

ASX ANNOUNCEMENT

By e-lodgement

2 June 2015

Placement and Proposed Rights Issue to Fund Drilling over High-Quality Cote d'Ivoire Gold Targets

Apollo Consolidated Limited (ASX:AOP, **Apollo** or **Company**) announces it has completed a \$200,000 placement to an Australian sophisticated investor (**Placement**). In conjunction with the Placement, the Company intends to conduct a pro-rata non-renounceable entitlements issue (**Rights Issue**) on the same terms to raise up to an additional \$895,000.

Assuming the Rights issue is fully subscribed, the capital-raising is expected to leave the Company with a cash position of approximately \$1.9m, and well placed to progress first-ever drilling at its emerging new gold projects in Cote d'Ivoire.

The funds raised are to be applied to inaugural drilling campaigns over extensive new gold anomalies in the **Korhogo** and **Boundiali** permits in northern Cote d'Ivoire. Exploration work since grant of the permits late 2014 has quickly defined high-quality gold targets in very well-endowed gold terrains (see ASX release 8th April 2015 '*Significant Gold Anomalies Emerging on New Exploration Permits, Cote d'Ivoire*').

The **Korhogo** permit lies on the southern extensions of the **Tongon** (>4Moz Au, Randgold Resources Ltd) to **Banfora** (3.2moz Au, Gryphon Minerals Ltd) greenstone belt, and on a regional NE trending structural corridor that links these deposits.

Initial soil sampling at Korhogo has identified a **continuous anomalous trend ('Liberty') extending over at least 20km of strike**. At a >20ppb gold threshold the Liberty anomaly includes three higher grade segments (Liberty 1, 2 & 3) each with coherent >100ppb gold anomalism. The central segment (Liberty 2) extends over more than 4km strike and is up to 500m wide.

The Boundiali permit sits on the eastern margin of the **Syama** (>5Moz, Resolute Mining Ltd) and **Sissingué** (Perseus Mining Ltd) greenstone belt, and contains NNE trending structures and geological boundaries that host gold mineralisation to the southwest of the permit.

Soil sampling here has defined a wide **high-threshold soil anomaly 'Antoinette' that extends over at least 4km strike and is up to 1km wide**. The anomaly encompasses coherent zones of >100ppb Au anomalism up to 2.2km in length, with spot results including 1,570ppb Au (1.57g/t), 839ppb Au (0.83g/t Au) and 615ppb Au (0.61g/t Au).

Infill geochemical sampling and mapping is continuing at both anomalies but it is already clear that the scale of gold anomalism and first-class geological setting point to strong potential for bedrock mineralisation, and drilling is now warranted in these locations. The terrain is ideal for RAB or aircore geochemical drilling in conjunction with trenching or pit sampling.

Exploration work and key targets on the project are outlined in the Company's updated Presentation Materials (see ASX release 21st April 2015), and in other recent exploration announcements available at www.apolloconsolidated.com.au.

The Company is very pleased to welcome new sophisticated investors to the register under the Placement. With an implied enterprise value of just \$0.78M at the issue price, the Company believes that the forthcoming programs offer new and existing shareholders great leverage to drilling success.

Details of the Offer

Placement

A total of 8,000,000 shares have been issued at an issue price of 2.5 cents per Share, together with one (1) free attaching option (**Option**) for every two (2) Shares issued exercisable at 5 cents each on or before 30 June 2017 (the **Placement**). Shareholder approval was not required for the Placement, which was conducted using the Company's Placement Capacity under Listing Rules 7.1 / 7.1A.

Rights Issue

The Rights Issue offer (**Offer**) to shareholders is for one (1) fully paid ordinary share in the capital of the Company (**Share**) for every two (2) Shares held by Shareholders registered at the Record Date at an issue price of 2.5 cents per Share, together with one (1) free attaching Option for every two (2) Shares issued exercisable at 5 cents each on or before 30 June 2017.

The Company will lodge its Prospectus for the Offer shortly. Full details of the Offer and timetable will be set out therein and in an accompanying announcement on the ASX.

The indicative items of expenditure on completion of the rights issue (subject to quantum of funds raised through the rights issue) is proposed to be apportioned as follows (subject to finalisation in the Prospectus):

Item of Expenditure	Amount (\$)
RAB/aircore drilling at Korhogo project, follow-up RC as required	340,000
RAB/aircore drilling at Boundiali project, follow-up RC as required	250,000
Trenching and phase two RC drilling Seguela project	180,000
General tenement expenditure Australia	90,000
General finance and administration costs	50,000
Expenses of the Offer	80,000
Available working capital	110,000
Total	1,100,000

Secondary Trading Exemption Notice

The Corporations Act 2001 (**Act**) restricts the on-sale of securities without disclosure, unless the sale is exempt under Section 708 or 708A of the Act. By Apollo giving this notice, on-sale of the Placement Shares will fall within the exemption offered by Section 708A (5) of the Act.

Apollo hereby notifies the ASX (as the operator of the prescribed financial market on which the Placement Shares are to be quoted) under Section 708A(5)(e) of the Act that:

- Apollo issued the Placement Shares without disclosure to investors under Part 6D.2 of the Act;
- As at the date of this notice Apollo has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and with Section 674 of the Act; and,
- As at the date of this notice there is no "excluded information" as defined in Section 708A(7) and (8) of the Act in relation to the Company.

For and on behalf of the Board

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

INFORMATION REQUIRED UNDER ASX LISTING RULE 3.10.5A

As detailed in the accompanying Appendix 3B dated 2 June 2015, the Placement Shares (and Options) were issued partly under the 15% limit available to the Company under Listing Rule 7.1 and partly under the additional 10% approved by Shareholders at the Company's 2014 Annual General Meeting in accordance with Listing Rule 7.1A. In accordance with the requirements of Listing Rules 7.1A4(b) and 3.10.5A the following information is provided by the Company in relation to the 2,455,827 Placement Shares issued under Listing Rule 7.1A.

(a) Details of the dilution to existing shareholders as a result of the issue

A total of 2,455,827 shares were issued pursuant to Listing Rule 7.1A, representing 3.4% of the post-placement capital.

The percentage of the post-placement capital held (in aggregate) is as follows:

- Pre-placement security holders who did not participate in the 7.1A placement – 89.9% of issued capital
- Pre-placement security holders who participated in the 7.1A placement – 0% of issued capital
- Participants in the 7.1A placement who were not previously security holders (other than through participation in the 7.1 Issue) – 11.1% of issued capital

The percentage of the post-placement capital held by pre-placement security holders is 89.9% of the issued capital.

(b) Reasons why the Company issued the equity securities as a placement under rule 7.1A and not as (or in addition to) a pro-rata issue or other type of issue in which existing ordinary shareholders would have been eligible to participate

As announced to the market, the Placement represents the first stage in a larger proposed capital-raising which includes a pro-rata issue.

(c) Details of any underwriter arrangements including any fees payable to the underwriter

Not Applicable. The Placement was not underwritten.

(d) Any other fees or costs incurred in connection with the issue and the funds raised

Brokerage of approximately \$10,000 + GST is payable in connection with the overall Placement, of which approximately \$3,000 is attributable to the LR 7.1A issue. Standard ASX listing fees and share registry expenses will also apply.