

## ASX ANNOUNCEMENT

12 FEBRUARY 2015

### APOLLO ACQUIRES NICKEL PROJECT IN WORLD CLASS NICKEL PROVINCE, FRASER RANGE, WA

#### HIGHLIGHTS

- Apollo has agreed to acquire a 70% interest in the Orpheus Base Metals JV Project in the world class Fraser Range minerals province in Western Australia
- Apollo will enter into a Joint Venture ("JV") Agreement with Enterprise Metals to explore for major nickel and base metal deposits in the project area
- The project covers >600km<sup>2</sup> across four tenements in the most sought-after area of the Fraser Range exploration province
- The project is situated 30km along strike from Sirius Resources' Nova nickel deposit in the main high density zone of the Albany-Fraser Orogenic Complex
- Previous exploration includes detailed soil geochemistry, electromagnetic ("EM") surveys and a 12 hole, 3,800m drill programme which intersected nickel sulphides
- Multiple high priority targets have been identified and are drill ready
- Apollo is reviewing extensive data and planning its work programme to continue exploration across the highly desired and prospective Fraser Range tenements
- Drilling is expected after finalisation of the review and input from expert advisers
- Share placement to raise \$550,000 to fund acquisition and exploration

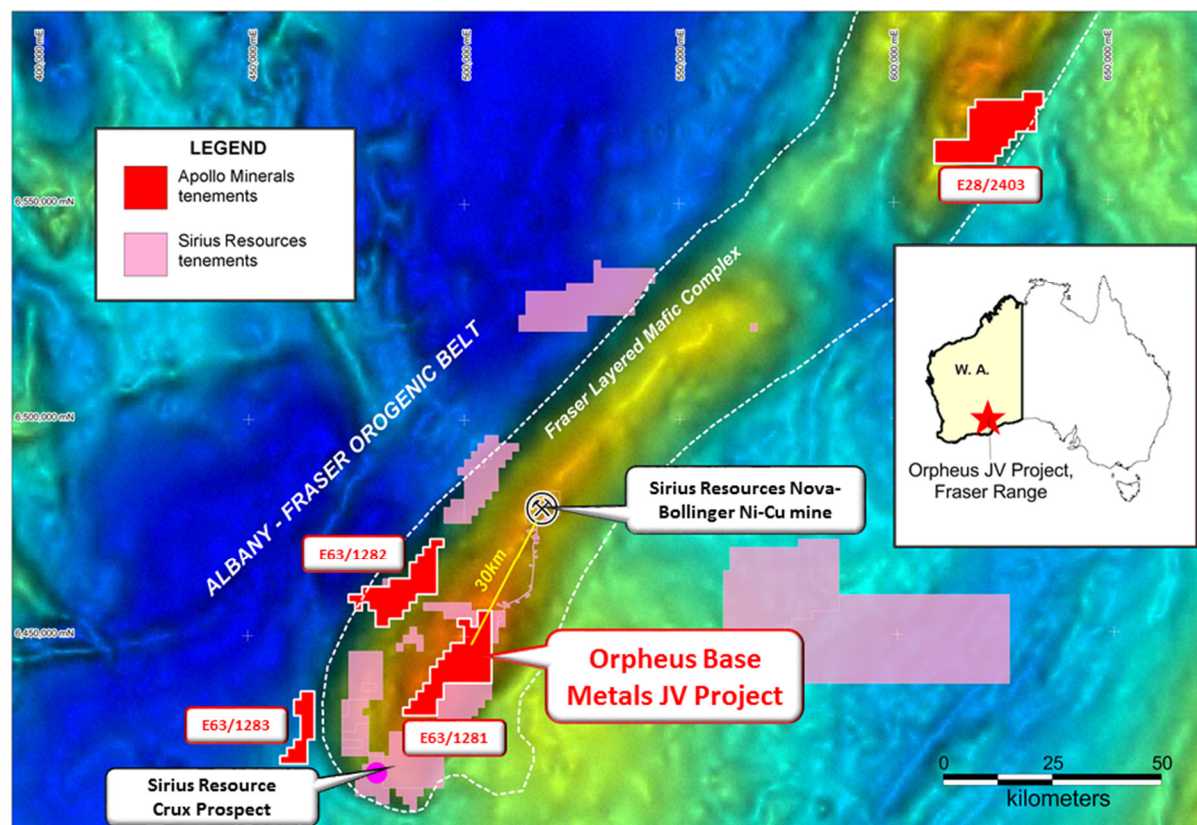
**Apollo Minerals Ltd (ASX: AON)** ("Apollo" or "the Company") is pleased to announce the acquisition of a 70% interest in the Orpheus Base Metals JV Project in the Fraser Range nickel province in south eastern Western Australia.

The project area consists of four tenements covering 600km<sup>2</sup> in the most prospective area of the world class Fraser Range exploration district, host to Sirius Resources' (ASX: SIR) major Nova nickel ("Ni") and copper ("Cu") deposit.

Under the terms of the agreement, Apollo will enter into the Orpheus Base Metals JV with Enterprise Metals Ltd ("Enterprise"). Apollo will acquire a 70% interest in the tenements from Enterprise, who will be free carried to completion of Bankable Feasibility Study ("BFS"). Upon completion of a BFS and

delineation of a mining area, the JV parties will contribute proportionally to the development of the Project towards mining.

The Fraser Range province has attracted significant exploration since the discovery of Sirius's world-class Ni-Cu Nova deposit in 2012, at which mine construction has now commenced. The Orpheus Base Metals JV is strategically located with the primary tenement, E63/1281, situated along strike and mid-way between Sirius Resources' Nova deposit to the north and its highly prospective Crux Prospect to the south (see Figure 1).



**Figure 1 – Fraser Range Gravity image showing Apollo's tenements (70%) and high density gravity zone containing Sirius' Nova-Bollinger mine (under construction) and Crux prospect.**

Apollo Minerals Chairman Richard Shemesian said:

*"Apollo now has a project in one of the most prospective areas for nickel-copper massive sulphides near Sirius's world class Nova nickel mine. We now have two projects in geological areas that host world class mineral deposits including our South Australian Titan IOCG Project. With access to the best technical experts and joint venture partners, Apollo will be able to increase its chances of discovery."*

Apollo is an active and progressive explorer, and is committed to pursuing exploration opportunities in highly prospective regions. At its South Australian project area in the Gawler Craton, the Company conducted more than \$2M in exploration in 2014. Last year, its joint venture partner HPX undertook one of the largest ever IP Surveys conducted in South Australia.

The Company is committed to its ongoing exploration programmes, and believes that the Fraser Range acquisition will complement its high quality South Australian project area. In February 2015, Apollo will have \$1.6M cash available to fund its exploration activities.



## Summary\* of key exploration results at the Orpheus Base Metals JV Project, Fraser Range project

### 1. Highly Prospective Areas for Ni-Cu Mineralisation

Project is located in the critically important, high gravity area (red - orange coloured zone in Figure 1) representing denser, mafic-ultramafic rocks that are highly prospective for Ni and Cu mineralisation.

### 2. Significant Previous Exploration – over 3,800m drilled

Exploration work includes detailed soil geochemistry, EM and drilling of 12 holes for ~3,819 m.

### 3. Multiple Targets Identified

Four priority target areas identified at Plato, Heart, Highway and McPhersons, with more anomalies being evaluated which contain coincident Ni and Cu soil geochemistry (Figure 2). Only part of Plato subjected to drill testing and several other target areas remain untested.

### 4. Drilling intersected Ni-Cu Sulphides in 2014

At Plato, drilling intersected nickel sulphides with grades up to **3,900 ppm Ni** and **2,280 ppm Cu**. Further drilled thickness intersections ranging from 20m – 60m and grading 2,970 ppm Ni and 909 ppm Cu (detailed in Table 2). These encouraging results combined with supporting petrology indicate a Ni-Cu sulphide system was intersected (*Enterprise ASX release dated 10 June 2014*).

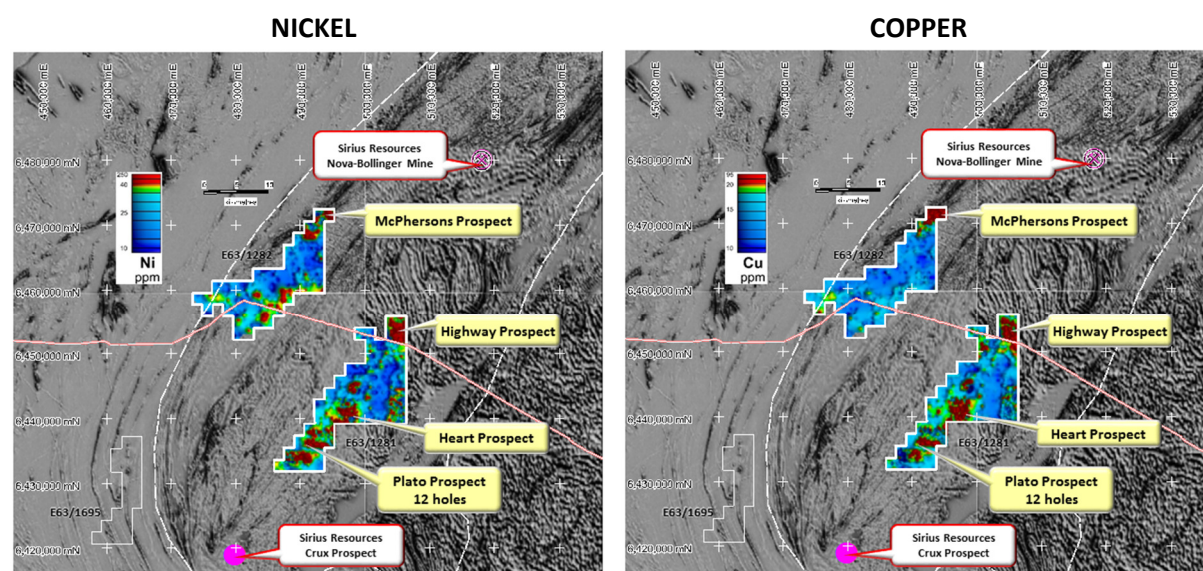
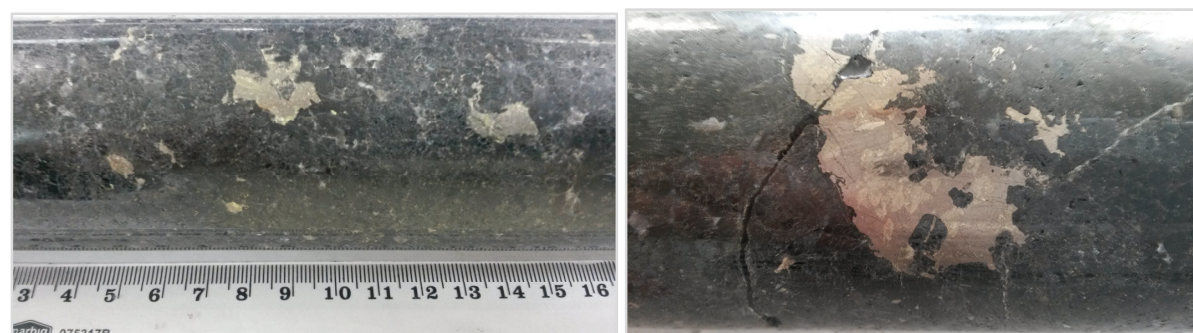


Figure 2 – Fraser Range project areas showing coincident Ni-Cu soil geochemical anomalies



Source: Enterprise ASX release dated 30 July 2014

Figure 3 – Nickel and copper sulphides at 340m downhole depth from PLRCD003 (Plato)

Figure 4 – Nickel sulphides at 337.4m downhole depth from PLRCD003 (Plato)

Note: \*Refer Attachment 1: Listing of Enterprise Public Reports on which this Summary is based.

## Key Terms of the Agreement

Fraser Range Exploration Pty Ltd ("FRE"), a wholly owned subsidiary of Apollo, agrees to purchase a 70% legal and beneficial interest in the tenements owned by Enterprise.

The parties will form an unincorporated exploration JV called the Orpheus Base Metals JV between FRE and Enterprise, where FRE will have a 70% JV interest, and Enterprise will have a 30% JV interest. FRE will be appointed as manager of the joint venture.

The terms include:

- a) FRE will sole fund all JV activities on the Tenements until the date when FRE delivers to Enterprise a BFS for a Mining Area
- b) the Tenements (if any) outside the Mining Area will remain subject to this Agreement and FRE will remain responsible for sole funding exploration,
- c) the payment of a \$100,000 non-refundable deposit,
- a) the payment of a further \$100,000 on the Completion Date, and
- b) the issue of 20 million fully paid ordinary shares in the capital of Apollo to Enterprise on the Completion Date which is to occur within 14 days from the date of the Agreement.

## Share Placement

Apollo has agreed to place up to 68,750,000 fully paid ordinary shares to sophisticated and institutional investors at a price of 0.80 cent per share with a 1 for 2 free attaching Option ("Options") to raise up to \$550,000 before costs. This placement will be conducted under the Company's approvals received at the Annual General Meeting held on 27 November 2014 and current placement capacity.

The Options will have an exercise price of 1.3 cents per share a 53% premium based on the 10 day VWAP and an expiry date of 28 February 2018.

Shareholder approval will be sought to enable, Eric Finlayson, a Director of Apollo Minerals Ltd to participate in the share placement on the same terms and conditions as the placement described above to subscribe for 2,500,000 shares and 1,250,000 Options. The Company will also seek approval to issue up to 30,000,000 million incentive options to the board of directors, management and advisers to the Company with the same terms as the Options.

On the exercise of the Options the Company will be able to raise up to a further \$796,250.

Funds raised will be used to advance the Company's projects, exploration and acquisition costs.

Patersons Securities Limited acted as lead manager to the placement.

## ABOUT APOLLO MINERALS

Apollo Minerals Ltd (ASX code: AON) is a minerals explorer and developer with projects focussed 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, Apollo's Titan Base-Precious Metals project is situated close to existing infrastructure including the Darwin-Adelaide railway line, highway and ports.

The Titan Base-Precious Metals Project 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 (High Power Exploration Inc ("HPX") earning up to 80% interest)
- Eaglehawk JV (Apollo earning up to 75% interest)
- Aurora Tank JV (Apollo earning up to 75% interest)

Apollo and HPX entered a strategic alliance in 2014 to jointly explore the Titan Base-Precious Metals project. HPX is a private metals-focused exploration company deploying proprietary geophysical technologies to rapidly evaluate buried geological targets. HPX is indirectly controlled by international financier and mining entrepreneur Robert Friedland.

In the Fraser Range of Western Australia, Apollo is commencing exploration to identify 'Nova style' nickel-copper-cobalt deposits within the critically important high density zone representing the layered mafic-ultramafic Fraser Complex.

### FOR FURTHER INFORMATION CONTACT:

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## COMPETENT PERSONS DECLARATIONS

*The information in this Report that relates to Exploration Results is extracted from Public Reports previously published by Enterprise Metals Limited (refer Appendix 1) and is available to view on the ASX and Enterprise websites.*

*The information in this Report that relates to Exploration Results was compiled by Mr Derek Pang from these Public Reports previously published by Enterprise Metals Limited. Mr Pang is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Apollo Minerals Ltd. Mr Pang 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'. Mr Pang consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears.*

*The information in this Report that relates to Exploration Results was originally compiled by Mr Dermot Ryan, who is a Fellow of the Australasian Institute of Mining and Metallurgy, and a Director of Enterprise Metals Ltd. Mr Ryan 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'. Mr Ryan also consents to the inclusion in the Report of the matters based on his information in the form and context in which it appears. Mr Ryan and the Company confirm that they are not aware of any new information or data that materially affects the information included in the original market announcements. 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.*



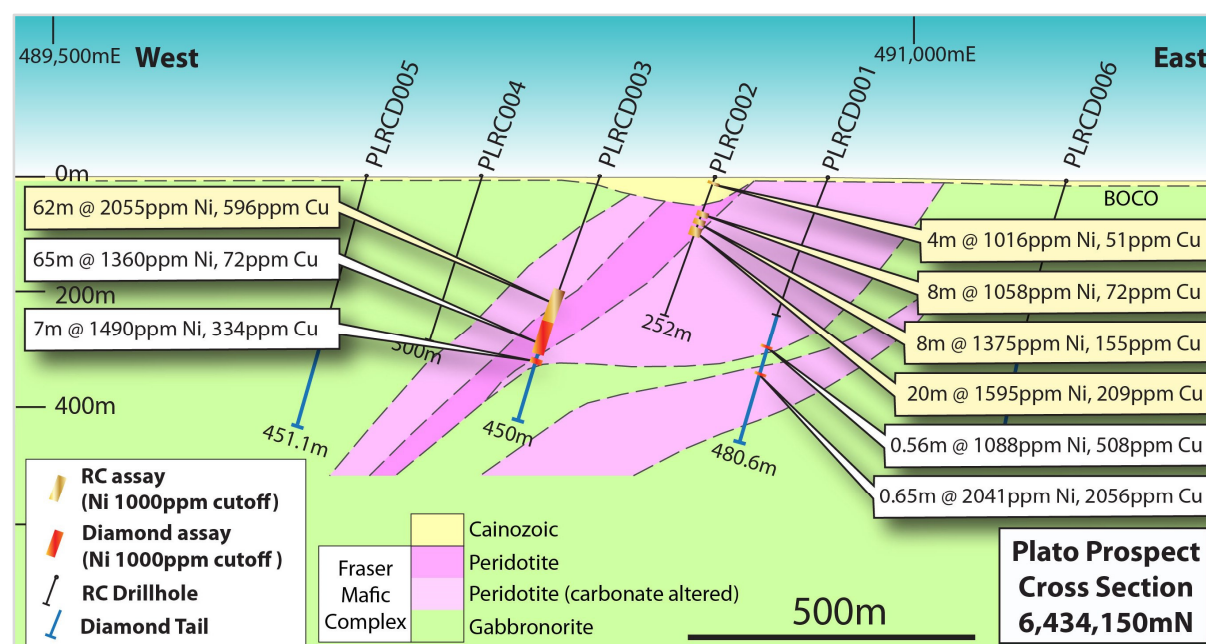
**Table 1 - Fraser Range Tenement Schedule – Orpheus Base Metals JV**

Project	Tenement	Apollo's Interest	Location	Area km <sup>2</sup>	Status
Orpheus Base Metals JV Project	E63/1281	70%	Fraser Range, WA	200	Granted
Orpheus Base Metals JV Project	E63/1282	70%	Fraser Range, WA	163	Granted
Orpheus Base Metals JV Project	E63/1695	70%	Fraser Range, WA	31	Application
Orpheus Base Metals JV Project	E28/2403	70%	Fraser Range, WA	235	Application
<b>TOTAL</b>				<b>629</b>	

**Table 2 – Summary of RC/Core drilling results previously reported by Enterprise**

Drillhole ID	Depth From (m)	Depth To (m)	Interval (m)	Ni (ppm)	Cu (ppm)	Co (ppm)
PLRC003	208	270	62	2,055	596	120
	including 231	251	20	2,970	909	145
	including 231	234	3	3,970	1,123	170
	including 231	232	1	3,748	1,480	147
	271	334	63	1,360	72	136
	334	341	7	1,490	2,282	604
PLRC002	4	8	4	1,016	51	572
	60	68	8	1,058	72	209
	76	84	8	1,375	155	136
	87	107	20	1,595	209	135
PLRC001	310.18	310.74	0.56	1,088	508	81
	359.9	360.55	0.65	2,041	5,056	111

Source: Enterprise ASX release dated 10 June and 27 June 2014



Source: Enterprise ASX release dated 30 July 2014

**Figure 5 – Geological section for Plato Prospect drill holes PLRC001 – PLRC006**

## ATTACHMENT 1

### List of Enterprise ASX Releases

11/11/2014	RC Drilling Update Plato Fraser Range
27/10/2014	Further EM Targets Identified at Fraser Range
20/08/2014	Plato FLEM Survey Update
30/07/2014	ENT Quarterly Activities Report
03/07/2014	New Fraser Range Tenement
27/06/2014	Conductor Detected at Plato Prospect in Fraser Range
10/06/2014	Fraser Range Exploration Update
30/05/2014	Fraser Range Update
19/05/2014	Magmatic Nickel Sulphides at Plato in Fraser Range
06/05/2014	Exploration Accelerated at Fraser Range
01/05/2014	Plato RC Drilling Update
30/04/2014	RC Drilling Recommences at Plato
29/04/2014	Drilling Update
21/11/2013	AGM Company Presentation
21/06/2013	Fraser Range Nickel Sulphide Targets Defined
29/04/2013	Fraser Range HeliTEM Survey Completed
04/04/2013	HeliTEM Survey at Fraser Range
19/03/2013	Fraser Range Project New Nickel Copper Targets
24/12/2012	Fraser Range Plato Update
20/11/2012	Fraser Range - Soil Sampling Defines Plato Ni-Cu-Co Prospect
17/09/2012	Media Release Ni and Cu results very encouraging
17/09/2012	New Nova style Soil Anomaly Identified at Plato in Fraser Range
12/09/2012	3 Km Multi-Element Soil Geochemical Anomaly at Fraser Range
30/07/2012	Fraser Range Project Update