ASX ANNOUNCEMENT
By e-lodgement

15th May 2017

Downhole EM Conductors Identified at Rebecca Gold Project WA

Highlights:

- **Strong Downhole Electromagnetic (DHEM) conductor identified adjacent to gold mineralisation, Redskin Prospect**
- **DHEM has potential to vector toward high-grade gold targets in prospect areas**
- **Results Indicate surface EM could be used to locate new mineralisation at Project**

Apollo Consolidated Limited (ASX: AOP, the Company) is pleased to report that a trial downhole electromagnetic survey into a reverse circulation (RC) hole drilled at the **Redskin** prospect has identified a good off-hole DHEM conductor adjacent to in-hole gold mineralisation**.**

The trial was designed to test whether the disseminated sulphide style gold mineralisation has potential to generate local EM conductors where sulphide content increases. Apollo's experience at Rebecca has shown a strong relationship between sulphide content and gold grade, and the absence of geological features in the gneissic host rocks that could generate 'false' EM anomalies.

The results of the survey opens up the potential for use of downhole and/or surface EM tools to define high-grade gold targets within the broad anomalous gold zones (and associated IP anomalies) in the project area.

Downhole EM Survey

DHEM surveys were run into RC holes RCLR0188 at the **Redskin** prospect, and RCLR193 at **Duke**, by geophysical contractor Vortex Geophysics.

RCLR0188 generated a strong off-hole conductor located slightly to the SE of the hole, and adjacent to a mineralised intercept of 12m @ 1.01g/t Au (Figures 1 & 2). The plate has dimensions of 50m x 30m and is described as a Category 1 anomaly by geophysical consultant Newexco Services. As second, weaker anomalous plate lies to the NW of the hole.

A review of the RCLR0188 geological log shows that this hole intersected typical disseminated sulphides in gneiss, with increasing deformation and sulphide content through a broad anomalous gold zone (43m @ 0.58g/t Au), with up to 7% sulphides through the mineralised intercept.

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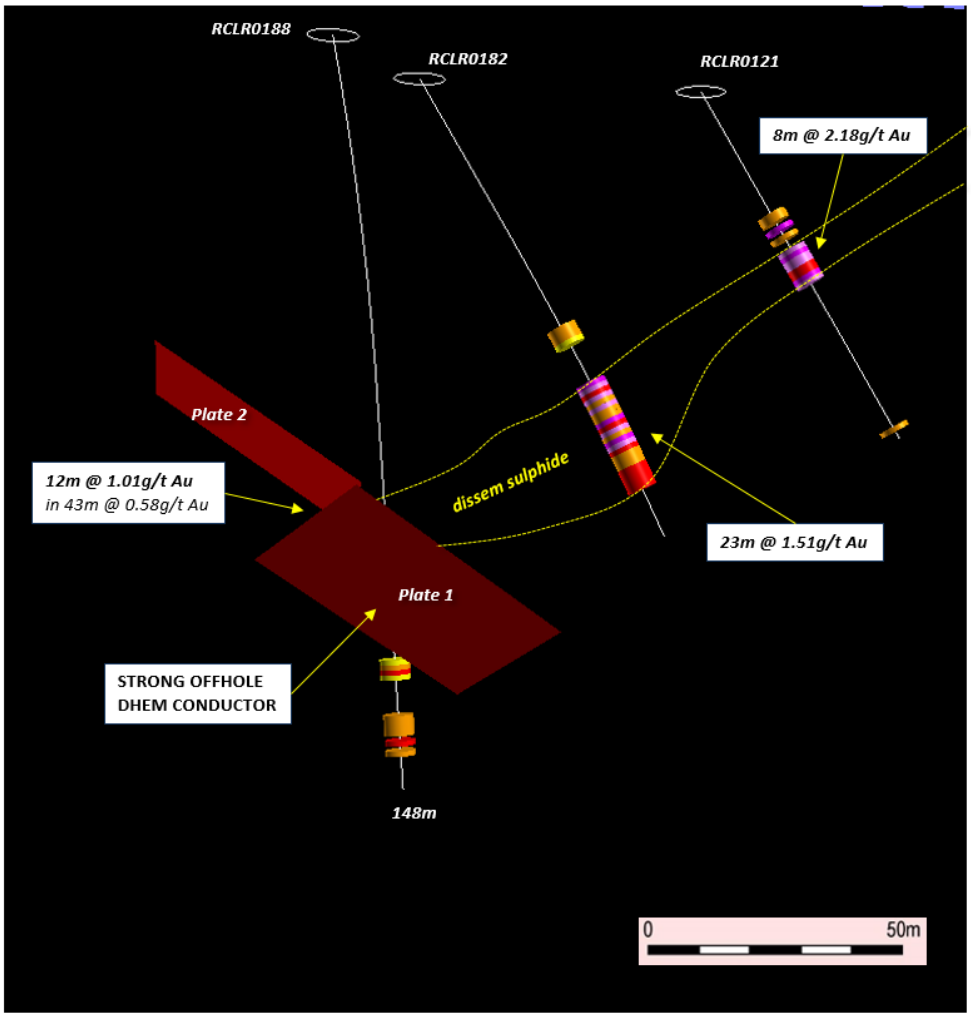
Drillhole RCLR0193 at Duke returned an in-hole and slightly up-dip DHEM response coinciding with a downhole gold intercept of 35m @ 1.41g/t Au. Geological logs show sulphide content to 3% in this location.

Figure 1. Oblique cross section looking northwest showing trace of RC holes, mineralised zones >0.40g/t Au and DHEM plates generated in RCLR0188. Note gold intercept in RCLR0188 sits between Plate 1 and Plate 2. The location of this section is shown in Figure 2.



The geophysical contractor has also modelled the anomalous DHEM responses in RCLR0188 and confirmed that Plate 1 would be 'visible' to a surface moving loop EM (MLEM) survey.

This is an important outcome, as MLEM could become a potential targeting tool to direct strike-extension exploration at all three key prospects: Redskin, Duke and **Bombora** (Figure 3).

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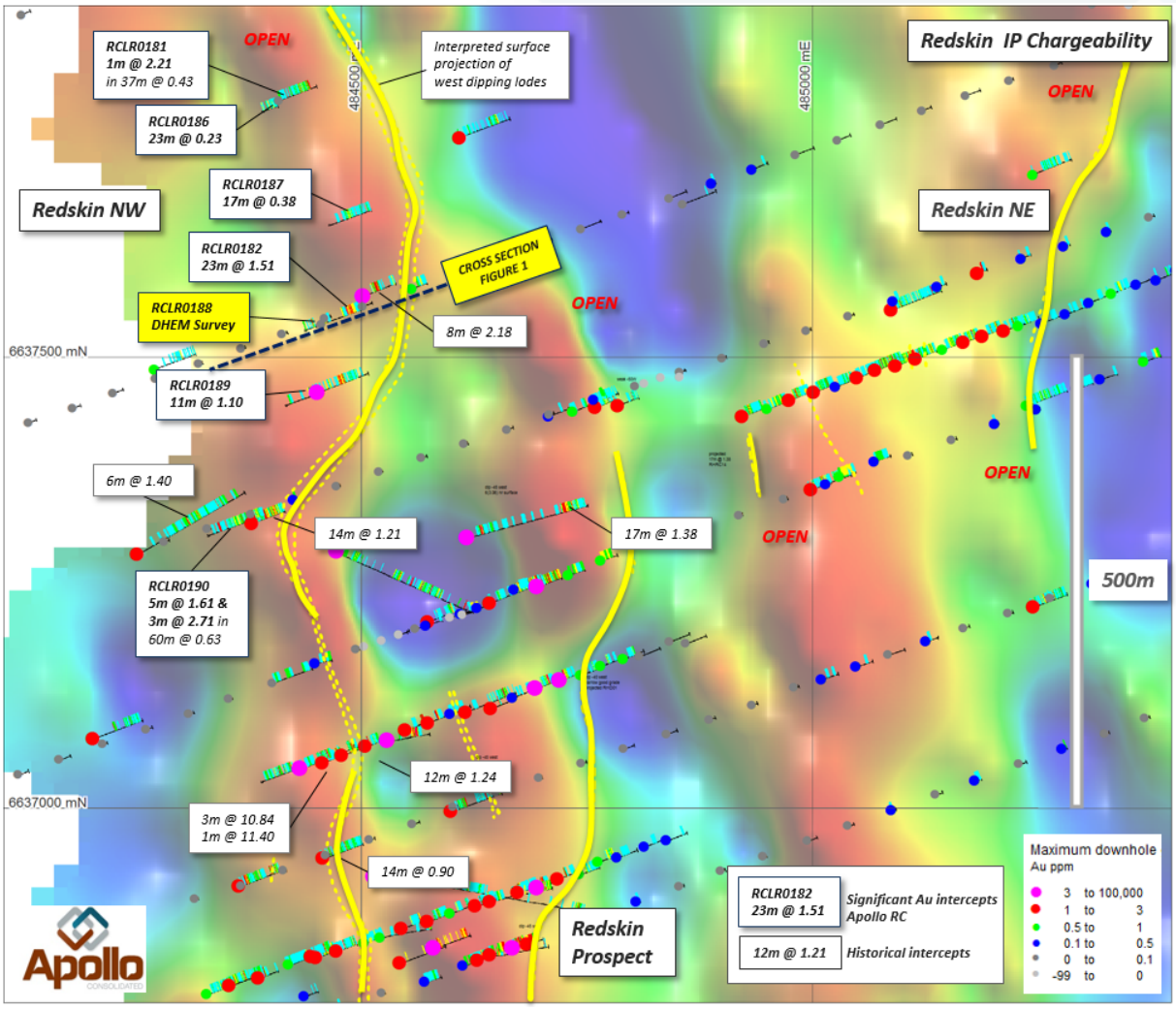
At Bombora, strong gold intercepts* including 42m @ 7.75g/t Au in RCLR0161, 22m @ 2.80g/t Au in RCLR0170, 21m @ 1.55g/t Au in RCLR0178 and 14m @ 2.93g/t Au in RCLR0184, are coincident with zones containing up to 15% sulphides. These could also respond to EM survey.

**for past drilling details at Bombora please refer to ASX-AOP announcements 26th August 2012, 28th September 2012, 8th October 2015, and 1st September 2016.*

Alluvial gravels have prevented open-hole survey at Bombora, but any future core drilling will be cased for DHEM survey.

Bombora has the highest gold tenor in the project area, and remains the least explored of the known prospects.

Figure 2. Redskin prospect showing the location of RCLR0188, all Apollo RC drillholes and gold intercepts, and mineralised trends (yellow line-work) on a 1VD IP chargeability image



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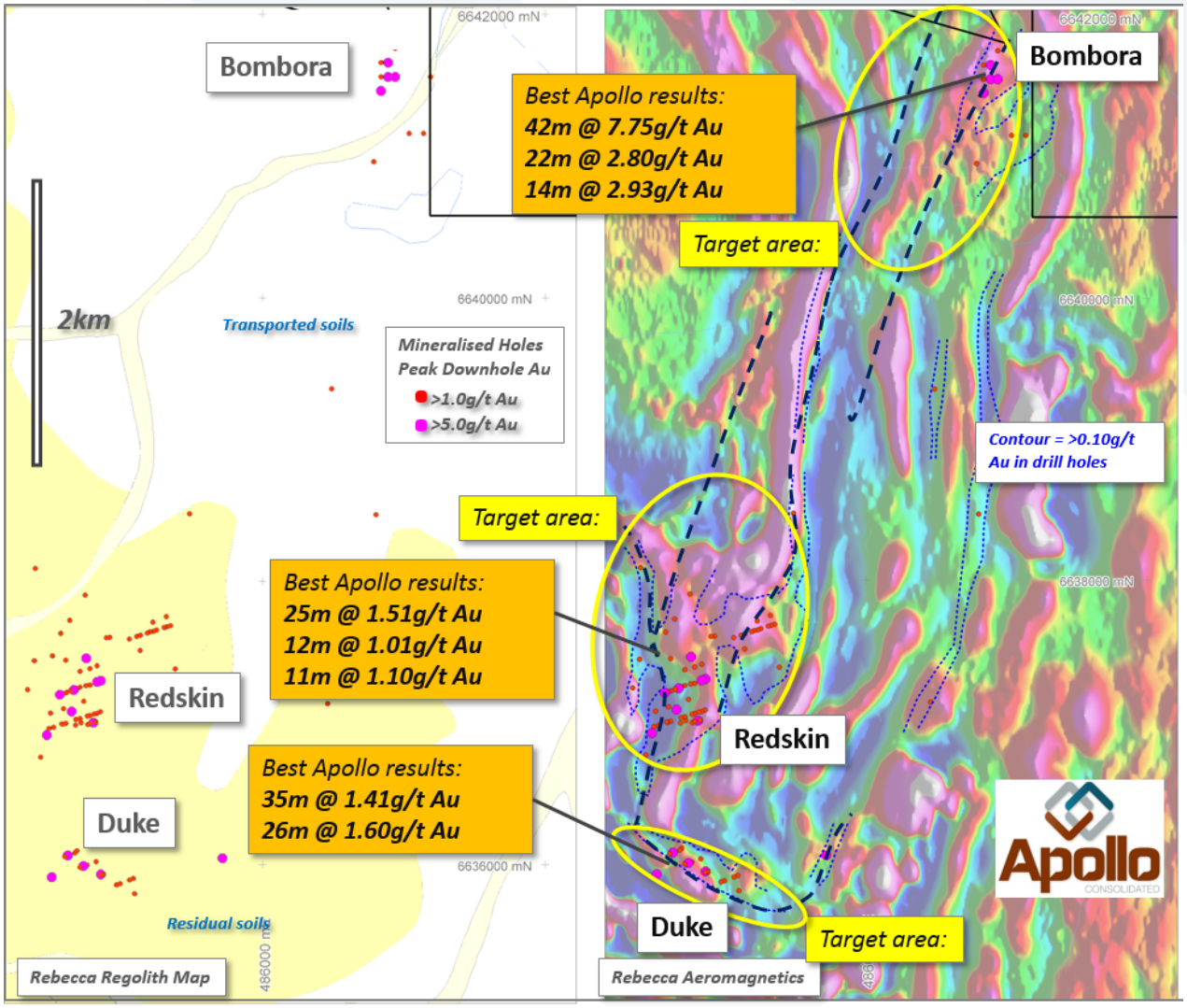
Elsewhere in the broader tenement package, the Company sees strong potential to identify new zones of sulphide-hosted mineralisation (Figure 3).

Figure 3. Rebecca Project – target areas, significant gold intercepts and mineralised drill collars on regolith (left image) and magnetics (right image)*



**for past drilling details please refer to ASX-AOP announcements 26th August 2012, 28th September 2012, 8th October 2015, and 1st September 2016.*

Next work

The Company is encouraged by the DHEM trial, which has generated an immediate gold target at the RCLR0188 location and has highlighted the potential use of EM to vector toward high-grade targets in the greater project area.

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Exploration drilling is scheduled in the coming months, and Apollo will assess the value of selective MLEM survey ahead of this program.

ENDS

About Apollo:

Apollo Consolidated Ltd (ASX: AOP) is an active fully funded gold and nickel sulphide exploration company based in Perth, Western Australia. Its exploration focus is in West Africa and in particular, the under-explored country of Cote d'Ivoire where it has over 600km of granted exploration tenure, and strong early stage gold prospects on the **Boundiali** and **Korhogo** permits.

In Western Australia, the Company has wholly owned gold exploration properties at **Rebecca, Yindi and Larkin**, and nickel sulphide prospects at **Rebecca and Louisa**.

At last sale price of 7.2c the Company has a market capitalisation $12M, with $5.9M cash and $3.2M receivables*

**as at March Q 2017*

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.

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APPENDIX 1 JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

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 30 g 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.*	• Not relevant to reporting of DHEM geophysical survey
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).*	• Reverse Circulation drilling, 4.5 inch rods & face-sampling hammer • Holes were plugged, and re-opened for open-hole DHEM survey
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.*	• Not relevant to reporting of DHEM geophysical survey

Criteria	JORC Code explanation	Commentary
	• *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.*	
Logging	• *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.*	• Not relevant to reporting of DHEM geophysical survey
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.*	• Not relevant to reporting of DHEM geophysical survey
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*	• Not relevant to reporting of DHEM geophysical survey

Criteria	JORC Code explanation	Commentary
	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.*	
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.*	• Not relevant to reporting of DHEM geophysical survey
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 estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Locations of DHEM surface loops positioned using a Garmin GPS with an accuracy ~3m which is sufficient for interpreting results • Data were recorded in AMG 1984, Zone 51 projection. • Topographic control using the same GPS with an accuracy <10m
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.*	• Three component DHEM data were collected on 10m station intervals down hole from surface to approximately 90m, then at 5m intervals to end-of-hole depths • The DHEM survey was completed using a Digi Atlantis B-field sensor and a VTX100 transmitter system suppling 95 amperes into a 200x200m loop.
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*	• Orientation of surface loops was determined on the basis of known geological orientations at both areas

Criteria	JORC Code explanation	Commentary
	introduced a sampling bias, this should be assessed and reported if material.	
Sample security	• *The measures taken to ensure sample security.*	• Not relevant to reporting of DHEM geophysical survey
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Contractor's data were reviewed by Newexco Services Pty Ltd

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 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.*	• Rebecca is a group of granted exploration licences located 150km east of Kalgoorlie. The Company owns 100% of the tenements. • There are no impediments to exploration on the property • Tenure is in good standing and has more than 3 years to expiry
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration was carried out on a similar permit area by Placer Ltd, Aberfoyle Ltd, and Newcrest Ltd during the early to late 1990's. Aberfoyle carried out systematic RAB and aircore drilling on oblique and east-west drill lines, and progressed to RC and diamond drilling over mineralised bedrock at the Redskin and Duke prospects. Minor RC drilling was carried out at Bombora. • No resource calculations have been carried out in the past but there is sufficient drilling to demonstrate the prosects have considerable zones of gold anomalism associated with disseminated sulphides. • Regional mapping and airborne geophysical surveys were completed at

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>the time, and parts of the tenement were IP surveyed.
• The project has a good digital database of previous drilling, and all past work is captured to GIS.
• The quality of the earlier work appears to be good.</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>• Dominantly granite and gneiss with minor zones of amphibolite and metamorphosed ultramafic rocks.
• Mineralisation is associated with zones of disseminated pyrite and pyrrhotite associated with increased deformation and silicification. There is little relationship between quartz veining and gold.</td></tr>
<tr><td>Drill hole Information</td><td>• 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:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ 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.</td><td>• Details below. Grid is AGD84 Zone 51
<table><tr><th>Hole</th><th>Prospect</th><th>AMG E</th><th>AMG N</th><th>Dip</th><th>Azimuth</th><th>EOH Depth</th></tr><tr><td>RCLR0188</td><td>Redskin</td><td>484438</td><td>6637532</td><td>-80</td><td>70</td><td>148</td></tr><tr><td>RCLR0193</td><td>Duke</td><td>484452</td><td>6635880</td><td>-67</td><td>40</td><td>160</td></tr></table></td></tr>
<tr><td>Data aggregation methods</td><td>• 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</td><td>• Not relevant to reporting of DHEM geophysical survey</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	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. • *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').*	• Not relevant to reporting of DHEM geophysical survey.
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 diagrams are in body of this 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.*	• The body of the announcement is considered to be a balanced report on the results of the DHEM surveys
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.*	• Loop size: 200m x 200m • Station Spacing: 10m 20-90m then 5m to EOH • Frequency: 1 Hz • Transmitter: VTX100 • Max Current/Voltage: 95 Amp/500 volts

Criteria	JORC Code explanation	Commentary
		• Receiver: EMIT SMARTeM24 • Sensor: EMIT Digi Atlantis B-field sensor
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or 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.*	• Next stage of exploration work may consist of RC drilling to drill test the strongest DHEM conductors • Surface MLEM surveys may be commissioned