



ASX RELEASE | 28 APRIL 2017 | ASX:AON

MARCH 2017 QUARTERLY REPORT

Apollo Minerals Limited (“**Apollo Minerals**” or “**Company**”) is pleased to present its quarterly report for the period ending 31 March 2017.

Highlights:

- Agreement to acquire 80% interest in the Couflens tungsten-copper-gold project (“**Couflens Project**”) in southern France.
 - The Couflens Project comprises a recently granted exploration licence that covers a 42km² area in the Pyrenees region and includes the historic Salau mine, which was one of the world’s highest grade tungsten mines when it operated from 1971 to 1986.
 - Salau mine is recorded to have produced approximately 930,000 tonnes at 1.5% WO₃ for around 11,500 tonnes of WO₃ in concentrate prior to closure.
 - Production grades were 2.0 to 2.5% WO₃ in the mine’s latter years.
 - In addition to tungsten, the deposit is recorded to contain significant copper and gold values, particularly in the deeper parts of the Salau mine.
 - Deposit remains open at depth, with previous drilling below the base of the existing underground development that confirmed the continuation of the mineralised system.
 - Additional tungsten-copper-gold prospects have been identified within the broader project area and surface exploration programs will be undertaken with a view to further assessing these prospects and generating new targets.
 - Tungsten is a strategic commodity, with essential applications in industry, aerospace and military. Concerns over security of supply of tungsten have resulted in the EU categorising tungsten as a "Critical Raw Material" and the British Geological Survey including tungsten in its metals "Risk List"
- A comprehensive review of all available data within the Orpheus JV Project area in the Fraser Range Province has recently been completed. A number of priority targets have been identified and the Company is assessing recommended follow-up work programs.
- As at 31 March 2017, Apollo Minerals had cash on hand of approximately \$4.6 million which places the Company in a strong financial position to complete the initial work program for the Couflens Project (upon completion of the acquisition) and continue exploration on its strategic ground holding in the Fraser Range province.

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Couflens Project

The Company entered into a Share Sale Agreement to acquire Ariege Tungstene SAS (“**Ariege**”), which holds the rights to the 80% interest in the Couflens Project. The commercial terms of the acquisition of Ariege which are subject to approval by Apollo Minerals’ shareholders, include \$250,000 cash and the issue of 15 million Apollo Minerals shares at completion, and \$500,000 cash and 65 million performance shares subject to various performance conditions to Ariege shareholders.

The Share Sale Agreement is subject to a number of conditions precedent, including Shareholder approval, and the Company expects to lodge a Notice of Meeting in the coming weeks. Refer to the ASX Announcement dated 14 March 2017 for further details on the terms of the acquisition.

The Couflens Project area is located 130km south of Toulouse, within the Pyrenees region near the border with Spain. The Couflens Project comprises the recently granted Couflens exploration licence (permis exclusif de recherches – “**PER**”) which covers an area of 42km² centred on the Salau mine, formerly one of the world’s highest grade tungsten mines (Figure 1).



Figure 1 - Couflens Project / Salau Mine Location

The Salau scheelite skarn tungsten deposit was discovered in the early 1960's by the Bureau de Recherches Géologiques et Minières ("**BRGM**"). Les Mines d'Anglade ("**LMA**") operated the mine from April 1971 to November 1986 which is reported to have produced approximately 930,000 tonnes of ore at an average grade of 1.5% WO₃ to yield approximately 11,500 tonnes of WO₃ in concentrate.

Notwithstanding the existence of remaining resources, the discovery of promising mineralised zones elsewhere (Fonteilles et al., 1989) and the higher grade production from the latter years of production (up to 2.48% WO₃) (Figures 2 and 3), the precipitous fall in the tungsten price caused by Chinese dumping in 1986 led to mine closure.

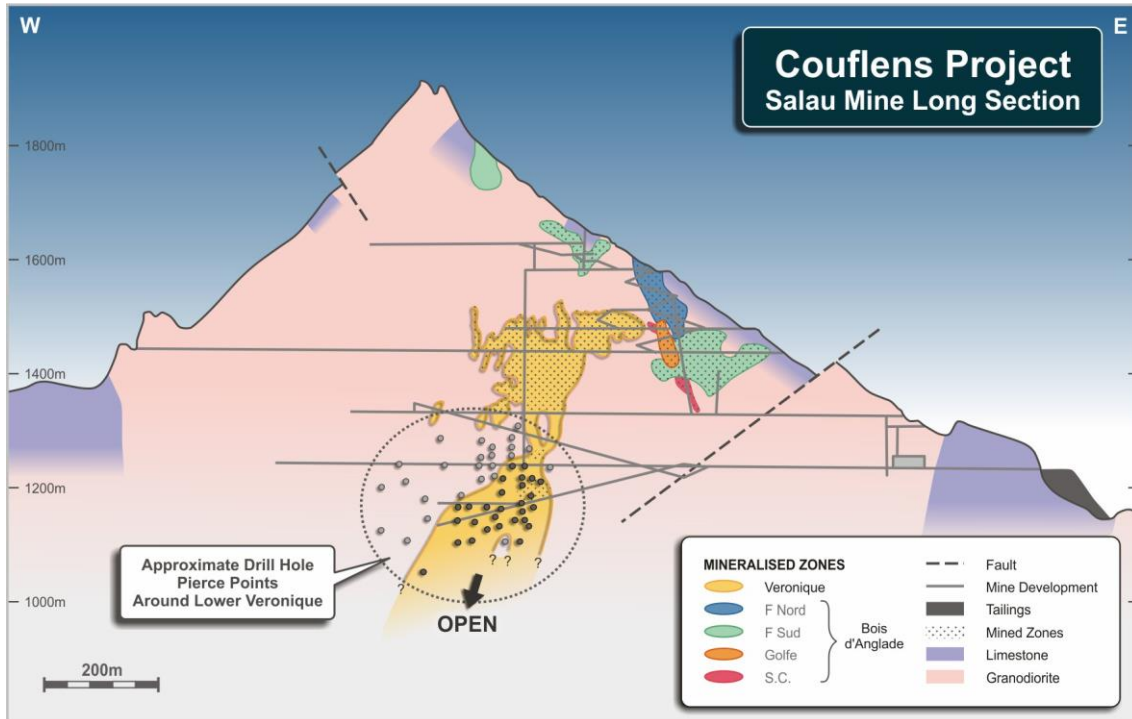


Figure 2 - Salau Mine Long Section

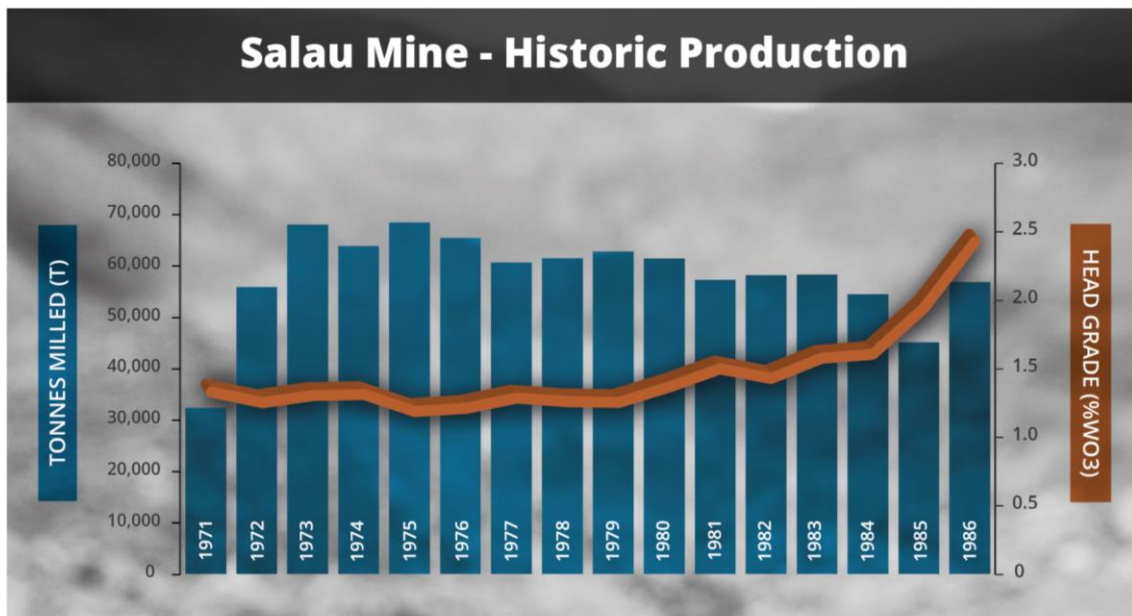


Figure 3 – Tonnage and grade from historic tungsten (WO₃) production at the Salau Mine

Project Geology

Salau is a tungsten-bearing (primarily scheelite) skarn deposit developed at the contact between Devonian pelites and calcareous sediments of the Barregiennes Formation and a Hercynian-aged granodiorite stock ("Fourque") (Figure 4). The skarn formed within both the carbonate-bearing sediments and, to a much lesser degree, the host granodiorite. Mineralisation is directly related to the Fourque granodiorite which provided hot, tungsten- copper-gold bearing solutions that reacted with the host rocks to form the skarns and deposit metal-bearing minerals.

Salau consists of two known mineralised systems, the Bois d'Anglade embayment (Formation Nord, Gulfe, Formation Sud, and S.C. ore zones) and Veronique (Figures 2 and 4). Bois d'Anglade was discovered first and provided the bulk of the early production. Veronique, 300m to the west, was discovered in 1975 and provided higher grade tungsten production (average 1.9% WO₃), including gold-rich material (not recovered in milling) towards the end of the mine life. Limited sampling of material from the lower section of the Veronique Southeast zone indicated the presence of high grade gold (Fonteilles et al, 1989).

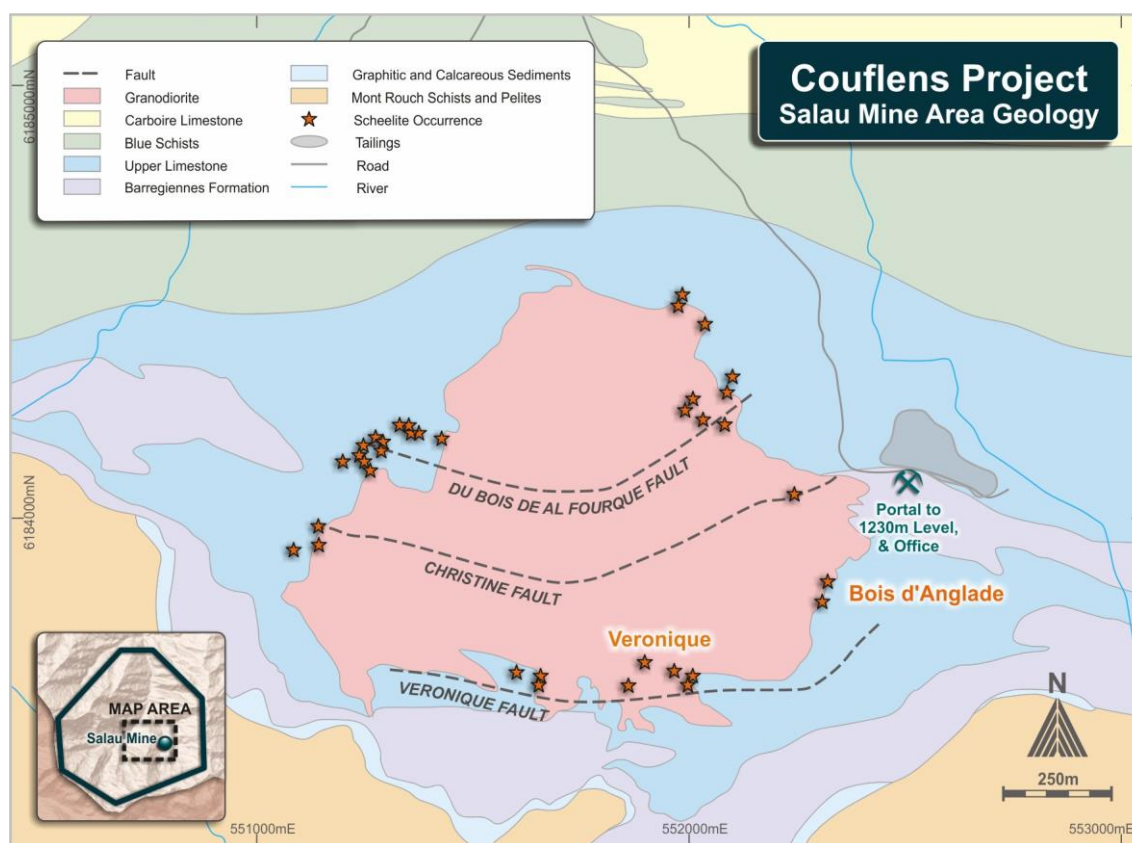


Figure 4 – Salau Mine Geology

The geometry of the orebodies at Salau is complex and appears controlled mainly by irregularities in the intrusive contact and by faulting. Two principal types of metalliferous skarns are developed:

Prograde skarns: initial metasomatism resulted in the formation of broad zones of prograde skarns containing modest tungsten values (0.2 to 0.5% WO₃),

Retrograde skarns: later hydrothermal fluids overprinted the prograde skarns and deposited sulphide-rich material (mainly pyrrhotite) containing substantially higher values of tungsten, gold and copper. It is these sulphide-rich skarns which provided the bulk of the former production from the Salau mine.

Exploration Potential

Previous underground drilling by the former mine owners recorded a number of high grade tungsten-bearing skarn intersections below the 1,230m level access adit (Figure 2), which represents the down-plunge continuation of the Veronique ore system. The tungsten grade of this zone of mineralisation was reported as being similar to that derived from mining in the upper levels of Veronique. The system remains open at depth and is believed to contain substantial gold credits as stated in Fonteilles et al, 1989.

Potential also remains around the other previously mined areas (Veronique and Bois d'Anglade systems) where remnant zones of tungsten-bearing material appear present.

In addition, discoveries documented by LMA at "Ouer d'Aigle" and "Christine", plus a number of other scheelite skarn occurrences at the surface on the flanks of the Fourque granodiorite remain largely untested (Figure 4).

Additional tungsten-copper-gold prospects have been identified within the broader project area and surface exploration programs will be undertaken with a view to further assessing these prospects and generating new targets.

Exploration Plan

The initial work plan for the Couflens Project includes:

- Acquisition and digitisation of available mine and exploration data
- Mine area and old tailings area risk assessments
- Initial access and assessment of existing mine development and stoping areas
- Mapping and sampling of mineralisation exposed in previously developed mine areas
- Generation of a 3D model of the geology, zones of mineralisation and principal controls on mineralisation
- Underground drilling to confirm known zones of mineralisation and test for extensions of these zones
- Estimation and reporting of a Mineral Resource in accordance with the JORC Code
- Surface exploration programs to further assess identified prospects and generating new targets within the broader project area
- A second phase of exploration may include the development of an underground incline to provide access below the existing mine workings and to allow more extensive drill testing of the down plunge continuation of the high grade Veronique system and parallel structural positions

Initial work will focus on defining sufficient high grade tungsten mineralisation to justify commencement of mine feasibility studies, as well as testing the gold potential within and adjacent to the Salau mine area.

The Company will undertake the work program with a strong commitment to all aspects of sustainable development with an integrated approach to economic, social, environmental, health and safety management.

Exploration Licence

The Couflens Project comprises the recently granted Couflens PER which covers an area of 42km² centred on the Salau mine (see Figure 1). The Couflens PER was applied for, and granted to, Variscan Mines SAS (“**Variscan France**”), a wholly owned subsidiary of Variscan Mines Limited (ASX: VAR). The PER has been granted for an initial period of five (5) years commencing 11 February 2017, with a minimum financial commitment of €25 million based on the 5 year work plan submitted by Variscan France in the PER application. In accordance with the French Mining Code, the PER may be extended for two additional periods of a maximum of 5 years each.

Orpheus JV Project – Fraser Range

The Company has a 70% interest in the nickel, copper and gold prospective Orpheus JV Project in the Fraser Range province in south eastern Western Australia (Figure 5).

The Project area consists of four tenements covering over 600km² in the most prospective part of the world class Fraser Range exploration district, host to Independence Group’s (ASX: IGO) major Nova nickel and copper deposit. Apollo Minerals is required to sole fund all activities on the Project until completion of a Bankable Feasibility Study.

The Fraser Range province is highly prospective for nickel, copper and gold, and has attracted significant exploration since the discovery of the Nova deposit in 2012. The Project is strategically located along strike and mid-way between the Nova deposit to the northeast and Independence Group’s Crux nickel prospect to the southwest.

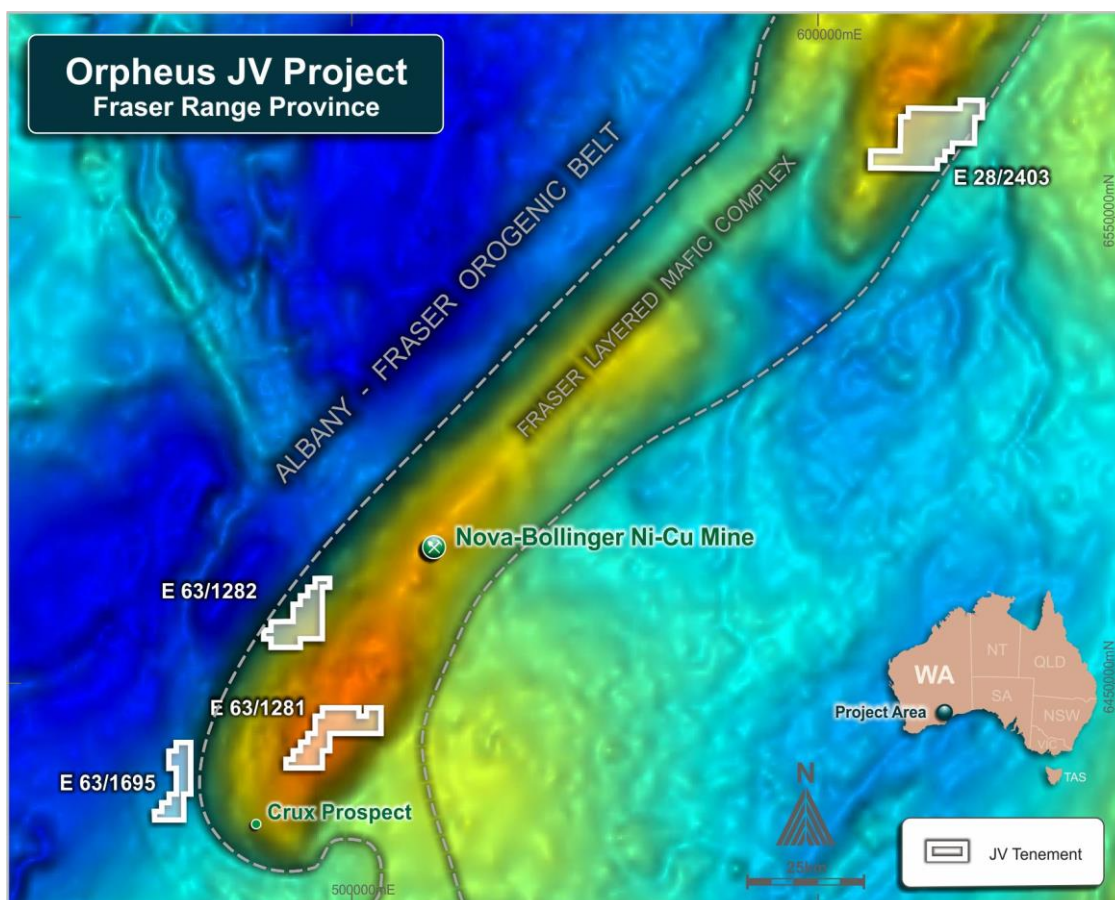


Figure 5: Tenement Plan – Orpheus JV Project, Fraser Range province

A comprehensive review of all available data within the Orpheus JV Project area in the Fraser Range Province has recently been completed.

With the exception of E63/1281, where previous work has identified disseminated nickel–copper sulphides in fertile mafic intrusives, minimal effective exploration has been undertaken over much of Apollo Mineral’s ground holding.

A number of priority targets, both empirical and conceptual have been identified that require ground follow-up, including two airborne EM (HeliTEM) anomalies that had not been previously identified. A conceptual drill target has also been identified at the Plato Prospect located within E63/1281.

A number of the targets identified are analogous to significant known nickel-copper sulphide deposits and exploration work programs have been designed to assess these targets

The Company is currently appraising the findings of the review process and the recommended follow-up work programs on the identified targets and will develop a detailed plan for the next phase of nickel, copper and gold exploration within the Orpheus JV Project area during the June quarter.

Kango North Iron Project (AON 70%)

The Kango North Iron Project covers an area of 400km² in Gabon, on the west coast of Central Africa. The Project is located 110km by road from the country’s capital Libreville and is positioned close to well-maintained roads, the national electricity grid, shipping ports and open access railway.

Apollo Minerals has an earn-in joint venture with a diversified Middle Eastern group who are required to sole fund exploration at the Project. The JV partner can earn up to a 50.1% interest in the Project through the contribution of ~\$4m (US\$3m) in exploration and development. Apollo Minerals will be free carried at no cost during exploration until the JV partner earns a 50.1% interest or ceases funding prior to completing the earn-in.

In the first stage of the JV, the partner has earned a 30% interest through their commitment to sole fund the initial 2015/2016 work program totalling ~\$1m (US\$750k), including the maiden diamond drilling program completed in 2015. In April 2016, a follow-up ground based magnetic survey was completed over the P2 (infill) and P3-P4-P6 prospects.

Geological Mapping Program

The final results of a field geological mapping and sampling program undertaken by SRK Exploration Services Limited over the P2 and P3-P4-P6 prospects in mid-2016 were received during the quarter. The objective of the program was to provide greater geological understanding of the mineralised anomalies and to better identify targets for further iron ore exploration activities.

The mapping survey, which covered an area of approximately 8 km², utilised existing cut lines from previous geophysical surveys as well as traverses across drainage channels. Lithological boundaries were inferred based on outcrop or nearest outcrop location, subcrop, and residual float location, taking into account the topographic effect on the float material (Figures 6 and 7). The geological information was systematically recorded along the traverses. A total of 70 outcrop, subcrop, and residual float locations were mapped and a total of 50 rock chip samples were collected during the campaign.

Analysis of 22 samples taken during the mapping campaign returned encouraging results with an average of 40% Fe, with the highest grade of 54.04% from an outcrop of magnetite gneiss in P3-P4-P6 and several float samples of the same unit returning above 50% Fe (Appendix 2). Such grades could be enhanced by surface enrichment of the base unit however it is noted that overall grades are higher on P3-P4-P6 than P2. The mineralised samples show good iron grade with low and acceptable associated elements such as Phosphorous and Silica.

Based on the accumulation of historical technical data and in conjunction with this mapping campaign, the recommend next phase of exploration is to conduct an initial scout drilling on the P3-P4-P6 Prospect and additional infill drilling at the P2 Prospect. The proposed drilling program for the P3-P4-P6 Prospect would comprise 24 holes spaced approximately 70m apart, drilled at nominal 60° dip for 80-150m per hole over 4 fence lines some 500m apart for a total of 2,520m across the central interpreted mineralised units.

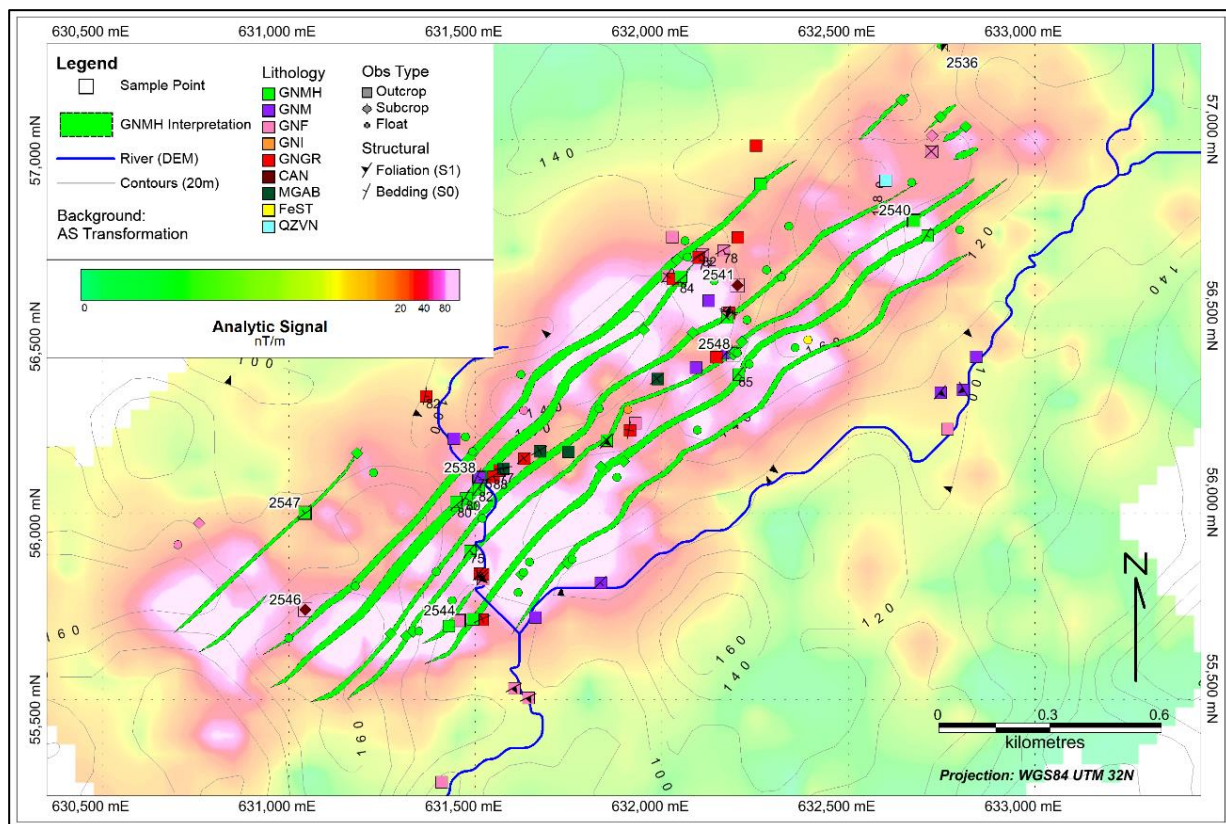


Figure 6: Geological interpretation of mineralised unit and sample locations, P2 Prospect (background: ground magnetic analytical signal transformation)

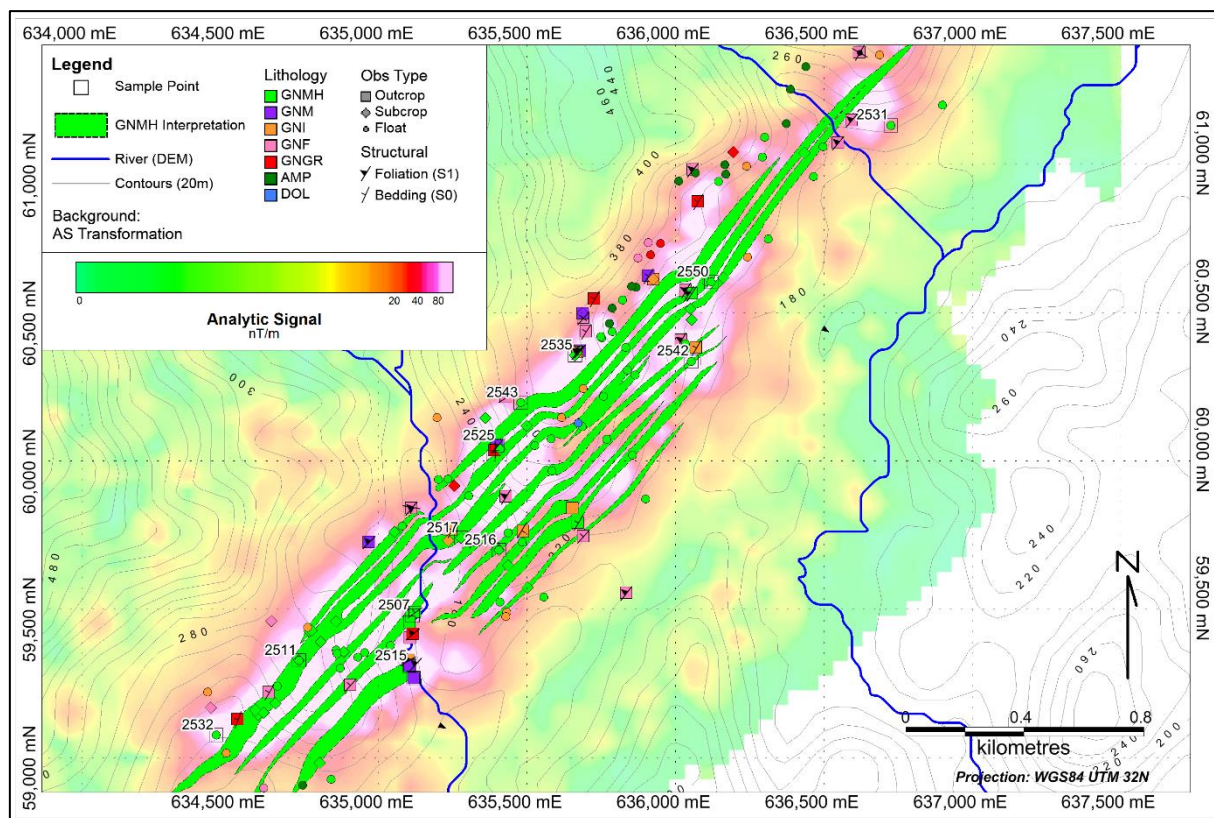


Figure 7: Geological interpretation of mineralised unit and sample locations, P3-P4-P6 Prospect (background: ground magnetic analytical signal transformation)

Corporate

As at 31 March 2017, Apollo Minerals has cash on hand of approximately \$4.6 million.

Competent Person Statements

The information in this report that relates to Exploration Results from the Couflens Project in France, is extracted from the Company's ASX announcement dated 14 March 2017 entitled 'Acquisition of High Grade Tungsten-Copper-Gold Project In Southern France' which is available to view on the Company's website at www.apollominerals.com.au. The information in the original ASX Announcement that related to Exploration Results was based on information compiled by Robert Behets, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Behets is a holder of shares and options in, and is a director of, Apollo Minerals Limited. Mr Behets has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The information in this report that relates to Exploration Results from the Orpheus JV Project in Western Australia is based on information compiled by Mr Andrew Boyd of Cairn Geoscience Limited, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Boyd has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Reserves. Mr Boyd consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results from the Kango North Iron Project in Gabon is based on information compiled by SRK Exploration Services Ltd and reviewed by James Gilbertson, a Competent Person who is a Chartered Geologist of the Geological Society of London, a 'Recognised Professional Organisation' (RPO). Mr Gilbertson is employed by SRK Exploration Services Limited. Mr Gilbertson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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 Reserves'. Mr Gilbertson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

References

1. Fontelles M., Soler P., Demange M., & Derré C., 1989; "The Scheelite Skarn Deposit of Salau (Ariège, French Pyrenees)", *Economic Geology*, Vol 84, pp 1172 – 1209

Appendix 1: Summary of Mining Tenements

As at 31 March 2017, the Company has an interest in the following projects:

Project Name	Permit Number	Percentage Interest	Status
Fraser Range, Western Australia	E63/1281	70%	Granted
	E63/1282	70%	Granted
	E28/2403	70%	Granted
	E63/1695 ⁽¹⁾	70%	Application
Commonwealth Hill, South Australia	EL4960	100%	Granted
	EL5073	100%	Granted
	EL5074	100%	Granted
Kango North, Gabon	G1-340 ⁽²⁾	70%	Granted

Notes:

- 1 Exploration licence E63/1695 in application pending grant by the Western Australian DMP
- 2 Exploration licence G1-340 subject to earn-in by Zoradox Ltd to earn up to 50.1% interest in Apollo Gabon SA, which owns the Kango North Project.

Appendix 2: Assay Results for Mapping Samples, Kango North Project

Sample ID	Target	Lithology	Sample type	Al ₂ O ₃ %	Fe %	Na ₂ O %	Ni %	P %	SiO ₂ %	LOI 1000
2507	P3-6	Magnetite gneiss	Outcrop in Ngola Ngola river	1.23	43.04	0.01	0.004	0.031	36.9	-0.21
2511	P3-6	Magnetite gneiss	Float near Hill top / subcrop	1.16	40.37	<0.005	0.002	0.028	39.4	0.72
2515	P3-6	Mafic metasediment	Outcrop	14.45	10.14	2.14	0.020	0.028	48.6	1.02
2516	P3-6	Magnetite gneiss	Float on Hill top / subcrop	1.00	44.49	0.008	0.014	0.041	35.9	-0.41
2517	P3-6	Magnetite gneiss	1m wide outcrop	1.86	54.05	0.01	0.014	0.024	17.0	3.94
2522	P3-6	Melanogneiss	Outcrop	14.30	8.79	2.19	0.015	0.027	52.1	1.52
2525	P3-6	Mafic metavolcanic	Outcrop	13.55	3.43	3.41	0.003	0.019	70.3	2.11
2526	P3-6	Mafic metavolcanic	Outcrop	6.44	23.62	0.75	0.004	0.029	54.9	2.25
2531	P3-6	Magnetite gneiss	Float on hill slope	1.62	53.18	0.022	0.004	0.053	18.4	3.07
2532	P3-6	Magnetite gneiss	Float near Hill top / subcrop	1.41	40.38	0.016	0.002	0.031	39.9	-0.14
2535	P3-6	Weathered magnetic rock	Subcrop	0.76	45.70	0.033	0.01	0.019	33.8	-0.37
2536	P2	Oxidised Magnetic Gneiss	Float on hill slope	8.15	55.65	0.03	0.004	0.055	6.17	3.78
2538	P2	Magnetite gneiss	Outcrop in river bed	1.48	40.23	0.031	0.005	0.027	40.7	-0.07
2540	P2	Magnetite gneiss	Outcrop in river bed	1.28	49.23	0.026	0.002	0.041	27.3	0.87
2541	P2	Canga	Subcrop	5.20	54.64	0.04	0.001	0.018	3.46	12.19
2542	P3-6	Magnetite gneiss	Float on hill slope	0.73	43.53	0.011	0.023	0.053	35.6	1.42
2543	P3-6	Magnetite gneiss	Float on hill slope	1.16	42.78	0.025	0.011	0.014	36.3	0.72
2544	P2	Magnetite gneiss	Outcrop in river bed	9.37	9.41	1.015	0.090	0.008	45.6	2.09
2546	P2	Canga	Subcrop	3.73	55.74	0.016	0.003	0.034	10.2	6.38
2547	P2	Oxidised/altered magnetite gneiss	Outcrop in river bed	0.78	37.87	0.024	0.002	0.006	43.3	0.96
2548	P2	Magnetite gneiss	Subcrop	15.40	10.48	1.78	0.016	0.010	50.0	5.66
2550	P3-6	Magnetite gneiss	Float on hill slope	0.75	49.81	0.044	0.004	0.039	24.3	3.14

Appendix 3: JORC Code, 2012 Edition – Table 1, Kango North Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 22 random grab chip rock samples were collected from prospective units and selected for assay 10 of these sampled outcrop, 4 sampled subcrop material (material assumed to be in situ, not transported but not solid outcrop) and 8 samples of float material (loose material at hill tops or on hill slopes, transported short distances by downslope movement) Set Point Laboratories Gabon in Libreville, Gabon was selected to conduct sample preparation, and geochemical analysis was completed by ALS Minerals South Africa ("ALS") for analysis by X-Ray fluorescence ("XRF") spectrometry.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> N/A, preliminary surface rock-chip sampling programme only.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> N/A, preliminary surface rock-chip sampling programme only.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate 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. 	<ul style="list-style-type: none"> The sampling is early stage rock-chip sampling and is not appropriate for use in Mineral Resource estimation.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>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.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Samples were sent to Setpoint Laboratory in Libreville and crushed to >90% below 2mm and split if required; the split is pulverised so at least 80% passes 75um. • Resulting pulps were sent to ALS in Johannesburg and analysed by a X-ray fluorescence, lithium borate infusion technique (ALS code ME-XRF21U) for a multi-element suite.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>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.</i> • <i>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</i> 	<ul style="list-style-type: none"> • The use of XRF techniques is considered appropriate when assessing iron mineralisation. • No standards, blanks, or duplicates were included in the final selected sample batch as this is a small set of samples sent for early stage interpretation and to guide further work.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • N/A for the early stage work programme.
Location of data points	<ul style="list-style-type: none"> • <i>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 estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Rock chip sample locations were recorded in the field using hand held GPS units.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> N/A preliminary surface rock-chip sampling programme only
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> N/A preliminary surface rock-chip sampling programme only
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples were collected by an SRK ES geologist, transported to Libreville by SRK ES staff and handed over to Set point Laboratories.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have been conducted for this rock-chip sampling programme.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Exploration is conducted within G1-340 in the country of Gabon and approximately 80km east-northeast of the capital of Libreville. The tenement is held by Apollo Gabon SA Pty Ltd, which is a joint venture between Apollo Minerals Limited (70%) and Zoradox Limited (30%). The tenement is in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous exploration in the area has been carried out the BRGM between 2005 and 2009 which updated the geological and geophysical maps of the region. Processing and interpretation of the available geophysical data by an Australian geophysical consultancy defined the area within the tenement as prospective for iron mineralisation. The tenement was applied for by and subsequently granted to Apollo in 2012 for an initial three year term. The tenement has been extended for a second three year term expiring in 2018. Apollo has conducted geophysical surveys, surface geochemical sampling, mapping and drilling.

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Kango North Project is located on the Congo Craton, which is a series of Archaean basement blocks that occupy two thirds of Gabon's geology. • These blocks incorporate greenstone belts which host a considerable portion of the country's iron formations. • The westerly limit of the greenstone units hosts the iron mineralisation within the company's tenement. • The main mineralised units identified at the Project are coarse grained magnetite gneiss units interbanded within a package of felsic and mafic gneisses.
Drill hole Information	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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</i> 	<ul style="list-style-type: none"> • N/A, preliminary surface rock-chip sampling programme only
Data aggregation methods	<ul style="list-style-type: none"> • <i>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.</i> • <i>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 aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • N/A. preliminary surface rock-chip sampling programme only
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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').</i> 	<ul style="list-style-type: none"> • N/A, preliminary surface rock-chip sampling programme only

Criteria	JORC Code explanation	Commentary
Diagrams	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Appropriate maps are included in the body of the report.
Balanced reporting	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Reported data is considered to be appropriate and balanced, assay results for all 22 rock chip samples are included in the report.
Other substantive exploration data	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • The sample results are considered to be similar to previous surface rock chip sampling data reported by the Company (ASX:AON 4th October 2012). • The sample results are considered to be similar and related to the drilling results and data reported by the Company (ASX:AON 5th July 2016).
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step- out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • An exploration drilling program is proposed consisting of scout drilling on the P3-P4-P6 Prospect and additional infill drilling at the P2 Prospect. • The proposed P3-P4-P6 drilling program would comprise three approximately 500 metre spaced lines across strike with drill holes approximately 70m apart, drilled at nominal 60° dip for 80-150m per hole, • 24 holes are proposed for a total of 2,520m.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

APOLLO MINERALS LIMITED

ABN

96 125 222 924

Quarter ended ("current quarter")

31 MARCH 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(86)	(327)
(b) development	-	-
(c) production	-	-
(d) staff costs	(24)	(89)
(e) administration and corporate costs	(45)	(259)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	23	60
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
- Business development	(23)	(176)
1.9 Net cash from / (used in) operating activities	(155)	(791)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	50
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	1
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	51

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	5,219
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(54)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	5,165

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,755	175
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(155)	(791)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	51
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	5,165
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,600	4,600

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	8	31
5.2 Call deposits	4,592	4,724
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,600	4,755

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	81
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments include director fees, consulting fees, superannuation and provision of a fully serviced office.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Not applicable

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Not applicable

Mining exploration entity and oil and gas exploration entity quarterly report

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	200
9.2	Development	-
9.3	Production	-
9.4	Staff costs	50
9.5	Administration and corporate costs	70
9.6	Other (provide details if material)	
	- Business development	70
9.7	Total estimated cash outflows	390

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

(Director/Company secretary)

Date: 28 April 2017

Print name: Clint McGhie.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.