

## Apollo Minerals Limited

## Gawler Craton and Pilbara targets

<b>BUY</b>	<b>\$0.37</b>
<b>ASX Share Code</b>	AON
<b>Issued Capital</b>	71.5 million shares 2.25m unlisted options
<b>Market Capitalisation</b>	\$26.4 million
<b>Monthly Share Turnover</b>	na
<b>12-month High / Low</b>	\$0.53 / \$0.24
<b>Cash Reserves</b>	\$17.5 million
<b>Top 20 Shareholders Hold</b>	71.14%
<b>Major Shareholder</b>	Tiger Resources Pte Ltd 41.93%

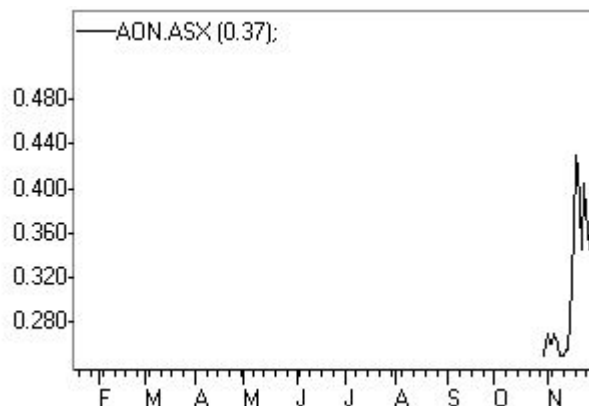
Recently listed AON is focused on mineral exploration within the central Gawler Craton and Pilbara with a focus on iron ore, but also aware of the prospectivity of the Gawler Craton region for gold and uranium deposits. The company is targeting both IOCGU and sedimentary roll front deposits in its uranium quest and magnetite and hematite iron ore projects. The tenements are managed by Artemis Resources (ARV), a resource investment and exploration company with copper and molybdenum prospects in the East Pilbara region and uranium projects in Niger. AON's immediate interest has shifted to iron ore and reconnaissance exploration is about to commence.

### KEY POINTS

AON's has two key projects 1) South Australia (SA) – Commonwealth Hill (100%) and 2) WA Pilbara – Mt Oscar Iron Ore Project (80%). The SA project consists of five contiguous granted tenements covering an area of 1,793 sq km marginal to the Gawler Range Volcanics Domain in the central Gawler Craton of South Australia. The area has potential for gold, uranium, IOCGU and magnetite iron ore deposits.

The Apollo project also holds potential for the discovery of IOCGU deposits of the Olympic Dam or Prominent Hill style. Previous exploration for this style of deposit assumed that an IOCGU deposit would produce a geophysical anomaly of similar magnitude to Olympic Dam, but subsequent discoveries at Prominent Hill and Carrapateena has shown the response may be more subtle. A new geophysical interpretation is required, to identify more subtle features that may reflect the denser iron accumulations of IOCGU mineralisation, followed by detailed gravity surveys to locate possible drilling targets. AON intends to undertake detailed gravity surveys over selected geophysical anomalies to define potential IOCGU targets, which will be tested by RC and diamond drilling.

The northwest section of the project may have potential for sedimentary roll front uranium deposits in a segment of a palaeochannel system that is interpreted to cross through one tenement and the corner of another. In order to define sedimentary uranium targets, AON intends to assemble and



interpret all available remote sensing, geological and drill hole data in a GIS database to delineate areas for follow up by electromagnetic surveys and testing with aircore drilling.

Archaean basement rocks within the project area have known potential for gold mineralisation, as demonstrated by Dominion Mining's (DOM) Challenger gold mine, which is located about 30 km west. Challenger was discovered through calcrete geochemical surveys, which subsequently revealed numerous gold prospects in the surrounding region.

These included Birthday, Mars and Comet within the Apollo project. AON intends to assemble available geochemical, geological and geophysical data in a GIS database to define areas warranting follow up exploration by further mapping, geochemical sampling and detailed airborne geophysical surveys. Targets defined by this work will be tested by RAB, RC and core drilling.

In addition there is potential for Tanami style shear hosted orogenic gold deposits, related to the Hiltaba Suite intrusion. Researchers believe the Gawler Range Volcanics would have provided a seal, trapping mineralising fluids in a sustained hydrothermal system. Major northeast and northwest trending fault structures active at the time would represent pathways for the passage of gold bearing hydrothermal fluids and could potentially host sizeable lode gold deposits related to the Hiltaba Suite intrusion. AON's exploration intends to target fault zones that may have provided favourable trap sites for this style of deposit.

Archaean banded iron formations (BIF) within the area potentially host magnetite iron ore deposits – there are three key prospects Sequoia, Ibis and St Andrews. A known resource at the Sequoia prospect was investigated by the Department of Primary Industry and Resources South Australia (PIRSA). PIRSA found that the BIF was readily beneficiated to a high grade magnetite concentrate of over 70% iron. Less advanced deposits include the St Andrews and Sequoia East where previous drilling intercepted 28 metres of magnetite rich ore at a shallow depth averaging 53.4% iron. AON's immediate target, however, is the Ibis magnetic anomaly. Previous work outlined a total strike length of 4 km of magnetic material.

Float mapping confirmed the presence of near surface magnetite rich sediments similar to those observed at Sequoia. Because of its large magnetic signature AON considers that there is a significant magnetite deposit present at Ibis. AON intends to assemble available geological, geophysical and drill hole information in a GIS database prior to flying detailed airborne magnetic surveys. The Darwin – Adelaide railway line intersects AON’s tenements.

In addition to the Apollo project, AON has recently acquired an option to take an 80% interest in two tenements that

adjoin to the north and south of Fox Resources’ (FXR) Mt Oscar iron ore discovery (an area of 10 sq km showing strong magnetics and part of which is located on AON ground) and 25 km south of Cape Lambert’s (CFE) magnetite iron ore projects in the Pilbara region of Western Australia which has a resource of 977 million tonnes. The tenements cover an area of 212 sq km. FXR has recently reported that rock chip sampling confirmed surface iron ore enrichment in excess of 40% iron and similar results have been found on AON’s tenements. Site inspections will commence early in December 2007.

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