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**Apollo Consolidated Ltd**

ASX – AOP

**Issued Ordinary Shares – 107.4M**

*Unlisted Options – 45M (20c & 5c)*

*Performance Shares – 7.5M*

*Market Cap (at 5c) – \$5.37M*

*Cash (June15Q) - \$1.36M*

**BOARD:**

*Chairman – Roger Steinepreis*

*Executive Director – Nick Castleden*

*Non-Executive Directors:*

*Robert Gherghetta*

*Stephen West*

*George Ventouras*

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**ASX ANNOUNCEMENT**

By e-lodgement

27th January 2016

**QUARTERLY ACTIVITIES REPORT – DECEMBER 2015**

During the fourth Quarter 2015 Apollo Consolidated Limited (ASX: AOP, **Apollo** or **Company**) moved toward drill-testing of strong soil anomalism at the **Korhogo** and **Boundiali** gold projects in northern **Cote d'Ivoire**, and executed non-binding Option to Purchase documentation with Newcrest Mining Ltd to progress exploration at the Company's advanced **Seguela** property.

In Western Australia interpretation and planning undertaken ahead of continued drill testing of **open-ended gold targets** at its 100% owned **Rebecca** gold project in Australia.



**Highlights:**

- **KORHOGO and BOUNDIALI PROJECTS (Cote d'Ivoire):** first-ever **drilling underway** over more than **20km of gold-in-soil anomalism** in a strongly-endowed gold district
- **BOUNDIALI PROJECT:** five metre long 'test' trench cut to determine bedrock orientations below soil anomalism returned **5m @ 6.62g/t Au**. This is the only bedrock information in the area & confirms drill target
- **SEQUELA PROJECT (Cote d'Ivoire):** non-binding Heads of Agreement signed with Newcrest Mining Ltd for an option to purchase arrangement. **Newcrest to carry out exploration for up to two years**. Funds received by Apollo to be applied to its other Ivoirian properties
- **REBECCA PROJECT (Australia):** planning for follow-up drilling around **23m @ 1.51g/t Au** at Redskin NW prospect, and **20m @ 1.55g/t Au** at Bombora

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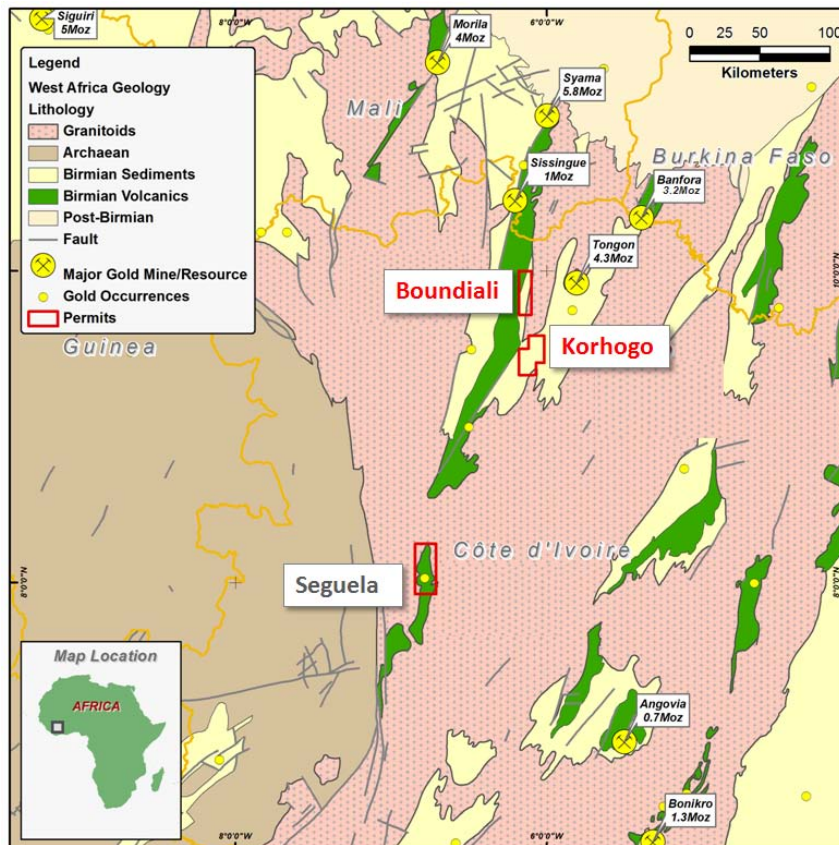
# 1 West African Gold Exploration

## 1.1 Northern Permits



Aircore drilling is underway at the Company's wholly-owned **Korhogo** and **Boundiali** exploration permits in northern Cote d'Ivoire (Figure 1) following continued encouragement in soil sampling on both permits. A total of **more than 20km of strike of gold-in-soil anomalism will be tested** in this program, mostly on reconnaissance-scale traverses with allowance for infill drilling as required.

Figure1. Permit Location Map Cote d'Ivoire

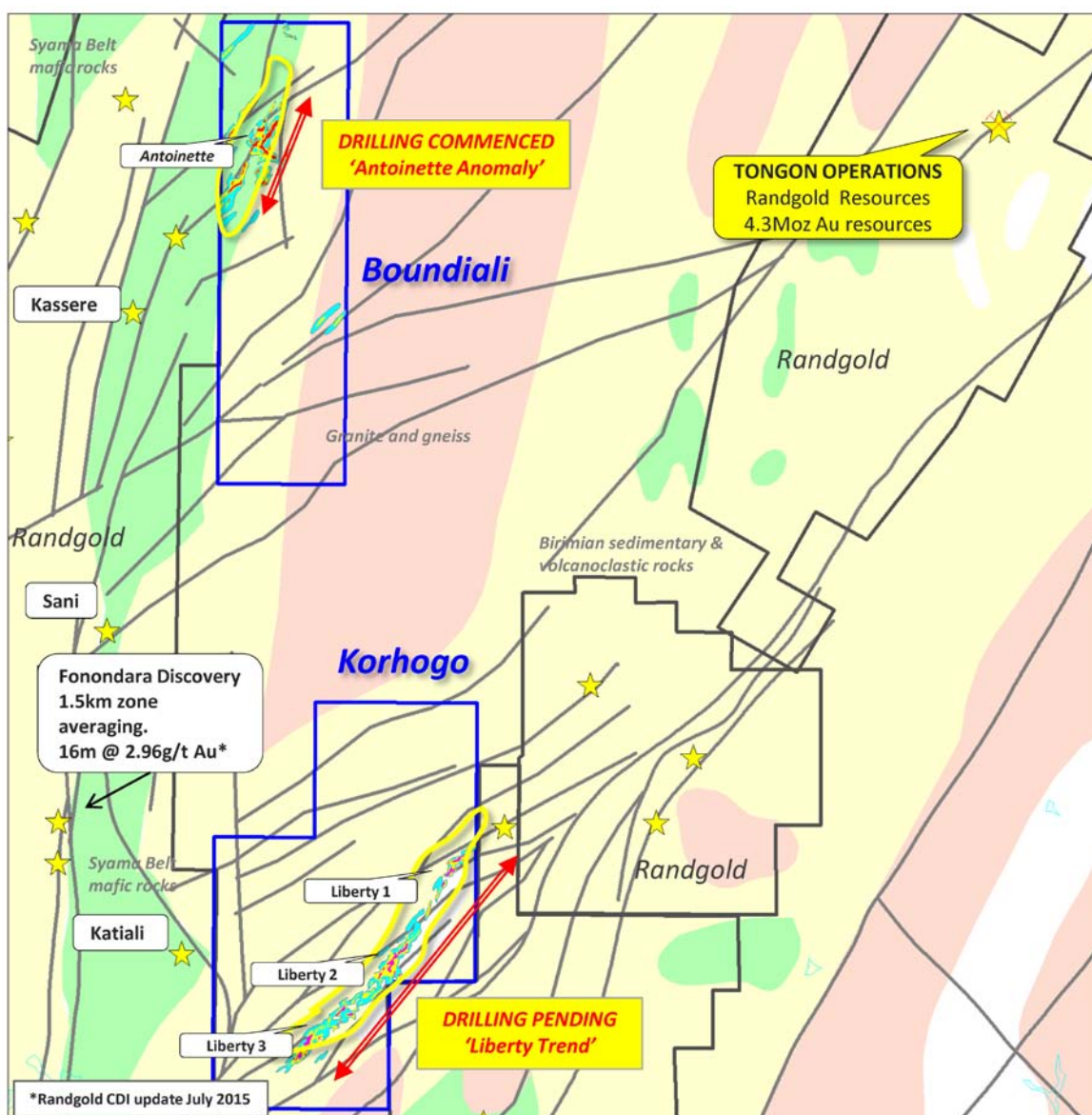


Aircore drilling is a fast and effective method to test weathered bedrock profiles. In the current program each drill traverse will receive angled drillholes to obtain close to full geological coverage across the oxidised profile.

Drilling is initially being carried out at the 'Antoinette' prospect, a >6km long, 1km wide gold anomaly defined by detailed soil sampling during 2015. Drill traverses are being undertaken at 200m, 400m or 800m spacing along a linear 2.6km higher-grade section of the anomaly (Figure 2), followed by step-out lines to test parallel zones.



Figure 2 Regional geology and gold prospects Korhogo & Boundiali

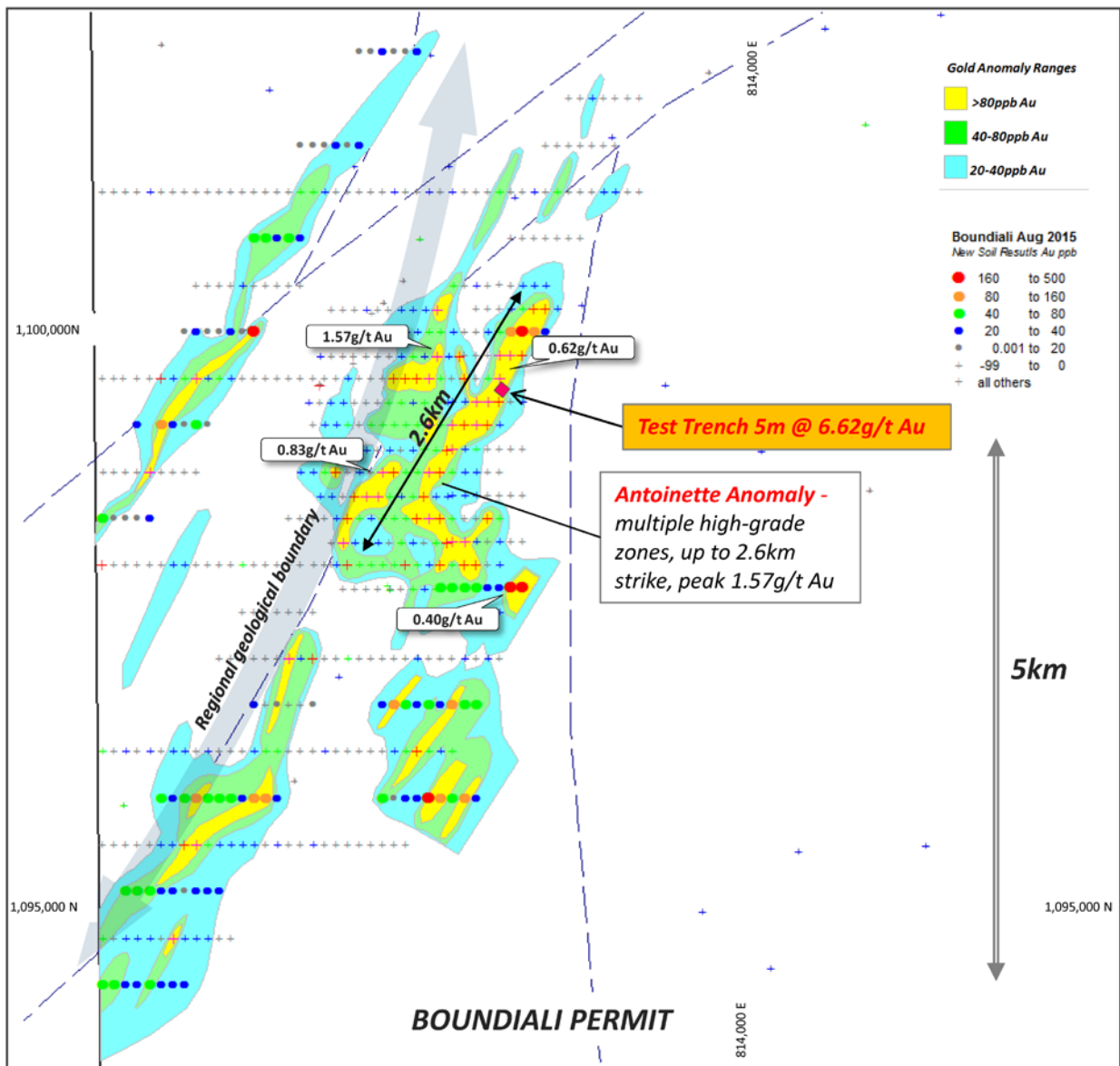


The Antoinette prospect is entirely soil-covered and little is known about the underlying geology. Regionally the anomaly lies at the northern extension of a structural zone that hosts a number of developing prospects on Randgold Resources Ltd permits (Figure 2).

**A 5m trench dug late 2015 to check geological orientations at Antoinette returned a promising result of 5m @ 6.62g/t Au (ASX announcement 22<sup>nd</sup> December 2015 "Test trench reveals strong gold mineralisation").** The trench site lies within the main 2.6km zone and near overgrown ancient diggings and soil results up to 615ppb Au (0.61g/t Au). These indications support good gold prospectivity in the area.

Approximately 2,700m drilling will be undertaken at Antoinette before the drill rig mobilises to the Company's **Korhogo** property.

Figure 3. Antoinette soil anomaly



At Korhogo up to 4,000m of reconnaissance style aircore drilling is planned over high-tenor portions of the 20km 'Liberty' gold anomaly ('Liberty 1, 2 & 3' zones), each of which is more than 3km long (Figure 5).

Liberty lies in a proven greenstone belt and on a known structural zone. The operating Tongon gold mine (>4moz contained gold) lies 60km to the NE of Liberty 1 (Figure 2).

During preparation of drill-traverses a series of silicified and sulphide altered chert outcrops were identified through soil cover in the area between Liberty 2 and Liberty 3. The presence of sulphide alteration is considered encouraging, and very fine specks of native gold were observed in an exposure of oxidised iron-stained chert with quartz veining (Figure 4). Previously reported rock chip samples in this area have returned values ranging from 0.61 to 0.85g/t Au (Figure 5).

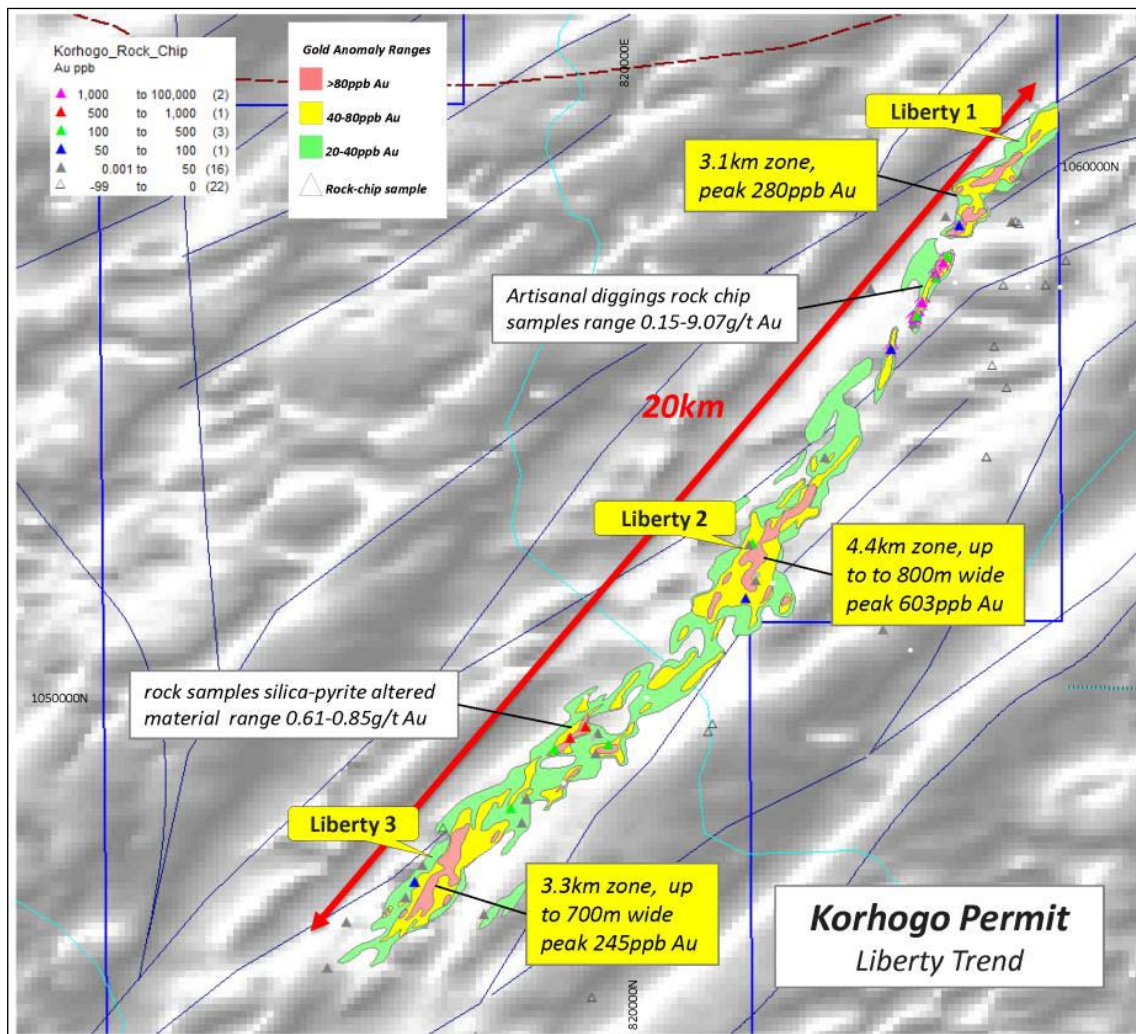
Drill samples from the current campaign will be submitted for analysis in batches, with results of each batch expected 2-3 weeks thereafter.



Figure 4. Sulphide altered chert outcrops and free gold in hand-specimen from the area between Liberty 2 and Liberty 3



Figure 5. Korhogo Permit - Liberty soil anomaly on regional magnetics



## 1.2 Seguela Project (Apollo 80%, earning 100%)



During the Quarter the Company announced the signing of a Non-Binding Heads of Agreement ('HoA') with a subsidiary of the global gold producer Newcrest Mining Limited (**ASX:NCM 'Newcrest'**) for a potential Option to Purchase ('Option') over the permit.

Seguela is located in central west Cote d'Ivoire, 250km NW from Newcrest's **Bonikro** gold operations (Figure 1), and has been explored by Apollo over the previous five years.

Under the terms of the Option Newcrest would fund and manage up to two years' exploration on the property, with the second year of Option at Newcrest's election. If Newcrest decides to exercise the Option it will purchase 100% of the Seguela permit from the existing permit holder Mont Fouimba Resources SA (MFR), an Ivorian holding company 80% owned by Apollo. Entry into the Option is conditional upon Newcrest completing due diligence to its satisfaction and other conditions, including the approval of MFR's 20% shareholder.

During the Option period Newcrest will fund all exploration on the property, utilising its technical and financial resources as an established Ivorian gold miner and led by a well-credentialed West African discovery team.

The Option provides Apollo with funding through option fees that would be applied to its exciting early-stage gold exploration at its 100% owned permits in Cote d'Ivoire, and allow the Company to consider other early-stage exploration opportunities in the Country.

Details of the Option are outlined in the Company's ASX release 11<sup>th</sup> December 2015 "*Apollo and Newcrest Sign Heads of Agreement on Seguela Gold Project, Cote d'Ivoire*". Full documentation is well-advanced and the Company is hopeful that significant exploration will be underway on the property during Q1 2016,



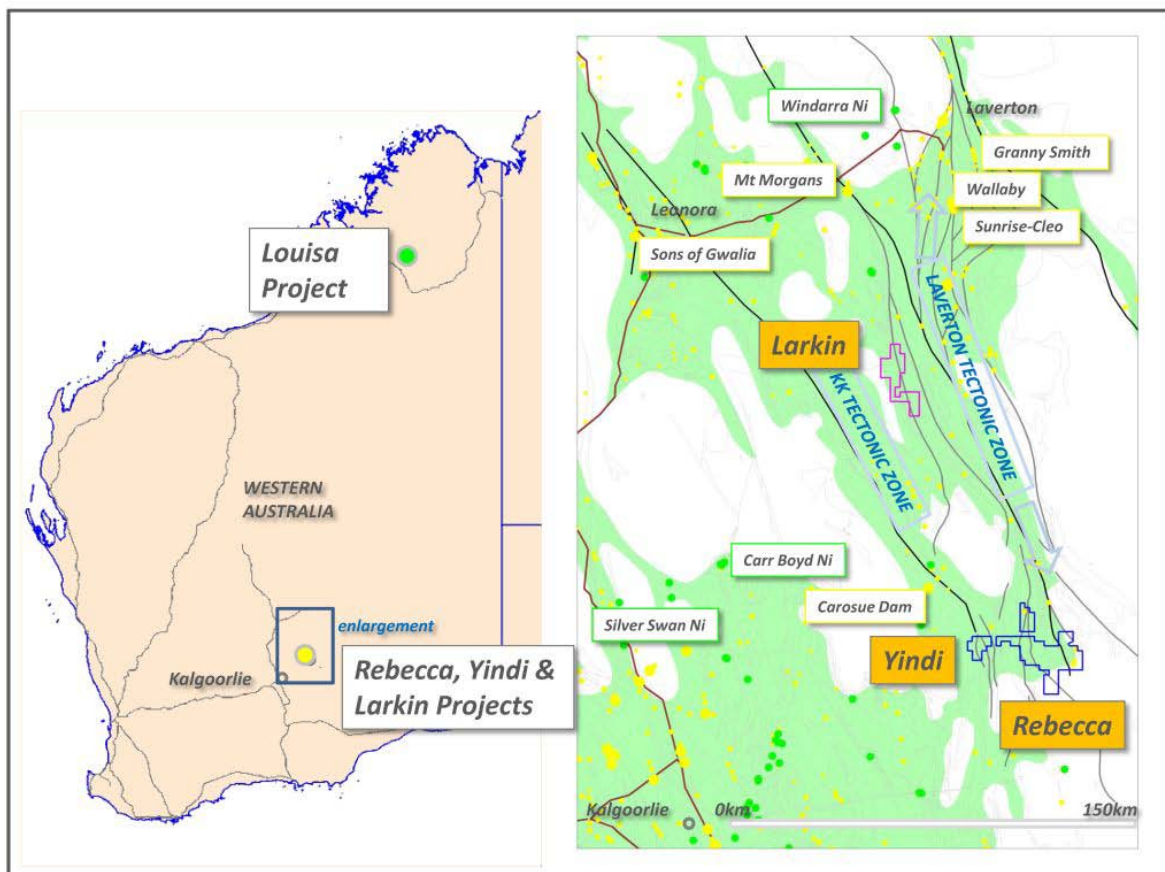
## 2. Western Australia



### 2.1 Rebecca Project (Gold and Nickel)

The Rebecca Project sits 145km east of Kalgoorlie and covers 335km<sup>2</sup> of greenstone on the eastern margin of the Norsemen Wiluna Greenstone Belt (Figure 6). The Company is exploring for gold and nickel on the tenement group.

Figure 6. West Australian Project Locations & Rebecca Regional Geology



Gold mineralisation at Rebecca is associated with disseminated sulphides in gneissic rocks. The Company sees good potential for locating high-grade plunging positions within very broad zones of disseminated sulphides at each of three advanced gold prospects – **Duke**, **Redskin** and **Bombora**.

The potential for higher grades where sulphide increases has been demonstrated in previous drilling results at Bombora which have included **42m @ 7.74g/t** and **22m @ 2.80g/t Au**.

The Company has been designing programs to continue to test encouraging 2015 RC results at **Redskin**, including **23m @ 1.51g/t Au** (below a historical intercept of 8m @ 2.18g/t Au) and a second drillhole 250m along strike containing **37m @ 0.43g/t Au**. The results at this location define a zone of mineralisation coincident with IP responses that dips 40-50 degrees to the west and potentially extends for over 1km strike (Figures 7 and 8). Historical drill holes intersecting this surface have delivered results including 14m @ 1.21g/t Au, 12m @ 1.24g/t Au and 3m @ 10.84g/t Au.

Apollo is planning additional RC drilling along the zone, and considering further geophysical surveying to define targets. It is expected that drilling will recommence at Rebecca during Q2 2016.

Figure 7. Redskin NW Drill Results & Mineralised Trends on 1VD IP Conductivity Image

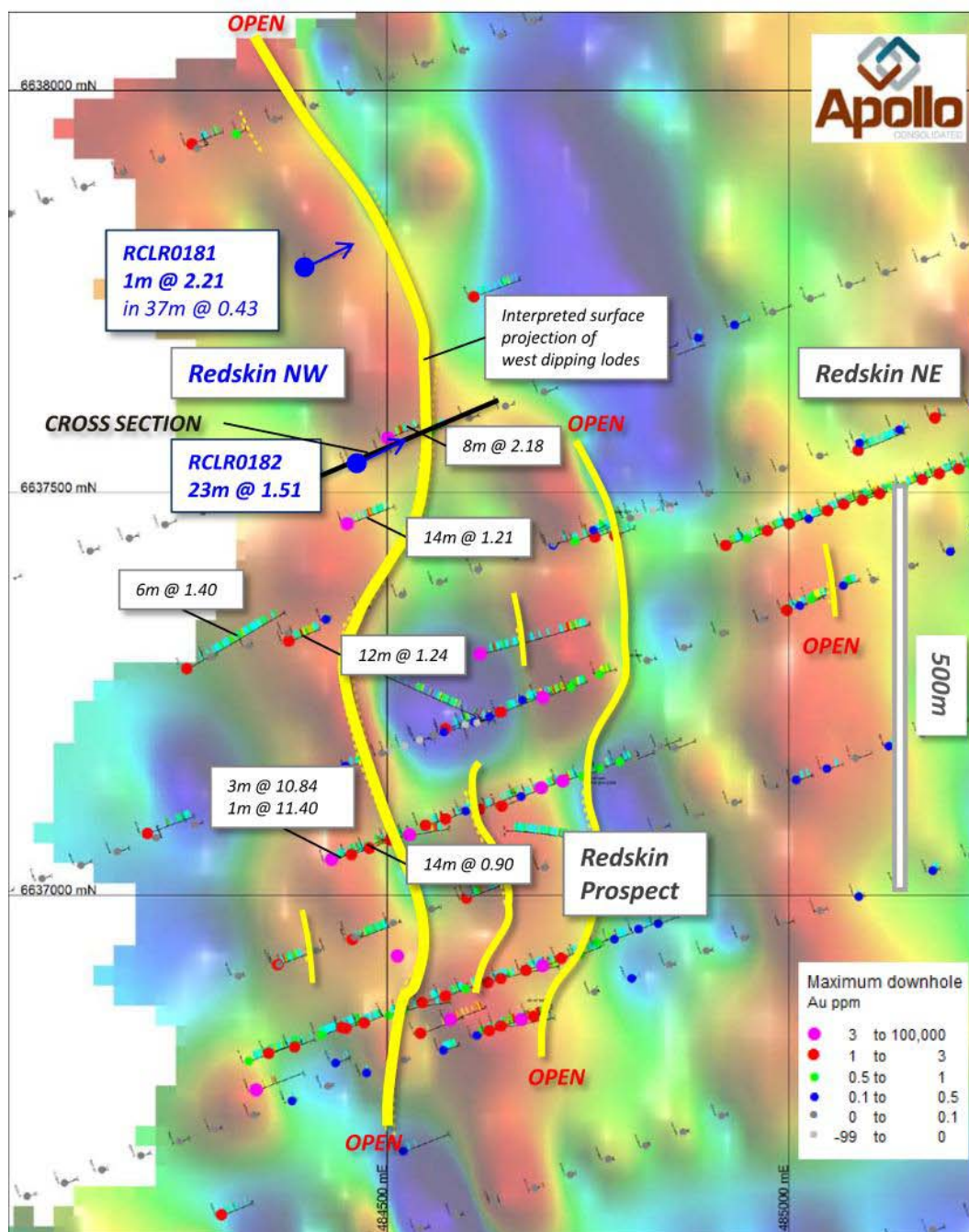
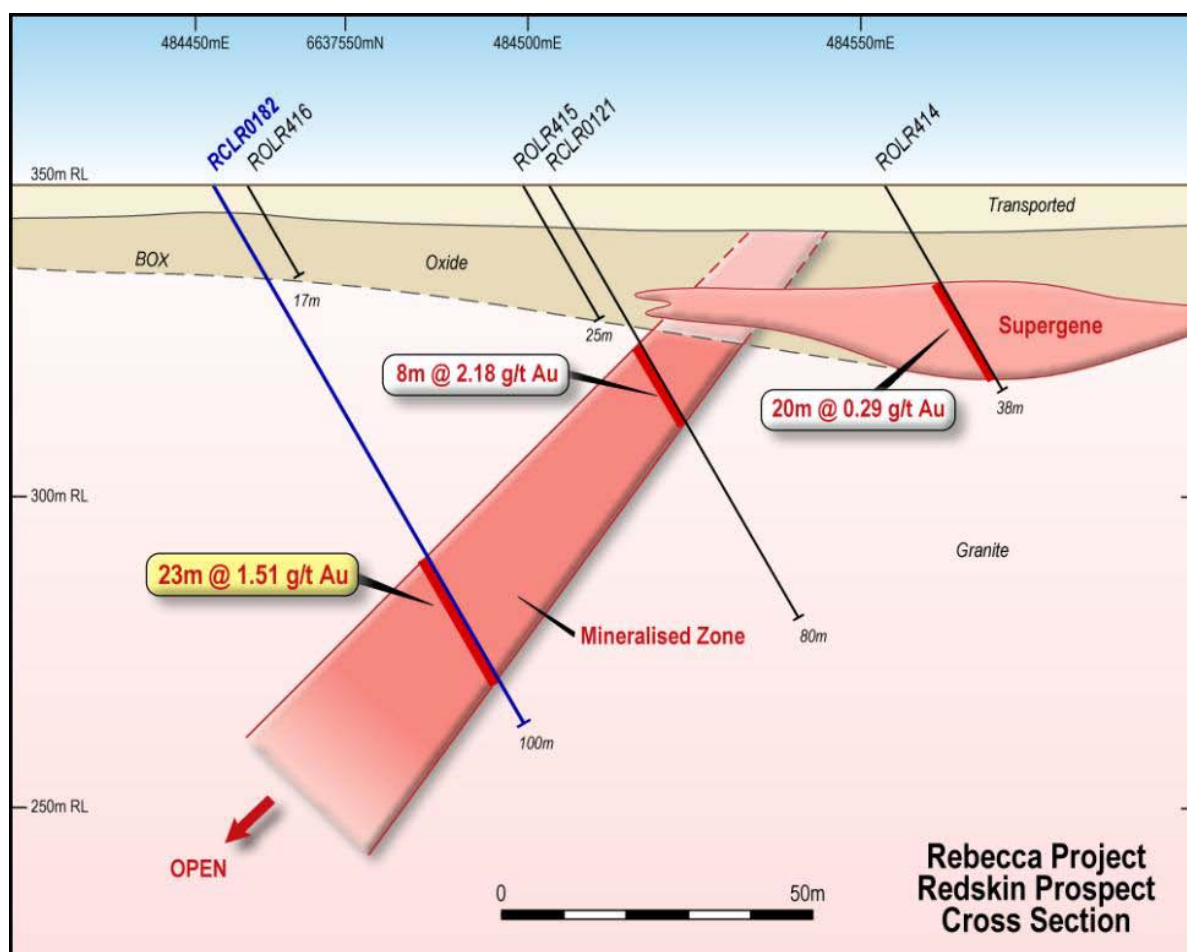




Figure 8. Oblique Cross Section through RCLR0182 Redskin NW



## 2.2 Yindi (Gold)

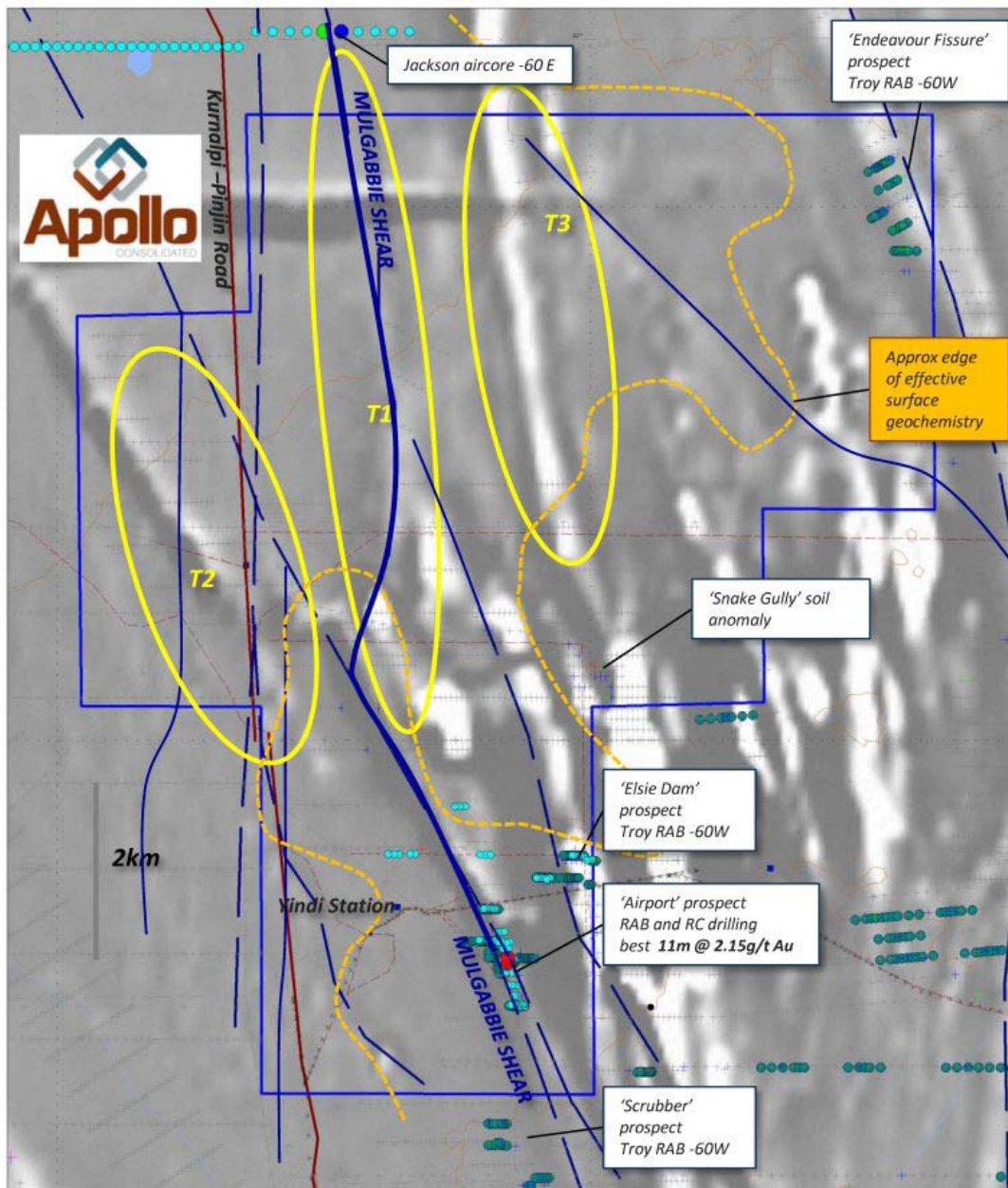
Yindi is located due west of the Rebecca project (Figure 6) and was selected as a regional gold target as it lies on the east side of the Keith-Kilkenny structural corridor (that hosts Saracen Minerals' >1Moz Carosue Dam gold deposits), and close to the Mulgabbie Shear. Several later-stage north-trending secondary faults transect the area.

Historical RAB drilling at several locations to test gold-in-soil anomalism report a best drilling result of **11m @ 2.15g/t Au** at the **Airport** prospect. Subsequent drilling here showed restricted size potential at this prospect, however at least 6km of geological strike and other structural targets remain untested to the north below deep soil cover (Figure 12).

The Company notes early exploration success by Breaker Resources Ltd (ASX-BRB) at its Lake Rowe project located 40km to the south in a similar structural setting. Apollo considers Yindi to have good potential for new 'blind' gold discovery.

The Company has received environmental approvals for an aircore drilling program to test buried structural targets on the tenement. It is expected that drilling will be carried out Q2 2016.

Figure 12. Yindi Gold Project Regional Magnetics and Gold Mineralisation



### 2.3 Larkin (Gold)

The Company has applied for a new 132km<sup>2</sup> exploration licence in a promising structural setting along the western margin of the Laverton Tectonic Zone, in an area approximately midway between the Rebecca project and Mount Morgans (Figure 6).

The primary target on the licence application is an untested soil-covered structural corridor extending over at least 6km. Preliminary compilation of past drilling at the northern end of this target has identified anomalous results to 12m @ 0.71g/t Au.

Field assessment will be carried out to assess the effectiveness of past surface geochemistry and validate geochemical drilling targets.



## 2.4 Louisa Project (Nickel-Copper-PGE Sulphide)

The Company is awaiting grant of this nickel-copper project in the Kimberley.

The project is situated in the King Leopold mobile belt of the southern Kimberley region of WA, in a geological setting broadly similar to the emerging Fraser Range belt. Nickel-copper sulphide mineralisation has been defined in a number of intrusions in the eastern Kimberley, including at the Savannah mine (Panoramic Resources Ltd).

*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. Nick Castleden has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve". Mr. Nick Castleden consents to the inclusion of the matters based on his information in the form and context in which it appears.*

*Past Exploration results referring to the Projects reported in this announcement have been previously prepared and disclosed by Apollo Consolidated Limited in accordance with JORC Code 2004. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The exploration results previously prepared and disclosed under the JORC 2004 have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to [www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au) for details on past exploration results.*

## **Appendix**

In accordance with Listing Rule 5.3.3. AOP provides the following information in relation to its mining tenements.

### **Mining tenements held at the end of the quarter:**

<b>Project</b>	<b>Location</b>	<b>Tenement Number</b>	<b>Status</b>	<b>Beneficial interest</b>
Rebecca	Eastern Goldfields WA	E28/1610	Granted	100%
Rebecca	Eastern Goldfields WA	E28/2146	Granted	100%
Rebecca	Eastern Goldfields WA	E28/2233	Granted	100%
Rebecca	Eastern Goldfields WA	E28/2243	Granted	100%
Rebecca	Eastern Goldfields WA	E28/2306	Granted	100%
Rebecca	Eastern Goldfields WA	E28/2275	Granted	100%
Yindi	Eastern Goldfields WA	E28/2444	Granted	100%
Larkin	Eastern Goldfields WA	ELA39/1911	Application	100%
Louisa	Kimberley, WA	ELA80/4954	Application	100%
Seguela	Cote d'Ivoire	2012-12-252	Granted	80% <sup>1</sup>
Korhogo	Cote d'Ivoire	2014-12-320	Granted	100%
Boundiali	Cote d'Ivoire	2014-12-321	Granted	100%

Notes:

1. Apollo holds 80% of Mont Fouimba Resources SA, the tenement holding entity and has an option to earn up to 100% through completion of a feasibility study. On conversion to a Mining License the Company would hold a 90% and the Ivorian Government 10%.

**Mining tenements acquired during the quarter:**

<b>Project</b>	<b>Location</b>	<b>Tenement Number</b>	<b>Status</b>	<b>Beneficial interest</b>
Larkin	Eastern Goldfields WA	ELA39/1911	Application	100%

**Mining tenements disposed of during the quarter:**

NIL

**Beneficial percentage interests held in farm-in or farm-out arrangements at the end of the quarter:**

***Farm-in or Purchase Agreements***

NIL

***Farm-out or Sale Agreements***

Option to Purchase in documentation pursuant to a non-binding Heads of Agreement signed December 2015 between Apollo and Newcrest Mining Ltd over the Seguela project in Cote d'Ivoire.