APOLLO

MINERALS LIMITED

Annual Report 2014

ABN 96 125 222 924

CONTENTS

CHAIRMAN'S LETTER

Dear Fellow Shareholder,

On behalf of the Directors of Apollo Minerals Limited (Apollo or the Company), I am pleased to report on the activities of the Company.

The Company achieved a number of significant milestones in 2014, most notably the signing of two joint venture agreements for the Commonwealth Hill and Kango North projects which have the potential to inject up to $8 million in development funding in the three years ahead.

High Power Exploration signed a joint venture agreement to spend $3.4 million to earn 80% on one of Apollo's three project areas in South Australia and has to date spent $1 million.

On the Kango North (Gabon) joint venture agreement, which we expect to close soon, a major international group will inject $4.4 million for a 50.1% interest, into a project which Apollo believes has significant potential.

The funds to be injected by these partners, which have been attracted into projects with prospects and targets defined by the Apollo exploration team, have the capacity to add substantially to shareholder wealth and will not require additional capital from the Company.

In addition, during the year the Apollo exploration team have made good progress on the Eaglehawk joint venture (Apollo earning 75% from Mincor Resources NL) and the Mars Aurora Tank joint venture (Apollo earning 75% from Marmota Energy Limited), where through systematic exploration we have identified numerous IOCG (Iron Oxide Copper Gold) targets which are currently being drilled.

In difficult capital markets for junior explorers the Company has raised over $4 million in the last 13 months to enable it to further its exploration projects.

During the year we were pleased to welcome Mr. Eric Finlayson to the Board. Mr Finlayson is a geologist with significant experience and was previously Rio Tinto's global head of exploration.

We are excited with the Company's prospects and we are looking forward to a successful exploration year ahead.

On behalf of the Directors I would like to thank all shareholders for their ongoing support.

Yours faithfully,

Richard Shemesian
Chairman
26 September 2014

REVIEW OF OPERATIONS

The 2014 financial year proved to be a roller coaster ride with the equity markets once again firmly turning against the mining sector and explorers before beginning to show some signs of stabilisation and a modest interest in risky exploration. Fortunately, Apollo Minerals had already begun the process of seeking high calibre joint venture partners for a number of our projects and successfully closed one transaction with another pending. These deals have the potential to inject an additional $8 million of exploration expenditure into our projects over the next three years in support of our search for high value mineral deposits. Importantly, these joint venture structures protect our shareholders from equity dilution and are expected to provide an added boost to the share price as these funds are spent and exploration advanced.

Apollo's primary exploration drive is towards copper-gold discovery with a focus on the world-class Gawler Craton iron-oxide-copper-gold (IOCG) belt in South Australia. The Company is now actively involved in three contiguous joint ventures totalling 1,467 km^2 in the north-western frontier of this high potential corridor. Of this land holding 795 km^2 is in joint venture with international mining entrepreneur Robert Friedland's High Power Exploration Inc. (HPX) (HPX earning 80%), 624 km^2 is in joint venture with Mincor Resources NL (ASX:MCR, AON earning 75%) and 48 km^2 in joint venture with Marmota Energy Ltd (ASX:MEU, AON earning 75%).

Apollo's secondary interest is in exploring and developing low cost, high quality iron ore assets with easy access to seaborne export markets. Apollo's key iron ore asset is the Kango North Project located in Gabon on the African west coast. During the year Apollo increased its interest in the project from 70% to 82.5% and secured an agreement and option to acquire the remaining 17.5% interest. We also announced a joint venture with a major international group who are seeking to secure a 50.1% interest in the project by sole funding the next US$4 million of exploration and development.

Exploration Projects

On the exploration front, Apollo directed most of its energy towards new copper-gold discoveries in South Australia with a large number of high potential iron-oxide-copper-gold targets confirmed via a range of geophysical surveys including ground gravity, induced polarisation, airborne magnetics and radiometrics, magnetotelluric and audio-magnetotellurics; and follow-up soil and shallow RAB drilling geochemical sampling.

Commonwealth Hill – Joint venture with HPX (HPX Earning up to 80%)

In early 2014 Apollo announced a strategic alliance with High Power Exploration Inc. (HPX) to explore for base metals in a new IOCG frontier in the Northern Gawler Craton in South Australia (See Figure 1).

HPX subsequently made an equity investment into Apollo in the amount of $1 million and needs to spend a further $2.4m on the joint venture tenements to earn up to an 80% interest. The transaction with HPX does not affect Apollo's existing joint venture arrangements, including its rights to earn a 75% interest in the adjacent Eaglehawk JV (Mincor JV) and the Aurora-Tank JV (Marmota JV) (see Figure 1).

Following completion of the Joint Venture HPX undertook one of South Australia's largest ever induced polarisation surveys using their industry leading and proprietary Typhoon technology. The survey's focus was the Hiltaba-age Wirrida Intrusive Complex where a number of large-scale chargeability anomalies were identified and initial drill testing of one of these targets returned anomalous geochemistry consistent with IOCG style deposits. Follow-up petrology and petrophysics is underway as part of the interpretation of the Typhoon results and Apollo looks forward to working with HPX to determine next steps for the Commonwealth Hill project.

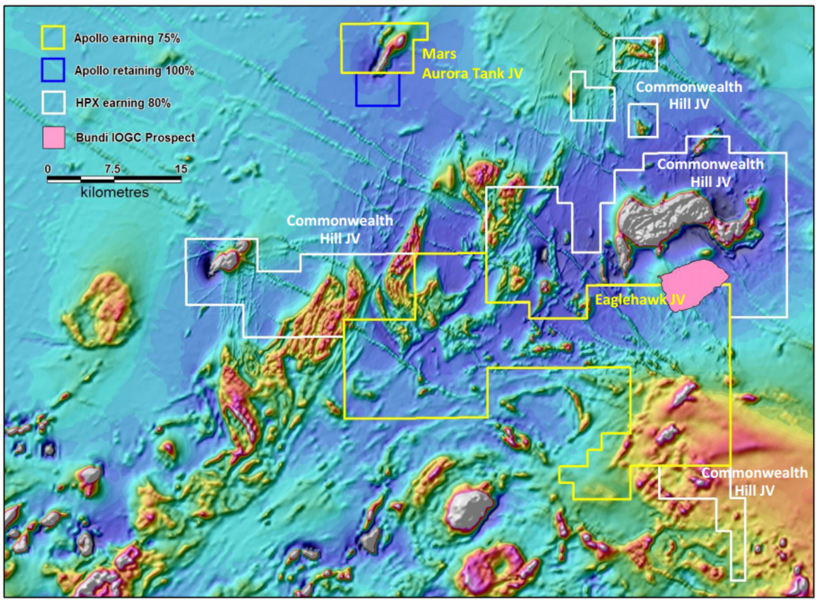

Figure 1: Apollo Commonwealth Hill Project Areas

Mars Aurora Tank – Apollo Earning up to 75%

The Mars Aurora Tank Prospect covers an area greater than 65km^2. Historic drilling returned significant gold, silver and iron grades in several holes up to a maximum of 2.0g/t Au, 4g/t Ag and 52% Fe, as well as anomalous copper of up to 470ppm.

Surface outcrop recently discovered by Apollo includes strongly brecciated outcrop which appears strikingly similar to geology at Olympic Dam and the nearby Vulcan IOCG Prospect.

During the year Apollo identified a set of geophysical geometries suggestive of IOCG alteration potentially similar to the nearby Prominent Hill IOCG deposit. Apollo's own IP survey identified a number of strongly chargeable bodies close to shallow, historic drilling that returned up to 3.3 g/t Au over 1 metre and several circa 2 g/t Au results over 4 metre intervals. Near surface RAB drilling confirmed a large zone of elevated gold and sulphide mineralisation indicators co-incident with the geophysical targets. At the time of writing, the initial holes into this prospect were underway with results expected to shape the 2015 exploration programme in this area.

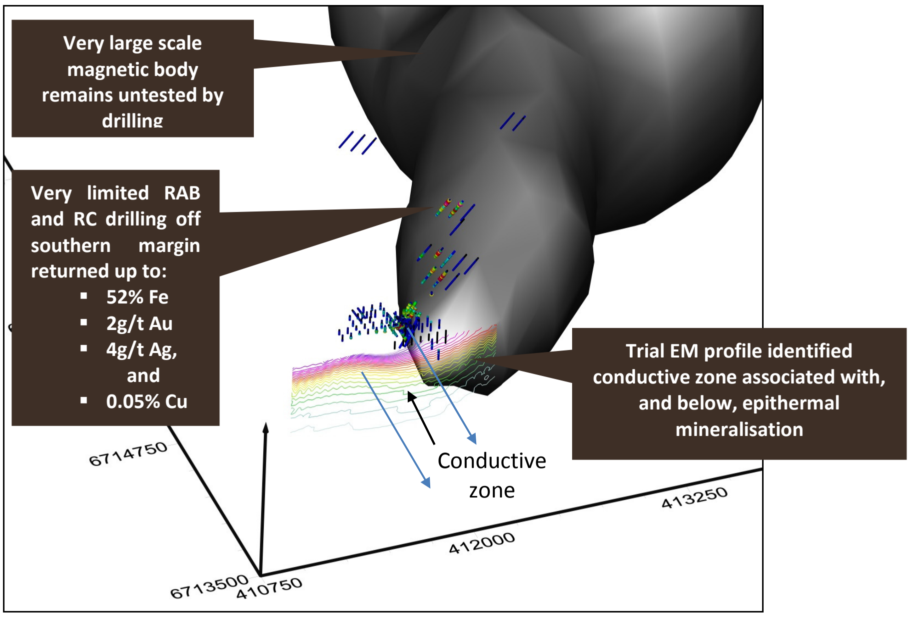

Figure 2: Mars Aurora Tank AMAG 3D inversion, FE drilling and EM profile looking northeast

Eaglehawk – Apollo Earning up to 75%

Exploration undertaken during the year identified a number of new high priority drill targets at the Eaglehawk joint venture project in the Gawler Craton of South Australia.

The new targets identified at Eaglehawk (where Apollo is currently earning a 75% interest in the project) will be incorporated into the drill program recently commenced, in what will be the first drill program at Eaglehawk designed to test for IOCG deposits in this recognised high priority IOCG corridor.

The new priority targets were identified from geophysical modelling and review of recent and historic surveys. As part of this work, a significant 18km^2 extension to the Bundi IOCG target has been identified within the Eaglehawk JV property.

The newly identified large scale targets to be drilled in the current program at Eaglehawk (Figure 3) include:

- Bundi South Extension of approximately 9km x 2km (1.5 mGal)
- Boulder: 6km x 2km (3 mGal)
- Claypan: 8km x 2.5km (2 mGal)
- Cedric Bore West: 6km x 1.5km (2.5 mGal)
- Cedric Bore Central: 4km x 1.5km (1.5 mGal)
- Cedric Bore East: 5km x 1km (1.5 mGal), and
- a number of smaller anomalies of approximately 1km to 2km in strike length (1 - 2 mGal).

The only historic hole drilled within 5km of any of the new Eaglehawk drill targets (98BG 5 shown in Figure 3) was terminated at 33m after intersecting reddened, chlorite-clay altered and weakly brecciated granitoid, believed to belong to the Hiltaba suite – the key target suite for economic IOCG mineralisation.

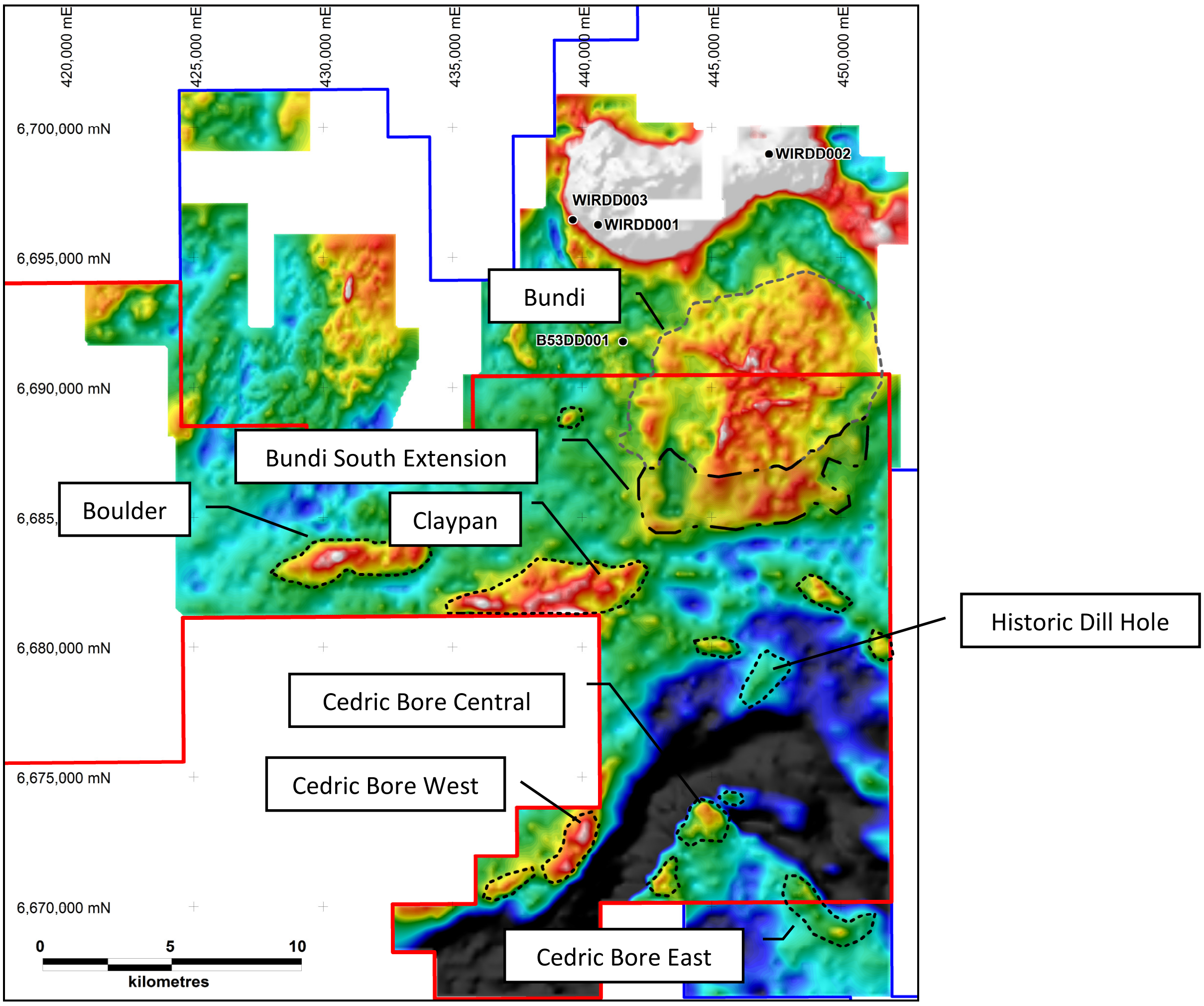

Figure 3: Residual gravity image of key target areas at Eaglehawk and Commonwealth Hill

Kango North Project Gabon – Apollo 82.5%

The Kango North Project covers 400km^2 and is situated in close proximity to sheltered waters, the national electricity grid, well-maintained roads and operational, open access rail. The Project is located only 70km from the capital city, Libreville.

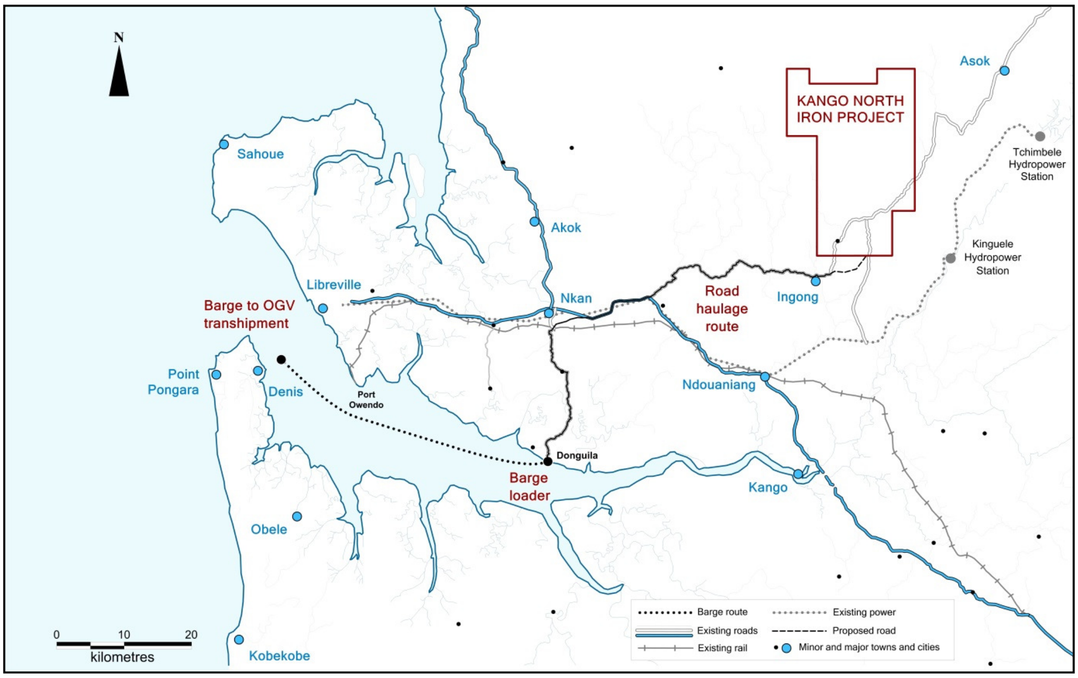

Figure 4: ***Location map showing Apollo's ~400km^2 Kango North Project in Gabon, Africa***

Under the terms of an Agreement entered into with Zoradox Limited, Zoradox may earn a 50.01% equity interest in Apollo Gabon SA ("Apollo Gabon") which owns the Project by sole funding:

a) US$750,000 of exploration and development activities during the remainder of 2014, and
b) a further US$3,250,000 before 1 August 2017.

Completion of this agreement is expected shortly. On 25 November 2013, Apollo announced a major Exploration Target upgrade for the Project and is now focused on evaluating a potentially significant DSO-grade iron ore prospect, P1, located in the south-east of the tenement. Over the last few months Apollo has been undertaking ground preparation and obtaining regulatory clearance for a drilling programme later in the year.

Corporate

During the year the Company raised $2.1 million, gross of costs, and a further $2.2 million in July 2014 to further its exploration programmes.

Mr Eric Finlayson joined the Board during the year, as a representative of HPX.

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 Australasian Institute of Mining and Metallurgy. Derek has over 15 years' experience in mineral exploration and is a full time employee of Apollo Minerals Ltd. 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 2012 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 their information in the form and context in which it appears.

The estimates of exploration target sizes mentioned in this report should not be misunderstood or misconstrued as estimates of Mineral Resources.

The potential quantity and grade of the exploration targets are conceptual in nature and there has been insufficient results received from exploration to estimate a Mineral Resource compliant with the JORC code (2012) guidelines. Furthermore, it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Schedule of Tenements

Tenement Name	Tenement Number	Location	Group Ownership %	
			2014	2013
Commonwealth Hill[1]	EL5073	South Australia	100	100
Commonwealth Hill East[1]	EL5074	South Australia	100	100
Gina[1]	EL4960	South Australia	100	100
Eaglehawk JV[2]	EL4932	South Australia	-	-
Aurora Tank[3]	EL4433	South Australia	25	-
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[4]	G1-340`	Gabon, Africa	82.5	70
Carne	EL5348	South Australia	-	-

Notes:

[1]*Subject to farm in agreement with High Powered Exploration Group (HPX) whereby HPX can earn up to 80%*

[2]*Exploration Licence EL4932 subject to joint venture agreement with Mincor Resources to earn up to 75% by sole funding exploration totalling AUD$2M over a 3 year period. Apollo has met the first years' minimum spend commitment.*

[3]*Exploration Licence EL4433 subject to joint venture agreement with Marmota Energy to earn up to 75% by sole funding exploration totalling AUD$900K over a 3 year period. Apollo has met the first years minimum spend commitment.*

[4]*Subject to a conditional farm in agreement with Zoradox Limited whereby Zoradox can earn up to 50.1%. Licence term expires in January 2015 and agreement is subject to renewal.*

Dominic Tisdell
Chief Executive Officer
Sydney 26 September 2014

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 Executive 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 Executive 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; and

(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 Chief Executive Officer is reviewed by the Executive Director on an annual basis, and the performance of other senior executives is reviewed by the Chief Executive Officer, 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. The Apollo Board consists of one executive and three non-executive directors. Mr Ho, Mr Rimes and Mr Finlayson are considered to be independent directors.

2.2 The Chairperson should be independent.

Mr Richard Shemesian, the executive chairman, is not independent given his involvement in the day to day management of the business and his substantial shareholding.

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

The Chief Executive Officer, Mr Dominic Tisdell, is not the Chairman.

2.4 A nomination committee should be established.

The Board has a nominations committee comprised of Anthony Ho (Committee Chairman) and Matthew Rimes. Both directors are non-executive and independent.

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

The Apollo board has four 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 appropriate for a company of the size of Apollo which has a small market capitalisation.

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 2014 Directors Report.

Mr Anthony Ho, Mr Matthew Rimes and Mr Eric Finlayson are considered to be independent non executive directors. Mr Richard Shemesian is an executive director of the Company and is 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.

3.2 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 no established policy at present but is aware of the principle and will be alert for opportunities when board changes are contemplated.

3.3 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 opportunities for creating a meaningful gender diversity policy are limited.

3.4 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 Mr Anthony Ho (Audit Committee Chairman) and Mr Matthew Rimes

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 website.

4.3 *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 Chief Executive Officer.

Apollo believes that the internet is the best way to communicate with shareholders and accordingly 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 Chief Executive Officer 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 Mr Anthony Ho and the Executive Chairman, Mr Richard Shemesian.

8.2 The remuneration committee should be structures so that it:

- *consists of a majority of independent directors*
- *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 director, Mr Anthony Ho.

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.

Your directors present their report on Apollo Minerals Limited (**Apollo** or the **Company**) for the year ended 30 June 2014.

DIRECTORS

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

Current Directors

RICHARD SHEMESIAN B.Com, LLB (Hons.) FINSIA Chairman	Mr Shemesian brings more than 20 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 iron ore producer Aztec Resources Limited by Mt Gibson for $300 million. Mr Shemesian was appointed an Executive Director on 27 September 2010.
ANTHONY HO B Com, CA, FAICD, FCIS,FGIA Non-Executive Director	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 International Limited; and the past non-executive Chairman of Esperance Minerals Limited, Metal Bank Limited and St George Community Housing Limited. Mr Ho's current non-executive directorships of listed public companies are: • Non-executive Chairman of Greenland Minerals and Energy Limited. • Hastings Rare Metals Limited where he also chairs the Audit Committee; and • Non-executive Chairman of Bioxyne 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 Arthur Yates & Co Limited, 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.
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.

Current Directors (continued)

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.

ERIC FINLAYSON
Non-Executive Director
BSc (Hons) Applied Geology

Mr Finlayson is a geologist with over thirty years' experience in Australia and overseas.

Mr Finlayson worked as an exploration geologist in Ireland and Turkey with NL Petroleum Services and as a field geochemist in Malawi with the British Civil Uranium Procurement Organisation prior to joining the Geological Survey of Papua New Guinea in 1984 as a regional geological mapper.

In 1989 he joined Rio Tinto as project geologist responsible for copper and gold exploration in the Papua New Guinea highlands based out of Sydney and in 1993 was transferred to Vancouver as regional exploration manager for Canada. This was followed by a transfer to London in 2000 as the personal assistant to the Head of Exploration.

In January 2002, he moved to Perth to assume the role of Rio Tinto's Director of Exploration for Australasia and in January of 2007 was appointed Global Head of Exploration for Rio Tinto based in London. In July 2011, he was appointed CEO of Rio Tinto Coal Mozambique following Rio Tinto's takeover of Riversdale Mining. After two years in Mozambique, Eric departed Rio Tinto in July 2013 and joined High Power Exploration Australia.

Mr Finlayson was appointed a Non-Executive Director on 1 May 2014.

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

Former Directors

Dominic Tisdell – Appointed Chief Executive Officer on 27 November 2013, previously Executive Director from 3 October 2011 to 27 November 2013.

Secretary

GUY ROBERTSON
(Company Secretary/Chief Financial Officer)
B Com (Hons.) CA

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

On 14 July 2014 the Company raised $2.2 million with the issue of 100,000,000 shares to professional and sophisticated investors.

Other than as outlined above, 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 exploration company focused on base and precious metals and iron ore. The Board intends to explore its current tenements in South and Western Australia and Gabon. 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.

During the coming year the Group, depending on available funding plans to further develop all of its major projects.

The material business risks faced by the Company that are likely to have an effect on the financial prospects of the Company, and how the Company manages these risks, are:

- Future Capital Needs – the Company does not currently generate cash from its operations. The Company will require further funding in order to meet its corporate expenses, continue its exploration activities and complete studies necessary to assess the economic viability of its projects.
- Exploration and Developments Risks – whilst the Company has already discovered resources on one of its projects, the Company may fail to discover additional mineral deposits and there is a risk that the Company's mineral deposits may not be economically viable. The Company employs geologists and other technical specialists, and engages external consultants where appropriate to address this risk.
- Commodity Price Risk – as a Company which is focused on the exploration of iron ore and base and precious metals, it is exposed to movements in the price of these commodities. The Company monitors historical and forecast price information from a range of sources in order to inform its planning and decision making.

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 and Gabon 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 AND FINANCIAL REVIEW

The loss of the consolidated entity after providing for income tax amounted to $14,022,934 (2013: loss of $1,611,913). The 2014 loss included a write down of the exploration expenditure on Mt Oscar of $12,685,074. The write down has no cash flow impact.

The Group's operating income decreased to $26,190 (2013-$108,064) with the reduction being in interest income attributable to a lower level of funds on deposit and lower deposit interest rates during the year.

Expenses increased to $14,111,053 (2013-$1,900,176). Current year expenses were adversely affected by a non cash write down of exploration expenditure on Mt Oscar of $12,685,074. After adjusting for legal fees, expenses declined by 25.8% over the prior year given an overall focus to reduce overhead costs which is ongoing.

Exploration costs decreased to $6,381,641 (2013- $16,493,083) following the write down outlined above. Exploration expenditure for the period was $2,073,629 with a further $500,000 paid for an additional interest in the Gabon project by way of the issue of shares.

Net assets decreased to $6,743,881 (2013-$17,706,419) reflecting the write down of exploration for the year, the issue of capital in the amount of $2,869,607 net of costs, and the loss for the year.

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 granted 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 Remuneration Committee in consultation with independent advisors determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

KEY MANAGEMENT PERSONNEL REMUNERATION

(a) Details of Directors and Key Management Personnel

(i) *Current Directors*
Richard Shemesian – Chairman
Anthony Ho – Non-executive Director
Matthew Rimes – Non – executive Director
Eric Finlayson – Non-executive Director (appointed 1 May 2014)
Former Directors
Dominic Tisdell – (appointed 3 October 2011, resigned 27 November 2013)

(ii) *Key Management Personnel*
Dominic Tisdell – Chief Executive Officer
Derek Pang – Exploration Manager

Other than the directors, the chief executive officer and the exploration manager, the Company had no Key Management Personnel for the financial year ended 30 June 2014.

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

	2014					2013				
I	Base Salary and Fees	Fair Value of Options Granted	Super-annuation	Share Based Payments[4]	Total	Base Salary and Fees	Fair Value of Options Granted	Super-annuation	Share Based Payments	Total
R. Shemesian[1]	60,000	-	-	-	60,000	174,433	-	-	-	174,433
A. Ho	50,000	-	-	20,000	70,000	58,334	-	-	17,500	75,834
M. Rimes	26,667	-	-	13,333	40,000	40,000	-	-	-	40,000
E. Finlayson	3,333	-	-	3,333	6,666					
D. Tisdell[2]	252,294	-	22,706	-	275,000	305,000	70,500	-	-	375,500
D. Pang[3]	160,000	-	14,800	-	174,800	160,000	-	14,400	-	174,400
D. Nolan	-	-	-	-	-	14,585	-	-	-	14,585
R. Xia	-	-	-	-	-	14,583	-	-	-	14,583
Totals	**552,294**	**-**	**37,506**	**36,666**	**626,466**	**766,935**	**70,500**	**14,400**	**17,500**	**869,335**

[1] Paid to Mining Management Consultants, an entity in which Mr Shemesian has a relevant interest. See note 15.

[2] Mr Tisdell's contract has an annual amount payable of $275,000 and can be terminated by either party giving four months' notice.

[3] Mr Pang's contract has an annual amount payable of $174,400 and can be terminated by either party giving one month's notice. This amount has been capitalised to exploration costs.

[4] Shares will be issued to directors following approval by shareholders.

(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 or performance share rights that are exercisable in future at a certain fixed price.

No options were issued to Directors during the year.

The terms and conditions of each share option 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
1 Dec 2011	$0.08	$0.0299	1/12/2011	89,700	-	89,700	31/12/2014
1 Dec 2011	$0.12	$0.0221	1/12/2011	22,100	-	22,100	31/12/2014
1 Dec 2011	$0.15	$0.0203	19/11/2012	40,600	-	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.

(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.

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

The following performance rights were issued to key management personnel during the year. The performance rights will vest once certain hurdles have been met. The performance period is twenty four months to 30 June 2015.

Type	No. Issued	Performance Date	Expiry Date
D. Tisdell	7,000,000	30 June 2015	30 November 2015
R. Shemesian	5,000,000	30 June 2015	30 November 2015
A. Ho	1,000,000	30 June 2015	30 November 2015
M. Rimes	1,000,000	30 June 2015	30 November 2015
D. Pang	500,000	30 June 2015	30 November 2015

Shares held by Current Directors

Period from 1 July 2013 to 30 June 2014

	Balance at beginning of period	Received as Remuneration	Options Exercised	Net Change Other	Balance at end of year
R. Shemesian[1]	15,494,357	-	-	-	15,494,357
A. Ho	1,070,000	928,500	-	-	1,998,500
E. Finlayson	-	-	-	-	-
M. Rimes	2,657,748	285,700	-	-	2,943,448
D. Tisdell[2]	-	-	-	-	-
	19,222,105	1,214,200	-	-	20,436,305

[1] Mr Shemesian is the sole director and shareholder in Black Swan Global Pty Limited which as trustee for the Black Swan Investment Trust holds 10,389,679 shares and is a director and shareholder in Normandy Corporation Limited as trustee for the Normandy Superannuation Fund which holds 5,104,678 shares.

[2] Director resigned during the year.

Period from 1 July 2012 to 30 June 2013

	Balance at beginning of period	Received as Remuneration	Options Exercised	Net Change Other	Balance at end of year
A. Ho	900,000	-	-	170,000	1,070,000
R. Shemesian[1]	14,878,861	-	-	615,496	15,494,357
D. Tisdell	-	-	-	-	-
M. Rimes	2,500,000	-	-	157,748	2,657,748
D. Nolan[2]	-	-	-	-	-
R. Xia[2]	-	-	-	-	-
	18,278,861	-	-	943,244	19,222,105

[1] Mr Shemesian is the sole director and shareholder in Black Swan Global Pty Limited which as trustee for the Black Swan Investment Trust holds 10,389,679 shares and is a director and shareholder in Normandy Corporation Limited as trustee for the Normandy Superannuation Fund which holds 5,104,678 shares.

[2] Director resigned during the year.

Options Held By Current Directors and Officers

Period from 1 July 2013 to 30 June 2014

	Balance at beginning of period	Granted as Remuneration[1]	Options expired	Net Change Other	Balance at end of year
R. Shemesian[1]	1,000,000	-	-	-	1,000,000
A. Ho	-	-	-	-	-
M. Rimes[3]	1,000,000	-	-	-	1,000,000
E. Finlayson	-	-	-	-	-
D. Tisdell[2]	6,000,000	-	(2,000,000)	-	4,000,000
	8,000,000	**-**	**(2,000,000)**	-	**6,000,000**

[1] Options have fully vested, exercise price 8 cents, expiry date 31 December 2014.

[2] Options have fully vested, 2 million options have exercise price 8 cents, expiry date 31 December 2014, and 2 million options have exercise price 15 cents, expiry date 6 May 2015.

[3] Options have fully vested, exercise price 12 cents, expiry date 31 December 2014.

Period from 1 July 2012 to 30 June 2013

	Balance at beginning of period	Granted as Remuneration[1]	Options expired	Net Change Other	Balance at end of year
A. Ho	250,000	-	(250,000)	-	-
D. Nolan[2]	250,000	-	-	-	250,000
R. Shemesian[1]	1,000,000	-	-	-	1,000,000
D. Tisdell[3]	6,000,000	-	-	-	6,000,000
M. Rimes[4]	1,000,000	-	-	-	1,000,000
R. Xia[2]	-	-	-	-	-
	8,500,000	-	(250,000)	-	**8,250,000**

[1] Options have fully vested, exercise price 8 cents, expiry date 31 December 2014.

[2] Director resigned during the year.

[3] Options have fully vested, 2 million options have exercise price 8 cents, expiry date 31 December 2014, 2 million options have exercise price 10 cents, expiry date 5 May 2014 and 2 million options have exercise price 15 cents, expiry date 6 May 2015.

[4] Options have fully vested, exercise price 12 cents, expiry date 31 December 2014.

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
R. Shemesian	12	12	-	-
A. Ho	12	12	2	2
M Rimes	11	12	2	2
E. Finlayson	2	2	-	-
D. Tisdell	5	5	-	-

In addition there were six 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 $8,885 in August 2014 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 2014 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.

Richard Shemesian
Chairman
Sydney, 26 September 2014

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 8226 4500 **F** +61 2 8226 4501

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Apollo Minerals Limited for the year ended 30 June 2014, 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

D Talbot

David Talbot
Partner

Sydney, NSW
Dated: 26 September 2014

APOLLO MINERALS LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 $	2013 $
Revenue	2	**26,190**	108,064
Administration expenses		**(105,091)**	(211,529)
Personnel cost		**(30,005)**	(239,741)
Consultancy costs		**(183,241)**	(128,099)
Compliance and regulatory expenses		**(92,474)**	(67,621)
Occupancy costs		**(6,795)**	(26,119)
Technical, geological and support fees		**(290,000)**	(286,667)
Marketing fees		**(90,736)**	(93,886)
Directors fees		**(194,160)**	(130,821)
Legal fees		**(107,841)**	(339,301)
Exploration expenditure written off		**(12,686,808)**	(1,701)
Share based payments	19	**(266,571)**	(307,249)
Travel		**(57,331)**	(67,442)
(LOSS) BEFORE INCOME TAX		**(14,084,863)**	(1,792,112)
Income tax expense	3	**61,929**	180,199
(LOSS) FOR THE YEAR		**(14,022,934)**	(1,611,913)
LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		**(14,022,934)**	(1,611,913)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE (LOSS)		**(14,022,934)**	(1,611,913)
Earnings per share			
Basic and diluted (loss) per share (cents per share)	17	**(3.78)**	(0.56)

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

APOLLO MINERALS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	2014 $	2013 $
CURRENT ASSETS			
Cash and cash equivalents	4	**1,239,564**	**1,528,241**
Trade and other receivables	5	**288,277**	**247,491**
TOTAL CURRENT ASSETS		**1,527,841**	**1,775,732**
NON-CURRENT ASSETS			
Fixed assets	6	**31,492**	**43,383**
Evaluation and exploration expenditure	8	**6,381,641**	**16,493,083**
TOTAL NON-CURRENT ASSETS		**6,413,133**	**16,536,466**
TOTAL ASSETS		**7,940,974**	**18,312,198**
CURRENT LIABILITIES			
Trade and other payables	9	**1,197,093**	**605,779**
TOTAL CURRENT LIABILITIES		**1,197,093**	**605,779**
TOTAL LIABILITIES			**605,779**
NET ASSETS		**6,743,881**	**17,706,419**
EQUITY			
Share Capital	10	**32,614,135**	**29,744,528**
Reserves	11	**471,883**	**1,188,483**
Accumulated losses		**(26,342,137)**	**(13,226,592)**
TOTAL EQUITY		**6,743,881**	**17,706,419**

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

APOLLO MINERALS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Share Capital $	Reserves $	Accumulated Losses $	Total $
Balance as at 1 July 2013	**29,744,528**	1,188,483	**(13,226,592)**	17,706,419
Loss for the year	**-**		**(14,022,934)**	(14,022,934)
Issue of share capital	**2,972,524**	-	**-**	2,972,524
Cost of share capital issued	**(102,917)**	-	**-**	(102,917)
Transfer from options based payments reserve	**-**	(907,389)	**907,389**	-
Transfer to share based payments reserve	**-**	190,789	**-**	190,789
Balance as at 30 June 2014	**32,614,135**	471,883	**(26,342,137)**	6,743,881
Balance as at 1 July 2012	**27,744,923**	1,229,793	**(11,883,238)**	17,091,478
Loss for the year	**-**	-	**(1,611,913)**	(1,611,913)
Issue of share capital	**2,117,500**	-	**-**	2,117,500
Cost of share capital issued	**(117,895)**	-	**-**	(117,895)
Transfer from options based payments reserve	**-**	(268,559)	**268,559**	-
Transfer to share based payments reserve	**-**	227,249	**-**	227,249
Balance as at 30 June 2013	**29,744,528**	1,188,483	**(13,226,592)**	17,706,419

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

APOLLO MINERALS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees – general		**(1,205,945)**	(1,647,790)
Interest received		**50,417**	74,807
Research and development rebate		**61,929**	180,199
NET CASH USED IN OPERATING ACTIVITIES	20	**(1,093,599)**	(1,392,784)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets		**-**	(40,020)
Payment for exploration and evaluation		**(1,446,406)**	(2,062,631)
NET CASH USED IN INVESTING ACTIVITIES		**(1,446,406)**	(2,102,651)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and options		**2,354,245**	2,050,000
Costs of issue of shares		**(102,917)**	(117,895)
NET CASH PROVIDED BY FINANCING ACTIVITIES		**2,251,328**	1,932,105
NET DECREASE IN CASH HELD		**(288,677)**	(1,563,330)
Cash at the beginning of the financial year		**1,528,241**	3,091,571
CASH AT THE END OF THE FINANCIAL YEAR	4	**1,239,564**	1,528,241

The Consolidated Statement of Cash Flows 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 24 September 2014 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 all of the assets, liabilities and results of the parent (Apollo Minerals Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 7.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

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 $14,022,934 and had net cash outflows from operating activities of $1,093,599 for the year ended 30 June 2014.

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, and subsequent to year end raised $2.2 million (per note 10);
- The consolidated entity has cash at bank at balance date of $1,239,564, net working capital of $330,748 and net assets of $6,743,881;
- 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.

c. Adoption of new and revised accounting standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2014, 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.

New Accounting Standards for Application in Future Periods

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 2014. 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 2015 (Changed to 1 January 2017 by AASB 2013-9C)	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 2015	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 2015	Unlikely to have significant impact
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 be significant
2013-3	*Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*	This Standard amends the disclosure requirements in AASB 136 to include additional disclosures about the fair value measurement and discount rates when the recoverable amount of impaired assets is based on fair value less costs of disposal.	1 January 2014	Unlikely to be significant
2013-5	*Amendments to Australian Accounting Standards – Investment Entities*	This Standard amends AASB 10, AASB 12 and AASB 127 to define an investment entity and require that, with limited exceptions, an investment entity not consolidate its subsidiaries but to measure them at fair value through profit or loss in accordance with AASB 9.	1 January 2014	No Impact
2013-9B	*Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*	Part B of 2013-9 makes amendments to particular Australian Accounting Standards to delete references to AASB 1031, and makes various editorial corrections to Australian Accounting Standards.	1 January 2014	Unlikely to be significant
2014-1A	*Amendments to Australian Accounting Standards*	Part A of 2014-1 amends various standards as a result of the annual improvements process	1 July 2014	Unlikely to be significant
2014-1B	*Amendments to Australian Accounting Standards*	Part B of AASB 2014-1 makes amendments to AASB 119 *Employee Benefits* in relation to the requirements for contributions from employees or third parties that are linked to service.	1 July 2014	Unlikely to be significant
2014-1C	*Amendments to Australian*	Part C of AASB 2014-1 makes amendments to particular Australian	1 July 2014	Unlikely to be significant

	Accounting Standards	Accounting Standards to delete their references to AASB 1031.		
2014-1D	*Amendments to Australian Accounting Standards*	Part D of AASB 2014-1 makes amendments to AASB 1 *First-time Adoption of Australian Accounting Standards*, which arise from the issuance of AASB 14 *Regulatory Deferral Accounts* in June 2014.	1 July 2014	No Impact
AASB 1031	*Materiality*	Re-issuance of AASB 1031	1 January 2014	Unlikely to be significant

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.

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 (ie 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.

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 $6,381,641.

2. REVENUE

	Consolidated Group	
	2014	2013
	$	$
Interest received	**23,921**	86,425
Fuel tax rebate	**2,269**	21,639
	26,190	108,064

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	
	2014	2013
	$	$
Accounting loss	**(14,022,934)**	(1,611,913)
Tax at 30%	**(4,206,880)**	(483,574)
Tax effect of net non-deductible expenses (including share based payment expense and exploration costs written off)	**3,777,880**	92,175
Deductible exploration costs	**(458,329)**	(381,442)
Refundable research and development tax offset	**61,929**	180,199
Deferred tax asset not recognised	**887,330**	772,841
Income tax expense	**61,929**	180,199

(c) Tax losses

	2014	2013
	$	$
Unused tax losses for which no deferred tax asset has been recognised	20,624,321	21,108,221

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2014 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	
	2014	2013
	$	$
Cash and cash equivalents	**1,239,564**	1,528,241

5. TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2014	2013
	$	$
CURRENT		
Other receivables	158,713	148,497
GST refund due	129,564	98,994
	288,277	247,491

6. FIXED ASSETS

	Consolidated Group	
	2014	2013
	$	$
Plant and Equipment		
At cost		
Opening balance	94,738	54,719
Additions	-	40,019
Disposal	-	-
Closing balance	94,738	94,738
Depreciation		
Opening balance	(51,355)	(34,224)
Charge for the year	(11,891)	(17,131)
Disposal		-
Closing balance	(63,246)	(51,355)
Written down value	31,492	43,383

7. INTEREST IN SUBSIDIARIES

a. Information about Principal Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

	Country of Incorporation	**Ownership % 2014**	Ownership % 2013
Parent Entity:			
Apollo Minerals Limited	Australia	-	-
Subsidiaries:			
Apollo Iron Ore No 1 Pty Limited[1]	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	Hong Kong	82.5	70
Apollo Gabon SA	Gabon	82.5	70
Capital Resource Holdings No.1 Limited	New Zealand	100	100
Jindal Apollo Iron Ore Limited	Australia	100	-
Southern Exploration Pty Limited	Australia	100	100

[1] Formerly named Apollo Iron Ore Pty Limited

b. Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

8. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated Group 2014 $	2013 $
Evaluation and exploration expenditure	**6,381,641**	16,493,083
Reconciliation of carrying amount		
Balance at beginning of financial period	**16,493,083**	14,378,311
Acquisition of additional interest in Gabon project	**500,000**	-
Expenditure in current period	**2,075,366**	2,114,772
Exploration expenditure written off	**(12,686,808)**	-
Balance at end of financial period	**6,381,641**	16,493,083

9. TRADE AND OTHER PAYABLES

	Consolidated Group 2014 $	2013 $
CURRENT		
Unsecured liabilities:		
Trade payables	**1,122,436**	509,908
Sundry payables and accrued expenses	**74,657**	95,871
	1,197,093	605,779

10. SHARE CAPITAL

	Consolidated Group	
	2014	2013
	$	$
493,355,333 (2013: 324,264,466) fully paid ordinary shares	**32,614,135**	29,744,528

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:

	2014	2013	**2014**	2013
	No. Shares	No. Shares	**$**	$
Opening balance	324,264,466	270,677,195	29,744,528	27,744,923
Issue of shares – 28 December 2012	**-**	2,337,271	**-**	67,500
Issue of shares – 27 February 2013	**-**	16,250,000	**-**	650,000
Issue of shares – 27 February 2013	**-**	10,000,000	**-**	400,000
Issue of shares – 3 April 2013	**-**	25,000,000	**-**	1,000,000
Issue of shares – 1 July 2013	**1,489,957**	-	**54,681**	-
Issue of shares – 15 July 2013	**303,376**	-	**9,101**	-
Issue of shares – 23 December 2013	**1,214,200**	-	**42,497**	-
Issue of shares – 25 February 2014	**81,818,000**	-	**1,227,270**	-
Issue of shares – 28 February 2014	**25,000,000**	-	**500,000**	-
Issue of shares – 7 May 2014	**50,000,000**	-	**1,000,000**	-
Issue of shares – 7 May 2014	**8,465,334**	-	**126,975**	-
Issue of shares – 7 May 2014	**800,000**	-	**12,000**	-
Capital raising costs	**-**	-	**(102,917)**	(117,895)
	493,355,333	324,264,466	**32,614,135**	29,744,528

On 14 July 2014 the company raised $2.2 million (before costs) with the issue of 100,000,000 shares to professional and sophisticated investors

11. RESERVES

	Consolidated Group 2014 $	Consolidated Group 2013 $
Options reserve	**471,883**	1,188,482

Options reserve

	2014 Options	2013 Options	2014 $	2013 $
Total Options	**86,541,667**	62,000,000	471,883	1,188,483
Opening balance	**62,000,000**	63,486,366	**1,188,483**	1,229,793
Issue of unlisted options – 5 July 2012	-	10,000,000	-	153,675
Expiry of unlisted options – 15 September 2012	-	(250,000)	-	(7,711)
Issue of unlisted options – 5 October 2012	-	500,000	-	3,074
Expiry of unlisted options – 30 November 2012	-	(5,886,366)	-	-
Expiry of unlisted options – 15 December 2012	-	(250,000)	-	(7,710)
Expiry of unlisted options – 30 December 2012	-	(2,250,000)	-	(200,000)
Expiry of unlisted options – 31 December 2012	-	(3,100,000)	-	(42,321)
Issue Director Performance Rights – 19 February 2013	-	15,000,000	-	-
Issue Employee Performance Rights – 19 February 2013	-	500,000	-	-
Expiry of unlisted options – 15 March 2013	-	(250,000)	-	(10,817)
Expiry of Director Performance Rights – 30 June 2013	-	(15,000,000)	-	-
Expiry of Employee Performance Rights – 30 June 2013	-	(500,000)	-	-
Vesting of unlisted options – 30 June 2013		-	-	70,500
Issue unlisted options – 31 August 2013	**5,000,000**	-	**112,125**	-
Expiry of unlisted options with exercise date 30 June 2014	**(53,500,000)**	-	**(860,315)**	-
Expiry of unlisted options with exercise date 30 June 2014	**(500,000)**	-	**(3,074)**	-
Issue Director Performance Rights – 23 December 2013	**7,000,000**	-	-	-
Issue Employee Performance Rights – 23 December 2013	**8,000,000**	-	-	-
Issue unlisted options expiring 28 February 2017, attached to rights issue	**45,541,667**	-	-	-
Issue unlisted options expiring 28 February 2017	**15,000,000**	-	**78,664**	-
Expiry unlisted options 9 May 2014	**(2,000,000)**	-	**(44,000)**	-
Closing balance	**86,541,667**	62,000,000	**471,883**	1,188,483

The options reserve represents the charge for outstanding options which have met all conditions precedent to vest, but which have not been exercised. Post year end the Company issued 10 million options with exercise price of 3 cents and expiry 28 February 2017 to consultants and contractors to the Company.

12. FINANCIAL RISK MANAGEMENT

The Board of Directors takes responsibility for managing financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and exposures and approves financial transactions. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk. The Board meets monthly at which these matters are reviewed.

The Board's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its review includes the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

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	
	2014	2013
	$	$
Financial assets		
Cash and cash equivalents	**1,239,564**	1,528,241
Trade and other receivables	**288,277**	247,491
	1,527,841	1,775,732
Financial liabilities		
Trade and other payables	**1,197,093**	605,779

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 2014. 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		1 to 5 years		Over 5 years		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
Financial liabilities - due for payment:								
Trade and other payables	1,197,093	605,779	-	-	-	-	1,197,093	605,779
Total contractual outflows	1,197,093	605,779	-	-	-	-	1,197,093	605,779
Financial assets – cash flows realisable								
Cash and cash equivalents	1,239,564	1,528,241	-	-	-	-	1,239,564	1,528,241
Trade and other receivables	288,277	247,491	-	-	-	-	288,277	247,491
Total anticipated inflows	1,527,841	1,775,732	-	-	-	-	1,527,841	1,775,732
Net inflow on financial instruments	330,748	1,169,953	-	-	-	-	330,748	1,169,953

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.

		Change in profit		Change in equity	
	Carrying Value	100bp increase	100bp decrease	100bp increase	100bp decrease
30 June 2014	$	$	$	$	$
Cash and cash equivalents - Consolidated	1,239,564	12,395	(12,395)	12,395	(12,395)
30 June 2013					
Cash and cash equivalents - Consolidated	1,528,241	15,282	(15,282)	15,282	(15,282)

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 2014	**$**	**$**	**$**	**$**	**$**
Trade and other receivables	288,277	-	-	-	288,277
Trade and other payables	1,197,093	-	-	-	1,197,093

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 2014 on its exploration tenements as follows:

	Consolidated Group 2014 $	Consolidated Group 2013 $
Not later than 12 months	**2,641,560**	734,708
Between 12 months and 5 years	**1,589,633**	2,575,833
Greater than 5 years	**-**	-
	4,231,193	3,310,541

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

The above commitments include farm-in agreements with Marmota Energy (Aurora Tank Project) where the company is earning a 75% interest and the Mincor (Eaglehawk Project) where the company is earning a 75% interest.

In an agreement entered into with the High Power Exploration Group (HPX) during the year, HPX have the right to earn up to 80% of the Commonwealth Hill Project (excluding the Marmota and Mincor joint ventures) by spending $1.7 million for a 51% interest and a further $1.7 million for up to an 80% interest. HPX have spent $1 million to date.

In an agreement entered into with Zoradox Limited (Zoradox) during the year, Zoradox have the right to earn a 50.1% interest in the Gabon, Kango North Project by spending US $ 4 million over the next 3 ½ years. This agreement is conditional on the renewal of the licence in January 2015.

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

	Consolidated Group 2014 $	Consolidated Group 2013 $
Not later than 12 months	**150,000**	240,000
Between 12 months and 5 years	**450,000**	60,000
Greater than 5 years	**-**	-
	600,000	300,000

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 2014. Other than the Directors, Chief Executive Officer and Exploration Manager, the Company had no key management personnel for the financial period ended 30 June 2014.

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

	Consolidated Group	
	2014	2013
	$	$
Short term employee benefits	**552,294**	**766,935**
Superannuation	**37,506**	**14,400**
Share based payments	**36,666**	**17,500**
Options granted	**-**	**70,500**
	626,466	**869,335**

Related party transactions

	Consolidated Group 2014	Consolidated Group 2013
Expenses	**$**	$
Greenhill Capital Partners[1]	**-**	174,433
Mining Management Consultants[1]	**60,000**	-
Mills Oakley Lawyers[2]	**-**	8,560
Whiteoaks Capital Pty Ltd[2]	**-**	11,668
Wirrida Holdings Pty Limited[3]	**715,366**	-
Totals	**775,366**	194,661

[1] Fees paid to the Executive Director, Mr Richard Shemesian's consulting company. Mr Shemesian's was paid $60,000 for directors fees for 2014, and directors fees of $40,000 2013 and consulting fees at a daily rate of $1,250 per day.

[2] Fees paid to entities in which the former Non-Executive Director, Mr David Nolan has an interest. Mr Nolan retired in November 2012. During this period Mr Nolan was paid Director's fees of $11,668. Legal fees of $8,560 were paid to a firm in which Mr Nolan was a partner.

[3] Wirrida Holdings Pty Limited is a subsidiary of HPX Australia Holdings Pty Ltd, a joint venture partner on the Commonwealth Hill project. Mr Eric Finlayson a director of Apollo is a director of Wirrida Holdings Pty Ltd. This amount was paid to Wirrida Holdings Pty Ltd for exploration work in the ordinary course of business.

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.

	CONSOLIDATED GROUP	
	2014	2013
	$	$
Segment Revenue		
External segment revenue	**26,190**	108,064
Segment expenses from continuing operating activities	**(14,111,053)**	(1,900,176)
(Loss) before income tax	**(14,084,863)**	(1,792,112)
Income tax benefit	**61,929**	180,199
(Loss) after income tax	**(14,022,934)**	(1,611,913)
Assets		
Segment Assets	**7,940,974**	18,312,198
Total assets	**7,940,974**	18,312,198
Liabilities		
Segment Liabilities	**1,197,093**	605,779
Total Liabilities	**1,197,093**	605,779

An analysis of segment assets is as follows:

Assets		
Exploration assets		
Commonwealth Hill	**5,080,916**	3,553,152
Mount Oscar	**-**	12,516,696
Gabon	**1,300,725**	423,237
Total exploration assets	**6,381,641**	16,493,085
Unallocated	**1,559,333**	1,819,113
	7,940,974	18,312,198

17. EARNINGS PER SHARE

	Consolidated Group	
	2014	2013
	Cents	Cents
Reconciliation of earnings per share		
Basic and diluted earnings per share	**(3.77)**	(0.56)
Loss used in the calculation of the basic earnings per share	**(14,022,934)**	(1,611,913)
	No. of shares	No. of shares
Weighted average number of ordinary shares:		
Used in calculating basic earnings per ordinary share	**371,855,902**	286,728,723
Dilutive potential ordinary shares	**-**	-
Used in calculating diluted earnings per share	**371,855,902**	286,728,723

18. AUDITORS REMUNERATION

	Consolidated Group	
	2014	2013
	$	$
Auditor of parent entity		
Audit or review of financial reports	**32,600**	32,000
Non-audit services	**-**	-
	32,600	32,000

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.

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. No new shares were issued in the period to key management personnel/directors. Total share based payment expense relates to shares issued in prior period but vesting in the current period or relates to shares yet to be issued.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year:

	Consolidated Group	
	2014	**2013**
	$	**$**
Employee benefits expense		
Options issued	-	70,500
Shares in lieu of cash payments	36,664	17,500
Total employee benefits expense	36,664	88,000
Options issued to advisors	190,789	156,749
Shares issued to advisors in lieu of cash payments	75,782	62,500
Total share based payments	303,235	307,249

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 2014	Fair value of options granted during the year	Number vested at 30 June 2014	Exercise Price	Expiry date
1/12/11	Series 1	3,000,000	-	3,000,000	-	3,000,000	8 cents	31/12/14
1/12/11	Series 2	2,000,000	-	2,000,000	-	2,000,000	15 cents	9/5/15
1/12/11	Series 3	1,000,000	-	1,000,000	-	1,000,000	12 cents	31/12/14

Details of the options issued to key management personnel are included in the Directors' report.

Options granted to Other Parties:

Grant date	Option class	Balance at start of year	Number granted/ (expired) during year	Options outstanding at 30 June 2014	Fair value of options granted during the year	Number vested at 30 June 2014	Exercise Price	Expiry date
29/6/12	Series 4	38,500,000	(38,500,000)	-	-	-	5 cents	30/6/14
5/7/12	Series 5	10,000,000	(10,000,000)	-	-	-	5 cents	30/6/14
8/12/12	Series 6	500,000	(500,000)	-	-	-	5 cents	30/6/14
19/7/10	Series 7	5,000,000	-	5,000,000	-	5,000,000	25 cents	19/7/15
7/5/14	Series 8	-	15,000,000	15,000,000	78,664	15,000,000	3 cents	28/2/17

Basis of valuation

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

	Series 1	Series 2	Series 3	Series 7	Series 8
Expected volatility (%)	65%	65%	65%	70%	80%
Risk-free interest free (%)	3.71%	3.71%	3.71%	5.5%	3.44%
Expected life of option (years)	2.5	4.5	3.0	5.0	2.8
Exercise price ($)	8 cents	15 cents	12 cents	25 cents	3 cents
Grant date share price	7 cents	7 cents	7 cents	11 cents	1.5 cents
Fair value at grant date	$89,700	$40,600	$22,100	$240,819	$78,664

The following table illustrates the number (No.) and weighted average exercise prices of and movements in share options issued during the year:

	No. 2014	Weighted average exercise price	No. 2013	Weighted average Exercise price
Outstanding at the beginning of the year	62,000,000	7 cents	62,000,000	7 cents
Granted during the year	15,000,000	3 cents		-
Exercised during the year	-	-	-	-
Expired/cancelled during the year	(49,000,000)	5 cents	-	-
Outstanding at the end of the year	28,000,000	9 cents	62,000,000	7 cents
Exercisable at the end of the year	28,000,000	9 cents	62,000,000	7 cents

The share options outstanding at the end of the year had a weighted average exercise price of $0.09 (2013: $0.07) and weighted average remaining contractual life of 1.97 years (2013:2.0 years).

The weighted average fair value of options granted during the year was $190,789 (2013: $Nil).

Other information

No options have been exercised to 30 June 2014. Post year end the Company issued 10,000,000 options with an exercise price of 3 cents and expiry date of 28 February 2017, to consultants and contractors.

20. CASH FLOW INFORMATION

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

	Consolidated Group	
	2014	2013
	$	$
Loss after income tax	**(14,022,934)**	(1,611,913)
Non-cash flows in profit:		
Write off exploration expenditure	**12,586,808**	1,701
Depreciation	**11,892**	17,131
Share based payments	**303,235**	307,249
Changes in assets and liabilities during the financial period:		
(Increase) in trade and other receivables	**(40,793)**	(105,408)
Increase/(decrease) in trade and other payables	**(31,807)**	(1,544)
Net cash outflow from operating activities	**(1,093,599)**	(1,392,784)

21. PARENT ENTITY DISCLOSURES

	2014	2013
	$	$
(a) Financial position		
Current Assets		
Cash and cash equivalents	**1,239,471**	1,528,149
Trade and other receivables	**251,184**	210,391
Total Current Assets	**1,490,655**	1,738,540
Non-current Assets		
Fixed assets	**31,492**	43,383
Financial assets	**500,102**	202,972
Trade and other receivables	**5,811,967**	16,412,358
Total Non-current assets	**6,343,561**	16,658,713
Total Assets	**7,834,216**	18,397,253
Current Liabilities		
Trade and other payables	**1,197,093**	605,779
Total Current Liabilities	**1,197,093**	605,779
TOTAL LIABILITIES	**1,197,093**	605,779
NET ASSETS	**6,637,123**	17,791,474
EQUITY		
Share Capital	**32,614,135**	29,744,528
Reserves	**471,883**	1,188,483
Accumulated losses	**(26,448,895)**	(13,141,537)
TOTAL EQUITY	**6,637,123**	17,791,474
(b) Reserves		
Options reserve	**471,883**	1,188,483
	471,883	1,188,483
(c) Financial performance		
Loss for the year	**(14,214,749)**	(1,595,608)
Other comprehensive income	**-**	-
Total comprehensive income	**(14,214,749)**	(1,575,608)

(d) Commitments

All Exploration commitments are held by subsidiary companies.

Administration commitments		
Not later than 12 months	**150,000**	482,500
Between 12 months and 5 years	**450,000**	-
	600,000	482,500

22. SIGNIFICANT AFTER BALANCE DATE EVENTS

On 14 July 2014 the Company raised $2.2 million with the issue of 100,000,000 shares to professional and sophisticated investors.

Other than as outlined above, 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.

APOLLO MINERALS LIMITED
DIRECTORS DECLARATION

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 23 to 48, 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 2014 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.

Richard Shemesian
Chairman

Sydney, 26 September 2014

RSM Bird Cameron Partners
Level 12, 60 Castlereagh Street Sydney NSW 2000
GPO Box 5138 Sydney NSW 2001
T +61 2 8226 4500 **F** +61 2 8226 4501

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

APOLLO MINERALS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Apollo Minerals Limited, which comprises the consolidated statement of financial position as at *30 June 2014*, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply 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 about 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.

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*, which has been given to the directors of Apollo Minerals Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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 consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards 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 pages 16 to 20 of the directors' report for the year ended 30 June 2014. 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.

Opinion

In our opinion the Remuneration Report of Apollo Minerals Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

D Talbot

David Talbot
Partner

Sydney, NSW
Dated: 26 September 2014

ADDITIONAL INFORMATION FOR LISTED COMPANIES
As at Date 19 September 2014

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	26	5,326	0.00%
1,001 - 5,000	92	300,909	0.10%
5,001 - 10,000	105	895,197	0.30%
10,001 - 100,000	588	28,847,411	5.00%
100,001+	505	563,306,490	94.60%
Total	**1,316**	**593,355,333**	**100.0%**

b. The number of shareholders who hold less than a marketable parcel is 287.

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	%
HPX AUST HLDGS PL	50,000,000	8.43%
CITICORP NOM PL	47,847,208	8.06%
HSBC CUSTODY NOM AUST LTD	38,305,813	6.46%
JINDAL STEEL & POWER AUST	31,419,496	5.30%
TIGER RESOURCES PTE LTD	30,000,001	5.06%

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

	Name	No of Ordinary Shares	%
1	HPX Australia Holdings Pty Limited	50,000,000	8.43
2	Citicorp Nominees Pty Limited	47,847,208	8.06
3	HSBC Custody Nominees Aust Ltd	38,305,813	6.46
4	Jindal Steel & Power Australia	31,419,496	5.30
5	Tiger Resources Pte Ltd	30,000,001	5.06
6	Mair Holdings Limited	16,666,667	2.81
7	Stuart Turner	14,650,000	2.47
8	Black Swan Global Pty Limited <Black Swan Investment A/C>	10,389,679	1.75
9	Hugo Natural Enterprises Ltd	9,607,844	1.62
10	Baxanis Theodosia	9,500,000	1.60
11	National Nominees Limited	8,604,910	1.45
12	Carnethy Evergreen P/L <Carnethy Evergreen Fund A/C>	8,000,000	1.35
13	Keleve Services Ltd	7,318,708	1.24
14	Ross Edward Gustafson	7,000,000	1.23
15	Haydos Corporation Limited	5,956,761	1.18
16	Artemis Resources Ltd	5,157,748	1.00
17	JM Ryan and LR Romalis	5,157,748	0.87
18	Normandy Pty Ltd <Normandy Super Fund A/C>	5,104,678	0.87
19	Michael F & LR Black <PE Sur Super Co STF S/F 2 A/C>	5,000,000	0.84
20	TT Nicholls PL <Super A/C>	4,900,000	0.83
		320,587,261	54.42

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 31 Dec 2014 at 0.08 cents	3,000,000
Options expiring 31 Dec 2014 at 0.12 cents	1,000,000
Options expiring 9 May 2015 at 0.15 cents	2,000,000
Options expiring 19 Jul 2015 at 0.25 cents	5,000,000
Options expiring 28 Feb 2017 at 0.30 cents	70,541,667
	81,541,667

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 are:
Level 15, 1 Alfred Street
Sydney, New South Wales 2000
Telephone: +(612) 9078 7660
Facsimile: +(612) 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

APOLLO MINERALS LIMITED
ABN 96 125 222 924

BOARD AND MANAGEMENT
Richard Shemesian – Chairman
Anthony Ho – Non-Executive Director
Mathew Rimes– Non-Executive Director
Eric Finlayson – Non-Executive Director
Dominic Tisdell – Chief Executive Officer

COMPANY SECRETARY/CHIEF FINANCIAL OFFICER
Guy Robertson

REGISTERED OFFICE
Level 15, 1 Alfred Street
SYDNEY NSW 2000

Ph: (02) 9078 7665
Fax: (02) 9078 7661

SHARE REGISTRY
Security Transfer Registrars Pty Limited
770 Canning Highway
APPLECROSS WA 6953

Ph: (08) 9315-2333
Fax: (08) 9315-2233
www.securitytransfer.com.au

AUDITORS
RSM Bird Cameron Partners

BANKERS
Westpac Banking Corporation

WEBSITE
www.apollominerals.com.au