

APEX MINERALS NL
ACN 098 612 974

SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with and supplements the prospectus dated 25 September 2012 (**Prospectus**), issued by Apex Minerals NL (ACN 098 612 974) (**Company**).

This Supplementary Prospectus is dated 10 October 2012 and was lodged with ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at www.apexminerals.com.au and the Company will send a copy of this Supplementary Prospectus to all Eligible Shareholders.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

1. UPDATE ON SHORT TERM FUNDING

Subsequent to the Prospectus being lodged with ASIC, the Company has refinanced and settled its existing \$4,000,000 short term cash advance facility with AMNL Financing Pty Ltd (**AMNL**) via entering into a short term cash advance facility (**Facility**) with AR Management Co Pty Ltd (**AR Management**).

The Facility has been provided to the Company on broadly the same terms as the previous facility with AMNL.

The key terms of the Facility are as follows:

- (a) **(Lender):** AR Management Co Pty Limited (ACN 127 097 081) (**Lender**);
- (b) **(Facility amount):** \$4,000,000;
- (c) **(Repayment date):** the principal amount must be repaid in full on or before the date that is 180 days from the funding date (the funding date being the date the Company draws down the Facility) (**Repayment Date**);
- (d) **(Interest rate):** interest is payable on the principal outstanding at a rate of 20% per annum (payable on the last day of each period of 30 days from the funding date or if the relevant day is not a business day the following business day);
- (e) **(Option Issue):** the Company agrees to issue the Lender 5,500,000 Options with an exercise price of \$0.25 and expiry date of three years from the date of issue (**Lender Options**), subject to the receipt of approval of Shareholders in general meeting to issue the Lender Options. If Shareholder's do not approve the issue of the Lender Options, the Company will be required to pay the Lender the Black-Scholes valuation of the Lender Options on the Repayment Date;
- (f) **(Security):** the Company must grant the Lender a general security (**Security**) over all of its present and after-acquired property in favour of the Lender as soon as reasonably practicable and by no later than the date of which the Facility is drawn down;
- (g) **(Events of Default):** Each of the following is an event of default:
 - (i) if the Company does not pay on the due date any amount payable by it under the Facility;
 - (ii) the Underwriting Agreement is terminated;
 - (iii) the Company does not comply with any other obligation under the Facility or Security; and
 - (iv) an insolvency event occurs in relation to the Company.

If an event of default occurs, the Lender may cancel the Facility and/or declare all or any part of the amounts outstanding to be immediately due and payable.

2. UPDATE AND USE OF FUNDS

As at the date of this Supplementary Prospectus, it is the current intention of the Board to no longer apply \$4,000,000 towards the repayment of the facility provided to the Company by AMNL and instead to apply \$7,302,589 of the funds raised under the Offer for the reduction of creditors (assuming the maximum Offer proceeds under the Prospectus are raised) and \$5,560,000 of the funds raised under the Offer for the reduction of creditors (assuming the minimum Offer proceeds under the Prospectus are raised). This amount represents a \$4,000,000 increase to the amount to be applied to the reduction of creditors as stated in the Prospectus. Accordingly, the Use of Funds tables in section 6.1 of the Prospectus are replaced by the tables set out below.

In the event that the maximum Offer proceeds of \$8,866,544 is raised under the Prospectus, the funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	\$	%
1	Payment of creditors	7,302,589	82
2	Working Capital	980,000	11
3	Expenses of the Offer	583,955	7
	Total	8,866,544	100

In the event that only \$6,000,000 (**the Minimum Subscription Amount**) is raised under the Prospectus, the proceeds of the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	\$	%
1	Payment of creditors	5,560,000	92
2	Expenses of the Offer	440,000	8
	Total	6,000,000	100

The above tables are statements of the Board's current intention as at the date of the Supplementary Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above tables may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

The matters set out in this Supplementary Prospectus should be read in conjunction with section 7 (Financial Information) of the Prospectus. Entry into the Facility and associated refinancing and settling of the Company's existing \$4,000,000 short term cash advance facility with AMNL and amendments to the

planned use of funds raised under the Offer are matters to be noted as events occurring subsequent to the balance date of the Pro Forma Historical Statement of Financial Position of 31 May 2012.

3. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.

Dated the tenth day of October 2012.

Signed for and on behalf of:

APEX MINERALS NL



Eduard Eshuys
Executive Chairman