



APOLLO CONSOLIDATED LIMITED
ABN 13 102 084 917

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2018

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Corporate Directory

Directors

Mr. Roger Steinepreis – Non-Executive Chairman
Mr. Nick Castleden – Managing Director
Mr. Robert Gherghetta – Non-Executive Director
Mr. Anthony James – Non-Executive Director

Company Secretary

Mr. Alex Neuling
Mrs. Natalie Madden

Registered and Principal Administrative Office

1202 Hay Street
West Perth
WA 6005
Australia

Auditors

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

Securities Exchange Listing

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

Bankers

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

Share Registry

Computershare Investor Services Pty Limited
Level 11
172 St Georges Terrace GPO Box D182
Perth WA 6000 Perth WA 6840
Telephone: 08 9323 2000
Fax : 08 9323 2033

Directors' Report

The Directors of Apollo Consolidated Limited present their report on the Consolidated Entity consisting of Apollo Consolidated Limited ("the Company" or "Apollo") and the entities it controlled during the half-year ended 31 December 2018 ("Consolidated Entity" or "Group").

Directors

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

Mr. Nick Castleden – Executive Director
Mr. Roger Steinepreis – Non-Executive Chairman
Mr. Robert Gherghetta – Non-Executive Director
Mr. Anthony James – Non-Executive Director

Principal Activities

Apollo Consolidated Limited is an Australian company listed on the Australian Securities Exchange (ASX code AOP). The principal activities of the Company during the half-year ended 31 December 2018 were mineral exploration in Western Australia and Côte d'Ivoire.

Summary Review of Operations

Apollo is a gold exploration company based in Perth, Western Australia, with an exploration focus in Western Australia. The Company's 100% owned **Lake Rebecca Gold Project** is the lead project of the Company whilst it also holds greenfield projects at **Yindi**, **Larkin** and **Louisa**. The Company has further developed its Lake Rebecca project through increased drilling activity, resulting in the delineation of key prospects. The Company has recently transacted on its Cote D'Ivoire projects while maintaining its exposure through royalties and shareholdings.

At 31st December 2018, the Company had \$6.3M cash and remains in a strong financial position to continue unearthing the potential on its tenements whilst also considering other opportunities as they arise.

WA – Lake Rebecca Gold Project (Apollo 100%)

At the Lake Rebecca Project, located 150km NE of Kalgoorlie, Western Australia, Reverse Circulation (RC) and Diamond drilling continued at the flagship **Rebecca** discovery. Drilling during the second half of 2018 resulted in the delineation of new **Laura** and **Jennifer NE Lodes**, which complement the existing high-grade **Jennifer Lode** body¹. The Laura mineralised surface is open to strike and all three mineralised surfaces remain open to depth.

The Rebecca mineralised corridor remains open over its more than 1.3km in strike, hosts multiple mineralised positions with excellent volume potential and compelling new drill targets continue to emerge. Elsewhere in the Project tenure, existing gold mineralisation at the **Duke** and **Redskin** Prospects also offers strong infill and step-out drilling targets and exploration activities will recommence in these areas in conjunction with the drill-out of the Rebecca lodes.

The Lake Rebecca Gold Project continues to take shape as a significant Goldfields discovery and drilling activity is expected to increase into 2019 as the Company moves towards the estimation of maiden mineral resources.

Apollo owns 100% of the project, with a 1.5% NSR royalty held by a third party.

Note 1: For details of past Rebecca Prospect drilling and assay results please refer to ASX-AOP 26 August 2012, 28 September 2012, 8 October 2015, 1 September 2016, 9, 13, 20 & 24 October 2017, 15 January 2018, 12th April 2018, 7 May 2018, 17th July 2018, 13th & 30th August 2018, 21st September 2018, 15th October 2018 and 17th December 2018.

Directors' Report

Cote D'Ivoire

Following completion of a sale agreement² with Exore Resources (ASX:ERX), Apollo has sold 80% of its Boundiali and Korhogo tenements for 90,000,000 Exore shares (19.3% of issued shares) and a 20% free carry to Decision to Mine. This combined with the 1.2% NSR held following the transaction on Seguela with Newcrest Mining (ASX:NCM), provides Apollo with continued strong exposure to this exciting region, while allowing it to maintain its focus on its Western Australian projects.

Note 2: Refer to ASX:AOP 6th August 2018 and 10th December 2018

WA - 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. The project is located approximately 40km north of Breaker Resources Ltd (ASX-BRB) Lake Roe project, and on the same structural zone. Historical intercepts up to 11m @ 2.15g/t Au at the Airport prospect indicates mineralising fluids have been active in the area.

Apollo completed a brief three-line drill program to evaluate depth of transported cover and underlying geology. No significant gold anomalism was returned however it provides the Company with invaluable information moving forward in the designing of an effective sampling/drilling program to discover more about this tenement³.

Note 3. Refer to ASX:AOP 30th October 2018

WA – 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, 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.

During the recent half year, the Company completed a helicopter-based clearance and heritage survey with local representatives⁴. This allows the Company to identify areas to explore further with detailed fieldwork. Field mapping and sampling followed by targeted EM geophysical survey is planned for calendar year 2019.

Note 4. Refer to ASX:AOP 30th October 2018

WA - 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). 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.

No work was completed during the recent period however the Company plans to undertake aircore drilling at Larkin in the near future.

Results

The Consolidated Entity recorded a net profit for the half-year ended 31 December 2018 of \$3,993,724 (2017: profit \$300,932).

Directors' Report

Subsequent Events

On 20 February 2019, the Company announced that new IP surveys completed at the Lake Rebecca Gold Project have outlined new drill targets.

On 27 February 2019, the Company released a Notice of General Meeting for 29 March 2019 for the purpose of seeking approval for a reduction of capital through a pro-rata in specie distribution of approximately 90,000,000 Exore shares. The Exore shares were issued to the Company in December 2018 following the sale of 80% of Aspire Nord Cote d'Ivoire.

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

Future Developments

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

Auditor's Independence Declaration

The Auditor's independence declaration is included on page 5 of the half-year financial report.

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

On behalf of the Directors



ROGER STEINEPREIS

Chairman

Perth, Western Australia

15 March 2019

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

The Board of Directors
Apollo Consolidated Limited
1202 Hay Street
West Perth WA 6005

15 March 2019

Dear Board Members

Apollo Consolidated Limited

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

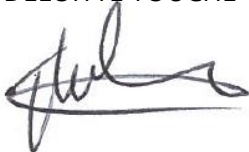
As lead audit partner for the review of the financial statements of Apollo Consolidated Limited for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



John Sibenaler
Partner
Chartered Accountants

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

We have reviewed the accompanying half-year financial report of Apollo Consolidated Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Apollo Consolidated Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Auditor's Independence Declaration

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

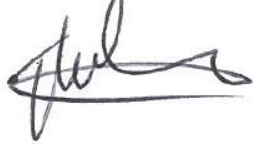
Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Apollo Consolidated Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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DELOITTE TOUCHE TOHMATSU



John Sibenaler
Partner
Chartered Accountants
Perth, 15 March 2019

Directors' Declaration

The Directors declare that:

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

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

On behalf of the Directors



ROGER STEINEPREIS

Chairman

Perth, Western Australia
15 March 2019

Condensed Consolidated Statement of Profit or Loss

For the half-year ended 31 December 2018

	<i>Note</i>	31 December 2018 \$	31 December 2017 \$
Continuing operations			
Investment income		28,245	42,475
Other gains and losses	(3)	126,652	(33,072)
Employee benefit expense		(17,132)	(12,000)
Consulting expense		(94,708)	(55,968)
Occupancy expense		(36,264)	(14,508)
Travel and transport		(3,996)	4,858
Compliance & administrative expense		(129,161)	(69,256)
Stakeholder relations		(17,708)	(2,342)
Gain recognised on increase in value of associates		211,000	-
Other expenses		228	(6,940)
Profit/(Loss) from ordinary activities before income tax		67,156	(146,753)
Income tax benefit	(4)	-	468,856
Profit for the period from continuing operations		67,156	322,103
Discontinued operation			
Profit/(loss) for the period from discontinued operations	(8)	3,926,568	(21,171)
Net profit for the period		3,993,724	300,932
Attributable to:			
Owners of the parent		3,993,724	299,283
Non-controlling interests		-	1,649
		3,993,724	300,932
Earnings / (loss) per share			
<u>From continuing and discontinued operations:</u>			
Basic earnings per share (cents per share)		2.21	0.17
Diluted earnings per share (cents per share)		2.10	0.15
<u>From continuing operations:</u>			
Basic earnings per share (cents per share)		0.03	0.18
Diluted earnings per share (cents per share)		0.03	0.16

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

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income For the half-year ended 31 December 2018

	31 December 2018 \$	31 December 2017 \$
Profit for the period	3,993,724	300,932
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	243,555	22,638
Total other comprehensive income net of income tax	4,237,279	323,570
Total comprehensive income for the period	4,237,279	323,570
Total comprehensive income attributable to:		
Owners of the parent	4,237,279	321,921
Non-controlling interests	-	1,649
	4,237,279	323,570

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

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Financial Position

As at 31 December 2018

	<i>Note</i>	31 December 2018 \$	30 June 2018 \$
Assets			
Current assets			
Cash and cash equivalents		6,349,068	7,190,132
Trade and other receivables		96,324	62,335
Other financial assets	(6)	5,220,000	-
Other current assets		26,132	48,666
Total current assets		11,691,524	7,301,133
Non-current assets			
Capitalised exploration and evaluation expenditure	(7)	3,866,496	5,035,954
Investment in associates	(9)	1,286,000	-
Other assets		9,896	12,027
Total non-current assets		5,162,392	5,047,981
Total assets		16,853,916	12,349,114
Liabilities			
Current liabilities			
Trade and other payables		150,846	390,253
Current provisions		-	2,362
Other current liabilities	(10)	298,913	287,737
Total current liabilities		449,759	680,352
Non-current liabilities			
Deferred tax liabilities	(4)	-	-
Total non-current liabilities		-	-
Total liabilities		449,759	680,352
Net assets		16,404,157	11,668,762
Equity			
Issued capital	(11)	45,742,748	45,244,632
Reserves		3,445,931	3,941,025
Accumulated losses		(32,784,522)	(37,516,895)
Total equity attributable to owners of the Company		16,404,157	11,668,762
Non-controlling interests		-	-
Total equity		16,404,157	11,668,762

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

APOLLO CONSOLIDATED LIMITED

ABN 13 102 084 917

Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2018

	Issued Capital \$	Share Based Payment Reserve \$	Other Reserve \$	Option Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Attributable to owners of the entity \$	Non- controlling interests \$	Total \$
Balance as at 1 July 2017	44,378,422	4,512,476	-	339,030	(19,024)	(37,814,224)	11,396,680	259,533	11,656,213
Profit for the period	-	-	-	-	-	299,283	299,283	1,649	300,932
Other comprehensive income net of income tax	-	-	-	-	22,638	-	22,638	-	22,638
Total comprehensive income for the period	-	-	-	-	22,638	299,283	321,921	1,649	323,570
Difference arising on additional interest in subsidiary (Note 8)	-	-	(913,500)	-	-	-	(913,500)	(261,182)	(1,174,682)
Options exercised	845,026	-	-	-	-	-	845,026	-	845,026
Share issue costs	(1,978)	-	-	-	-	-	(1,978)	-	(1,978)
Balance at 31 December 2017	45,221,470	4,512,476	(913,500)	339,030	3,614	(37,514,941)	11,648,149	-	11,648,149
Balance as at 1 July 2018	45,244,632	4,512,476	(913,500)	339,030	3,019	(37,516,895)	11,668,762	-	11,668,762
Profit for the period	-	-	-	-	-	3,993,724	3,993,724	-	3,993,724
Sale of subsidiary (Note 8)	-	-	-	-	(738,649)	738,649	-	-	-
Other comprehensive income net of income tax	-	-	-	-	243,555	-	243,555	-	243,555
Total comprehensive income for the period	-	-	-	-	(495,094)	4,732,373	4,237,279	-	4,237,279
Options exercised	500,000	-	-	-	-	-	500,000	-	500,000
Share issue costs	(1,884)	-	-	-	-	-	(1,884)	-	(1,884)
Balance at 31 December 2018	45,742,748	4,512,476	(913,500)	339,030	(492,075)	(32,784,522)	16,404,157	-	16,404,157

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

Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2018

		31 December 2018	31 December 2017
	<i>Note</i>	\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(241,826)	(240,470)
Net cash outflow from operating activities		(241,826)	(240,470)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(1,687,202)	(903,607)
Proceeds from repayment of loans to other parties		-	12,009
Interest received		28,793	42,475
Payment for acquisition of non-controlling interest	(11)	-	(587,021)
Net cashflow on sale of subsidiary	(8)	243,455	-
Net cash outflow from investing activities		(1,414,954)	(1,436,144)
Cash flows from financing activities			
Proceeds from issues of shares and options		500,000	845,026
Less costs of issue		(1,884)	(1,978)
Net cash inflow from financing activities		498,116	843,048
Net (decrease)/increase in cash and cash equivalents		(1,158,664)	(833,566)
Cash and cash equivalents at the beginning of the period		7,190,132	9,203,822
Effects of exchange rate changes on the balance of cash held in foreign currencies.		317,600	(82,508)
Cash and cash equivalents at the end of the period		6,349,068	8,287,748

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

Notes to the Condensed Consolidated Financial Statements

For the half-year ended 31 December 2018

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

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

Basis of preparation

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

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2018 annual financial report for the financial year ended 30 June 2018 other than the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting period

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

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- AASB 9 *Financial Instruments* and related amending Standards
- AASB 15 *Revenue from Contracts with Customers* and related amending Standards
- AASB 2016-5 *Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions*
- AASB 2017-5 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections*
- Interpretation 22 *Foreign Currency Transactions and Advance Consideration*

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

Critical accounting estimates and judgments

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

Exploration & Evaluation Expenditure

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

Notes to the Condensed Consolidated Financial Statements (cont'd)**For the half-year ended 31 December 2018**

must have rights of tenure to the area of interest and must be continuing to undertake exploration operations in the area.

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

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

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

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

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

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

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

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

- Mineral Exploration – Australia
- Mineral Exploration – Côte d'Ivoire – Discontinued during the period (see note 8)

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

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

For the half-year ended 31 December 2018

(ii) Segment revenues and results

		Segment revenue		Segment profit/(loss)	
		Half-year ended 31/12/18	Half-year ended 31/12/17	Half-year ended 31/12/18	Half-year ended 31/12/17
		\$	\$	\$	\$
Continuing operations					
Mineral exploration	- Australia			-	(254)
Total for continuing operations		-	-	-	(254)
Interest income				28,245	42,475
Other gains and losses				126,652	(33,072)
Gain recognised on increase in value of associates				211,000	-
Central administration costs and directors' salaries				(298,741)	(155,902)
Profit/(loss) before tax				67,156	(146,753)
Discontinued operations					
Mineral exploration	- Côte d'Ivoire			(15,544)	(21,171)
Total for discontinued operations		-	-	(15,544)	(21,171)
Gain on disposal of Aspire Nord				3,942,112	-
Profit/(loss) before tax				3,926,568	(21,171)
Income tax benefit (continuing and discontinued operations)				-	468,856
Profit/loss before tax				3,993,724	300,932

(iii) Segment assets and liabilities

		31/12/18	30/06/18
		\$	\$
Segment assets			
Mineral exploration	- Australia	3,919,011	2,638,334
	- Côte d'Ivoire	-	2,440,874
Total segment assets		3,919,011	5,079,208
Unallocated		12,934,905	7,269,906
Consolidated total assets		16,853,916	12,349,114

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

For the half-year ended 31 December 2018

		31/12/18	30/06/18
		\$	\$
Segment liabilities			
Mineral exploration	- Australia	10,680	-
	- Côte d'Ivoire	6,968	20,438
Total segment liabilities		17,648	20,438
Unallocated		432,111	659,914
Consolidated total liabilities		449,759	680,352

(iv) Other segment information

		Additions to non-current assets	
		Half-year ended 31/12/18	Half-year ended 31/12/17
		\$	\$
Mineral exploration	- Australia	1,238,830	711,463
	- Côte d'Ivoire (Discontinued)	175,697	153,986
		1,414,077	865,449

3. Other gains and losses

	31 December 2018	31 December 2017
	\$	\$
Continuing operations		
Net foreign exchange gains/(losses)	126,652	(33,072)
	4,068,764	(33,072)

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

For the half-year ended 31 December 2018

4. Income taxes relating to continued operations
Income tax recognised in profit or loss

	31 December 2018 \$	31 December 2017 \$
<u>Current tax</u>		
In respect of the current year	-	-
<u>Deferred tax</u>		
Deferred tax liability derecognised on disposal of Seguela	-	468,856
Total income tax benefit recognised in current year relating to continuing operations	-	468,856

5. Dividends

No dividend has been paid or is proposed in respect of the half-year ended 31 December 2018 (2017: None).

6. Other Financial Assets

	31 December 2018 \$	30 June 2018 \$
<i>Financial assets carried at fair value through other comprehensive income (FVOCI)</i>		
Equity investments designated as at FVOCI	5,220,000	-
Total	5,220,000	-

7. Capitalised exploration and evaluation expenditure

	Total \$
Balance at 1 July 2017	2,946,460
Additions	1,966,958
Effects of foreign currency exchange differences	122,536
Balance at 30 June 2018	5,035,954
Additions	1,414,077
Effects of foreign currency exchange differences	41,374
Disposal of Aspire Nord (see note 8)	(2,624,909)
Balance at 31 December 2018	3,866,496

During the half-year period, the Company disposed of 80% of its holding in Aspire Nord (see note 8) and consequently is no longer consolidating its exploration and evaluation assets.

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

For the half-year ended 31 December 2018

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

8. Subsidiaries

During the half-year period, the Company sold an 80% interest in its Boundiali and Korhogo gold permits in Côte d'Ivoire to Exore Resources Limited ('Exore', previously named Novo Lítio Limited). Exore has acquired an 80% interest in Aspire Nord Côte d'Ivoire – the entity holding the permits, with the Company retaining a 20% interest.

Key acquisition terms were:

- A non-refundable exclusivity fee of \$250,000 was paid to Apollo in August 2018
- Exore issued 90 million shares to Apollo to acquire the 80% interest in Aspire Nord Côte d'Ivoire following the renewal of both exploration permits in December 2018
- Exore will spend a minimum of \$5,000,000 on the permits over a 2-year period; any shortfall in the minimum expenditure is payable in cash to Apollo at 20% of the shortfall
- Apollo retains a 20% interest free carried until 'Decision to Mine', has the right to appoint a Non-Executive Director to the board of Exore and will retain a board position on Aspire Nord.

The profit/(loss) for the half-year from the discontinued operation is analysed as follows:

	31 December 2018	31 December 2017
	\$	\$
Loss on Mineral Exploration – Côte d'Ivoire	(15,544)	(21,171)
Gain on disposal of Aspire Nord	3,942,112	-
	3,926,566	(21,171)

The following were the results and cash flows of the Mineral Exploration – Côte d'Ivoire operations for the half-year:

	31 December 2018	31 December 2017
	\$	\$
Revenue	-	-
Operating expenses	(15,544)	(21,171)
Loss before income tax	(15,544)	(21,171)
Income tax expense	-	-
Loss after income tax	(15,544)	(21,171)
 Cash flows from investing activities		
Payments for exploration and evaluation expenditure	(174,483)	(153,986)
Total cash flows	(174,483)	(153,986)

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

For the half-year ended 31 December 2018

Total consideration was valued at \$3.82million for the cash proceeds of \$250,000 plus 90 million ordinary shares in Exore valued at \$3.6million less transaction costs. Net cash inflow on the disposal of the subsidiary was \$243,455 for the cash proceeds of \$250,000 less cash held in the disposed subsidiary and longer consolidated.

	\$
Derecognition of net assets disposed	(2,572,388)
Add: Fair value of consideration	5,439,500
Add: Fair value of investment retained in former subsidiary (Investment in associate)	1,075,000
Gain on disposal	<u>3,942,112</u>

Included in the gain on disposal of \$3,942,112 is an amount of \$738,649 transferred from other comprehensive income to profit or loss for the accumulated foreign currency translation reserve following the sale of the associated assets and liabilities.

In December 2017, the Group acquired a further 20% interest in Mont Fouimba Resources Côte D'Ivoire SA, increasing its total continuing interest to 100% for a consideration paid to date of \$587,021.

The difference between the value of the shares acquired and the amount transferred from non-controlling interests has been recognised directly in equity within Other Reserves:

	\$
Shares acquired	1,174,682
Less: Balance of non-controlling interest on acquisition	<u>(261,182)</u>
Balance recognised in Other Reserves	<u>913,500</u>

9. Investments in associates

As noted above, the Group disposed of 80% of its interest in Aspire Nord Côte d'Ivoire during the half-year period. At sale date, the Group held a 20% interest in the Aspire Nord and accounted for the investment as an associate. Under the terms of the sale agreement, Apollo retains a 20% interest in Aspire Nord 'free carried' until Decision to Mine. At 31 December 2018, the Group has recognised an increase in the value of its investment for the tenement expenditure incurred.

**31 December
2018
\$**

Fair value of investment in associate on recognition	1,075,000
Gain recognised for increase in fair value	<u>211,000</u>
	<u>1,286,000</u>

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

For the half-year ended 31 December 2018

10. Other liabilities

	31 December 2018 \$	30 June 2018 \$
Current		
Share purchase ¹	298,913	287,737
	<u>298,913</u>	<u>287,737</u>

1. Represents an allowance for future contingent obligations under an Advance Payment Agreement with minority interest in connection with the acquisition of the remaining shares in Mont Fouimba Resources Côte D'Ivoire S.A. (MFR), pending finalisation of accounting and tax matters relevant to the sale.

11. Consolidated Share Capital

	31 December 2018 \$	30 June 2018 \$
188,051,538 fully paid ordinary shares	45,742,748	45,244,632
(30 June 2018: 178,051,538)		
	<u>45,742,748</u>	<u>45,244,632</u>

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

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

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

Fully paid ordinary shares

	Number	\$
As at 1 July 2017	160,651,010	44,378,422
Options exercised (a)	16,900,528	845,026
Costs of issue	-	(1,978)
As at 31 December 2017	160,615,760	45,221,470
As at 1 July 2018	178,051,538	45,244,632
Options exercised (b)	10,000,000	500,000
Costs of issue	-	(1,884)
As at 31 December 2018	188,051,538	45,742,748

(a) During the comparative half-year period, 16,900,528 unlisted \$0.05 options were exercised.

(b) During the period, 10,000,000 unlisted \$0.05 options with an expiry of 31 December 2018 were exercised.

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

For the half-year ended 31 December 2018

Share Options

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

Series	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Incentive options	12,200,000	Ordinary	\$0.135	31/12/2020
Incentive options	1,250,000	Ordinary	\$0.325	30/06/2022
	13,450,000			

All options were issued by Apollo Consolidated Limited. 1,250,000 options were issued during the half-year to 31 December 2018.

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

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

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

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

	31 December 18	30 June 18
	\$	\$
Not longer than 1 year	321,360	643,982
Longer than 1 year and not longer than 5 years	430,577	445,119
Total	751,937	1,089,101

13. Key management personnel

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

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

For the half-year ended 31 December 2018

14. Financial Instruments

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

Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis.

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/18	30/6/18		
Non-derivative financial assets	Listed equity securities: \$5,220,000	N/a	Level 1	Quoted bid prices in an active market

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

The Group holds the following financial instruments:

	31/12/18 \$	30/06/18 \$
Financial assets		
Cash and cash equivalents	6,349,068	7,190,132
Loans and receivables (including trade receivables)	96,324	62,335
Financial liabilities		
Trade and other payables (at amortised cost)	(150,846)	(390,253)

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

15. Events occurring after the balance sheet date

On 20 February 2019, the Company announced that new IP surveys completed at the Lake Rebecca Gold Project have outlined new drill targets.

On 27 February 2019, the Company released a Notice of General Meeting for 29 March 2019 for the purpose of seeking approval for a reduction of capital through a pro-rata in specie distribution of approximately 90,000,000 Exore shares. The Exore shares were issued to the Company in December 2018 following the sale of 80% of Aspire Nord Cote d'Ivoire (see note 8).

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