ASX ANNOUNCEMENT 1 MARCH 2016

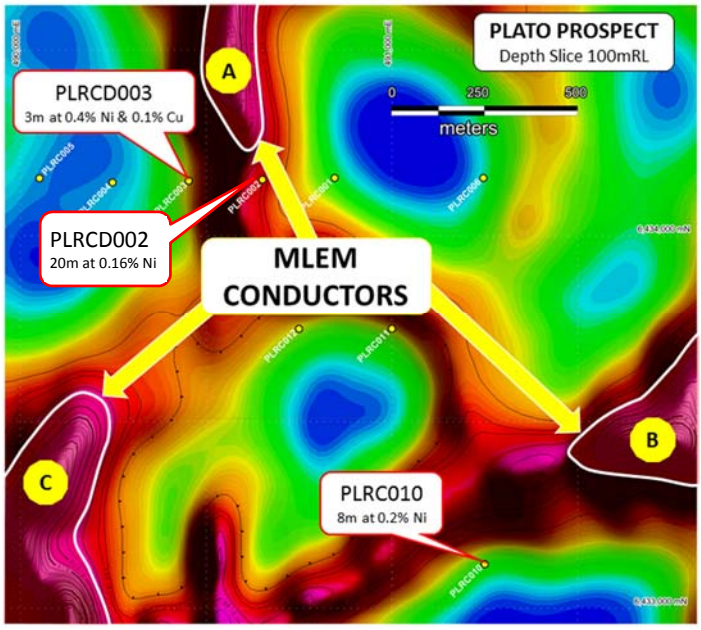
NEW EM CONDUCTORS IDENTIFIED ALONG STRIKE FROM PLATO PROSPECT NICKEL SULPHIDE DRILL INTERSECTIONS

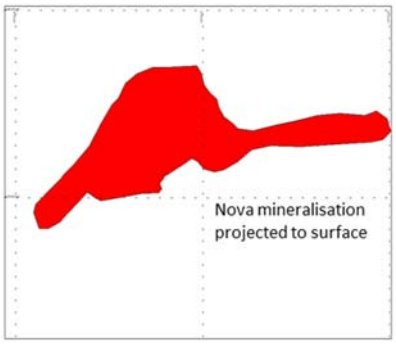
HIGHLIGHTS

- **3D modelling of inverted EM data has identified 3 bedrock conductors at the Plato Prospect, Fraser Range, WA**
- **Conductors are close to previous drill holes that intersected nickel-copper mineralization**
- **The conductors themselves have not yet been drill tested. Plans to conduct drilling are being formulated.**

Apollo Minerals Ltd (ASX: AON) ("Apollo" or "the Company") is pleased to announce results from 3D modelling of recently acquired Moving Loop Electromagnetic (MLEM) data from the Plato Prospect at its 70% owned Fraser Range Nickel Project in Western Australia.

Inversion and modelling of the EM data has identified large basement conductors in areas untested by previous drilling. Three priority conductive targets (A, B & C) have been identified in bedrock units at Plato (Figure 1). The scale of the targets is sufficient to encompass a body of similar size to the Nova nickel deposit.





At scale: Nova mineralisation projected to surface

Figure 1 – Plato Prospect conductivity plan (depth sliced at 100mRL) showing priority conductors A, B & C and previous drill collars with nickel sulphide intersections

Richard Shemesian, Chairman of Apollo said "This is an exciting development as our world class technical experts have worked hard over the last couple of months to generate these targets at the Fraser Range nickel project.

The Plato prospect is one of the few areas where EM conductors have been detected near existing nickel sulphide drill intersections in the Fraser zone.

We are looking forward to the team delineating drill targets and examining new target areas in the other parts of the tenement."

Six Target Areas Confirmed

Apollo has reviewed the data set acquired with the Project and has reprocessed existing HeliTEM data. The generation of conductivity depth-slice models has identified six key target areas with basement conductors including the Plato AREA 1 in Figure 2. The 3D modelling process has removed the effects of highly conductive overburden.

Apollo now has a pipeline of targets for multi staged exploration that includes further ground geophysical surveys and drill testing for nickel sulphide mineralisation.

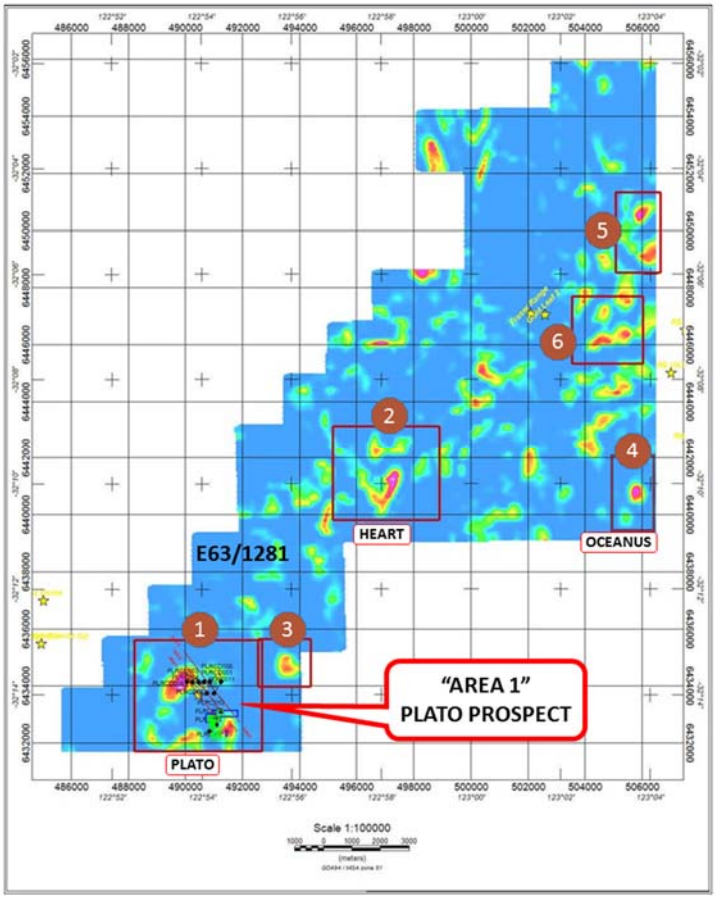


Figure 2 – Six high priority target areas defined from remodelling of HeliTEM data

ABOUT APOLLO MINERALS

Apollo Minerals Ltd (ASX code: AON) is a minerals explorer and developer with projects focused in South Australia and Western Australia.

In Australia, Apollo has two projects in areas which host world class deposits:

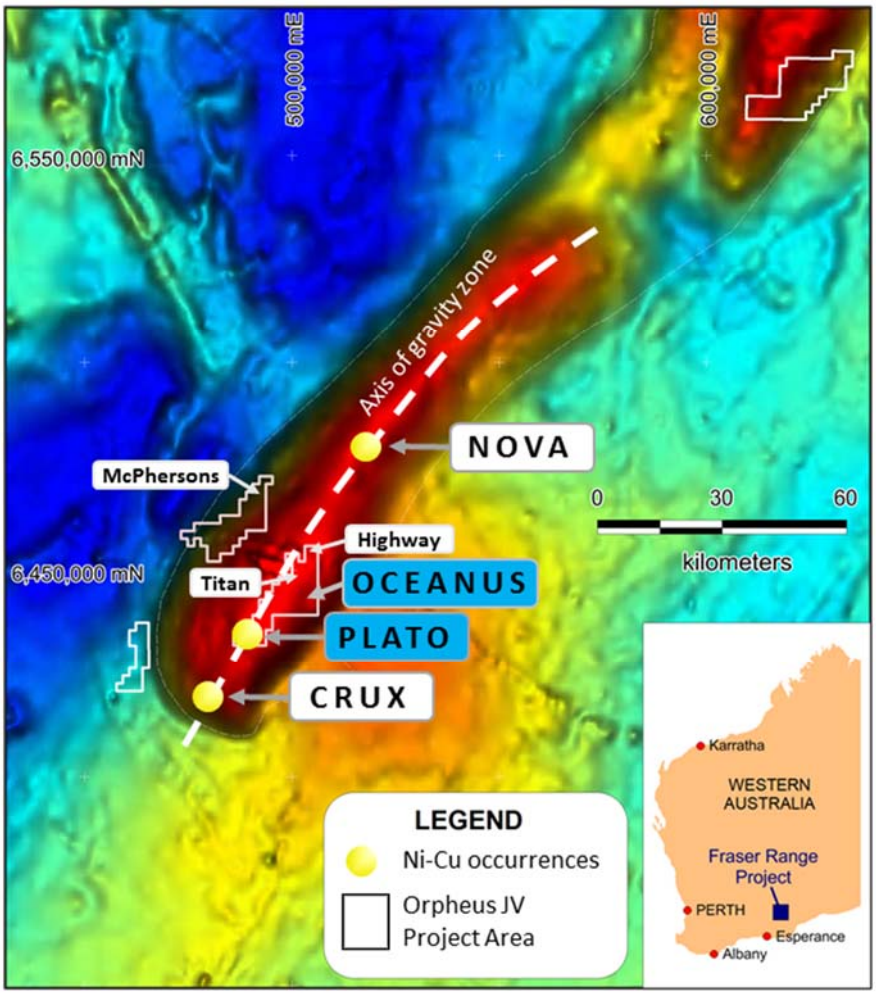
1. South Australian IOCG and gold project in Gawler Craton, and
2. Western Australian nickel project in Fraser Range Province.

In South Australia, the Titan Base-Precious Metals project is situated close to existing infrastructure including the Darwin-Adelaide railway line, highway and ports. Exploration is focused on discovering a major IOCG deposit in a new frontier of the world-class Gawler Craton. This project consists of:

- Commonwealth Hill Project JV (Apollo 100% interest)
- Eaglehawk JV (Apollo earning an interest through farm-in)
- Aurora Tank JV (Apollo 25%, earning an interest through farm-in)

In Western Australia, Apollo acquired a 70% interest in the Orpheus JV project in the Fraser Range, Western Australia from Enterprise Metals Ltd (ASX: ENT). Under the agreement Enterprise will be free carried until Apollo delivers a Bankable Feasibility Study for a mining area. Apollo is actively seeking to discover massive Ni-Cu sulphide mineralisation within an emerging world class, nickel province.

In the Fraser Range of Western Australia, Apollo is exploring for 'Nova style' nickel deposits within the high density Fraser Zone representing the mafic-ultramafic Fraser Complex.



ENDS

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COMPETENT PERSON DECLARATION

The information in this Report that relates to Exploration Results is based on information compiled by Mr Derek Pang who is a member of the Australasian Institute of Mining and Metallurgy. Derek has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 Reserves'. Derek consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

The information in this Report that relates to Exploration Results is extracted from Public Reports previously released by Apollo Minerals Limited and JV partner Enterprise Metals Ltd. Public reports are available to view on the ASX and Apollo websites as follows:

23 March 2015	*AON: New Nickel Sulphide System Confirmed at Fraser Range Project*
23 March 2015	*ENT: Highly Prospective Nickel Corridor Expands at Plato*
12 February 2015	AON: *Apollo Acquires Nickel Project in Fraser Range WA*
19 May 2014	*ENT: Magmatic Nickel Sulphides at Plato in Fraser Range*

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• No new drilling or sampling conducted
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No new drilling conducted
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No new drilling conducted
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate*	• No new drilling conducted

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No new drilling or sampling conducted
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• No new drilling results reported • EM survey was conducted by GEM Geophysics and supervised by Newexco <u>Survey Specifications:</u> • Station spacing at 100m • Line spacing at 200m and 400m • Tx Loop size 200m X 200m, and 400m X 400m • TX Turn: 1 • Components: B(x,y,z) • Bearing: E-W, • Frequency: 0.5Hz • Readings: Minimum 3 repeatable readings • Current: 55-80 amps • Datum/Projection: GDA94, MGA Zone 51 <u>Equipment</u> • Transmitter: Zonge ZT30 • Power Pack: Sorensen • Receiver: SMARTem24 • Sensor: High Temp SQUID • Sample Rate: 2400 • Window Channel File: SMARTem Standard • Stacked Data Recorded: Yes • Time series Recorded: Yes • GPS used: Yes Data acquisition was achieved using a SMARTem24 geophysical receiver built by ElectroMagnetic Imaging

Criteria	JORC Code explanation	Commentary
		Technology (EMIT). The receiver has the following specifications: • Model: SMARTem24 • A/D converter: 24 bit • Number of channels: 8 • Sample rate: 16ch @ 120kHz or 4ch @ 50kHz • Input limits: +/-10 V • Channel times: SMARTem standard (standard.stw) • Timing: GPS and/or crystal • Temperature range: -20°C to 50°C A Zonge ZT-30 Loop Driver, manufactured by Zonge Engineering, was used with a SMARTem V Transmitter Controller, by EMIT, to power the loop. The transmitter has the following specifications: • Model: Zonge ZT-30 TEM Transmitter (modified) • Input voltage: 14V to 136V DC • Maximum output current: 50 Amps • Duty cycle: 50% and 100% • The transmitter controller has the following specifications: • Model: SMARTem 24 Transmitter Controller • Timing: GPS Timing • Base frequency: 0.001Hz to 10KHz Jeena HT-SQUID 3 component B-field sensor system is developed by SUPRACON AG which is powered by Jessy Deep controller. The output of this system is measured by the SMARTem 24 receiver. The Jeena HT-SQUID sensor has the following specifications: • Manufacture: SUPRACON • Cryogenics: Liquid Nitrogen • Temperature range: -40°C to 50°C, max. 90% moisture • Power supply: Internal battery 12V/10 Ah • Bandwidth: DC. 10 kHz flat frequency response • Output voltage: Symmetric 50 ohm via banana plugs (+/- 1V), • Asymmetric BNC(+/-10V) • Field Sensitivity: 50 fT/SQRT(Hz), 1/f cut-off frequency < 10Hz
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No new sampling conducted or assays reported • EM survey data recorded digitally on survey instrumentation and downloaded daily to portable computers. • Data sent digitally to supervising geophysical firm Newexco in Perth for verification • Upon completion final data compiled and modelled • An extract of the Plato data set was sent electronically to Computational Geoscience Inc (CGI) in Canada to process and conduct data inversion. Data inversion was completed by CGI using propriety software and processing methods.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource*	• Hand held GPS units were utilised to maintain location control using the GDA zone 51 map datum and grid system. • EM survey lines were orientated east-west and spaced 200m and 400m apart.

Criteria	JORC Code explanation	Commentary
	estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Quality and accuracy of survey topography by handheld GPS was considered adequate.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• EM survey was conducted using Moving Loop configuration • Station spacing at 100m • Line spacing at 200m and 400m • Tx Loop size 200m X 200m, and 400m X 400m
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• EM survey was conducted along east – west orientated lines • The regional geological trend of the Fraser Zone is considered to be generally northeast – southwest. • Local geological trend of magnetic low features, inferred to represent ultramafic intrusive bodies are northwest – southeast. • It is not known if there is a bias derived from conducting EM survey in this orientation to geology
Sample security	• *The measures taken to ensure sample security.*	• Survey data is transferred electronically from the field to Perth based office responsible for reviewing and supervising the progress during the survey
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits of the data have been conducted. • Review of the data has been conducted by geophysical consultancy firms

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	<u>Orpheus Base Metals JV Project</u> • E63/1281 – held by Enterprise Metals Ltd • Apollo has 70% interest through joint venture with Enterprise Metals Ltd. Transfer of tenement ownership in progress • The tenements are in good standing and no known impediments exist • Compulsory partial (40%) surrender of tenement E63/1281 has been submitted and pending finalisation by the WA Department of Mines and Petroleum.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Most recent previous exploration has been conducted by Enterprise Metals Ltd and included HeliTEM, soil geochemistry, Fixed Loop EM, and drilling by RC and core drilling methods.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Plato is situated within the Albany Fraser Orogen • Main rock units consist of gneiss, mafic and ultramafic metamorphic rocks and granites. • Exploration is seeking magmatic nickel sulphide style of mineralisation

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  o *easting and northing of the drill hole collar*
	  o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  o *dip and azimuth of the hole*
	  o *down hole length and interception depth*
	  o *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• N/A. No new drilling conducted
		• Details of drilling reported previously:
		23/03/15 AON: New Nickel Sulphide System Confirmed at Fraser Range Project
		23/03/15 ENT: Highly Prospective Nickel Corridor Expands at Plato
		12/02/15 AON: Apollo Acquires Nickel Project in Fraser Range WA
		10/06/14 ENT: Fraser Range Exploration Update
		19/05/14 ENT: Magmatic Nickel Sulphides at Plato in Fraser Range

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such*	• No new drilling results reported • Previous results reported as weighted composites over the sample interval • No metal equivalents reported

Criteria	JORC Code explanation	Commentary
	aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No new drilling results reported • True widths for mineralisation have not been calculated. Only down hole intersections have been previously reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate maps and sections are available in the body of the report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Reporting of EM survey results is considered balanced
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Exploration data is extracted from public reports previously released by Apollo Minerals Limited and Enterprise Metals Limited
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work is being planned to include ongoing review and expansion of modelling parameters • Consideration of multi staged drilling programme • Sample geochemistry and the possibility of further ground/down hole geophysical surveys