



APOLLO CONSOLIDATED LIMITED
ABN 13 102 084 917

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

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Corporate Directory

Directors

Mr. Roger Steinepreis – Non-Executive Chairman
Mr. Nick Castleden – Managing Director
Mr. George Ventouras – Non-Executive Director
Mr. Robert Gherghetta – Non-Executive Director
Mr. Stephen West – Non-Executive Director

Company Secretary

Mr. Alex Neuling
Mrs. Natalie Madden

Registered and Principal Administrative Office

Unit 24,,589 Stirling Highway
Cottesloe
WA 6011
Australia

Auditors

Deloitte Touche Tohmatsu
Tower 2, Brookfield Place
123 St Georges Terrace
Perth WA 6000
Australia

Securities Exchange Listing

Australian Securities Exchange
Home Exchange: Perth, Western Australia
Code: AOP

Bankers

National Australia Bank Limited
Level 13, 100 St Georges Terrace
Perth WA 6000

Share Registry

Computershare Investor Services Pty Limited
Level 11
172 St Georges Terrace GPO Box D182
Perth WA 6000 Perth WA 6840
Telephone: 08 9323 2000
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Directors' Report

The Directors of Apollo Consolidated Limited present their report on the Consolidated Entity consisting of Apollo Consolidated Limited ("the Company" or "Apollo") and the entities it controlled during the half-year ended 31 December 2016 ("Consolidated Entity" or "Group").

Directors

The names of the Directors of Apollo Consolidated Limited in office during the half-year and until the date of this report are:

Mr. Nick Castleden – Executive Director
Mr. Roger Steinepreis – Non-Executive Chairman
Mr. George Ventouras – Non-Executive Director
Mr. Robert Gherghetta – Non-Executive Director
Mr. Stephen West – Non-Executive Director

Principal Activities

Apollo Consolidated Ltd is an Australian company listed on the Australian Securities Exchange (ASX code AOP). The principal activities of the Company during the half-year ended 31 December 2016 were mineral exploration in Western Australia and Cote d'Ivoire.

During a busy second half of 2016 the Company continued gold exploration over its 100% owned gold exploration properties in the West African country of Cote d'Ivoire, and in Western Australia.

Cote d'Ivoire has terrific opportunity for gold discovery in its under-explored greenstone terrains, and this potential has come into sharp focus at Apollo's Boundiali project where a significant new gold discovery has been made.

During the period two initial rounds of reverse circulation (RC) drilling at Boundiali outlined a 600m long zone of high-grade gold mineralisation at the 'Trench Zone' prospect, and promising intercepts emerged in reconnaissance aircore drilling elsewhere within the large 'Antoinette' soil anomaly. Drilling is set to continue in 2017.

On the Korhogo permit a substantial ground magnetic program is underway along the length of a 20km long gold-in-soil anomaly. This program will assist in planning drill testing of this regional-scale structure.

In Australia, RC drilling at the Rebecca project returned a number of significant gold intercepts at the three prospects tested. All zones remain open to strike and at depth, and offer potential to delineate gold resources.

An Option to Purchase arrangement with a subsidiary of Newcrest Mining limited was exercised over the Company's 80% owned Seguela property. Fees and consideration payments flowing from the sale of this project have provided Apollo with significant funds to be applied to exploration elsewhere in Cote d'Ivoire and in Australia.

The Company ended 2016 with \$5.3M cash and \$5.2M in trade receivables and other current assets (before local taxes and charges) placing it in a strong financial position to continue an aggressive exploration campaign and take advantage of additional opportunities as they arise.

Boundiali (AOP 100%)

Aircore-defined bedrock mineralisation at **Trench Zone** received two stages of RC drilling during the Half, **confirming a significant gold discovery at this location**. A maiden campaign of eight drillholes intersected significant zones of gold mineralisation (see *ASX announcement 12th July 2016*) including:

- **14m @ 11.24g/t Au** in BDRC006

Directors' Report (cont'd)

- **11m @ 9.07g/t Au and 35m @ 2.93g/t Au EOH (incl. 5m @ 9.84g/t Au) in BDRC005**
- **10m @ 3.37g/t Au in BDRC007**
- **8m @ 2.61g/t Au EOH in BDRC004**
- **4m @ 5.69g/t Au in BDRC001**

A further 20 RC drillholes were then drilled to complete a systematic fresh-rock test of the zone. This second phase drilling **confirmed a significant high-grade oxide component to the system**, with numerous high-grade gold intercepts in the oxide profile and narrower zones extending into fresh rock (see *ASX announcement 30th November 2016*).

The Phase 2 RC program provided multi-hole tests on lines 100m apart, and additional holes were drilled on two infill sections. Standout results included:

- **17m @ 22.52g/t Au (incl. 1m @ 261.46g/t Au) in BDRC011**
- **11m @ 6.69g/t Au (incl. 2m @ 17.47g/t Au), 10m @ 3.58g/t Au and 6m @ 6.77g/t Au in BDRC012**
- **10m @ 6.86g/t Au (incl. 2m @ 18.69g/t Au) and 13m @ 2.74g/t Au in BDRC013**
- **5m @ 7.15g/t Au (incl. 1m @ 22.77g/t Au) in BDRC014**
- **6m @ 10.56g/t Au (incl. 2m @ 26.37g/t Au) in BDRC016**
- **8m @ 7.35g/t Au (incl. 2m @ 19.72g/t Au) in BDRC017**
- **18m @ 3.10g/t Au and 15m @ 2.84g/t Au in BDRC026**
- **9m @ 5.29g/t Au in BDRC027**
- **10m @ 2.86g/t Au in BDRC028**

Key findings from the Phase 2 program at Trench Zone were:

1. High-grade gold mineralisation sits in a 40-60m thick oxide profile overlying the steeply dipping NE-SW oriented main structure, particularly between 7100N and 7300N. Oxide intercepted included **17m @ 22.52g/t Au** from 8m in BDRC0011 (with **1m @ 261.46g/t Au**), **6m @ 10.56g/t Au** (including **2m @ 26.37g/t Au**) from 44m in BDRC016, and **9m @ 5.29g/t Au** from 15m in BDRC027.
2. Significant fresh-rock (un-oxidised) mineralisation was returned between 7100N and 7350N, with results including **6m @ 6.77g/t Au** from 90m in BDRC012, **5m @ 7.15g/t Au** from 102m (including **1m @ 22.77g/t Au**) in BDRC014, **8m @ 7.35g/t Au** from 84m (including **2m @ 19.72g/t Au**) in BDRC017. This zone remains open to depth and shows potential for a panel of high-grade material over the 250m strike.
3. A new zone of vein-hosted mineralisation was uncovered on the eastern side of Trench Zone. This zone may parallel the regional structural corridor, and remains open to depth. Oxide intercepts include **11m @ 6.69g/t Au** from 10m (including **2m @ 17.47g/t Au**) in BDRC012, **13m @ 2.74g/t Au** from 0m and **9m @ 2.44g/t Au** from 20m in BDRC013, **5m @ 7.15g/t Au** (including **1m @ 22.77g/t Au**) from 21m in BDRC014, and **10m @ 2.86g/t Au** from 1m in BDRC028.

Directors' Report (cont'd)

Gold mineralisation at Trench Zone is within a steeply dipping altered sandstone (greywacke) and minor black shale package, and flanked by diorite dykes. Alteration was logged over zones >50m downhole and consists of silica, carbonate and sericite.

Stronger gold grades in fresh rock are associated with quartz/silica veining and increased pyrite & arsenopyrite sulphide content. Preliminary bottle-roll tests on fresh-rock material indicated that at least some of the material may have a complex metallurgy (see ASX announcement 9th January 2017). Oxide mineralisation is likely to have simple metallurgical characteristics.

Continued aircore drilling during 2H 2016 focussed on an area of granodiorite-hosted gold stockwork located approximately 1km to the southeast of Trench Zone gold prospect. Four lines of aircore at 200m to 400m line spacing tested this area, and results were reported Jan 2017 (See ASX announcement 16th January 2017).

Line 6000N intersected a number of zones of gold mineralisation with supporting widespread >0.20g/t gold anomalism, with a good correlation with gold intercepts on two prior reconnaissance traverses. A best composite intercept of **24m @ 1.28g/t Au** from 24m was obtained in hole BDAC207, corresponding to a near-vertical zone of gold mineralisation intersected by earlier hole BDAC033 (16m @ 1.03g/t Au, and 8m @ 2.41g/t Au to end of hole (EOH). The strike of mineralised quartz veining remains to be determined, and infill drilling at 50 to 100m line spacing will be required to scope the potential of this area.

Likewise the NE boundary area of the intrusive remains a key target, with gold anomalism obtained in wide-spaced holes on the 6200N traverse, including a promising composite result of **4m @ 3.57g/t Au** from 28m in hole BDAC223.

Aircore drilling will continue through Q1 2017, and will continue to work its way into untested portions of the greater ~7km x 2km Antoinette soil anomaly.

Korhogo Permit (AOP 100%)

The Korhogo permit is located 60km SE of Randgold Resources Ltd multi-million ounce **Tongon** gold operation.

A 100m line-spaced ground magnetic survey along the length of the 20km '**Liberty**' soil anomaly commenced late 2016 will run through to March 2017. The Company will incorporate the results of this survey with soil anomalism and the results of an early 2016 reconnaissance aircore program to define high priority drill targets.

An initial program of twelve >800m-spaced aircore traverses at Liberty intersected wide zones of anomalous gold in strongly deformed and altered mafic and sedimentary schists, including composite results of 16m @ 0.68g/t Au and 46m @ 0.38g/t Au (see ASX announcement 16th March 2016)

The Company sees considerable potential for focussed gold mineralisation in structural positions within the anomalous corridor.

Seguela Project (AOP 80% – Newcrest Sale)

During the period a subsidiary of global gold producer Newcrest Mining Limited (ASX:NCM 'Newcrest') exercised its Option to Purchase ('Option') the Seguela gold project located in central west Cote d'Ivoire (See ASX

Directors' Report (cont'd)

announcement 27th October 2017). The Option was negotiated mid-2015, announced in a Heads of Agreement Dec 2015, and formalised Feb 2016.

Under the terms of the Option Newcrest held the right to fund up to two years' exploration on the property, and on decision to exercise the Option it would purchase 100% of the Seguela permit PR-252 from the existing permit holder Mont Fouimba Ressources SA ('MFR'), an Ivorian subsidiary company 80% owned by Apollo.

Option fees received by Apollo have funded the Company's drilling programs elsewhere in the country, including at the Trench Zone gold discovery on the Boundiali permit.

The Option exercise triggered the first instalment of various consideration payments totalling US\$3.5M, with a final payment to be made on completion of the transfer of full and unencumbered title to the permit to Newcrest. The second-year option fee remains payable on the anniversary of the option agreement, or at completion of the transfer if that occurs first.

Apollo will retain exposure to any subsequent commercial decision on the Seguela property through a net smelter royalty. Newcrest will retain rights to repurchase the royalties at independently appraised fair market value on a decision to mine being made.

Subject to the necessary approvals being granted, Apollo's share of pre-tax fees and consideration payments flowing to Apollo and its subsidiaries over this period is expected to be approximately A\$4.4M*, significantly adding to the Company's cash position.

**before local tax and charges, and assuming an AUD/USD exchange rate of 0.76c*

Rebecca Project (AOP 100%) (Gold and Nickel)

The Rebecca Project sits 145km east of Kalgoorlie and covers 137km² of greenstone on the eastern margin of the Norsemen Wiluna Greenstone Belt. Saracen Resources Ltd's Carosue Dam gold operations lie 60km to the NW. The Company is exploring for gold and nickel on the tenement group.

Gold mineralisation at Rebecca is associated with disseminated sulphides in gneissic rocks. A 12 hole RC program over three advanced gold prospects – **Bombora**, **Redskin** and **Duke** continued to demonstrate potential to deliver volume, and where sulphide content increases, significant grade (*see ASX announcement 1st September 2016*).

At Bombora, two RC holes were drilled close to an intercept of 42m @ 7.75g/t Au in past hole RCLR0161 in order to establish the dip and plunge to this particular zone ('**161 Lode**'). RCLR0185 penetrated the Lode 30m below the RCLR0161 intercept with a best result of **14m @ 2.93g/t Au**, including **2m @ 9.80g/t Au** in strongly sulphidic material. A lower zone returned 14m @ 0.98g/t Au.

A second hole intersected a mineralised zone to the west of the 161 Lode and returned **8m @ 1.97g/t Au** from 75m, but did not reach target depth.

Drill intercepts along the 161 Lode suggest a wide gold zone on an open long-section. Narrower high-grade zones are present in a number of holes, and additional RC or diamond drilling is required to determine the plunge orientation of higher-grade material.

Directors' Report (cont'd)

Bombora has the highest gold tenor of the project, and remains the least explored area. The strong relationship between sulfide content and gold grade suggests that exploration could be led by EM survey. The Company is planning downhole EM tests in past holes to test local responses.

Drilling at **Duke** confirmed a near-vertical lode with good down-dip continuity at this location. Wide zones of disseminated sulphide mineralisation and increased foliation were intersected at the western end of the prospect, with results of **35m @ 1.41g/t Au** from 96m in RCLR0193, and **26m @ 1.60g/t Au** from 73m in RCLR0195. Mineralisation at Duke extends over at least 400m of strike and remains open eastward where past drilling is orientated sub-parallel to strike. The western extension may be offset northward by faulting.

RC drillholes at the **Redskin NW** target confirmed that IP chargeability anomalies correspond to zones of alteration and disseminated sulphides containing variable gold values. Better intercepts include **12m @ 1.01g/t Au** from 101m in RCLR0188 and **10m @ 1.10g/t Au** in RCLR0189.

Significant widths of altered gneiss with disseminated sulphides were cut along the target zone, all containing widespread >0.20g/t anomalism. For example, RCLR0190 returned a number of narrow >1.0g/t intercepts (best **3m @ 2.71g/t Au** from 113m) within a 60m zone averaging 0.63g/t Au.

The broader Redskin prospect has a series of stacked sulphide lodes dipping 40-50 degrees to the west that are coincident with IP responses. IP chargeability anomalies extend beyond the current drilling in several directions and beyond the limit of IP surveys. Additional geophysical exploration is warranted in this area.

Yindi (AOP 100%) (Gold)

The Yindi project covers greenfield gold targets close to the Mulgabbie Shear, 25km SE of Saracen Minerals' >1Moz Carosue Dam gold deposits. The project is located approximately 40km due north of Breaker Resources Ltd (ASX-BRB) Lake Roe project, and on the same structural zone.

Historical RAB drilling at the **Airport** prospect reported intercepts up to 11m @ 2.15g/t Au*, demonstrating the presence of mineralising fluids in the area. A further 6km of geological strike and truncated magnetic targets remain untested below deep soil cover to the north of Airport and this forms an initial target here. Magnetic anomalies in this area are interpreted to be magnetite-rich portions of dolerite dykes.

Initial RAB drilling is scheduled for the first quarter of 2017.

** For details on historical drilling at the Airport prospect refer to GSWA Open File Report A46430 "Yindi Yardarino Project NE Goldfields, Western Australia" dated November 1995.*

Larkin Project (AOP 100%) (Gold)

This 132km² exploration licence lies in a promising structural setting along the western margin of the Laverton Tectonic Zone, in an area approximately midway between the Rebecca project and the Mount Morgans project of Dacian Gold Ltd (ASX-DCN). The primary target on the licence is an untested soil-covered structural corridor extending over at least 6km. Preliminary compilation of past RAB drilling at the northern end of this target has identified anomalous gold results.

Directors' Report (cont'd)

Field assessment will be carried out to assess the effectiveness of past surface geochemistry and validate geochemical drilling targets.

Louisa Project (AOP 100%) (Nickel-Copper)

The 218km² Louisa nickel-copper project is situated in the King Leopold mobile zone of the southern Kimberley region of WA, in a geological setting broadly similar to the Fraser Range in southern WA. Nickel-copper sulphide mineralisation has been defined in a number of intrusions in the eastern Kimberley, including at the mothballed Savannah mine of Panoramic Resources Ltd (ASX-PAN). The onset of the northern Australian wet season delayed an initial field sampling and mapping exercise planned for late 2016.

Results

The Consolidated Entity recorded a net profit for the half-year ended 31 December 2016 of \$2,510,314 (2015: loss \$149,316).

Subsequent Events

There has not been any matter or circumstance, other than disclosed elsewhere in this report, the financial statements or notes thereto, that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Future Developments

The Directors believe that disclosure of further information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Consolidated Entity. Accordingly, this information has not been disclosed in this report.

Directors' Report (cont'd)

Auditor's Independence Declaration

The Auditor's independence declaration is included on page 9 of the half-year financial report.

Signed in accordance with a resolution of the Directors made pursuant to s.306 (3) of the *Corporations Act 2001*.

On behalf of the Directors



ROGER STEINEPREIS

Chairman

Perth, Western Australia

15 March 2017

The information in this Directors' Report that relates to Exploration Results, Minerals Resources or Ore Reserves, as those terms are defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", is based on information compiled by Mr. Nick Castleden, who is a director of the Company and a Member of the Australian Institute of Geoscientists. Mr. Nick Castleden has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve". Mr. Nick Castleden consents to the inclusion in this Directors' Report of the matters based on his information in the form and context in which it appears.

The Board of Directors
Apollo Consolidated Limited
Unit 24, 589 Stirling Highway
Cottesloe WA 6011

15 March 2017

Dear Board Members

Apollo Consolidated Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Apollo Consolidated Limited.

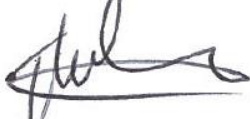
As lead audit partner for the review of the financial statements of Apollo Consolidated Limited for the half-year ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



John Sibenaler
Partner
Chartered Accountants

Independent Auditor's Review Report to the members of Apollo Consolidated Limited

We have reviewed the accompanying half-year financial report of Apollo Consolidated Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2016, the condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 12 to 27.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Apollo Consolidated Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Apollo Consolidated Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

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 Apollo Consolidated Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



John Sibenaler
Partner
Chartered Accountants
Perth, 15 March 2017

Directors' Declaration

The Directors declare that:

- a. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b. in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



ROGER STEINEPREIS

Chairman

Perth, Western Australia
15 March 2017

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Profit or Loss

For the half-year ended 31 December 2016

	<i>Note</i>	31 December 2016 \$	31 December 2015 \$
Option exclusivity fee		-	30,321
Investment income		24,568	7,933
Gain on disposal of Seguela	(3)	2,677,500	-
Other income		<u>2,702,068</u>	<u>38,254</u>
Employee benefit expense		(18,899)	(15,833)
Consulting expense		(49,193)	(52,146)
Occupancy expense		(20,939)	(17,563)
Travel and transport		(1,004)	(10,049)
Compliance & administrative expense		(102,762)	(93,054)
Stakeholder relations		(13,318)	(8,480)
Foreign exchange gains and losses		16,112	10,879
Other expenses		<u>(1,751)</u>	<u>(1,324)</u>
Profit/(Loss) from ordinary activities before income tax		<u>2,510,314</u>	<u>(149,316)</u>
Income tax benefit / (expense)		-	-
Profit/(Loss) for the period from continuing operations		<u>2,510,314</u>	<u>(149,316)</u>
Net profit/(loss) for the period		<u>2,510,314</u>	<u>(149,316)</u>
<i>Attributable to:</i>			
Owners of the parent		1,974,356	(156,086)
Non-controlling interests		<u>535,958</u>	<u>6,770</u>
		<u>2,510,314</u>	<u>(149,316)</u>
Earnings / (loss) per share			
Basic earnings / (loss) per share (cents per share)		1.67	(0.14)
Diluted earnings / (loss) per share (cents per share)		1.67	(0.14)

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2016

	31 December 2016 \$	31 December 2015 \$
Profit/(Loss) for the period	2,510,314	(149,316)
<u>Other comprehensive income</u>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	<u>(31,573)</u>	<u>18,432</u>
Total other comprehensive income/ (loss), net of income tax	<u>2,478,741</u>	<u>(130,884)</u>
Total comprehensive income/(loss) for the period	<u>2,478,741</u>	<u>(130,884)</u>
<i>Total comprehensive income attributable to:</i>		
Owners of the parent	1,942,783	(137,654)
Non-controlling interests	<u>535,958</u>	<u>6,770</u>
	<u>2,478,741</u>	<u>(130,884)</u>

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Financial Position

As at 31 December 2016

	<i>Note</i>	31 December 2016 \$	30 June 2016 \$
Assets			
Current assets			
Cash and cash equivalents		5,326,402	3,202,189
Trade and other receivables		1,058,800	19,640
Other current assets	(4)	4,200,753	79,086
Total current assets		10,585,955	3,300,915
Non-current assets			
Capitalised exploration and evaluation expenditure	(6)	2,278,965	5,309,543
Total non-current assets		2,278,965	5,309,543
Total assets		12,864,920	8,610,458
Liabilities			
Current liabilities			
Trade and other payables		324,918	174,627
Current provisions		168	1,924
Other current liabilities		-	433,402
Total current liabilities		325,086	609,954
Non-current liabilities			
Deferred tax liabilities		468,856	468,856
Total non-current liabilities		468,856	468,856
Total liabilities		793,942	1,078,810
Net assets		12,070,978	7,531,648
Equity			
Issued capital	(7)	44,139,706	42,401,617
Reserves		4,752,787	4,461,860
Accumulated losses		(37,393,317)	(39,367,673)
Total equity attributable to owners of the Company		11,499,176	7,495,804
Non-controlling interests		571,802	35,844
Total equity		12,070,978	7,531,648

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2016

	Issued Capital	Share Based Payment Reserve	Option Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Attributable to owners of the entity	Non-controlling interests	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2015	39,703,962	4,176,976	167,790	(46,405)	(39,203,864)	4,798,459	(9,183)	4,789,276
Loss for the period	-	-	-	-	(156,086)	(156,086)	6,770	(149,316)
Other comprehensive income net of income tax	-	-	-	18,432	-	18,432	-	18,432
Total comprehensive income for the period	-	-	-	18,432	(156,086)	(137,654)	6,770	(130,884)
Share issue costs	(54,379)	-	-	-	-	(54,379)	-	(54,379)
Rights Issue	724,596	-	171,240	-	-	895,836	-	895,836
Balance at 31 December 2015	40,374,179	4,176,976	339,030	(27,973)	(39,359,950)	5,502,262	(2,413)	5,499,849
Balance as at 1 July 2016	42,401,617	4,176,976	339,030	(54,146)	(39,367,673)	7,495,804	35,844	7,531,648
Profit for the period	-	-	-	-	1,974,356	1,974,356	535,958	2,510,314
Other comprehensive income net of income tax	-	-	-	(31,573)	-	(31,573)	-	(31,573)
Total comprehensive income for the period	-	-	-	(31,573)	1,974,356	1,942,783	535,958	2,478,741
Placement	1,620,000	-	322,500	-	-	1,942,500	-	1,942,500
Options exercised	547,561	-	-	-	-	547,561	-	547,561
Share issue costs	(429,472)	-	-	-	-	(429,472)	-	(429,472)
Balance at 31 December 2016	44,139,706	4,176,976	661,530	(85,719)	(37,393,317)	11,499,176	571,802	12,070,978

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2016

	31 December 2016	31 December 2015
<i>Note</i>	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(226,279)	(225,743)
Net cash outflow from operating activities	(226,279)	(225,743)
Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(906,624)	(274,203)
Option exclusivity fee	-	30,321
Interest received	24,568	7,933
Seguela sale	1,297,999	-
Net cash outflow from investing activities	415,943	(235,949)
Cash flows from financing activities		
Proceeds from issues of shares and options	2,050,069	895,836
Less costs of issue	(100,058)	(65,379)
Net cash inflow/(outflow) from financing activities	1,950,011	830,457
Net increase/(decrease) in cash and cash equivalents	2,139,674	386,765
Cash and cash equivalents at the beginning of the period	3,202,189	981,124
Effects of exchange rate changes on the balance of cash held in foreign currencies.	(15,461)	3,531
Cash and cash equivalents at the end of the period	5,326,402	1,353,420

The above condensed consolidated cash flow statement should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Financial Statements

For the half-year ended 31 December 2016

1. Significant accounting policies**Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act and with AASB 134 "Interim Financial Reporting" (AASB 134). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting". The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual report.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2016 annual financial report for the financial year ended 30 June 2016. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Standards and interpretations affecting amounts in the current year (and/or prior years)

The Group has applied all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year.

AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	This amendment completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn.
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	This Standard amends AASB 116 and AASB 138 to: (a) establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; (b) clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset; and (c) clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	The subjects of the principal amendments to the Standards include an amendment to AASB 5 Non-current Assets Held for Sale and Discontinued Operations relating to Changes in methods of disposal, AASB 7 Financial Instruments: Disclosures regarding servicing contracts and the applicability to condensed interim financial statements, AASB 119 Employee Benefits discount rates to address regional market issues, and AASB 134 Interim Financial Reporting Disclosure of information 'elsewhere in the interim financial report'.
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101.

The application of these amendments does not have any material impact on the disclosures or the amounts recognised in the Company's financial statements.

Standards and interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the following applicable Standards and Interpretations that were issued but not yet effective are listed below.

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	31 December 2018
AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15', AASB 2015-8 'Amendments to Australian Accounting Standards – Effective date of AASB 15 and AASB 2016-3 Amendments to Australian Accounting Standards Clarification to AASB 15.	1 January 2018	31 December 2018
AASB 16 'Leases'	1 January 2019	31 December 2019
AASB 2016-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107'	1 January 2017	31 December 2017

The Group has not yet determined the impact of adoption of the above standards.

Critical accounting estimates and judgments

In preparing this Financial Report the Group has been required to make certain estimates and assumptions concerning future occurrences. There is an inherent risk that the resulting accounting estimates will not equate exactly with actual events and results.

Exploration & Evaluation Expenditure

Costs incurred during exploration and evaluation related to an area of interest are accumulated. Costs are carried forward provided such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities in the area of interest have not at balance date reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. In these instances the entity must have rights of tenure to the area of interest and must be continuing to undertake exploration operations in the area.

Notes to the Condensed Consolidated Financial Statements (cont'd)**For the half-year ended 31 December 2016**

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. Impairment indicators include:

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; and
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and is then reclassified to mine properties and development.

2. Segment Information**(i) Description**

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The function of the chief operating decision maker is performed by the Board collectively. Information reported to the Board for the purposes of resource allocation and assessment of performance is focused broadly on the Group's diversified activities across different sectors.

The Group's reportable segments under AASB 8 are therefore as follows:

- Mineral Exploration – Australia
- Mineral Exploration – Cote d'Ivoire

Information regarding the activities of these segments during the current and prior financial period is set out in the following tables.

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

(ii) Segment revenues and results

		Segment revenue		Segment profit/(loss)	
		Half-year ended 31/12/16	Half-year ended 31/12/15	Half-year ended 31/12/16	Half-year ended 31/12/15
		\$	\$	\$	\$
Mineral exploration	- Australia		-	(325)	(246)
	- Cote d'Ivoire	6,671,950	30,321	2,671,643	30,013
Total for continuing operations		6,671,950	30,321	2,671,318	29,767
Interest income				24,568	7,933
Central administration costs and directors' salaries				(185,573)	(187,016)
Loss before tax (continuing operations)				2,510,314	(149,316)

(iii) Segment assets and liabilities

		31/12/16	30/06/16
		\$	\$
Segment assets			
Mineral exploration	- Australia	1,019,300	820,538
	- Cote d'Ivoire	7,507,200	4,908,072
Total segment assets		8,526,500	5,728,610
Unallocated		4,338,420	2,881,848
Consolidated total assets		12,864,920	8,610,458
		31/12/16	30/06/16
		\$	\$
Segment liabilities			
Mineral exploration	- Australia	-	-
	- Cote d'Ivoire	189,731	5,366
Total segment liabilities		189,731	5,366
Unallocated		604,211	1,073,444
Consolidated total liabilities		793,942	1,078,810

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

(iv) Other segment information

		Additions to non-current assets	
		Half-year ended 31/12/16	Half-year ended 31/12/15
		\$	\$
Mineral exploration	- Australia	235,637	102,120
	- Cote d'Ivoire	718,167	144,517
		953,804	246,637

3. Other income

An Option to Purchase arrangement with a subsidiary of Newcrest Mining limited was exercised over the Company's 80% owned Seguela property during the period. This transaction has resulted in a recognition of a gain in Condensed statement of Profit or loss, calculated as follows

	31 December 2016 Total \$
Seguela sale revenue*	6,671,950
Less: Carrying value of Exploration and Evaluation expenditure written off (refer note 6)	<u>(3,994,450)</u>
Gain recognized on disposal of Seguela	<u>2,677,500</u>

*figure represents the total income relating to the Seguela sale which has been recognised during the six months to 31 December 2016 upon the option having been irrevocably exercised.

4. Other Current Assets

	31 December 2016 \$	30 June 2016 \$
Seguela sale accrued income	4,145,936	-
Other	54,817	79,086
Total other current assets	4,200,753	79,086

Seguela sale accrued income represents the balance of the purchase price and option consideration due as at balance date in relation to the transfer of title of the Seguela tenement on a 100% basis.

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

5. Dividends

No dividend has been paid or is proposed in respect of the half-year ended 31 December 2016 (2015: None).

6. Capitalised exploration and evaluation expenditure

	Total
	\$
Balance at 1 July 2015	4,364,313
Additions	936,538
Effects of foreign currency exchange differences	8,692
Balance at 30 June 2016	5,309,543
Additions	953,804
Effects of foreign currency exchange differences	10,068
Seguela sale	(3,994,450)
Balance at 31 December 2016	2,278,965

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and exploitation, or alternatively sale of the respective area of interest. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

During the period the Option to Purchase arrangement with a subsidiary of Newcrest Mining limited was exercised over the Company's 80% owned Seguela property. The \$3,994,450 represents exploration and evaluation expenditure relating to the Seguela property that is now released to the profit or loss.

7. Consolidated Share Capital

	31/12/16	30/06/16
	\$	\$
160,615,760 fully paid ordinary shares (30 June 2016: 138,414,537)	44,139,706	42,401,617
7,500,000 performance shares (30 June 2016: 7,500,000)	-	-
	44,139,706	42,401,617

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote, and upon a poll each share is entitled to a vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

Movements in share capital during the current and prior period were as follows:

Fully paid ordinary shares

		Number	\$
As at 1 July 2015		71,627,820	39,703,962
Rights issue	(a)	35,814,208	724,596
Costs of issue		-	(54,379)
As at 31 December 2015		107,442,028	40,374,179
As at 1 July 2016		138,414,537	42,401,617
Placement	(b)	12,000,000	1,620,000
Options exercised	(c)	10,201,223	547,561
Costs of issue	(d)	-	(429,472)
As at 31 December 2016		160,615,760	44,139,706

- (a) On 2 June 2015 the Company announced a capital raising to raise funding for inaugural drilling campaigns planned for the extensive new gold anomalies at Korhogo and Boundiali. The capital raising comprised a placement of 8 million shares (and 4 million free attaching 5c options) to an Australian sophisticated investor raising \$200,000 before costs ("Placement") together with a partially underwritten 1:2 entitlements issue on the same terms ("Rights Issue").

The Placement was completed on 2 June 2015, and the Rights Issue closed on 15 July 2015 raising a further \$381,522 from acceptances. The Rights Issue shortfall allotment was finalised on 13 August 2015 raising a further \$513,833 before costs bringing the total funds raised under the Rights Issue to \$895,355.

- (b) On 2 November 2016 the Company announced an institutional share placement of 12 million shares at \$0.135 per share.
- (c) During the period 8,701,233 unlisted \$0.05 and 1,500,000 unlisted \$0.075 options were exercised.
- (d) Share issue costs include non-cash share based payment expenses for options.

Performance Shares

	Number	\$
As at 1 July 2015	7,500,000	-
As at 31 December 2015	7,500,000	-
As at 1 July 2016	7,500,000	-
As at 31 December 2016	7,500,000	-

On 23 December 2011, Shareholders approved at a general meeting for the creation of a new class of securities, "Performance Shares" and for the issue of 3,750,000 Class A and 3,750,000 Class B Performance Shares to the vendors of Aspire Minerals Pty Ltd.

Performance Shares are shares in the capital of the Company. The Performance Shares entitle the holder to attend general meetings of Shareholders of the Company but do not entitle the holder to vote or participate in

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

dividends. Performance shares will be either converted to ordinary shares on the completion of performance milestones or will be automatically redeemed by the Company for the sum of \$0.000001 per performance share.

The Class A performance shares will be converted to ordinary shares if within 5 years of the issue of the Performance Shares (being 4 April 2012), the Company makes an announcement of a JORC inferred resource of at least 500,000 oz. of gold for a sole project within the area of the Aspire tenements with a grade equal to or above 1.8gm per tonne.

The Class B performance shares will be converted to ordinary shares if within 5 years of issue of the Performance Shares (being 4 April 2012), the Company makes an announcement of a JORC inferred resource of at least 1,000,000 oz. of gold for a sole project within the area of the Aspire tenements with a grade equal to or above 1.8gm per tonne. The Class B conversion would be in addition to the Class A conversion.

None of the performance milestones have been met during the period.

Share Options

Unissued shares under option as at balance date were as follows:

Series	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Director Options 1 & 2 *	15,000,000	Ordinary	\$0.20	31/12/2016
Incentive options	10,500,000	Ordinary	\$0.05	31/12/2018
Placement options	17,958,892	Ordinary	\$0.05	30/06/2017
	43,458,892			

All options were issued by Apollo Consolidated Limited. 21,907,128 options with an exercise price of \$0.05 and an expiry date of 30 June 2017 were issued during the half-year ended 31 December 2015 as part of the Rights Issue completed in August 2015. No options were issued during the half-year to 31 December 2016.

Share options carry no rights to dividends and no voting rights.

* Expired unexercised on 31/12/2016

8. Future minimum expenditure commitments**Western Australia**

In order to maintain and preserve rights of tenure to granted exploration tenements, the Group is required to meet certain minimum levels of exploration expenditure specified by the State Government of Western Australia. These commitments are subject to amendment from time to time as a result of changes to the number or area of granted tenements, escalating expenditure with tenement age, a change of tenement type from exploration license to mining lease or other reasons pursuant to the WA Mining Act.

Cote d'Ivoire

Under the terms of the exploration permits granted for Korhogo and Boundiali in Cote d'Ivoire, the permit holder Group member, Aspire Nord CI must spend a total of 623,000,000 CFA, approximately AUD \$1.4million, over a 3 year period on each permit

As at balance date the total of these future minimum exploration expenditure commitments as follows:

Notes to the Condensed Consolidated Financial Statements (cont'd)

For the half-year ended 31 December 2016

	31 Dec 16	30 Jun 16
	\$	\$
Within one year	1,115,009	1,221,257
2-5 years	1,390,857	1,854,333
Total	<u>2,505,866</u>	<u>3,075,590</u>

9. Key management personnel

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

10. Financial Instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).

The Group holds the following financial instruments:

	31/12/16	30/06/16
	\$	\$
Financial assets		
Cash and cash equivalents	5,326,402	3,202,189
Loans and receivables (including trade receivables)	1,058,800	19,640
Financial liabilities		
Trade and other payables (at amortised cost)	(324,918)	(174,627)

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

11. Events occurring after the balance sheet date

There has not been any matter or circumstance, other than disclosed elsewhere in this report, the financial statements or notes thereto, that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.