16 July 2009

Acquisition of New Iron Ore Project at Mt Oscar East

ABN 96 125 222 924

KEY POINTS

- **Apollo expands its iron ore interests in the Pilbara with the purchase of Mt Oscar East (E47/1304), from Thundelarra**
- **This gives Apollo a second iron ore project which is a prospective magnetite and haematite tenement**
- **Combination of Mt Oscar East with Mt Oscar gives Apollo a greater scope to delineate an economic resource at Mt Oscar**

The Directors of **Apollo Minerals Limited (ASX code AON, "Apollo")** are pleased to announce that Apollo has agreed to purchase from Thundelarra Exploration Limited ("Thundelarra") tenement E47/1304, known as Mt Oscar East, with respect to all mineral rights.

Mt Oscar East is 10 km east of Apollo's existing Mt Oscar Project (***see Figure 1***) and is prospective for magnetite and haematite iron ore. Mt Oscar East has excellent infrastructure, being adjacent to the sealed North West Highway and 40km to the south east of the Port of Cape Lambert.

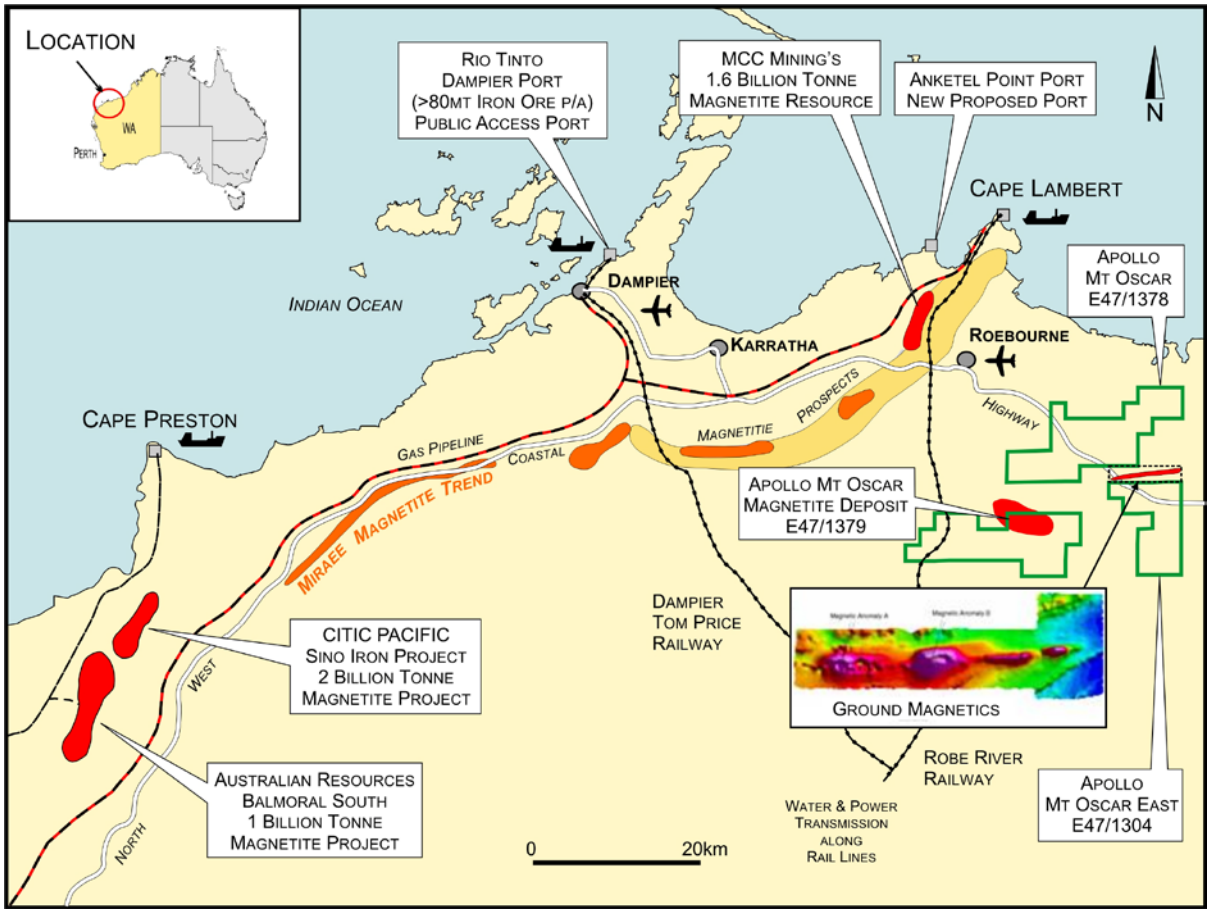

Figure 1: Tenement Location Map

The main Mt Oscar East BIF occurrence outcrops in two areas over a 300m strike length. Rock chip sampling has returned assays (***see Figure 2***) ranging from 31% to 46.84%. The remaining 4.5 kilometre strike extent is under shallow cover and is inferred from airborne magnetics.

Sample ID	Sample Type	Grid	Easting	Northing	Description Comments	FE %	Al %	MnO %	P ppm	SiO_2 %
RX 3454	Rock	MGA94 50	535460	7689586	BIF, intact layering; BIF	37	0.13	0.22	570	44
RX 3456	Rock	MGA94 50	535460	7689581	BIF, Hematite replacement; BIF	43	0.12	0.09	220	34
TK502540R	Rock	MGA94 50	535453	7689564		31	-	1	420	53
TK502645	Rock	MGA94 50	533417	7689527	5m wide BIF outcrop, cherty in part	31	0.2	-	-	-
TK502651	Rock	MGA94 50	535234	7869559	Geothite/Hematite BIF	46.9	0.2	0.1	300	28.6
TK502652	Rock	MGA94 50	535465	7689578	Layered Hematite, minor chert	40.4	0.1	0.7	240	38.9
TK651432	Rock	MGA94 50	533420	7689523	Manganese ferruginised chert/BIF	30.3	0.3	-	-	-
TK651435	Rock	MGA94 50	535479	7689586	BIF	40.3	0.2	-	-	-
TK651436	Rock	MGA94 50	535138	7689550	BIF	38.4	0.2	-	-	-
TK651437	Rock	MGA94 50	535119	7689611	BIF	39.4	0.6	-	-	-

Figure 2: Rock chip samples gathered from the tenement

Mt Oscar East covers several areas of Banded Iron Formation (BIF) of the Cleaverville Formation which display a strong magnetic signature in airborne magnetic surveys and comprise magnetite rich BIF with potential for secondary haematite occurrences.

The Cleaverville Formation BIF is an important host to iron ore in the project region and includes the 1.6 billion tonne Cape Lambert magnetite Project located 35km to the north west of Apollo's Mt Oscar Iron Ore Project.

Following receipt of heritage clearance, a detailed ground magnetics survey is planned. This will outline prospect areas of best magnetite potential as well as defining structures which are important for haematite alteration. Drill testing of iron ore potential can then proceed on grant of statutory permits.

Apollo has agreed to pay $225,000 in cash for Mt Oscar East and completion of the acquisition is subject to receipt of native title consent.

Drilling Update

The planned drilling programme is expected to commence a few weeks later than originally expected. The Company has received its permission of works (POW) and all the contractors have been engaged however until the Heritage survey has been completed the drilling programme will not commence. It is now expected that the drilling will commence in August.

About Apollo Minerals

Apollo is an Australian based mineral exploration company which listed on the ASX in October 2007. Apollo's key asset is its 100% interest in the exploration rights of two mineral tenements at Mt Oscar in the Pilbara region of Western Australia.

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The information in this Report that relates to Exploration Results is based on information compiled by John Bridson who is a member of the Australian Institute of Mining and Metallurgy. John Bridson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. John Bridson consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.