

Apollo Consolidated Ltd AOP

EXPERIENCED TEAM OFFERS HIGH LEVERAGE TO EXPLORATION SUCCESS IN IVORY COAST

Capital Structure

	AOP
ASX Code	
Shares	39.0 m.
Performance shares	7.5 m.
Options	16.3 m.
Share Price *	\$ 0.20
Market Cap'n	\$ 7.8 m.
Net Cash (est)	\$ 3.0 m.

* At issue price

Board

Roger Steinepreis	Chairman
Nick Castleden	Managing Director
Stephen West	Non Executive
Robert Gherghetta	Non Executive

NB: Intended Board, post Aspire transaction.

Opinion*

Apollo Consolidated is a rejuvenated company, following acquisition of prospective exploration permits in the West African nation of Côte d'Ivoire. The company has been restructured and recapitalised while gaining new management and supporting shareholders who will drive its exploration efforts during 2012.

Roger Steinepreis has a strong track record of creating shareholder wealth from successful exploration ventures, while Nick Castleden has solid technical qualifications and the operating experience required to run vigorous exploration programs on each of the company's permits.

While political risk is always a factor in West Africa, Côte d'Ivoire has one of the best reputations amongst junior explorers and its geological prospectivity is second to none.

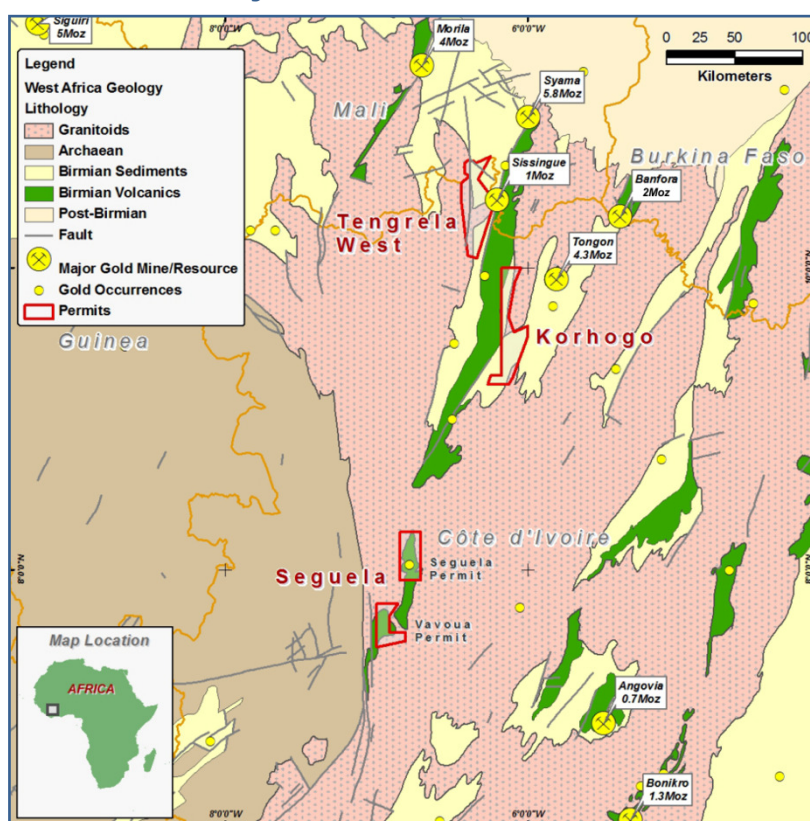
Peter Strachan.

*No recommendation is offered for commissioned research.

Investment Drivers

- ◆ Apollo Consolidated is backed by patient capital and management with a track record of success in building small or start-up exploration companies.
- ◆ Apollo is earning a 90% interest in the Seguela & Vavoua projects and 80% of Tengrela and Korhogo project areas in the relatively under explored, northwest region of Côte d'Ivoire and has a 100% interest in the Rebecca gold project in Western Australia.
- ◆ The company's more advanced gold exploration projects at Sequela in Côte d'Ivoire and at the Rebecca project on the southern end of the Laverton Shear Zone in WA will be the focus for early drilling under identified gold anomalies during 2012, where success would significantly re-rate the company.
- ◆ With a market capitalisation of \$7.8 million, Apollo ranks at the base of peer exploration companies, whose average market capitalisation is \$24 million and offers considerable leverage to success.

West African Project Locations



Source: Apollo

Background

New gold explorer

After a period of due diligence through 2011, Apollo has acquired West African exploration interests through the purchase of Aspire Minerals via the issue of Apollo shares to the owners of Aspire. Apollo has been granted a change of business by the ASX and following a share consolidation and capital raising, relisted on the ASX in early January 2012.

Exploration Budget & Business Development

Year 2012	Seguela	Vavoua	Korhogo	Tengrela	Rebecca
Project Administration	\$37,000	\$18,000	\$18,000	\$18,000	\$20,000
Geological Activities	\$34,000	\$7,000	\$44,000	\$15,000	\$29,000
Geophysical Activities	\$10,000	\$5,000	\$5,000	\$8,000	\$2,000
Geochemical Activities	\$67,000	\$10,000	\$44,000	\$11,000	\$0
Drilling	\$180,000	\$0	\$0	\$0	\$39,000
Assay	\$65,000	\$5,000	\$22,000	\$7,000	\$6,000
Field Costs & capital Expenditure	\$49,000	\$27,000	\$26,000	\$26,000	\$36,000
Total Year 2012	\$442,000	\$72,000	\$159,000	\$85,000	\$132,000
Total for Years '12, '13	\$744,000	\$156,000	\$235,000	\$213,000	\$300,000
COMBINED TOTAL	\$1,648,000				

Source: Apollo

During 2012 Apollo plans to follow-up soil sampling undertaken by Aspire last year at its West African permits, while initial drilling programmes are planned for its lead projects, Seguela and Rebecca.

An initial budget of about \$900,000 is set for 2012, but Strachan Corporate is confident that exploration success would be met with fast tracked efforts and expanded funding commitments, most likely accompanied by supporting new equity.

The company is following opportunities to acquire additional exploration permits in West Africa and is likely to expand its holdings over time.

Côte d'Ivoire

Excellent location for gold discovery

The US Geological Survey estimates West Africa's gold endowment at over 170 million ounces and Côte d'Ivoire, which has similar geology to neighbouring Ghana, has been estimated to hold about one third of the prospective Birimian age rocks in West Africa which is considered the most prospective lithology for gold mineralisation. The Archean age craton in Côte d'Ivoire is associated with gold, diamond, iron ore and base metal occurrences elsewhere in the sub-region and is thus considered to hold potential for economic mineral occurrences in Côte d'Ivoire. Aeromagnetic and ground mapping data shows that the northern part of the country has NNE-SSW trending belts of metamorphosed volcano-sedimentary rocks and granite-gneisses of early Proterozoic Birimian age, along with small isolated areas of younger Tarkwaian sediments. Rock of this age and genesis are known to be gold bearing in the region and overall, Apollo's permits are located in areas which show similar geology to those of surrounding gold-rich countries of Ghana, Burkina Faso and Mali.

Earning 90% by exploring

The company's Cote d'Ivoire projects consist of earn-in rights up to 90% in the Seguela, Tengrela, Korhogo and Vavoua projects, covering an area of approximately 3000 square kilometres.

SEGUELA

Artisanal Au workings provide support

Seguela is Apollo's lead project in Côte d'Ivoire, where soil geochemistry has outlined a high grade gold anomaly along 3 kilometres of strike on a broad sampling pattern which is ready for infill geochemistry and drill testing. Artisanal workings provide confirmation of gold deposits on the permit.

Strong logistics with little impediment to exploration

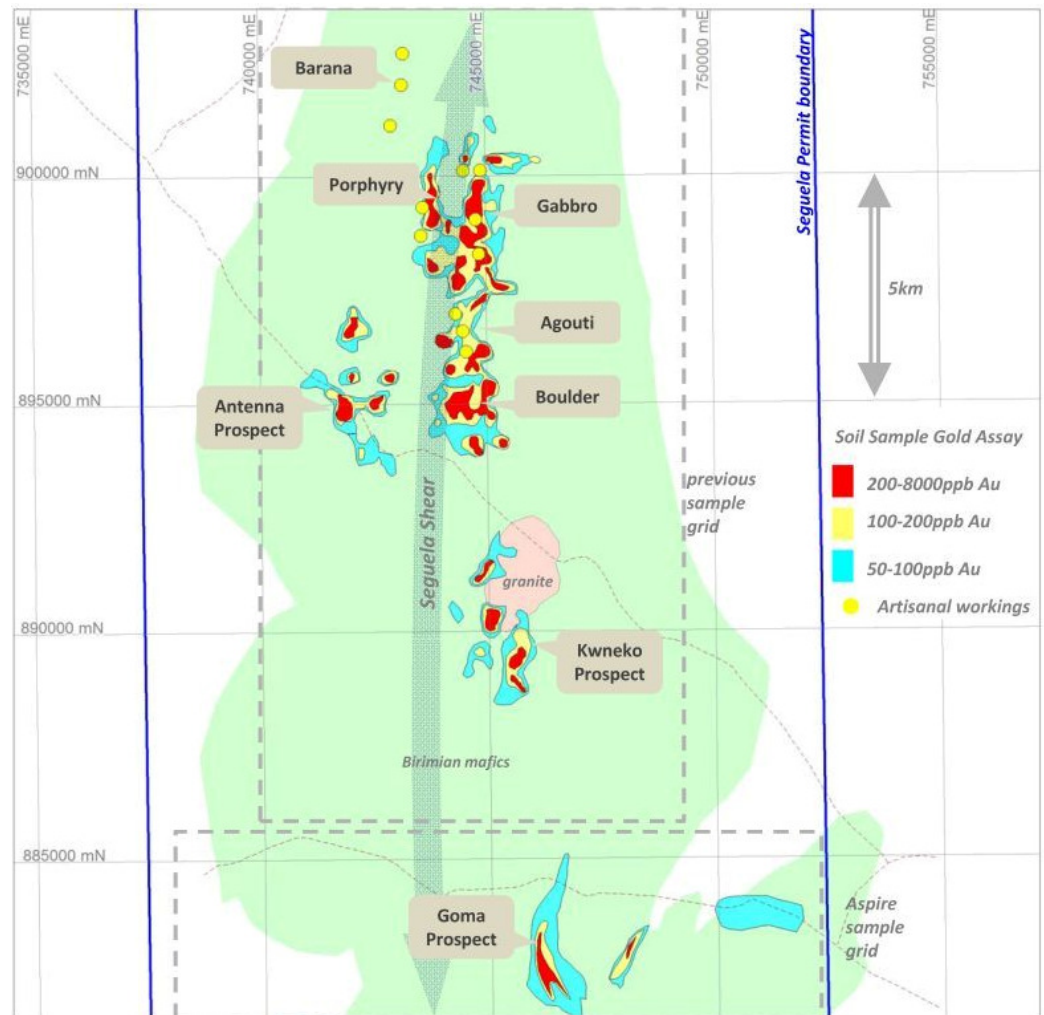
The property is located on the southern extent of the Syama-Sissingue volcano-sedimentary belt which hosts a number of significant gold occurrences and a producing mine. The property can be accessed by sealed road from the coast and also via a small but intermittently used airstrip.

Seguela covers a sparsely populated region on a sub-tropical belt containing a ridge of steep sided hills along a central, NNE-SSW trending ridge which veers to NE-SW on its southern extension, while eastern and western flanks of the permit are flat to gently undulating, associated with a lateritic plateau.

Other than important artisanal workings, previous exploration was carried out by Randgold over the years 1996 to 1998. The main mineralising structure within the Seguela property consists of a major shear, some two kilometres wide. Guided by the presence of artisanal workings, remote data interpretations and the results of first pass geological mapping, Randgold undertook geological mapping and first-pass soil geochemical sampling on a wide grid.

Gold Anomalism at Seguela

Walk up drill targets on geochemical & trench Au anomalism



Source: Apollo

Soil sampling over this shear zone has proven continuity of gold mineralisation along the full length of the property. Approximately 25% of the property is covered by mapping and soil geochemistry, resulting in the definition of five gold prospects. More recent trenching defined two areas with potentially economic grade at the **Magnetite Gabbro** and Western **Porphyry** prospects. The former has a strike of 900 metres, open to the north and south, demonstrating a validated maximum thickness of **16 metres grading 3.16 g/t gold** in one trench section, hosted by a sheared gabbro. The Porphyry prospect extends 800 metres and is open at both ends, containing one trench section grading **1.05 g/t gold over 10 metres**, where mineralisation occurs along the sheared margin of a porphyry intrusion.

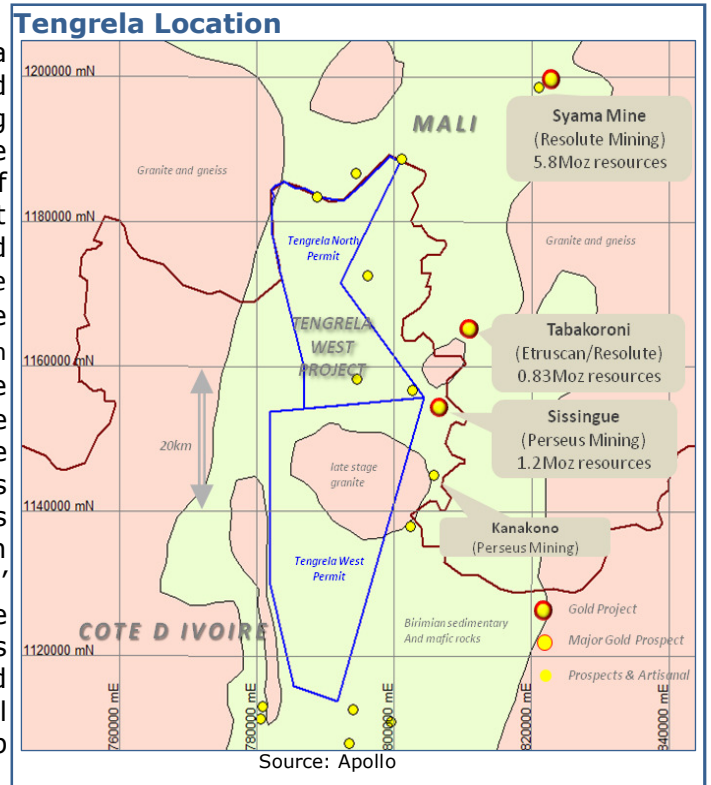
The company plans to expand geochemical grids out to the eastern margins and to undertake drilling to test beneath known prospects.

Adjacent to Perseus Mining's discoveries

Requires more soil geochemistry to define drilling targets

TENGRELA

Apollo's two Tengrela permits have a combined area of 1000 km², offering grid power from the regional centre of Tengrela. The project covers sparsely populated savannah grasslands in the extreme north of Côte d'Ivoire, in remote terrain close to the Mali border on the western margin of the Syama - Sissingué mineralised corridor. This mineralised belt hosts Resolute's 5.8 million ounce Syama and Perseus' 1 million ounce Sissingué gold deposits. Access is achieved via a long road trip on paved and gravel roads or via a small airstrip suitable for light aircraft.



Exploration largely under laterite cover

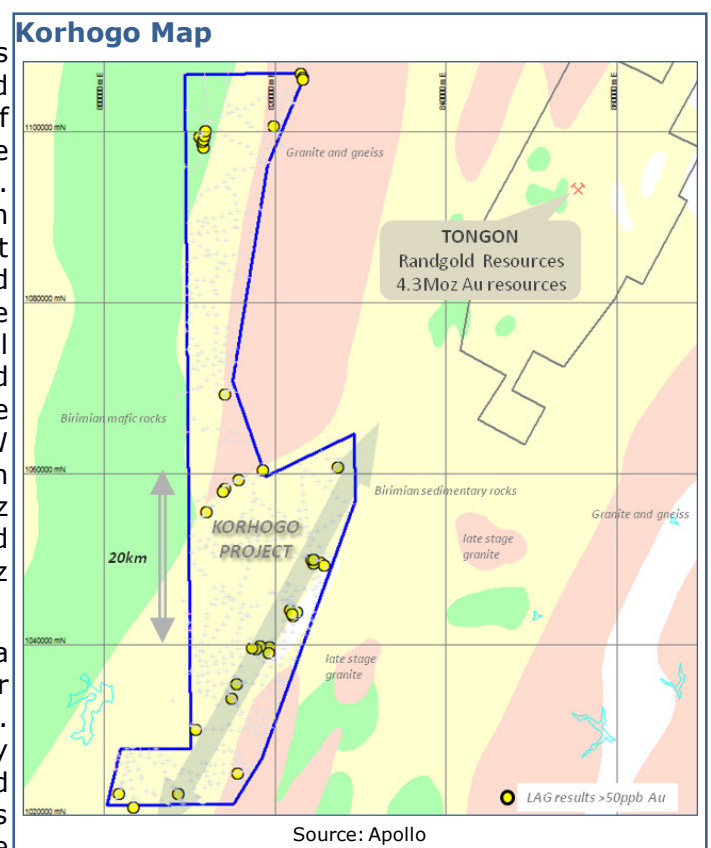
Laterite cover has shielded most of the area from artisanal workings, offering virgin exploration opportunities, but some granitoid intrusive rocks which could be source rocks for mineralisation do outcrop. Although covered by laterite material, artisanal workings in the centre and northern part of the permit testify to the presence of gold. Apollo will target the sheared margins of granitoids, which are seen as a possible genetic source of gold, in addition to extensional openings along shears. First pass soil sampling surveys have been completed and remote geophysical survey data will be a key tool to direct further exploration.

On trend from +6moz gold projects

Greenfields project

KORHOGO

The Korhogo permit has an area of 1,000 km² and lies immediately east of the Syama-Sissingué volcano-sedimentary belt. Logistics are good, with sealed road and light aircraft access, power and local labour is available from the sizeable local capital. The central and southern portion of the permit overlies the SSW continuation of Gryphon Minerals' 2.0 moz Nogbelle and Randgold Resources' +4.3 moz Tongon gold deposits.

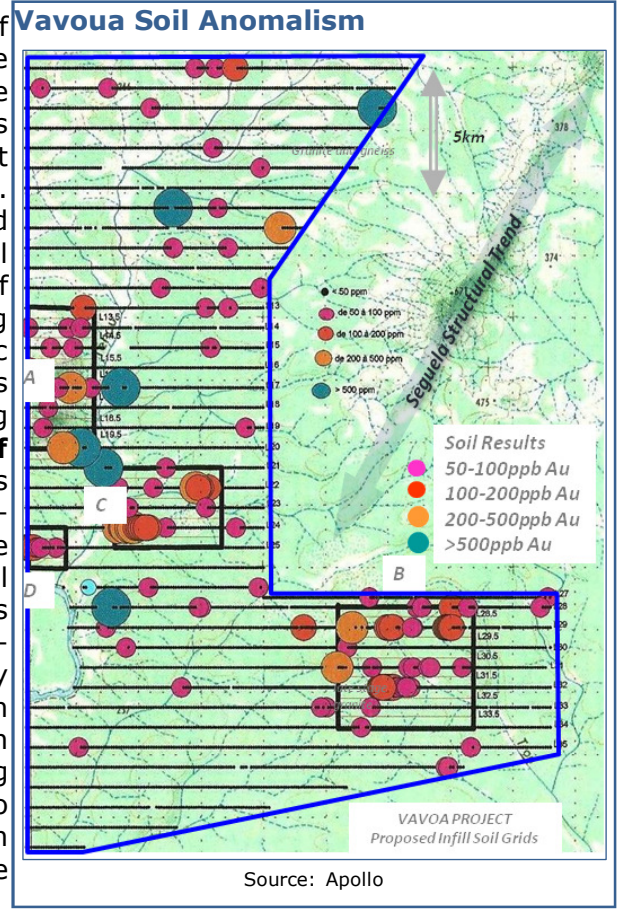


The Korhogo permit has a pervasive laterite cover over most of its area. Mapping, supported by airborne geophysics and Landsat imagery has identified polyphase granitoid bodies which could act as genetic sources for mineralisation.

Although artisanal workings are not documented, the presence of gold is reported on geological survey maps, at the schist-argillite contact with a meta-granodiorite. Soil sampling in 2010 indicates gold anomalism which has been followed up by closer spaced sampling. Assays from this work have defined a corridor of >50 ppb Au anomalism coincident with the Tongon-Banfora structural trend, with individual results elsewhere of up to 1,080 ppb Au. The company has undertaken infill soil programmes on 400m x 100m grids in five locations to follow-up clusters of >50ppb Au first-pass results and results are pending.

VAVOUA

The Vavoua permit has an area of 423 km² and lies in remote terrain, immediately east of the Sassandra shear which separates the Archaean craton to the west from Proterozoic lithologies. Reconnaissance studies associated with a recently completed soil survey prove the presence of potentially gold bearing granodiorite and metavolcanic rocks on the permit. During this survey, rock chip sampling returned a **maximum value of 4.0 g/t gold**. Artisanal workings are located in the extreme north-west of the permit, close to the Sassandra shear. Results from soil sampling indicate an anomalous north-south trend in the south-eastern portion of the property which may represent a southern extension of gold mineralisation identified at Seguela. A clustering of positive soil anomalies also occurs in the west-central portion of the permit, as illustrated on the soil sample map right.



Australian Project

REBECCA GOLD

The Rebecca project is located at the southern end of the prolific, multi-million ounce Laverton Shear Zone, which hosts high grade gold deposits such as Sunrise, Wallaby and the nearby Carosue Dam. Soil sampling on the Rebecca Project delineated three zones of strong bedrock gold geochemistry anomalism hosted at the Redskin, Duke and Bombora prospects.

Apollo's recent program of infill auger geochemical sampling east of the Duke prospect delineated a new zone of gold anomalism, parallel to structural trends evident in aeromagnetic imagery and is potentially spatially related to the gold mineralised horizon at Duke. Rock-chip sampling confirmed that the soil anomaly is derived from an in-situ source. This program defined a gold-in-soil anomaly over a strike length of 3 kilometres, including a coherent zone of +50ppb Au anomalism extending for over 1 kilometre with individual spot values up to 202 ppb Au. Recent drilling intersected **30 metres grading 1.39 g/t Au** from 303 metres and a shallower zone of **20 metres grading 1.6 g/t Au** at Duke.

Exploration potential is recognised for strike and depth extensions of the mineralisation at the three prospects, as well as identifying new mineralised zones under cover. Drilling at Redskin intersected higher grade gold including:

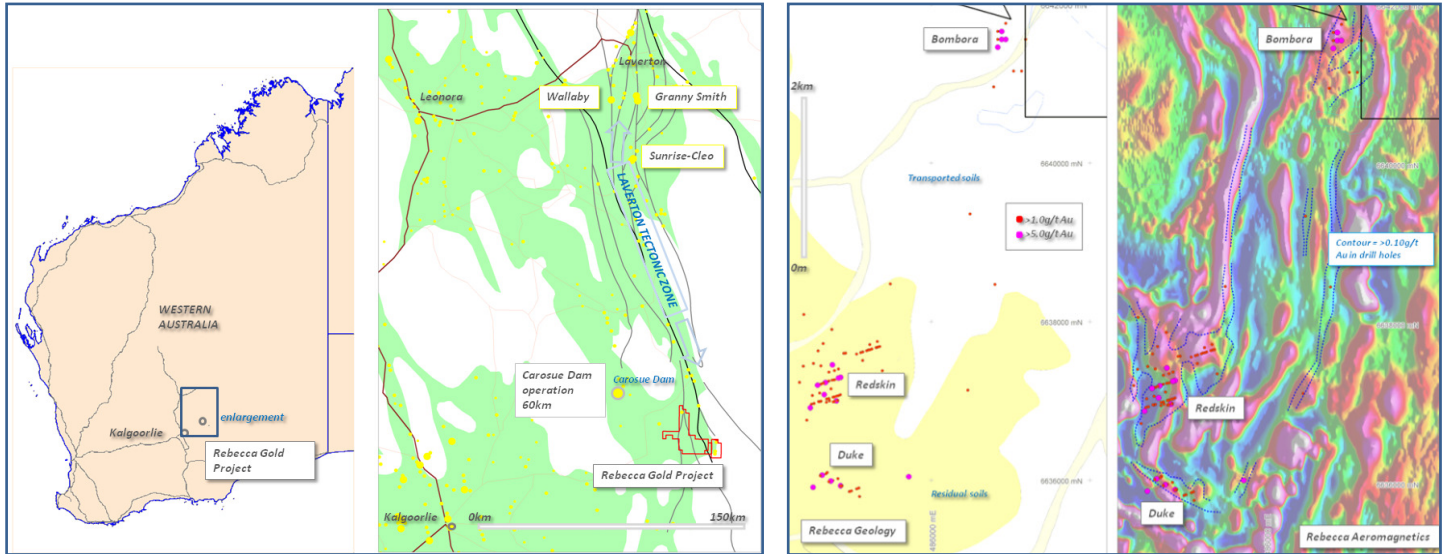
- 11m @ 3.24 g/t Au from 15m**
- 11m @ 3.18 g/t Au from 57m**
- 3m @ 10.84 g/t Au from 72m**

Planned drilling in 2012

Strong logistics... Potential for toll treatment at nearby mill

3 prospects outlined with copper/gold potential

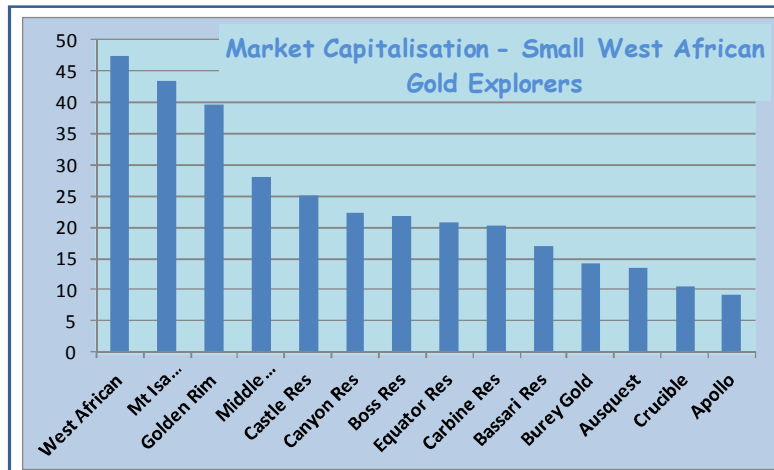
Rebecca Location and Soil Anomalism



Source: Apollo

Peer Group Ranking

Many smaller exploration companies operating in West Africa have yet to define Resources. Smaller companies with limited cash, attract little market rating for gold in JORC Resource until gold they approach 1 moz, which is seen as being critical mass for project evaluation.



Source: Company announcements

Market ranking by market capitalisation is seen as offering a good gauge for progress and the perceived chance of outlining a commercial deposit. Cash at hand provides the means to achieve goals for each company and it is as much a part of the company as their mineral; assets, so enterprise value is of little use when seeking to rank explorers of any type.

Strachan Corporate believes that with modest success, demonstrating the presence of gold mineralisation as Apollo applies its skills and funds towards exploration, it too could attract a market capitalisation of between \$20 and \$40 million, offering a 2 to 4 times re-rating of its current market capitalisation over time.

Company	Code	cash \$m.	Shr price	M' Cap \$m.	EV	
West African	WAF	7	\$ 0.29	47	40	Burkina Faso 2 projects 8m @ 8.35 g/t
Mt Isa Metals	MET	14	\$ 0.27	43	29	Burkina Faso and Mt Isa
Golden Rim	GMR	4.5	\$ 0.11	40	35	Mali 165 Koz, Burkina Faso, Sweden
Middle Island	MDI	8	\$ 0.28	28	20	Niger & Burkina Faso Early stage
Castle Res	CDT	6	\$ 0.22	25	19	Baayiri, Wa Sth
Canyon Res	CAY	6	\$ 0.42	22	16	
Boss Res	BOE	2	\$ 0.07	22	20	Burkinio Faso
Equator Res	EQU	3	\$ 0.17	21	18	Liberia plus OZ projects
Carbine Res	CRB	7	\$ 0.15	20	13	NW Burkinio Faso plus Red Dam
Bassari Res	BSR	1	\$ 0.048	17	16	Senegal Makabingui 543 Koz
Burey Gold	BRY	9	\$ 0.04	14	5	Guinea & Cote D'Ivoire
Ausquest	AQD	7	\$ 0.059	13	6	Burkina Faso & Aust
Crucible	CUG	3	\$ 0.20	11	8	Ghana
Apollo	AOP	3	\$ 0.200	9	6	Cote d'Ivoire

Average 24 18

Source: Company announcements

Directors

Mr Roger Steinepreis

Chairman

Roger is a lawyer and Chairman of Perth based firm, Steinepreis Paganin. He has practised as a lawyer for over 25 years, acting as legal adviser to a number of public companies on a wide range of corporate related matters. His areas of practice focus on company restructures, initial public offerings and takeovers.

Mr Nick Castleden

Executive Director

Nick is a geologist with 19 years of experience in the mineral exploration and development industry. He has worked with Australian mining companies including Mt Isa Mines, Perilya Mines, MPI Mines, LionOre and Breakaway Resources in various exploration, geological and management capacities and has experience in project generation and acquisition. He has particular experience in the gold, nickel and base metal exploration business and has participated in the discovery and delineation of new nickel-sulphide and gold systems that have progressed through feasibility studies to mining.

Stephen West

Non executive Director

Stephen is a Chartered Accountant with over 17 years financial and corporate experience gained in public practice, investment banking and the resource industry. In 2005 Stephen founded Zeta Petroleum plc, an independent oil and gas company with assets in Romania, where he is currently the Managing Director. Prior to 2005 he held management and executive positions with Horwath Chartered Accountants Australia, Price Waterhouse Coopers Australia, Barclays Capital London and Regal Petroleum PLC.

Robert Gherghetta

Non-executive Director

Robert is a Chartered Accountant with approximately 20 years experience in the natural resources industry, public practice and investment banking. Robert was co-founder of London-based oil and gas exploration and production company, Valiant Petroleum plc, which listed on AIM with a market capitalisation in excess of \$300million. Prior to this he held various senior roles with Royal Bank of Scotland and Credit Suisse First Boston, spending several years in London, and Horwath Chartered Accountants Australia.

Disclaimer

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