



Apex Minerals N.L.
Quarterly Report for the period ending
31st March 2007

Highlights

- Commencement of nickel exploration program on the Lawlers JV.
- Additional drill intersections extend the limits of gold mineralisation at Apollo Hill.
- Copper mineralisation intersected at Copper Chert prospect, Jillawarra JV.
- Electromagnetic (EM) anomalies identified in nickel prospective Narndee mafic complex, Narndee JV.
- Several corporate opportunities significantly advanced.

Corporate Activities

Several corporate opportunities were significantly advanced during the quarter.

The company's cash and investment position at the end of the quarter stood at \$4.1M. A total of 20,000 unlisted options were issued as part of the company's ESOP (Employee Share Option Plan) during the quarter at a strike price of \$0.40.

Exploration Activities

During the quarter, exploration continued on Apex's Australian properties, with the highlight being the inception of a new nickel exploration joint venture on Barrick Gold's Lawlers gold mine tenements in the Leinster district of the North Eastern Goldfields.

Lawlers Nickel JV

Apex has entered into a joint venture with mining contractor Carey Mining (the ACJV), and the ACJV has reached agreement with Barrick Gold to earn a 70% interest in the nickel rights on approximately 120 square kilometres of Barrick's tenements in the Lawlers district of the North Eastern Goldfields of Western Australia. The terms of the JV are detailed in the ASX announcement of 11th December 2006.

The Barrick tenements are part of Barrick's Lawlers Gold Operations, and contain over 40 strike kilometres of relatively unexplored nickel sulphide prospective ultramafic rocks in the heart of a world class nickel province, being surrounded by

Jubilee's Cosmos, Prospero and Sinclair nickel deposits, BHPB's Perseverance and Rockys Reward nickel mines, and LionOre's Waterloo nickel mine. Importantly, no effective nickel sulphide exploration has been undertaken on these tenements since Selection Trust explored the area thirty years ago. Since then, nickel sulphide exploration has been very limited, with most exploration focussing on nickel laterite and gold.

During the quarter a 1300 sample soil geochemical survey was undertaken over three target zones. These areas were selected on the basis of favourable geology and favourable element ratios in previous, less systematic surveys. Platinum group element (PGE) data obtained from this survey will augment the data collected by previous explorers. Anomalous PGE geochemistry is significant in that it is considered most diagnostic of nickel sulphide sourced anomalies, rather than those derived from the lateritic weathering of juxtaposed ultramafics and mafics. The outcomes of this survey will assist in the selection of areas for electromagnetic (EM) geophysical surveys to be conducted in the second quarter. The areas sampled include the Four Corners, Hollywood and Catoe targets.

At the Four Corners target, sampling has identified a coherent nickel soil anomaly along the eastern (basal) contact of the ultramafic, roughly coincident with a zone of downhole nickel anomalism in previous Anaconda laterite drilling. This nickel anomaly contains a subtle coincident copper, cobalt and palladium anomaly. At the Catoe target, no obvious soil anomalies were defined but this seems to largely be a result of the presence of masking transported cover in these areas. Results are awaited from the Hollywood survey. An additional program of approximately 3000 soil samples is planned to commence in early May.

Apollo Hill JV

Apex is earning a 51% interest in the Apollo Hill project by expending \$3 million within three years. At this point, at Hampton's election, Apex can earn a further 9% by free carrying Hampton for a further \$2 million within five years of commencement. Hampton can contribute or reduce its interest to 20% in exchange for being free carried to a Decision to Mine. At the Decision to Mine point, should it have elected to reduce to 20%, it can elect to have its share of mine capital costs loaned to it by Apex to be repaid with accrued interest out of 80% of its share of mine proceeds.

Drilling of the interpreted southern extensions of the Apollo Hill prospect during the month identified a narrow zone containing visible gold in hole AAHD4 from 96.0m to 97.0m. This is interpreted to represent the southerly strike extension of the Eastern Zone. Three additional diamond holes (AAHD11, 14 and 24), were drilled to test for southern extensions to the Main zone. Holes 14 and 24 intersected minor intervals of moderately altered and veined basalt from the Main Zone close to the mafic-felsic contact. AAHD11 intersected a 6m zone of strong alteration from 288.2m also close to the mafic-felsic contact and within a broader weakly to moderately altered interval of 18m thickness from 276m downhole. Analytical results from this drilling are expected in May.

Eight concealed structural targets have been identified elsewhere within the project area. It is envisaged that at least one of these will be tested by aircore or RAB reconnaissance drilling in the June quarter.

Jillawarra JV (Abra Mining)

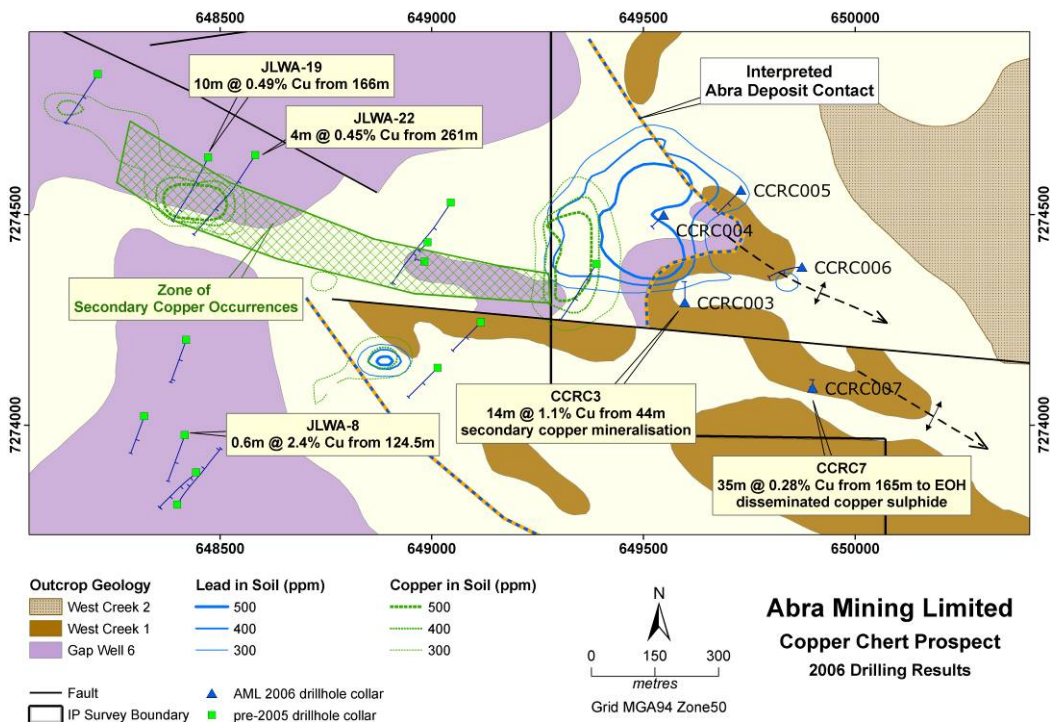
The project is managed by Abra Mining, which can earn a 51% interest by the expenditure of \$500,000 by April 2008, and a 70% interest by the expenditure of an additional \$850,000 by April 2010. The project is situated in the Bangemal Basin along strike from Abra's namesake lead-zinc deposit, which is estimated to contain 50Mt @ 5.5% lead.

Assay results received from a 5 hole, 792 metre reverse circulation ("RC") drilling program undertaken at the Copper Chert prospect during December 2006 have confirmed the presence of copper mineralisation.

The drilling programme was designed to target geological and geochemical anomalies which showed similarities to the lead-copper signature of the Abra base metals deposit at relatively shallow depths.

Drillhole CCRC003 intersected an oxidised fault breccia between 45 and 60 metres depth associated with secondary copper mineralisation over a 14 metre interval averaging 1.1% copper from 44 metres.

CCRC007 was targeted on a weak gravity anomaly and intersected chalcopyrite ("sulphide") copper mineralisation averaging 0.28% copper over a 35 metre interval from 165 metres depth to the end of the hole. Copper mineralisation was also intersected in the weathered upper portion of CCRC007, including 4 metres averaging 0.20% copper from 15 metres and 10 metres averaging 0.21% copper from 31 metres.



CCRC004, CCRC005 and CCRC006 targeted stratigraphic positions in a south-east plunging anticline and intersected minor zones of anomalous base metal sulphides. Results from the RC drilling programme are detailed in Table 1.

The mineralisation intersected in CCRC003 is important because it is the first significant drill test of a west-northwest trending, south dipping fault zone with oxide copper mineralisation developed at the surface over a strike length of more than 1.5 kilometres. Previous drillholes in the vicinity of the structure are considered ineffective as they were oriented to the south, paralleling the south-dipping orientation of faults in the area.

TABLE 1 COPPER CHERT PROSPECT December 2006 Drilling Results								
Drillhole Number	Easting ¹	Northing ¹	Drillhole Details			Intercept		Cu (%)
	metres	metres	dip	azimuth ²	Depth metres	From metres	Thickness metres	
CCRC003	649,598	7,274,291	-60°	0°	100	13	1	0.16% Cu
						44	14	1.1% Cu
						88	1	0.16% Cu
CCRC005	649,731	7,274,558	-60°	225°	192	143	1	0.44% Cu
CCRC006	649,875	7,274,375	-60°	270°	200	51	2	0.19% Cu
						65	1	0.57% Cu
CCRC007	649,900	7,274,088	-90°	0°	200	15	4	0.20% Cu
						31	10	0.21% Cu
						45	1	0.17% Cu
						49	1	0.15% Cu
						165	35	0.28% Cu
¹ MGA94 Zone 50 coordinates ² Relative to magnetic north. Results reported ≥ 0.15% Cu, cutoff 0.15% Cu, maximum internal dilution 3m								

The strike extent of the mineralised structure may extend for more than 2 kilometres if the surface copper mineralisation observed is contiguous with the primary sulphide mineralisation in CCRC007. Further exploration of this emerging copper trend is planned and an IP geophysical survey is underway to assist with the identification of further mineralisation in the prospective target zone (see Figure 2).

A program of soil sampling is underway to test the prospective Jillawarra Sub-basin between Copper Chert and the Woodlands complex, approximately 40 kilometres to the west (see Figure 3). This survey is the first systematic sampling of the highly prospective geological contact between the Kiangi Creek and Irregularly Formations undertaken by any explorer.

To date, approximately 155 line kilometres of terrain (5,745 samples) have been surveyed on 1,000 metre spaced lines. Initial data from the survey has highlighted at least four anomalous zones of lead, zinc and copper which require follow-up work.

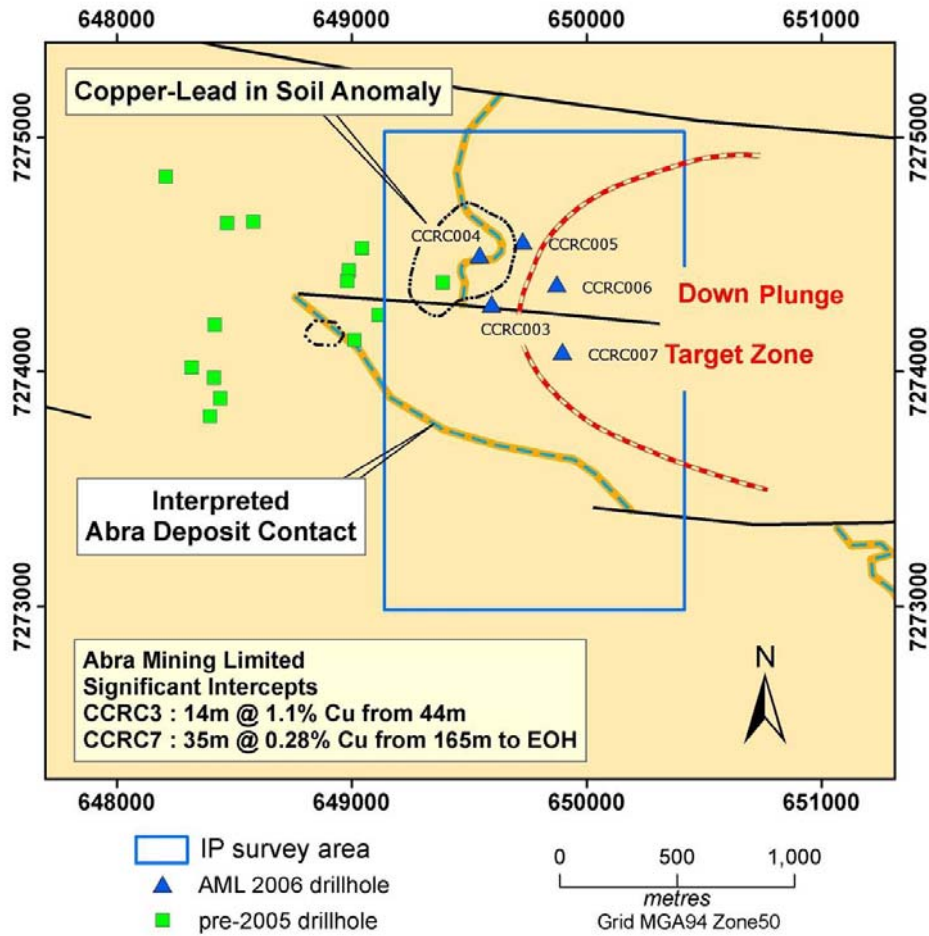


FIGURE 2. Plan showing Location of IP Survey Area and Prospective Target Zone

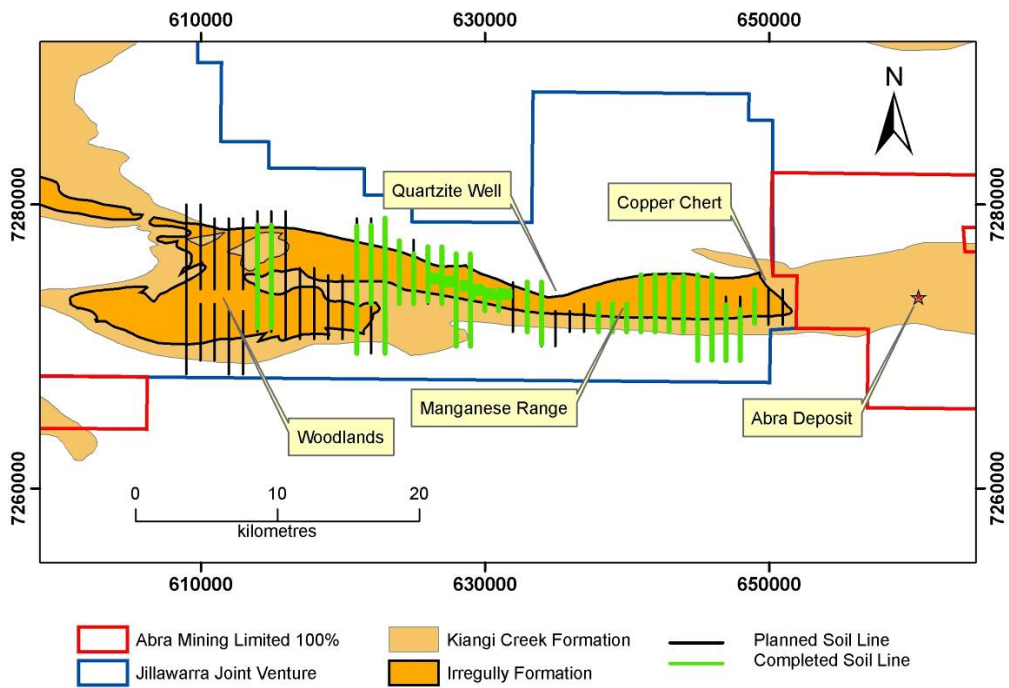


FIGURE 3. Plan Showing Completed and Proposed Regional Soil sampling Lines

Narndee JV (Maximus Resources)

The Narndee JV (aka Windimurra) is managed by Maximus Resources, who can earn a 51% interest by the expenditure of \$1,500,000 within three years, and a 70% interest by the expenditure of an additional \$1,500,000 within a further three years. The project covers approximately 3,000 square kilometres of the Windimurra and Narndee layered mafic-ultramafic complexes near Mt.Magnet and is considered particularly prospective for magmatic Ni-Cu-PGE mineralisation, in addition to stratiform vanadium mineralisation of the style present in the adjoining Precious Metals Australia project, and paleochannel uranium.

During the Quarter, Maximus completed two phases of moving loop ground electromagnetic (MLEM) surveys over the Milgoos area – a layered mafic intrusive complex considered highly prospective for intrusive associated nickel deposits of the type represented by deposits such as Sally Malay and Voisey's Bay. Two significant conductors were detected in the first survey and infill surveys confirmed these conductors as strong anomalies positioned geologically and geochemically to possibly represent nickeliferous massive sulphides (Figure 3 & 3a). The more discrete central conductor represents an 850 metre long body with a down dip extent of 300 metres and the second NW conductor is some 300 metres long. Both are located in areas of poor outcrop, and in the vicinity of anomalous nickel and platinum group element (PGE) intersections obtained in previous drilling, which contain variable percentages of disseminated sulphide mineralisation with better nickel results including 8 metres @ 0.5% nickel in sulphidic altered ultramafic. Drill testing of each conductor is scheduled to be completed during the June Quarter.

Granting of tenure over the uranium prospective Windimurra palaeochannel is imminent, with all required documentation now completed and ready for lodgement with the WA Department of Industry and Resources. Maximus expects to commence an infill aircore drill program of approximately 120 holes on the 8x0.5 kilometre Windimurra Uranium prospect with a view to estimating an inferred uranium resource during the June quarter.

China

Apex, through its wholly owned Chinese subsidiary Apex Xinjiang NL and in alliance with Xstrata, has been exploring for porphyry copper-gold systems in the Tianshan Belt of northwestern China. Apex is close to finalising a withdrawal from China so that it can focus on its Australian exploration projects.

Yours Sincerely,



Mark Ashley
Managing Director

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr. Mark Bennett, who is a Director of the company. Dr. Bennett is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr. Bennett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

APEX MINERALS NL

ABN

22 098 612 974

Quarter ended ("current quarter")

31 March 2007

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(327)	(1,779)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(458)	(1,302)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	21	120
1.5	Interest and other costs of finance paid	-	(37)
1.6	Income taxes paid	-	-
1.7	Other (GST paid to be recouped)	-	-
	Net Operating Cash Flows	(764)	(2,998)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	(74)	(1,576)
	(c) other fixed assets	(23)	(376)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	1,994	1,994
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	1,897	42
1.13	Total operating and investing cash flows (carried forward)	1,133	(2,956)

1.13	Total operating and investing cash flows (brought forward)	1,133	(2,956)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	69
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	(550)
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	-	(175)
	Net financing cash flows	-	(656)
	Net increase (decrease) in cash held	1,133	(3,612)
1.20	Cash at beginning of quarter/year to date	2,496	7,241
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,629	3,629

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	159
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	All payments to directors and associates are on normal commercial terms.	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
- | |
|-----|
| Nil |
|-----|
- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest
- | |
|-----|
| Nil |
|-----|

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	600
4.2 Development	-
Total	600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,102	1,969
5.2 Deposits at call	527	527
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,629	2,497

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

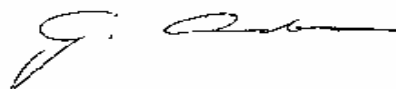
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	159,119,755 20,348,750	159,119,755	N/A 20 cents	N/A 0.001 cents
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	1,500,000 7,200,000 250,000 250,000 300,000 500,000 1,000,000 275,000 300,000 20,000	1,500,000 7,200,000 250,000 250,000 300,000 500,000 1,000,000 275,000 300,000 20,000	<i>Exercise price</i> 20 cents 14 cents 30 cents 35 cents 20 cents 35 cents 35 cents 45 cents 45 cents 40 cents	<i>Expiry date</i> 3 July 2011 20 July 2011 17 August 2011 14 September 2011 31 May 2009 1 November 2011 1 November 2011 30 November 2011 30 November 2011 17 January 2012
7.8 Issued during quarter	20,000	20,000	40 cents	<i>Issued date</i> 23 January 2007

7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.



Sign here:
(Director/Company secretary)

Date: 30 April 2007

Print name: GRAHAM ANDERSON.

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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