



# DEVELOPING THE COUFLENS PROJECT IN FRANCE

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JULY 2017



# A PROVEN HIGH GRADE MINE WITH SIGNIFICANT EXPLORATION UPSIDE



Developing the Couflens tungsten-copper-gold project in southern France (80% interest)



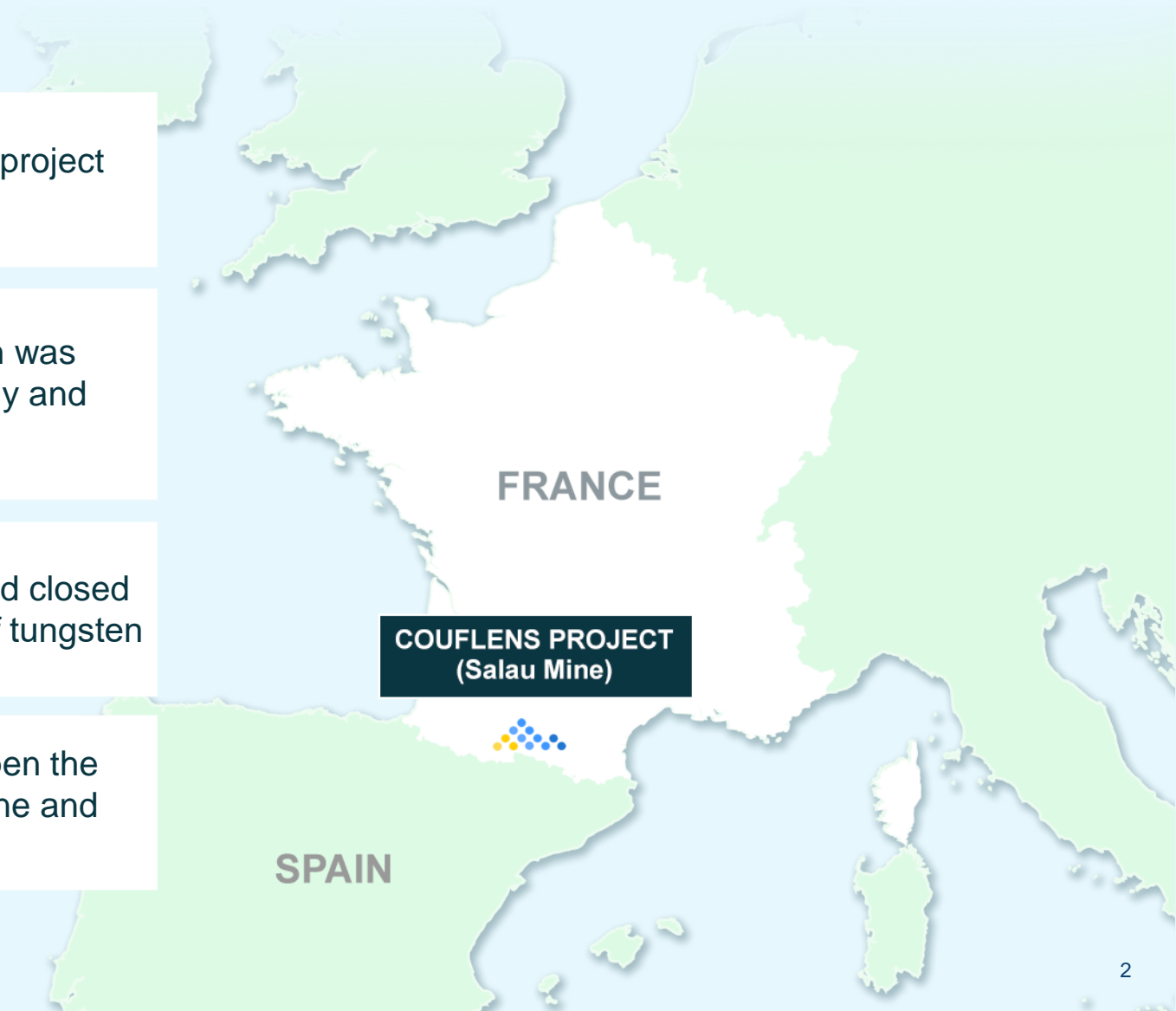
Project includes the historical Salau Mine which was one of the highest grade tungsten mines globally and remains open at depth



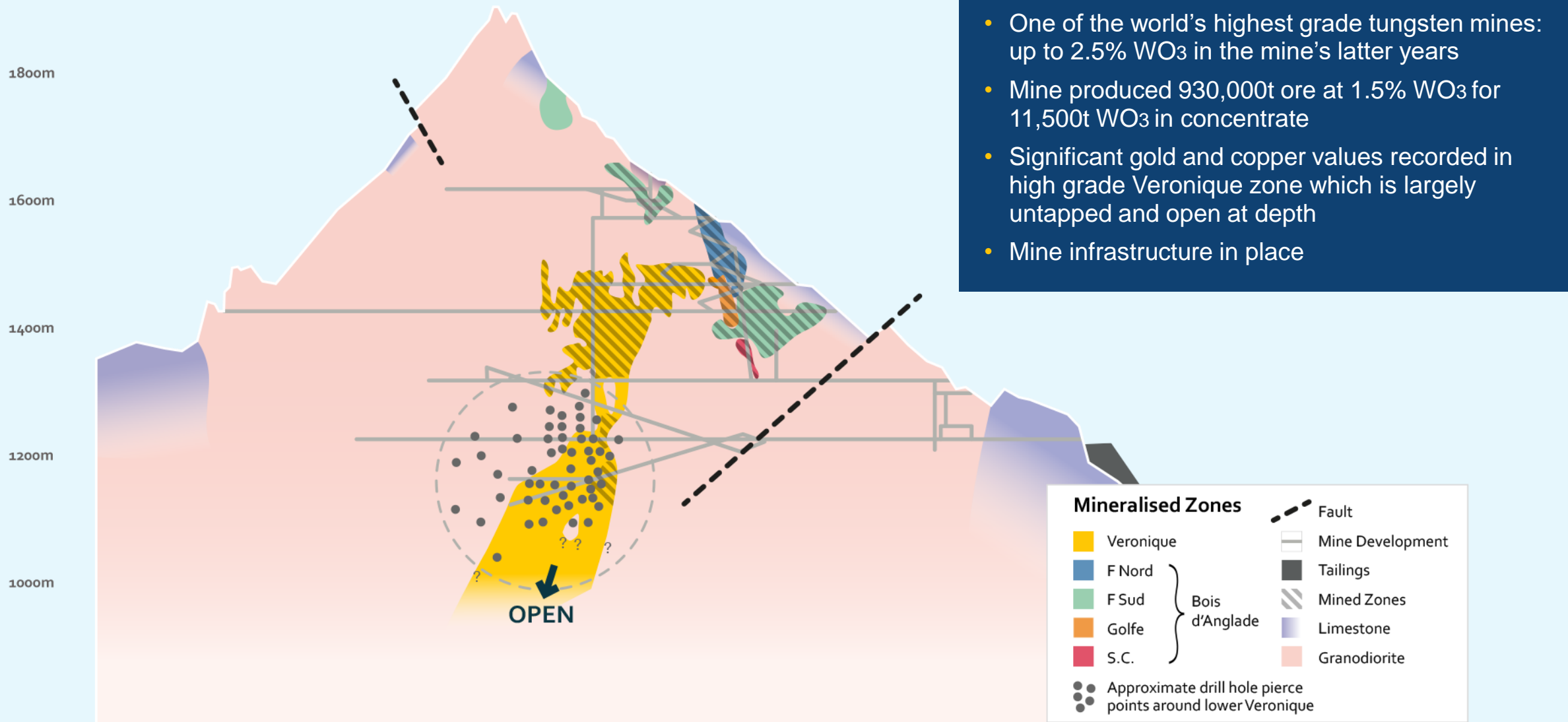
Salau Mine operated for more than 15 years and closed in the mid-1980's following Chinese dumping of tungsten



Apollo Minerals will assess the potential to reopen the mine and aggressively explore significant in-mine and regional tungsten-copper-gold targets

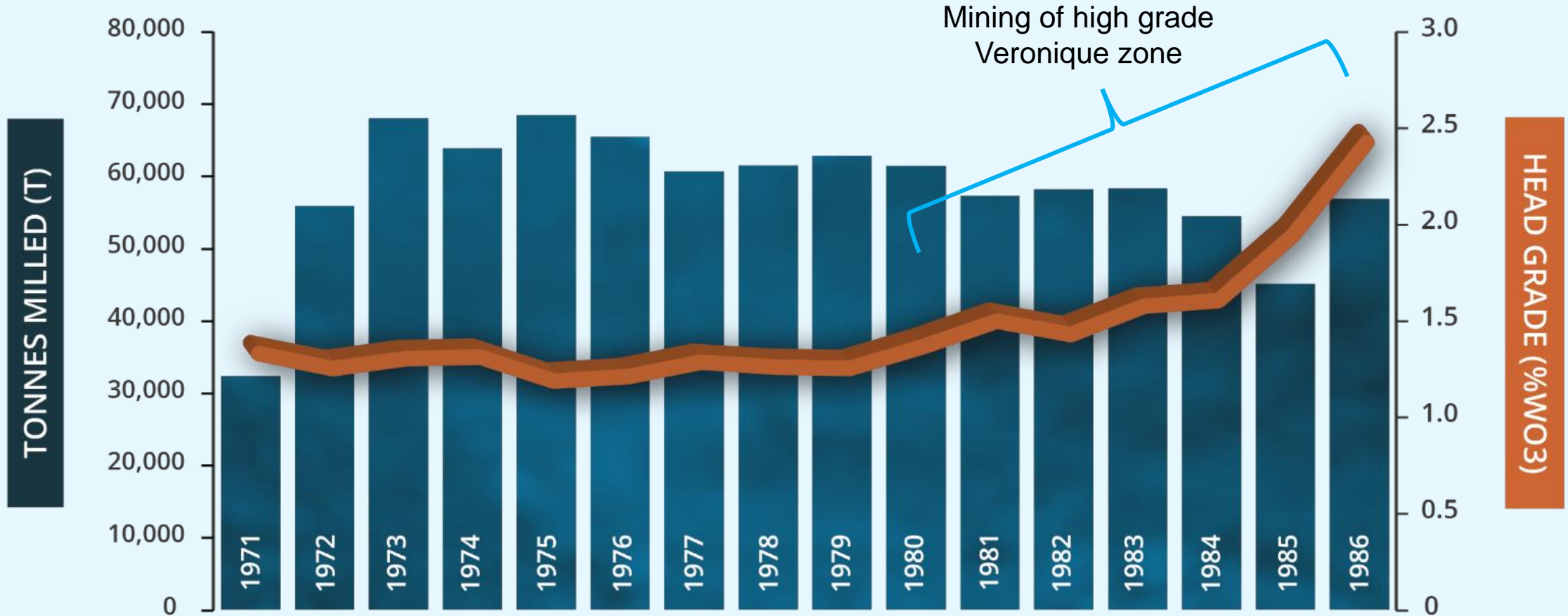


# THE HIGH GRADE SALAU MINE



- One of the world's highest grade tungsten mines: up to 2.5% WO<sub>3</sub> in the mine's latter years
- Mine produced 930,000t ore at 1.5% WO<sub>3</sub> for 11,500t WO<sub>3</sub> in concentrate
- Significant gold and copper values recorded in high grade Veronique zone which is largely untapped and open at depth
- Mine infrastructure in place

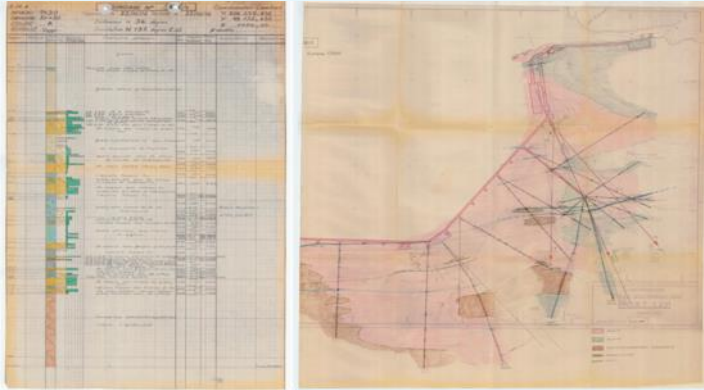
# HISTORICAL PRODUCTION AT VERY HIGH GRADES



# SIGNIFICANT TIME AND COST SAVINGS



Extensive database of historical information available covering Salau Mine & 42km<sup>2</sup> project area



Underground mine development expected be in good condition. Strong regional infrastructure

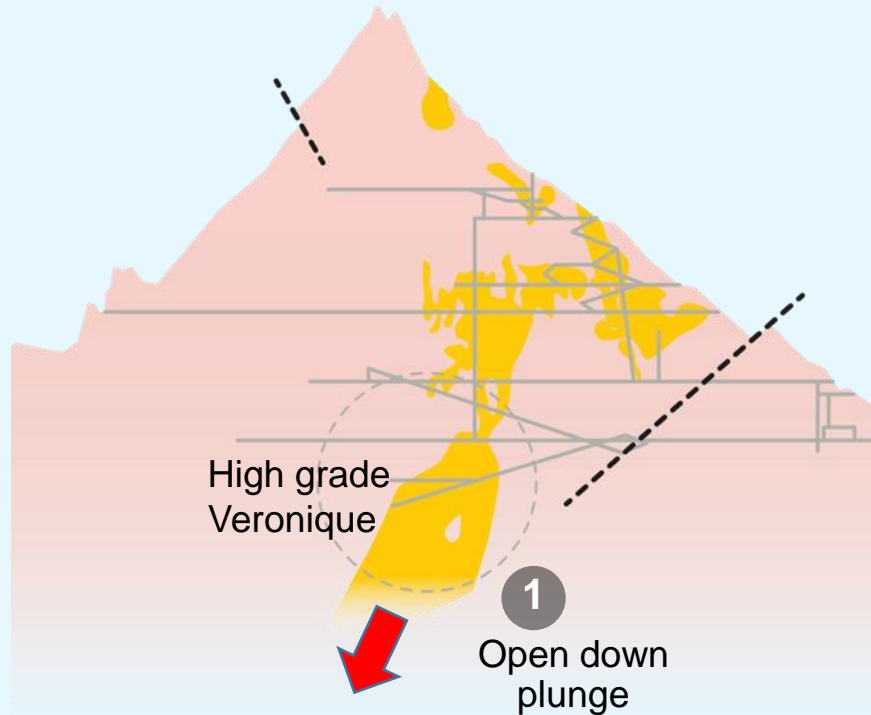


# HIGH IMPACT EXPLORATION POTENTIAL



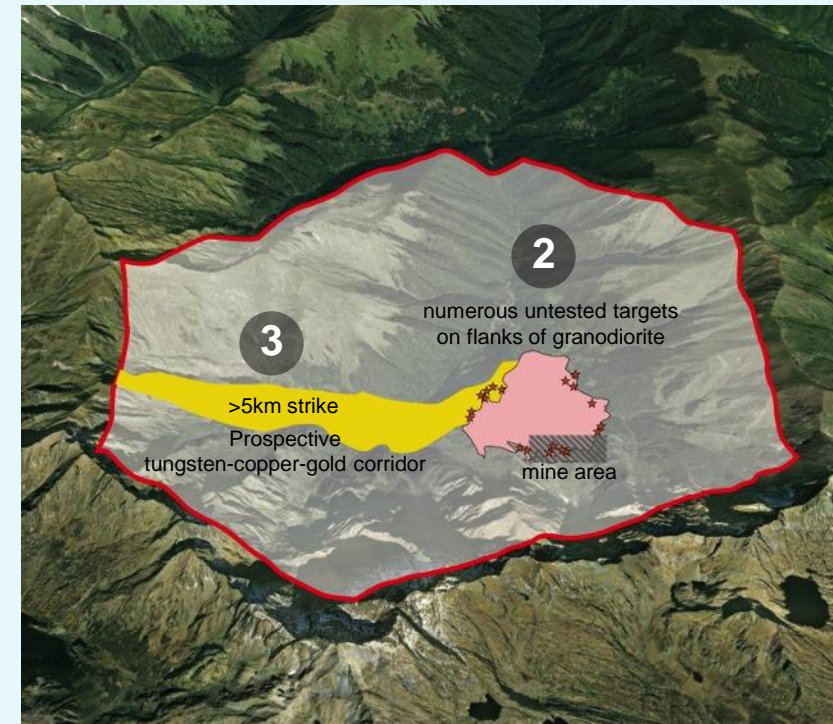
## Salau Mine

High grade Veronique zone open at depth.  
High grade gold values recorded<sup>1</sup>



## Near Mine & Regional Targets

~75% of granodiorite contact untested.  
> 5km strike of prospective corridor for tungsten-copper-gold



# WELL FUNDED FOR AGGRESSIVE EXPLORATION PROGRAMS



## Salau Mine

- Review and digitise historical mine data
- Mine area and old tailings risk assessments
- Access existing mine and stoping areas
- Map & sample tungsten-copper-gold mineralisation exposed in mined areas
- Generate 3D model
- UG drilling to confirm known zones of mineralisation and test for extensions
- Resource estimation and reporting in accordance with JORC Code

## Near Mine & Regional Targets

- Review and digitise regional exploration data
- Assess identified prospects
- Generate new exploration targets
- Detailed geochemistry, geophysics and surface sampling programs
- Evaluate gold potential
- Drill testing of exploration targets

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

# EXPERIENCED BOARD AND MANAGEMENT



## IAN MIDDLEMAS – CHAIRMAN

Highly respected resource executive with extensive finance, commercial and capital markets experience. Current Chairman of Berkeley Energia and Prairie Mining & former Chairman of Mantra Resources and Papillon Resources.

## ROBERT BEHETS – NON-EXECUTIVE DIRECTOR

Geologist with over 25 years mining industry experience; Strong combination of technical, commercial and managerial skills. Founding MD of Mantra Resources, ex Acting MD/NED of Papillon Resources and WMC executive.

## MICHEL BONNEMAISON – NON-EXECUTIVE DIRECTOR

French geologist with extensive experience in Europe, Africa and South America. 35 years working history with the French geological survey (BRGM) including Deputy Head of Minerals Resources Division. Widely recognised as one of the preeminent authorities on gold deposits in France.

## AJAY KEJRIWAL – NON-EXECUTIVE DIRECTOR

Chartered Accountant with over 20 years experience in finance and commerce and currently a consultant to Juniper Capital, a natural resource investment and advisory business. Prior to Juniper he worked as a banker for the Principal Investments business at Nomura in London and Hong Kong, Cazenove and Co and Morgan Stanley.

## MARK PEARCE – NON-EXECUTIVE DIRECTOR

Resource company executive with substantial experience in the development and funding of listed resource companies. Chartered Accountant and current director of a number of listed companies including Prairie Mining.

## CURRENT CAPITAL STRUCTURE

# 139.9m

Shares on Issue

# 74.5m

Unlisted Options & Performance Shares

# A\$ 25.9m

Market Cap (undiluted @ A\$0.185)

# A\$ 4.6m

Cash Position (at 31 Mar 17)



# INVESTMENT SUMMARY



**One of world's  
highest grade  
tungsten deposits**

*2.0 to 2.5% WO<sub>3</sub>  
in the mine's latter years*

**Proven mine**  
930kt ore @ 1.5%  
11,500t WO<sub>3</sub> in conc.

*Mine operated for 16 years  
Extensive database*

**Gold & copper  
values provide  
potential upside**

*High grade gold recorded in  
Veronique zone*

**Significant  
exploration potential**

*Deposit open down plunge  
Numerous regional targets*

**Proven Board  
& management**

*Strong track record  
In-country experience &  
specific expertise*

**Strong pipeline  
of catalysts &  
news flow**

*Well funded for aggressive  
work programs*



# ADDITIONAL INFORMATION

# MINING RENAISSANCE IN FRANCE



- First world jurisdiction
- Strong government support for mining sector reactivation
- Well defined mining laws
- Excellent infrastructure
- Skilled local workforce
- Excellent geological prospectivity
- Limited application of modern exploration technologies



# TUNGSTEN: A STRATEGIC METAL



## AN ESSENTIAL INDUSTRIAL METAL WITH OUTSTANDING PROPERTIES:

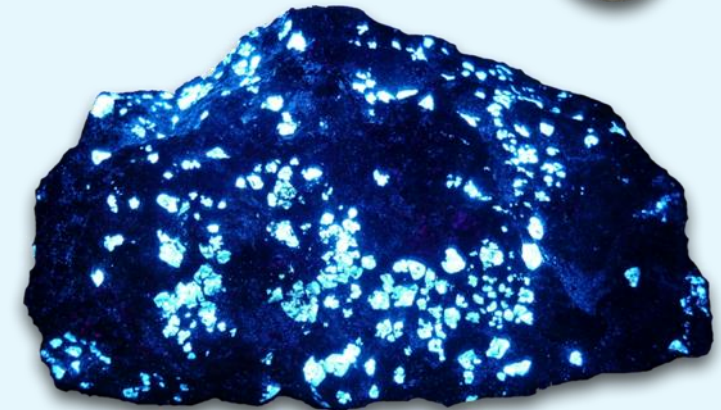
- Highest tensile strength and melting point (3,400°C) of all metals
- Very high density and second strongest material after diamond
- A strategic commodity: Critical for many industries including drilling, automotive, military and aerospace

## KEY APPLICATIONS\* :

- Cemented carbides used in drilling tools and wear-resistant parts (55%)
- Alloy steels and alloys used primarily in tools (21%)
- Fabricated tungsten products e.g. electrical & electronic contacts (18%)
- Chemical applications and products (6%)

## TUNGSTEN MARKET & PRICING:

- Tungsten concentrate (containing  $WO_3$ ) is refined by processors into Ammonium Para Tungstate (APT)
- APT prices quoted in metric tonne units or mtu of  $WO_3$  (1 mtu = 10kg)
- APT price in Jun 2017 ~US\$220 per mtu (or US\$22,000 per tonne)
- Total market estimated at 80,000t primary tungsten metal (W), equivalent to ~100,000t tungsten trioxide ( $WO_3$ )



*Sample from high grade Salau mine  
(natural light and under UV light)*

# CHINA NOW A NET IMPORTER OF TUNGSTEN

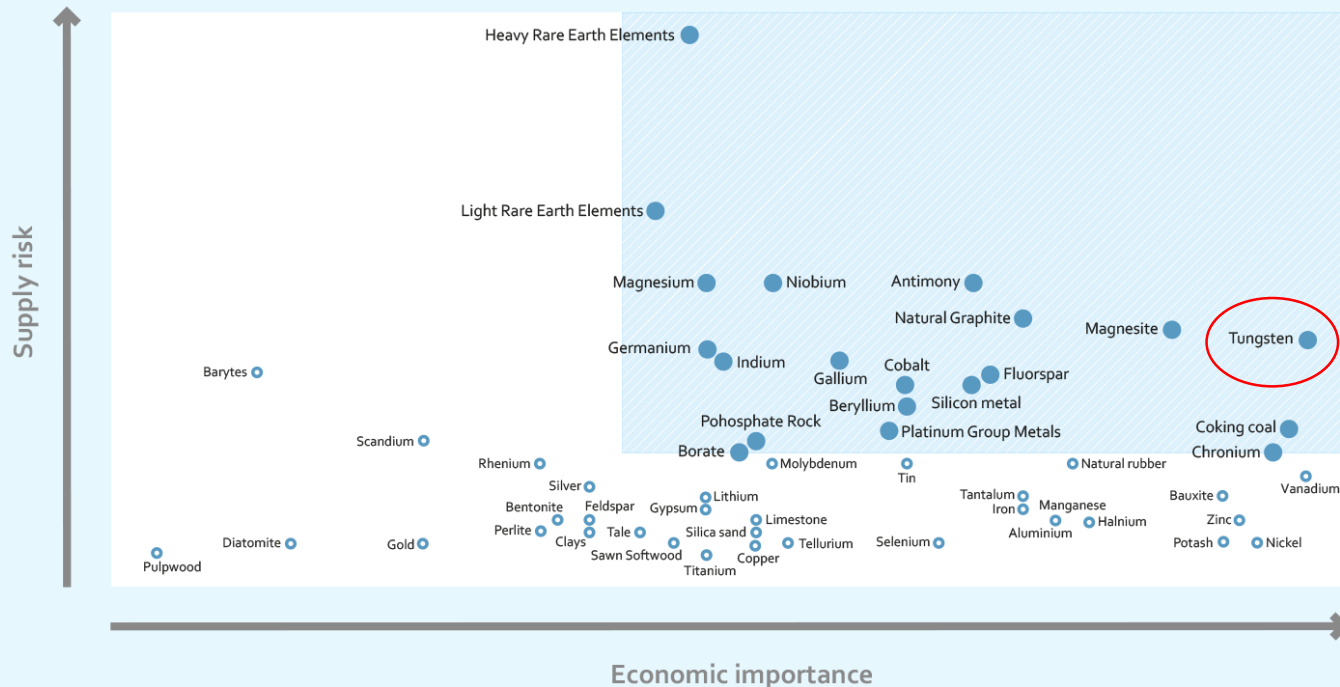


## CHINA DOMINATES THE TUNGSTEN MARKET

- China accounts for >80% of global tungsten mine production
- Recently confirmed it had become a net importer of tungsten from global markets

## EUROPEAN END USERS ARE SEEKING SECURITY OF SUPPLY OUTSIDE CHINA

- Tungsten is a highly strategic metal used in military, aerospace and other heavy industry
- Rated #1 critical raw material for Europe by EU<sup>2</sup>
- These dynamics point to potential favourable terms for long term supply contracts

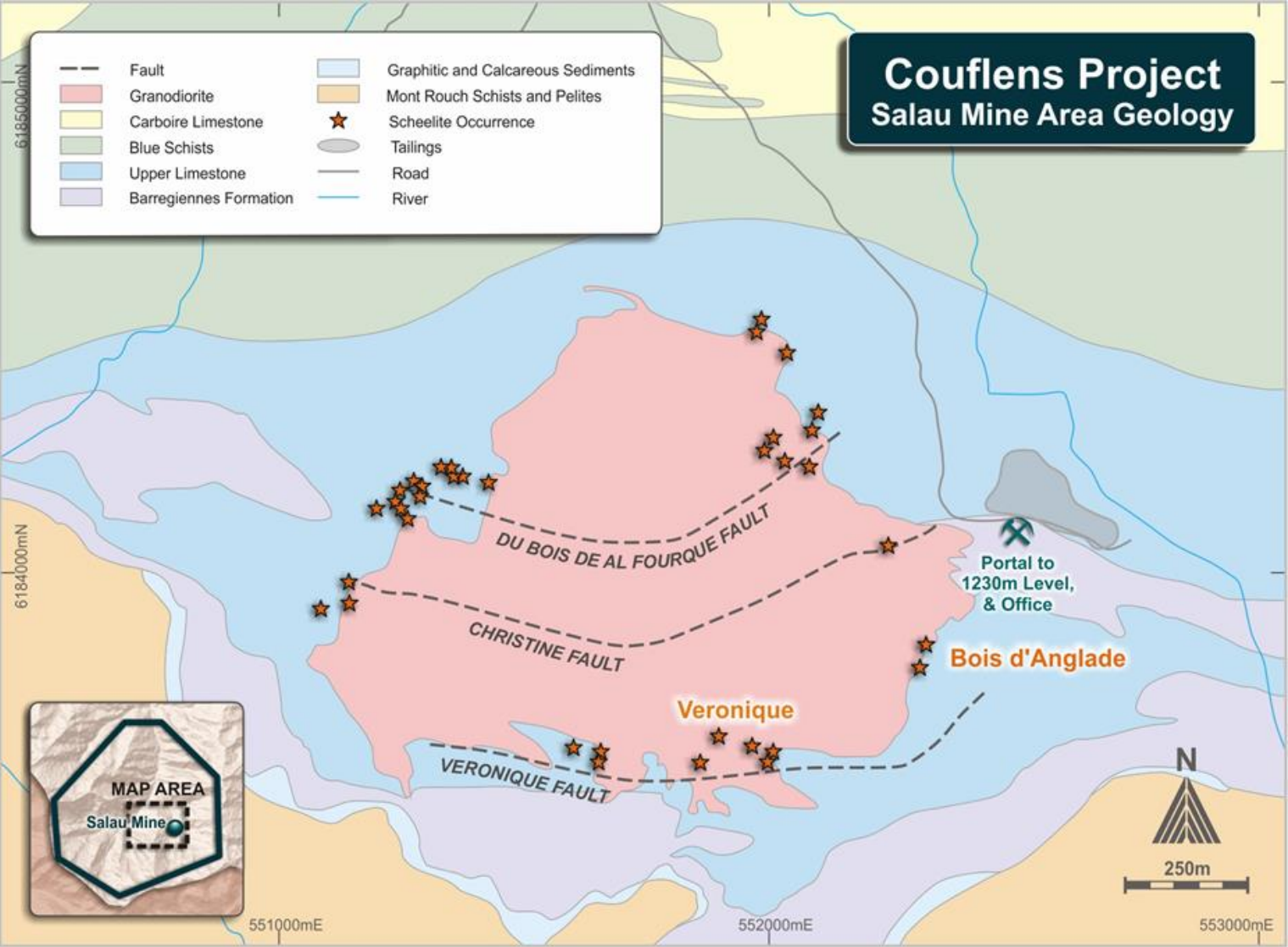


# LIMITED LARGE SCALE SUPPLY



Only **2** mines outside of China with production capacity greater than 3,000tpa tungsten in concentrate

# SALAU MINE AREA GEOLOGY



# IMPORTANT NOTICES

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## Forward Looking Statements:

This announcement may include forward-looking statements. These forward-looking statements are based on Apollo Minerals Limited's (Apollo) expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Apollo, which could cause actual results to differ materially from such statements. Apollo makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

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## Competent Persons Statement

The information in this report that relates to Exploration Results is 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'. Mr Behets consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## References

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

2. [http://ec.europa.eu/growth/sectors/raw-materials/specific-interest/critical/index\\_en.htm](http://ec.europa.eu/growth/sectors/raw-materials/specific-interest/critical/index_en.htm)





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