



ASX RELEASE | 29 JANUARY 2018 | ASX: AON

DECEMBER 2017 QUARTERLY REPORT

Further high grade gold samples (up to 24.50 g/t) discovered and multiple exploration targets identified

COUFLENS PROJECT HIGHLIGHTS

- **Discovery of further high grade gold samples from regional exploration:**
 - Numerous gold occurrences were confirmed around the historical Salau tungsten mine on the margins of the major granodiorite intrusion, best results from the area included 24.50 g/t, 15.65 g/t, 15.20 g/t, 13.15 g/t, 11.05 g/t, 9.79 g/t and 7.65 g/t gold
 - Further high-grade gold mineralisation was identified at the recently discovered gold occurrence located 500m west of the granodiorite, and not associated with tungsten. Best results from this area included 3.34 g/t, 2.55 g/t and 2.33 g/t gold
 - Tailings samples from an historical tailings disposal area returned grades up to 8.94 g/t gold, confirming the presence of gold associated with the tungsten ore mined during the latter years of production at the historical Salau tungsten mine
- **Ongoing digitisation and modelling of historic Salau mine database continues to increase the Company's knowledge and de-risk upcoming work programs:**
 - The development of a 3D model of the Salau mine area incorporating all available historical data, including assays and drill logs from over 650 holes, continued during the quarter and is now well-advanced
- **Tungsten market:**
 - Production disruptions in China, who produce 80% of the world's tungsten, tightened the market considerably over the course of 2017 and prices are up 54% year on year
- **Looking ahead:**
 - Review and 3D modelling of historical data to continue in support of the resource estimation process
 - Mine area and old tailings area risk assessments
 - Mapping and sampling of mineralisation within the Salau mine to occur once initial access has been granted, in order to verify the historical data for resource estimation
 - Drill programs to be designed to confirm known zones of mineralisation at Salau and will test for extensions of these zones once underground access has been established
 - Reporting of tungsten and multi-element assay data from the recent surface exploration campaign
 - Further surface exploration programs to assess the identified tungsten and gold prospects and advance them to the drill ready stage
 - Generation of new targets within the broader project area



FRASER RANGE PROJECT HIGHLIGHTS

- **Exploration field programmes were completed to further assess the nickel sulphide and gold prospectivity on tenements E63/1281 and E63/1282:**
 - Soil sampling and geological prospecting/rock sampling concentrated on two target areas, with a total of 1,056 soil samples and 16 rock/grab samples collected
 - Detailed follow-up soil sampling on target 1282_Gold confirmed the presence of a historic gold-in-soil anomaly and identified a number of other anomalous areas

PILBARA GOLD ROYALTY INTERESTS

- Entered into an agreement for the sale of one the Company's royalty interests in the Pilbara gold region for A\$1 million in cash
- The Company retains its royalty interests over two areas located near recent discoveries including Artemis' Mt OscarWits gold prospect

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COUFLENS PROJECT

Apollo Minerals Limited owns an 80% interest in the Couflens tungsten-copper-gold project in the Pyrenees region of southern France, which includes the historical Salau mine.

The Company is assessing the potential to reactivate the Salau mine, one of the world's highest grade tungsten mines which closed in the 1980's and which remains open at depth, with excellent supporting infrastructure. The Company is also exploring for gold along large fault structures with the potential for shear zone hosted gold deposits, with recent field campaigns recovering up to 24 g/t gold from rock chips.

High grade gold sampling results at the Couflens Project

In September 2017, a follow-up surface exploration program was completed after the previous field campaign undertaken in 2016 had resulted in the identification of gold occurrences associated with three main east-west trending fault structures within the Couflens licence area.

The 2017 campaign was primarily focussed on identifying extensions to the gold occurrences along these fault structures.

The majority of samples were collected at the margins of the major granodiorite intrusion (Fourque granodiorite) near the historical Salau tungsten mine.

Samples were also collected near a gold occurrence discovered during the 2016 campaign, which is located 500m west of the granodiorite, with no association to tungsten mineralisation.

The exploration program included detailed geological and structural mapping, rock chip sampling of outcrop, and input of the data into an ArcGIS software package to facilitate data integration and interpretation.

A total of 222 select rock chip samples were collected during the field campaign and subsequently submitted for gold and tungsten analysis.

Assay results returned for these rock chip samples confirmed the presence of widespread high grade gold mineralisation associated with tungsten skarn mineralisation and fault structures around the margins of the Fourque granodiorite. Further high grade gold results were also recorded at the gold only occurrence located 500m west of the granodiorite (Figures 1 and 2).

High grade gold occurrences, with assay results including 24.50 g/t, 15.20 g/t, 13.15 g/t and 11.05 g/t, were identified along the western margin of the Fourque granodiorite in close association with the Bois de la Fourque Fault.

High grade gold mineralisation was also recorded along the trend of the Veronique Fault structure at the south-eastern margin of Fourque granodiorite, with best results including 15.65 g/t, 3.77 g/t, 3.66 g/t and 3.33 g/t.

Outcropping skarn mineralisation observed at the north-eastern margin of the Fourque granodiorite was shown to be gold rich with high grade assays including 9.79 g/t and 7.65 g/t.

Significant gold grades (up to 4.55 g/t) were also recorded where the Bois de la Fourque and Christine Faults intersected the eastern margin of the Fourque granodiorite.

Follow-up sampling of the recently discovered gold only occurrence located 500m west of the granodiorite confirmed the presence of high grade gold mineralisation associated with quartz veining and sulphides (arsenopyrite). Best results include 3.34 g/t, 2.55 g/t and 2.33 g/t.

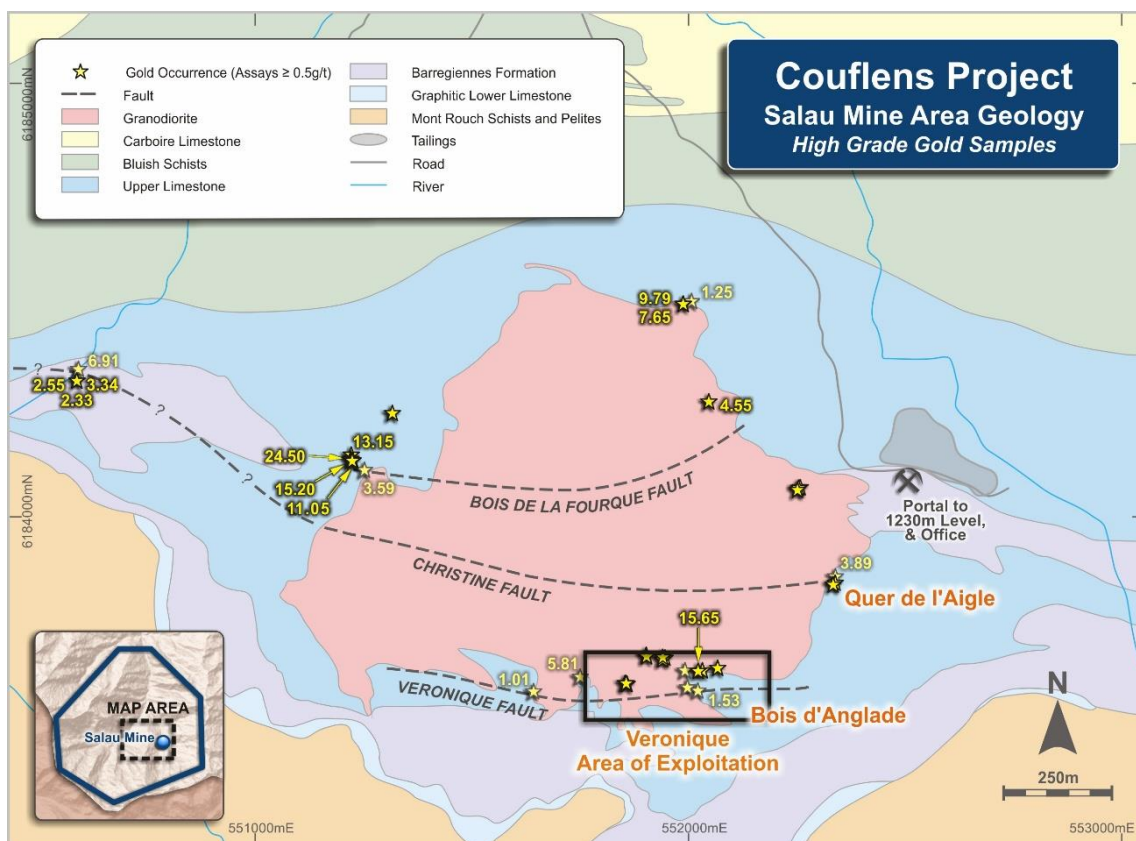


Figure 1: High grade gold results from recent rock chip sampling program

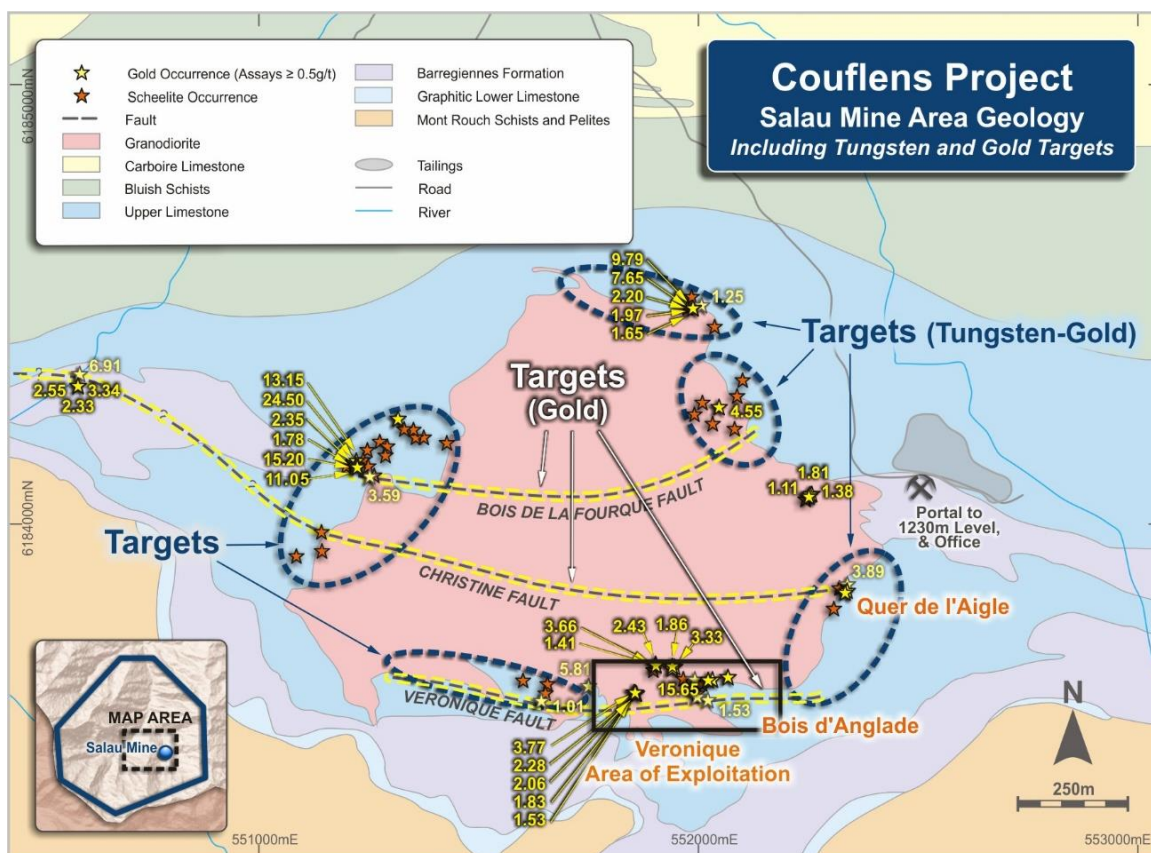


Figure 2: Salau Mine Area - Geology and Exploration Targets



Tailings

A total of 34 tailings samples were collected from the historical tailings disposal area adjacent to the mine portal (1230m level) during the field campaign.

These tailings samples returned gold grades up to 8.94 g/t, confirming the presence of high grade gold associated with the tungsten ore mined at the historical Salau tungsten mine.

Whilst very early stage in nature, the Company plans to study the potential to reprocess the tailings to extract the gold (and tungsten) whilst at the same time restoring the natural habitat and improving soil conditions left over from the historical tungsten operations.

The rock chip and tailings samples have also been submitted for multi-element analysis (including tungsten and copper). These results are pending and will be reported once available.

Continued 3D modelling of historical drill hole database

The database relating to the historical Salau mine is extensive and comprises a combination of high quality geological and drilling data (over 650 holes for ~50,000m of drilling), as well as underground mining and processing data, covering all exploration and production during the mine's 15 years in operation.

The development of a 3D model of the Salau mine area incorporating all available historical data continued during the quarter and is now well-advanced.

The historical database and 3D modelling is enabling the Company to readily define high priority exploration targets and has the potential to accelerate the definition of a maiden mineral resource estimate, subject to verification of the historical drill data by Company geologists.

ORPHEUS JV PROJECT – FRASER RANGE

The Company has a 70% interest in the nickel, copper and gold prospective Orpheus JV Project in the Fraser Range province in south eastern Western Australia (Figure 3).

The Project area consists of four tenements covering over 500km² in a highly prospective portion of the world class Fraser Range exploration district, host to Independence Group's (ASX: IGO) major Nova nickel and copper deposit. The Fraser Range province is highly prospective for nickel, copper and gold, and has attracted significant exploration since the discovery of the Nova deposit in 2012 in mafic and ultramafic rock types. The bulk of the Project is strategically located along strike and mid-way between the Nova deposit to the northeast and Independence Group's Crux nickel prospect to the southwest.

During the December quarter a number of field programs were completed to further assess the nickel sulphide and gold prospectivity on tenements E63/1281 and E63/1282.

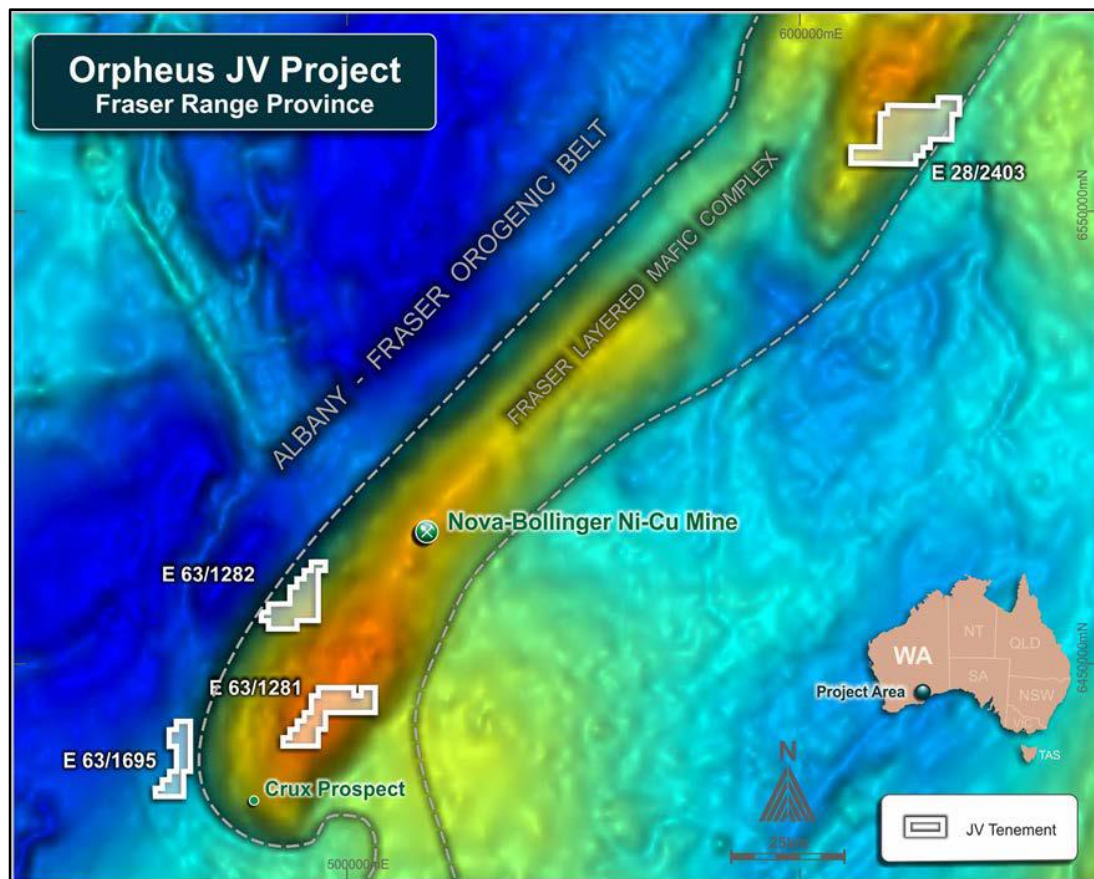


Figure 3: Tenement Plan – Orpheus JV Project, Fraser Range province on gravity image

Soil sampling and geological prospecting/rock sampling was concentrated on two target areas (**1281_HeliTEM** and **1282_Gold**) during the quarter. A total of 1,056 soil samples and 16 rock/grab samples were collected over two areas. All samples were submitted for multi-element and/or gold analysis.

Within E63/1281 the analytical results from the 426 soil samples collected on target **1281_HeliTEM** returned maximum values of 108ppm nickel, 70ppm copper and 40ppm cobalt and identified a coincident nickel-cobalt anomaly in the north-eastern portion of the sampled area (Figures 4 and 5). There is a strong correlation with nickel and cobalt in these results that does not appear to be related to scavenging from iron and/or manganese however, there is no obvious correlation with copper suggesting there is no nickel-copper sulphide signature in the samples.

Further sampling of subcrop and outcrop within the target area confirmed elevated nickel-cobalt-copper in rockchips from previous sampling and the presence of mafic intrusive rock types.

Future work will include petrology and high-powered ground electromagnetics (EM) to fully assess the coincident nickel-cobalt-copper rockchip assays and the HeliTEM anomaly.

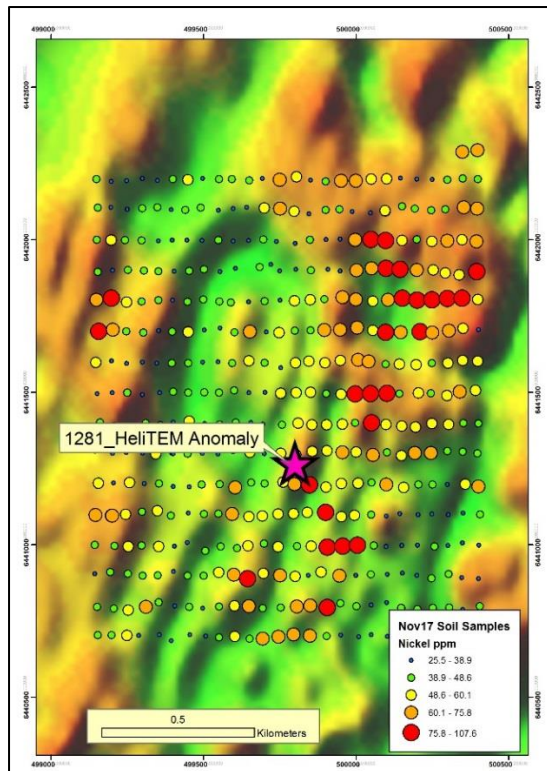


Figure 4: Nickel-in-soils over 1281_HeliTEM target (TMI RTP magnetic image background)

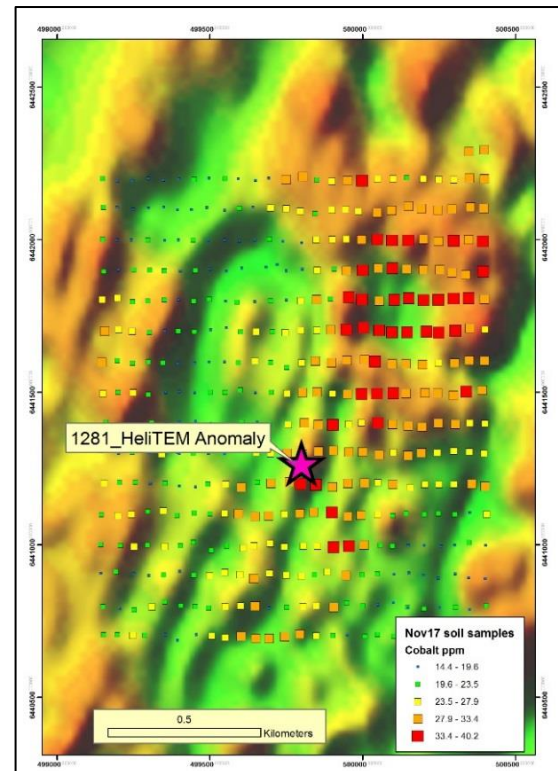


Figure 5: Cobalt-in-soils over 1281_HeliTEM target (TMI RTP magnetic image background)

Target 1282_Gold is a gold-in-soil anomaly identified from wide spaced soil sampling associated with a well-defined northeast-southwest trending magnetic anomaly under thin cover. Detailed follow-up soil sampling was completed during the quarter and samples were assayed for gold only.

The follow-up soil sampling was completed on a 100m x 50m east-west grid and has confirmed the presence of the historic gold-in-soil anomaly outlining a coherent 500m x 150m gold anomaly in the centre of the sampled area (Figure 6). There are also a number of other anomalous gold-in-soil areas identified from this survey.

The next phase of work will include drill testing this coherent anomaly and further field assessment of the other areas of elevated gold.

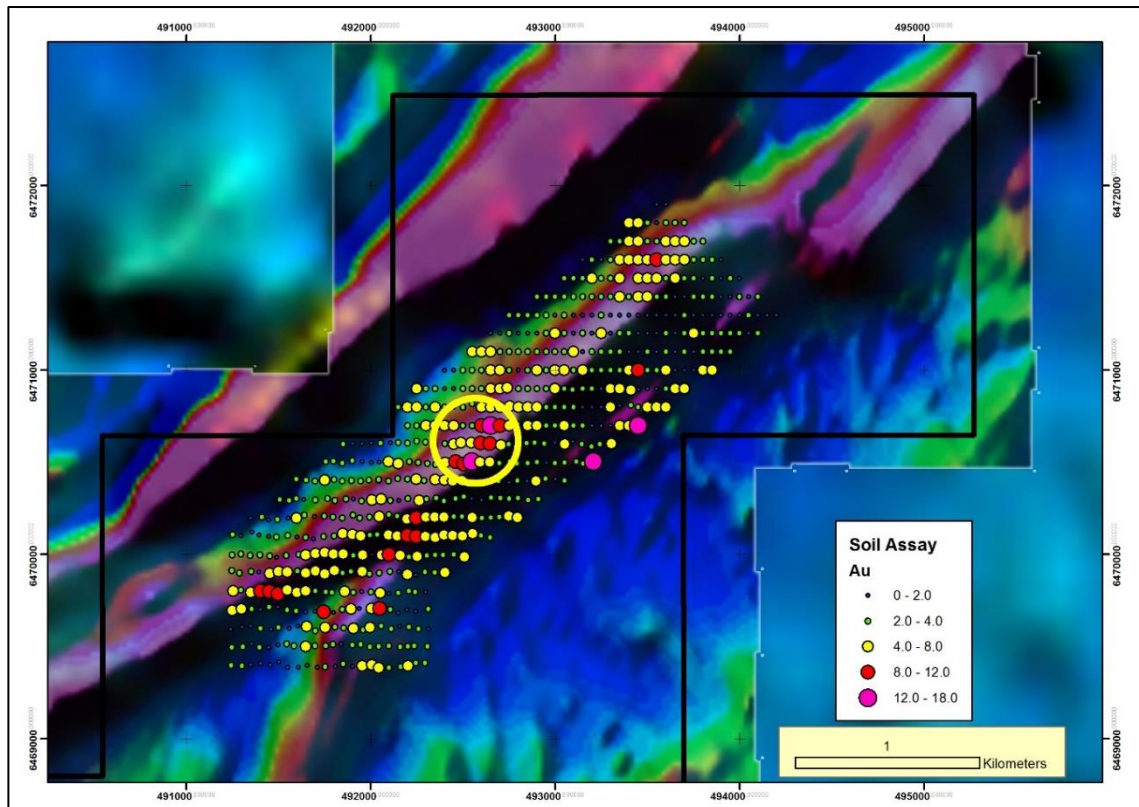


Figure 6: Target 1282_HeliTEM and Target 1282_Gold locations on Regional TMI_RTP magnetics

SALE OF ROYALTY INTERESTS IN THE PILBARA GOLD REGION

The Company entered into an agreement with African Mango Pty Ltd in relation to the sale of the one of its royalty interests in the Pilbara gold region for A\$1 million in cash.

An upfront cash payment of A\$600,000 was received by the Company and a further A\$400,000 in cash will be paid on the 12 month anniversary of signing a formal Deed of Assignment and Assumption, in return for the sale of Apollo's royalty interest over tenement E47/1379.

Apollo Minerals retains its royalty interests over two areas located near recent discoveries including Artemis' Mt OscarWits gold prospect (Figure 7)

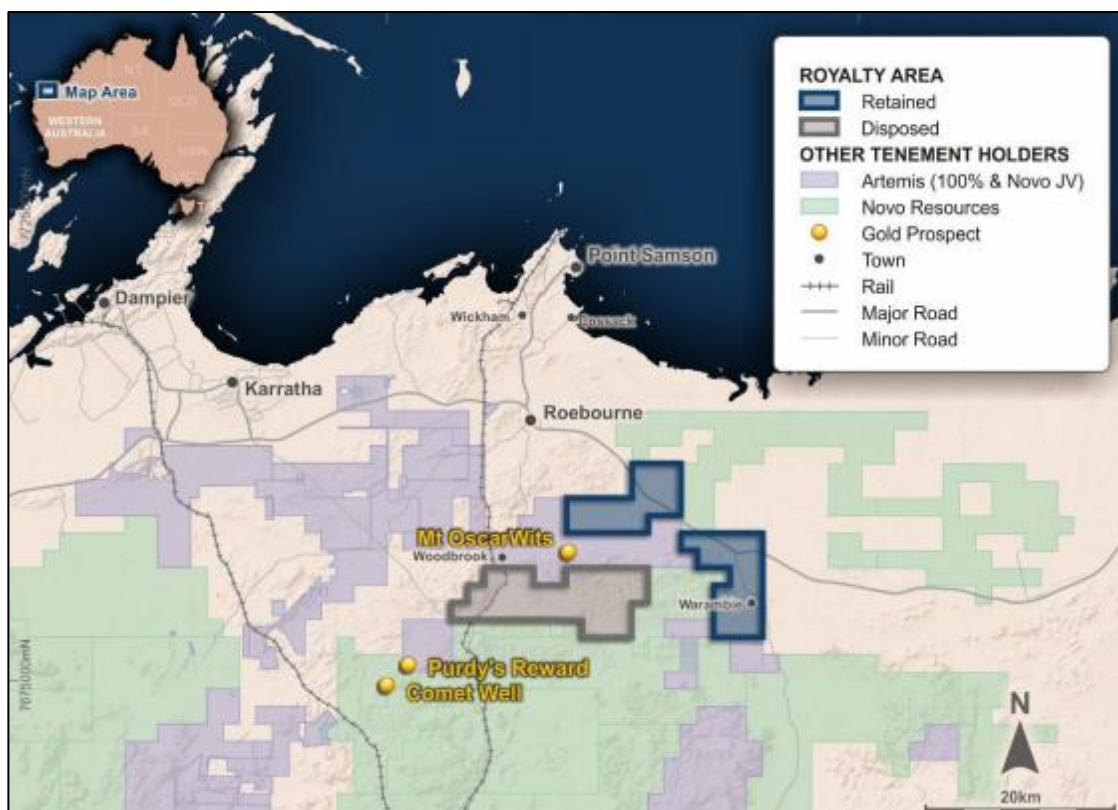


Figure 7 – Apollo Minerals' Pilbara Gold Region Royalty Interest Location Map

KANGO NORTH IRON PROJECT

The Kango North Iron Project covers an area of 400km² in Gabon, on the west coast of Central Africa.

There was no activity at the Kango North Iron Project during the quarter. The Exploration Licence is due to expire in February and the Company is currently considering its options with regard to the project.

CORPORATE

Apollo Minerals is in a strong financial position with cash at bank of approximately \$2.75 million as at 31 December 2017 and no debt.



ABOUT THE COUFLENS PROJECT

Apollo Minerals Limited owns an 80% interest in the Couflens tungsten-copper-gold project in the Pyrenees region of southern France, which includes the historical Salau mine.

Within the 42km² covered by the Couflens exploration licence lies the historical Salau mine. The mine was one of the world's highest grade tungsten mines, producing approximately 930,000 tonnes at 1.5% WO₃ for around 11,500 tonnes of WO₃ in concentrate, prior to its closure in 1986 following the rapid fall in the tungsten price caused by Chinese dumping of tungsten into global markets.

Apollo Minerals is focussed on two parallel work programs at the Couflens Project:

- (1) Brownfields activities within, and immediately adjacent to, the historical Salau mine. The deposit remains open at depth with previous drilling below the base of the existing underground development confirming continuation of the mineralised system. Both the underground development and infrastructure will be examined to determine the most efficient method to progress mine exploration, development activities and potential mine reactivation;
- (2) Continuation of an aggressive regional exploration program, focused initially on gold. Recent field campaigns have returned grades of up to 24.5 g/t gold from rock chip samples. Exploration will be focused on the multiple fault structures recognised within the major granodiorite intrusion at Salau and the discovery of shear hosted gold mineralisation associated with large regional fault structures extending along a 5km corridor to the west of the Salau mine area.

Apollo Minerals is developing the Couflens project in accordance with the highest standards of environmental, social, health and safety, and economic management. All work programs are carried out with a strong commitment to both sustainable development and proactive stakeholder engagement as the Company seeks to develop and maintain positive relationships with its host communities and stakeholders.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results from the Couflens Project in France is extracted from an announcement on 29 November 2017. This announcement is available to view on www.apollominerals.com.au. The information in the original announcement that related to Exploration Results were based on, and fairly represents, information compiled by Mr Robert Behets, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Behets is a holder of shares and options in, and is a director of, Apollo Minerals Limited. Mr Behets has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Exploration Results from the Orpheus JV Project in Western Australia is based on information compiled by Mr Andrew Boyd of Cairn Geoscience Limited, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Boyd has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Reserves. Mr Boyd consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.



Appendix 1: Summary of Mining Tenements

As at 31 December 2017, the Company has an interest in the following projects:

Project Name	Permit Number	Percentage Interest	Status
Couflens Project, France	Couflens PER	80%	Granted
Fraser Range, Western Australia	E63/1281	70%	Granted
	E63/1282	70%	Granted
	E28/2403	70%	Granted
	E63/1695 ⁽¹⁾	70%	Application
	E28/2738 ⁽²⁾	100%	Application
Commonwealth Hill, South Australia	EL5969	100%	Granted
	EL6013	100%	Granted
Kango North, Gabon	G1-340 ⁽³⁾	70%	Granted

Notes:

1. Exploration licence E63/1695 in application pending grant by the Western Australian DMP.
2. Exploration licence E28/2738 was applied for in December 2017 and is in application pending grant by the Western Australian DMP.
3. Exploration licence G1-340 subject to earn-in by Zoradox Ltd to earn up to 50.1% interest in Apollo Gabon SA, which owns the Kango North Project.

Appendix 2: Summary of Performance Shares on Issue

In accordance with ASX Waiver dated 4 May 2017, the Company provides the following information in respect of the Performance Shares on issue:

- a) The number of Performance Shares on issue as at 31 December 2017:
 - a. 10,000,000 Class A Convertible Performance Shares;
 - b. 10,000,000 Class B Convertible Performance Shares;
 - c. 10,000,000 Class C Convertible Performance Shares;
 - d. 15,000,000 Class D Convertible Performance Shares; and
 - e. 20,000,000 Class E Convertible Performance Shares.
- b) Each Performance Share will convert into one Share upon the earlier of the satisfaction of the relevant milestone or an Asset Sale, on or prior to the Expiry Date:
 - a. **Class A Milestone** means the announcement by the Company to ASX of the delineation of at least an Inferred and Indicated Mineral Resource of at least 25,000 tonne WO₃ at an average grade of not less than 1.0% WO₃ using a cut-off grade of not less than 0.3% WO₃ on the Project Licences and which is prepared and reported in accordance with the provisions of the JORC Code. For the avoidance of doubt, the referenced tonnes and grade are WO₃ values, not WO₃ equivalent values incorporating by-products credits.
 - b. **Class B Milestone** means the announcement by the Company to ASX of the delineation of at least an Inferred and Indicated Mineral Resource of at least 500,000 troy ounces of gold at an average grade of not less than 0.8 grams per tonne on the Project Licences and which is prepared and reported in accordance with the provisions of the JORC Code.
 - c. **Class C Milestone** means the release of a comprehensive announcement by the Company to ASX of the results of a positive Scoping Study on all or part of the Project Licences.
 - d. **Class D Milestone** means the release of a comprehensive announcement by the Company to ASX of the results of a positive Pre-Feasibility Study on all or part of the Project Licences.
 - e. **Class E Milestone** means the release of a comprehensive announcement by the Company to ASX of the results of a positive Definitive Feasibility Study on all or part of the Project Licences.
 - f. **Asset Sale** means the announcement by the Company of any completed direct or indirect sale, lease, exchange, or other transfer (in one transaction or a series of related transactions) of all or part of the Exploration Permit, other than to an entity controlled by the Company, provided that the total amount of consideration received by the Company is at least A\$21 million.
 - g. **Expiry Date** means 5.00pm (Perth time) on the date which is 5 years after the date of issue of the Performance Shares (ie. 30 June 2022).
- c) No Performance Shares were converted or cancelled during the quarter.
- d) No vesting conditions were met during the quarter.



Appendix 3: JORC Code, 2012 Edition – Table 1 Report – Fraser Range.

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	Rock samples were collected as grab/chip samples from outcrops, soil samples were collected by digging 20-30cm and sieving sample from bottom of hole using a 1.6mm sieve.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Sample size of rockchip samples varied from 1kg – 2kg in weight. Soil samples were sieved to -1.6mm and a 200-300g sample was taken of the sieved material. With the soil sampling a geochemical standard was inserted approximately every 50 samples to help ensure laboratory assay accuracy. In addition, a duplicate sample was taken and analysed at approximately every 50 th sample site to compare local variation in the sample sites. GPS coordinates of rock and soil sample locations were captured using a handheld GPS with +/- 4m accuracy.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. 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.</i>	ROCK SAMPLES Rock samples were collected from outcrops, with sample sizes of approximately 1-2kg. The rock samples were submitted to Minanalytical laboratories in Kalgoorlie, Western Australia for multi-element analyses. Samples were crushed and dried and then pulverised so that >85% of sample is -75um. Multi-element analysis was completed using MA40MS + OES (45 elements using a four-acid digest) and FA50AAS (Gold - 50g sample, AAS finish) techniques. SOIL SAMPLES Soil samples were collected by digging 20-30cm and sieving sample from bottom of hole using a 1.6mm sieve. A 200-300g sample was taken of the -1.6mm sample and submitted to Minanalytical laboratories in Kalgoorlie, Western Australia for multi-element analyses. Sample were dried and then pulverised so that >85% of sample is -75um. Multi-element analysis was completed using MA40MS + OES (45 elements using a four-acid digest) or FA50AAS (Gold - 50g sample, AAS finish) techniques.
Drilling techniques	<i>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).</i>	No drilling results reported.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	No drilling results reported.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No drilling results reported.
	<i>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.</i>	No drilling results reported.
Logging	<i>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.</i>	No drilling results reported. Rock samples were described (lithology, mineralogy, texture, structures) with details entered into an Excel based Geological Database.



Criteria	JORC Code explanation	Commentary
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	No drilling results reported.
	<i>The total length and percentage of the relevant intersections logged.</i>	No drilling results reported.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No drilling results reported.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	No drilling results reported.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Rock and soil samples were transported to the external sample preparation/assay laboratory in Kalgoorlie. Samples were dried, crushed to -2mm and then pulverised in a low Chrome steel bowl. Samples were then split and a split sent for analysis. Sample sizes and preparation techniques employed are considered to be appropriate for the generation of early stage exploration results.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	No sub-sampling was applied into sample batches before arriving to the external laboratory. The external laboratory's QA/QC procedures involved the use of standards and blanks which are inserted into sample batches at a frequency of approximately 5%. No additional QA/QC was conducted on the rock chip samples other than the standard laboratory QA/QC. This was due to the regional nature of the sampling and low number of samples. For the soil samples a geochemical standard was inserted approximately every 50 samples to help ensure laboratory assay accuracy. In addition, a duplicate sample was taken and analysed at approximately every 50 th sample site to compare local variation in the sample sites.
	<i>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.</i>	Sample size was approximately 1kg – 2kg in weight for the rock samples and 200 - 300g in the soil samples. Field duplicates were collected for the soil samples at approximately every 50 samples.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Given the early exploration stage nature of this work the sample sizes are deemed appropriate.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples were submitted to Minanalytical laboratories in Kalgoorlie, Western Australia for multi-element analyses. Multi-element analysis was completed using MA40MS + OES (45 elements using a four-acid digest) and/or FA50AAS (Gold - 50g sample, AAS finish) techniques. These techniques are considered total.
	<i>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.</i>	No such instruments used.
	<i>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.</i>	The external laboratory used maintains their own process of QA/QC using standards, sample duplicates and blanks. Standards were submitted every 50 samples for the soil samples by Apollo Minerals. Field duplicates every 50 samples were collected for the soil samples. Review of the internal and external laboratory quality QA/QC reports, has shown no sample preparation issues, acceptable levels of accuracy and precision and no bias in the analytical datasets.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No drilling results reported.
	<i>The use of twinned holes.</i>	No drilling results reported.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	All primary data is recorded in specifically designed templates. Assay data from the external laboratory was received in spreadsheets and downloaded directly into an Excel based



Criteria	JORC Code explanation	Commentary
		Geological Database.
	<i>Discuss any adjustment to assay data.</i>	No adjustments have been made to the assay data.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	GPS coordinates of rock and soil sample locations were captured using a handheld GPS with +/- 4m accuracy.
	<i>Specification of the grid system used.</i>	Sample locations were collected and reported using the GDA94_MGAz51 grid system.
	<i>Quality and adequacy of topographic control.</i>	Data not collected
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Rock samples were randomly collected i.e. not on a fixed grid pattern. Soil samples were taken on an 100m x 50m sample spacing along E-W lines.
	<i>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.</i>	The data spacing is not considered sufficient to assume geological and grade continuity, and will not allow the estimation of Mineral Resources.
	<i>Whether sample compositing has been applied.</i>	No compositing of samples in the field was undertaken.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The location within the Fraser Range province where the soil sampling was undertaken includes an area with SW-NE magnetic grain and is unbiased.
	<i>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.</i>	No drilling results reported.
Sample security	<i>The measures taken to ensure sample security.</i>	All soil samples were submitted to the laboratory as soon as program was completed
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No external audit of the sampling has occurred.

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 status	<i>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, historical sites, wilderness or national park and environmental settings.</i>	The Orpheus Project is a joint venture between Apollo Minerals Limited (70%) and Enterprise Metals Limited (30%). The exploration results reported in this announcement relate to Exploration Licences E28/2403, E63/1281 and E63/1281. Under the terms of the JV agreement, Apollo Minerals is required to sole fund all activities on the Project until completion of a Bankable Feasibility Study.
	<i>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.</i>	Tenure in the form of Exploration Licences with standard 5-year expiry dates which may be renewed. There are no known impediments to obtaining a licence to operate in this area.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Previous regional exploration on the project was undertaken by various companies and included, geophysical surveys, geochemical surveys, rock sampling and RC and diamond drilling. Historical geophysical surveys included an airborne (helicopter) electromagnetic survey and ground based magnetic, resistivity and gravity surveys. Geochemical surveys included soil sampling. A detailed assessment of the historic data is in progress. No significant issues with the data have been detected to-date.



Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>No mineralisation has been confirmed to-date but soil sampling results suggest the presence of a gold fertile mineralising system on E63/1282.</p> <p>Some rock samples collected on E63/1281 may be suggesting the presence of a magmatic nickel-copper sulphide mineralising system.</p> <p>Gravity anomalies on E28/2403 have amplitudes consistent with that expected for potentially nickel-copper sulphide mineralised ultramafic/mafic intrusives, similar to that hosting the Nova nickel-copper deposit.</p> <p>Further exploration work is required to confirm these observations.</p>
Drill hole Information	<p><i>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:</i></p> <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. <p><i>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.</i></p>	<p>No drilling results reported.</p>
Data aggregation methods	<p><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>No high-grade cuts have been applied to the rock or soil sample data reported.</p>
Relationship between mineralisation on widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	<p>No drilling results reported.</p>
Diagrams	<i>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.</i>	Appropriate diagrams are included in the main body of this release.
Balanced reporting	<i>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.</i>	Reporting of the rock, soil and gravity results is considered balanced.
Other substantive exploration data	<i>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.</i>	No additional meaningful and material exploration data has been excluded from this report that has not previously been reported to the ASX.



Criteria	JORC Code explanation	Commentary
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Further regional exploration related work planned for the Orpheus Project includes ongoing review of the historical exploration datasets and systematic follow-up geological mapping, rock sampling and geophysical surveys e.g. ground based EM surveys, over identified prospects and exploration targets.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	These diagrams are included in the main body of this release.

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 MINERALS LIMITED

ABN

96 125 222 924

Quarter ended ("current quarter")

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	(611)	(1,121)
(b) development	-	-
(c) production	-	-
(d) staff costs	(47)	(92)
(e) administration and corporate costs	(111)	(264)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	29
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
- Business development	(71)	(136)
1.9 Net cash from / (used in) operating activities	(827)	(1,584)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(4)	(4)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(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	600	600
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	596	596

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	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(11)
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	-	(11)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,972	3,740
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(827)	(1,584)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	596	596
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(11)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,741	2,741

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	246	190
5.2 Call deposits	2,495	2,782
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)	2,741	2,972

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

270

-

Payments include director fees, consulting fees, superannuation, provision of a fully serviced office and provision of technical services (including field, laboratory and geological staff and analytical laboratory services).

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

Not applicable

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

-

-

-

-

-

-

- 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.

Not applicable

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	500
9.2 Development	-
9.3 Production	-
9.4 Staff costs	100
9.5 Administration and corporate costs	100
9.6 Other (provide details if material)	
- Business development	60
9.7 Total estimated cash outflows	760

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	E28/2738	Direct	-	100%

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.

Sign here:
(Director/Company secretary)

Date: 29 January 2018

Print name: Clint McGhie.

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.