional soil sampling supported rock chip work by confirming the presence of elevated PGE values within an arcuate trend centred over the Milgoos area.

Jillawarra

80% interest. Apex sole funding exploration.

The 1,470 square kilometre Jillawarra project is considered prospective for iron-oxide copper-gold (IOCG) style mineral deposits such as Olympic Dam and Ernest Henry in Australia.

Review work by Apex culminated in the designation of certain major faults in the Jillawarra sub-basin as defining corridors of increased prospectivity along which it will focus its exploration effort.

These 'syn-sedimentary' faults flank major magnetic anomalies at Woodlands Dome and Manganese Range. These faults may have acted as conduits for the migration to surface of mineralising fluids and perhaps the formation of ore deposits.

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An orientation and reconnaissance sampling programme focussing first on the prospective Woodlands Fault corridor was undertaken. Conventional soil sampling and assaying in the region had not been effective and has considerably restricted exploration. The Maglag samples returned the stronger responses across a wider range of elements and this will be the preferred technique for the area.

This is a major breakthrough for exploration in the region as Apex now has a tool other than expensive reconnaissance drilling that may cost-effectively close in on targets ahead of deeper drilling.

Eighteen 1.6 to 2.0 kilometre traverses (including orientation lines) were run across subtle gravity and magnetic targets along the Woodlands structural corridor. Approximately 300 sites were dual sampled at 100 metre intervals along 200 metre or 400 metre spaced traverses. Following the orientation work only the Maglag samples collected were assayed.

The Maglag programme has effectively highlighted anomalous areas within the three main areas sampled. These are at the 46-40, No Name – Woodlands West and Cork Tree prospects which will be the focus of future work.

Pursuant to the terms of its Farm-In and Joint Venture Agreement, Apex advised owners (Messrs Creasy, Legendre and Voermans) that it has spent in excess of \$100,000 on the Jillawarra Project and has therefore earned an 80% interest.

Signed in accordance with a resolution of directors.



Stephen Stone
Director

Dated the Fourteenth day of March 2003

APEX MINERALS NL
DIRECTOR'S DECLARATION

The directors of Apex Minerals NL declare that:

- 1 the financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (a) giving a true and fair view of the financial position as at 31 December 2002 and of its performance for the half-year ended on that date; and
 - (b) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- 2 there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Stephen Stone
Director

Dated the Fourteenth day of March 2003

APEX MINERALS NL
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF YEAR ENDED 31 DECEMBER 2002

	Note	31 December 2002 \$
Other revenues from ordinary activities		81,533
Marketing expenses		(7,334)
Occupancy expenses		(5,570)
Administrative expenses		(125,289)
Other expenses		<u>(6,882)</u>
(Loss) from ordinary activities before related income tax expense		(63,542)
Income tax attributable to operating loss		<u>-</u>
Net (Loss)		(63,542)
Total changes in equity from non-owner related transactions		<u><u>(63,542)</u></u>
Basic earnings per share (cents)		<u><u>(0.166)</u></u>

The accompanying notes form part of these financial statements

APEX MINERALS NL
STATEMENT OF FINANCIAL POSITION
FOR THE HALF YEAR ENDED 31 DECEMBER 2002

Note	31 December 2002 \$	30 June 2002 \$
Current Assets		
Cash assets	2,723,732	3,386,333
Receivables	30,699	62,245
Other	-	6,448
Total Current Assets	2,754,431	3,455,026
Non Current Assets		
Property, plant and equipment	15,704	4,427
Exploration costs capitalised	730,722	235,326
Total Non Current Assets	746,426	239,753
Total Assets	3,500,857	3,694,779
Current Liabilities		
Payables	28,931	159,311
Total Current Liabilities	28,931	159,311
Net Assets	3,471,926	3,535,468
Equity		
Contributed equity	3,890,096	3,890,096
Accumulated losses	(418,170)	(354,628)
Total Equity	3,471,926	3,535,468

The accompanying notes form part of these financial statements

APEX MINERALS NL
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2002

	Note	31 December 2002 \$
Cash flows from operating activities		
Payments to suppliers and employees		(235,491)
Interest received		<u>81,533</u>
Net cash flows used in operating activities		<u>(153,958)</u>
Cash flows from investing activities		
Payments for mining expenditure		(495,396)
Payments for plant and equipment		<u>(13,247)</u>
Net cash flows from (used in) investing activities		<u>(508,643)</u>
Net increase/(decrease) in cash held		(662,601)
Cash at beginning of the year		<u>3,386,333</u>
Cash at end of the year		<u><u>2,723,732</u></u>

The accompanying notes form part of these financial statements

APEX MINERALS NL
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2002

NOTE 1. BASIS OF PREPARATION OF HALF-YEAR FINANCIAL REPORT

The half-year consolidated financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard AASB 1029 Interim Financial Reporting, and Urgent Issues Group consensus views. This half-year financial report is to be read in conjunction with the 30 June 2002 Annual Financial Report and any public announcements by Apex Minerals NL during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or current valuations of non-current assets.

These accounting policies have been consistently applied and are consistent with those applied in the 30 June 2002 Annual Financial Report.

The half-year report does not include full note disclosures of the type normally included in an annual financial report.

2002
\$

NOTE 2. OPERATING LOSS

(a) Operating loss before income tax has been arrived at after including:

Interest revenue	<u>81,533</u>
Interest expense	<u>-</u>
Depreciation and amortisation	<u>1,970</u>

2002
cents

NOTE 3. EARNINGS PER SHARE

Basic earnings per share	(0.166)
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NOTE 4. SEGMENT INFORMATION

Apex Minerals NL operates in mineral exploration and investment in Australia.

NOTE 5. COMPARATIVE INFORMATION

As the Company was incorporated on 31 October 2001 and did not become a disclosing entity until 2002 no comparative financial information other than for the Statement of Financial Position has been presented.

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AUDIT REPORT



STANTON PARTNERS

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INDEPENDENT REVIEW REPORT TO THE MEMBERS OF APEX MINERALS NL

Scope

We have reviewed the financial report of Apex Minerals NL for the half-year ended 31 December 2002. The financial report includes the Directors Declaration, Statement of Financial Performance, Statement of Financial Position, Statement of Cashflows and Notes to the Financial Statements. The Company's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029: Interim Financial Reporting and other mandatory professional reporting requirements and statutory requirements, so as to present a view which is consistent with our understanding of the entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission/Australian Stock Exchange Limited.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Review Statement

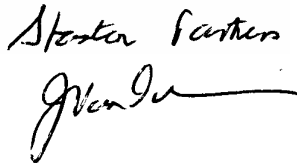
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Apex Minerals NL is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the company's financial position at 31 December 2002 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations; and

APEX MINERALS NL
AUDIT REPORT

(b) other mandatory professional reporting requirements.

STANTON PARTNERS

Handwritten signature of J P Van Dieren in black ink.

J P Van Dieren
Partner

Perth, Western Australia
14 March 2003