APOLLO CONSOLIDATED LIMITED
ABN 13 102 084 917

ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012

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

Securities Exchange Listing
Australian Securities Exchange

Home Exchange: Perth, Western Australia
Code: AOP

Company Secretary
Mr. Alex Neuling

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

Registered and Principal Administrative Office
Level 3, 3 Ord Street
West Perth
WA 6005
Australia

Share Registry

Computershare Investor Services Pty Limited
Level 2, 45 St Georges Terrace
Perth WA 6000
GPO Box D182
Perth WA 6840
Telephone: 08 9323 2000
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Auditors
Deloitte Touche Tohmatsu
Woodside Plaza
Level 14, 240 St Georges Terrace
Perth WA 6000
Australia

Directors' Report

The directors (**Directors**) of Apollo Consolidated Limited (**Company**) submit herewith the annual report of the Company and the entities it controlled (**Consolidated Entity**) for the financial year ended 30 June 2012. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors & Senior Management

The names and particulars of the directors of the Company during or since the end of the financial year are:

Roger Steinepreis (appointed 4 August 2009)

Non-executive Chairman, Chair of Nomination & Remuneration Committees, member of Audit & Risk Committees

Roger Steinepreis graduated from the University of Western Australia where he completed his law degree. He was admitted as a barrister and solicitor of the Supreme Court of Western Australia in 1987 and has been practicing as a lawyer for in excess of 24 years.

He is the legal adviser to a number of public companies on a wide range of corporate related matters. His areas of practice focus on company restructures, initial public offerings and takeovers. Mr. Steinepreis is currently a non-executive director of ASX Listed Imugene Limited (since January 2002), Avonlea Minerals Limited (since May 2007) and Adavale Resources Limited (since May 2006) and the Chairman of Firestrike Resources Limited (since March 2011). Mr. Steinepreis has also held a non-executive director position with Eureka Energy Limited during the financial year (June to August 2012).

As at the date of this report Mr. Steinepreis has an indirect interest in 2,625,503 fully paid ordinary shares and 6,000,000 options.

Nick Castleden (appointed 4 August 2009)

Managing Director

Nick Castleden is a geological consultant with over 20 years' experience in the Australian and overseas mineral exploration and development industry. He has worked with active Australian mining companies including Mt Isa Mines (MIM), Perilya Mines, MPI Mines, LionOre and Breakaway Resources in various exploration, geological and management capacities. Mr. Castleden has worked on projects in Australia and North and South America, and in project generative and acquisition roles. He has particular experience in the gold and nickel and basemetal exploration business and has participated in the discovery and delineation of new nickel-sulphide and gold systems that have progressed through feasibility studies to mining.

As at the date of this report Mr. Castleden holds an interest in 666,668 fully paid ordinary shares and 6,000,000 options.

Directors' Report

George Ventouras (appointed 4 August 2009)

Non-Executive Director, Member of Remuneration and Nomination Committees

George Ventouras is a marketing consultant with over 20 years' experience in marketing, business development and general management roles. He has consulted with companies both nationally and internationally, in relation to the development and capitalisation of projects, the supply of infrastructure and equipment and provision of administrative and logistical support. Mr. Ventouras has experience in various market categories including industrial, particularly aquaculture, consumer and luxury goods.

As at the date of this report Mr. Ventouras holds an interest in 500,001 fully paid ordinary shares.

Stephen West (appointed 16 April 2012)

Non-Executive Director, Chair of the Audit & Risk Committees, Member of Remuneration and Nomination Committees

Mr. Stephen West holds a Bachelor of Business in Accounting and Business Law from Curtin University in Perth, Western Australia and is a member of the Institute of Chartered Accountants in Australia.

Mr. West has over 17 years financial and corporate experience gained in public practice, investment banking and the oil and gas industry. During his career, Mr. West has held management and executive positions with Horwath Chartered Accountants, Australia, Price Waterhouse Coopers Australia, Barclays Capital London and Regal Petroleum PLC.

Mr. West is also a co-founder and the current managing director of Zeta Petroleum Plc (since 2005)., a London based oil and gas exploration and production company.

As at the date of this report, Mr. West holds an interest in 1,507,657 fully paid ordinary shares, 2,227,982 Performance Shares, 2,227,982 Deferred Consideration Shares and 1,500,000 options.

Robert Gherghetta (appointed 16 April 2012)

Non-Executive Director, Member of the Audit and Risk Committees

Mr. Robert Gherghetta holds a Bachelor of Commerce in Accounting and Finance from the University of Western Australia and is a member of the Institute of Chartered Accountants in Australia and the Financial Services Institute of Australia. Mr. Gherghetta was co-founder of Valiant Petroleum PLC, a London based oil and gas exploration and production company that successfully listed on the London Stock Exchange (AIM) in 2008.

Mr. Gherghetta has over 17 years financial and corporate experience gained in public practice and investment banking including Horwath Chartered Accountants, Australia, Credit Suisse First Boston, London and Royal Bank of Scotland, London. Mr. Gherghetta was a director of Zeta Petroleum Plc from February 2010 to December 2011.

As at the date of this report, Mr. Gherghetta holds an interest in 1,979,060 fully paid ordinary shares, 2,269,986 Performance Shares, 2,269,986 Deferred Consideration Shares and 1,500,000 options.

Directors' Report

Company Secretary

Mr Alex Neuling BSc. ACA ACIS (appointed 31 August 2009).

Alex is a director and principal of Erasmus Consulting Pty Ltd, which provides company secretarial and financial management consultancy services to a variety of ASX-listed and other companies. Mr Neuling is a Chartered Accountant (UK) and Chartered Secretary with more than 10 years of experience in commerce and public practice and also holds a degree in Chemistry. Mr Neuling is a director of ASX-listed Mozambi Coal Limited.

Former Partner of the Audit Firm

There was no partner or former partner of the audit firm who was an officer of the Company at any time during the year.

Remuneration of directors and senior management

Information about the remuneration of Directors and senior management is set out in the remuneration report of this directors' report on pages 12 to 17.

Principal Activities

The Consolidated Entity's principal activities in the course of the financial year were mineral exploration in Western Australia, Cote d'Ivoire and Burkina Faso.

During the financial year the Consolidated Entity discontinued its Over the Counter (OTC) cosmetics business. Details are contained in note 6 to the financial statements.

Results

The Consolidated Entity recorded a loss after tax for the year ended 30 June 2012 from continuing operations of $2,558,235 (2011: $436,938). Total other comprehensive income for the year was a loss of $2,620,381 (2011: loss $527,248)

Corporate

On 23 December 2011 Shareholders approved the acquisition of Aspire Minerals Pty Ltd ('Aspire'). The effect of the transaction was to change the nature of the activities of the Company and its capital structure. As a result of these changes, the Company was required to re-comply with ASX Listing Rules 1 & 2 . Shareholders approved the following changes in the capital structure:

- Consolidation of existing fully paid ordinary shares on a 1 for 30 basis;
- Creation of a new class of securities, Performance Shares;
- Issue of 5,000,000 post-consolidation ordinary shares, 7,500,000 post-consolidation Performance Shares and 7,500,000 Deferred Consideration Shares to the Shareholders of Aspire
- Issue up to 12,500,000 post-consolidation ordinary shares pursuant to a prospectus (**Prospectus**) at an issue price of $0.20 per share to raise up to $2,500,000 before issue costs.

The Prospectus closed oversubscribed on 8 March 2012. The Board resolved to accept oversubscriptions up to 13,750,000 ordinary shares to raise $2,750,000 before issue costs and

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Shareholders ratified the oversubscription at a general meeting on 10 August 2012. The Company was re-listed on the ASX on 11 April 2012.

On 23 April 2012, the Company announced that it had acquired Calabash Sarl, an entity established in Burkina Faso that holds Option to Purchase agreements over two adjoining prospective permits in south-west Burkina Faso.

Following the completion of these transactions, the Company focused its activities on exploration at the newly acquired Cote d'Ivoire and Burkina Faso permits as well as at the advanced Rebecca project.

Minerals Exploration

The transition to become a minerals explorer in April 2012 has allowed Apollo to commence gold exploration work on several fronts, with drilling activities on its West Australian gold project at Rebecca, and completion of first-pass geochemical surveys at its recently acquired Burkina Faso projects. The Company is awaiting determination of its permit applications in Cote d'Ivoire where rights are held by its wholly-owned subsidiary Aspire Minerals. On grant of permits in Cote d'Ivoire the Company intends to ramp up exploration work on a number of advanced geochemical prospects.

Rebecca Gold Project - Western Australia (Apollo 100%)

At the Rebecca Gold Project located 150km east of Kalgoorlie, Western Australia the Company has accumulated a 250 square km tenement position in the southern Laverton Tectonic Zone (LTZ). The LTZ is a structural corridor with substantial gold endowment in the south Laverton area and has good regional prospectivity. Apollo's combined ground position offers a mix of advanced and greenfield structural targets, with opportunity for infill and extensional RC drilling seen at the advanced Bombora, Redskin and Duke prospects.

At Duke, seven north-south sections of angled RAB drill holes were completed at 100m line spacing during late 2011 in order to follow-up previous >50ppb Au soil auger anomalism in a soil-covered area east of the previous RC drilling. A total of 54 holes for 1,461m were completed. Composite assay results confirmed that the Duke geochemical system extends eastward around a regional fold closure and trends into the area where a single historical RC drill hole returned 1m @ 13.19g/t Au (within a broad zone of bedrock anomalism grading 45m @ 0.65g/t Au to end of hole (EOH)).

Anomalous results of up to **4m at 1.05g/t Au EOH** were received in the RAB program, with gold anomalism returned on all lines. Anomalous samples were typically obtained toward EOH below a leached oxidation profile, a feature seen in much of the previous RAB drilling in the project area. The RAB program extended the Duke system a further 500m to the east and north-east, presenting a target for RC drilling into the future. The main Duke prospect remains a key RC drilling target, with previous drill intercepts to 30m @ 1.39g/t Au extending over a mineralized zone at least 500m in length.

Subsequent to the end of the year, the company undertook an initial eight hole RC drilling program at the Bombora prospect located in the north east corner of E28/1610. The drilling was designed to scope strike extensions of the prospect and to examine the potential for higher grade positions. The program intersected wide zones of disseminated pyrite alteration in altered granodiorite and gneiss in each of the holes, with a standout intercept of **42m @ 7.75g/t Au from 61m*** in drillhole RCLR161, including two

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high-grade segments of **2m @ 22.39g/t Au from 67m**, and **3m @ 65.21g/t Au from 84m**. The remaining portion of the drillhole returned anomalous gold results from base of oxidation to end of hole at 118m.

Strong zones of gold anomalism were returned from remaining drillholes, particularly on the northernmost traverse where the system remains open for a further 700m to the tenement boundary. Mineralisation at Bombora is related to zones of increased disseminated pyrite, mafic alteration minerals and foliation. The intercept in RCLR161 supports the Company's opinion that the zones of gold anomalism present within the strongly metamorphosed rocks at Rebecca are prospective for high-grade mineralised shoots. Whilst the drilling around RCLR161 is too broad-spaced to allow geological interpretation the results so far warrant additional drilling to define lode continuity and orientation.

Follow-up drilling activity is expected to continue at Bombora during the coming year.

Cote d'Ivoire

Apollo holds exploration and mining rights to exploration permit applications in the West African nation of Cote d'Ivoire through its acquisition of private Australian explorer Aspire Minerals Pty Ltd (Aspire) during the year. The exploration package includes over 2,000 square kilometres of Birimian greenstone belts in a lightly-explored part of the West African goldfields. The permit applications range from relatively advanced prospects at **Seguela** where there are drill ready geochemical targets, to early-stage permits such as **Tengrela, Korhogo** and **Vavoua**.

Limited exploration was carried out during the year ahead of determination of licence applications across the country. An Ivorian Government review process is understood to be at or nearing completion, and the Ministry has recently commenced renewing existing exploration licences. The Company is hopeful that consideration of exploration licence applications will be completed over the coming year.

Seguela Project (Apollo rights to earn 90%)

At the Seguela permit application, past geochemical exploration by Aspire and others has delineated zones of strong gold anomalism, including an area of **continuous >50ppb gold values over an area 6.3km in strike** and up to 1.40km in width. A number of prospects are recognized in this anomalous area, the more advanced of which have progressed to trenching. Bedrock gold mineralisation has been identified at the Gabbro, Porphyry and Barana prospects and each of these areas are considered RC drill-ready. No previous drilling has been carried out on the property.

At the southern end of the Gabbro Prospect where mineralisation extends into soil-covered terrain historical Randgold Resources Ltd trenches were extended and new trenches dug. Previous validation sampling of old trenches at Gabbro confirmed results to 10m @ 2.80g/t Au, hosted by altered felsic dykes intruding gabbro.

Additional trench sampling was carried out at the Barana prospect, and an initial trench cut at Boulder where a shallow soil profile has recorded strong soil anomalism including a number of >1000ppm Au soil results.

Soil geochemical work continued at various prospects in the Seguela project. At Goma, infill soil sampling assay results successfully confirmed gold anomalism at a 400m line-spacing with individual assays of **up to 1,000ppb Au (1.0g/t)** obtained. The Goma anomaly now extends over an area some

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3km strike and 500m width in a soil-covered area with limited geological exposure. This anomaly would be suitable for RAB drilling.

A new soil grid was established east of the Kwenko prospect with 1,131 samples collected. Assay results returned **spot high gold results including 2,010ppb Au and 1,695ppb Au** from an area to the north of the main anomaly.

The results of a number of sample batches dispatched for analysis late 2011 and early 2012 remain pending, including the Western Shear soil grid (625 samples), infill sampling in the northern Aspire grids (288 samples), and trench sampling at Barana, Gabbro and Boulder.

Vavoua Project (Apollo rights to earn 90%)

The Vavoua permit application is located to the SE of Seguela and on the same structural trend. It is an early-stage property characterised by extensive soil and laterite cover. During the year analytical results were returned from infill work carried out over an area of Birimian greenstone near the western boundary of the permit application. An elongate >40ppb Au anomaly has been defined extending over three 400m spaced lines (with peak values to 148ppb Au), and spot results to 377ppb Au elsewhere in the grid.

Tengrela Project (Apollo rights to earn 80%)

At the Tengrela West Project, Aspire has rights to two adjoining permit applications that cover a combined 1,000 square kilometres of proven gold terrain. Perseus Mining Limited's 1.2m ounce Sissingue gold deposit lies immediately to the east of the permits, and the Syama gold deposit of Resolute Mining Limited is located 25km to the northeast. Within the Tengrela West permits, promising structural targets point to greenfield prospectivity including shear corridors and internal granite intrusions, while artisanal workings confirm the presence of gold mineralisation.

Significant areas of the Tengrela West permit area are overlain by a blanket of lateritic material, a setting that would have restricted artisanal prospecting activities.

Aspire has collected in excess of 3,000 LAG samples (gravel-sized material from the surface) along available access tracks and pathways. Composite samples at a 1km spacing were analysed, returning >50ppb Au results in a number of locations. Interpretation of results confirms that much of the Tengrela project area has a regolith dominated by laterite plain and may be more suitable for short-hole drill-based geochemical sampling. Nevertheless anomalous spot results, and clusters of raised geochemistry will be investigated with local soil grids to be established where regolith allows.

Korhogo Project (Apollo rights to earn 80%)

Korhogo is a large, early-stage project situated at the regional intersection of two strongly-endowed greenstone belts and their structural corridors. The 4.3Moz Tongon project of Randgold Resources Limited (a company incorporated in the United Kingdom) is located 40km along strike to the north-east and Gryphon Minerals Limited's 2.0m ounce Banfora project lies a further 30km along strike. The Sissingue deposit lies 50km to the north. The confluence of two proven belts represents excellent greenfield prospectivity.

Aspire has previously carried out a LAG geochemical program, using existing tracks and roads as sample traverses. Over 1,900 individual samples were collected over the 1,000 square kilometre project

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and submitted for assay as four-point composite samples at a 1km spacing, returning promising individual results of up to 1.08g/t Au, as well as clusters of >50ppb Au results. Validation LAG sampling was completed over anomalous sample points followed by local soil grid sampling to establish geological context.

Five local soil grids were sampled as a validation exercise where previous LAG sampling on 1km x 1km (and 250m infill centres) had returned >50ppb Au anomalous results. A total of 340 samples were submitted with results confirming exploration potential. The geochemical exploration of this area will ramp up on grant of permits in this area.

Burkina Faso

The Company reviewed a number of Burkina Faso opportunities presented during the year, with a view to entering into commercial arrangements in the country should the exploration potential complement the Cote d'Ivoire activities.

In April 2012 the Company purchased 100% of Burkinabe entity Calabash Minerals Sarl, which in turn holds Option to Purchase rights over two granted permits near the historic Poura gold mine in south west Burkina Faso.

The permits lie 15km on the eastern side of the highly prospective Birimian aged Boromo greenstone belt, east of the historic Poura mine (>850,000oz gold endowment). Site visits by independent geological consultants and Apollo indicated good greenfield prospectivity within the permits with exposure of altered sedimentary rocks, gold workings and substantial quartz vein outcrops in an otherwise soil-covered terrain. Regionally the permits lie at a junction between structures associated with the Poura greenstone belt, and north-east trending shear zones that extend through the granite and gneiss terrain of central Burkina Faso. Aeromagnetic imagery demonstrates the presence of structural corridors in the permits area which contain elongate belts of interpreted greenstone material. The presence of felsic volcanic and meta-sedimentary rocks has been confirmed in the south central part of the Bredie permit, close to several areas of artisanal workings.

Historical quartz vein workings at Bredie have returned gold values between 0.33g/t and **21.0g/t Au** in reconnaissance rock-chip sampling. A second zone of active workings is located near the eastern boundary of the permit, where local villagers are extracting alluvial gold from shallow diggings in surface quartz and laterite gravels. This site is close to outcropping quartz veins and silica-pyrite silicification, and it is interpreted that the gold must have a local source.

The Kapa permit has little outcrop, but the western part of the permit is interpreted to be underlain by a contact between Birimian volcanic and granitic rocks, and there are areas of interpreted greenstone below soil and laterite cover elsewhere on the permit.

By the end of the year the Company had collected more than 2,500 soil samples on regional and prospect-scale grids utilizing Ivorian geological staff. Samples were submitted to a laboratory in Ouagadougou with assay results expected late 2012. Mapping during the soil sampling located several areas of deformed mafic and sedimentary rocks and additional artisanal workings.

Infill and follow-up work is expected to commence late 2012, with the aim of initiating RAB or aircore drilling during the 2012-2013 period.

Directors' Report

Over The Counter (OTC) Cosmetics Business

During the course of the year the OTC business was scaled back and promotional activity reduced accordingly. After consideration as to the future of the business and given the required capital necessary to compete in this market sector both in technology and advertising spend, the decision was made to close the business.

As such, all remaining stock was removed from the storage facility and all web sites and other sales portals ceased trading. The remaining aspects of the business are being wound down.

Changes in State of Affairs

During the financial year, the Consolidated Entity changed its principal business activities from the marketing and distribution of OTC Cosmetic products, to a mineral exploration focus as resolved at a General Meeting on 23 December 2011. The Consolidated Entity acquired 100% of the share capital in Aspire Minerals Pty Ltd; an Australian entity holding exploration permits in Cote d'Ivoire and subsequently also acquired Calabash Sarl, a company established in Burkina Faso which had entered into a purchase agreement to acquire two exploration licenses in that country.

Subsequent events

On 9 August 2012, Shareholders approved the issue of 5,225,000 options to the Company's broker on the successful completion of the April 2012 capital raising. The options have not been issued as of the date of this report.

On 27 August 2012, the Company announced that assay results returned from an eight hole reverse circulation (RC) drilling program confirm excellent potential for high-grade gold mineralisation at Bombora, a prospect at the Company's Lake Rebecca project in Western Australia.

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

Future developments

Disclosure of 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.

Dividends

The Directors resolved that no dividend be paid for the year (2011: nil).

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Shares under option or issued on exercise of options

Details of unissued shares or interests under option as at the date of this report are:

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Apollo Consolidated Limited	15,000,000	Ordinary	$0.20	31/12/2016
Apollo Consolidated Limited	333,333	Ordinary	$0.20	31/12/2014

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

15,333,333 new options were granted during the year pursuant to shareholder approval (2011: nil). 1,000,671 new fully paid ordinary shares were issued upon the exercise of options during the year at an exercise price of $0.15 (2011: 14,980,000).

The Company also has on issue at the date of this report 7,500,000 Performance Shares and 7,500,000 Deferred Consideration Shares which may be converted to fully paid ordinary shares on the completion of certain milestones.

Indemnification of Officers and Auditors

During the financial year, the Company paid a premium in respect of a contract insuring all the directors and officers of the Consolidated Entity against liabilities incurred in their capacities as directors and officers to the extent permitted by the Corporations Act 2001.

Disclosure of the nature of the liabilities covered and the amount of the premium is prohibited by a confidentiality clause in the contract of insurance.

The Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or an auditor of the Company or of any related body corporate against a liability incurred as such officer or auditor.

Directors' Meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors but excluding circular resolutions) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, 8 board meetings, no nomination and remuneration committee meetings and one audit committee meeting were held. Remuneration committee matters were covered as necessary in Board meetings.

Directors' Report

Directors	Board of Directors Held	Board of Directors Attended	Nomination and Remuneration Committee Held	Nomination and Remuneration Committee Attended	Audit Committee Held	Audit Committee Attended
Roger Steinepreis	8	8	-	-	1	-
Nick Castleden	8	8	-	-	1	1
George Ventouras	8	8	-	-	1	1
Stephen West	3	3	-	-	-	-
Robert Gherghetta	3	1	-	-	-	-

Non-Audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in the notes to the financial statements.

The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 28 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit Committee, for the following reasons:

- None of the services undermine the general principals relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 18 of the financial statements.

Directors' Report

Remuneration Report (Audited)

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Apollo Consolidated Limited's key management personnel for the financial year ended 30 June 2012. The term 'key management personnel' refers to those person having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity. The prescribed details for each person covered by this report are detailed under the following headings:

- Key management personnel
- Remuneration policy
- Relationship between the remuneration policy and company performance
- Remuneration of key management personnel
- Key terms of employment contracts

<u>Key management personnel</u>

The directors and other key management personnel of the consolidated entity during or since the end of the financial year were:

- Mr. R Steinepreis (Chairman, Non-executive director)
- Mr. N Castleden (Executive director, appointed 11 April 2012, previously non-executive director)
- Mr. G Ventouras (Non-executive director)
- Mr. S West (Non-executive director, appointed 16 April 2012)
- Mr. R Gherghetta (Non-executive director, appointed 16 April 2012)
- Mr. A Neuling (Company Secretary)

Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Remuneration Policy for Directors and Executives

The Board in its capacity as the Remuneration Committee reviews the remuneration packages of the directors and key management personnel of the Company and makes recommendations to the Board. Remuneration packages are reviewed and determined with due regard to the duties, responsibilities and performance of each director and senior executive, and current market rates.

Remuneration and other terms of employment are reviewed periodically based on each director's or senior executive's performance and achievements over the review period.

Non-executive Directors

Fees paid to non-executive directors are set to reflect the demands made on the directors and their individual responsibilities. The level of fees was reviewed by the Board in May 2005 against market data and with reference to the maximum amount approved under s 6.5 (a) of the Company's Constitution. The maximum annual non-executive directors' fees payable in aggregate is $200,000.

No additional fees are payable to members of any of the Board's committees.

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Executive & non-executive directors may receive share options under the Employee Share Option Plan or by shareholder resolution.

Retirement Benefits

The Company does not have a retirement benefit scheme for non-executive directors.

Key management personnel and other employees are given the option to choose their own superannuation fund for employer contributions.

Base Pay

Base pay is calculated on the basis of a total employment cost package which may be provided as a mix of cash and prescribed non-cash benefits at the executive's discretion. Base pay is reviewed periodically to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion. There are no guaranteed base pay increases in any senior executive's contracts.

Short-Term Incentives

The Board may occasionally offer separate short-term incentives to key management personnel to ensure that key employees remain outcome-oriented. Incentives are set based on defined performance targets, usually on a project-based scenario. Using such targets ensures bonuses are only paid when value has been created for shareholders and when results are consistent with the strategic plans of the business.

Long-Term Incentives

The Company provides long-term incentives to directors, executives and employees in the form of share options in the Company. These incentives are designed to align the interests of shareholders, directors, executives and employees. Issues can be made by shareholder resolution or under an Employee Share Option Plan (ESOP). Under an ESOP, executives and other staff may be invited by the Board to subscribe for share options in the Company. Once approved by the Board, the options are issued in the name of the participants but are subject to a restriction on exercise for periods of up to three years (from date of issue) reflecting the period of service to be provided to the Company.

Directors' Report

Relationship between the remuneration policy and Company performance

The table below sets out summary information about the Consolidated Entity's earnings and movements in shareholder wealth for the five years to 30 June 2012.

	2012 $	2011 $	2010 $	2009 $	2007 $
Revenue & other income (including discontinued operations)	64,251	67,160	685,438	156,812	1,151,794
Profit / (loss)	(2,602,311)	(527,248)	291,640	(1,742,745)	(8,222,672)
Share price at start of year	$0.006	$0.007	n/a*	$0.04*	$0.26*
Share price at end of year	$0.11	$0.006	$0.007	$0.04*	$0.04*
Dividends	-	-	-	-	-
Basic earnings/ (loss) per share (cents)	(9.2)	(0.08)	0.08	(0.9)	(4.3)
Fully diluted earnings / (loss) per share (cents)	(9.2)	(0.08)	0.07	(0.9)	(4.3)

**Trading suspended from March 2008 until October 2009. Share prices for 2009 and earlier periods are stated prior to the 1:20 share consolidation. Share prices for 2011 and earlier are stated prior to the 1:30 share consolidation.*

Given the nature and early stage of its former and current businesses, the Company has historically not judged performance by financial measures but in relation to strategic objectives. It is likely that remuneration in the near future will also not be linked to standard financial measures of performance.

Elements of Director and Executive Remuneration

Remuneration packages contain the following key elements:

(a) Primary benefits – salary, fees and bonuses;

(b) Post-employment benefits – including superannuation;

(c) Equity – share options granted under an ESOP or by shareholder resolution; and

(d) Other benefits.

Directors' Report

Remuneration of key management personnel

2012	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	
	Salary & fees $	Bonus $	Non-monetary $	Other $	Super-annuation $	$	Options & rights $	Total $
Executive directors								
Mr. N Castleden	123,195	-	-	-	1,982	-	613,200	738,376
Non-executive directors								
Mr. R Steinepreis	26,000	-	-	-	-	-	613,200	639,200
Mr. G Ventouras	60,000	-	-	-	-	-	-	60,000
Mr. S West	6,000	-	-	-	-	-	238,050	244,050
Mr. R Gherghetta	6,000	-	-	-	-	-	238,050	244,050
Other								
Mr. A Neuling	72,555	-	-	-	-	-	-	72,555
Total	**293,750**	**-**	**-**	**-**	**1,982**	**-**	**1,702,500**	**1,908,232**

2011	Short-term employee benefits				Post-employment benefits	Other long-term employee benefits	Share-based payment	
	Salary & fees $	Bonus $	Non-monetary $	Other $	Super-annuation $	$	Options & rights $	Total $
Executive directors								
Mr. G Ventouras	60,000	-	-	-	-	-	-	60,000
Non-executive directors								
Mr. R Steinepreis	24,000	-	-	-	-	-	-	24,000
Mr. N Castleden	85,407	-	-	-	1,982	-	-	87,389
Other								
Mr. A Neuling	47,423	-	-	-	-	-	-	47,423
Total	**216,830**	**-**	**-**	**-**	**1,982**	**-**	**-**	**218,812**

Share-based payments granted as compensation for the current financial year

Share options were issued during the year as part of the Aspire acquisition transaction and concurrent capital raising. Options were issued to directors of the Company as a performance linked incentive component in the directors' remuneration packages to motivate and reward the parties in their respective roles.

Directors' Report

Each share option issued converts to one ordinary share of Apollo Consolidated Limited on exercise. No amounts are paid or payable by the recipient of the option on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Options issued during the year vest at the date of issue.

The following share-based payment arrangements were in existence during the current and prior reporting periods:

Series	Pre-consol-idation Number	Post consol-idation Number	Grant date	Expiry date	Exercise price $	Fair value at grant date $
Granted 20/05/05	100,000	n/a	20/05/05	20/05/11	$13.00	20c
Granted 24/11/05	2,500	n/a	24/11/05	24/11/11	$13.00	28c
Granted 07/03/06	10,000	n/a	07/03/06	01/03/11	$13.00	22c
Granted 29/01/07	330,000	11,004	29/01/07	01/02/12	$330.00	20c
Director Options 1	n/a	12,000,000	20/01/12	31/12/16	$0.20	10.22c
Director Options 2	n/a	3,000,000	02/03/12	31/12/16	$0.20	15.87c

Options on issue prior to 23 December 2011 have been consolidated on a 1 for 30 basis.

The following grants of share-based payment compensation to key management personnel related to the current financial year:

Name	Option Series	No. granted	No. vested	% of grant vested	% of grant forfeited	% of compensation for the year consisting of options
Mr. N Castleden	Director Options 1	6,000,000	6,000,000	100%	n/a	83%
Mr. R Steinepreis	Director Options 1	6,000,000	6,000,000	100%	n/a	96%
Mr. S West	Director Options 2	1,500,000	1,500,000	100%	n/a	98%
Mr. R Gherghetta	Director Options 2	1,500,000	1,500,000	100%	n/a	98%

During the financial year, no options lapsed or were exercised by key management personnel that had previously been granted as part of their compensation.

Directors' Report

Service Agreements

Remuneration and other terms of employment for the current directors are not yet formalised in services agreements. Remuneration for Company Secretarial services are set out in a contract with Erasmus Consulting Pty Ltd which is based on a minimum monthly retainer of $2,250 (excluding GST) and an hourly rate for additional work performed outside the scope of the retainer. The contract has a 3 month notice period.

The directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the directors

Roger Steinepreis
Director
Perth, 28 September 2012

The information in this Directors' Report that relates to Exploration Results, Mineral Resources or Ore Reserves, as those terms are defined in the 2004 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 2004 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.

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
Apollo Consolidated Limited
Level 3, 3 Ord Street
WEST PERTH WA 6005

28 September 2012

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 audit of the financial statements of Apollo Consolidated Limited for the financial year ended 30 June 2012, 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 audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Leanne Karamfiles
Partner
Chartered Accountants

Deloitte.

Deloitte Touche Tohmatsu
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Independent Auditor's Report to the Members of Apollo Consolidated Limited

Report on the Financial Report

We have audited the accompanying financial report of Apollo Consolidated Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the 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 year's end or from time to time during the financial year as set out on pages 21 to 68.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte.

Auditor's Independence Declaration

In conducting our audit, 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 report.

Opinion

In our opinion:

(a) the financial report of Apollo Consolidated Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 17 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Apollo Consolidated Limited for the year ended 30 June 2012, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

Leanne Karamfiles
Partner
Chartered Accountants
Perth, 28 September 2012

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;

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards as stated in note 2 to the financial statements;

(c) 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; and

(d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the directors

Roger Steinepreis

Director

Perth, 28 September 2012

Consolidated statement of comprehensive income
For the year ended 30 June 2012

	Note	**Year ended 30/06/12 $**	Year ended 30/06/11 $
Continuing operations			
Other income	(7)	**64,251**	67,160
Employee benefit expense	(7)	**(24,000)**	(24,000)
Share based payment expense	(7)	**(1,812,767)**	-
Consulting expense		**(233,022)**	(20,610)
Compliance & administrative expense		**(397,446)**	(220,400)
Stakeholder relations		**(20,713)**	-
Occupancy expense		**(18,604)**	(17,623)
Travel and transport		**(18,696)**	-
Aspire option fee		**-**	(120,000)
Project evaluation		**(83,802)**	(100,329)
Exploration permit applications		**(13,078)**	-
Other expenses		**(358)**	(1,136)
Loss from ordinary activities before income tax		**(2,558,235)**	(436,938)
Income tax benefit / (expense)	(5)	**-**	-
Loss for the year from continuing operations		**(2,558,235)**	(436,938)
Discontinued operations			
Profit / (loss) from discontinued operations	(6)	**(44,076)**	**(90,310)**
Net profit / (loss) attributable to members of Company		**(2,602,311)**	**(527,248)**
Other comprehensive income			
Exchange differences on translating foreign operations		(18,070)	-
Total comprehensive loss for the year		**(2,620,381)**	**(527,248)**
Earnings / (loss) per share			
From continuing & discontinued operations	(8)		
Basic earnings / (loss) per share (cents per share)		(9.2)	(0.08)
Diluted earnings / (loss) per share (cents per share)		(9.2)	(0.08)
From continuing operations only	(8)		
Basic earnings / (loss) per share (cents per share)		(9.0)	(0.07)
Diluted earnings / (loss) per share (cents per share)		(9.0)	(0.07)

Consolidated statement of financial position
As at 30 June 2012

	Note	**30 June 2012 $**	30 June 2011 $
Assets			
Current assets			
Cash and bank balances		**3,076,076**	1,489,479
Trade and other receivables	(9)	**96,504**	106,590
Inventories	(10)	**-**	15,754
Other current assets	(11)	**11,287**	-
Total current assets		**3,183,867**	1,611,823
Non-current assets			
Trade & other receivables	(12)	**-**	179,000
Capitalised exploration and evaluation expenditure	(15)	**3,367,083**	190,477
Property, plant and equipment	(14)	**6,607**	-
Total non-current assets		**3,373,690**	369,477
Total assets		**6,557,557**	1,981,300
Liabilities			
Current liabilities			
Trade and other payables	(16)	**216,960**	132,367
Total current liabilities		**216,960**	132,367
Non-current liabilities			
Deferred tax liabilities	(5)	**468,856**	-
Total non-current liabilities		**468,856**	-
Total liabilities		**685,816**	132,367
Net assets		**5,871,741**	1,848,933
Equity			
Issued capital	(17)	**38,171,614**	34,399,525
Reserves	(18)	**4,869,431**	2,016,401
Accumulated losses	(19)	**(37,169,304)**	(34,566,993)
Total equity		**5,871,741**	1,848,933

Consolidated statement of changes in equity

For the year ended 30 June 2012

	Share Capital	Share Based Payment Reserve	Deferred Consideration Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
Balance at 30 June 2010	**33,386,021**	**2,016,401**	**-**	**-**	**(34,039,745)**	**1,362,677**
Loss for the year	-	-	-	-	(527,248)	(527,248)
Total comprehensive income for the year	-	-	-	-	(527,248)	(527,248)
Issue of ordinary shares	1,000,000	-	-	-	-	1,000,000
Share issue costs	(61,396)	-	-	-	-	(61,396)
Options exercised	74,900	-	-	-	-	74,900
Balance at 30 June 2011	**34,399,525**	**2,016,401**	**-**	**-**	**(34,566,993)**	**1,848,933**
Loss for the year	-	-	-	-	(2,602,311)	(2,602,311)
Other comprehensive income	-	-	-	(18,070)	-	(18,070)
Total comprehensive income for the year	-	-	-	(18,070)	(2,602,311)	(2,620,381)
Issue of ordinary shares	3,816,667	-	-	-	-	3,816,667
Share issue costs	(194,678)	-	-	-	-	(194,678)
Options exercised	150,100	-	-	-	-	150,100
Recognition of share-based payments	-	1,746,100	-	-	-	1,746,100
Deferred consideration shares issued	-	-	1,125,000	-	-	1,125,000
Balance at 30 June 2012	**38,171,614**	**3,762,501**	**1,125,000**	**(18,070)**	**(37,169,304)**	**5,871,741**

Consolidated statement of cash flows
For the year ended 30 June 2012

	Note	Year ended 30/06/12 $	Year ended 30/06/11 $
Cash flows from operating activities			
Receipts from customers		**387**	2,631
Payments to suppliers and employees		**(645,955)**	(586,309)
Net cash outflow from operating activities	(25)	**(645,568)**	(583,678)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		**(256,872)**	(65,765)
Loans advanced to related parties		**(246,945)**	(179,000)
Net cash inflow on acquisition of subsidiaries	(24)	**34,379**	-
Payment to acquire Calabash Sarl	(24)	**(50,000)**	-
Interest received		**64,251**	67,160
Net cash outflow from investing activities		**(455,187)**	(177,605)
Cash flows from financing activities			
Proceeds from issues of shares and options		**2,900,101**	1,074,900
Less costs of issue		**(194,678)**	(61,396)
Net cash inflow from financing activities		**2,705,423**	1,013,504
Net increase in cash and cash equivalents		**1,604,667**	252,221
Cash and cash equivalents at the beginning of the year		**1,489,479**	1,237,258
Effects of exchange rate changes on the balance of cash held in foreign currencies		**(18,070)**	-
Cash and cash equivalents at the end of the year		**3,076,076**	1,489,479

Notes to the financial statements
For the year ended 30 June 2012

Apollo Consolidated Limited (the Company) is a limited company incorporated in Australia. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The principal activities of the Company and its subsidiaries (the Group) are described in note 4.

1. Application of new and revised Accounting Standards

1.1. Standards and Interpretations affecting amounts reported in the current period

The following new and revised Standards and Interpretations have been adopted in the current year and have affected the amounts reported in these financial statements. Details of other Standards and Interpretations adopted in these financial statements but that have no effect on the amounts reported are set out in section 1.2

Standards affecting presentation and disclosure

Amendments to AASB 7 'Financial Instruments: Disclosure'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') clarify the required level of disclosures about credit risk and collateral held and provide relief from disclosures previously required regarding renegotiated loans.
Amendment to AASB 101 'Presentation of Financial Statements'	The amendments (part of AASB 2010-4 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project') clarify that an entity may choose to present the required analysis of items in other comprehensive income either in the statement of changes in equity or in the notes to the financial statements.
AASB 124 'Related Party Disclosures' (revised December 2009)	AASB 124 (revised December 2009) has been revised on the following two aspects: (a) AASB 124 (revised December 2009) has changed the definition of a related party and (b) AASB 124 (revised Dec 2009) introduces a partial exemption from the disclosure requirements for government-related entities.

Standards and Interpretations affecting the reported results or financial position

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

Notes to the financial statements
For the year ended 30 June 2012

1.2. Standards and Interpretations adopted with no effect on financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

AASB 2010-5 'Amendments to Australian Accounting Standards'	The Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations. The application of AASB 2010-5 has not had any material effect on amounts reported in the Group's consolidated financial statements.

1.3. Standards and Interpretations in issue not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', AASB 2009-11 'Amendments to Australian Accounting Standards arising from AASB 9', AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)' and AASB 2012-6 'Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB9 and Transition Disclosures'.	1 January 2015	30 June 2016
AASB 10 'Consolidated Financial Statements	1 January 2013	30 June 2014
AASB 11 'Joint Arrangements'	1 January 2013	30 June 2014
AASB 12 'Disclosure of Interests in Other Entities'	1 January 2013	30 June 2014
AASB 127 'Separate Financial Statements' (2011)	1 January 2013	30 June 2014
AASB 128 'Investments in Associates and Joint Ventures' (2011)	1 January 2013	30 June 2014
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014
AASB 119 'Employee Benefits (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 119 (2011)'	1 January 2013	30 June 2014

Notes to the financial statements
For the year ended 30 June 2012

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2010-8 'Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets'	1 January 2012	30 June 2013
AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'	1 July 2014	30 June 2014
AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'	1 July 2012	30 June 2013
AASB 2012-2 'Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities'	1 January 2013	30 June 2014
AASB 2012-3 'Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities'	1 January 2014	30 June 2015
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle'	1 January 2013	30 June 2014
Interpretation 20 'Stripping Costs in the Production Phase of a Surface Mine' and AASB 2011-12 'Amendments to Australian Accounting Standards arising from Interpretation 20'	1 January 2013	30 June 2014

Notes to the financial statements
For the year ended 30 June 2012

2. Summary of Accounting Policies

Statement of Compliance

The financial statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity. Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and Consolidated Entity comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 27 September 2012.

Basis of Preparation

The consolidated financial report has been prepared on the basis of historical cost. 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 following significant accounting policies have been adopted in the preparation and presentation of the financial report:

2.1. Principles of Consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the Group, being the Company (the parent entity) and its subsidiaries as defined in Accounting Standard AASB 127 'Consolidated and Separate Financial Statements'. A list of subsidiaries appears in Note 13 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the Group are eliminated in full.

2.2. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with AASB 112 'Income Taxes' and AASB 119 'Employee Benefits' respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with AASB 2 'Share-based Payment' at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 'Non-current assets Held for Sale and Discontinued Operations" are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree (if any) over the net of acquisition-date amounts of the identifiable assets acquired and liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not quality as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting date and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139, or AASB 137 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, with corresponding gain or loss being recognised in profit or loss.

2.3. Revenue Recognition

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

2.4. Foreign Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Australian dollars ('$'), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Australian dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case, the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of the reporting period. Exchange differences arising are recognised in equity.

2.5. Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

During a prior year the Consolidated Entity introduced Superannuation Choice to employees. This followed the Federal legislation whereby employees are given the freedom to choose their own superannuation fund for employer contributions.

Until the introduction of Superannuation Choice, the Consolidated Entity participated in the MLC Employee Retirement Plan, which is a defined contribution plan. The plan provided benefits to employees on retirement, resignation, disability or death. Employees are eligible to contribute to the plan at various percentages of their salaries and wages. The plan complied with all the requirements of the Insurance and Superannuation Commission at all times.

Contributions to defined contribution superannuation plans are expensed when incurred.

2.6. Share-based Payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the date of grant. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 21.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the services.

2.7. Income Tax

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that sufficient taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

<u>Current and Deferred Tax for the Period</u>

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

<u>Tax Consolidation</u>

The Company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Apollo Consolidated Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the ‘separate taxpayer within group’ approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the Company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement. Further information about the tax funding arrangement is detailed in note 5 to the financial statements. Where the tax contribution amount recognised by each member of the tax-consolidated group for a particular period is different to the aggregate of the current tax liability or asset and any deferred tax asset arising from unused tax losses and tax credits in respect of that period, the difference is recognised as a contribution from (or distribution to) equity participants.

2.8. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and investments in money market instruments.

2.9. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10. 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 reporting date reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. In these instances the entity must have rights of tenure to the area of interest and must be continuing to undertake exploration operations in the area.

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.

2.11. Payables

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Income arising on the forgiveness of amounts owed is not recognised until such time as a binding agreement for forgiveness is reached between all parties concerned.

2.12. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

2.13. Financial Instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ('FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit of loss.

2.13.1. Financial Assets

Financial assets are classified info the following specified categories: financial assets 'at fair value through profit or loss (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

<u>Effective interest method</u>

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets designated as at FVTPL.

<u>Loans and receivables</u>

Trade receivables, loans, and other receivables that have fixed of determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each reporting date. Financial assets are considered to be impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis.

2.13.2. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings and trade and other payables, are initially measured at fair value net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.14. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

(i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

(ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

3. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant accounting estimates and assumptions:

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

Capitalisation of exploration and evaluation expenditure

The Group has capitalised significant exploration and evaluation expenditure on the basis that this is expected to be recouped through future successful development (or alternatively sale) of the Areas of Interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

Impairment of assets

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

As at 30 June 2012, the carrying value of capitalised exploration and evaluation is $3,367,083 (2011: $190,477).

Equity instruments

The Company has on issue Performance Shares that are not tradable in the market and were issued on the acquisition of Aspire Minerals Pty Ltd (see note 24 for further details). The instruments have been valued at nil based on the directors' assessment of the probability of the performance milestones being met.

The Company also has 7,500,000 Deferred Consideration Shares which will be issued as fully paid ordinary shares on the issue of one or more exploration licences in Cote d'Ivoire (see note 24 for further details). The instruments have been valued at $1,125,000 based on an issue price of $0.20 per share, the directors' assessment of a 75% probability of the issue conditions being met, taking into account applicable interest rates, variability in share price and expected settlement date.

4. 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 (including the Lake Rebecca project)
- Mineral Exploration – Cote d'Ivoire (including the Aspire contract)
- Mineral Exploration – Burkina Faso
- Discontinued Over The Counter ("OTC") Products business.

Information regarding the activities of these segments during the current and prior financial period is set out in the following tables. The prior financial period information has been restated to reflect the discontinuation of the OTC business during the current reporting period.

(ii) Segment revenues and results

		Segment revenue		Segment profit/(loss)	
		Year ended 30/06/12	Year ended 30/06/11	**Year ended 30/06/12**	Year ended 30/06/11
		$	$	**$**	$
Mineral exploration	- Australia	-	-	(50)	(39,089)
	- Cote d'Ivoire	-	-	(69,645)	(185,136)
	- Burkina Faso	-	-	(719)	-
Total for continuing operations		-	-	(70,414)	(224,225)
Interest income				64,251	67,160
Share based payment expense				(1,812,767)	-
Central administration costs and directors' salaries				(739,305)	(279,873)
Profit before tax (continuing operations)				**(2,558,235)**	**(436,938)**

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(iii) Segment assets and liabilities

Segment assets		30/06/12 $	30/06/11 $
Mineral exploration	- Australia	263,940	190,477
	- Cote d'Ivoire	2,986,131	179,000
	- Burkina Faso	229,956	-
Total segment assets		3,480,027	369,477
Assets relating to OTC (now discontinued)		10,109	19,519
Unallocated		3,067,421	1,592,304
Consolidated total assets		**6,557,557**	**1,981,300**

Segment liabilities		30/06/12 $	30/06/11 $
Mineral exploration	- Australia	50	-
	- Cote d'Ivoire	-	-
	- Burkina Faso	7,483	-
Total segment liabilities		7,533	-
Liabilities relating to OTC (now discontinued)		-	-
Unallocated		678,283	132,367
Consolidated total liabilities		**685,816**	**132,367**

(iv) Other segment information

		Depreciation and amortisation		Additions to non-current assets *	
		Year ended 30/06/12 $	Year ended 30/06/11 $	**Year ended 30/06/12 $**	Year ended 30/06/11 $
Mineral exploration	- Australia	-	-	73,939	65,766
	- Cote d'Ivoire	-	-	2,925,183	-
	- Burkina Faso	-	-	133,292	-
		-	-	3,132,414	65,766

* Additions to non-current assets includes assets assumed through the acquisition of Aspire and Calabash Sarl. See note 24 for further details.

Notes to the financial statements
For the year ended 30 June 2012

5. Income taxes relating to continuing operations

	Year ended 30/06/12 $	Year ended 30/06/11 $
Income tax (expense)/benefit recognised in profit/(loss)	**-**	**-**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Loss from operations	(2,558,235)	(436,938)
Income tax benefit calculated at 30%	767,471	131,081
Effect of loss from discontinued operations	13,223	27,094
Effect of different tax rates of subsidiaries operating in other jurisdictions	(4,949)	-
Effect of expenses that are not deductible in determining taxable profit	(543,830)	-
Unused tax losses and tax offsets not recognized as deferred tax assets	(231,915)	(158,175)
Income tax (expense)/benefit recognised in profit/(loss)	-	-

The tax rate used for the 2012 and 2011 reconciliations above is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law.

Unrecognised Deferred Tax Balances

As at 30 June 2012 the Consolidated Entity had deferred tax assets not brought to account in relation to the tax losses (at 30%) of $9,506,111 (2011: $9,137,166), and temporary differences (at 30%) not brought to account of $ nil (2011: $ nil). No reliable estimate of the amount of tax losses which could be recognised as a deferred tax asset in the current year is available as it is not possible to accurately quantify the group's future profitability at its current stage of development. Management have not yet assessed whether the losses would pass the continuity of ownership test or the same business test. Management therefore believe that the group's tax losses do not meet the probable recognition criteria.

There is no expiry date attached to the tax losses.

The Consolidated Entity did not have any capital tax losses carried forward.

Deferred Tax Liability

The Group has recognised a deferred tax liability of $468,856 at 30 June 2012 (2011: nil). The liability has arisen following the acquisition of Aspire Minerals Pty Ltd. In accounting tor the business combination, the fair value of exploration and mining expenditure was increased with no corresponding increase allowable in the corresponding tax base giving rise to a taxable temporary difference which has been recognised as a deferred tax liability. See note 24 for further details of the business combination.

Notes to the financial statements
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Tax Consolidation

Relevance of Tax Consolidation to the Consolidated Entity

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 March 2006 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Apollo Consolidated Limited. The members of the tax-consolidated group are identified at note 13.

Nature of Tax Funding Arrangements and Tax Sharing Agreements

Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax funding arrangement, Apollo Consolidated Limited and each of the entities in the tax-consolidated group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the tax-consolidated group.

The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

6. Discontinued operations

Following the acquisition of Aspire Minerals Pty Ltd (“Aspire”) and its Cote d’Ivoire subsidiary (see note 24), Apollo is focusing on its exploration activities both in Australia and overseas. Consequently, the Over-the-Counter (“OTC”) skin care business will be discontinued in the short term.

Analysis of loss for the year from discontinued operations

The results of discontinued operations included in the consolidated statement of comprehensive income are set out below. The comparative loss and cash flows from discontinued operations have been re-presented to include those operations classified as discontinued in the current period.

	Year ended 30/06/12	Year ended 30/06/11
	$	$
Loss for the year from discontinued operations		
Revenue	**548**	1,849
Expenses	**(28,871)**	(92,159)
Loss before tax	**(28,323)**	(90,310)
Impairment of assets	**(15,753)**	-
Income tax	**-**	-
Loss for the year from discontinued operations	**(44,076)**	(90,310)

Notes to the financial statements
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	Year ended 30/06/12 $	Year ended 30/06/11 $
Cash flows from discontinued operations		
Net cash outflows from operating activities	**(28,422)**	(88,888)
Net cash inflows from investing activities	**-**	-
Net cash inflows from financing activities	**-**	-
Net cash outflows	**(28,422)**	(88,888)

7. Loss for the year from continuing operations

Loss for the year from continuing operations has been arrived at after (charging)/crediting:

	Year ended 30/06/12 $	Year ended 30/06/11 $
Investment income		
Interest income from bank deposits	64,251	67,160
Employee benefit expense		
Post employment benefits		
Defined contribution plans	(1,982)	(1,982)
Other employee benefits	(22,018)	(22,018)
Sub-total	(24,000)	(24,000)
Share-based payments (see note 21)		
Equity-settled share-based payments	(1,702,500)	-
Total employee benefits expense	(1,726,500)	(24,000)
Share-based payments (see note 21)		
Facilitation shares	66,667	-
Facilitation options	43,600	-
Employee remuneration	1,702,500	
Total share-based payments	1,812,767	-

8. Earnings per share

	Year ended 30/06/12 Cents per share	Year ended 30/06/11 Cents per share
Basic earnings per share		
From continuing operations	**(9.0)**	(0.07)
From discontinued operations	**(0.2)**	(0.01)
Total basic earnings per share	**(9.2)**	(0.08)

Notes to the financial statements
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	Year ended 30/06/12 Cents per share	Year ended 30/06/11 Cents per share
Diluted earnings per share		
From continuing operations	**(9.0)**	(0.07)
From discontinued operations	**(0.2)**	(0.01)
Total diluted earnings per share	**(9.2)**	(0.08)

Basic earnings per share
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Year ended 30/06/12 $	Year ended 30/06/11 $
Earnings used in the calculation of basic EPS		
Net loss for the year	**(2,602,311)**	(527,248)
Adjustments to exclude loss for the year from discontinued operations	**44,076**	90,310
Earnings used in the calculation of basic EPS from continuing operations	**(2,558,235)**	(436,938)

	2012 Number	2011 Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	**28,331,038**	648,397,264

Diluted earnings per share
The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	Year ended 30/06/12 $	Year ended 30/06/11 $
Earnings used in the calculation of diluted EPS		
Net loss for the year	**(2,602,311)**	(527,248)
Adjustments to exclude loss for the year from discontinued operations	**44,076**	90,310
Earnings used in the calculation of diluted EPS from continuing operations	**(2,558,235)**	(436,938)

	2012 Number	2011 Number
Weighted average number of ordinary shares for the purposes of basic earnings per share	28,331,038	648,397,264
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**28,331,038**	648,397,264

The number of options and other potential ordinary shares that are not dilutive and not included in the calculation of diluted loss per share is 30,333,333 (2011: 30,352,500).

9. Trade and other receivables

	30/06/12 $	30/06/11 $
Trade receivables	**4,258**	3,765
GST receivable	**87,349**	97,928
Other	**4,897**	4,897
	96,504	106,590

The average credit period on sale of goods is 45 days. No interest is charged on overdue trade receivables. Amounts for estimated irrecoverable trade receivables arising from past sales are directly written off trade receivables. The Company and Consolidated Entity will also consider any change in quality of the trade receivable from the date credit was initially granted up to the reporting date.

The Consolidated Entity considers that receivables which are neither past due nor impaired are recoverable.

Receivables which are past due but not impaired have the following ageing:

	30/06/12 $	30/06/11 $
60-90 days	**35,858**	7,833
> 120 days	**27,761**	79,621
Total	**63,619**	87,454

No impairment has been recognised as the Consolidated Entity considers the receivables to be recoverable.

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10. Inventories

	30/06/12	30/06/11
	$	$
Raw materials and packaging at cost	**142,450**	142,450
Finished goods at cost	**15,754**	15,754
Provision for impairment of raw materials and packaging costs	**(158,204)**	(142,450)
	-	15,754

Inventories relate to the OTC business which, at reporting date, is in the process of being wound down (see note 6). The Group accordingly recognised an impairment of $15,754 during the financial year to write down the inventories to their recoverable amount. The impairment is included in the loss from discontinued operations for the year.

11. Other current assets

	30/06/12	30/06/11
	$	$
Prepayments	**11,287**	-
	11,287	-

12. Non-current trade and other receivables

	30/06/12	30/06/11
	$	$
Loan to Aspire Minerals Pty Ltd	**-**	179,000
	-	179,000

The loan to Aspire Minerals Pty Ltd was advanced by the Company under the terms of the agreement for the purchase of Aspire. Following the acquisition of Aspire (see note 24), the loan is eliminated on consolidation.

Notes to the financial statements
For the year ended 30 June 2012

13. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			30/06/12	**30/06/11**
AC Minerals Pty Ltd (ii)	Mineral exploration	Australia	100%	100%
Apollo Applied Science Pty Ltd (ii)	Over the counter cosmetics sales (discontinued)	Australia	100%	100%
Aspire Minerals Pty Ltd (iii)	Mineral exploration	Australia	100%	-
Aspire Minerals CI SARL (iii)	Mineral exploration	Cote d'Ivoire	100%	-
Aspire Seguela Cote d'Ivoire EURL (iv)	Mineral exploration	Cote d'Ivoire	100%	-
Aspire Nord Cote d'Ivoire EURL (iv)	Mineral exploration	Cote d'Ivoire	100%	-
Calabash Sarl (iii)	Mineral exploration	Burkina Faso	100%	-

(i) Apollo Consolidated Limited is the head entity within the tax-consolidated group.
(ii) These companies are members of the tax consolidated group.
(iii) Refer to note 24 for details of subsidiary acquisitions.
(iv) Subsidiaries established during the financial year.

14. Property, plant and equipment

	Total $
Balance at 1 July 2010	**-**
Additions	-
Balance at 1 July 2011	**-**
Additions	799
Additions through acquisition of Aspire Minerals Pty Ltd	5,808
Balance at 30 June 2012	**6,607**

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15. Capitalised exploration and evaluation expenditure

	Total $
Balance at 1 July 2010	**124,711**
Additions	65,766
Balance at 1 July 2011	**190,477**
Additions	155,179
Acquisition of Aspire Minerals Pty Ltd	2,919,375
Acquisition of Calabash Sarl	102,052
Balance at 30 June 2012	**3,367,083**

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.

The acquisition of Aspire Minerals Pty Ltd ('Aspire Transaction') includes fair value adjustments of $2,892,400, the recoupment of which is dependent on the successful commercialisation or the sale of the areas of interest.

As disclosed in a Prospectus dated 8 February 2012, Authorisations of Prospection and Reconnaissance which were granted by the Ivory Coast Government have expired and the applications for Exploration Permits have all been lodged prior to the expiry dates. With respect to the Seguela permit the Inter-ministerial Commission on Mining (COMINE) has made a positive recommendation for the exploration license approval, though this is not binding until formally approved.

Whilst no assurance can be given on the ultimate outcome of the licensing approval process, the Directors have a high degree of confidence that the COMINE application will be granted.

16. Trade and other payables

	30/06/12 **$**	30/06/11 $
Trade payables	**150,863**	-
Accrued liabilities	**62,699**	132,367
Withholding tax payable	**3,398**	-
	216,960	132,367

The average credit period on purchases is 30 days.

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For the year ended 30 June 2012

17. Share capital

	30/06/12 $	30/06/11 $
43,401,868 fully paid ordinary shares (30 June 2011: 699,518,583)	**38,171,614**	34,399,525
7,500,000 performance shares (30 June 2011: nil)	**-**	-
	38,171,614	34,399,525

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 authorized capital.

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

Fully paid ordinary shares

		Number of shares	Share capital $
Balance at 1 July 2010		484,538,583	33,386,021
Share placements	(a)	200,000,000	1,000,000
Options converted		14,980,000	74,900
Costs of issue		-	(61,396)
As at 30 June 2011		**699,518,583**	**34,399,525**
Consolidation of capital	(b)	(676,200,719)	-
Share placements	(c)	19,083,333	3,816,667
Options converted		1,000,671	150,101
Costs of issue		-	(194,678)
As at 30 June 2012		**43,401,868**	**38,171,614**

a) On 16 September 2010 Shareholders voted to approve a placement of 200,000,000 new shares at 0.5 cents per share to raise $1,000,000 before costs to fund working capital. On 22 September 2010 the Company announced that the capital raising had been completed.

b) On 23 December 2011, Shareholders approved at a general meeting for the consolidation of share capital in the Company on a 1 for 30 basis. Consolidation was completed on 5 January 2012 at which time the number of ordinary shares was reduced to 23,317,864

Notes to the financial statements
For the year ended 30 June 2012

c) On 23 December 2011, Shareholders approved at a general meeting for a placement of 10,000,000 post-consolidation ordinary shares at 20 cents per share to raise $2,000,000 before costs. Shareholders also approved for 5,000,000 shares to be issued to the vendors of Aspire Minerals Pty Ltd and for 333,333 shares to be issued to consultants in for facilitation of the fund raising. The capital raising was oversubscribed and a further 3,750,000 shares were issued at 20 cents to raise $750,000. The oversubscription was ratified by Shareholders at a general meeting on 9 August 2012.

Performance Shares

	Number of shares	Share capital $
Balance at 1 July 2011	-	-
Class A issue	3,750,000	-
Class B issue	3,750,000	-
Balance at 30 June 2012	7,500,000	-

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

Performance Shares are shares in the capital of the Company. The Performance Shares entitle the holder to attend general meetings of Shareholders of the Company but do not entitle the holder to vote or participate in dividends. Performance shares will be either converted to ordinary shares on the completion of performance milestones or will be automatically redeemed by the Company for the sum of $0.000001 per performance share.

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

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

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

Deferred Consideration Shares

7,500,000 Deferred Consideration Shares will be issued, if, within a period of 3 years from the Aspire transaction settlement date, one or more of the Seguela, Vavoua, Korhogo, Tengrela North or Tengrela West exploration licences are granted, or commencement of RC/diamond drilling in any tenement occurs and title is transferred to the Company through its Cote d'Ivoire subsidiary. Deferred Consideration Shares will have the same terms and conditions of ordinary shares once issued.

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For the year ended 30 June 2012

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

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Apollo Consolidated Limited	15,000,000	Ordinary	$0.20	31/12/2016
Apollo Consolidated Limited	333,333	Ordinary	$0.20	31/12/2014
	15,333,333			

Following the consolidation of capital approved by Shareholders on 23 December 2011, the numbers of options on issue was amended in accordance with Listing Rule 7.22.1 on the basis of one post-consolidation option for every thirty pre-consolidation options. The exercise price of the options was amended in inverse proportion to that ratio.

15,333,333 options were issued during the year to 30 June 2012. No new options were issued during the year to 30 June 2011.

As at 30 June 2011, there were 30,352,500 options on issue of which 2,500 expired prior to consolidation on 23 December 2011. Post-consolidation there were 1,011,675 options on issue of which 11,004 expired and the balance of 1,000,671 were exercised during the current financial year.

Share options carry no rights to dividends and no voting rights. Further details of share-based payments can be found in note 21 to the financial statements.

18. Reserves

	30/06/12 **$**	30/06/11 $
Equity-settled employee benefits	3,762,501	2,016,401
Deferred equity consideration	1,125,000	-
Foreign currency translation reserve	(18,070)	-
	4,869,431	2,016,401

Equity-settled employee benefits reserve

	30/06/12 **$**	30/06/11 $
Balance at beginning of the year	2,016,401	2,016,401
Accounting value of share-based payments recognized in the year	1,746,100	-
Balance at the end of financial year	3,762,501	2,016,401

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Deferred equity consideration reserve

	30/06/12	30/06/11
	$	$
Balance at beginning of the year	-	-
Deferred consideration amounts arising	1,125,000	-
Balance at the end of financial year	1,125,000	-

Foreign currency translation reserve

	30/06/12	30/06/11
	$	$
Balance at beginning of the year	-	-
Exchange differences arising on translation of foreign operations	(18,070)	-
Balance at the end of financial year	(18,070)	-

Nature and purpose of reserves

Equity-settled employee benefits reserve:

The reserve relates to share options granted by the Company to its employees under its employee share option plan. Further information about share-based payments to employees is set out in note 21.

Deferred consideration reserve

The reserve relates to the issue of Deferred Consideration Shares in the Company on the acquisition of Aspire Minerals Pty Ltd. See note 18.

The Deferred Consideration Shares represent a contingent consideration and management have made an assessment of the probability of the shares being issued as 75% in determining the value of the issue.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (being Australian dollars) are51recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

19. Accumulated losses

	30/06/12	30/06/11
	$	$
Balance at the beginning of the year	(34,566,993)	(34,039,745)
Loss attributable to members o the parent entity	(2,602,311)	(527,248)
Balance at end of financial year	(37,169,304)	(34,566,993)

20. Financial instruments

20.1 Capital Risk Management

The Group seeks to manage its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through optimisation of the debt and equity ratios (see note 2). The Group's overall objectives and strategy in this regard remains unchanged from 2011.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses. Operating cash flows are used to pay for operating cash expenses.

The Group holds the following financial instruments

	30/06/12 $	30/06/11 $
Financial assets		
Cash and bank balances	3,076,076	1,489,479
Loans and receivables (including trade receivables)	96,504	285,590
Financial liabilities		
Trade and other payables	(216,960)	(132,367)

20.2 Financial Risk Management Objectives

The Group's activities have the potential to expose it to a variety of financial risks: market risk (including foreign currency and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial and exchange rate markets and seeks to minimise potential adverse effects on the Group's performance. Risk management is overseen by the board of directors.

20.3 Market Risk

The Group's activities have the potential to expose it primarily to the financial risks in foreign currency exchange rates, commodity prices and interest rates. In the last two years the Group has not used any derivative financial instruments to hedge its exposure to foreign exchange and interest rate risk. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period other than for foreign currency risk which is described below.

20.4 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

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For the year ended 30 June 2012

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	30/06/12	30/06/11	**30/06/12**	30/06/11
	$	$	**$**	$
West African Francs (CFA)	7,050	-	96,210	-

The Group is mainly exposed to the currencies of Cote d'Ivoire and Burkina Faso both being the West African CFA Franc (linked to the Euro).

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar agaisnt the relevant foreign currency. This analysis assumes that all other variables remain constant. A positive number below indicates an increase in profit or equity where the Australian dollar strengthens 10% against the relevant currency. For a 10% weakening of the Australian dollar against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

	West African Franc Impact $
Profit or loss	**8,916**

20.5 Interest Rate risk management

The Group and the Company are potentially exposed to interest rate risk as the parent entity deposits funds at floating interest rates. The Group does not hedge this risk through derivatives such as interest rate swaps.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on a 50 basis point change in interest rates taking place at the beginning of the financial year and held constant throughout the period, which represents management's assessment of the possible change in interest rates.

At reporting date and based on year-end cash balances, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net loss would have been $11,414 higher / lower (2011: $6,817).

20.6 Credit Risk management

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group uses publicly available financial information and its own trading record to rate its major customers. The Group's exposure and the credit ratings of it counterparties are continuously monitored and controlled by management. As at reporting date the Group has no material receivables and accordingly does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The potential credit risk on liquid funds held by the Group in the future is considered to be limited because likely counterparties are banks with high

Notes to the financial statements
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credit-ratings assigned by international credit-rating agencies. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum credit exposure to credit risk.

20.7 Liquidity risk management

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Consolidated

	Weighted average effective interest rate	Less than 6 months	6 months – 1 year	1 year – 2 years
30 June 2012		$	$	$
Non-interest bearing liabilities	-	216,960	-	-
		216,960	-	-
30 June 2011				
Non-interest bearing liabilities	-	132,367	-	-
		132,367	-	-

The following table details the Group's expected maturity for its non-derivative financial assets. The tables have been drawn up based on the undiscounted contractual maturities of financial assets including interest that will be earned on those assets except where the Group anticipates that the cash flow will occur in a different period based on the earliest date on which the Group can realise these assets. The table includes both interest and principal cash flows.

Consolidated

30 June 2012	Weighted average effective interest rate	Less than 6 months $	6 months – 1 year $	1 year – 2 years $
Variable interest rate instruments	3.32%	3,076,076	-	-
Non-Interest bearing assets		96,504	-	-
		3,172,580	-	-
30 June 2011				
Variable interest rate instruments	4.4%	1,489,479	-	-
Non-Interest bearing assets		106,590	-	179,000
		1,596,069	-	179,000

20.8 Fair value of financial instruments

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

21. Share-based payments

Facilitation Shares

The Group transferred 333,333 ordinary shares to a consultant of the Company as payment for services received in the facilitation of the Aspire Minerals acquisition. The shares had an issue price of $0.20 giving a fair value of $66,667 at issue.

Options

Share options were issued during the year as part of the Aspire acquisition transaction and concurrent capital raising.

Each share option issued converts to one ordinary share of Apollo Consolidated Limited on exercise. No amounts are paid or payable by the recipient of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Options issued during the year vest at the date of issue.

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Director Options 1 and 2

Options were issued to directors of the company as a performance linked incentive component in the directors' remuneration packages to motivate and reward the parties in their respective roles.

Consultant options

Options were issued to consultants of the Company in consideration for services received in the facilitation of the Aspire acquisition transaction.

The following share-based payment arrangements were in existence during the current and prior reporting periods:

Series	Pre-consol Number (*)	Post-consol Number	Grant date	Expiry date	Exercise price $	Fair value at grant date $
Granted 20/05/05	100,000	n/a	20/05/05	20/05/11	$13.00	20c
Granted 24/11/05	2,500	n/a	24/11/05	24/11/11	$13.00	28c
Granted 07/03/06	10,000	n/a	07/03/06	01/03/11	$13.00	22c
Granted 29/01/07	330,000	11,004	29/01/07	01/02/12	$330.00	20c
Director Options 1	n/a	12,000,000	20/01/12	31/12/16	$0.20	10.22c
Director Options 2	n/a	3,000,000	02/03/12	31/12/16	$0.20	15.87c
Consultant Options	n/a	333,333	04/04/12	31/12/14	$0.20	13.08c

(*) Options on issue prior to 23 December 2011 have been consolidated on a 1 for 30 basis. See note 17 for further details.

The weighted average fair value of the share options granted during the financial year is $0.11 (2011: nil). Options were priced using a binomial option pricing model.

Inputs into the model

	Director Options 1	Director Options 2	Consultant Options
Number	12,000,000	3,000,000	333,333
Grant date	20/01/12	02/03/12	04/04/12
Exercise prices	$0.20	$0.20	$0.20
Expected volatility	110%	110%	110%
Option life (years)	5.0	4.8	2.7
Dividend yield	Nil	Nil	Nil
Risk-free interest rate	3.32%	3.75%	3.36%

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Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

	2012		2011	
	Number of options	Weighted average exercise price (a) $	Number of options	Weighted average exercise price $
Balance at beginning of year	**332,500**	**$10.02**	**442,500**	**$12.01**
Effect of share consolidation	(318,996)	$330.00	-	
Granted during the year	15,333,333	$0.20	-	
Exercised during the year	-		-	
Lapsed during the year	(13,504)	$330.45	(110,000)	$13.00
Balance at end of the year	**15,333,333**	**$0.20**	**332,500**	**$10.02**
Exercisable at the end of the year	15,333,333 (b)	$0.20	332,500	$10.02

(a) The weighted average exercise price reflects the effect of the one for 30 share consolidation
(b) Whilst the options are exercisable at the end of the year, any shares issued from the exercise will be escrowed until 11 April 2014.

22. Key management personnel ('KMP') compensation

The Remuneration Committee reviews the remuneration packages of the directors and key management personnel of the Company and makes recommendations to the Board. Remuneration packages are reviewed and determined with due regard to the duties, responsibilities and performance of each director and senior executive, and current market rates.

Remuneration and other terms of employment are reviewed periodically based on each director's or senior executive's performance and achievements over the review period. Performance related remuneration to date has been set by reference to completion of key projects or milestones. No bonus targets have been set based on financial performance.

The KMP of the Company are the Directors and other executives reporting directly to the Chief Executive Officer.

Directors

- Mr. N Castleden
- Mr. R Steinepreis
- Mr. G Ventouras
- Mr. S West (appointed 16 April 2012)
- Mr. R Gherghetta (appointed 16 April 2012)

Other KMP

- Mr. A Neuling (Company Secretary) Company Executive

Notes to the financial statements
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The aggregate compensation made to KMP of the Group is set out below:

	Year ended 30/06/12 $	Year ended 30/06/11 $
Short-term employee benefits	293,750	216,830
Post-employment benefits	1,982	1,982
Share-based payments	1,702,500	-
Balance at end of financial year	1,998,232	218,812

Notes to the financial statements
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2012	Short-term employee benefits				Post-employment benefits		Other long-term benefits	Termin-ation benefits	Share-based payment				Total
									Equity-settled				
	Salary & fees $	Bonus $	Non-monetary $	Other $	Super-annuation $	Other $	$	$	Shares & units $	Options & rights $	Cash-settled $	Other $	$
Executive directors													
Mr. N Castleden	123,195	-	-	-	1,982	-	-	-	-	613,200	-	-	738,377
Non-executive directors													
Mr. R Steinepreis	26,000	-	-	-	-	-	-	-	-	613,200	-	-	639,200
Mr. G Ventouras	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000
Mr. S West	6,000	-	-	-	-	-	-	-	-	238,050	-	-	244,050
Mr. R Gherghetta	6,000	-	-	-	-	-	-	-	-	238,050	-	-	244,050
Other													
Mr. A Neuling (i)	72,555	-	-	-	-	-	-	-	-	-	-	-	72,555
Total	**293,750**	**-**	**-**	**-**	**1,982**	**-**	**-**	**-**	**-**	**1,702,500**	**-**	**-**	**1,998,232**

Notes to the financial statements
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2011	Short-term employee benefits				Post-employment benefits		Other long-term benefits	Termination benefits	Share-based payment				Total
									Equity-settled				
	Salary & fees $	Bonus $	Non-monetary $	Other $	Super-annuation $	Other $	$	$	Shares & units $	Options & rights $	Cash-settled $	Other $	$
Executive directors													
Mr. N Castleden	85,407	-	-	-	1,982	-	-	-	-	-	-	-	87,389
Non-executive directors													
Mr. R Steinepreis	24,000	-	-	-	-	-	-	-	-	-	-	-	24,000
Mr. G Ventouras	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000
Other													
Mr. A Neuling (i)	47,423	-	-	-	-	-	-	-	-	-	-	-	47,423

i) Amounts shown as remuneration for Mr. Neuling are fees paid to Erasmus Consulting Pty Ltd (Erasmus), a Company controlled by Mr. Neuling which provides, Company Secretarial, Accounting and Financial services to the Company. The amounts include payment for services provided by Mr. Neuling and other members of staff employed or retained by Erasmus.

Notes to the financial statements
For the year ended 30 June 2012

23. Related party transactions

23.1 Key management personnel equity holdings

	Balance at 1 July No.	Granted as compen-sation No.	Received on exercise of options No.	Net other change (i) No.	Balance at 30 June No.	Balance held nominally No.
2012						
N. Castleden						
Ordinary shares	15,000,000	-	166,667	(14,499,999)	666,668	333,334
Options (iv)	5,000,000	6,000,000	(166,667)	(4,833,333)	6,000,000	6,000,000
R. Steinepreis						
Ordinary shares	35,000,000	-	333,334	(32,707,831)	2,625,503	500,000
Options (iv)	5,000,000	6,000,000	(333,334)	(4,666,666)	6,000,000	6,000,000
G. Ventouras						
Shares	10,000,000	-	166,667	(9,666,666)	500,001	500,001
Options (iv)	5,000,000		(166,667)	(4,833,333)	-	-
S. West (v)						
Ordinary shares (ii)	-	-	-	1,507,657	1,507,657	56,267
Performance shares (iii)	-	-	-	2,227,982	2,227,982	196,908
Options (iv)	-	1,500,000	-	-	1,500,000	1,500,000
R. Gherghetta (v)						
Ordinary shares (ii)	-	-	-	1,979,060	1,979,060	1,979,060
Performance shares (iii)	-	-	-	2,269,986	2,269,986	2,269,986
Options (iv)	-	1,500,000	-	-	1,500,000	1,500,000
A. Neuling						
Ordinary shares	2,220,000	-	7,334	(2,067,665)	159,669	111,668
Options (iv)	220,000	-	(7,334)	(212,666)	-	-

(i) Shares and options on issue at 23 December 2011 were consolidated on a one for thirty basis.
(ii) Vendor shares issued to S. West and R. Gherghetta in their capacity as previous shareholders of Aspire Minerals Pty Ltd.
(iii) Performance shares issued to S. West and R. Gherghetta in their capacity as previous shareholders of Aspire Minerals Pty Ltd.
(iv) All options held by KMP had vested and are exercisable.
(v) S. West and R. Gherghetta will also be issued with 2,227,982 and 2,269,986 Deferred Consideration Shares respectively, if the conditions related to those shares are met. See note 17 for details.

Notes to the financial statements
For the year ended 30 June 2012

23.1 Key management personnel equity holdings (continued)

	Balance at 1 July No.	Granted as compen-sation No.	Received on exercise of options No.	Net other change (i) No.	Balance at 30 June No.	Balance held nominally No.
2011						
N. Castleden						
Ordinary shares	15,000,000	-	-	-	15,000,000	15,000,000
Options (iv)	5,000,000	-	-	-	5,000,000	5,000,000
R. Steinepreis						
Ordinary shares	50,000,000	-	-	(15,000,000)	35,000,000	-
Options (iv)	10,000,000	-	-	(5,000,000)	5,000,000	-
G. Ventouras						
Shares	10,000,000	-	-	-	10,000,000	10,000,000
Options (iv)	5,000,000		-	-	5,000,000	5,000,000
A. Neuling						
Ordinary shares	2,220,000	-	-	-	2,220,000	1,000,000
Options (iv)	220,000	-	-	-	220,000	-

During the financial year, 674,002 options (2011: nil) were exercised by key management personnel at an exercise price of $0.15 per option for 666,668 ordinary shares in Apollo Consolidated Limited (2011: nil). No amounts remain unpaid on the options exercised during the financial year at year-end.
Further details of the share options granted during the year are contained in note 21 to the financial statements.

23.2 Other transactions with KMP of the Group

Loss for the year includes the following items of expense that resulted from transactions, other than compensation, loans or equity holdings, with KMP or their related entities:

	30/06/12 $	30/06/11 $
Compliance & Administration	170,270	34,698
Loss from discontinued operations	15,000	12,500
	185,270	**47,198**

23.3 Total liabilities arising from transactions other than compensation with KMP or their related parties:

	30/06/12 $	30/06/11 $
Current	157,313	47,200
Non-current	-	-
	157,313	**47,200**

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During the year, Legal Fees of $170,270 (excluding GST) (2011: $34,698) were paid to Steinepreis Paganin, a law firm of which Mr. Roger Steinepreis is a partner. The fees were paid on normal commercial terms.

In addition, an amount of $15,000 (2011: $12,500) was paid on normal commercial terms to the George Ventouras Family Trust #1 for warehouse rental and operational expenses.

24. Business combinations

24.1 Subsidiaries acquired

Name	Principal activity	Date of acquisition	Proportion of shares acquired	Consideration transferred $
Aspire Minerals Pty Ltd	Exploration	31/03/12	100%	2,125,000
Aspire Minerals CI SARL (i)	Exploration	31/03/12	100%	-
Calabash Sarl (ii)	Exploration	18/04/12	100%	50,000
				2,175,000

(i) Aspire Minerals CI Sarl is a 100% subsidiary of Aspire Minerals Pty Ltd and was acquired by the Company through the acquisition of Aspire Minerals Pty Ltd

(ii) The acquisition of Calabash Sarl did not meet the definition of a business combination as defined by AASB 3 'Business Combinations' and has therefore been accounted for as an asset acquisition.

24.2 Consideration transferred

	Aspire Minerals Pty Ltd	Calabash Sarl
Cash	-	50,000
Ordinary shares issued	1,000,000	-
Contingent consideration (iii)	1,125,000	-
	2,125,000	50,000

(iii) The consideration transferred for the acquisition of Aspire Minerals Pty Ltd ('Aspire') includes 7,500,000 Deferred Consideration Shares valued at $0.20 each. The probability of the performance hurdle being achieved and the Deferred Consideration Shares being issued has been estimated by management as 75%.

Notes to the financial statements
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24.3 Assets acquired and liabilities assumed at the date of acquisition

	Aspire $
Current assets	
Cash	34,379
Other current assets	12,474
Non-current assets	
Capitalised exploration and evaluation	26,976
Property, plant and equipment	5,808
Current liabilities	
Trade and other payables	(4,287)
Non-current liabilities	
Borrowings	(373,894)
Net liabilities acquired	**(298,544)**

24.4 Fair value adjustment arising on acquisition

	Aspire $
Consideration transferred	2,125,000
Fair value of net liabilities acquired	298,544
Deferred tax liability arising (iv)	605,886
Deferred tax asset arising (v)	(137,030)
Fair value adjustment to exploration assets on acquisition	2,892,400

(iv) Under paragraph 19 of AASB 112, temporary differences arise when the tax bases of the identifiable assets acquired and liabilities assumed are not affected by the business combination or are affected differently. For example, when the carrying amount of an asset is increased to fair value but the tax base of the asset remains at cost to the previous owner, a taxable temporary difference arises which results in a deferred tax liability.

In the case of Apollo, the fair value of the exploration and mining expenditure was increased in accordance with AASB 3 Business Combinations with no corresponding increase allowable in the tax base of relevant exploration and mining expenditure.

Accordingly, a deferred tax liability amounting to 25% of the fair value uplift is required to be recognised as part of the business combination transaction.

It is envisaged that the deferred tax liability arising from the fair value uplift may be reduced over time due to (i) amortisation/impairment of the exploration and mining expenditure, and/or (ii) reliance on the offset provisions under paragraph 71 of AASB 112 and offsetting the deferred tax liability arising from the business combination transaction with deferred tax asset arising from carried forward tax losses that may be incurred.

(v) An offsetting deferred tax asset has been recognised on acquisition for the tax losses incurred by Aspire to acquisition date in Cote d'Ivoire

24.5 Net cash inflow/(outflow) on acquisition of subsidiaries

	Aspire **$**	**Calabash Sarl** **$**
Consideration paid in cash	-	(50,000)
Add: cash balances acquired	34,379	-
Net cash inflow/(outflow)	34,379	(50,000)

24.6 Impact on results of the Group

Included in the loss for the year is a loss of $75,500 attributable to the business of Aspire with no impact on revenue. Had the business combination been effected at 1 July 2011, the loss attributable to Aspire would have been $10,424 with no impact on revenue.

25. Cash and cash equivalents

Reconciliation of loss for the year to net cash flows from operating activities

	Year ended 30/06/12 $	Year ended 30/06/11 $
Loss for the year	**(2,602,311)**	(527,248)
Non-cash items:		
Inventory write off	15,753	-
Share-based payments	1,812,767	-
Financing and investing cash flows included in loss:		
Interest income	(64,251)	(67,160)
Exploration expenditure not capitalised	96,880	-
Movement in receivables	10,087	(40,809)
Movement in payables	80,307	50,117
Movement in other current assets	5,200	1,422
Cash flows from operating activities	**(645,568)**	(583,678)

26. Non-cash transactions

During the current year, the Group made non-cash share-based payments of $1,812,767 the details of which can be found in note 21 to the financial statements.

The Group also wrote off inventory of $15,753 on the discontinuation of the OTC business. See note 6 for further details.

Notes to the financial statements
For the year ended 30 June 2012

27. Commitments

During the year, the Group, through its newly acquired subsidiary Calabash Sarl, acquired the rights to ownership of 100% of the Bredie and Kapa permits in Burkina Faso by making staged payments totaling USD $330,000 (USD $165,000 per permit). Of this amount USD $60,000 (AUD $56,800) has already been paid and the balance is payable as set out below:

	Bredie & Kapa Permits at 30/06/12 $
Not longer than 1 year	58,875
Longer than 1 year and not longer than 5 years	206,064
	264,940

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 licence to mining lease or other reasons pursuant to the WA Mining Act. As at reporting date these future minimum exploration expenditure commitments are as follows:

	30/06/12	30/06/11
	$	$
Not longer than 1 year	68,080	32,280
Longer than 1 year and not longer than 5 years	259,240	249,120
Total	**327,320**	281,400

28. Remuneration of auditors

Auditor of the parent entity

	Year ended 30/06/12 $	Year ended 30/06/11 $
Audit or review of the financial statements	55,718	26,250
Remuneration for other services	-	-
	55,718	26,250

Notes to the financial statements

For the year ended 30 June 2012

29. Subsequent events

On 9 August 2012, Shareholders approved the issue of 5,225,000 options to the Company's broker on the successful completion of the April 2012 capital raising. The options have not been issued as of the date of this report.

On 27 August 2012, the Company announced that assay results returned from an eight hole reverse circulation (RC) drilling program confirm excellent potential for high-grade gold mineralisation at Bombora, a prospect at the Company's Lake Rebecca project in Western Australia.

There has not been any matter or circumstance occurring subsequent to the end of the financial year 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.

30. Parent entity

The parent entity of the Group is Apollo Consolidated Limited.

Investments in subsidiaries are initially measured at cost, net of transaction costs. Subsequent to initial recognition, investments in subsidiaries are measured at cost in the Company financial statements.

Parent Entity Comprehensive Income for the Financial Year ended 30 June 2012

	Year ended 30/06/12 $	Year ended 30/06/11 $
Loss for the year of the parent company	**(2,965,466)**	(508,621)
Other comprehensive income	**-**	-
Total comprehensive income for the financial year	**(2,965,466)**	**(508,621)**

Notes to the financial statements
For the year ended 30 June 2012

Parent Entity Statement of Financial Position as at 30 June 2012

	30 June 2012 $	30 June 2011 $
Current assets		
Cash and bank balances	**2,974,600**	1,489,479
Trade and other receivables	**578,843**	312,049
Other current assets	**7,273**	-
Total current assets	**3,560,716**	1,801,528
Non-current assets		
Trade & other receivables	**-**	179,000
Investment in controlled entities	**2,175,800**	800
Total non-current assets	**2,175,800**	179,800
Total assets	**5,736,516**	1,981,328
Current liabilities		
Trade and other payables	**209,860**	132,395
Total current liabilities	**209,860**	132,395
Total liabilities	**209,860**	132,395
Net assets	**5,526,656**	1,848,933
Equity		
Issued capital	**38,171,614**	34,399,525
Reserves	**4,887,501**	2,016,401
Accumulated losses	**(37,532,459)**	(34,566,993)
Total equity	**5,526,656**	1,848,933