

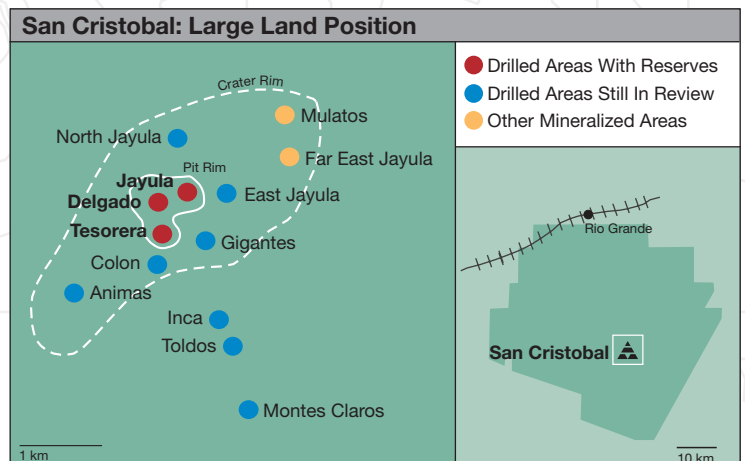
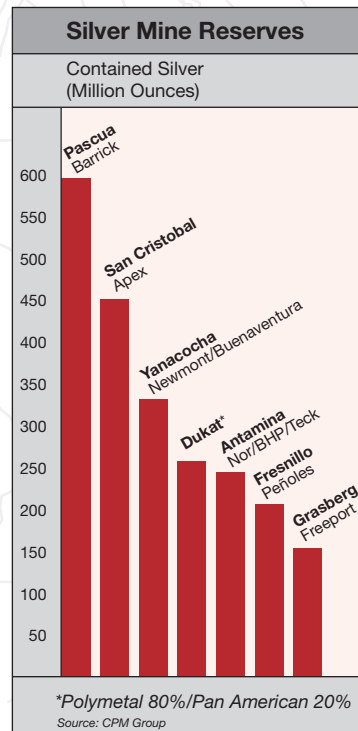
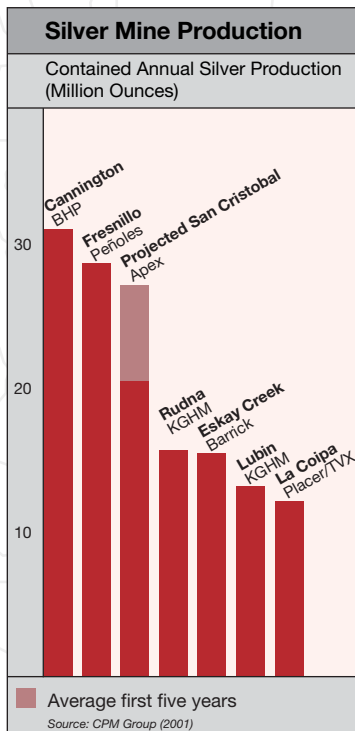
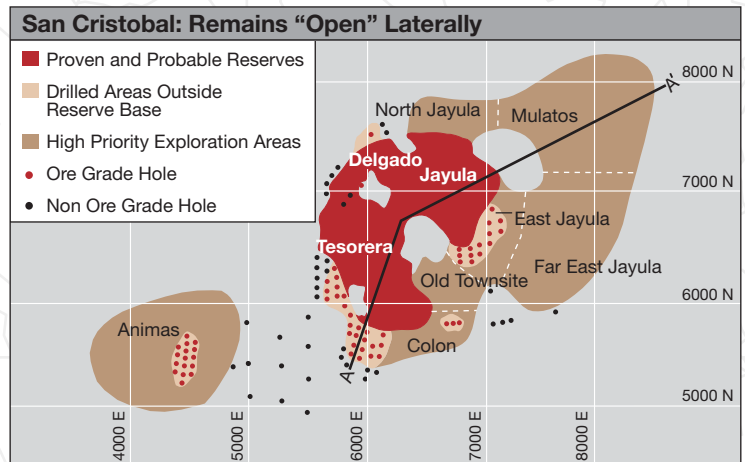
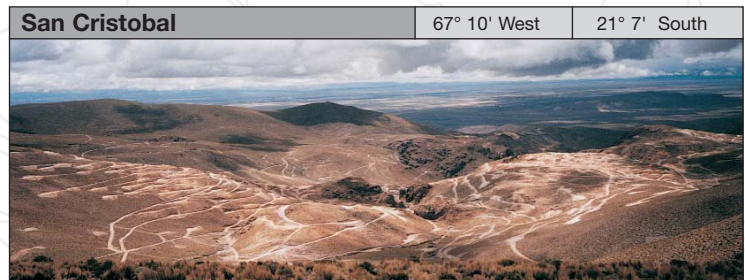
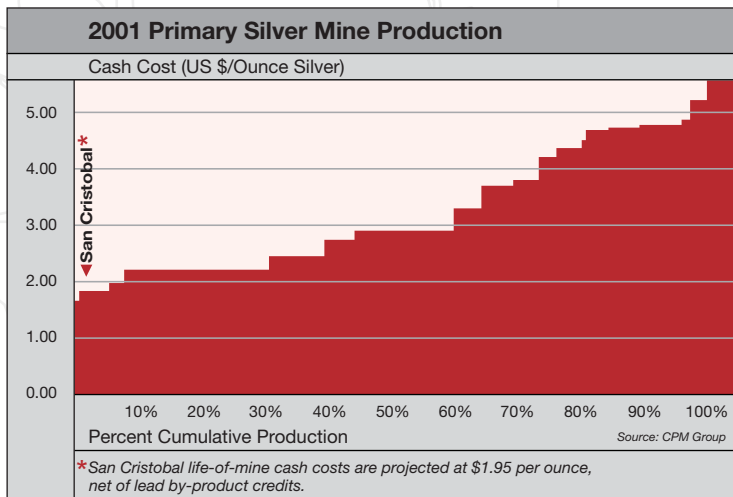


Flagship Project: San Cristobal

The wholly-owned San Cristobal property is Apex' flagship project. Located in the Potosi district of southwestern Bolivia, it represents one of the largest open-pit deposits of both silver and zinc in the world. The project hosts approximately 450 million ounces of silver and 8 billion pounds of zinc contained in 220 million tonnes of proven and probable reserves. As the deposit is open both laterally as well as to depth, reserve expansion is considered highly likely.

Based upon the bankable-quality feasibility studies that have been completed, San Cristobal is projected to be one of the largest-scale lowest-cost open-pit silver mining operations in the world. At the designed production rate of 40,000 tonnes of ore per day, San Cristobal's first five full years of production are projected to average 27 million ounces of contained silver annually, while zinc production during the same period is projected to average 570 million pounds contained in concentrates.

With these projected levels of output, San Cristobal will be among the very largest producers of both metals. As such, its operating costs are expected to be attributed to silver and zinc proportional to their respective value contribution, and both metals are expected to be treated as co-products. Life-of-mine cash costs are forecast to average approximately \$1.95 per ounce of silver and \$0.26 per pound of zinc. In addition, the operation is expected to produce lead as a by-product of its silver production. Thus, the value of lead would be credited against the cost of producing silver. With higher grades at the surface, during the first five years, the average cash operating cost per ounce of silver net of lead by-product credits is projected to be \$1.34 and the average cash operating cost per pound of zinc is projected to be \$0.22. At these projected cost levels, San Cristobal will not only be one of the largest but, even more importantly, it will be among the very lowest cost producers of these two key metals.



APEX SILVER EXPLORER 003



LOCATION:  SAN CRISTOBAL
BOLIVIA

POSITION:	LATITUDE:	LONGITUDE:	ELEVATION:
	67° 10' W	21° 7' S	4000 FT



LOCATION:   



GPS



SIL

Exploration: A Premier Portfolio



As part of the company's Global Positioning in Silver, Apex holds what is believed to be one of the most diversified and extensive portfolios of silver-exploration properties ever assembled, with over 33 major property groups spread over 280,000 hectares of highly prospective land located primarily in the traditional precious metals-producing regions of Central and South America.

In Mexico, the company holds six properties covering 27,000 hectares of ground in major silver-producing areas. These properties are under active evaluation. What characterizes these targets is their focus on large, Fresnillo-type targets. Two joint-venture properties, the high-grade Platosa project in Mexico and the bulk-tonnage Aldea Zapote project in El Salvador, have also both returned encouraging values in the past year.

Apex' Bolivian exploration activities are focused on the newly-recognized San Cristobal-Potosi silver belt, a wide well-mineralized string of silver deposits that extends from San Cristobal (a 450 million ounce open-pit silver reserve) in the southwest to Potosi (the world's largest underground silver discovery) in the northeast. Regional activities in 2002 centered on aggressive land acquisition coupled with a drill program in the Paca-Pulacayo sector that delivered encouraging indications of strong silver mineralization in numerous parts of this exciting district.

In Peru, the company is focusing its efforts on highly prospective precious metals targets in the northwestern and southern portions of the country. Numerous attractive properties are presently being evaluated. Of particular interest is the 4,600-hectare Otuzco gold exploration concession, strategically located approximately 45 kilometers from Barrick's 7.3-million-ounce Alto Chicama gold discovery and Newmont's 34 million-ounce Yanacocha gold mining operation.

Apex' management and Board of Directors believe that exploration is a vital component of achieving optimum positioning to a bull market in silver. As investors in Apex are aware, Apex' management continues to examine different scenarios for the optimization of this strategy. It is committed to optimizing the value of this poly-metallic portfolio for the benefit of Apex' shareholders.

