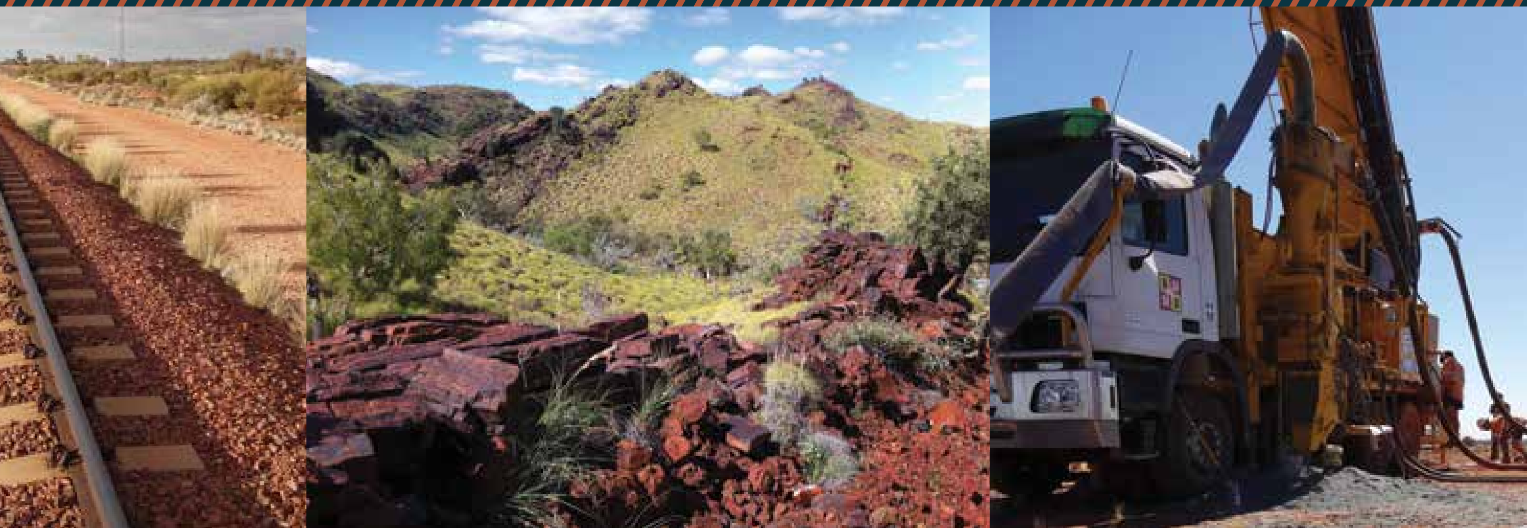
APOLLO
MINERALS LIMITED



Annual Report 2012

Contents

Apollo Minerals is an Australian iron ore exploration company listed on the Australian Securities Exchange (ASX:AON).

Apollo Minerals has three iron ore projects, being the Mount Oscar Project in the Pilbara region of Western Australia, the Commonwealth Hill Project in the Gawler Craton of South Australia and the Kango North Project in Gabon, Africa.

Review of Operations

The 2012 financial year was a milestone year for Apollo Minerals. During the twelve months the Company's achievements included the following:

- advanced mineral studies on the Mt Oscar Project in Western Australia;
- secured a new iron ore project in the developing, world-class iron ore province of central West Africa;
- made significant progress at its Commonwealth Hill Iron Project with the granting of an exploration access agreement with the Australian Department of Defence, the definition of Apollo's maiden JORC-code compliant mineral resource, identification of the potential for the property to host over 500 million tonnes of iron ore, completion of the first stage of metallurgy which demonstrates the ability to produce premium quality products and the signing of an MOU for port access; and
- identified several, important, high potential non-iron ore prospects at its Titan Base and Precious Metals Project in South Australia that warrant immediate follow-up.

Apollo Minerals prides itself on conducting methodical, technically robust and efficient exploration and believes it has now identified the most economically important styles of mineralisation likely to be encountered within its tenement holdings. These include Banded Iron Formations (BIF) and associated higher grade, enriched zones of Direct Shipping Ore (DSO), Iron Oxide Copper Gold and Uranium (IOCG-U), nickel-copper-PGM sulphides and Challenger-style high grade gold mineralisation.

While Apollo's focus remains on developing its iron ore resources as quickly as possible, it recognises the importance of 'keeping one eye open' to the discovery of important base metals and gold deposits on its properties and intends to ensure these opportunities are not lost as the Company's continues to strive to unlock shareholder value.

Financially the Company has demonstrated the ability to raise capital in some of the most challenging times in recent history and has focused on the preservation of cash by ensuring work programmes are thoroughly thought through and planned appropriately.

On the back of the Company's high quality work, Apollo Minerals was successful in attracting new strategic and institutional investors through capital raisings totalling $4.9 million. The placement of 9.25% of Apollo's stock to Jindal Steel and Power Limited, India's third largest steel producer, clearly demonstrates that leading industry players see potential in Apollo above and beyond that available elsewhere.

The technical and executive capabilities of Apollo's Board were further strengthened through the addition of two new directors with substantial iron ore industry expertise, Mr Matthew Rimes and Mr Dominic Tisdell. We believe that the Board now has the requisite skills and expertise needed to assist in developing Apollo's projects into highly valuable and sustainable mining ventures.

We also wish to record our thanks to Mr Jianguuang Wang who stepped down from the board at the last annual general meeting after serving as a non-executive director for 4 years. Mr. Wayne Wu resigned from the board on 30 April 2012 as the nominee from China Armco Inc and Mr Raymond Xia was appointed to the board on 1 May 2012.

The outcomes of the Company's work during 2012 have been exciting and warrant immediate action. The Apollo team looks forward to being able to announce further good news during the 2013 financial year. On behalf of Apollo's board and management team we would like to thank all of the Company's supporters during the year including investors, staff, contractors and consultants. Particular thanks are extended to all our shareholders who have remained committed to supporting the Company during this phase of consolidation.

Commonwealth Hill, South Australia (100% Owned)

In South Australia, Apollo Minerals delivered on a number of outcomes including the completion of geophysical surveys and an RC drilling programme which generated the Company's maiden JORC-code compliant mineral resource estimate for the Sequoia Iron Ore Deposit. In addition, a number of high priority targets were also generated from acquisition and re-processing of what was thought to be lost, historic geophysical data; review of historic samples and completion of the Company's own detailed ground based gravity, magnetic and surface sampling surveys.

In October 2011, following on from recommendations in the *Hawke Review* (May 2011) designed to allow mining and exploration companies access into the Woomera Prohibited Area (WPA), Apollo was granted access to its Commonwealth Hill Iron and Titan Base and Precious Metals Projects which collectively cover approximately 750 km^2 in the Central Gawler Craton some 110km south of Coober Pedy (Figure 1).

Exploration on the Commonwealth Hill Iron Project ("CHIP") is primarily focussed on the search for iron ore associated with large, near-surface deposits with Direct Shipping Ore ("DSO") potential.

Review of Operations

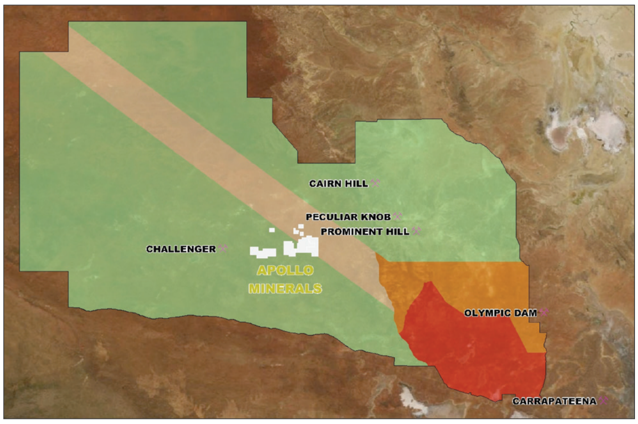


Figure 1: Apollo's Commonwealth Hill tenements and demarcation of Woomera Prohibited Areas

Figure 2: Heritage clearance survey

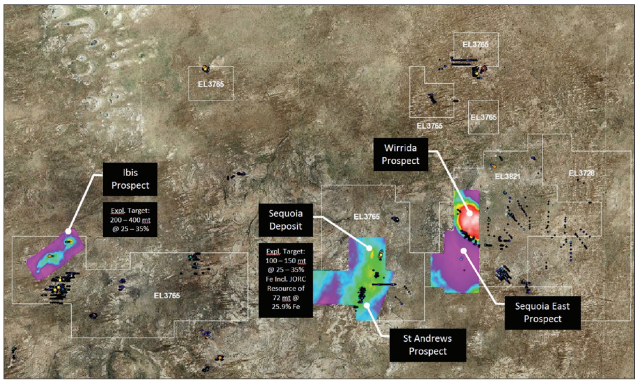


Figure 3: Commonwealth Hill gravity images, historic drilling and iron ore prospects

The same ground is prospective for a wide range of base and precious metals including gold, copper, nickel and platinum group metals. A distinction between CHIP and the non-iron ore prospectively of the same ground is made with the non-iron ore activities being reported under the Titan Base & Precious Metals Project.

The vast majority of Apollo's exploration tenements are situated within the Defence infrequent 'green zone' which is the same zone as surrounding mining operations at Prominent Hill (Oz Minerals), Peculiar Knob (OneSteel now Arrium), Cairn Hill (IMX Resources) and the Challenger gold (Kingsgate) mine. It is this zone that allows practical access to mining and exploration companies, subject to formal approval, a process similar to that required to gain access to the ground when applying to the State's Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) for exploration access.

Apollo acted quickly on granting of access and immediately set about establishing a presence in the area and on building strong relationships with key stakeholders.

The Company began working with the local indigenous community, the Antakiringa Matu-Yankunytjatjara peoples to clear the highly prospective ground for exploration (Figure 2). The initial heritage clearance of 48km^2 covering the Sequoia and St Andrews prospects was completed during October 2011 at which time Apollo commenced detailed ground based geophysical surveys aimed at defining a mineral resource definition drilling programme at Sequoia, the smallest of four primary iron ore prospects at Commonwealth Hill.

Over the next nine months, heritage clearances continued, as did additional geophysical surveys at Sequoia East, Ibis and Wirrida. A total of 598km^2 now has heritage clearance for exploration. Apollo has also completed ground gravity surveys totalling approximately 320 line km and ground magnetic surveys totalling 330 line km at Commonwealth Hill. These surveys are designed to test for density contrasts in the sub-surface geology to identify significant iron ore and sulphide rich bodies (Figure 3).

So far, Apollo has completed ground gravity surveys totalling approximately 320 line km and ground magnetic surveys totalling 330 line km at Commonwealth Hill. These surveys are designed to test for density contrasts in the sub-surface geology with the aim of identifying significant iron ore and sulphide rich bodies.

In early January 2012, through an agreement with the owners of the Commonwealth Hill pastoral station, Apollo established an exploration camp at the Comet Outstation which provides a central base to access the main targets within Apollo's 750 km^2 tenement package. Drilling followed soon after.

Sequoia Iron Deposit

At Sequoia drill targets were generated and positioned following Apollo's detailed gravity survey and review of previous work by the South Australian Steel and Energy (SASE) initiative which in 1996-97 drilled 9 holes, including a single diamond cored hole, totalling 1,278.8 metres. This previous SASE work had generated an unclassified mineral resource estimate of 22 mt grading 28.4% iron. During the 2012 financial year, Apollo completed an RC program, drilling an additional 13 holes totalling 1,829m in order to generate a maiden JORC-code compliant mineral resource estimate for the Sequoia Prospect.

In June 2012, the Company published the maiden JORC-code compliant indicated and inferred mineral resource estimate totalling 72 mt grading 25.9% Fe.

After completing a recent ground-based magnetic survey, it has been determined that the Sequoia Deposit remains open at depth, along strike towards the north, and towards the east and has the potential to be expanded to 100 – 150 mt at 25 – 35% Fe[1] with further drilling (Figure 6).

Metallurgical test work demonstrated that 59-60% Fe sinter fines products can be produced from oxide (haematite) at surface via coarse grinding to F_{80} 250µm. Davis Tube Recovery tests (DTR) on fresh, magnetic mineralisation demonstrated very high quality concentrates, with iron contents of more than 69% Fe, may be produced at relatively coarse grinds (F_{80} 125µm or P_{80} 143µm). Both findings bode well as grind size is a critical determinant of process operating costs and the ability to produce high quality products is likely to translate into strong demand for Apollo's iron ore.

Table 1: Comparison of metallurgical test work results from peer projects

Company	Project	Grind Size (P_{80}µm)	Fe %	SiO_2 %	Al_2O_3 %	S %	P %
Apollo Minerals	Commonwealth Hill	143	69.4	2.3	0.36	0.01	0.01
Equatorial Resources	Mayoko	63	68.9	3.7	0.11	0.01	0.01
Xstrata	Mauritania	80	70.2	1.8	0.22	n/a	n/a
African Iron	Mayoko	65	69.4	3.1	0.22	0.03	0.01
Bellzone	Kalia	65	68.7	3.9	0.14	0.32	0.01
Xstrata	Zanaga	65	66.1	4.5	0.2	n/a	n/a
Gindalbie	Karara	35	68.8	4.2	0.08	0.08	0.01

Ibis Prospect

At the Ibis Prospect, situated approximately 30km due west from Sequoia, detailed ground based gravity and magnetic surveys by Apollo were successfully in helping delineating large volumes of potentially higher grade iron ore mineralisation.

The geophysical modelling has confirmed that a significantly large and dense unit of rock exists which displays highly magnetic and very high density characteristics – significantly higher than any encountered to date at Commonwealth Hill.

The Ibis anomaly trends for approximately 5-6km along strike and has a width at surface of up to 1.5km (Figure 4). The co-incident gravity and magnetic anomaly is interpreted to extend for several hundred metres vertically.

The review of previous exploration by our Apollo exploration team at Ibis also identified that the prospect has only been sparsely drilled by 10 shallow (<50m) RAB holes despite being a known and significant magnetic anomaly which has been referenced in numerous previously published literature.

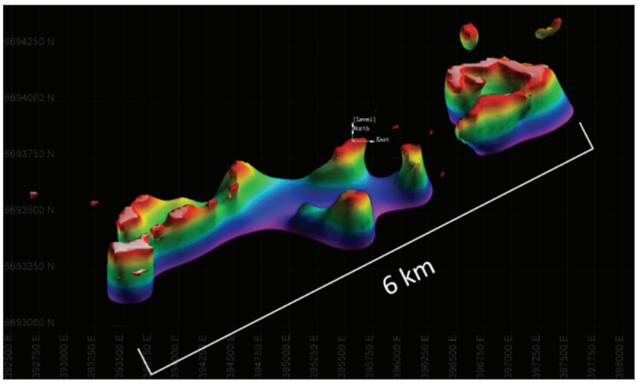


Figure 4: 3D visualisation of Ibis gravity response

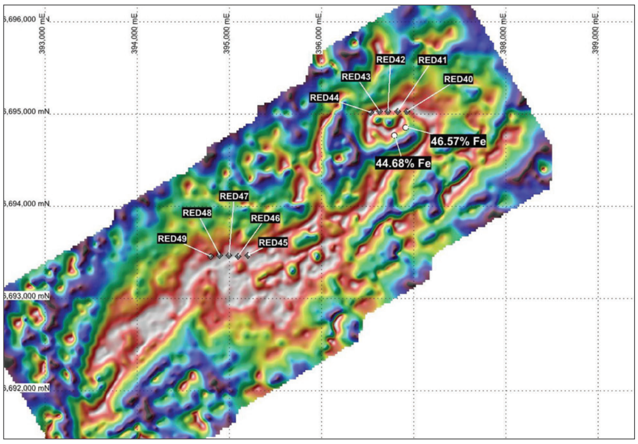


Figure 5: Plan view of Ibis gravity response, historic drilling and surface Fe

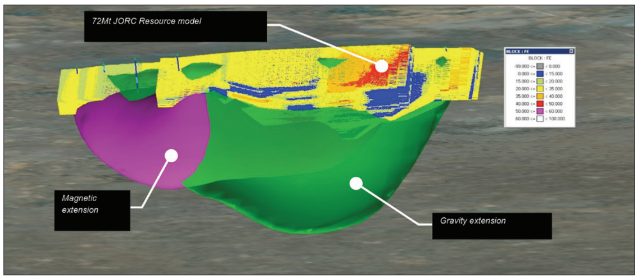


Figure 6: 3D visualisation of the Sequoia Iron Deposit highlighting potential extensions

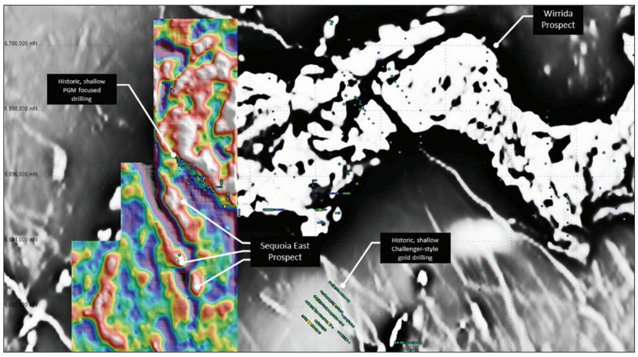


Figure 7: Greyscale magnetics, coloured gravity, drilling around Sequoia East and Wirrida

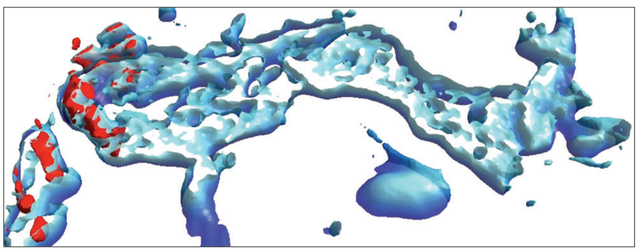


Figure 8: 3D visualisation magnetic (blue) and gravity (red) of the Wirrida Intrusive Complex

Detailed modelling of the Ibis prospect, in conjunction with surface mapping and rock chip sampling, has determined an initial Exploration Target[2] estimated at 200 - 400 million tonnes grading between 25 - 35% Fe. Potential exists to discover significant DSO-grade mineralisation at the prospect, particularly at or near the northern fold nose. Zones of anomalous gold have also been identified and Ibis is believed to have the potential to host economic gneiss associated gold deposits.

Apollo is conducting further exploration and targeting with the objective of thoroughly testing this significantly large and high potential prospect (Figure 5).

Sequoia East Prospect

On the Sequoia East Prospect, a series of untested gravity high targets interpreted to lie along the edge of a deep paleochannel were drilled by RC methods which was successful in intersecting significant iron ore mineralisation in the two targets satisfactorily tested. Mineralisation was intersected within 20m from surface after penetrating difficult surface geology interpreted to be a paleochannel comprised of clays and highly oxidised meta-sediments as well as significant ground water.

All drill holes had to be abandoned before achieving target depths due to the influx of water on the RC drill hammer and several re-drill attempts also failing. Drill hole SEE-011 was terminated at 98m within iron mineralisation, and drill hole SEE-006 did not reach the interpreted depth of the anomaly, although iron mineralisation was unexpectedly intersected higher in the oxide zone (Figure 7).

True width intersections are not quoted above because the geometry of the geology is not known.

In SEE-006, anomalous copper ranging between 100 and 280pmm was continuously encountered for below the base of the transported cover for its entire length. The rocks logged along this interval were highly weathered, clay rich sandstones. The source of this anomalism remains to be discovered but there is potential that this anomalism may be associated with supergene enriched copper mineralisation at the base of a sandstone unconformity such as that proven further south at Mount Gunson on the Stuart Shelf.

The new discovery at Sequoia East has the potential to host both large volumes of iron ore and significant copper mineralisation. Apollo will continue to refine its exploration plans at Sequoia East with the objective of fully evaluating its potential.

Wirrida Prospect

The Wirrida Prospect is denoted by a suite of Gabbro-Norite rock units of volcanic origin, and expressed as the Wirrida Intrusive Complex. The immediate area surrounding the Wirrida intrusion has been the subject of previous explorers with limited success, although a number of anomalous surface and shallow drill hole results have not been fully followed up. Apollo is continuing to conduct a detailed review of all available data from Wirrida to support the next phase of exploration of this very large scale intrusive system (Figure 8).

The Wirrida Intrusive Complex is a significant geological unit in the region and has the potential to host various styles of mineralisation including iron ore, IOCG-U and associated intrusion related mineralisation such as nickel-copper sulphides, Platinum Group Elements and gold. Publicly available exploration reports have noted the mineral occurrences of pyrite, chalcopyrite, pyrrhotite and platinum sulphides across the 15km X 5km complex.

During 2012, Apollo conducted detailed ground gravity over the western part of the Wirrida Intrusive Complex and identified a series of dense, magnetic and non-magnetic units which are associated with identifiable regional structures and include a distinct zonation or fractionalised layering of the intrusive body. It is considered that the geology is prospective to host related base and precious metal mineralisation. Evaluation of the applicability of electromagnetic (EM) geophysical surveying techniques is underway utilising this technology to identify zone of massive sulphide mineralisation and ultimately, large base and precious metals deposits at Wirrida.

Mount Oscar Iron Project, Western Australia (100%)

At Mt Oscar in Western Australia, Apollo Minerals has continued to advance the Project and progress development towards the Scoping Study stage. Previous mineralogical studies have demonstrated that production of saleable and marketable products are achievable. Ongoing investigations of infrastructure developments including proposed rail and Anketell Port proposal are continuing, and have gained strong support from the Government sector and stakeholders in Western Australia.

Apollo holds three exploration tenements covering 273km^2 within the Pilbara region of northern Western Australia. The tenements are situated approximately 35km from the coast and 45km from the township of Karratha (Figure 10).

The Mount Oscar Iron Project is host to iron mineralised BIF units of the Cleaverville Formation and comprised of magnetite-haematite inter-bedded with chert and fine grained clastic rock. Igneous rock units in the region commonly occur as dolerite sills within the layered iron rich units. Mineralisation occurs typically as magnetite within an area covering 5km by 2km and is regionally expressed by a series of ridges which have a continuous strike length for up to 5km, and are locally variable in thicknesses from 60 m up to 160 metres.

The Mount Oscar Project has an estimated combined exploration target[3] ranging from 350 – 650 mt at 30 – 37% Fe from its three tenements.

Mount Oscar Main

Apollo has previously completed a two staged drilling programme to assess the Mount Oscar mineral potential which included 9 RC holes for a total 2,172 metres. Assessment from these drilling programmes in conjunction with surface mapping has been successful in delineating and correlating a series of BIF units across the tenements.

Surface mapping has identified that the BIF sequence comprises of four main units termed Units A – D. Three of these being BIF units (A – C) have distinctively different characteristics and the fourth unit (D) is characterised by intervening dolerite sills (Figure 11).

Continued test work from the Stage 2 drilling campaign has progressed and analysed 3 drill holes by Davis Tube Recovery (DTR) methods. Results from 67 sample composites have delineated 2 types of mineralisation which are capable of producing a saleable product with the parameters >60% Fe, <8% (Al_2O_3 +SiO_2). Drilling has not yet completely delineated the BIF units which are interpreted to be open in all directions.

Figure 9: Drilling at Commonwealth Hill

Review of Operations

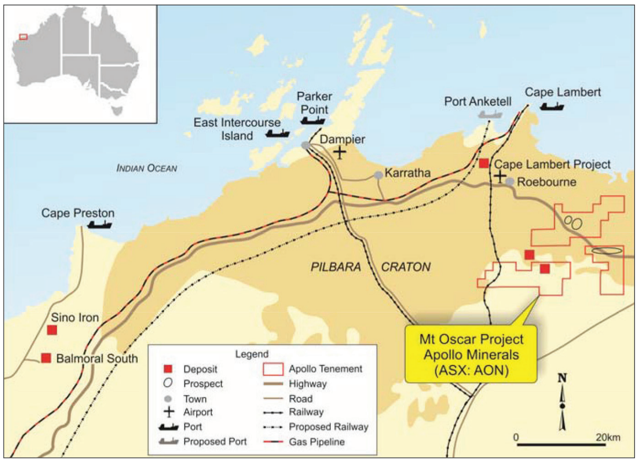


Figure 10: Location map of Mt Oscar Main, East and North

The metallurgical results demonstrate that approximately 50% of the mineralisation below the base of oxidation is weakly magnetic or non-magnetic. Significant quantities of this mineralisation could be further recoverable with additional metallurgical test work. It has highlighted that Unit A has the potential to host significant quantities of banded iron ore mineralisation (indicative of itabirite). Unit B and the northern extension of Unit A require testing to determine their respective properties.

Mount Oscar Main has an estimated combined exploration target[4] ranging from 350 – 650 mt at 30 – 37% Fe from its three tenements which has a combined strike of 6 km. Recent work suggests a total of 11km of strike is prospective for both styles of iron ore mineralisation at Mt Oscar Main.

Apollo has begun planning for an infill drill programme which is aimed at developing a maiden JORC compliant resource to support a small scale, near-term mine development proposition that has the potential to be scaled up to optimal size through the reinvestment of operating cash flows and further resource definition. Apollo is also working on a study for the Project which aims to evaluate the development options available for the Project and highlight potential economic returns.

Mount Oscar East

The Mount Oscar East tenement has an Exploration Target[5] of 50-150 mt at 30-37% Fe. Additional review of geophysical models has indicated that there is potential for a much larger, weakly magnetic body lying within 200 vertical metres of the surface. It should be noted the modelled magnetic susceptibilities that make up the bulk of this larger body are low-moderate (relative to typical BIFs). As such, this additional material is not currently included in the magnetite exploration target for the property.

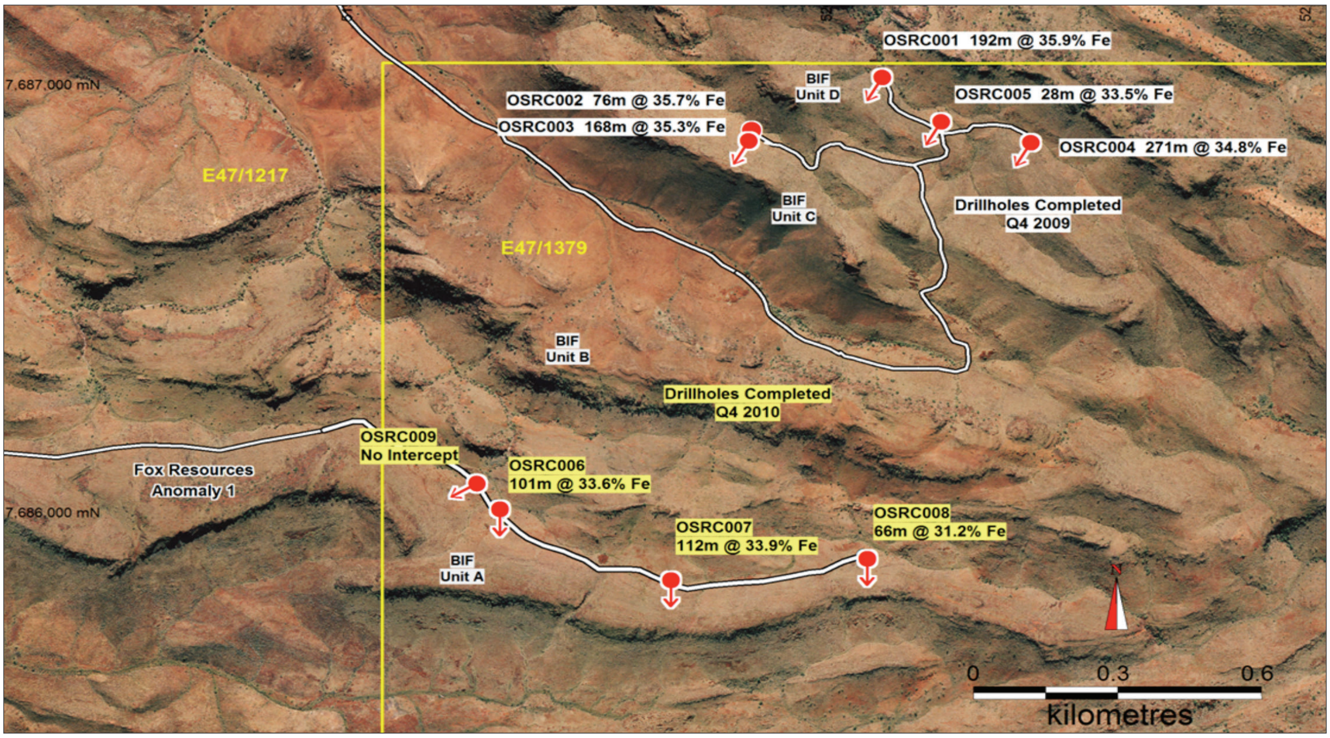


Figure 11: Mt Oscar Main drill results

It is unclear what effects lateral and vertical weathering profiles are having on the magnetic signature of the BIF. As such, the bulk of the material that makes up the larger body is inconsistent with a magnetite resource but it may be indicative of a haematitic cap, itabirite style mineralisation and/or more general magnetite destruction and alteration.

The Company is considering a detailed ground gravity survey at Mt Oscar East designed to:

- define the overall geometry of the iron formation and update the formal exploration target,
- locate and delineate the extents of magnetite and potential haematite rich units as relatively magnetic, and dense bodies within the iron formation with the view to performing geophysical modelling for potential follow-up drill targeting, and
- continue to map structures and features that may relate to the position or structural/stratigraphic controls for economic mineralisation in and around the existing iron formation.

During the year, the Company was notified that prospectors had discovered 420g of surface gold via metal detecting. The source of this gold is unknown. Apollo is currently investigating this matter.

Kango North, Gabon

In May, 2012, Apollo, through Apollo Gabon SA, secured a 70% interest in the Kango North Project and agreed to sole fund exploration and development until the completion of a bankable feasibility study.

The Kango North licence, covering 400km², is located close to existing infrastructure being 20km from the Transgabonais railway, 20km from two hydroelectric dams and approximately 60km from the deep-water port of Owendo by rail and 85km to the capital city, Libreville by road (Figure 12, 13).

The licence was selected on the basis of:

- A review of geological and geophysical data compiled by United States Geological Survey (USGS) and its French peers, the Bureau de Recherche Géologiques et Minières (BRGM)
- A geological licence application review commissioned with resource industry consultants CSA Global which identified mapped and exposed iron-bearing Belinga Group rocks within the licence application area and associated intense magnetic signals from a recent BRGM-led aeromagnetic survey over the Kango area

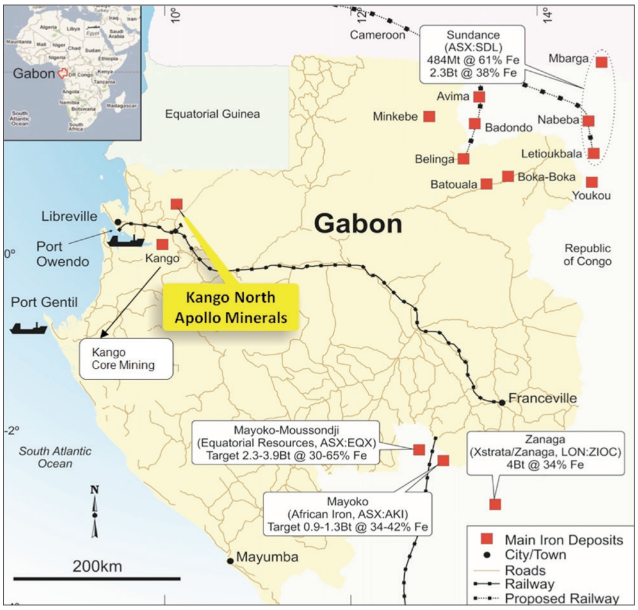


Figure 12: Kango North location map

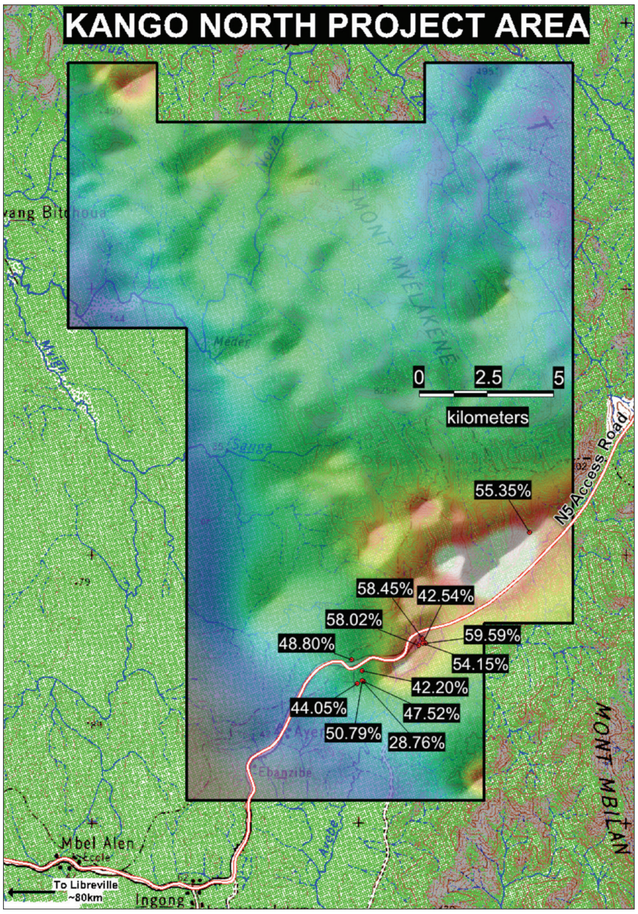


Figure 13: Kango North license area

Review of Operations

Figure 14: Field work conducted at Kango North, Gabon

Figure 15: Apollo technical team in Gabon

- Proximity to existing iron ore deposits currently being explored or developed including the Belinga Iron Ore Project currently controlled by China's CMEC but recently reported to being pursued by BHP Billiton
- Proximity to infrastructure including bulk commodities port, rail, power and a major city; and
- A site visit by an Apollo team to Gabon and the local vicinity of the project area (Figure 14, 15).

This Central West African region including Gabon, Republic of Congo, Guinea and Cameroon, is an emerging and highly prospective iron ore province with a number of ASX and major mining companies now established in the area. The region is seen as the next major iron province in the world and is expected to undergo a similar transformation to the development of the Pilbara in the 1960s.

The Kango North licence area largely comprises rocks of the northern portion of the Archaean craton in the region, known as the North Gabon Massif. Supracrustal remnants contain elements of the Belinga Group (2870 Ma – 2750 Ma). The rocks of the Belinga Group comprise amphibolite, gneiss, ferruginous quartzite, ultrabasite and leucocratic gneiss. These rocks are known to host a number of iron ore deposits and occurrences within Gabon and neighbouring countries including Belinga, M'Bilan, Mbalam, Avima, Kango, Zanaga, Mayoko and Mayoko-Moussondji.

No historical exploration or mining work for iron ore is known to have been carried out on the Kango North licence area although six iron ore and four gold occurrences have been mapped as part of the BRGM-led mapping project in 2009.

The iron-bearing Belinga Group exposed in the Kango North licence area is associated with intense analytical signal aeromagnetic anomalies identified by way of airborne magnetic surveys flown between 2005 and 2008. These anomalies are thought to possibly represent the same style of mineralisation seen at nearby iron projects which generally comprise surficial haematitic caps above much larger magnetite zones at depth.

Typically in-situ iron grades of these projects range between 35-60% Fe.

Apollo management believes that the Kango North licence area is highly prospective for iron ore and other metals including gold and platinum-group elements.

The exploration licence granted by the Ministry of Mines is for a three year period and covers iron ore and gold.

In line with the standard procedure established under Gabon's mining regulations, the licence granted is termed "provisional" and remains valid until the passing of a Presidential decree granting the definitive licence. The provisional licence entitles the holder to the same rights as will be granted under the definitive licence.

This development secured a third iron project for Apollo alongside its existing iron projects in South Australia (Commonwealth Hill) and Western Australia (Mt Oscar) and is in line with the Company's stated strategy of increasing shareholder value through exploration, development and acquisitions.

Significant upcoming activities

The Company is working on finalising the Mt Oscar and Commonwealth Hill Concept Studies and expects to communicate the results of this work to the market during late 2012. These studies will be important milestones in outlining business plans for the projects.

Other activities are expected to include:

- Signing of a rail MOU for export related services of iron ore at Commonwealth Hill
- Drill testing of the Ibis Prospect
- Initial field exploration and metallurgical testing of Kango North iron ore mineralisation
- Additional ground gravity surveys at Commonwealth Hill designed to identify potential DSO iron ore and IOCGU deposits
- Ground testing of Moving Loop Transient Electro Magnetic (MLTEM) surveying technology to determine likely ground penetration and effectiveness of airborne electro-magnetic (AEM) systems in identifying massive sulphides at Commonwealth Hill
- Modelling of recently acquired airborne magnetic data (AEM) to support structural interpretation at Commonwealth Hill and the identification of likely high grade iron ore, IOCGU, Challenger-style quartz vein hosted gold, and nickel-copper-PGM sulphide deposits,
- Surface mapping and sampling at Commonwealth Hill to determine likely mineralisation extents of newly identified prospects, and
- Seek strategic / off-take partners to help support the financing of a mine development at Commonwealth Hill.

Mineral Resource Statement

Commonwealth Hill Iron Project, South Australia

Mineral Resources – Sequoia Deposit

JORC code Category	Type	Tonnes mt	Fe %	SiO_2 %	Al_2O_3 %	P %	S %	LOI %
Inferred Mineral Resource	Oxide	20.6	25.8	45.9	6.5	0.06	0.07	2.3
	Fresh	32.1	24.9	47.5	6.3	0.07	0.09	1.2
Total Inferred		**52.6**	**25.3**	**46.8**	**6.4**	**0.06**	**0.09**	**1.6**
Indicated Mineral Resource	Oxide	0	0	0	0	0	0	0
	Fresh	19.4	27.7	46.0	5.3	0.06	0.12	0.5
Total Indicated		**19.4**	**27.7**	**46.0**	**5.3**	**0.06**	**0.12**	**0.5**
Total Indicated + Inferred Mineral Resources	Oxide	20.6	25.8	45.9	6.5	0.06	0.07	2.3
	Fresh	51.4	26.0	46.9	5.9	0.06	0.11	0.9
Total Indicated + Inferred Mineral Resources		**72.0**	**25.9**	**46.6**	**6.1**	**0.06**	**0.1**	**1.3**

Notes:

- The Mineral Resources estimate was classified in accordance with the 2004 Australasian Code for Reporting of Mineral Resources and Ore Reserves (the JORC Code), developed by the Joint Ore Reserves Committee (JORC), created by the Australasian Institute of Mining and Metallurgy (AusIMM), the Australian Institute of Geoscientists and the Mineral Council of Australia.
- The Mineral Resources were modelled and classified by Mr Lynn Widenbar, who is the Principal and full time employee of Widenbar and Associates Pty Ltd, Western Australia.
- The Mineral Resources were reviewed by Competent Person: Mr Derek Pang MAusIMM, who is a full time employee of Apollo Minerals Ltd.

- The Mineral Resource Statement is reported at an iron cut-off grade of 15% which has been determined as an acceptable industry standard for the style and nature of the mineral deposit being reported.
- The geological model was derived using data from 21 RC holes and a single NQ sized cored hole comprising a total 3,107 metres. The mineral resource model incorporates mineralisation to a maximum depth of 175m below surface.
- Ordinary Kriging method of interpolation was used to estimate the iron mineral resource. Parent block size measuring 10m X 25m X 5m (X, Y, Z) was selected for grade interpolation with sub-cells used to accurately model the mineralisation. Search ellipsoids were based on the relevant geo-statistical variogram ranges. Bulk densities of 2.9 t/m^3 and 3.2 t/m^3 were used for the oxide and fresh.

Schedule of Tenements

			Group Ownership %	
Tenement Name	Tenement Number	Location	2012	2011
Commonwealth Hill	EL3765	South Australia	100	100
Commonwealth Hill East	EL3821	South Australia	100	100
Gina	EL3728*	South Australia	100	100
Mount Oscar East	E47/1304	Western Australia	100	100
Mount Oscar North	E47/1378	Western Australia	100	100
Mount Oscar South	E47/1379	Western Australia	100	100
Kango North	G1-340	Gabon, Africa	70	–

Notes:

* Exploration Licence EL3728 was subsequently renewed as EL4960 by the South Australian Department of Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) on 28 August 2012.

1, 2, 3, 4 and 5

The estimates of exploration target sizes mentioned in this release should not be misunderstood or misconstrued as estimates of Mineral Resources. The estimates of exploration target sizes are conceptual in nature and there has been insufficient results received from drilling completed to date to estimate a Mineral Resource compliant with the JORC Code (2004) guidelines. Furthermore, it is uncertain if further exploration will result in the determination of a Mineral Resource.

Overall, the geophysical modelling exercises undertaken by GeoTanget Exploration Research and more recently SGC, as well as the results of the drilling program undertaken by SASE in 1996 and Apollo in 2009 and 2010, have provided tonnage estimates for the BIF that are possibly accurate to +/- 25%. However they should be considered accurate to +/- 50% for planning purposes, and are broadly indicative at best.

Anthony Ho
Non-Executive Chairman
Sydney, 27 September 2012

Richard Shemesian
Executive Director

Competent Person Declaration

The information in this Report that relates to Exploration Results is based on information compiled by Mr Derek Pang who is a member of the Australian Institute of Mining and Metallurgy. Derek Pang has over 15 years' experience in mineral exploration and is a full time employee of Apollo Minerals Limited. Derek 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Derek consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.


MULGATHING 110
CHALLENGER GOLD MINE 16 km
BULGUNNIA H.S. 32
COMMONWEALTH HILL 110
TARCOOLA 113

Corporate Governance

The Apollo Minerals Limited group ("Apollo"), through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with Apollo. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

ASX Corporate Governance Principles and Recommendations

It should be noted that Apollo is currently a small cap listed company and that where its processes do not fit the model of the 8 principles, the Board believes that there are good reasons for the different approach being adopted.

Reporting against the 8 Principles, we advise as follows:

Principle 1: Lay solid foundations for management and oversight

1.1 Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.

The primary responsibilities of Apollo's board include:

i. the establishment of long term goals of the company and strategic plans to achieve those goals;
ii. the review and adoption of the annual business plan for the financial performance of the company and monitoring the results on a monthly basis;
iii. the appointment of the Chief Operating Officer;
iv. ensuring that the company has implemented adequate systems of internal control together with appropriate monitoring of compliance activities; and
v. the approval of the annual and half-yearly statutory accounts and reports.

The board meets on a regular basis to review the performance of the company against its goals both financial and non-financial. In normal circumstances, prior to the scheduled board meeting, each board member is provided with a formal board package containing appropriate management and financial reports.

The responsibilities of senior management including the Chief Operating Officer are contained in letters of appointment and job descriptions given to each appointee on appointment and updated at least annually or as required.

The primary responsibilities of senior management are:

i. Achieve Apollo's objectives as established by the Board from time to time;
ii. Operate the business within the cost budget set by the Board;
iii. Ensure that Apollo's appointees work with an appropriate Code of Conduct and Ethics.
iv. Ensure that Apollo appointees are supported, developed and rewarded to the appropriate professional standards

1.2 Companies should disclose the process for evaluating the performance of senior executives and appointees.

The performance of all senior executives and appointees is reviewed at least once a year. The performance of the General Manager is reviewed by the Executive Director on an annual basis, and the performance of other senior executives is reviewed by the General Manager, in conjunction with the board's Remuneration and Nominations Committee. They are assessed against personal and Company Key Performance Indicators established from time to time as appropriate for Apollo.

1.3 Companies should provide the information indicated in the Guide to reporting on Principle 1.

A performance evaluation for each senior executive has taken place in the reporting period in line with the process disclosed. A statement covering the primary responsibilities of the Board is set out in 1.1 above. A statement covering the primary responsibilities of the senior executives is set out in 1.1 above.

The Apollo Corporate Governance Charter is available on the Apollo web site, and includes sections that provide a board charter. The Apollo board reviews its charter when it considers changes are required.

Principle 2: Structure the board to add value

2.1 A majority of the Board should be independent directors.

Apollo operates in a market where it finds that it must regularly seek investor support to raise additional capital. As a consequence, Board members themselves often have a significant direct or indirect interest in the company. During the reporting period, the Apollo Board consisted of two executive and four non-executive directors, of which Mr Ho and Mr Rimes are considered to be an independent directors.

2.2 The Chairperson should be independent.

Anthony Ho, the non-executive chairman, is independent.

2.3 Chief Executive Officer should not be the same as Chairman.

During the year under review the Company operated with an Executive Director, who is not the Chairman.

2.4 A nomination committee should be established.

The Board has a nominations committee comprised of the Chairman, Anthony Ho and a non-executive director David Nolan.

2.5 Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.

The Apollo board has five (out of six) board members, who are in regular contact with each other as they deal with matters relating to Apollo's business. The board uses a personal evaluation process to review the performance of directors, and at appropriate times the Chairman takes the opportunity to discuss Board performance with individual directors and to give them his own personal assessment. The Chairman also welcomes advice from Directors relating to his own personal performance. The Remuneration Committee determines whether any external advice or training is required. The Board believes that this approach is most appropriate for a company of the size and market cap of Apollo.

2.6 Companies should provide the information indicated in the Guide to reporting on Principle 2.

A description of the skills and experience of each director is contained in the 2012 Directors Report.

Mr Anthony Ho (appointed 13 July 2009) and Mr Matthew Rimes are considered to be independent non executive directors. Mr Raymond Xia is associated with a major shareholder (China Armco Metals Inc.) and, under the ASX 2.1 guidance, is not considered to be independent. Mr David Nolan is associated with a major shareholder (Tiger Resources Pte Limited) and, under the ASX 2.1 guidance, is not considered to be independent. Mr Richard Shemesian and Mr Dominic Tisdell are executive directors of the Company and are not considered to be independent.

Directors are able to take independent professional advice at the expense of the company, with the prior agreement of the Chairman. The nomination responsibilities are handled by the nomination committee.

An evaluation of the board of directors took place during the reporting period and was in accordance with the process described in 2.5 above.

New directors are selected after consultation of all board members and their appointment voted on by the board. Each year, in addition to any board members appointed to fill casual vacancies during the year, one third of directors retire by rotation and are subject to re-election by shareholders at the Annual General Meeting.

There is no current board charter for nominations.

Principle 3: Promote ethical and responsible decision-making

3.1 Companies should establish a code of conduct and disclose the code or a summary of the code as to:

- **the practices necessary to maintain confidence in the company's integrity;**
- **the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and**
- **the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.**

Apollo's policies contain a formal code of conduct that applies to all directors and employees, who are expected to maintain a high standard of conduct and work performance, and observe standards of equity and fairness in dealing with others. The detailed policies and procedures encapsulate the company's ethical standards. The code of conduct is contained in the Apollo Corporate Governance Charter.

3.3 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.

As a company with a small market capitalisation, the Company has a small board. The company has no established policy at present but is aware of the principle and will be alert for opportunities when board changes are contemplated.

3.4 Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.

The company has, as yet, no established policy in relation to gender diversity. The company has a small number of employees and as a consequence the opportunity for creating a meaningful gender diversity policy are limited.

3.5 Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.

Given the small size of the company and the limited number of employees this is not a meaningful statistic at this time.

Principle 4: Safeguard integrity in financial reporting

4.1 Establish an Audit Committee.

The company has an Audit Committee.

4.2 Audit Committee composition.

The Audit committee is comprised of Anthony Ho (Audit Committee Chairman) and David Nolan. As Apollo is a company with a small market capitalisation, the board considers that two members rather than three are appropriate for the Audit Committee.

4.3 A formal charter should be established for the audit committee.

The company has adopted an Audit Committee charter. It is publicly available on the Apollo web-site.

4.4 Companies should provide the information indicated in the Guide to reporting on Principle 4.

The Audit Committee met twice during the course of the year.

The Audit Committee provides a forum for the effective communication between the board and external auditors. The committee reviews:

- The annual and half-year financial reports and accounts prior to their approval by the board;
- The effectiveness of management information systems and systems of internal control; and
- The efficiency and effectiveness of the external audit functions.

The committee meets with and receives regular reports from the external auditors concerning any matters that arise in connection with the performance of their role, including the adequacy of internal controls.

In conjunction with the auditors the Audit Committee monitors the term of the external audit engagement partner and ensures that the regulatory limit for such term is not exceeded. At the completion of the term, or earlier in some circumstances, the auditor nominates a replacement engagement partner.

The committee interviews the nominee to assess relevant prior experience, potential conflicts of interest and general suitability for the role. If the nominee is deemed suitable, the committee reports to the Board on its recommendation.

The Audit Committee also reviews the Apollo Corporate Governance and Risk Management processes to ensure that they are effective enough for a listed public company that is currently small cap.

Principle 5: Make timely and balanced disclosure

5.1 Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.

The Apollo board and senior management are conscious of the ASX Listing Rule Continuous Disclosure requirements, which are supported by the law, and take steps to ensure compliance. The company has a policy, which can be summarised as follows:

- The Board, with appropriate advice, is to determine whether an announcement is required under the Continuous Disclosure principles;
- All announcements are monitored by the Company Secretary; and
- All media comment is managed by the Executive Director.

Apollo believes that the internet is the best way to communicate with shareholders, so Apollo provides detailed announcements to the Australian Securities Exchange on a regular basis to ensure that shareholders are kept well informed on Apollo's activities.

5.2 Companies should provide the information indicated in the Guide to reporting on Principle 5.

Apollo's disclosure policy to shareholders is set out as part of the Apollo Corporate Governance charter, which is publicly available on the Apollo web-site, as are Apollo's recent announcements.

Principle 6: Respect the rights of shareholders

6.1 Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.

Apollo provides information to its shareholders through the formal communications processes (e.g. ASX releases, general meetings, annual report, and occasional shareholder letters). This material is also available on the Apollo website (www.apollominerals.com.au).

Shareholders are encouraged to participate in general meetings and time is set aside for formal and informal questioning of the board, senior management and the auditors. The external audit partner attends the annual general meeting to be available to answer any shareholder questions about the conduct of the audit and the preparation and content of the audit report.

6.2 Companies should provide the information indicated in the Guide to reporting on Principle 6.

The company's communications policy is described in 6.1 above.

Principle 7: Recognise and manage risk

7.1 Companies should establish a sound system for the oversight and management of material business risks.

The company has established policies for the oversight and management of material business risks.

The board monitors the risks and internal controls of Apollo through the Audit Committee. That committee looks to the executive management to ensure that an adequate system is in place to identify and, where possible, on a cost effective basis appropriate for a small cap company, to manage risks inherent in the business, and to have appropriate internal controls.

As part of the process, Apollo's management formally identifies and assesses the risks to the business, and these assessments are noted by the Audit Committee and the Board.

7.2 The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.

The board has required management to design and implement the risk management and internal control system appropriate to a small cap company of the size of Apollo to manage the company's material business risks and report to it on whether those risks are being managed effectively. Management has reported to the board as to the effectiveness of the company's management of its material business risks.

7.3 The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The board has received assurance from the Executive Director and the Chief Financial Officer (or its equivalent) that the declaration provided in accordance with section 295A of the Corporations Act 2001 is founded on a sound system of risk management and internal control appropriate for a small cap company of the size of Apollo, and that the system is operating effectively in all material respects in relation to financial reporting risks.

7.4 Companies should provide information in the Guide to reporting on Principle 7.

The board has received the report from management under Recommendation 7.2; and the board has received the assurances referred to under Recommendation 7.3. The company's policies on risk oversight and management of material business risks for a small cap company the size of Apollo are not publicly available.

Principle 8: Remunerate fairly and responsibly

8.1 Establish a remuneration committee.

Apollo has a remuneration committee. The committee comprises the Chairman, Anthony Ho and the Executive Director, Richard Shemesian.

8.2 The remuneration committee should be structures so that it:

- **consists of a majority of independent**
- **is chaired by an independent chair**
- **has at least three members**

Apollo considers that the structure of its Remuneration Committee is appropriate for a company with a small market capitalisation. The Remuneration Committee is chaired by the independent chairman.

8.3 Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.

The remuneration details of non-executive directors, executive directors and senior management are set out in the Remuneration Report that forms part of the Directors' report.

Senior executives remuneration packages are reviewed by reference to Apollo's performance, the executive director's or senior executive's performance, as well as comparable information from industry sectors and other listed companies in similar industries, which is obtained from external remuneration sources. This ensures that base remuneration is set to reflect the market for a comparable role.

The performance of the executive director and senior executives is measured against criteria agreed annually and bonuses and incentives are linked to predetermined performance criteria and may, with shareholder approval, include the issue of shares and / or options.

There are no schemes for retirement benefits, other than statutory superannuation for non-executive directors.

A copy of the Remuneration Committee charter is publicly available on the Apollo web site www.apollominerals.com.au

8.4 Companies should provide the information indicated in the Guide to reporting on Principle 8.

The information is as outlined above.

Board of Directors

Anthony Ho
Non-Executive Chairman

Richard Shemesian
Executive Director

David Nolan
Non-Executive Director

Dominic Tisdell
Executive Director

Matthew Rimes
Non-Executive Director

Yong (Raymond) Xia
Non-Executive Director

Directors' Report

Your directors present their report on Apollo Minerals Limited (Apollo or the Company) for the year ended 30 June 2012.

Directors

The names of directors in office at any time during or since the end of the year are:

Current Directors

Anthony Ho
B.Com, CA, FAICD, FCIS
Non-Executive Chairman

Mr Ho joined the Apollo Board on 13 July 2009. Mr Ho was previously an executive director at Arthur Yates & Co Ltd, retiring from this position in April 2002. He was a past non-executive director of Brazin Limited and DoloMatrix Limited; and the past non-executive Chairman of Esperance Minerals Limited and St George Community Housing Limited.

Mr Ho's current non-executive directorships of listed and unlisted public companies are:

- Greenland Minerals and Energy Limited where he also chairs the Audit and Risk Committee.
- DoloMatrix International Limited where he also chairs the Audit and Compliance Committee;
- Metal Bank Limited where he also chairs the Audit and Risk Management Committee
- Hastings Rare Metals Limited where he also chairs the Audit Committee; and
- Deputy Chairman of Quality Improvements Council Limited.

Mr Ho was previously a partner of Cox Johnston & Co, Chartered Accountants (since merged with Ernst & Young). His extensive executive experience included being Finance Director/Chief Financial Officer of the listed M. S. McLeod Limited group, Galore Group Limited, the Edward H. O'Brien group of companies and Volante Group Limited.

Mr Ho was appointed a non-executive Director on the 13 July 2009 and chairs the Audit Committee.

Richard Shemesian
B.Com, LLB (Hons.) FINSIA
Executive Director

Mr Shemesian brings more than 15 years experience in the resources sector prior to Apollo providing corporate and strategic advice for a number of resource companies, with a particular focus on companies listed on the Australian Securities Exchange and the London Stock Exchange Alternative Investment Market.

Mr Shemesian was involved in the foundation and development of Redport Limited into a uranium company which was taken over by Mega Uranium Ltd for $125 million, and the takeover of an iron ore producer Aztec Resources Limited by Mt Gibson for $300 million.

Mr Shemesian was appointed an Executive Director on 27 September 2010.

David Nolan
B.Laws (Hons), B Arts
Non-Executive Director

Mr Nolan is a corporate lawyer with over 14 years' experience advising on corporate acquisitions, capital raisings and financing for mining companies. Mr Nolan is a partner in the Sydney corporate advisory practice of Mills Oakley Lawyers and was previously a senior adviser at the London Stock Exchange.

Mr Nolan's expertise includes IPOs and capital raisings, venture capital and private equity, mergers and acquisitions, restructurings and takeovers, corporate finance, commercial agreements and regulatory and corporate governance advice. Mr Nolan advises across a diverse range of industries with a specialisation in mining and resources. Mr Nolan has valuable relationships in the advisory and regulatory community and brings a depth of corporate governance expertise.

Mr Nolan is the non-executive Chairman of Hastings Rare Earths Limited (ASX:HAS).

Mr Nolan was appointed a non-executive Director on 27 July 2010.

Dominic Tisdell
B.Eng (Mining), MBA
Executive Director, Chief Operating Officer

Mr Dominic Tisdell is an MBA qualified mining engineer with over fifteen years' experience in project development, planning and operations, international mergers and acquisitions and business strategy.

Prior to joining Apollo Mr Tisdell had business development responsibilities for international uranium, iron ore and coal investments with a subsidiary of Mitsubishi Corporation.

Directors' Report

During this time he represented the company on several joint venture development committees and boards associated with mining projects, both in Australia and overseas.

Mr Tisdell has also consulted for Accenture where he provided technical and business advice to several major mining companies on a variety of issues including mine development studies, operational excellence and capital project procurement.

He began his career with Rio Tinto Iron Ore where he held management roles at both Hamersley Iron and the Robe River Mining Company, among which were key operational roles associated with the development of the West Angelas Mine Project as well as Hamersley Iron's trial mining and bulk test work programme associated with the development of the Nammuldi Mine.

Mr Tisdell has held directorships with the Australian Uranium Association and MDP Uranium Pty Ltd.

Mr Tisdell was appointed an Executive Director on 3 October 2011.

Matthew Rimes
AWASM (Mining Eng). Exec MBA
Non-Executive Director

Mr Rimes was previously the Managing Director of Iron Ore Holdings Limited ("IOH"). During his time at IOH, the company successfully progressed a strategy of proving up its iron ore resources in its Pilbara tenements. The company also worked on fast-tracking project feasibility studies and infrastructure access options at its various projects with the aim of establishing valuable technical and commercial development solutions. At the time of Mr Rimes resignation, the company had a market capitalisation of approximately $220 million.

Mr Rimes is an MBA qualified mining engineer with over thirty years' experience in a range of commodities including gold, copper, nickel and iron ore. He worked with North Ltd from 1989, and then subsequently with the Rio Tinto group following the takeover of North Ltd in 2000. Over the last fifteen years he has held roles with IOH and Robe River Mining Company ("Robe"), including senior executive and operational positions at both of Robe's operations at Pannawonica and West Angelas.

Mr Rimes has held positions on the boards of Robe, Fusion Resources Ltd (formerly Echelon Resources Ltd), Sovereign Metals Ltd and Indo Mines Ltd.

Mr Rimes was appointed a non-executive Director on 3 October 2011.

Yong (Raymond) Xia
B.Science (Finance), MBA
Non-Executive Director

Mr Raymond Xia is Vice President of Finance at China Armco Metals, Inc. (NYSE Amex: CNAM), a NYSE Amex listed company in metal ore trading, mineral mine investment and scrap metal recycling business.

Past experience includes vice president of business development at CD International Enterprises, Inc. (NASDAQ:CDII), a NASDAQ company in industrial commodities and international business and financial consulting services, vice president of Finance at ForexDepot, a financial services company providing financial products and brokerage services, manager at Agriculture Bank of China (SSE:601288 and HKEx:1288) Shenzhen Branch, one of the biggest banks in China listed on Shanghai and Hong Kong stock exchange.

Mr Xia has an MBA degree in Finance and Securities Analysis from University of Florida and Bachelor of Finance from Jiangxi University of Finance and Economics.

Mr Xia was appointed a non-executive Director on 1 May 2012.

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Former Directors

Wayne Wu – resigned 30 April 2012
Wang Jianguang – resigned 28 November 2011

Secretary

Guy Robertson
B Com (Hons.) CA
Company Secretary, Chief Financial Officer

Mr Guy Robertson was appointed Company Secretary and Chief Financial Officer on 12 November 2009.

Mr Robertson has over 25 years experience as a Chief Financial Officer and Company Secretary of both private and ASX listed companies in both Australia and Hong Kong.

Significant changes in state of affairs

Other than as outlined in the operations report, there were no significant changes in the state of affairs of the Company during the year.

Principal activities

The principal activity of the Company during the financial period was mineral exploration. There have been no significant changes in the nature of the Company's principal activities during the financial period.

Significant after balance sheet date events

There are currently no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Likely future developments and expected results

Apollo is an iron ore focused exploration company. The Board intends to explore its current tenements in South and Western Australia. The Company continues to look to invest directly and indirectly in mineral resources projects focusing on iron ore, base metals, gold and energy-related minerals.

Performance in relation to environmental regulation

The consolidated entity will comply with its obligations in relation to environmental regulation on its South and Western Australian projects when it undertakes exploration in the future. The Directors are not aware of any breaches of any environmental regulations during the period covered by this report.

Operating results

The loss of the consolidated entity after providing for income tax amounted to $2,495,589 (2011: loss of $2,815,963).

Dividends paid or recommended

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Remuneration report

Remuneration Policy

The remuneration policy of Apollo has been designed to align director objectives with shareholder and business objectives by providing a fixed remuneration component which is assessed on an annual basis in line with market rates and offering specific long-term incentives based on key performance areas affecting the consolidated group's financial results. The Board of Apollo believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors to run and manage the company, as well as create goal congruence between directors and shareholders.

The Board's policy for determining the nature and amount of remuneration for board members is as follows:

- The remuneration policy, setting the terms and conditions (where appropriate) for the executive directors and other senior staff members, was developed by the Remuneration Committee and approved by the Board;
- In determining competitive remuneration rates, the Board may seek independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes, benefit plans and share plans. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices;
- The Company is a mineral exploration company, and therefore speculative in terms of performance. Consistent with attracting and retaining talented executives, directors and senior executives, such personnel are paid market rates associated with individuals in similar positions within the same industry. Options and performance incentives may be issued particularly if the Company moves from exploration to a producing entity and key performance indicators such as profit and production can be used as measurements for assessing executive performance.
- All remuneration paid to directors is valued at the cost to the Company and expensed. Where appropriate, shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Options are valued using the Black-Scholes methodology;
- The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Chairman in consultation with independent advisors determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

Directors' Report

Directors' and Executive Officers' emoluments

(a) Details of Directors and Key Management Personnel

(i) Current Directors

Anthony Ho	Non-Executive Chairman
Richard Shemesian	Executive Director
Dominic Tisdell	Executive Director, appointed 3 October 2011
David Nolan	Non-Executive Director
Matthew Rimes	Non-Executive Director, appointed 3 October 2011
Raymond Xia	Non-Executive Director, appointed 1 May 2012

Former Directors

Wang Jianguang	Non-Executive Director, resigned 28 November 2011
Xing (Wayne) Wu	Non-Executive Director, resigned 30 April 2012

(ii) Company Secretary

Guy Robertson

(ii) Key Management Personnel

Dominic Tisdell	Chief Operating Officer – appointed 19 May 2011
Derek Pang	Exploration Manager – appointed 1 March 2012

Other than the directors, general manager, exploration manager and company secretary and as stated above, the Company had no Key Management Personnel for the financial year ended 30 June 2012.

Directors' remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relative comparative information and independent expert advice.

Except as detailed in Notes (a) – (d) to the Remuneration Report, no director or officer has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (d) to the Remuneration Report, prepared in accordance with the Corporations Regulations, or the fixed salary of a full time employee of the Company.

(b) Remuneration of Directors and Key Management Personnel

Remuneration Policy

The Board of Directors is responsible for determining and reviewing compensation arrangements. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Remuneration of Directors of the Group is set out below.

Parent & Group Key Management Personnel

	2012					2011		
	Base Salary and Fees	Fair Value of Options Granted	Super-annuation	Share Based Payments	Total	Base Salary and Fees	Fair Value of Options Granted	Total
A. Ho[1]	55,000	–	–	15,000	70,000	76,750	3,413	80,163
R. Shemesian[2]	193,640	–	–	17,940	211,580	142,972	–	142,972
D. Tisdell[3]	162,500	–	–	44,340	206,840	33,229	–	33,229
D. Nolan	35,004	–	–	–	35,004	32,087	3,413	35,500
M. Rimes	30,000	–	–	13,260	43,260	–	–	–
R. Xia	5,833	–	–	–	5,833	–	–	–
D. Pang[4]	50,459	–	3,578	–	54,037	–	–	–
J. Bridson[5]	61,000	–	–	–	61,000	190,172	–	190,172
G. Robertson[6]	60,000	–	–	–	60,000	59,583	2,048	61,631
S. Chalabian	–	–	–	–	–	117,000	–	117,000
P. McNally	–	–	–	–	–	161,925	15,650	177,575
J. Wang	14,583	–	–	–	14,583	37,167	3,413	40,580
X. Wu	29,167	–	–	–	29,167	32,083	3,413	35,496
Totals	**697,186**	**–**	**3,578**	**90,540**	**791,304**	**882,968**	**31,350**	**914,318**

1 Includes allocation of shares in lieu of cash payment.

2 Paid to Greenhill Capital Partners, an entity in which Mr Shemesian has a relevant interest. See note 15. These fees are classified under "technical, geological and support fees" in the statement of comprehensive income.

3 Mr Tisdell's contract has an annual amount payable of $250,000 and can be terminated by either party giving four months notice. These fees are classified under "technical, geological and support fees" in the statement of comprehensive income.

4 Mr Pang's contract has an annual amount payable of $174,400 and can be terminated by either party giving one months notice.

5 Paid to Picton Holdings Pty Limited a company in which Mr Bridson has an interest.

6 Mr Robertson's contract has an annual amount payable of $60,000 and can be terminated by either party giving three months notice.

(c) Employee Related Share-based compensation

To ensure that the Company has appropriate mechanisms to continue to attract and retain the services of Directors and Employees of a high calibre, the Company has a policy of issuing options that are exercisable in future at a certain fixed price.

Directors were issued with 8,000,000 options during the year. The fair value of the shares using a Black and Scholes pricing model for options issued during the year have been recognised as an expense in the current year. The model inputs for options granted in the current year are outlined below.

The terms and conditions of each share affecting reported remuneration in the previous, this or future reporting periods are:

Grant date	Exercise price	Value per option at grant date	First exercise date/vest date	Fair value of options granted	Expense recognised in P & L this financial year	Cumulative expense recognised in P & L to date	Expiry date/ Last exercise date
15 August 2007	$0.35	$0.089	15/08/2008	200,000	–	200,000	30/12/2012
25 Nov 2010	$0.25	$0.013	25/11/ 2010	42,321	–	42,321	31/12/2012
1 Dec 2011	$0.08	$0.0299	1/12/2011	89,700	59,800	59,800	31/12/2014
1 Dec 2011	$0.10	$0.022	19/5/2012	44,000	44,000	44,000	9/05/2014
1 Dec 2011	$0.12	$0.0221	1/12/2011	22,100	22,100	22,100	31/12/2014
1 Dec 2011	$0.15	$0.0203	19/11/2012	40,600	–	–	9/05/2015

Fair values at issue date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the options, the expected price volatility of the underlying share and the risk free rate for the term of the option.

The model inputs for options granted during the year ended 30 June 2012 included:

a. exercise price for options granted on 1 December 2011 as outlined in the table above.

b. expected price volatility 65%

c. risk-free interest rate 3.71% .

d. dividends – none.

(d) Share and Option holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length. These options relate to both current and previous directors and management personnel.

Ordinary Unlisted Options Issued

Type	No. Issued	No. Expired	Exercise Price	Expiry Date
Ordinary Options	2,250,000	–	35 cents	30 Dec 2012
Ordinary Options	3,100,000	(1,000,000)	25 cents	31 Dec 2012
Ordinary Options	3,000,000	–	8 cents	31 Dec 2014
Ordinary Options	2,000,000	–	10 cents	9 May 2014
Ordinary Options	1,000,000	–	12 cents	31 Dec 2014
Ordinary Options	2,000,000	–	15 cents	9 May 2015

Directors' holdings of shares and share options have been disclosed in the Remuneration Report.

The following director options expired during the year.

Type	No. Issued	No. Expired	Exercise Price	Expiry Date
Ordinary Options	8,333,333	–	25 cents	30 June 2012
Ordinary Options	1,000,000	–	40 cents	30 June 2012

Shares held by Current Directors and Officers

Period from 1 July 2011 to 30 June 2012	Balance at beginning of period	Received as Remuneration	Options Exercised	Net Change Other	Balance at end of year
A. Ho	300,000	600,000	–	–	900,000
R.Shemesian[1]	14,819,430	–	–	59,431	14,878,861
D. Tisdell	–	–	–	–	–
D. Nolan	–	–	–	–	–
M. Rimes	–	–	–	2,500,000	2,500,000
R. Xia[2]	–	–	–	–	–
J. Wang[3]	–	–	–	–	–
X.Wu[3]	–	–	–	–	–
	15,119,430	600,000	–	2,559,431	18,278,861

1 Mr Shemesian is the sole director and shareholder in Black Swan Global Pty Limited which holds 10,231,931 shares and is a director and shareholder in Normandy Corporation Limited as trustee for the Normandy Superannuation Fund which holds 4,646,930 shares.

2 Mr Xia is Vice President of Finance for China Armco Metals Inc. which holds 29,250,000 shares.

3 Director resigned during the year.

Options Held By Current Directors and Officers

Period from 1 July 2011 to 30 June 2012	Balance at beginning of period	Granted as Remuneration[1]	Options expired	Net Change Other	Balance at end of year
A. Ho[1]	250,000	–	–	–	250,000
D. Nolan[1]	250,000	–	–	–	250,000
R. Shemesian[2]	10,000,000	1,000,000	(10,000,000)		1,000,000
D. Tisdell[2]	–	6,000,000	–	–	6,000,000
M. Rimes[2]	–	1,000,000	–	–	1,000,000
R. Xia	–	–	–	–	–
G. Robertson[1]	150,000	–	–	–	150,000
J. Wang[1&3]	250,000	–	–	(250,000)	–
X. Wu[1&3]	250,000	–	–	(250,000)	–
	11,150,000	**8,000,000**	**(10,000,000)**	**(500,000)**	**8,650,000**

1 Options have fully vested, exercise price 25 cents, expiry date 31 December 2012.
2 Options issued a part of remuneration during the year are as follows:
3 Director resigned during the year.

	Number	Exercise Price	Expiry Date	Date Vesting	
R. Shemesian	1,000,000	8 cents	31/12/2014	Vested	
D. Tisdell	2,000,000	8 cents	31/12/2014	50% vested	50% on 1/4/2013
	2,000,000	10 cents	9/5/2014	Vested	
	2,000,000	15 cents	9/5/2015		100% on 19/11/2012
M. Rimes	1,000,000	12 cents	31/12/2014	Vested	

Meetings of Directors

The number of directors' meetings (including committees) held during the financial period each director held office during the financial period and the number of meetings attended by each director are:

	Directors Meetings		Audit Committee Meetings	
Director	Meetings Attended	Number Eligible to Attend	Meetings Attended	Number Eligible to Attend
A. Ho	6	7	2	2
R. Shemesian	7	7	–	–
D. Tisdell	7	7	–	–
D. Nolan	7	7	2	2
M Rimes	6	6	–	–
R. Xia	4	4	–	–
J. Wang	1	2	–	–
X. Wu	1	3	–	–

In addition there were four circular resolutions passed by the board.

Indemnifying officers

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001, every officer or agent of the Company shall be indemnified out of the property of the Company against any liability incurred by him or her in his or her capacity as officer or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

The Company paid insurance premiums of $15,270 in August 2012 in respect of directors' and officers' liability. The insurance premiums relate to:

- Costs and expenses incurred by the relevant officers in defending legal proceedings, whether civil or criminal and whatever their outcome;
- Other liabilities that may arise from their position, with the exception of conduct involving wilful breach of duty or improper use of information to gain a personal advantage.

Proceedings on behalf of company

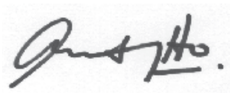
No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the period ended 30 June 2012 has been received and can be found on the following page.

Non-audit services

There were no non-audit services provided to the company during the year.



Anthony Ho
Sydney, 27 September 2012

Auditor's Independence Declaration

RSM Bird Cameron Partners
Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Apollo Minerals Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

C J Hume
Partner

Sydney, NSW
Dated: 27 September 2012

Liability limited by a scheme approved under Professional Standards Legislation

Major Offices in:
Perth, Sydney, Melbourne, Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms.

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2012

	Note	2012 $	2011 $
Revenue	2	**84,098**	230,697
Administration expenses		**(152,403)**	(253,161)
Personnel costs		**(71,506)**	(289,060)
Consultancy costs		**(269,004)**	(374,037)
Compliance and regulatory expenses		**(97,455)**	(68,397)
Occupancy costs		**(94,339)**	(135,501)
Technical, geological and support fees		**(616,140)**	(475,000)
Marketing fees		**(101,110)**	(406,283)
Directors fees		**(169,587)**	(174,837)
Legal fees		**(84,694)**	(90,791)
Exploration expenditure written off		**(9,409)**	(356,725)
Share based payments	19	**(789,500)**	(263,005)
Travel		**(124,540)**	(159,863)
(Loss) before income tax		**(2,495,589)**	(2,815,963)
Income tax expense	3	**–**	–
(Loss) for the year		**(2,495,589)**	(2,815,963)
Loss attributable to members of the parent entity		**(2,495,589)**	(2,815,963)
Other comprehensive income		**–**	–
Total other comprehensive income		**(2,495,589)**	(2,815,963)
Earnings per share			
Basic and diluted loss per share (cents per share)	17	**(1.35)**	(1.82)

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the attached notes.

Consolidated Statement of Financial Position

As at 30 June 2012

	Note	2012 $	2011 $
Current assets			
Cash and cash equivalents	4	**3,091,571**	1,562,276
Trade and other receivables	5	**142,083**	85,541
Total current assets		**3,233,654**	1,647,817
Non-current assets			
Fixed assets	6	**20,495**	42,401
Evaluation and exploration expenditure	8	**14,378,311**	12,760,107
Total non-current assets		**14,398,806**	12,802,508
Total assets		**17,632,460**	14,450,325
Current liabilities			
Trade and other payables	9	**540,982**	283,136
Total current liabilities		**540,982**	283,136
Total liabilities		**540,982**	283,136
Net assets		**17,091,478**	14,167,189
Equity			
Share capital	10	**27,744,923**	23,099,545
Reserves	11	**1,229,793**	7,003,757
Accumulated losses		**(11,883,238)**	(15,936,113)
Total equity		**17,091,478**	14,167,189

The Consolidated Statement of Financial Position is to be read in conjunction with the attached notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2012

	Share Capital $	Reserves $	Accumulated Losses $	Total $
Balance as at 1 July 2011	**23,099,545**	7,003,757	**(15,936,113)**	14,167,189
Loss for the year	**–**	–	**(2,495,589)**	(2,495,589)
Issue of share capital	**4,902,000**	–	**–**	4,902,000
Cost of share capital issued	**(256,622)**	–	**–**	(256,622)
Transfer from options based payments reserve	**–**	(6,548,464)	**6,548,464**	–
Transfer to options based payments reserve	**–**	774,500	**–**	774,500
Balance as at 30 June 2012	**27,744,923**	1,229,793	**(11,883,238)**	17,091,478
Balance as at 1 July 2010	**17,264,107**	13,791,235	**(18,489,478)**	12,565,864
Loss for the year	**–**	–	**(2,815,963)**	(2,815,963)
Issue of share capital	**4,387,500**	–	**–**	4,387,500
Cost of share capital issued	**(233,217)**	–	**–**	(233,217)
Transfer from options based payments reserve	**–**	(2,298,063)	**2,298,063**	–
Transfer to options based payments reserve	**–**	263,005	**–**	263,005
Transfer from share based payments reserve	**1,681,155**	(4,752,420)	**3,071,265**	–
Balance as at 30 June 2011	**23,099,545**	7,003,757	**(15,936,113)**	14,167,189

The Consolidated Statement of Changes in Equity is to be read in conjunction with the attached notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2012

	Note	2012 $	2011 $
Cash flows from operating activities			
Payments to suppliers and employees – general		**(1,549,052)**	(1,887,807)
Payments to suppliers and employees – exploration related expenses		**–**	(1,176,000)
Interest received		**65,469**	148,121
Net cash used in operating activities	20	**(1,483,583)**	(2,915,686)
Cash flows from investing activities			
Proceeds on sale of fixed assets		**520**	(30,433)
Payment for exploration and evaluation		**(1,596,721)**	(873,220)
Sale of available-for-sale investments		**–**	108,826
Net cash used in investing activities		**(1,596,201)**	(794,827)
Cash flows from financing activities			
Proceeds from issue of shares and options		**4,862,000**	4,387,500
Costs of issue of shares		**(252,921)**	(233,217)
Net cash provided by financing activities		**4,609,079**	4,154,283
Net increase in cash held		**1,529,295**	443,770
Cash at the beginning of the financial year		**1,562,276**	1,118,506
Cash at the end of the financial year	4	**3,091,571**	1,562,276

The Consolidated Statement of Cash Flow is to be read in conjunction with the attached notes

These consolidated financial statements and notes represent those of Apollo Minerals Limited and Controlled Entities (the "consolidated group" or "group").

The separate financial statements of the parent entity, Apollo Minerals Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 27 September 2012 by the directors of the company.

1. Statement of significant accounting policies

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Apollo Minerals Limited at the end of the reporting period. A controlled entity is any entity over which Apollo Minerals Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 7 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and consolidated statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the consolidated statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

b. Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of $2,495,589 and had net cash outflows from operating activities of $1,483,583 year ended 30 June 2012.

These factors indicate significant uncertainty as to whether the Company and consolidated entity will continue as going concerns and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Company and consolidated entity will be able to continue as going concerns, after consideration of the following factors:

- The Company has been successful in raising capital during the period (per note 10);
- The Company has the ability to continue to raise additional funds on a timely basis, pursuant to the Corporations Act 2001;
- The consolidated entity has cash at bank at balance date of $3,091,571, net working capital of $2,692,672 and net assets of $17,091,478;
- The ability of the consolidated entity to further scale back certain parts of their activities that are non essential so as to conserve cash; and
- The consolidated entity retains the ability, if required, to wholly or in part dispose of interests in mineral exploration and development assets.

Accordingly, the Directors believe that the Company and consolidated entity will be able to continue as going concerns and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company and consolidated entity do not continue as going concerns.

c. Adoption of New and Revised Accounting Standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2012, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Group accounting policies.

The following Australian Accounting Standards have been issued or amended and are applicable to the Company but are not yet effective.

The Group does not anticipate the early adoption of any of the following Australian Accounting Standards.

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013 (likely to be extended to 2015 by ED 215)	Unlikely to have significant impact
2010-7	*Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2013	Unlikely to have significant impact
2009-11	*Amendments to Australian Accounting Standards arising from AASB 9*	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2013	Unlikely to have significant impact
2011-4	*Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements*	This Standard makes amendments to Australian Accounting Standard AASB 124 Related Party Disclosures.	1 July 2013	Disclosure only

1. Statement of significant accounting policies continued

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 13	*Fair Value Measurement*	Provides a clear definition of fair value, a framework for measuring fair value and requires enhanced disclosures about fair value measurement.	1 January 2013	Unlikely to have significant impact
2011-8	*Amendments to Australian Accounting Standards arising from AASB 13*	Amends AASB 1, 2, 3, 4, 5, 7, 9, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132 as a result of issuance of AASB 13 Fair Value Measurement.	1 January 2013	Unlikely to have significant impact
2012-1	*Amendments to Australian Accounting Standards – Fair Value Measurement – Reduced Disclosure Requirements*	This Standard makes amendments to AASB 3, 7, 13, 140 and 141 to establish reduced disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13.	1 July 2013	Disclosure only
AASB 119	*Employee Benefits*	Prescribes the accounting and disclosure for employee benefits. This Standard prescribes the recognition criteria when in exchange for employee benefits.	1 January 2013	Unlikely to have significant impact
2011-10	*Amendments to Australian Accounting Standards arising from AASB 119*	Amends AASB 1, 8, 101, 124, 134, 1049, 2011-8 & Interpretation 14 as a result of the issuance of AASB 119 Employee Benefits.	1 January 2013	Unlikely to have significant impact
IFRIC Interpretation 20	*Stripping Costs in the Production Phase of a Surface Mine*	This Interpretation clarifies the requirements for accounting for stripping costs in the production phase of a surface mine, such as when such costs can be recognised as an asset and how that asset should be measured, both initially and subsequently.	1 January 2013	Unlikely to have significant impact
2011-12	*Amendments to Australian Accounting Standards arising from Interpretation 20*	This Standard makes amendments to Australian Accounting Standard AASB 1 First-time Adoption of Australian Accounting Standards. These amendments arise from the issuance of IFRIC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine.	1 January 2013	Unlikely to have significant impact
2012-2	*Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities*	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the (potential) effect of netting arrangements. It also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.	1 January 2013	Disclosure only
2012-3	*Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities*	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132.	1 January 2014	Unlikely to have significant impact

d. Income Taxes

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity. Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

e. Exploration and Evaluation Costs

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

1. Statement of significant accounting policies continued

f. Leases

A distinction is made between finance leases which transfer from the lessor to the lessee substantially all the risks and rewards incident to ownership of the leased asset and operating leases under which the lessor retains substantially all the risks and rewards.

Where an asset is acquired by means of a finance lease, the fair value of the leased property or the present value of minimum lease payments, if lower, is established as an asset at the beginning of the lease term. A corresponding liability is also established and each lease payment is apportioned between the finance charge and the reduction of the outstanding liability.

Operating lease rental expense is recognised as an expense on a straight line basis over the lease term, or on a systematic basis more representative of the time pattern of the user's benefit.

g. Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a Group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are included in non-current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses and foreign exchange gains and losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in non-current assets where they are expected to be sold within 12 months after the end of the reporting period. All other financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Derivative instruments

The Group designates certain derivatives as either:

i. hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or
ii. hedges of highly probable forecast transactions (cash flow hedges).

At the inception of the transaction the relationship between hedging instruments and hedged items, as well as the Group's risk management objective and strategy for undertaking various hedge transactions, is documented.

Assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items, are also documented.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the consolidated statement of comprehensive income, together with any changes in the fair value of hedged assets or liabilities that are attributable to the hedged risk.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of comprehensive income.

Amounts accumulated in the hedge reserve in equity are transferred to the consolidated statement of comprehensive income in the periods when the hedged item will affect profit or loss.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Financial guarantees

Where material, financial guarantees issued that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability-weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

1. Statement of significant accounting policies continued

h. Impairment of Assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen.

i. Investments in Subsidiaries

In the separate financial statements of Apollo Minerals Limited investments in its subsidiaries are accounted for at cost.

j. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the consolidated statement of financial position.

k. Revenue Recognition

Interest revenue is recognised using the effective interest method. It includes the amortisation of any discount or premium.

l. Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred except borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale. In this case the borrowing costs are capitalised as part of the cost of such a qualifying asset.

The amount of borrowing costs relating to funds borrowed generally and used for the acquisition of qualifying assets has been determined by applying a capitalisation rate to the expenditures on those assets. The capitalisation rate comprises the weighted average of borrowing costs incurred during the year.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST. Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

o. Significant judgements and key assumptions

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

p. Key judgements

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at reporting date at $14,378,311.

2. Revenue

	Consolidated Group 2012 $	Consolidated Group 2011 $
Interest received	**84,098**	148,121
Profit on sale of investments	**–**	82,576
	84,098	230,697

3. Income tax expense

(a)

No income tax is payable by the parent or consolidated entities as they recorded losses for income tax purposes for the period.

(b) Reconciliation between income tax expense and prima facie tax on accounting profit (loss)

	Consolidated Group 2012 $	Consolidated Group 2011 $
Accounting loss	**(2,495,589)**	(2,815,963)
Tax at 30%	**(748,677)**	(844,789)
Tax effect of non-deductible expenses (including share based payment expense)	**236,850**	84,118
Deductible exploration costs	**(382,148)**	–
Deferred tax asset not recognised	**893,975**	760,671
Income tax expense	**–**	–

(c) Tax losses

	Consolidated Group 2012 $	Consolidated Group 2011 $
Unused tax losses for which no deferred tax asset has been recognised	**16,422,115**	12,175,377

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2012 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
- the company continues to comply with conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

The applicable tax rate is the national tax rate in Australia for companies, which is 30% at the reporting date.

4. Cash and cash equivalents

	Consolidated Group 2012 $	Consolidated Group 2011 $
Cash and cash equivalents	**3,091,571**	1,562,276
	3,091,571	1,562,276

5. Trade and other receivables

	Consolidated Group 2012 $	Consolidated Group 2011 $
Current		
Other receivables	**142,083**	85,541

6. Fixed assets

	Consolidated Group 2012 $	Consolidated Group 2011 $
Plant and Equipment		
At cost		
Opening balance	**64,258**	33,825
Additions	**–**	30,433
Disposal	**(9,539)**	–
Closing balance	**54,719**	64,258
Depreciation		
Opening balance	**(21,857)**	(6,765)
Charge for the year	**(14,817)**	(15,092)
Disposal	**2,450**	
Closing balance	**(34,224)**	(21,857)
Written down value	**20,495**	42,401

7. Controlled entities

	Country of Incorporation	Ownership % 2012	Ownership % 2011
Parent Entity:			
Apollo Minerals Limited	Australia	–	–
Subsidiaries:			
Apollo Iron Ore Pty Limited	Australia	100	100
Apollo Iron Ore (No. 2) Pty Limited	Australia	100	100
Apollo Iron Ore No 3 Pty Limited	Australia	100	100
Apollo African Holdings Limited[1]	Hong Kong	70	–
Apollo Gabon SA	Gabon	70	–
Capital Resource Holdings No.1 Limited	New Zealand	100	100
Southern Exploration Pty Limited	Australia	100	100

1 The minority interest has no value as at 30 June 2012

8. Exploration and evaluation expenditure

	Consolidated Group	
	2012 $	2011 $
Evaluation and exploration expenditure	**14,378,311**	12,760,107
Reconciliation of carrying amount		
Balance at beginning of financial period	**12,760,107**	12,127,074
Acquisition of tenements[1]	**60,984**	–
Expenditure in current period	**1,557,220**	873,220
Expenditure written off	**–**	(240,187)
Balance at end of financial period	**14,378,311**	12,760,107

1 The acquisition cost during the year was in respect of the Gabon licences.

9. Trade and other payables

	Consolidated Group	
	2012 $	2011 $
Current		
Unsecured liabilities:		
Trade payables	**523,114**	265,368
Sundry payables and accrued expenses	**17,868**	17,768
	540,982	283,136

10. Share capital

	Consolidated Group 2012 $	Consolidated Group 2011 $
270,677,195 (2011: 157,106,741) fully paid ordinary shares	**27,744,923**	23,099,545
	27,744,923	23,099,545

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Reconciliation of movements in share capital during the year:

	2012 No. Shares	2011 No. Shares	2012 $	2011 $
Opening balance – start of reporting period	**157,106,741**	117,856,741	**23,099,545**	17,264,107
Share placement – 19 July 2010*	**–**	29,250,000	**–**	–
Issue of shares – 19 July 2010	**–**	10,000,000	**–**	–
Issue of shares – 15 November 2011	**23,545,454**	–	**1,295,000**	–
Issue of shares – 2 May 2012	**40,000,000**	–	**1,600,000**	–
Issue of shares – 11 May 2012	**49,175,000**	–	**1,967,000**	–
Issue of shares – 12 May 2012	**600,000**	–	**30,000**	–
Issue of shares – 29 June 2012	**250,000**	–	**10,000**	–
Capital raising costs	**–**	–	**(256,622)**	(233,217)
	270,677,195	157,106,741	**27,744,923**	23,099,545

* The share placement was made to China Armco Metals Inc. (Armco). As part of the share subscription agreement, Armco have the right to maintain their percentage shareholding in the company in the event that additional shares are issued to other parties due to the exercise of options or a share placement which reduces the Armco shareholding by greater than 1%. The shares are to be issued, if elected by Armco at the volume weighted average price over the 15 days prior to the change in shareholding.

In addition, on 19 July 2010, China Armco Metals Inc. were issued with 5,000,000 share options, 50% of which are exercisable on 19 July 2011 and 50% of 19 July 2012. The options have an exercise price of 25 cents and expire on 19 July 2015.

11. Reserves

		Consolidated Group 2012 $	Consolidated Group 2011 $
Options reserve	(a)	**1,229,793**	7,003,757
Options based payments reserve	(b)	**–**	–
Share based payments reserve	(c)	**–**	–
		1,229,793	7,003,757

	2012 Options	2011 Options	2012 $	2011 $
(a) Option Reserve				
Total Options	**63,486,366**	60,800,649	**1,229,793**	7,003,757
Opening balance	**60,800,649**	52,950,649	**7,003,757**	6,815,743
Expiry of unlisted options – 15 June 2011	**–**	(250,000)	**–**	(41,041)
Issue of unlisted options – 25 January 2011	**–**	3,100,000	**–**	42,321
Issue of unlisted options – 19 July 2010	**–**	5,000,000	**54,086**	186,734
Expiry unlisted options – 15 September 2011	**(250,000)**	–	**(41,041)**	–
Expiry listed options – 30 November 2011	**(6,742,316)**	–	**–**	–
Expiry unlisted options – 30 November 2011	**(625,000)**	–	**(102,602)**	–
Expiry unlisted options – 15 December 2011	**(250,000)**	–	**(41,041)**	–
Expiry unlisted options – 15 March 2012	**(250,000)**	–	**(41,041)**	–
Expiry unlisted options – 15 June 2012	**(250,000)**	–	**(7,711)**	–
Expiry unlisted options – 30 June 2012	**(27,000,000)**	–	**(4,143,363)**	–
Expiry unlisted options – 30 June 2012	**(500,000)**	–	**(90,250)**	–
Expiry unlisted options – 30 June 2012	**(500,000)**	–	**(90,228)**	–
Expiry unlisted options – 30 June 2012	**(8,333,333)**	–	**(1,683,574)**	–
Expiry unlisted options – 30 June 2012	**(5,000,000)**	–	**(307,614)**	–
Issue of unlisted options – 1 December 2011	**5,886,366**	–	**–**	–
Issue of unlisted options – 1 December 2011	**1,000,000**	–	**29,900**	–
Issue of unlisted options – 1 December 2011	**2,000,000**	–	**24,633**	–
Issue of unlisted options – 1 December 2011	**2,000,000**	–	**24,633**	–
Issue of unlisted options – 1 December 2011	**2,000,000**	–	**24,634**	–
Issue of unlisted options – 1 December 2011	**1,000,000**	–	**22,100**	–
Issue of unlisted options – 29 June 2012	**38,500,000**	–	**594,515**	–
Closing balance	**63,486,366**	60,800,649	**1,229,793**	7,003,757

The options reserve represents the charge for outstanding options which have met all conditions precedent to vest, but which have not been exercised.

b. Options based payments reserve

The options based payments reserve represents the charge recognized in the consolidated statement of comprehensive income as a result of an option based payment arrangement in which the options are subject to the achievement of service or market conditions prior to vesting.

c. Share based payments reserve

The share based payments reserve represents the charge recognized in the consolidated statement of comprehensive income as a result of a share based payment arrangement in which the shares are subject to the achievement of service or market conditions prior to vesting.

12. Financial risk management

The group's principal financial instruments comprise mainly of deposits with banks, shares in listed companies shown as available for sale financial assets, and loans to subsidiaries. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the group. The group also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the period under review, it has been the Company's policy not to trade in financial instruments.

The Group holds the following financial instruments at the end of the reporting period:

	Consolidated Group	
	2012 $	2011 $
Financial assets		
Cash and cash equivalents	**3,091,571**	1,562,276
Trade and other receivables	**142,083**	85,541
Financial liabilities		
Trade and other payables	**3,233,654**	1,647,817
	540,982	283,136

The main risks arising from the Company's financial instruments are market risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below:

a. Market risk

Cash flow and fair value interest rate risk

The group's main interest rate risk arises from cash deposits to be applied to exploration and development areas of interest. It is the group's policy to invest cash in short term deposits to minimise the group's exposure to interest rate fluctuations. The group's deposits were denominated in Australian dollars throughout the year. The group did not enter into any interest rate swap contracts during the year ended 30 June 2012. Neither the group nor the parent has any short or long term debt, and therefore this risk is minimal.

Foreign currency risk

The group has no exposure to foreign currency risk.

b. Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The cash transactions of the group are limited to high credit quality financial institutions.

The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the group's maximum exposure to credit risk.

c. Liquidity Risk

The group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Surplus funds when available are generally only invested in high credit quality financial institutions in highly liquid markets.

Financial Instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the consolidated statement of financial position.

Consolidated Group	Within 1 year 2012	Within 1 year 2011	1 to 5 years 2012	1 to 5 years 2011	Over 5 years 2012	Over 5 years 2011	Total 2012	Total 2011
Financial liabilities – due for payment								
Trade and other payables	540,982	283,136	–	–	–	–	540,982	283,136
Total contractual outflows	**540,982**	**283,136**	**–**	**–**	**–**	**–**	**540,982**	**283,136**
Financial assets – cash flows realisable								
Cash and cash equivalents	3,091,571	1,562,276	–	–	–	–	3,091,571	1,562,276
Trade and other receivables	142,083	85,541	–	–	–	–	142,083	85,541
Total anticipated inflows	**3,233,654**	**1,647,817**	**–**	**–**	**–**	**–**	**3,233,654**	**1,647,817**
Net inflow on financial instruments	**2,692,672**	**1,364,681**	**–**	**–**	**–**	**–**	**2,692,672**	**1,364,681**

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below.

	Carrying Value $	Change in profit 100bp increase $	Change in profit 100bp decrease $	Change in equity 100bp increase $	Change in equity 100bp decrease $
30 June 2012					
Cash and cash equivalents - Consolidated	3,091,571	30,916	(30,916)	30,916	(30,916)
30 June 2011					
Cash and cash equivalents - Consolidated	1,562,276	15,623	(15,623)	15,623	(15,623)

Maturity of financial assets and liabilities

The note below summarises the maturity of the group's and the parent's financial assets and liabilities as per the director's expectations. The amounts disclosed are the contractual undiscounted cash flows. There are no derivatives.

Consolidated Group	< 6 months $	6 – 12 months $	1- 5 years $	> 5 years $	Total $
30 June 2012					
Trade and other receivables	142,083	–	–	–	142,083
Trade and other payables	540,982	–	–	–	540,982

Fair value of financial assets and financial liabilities

There is no difference between the fair values and the carrying amounts of the company's financial instruments. The Company has no unrecognised financial instruments at balance date.

Sensitivity analysis on changes in market rates

The Company has no remaining available-for-sale financial assets.

13. Commitments for expenditure

The consolidated group currently has commitments for expenditure at 30 June 2012 on its exploration tenements as follows:

	Consolidated Group	
	2012 $	2011 $
Not later than 12 months	**310,500**	283,000
Between 12 months and 5 years	**620,000**	440,000
Greater than 5 years	**613,500**	–
	1,544,000	723,000

The Group reviews its tenement obligations on an ongoing basis and will continue to hold existing tenements based on their prospectivity.

The group has a further commitment to pay a retainer fee under outsourced consultancy and management agreements for the provision of geological and service personnel. These agreements can be cancelled with varying notice periods up to 12 months.

	Consolidated Group	
	2012 $	2011 $
Not later than 12 months	**206,820**	540,000
Between 12 months and 5 years	**–**	540,000
Greater than 5 years	**–**	–
	206,820	1,080,000

14. Contingent liabilities and contingent assets

There are no contingent liabilities or assets in existence at balance sheet date.

15. Related party disclosures

Refer to the Remuneration Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2012. Other than the Directors, Exploration Manager and Company Secretary, the Company had no key management personnel for the financial period ended 30 June 2012.

The total remuneration paid to key management personnel of the company and the group during the year are as follows:

	Consolidated Group	
	2012 $	2011 $
Short term employee benefits	**697,186**	882,968
Superannuation	**3,578**	–
Options granted	**90,540**	15,700
	791,304	898,668

Directors' and Executive Officers' Emoluments

(a) Details of Directors and Key Management Personnel

(i) Directors

Anthony Ho – Non-Executive Chairman
Richard Shemesian – Executive Director
Dominic Tisdell – Executive Director
Matthew Rimes – Non-Executive Director
David Nolan – Non-Executive Director
Yong (Raymond) Xia – Non-Executive Director

(ii) Management and Company secretary

Guy Robertson – Company Secretary
Dominic Tisdell – Executive General Manager (Chief Operating Officer)
Derek Pang – Exploration Manager

(iii) Directors' remuneration

Directors' remuneration and other terms of employment are reviewed annually by the Board having regard to performance against goals set at the start of the year, relative comparative information and, where applicable, independent expert advice.

Except as detailed in Notes (a) – (d) to the Remuneration Report in the Director's Report, no director has received or become entitled to receive, during or since the financial period, a benefit because of a contract made by the Company or a related body corporate with a director, a firm of which a director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors and shown in Notes (a) – (d) to the Remuneration Report, prepared in accordance with the Corporations regulations, or the fixed salary of a full time employee of the Company.

(b) Key Management Personnel

Other than the Directors, Executive General Manager and Company Secretary, the Company had no key management personnel for the financial period ended 30 June 2012.

(c) Remuneration Options: Granted and vested during the financial period ending 30 June 2012

8,000,000 options were granted to directors and key management during the year. Of these options, 5,000,000 are fully vested.

The relevant share based payment disclosures are contained in note 19 to the financial statements.

15. Related party disclosures continued

(d) Share and Option holdings

All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

Shares held by Directors and Officers

Period from 1 July 2011 to 30 June 2012	Balance at beginning of period	Received as Remuneration	Options Exercised	Net Change Other	Balance at end of year
A. Ho	300,000	600,000	–	–	900,000
R.Shemesian[1]	14,819,430	–	–	59,431	14,878,861
D. Tisdell	–	–	–	–	–
D. Nolan	–	–	–	–	–
M. Rimes	–	–	–	2,500,000	2,500,000
R. Xia[2]	–	–	–	–	–
J. Wang[3]	–	–	–	–	–
X.Wu[3]	–	–	–	–	–
	15,119,430	600,000	–	2,559,431	18,278,861

1 Mr Shemesian is the sole director and shareholder in Black Swan Global Pty Limited which holds 10,231,931 shares and is a director and shareholder in Normandy Corporation Limited as trustee for the Normandy Superannuation Fund which holds 4,646,930 shares.

2 Mr Xia is Vice President of Finance for China Armco Metals Inc. which holds 29,250,000 shares.

3 Director resigned during the year.

Options Held By Current Directors and Officers

Period from 1 July 2011 to 30 June 2012	Balance at beginning of period	Granted as Remuneration[1]	Options expired	Net Change Other	Balance at end of year
A. Ho[1]	250,000	–	–	–	250,000
D. Nolan[1]	250,000	–	–	–	250,000
R. Shemesian[2]	10,000,000	1,000,000	(10,000,000)		1,000,000
D. Tisdell[2]	–	6,000,000	–	–	6,000,000
M. Rimes[2]	–	1,000,000	–	–	1,000,000
R. Xia	–	–	–	–	–
G. Robertson[1]	150,000	–	–	–	150,000
J. Wang[1&3]	250,000	–	–	(250,000)	–
X. Wu[1&3]	250,000	–	–	(250,000)	–
	11,150,000	8,000,000	(10,000,000)	(500,000)	8,650,000

1 Options have fully vested, exercise price 25 cents, expiry date 31 December 2012.
2 Options issued a part of remuneration during the year are as follows:
3 Director resigned during the year.

	Number	Exercise Price	Expiry Date	Date Vesting	
R. Shemesian	1,000,000	8 cents	31/12/2014	Vested	
D. Tisdell	2,000,000	8 cents	31/12/2014	50% vested	50% on 1/4/2013
	2,000,000	10 cents	9/5/2014	Vested	
	2,000,000	15 cents	9/5/2015		100% on 19/11/2012
M. Rimes	1,000,000	12 cents	31/12/2014	Vested	

(e) Related Party Transactions

	Consolidated Group 2012 $	Consolidated Group 2011 $
Expenses		
Artemis Resources Limited[1]	–	100,000
Lands Legal Pty Ltd[2]	–	6,000
STC Advisory Pty Ltd[2]	–	111,000
Greenhill Capital Partners[3]	**193,640**	142,972
Totals	**193,640**	359,972

1 Artemis Resources Limited holds 5,000,000 shares in Apollo. Artemis was instrumental in the establishment and listing of Apollo in November 2007. Apollo and Artemis agreed to enter into a Management Agreement pursuant to which Artemis provides management services and expertise in relation to the sourcing of potential new tenements or investments for Apollo. The company cancelled the contract with Artemis by mutual agreement with effect from 1 November 2010.

2 Mr Chalabian is a partner of Lands Legal Pty Limited, a director of STC Advisory Pty Ltd and a director of Apollo. The payments to Lands Legal Pty Limited and STC Advisory Pty Limited were for directors fees for Mr Chalabian, consulting fees and reimbursement of expenses paid on behalf of Apollo.

3 Fees paid to an entity in which the Executive Director, Mr Richard Shemesian has an interest. Mr Shemesian's annual contract is for an amount of $173,640 for executive services and consulting fees, and can be terminated by either party giving six months notice.

16. Segment information

The group's operations are in one business segment being the resources sector. The group operates in Australia and Gabon. All subsidiaries in the group operate within the same segment.

	2012 $	2011 $
Segment Revenue		
External segment revenue	**84,098**	230,697
Segment expenses from continuing operating activities	**(2,579,687)**	(3,046,660)
(Loss)/Profit before income tax	**(2,495,589)**	(2,815,963)
Income tax benefit	**–**	–
(Loss) after income tax	**(2,495,589)**	(2,815,963)
Assets		
Segment Assets	**17,632,460**	14,450,325
Total assets	**17,632,460**	14,450,325
Liabilities		
Segment Liabilities	**540,982**	283,136
Total Liabilities	**540,982**	283,186

An analysis of segment assets is as follows:

	2012 $	2011 $
Assets		
Exploration assets		
Commonwealth Hill	**1,827,519**	504,066
Mount Oscar	**12,341,727**	12,188,576
Gabon	**209,065**	67,465
Total exploration assets	**14,378,311**	**12,760,107**
Unallocated	**3,254,149**	1,690,218
	17,632,460	14,450,325

17. Earnings per share

	Consolidated Group 2012 Cents	Consolidated Group 2011 Cents
Reconciliation of earnings per share		
Basic and diluted earnings per share	**(1.35)**	(1.82)
Loss used in the calculation of the basic earnings per share	**(2,495,589)**	(2,815,963)
	No. of shares	No. of shares
Weighted average number of ordinary shares:		
Used in calculating basic earnings per ordinary share	**185,097,874**	155,063,590
Dilutive potential ordinary shares	**–**	–
Used in calculating diluted earnings per share	**185,097,874**	155,063,590

18. Auditors remuneration

	Consolidated Group 2012 $	Consolidated Group 2011 $
Auditor of parent entity		
Audit or review of financial reports	**27,000**	32,250
Non-audit services	**–**	–
	27,000	32,250

19. Share based payments

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted.

Transactions with employees and others providing similar services are measured by reference to the fair value at grant date of the equity instrument granted.

Options granted to Key Management Personnel:

Grant date	Option class	Balance at start of year	Number granted (expired) during year	Options outstanding at 30 June 2012	Fair value of options granted during the year	Number vested at 30 June 2012	Expiry date
19 July 2010	Ordinary	10,000,000	(10,000,000)	–	–	–	–
25 Nov 2010	Ordinary	1,150,000	–	1,150,000	–	1,150,000	31 Dec 2012
1 Dec 2011	Ordinary	–	3,000,000	3,000,000	89,700	2,000,000	31 Dec 2014
1 Dec 2011	Ordinary	–	2,000,000	2,000,000	44,000	2,000,000	9 May 2014
1 Dec 2011	Ordinary	–	1,000,000	1,000,000	22,100	1,000,000	31 Dec 2014
1 Dec 2011	Ordinary	–	2,000,000	2,000,000	40,600	–	9 May 2015

The options hold no voting or dividend rights and are unlisted. Details of the options issued to key management personnel are included in the Directors' report.

Basis of valuation

The Black & Scholes methodology has been used to ascertain fair value, together with the following assumptions for the options issued on 1 December 2011:

- The risk free rate is the Commonwealth Government securities rate with a maturity date approximating that of the two to five year Australian Government bond rate, being 3.71%;
- The underlying security spot price used for the purposes of the valuation is based on the share price of the Company was $0.07;
- The volatility factor is set as 65% which is based on quarterly volatility from Sicra's Management Service.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of employee benefit expense were as follows:

	Consolidated Group 2012 $	Consolidated Group 2011 $
Options issued	**140,900**	29,350

In addition to the above the Company expensed $54,085 relating to the issue of 5,000,000 share options to China Armco Metals Inc. in 2011 as part of a capital raising, and a further $594,515 relating to 38,500,000 options issued to advisors associated with capital raising in 2012.

Other information

No options have been exercised to 30 June 2012.

20. Cash flow information

Reconciliation of net cash used in operating activities with profit after income tax

	Consolidated Group 2012 $	Consolidated Group 2011 $
Loss after income tax	**(2,495,589)**	(2,815,963)
Non-cash flows in profit:		
Impairment of investments	**7,089**	–
Profit on sale of investments	**–**	(82,576)
Write off exploration expenditure	**–**	240,187
Depreciation	**14,817**	15,092
Share based payments	**789,500**	263,005
Changes in assets and liabilities during the financial period:		
(Increase)/decrease in trade and other receivables	**(93,543)**	34,626
Increase/(decrease) in trade and other payables	**294,143**	(570,057)
Net cash outflow from operating activities	**(1,483,583)**	(2,915,686)

21. Parent entity disclosures

	Consolidated Group 2012 $	Consolidated Group 2011 $
(a) Financial position		
Current Assets		
Cash and cash equivalents	**3,091,479**	1,562,081
Trade and other receivables	**104,983**	48,540
Total Current Assets	**3,196,462**	1,610,621
Non-current Assets		
Fixed assets	**20,495**	42,401
Financial assets	**202,972**	202,972
Trade and other receivables	**14,281,280**	12,645,520
Total Non-current assets	**14,504,747**	12,890,894
Total Assets	**17,701,209**	14,501,515
Current Liabilities		
Trade and other payables	**540,977**	283,135
Total Current Liabilities	**540,977**	283,135
Total Liabilities	**540,977**	283,135
Net Assets	**17,160,232**	14,218,380
Equity		
Share Capital	**27,744,923**	23,099,545
Reserves	**1,229,793**	7,003,757
Accumulated losses	**(11,814,484)**	(15,884,922)
Total Equity	**17,160,232**	14,218,380
(b) Reserves		
Options reserve	**1,229,793**	7,003,757
Options based payments reserve	**–**	–
Share based payments reserve	**–**	–
	1,229,793	7,003,757

21. Parent entity disclosures continued

	Consolidated Group 2012 $	Consolidated Group 2011 $
(c) Financial performance		
Loss for the year	**(2,478,026)**	(2,852,901)
Other comprehensive income	**–**	–
Total comprehensive income	**(2,478,026)**	(2,852,901)
(d) Commitments		
All Exploration commitments are held by subsidiary companies.		
Administration commitments		
Not later than 12 months	**206,820**	540,000
Between 12 months and 5 years	**–**	540,000
	206,820	1,080,000

22. Significant after balance date events

There are no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 30 to 57, are in accordance with the *Corporations Act 2001* and:
   a. comply with Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
   b. give a true and fair view of the financial position as at 30 June 2012 and of the performance for the period ended on that date of the Company and consolidated group; and
2. the Executive Director and Chief Financial Officer have each declared that:
   a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
   b. the financial statements and notes for the financial year comply with the Accounting Standards; and
   c. the financial statements and notes for the financial year give a true and fair view.
3. in the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Anthony Ho
Non-Executive Chairman
Sydney, 27 September 2012

Independent Auditor's Report

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 9233 8933 **F** +61 2 9233 8521

Report on the Financial Report

We have audited the accompanying financial report of Apollo Minerals Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Independent Auditor's Report

RSM Bird Cameron Partners

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Apollo Minerals Limited on 27 September 2012, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

(a) the financial report of Apollo Minerals Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2012 and of their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in or pages 21 to 26 of the directors' report for the financial year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Apollo Minerals Limited for the financial year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

Sydney, NSW
Dated: 27 September 2012

C J Hume
Partner

Additional Information for Listed Companies

As at 21 September 2012

The following additional information is required by the Australian Stock Exchange pursuant to Listing Rule 4.10.

a. Distribution of Shareholders

Number held	Number of share holders	Number of shares	% of number of shares
1 – 1,000	14	4,089	0.00%
1,001 – 5,000	112	366,773	0.14%
5,001 – 10,000	123	1,046,171	0.39%
10,001 – 100,000	324	12,496,285	4.62%
100,001+	195	256,763,877	94.85%
Total	**768**	**270,677,195**	**100.0%**

b.

The number of shareholders who hold less than a marketable parcel is 165.

c. Substantial shareholders

The names of the substantial shareholders in the Company, the number of equity securities to which each substantial shareholder and substantial holder's associates have a relevant interest, as disclosed in substantial holding notices given to the Company are:

	No of shares	%
Tiger Resources Pty Ltd	30,000,001	11.08
China Armco Metals Inc	29,250,000	10.81
Jindal Steel & Power	25,000,000	9.24
Black Swan Global Pty Limited/Normandy Corporation Pty Ltd	14,818,630	5.47

Additional Information for Listed Companies

As at 21 September 2012

d. Twenty largest holders of each class of quoted equity security

	Name	No of Ordinary Shares	%
1.	Tiger Resources Pte Ltd	30,000,001	11.08
2.	China Armco Metals Inc	29,250,000	10.81
3.	Jindal Steel & Power Australia	25,000,000	9.24
4.	Citicorp Nominees Pty Limited	10,461,609	3.87
5.	Black Swan Global Pty Limited	10,249,232	3.79
6.	Stuart Turner	10,000,000	3.70
7.	Hugo Natural Enterprises Ltd	9,607,844	3.55
8.	Keleve Services Ltd	7,160,960	2.65
9.	Michael F & LR Black	6,000,000	2.22
10.	Artemis Resources Ltd	5,000,000	1.85
11.	Carnethy Evergreen P/L	5,000,000	1.85
12.	TT Nicholls PL	4,900,000	1.81
13.	Australian Royalties Corporation	4,820,000	1.78
14.	Normandy Pty Ltd	4,688,930	1.73
15.	HSBC Custody Nominees Aust Ltd	2,858,995	1.06
16.	R L Hansen & A Farnsworth	2,500,000	0.92
17.	Matthew J & R L Rimes	2,500,000	0.92
18	Pheakes PL	2,500,000	0.92
19	Tisdell Family Super	2,405,000	0.89
20	Weitan Zhang	2,400,309	0.89
		177,302,880	**65.53**

e. Restricted Securities

There are no restricted securities.

f. Unquoted equity securities

The Company has a number of classes of unquoted equity securities held as follows:

Class	Number
Options expiring 15 Dec 2012 at 0.25 cents	250,000
Options expiring 30 Dec 2012 at 0.35 cents	2,250,000
Options expiring 31 Dec 2012 at 0.25 cents	1,000,000
Options expiring 31 Dec 2012 at 0.25 cents	2,100,000
Options expiring 30 Nov 2012 at 0.10 cents	5,886,366
Options expiring 15 Mar 2013 at 0.25 cents	250,000
Options expiring 9 May 2014 at 0.10 cents	2,000,000
Options expiring 9 May 2014 at 0.15 cents	2,000,000
Options expiring 30 Jun 2014 at 0.05 cents	38,500,000
Options expiring 31 Dec 2014 at 0.08 cents	3,000,000
Options expiring 31 Dec 2014 at 0.12 cents	1,000,000
Options expiring 19 Jul 2015 at 0.25 cents	5,000,000
	63,236,366

1. Company Secretary

The name of the company secretary is Mr Guy Robertson.

2. Address and telephone details of entity's registered office

The address and telephone details of the registered office in Australia is:

Level 9, 50 Margaret Street
Sydney, New South Wales 2000

Tel: +61 2 9078 7660
Fax: +61 2 9078 7661

3. Address and telephone details of the office at which the register of securities is kept

The address and telephone of the office at which a register of securities is kept:

Security Transfer Registrars Pty Limited
770 Canning Highway
Applecross, Western Australia 6153

4. Stock exchange on which the Company's securities are quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange.

Home Exchange – Sydney. ASX Code: AON

5. Review of Operations

A review of operations is contained in the Review of Operations report.

6. On market buy-back

There is currently no on-market buy-back.

Corporate Directory

Board of Directors

Anthony Ho – Non-Executive Chairman
Richard Shemesian – Executive Director
Dominic Tisdell – Executive Director
David Nolan – Non-Executive Director
Mathew Rimes– Non-Executive Director
Raymond Xia – Non-Executive Director

Company Secretary/Chief Financial Officer

Guy Robertson

Registered office

Level 9, 50 Margaret Street
SYDNEY NSW 2000
Tel: +61 2 9078 7665
Fax: +61 2 9078 7661

Share registry

Security Transfer Registrars Pty Limited
770 Canning Highway
APPLECROSS WA 6953

Tel: +61 8 9315-2333
Fax: +61 8 9315-2233
www.securitytransfer.com.au

Solicitors

Mills Oakley Lawyers

Auditors

RSM Bird Cameron Partners

Bankers

Westpac Banking Corporation

Website

www.apollominerals.com.au

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