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## EXCELLENT INFRASTRUCTURE AND GROUND CONDITIONS CONFIRMED AT HISTORICAL SALAU TUNGSTEN MINE

### Highlights

- Extensive first phase of health and safety assessments completed within the historical Salau tungsten mine
- Results confirm excellent ground conditions within competent granite host rock with limited deterioration of conditions evident since mine closure
- Wide mine development drives which extend for more than 24 kilometres underground
- Ventilation is good, supported by natural air flows between higher and lower mine levels
- Water access already confirmed from local sources
- Nearest power line approximately one kilometre from the mine portal
- Only minor works proposed for the re-establishment of mine services for exploration activities including the installation of one ventilation fan
- Proposed work program to secure working areas for exploration and drilling and to re-establish ventilation and other services submitted to authorities

Apollo Minerals Limited (“**Apollo Minerals**” or “**Company**”) is pleased to advise that the Company has completed its initial phase of health and safety risk assessments within the historical Salau mine, confirming excellent infrastructure and ground conditions in the mine.

The Salau mine is at the centre of the Company’s Couflens Project (the “**Couflens Project**” or the “**Project**”) in the south of France and was one of the world’s highest-grade tungsten mines, operating between 1970 and 1986.

The mine, which remains open at depth and with gold upside, closed when tungsten prices were significantly lower than today. Apollo Minerals is studying the potential reactivation of the Salau mine and exploring numerous gold and tungsten targets in the wider region.

Prior to the commencement of exploration works within the Salau mine, the Company was required to complete a series of health and safety risk assessments aimed at ensuring safe conditions for workers during the exploration phase of the Project. An initial phase of risk assessments, focused on geotechnical stability, air quality monitoring, ventilation tests and water quality have been completed, and the results presented herein.

**Executive Director Hugo Schumann commented:** “*The Salau tungsten mine is blessed with excellent infrastructure and ground conditions including wide development drives, good natural ventilation and ready access to water and power. The previous mine owners developed the majority of the mine within a hard and competent granite rock which remains in excellent condition today. These infrastructure advantages represent potential major time and cost savings and will greatly facilitate our planned work programs which include drilling to test multiple gold and tungsten targets.*”



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**Background**

Prior to the commencement of exploration works within the Salau mine, the Company was required to complete a series of health and safety risk assessments. The Salau mine has been closed for more than 30 years and the risk assessments were designed to ensure the working environment is safe for exploration activities to take place. The risk assessments focused predominantly on geotechnical stability, air quality monitoring, ventilation tests and water quality.

An initial phase of risk assessments was completed by SOGIMINES who has considerable experience in the establishment of mine services in France. The work culminated in the submission to the French authorities of a report outlining the results of the risk assessments and a proposed work program to re-establish services including ventilation, water and power. A summary of the risk assessments is presented below.

**Ground Conditions**

A review of ground conditions was conducted throughout the main access levels required for planned exploration programs within the historical mine.

These include the main levels 1230, 1320 and 1430 and cover more than 4.5 kilometres of historical mine development. The development drives in these lower levels of the mine were designed with dimensions which facilitated the use of mobile mining equipment for ore and waste movement during the previous operations.

The ground conditions were confirmed to be in excellent condition, with limited degradation having occurred in the 30 years since the mine's closure.

The excellent conditions are largely due to the nature and competence of the granodiorite or marble host rock into which historical mine developments were driven.



**Figure 1: Mine access at level 1230 (Historical Photo)**



**Figure 2: Mine development drive at level 1230 (Modern Photo)**

The mineralised areas of the main levels were also assessed to be in good condition which is expected to facilitate mapping, sampling and drilling during upcoming exploration programs.



**Figure 3: Veronique fault showing in level 1230**

## **Ventilation**

A series of air monitoring tests were completed throughout the levels of the mine to be used for planned exploration work programs. Excellent in-mine ventilation is facilitated by the natural flow of air between the higher levels of the mine, where openings to the outside environment are present, and the lower level of the mine where the mine portal is located.

Minimal works are proposed for ventilation measures to support exploration activities, other than the installation of one fan at level 1430 and two ventilation doors.



**Figure 3: Former location of a fan at the top of an air vent at level 1320**

### **Water and Power**

Water requirements for the exploration phase of work are expected to be modest. The Company has secured access to a local water supply sourced from a nearby spring which is considered sufficient for exploration activities.

Power requirements for the exploration phase will be derived from a 100kVA on-site generator as well as using an electric vehicle to support early stage mapping and channel sampling activities. It is expected that 48kVA will be required for main ventilation at level 1430 and 36kVA for secondary ventilation.

A regional power line is located approximately one kilometre from the mine portal. Studies will be completed in due course to assess potential access links and costs for the exploitation phase.

### **Next Steps**

Having completed the first phase of health and safety risk assessments, the Company has submitted a program of works to the French authorities regarding proposed installations to restore mine services including ventilation.

The proposed safety works are required to facilitate the safe access of staff and independent experts for the final phase of health and safety risk assessments, and ultimately for exploration activities to occur.



## About Apollo Minerals

Apollo Minerals Limited is developing the Couflens Project and the Aurenere Project which, when combined, cover a 97km<sup>2</sup> area in a highly prospective region of the Pyrenees.

The Couflens Project is located in the Pyrenees region of southern France and comprises a 42km<sup>2</sup> license area, within which lies the high grade historical Salau tungsten mine.

The mine was one of the world's highest-grade tungsten mines, producing approximately 930,000 tonnes at 1.5% WO<sub>3</sub> for around 13,950 tonnes of WO<sub>3</sub> in concentrate, prior to its closure in 1986 when tungsten prices were significantly lower than today.

Apollo Minerals is focussed on two parallel work programs at the Couflens Project:

- (1) Brownfields activities within, and immediately adjacent to, the historical Salau tungsten mine. The deposit remains open at depth with previous drilling below the base of the existing underground development confirming continuation of the mineralised system. Both the underground development and infrastructure will be examined to determine the most efficient method to progress mine exploration, development activities and potential mine reactivation;
- (2) Continuation of an aggressive regional exploration program, focused initially on gold. Recent field campaigns have returned grades of up to 24.5 g/t gold from rock chip samples. Exploration will be focused on the multiple fault structures recognised within the major granodiorite intrusion at Salau and the discovery of shear hosted gold mineralisation associated with large fault structures extending along a 5km corridor to the west of the Salau mine area.

Progress made with both work programs enhanced the Company's understanding of the geology and regional scale exploration potential of the area.

As a result, the Company signed an agreement to acquire the remaining 20% of the Couflens Project, which will increase its ownership to 100%, and acquired a 75% interest in the Aurenere tungsten-gold project in the Lleida province in northern Spain.

The Aurenere Project comprises an Investigation Permit under application which covers an area of 55km<sup>2</sup>, along strike from and adjacent to, the Company's Couflens Project. The Aurenere Project hosts an extension of the highly prospective corridor for tungsten and gold which strikes east-west through the Couflens Project and into the Aurenere Project area.

Apollo Minerals is developing its Projects in accordance with the highest standards of environmental, social, health and safety, and economic management.

All work programs are carried out with a strong commitment to both sustainable development and proactive stakeholder engagement as the Company seeks to maintain and develop positive relationships with its host communities and stakeholders.

## Competent Persons Statement

*The information in this announcement that relates to Exploration Results is extracted from announcements on 29 November 2017 and 5 February 2018. These announcements are available to view on [www.apollominerals.com](http://www.apollominerals.com). The information in the original announcements that related to Exploration Results were based on, and fairly represents, information compiled by Mr Robert Behets, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Behets is a holder of shares and options in, and is a director of, Apollo Minerals Limited. Mr Behets has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*