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Apollo Minerals Limited and its controlled entities

ABN 96 125 222 924

Interim Financial Report

For the half year ended 31 December 2014

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DIRECTORS REPORT

The Directors present their report together with the financial report of Apollo Minerals Limited ("the Company") for the half-year ended 31 December 2014 and the independent auditors' review report thereon.

The Directors of the Company at any time during or since the end of the half-year are:

Richard Shemesian	- Chairman
Anthony Ho	- Non-executive Director
Eric Finlayson	- Non-executive Director
Matthew Rimes	- Non-Executive Director (Resigned 27 November 2014)

Result and Review of Operations

During the period under review, company activity was focused on IOCG (Iron Oxide Copper Gold) exploration in South Australia at the Commonwealth Hill JV with HPX Exploration, and the Eaglehawk and Mars Aurora tank JV projects.

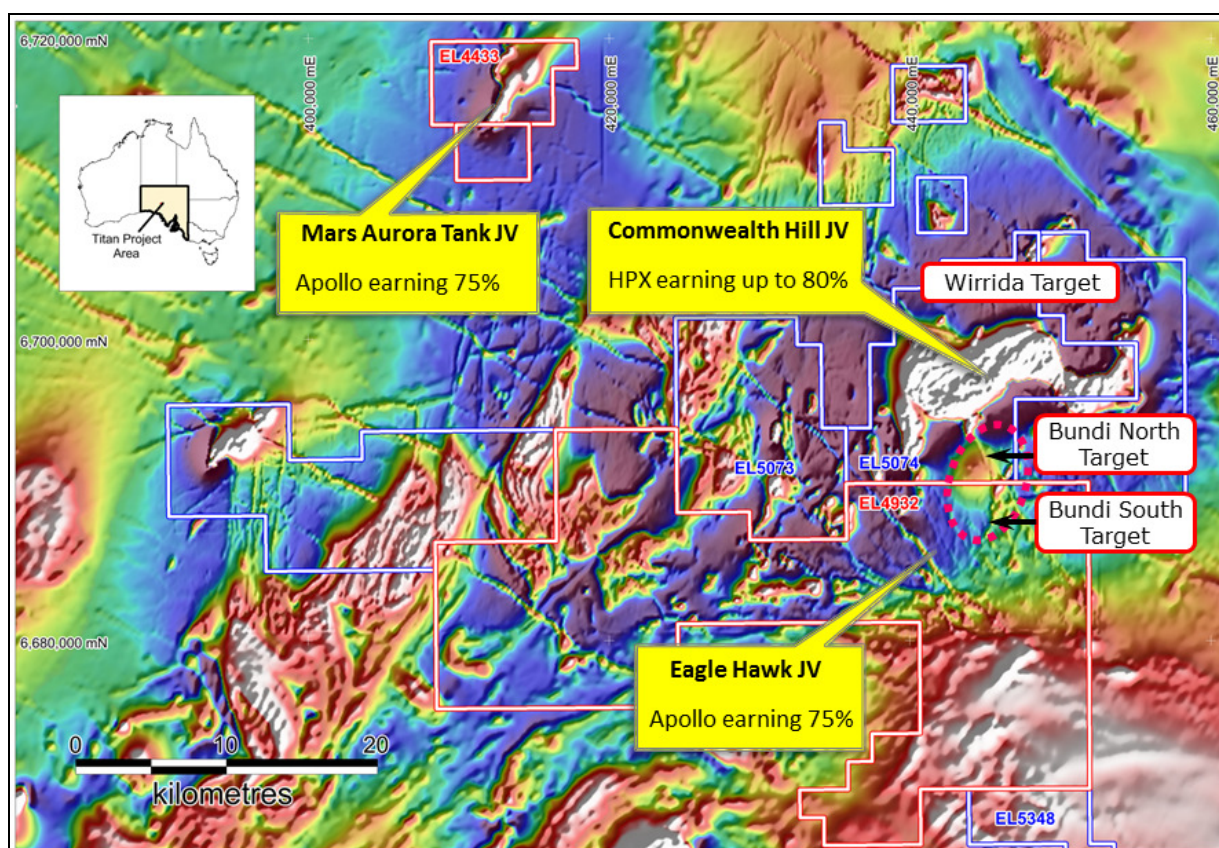


Figure 1 - South Australian tenement location plan showing joint venture project areas

Eagle Hawk JV Project

Drilling on the Eagle Hawk JV Project area completed 6 RC holes for 1,249 m including a diamond-core extension of a single hole. Wide spaced drilling was conducted across a number of high priority geophysical targets at the Clay Pan, Boulder, Cedric Bore, Bundi and No Brainer prospects.

Highlights of the programme included the discovery of extensive iron, titanium and phosphate mineralisation across the Clay Pan, Boulder and Cedric Bore prospects showing high potential for the minerals magnetite, ilmenite and apatite. Encouraging signs of IOCG alteration and minor sulphide mineralisation was observed in drill holes at the Bundi and No Brainer prospects.

Iron Oxide – Titanium – Phosphate (FTP)

FTP deposit types occur in similar geographical areas to many of the world's IOCG deposits as their mineralisation environments can be associated. One of the world's best known FTP deposits is Rio Tinto's Lac Tio ilmenite deposit in Canada which is host to 125 Mt of ore at a grade of 34.2% TiO₂.

FTP mineralisation was intersected in two holes intersecting cumulative drilled thickness intervals of **135m at 8% ilmenite and 6% apatite from 16 m** in hole 14CP001; and **126m at 12% ilmenite and 8% apatite from 16 m** in hole 14BL001.

Titanium products (TiO₂) from these ores are typically used in the pigment industry as a whitening agent derived from the mineral ilmenite. Phosphate products (P₂O₅) from these ores are derived from the mineral apatite, and are most commonly used in agricultural fertilizers, animal feed supplements, food preservatives, anti-corrosion agents, cosmetics, fungicides, ceramics, water treatment and metallurgy.

Iron Oxide – Copper - Gold

At the Bundi prospect, assay results from drill hole 14BUN001 included an 80m drilled thickness intersection of a near surface, iron rich intrusive unit containing **180 ppm Cu and 10.7 % Fe from 4 m** drilled depth. The drilling results are encouraging and demonstrate that the near surface mineralised system contains anomalous iron and copper, which correlates to anomalous gold and copper identified previously in surface samples. Apollo is observing all the ingredients for IOCG mineralisation at low tenor concentrations providing a good indication for the potential to discover higher grades in the immediate area.

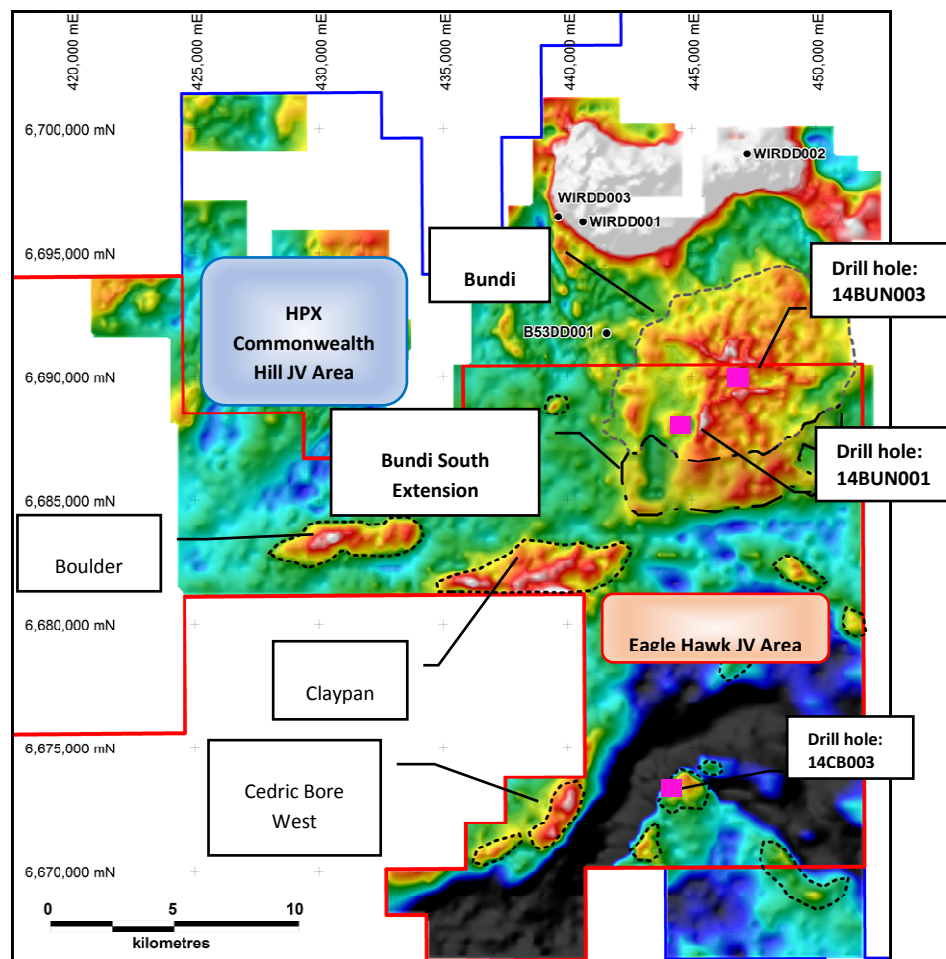


Figure 2 - Eagle Hawk JV Project drill hole location plan and priority target areas

Drilling of a second hole 14BUN002 was targeting a strong electromagnetic conductor interpreted to represent massive sulphide development associated with copper mineralisation. Drilling did not intersect a conductor suitable to cause the modelled response, and review of the drill trace revealed the hole had deviated away from the target. A subsequent down hole survey of the hole confirmed that the source of the conductor had not been intersected by drilling. Further modelling determined that the conductor is located to the north east of the drill hole. As part of the planned 2015 work programme it is proposed to re drill this target.

Drilling at the No Brainer prospect hole 14NB001 intersected notable IOCG alteration with veinlets and disseminated sulphides with zones indicative of hydrothermal alteration. Anomalous copper and gold was returned grading **14.3% Fe, 118 ppm Cu and 0.2g/t Au over a 3m interval from 67 m** down hole depth.

Mars Aurora Tank JV Project

The Company drilled 3 RC holes totalling 597 metres. A drilled thickness intersection of high grade gold included **4m at 5.0 g/t gold (Au) from 16 m** down hole depth. Follow up analysis identified this zone to also include a higher grade interval of **1m at 15g/t Au from 19 m** depth.

Other holes 14AT001 and 14AT002 intersected rock units displaying multiple episodes of deformation and mineral alteration including intensely sheared mafic and granitic rocks. The alteration and development of chlorite, carbonate veining and sericite within shear zones indicate the area has been subjected to deformation and hydrothermal conditions suitable to mineralising gold events as seen in the near-by Challenger gold mine situated 60km to the west.

Apollo continues to be highly encouraged by shallow, high grade gold intersected at Mars Aurora Tank and is planning to follow up the mineralisation with further drilling. Planning and consideration of drilling methods is being reviewed, with the objective to identify a significantly mineralised gold system.

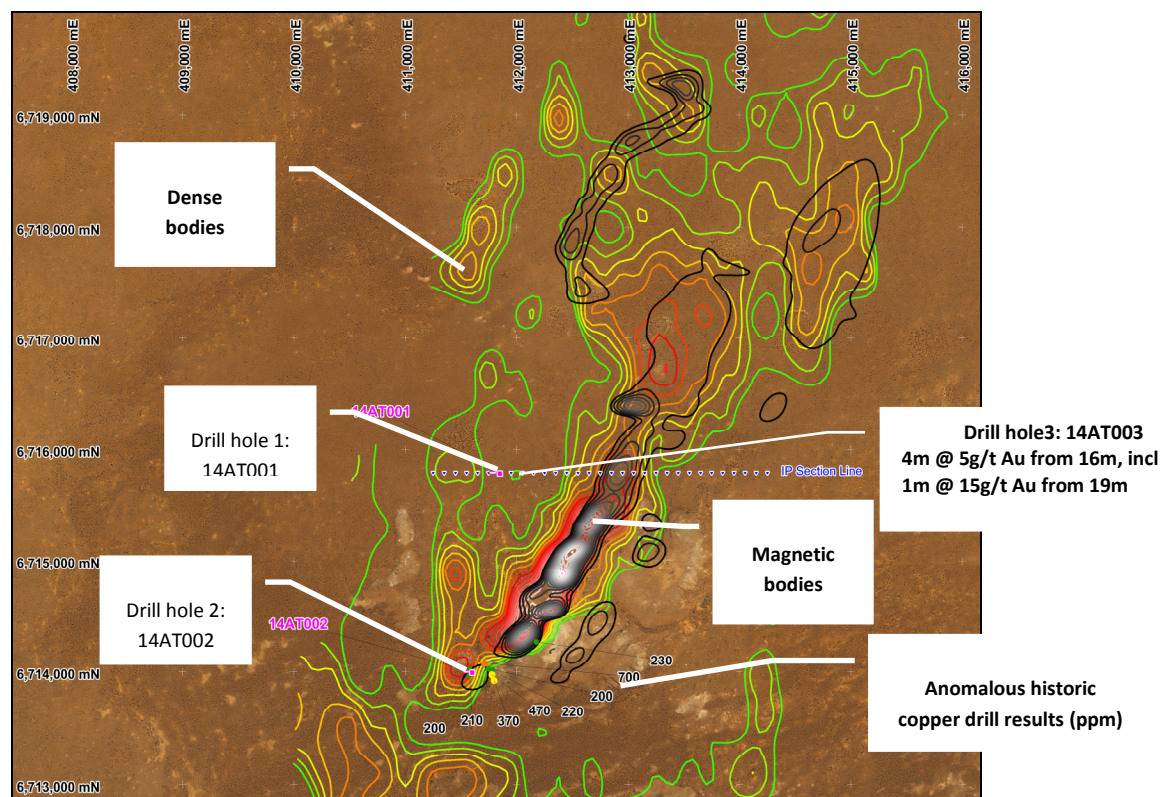


Figure 3 - Mars Aurora Tank drill hole location plan showing high grade intersection of 4m at 5.0 g/t gold (Au) from 16 metres in 14AT003

Commonwealth Hill JV (HPX Exploration)

A maiden drilling programme was carried out to follow up the HPX led, large scale induced Polarisation survey across the Wirrida Intrusive Complex. The programme drilled a combination of 4 RC and diamond-core holes totalling 906 m and targeted a number of strong chargeable anomalies.

Drilling intersected disseminated sulphide mineralisation in two drill holes including drilled thickness intervals of 8m at 223 ppm Cu, 17.5 ppb Au and 10.2 % Fe from 284m in WIRDD001, and 130 ppm Cu, 2.13 ppb Au and 8.376% Fe from 160 m in B53DD001.

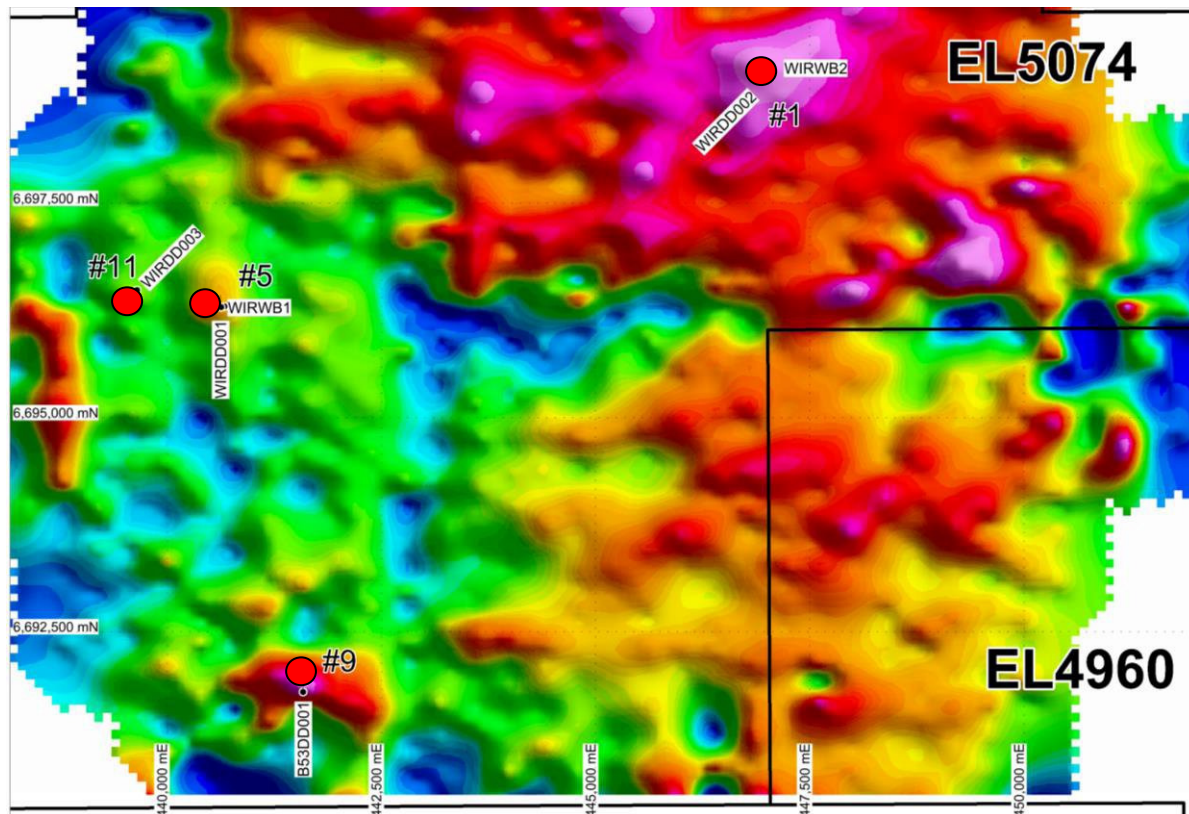


Figure 4 – Drill hole location plan on IP Chargeability background showing primary targets tested

This phase of drilling was the first to test sub surface geology below 100m from surface where the upper 75m is comprised dominantly of transported cover or highly leached and weathered saprock. Drilling intersected basic rock types with alteration patterns similar to other South Australian IOCG discoveries including BHPB's Wirrida Well. Interpretation of results and geological setting establish a strong analogy between Apollo's Wirrida Intrusive Complex to Oz Minerals White Hill Intrusive Complex, which is adjacent to the major Prominent Hill IOCG deposit located only 100 km to the east. These relationships further strengthen the possibility for the discovery of IOCG mineralisation in the local area.

Fraser Range Nickel Acquisition

Subsequent to period end the Company announced the acquisition of a 70% interest in the Orpheus Base Metals JV Project in the Fraser Range nickel district in south eastern Western Australia.

The project area consists of four tenements covering 600km² in the most prospective area of the world class Fraser Range exploration district, host to Sirius Resources' (ASX: SIR) major Nova nickel ("Ni") and copper ("Cu") deposit.

The Fraser Range district has attracted significant exploration since the discovery of Sirius's world-class Ni-Cu Nova deposit in 2012, at which mine construction has now commenced. The Orpheus Base Metals JV is strategically located with the primary tenement, E63/1281, situated along strike and mid-way between Sirius Resources' Nova deposit to the northeast and its highly prospective Crux Prospect to the southwest.

Corporate

During the period Apollo disposed of its Mt Oscar Iron Project in Western Australia for a cash consideration of \$500,000 to a private Chinese company. Under the agreement Apollo retains royalties of 1% of gross mine gate revenue less 50 cents per tonne on iron ore products and 2% of net smelter revenue on all other mineral products.

As part of a strategic land acquisition in South Australia, the Company purchased 100% of the Clay Pan Dam tenement (EL4445) from the Waterberg Coal Company through payment of scrip. The Clay Pan Dam tenement is situated immediately south and adjacent to the Eagle Hawk JV area where a recent drilling programme was conducted by Apollo.

The Company raised \$2.2 million (before costs) through the issue of 100 million shares at 2.2 cents a share in July 2014 and a further \$550,000 through the issue of 68,750,000 shares at 0.80 cent per share in early 2015. The Company issued 34,375,000 free attaching options with the issue in early 2015 with an exercise price of 1.3 cents and an expiry date of 28 February 2018.

COMPETENT PERSON DECLARATION

The information in this Report that relates to Exploration Results is based on information compiled by Mr Derek Pang who is a member of the Australasian Institute of Mining and Metallurgy. Derek has over 15 years' experience in mineral exploration and is a full time employee of Apollo Minerals Ltd. Derek 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Derek consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

EVENTS SUBSEQUENT TO REPORTING DATE

On 12 February 2015 the Company announced the acquisition of a 70% interest in a nickel project in the Fraser Range, comprising tenements E63/1281 and E63/1282 and applications E63/1695 and E28/2403. The consideration of \$200,000 in cash and 20,000,000 Apollo shares has now been settled. Apollo will free carry the vendor, Enterprise Metals Limited, to Bankable Feasibility Study.

On 18 February 2015 the Company completed a capital raise, issuing 68,750,000 new shares at 0.80 cent per share, raising \$550,000 before costs. In addition the Company issued 34,375,000 free attaching options exercisable at 1.3 cents per share with an expiry date of 28 February 2018.

A subsidiary company, Southern Exploration Pty Limited, lodged a research and development offset claim on 7 March 2015 and expects to receive approximately \$380,000 in April 2015.

Other than as outlined above, there are no other events subsequent to the end of the period that would have a material effect on the company's financial statements at 31 December 2014.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, other than the matters covered above in this report, or as set out in the accounts and notes thereto, there were no significant changes in the state of affairs of the Company that occurred during the financial period under review.

DIVIDENDS

No dividends have been paid or declared since the end of the previous financial year to the date of this report.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 8 and forms part of the directors' report for the half-year ended 31 December 2014.

Signed in accordance with a resolution of the Directors



Richard Shemesian

Chairman

Dated at Sydney

12 March 2015

APOLLO MINERALS LIMITED
ABN 96 125 222 924

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
APOLLO MINERALS LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2014 there have been no contraventions of:

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



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner

Dated: 12 March 2015

SYDNEY

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
Revenue	505,822	-
Interest Income	23,899	10,365
Administration expenses	(78,488)	(104,063)
Consultants – geological and management	(217,329)	(87,039)
Legal costs	(136,149)	-
Directors fees	(105,886)	(64,390)
Employee benefits expense	(48,238)	(31,630)
Compliance and regulatory expenses	(82,087)	(51,964)
Corporate, facilities fees and marketing costs	(91,238)	(25,000)
Share-based payments to consultants	(231,039)	(205,907)
Share-based payments to directors	-	(21,664)
Impairment of Loan	(29,565)	-
Exploration expenses written off	(16,954)	(11,911,860)
Travel	(51,242)	(18,257)
(LOSS) BEFORE INCOME TAX	(558,494)	(12,511,409)
Income tax benefit	109,766	61,929
(LOSS) FOR THE PERIOD	(448,728)	(12,449,480)
Other comprehensive income for the period, net of income tax	-	-
TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD	(448,728)	(12,449,480)
Basic and diluted loss per share	(0.08) cent	(3.82) cents

The consolidated statement of profit or loss and other comprehensive Income is to be read in conjunction with the attached notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total Equity \$
Balance at 1 July 2014	32,614,135	(26,342,137)	471,882	6,743,880
Other comprehensive income				
Loss for the period	-	(448,728)	-	(448,728)
Total comprehensive (loss) for the period	-	(448,728)	-	(448,728)
Transactions with owners, in their capacity as owners				
Share issue	2,307,222	-	-	2,307,022
Adjustment share issue costs	(156,704)	-	-	(156,704)
Transfer from options based payments reserve	-	111,800	(111,800)	-
Transfer to share based payments Reserve	-	-	231,039	231,039
Total transactions with owners, in their capacity as owners	2,150,518	111,800	119,239	2,381,357
Balance at 31 December 2014	34,764,653	(26,679,065)	591,121	8,676,709
Balance at 1 July 2013	29,744,528	(13,226,592)	1,188,483	17,706,419
Other comprehensive income				
Loss for the period	-	(12,449,480)	-	(12,449,480)
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) for the period	-	(12,449,480)	-	(12,449,480)
Transactions with owners, in their capacity as owners				
Share issue	106,280	-	-	106,280
Issue of options	-	-	112,125	112,125
Adjustment share issue costs	1,800	-	-	1,800
Total transactions with owners, in their capacity as owners	108,080	-	112,125	220,205
Balance at 31 December 2013	29,852,608	(25,676,072)	1,300,608	5,477,144

The consolidated statement of changes in equity is to be read in conjunction with the attached notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	31 December 2014 \$	30 June 2014 \$
Current Assets		
Cash and cash equivalents	1,015,305	1,239,564
Trade and other receivables	451,111	288,277
Total Current Assets	<u>1,466,416</u>	<u>1,527,841</u>
Non-current Assets		
Plant and equipment	29,065	31,492
Exploration and evaluation expenditure	7,483,084	6,381,641
Total Non-current assets	<u>7,512,149</u>	<u>6,413,133</u>
Total Assets	<u>8,978,565</u>	<u>7,940,974</u>
Current Liabilities		
Trade and other payables	301,856	1,197,093
Total Current Liabilities	<u>301,856</u>	<u>1,197,093</u>
TOTAL LIABILITIES	<u>301,856</u>	<u>1,197,093</u>
Net Assets	<u>8,676,709</u>	<u>6,743,881</u>
Equity		
Issued capital	34,764,653	32,614,135
Reserves	591,121	471,883
Retained losses	(26,679,065)	(26,342,137)
Total Equity	<u>8,676,709</u>	<u>6,743,881</u>

The consolidated statement of financial position is to be read in conjunction with the attached notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	2014	2013
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(889,650)	(409,996)
Research and development tax rebate	109,766	61,929
Other income	-	2,205
Interest received	20,562	37,461
NET CASH USED IN OPERATING ACTIVITIES	(759,322)	(308,401)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration expenditure	(1,758,233)	(739,822)
Proceeds from sale of exploration project	250,000	-
NET CASH USED IN INVESTING ACTIVITIES	(1,508,233)	(739,822)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,200,000	-
Costs of issue of shares	(156,704)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	2,043,296	-
Net (decrease) increase in cash held	(224,259)	(1,048,223)
Cash at the beginning of the financial period	1,239,563	1,528,241
CASH AT THE END OF THE FINANCIAL PERIOD	1,015,305	480,018

The consolidated statement of cash flows is to be read in conjunction with the attached notes to the financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The consolidated half-year financial report does not include all of the information required for a full annual financial report. The half-year financial report is to be read in conjunction with the most recent annual financial report for the year ended 30 June 2014. This report must also be read in conjunction with any public announcements made by Apollo Minerals Limited and its controlled entities during the half-year.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of certain non-current assets, financial assets and financial liabilities.

The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

(A) GOING CONCERN

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$448,728 and had net cash outflows from operating activities of \$759,322 and from investing activities of \$1,508,233 for the half year ended 31 December 2014. The consolidated entity has prepared budgets and forecasts for the following 12 months, and has determined further capital is required if the company is to continue at the planned level of operations.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

1. The Company has been successful in raising capital whenever it has approached the markets in the past and the directors are confident in the ability to continue to raise additional funds on a timely basis, as and when required;
2. The Company has raised capital of \$550,000 subsequent to period end, and received a further \$250,000 following the sale of the Mt Oscar project. In addition a subsidiary company lodged a research and development offset claim in March 2015 and expects to receive approximately \$380,000 in April 2015.
3. The consolidated entity has cash at bank at balance date of \$1,015,305 net working capital of \$1,104,558 and net assets of \$8,616,709;
4. The ability of the consolidated entity to further scale back certain parts of their activities that are non-essential so as to conserve cash;
5. The consolidated entity retains the ability, if required, to wholly or in part dispose of interests in mineral exploration and development assets;
6. The directors have reviewed the individual projects and are confident that the consolidated entity will continue to explore all its major projects; and
7. The directors regularly monitor the Group's cash position and, on an on-going basis, consider a number of strategic initiatives to ensure that adequate funding continues to be available.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(B) USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Recovery of Capitalised Exploration and Evaluation Expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related site itself, or if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to the environmental restoration obligations) and changes to commodity prices.

(C) NEW AND REVISED STANDARDS AND AMENDMENTS THEREOF AND INTERPRETATIONS EFFECTIVE FOR THE CURRENT HALF-YEAR THAT ARE RELEVANT TO THE CONSOLIDATED ENTITY

Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the consolidated entity's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the consolidated entity's presentation of, or disclosure in, its half-year financial statements.

AASB 2011-9 introduces new terminology for the statement of comprehensive income. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements.

However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2. EARNINGS PER SHARE

The calculation of basic earnings and diluted earnings per share at 31 December 2014 was based on the loss attributable to shareholders of \$448,728 (2013: Loss \$12,449,480) and the weighted average number of ordinary shares outstanding during the half year ended 31 December 2014 of 590,411,492 (2013: 326,034,590), calculated as follows:

	2014 Cents	2013 Cents
Basic and diluted loss per share	(0.08)	(3.82)

3. INTANGIBLE EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2014 \$	30 June 2014 \$
Exploration and evaluation phase costs carried forward at valuation:	(b) 7,483,084	6,381,641

(a) Exploration expenditure

Exploration expenditure carried forward at 31 December 2014 represents primarily the Group's interest in the the Commonwealth Hill project located in the Gawler Craton region of South Australia and its 82.5% interest in the iron ore project in Gabon.

(b) Movement in carrying amount of exploration and evaluation expenditure:

	31 December 2014 \$	30 June 2014 \$
Opening balance	6,381,641	16,493,083
Acquisition of additional interest in Gabon project	-	500,000
Capitalised exploration expenditure in the period	1,118,397	2,075,366
Write down of Mt Oscar	(16,954)	(12,686,808)
Closing balance	7,483,084	6,381,641

4. SHARE CAPITAL & RESERVES

		31 December 2014 \$	30 June 2014 \$
Issued capital	(a)	34,764,653	32,614,135
Options reserve	(b)	531,122	471,883
		<u>35,295,775</u>	<u>33,086,017</u>

ISSUED CAPITAL DETAILS

599,361,021 (30 June 2014:493,355,333) fully paid ordinary shares:

(a)

See details of share issue subsequent to period end in note 7.

(a) Reconciliation of movement during the period:

	Shares	\$
Opening balance	493,355,333	32,614,135
Shares issued to service providers	3,714,177	70,555
Share placement	100,000,000	2,043,295
Shares issued to Directors in lieu of fees	2,291,511	36,667
Closing Balance	<u>599,361,021</u>	<u>34,764,652</u>

Fully paid ordinary shares – no par value

Ordinary shares participate in dividends and are entitled to one vote per share at shareholders meetings. In the event of winding up the Company, ordinary shareholders rank after creditors and are entitled to any proceeds of liquidation in proportion to the number of shares held.

(b) Movement in option reserve

	\$
Opening balance	471,883
Share based payments consultants	231,039
Expiry of shares	(111,800)
Closing Balance	<u>591,122</u>

(c) Outstanding Share Options

As at 31 December 2014 the company had the following share options outstanding:

	Number issued	Number listed on ASX	Exercise Price	Expiry Date
Ordinary Options	2,000,000	-	15 cents	9/05/2015
Ordinary Options	5,000,000	-	25 cents	19/07/2015
Ordinary Options*	70,541,667	-	3 cents	28/02/17
	<u>77,541,667</u>	<u>-</u>		

*Of these options 10,000,000 were issued during the period. A valuation of these options using a Black & Scholes model resulted in a charge of \$171,039 to profit and loss.

See note 7 for details of options issued subsequent to period end.

Performance Rights

The Company has 16,000,000 Performance Rights on issue which will expire on 30 November 2015. Of these Performance Rights 1,000,000 were issued during the period to a Director, following shareholder approval. The Performance Period ends on 30 June 2015.

The Company has a charge of \$60,000 in relation to the award of 6 million performance rights at period end. Further amounts have not been accrued as it is uncertain whether the performance hurdles will be met.

5. SEGMENT INFORMATION

The Group's operations are in the resources sector. Management reporting identifies two major projects being Commonwealth Hill (SA) and Kango North (Gabon). The Mount Oscar project was sold during the period.

	Exploration - Activities Mount Oscar	Exploration - Activities Commonwealth Hill	Exploration - Activities Kango North	Unallocated	Total
	\$	\$	\$	\$	\$
31 December 2014					
Segment revenue	-	-	-	528,291	528,291
Segment expenses	-	-	-	951,230	951,230
Results from operating activities	-	-	-	(422,939)	(422,939)
Segment assets		5,868,548	1,614,989	1,495,028	8,978,565
Segment liabilities	-	-	-	301,858	301,858

	Exploration - Activities Mount Oscar	Exploration - Activities Commonwealth Hill	Exploration - Activities Kango North	Unallocated	Total
	\$	\$	\$	\$	\$
31 December 2013					
Segment revenue	-	-	-	72,294	72,294
Segment expenses	(11,910,663)	-	-	(611,111)	(12,521,774)
Results from operating activities	(11,910,663)	-	-	(538,817)	(12,449,480)
Segment assets	711,776	3,893,622	588,656	645,715	5,839,769
Segment liabilities	-	-	-	362,626	362,626

6. CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

7. EVENTS SUBSEQUENT TO REPORTING DATE

On 12 February 2015 the Company announced the acquisition of a 70% interest in a nickel project in the Fraser Range, comprising tenements E63/1281 and E63/1282 and applications E63/1695 and E28/2403. The consideration of \$200,000 in cash and 20,000,000 Apollo shares has now been settled. Apollo will free carry the vendor, Enterprise Metals Limited, to Bankable Feasibility Study.

On 18 February 2015 the Company completed a capital raise, issuing 68,750,000 new shares at 0.80 cents per share, raising \$550,000 before costs. In addition the Company issued 34,375,000 free attaching options exercisable at 1.3 cents per share with an expiry date of 28 February 2018.

A subsidiary company, Southern Exploration Pty Limited, lodged a research and development offset claim on 7 March 2015 and expects to receive approximately \$380,000 in April 2015.

Other than as outlined above, there are no other events subsequent to the end of the period that would have a material effect on the company's financial statements at 31 December 2014.

In the opinion of the Directors of Apollo Minerals Limited:

- (a) the financial statements and notes, set out on pages 10 to 19:
 - (i) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001; and
 - (ii) give a true and fair view of the Consolidated entity's financial position as at 31 December 2014 and of the Consolidated entity's performance, for the half-year ended on that date.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Sydney this 12 March 2015.

Signed in accordance with a resolution of the Directors.



Richard Shemesian
Executive Chairman

APOLLO MINERALS LIMITED

ABN 96 125 222 924

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
APOLLO MINERALS LIMITED****SYDNEY**Level 40
2 Park Street
Sydney NSW 2000
AustraliaGPO Box 3555
Sydney NSW 2001Ph: (612) 9263 2600
Fx: (612) 9263 2800**Report on the Interim Financial Report**

We have reviewed the accompanying half-year financial report of Apollo Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Apollo Minerals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 Apollo Minerals Limited's financial position as at 31 December 2014 and its performance for the period ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Apollo Minerals 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 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.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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APOLLO MINERALS LIMITED
ABN 96 125 222 924

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
APOLLO MINERALS LIMITED

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 Minerals Limited is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of Apollo Minerals Limited's financial position as at 31 December 2014 and of its performance for the period ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the financial report, which indicates that the company incurred a net loss of \$ 448,728 and had net cash outflows from operating activities of \$759,322 during the half-year ended 31 December 2014. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the half-year financial report.



HALL CHADWICK

Level 40, 2 Park Street

Sydney NSW 2000



DREW TOWNSEND

Partner

Dated: 12 March 2015

DIRECTORS

Richard Shemesian (Executive Chairman)
Anthony Ho (Non-Executive Director)
Eric Finlayson (Non-Executive Director)

COMPANY SECRETARY

Guy Robertson

REGISTERED OFFICE

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AUDITORS

Hall Chadwick
Chartered Accountants

BANKERS

Westpac Banking Corporation

WEBSITE

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