



11 May 2016

ASX Announcement

APOLLO MINERALS TO RAISE UP TO \$4.4 MILLION AND RESTRUCTURE BOARD

Apollo Minerals Limited (“**Apollo**” or “**Company**”) is pleased to advise that it will restructure its Board as well as undertake a comprehensive recapitalisation process that, subject to the necessary shareholder approvals, will result in:

- **Mr Ian Middlemas being appointed as Chairman of the Company**
- **a 1 for 4 share consolidation**
- **a placement of 34 million shares at \$0.05 each (on a post consolidation basis) to raise \$1.7 million**
- **followed by a 1 for 1 non-renounceable entitlements issue at \$0.05 cents per share (on post consolidation basis) to raise up to \$2.7 million**
- **accelerated project generation activities focused on the identification of new opportunities in the resources sector and other sectors in addition to its current projects**

CAPITAL RAISING FOR NEW OPPORTUNITIES

To ensure that the Company is able to actively attract and pursue new projects in the resources sector as well as continue with its current activities, the Board has determined that the Company needs to ensure that it has a suitable capital structure and level of cash reserves with strong and supportive shareholders. Existing directors support this initiative and will participate in the capital raise as per below. As a result, the Company plans to:

- seek shareholder approval for a 1 for 4 consolidation of shares, thereby reducing the number of shares on issue to 19.5 million. The number of options on issue will also be consolidated on a 1 for 4 basis, with the exercise price of the options increasing in inverse proportion to the consolidation ratio (“**Consolidation**”);
- following completion of the Consolidation, and subject to shareholder approvals, the Company will undertake:

- a placement of 30 million shares at \$0.05 each to raise \$1.5 million (“**Share Placement**”). The Share Placement will be made to eligible investors, with the largest participant being Arredo Pty Ltd, a company associated with Mr Ian Middlemas; and
- a placement of 4 million shares at \$0.05 each to raise \$200,000 to Mr Richard Shemesian (a current director of the Company) or his nominees.
- following completion of the above steps, the Company will then undertake a 1 for 1 pro rata non-renounceable entitlements issue at \$0.05 per share on a post consolidation basis (“**Entitlements Issue**”) to raise up to \$2.7 million before costs.

Eligible shareholders will be able to participate on the same terms as the major incoming investors and directors via a rights issue. Eligible shareholders will be entitled to acquire one (1) new ordinary share (“**New Share**”) for every ordinary share held at the record date (to be determined). New Shares under the Entitlements Issue will be offered at \$0.05 per share (on a post Consolidation basis). The Entitlements Issue is non-renounceable.

The Company expects to issue a notice of general meeting concerning the Consolidation and share placements shortly.

BOARD AND MANAGEMENT CHANGES

Apollo’s management team will be boosted through the appointment Mr Ian Middlemas as Chairman of the Company and Mr Mark Pearce as a Director effective from the necessary shareholder approvals and completion of the \$1.5m Share Placement. Both Mr Middlemas and Mr Pearce have extensive mining and resource expertise.

Mr Middlemas is a Chartered Accountant and has an enviable track record of identifying and developing major resource projects. He was a Senior Group Executive for Normandy Mining for more than ten years, which was Australia’s largest gold miner (+2m ounces per annum) before merging with Newmont Mining.

Mr Middlemas is currently Chairman of Salt Lake Potash Limited, Berkeley Energia Limited, Equatorial Resources Limited and a number of other listed resource companies. Mr Middlemas was also previously Chairman of Papillon Resources Limited and Mantra Resources Limited. Mr Middlemas is a member of the Financial Services Institute of Australasia and holds a Bachelor of Commerce degree.

As part of the board changes, Messrs Eric Finlayson and Guy Robertson will resign as directors of the Company upon the formal commencement of the new directors and Mr Mark Pearce will also be appointed as Company Secretary.

The Board will also implement a more efficient operational and administrative cost structure as part of the recapitalisation process, which will further preserve cash reserves to pursue new opportunities and to progress the Company’s current projects to enhance shareholder value.

For further information contact:

Guy Robertson
Company Secretary
+ 61 2 9078 7665