



## OFFER DOCUMENT

For a non-renounceable pro-rata entitlement offer of New Shares at an issue price of \$0.025 each, on the basis of one (1) New Share for every one (1) Share held on the Record Date (**Offer**).

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its content or are in doubt as to the course you should follow, you should consult your stockbroker or other professional adviser without delay.

This Offer Document is not a prospectus. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered by this Offer Document.

The Offer opens at 10.00am (WST time) on 23 September 2019 and closes at 5:00pm (WST time) on 7 October 2019. Valid acceptances must be received before the Offer closes.

Please read the instructions in this document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement.

**NOT FOR RELEASE INTO THE UNITED STATES OR TO U.S. PERSONS OR IN ANY JURISDICTION WHERE THIS DOCUMENTATION DOES NOT COMPLY WITH THE RELEVANT REGULATIONS**

## IMPORTANT INFORMATION

This Offer Document is issued pursuant to section 708AA of the Corporations Act 2001 (Cth) (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act. This Offer Document has been prepared by Apollo Minerals Limited ACN 125 222 924 and was lodged with ASX on 12 September 2019. ASX takes no responsibility for the content of this Offer Document.

This Offer Document is not a prospectus and does not contain all of the information that an investor would find in a prospectus or which may be required by an investor in order to make an informed investment decision regarding, or about the rights attaching to, New Shares. Nevertheless, this Offer Document contains important information and requires your immediate attention. It should be read in its entirety. If you are in any doubt as to how to deal with this Offer Document, you should consult your professional adviser as soon as possible.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

### Eligibility

The Entitlement and Acceptance Form accompanying this Offer Document is important. Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. If acceptance is by BPAY® there is no need to return an Entitlement and Acceptance Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Offer. Please refer to the instructions in Section 2 regarding the acceptance of your Entitlement and completion of the Entitlement and Acceptance Form.

By returning an Entitlement and Acceptance Form, you acknowledge that you have received and read this Offer Document and you have acted in accordance with the terms of the Offer detailed in this Offer Document.

### No updates to Offer Document

The information in this Offer Document may not be complete and may be changed, modified or amended at any time by the Company, and is not intended to, and does not, constitute representations and warranties of the Company. Neither the Company, nor any other advisor of the Company intends to update this Offer Document or accepts any obligation to provide the recipient with access to information or to correct any additional information or to correct any inaccuracies that may become apparent in the Offer Document or in any other information that may be made available concerning the Company. Potential investors should conduct their own due diligence investigations regarding the Company.

### Overseas shareholders

Unless the Director determine otherwise, the Offer is not being extended, any New Shares will not be issued, to Shareholders with a registered address which is outside Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of New Shares those Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

No action has been taken to permit the offer of New Shares under this Offer Document in any jurisdiction other than Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom. The distribution of this Offer Document in jurisdictions outside Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom may be restricted by law and therefore persons outside of Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom and into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. Applications from Shareholders with a registered address in a jurisdiction other than Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom will not be accepted.

This Offer Document does not constitute an offer of New Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Offer Document.

## **Notice to nominees and custodians**

Shareholders resident Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom holding Shares on behalf of persons who are resident in other jurisdictions are responsible for ensuring that taking up any New Shares does not breach regulations in the relevant jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

## **Speculative investment**

An investment in New Shares should be considered highly speculative. Refer to Section 3 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for New Shares should read this Offer Document in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to New Shares.

This Offer Document does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering applying for New Shares have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that New Shares will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

## **Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes detailed in this Offer Document and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

## **Website**

No document or information included in the Company's website is incorporated by reference into this Offer Document.

## **Currency**

All financial amounts contained in this Offer Document are expressed as Australian dollars unless otherwise stated.

## **Rounding**

Any discrepancies between totals and sums and components in tables contained in this Offer Document are due to rounding.

## **Glossary**

Defined terms and abbreviations used in this Offer Document are detailed in the glossary of terms in Section 5.

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# 1. Details of the Offer

## 1.1 The Offer

The Company is making a non-renounceable pro-rata entitlement offer of New Shares at an issue price of \$0.025 each, on the basis of one (1) New Share for every one (1) Share held on the Record Date, in accordance with section 708AA of the Corporations Act, to raise approximately \$4.2 million (before costs) (**Offer**).

The proceeds from the Offer will be used by the Company to explore and develop its current projects, as outlined in Section 1.3.

As at the Record Date, the Company expects to have on issue approximately 168.14 million Shares and approximately 8.38 million Options, 4.84 million Performance Rights and 65.00 million Performance Shares. Assuming the Offer is fully subscribed, approximately 168.14 million New Shares will be issued under the Offer (assuming no Options are exercised or Performance Rights and/or Performance Shares are converted before the Record Date). If all of the existing Options, Performance Rights and Performance Shares are exercised or converted before the Record Date, and assuming that the Offer is fully subscribed, a total of 246.36 million New Shares will be issued under the Offer.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded down to the nearest whole New Share.

All of the New Shares will rank equally with the Shares on issue at the date of this Offer Document. Refer to Section 4 for a summary of the rights attaching to New Shares.

This Offer Document is also for the offer of the Shortfall Shares to Eligible Shareholders. Refer to Section 1.22 for further information and details of the Shortfall Offer.

## 1.2 Proposed Timetable

Event	Date
Lodgement of Offer Document & Appendix 3B with ASX	Thursday, 12 September 2019
Notice of Offer sent to Optionholders	Friday, 13 September 2019
Notice of Offer sent to Shareholders	Monday, 16 September 2019
Shares quoted on an "Ex" basis	Tuesday, 17 September 2019
Record Date (at 5:00pm WST)	Wednesday, 18 September 2019
Offer Document and Entitlement and Acceptance Form despatched to Eligible Shareholders	Monday, 23 September 2019
Opening Date of Offer	Monday, 23 September 2019
Last day to extend the Closing Date*	Wednesday, 2 October 2019
Closing Date of Offer (at 5:00pm WST)	Monday, 7 October 2019
Securities quoted on a deferred settlement basis	Tuesday, 8 October 2019
Notification of Shortfall	Thursday, 10 October 2019
Anticipated date for issue of the New Shares and Deferred Settlement Trading Ends	Friday, 11 October 2019
Anticipated date for dispatch of holding statements	Tuesday, 15 October 2019

This timetable is indicative only and subject to change

\* Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension will have a consequential effect on the anticipated date of issue for the Securities.

### 1.3 Use of funds

If fully subscribed, the Offer will raise approximately \$4.2 million (before costs), assuming that no Options are exercised prior to the Record Date.

The funds raised from the Offer are proposed to be applied as follows:

Description of Cash Outflows	Amount (A\$)
Exploration activities on current projects	1,782,186
Corporate and administrative costs	640,028
Costs of the Offer	58,339
Working capital	1,722,851
<b>Total funds raised under the Offer</b>	<b>4,203,404</b>

Actual expenditure may differ significantly from the above estimates due to a number of factors including market conditions, the development of new opportunities and other factors (including the risk factors outlined in Section 3).

If less than \$4.2 million is raised pursuant to the Offer, the Company will firstly pay the associated expenses of the Offer and then scale back funds available for the identification and acquisition of new business opportunities and projects and then, if required, scale back funds available for working capital and exploration activities.

### 1.4 Capital structure on completion of the Offer

	Number of Shares	Number of Options	Number of Performance Rights	Number of Performance Shares
Balance at the date of this Offer Document	168,136,175	8,375,000 <sup>(2)</sup>	4,835,000 <sup>(3)</sup>	65,000,000 <sup>(4)</sup>
To be issued under the Offer <sup>(1)</sup>	168,136,175	Nil	Nil	Nil
<b>Balance after the Offer</b>	<b>336,272,350</b>	<b>8,375,000</b>	<b>4,835,000</b>	<b>65,000,000</b>

Note:

- (1) The maximum number of New Shares to be issued under the Offer and assumes that the Offer is fully subscribed and that no Options, Performance Rights and/or Performance Shares are exercised or converted before the Record Date.
- (2) Comprising:
  - (i) 1,500,000 unquoted Options exercisable at \$0.20 each on or before 30 June 2020;
  - (ii) 1,500,000 unquoted Options exercisable at \$0.32 each on or before 30 November 2020;
  - (iii) 150,000 unquoted Options exercisable at \$0.25 each on or before 31 December 2020;
  - (iv) 500,000 unquoted Options exercisable at \$0.30 each on or before 31 December 2020;
  - (v) 200,000 unquoted Options exercisable at \$0.35 each on or before 31 December 2020;
  - (vi) 300,000 unquoted Options exercisable at \$0.45 each on or before 31 December 2020;
  - (vii) 1,950,000 unquoted Options exercisable at \$0.25 each on or before 30 June 2021;
  - (viii) 1,125,000 unquoted Options exercisable at \$0.28 each on or before 31 December 2021; and
  - (ix) 1,150,000 unquoted Options exercisable at \$0.35 each on or before 31 December 2021.
- (3) Comprising 4,835,000 unquoted performance share rights subject to various performance conditions to be satisfied prior to relevant milestone or expiry dates between 31 December 2019 and 31 December 2021.
- (4) Comprising:
  - (i) 10,000,000 unquoted Class A Performance Shares subject to a Tungsten Resource Milestone expiring 30 June 2022;
  - (ii) 10,000,000 unquoted Class B Performance Shares subject to a Gold Resource Milestone expiring 30 June 2022;
  - (iii) 10,000,000 unquoted Class C Performance Shares subject to a Scoping Study Milestone expiring 30 June 2022;
  - (iv) 15,000,000 unquoted Class D Performance Shares subject to a Pre-Feasibility Study Milestone expiring 30 June 2022; and
  - (v) 20,000,000 unquoted Class E Performance Shares subject to a Definitive Feasibility Study Milestone expiring 30 June 2022.

## 1.5 Entitlements and acceptance

The Entitlement of Eligible Shareholders to participate in the Offer is determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document.

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

## 1.6 Shortfall Securities

The Offer is not underwritten. In the event that not all Shareholders accept their full entitlement pursuant to the Offer, the Directors reserve the right, subject to any restrictions imposed by the Corporations Act and the Listing Rules to issue the Shortfall Securities at their sole discretion. See Section 1.22 for further details of the Shortfall Offer.

## 1.7 Dilution and effect on the control of the Company

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of this Offer Document). Examples of how the dilution may impact Shareholders are detailed in the table below:

Holder	Shareholding as at Record Date	% at Record Date	Entitlements under the Offer	Shareholdings if Offer not taken up	% post Offer <sup>(1)</sup>
Example Shareholder 1	2,000,000	1.19%	2,000,000	2,000,000	0.59%
Example Shareholder 2	1,000,000	0.59%	1,000,000	1,000,000	0.30%
Example Shareholder 3	500,000	0.30%	500,000	500,000	0.15%
Example Shareholder 4	250,000	0.15%	250,000	250,000	0.07%
Example Shareholder 5	100,000	0.06%	100,000	100,000	0.03%

Note:

- (1) The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements are not accepted are placed under the Shortfall Offer. If all Entitlements are not accepted and some or the entire resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

No New Shares or Shortfall Shares will be issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

The Offer is not expected to give rise to control implications for the Company albeit that the effect of the Offer on the voting power in the Company, for the purposes of the Corporations Act, is dependent upon the number of New Shares and Shortfall Shares taken up.

## 1.8 Directors' interests and participation

The relevant interest of each Directors in the securities of the Company as at the date of this Offer Document, together with their respective Entitlements, is detailed in the table below:

Director	Shares Held	Options Held	Performance Rights Held	Performance Shares Held	Entitlement (Number of New Shares)
Ian Middlemas <sup>(1)</sup>	12,000,000	-	-	-	12,000,000
Hugo Schumann <sup>(2)</sup>	5,200,000	2,750,000	3,000,000	-	5,200,000
Robert Behets <sup>(3)</sup>	3,000,000	1,200,000	500,000	-	3,000,000
Mark Pearce <sup>(4)</sup>	5,000,000	-	-	-	5,000,000
Ajay Kejriwal <sup>(5)</sup>	13,125,000	-	-	56,875,000	13,125,000
Michel Bonnemaison <sup>(6)</sup>	1,875,000	-	-	8,125,000	1,875,000

Notes:

- (1) Shares held indirectly by Arredo Pty Ltd.
- (2) Interests held directly and indirectly by Nat Res Consulting Ltd.
- (3) Interests held directly and indirectly by Mr Robert Arthur Behets & Mrs Kristina Jane Behets <Behets Family A/C>.
- (4) Shares held directly and indirectly by M&N Pearce ATF NMLP Family Trust and Roseberry Holdings Pty Ltd.
- (5) Shares held indirectly by Juniper Capital Partners Limited.
- (6) Interests held indirectly by SARL E-Mines.

As at the date of this Offer Document Messrs Middlemas, Behets and Pearce have indicated that they intend to take up their full Entitlement.

## 1.9 Minimum subscription

There is no minimum subscription for the Offer.

## 1.10 Opening and closing dates

The Offer opens on the Opening Date, namely Monday, 23 September 2019. The Company will accept Entitlement and Acceptance Forms until 5:00pm (WST time) on the Closing Date, namely 7 October 2019, or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

Please note that payment made by BPAY® must be received no later than 5:00pm (WST time) on the Closing Date. It is the responsibility of all Eligible Shareholders to ensure that their BPAY® payments are received by the Company on or before the Closing Date.

## 1.11 Issue and despatch

The expected dates for issue of New Shares offered by this Offer Document and despatch of holding statements is expected to occur on the dates specified in the timetable detailed in Section 1.2.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

## **1.12 Application Monies held on trust**

All Application Monies will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Offer Document until the New Shares are issued. All Application Monies will be returned (without interest) if the New Shares are not issued.

## **1.13 ASX listing**

Application will be made to the ASX for the official quotation of the New Shares on ASX. If the ASX does not grant quotation of the New Shares within 3 months after the date of this Offer Document (or such period as ASX allows), no New Shares will be issued and the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to the Offer.

ASX takes no responsibility for the contents of this Offer Document. The fact that ASX may grant quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares.

## **1.14 Rights and liabilities**

The Shares offered under this Offer Document will rank equally in respect of dividends and have the same rights in all other respects (e.g. voting, bonus issues) as existing Shares.

A summary of the rights and liabilities attaching to Shares are detailed in Section 4.

## **1.15 Withdrawal**

The Directors may at any time decide to withdraw this Offer Document and the Offer, in which case, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

## **1.16 CHESS**

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement Pty Ltd (a wholly owned subsidiary of ASX) operates CHESS in accordance with the Listing Rules and ASXS Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be despatched by Security Transfer Australia Pty Ltd and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. Shareholders may request a statement at any other time. However, there may be a charge associated with the provision of this service.

## **1.17 Overseas shareholders**

Unless the Director determine otherwise, no Offer will be made to Shareholders with a registered address outside Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom (**Ineligible Shareholders**).

The Company is of the view that it is unreasonable to make the Offer to Shareholders outside Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom due to a small number of such Shareholders and the number and value of New Shares these Shareholders would be offered, the cost of complying with applicable regulations in jurisdictions outside Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom and the administrative burden that will place on the Company in making the Offer available to Shareholders outside Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom.

**This Offer Document and accompanying Entitlement and Acceptance Form do not, nor are they intended to, constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an Offer.**

#### *Germany*

This document has not been, and will not be, registered with or approved by any securities regulator in Germany. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the **Prospectus Regulation**).

In accordance with Article 1(4) of the Prospectus Regulation, an offer of New Shares in Germany is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 natural or legal persons (other than qualified investors); or
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

#### *United Kingdom*

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together **Relevant**

**Persons**). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

### *Singapore*

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an existing holder of the Company's shares. In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

### *British Virgin Islands*

The New Shares may not be offered in the British Virgin Islands unless the Company or the person offering the New Shares on its behalf is licensed to carry on business in the British Virgin Islands. The Company is not licensed to carry on business in the British Virgin Islands. The New Shares may be offered to existing shareholders of the Company in the British Virgin Islands from outside the British Virgin Islands without restriction.

Shareholders resident in Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

## **1.18 Taxation implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under this Offer Document. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with subscribing for New Shares under this Offer Document.

## **1.19 Risk factors**

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are described in Section 3.

## 1.20 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the securities markets conducted by the ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price of value of its securities.

This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company, which has been notified to ASX, and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for New Shares under the Offer. Investors should therefore have regard to the other publically available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website [www.apollominerals.com](http://www.apollominerals.com) or the ASX website [www.asx.com.au](http://www.asx.com.au).

Additionally, the Company is required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and ASX websites.

This Offer Document (including the Entitlement and Acceptance Form) and the contracts that arise from the acceptance of the Applications are governed by the laws applicable in Western Australia and each applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

## 1.21 Cleansing notice

The Company has lodged with ASX a notice in accordance with section 708AA of the Corporations Act. This notice may be reviewed on the websites of the Company and ASX.

## 1.22 Shortfall Offer

In the event that the Offer is not fully subscribed, the Directors reserve the right, subject to any restrictions imposed by the Corporations Act and Listing Rules, to issue the Shortfall Shares at their sole discretion (**Shortfall Offer**).

The Shortfall Offer is a separate offer made pursuant to this Offer Document and may remain open after the Closing Date. The issue price of the shortfall shares will be \$0.025 each, being the same price as the New Shares being offered under the Offer.

Applications for Shortfall Shares can only be made by completing and returning the Shortfall Acceptance Form which will be sent with this Offer Document to the parties to whom the Company makes Shortfall Offers and accompanied by payment of Application Monies. The Shortfall Offer will open following the Closing Date and remain open until it is closed by the Directors. Shortfall Shares will not be issued more than 3 months after the Closing Date.

In relation to the Shortfall Offer, the Company reserves the right to issue to an applicant a lesser number of Shares than the number applied for in a Shortfall Acceptance Form, reject an application or not proceed with the issuing of the Shortfall Shares or part thereof.

If the number of Shares issued is less than the number applied for in a Shortfall Acceptance Form, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded. Subject to Shareholder approval, the Directors may subscribe for Shortfall Shares under the Shortfall Offer.

A broker placement fee may be paid on funds raised under the Shortfall Offer.

### **1.23 Enquiries concerning Offer Document**

Any questions in relation to this Offer Document should be directed to the Company Secretary by telephone on +61 (0)8 9322 6322.

If you have any questions on the Entitlement and Acceptance Form, please contact:

Security Transfer Australia Pty Ltd

**Telephone:** 1300 992 916 (within Australia)  
+61 (0)3 9628 2200 (outside Australia)

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## **2. Action Required by Shareholders**

### **2.1 What Eligible Shareholders may do**

The number of New Shares to which Eligible Shareholders are entitled to is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) accept all of their Entitlement (refer to Section 2.2);
- (b) accept a proportion of their Entitlement and allow a balance to lapse (refer to Section 2.3);
- (c) not take up their Entitlement (refer to Section 2.4).

### **2.2 Acceptance of ALL of your Entitlement under the Offer**

If you wish to accept your Entitlement to New Shares in full, you should complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form and submit your acceptance either electronically by BPAY® or together with a cheque by mail to reach the Share Registry prior to the Closing Date. Please read the instructions carefully.

#### **Payment by cheque**

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Apollo Minerals Limited" and be lodged at any time after the Opening Date, and on or before the Closing Date, at the Share Registry (by post) at:

**By Post:**  
Security Transfer Australia Pty Ltd  
PO Box 52  
Collins Street West VIC 8007

### **Payment by BPAY®**

Alternatively, Entitlements may be accepted electronically using BPAY®, in which case you are not required to return the Entitlement and Acceptance Form. You can simply make payment for the total number of New Shares accepted by using the Biller Code and the personalised Reference Number set out in your Entitlement and Acceptance Form. You must ensure that acceptance and payment by BPAY® is received no later than 5pm (WST time) on 7 October 2019.

Instructions for making payment by BPAY® are set out in your Entitlement and Acceptance Form. You should be aware that your own financial institution may impose earlier cut-off times with regards to electronic payments and you should therefore take this into consideration when making payment.

## **2.3 Acceptance of PART of your Entitlement and allowing the balance to lapse**

Should you wish to only take up part of your Entitlement, then applications for New Shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the Application Monies (calculated at \$0.025 per New Share accepted).

### **Payment by cheque**

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed "Not Negotiable" and made payable to "Apollo Minerals Limited" and be lodged at any time after the Opening Date, and on or before the Closing Date at the Share Registry (by post) at the address listed in Section 2.2.

### **Payment by BPAY®**

If paying via BPAY®, you should be aware that your own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Shareholder to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up or selling that part of your Entitlement.

## **2.4 Entitlement not taken up**

If you take no action you will not be allocated New Shares and your Entitlement will lapse. Your Entitlement to participate in the Offer is non-renounceable and will not be tradeable or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up. If you do not wish to accept any of your Entitlement under the Offer, you are not obliged to do anything. You will receive no benefit or New Shares and your Entitlement under the Offer will become Shortfall Shares.

The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement, however your percentage holding in the Company will be diluted.

## 2.5 Actions by Applicants

By completing and returning an Entitlement and Acceptance Form or paying any Application Monies by BPAY®, in addition to the representations set out elsewhere in this Offer Document and the Entitlement and Acceptance Form, you:

- (a) if participating in the Offer, represent to the Company that you are an Eligible Shareholder;
- (b) acknowledge that you have received a copy of this Offer Document and an accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (c) agree to be bound by the terms of the Offer, the provisions of this Offer Document and the Constitution;
- (d) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (e) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (g) acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law;
- (h) agree to accept and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form at the issue price of \$0.025 per New Share;
- (i) authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (j) if participating in the Offer, declare that you were the registered holder at 5.00pm (WST time) on the Record Date of the Shares indicated on your personalised Entitlement and Acceptance Form as being held by you at 5.00pm (WST time) on the Record Date;
- (k) acknowledge the statement of risks in Section 3 and that an investment in the Company is subject to risk;
- (l) represent and warrant that the law of any place does not prohibit you from being given this Offer Document and the Entitlement and Acceptance Form, nor does it prohibit you from accepting New Shares and that if you participate in the Offer, that you are eligible to do so; and
- (m) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States.

## 2.6 Brokerage

No brokerage or stamp duty is payable by Eligible Shareholders who accept their Entitlement.

## 2.7 Enquiries concerning your Entitlement

If you have any questions in relation to your Entitlement under the Offer, please contact:

Security Transfer Australia Pty Ltd

**Telephone:** 1300 992 916 (within Australia)  
+61 (0)3 9628 2200 (outside Australia)

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## 3. Risk Factors

**The New Shares offered under this Offer Document are considered speculative.** The Directors strongly recommend Eligible Shareholders examine the contents of this Offer Document and consult their professional advisers before deciding whether to apply for the New Shares pursuant to this Offer. In addition, Eligible Shareholders should be aware there are risks associated with investment in the Company. There are certain general risks and certain specific risks which relate directly to the Company's business and are largely beyond the control of the Company and its Directors because of the nature of the business of the Company.

The summary of risk factors described below ought not to be taken as exhaustive of the risks faced by the Company or by Eligible Shareholders. The risk factors described below, and others not specifically referred to below, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Document. The New Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.

### 3.1 Risks specific to the Company, the Offer and the Shortfall Offer

#### (a) Operations in Overseas Jurisdictions

The Company has operations in Gabon, France and Spain (**Overseas Jurisdictions**) which may expose the Company to various levels of political, economic and other risks and uncertainties not normally associated with operations in Australia.

Changes, if any, in mining or investment policies or shifts in political attitude in these Overseas Jurisdictions may impact the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, production, price controls, export controls, foreign currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

As discussed below the outcomes in courts in these Overseas Jurisdictions may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could impact on the operations or profitability of the Company. The Company has made its investment and strategic decisions based on the information currently available to the Directors, however should there be any material change in the political, economic, legal and social environments in Gabon, the Directors may reassess investment decisions and commitments to assets in the Overseas Jurisdictions.

In particular, on 3 September 2019, the Company announced it had entered into an Earn-In Agreement (**EIA**) with Trek Metals Limited (**Trek**) providing the Company with the right to earn into the Kroussou Project located in Gabon, which is a less developed country than Australia, and has associated political, economic, legal and social risks. These various risks and uncertainties could include, but are not limited to, exchange rate fluctuations, potential for higher inflation, labour unrest, the risks of expropriation and nationalisation, renegotiation or nullification of existing concessions, licences, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation and changing political conditions, currency controls and restrictions on imports of equipment and consumables and on the use of foreign contractors.

Further, the Company's Couflens Project is located in southern France while the Aurenere Project is located in Spain. As such, the operations of the Company are also exposed to related risks and uncertainties associated with these countries, regional and local jurisdictions. As part of the regulatory framework in France and Spain for exploration and mining activities, the Company will be required to engage with the local community. Opposition to the projects, or changes in local community support, along with any changes in mining or investment policies or in political attitude in France and Spain and, in particular to the mining, processing or use of tungsten or gold, may adversely affect the operations, delay or impact the approval process or conditions imposed, increase exploration and development costs, or reduce profitability of the Company.

In this regard, on 4 July 2019, the Company announced that the Administrative Court of Toulouse had ruled to cancel the Couflens exploration permit that the Company's French subsidiary had been granted in 2016. The court case was lodged by a group of opposition parties against the French State (specifically the Ministry of Economy and Finance which is responsible for the mining sector). As the legal challenge was against the French State, the Company was an interested party and was not directly involved in the proceedings although it did provide supporting arguments for the French State in the defence of the case.

The Company believes there is strong evidence in favour of maintaining the validity of the Couflens exploration permit which was presented by the Head of the Mining Department of the French State during the Court hearing. The Company's view is that the Toulouse Court has interpreted certain provisions within the French Mining Code in a manner that is contrary to the well-established application of the Mining Code by the Mining Department. The Company and the French State have appealed the Toulouse Court decision however there is no certainty that the Court will agree with the Company's arguments and if the appeal is unsuccessful, the Company may lose all rights to explore and/or develop the Couflens Project.

Furthermore, the Company advises that as a consequence of Administrative Court of Toulouse decision to cancel the Couflens exploration permit, as announced on 4 July 2019, the Company will write down the exploration and evaluation assets to nil for the Couflens Project in its 30 June 2019 financial statements.

It is noted that Dr Michel Bonnemaïson, Non-Executive Director, had his employment agreement with the Company's French subsidiary, Variscan Mines SAS, terminated for breach of a Company policy. There is a risk the termination may be disputed which may result in a claim being made against Variscan Mines SAS.

The Company is also conducting a restructuring of its local French subsidiaries in order to reduce operating costs and simplify reporting taking into account that the Company's appeal on the cancellation of the Couflens exploration permit may be rejected by the French Courts. The restructuring may result in various claims (including from creditors) being made against the Company and the/or the local subsidiaries in France.

(b) **Joint Venture and contractual risk**

The Company's earn-in right to the Kroussou Project is subject to the EIA with Trek as announced on 3 September 2019. The ability of the Company to earn an interest in the Kroussou Project will depend on the performance by the Company and Trek of their obligations under the EIA. If any party defaults in the performance of its obligations under the Joint Venture Agreement, it may be necessary for either party to approach a court to seek a legal remedy, which could be costly for the Company.

The operations of the Company require the involvement of a number of third parties, in addition to Trek, including consultants, contractors and suppliers. Financial failure, default or contractual non-compliance on the part of such third parties may have a material impact on the Company's operations and performance. It is not possible for the Company to predict or protect the Company against all such risks.

It should be noted that as the EIA with Trek is subject to a number of conditions precedent and there is a risk that the earn-in transaction contemplated may change or not be completed. Should the transaction not complete, the Company will not have the right to explore or develop the Kroussou Project and the monies (if any) loaned or advanced to Trek may not be refundable.

(c) **Tenure and access**

Mining and exploration tenements (assuming all are granted) are subject to periodic renewal. There is no guarantee that current or future tenements and/or applications for tenements will be approved.

The Company is currently awaiting the approval of its application for an investigation permit at its Aurenere Project in Spain, however there is no certainty that the application will be approved.

The Kroussou Project tenements are subject to Gabon mining laws. The renewal of the term of a granted tenement is also subject to the discretion of the Gabon ministerial consent, the Company's ability to meet the conditions imposed by relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Kroussou Project. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

Although the Company has no reason to think that the Kroussou Project will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority. The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Gabon and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted tenement for reasons beyond the control of the Company could be significant.

The Company cannot give any assurance that title to the Company's projects (as noted Section 3.1(a) above) will not be challenged, cancelled, impugned for various reasons, including that they may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects. As seen with the Couflens Project, there is no assurance that such rights and title interests will not be revoked or significantly altered to the detriment of the Company and there can be no assurances that third parties will not challenge the validity of the Company's title to any of the Company's projects.

(d) **The Company has no history of earnings and no production revenues**

The Company has limited operating history on which it can base the evaluation of its prospects.

The success of the Company in the short to medium term is dependent upon a number of factors, including the successful exploration of its current projects.

The prospects of the Company must be considered in light of the considerable risks, expenses and difficulties frequently encountered by companies in the early stage of energy exploration and development activities.

Furthermore, as no projects of the Company have commenced mining operations, there can be no guarantee that the business will operate in line with assumed cost structures. Should the level of costs required to operate the business be higher than anticipated then it may have a materially adverse effect on the future performance and prospects of the Company.

There can be no assurance that any current projects will be profitable in the future. Should production commence, the operating expenses and capital expenditures of the projects may increase in future years as targeted resources are more difficult to extract.

The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, and other factors, many of which are beyond the Company's control.

The Company expects to incur losses unless and until such time as any new or current projects enter into commercial production and generate sufficient revenues to fund their continuing operations. The development its current projects will require the commitment of substantial resources. There can be no assurance that the Company will generate any revenues or achieve profitability.

(e) **Additional Requirements for Funding**

The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its projects, the results of joint venture operations, and future exploration and work programs.

If less than \$4,203,404 is raised pursuant to the Offer and Shortfall Offer, the Company will need to scale back funds available as outlined in Section 1.3. Furthermore, the Company may require further funding in addition to current cash reserves and proceeds from the Offer and Shortfall Offer to fund exploration activities.

Additional equity financing, if available, may be dilutive to Shareholders and at lower prices than the current market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

(f) **Reliance on key personnel**

The Company is reliant on a small number of key personnel and consultants. The loss of one or more of these key contributors could have an adverse impact on the business.

It may be particularly difficult for the Company to attract and retain suitably qualified and experienced people, given the current high demand in the industry and relatively small size of the Company, compared to other industry participants.

The continued availability of consultants and advisers is to some extent dependent on maintaining the professional relationships that the Company's personnel have developed over time and which may be lost if key personnel cease to be involved with the Company before replacement arrangements can be made. If the involvement of key resource specialists, managers or other personnel cease for reasons of contract termination, ill health, death or disability, then technical programs and achievements may be adversely affected.

### **3.2 General risks associated with resource sector operations**

The Company operates in the resources sector and is subject to risks relating to exploration, drilling and production of resources which may not generally be associated with other sectors.

The exploration and development of resources and successful project development is considered to be of a high risk nature and involves inherent risks including but not limited to:

(a) **Exploration and development risks**

Resource exploration and development involves significant risks which only occasionally provide high rewards. In addition to the normal competition for prospective ground, and the high costs of discovery and development of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing, foreign currency fluctuations and technical problems all affect the ability of a company to profit from a discovery.

There is no assurance that exploration and development of the Company's projects, will result in the discovery of an economic mineral deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.

The exploration for, and development of, mineral deposits involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. Resource exploration and development is a speculative business, characterised by a number of significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, although present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors that are beyond the control of the Company and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices, which fluctuate widely, and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The combination of these factors may result in the Company expending significant resources (financial and otherwise) on a property without receiving a return. There is no certainty that expenditures made by the Company towards the search and evaluation of mineral deposits will result in the discovery of an economically viable mineral deposit.

The Company has relied on, and may continue to rely on, consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants and others are competent and that they have carried out their work in accordance with internationally recognised industry standards. However, if the work conducted by those consultants or others is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in developing its properties.

There can be no assurance that the Company's mineral exploration activities will be successful. If such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realise value or may even be required to abandon its business and fail as a "going concern".

(b) **Reserve and resource estimates**

Ore reserve and mineral resource estimates are an expression of judgment based on knowledge, experience and industry practice. Estimates that were valid when made may change significantly when new information becomes available.

In addition, reserve estimates are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. Should the Company encounter mineral deposits or formations different from those predicted by past drilling, sampling and similar examinations, reserve estimates may have to be adjusted and production plans may have to be altered in a way which could adversely affect the Company's operations.

Ore reserve and mineral resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available.

Ore estimation is an interpretive process based on available data and interpretations and thus estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and consequently, the actual Ore reserves and mineral resources may differ from those estimated, which may result in either a positive or negative effect on operations.

Should the Company's projects encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

(c) **Results of studies**

Subject to the results of any future exploration and testing programs, the Company may progressively undertake a number of studies in respect to the Company's current projects. These studies may include scoping studies, pre-feasibility studies and bankable feasibility studies.

These studies will be completed within certain parameters designed to determine the economic feasibility of the relevant project within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further, even if a study determines the economics of the Company's projects, there can be no guarantee that the projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study, once production commences including but not limited to operating costs, mineral recoveries and commodity prices. In addition, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

(d) **Foreign Operations and Developing Company Risks**

The Company's Project is located in the Gabon, France and Spain and, as such, the operations will be exposed to various levels of political, economic and other risks and uncertainties.

Changes, if any, in mining or investment policies or shifts in political attitude in the jurisdictions the Company operates in may adversely affect the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company.

There are risks attaching to the exploration and mining operations in a developing country which are not necessarily present in a developed country which can impact on a range of factors such as sovereign risk, safety, security, costs, ability to operate, country policy, fiscal provisions and laws and can lead to delays or even the suspension of operations. Any future material adverse changes in government policies or legislation in Gabon that affect mineral exploration, development or mining activities, may affect the viability and profitability of the Company.

(e) **Payment obligations**

Under the exploration permits and certain other contractual agreements to which the Company is or may in the future become party, the Company's projects are, or may become, subject to payment and other obligations. Failure to meet these payments and obligations may render the Company's projects' claims liable to be cancelled. Further, if any contractual obligations are not complied with when due, in addition to any other remedies which may be available to other parties, this could result in dilution or forfeiture of interests held by the Company.

(f) **Operating risks**

Industry operating risks include the risk of fire, explosions, blow-outs, pipe failure, abnormally pressured formations and environmental hazards such as accidental spills or leakage of liquids, gas leaks, ruptures or discharges of toxic gasses, the occurrence of which could result in substantial losses to the Company due to injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties and suspension of operations. Damages occurring as a result of such risks may give rise to claims against the Company. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of operations of the Company.

(g) **Commercialisation of discoveries**

It may not always be possible for the Company to participate in the exploitation of any successful discoveries, which may be made in any projects in which the Company has an interest. Such exploitation will involve the need to obtain the necessary licences or clearances from the relevant authorities, which may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require the participation of other companies whose interests and objectives may not be the same as the Company. As described above, such further work may require the Company to meet or commit to financing obligations for which it may not have planned.

(h) **Commodity price volatility**

The demand for, and price of, zinc, lead, tungsten and gold is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.

Commodity prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in commodity prices, and, in particular, a material decline in the price of commodities, may have a material adverse effect on the Company's business, financial condition and results of operations.

The price of commodities fluctuate widely and are affected by numerous factors beyond the control of the Company, such as industrial and retail supply and demand, exchange rates, inflation rates, changes in global economies, confidence in the global monetary scheme, forward sales of metals by producers and speculators as well as other global or regional political, social or economic events. The supply of these resources consists of a combination of new mine production and existing stocks held by governments, producers, speculators and consumers.

Future production, if any, from the Company's projects will be dependent upon the price of the resources being adequate to make the project economic. Future price declines in the market value of the commodity could cause continued development of, and eventually commercial production from, the project to be rendered uneconomic. Depending on the price of the commodity, the Company could be forced to discontinue production or development and may lose its interest in, or may be forced to sell, the project. There is no assurance that, even if commercial quantities of the resource are produced, a profitable market will exist for them.

In addition to adversely affecting future reserve estimates, if any, of any project, declining commodity prices can impact operations by requiring a reassessment of the feasibility of the project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to the project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

(i) **Drilling risks**

The Company's future drilling operations may be curtailed, delayed or cancelled due to a number of factors including weather conditions, mechanical difficulties, shortage or delays in the delivery of rigs and/or other equipment and compliance with governmental requirements. While drilling may yield some resources there can be no guarantee that the discovery will be sufficiently productive to justify commercial development or cover operating costs. Completion of a drill hole does not assure a profit on the investment or recovery of drilling, completion and operating costs.

(j) **Claims by indigenous inhabitants**

The current assets of the Company may be subject to land claims by indigenous people. Should this occur, the Company's ability to conduct exploration and/or mining activities may be affected, which may have a material adverse effect on the Company's financial performance and the price at which its securities trade.

The Company is not aware of any land claims or potential claims by indigenous people in respect of its exploration activities that could significantly affect its tenure or mining exploration or any future production operations.

(k) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions. As noted on 7 January 2019, there was an attempted military coup against the Gabon president which was unsuccessful.

(l) **Insurance**

Insurance of all risks associated with resource exploration and production is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability, particularly as the Company is seeking to acquire new projects.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

(m) **Equipment access**

High local, regional or global demand for exploration and development equipment and infrastructure and experienced operators of this equipment may adversely affect the Company's operations. The Company may not always have access to experienced crews, drill rigs, and operators and this may cause delays in the Company's exploration and development programs, which may result in increased costs in relation to the Company's projects.

### **3.3 Environmental Risks**

#### **(a) Environmental and other regulatory requirements**

The Company's operations will be subject to environmental laws, including but not limited to, those governing the management of waste, the protection of water and air quality, the discharge of materials into the environment, and the preservation of natural resources, which may impact and influence the Company's operations. If the Company fails to comply with environmental laws regarding the discharge other materials into the air, soil or water, it may be subject to liabilities to the government and third parties, including civil and criminal penalties.

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before exploration and production activity can commence on any property, the Company must obtain regulatory approvals and there is no assurance that such approvals will be obtained.

The Company may, from time to time in the future, agree to indemnify, sellers of producing properties against some liabilities for environmental claims associated with these properties.

#### **(b) Previous mining and exploration**

Previous mining or exploration activities undertaken by past tenement holders could in the future give rise to costs for environmental, rehabilitation, damage, control and losses. As at the date of this Offer, the Company has received no indication or instruction that rehabilitation of these areas is required. The enforcement of any environmental regulation could lead to increased costs for the Company which in turn could adversely affect the Company's financial performance and available cash reserves.

### **3.4 General risks**

#### **(a) Securities Investment**

There are risks associated with any securities investment. The prices at which the Securities trade may fluctuate in response to a number of factors.

Furthermore, the stock market, and in particular the market for resource exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that these trading prices will be sustained. These factors may materially affect the market price of the Securities regardless of the Company's operational performance.

#### **(b) Share Market conditions**

Share market conditions may affect the value of the Securities, regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) changes in investor sentiment toward particular market sectors;

- (iv) the demand for, and supply of, capital; and
- (v) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Economic Risk**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption, the rate of growth of gross domestic product in Australia, or any other country in which the Company operates, interest rates and the rate of inflation.

(d) **Changes in Government Legislation and regulation**

Any material adverse changes in government policies or legislation of Australia, Gabon, France or Spain may affect the viability and profitability of the Company.

(e) **Competition**

The Company will compete with other companies, including major resource companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce resources, but also carry out refining operations and market their and other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies.

(f) **Foreign exchange risk**

The Company's business undertakings are currently based in the Gabon, France and Spain, and as a result, revenues, cash inflows, expenses, capital expenditure and commitments will be primarily denominated in XFA or Euros.

Furthermore, no hedging strategy has yet been developed by the Company. This may result in the Company being exposed to the effects of the change in currency (exchange rate) risk, which may have an adverse impact on the profitability and/or financial position of the Company.

### **3.5 Investment Highly Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Document. Therefore, the New Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Offer Document.

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## **4. Rights attaching to New Shares**

### **4.1 General**

The New Shares to be issued pursuant to this Offer Document are ordinary shares and will, as from their allotment, rank equally in all respects with all existing Shares.

The rights attaching to the Shares arise from a combination of the Constitution, statute and general law. Copies of the Constitution are available for inspection during business hours at the Company's registered office. The Constitution has been lodged with ASIC.

A summary of the more significant rights is detailed below. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Shareholders.

### **4.2 Reports and notices**

Shareholders are entitled to receive all notices, reports, accounts and other documents required to be furnished to shareholders under the Constitution, the Corporations Act and the Listing Rules.

### **4.3 General meetings**

Directors may call a meeting of Shareholders whenever they think fit. Members may call a meeting as provided by the Corporations Act. All Shareholders are entitled to a notice of meeting. A meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.

Shareholders are entitled to be present in person, or by proxy, attorney or representative (in the case of a company) to speak and to vote at general meetings of the Company.

### **4.4 Voting**

Subject to any rights or restrictions at the time being attached to any class or classes of shares, at a general meeting of the Company on a show of hands, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote and upon a poll, every Shareholder present in person, or by proxy, attorney or representative (in the case of a company) has one vote for any Share held by the Shareholder.

A poll may be demanded by the chairperson of the meeting, any 5 Shareholders entitled to vote in person or by proxy, attorney or representative or by any one or more Shareholders holding not less than 5% of the total voting rights of all Shareholders having the right to vote.

### **4.5 Dividends**

The Directors may declare and authorise the distribution to shareholders of dividends from the Company, according to their rights and interests. The Directors may determine the property to constitute the dividend and fix the time for distribution. Except to the extent that the terms of issue of shares provide otherwise, each dividend must be distributed according to the amount paid up on the Share in a manner calculated in accordance with the Constitution.

## **4.6 Winding up**

Subject to any rights or restrictions attached to a class of shares, on a winding up of the Company, any surplus must be divided among the Shareholders in the proportions which the amount paid (including amounts credited) on the Shares of a Shareholder is of the total amounts paid and payable (including amounts credited) on the Shares of all Shareholders. Subject to any rights or restrictions attached to a class of shares, on a winding up of the Company, the liquidator may, with the sanction of a special resolution of the Shareholders:

- (a) distribute among shareholders the whole or any part of the property of the Company; and
- (b) decide how to distribute the property as between the holders of different classes of shares.

The liquidator of the Company may settle any problem concerning a distribution.

## **4.7 Transfer of shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, and to the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia.

## **4.8 Issue of further shares**

The Directors may, subject to any restrictions imposed by the Constitution and the Corporations Act, allot, issue, grant options over, or otherwise dispose of, further shares with or without preferential rights on such terms and conditions as they see fit.

## **4.9 Directors**

The business of the Company is to be managed by or under the direction of the Directors.

Directors are not required under the Constitution to hold any Shares.

Unless changed by the Company in general meeting, the minimum number of Directors is 3. The existing Directors may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as a Director).

The Constitution contains provisions relating to the rotation and election of directors. No Director other than the Managing Director may hold office later than the third annual general meeting after his or her appointment or election, without submitting himself or herself for re-election.

For a person to be eligible for election as a Director, a nomination for the office of Director and the written consent of the proposed director must be received at the Company's registered office:

- (a) 30 business days prior to the meeting, in the case of a meeting of members that the Directors have been requested by members to call; and
- (b) 35 business days prior to the meeting, in any other case.

#### **4.10 Offer of shares**

Subject to the requirements of the Corporations Act and if applicable, the Listing Rules, the issue of shares by the Company is under the control of the Directors. Under the Constitution the Company is empowered, without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, to issue shares with preferred, deferred or other rights.

#### **4.11 Variation of shares and rights attaching to shares**

Shares may be converted or cancelled with member approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act.

Class rights attaching to a particular class of shares may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.

#### **4.12 Unmarketable parcels**

The Company may procure the disposal of Shares where the member holds less than a marketable parcel of Shares within the meaning of the Listing Rules (being a parcel of Shares with a market value of less than \$500). To invoke this procedure, the Directors must first give notice to the relevant member holding less than a marketable parcel of Shares, who may then elect not to have his or her Shares sold by notifying the Directors.

#### **4.13 Share buy-backs**

The Company may buy-back Shares in itself in accordance with the provisions of the Corporations Act.

#### **4.14 Indemnity and insurance of officers**

Under the Constitution, the Company is obliged, to the extent permitted by law, to indemnify an officer (including Directors) of the Company against liabilities incurred by the officer in that capacity, against costs and expenses incurred by the officer in successfully defending civil or criminal proceedings, and against any liability which arises out of conduct not involving a lack of good faith.

To the extent permitted by law, the Company may also pay the premium on any insurance policy for any person who is or has been, an officer against a liability incurred by that person in his or her capacity as an officer of the Company, provided that the liability does not arise out of conduct involving a wilful breach of duty.

#### **4.15 Changes to the constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

#### **4.16 Listing Rules**

Provided the Company remains admitted to the Official List of the ASX, then despite anything in the Constitution, no act may be done that is prohibited by the Listing Rules, and authority is given for acts required to be done by the Listing Rules. The Constitution will be deemed to comply with the Listing Rules, as amended from time to time.

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## 5. Defined Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Offer Document.

**\$** means Australian dollars.

**Applicant** refers to a person who submits an Entitlement and Acceptance Form or Shortfall Acceptance Form.

**Application** refers to the submission of an Entitlement and Acceptance Form.

**Application Monies** means application monies for New Shares received by the Company from an Applicant.

**ASX** means ASX Limited ACN 008 624 691 or, where the context permits, the Australian Securities Exchange operated by ASX Limited.

**ASXS** means ASX Settlement Pty Ltd ACN 008 504 532.

**ASXS Operating Rules** means the operating rules of ASXS, except to the extent of any relief given by ASXS.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** means the closing date detailed in Section 1.2.

**Company** means Apollo Minerals Limited ACN 125 222 924.

**Constitution** means the constitution of the Company.

**Corporations Act** means *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company.

**EIA** has the meaning given in Section 3.1.

**Eligible Contractor** means contractors engaged by the Company and its subsidiaries who are determined by the Board to be eligible participants for the purposes of the Performance Rights Plan.

**Eligible Employee** means full time employees, permanent part-time employees (including Executive and Non-Executive Directors) of the Company and its subsidiaries and any other person determined by the Board to be an Eligible Employee for the purposes of the Performance Rights Plan.

**Eligible Shareholder** means a person registered as the holder of Shares on the Record Date whose registered address is in Australia, New Zealand, Germany, Singapore, the British Virgin Islands or the United Kingdom.

**Entitlement** means the entitlement of an Eligible Shareholder to participate in the Offer.

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Offer Document.

**FSMA** has the meaning given in Section 1.17.

**Ineligible Shareholder** has the meaning given in Section 1.17.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker, or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the Listing Rules of the ASX.

**New Share** means a new Share proposed to be issued pursuant to the Offer.

**Offer** means the offer described in Section 1.1.

**Offer Document** means this Offer Document dated 12 September 2019.

**Option** means an option to acquire a Share.

**Opening Date** means the opening date detailed in Section 1.2.

**Performance Condition** means, in relation to each Performance Right, the performance related conditions, which must be satisfied, or circumstances which must exist before a Performance Right can be exercised, including the Scoping Study Milestone and the Pre-Feasibility Milestone.

**Performance Right** means a right granted under the Performance Rights Plan to be issued or transferred one Share, subject to the Performance Rights Plan and the Performance Right Agreement (and including the satisfaction of any Performance Conditions).

**Performance Right Agreement** means the written agreement between the Company and the Eligible Contractor or Eligible Employee evidencing the grant of the Performance Right.

**Performance Rights Plan** means the Performance Right Plan of the Company, a copy of which can be obtained by contacting the Company.

**Performance Share** means a performance share that will convert into ordinary shares upon satisfaction of relevant milestones.

**Prospectus Regulation** has the meaning given in Section 1.17.

**Record Date** means 5.00pm (WST time) on the date detailed in Section 1.2.

**Relevant Persons** has the meaning given in Section 1.17.

**Section** means a section of this Offer Document.

**Securities** means a Share or Option, Performance Right, or Performance Share granted (as the case may be) by the Company.

**Share** means an ordinary fully paid share in the capital of the Company.

**Share Registry** means Security Transfer Australia Pty Ltd.

**Shareholder** means a holder of Shares.

**Shortfall Offer** has the meaning given in Section 1.22.

**Shortfall Acceptance Form** means the Shortfall Acceptance Form which is to accompany this Offer Document, sent to parties to whom the Company makes Shortfall Offers.

**Shortfall Share** means New Shares not subscribed for under the Offer.

**Trek** has the meaning given in Section 3.1.

**WST** means Australian Western Standard Time, being the time in Perth, Western Australia.

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