***Apollo Consolidated Ltd***

*ASX – AOP*

***Issued Ordinary Shares – 177.6 M***

*Unlisted Options – 10.5M (5c) 12.2M (13.5c)*

*Market Cap (at 23.5c) – $41.7M*
*(excluding options, $45.9M fully diluted)*

***Cash (Dec17Q) - $8.27M***

***BOARD:***

*Chairman – Roger Steinepreis*

*Managing Director – Nick Castleden*

*Non-Executive Directors:*

*Robert Gherghetta*

*Stephen West*

*George Ventouras*

**ASX ANNOUNCEMENT**
By e-lodgement

10th January 2018

**QUARTERLY ACTIVITIES REPORT – DECEMBER 2017**

Apollo Consolidated Limited (ASX: AOP, **Apollo** or **Company**) is pleased to report excellent progress through Q4 2017.

RC and diamond drilling on the **Rebecca** gold project continued to deliver outstanding results at the **Bombora** prospect, where the **161 Lode** is becoming a key asset of the Company. RC intercepts here included **25m @ 6.80g/t Au**, and **50m @ 4.05g/t Au**, and a core hole returned **12m @ 5.41g/t Au**. Assay results are pending from an eight-hole step-out RC program at this location.

In Cote d'Ivoire infill soil sampling at **Boundiali** has revealed significant new artisanal operations in oxidised intrusive rocks at **Granodiorite SE**, presenting a strong drill target for Q1 2018.

## Highlights:

**REBECCA PROJECT** (Western Australia)

- **161 Lode** at **Bombora Prospect** continues to develop into a high-grade gold discovery. Q4 hits included:
  - **50m @ 4.05g/t Au** to **end of hole** in RCLR0209
  - **25m @ 6.80g/t Au** to **end of hole** in RCLR0206
  - **12m @ 5.41g/t Au** in diamond hole RHD09
- Excellent initial metallurgical results indicate potential for >90% recovery through conventional processing
- Structural study points to a south-plunging geometry in a west-dipping suite of gneiss & intrusive rocks. Setting supports potential for long-lived shoots typical of high metamorphic grade gold systems
- Results awaited from an eight-hole step-out RC program at southern end of prospect

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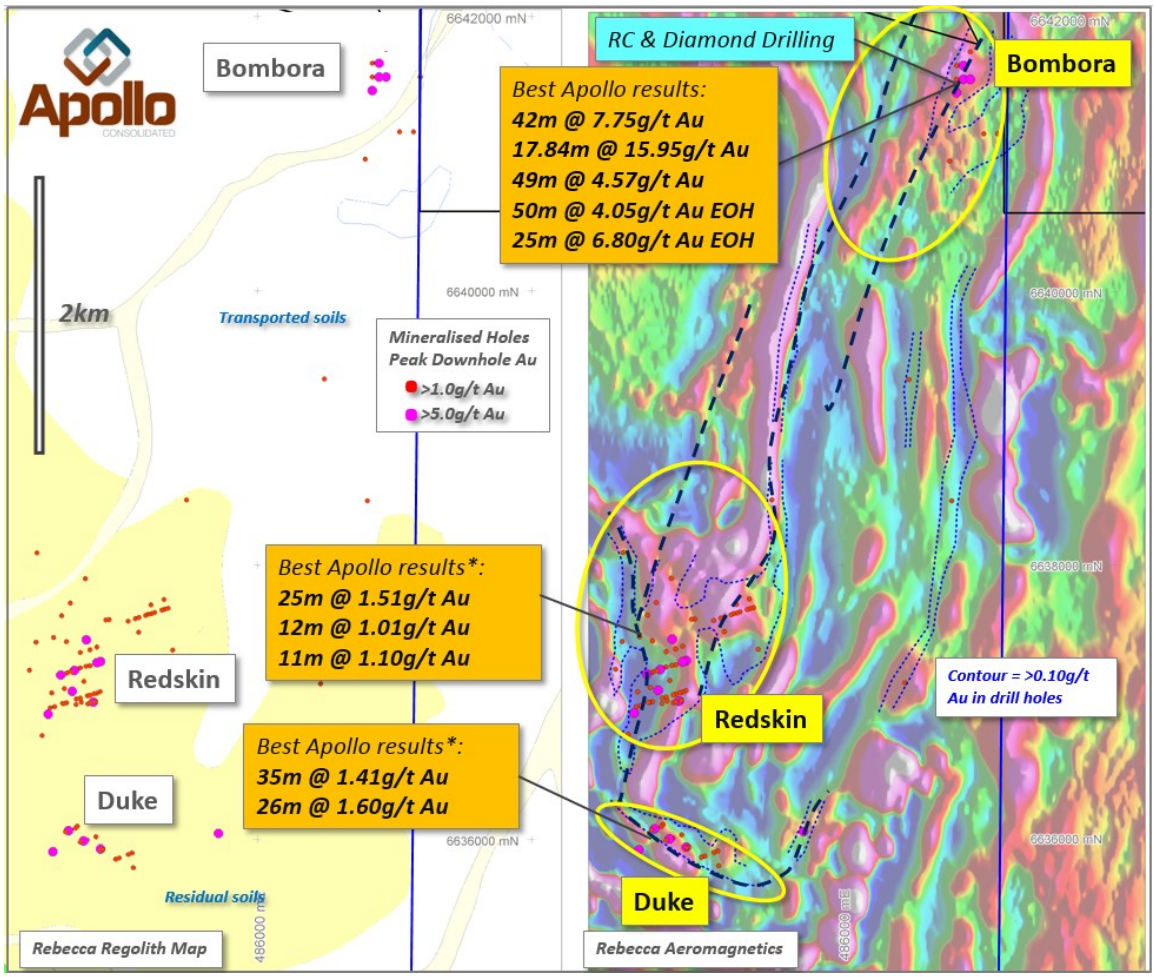
## 1.1 Rebecca Gold Project (Apollo 100%)

At the Company's key Rebecca Project, located 150km NE of Kalgoorlie Western Australia, a further two programs of RC and diamond drilling were completed during the December Quarter, as well as initial metallurgical testing and a structural study.

The **161 Lod**e at the **Bombora** prospect (Figure 1) emerged with the receipt of diamond drilling results for RHD04 (drilled Q3 2017) which returned **17.84 @ 15.95g/t Au** and **49m @ 4.57g/t Au**, and RHD05 which hit **28m @ 2.41g/t Au** 50m to the north (*see ASX-AOP announcement 25th August 2017*). Q4 drilling continued to build on this success, with three RC holes and four diamond holes drilled into the Lode surface.

*Figure 1. Rebecca Project – Location of Bombora Prospect and other key prospects, significant previous gold intercepts and mineralised drill collars on regolith (left) and magnetics (right)*




**For past drilling details at Redskin and Duke, please refer to ASX-AOP announcements 26th August 2012, 28th September 2012, 8th October 2015, and 1st September 2016.*

Assay results confirmed a significant high-grade position, with RC holes RCLR0209 returning **50m @ 4.04g/t Au EOH** (*see ASX-AOP announcement 20th October 2017*), and RCLR0206 at the southern end of the prospect intersecting **25m @ 6.80g/t Au EOH** (*see ASX-AOP announcement 24th October 2017*). This hole terminated at 232m at the limit of available drill-rods. RCLR0208 returned **14m @ 2.14g/t Au** followed by 9m @ 1.23g/t Au.

The RCLR0206 hit contains a central high-grade zone, including 3m @ 26.00g/t Au and 1m @ 14.80g/t Au within **12m @ 11.99g/t Au**, while RCLR0209 showed remarkable grade consistency, with a maximum 1m result of 12.56g/t Au (Table 1).

*Table 1 – **161 Lode** intercepts - 1m assay results RCLR0209 and RCLR0206*

| HOLE ID | Sample No | From | To | Type | Au g/t | HOLE ID | Sample No | From | To | Type | Au g/t |
|---|---|---|---|---|---|---|---|---|---|---|---|
| RCLR0209 | 283389 | 160 | 161 | Dry split RC chips | 0.12 | RCLR0208 | 283237 | 110 | 111 | Dry split RC chips | 0.08 |
| RCLR0209 | 283390 | 161 | 162 | Dry split RC chips | 0.10 | RCLR0208 | 283238 | 111 | 112 | Dry split RC chips | 0.70 |
| RCLR0209 | 283391 | 162 | 163 | Dry split RC chips | 0.09 | RCLR0208 | 283239 | 112 | 113 | Dry split RC chips | 0.85 |
| RCLR0209 | 283392 | 163 | 164 | Dry split RC chips | 0.21 | RCLR0208 | 283240 | 113 | 114 | Dry split RC chips | 1.49 |
| RCLR0209 | 283393 | 164 | 165 | Dry split RC chips | 0.21 | RCLR0208 | 283241 | 114 | 115 | Dry split RC chips | 0.30 |
| RCLR0209 | 283394 | 165 | 166 | Dry split RC chips | 0.04 | RCLR0208 | 283242 | 115 | 116 | Dry split RC chips | 0.12 |
| RCLR0209 | 283395 | 166 | 167 | Dry split RC chips | 0.38 | RCLR0208 | 283243 | 116 | 117 | Dry split RC chips | 0.14 |
| RCLR0209 | 283396 | 167 | 168 | Dry split RC chips | 0.06 | RCLR0208 | 283244 | 117 | 118 | Dry split RC chips | 1.26 |
| RCLR0209 | 283397 | 168 | 169 | Dry split RC chips | 0.29 | RCLR0208 | 283245 | 118 | 119 | Dry split RC chips | 0.25 |
| RCLR0209 | 283398 | 169 | 170 | Dry split RC chips | 0.26 | RCLR0208 | 283246 | 119 | 120 | Dry split RC chips | 0.48 |
| RCLR0209 | 283399 | 170 | 171 | Dry split RC chips | 3.87 | RCLR0208 | 283247 | 120 | 121 | Dry split RC chips | 0.43 |
| RCLR0209 | 283400 | 171 | 172 | Dry split RC chips | 7.17 | RCLR0208 | 283248 | 121 | 122 | Dry split RC chips | 6.58 |
| RCLR0209 | 283401 | 172 | 173 | Dry split RC chips | 3.95 | RCLR0208 | 283249 | 122 | 123 | Dry split RC chips | 1.30 |
| RCLR0209 | 283402 | 173 | 174 | Dry split RC chips | 2.36 | RCLR0208 | 283250 | 123 | 124 | Dry split RC chips | 1.10 |
| RCLR0209 | 283403 | 174 | 175 | Dry split RC chips | 6.85 | RCLR0208 | 283251 | 124 | 125 | Dry split RC chips | 6.18 |
| RCLR0209 | 283404 | 175 | 176 | Dry split RC chips | 4.90 | RCLR0208 | 283253 | 125 | 126 | Dry split RC chips | 0.34 |
| RCLR0209 | 283405 | 176 | 177 | Dry split RC chips | 2.78 | RCLR0208 | 283254 | 126 | 127 | Dry split RC chips | 0.66 |
| RCLR0209 | 283406 | 177 | 178 | Dry split RC chips | 3.42 | RCLR0208 | 283255 | 127 | 128 | Dry split RC chips | 1.12 |
| RCLR0209 | 283407 | 178 | 179 | Dry split RC chips | 12.56 | RCLR0208 | 283256 | 128 | 129 | Dry split RC chips | 0.79 |
| RCLR0209 | 283409 | 179 | 180 | Dry split RC chips | 5.95 | RCLR0208 | 283257 | 129 | 130 | Dry split RC chips | 1.37 |
| RCLR0209 | 283410 | 180 | 181 | Dry split RC chips | 3.68 | RCLR0208 | 283258 | 130 | 131 | Dry split RC chips | 6.44 |
| RCLR0209 | 283411 | 181 | 182 | Dry split RC chips | 6.93 | RCLR0208 | 283259 | 131 | 132 | Dry split RC chips | 0.94 |
| RCLR0209 | 283412 | 182 | 183 | Dry split RC chips | 2.55 | RCLR0208 | 283260 | 132 | 133 | Dry split RC chips | 1.35 |
| RCLR0209 | 283413 | 183 | 184 | Dry split RC chips | 2.81 | RCLR0208 | 283261 | 133 | 134 | Dry split RC chips | 0.71 |
| RCLR0209 | 283414 | 184 | 185 | Dry split RC chips | 6.24 | RCLR0208 | 283262 | 134 | 135 | Dry split RC chips | 1.04 |
| RCLR0209 | 283415 | 185 | 186 | Dry split RC chips | 1.29 | RCLR0208 | 283263 | 135 | 136 | Dry split RC chips | 0.23 |
| RCLR0209 | 283416 | 186 | 187 | Dry split RC chips | 3.24 | RCLR0208 | 283264 | 136 | 137 | Dry split RC chips | 0.22 |
| RCLR0209 | 283417 | 187 | 188 | Dry split RC chips | 1.14 | RCLR0208 | 283265 | 137 | 138 | Dry split RC chips | 0.22 |
| RCLR0209 | 283418 | 188 | 189 | Dry split RC chips | 1.29 | RCLR0208 | 283266 | 138 | 139 | Dry split RC chips | 0.12 |
| RCLR0209 | 283419 | 189 | 190 | Dry split RC chips | 4.82 | RCLR0208 | 283267 | 139 | 140 | Dry split RC chips | 0.13 |
| RCLR0209 | 283420 | 190 | 191 | Dry split RC chips | 7.66 | RCLR0208 | 283268 | 140 | 141 | Dry split RC chips | 0.14 |
| RCLR0209 | 283421 | 191 | 192 | Dry split RC chips | 11.14 | RCLR0208 | 283269 | 141 | 142 | Dry split RC chips | 0.13 |
| RCLR0209 | 283422 | 192 | 193 | Dry split RC chips | 10.06 | RCLR0208 | 283270 | 142 | 143 | Dry split RC chips | 0.13 |
| RCLR0209 | 283423 | 193 | 194 | Dry split RC chips | 2.22 | RCLR0208 | 283271 | 143 | 144 | Dry split RC chips | 0.07 |
| RCLR0209 | 283424 | 194 | 195 | Dry split RC chips | 2.76 | RCLR0208 | 283272 | 144 | 145 | Dry split RC chips | 0.02 |
| RCLR0209 | 283425 | 195 | 196 | Dry split RC chips | 2.77 | RCLR0208 | 283273 | 145 | 146 | Dry split RC chips | 0.04 |
| RCLR0209 | 283426 | 196 | 197 | Dry split RC chips | 1.05 | RCLR0208 | 283274 | 146 | 147 | Dry split RC chips | 0.05 |
| RCLR0209 | 283427 | 197 | 198 | Dry split RC chips | 2.11 | RCLR0208 | 283275 | 147 | 148 | Dry split RC chips | 0.04 |
| RCLR0209 | 283428 | 198 | 199 | Dry split RC chips | 2.92 | RCLR0208 | 283276 | 148 | 149 | Dry split RC chips | 0.11 |
| RCLR0209 | 283429 | 199 | 200 | Dry split RC chips | 2.77 | RCLR0208 | 283277 | 149 | 150 | Dry split RC chips | 0.13 |
| RCLR0209 | 283430 | 200 | 201 | Dry split RC chips | 0.62 | RCLR0208 | 283278 | 150 | 151 | Dry split RC chips | 0.08 |
| RCLR0209 | 283432 | 201 | 202 | Dry split RC chips | 6.31 | RCLR0208 | 283279 | 151 | 152 | Dry split RC chips | 0.06 |
| RCLR0209 | 283433 | 202 | 203 | Dry split RC chips | 1.85 | RCLR0208 | 283280 | 152 | 153 | Dry split RC chips | 0.10 |
| RCLR0209 | 283434 | 203 | 204 | Dry split RC chips | 2.29 | RCLR0208 | 283282 | 153 | 154 | Dry split RC chips | 0.08 |
| RCLR0209 | 283435 | 204 | 205 | Dry split RC chips | 6.83 | RCLR0208 | 283283 | 154 | 155 | Dry split RC chips | 0.05 |
| RCLR0209 | 283436 | 205 | 206 | Dry split RC chips | 0.99 | RCLR0208 | 283284 | 155 | 156 | Dry split RC chips | 1.50 |
| RCLR0209 | 283437 | 206 | 207 | Dry split RC chips | 1.60 | RCLR0208 | 283285 | 156 | 157 | Dry split RC chips | 2.72 |
| RCLR0209 | 283438 | 207 | 208 | Dry split RC chips | 2.08 | RCLR0208 | 283286 | 157 | 158 | Dry split RC chips | 1.15 |
| RCLR0209 | 283439 | 208 | 209 | Dry split RC chips | 2.10 | RCLR0208 | 283287 | 158 | 159 | Dry split RC chips | 1.50 |
| RCLR0209 | 283440 | 209 | 210 | Dry split RC chips | 2.06 | RCLR0208 | 283288 | 159 | 160 | Dry split RC chips | 0.17 |
| RCLR0209 | 283441 | 210 | 211 | Dry split RC chips | 0.83 | RCLR0208 | 283289 | 160 | 161 | Dry split RC chips | 0.73 |
| RCLR0209 | 283442 | 211 | 212 | Dry split RC chips | 1.63 | RCLR0208 | 283290 | 161 | 162 | Dry split RC chips | 1.09 |
| RCLR0209 | 283443 | 212 | 213 | Dry split RC chips | 6.73 | RCLR0208 | 283291 | 162 | 163 | Dry split RC chips | 1.60 |
| RCLR0209 | 283444 | 213 | 214 | Dry split RC chips | 2.04 | RCLR0208 | 283292 | 163 | 164 | Dry split RC chips | 0.59 |
| RCLR0209 | 283445 | 214 | 215 | Dry split RC chips | 0.90 | RCLR0208 | 283293 | 164 | 165 | Dry split RC chips | 0.21 |
| RCLR0209 | 283446 | 215 | 216 | Dry split RC chips | 4.83 | RCLR0208 | 283294 | 165 | 166 | Dry split RC chips | 0.16 |
| RCLR0209 | 283447 | 216 | 217 | Dry split RC chips | 6.29 | RCLR0208 | 283295 | 166 | 167 | Dry split RC chips | 0.17 |
| RCLR0209 | 283448 | 217 | 218 | Dry split RC chips | 7.79 | RCLR0208 | 283296 | 167 | 168 | Dry split RC chips | 0.60 |
| RCLR0209 | 283449 | 218 | 219 | Dry split RC chips | 6.15 | RCLR0208 | 283297 | 168 | 169 | Dry split RC chips | 0.65 |
| RCLR0209 | 283450 | 219 | 220 EOH | Dry split RC chips | 5.30 | RCLR0208 | 283298 | 169 | 170 EOH | Dry split RC chips | 0.15 |

*Photo – logging chip tray showing 2m combined chips 170m-180m RCLR0209. This 10m segment of altered sulphidic gneiss averages 5.38g/t Au.*

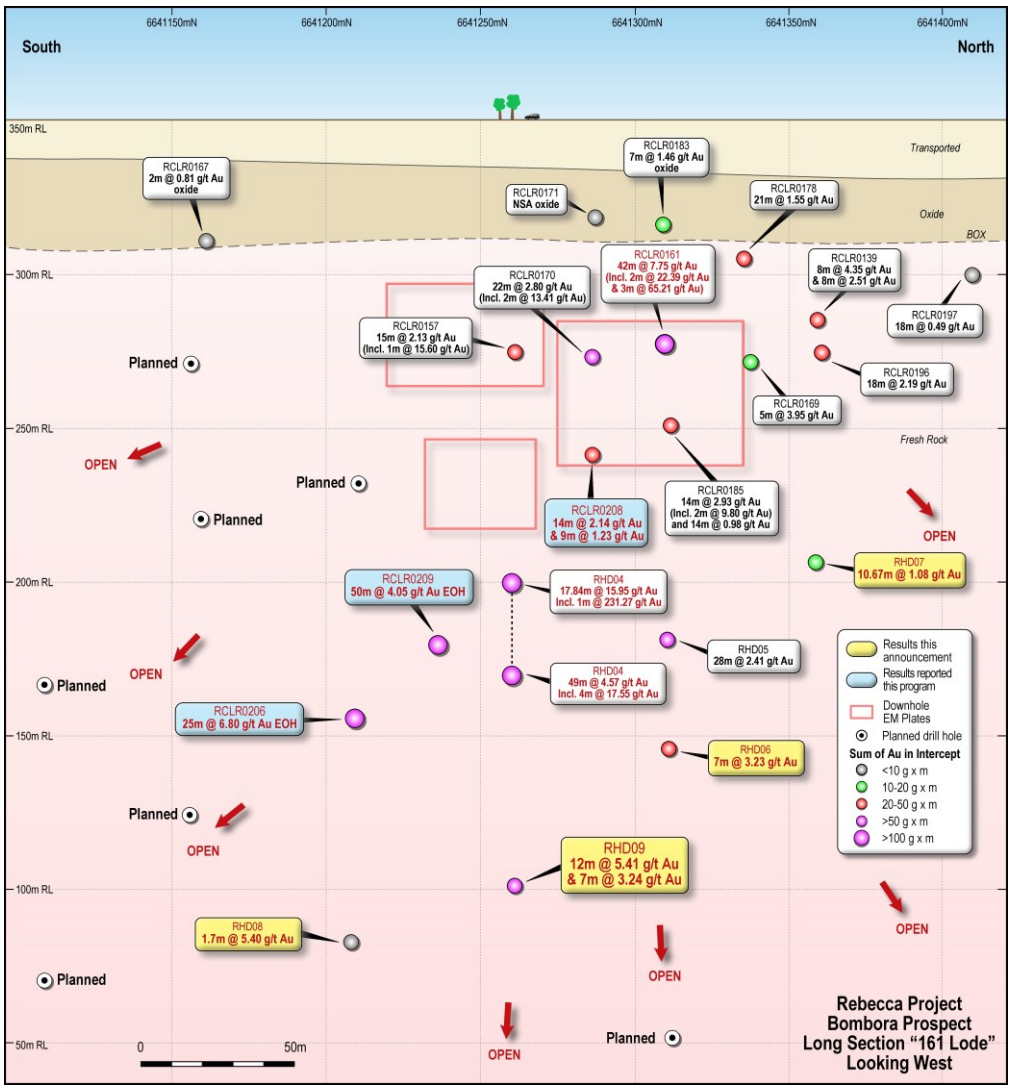
Multiple mineralised positions were also returned on the west side of the Lode, with both RCLR0206 and RCLR0209 returning intercepts up to **7m @ 3.23g/t Au, 13m @ 1.24g/t Au** & **10m @ 1.38g/t Au**. These have potential to continue to develop to strike and dip, and suggest scope for additional volume at the prospect.

Of the four Q4 2017 diamond holes, a standout intercept of **12m @ 5.41g/t Au** (including 1m @ 14.01g/t & 1m @ 15.42g/t) was returned from RHD09 in silica-sulphide alteration typical of Lode mineralisation, supported by nearby intercepts including 7m @ 3.24g/t Au (including 1m @ 13.22g/t Au), 8m @ 1.55g/t Au and 6m @ 1.38g/t. The combined zone in RHD09 from 244m to 289m tallied **46m @ 2.49g/t Au** (*see ASX-AOP announcement 17th November 2017*).

Other significant diamond intercepts on the Lode include **7m @ 3.23g/t Au** from 220m in RHD06, **1.7m @ 5.04g/t Au** from 296m in RHD08 and **10.67g/t Au @ 1.08g/t Au** in RHD07.

Figure 2 shows the distribution of these RC and diamond intercepts on the 161 Lode. The Q4 program successfully extended the depth of mineralisation to more than 250m below surface.

*Figure 2. Long projection of '161 Lode' shoots looking West, showing location of reported Q4 2017 gold results in diamond holes RHD05-RHD09 (yellow), and RC holes RCLR0206-RCLR0209 (blue) and all other gold intercepts through the Lode.*

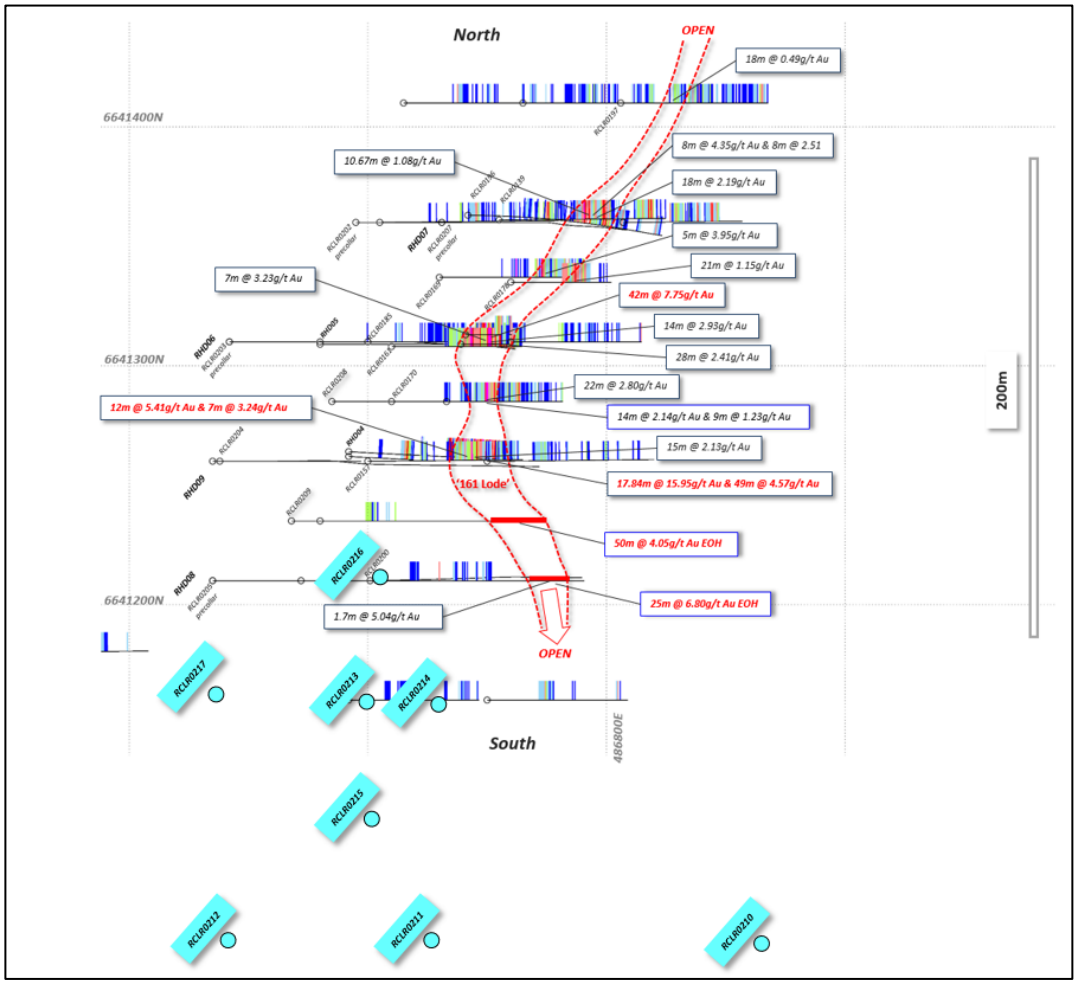


Results are awaited for an eight-hole RC program on three 50m spaced traverses at the southern end of the Bombora prospect (Figure 3) (*see ASX-AOP announcement 22nd December 2017*), designed to provide geological information extending into this untested area. Beyond this point there is at least 1km of undrilled strike.

Several of the holes were designed for use as pre-collars for continued diamond drilling into 161 Lode plunge targets.

All samples have been submitted to the laboratory for analysis and the Company will report results as they come to hand in January.

*Figure 3. Plan view showing projection of '161 Lode' intercepts to surface, with drill collars of RC holes completed at the southern end of the Bombora prospect in blue. Drill hole collars and all gold intercepts that penetrate the Lode surface are also plotted.*




**Metallurgical Test Work**

Preliminary testing for cyanide-leachable gold was carried out on five fresh-rock (unoxidised) samples collected from diamond core intersecting the **161 Lode**, achieving an average gold recovery of **94.7%** (*see ASX-AOP announcement 8th January 2018*).

Five composite samples were selected from intercepts in diamond drill holes RHD04 and RHD05 and assessed for cyanide leachable gold using a 1kg 'bottle-roll' analytical technique (Table 2).

This 'bottle-roll' testing has been used as the preliminary tool for assessing basic leach characteristics of the selected samples, the results of which can be used to design further metallurgical studies.

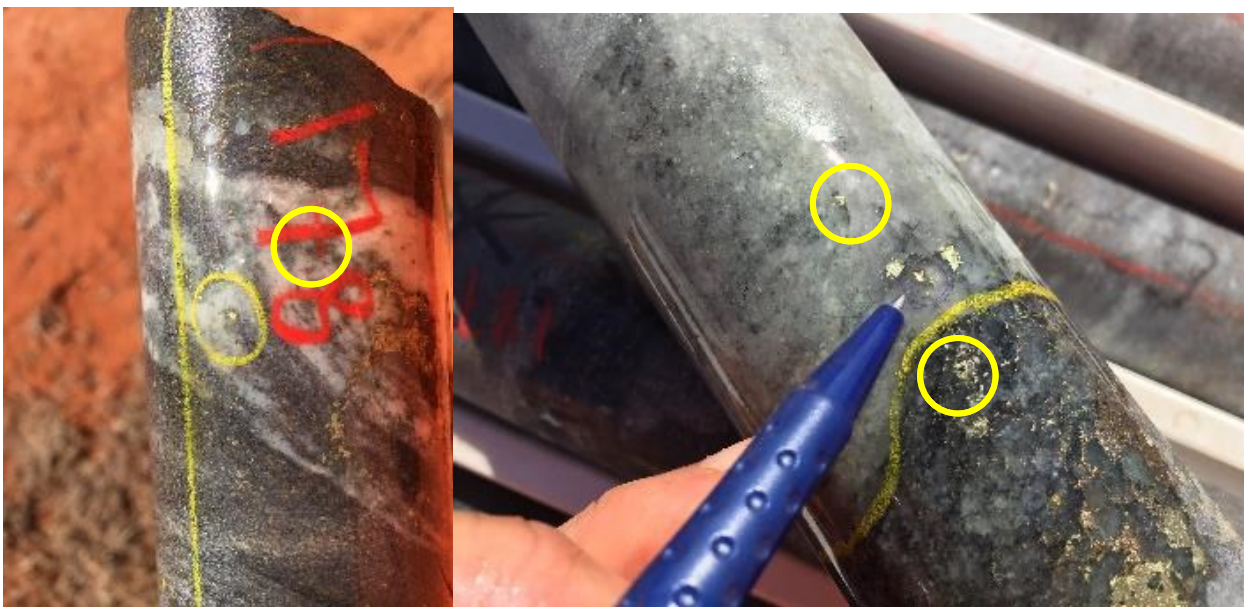
*Table 2 Leach Extractable Gold results in bottle-roll tests of fresh-rock material, 161 Lode Bombora Prospect*

| Hole ID | From (m) | To (m) | Length (m) | Bottle-roll Sample ID | Calculated Head Au (g/t) | Bottle-roll residue Au (g/t) | % Au Recovery |
|---|---|---|---|---|---|---|---|
| *Lab analytical technique* | | | | | *FA40AAS* | *FA40AAS* | |
| RHD04 | 150 | 158 | 8 | ARM01 | 4.04 | 0.16 | **96.2%** |
| RHD04 | 174 | 181 | 7 | ARM02 | 4.26 | 0.21 | **95.1%** |
| RHD04 | 185 | 192 | 7 | ARM03 | 6.05 | 0.32 | **94.8%** |
| RHD05 | 179.5 | 185.5 | 6 | ARM04 | 0.85 | 0.06 | **92.9%** |
| RHD05 | 192 | 201 | 9 | ARM05 | 1.09 | 0.06 | **94.5%** |

The results demonstrated that excellent gold recoveries can be achieved from typical Bombora style disseminated sulphide lode material using conventional processing. The test work indicated head grade assay variation and relatively slow leach kinetics, possibly related to the presence of coarse gold as observed in geological logging. The Company will carry out additional test work in due course to examine the potential of an initial gravity separation stage (to recover coarse gold) and to determine pre-oxidation requirements and optimal cyanide leach times on the gravity tails.

The results support similar bottle-roll test work carried out by previous explorer Aberfoyle Resources Ltd, who achieved a 94.6% recovery from fresh rock material collected from Reverse Circulation drill hole RCLR0139 at Bombora *(See Department of Mines and Petroleum Open File report a51529 "Lake Rebecca E28/466 Annual Report for the period 5th May 1996 to 4th May 1997"*).

*Photos – examples of free gold particles (circled) along with pyrrhotite, pyrite and minor chalcopyrite mineralisation at 178m (left) and 187.4m (right) in core hole RHD004.* ***These 1m samples assayed 18.57g/t Au and 26.32g/t Au respectively.***



**Structural Study**

A brief core logging exercise and analysis of existing structural data was carried out by Model Earth Geological Services Pty Ltd, aiming to identify geometry and plunge orientations to guide deeper drilling into the 161 Lode.

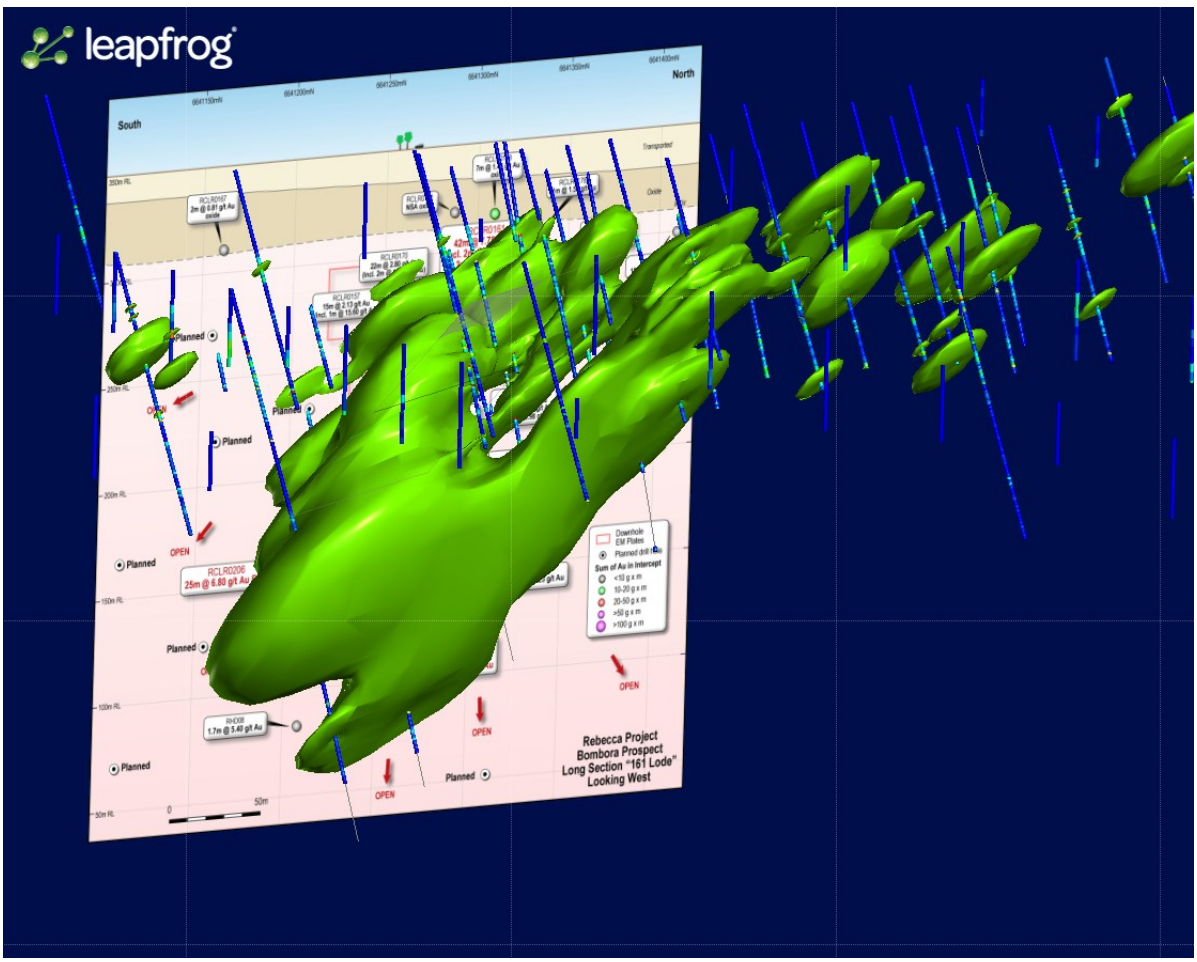
The work indicated a moderate SSW-SW plunge of fold axis, and of the intersection of main sulphide vein orientations. This is consistent with the generally south-downward alignment of grade intercepts in long projection view (Figure 2). Geology and gneissic foliation dips at ~40 degrees to the west, with local east-dipping 'm' folds & crenulation suggesting asymmetric folding.

Current indications are that Bombora mineralisation represents a shear structure cutting a suite of felsic and minor mafic intrusive rocks, with the shear being subsequently metamorphosed, folded and variably altered. The geological setting and high metamorphic grade allows for long-lived mineralised shoots, albeit with complexity due to folding and younger cross-structures.

The study recommended that exploration progress down fold plunge from the better intersections to date.

An oblique view of the Bombora >0.5g/t Au gold system is shown in Figure 4.

*Figure 4. Oblique view **161 Lode** looking NW showing all drill traces colour coded for Au content and a >0.50g/t Au Leapfrog grade model incorporating SW-plunging and W-dipping structural observations. The N-S long-projection (Figure 2) is shown as a reference plane.*



**Next Work**

In the coming Quarter, the Company will continue to test 161 Lode depth and plunge positions via RC & diamond drilling, and is considering best drilling techniques to fast-track exploration through the under-tested areas surrounding Bombora.

H1 2018 programs are likely to extend to other targets in the broader Rebecca Project area (Figure 1) including:

- Bombora strike extensions and lateral structural targets
- Duke infill drilling
- Duke SE & fold closure target
- Redskin IP targets

## 1.2 Yindi (Apollo 100%) (Gold)

The Yindi project covers greenfield gold targets close to the Mulgabbie Shear, 25km SE of Saracen Minerals' >1Moz Carosue Dam gold deposits (Figure 5). The project is located approximately 40km north of Breaker Resources Ltd (ASX-BRB) Lake Roe project, and on the same structural zone (Figure 6). Historical intercepts up to 11m @ 2.15g/t Au at the **Airport** prospect indicates mineralising fluids have been active in the area.

Aircore drilling is required to complete first-pass testing through a >10m thick transported gravel profile in the target area (Figure 6). This work is scheduled for H1 2018.

*Figure 5. Location of WA gold and nickel-copper sulphide projects.*

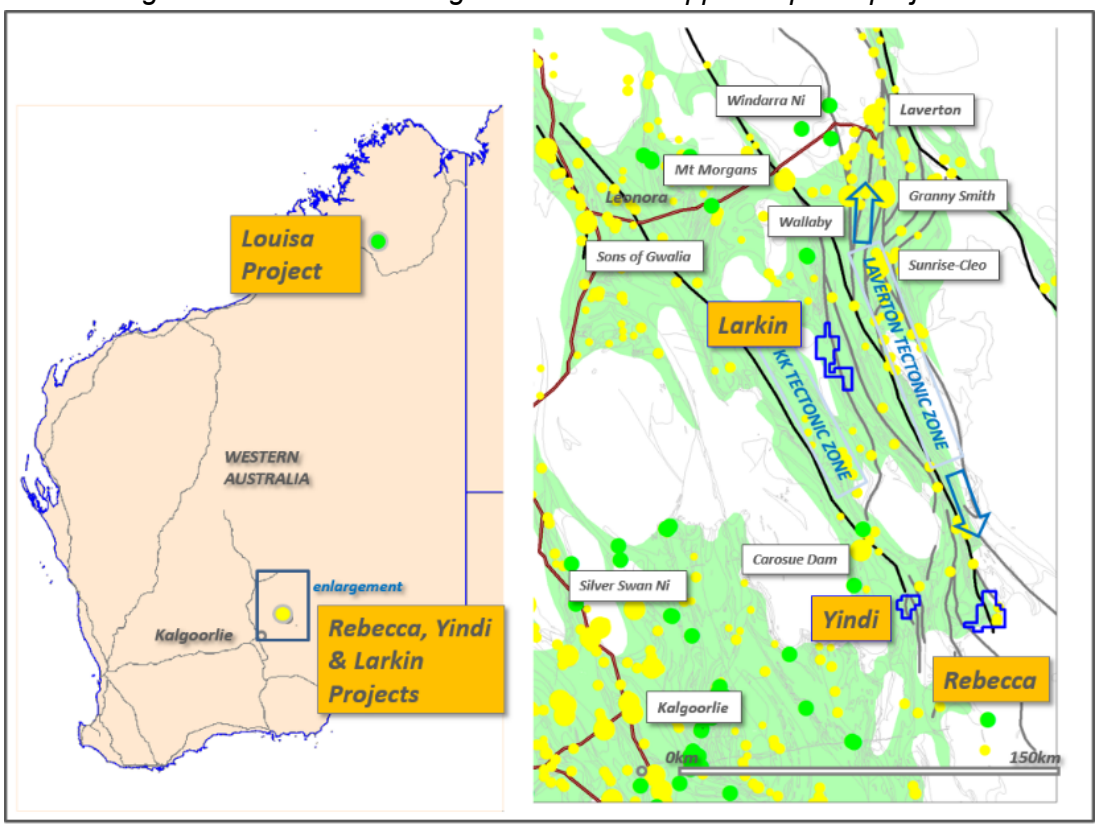
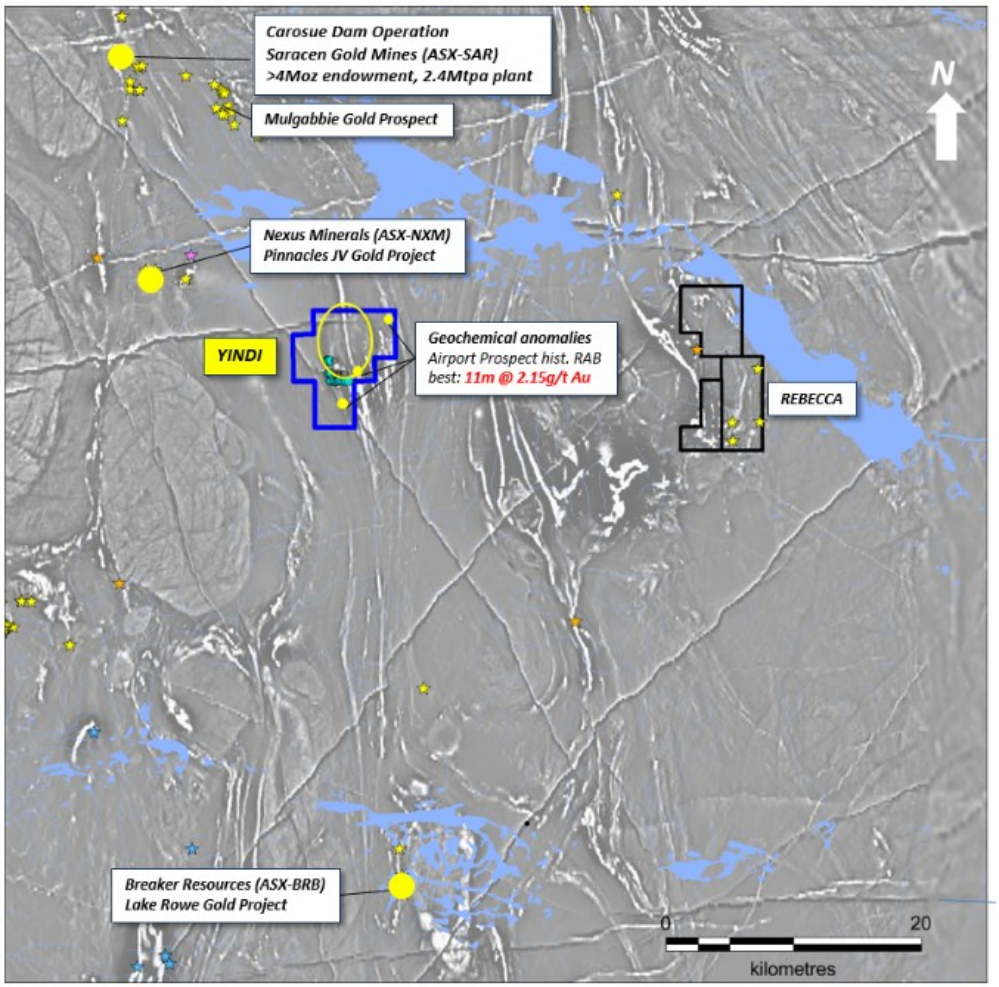


*Figure 6. Yindi Gold Project regional magnetics and gold mineralisation. Yindi structural target area is shown in yellow circle. Magnetic features are interpreted to be dolerite/gabbro intrusive rocks.*




** 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. For 2017 RAB drilling refer to ASX-AOP Quarterly Activities Report March 2017.*

### 1.3 Larkin (Apollo 100%) (Gold)

The greenfield Larkin Project sits in strong structural setting along the western margin of the Laverton Tectonic Zone, approximately midway between the Rebecca project and Mount Morgans (Dacian Gold Ltd ASX-DCN) (Figure 5). Hawthorn Resources Ltd (ASX- HAW) have reported maiden Indicated and Inferred resources at Box Well of 2.76Mt @ 1.46g/t Au for 130,000oz Au 1.2km to the NE of the tenement.

The main target on the licence is a ~6km untested soil-covered structural corridor south of strongly deformed mafic, ultramafic and sedimentary rocks & minor shear-hosted gold workings at Gardner's Find.

During the Quarter assay results were returned from a 165-sample 800m x 100m auger program. No significant anomalism was identified. A further field review of regolith profiles will be carried out ahead of next work.

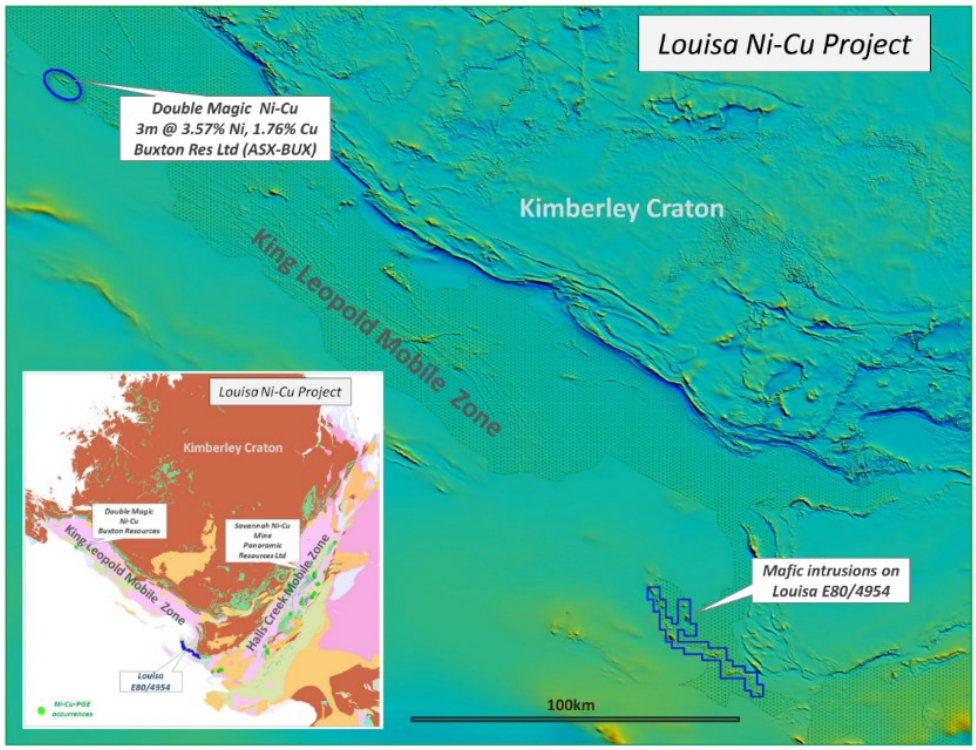
### 1.4 Louisa (Apollo 100%) (Nickel-Copper)

The Louisa nickel sulphide project is situated in the King Leopold mobile belt of the southern Kimberley region of WA (Figure 6), in a geological setting similar to the Fraser Range belt. The Louisa property covers a string of aeromagnetic features considered to be mafic-ultramafic intrusive bodies, most of which have received no previous exploration.

First field exploration is planned in the 2018 dry season and the Company is liaising with local native title owners with regard timing of heritage surveys. Initial work will validate intrusions and assess their potential to host magmatic nickel-copper mineralisation.

No work was carried out during the Quarter.

*Figure 6. Louisa Nickel-Copper Project - regional magnetics and simplified geological setting*

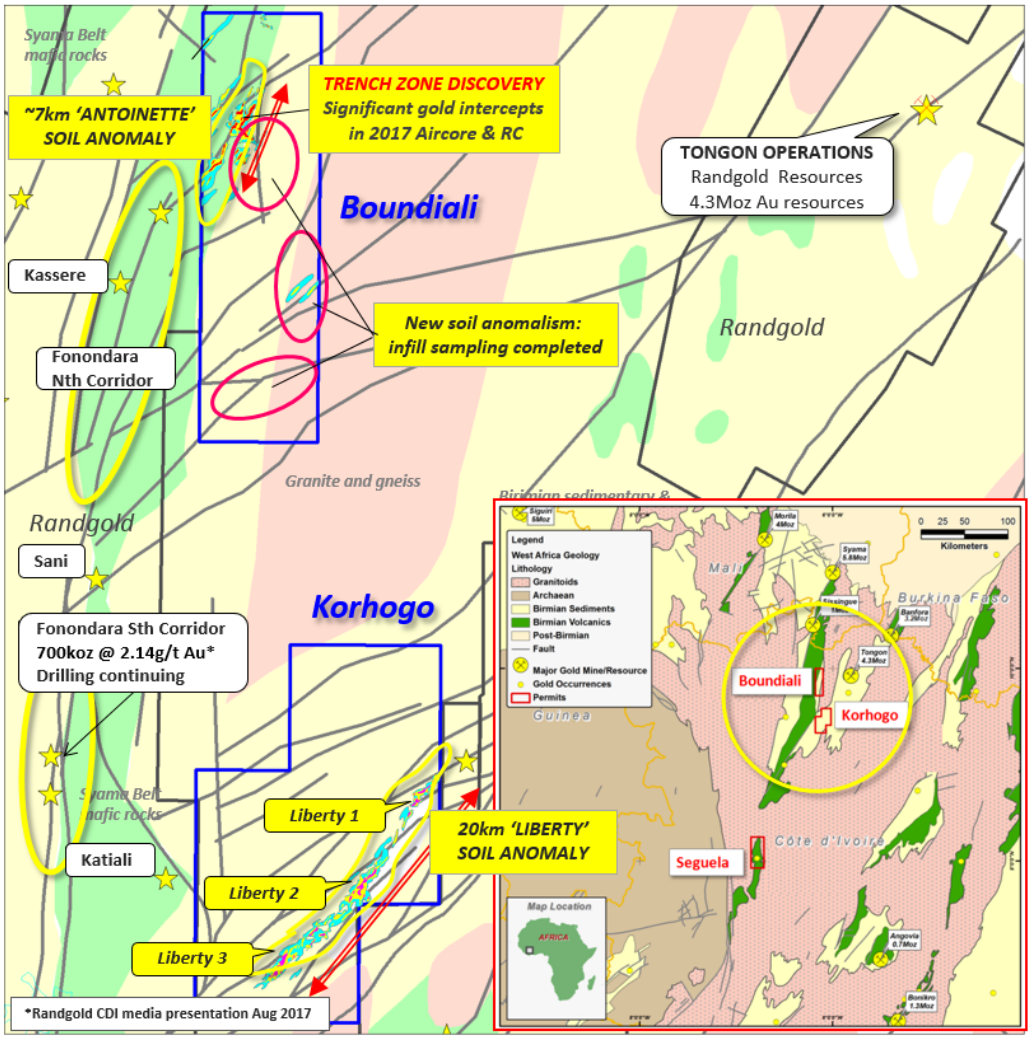



## 2 West African Gold Exploration – Cote d'Ivoire

### 2.1 Boundiali Project (100% AOP)

Field activities recommenced at this project in NW Cote d'Ivoire (Figure 7) following the end of the 2017 wet season. Infill soil sampling has been carried out along 23 traverses, to build on new soil anomalism reported Q3 2017 (*see ASX-AOP announcement 26th September 2017*). A total of 350 samples are now at the laboratory.

*Figure 7. Permit Location Map Cote d'Ivoire*



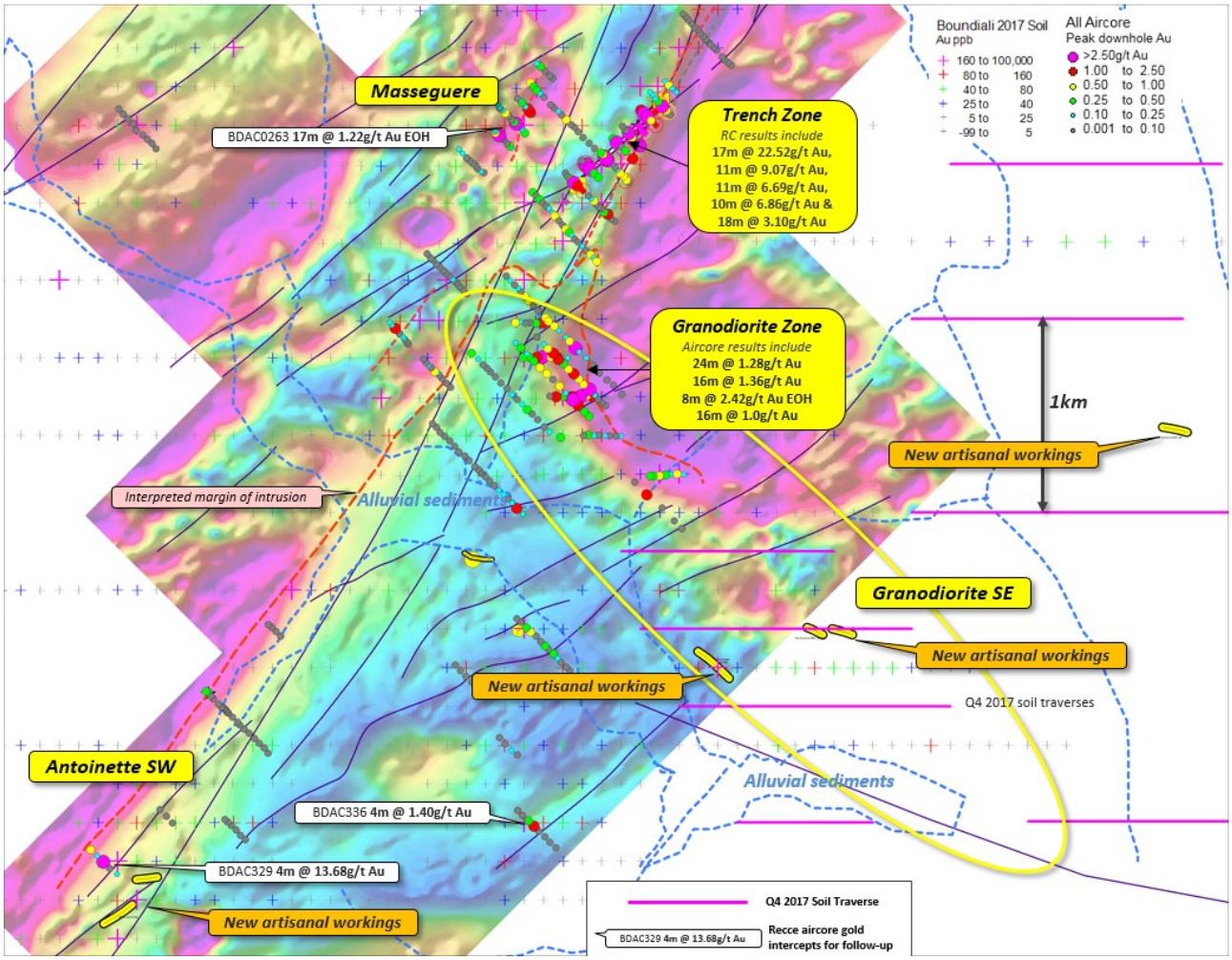

During the course of infill sampling in the **Granodiorite SE** area **several new lines of artisanal workings were mapped** by the Company's field team, all of which are on quartz veins within deeply-oxidised felsic intrusive lithologies. The diggings extend over zones up to 200m in strike and are oriented WNW or NW (Figure 8), which is broadly parallel to much of Apollo's 2016 & 2017 reconnaissance Aircore drilling through the intrusion (i.e. previous drilling may have been ineffective).

Existing drilling results in the oxide profile at the main **Granodiorite** prospect include **24m @ 1.28g/t Au**, **16m @ 1.36g/t Au**, **8m @ 2.42g/t Au EOH**, **16m @ 1.0g/t Au**, **11m @ 1.11g/t Au EOH**, and **8m @ 1.58g/t Au**. Evidence is now suggesting that this prospect may extend for up to 2.5km in a NW-SE orientation (Figure 8) and this undrilled area will be a priority target for re-oriented Aircore drilling Q1 2018.

In the **Antoinette SW** area (Figure 8), two lines of artisanal workings have been mapped within granodiorite host rocks, and in an orientation parallel to the Trench Zone discovery to the north. The workings are coincident with structures evident in ground magnetic imagery, and soil results to 200ppb Au. This also presents as a strong Aircore drill target. Apollo's nearest drill traverse includes a composite Aircore intercept of **4m @ 13.68g/t Au** that remains to be followed-up.

Rock chip grab sampling of new artisanal workings returned assay results ranging between 0.43g/t Au and 15.64g/t Au from quartz veins (12 samples, average 3.91g/t Au), and between 0.10g/t Au and 4.36g/t Au in oxidised clays (11 samples, average 1.18g/t Au).

*Figure 8. Key targets in Antoinette area. Plan view of ground magnetic image showing the location of drill traverses (dots) with all collars coloured for peak down-hole Au*. Soil sample locations shown as cross symbols. New artisanal workings highlighted.*




** For previous Aircore drilling results refer to ASX Announcements dated 8 February 2016, 15 February 2016, 22 June 2016, & 2nd April 2017. For details of Trench Zone RC results refer to ASX Announcement dated 30 November 2016, and accompanying maps and tables.*

Other Aircore or RC drill-targets on the property include:

### *Trench Zone*

Infill RC drilling is required to scope the oxide potential of this system where high-grade intercepts sit within a 40-60m weathered profile overlying a steeply dipping NE-SW oriented main structure. Mineralisation has been intersected over 600m of strike, with results including **17m @ 22.52g/t Au**, **6m @ 10.56g/t Au**, **14m @ 11.24g/t Au** and **11m @ 9.07g/t Au**. Additional mineralisation also lies on a partly-drilled sub-parallel structure to the east of the main zone. Oxide intercepts on this surface include **11m @ 6.69g/t Au**, **13m @ 2.74g/t Au** and **9m @ 2.44g/t Au**, **5m @ 7.15g/t Au**, and **10m @ 2.86g/t Au**. The Trench Zone discovery is described in more detail in ASX Company releases dated 12th and 18th August 2016, and 30th November 2016.

***Masseguere***

The Masseguere prospect lies ~400m to the NW of **Trench Zone** and is parallel to that structure (Figure 8). Shallow results here include **17m @ 1.22g/t Au**, supported by **9m @ 3.17g/t Au EOH**, **8m @ 1.23g/t Au** and **1m @ 6.62g/t EOH** in adjoining lines. This prospect is ready for RC drill testing.

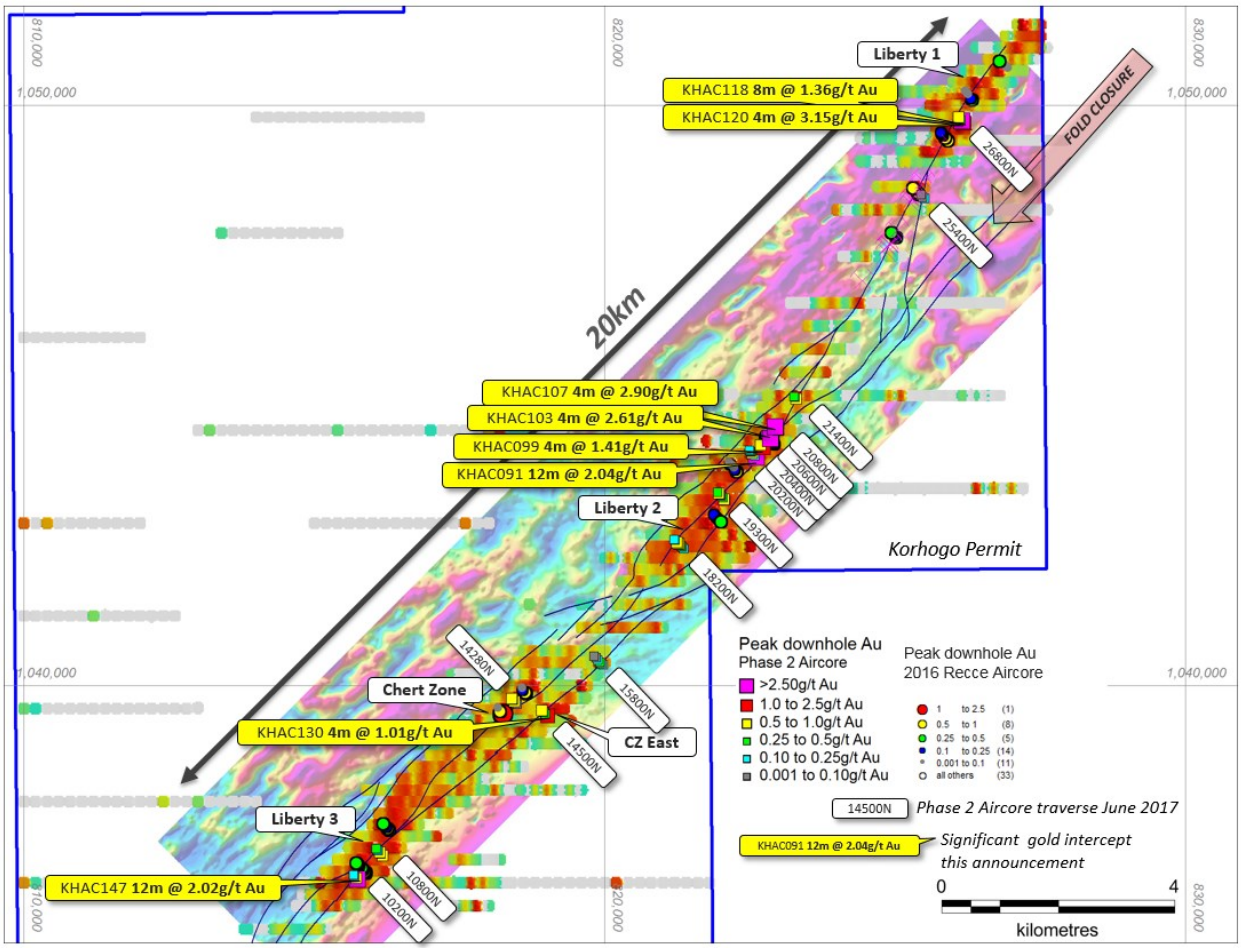
## 2.2 Korhogo Project (100% AOP)

No fieldwork was undertaken at **Korhogo** (Figure 7) during the Quarter as wet season conditions and cropping restricted access.

Assay results were returned for reconnaissance soil sampling carried out over previously unexplored parts of the Korhogo permit during the June Quarter. No significantly anomalous results were returned.

The **Liberty** soil anomaly (Figure 9) represents a regional scale geochemical feature extending over more than 20km strike and remains the key exploration target on the property. The anomaly contains three areas of stronger soil anomalism and developing underlying bedrock gold mineralisation (*see ASX-AOP announcement 24th July 2017*).

*Figure 9. Liberty anomaly, **Korhogo Project**. Ground magnetic imagery and imaged gold-in-soil anomalism. Key target areas in yellow ovals. Phase 2 aircore traverses and significant intercepts labelled. Reconnaissance aircore holes* are shown as circles.*




** For previous Aircore intercept details refer to ASX Announcement dated 26 February 2016 and ASX Announcement dated 16 March 2016. Full details of the June 2017 Aircore program can be found in ASX Announcement dated 24th July 2017.*

***Liberty 1***

Composite gold intercepts have been returned across an >80m wide anomalous zone including **8m @ 1.36g/t Au** and **4m @ 3.15g/t Au**. This zone is potentially open for >1km along strike to the NE.

***Liberty 2***

>1g/t Au intercepts have been defined on consecutive lines over 600m strike, with results including **12m @ 2.04g/t Au**, **4m @ 2.90g/t Au**, **4m @ 2.61g/t Au** and **4m @ 1.41g/t Au**. Magnetic imagery suggests the zone may extend for 900m to the SW and 600m to the NE, and the prospect is located at a strong structural setting with interaction between ENE and NE trending structures.

***Liberty 3***

Gold anomalism here is up to 70m wide, with strong results returned on the southern-most drill section including **12m @ 2.02g/t Au**. This deeply demagnetised target zone is open to the SW.

All Liberty 1, 2 & 3 gold intercepts correspond to zones of increased quartz veining in variably oxidised schists and fine-grained chloritic sedimentary rocks.

Gold intercepts to **4m @ 1.01g/t** Au at the **CZ East** prospect area (between Liberty 2 and 3), sit in mineralised felsic schist and felsic intrusive rocks.

### 2.3 Seguela Project (Royalty)

Apollo holds a 1.2% net smelter royalty over the **Seguela** property (Figure 7) which is owned by a subsidiary of Newcrest Mining Limited. Newcrest continues active exploration at the property, including RC and diamond drilling at **Antenna** discovery where results to **51m @ 8.4g/t Au** from surface have been reported (*ASX-NCM announcement 26th October 2017*).

## 3. Corporate & Financial

As at 31 December 2017 the consolidated cash balance was $8.27M. An ASX Appendix 5B for the quarter accompanies this report.

During the quarter Apollo completed a transaction to acquire the 20% minority interest held by local partners in its Ivorian subsidiary, Mont Fouimba Resources (MFR), Apollo now owns 100% of MFR.

*The information in this release 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 Reserve", 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 of the matters based on his information in the form and context in which it appears.*

*Past Exploration results referring to the Projects reported in this announcement have been previously prepared and disclosed by Apollo Consolidated Limited in accordance with JORC Code 2004. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The exploration results previously prepared and disclosed under the JORC 2004 have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last*

*reported. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to www.apolloconsolidated.com.au for details on past exploration results.*

# Appendix

In accordance with Listing Rule 5.3.3. AOP provides the following information in relation to its mining tenements.

**Mining tenements held at the end of the quarter:**

| Project | Location | Tenement Number | Status | Beneficial interest |
|---|---|---|---|---|
| Rebecca | Eastern Goldfields WA | E28/1610 | Granted | 100% |
| Rebecca | Eastern Goldfields WA | E28/2146 | Granted | 100% |
| Rebecca | Eastern Goldfields WA | E28/2275 | Granted | 100% |
| Rebecca | Eastern Goldfields WA | E28/2733 | Application | 100% |
| Yindi | Eastern Goldfields WA | E28/2444 | Granted | 100% |
| Louisa | Kimberley, WA | E80/4954 | Granted | 100% |
| Larkin | Eastern Goldfields WA | E39/1911 | Granted | 100% |
| | | | | |
| Korhogo | Cote d'Ivoire | 2014-12-320 | Granted | 100% |
| Boundiali | Cote d'Ivoire | 2014-12-321 | Granted | 100% |

**Mining tenements acquired during the quarter:**

| | | | | |
|---|---|---|---|---|
| Rebecca | Eastern Goldfields WA | E28/2733 | Application | 100% |

**Mining tenements disposed of during the quarter:**

NIL

**Beneficial percentage interests held in farm-in or farm-out arrangements at the end of the quarter:**

***Farm-in or Purchase Agreements***

NIL

***Farm-out, Sale or Royalty Agreements***

1. Apollo subsidiary Aspire Minerals holds a 1.2% NSR held over the Seguela Project in Cote d'Ivoire

2. Private company Maincoast Pty Ltd holds a 1.5% NSR over the area of E28/1610, Rebecca Project

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Sampling techniques* | • *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *Aspects of the determination of mineralisation that are Material to the Public Report.*<br>• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.* | • Soil sampling was part of an infill program to increase the sample density inside anomalous zones.<br>• Soil samples were collected at 100m or 200m intervals along lines between 1600m and 200m apart to complete a 200m x 100m spaced sample grid in anomalous areas.<br>• Samples are sieved -2mm material collected from 20cm below surface and averaging 2.5kg.<br>• Sample locations logged using GPS and marked in the field with field stakes.<br>• Rock-chip samples are 2-3kg of representative outcrop, scree or mined material, collected on an opportunistic basis during the course of soil sampling or regolith mapping.<br>. |
| *Drilling techniques* | • *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).* | • Not applicable as there is no drilling reported in this release |
| *Drill sample recovery* | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Not applicable as there is no drilling reported in this release |
| *Logging* | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* | • Logging (lithologies, alteration-oxidation) of soil profile, rock components, slope direction, vegetation, moisture carried out on each sample and logged into .xls file. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | |
| *Sub-sampling techniques and sample preparation* | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • No soil sub sampling or composite soil sampling carried out<br>• Soil samples sieved to -2mm to remove rock and vegetation fragments<br>• All soil samples were logged as dry and representative of the soil profile at the sample location<br>• Sample size and preparation is considered appropriate for gold analysis of soil and rock-chip samples respectively<br>• No duplicate samples were collected.<br>• Soil assay results show good correlation with the results of soil samples on adjoining lines |
| *Quality of assay data and laboratory tests* | • *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.* | • Sample collected from the Project area by site geologists and transported from the field camp by Bureau Veritas to the BV facility in Abidjan<br>• Sample crushed and pulped and a 50g split of whole pulped sample assayed for gold with the lab code FA451 method. This method consists in a 50g charge Fire Assay for gold with 5ppb Au AAS finish.<br>• Rock samples collected from the Project area were hand delivered to Bureau Veritas in Abidjan (CDI), crushed and pulped and a 50g split of whole pulped sample assayed for gold with the lab code FA450method. This method consists in a 50g charge Fire Assay for gold with AAS finish.<br>• Quality control procedures adopted consist in the insertion of standards and also external laboratory checks. The results demonstrated an acceptable level of accuracy and precision and cleanliness of the lab. |
| *Verification of sampling and assaying* | • *The verification of significant intersections by either independent or alternative company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • The sample register checked on the field while sampling is ongoing and double checked while entering the data on the computer. The sample register is used to process raw results from the lab and the processed results are then validated by software (.xls, MapInfo/Discover). A hardcopy of each file is stored and an electronic copy saved in two separate hard disk drives. |
| *Location of* | • *Accuracy and quality of surveys used to locate drill holes (collar and* | • Collar located using a Garmin GPS with an accuracy <3m |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *data points* | *down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • Data are recorded in a modified WGS 1984, UTM_Zone 29 (northern hemisphere) projection.<br>• Topographic control using the same GPS with an accuracy <10m |
| *Data spacing and distribution* | • *Data spacing for reporting of Exploration Results.*<br>• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>• *Whether sample compositing has been applied.* | • Soil samples taken at 100m intervals along lines between 200m and 1600m apart, to complete a 200m x 100m density through anomaly areas.<br>• The spacing of the samples is considered sufficient to allow good interpretation of results and to contour gold-in-soil anomalies.<br>• No compositing has been applied<br>• Rock chip samples were collected on an opportunistic basis and not as a systematic rock sampling program |
| *Orientation of data in relation to geological structure* | • *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | • Soil-lines arranged at UTM Z29N east-west.<br>• LAG samples collected along access lines at a variety of orientations<br>• Location an orientation of any mineralised bedrock structure is unknown.<br>• Terrain is mostly flat but there may be some degree of down-slope geochemical dispersion the anomaly areas |
| *Sample security* | • *The measures taken to ensure sample security.* | • Samples collected in the field are brought back to the camp every evening, bagged and sealed into 20 sample bags and placed in a storage room.<br>• Soil samples are collected by ALS vehicle directly from the field camp.<br>• Sealed rock-chip sample bags were delivered by hand to the laboratory |
| *Audits or reviews* | • *The results of any audits or reviews of sampling techniques and data.* | • No external audit or review completed |

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *Mineral tenement and land tenure* | • *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests,* | • Korhogo (387km2) and Boundiali (270km2) granted exploration permit located in central north west Cote d'Ivoire. They are held by Aspire Nord SA, a wholly-owned Ivoirian subsidiary of Apollo. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *status* | *historical sites, wilderness or national park and environmental settings.*<br>• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.* | • The licences were granted 29th October 2014 for 4 years, and can be renewed for two additional periods.<br>• If the exploration licences were to be subsequently converted into Mining Licences, the Government of Cote d'Ivoire would hold a 10% share of the permit and Apollo 90%.<br>• There are no known impediments to working in the area |
| *Exploration done by other parties* | • *Acknowledgment and appraisal of exploration by other parties.* | • Previous exploration was carried out on a regional reconnaissance permit which expired Dec 2010.<br>• It is not known what if any exploration activity was carried out in the area of the permits prior to that.<br>• No sites of previous exploration has been documented by Aspire Nord<br>• Minor artisanal workings are noted in places outside reported soil anomalies |
| *Geology* | • *Deposit type, geological setting and style of mineralisation.* | • Widespread laterite and laterite-derived weathering products over mafic and sedimentary rocks, soil depths increasing into valleys.<br>• Regional shear-zones interpreted from country-scale aeromagnetic data.<br>• Local granitoid dykes and intrusions interpreted in the area.<br>• Source of gold anomalism in soil grid areas is unknown.<br>• Rock-chip samples are of rock types listed in table form in the announcement |
| *Drill hole Information* | • *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*<br>o *easting and northing of the drill hole collar*<br>o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*<br>o *dip and azimuth of the hole*<br>o *down hole length and interception depth*<br>o *hole length.*<br>• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.* | • Not applicable as there is no drilling reported in this release |
| *Data aggregation* | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high* | Not applicable as there is no data aggregation reported in this release |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| *methods* | *grades) and cut-off grades are usually Material and should be stated.*<br>• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | |
| *Relationship between mineralisation widths and intercept lengths* | • *These relationships are particularly important in the reporting of Exploration Results.*<br>• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • Not applicable as there are no intercepts reported in this release |
| *Diagrams* | • *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.* | • Appropriate diagrams are accompanying this table |
| *Balanced reporting* | • *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | • Refer to diagrams showing grade ranges |
| *Other substantive exploration data* | • *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | • No other meaningful or material information to report |
| *Further work* | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Next stage of exploration work will consist of extensional soil sampling, and regolith mapping.<br>• Follow-up work will be by trenching or RAB drilling to identify the nature and orientation of source bedrock structures<br>• Ground magnetic surveys may help define controlling structures |

*+Rule 5.5*

# Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

APOLLO CONSOLIDATED LIMITED

| **ABN** | **Quarter ended ("current quarter")** |
|---|---|
| 13 102 084 917 | 31 December 2017 |

| **Consolidated statement of cash flows** | | **Current quarter $A'000** | **Year to date (6 months) $A'000** |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | | |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | (472) | (843) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | - | - |
| | (e) administration and corporate costs | (101) | (282) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 28 | 47 |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Research and development refunds | - | - |
| 1.8 | Other – Seguela option and sale fees | - | - |
| **1.9** | **Net cash from / (used in) operating activities** | **(546)** | **(1,078)** |

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire: | | |
| | (a) property, plant and equipment | - | - |
| | (b) tenements (see item 10) | - | - |
| | (c) investments | (587) | (587) |
| | (d) other non-current assets | - | - |

| **Consolidated statement of cash flows** | | **Current quarter $A'000** | **Year to date (6 months) $A'000** |
|---|---|---|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | - | - |
| | (b) tenements (see item 10) | - | - |
| | (c) investments | - | - |
| | (d) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| **2.6** | **Net cash from / (used in) investing activities** | **-** | **-** |

| **3.** | **Cash flows from financing activities** | | |
|---|---|---|---|
| 3.1 | Proceeds from issues of shares | - | - |
| 3.2 | Proceeds from issue of convertible notes | - | - |
| 3.3 | Proceeds from exercise of share options | 845 | 845 |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | (6) | (6) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| **3.10** | **Net cash from / (used in) financing activities** | **839** | **839** |

| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
|---|---|---|---|
| 4.1 | Cash and cash equivalents at beginning of period | 9,419 | 9,204 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (546) | (1,078) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (587) | (587) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | 839 |
| 4.5 | Effect of movement in exchange rates on cash held | (13) | (103) |
| **4.6** | **Cash and cash equivalents at end of period** | **8,273** | **8,273** |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter $A'000 | Previous quarter $A'000 |
|---|---|---|---|
| 5.1 | Bank balances | 8,273 | 9,419 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| **5.5** | **Cash and cash equivalents at end of quarter (should equal item 4.6 above)** | **8,273** | **9,419** |

| 6. | Payments to directors of the entity and their associates | Current quarter $A'000 |
|---|---|---|
| 6.1 | Aggregate amount of payments to these parties included in item 1.2 | 122 |
| 6.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payment of directors fees and geological consulting fee to director-related entity.

| 7. | Payments to related entities of the entity and their associates | Current quarter $A'000 |
|---|---|---|
| 7.1 | Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/a

| 8. | **Financing facilities available**<br>*Add notes as necessary for an understanding of the position* | **Total facility amount at quarter end $A'000** | **Amount drawn at quarter end $A'000** |
|---|---|---|---|
| 8.1 | Loan facilities | - | - |
| 8.2 | Credit standby arrangements | - | - |
| 8.3 | Other (please specify) | - | - |

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

| |
|---|
| |

| 9. | **Estimated cash outflows for next quarter** | **$A'000** |
|---|---|---|
| 9.1 | Exploration and evaluation | 625 |
| 9.2 | Development | - |
| 9.3 | Production | - |
| 9.4 | Staff costs | - |
| 9.5 | Administration and corporate costs | 138 |
| 9.6 | Other (provide details if material) | - |
| **9.7** | **Total estimated cash outflows** | **763** |

| 10. | **Changes in tenements (items 2.1(b) and 2.2(b) above)** | **Tenement reference and location** | **Nature of interest** | **Interest at beginning of quarter** | **Interest at end of quarter** |
|---|---|---|---|---|---|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | | | | |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased | | | | |

## Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

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

(Joint Company secretary)

Date: 10 January 2017

Print name: Alex Neuling

**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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.