

## ASX ANNOUNCEMENT

By e-lodgement

12 November 2021



# Target's Statement – Ramelius Offer

Apollo Consolidated Limited (ASX: AOP) (**Apollo**) has today lodged its Target's Statement with the Australian Securities and Investments Commission and the Australian Securities Exchange in response to the off-market takeover offer (the **Offer**) from Ramelius Resources Limited (ACN 001 717 540) (**Ramelius**) (through its wholly owned subsidiary Ramelius Kalgoorlie Pty Ltd (ACN 654 590 039)), to acquire all the ordinary shares in Apollo.

A copy of the Target's Statement is attached to this announcement.

The Target's Statement has also been given to Ramelius today and is in the process of being dispatched to Apollo shareholders in accordance with the Corporations Act.

The Bidder's Statement for the Offer was released to the ASX on 1 November 2021. Dispatch of the Bidder's Statement to Apollo shareholders has been completed, and the Offer is open for acceptance.

The Board of Apollo unanimously recommends that all Apollo shareholders **ACCEPT** the Offer, subject to no superior proposal being received, and they have **ACCEPTED** the Offer in relation to the Apollo shares that they respectively hold or control. In considering the Board of Apollo's recommendation, Apollo shareholders should review the comprehensive information provided in the Bidder's Statement and in the Target's Statement lodged today.

All company announcements and information on the Offer are available on the Apollo website at [www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au). Shareholders can also receive further information on the Offer by calling the Company Secretary on +61 (0) 8 6319 1900 at any time between 8:30am and 5pm (WST) on Monday to Friday.

This announcement has been authorised for release by the Board of Apollo Consolidated Limited.

-ENDS-

### Further information:

Nick Castleden  
Managing Director  
Apollo Consolidated Limited  
+61 8 6319 1900

Luke Forrestal  
Associate Director  
Media & Capital Partners  
+61 411 479 144



# TARGET'S STATEMENT

prepared by

## Apollo Consolidated Limited

ACN 102 084 917

in relation to the off-market takeover bid by

## Ramelius Resources Limited

ACN 001 717 540

through its wholly owned subsidiary **Ramelius Kalgoorlie Pty Ltd**

ACN 654 590 039

to acquire all of your ordinary fully paid shares in Apollo.

The Directors of Apollo unanimously recommend, in the absence of a Superior Proposal, that you

# ACCEPT

the Offer from Ramelius.

**The Offer Price is \$0.34 cash and 0.1778 Ramelius Shares for each of your Apollo Shares, in the absence of a competing proposal.**

This is an important document and requires your immediate attention. If you do not understand it or are in doubt as to how to act, you should consult your legal, financial or other professional adviser immediately. If you have recently sold all your Apollo Shares, please disregard this document.

Apollo Shareholders who require assistance may call the Company Secretary on +61 8 6319 1900 at any time between 8:30am and 5pm (WST) on Monday to Friday.

## Deloitte.

Corporate Adviser

STEINPREIS PAGANIN  
Lawyers & Consultants



Legal Adviser

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## IMPORTANT NOTICES

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### Nature of this document

This Target's Statement is dated 12 November 2021 and is given by Apollo Consolidated Limited (**Apollo**) under Part 6.5 Division 3 of the Corporations Act in response to the Bidder's Statement by Ramelius Resources Limited (**Ramelius**) dated 1 November 2021.

### ASIC and ASX disclaimer

A copy of this Target's Statement has been lodged with ASIC and ASX. Neither the ASIC or ASX, nor any of their respective officers, takes any responsibility for the contents of this Target's Statement.

### No account of personal circumstances

This Target's Statement should not be taken as personal financial, investment or tax advice as each Shareholder's deliberations and decision will depend upon their own financial situation, tax position, investment objectives and particular needs.

Your Apollo Directors encourage you to read this Target's Statement in its entirety and obtain independent advice from your investment, financial, tax or other professional adviser before making a decision whether or not to accept the Offer.

### Defined terms

Capitalised terms used in this Target's Statement are defined in section 12 of this Target's Statement.

### Further information

Apollo Shareholders who require assistance may call the Company Secretary on +61 8 6319 1900 at any time between 8:30am and 5pm (WST) on Monday to Friday.

Further information relating to the Offer can be obtained from Apollo's website at **[www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au)**.

Information contained in, or otherwise accessible through, this internet site is not a part of this Target's Statement. All references in this Target's Statement to this internet site are inactive textual references and are for your information only.

### Forward looking statements

This Target's Statement contains various forward looking statements. Statements other than statements of historical fact may be forward looking statements. Apollo believes that it has reasonable grounds for making all statements relating to future matters

attributed to it in this Target's Statement. Apollo Shareholders should note that such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Apollo. Shareholders should note that any reference to past performance is not intended to be, nor should it be relied upon as, a guide to any future performance. Actual results, values, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward looking statement. None of Apollo, its officers nor any person named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any results, values, performance or achievements expressed or implied in any forward looking statement, except to the extent required by law. Shareholders should not place undue reliance on any such statement. The forward looking statements in this Target's Statement only reflect views held as at the date of this Target's Statement. Any forward looking statement in this Target's Statement is qualified by this cautionary statement.

### Information on Ramelius

All of the information concerning Ramelius contained in this Target's Statement has been obtained from publicly available sources including public documents filed by Ramelius and the Bidder's Statement. None of the information in this Target's Statement relating to Ramelius has been verified by Apollo or its Directors for the purposes of this Target's Statement. Accordingly, to the extent permitted by law, Apollo makes no representation or warranty (either express or implied) as to the accuracy or completeness of this information. The information on Ramelius in this Target's Statement should not be considered comprehensive.

### Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of

applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law, and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

### **Charts and diagrams**

Any diagrams, charts, graphs, maps and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, graphs, maps and tables is based on information available at the date of this Target's Statement.

### **Privacy**

Apollo has collected your information from the register of Apollo Shareholders for the purpose of providing you with this Target's Statement. The type of information Apollo has collected about you includes your name, contact details and information on your shareholding (as applicable) in Apollo. Without this information, Apollo would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Shareholders to be held

in a public register. Your information may be disclosed on a confidential basis to external service providers (including the Apollo Share Registry and print and mail service providers) and may be required to be disclosed to regulators such as ASIC.

If you would like details of information about you held by Apollo, please contact the Apollo Share Registry, Computershare Investor Services Pty Limited, Level 11, 172 St Georges Terrace, Perth WA 6000 or on +61 08 9323 2000.

### **Risk Factors**

Shareholders should note that there are a number of risks associated with the Offer and with remaining an Apollo Shareholder if they reject the Offer.

Please refer to section 8 of this Target's Statement for further information on those risks.

### **Rounding**

A number of figure, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Target's Statement.

## KEY POINTS OF THE OFFER

- **The Offer is for \$0.34 cash and 0.1778 Ramelius Shares for every one of your Apollo Shares**  
  
See section 3.2 of this Target's Statement and section 13.1 of the Bidder's Statement.
- **The Offer is unconditional and open for acceptance**  
  
See section 3.8 of this Target's Statement and section 13.8 of the Bidder's Statement.
- **As at the date of this Target's Statement, Ramelius has announced that it has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer.**
- **You will receive the Offer Price within 5 business days of accepting the Offer**  
  
See section 3.12 of this Target's Statement and section 13.6 of the Bidder's Statement.
- **The Offer expires at 7pm (Sydney time) on 3 December 2021, unless extended by Ramelius**  
  
See section 3.9 of this Target's Statement and section 13.2 of the Bidder's Statement.
- **You can accept the Offer by following the instructions in the Bidder's Statement and completing the Acceptance Form enclosed with the Bidder's Statement prior to the close of the Offer**  
  
See section 5 of this Target's Statement and section 2 of the Bidder's Statement.
- **All Apollo Directors unanimously recommend, in the absence of a Superior Proposal, that you ACCEPT the Offer**  
  
See section 2 of this Target's Statement.

## KEY DATES

Event	Key Date
Date of Initial Announcement	Monday 18 October 2021
Announcement of the Offer	Monday 1 November 2021
Date of Bidder's Statement	Monday, 1 November 2021
Date of despatch of Bidder's Statement to Apollo Shareholders, and opening date of the Offer	Monday, 1 November 2021
Date of this Target's Statement	Friday, 12 November 2021
Close of Offer Period (unless extended)	7pm (Sydney time) on Friday, 3 December 2021

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## LETTER FROM THE CHAIRMAN OF APOLLO

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12 November 2021

Dear Shareholder

### **TAKEOVER OFFER BY RAMELIUS RESOURCES LIMITED**

On 18 October 2021, Apollo Consolidated Limited (**Apollo**) announced an off-market takeover offer by Ramelius Resources Limited (**Ramelius**) to acquire all of the Apollo Shares on issue. This initial offer was subsequently increased on 1 November 2021 (the **Offer**).

Under the terms of the Offer, Apollo Shareholders who accept the Offer will receive **\$0.34 cash and 0.1778 Ramelius Shares** per Apollo Share. This **represents value of \$0.62 per Apollo Share** as at the last trading day prior to the announcement of the Offer<sup>1</sup>.

Accordingly, the Offer represents the highest all-time price for an Apollo Share, and is also 10.7% higher than Gold Road's offer price of \$0.56. Apollo considers the Offer to be superior to the Gold Road Offer. On 8 November 2021, Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted Ramelius' Offer with regards to its entire holding in Apollo (being 58,324,117 Apollo Shares).

You should have recently received the Bidder's Statement from Ramelius which sets out the details of the Offer. This Target's Statement sets out the formal response of the Apollo Directors to the Offer.

### **Board Recommendation**

After careful consideration, the Directors of Apollo unanimously recommend that you **ACCEPT** the Offer in the absence of a Superior Proposal.

As a pre-condition to making the revised Offer, Ramelius required the Apollo Board to agree to accept into the revised Offer immediately. Ramelius advised the Board that it would not make the revised Offer without this support.

By agreeing to immediately accept into the revised Offer, the members of the Apollo Board created the opportunity for all Apollo Shareholders to receive the revised Offer, with a value of \$0.62 per Apollo share. In the absence of this action, it is possible that an offer above the initial offers would not have been made.

However, in agreeing to accept the revised Offer so as to allow the revised Offer to proceed, the members of the Apollo Board are precluded from receiving the benefit of any superior offer from any party other than Ramelius. This is not the case for other Apollo Shareholders who remain able to participate fully in any further offers from any party, sell their Apollo Shares on market or accept the revised Offer.

In recommending the Offer, the Apollo Directors have had regard to the following:

1. the Offer provides a substantial premium for your Apollo Shares;
- Ramelius had acquired a 19.9% interest in Apollo via pre-bid acceptance agreements with all of the Board and the third largest shareholder (as at the date

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<sup>1</sup> All premia analysis is calculated using the 3 day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

of this Target's Statement, Ramelius' has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer).

2. the Offer provides increased certainty of value for Apollo Shareholders;
3. the Offer will allow Apollo Shareholders to reduce their exposure to risks associated with potential development of the Lake Rebecca Project;
4. the Offer will allow Apollo Shareholders to possibly avoid the likelihood of equity dilution associated with a future development decision on the Lake Rebecca Project;
5. the opportunity to become a shareholder in Ramelius;
6. the Offer is supported by Apollo's Directors and management;
7. Apollo Shareholders may obtain rollover relief in relation to the scrip component of the Offer Price, provided Ramelius acquires at least 80% of Apollo's Shares under the Offer;
8. at the date of this Target's Statement, no Superior Proposal has emerged; and
9. there are risks of not accepting the Offer.

A detailed explanation of these reasons is contained section 1 of this Target's Statement. The Board's recommendation is based on the Offer as it currently stands, but may be reconsidered should circumstances change.

If you wish to accept the Offer, you should follow the instructions in the Bidder's Statement and on the Acceptance Form.

The Offer is scheduled to close at **7 pm (Sydney time) on 3 December 2021**, unless extended by Ramelius. You should not assume that the Offer Period will be extended.

The Apollo Directors recommend that you read this Target's Statement in its entirety and in conjunction with the Bidder's Statement you have received from Ramelius.

If you have any questions in relation to the Offer, I encourage you to seek independent advice from your investment, financial, tax or other professional adviser, or contact the Company Secretary of Apollo on +61 8 6319 1900.

I would also like to take this opportunity to thank you for your support of Apollo.

Yours faithfully,

**Mr Roger Steinepreis**  
**Non-Executive Chairman**  
**Apollo Consolidated Limited**



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## 1. DIRECTORS' RECOMMENDATION & REASONS TO ACCEPT THE OFFER

The Apollo Directors have considered the advantages and disadvantages of the Offer and unanimously recommend that you **ACCEPT** the Offer, unless a Superior Proposal emerges.

The Apollo Directors further recommend that you accept the Offer promptly to ensure that your acceptance is received before the closing date of the Offer at **7pm (Sydney time) on 3 December 2021** (unless extended). You should not assume that the Offer Period will be extended.

Each of the Apollo Directors who holds a Relevant Interest in Apollo Shares has accepted the Offer in respect of the Apollo Shares that they, or their Associates, own or control or otherwise have a Relevant Interest in.

As a pre-condition to making the revised Offer, Ramelius required the Apollo Board to agree to accept into the revised Offer immediately. Ramelius advised the Board that it would not make the revised Offer without this support.

By immediately accepting into the revised Offer, the members of the Apollo Board have created the opportunity for all Apollo Shareholders to receive the revised Offer, with a value of \$0.62 per Apollo Share. In the absence of this action, it is possible that an offer above the initial offers would not have been made.

However, in accepting the revised Offer so as to allow the revised Offer to proceed, the members of the Apollo Board are precluded from receiving the benefit of any superior offer from any party other than Ramelius. This is not the case for other Apollo Shareholders who remain able to participate fully in any further offers from any party, sell their Apollo Shares on market or accept the revised Offer.

The reasons for the recommendation of the Apollo Directors are as follows:

- **RAMELIUS HAD ACQUIRED A 19.9% INTEREST IN APOLLO VIA PRE-BID ACCEPTANCE AGREEMENTS WITH ALL OF THE BOARD AND THE THIRD LARGEST SHAREHOLDER**

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Apollo Directors have entered into revised binding agreements to accept or procure the acceptance of the Offer in respect of all the Apollo Shares they own or control immediately upon the Offer opening.

Apollo Directors owned or controlled 34,062,185 Apollo Shares representing 11.7% of Apollo Shares outstanding at the date of the Bidder's Statement. Apollo Directors also own a total of 1,250,000 unlisted options expiring on 30 June 2022 with an exercise price of \$0.325.

In addition, Capricorn Mining and its associated entities, which was the third largest shareholder of Apollo as at the date of the Bidder's Statement, accepted the Offer in respect of 23,959,286 of the Apollo Shares it owned immediately upon the Offer opening. This represents 8.2% of the Apollo Shares.

On 10 November 2021, Gold Road announced that it had accepted Ramelius' Offer with regards to its entire holding in Apollo (being 58,324,117 Apollo Shares).

As at the date of this Target's Statement, Ramelius has announced that it has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer.

Please refer to section 3.7 of this Target's Statement for further details.

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- **THE OFFER PRICE REPRESENTS SIGNIFICANT PREMIUMS TO THE UNDISTURBED TRADING PRICES OF APOLLO SHARES, AND A 10.7% PREMIUM TO THE GOLD ROAD OFFER**

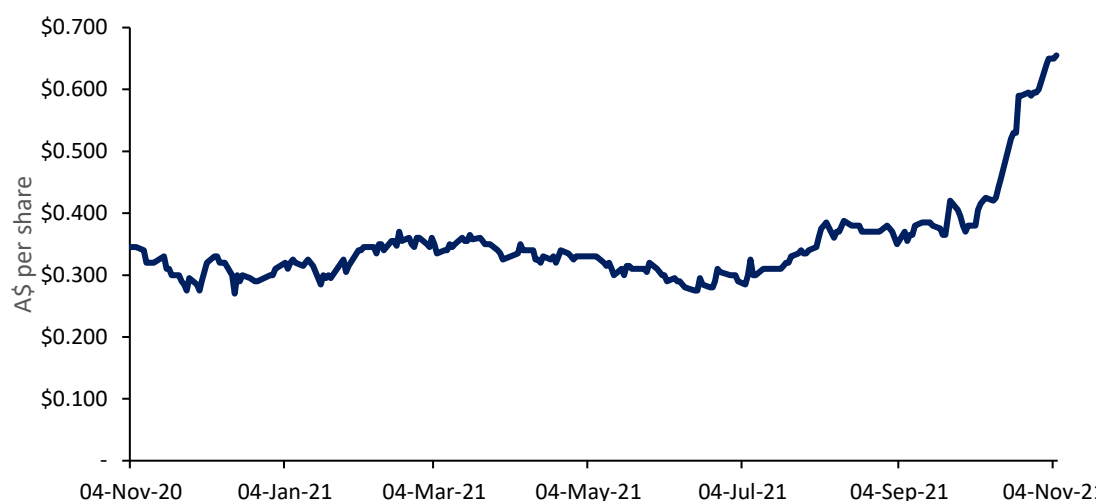
The Offer Price of \$0.34 cash plus 0.1778 Ramelius Shares per Apollo Share **implies a value of \$0.62 per Apollo Share** based on the 3-day VWAP for Ramelius Shares up to and including the last trading day prior to the Announcement Date<sup>2</sup>.

This is the highest all-time price paid for an Apollo Share, and represents premiums to the undisturbed VWAPs of Apollo Shares prior to the Initial Announcement Date, as noted below.

This represents a significant premium to the trading price of Apollo Shares on ASX up to and including 14 October 2021 (being the last trading day for Apollo Shares prior to the announcement of the Initial Offer):<sup>3</sup>

- (a) **40.5%** to Apollo's 3-day VWAP of \$0.441 per Apollo Share up to and including 14 October 2021;
- (b) **53.2%** to Apollo's 1-month VWAP of \$0.405 per Apollo Share up to and including 14 October 2021;
- (c) **68.5%** to Apollo's 3-month VWAP of \$0.368 per Apollo Share up to and including 14 October 2021;
- (d) **91.5%** to Apollo's 6-month VWAP of \$0.324 per Apollo Share up to and including 14 October 2021; and
- (e) a significant premium to the price of Apollo Shares at any stage over the past 12 months (as depicted below).

**Apollo Consolidated Limited 12 Month Share Price**



Source: Bloomberg

The Offer provides Apollo Shareholders with the ability to retain exposure to the Lake Rebecca Project, whilst capturing a significant premium for their shareholding.

The actual value of the Offer Price will vary depending on the price of Ramelius Shares during the Offer Period and when the Ramelius Shares are issued to you, if you accept the Offer.

<sup>2</sup> All premia analysis is calculated using the 3-day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

<sup>3</sup> The last trading day prior to Ramelius' initial takeover offer announced on 18 October 2021

The table in section 3.3 of this Target's Statement sets out the implied value of the Offer assuming different market prices of Ramelius Shares on ASX.

- **THE OFFER PROVIDES INCREASED CERTAINTY OF VALUE FOR APOLLO SHAREHOLDERS**

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The cash component of the Offer provides certainty of value for approximately 55% of the consideration. In addition, Ramelius is a far more liquid stock than Apollo, providing enhanced investment flexibility. Over the 30 trading days on ASX up to and including the last trading day prior to the Announcement Date, an average value of \$6.59 million of Ramelius Shares traded per day, compared to \$0.06 million of Apollo Shares per day in the same period.

The cash and liquid Ramelius Shares provide greater certainty of value compared to the uncertainty of holding Apollo Shares, particularly given the development and funding challenges that face Apollo.

As the Offer is unconditional, you will receive cash and Ramelius Shares within 5 business days of accepting the Offer.

- **ALLOWS APOLLO SHAREHOLDERS TO REDUCE THEIR EXPOSURE TO RISKS ASSOCIATED WITH POTENTIAL DEVELOPMENT OF THE LAKE REBECCA PROJECT**

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As shareholders in a single asset company, Apollo Shareholders are currently subject to significant uncertainty and risks arising from the potential development of the Lake Rebecca Project.

The risks currently faced by Apollo Shareholders with regards to the Lake Rebecca Project include labour shortages and inflationary pressures being experienced in the Western Australian labour market, and the associated challenges of establishing a team with the required skills and experience to develop the Lake Rebecca Project into an operating mine.

In contrast, Ramelius has two existing operations in Western Australia and an established workforce with strong operational and development experience, putting Ramelius in a relatively stronger position to develop the Lake Rebecca Project and maximise its value for the benefit of shareholders.

Accepting the Offer will allow Apollo Shareholders to significantly reduce their exposure to the risks associated with potential development of the Lake Rebecca Project.

- **THE OFFER WILL ALLOW APOLLO SHAREHOLDERS TO POSSIBLY AVOID FUTURE EQUITY DILUTION**

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Given the Lake Rebecca Project's current early stage of development, any decision by Apollo to fund the development of the Lake Rebecca Project is likely to lead to the future equity dilution of Apollo's existing shareholders.

In contrast, Ramelius is in a strong financial position and, with two existing cash generating operations, has additional borrowing capacity to provide alternative funding sources to develop the Lake Rebecca Project without dilution of shareholders.

Accepting the Offer will allow Apollo Shareholders to avoid the likelihood of equity dilution associated with a future development decision on the Lake Rebecca Project.

• **OPPORTUNITY TO BECOME A SHAREHOLDER IN RAMELIUS**

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Apollo Shareholders who decide to retain Ramelius Shares forming part of the Offer Price will become shareholders in a financially strong, dividend paying, ASX200 gold producer with two existing operations in Western Australia, a proven management team and a track record of growth and shareholder returns.

The addition of a high-quality development asset such as Lake Rebecca Project is consistent with Ramelius' growth strategy and highly complementary to Ramelius' existing portfolio of operational assets.

• **ROLLOVER RELIEF IN RELATION TO SCRIP COMPONENT OF THE OFFER PRICE**

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Provided Ramelius acquires at least 80% of the Apollo Shares under the Offer, capital gains tax rollover relief will be available to Apollo Shareholders on the portion of the Offer Price paid in Ramelius Shares.

• **NO SUPERIOR PROPOSAL HAS EMERGED**

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As at the date of this Target's Statement, Apollo has not received any alternative proposal from any party intending to make a Superior Proposal and your Directors are not aware of any other offer or proposal which might be made as an alternative to the Offer. Should such a proposal arise, your Directors will reconsider their recommendation and inform you accordingly.

As at the date of this Target's Statement, the only competing proposal is the Gold Road Offer. Ramelius' Offer (being valued at **\$0.62<sup>4</sup>**) is superior, being 10.7% higher than the Gold Road Offer of \$0.56. On 8 November 2021, Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted Ramelius' Offer with regards to its entire holding in Apollo (being 58,324,117 Apollo Shares).

• **THERE ARE OTHER RISKS IN NOT ACCEPTING THE OFFER**

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If the Offer is unsuccessful and no other offers emerge, Apollo's Share price may fall below the current trading price and liquidity levels, leaving Apollo Shareholders exposed to the ongoing risks associated with an investment in Apollo. In particular:

- (a) Apollo Shareholders will have full exposure to the development risk associated with Apollo's existing project, and will not benefit from Ramelius' development expertise or financial strength;
- (b) there is a strong probability that Apollo will have to raise additional funds to fund the development of the Lake Rebecca Project, potentially through an issue of equity at a discount to the trading price of Apollo Shares, which could dilute your investment in Apollo.

If you do not accept the Offer:

- (a) liquidity in Apollo Shares may be significantly reduced or Ramelius may be entitled to remove Apollo from the official list of the ASX; and

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<sup>4</sup> All premia analysis is calculated using the 3 day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

- For personal use only
- (b) Ramelius may be entitled to acquire your Apollo Shares through compulsory acquisition (see section 3.14 of this Target's Statement).

Further details on the risks associated with not accepting the Offer are set out in section 8.3 of this Target's Statement.

If you retain your Apollo Shares, you will continue to be exposed to the risks associated with being an Apollo Shareholder. A non-exhaustive summary of such risks is set out in section 8.4 of this Target's Statement.

Apollo Shareholders should note that there are also risks associated with accepting the Offer. Details on the risks associated with accepting the Offer are contained in section 11 of the Bidder's Statement and sections 8.1 and 8.2 of this Target's Statement.

In considering whether to accept the Offer, the Apollo Directors encourage you to:

- (a) read and carefully consider the whole of this Target's Statement and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances; and
- (c) obtain independent advice from your investment, financial, tax or other professional adviser on the effect of accepting the Offer.

## 2. FREQUENTLY ASKED QUESTIONS

In this section answers are provided to some commonly asked questions about the Offer. This section should be read together with the rest of this Target's Statement. This section is not intended to comprehensively answer all questions that may arise in relation to the Offer nor address all issues that are relevant to Apollo Shareholders.

The Offer	
<b>What is the Bidder's Statement?</b>	The Bidder's Statement is the document setting out the terms of the Offer. Ramelius lodged the Bidder's Statement with ASIC on Monday, 1 November 2021 and sent the Bidder's Statement to Apollo Shareholders on the same date.
<b>What is the Target's Statement?</b>	This Target's Statement has been prepared by Apollo and provides Apollo's response to the Offer, including the recommendation of your Directors.
<b>Who is offering to purchase my Apollo Shares?</b>	<p>Ramelius Resources Limited (ACN 001 717 540) (<b>Ramelius</b>) through its wholly owned subsidiary Ramelius Kalgoorlie.</p> <p>Ramelius is a company incorporated in Australia and listed on the Australian Securities Exchange (<b>ASX</b>) under ASX code <b>RMS</b>.</p> <p>Ramelius is a Western Australian gold producer that has been listed on the ASX since 2003 and in production since 2006.</p> <p>Ramelius currently operates the Mt Magnet, Vivien, Edna May and Marda gold mines and associated processing plants around Western Australia. Ramelius has enjoyed significant success in recent years with increased gold production and the addition of new mining projects including Tampia and Penny gold projects, also in WA.</p> <p>Information in relation to Ramelius can be obtained from section 4 of the Bidder's Statement and Ramelius' website at <a href="http://www.rameliusresources.com.au">www.rameliusresources.com.au</a>.</p>
<b>What is being offered to me?</b>	<p>Ramelius is offering \$0.34 cash plus 0.1778 Ramelius Shares for each Apollo Share held by you.</p> <p>You may only accept the Offer in respect of all of the Apollo Shares held by you.</p> <p>If you are a Foreign Apollo Shareholder or a Unmarketable Parcel Shareholder, you will not be provided Ramelius Shares. Instead you will be paid the net proceeds of the sale of the Ramelius Shares you would have been entitled to. See section 3.11 of this Target's Statement for more details.</p>
<b>What are the Apollo Directors recommending?</b>	<p>The Apollo Directors unanimously recommend that you <b>ACCEPT</b> the Offer, subject to there being no Superior Proposal.</p> <p>If there is any change to this recommendation the Apollo Directors will inform you.</p>

The Offer	
	<p>The reasons for your Directors' recommendation are set out in section 1 of this Target's Statement.</p> <p>You are encouraged to read the Bidder's Statement and Target's Statement in full and to consider the Offer having regard to your personal circumstances. The Apollo Directors encourage you to seek your own independent financial and taxation advice prior to deciding whether to accept the Offer.</p>
<b>What do the Directors intend to do with their Apollo Shares?</b>	<p>Each Director who held or controlled Shares has accepted the Offer in respect of the Shares they own or control.</p> <p>As a pre-condition to making the revised Offer, Ramelius required the Apollo Board to agree to accept into the revised Offer immediately. Ramelius advised the Board that it would not make the revised Offer without this support.</p> <p>By agreeing to immediately accept into the revised Offer, the members of the Apollo Board created the opportunity for all Apollo Shareholders to receive the revised Offer, with a value of \$0.62 per Apollo share. In the absence of this action, it is possible that an offer above the initial offers would not have been made.</p> <p>However, in agreeing to accept the revised Offer so as to allow the revised Offer to proceed, the members of the Apollo Board are precluded from receiving the benefit of any superior offer from any party other than Ramelius. This is not the case for other Apollo Shareholders who remain able to participate fully in any further offers from any party, sell their Apollo Shares on market or accept the revised Offer.</p>
<b>What does the Offer mean for Apollo's Lake Rebecca Project?</b>	<p>Apollo's assets will be owned and operated by Ramelius and will benefit from Ramelius' strong balance sheet and experienced management team.</p>
<b>What will be the role of Apollo Directors in the Combined Entity?</b>	<p>No Apollo Director has been offered a position on the Ramelius board (see section 9.6 of this Target's Statement for further details).</p> <p>The Combined Entity will be managed by the existing board and management of Ramelius.</p>
<b>When will I receive payment if I accept the Offer?</b>	<p>Generally, you will receive the Offer Price on or before the earlier of:</p> <ul style="list-style-type: none"> <li>(a) one month after you accept the Offer; and</li> <li>(b) 21 days after the end of the Offer Period.</li> </ul> <p>However, Ramelius has stated that it intends to provide the Offer Price as soon as possible after acceptance of the Offer and in any event within 5 business days. Foreign Apollo Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time.</p>

The Offer	
<b>What happens if Ramelius increases the Offer?</b>	If Ramelius improves the Offer Price during the Offer Period, any Shareholder who had previously accepted the Offer will be entitled to receive the improved Offer Price.
<b>What are the conditions to the Offer?</b>	The Offer is unconditional.
<b>When does the Offer close?</b>	The Offer is presently scheduled to close at <b>7pm (Sydney time) on 3 December 2021</b> (unless extended). Section 3.9 of this Target's Statement provides further details regarding the circumstances in which the Offer Period may be extended.
<b>What happens if I accept the Offer now?</b>	<p>If you accept the Offer now, you will give up your rights to sell your Apollo Shares on market or otherwise deal with them (for example, by accepting a Superior Proposal if one was to emerge) unless the limited withdrawal rights apply at the applicable time and you validly withdraw your acceptance.</p> <p>Ramelius has stated that it intends to provide the Offer Price as soon as possible after acceptance of the Offer and in any event within 5 business days. Foreign Apollo Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time.</p>
<b>Can Ramelius extend the Offer?</b>	<p>Ramelius may extend the Offer Period at any time before the end of the Offer Period.</p> <p>In addition, there will be an automatic extension of the Offer Period, if within the last 7 days of the Offer Period:</p> <ul style="list-style-type: none"> <li>(a) Ramelius improves the consideration offered under the Offer; or</li> <li>(b) Ramelius voting power in Apollo increases to more than 50%.</li> </ul> <p>If either of these two events occurs, the Offer Period will be automatically extended so that it ends 14 days after the relevant event occurs.</p>
<b>Does the Offer include my Apollo Options?</b>	<p>As they are a separate class of securities, the Offer does not include Apollo Options. However, the Offer does extend to Apollo Shares that are issued on the exercise of Apollo Options during the period from the Register Date to the end of the Offer Period.</p> <p>Under the terms of the Bid Implementation Agreement, Ramelius has also agreed to make offers to each holder of Apollo Options to acquire or cancel their Apollo Options (subject to any required waiver of the ASX Listing Rules).</p> <p>Refer to section 3.19 of this Target's Statement and section 7.2 of the Bidder's Statement for further information.</p>



## The Offer

### Does Apollo expect a competing offer?

The Board unanimously recommends the Offer (in the absence of a Superior Proposal).

As at the date of this Target's Statement, the only competing proposal is the Gold Road Offer. Ramelius' Offer (being valued at **\$0.62<sup>5</sup>**) is superior, being 10.7% higher than the Gold Road Offer of \$0.56. On 8 November 2021, Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted Ramelius' Offer with regards to its entire holding in Apollo (being 58,324,117 Apollo Shares).

It is not the Apollo Board's role to speculate on the likelihood of a competing offer.

The Bid Implementation Deed contains customary "no shop" and "no talk" provisions in relation to competing offers.

If a competing offer emerges, the Apollo Board will deal with it at the time and update shareholders accordingly.

## Options for Apollo Shareholders

### What choices do I have as a Shareholder?

As a Shareholder, you have the following choices in respect of your Shares:

- (a) accept the Offer in respect of all of your Apollo Shares;
- (b) sell your Apollo Shares on ASX (unless you have previously accepted the Offer); or
- (c) do nothing in relation to the Offer.

If you have already sold all your Apollo Shares, no action is required.

**YOUR APOLLO DIRECTORS UNANIMOUSLY RECOMMEND, IN THE ABSENCE OF A SUPERIOR PROPOSAL, THAT YOU ACCEPT THE OFFER.**

### When do I have to decide?

If you wish to accept the Offer you need to do so before its scheduled closing date. Ramelius has stated that its Offer is scheduled to close at **7pm (Sydney time) on 3 December 2021**, unless it is extended.

If you wish to reject the Offer, you do not need to do anything.

## How to respond to the Offer

### How do I accept the Offer?

To accept the Offer, you should follow the instructions set out on the Acceptance Form that accompanies the Bidder's Statement.

<sup>5</sup> All premia analysis is calculated using the 3 day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

The Offer	
	You may only accept the Offer in respect of all of the Apollo Shares held by you.
<b>What should I do if I did not receive or have misplaced my Acceptance Form?</b>	If you have not received your Acceptance Form or have misplaced it, please call Computershare Investor Services Pty Limited on +61 08 9323 2000. Calls to the above numbers will be recorded. Inquiries in relation to the Offer will not be received on any other telephone numbers of Ramelius or its advisers.
<b>How do I reject the Offer?</b>	To reject the Offer, you should do nothing. If you decide to do nothing, you should be aware of the rights of Ramelius to compulsorily acquire your Apollo Shares in certain circumstances. See section 3.14 of this Target's Statement for more details in relation to compulsory acquisition.
<b>Can I accept the Offer for part of my shareholding?</b>	No. You cannot accept the Offer for part of your shareholding. You may only accept the Offer made to you for all of the Apollo Shares held by you.
<b>What if I am a Foreign Shareholder or hold a Unmarketable Parcel?</b>	Foreign Apollo Shareholders and Unmarketable Parcel Shareholders that accept the Offer will not receive Ramelius Shares. Rather, the Ramelius Shares that Foreign Apollo Shareholders and Unmarketable Parcel Shareholders would have been entitled to receive will be issued to, and sold by, a nominee and the net proceeds attributable to each Foreign Shareholder or Unmarketable Parcel Shareholder will be paid to them by cheque in Australian dollars drawn on an Australian bank account.  Foreign Apollo Shareholders and Unmarketable Parcel Shareholders should refer to section 13.7 of the Bidder's Statement, which provides further information on Foreign Apollo Shareholders, Unmarketable Parcel Shareholders and the nominee sale process. Ramelius' determination of whether an Apollo Shareholder is a Foreign Apollo Shareholder or Unmarketable Parcel Shareholder shall be final.
<b>Can I sell my Shares on-market?</b>	You can sell all or some of your Apollo Shares on ASX unless you have accepted the Offer in respect of those Apollo Shares. If you sell your Apollo Shares on ASX: (a) you may incur brokerage charges; (b) you will lose the ability to accept the Offer or any other offer which may eventuate; (c) you may receive more or less for your Apollo Shares than the Offer Price; and (d) you will be paid on the second Business Day after the sale.
<b>What are the consequences of accepting the Offer?</b>	If you accept the Offer you will receive \$0.34 cash plus 0.1778 Ramelius Shares for each Apollo Share you hold.

The Offer	
<b><i>If I accept the Offer now, can I withdraw my acceptance?</i></b>	<p>Once you accept the Offer, you will not be able to revoke your acceptance unless a withdrawal right exists or arises under the Corporations Act.</p> <p>Further details on your ability to withdraw your acceptance are set out in section 3.10 of this Target's Statement.</p>
<b><i>What happens if I do nothing?</i></b>	<p>You will remain an Apollo Shareholder. However, Ramelius has stated that if it becomes entitled to compulsorily acquire Apollo Shares, it intends to do so. See section 8.3 of the Bidder's Statement for more details.</p> <p>If you do not accept the Offer and Ramelius acquires a relevant interest in at least 90% of Apollo Shares, Ramelius intends to proceed to compulsorily acquire your Apollo Shares.</p> <p>If you do not accept the Offer and:</p> <ul style="list-style-type: none"> <li>(a) Ramelius does not acquire a relevant interest in at least 90% but above 50.1% of Apollo Shares; and</li> <li>(b) you remain an Apollo Shareholder,</li> </ul> <p>you may be left holding Apollo Shares with significantly reduced liquidity and with Ramelius as the controlling shareholder of Apollo and Ramelius may be entitled to remove Apollo from the official list of the ASX.</p> <p>As at the date of this Target's Statement, Ramelius has announced that it has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer.</p> <p>See section 8.3 of the Bidder's Statement for more details.</p>
<b><i>Can I be forced to sell my shares?</i></b>	<p>You cannot be forced to sell your Apollo Shares unless Ramelius acquires a Relevant Interest in at least 90% of all Apollo Shares.</p> <p>Ramelius' intentions with respect to compulsory acquisition are set out in section 8.3 of the Bidder's Statement. In summary, Ramelius has indicated that if it becomes entitled to do so under the Corporations Act, it intends to give notices to compulsorily acquire any outstanding Apollo Shares in accordance with section 661B of the Corporations Act.</p>
<b><i>Will Ramelius Shares issued under the Offer be listed on ASX?</i></b>	<p>Ramelius intends to make an application for quotation of the Ramelius Shares issued under the Offer on ASX. If the application is not successful, then all contracts resulting from acceptances of the Offer will be automatically void.</p>
<b><i>What if I don't want Ramelius Shares?</i></b>	<p>You are free to sell the Ramelius Shares you received under the Offer on market. Brokerage will be payable on any subsequent sale of Ramelius Shares.</p>

General Matters	
<b><i>What are the tax implications of accepting the Offer?</i></b>	<p>A general outline of the tax implications of accepting the Offer is set out in section 14 of the Bidder's Statement.</p> <p>As the outline is general in nature, you should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the offer.</p> <p>CGT rollover relief will not be available on the portion of the Offer Price paid in Ramelius Shares if Ramelius acquires less than 80% of the Apollo Shares under the Offer.</p>
<b><i>Do I pay brokerage if I accept?</i></b>	<p>No brokerage or stamp duty will be payable as a result of your acceptance of the Offer.</p>
<b><i>If I have further questions in relation to the Offer, what can I do?</i></b>	<p>Please call the Company Secretary on +61 8 6319 1900 at any time between 8:30am and 5pm (WST) on Monday to Friday, or you can speak to your financial or other professional adviser.</p>

### 3. DETAILS OF THE OFFER

#### 3.1 Background to the Offer

On 18 October 2021, Apollo and Ramelius jointly announced that they had entered into the Bid Implementation Deed under which Ramelius agreed to make an off-market takeover offer for all of the Apollo Shares.

On 1 November 2021, Apollo and Ramelius jointly announced that the Bid Implementation Deed had been varied and Ramelius had increased the consideration payable under the Offer to \$0.34 cash plus 0.1778 Ramelius Shares for each Apollo Share held.

You should have recently received the Bidder's Statement from Ramelius, containing the full terms and conditions of the Offer, together with other information material to your decision whether or not to accept the Offer.

#### 3.2 The Offer

Ramelius is offering \$0.34 cash plus 0.1778 Ramelius Shares for each Apollo Share held.

#### 3.3 Offer Price

The implied value of the Offer Price will fluctuate during the Offer Period with the Ramelius Share price. Accordingly, if the Ramelius Share price falls, the implied value of the Offer Price will fall. Likewise, if the Ramelius Share price rises, the implied value of the Offer Price will rise. The table below illustrates the implied value of the Offer Price based on a Ramelius Share price range of \$1.45 to \$1.70.

Ramelius Share price	Cash component	Implied value of scrip component	Implied total value
\$1.45	\$0.34	\$0.258	\$0.598
\$1.50	\$0.34	\$0.267	\$0.607
\$1.55	\$0.34	\$0.276	\$0.616
<b>\$1.574<sup>6</sup></b>	\$0.34	\$0.280	\$0.620
\$1.65	\$0.34	\$0.293	\$0.633
\$1.70	\$0.34	\$0.302	\$0.642

#### 3.4 The Offer is unanimously recommended by the Apollo Directors

The Apollo Directors unanimously recommend that Apollo Shareholders accept the Offer in the absence of a Superior Proposal.

#### 3.5 Directors' intentions in relation to the Offer

Each Director who held or controlled Shares has accepted the Offer in respect of the Shares they own or control.

<sup>6</sup> Representing the 3-day VWAP of Ramelius Shares up to and including 15 October 2021 (being the last trading day prior to the Announcement Date).

As a pre-condition to making the revised Offer, Ramelius required the Apollo Board to agree to accept into the revised Offer immediately. Ramelius advised the Board that it would not make the revised Offer without this support.

By agreeing to immediately accept into the revised Offer, the members of the Apollo Board created the opportunity for all Apollo Shareholders to receive the revised Offer, with a value of \$0.62 per Apollo share. In the absence of this action, it is possible that an offer above the initial offers would not have been made.

However, in agreeing to accept the revised Offer so as to allow the revised Offer to proceed, the members of the Apollo Board are precluded from receiving the benefit of any superior offer from any party other than Ramelius. This is not the case for other Apollo Shareholders who remain able to participate fully in any further offers from any party, sell their Apollo Shares on market or accept the revised Offer.

### **3.6 Ramelius intentions**

See section 8 of the Bidder's Statement for a summary of Ramelius' intentions following completion of the Offer.

### **3.7 Intentions of major shareholders**

As noted in section 3.5 of this Target's Statement, the Apollo Directors have accepted the Offer in respect of all the Apollo Shares they own or control, immediately upon the Offer opening.

The Apollo Directors owned or controlled a total of 34,062,185 Apollo Shares representing 11.7% of Apollo Shares outstanding at the date of the Bidder's Statement.

In addition, Capricorn Mining and its associated entities, which was the third largest shareholder of Apollo after Gold Road and Ramelius as at the date of the Bidder's Statement, accepted the Offer in respect of the 23,959,286 Apollo Shares it owned immediately upon the Offer opening, representing 8.2% of the Apollo Shares outstanding at the date of this Target's Statement.

On 10 November 2021, Gold Road announced that it had accepted Ramelius' Offer with regards to its entire holding in Apollo (being 58,324,117 Apollo Shares).

As at the date of this Target's Statement, Ramelius has announced that it has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer.

### **3.8 Offer Conditions**

The Offer is unconditional, as noted in section 13.8 of the Bidder's Statement.

### **3.9 Offer Period and extension**

Unless the Offer is extended, it is open for acceptance from 1 November 2021 until **7pm (Sydney time) on 3 December 2021** (unless extended). You should not assume that the Offer Period will be extended.

Ramelius reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.

If, within the last 7 days of the Offer Period, either of the following events occurs:

- (a) the Offer is varied to improve the consideration offered; or
- (b) Bidder's voting power in Apollo increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

### **3.10 Effect of accepting the Offer and rights of withdrawal**

Accepting the Offer would (subject to the withdrawal rights discussed below):

- (a) prevent you from accepting any higher takeover bid that may be made by a third party or any alternative transaction proposal that may be recommended by the Board; and
- (b) relinquish control of your Shares to Ramelius.

Ramelius has stated that it intends to provide the Offer Price as soon as possible after acceptance of the Offer and in any event within 5 business days. Foreign Apollo Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time.

If you accept the Offer, you will have a right to withdraw your acceptance in some circumstances. Those withdrawal rights comprise general statutory withdrawal rights under the Corporations Act. In summary:

- (a) under the Corporations Act, you may withdraw your acceptance of the Offer if Ramelius extends the Offer Period for more than one month and the obligations of Ramelius to deliver the consideration are postponed for more than one month; and
- (b) in those circumstances, you will have one month after the date that notice of the extension is given to Apollo to withdraw your acceptance. Your statutory withdrawal rights will terminate on the expiry of that one month, although if the Offer Period is then further extended you may receive further statutory withdrawal rights.

If you become entitled to withdraw your acceptance, you will be sent a notice from Ramelius, explaining your rights in this regard.

### **3.11 Foreign Apollo Shareholders and Unmarketable Parcel Holders**

Apollo Shareholders who are Foreign Apollo Shareholders or Unmarketable Parcel Shareholders will not be entitled to receive Ramelius Shares as consideration for their Apollo Shares pursuant to the Offer, unless Ramelius otherwise determines.

An Apollo Shareholder is a Foreign Shareholder for the purposes of the Offer if their address as shown in the register of members of Apollo is in a jurisdiction other than Australia or its external territories or New Zealand. However, such a person will not be a Foreign Apollo Shareholder if Ramelius is satisfied that it is not legally or practically constrained from making the Offer to an Apollo Shareholder in the relevant jurisdiction and to issue Ramelius Shares to such a shareholder on acceptance of the Offer, and that it is lawful for the shareholder to accept the Offer in such circumstances in the relevant jurisdiction. Notwithstanding anything else in this Target's Statement, Ramelius is not under any obligation to spend any money, or undertake any action, in order to satisfy itself concerning any of these matters.

An Apollo Shareholder is a Unmarketable Parcel Shareholder if the total number of shares held by it is less than a Unmarketable Parcel.

The Ramelius Shares which would otherwise have been issued to Foreign Apollo Shareholders and Unmarketable Parcel Shareholders will instead be issued to a nominee approved by ASIC, who will sell these shares. The net proceeds of the sale of such shares (after the deduction of fees, taxes and sale expenses) will then be remitted to the relevant Foreign Apollo Shareholders and Small Shareholders. Refer to section 13.7 of the Bidder's Statement for further details.

### **3.12 When you will receive the Offer Price if you accept the Offer**

Ramelius has set out in section 13.6 of the Bidder's Statement the timing of the provision of the consideration to Apollo Shareholders who accept the Offer. In general terms, provided you have validly accepted the Offer, you will receive the consideration to which you are entitled on acceptance of the Offer on the earlier of:

- (a) one month after the Offer is accepted; and
- (b) 21 days after the end of the Offer Period.

However, Ramelius has stated that it intends to provide the Offer Price as soon as possible after acceptance of the Offer and in any event within 5 business days. Foreign Apollo Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale to which they are entitled under the Offer at a different time.

### **3.13 Increased Offer Price**

If Ramelius improves the Offer Price during the Offer Period, any Shareholder who had previously accepted the Offer will be entitled to receive the improved Offer Price.

### **3.14 Compulsory acquisition**

Ramelius' intentions with respect to compulsory acquisition are set out in section 8.3 of the Bidder's Statement.

In summary, Ramelius has indicated that if it becomes entitled to compulsory acquire any outstanding Apollo Shares in accordance with Part 6A.1 of the Corporations Act and any outstanding Apollo Options in accordance with Part 6A.2 of the Corporations Act, it intends to proceed with the compulsory acquisition of these shares and options.

An overview of Ramelius' rights to compulsorily acquire Apollo Shares is set out below.

### **3.15 Post-bid compulsory acquisition**

Ramelius will be entitled, under section 661A of the Corporations Act, to compulsorily acquire any Apollo Shares in respect of which it has not received an acceptance of the Offer on the same terms as the Offer if, during or at the end of the Offer Period, Ramelius (together with its Associates) has a Relevant Interest in at least 90% (by number) of the Apollo Shares and Ramelius and its Associates have acquired at least 75% (by number) of the Apollo Shares that Ramelius offered to acquire under the Offer (whether the acquisitions happened under the bid or otherwise).



If these thresholds are met, Ramelius will have up to one month after the end of the Offer Period within which to give compulsory acquisition notices to Apollo Shareholders who have not accepted the Offer. Apollo Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Apollo Shareholder to establish to the satisfaction of a Court that the consideration offered does not represent "fair value" for their Apollo Shares.

If compulsory acquisition occurs, Apollo Shareholders who have their Apollo Shares compulsorily acquired will be paid their consideration later than the Apollo Shareholders who accept the Offer.

### **3.16 General compulsory acquisition provisions**

Ramelius will be entitled, under section 664A of the Corporations Act, to compulsorily acquire any outstanding Apollo Shares and Apollo Options if Ramelius' voting power in Apollo is at least 90% and Ramelius (either in its own right or through related bodies corporate) acquires full beneficial interests in at least 90% (by value) of the aggregate of all Apollo Shares and Apollo Options and:

- (a) Ramelius lodges a compulsory acquisition notice with ASIC within six months of achieving that 90% holding;
- (b) Ramelius proposes a cash sum for the compulsory acquisition of the Apollo Shares and Apollo Options; and
- (c) Ramelius obtains the report of an expert stating whether, in the expert's opinion, the terms proposed in the notice give fair value of the securities covered.

### **3.17 Further developments**

Should there be any developments during the Offer Period (for example, the emergence of a Superior Proposal from another bidder) which would alter the Apollo Directors' recommendations in relation to the Offer, Apollo Shareholders will be notified through a supplementary Target's Statement.

As at the date of this Target's Statement, the only competing proposal is the Gold Road Offer. Ramelius' Offer (being valued at **\$0.62<sup>7</sup>**) is superior, being 10.7% higher than the Gold Road Offer of \$0.56. On 8 November 2021 Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted the Offer made by Ramelius with regards to their entire holding in Apollo (being 58,324,117 Apollo Shares).

### **3.18 Taxation Consequences**

In making a decision whether to accept the Offer, Apollo Shareholders should also have regard to the fact that the disposal of Apollo Shares may have taxation consequences. Apollo Shareholders should carefully read and consider the potential Australian taxation consequences of accepting the Offer as set out in section 14 of the Bidder's Statement.

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<sup>7</sup> All premia analysis is calculated using the 3 day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

As the outline is general in nature, you should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the offer.

CGT rollover relief will not be available on the portion of the Offer Price paid in Ramelius Shares if Ramelius acquires less than 80% of the Apollo Shares under the Offer.

### 3.19 Treatment of Apollo Options

Apollo currently has 5,250,000 Options on issue as follows:

Option Class	Number	Exercise Price	Expiry Date
1	1,250,000	\$0.325	30 June 2022
2	2,000,000	\$0.2625	31 December 2022
3	2,000,000	\$0.315	31 December 2022

Apollo Optionholders may exercise their Apollo Options and accept the Offer in respect of the Apollo Shares issued.

The Offer will extend to Apollo Shares issued on the exercise of Apollo Options after the Register Date but before the end of the Offer Period, provided those Apollo Options were on issue as at the Register Date.

Under the Bid Implementation Deed, Ramelius has also agreed to make offers to each holder of Apollo Options to acquire or cancel their Apollo Options subject to ASX granting a waiver from ASX Listing Rule 6.23.2 or Apollo Shareholders approving the cancellation of the Apollo Options.

The Apollo Directors' holdings of Apollo Options are set out in section 9.2 of this Target's Statement.

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## 4. OFFER CONSIDERATIONS

### 4.1 Possible reasons not to accept the Offer

This section 4.1 sets out key reasons why Shareholders may decline to accept the Offer.

(a) **You may disagree with the recommendation of the Apollo Directors**

You may hold a different view to the Apollo Directors and believe that the Offer Price of \$0.34 cash plus 0.1778 Ramelius Shares per Share is inadequate.

(b) **You may wish to remain an Apollo Shareholder**

If you accept the Offer, you will no longer be entitled to participate in the future financial performance of Apollo or exercise the rights (including voting rights) of being an Apollo Shareholder.

(c) **The tax consequences of acceptance of the Offer may not be favourable to you given your financial position**

Acceptance of the Offer by Apollo Shareholders is likely to have tax implications. You should carefully read and consider the potential Australian taxation consequences of accepting the Offer as summarised in section 14 of the Bidder's Statement.

CGT rollover relief will not be available on the portion of the Offer Price paid in Ramelius Shares if Ramelius acquires less than 80% of the Apollo Shares under the Offer.

As the outline is general in nature, you should consult your taxation adviser for detailed taxation advice before making a decision as to whether or not to accept the offer.

Apollo Shareholders should not rely on the taxation considerations set out in section 14 of the Bidder's Statement as being advice on their own affairs. Apollo Shareholders should consult with their own independent taxation advisers regarding the taxation implications of accepting the Offer given their particular circumstances.

(d) **You may consider that there is the potential for a proposal superior to the Offer to be made for Apollo Shares**

It is possible that a proposal superior to the Offer could materialise in the future. However, as at the date of this Target's Statement, no alternative proposal has been received.

As at the date of this Target's Statement, the only competing proposal is the Gold Road Offer. Ramelius' Offer (being valued at **\$0.62<sup>8</sup>**) is superior, being 10.7% higher than the Gold Road Offer of \$0.56. On 8 November 2021 Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted the Offer made by

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<sup>8</sup> All premia analysis is calculated using the 3 day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

Ramelius with regards to their entire holding in Apollo (being 58,324,117 Apollo Shares).

#### **4.2 Risks associated with accepting the Offer and being a Ramelius Shareholder**

Details on the risks associated with accepting the Offer and being a Ramelius Shareholder are contained in section 11 of the Bidder's Statement and sections 8.1 and 8.2 of this Target's Statement.

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## 5. YOUR CHOICES AS A SHAREHOLDER

As an Apollo Shareholder you have three choices currently available to you:

(a) **ACCEPT THE OFFER**

Apollo Shareholders may elect to accept the Offer in respect of their Apollo Shares. Apollo Shareholders will receive \$0.34 cash plus 0.1778 Ramelius Shares for each Share for which a valid acceptance has been received.

To accept the Offer, follow the instructions on the Acceptance Form which accompanies the Bidder's Statement.

(b) **SELL YOUR APOLLO SHARES ON MARKET**

Apollo Shareholders may elect to sell some or all of their Apollo Shares on ASX if they have not already accepted the Offer in respect of those Apollo Shares.

The price you will receive for your Apollo Shares will depend on the prevailing market price of the Apollo Shares at the time of sale. You should be aware that the market price of Apollo Shares may rise or fall throughout the Offer Period and following the close of the Offer. You should also note that:

- (i) you will need to pay any brokerage fees which may be payable on such a sale; and
- (ii) you will not benefit from any increase in the Offer Price or from any alternative offer made by another bidder for your Apollo Shares, if such an offer is made.

The latest price for Apollo Shares may be obtained from the ASX website at **[www.asx.com.au](http://www.asx.com.au)**.

Apollo Shareholders who wish to sell their Apollo Shares on ASX should contact their broker for information on how to effect that sale.

(c) **DO NOTHING**

Apollo Shareholders who do not wish to accept the Offer or sell their Apollo Shares on market can do nothing.

Apollo Shareholders should note that if Ramelius acquires a Relevant Interest in at least 90% of the Apollo Shares during or at the end of the Offer Period, Ramelius has indicated that it intends to compulsorily acquire the Apollo Shares in which it has not acquired a Relevant Interest. In that situation, you may be paid for your Apollo Shares later than Apollo Shareholders who accept the Offer.

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## **6. INFORMATION RELATING TO APOLLO**

### **6.1 Overview of Apollo**

Apollo is an ASX-listed, Western Australian based, gold exploration company holding a portfolio of tenements led by the Lake Rebecca Project, only 150kms from Kalgoorlie.

Apollo is focussed on its key asset, the Lake Rebecca Project, which contains three advanced and growing gold discoveries – Rebecca (previously named Bombora), Duke, and Duchess (previously named Redskin), in which gold mineralisation is hosted by broad zones of disseminated sulphides in gneiss. The boundaries of each system are only partially defined and offer potential for high-grade plunging positions internal to the zones.

### **6.2 History of Apollo**

Apollo was listed on the ASX in 2005, initially as a life sciences entity. During 2009 and 2010 Apollo completed the purchase of a 100% share in the Lake Rebecca tenement E28/1610 and commenced minerals exploration. In 2012, the Company also acquired Aspire Minerals Pty Ltd for the purposes of obtaining and undertaking exploration on projects in the West African nation of Cote d'Ivoire. During the period 2012 to 2017 Apollo carried out gold exploration in both continents, before focussing entirely on the Lake Rebecca Project late 2017 onward.

The Ivorian assets were then divested over several transactions, culminating in the sale of its royalty interest over the Seguela Gold Project in Cote d'Ivoire. The sale was completed in April 2021 for a consideration of \$20 million.

In February 2020, Apollo declared a combined 1.035-million-ounce Mineral Resource at the Lake Rebecca Project, across three deposits and wholly constrained within optimised pit shells. An updated independent mineral resource estimate was completed for each of the Rebecca, Duchess and Duke deposits in April 2021, following infill and step-out RC and diamond drilling completed in 2020.

### **6.3 Projects**

Apollo's projects and exploration tenements are located in Western Australia and consist of the Lake Rebecca Project, the Yindi and Larking Gold Projects and the Louisa Nickel-Copper Project.

#### **(a) Lake Rebecca Project (100% Apollo)**

The Lake Rebecca Project comprises approximately 160km<sup>2</sup> of tenure located 145km east of Kalgoorlie, covering a greenstone belt on the eastern margin of the Norseman-Wiluna Greenstone Belt. The belt lies at the southern end of the Laverton Tectonic Zone, a regionally important structural corridor that hosts multiple gold camps.

As noted above, in February 2020, Apollo declared a combined 1.035-million-ounce Mineral Resource at the Lake Rebecca Project. On 20 April 2021, Mineral Resource estimates were revised for the Rebecca, Duchess and Duke deposits following infill and step-out RC and diamond drilling completed in 2020. Total combined in-pit Mineral Resources now stand at 29.1 million tonnes at 1.2g/t Au for 1.105 million ounces of gold, 74% of which is at Indicated status. The flagship Rebecca deposit - which contributes three quarters of overall ounces – has 840,000oz Au (74% of which are at Indicated classification) in stacked, strike-continuous and

higher-grade mineralised structures to 30m true width. These structures will be important contributors to commercial evaluation and any future mine scheduling.

The Mineral Resource sits well within WA's Eastern Goldfields gold mining district, is continuous at a variety of cut-off grades and has scale to support future commercialisation of the Lake Rebecca Project.

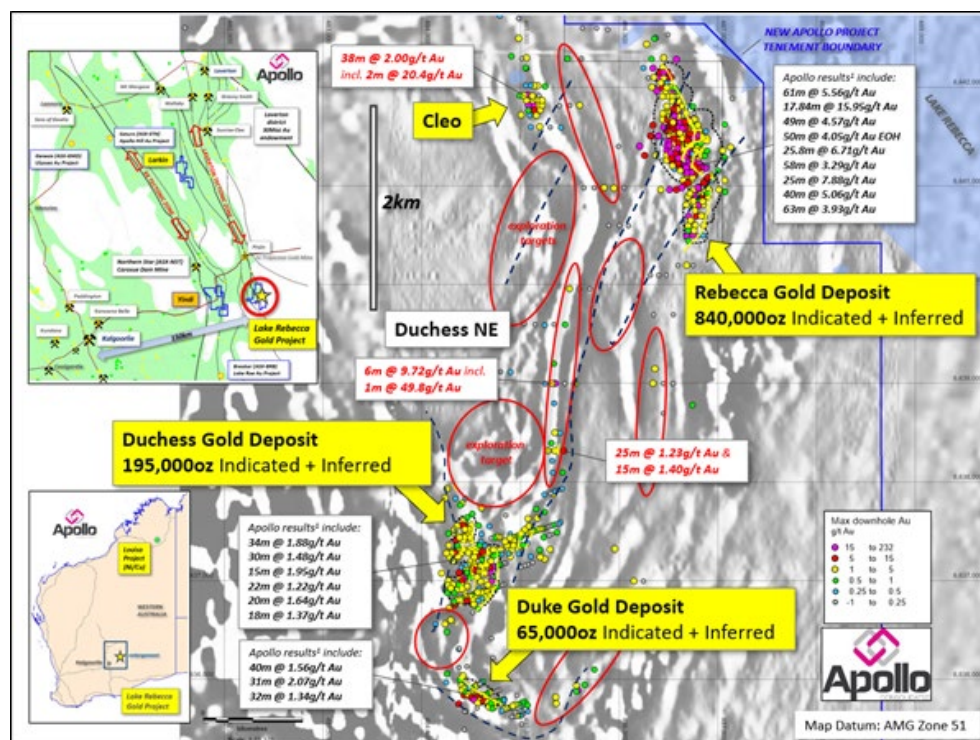


Figure 1. Lake Rebecca Project and location of Rebecca, Duchess and Duke gold deposits.

The Rebecca Prospect is the primary focus for drilling, however the Company is also expanding exploration through the under-tested areas surrounding the Rebecca project.

The Duke and Duchess prospects are located 4-5km to the south of Rebecca and had received historical RC and diamond drilling by 1990's explorers, but at a density unsuitable for the definition of individual Lode surfaces. Apollo has carried out a sustained program of infill drilling to bring the two deposits to Mineral Resource status.

Disseminated sulphides in this area respond well to IP geophysical tools, and extensions to existing IP grids during early 2019 have delivered strong strike-extension targets.

The Duchess mineralised centre occupies a broad area approximately 1200m long and 400m wide, located approximately 4km southwest of Rebecca. The area is characterised by widespread sub-horizontal layers of weakly mineralised (0.1-0.5g/t Au) material in the lower oxide profile, and multiple north trending & west-dipping disseminated sulphide structures in underlying fresh granodiorite and diorite gneiss.

The Duchess Mineral Resource Estimate was upgraded to 6.85Mt at 0.9g/t Au for 195,000oz of which 4.15Mt @ 0.90g/t Au for 125,000oz is at Indicated status (Table 1 below). Mineral Resources are reported within a

A\$2,250/oz pit shell complex that extends over 950m strike, up to 550m width and to 180m depth.

Gold mineralisation at Duke extends over at least 400m of strike and is hosted by a near-vertical disseminated sulphide lode with good down-dip continuity. Apollo's limited RC drilling here successfully intersected wide zones of disseminated sulphide mineralisation and increased foliation and included intercepts of 35m @ 1.41g/t Au and 26m @ 1.60g/t Au. Mineralisation remains open eastward, where historical drilling is orientated sub-parallel to strike.

The updated Duke Mineral Resource Estimate now stands at 1.90Mt at 1.1g/t Au for 65,000oz, of which 1.45Mt @ 1.1g/t Au for 55,000oz (85%) is at Indicated status (Table 1 below). Mineral Resources are reported within a A\$2,250/oz pit shell that extends over 480m strike, 280m width and to 180m depth.

The information on the Lake Rebecca Project JORC (2012) Compliant Mineral Resource is extracted from ASX: AOP 20th April 2021 "Significant increase in Indicated Resources takes Rebecca Gold Project to technical studies & spurs accelerated drilling" and the "Annual Report to Shareholders" announced on 16 September. Detailed information on the Mineral Resource estimation is available in those documents. Refer to Apollo Consolidated website ([www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au)) and at the ASX platform. The Company is not aware of any new information or data that materially affects the information in those announcements. Also, Apollo confirms that the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed. The aggregate resource figure referenced in this Target's Statement is broken down into JORC-compliant resource categories as set out in Table 1 below:

Indicated				Inferred			Indicated & Inferred		
Deposit	Tonnes	Grade g/t	g/t Ounces	Tonnes	Grade g/t	Ounces	Tonnes	Grade g/t	Ounces
Rebecca	13,600,000	1.5	640,000	6,800,000	0.9	200,000	20,400,000	1.3	840,000
Duchess	4,150,000	0.9	125,000	2,700,000	0.8	75,000	6,850,000	0.9	195,000
Duke	1,450,000	1.1	55,000	400,000	1.1	15,000	1,900,000	1.1	65,000
<b>Total</b>	<b>19,200,000</b>	<b>1.3</b>	<b>815,000</b>	<b>9,900,000</b>	<b>0.9</b>	<b>290,000</b>			
<b>Total Indicated &amp; Inferred Mineral Resource</b>							<b>29,100,000</b>	<b>1.2</b>	<b>1,105,000</b>

Table 1. Lake Rebecca Project Mineral Resources as of April 2021. Notes: The Mineral Resources are reported at a lower cut-off grade of 0.5 g/t Au and are constrained within A\$2,250/oz optimised pit shells based on mining parameters and operating costs typical for Australian open pit extraction of deposits of similar scale and geology. All numbers are rounded to reflect appropriate levels of confidence. Apparent differences in totals may occur due to rounding.

(b) **Yindi and Larkin Gold Project (100% Apollo)**

The Yindi Project is strategically placed 30km to the west of Rebecca and located between Northern Star's (ASX: NST) Carosue Dam operation, and Breaker Resources' (ASX: BRB) Lake Roe discovery on the same prospective Keith-Kilkenny structural corridor.

Gold targets at Yindi include under-explored areas below soil cover and the Airstrip prospect where historical drilling of gold-in-soil anomalism has reported drilling results of 11m @ 2.15g/t Au, 12m @ 0.49g/t Au and 7m @ 0.96g/t Au. Compilation continued over a new 204km<sup>2</sup> exploration



licence application that covers the areas immediately to the west and south of the original Yindi tenure.

The greenfield Larkin Project sits in a strong structural setting along the western margin of the Laverton Tectonic Zone, approximately midway between the Lake Rebecca Project and Mount Morgans (Dacian Gold Ltd ASX-DCN). Northern Star's (ASX: NST) Box Well deposit of 2.76Mt @ 1.46g/t Au for 130,000oz Au, is located 1.2km to the NE of the tenement.

The Company's main target on the licence is an approximate 6km untested soil-covered structural corridor south of strongly deformed mafic, ultramafic and sedimentary rocks & minor shear-hosted gold workings at Gardner's Find, as well as areas of undertested auger anomalism in previous work. Limited aircore drilling was carried out over the year, and continued auger geochemical sampling is planned over untested areas of the tenement, with additional aircore drilling also planned.

(c) **Louisa Nickel-Copper Project (Apollo 100%, farm-out and JV with IGO Ltd)**

The Louisa Project is situated in the southern Kimberley region of WA and is prospective for intrusive hosted Ni-Cu sulphide systems, in a geological setting broadly like the Savannah Ni-Cu mine (ASX: PAN) located 220km to the east.

IGO Ltd (ASX: IGO) (See ASX: AOP 14th October 2019 "Louisa Nickel Project Attracts Strong Partner") is exploring for nickel-copper sulphide mineralisation in the region. An Independence subsidiary may earn a 75% interest in the Project by spending a total of \$3.35M within 24 months and then may elect to continue to spend an additional \$3M within four years.

Access negotiations have to date restricted on-ground exploration such that the Company has agreed to a Delay Event, thereby extending the period in which IGO can earn into the property. IGO reports that heritage and access documentation is progressing and anticipate that field work should be able to commence in 2021.

#### **6.4 Apollo financial information and project activities**

Apollo's Annual Report (comprising the full financial accounts) for the financial year ending 30 June 2021 (**2021 Annual Report**) was released to ASX on 16 September 2021.

The 2021 Annual Report discloses that Apollo, on a consolidated basis, reported revenue of \$46,691, profit from discontinued operations of \$14,000,000 (being the sale of Apollo's Seguela Royalty), a before tax loss of \$1,976,125, total assets of \$58,219,492 and total equity of \$52,403,583.

As at 30 June 2021, the reported cash balance for Apollo was \$36,908,116.

No event or item which may have a significant effect on the financial information contained in the 2021 Annual Report has occurred since 30 June 2021.

Copies of the 2021 Annual Report containing the full financial statements are available on Apollo's website.

## 6.5 Apollo issued capital

As at the date of this Target's Statement, Apollo has the following securities on issue:

- (a) 291,620,590 Shares;
- (b) 1,250,000 Options exercisable at \$0.325 each on or before 30 June 2022;
- (c) 2,000,000 Options exercisable at \$0.2625 each on or before 31 December 2022; and
- (d) 2,000,000 Options exercisable at \$0.315 each on or before 31 December 2022.

## 6.6 Substantial Shareholders

Based on publicly disclosed substantial holder notices, the substantial holders of Apollo Shares (being persons who hold a Relevant Interest in Apollo of 5% or more) as at the date of this Target's Statement, are as follows:

Shareholder Name	Number of Shares	Voting Power in Apollo
Ramelius Resources Limited <sup>1</sup>	134,282,483	46.05%
Harvest Lane Asset Management Pty Ltd	15,307,44	5.25%

### Notes:

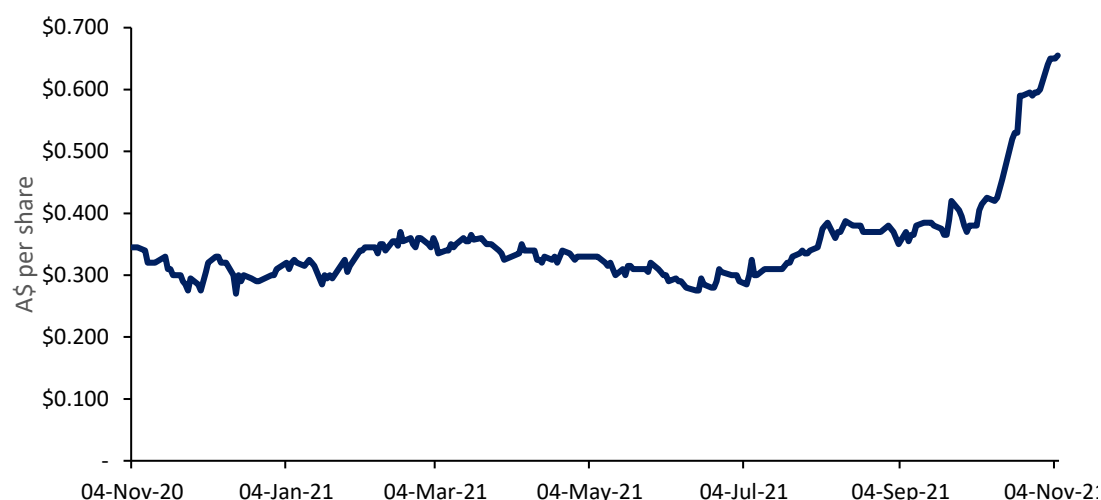
1. These details have been included from Ramelius' most recent substantial shareholder notice, as at the date of the Target's Statement. However, as announced by Ramelius on 12 November 2021, Ramelius has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer.

Apollo notes that the substantial shareholdings noted above are likely to change, and subsequent substantial shareholder announcements will be released on Apollo's ASX announcements platform.

## 6.7 Recent Share price performance

The below chart shows the price performance of Apollo Shares on ASX during the 12 month period up to and including 8 November 2021:

**Apollo Consolidated Limited 12 Month Share Price**



Source: Bloomberg

## 6.8 Apollo Board

### **Mr Roger Steinepreis** **Non-Executive Chairman of the Board**

Roger Steinepreis graduated from the University of Western Australia where he completed his law degree. He was admitted as a barrister and solicitor of the Supreme Court of Western Australia in 1987 and has been practising as a lawyer for over 30 years.

He is the legal adviser to a number of public companies on a wide range of corporate related matters. His areas of practice focus on company restructures, initial public offerings, mergers and acquisitions and mining law.

Mr Steinepreis is currently a director of the following companies:

- (a) Latitude Consolidated Limited (formerly Integrated Resources Group Limited) (ASX:LCD) from November 2012;
- (b) PetroNor E&P Limited (listed on Oslo Axess:PNOR) from April 2020; and
- (c) ClearVue Technologies Limited (ASX:CPV) from August 2020.

Mr Steinepreis has also held directorships with the following companies in the last three years: Talon Petroleum Limited (December 2017 to 30 June 2019).

### **Nick Castleden** **Managing Director**

Nick Castleden is a geological consultant with over 20 years' experience in the Australian and overseas mineral exploration and development industry. He has worked with active and successful Australian mining companies including Mt Isa Mines (MIM), Perilya Mines, MPI Mines, LionOre and Breakaway Resources in various exploration, geological and management capacities, and with corporate

houses Verona Capital and Chieftain Securities. Mr Castleden has worked on projects in Australia, West Africa and North and South America in both project generative and acquisition roles. He has particular experience in the gold, nickel sulphide and basemetal exploration business and has participated in the discovery and delineation of new gold and nickel-sulphide systems that have progressed through feasibility studies to mining.

Mr Castleden was previously a non-executive director of Latitude Consolidated Limited (ASX:LCD) (from June 2017, resigning 1 April 2021), and a non-executive director of TNT Mines Limited (ASX:TIN), (from June 2017, resigning 23 October 2020).

Mr Castleden has held no other directorships in the last three years.

**Robert Gherghetta**  
**Non-Executive Director**

Robert Gherghetta holds a Bachelor of Commerce in Accounting and Finance from the University of Western Australia and is a member of Chartered Accountants Australia & New Zealand. Mr Gherghetta was co-founder of Valiant Petroleum PLC, a London based oil and gas exploration and production company that successfully listed on the London Stock Exchange (AIM).

Mr Gherghetta has over 20 years financial and corporate experience gained in public practice and investment banking including Horwath Chartered Accountants, Australia, Credit Suisse First Boston, London and Royal Bank of Scotland, London.

Mr Gherghetta has held no directorships of listed companies in the last three years.

**Anthony James**  
**Non-Executive Director**

Mr James is a mining engineer with considerable operational, new project development and corporate experience including roles as Managing Director of Carbine Resources Ltd (ASX:CRB), Atherton Resources Ltd (ASX:ATE), and Mutiny Gold Ltd (ASX:MYG). Mr James is currently the Managing Director/CEO of Galena Mining Limited (ASX:G1A) commencing that role on 16 June 2021.

At Atherton Resources, he achieved a favourable outcome for shareholders following the takeover by Auctus minerals. At Mutiny Gold, he led the implementation of a revised development strategy for the Deflector copper-gold deposit in Western Australia that resulted in the successful merger of Mutiny Gold and Doray Minerals Ltd (ASX:DRM).

Prior to this, Mr James held a number of senior executive positions with international gold producer Alacer Gold Corporation following the merger between Anatolia Minerals and Avoca Resources in 2011. As the COO of Avoca Resources, he played a key role in Avoca's initial growth and success, leading the feasibility and development of the Trident Underground Mine and the Higginsville Gold Operations.

Mr James is currently a non-executive director of Medallion Metals Limited (ASX:MM8) (from October 2020) and was also a non-executive director of Wiluna Mining Corporation Limited (ASX:WMX) for three years between June 2018 and June 2021. Prior to becoming the Managing Director/CEO of Galena Mining Limited he was non-executive director of Galena commencing in October 2018.

Mr James is also the Director and Principal of James Mining Services Pty Ltd providing mining related consulting services to various Mining Resources clients.

#### **6.9 Other material information about Apollo**

All Apollo disclosures to ASX are available on Apollo's website at **[www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au)** and on the ASX website at **[www.asx.com.au](http://www.asx.com.au)** (under the ASX company code "AOP").

For more information on Apollo, please visit [www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au).

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## 7. INFORMATION RELATING TO RAMELIUS

### 7.1 Important notice

The following information about Ramelius is based on public information, including information in the Bidder's Statement, and has not been independently verified. Accordingly, Apollo does not make any representation or warranty, express or implied, as to the accuracy or completeness of this information. The information on Ramelius in this Target's Statement should not be considered comprehensive.

For more information on Ramelius, please refer to:

- (a) section 4 of the Bidder's Statement;
- (b) the website of Ramelius, [www.rameliusresources.com.au](http://www.rameliusresources.com.au); and
- (c) the ASX disclosures of Ramelius available on Ramelius' website at [www.rameliusresources.com.au](http://www.rameliusresources.com.au) and on the ASX website at [www.asx.com.au](http://www.asx.com.au) (under the company code "RMS").

### 7.2 Overview of Ramelius

Ramelius Resources Limited (ASX:RMS) is a Western Australian gold producer that has been listed on the ASX since 2003 and in production since 2006.

The company-making mine, Wattle Dam, was located approximately 70km south of Kalgoorlie and was at one stage the highest grade gold mine in Australia. It was operated successfully from 2006 to 2013.

Ramelius' currently operates the Mt Magnet, Vivien, Edna May and Marda gold mines and associated processing plants around Western Australia. Ramelius has enjoyed significant success in recent years with increased gold production and the addition of new mining projects including Tampia and Penny gold projects, also in WA.

For more information about the history and structure of Ramelius refer to section 4 of the Bidder's Statement.

### 7.3 Operations of Ramelius

#### (a) Mt Magnet Gold Project (100% owned by Ramelius)

The Mt Magnet gold project is located immediately adjacent to the town of Mt Magnet, 500km north-east of Perth in the Murchison Goldfield of the Western Australian Yilgarn Craton.

The Mount Magnet project consists of numerous open pit and underground mines plus exploration targets situated on established mining and prospecting leases. The total project area covers 225km<sup>2</sup>.

Historically Mt Magnet produced over 6 million ounces since discovery in 1891 and has significant potential to host new discoveries. The Hill 50 underground mine produced over 2.1 Moz of gold and was the largest gold producer in the field until the mine was closed in 2007. It had been mined to 1,500 m below surface, demonstrating the depth continuity of high grade mineralised shoots within the Mt Magnet project area.

For more information on the Mt Magnet gold project refer to section 4.4 of the Bidder's Statement, and the summary of Ramelius Ore Reserves and Mineral Resources in section 4.5 of the Bidder's Statement.

(b) **Viven Project (100% owned by Ramelius)**

The Vivien gold deposit is located near the Agnew Gold Mine, 15 km west of the town of Leinster in Western Australia.

Historical underground production from the Vivien leases between 1902 and 1911 totalled 76,000 oz at an average grade of 12.4 g/t Au. The Vivien open pit was mined between 1997 and 1998 and produced 410,000 tonnes at 2.70 g/t Au for 35,600 oz.

During 2013, Ramelius undertook resource and exploration drilling of the deposit and completed a mining feasibility study and statutory approvals. A mining inventory of 400,000t at 7.9 g/t for 109,000 oz was generated.

The underground project commenced in May 2015. At 30 June 2019, reconciled production was 743,248 t @ 6.43 g/t for 147,761 recovered ounces.

For more information on the Viven Project refer to section 4.4 of the Bidder's Statement, and the summary of Ramelius Ore Reserves and Mineral Resources in section 4.5 of the Bidder's Statement.

(c) **Edna May Gold Project (100% owned by Ramelius)**

Ramelius acquired the Edna May Gold Mine on 1st October 2017 from Evolution Mining Ltd, as an operating open pit gold operation which was mined historically and by ACM Gold in the late 1980's. The Stage 2 open pit operations were commenced by Catalpa Resources in 2010, which merged with Conquest in 2011 forming Evolution Mining.

The deposit has recorded production of over 1 million ounces, with over 500,000 ounces produced since 2011 under Evolution ownership. Annual production since 2011 has ranged from 66koz to 99koz.

Historic underground mining between 1911 and 1948 recorded production of 570 kt at a grade of 19.3 g/t. Up to 7 high-grade quartz 'reefs' were mined, reaching a depth of 250m.

For more information on the Edna May Gold Project refer to section 4.4 of the Bidder's Statement, and the summary of Ramelius Ore Reserves and Mineral Resources in section 4.5 of the Bidder's Statement.

(d) **Marda Gold Project (100% owned by Ramelius)**

The Marda Gold Mine is located 130km north of the town of Southern Cross and 400km north-east of Perth. The project consists of a number of shallow unmined gold deposits.

Previous exploration of the deposits has been undertaken by several companies including Chevron (1980's), Cyprus Gold, Gondwana Resources and Savage Resources (1990's). Southern Cross Goldfields (renamed as Black Oak Minerals 2014) carried out significant infill drilling in 2011 for resource estimation and a feasibility study.

Ramelius acquired the Marda Gold Project in February 2019. Additional drilling, studies and Mining Approvals were completed swiftly and the project commenced in late 2019.

For more information on the Marda Gold Project refer to section 4.4 of the Bidder's Statement, and the summary of Ramelius Ore Reserves and Mineral Resources in section 4.5 of the Bidder's Statement.

(e) **Tampia Project (10% owned by Ramelius)**

The Tampia gold mine was acquired via the takeover of Explaurum Limited (ASX:EXU) by Ramelius in late 2018 / early 2019. The project is located 12km south-east of the town of Narembeen in the Western Australia wheatbelt and 250km east of Perth.

In early 2021 Ramelius purchased the 10% minority interest in the project and additionally acquired the freehold farmland the project is located on. Mining commenced in May 2021 and ore processing commenced in July 2021.

For more information on the Tampia Project refer to section 4.4 of the Bidder's Statement, and the summary of Ramelius Ore Reserves and Mineral Resources in section 4.5 of the Bidder's Statement.

(f) **Penny Gold Project (100% owned by Ramelius)**

The Penny Gold Mine is located approximately 150km south-east of Ramelius' Mt Magnet mining and processing operations and approximately 550km north-east of Perth in Western Australia.

The Penny West deposit was discovered in 1990 and mined as a high-grade open pit in 1990/91 producing approximately 154,000t @ 18.0g/t Au for 89,000oz. Minor exploration was conducted over following years by a number of companies until Spectrum Metals discovered the Penny North lode zone in March 2019.

Ramelius acquired the project in 2020 via an off-market takeover offer of Spectrum Metals Limited. The deposit is located on granted mining leases M57/180 & M57/196.

For more information on the Penny Gold Project refer to section 4.4 of the Bidder's Statement, and the summary of Ramelius Ore Reserves and Mineral Resources in section 4.5 of the Bidder's Statement.

## **7.4 Financial information**

In the financial year ended 30 June 2021, Ramelius, on a consolidated basis, reported revenue of \$634,283,000, an after tax profit of \$126,778,000, total assets of \$846,298,000 and total equity of \$635,781,000.

The full financial accounts for Ramelius for the 2021 financial year, which include the notes to the accounts, can be found in the annual financial report for Ramelius for that period.

For more details on the financial information on the Ramelius Group, refer to section 4.8 of the Bidder's Statement.



## 7.5 Directors of Ramelius

As at the date of this Target's Statement, the directors of Ramelius are as follows:

Director Name	Position
Bob Vassie	Non-executive Chairman
Mark Zeptner	Managing Director
Michael Bohm	Non-executive Director
David Southam	Non-executive Director
Natalia Streltsova	Non-executive Director

For more information on the directors of Ramelius, refer to section 4.6 of the Bidder's Statement.

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## 8. RISK FACTORS

### 8.1 Risks associated with accepting the Offer

#### Limited withdrawal rights

You may only withdraw your acceptance if Ramelius extends the Offer Period for more than one month and the obligations of Ramelius to deliver the consideration are postponed for more than one month (see section 13.5 of the Bidder's Statement).

Otherwise, you will be unable to withdraw your acceptance even if the value of Ramelius varies significantly from the date of your acceptance of the Offer.

#### If a Superior Proposal is announced you will not be able to withdraw your acceptance of the Offer

If a Superior Proposal is announced, Apollo Shareholders who accept the Offer will not be able to withdraw their acceptance of the Offer and accept a Superior Proposal.

At the date of this Target's Statement, the Apollo Directors are not aware of any Superior Proposal. The only competing proposal is the Gold Road Offer. Ramelius' Offer (being valued at **\$0.62<sup>9</sup>**) is superior, being 10.7% higher than the Gold Road Offer of \$0.56. On 8 November 2021, Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted the Offer made by Ramelius with regards to their entire holding in Apollo (being 58,324,117 Apollo Shares).

#### CGT

Provided Ramelius acquires at least 80% of the Apollo Shares under the Offer, capital gains tax rollover relief will be available to Apollo Shareholders on the portion of the Offer Price paid in Ramelius Shares.

CGT rollover relief will not be available if Ramelius acquires less than 80% of the Apollo Shares under the Offer. A general overview of the tax implication of accepting the Offer for Australian resident Apollo Shareholders is set out in section 14.1 of the Bidder's Statement.

Apollo Shareholders should not rely on the taxation considerations set out in section 14 of the Bidder's Statement as being advice on their own affairs. Shareholders should consult with their own independent taxation advisers regarding the taxation implications of accepting the Offer given their particular circumstances.

#### Consideration

Ramelius has offered \$0.34 cash plus 0.1778 Ramelius Shares for each Apollo Share held. As Ramelius is listed on ASX, the value of the Offer Price will fluctuate depending on the market value of Ramelius Shares. There are risks associated with investing in Ramelius. These risks are discussed in sections 11.2 and 11.3 of the Bidder's Statement and also in section 8.2 of this Target's Statement.

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<sup>9</sup> All premia analysis is calculated using the 3 day VWAP for Ramelius Shares (up to and including 29 October 2021, being the last trading day before the Announcement Date) of \$1.574.

## **Apollo has not independently verified Ramelius information**

Apollo has relied on publicly available information released by Ramelius which has not been independently verified by Apollo and has assumed that Ramelius has complied with its continuous disclosure obligations under the ASX Listing Rules and the Corporations Act. Any inaccuracy in this information could adversely affect the anticipated results of operations of the Combined Entity.

### **8.2 Risks associated with being a Ramelius shareholder**

There are certain risks involved in holding Ramelius Shares and those risks are outlined in sections 11.2 and 11.3 of the Bidder's Statement. The Apollo Board draws your attention to the risks set out below:

#### **Issue of Ramelius Shares as consideration**

Apollo Shareholders are being offered consideration under the Offer that consists of a specified number of Ramelius Shares, rather than a number of Ramelius Shares with a specified market value. As a result, the value of the consideration will fluctuate depending upon the market value of the Ramelius Shares.

Furthermore, under the Offer, Ramelius will issue a significant number of Ramelius Shares. Some Apollo Shareholders may not intend to continue to hold Ramelius Shares and may wish to sell them on the ASX. There is a risk that if a significant number of Apollo Shareholders seek to sell their Ramelius Shares, this may adversely impact the price of Ramelius Shares.

Provided Ramelius acquires at least 80% of the Apollo Shares under the Offer, capital gains tax rollover relief will be available to Apollo Shareholders on the portion of the Offer Price paid in Ramelius Shares.

On 8 November 2021, Gold Road announced that it does not intend to improve the consideration offered under the Gold Road Offer, and on 10 November 2021 Gold Road announced that it had accepted Ramelius' Offer with regards to its entire holding in Apollo (being 58,324,117 Apollo Shares).

There are also certain risks that relate to the merger of Ramelius and Apollo should the Offer succeed. Ramelius has summarised these risks in sections 11.2 and 11.3 of the Bidder's Statement.

#### **Integration risks**

There are risks that any integration between the businesses of the Ramelius Group and the Apollo Group may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

#### **Change in risk and investment profile**

Apollo Shareholders who accept the Offer will be exposed to risk factors relating to Ramelius, and to certain additional risks relating to the Combined Group and the integration of the two companies.

These include risks relating to the operation of a broader suite of assets (both in nature and scale) than Apollo owns and the change in product and impurity profiles.

### 8.3 There are other risks in not accepting the Offer

#### No Premium

Apollo Shareholders who do not accept the Offer may not receive the premium offered by Ramelius. Further, in the absence of the Offer, the price of Apollo Shares on ASX may potentially reduce to the levels at which it was trading before the date of announcement of the Offer.

#### Minority ownership consequences

In section 8.4 of the Bidder's Statement, Ramelius describes its intentions in the event that it acquires more than 50% of the Apollo Shares but does not become entitled to at least 90% of the Apollo Shares.

If the scenario described in section 8.4 of the Bidder's Statement occurs, Apollo Shareholders who do not accept the Offer will become minority shareholders in Apollo and those Apollo Shareholders will no longer collectively control Apollo.

As at the date of this Target's Statement, Ramelius has announced that it has acquired a relevant interest in more than 50% of the Shares on issue, through acceptances received under the Offer.

This has a number of possible implications including the following:

- (i) Ramelius will be able to cast the majority of votes at a general meeting of Apollo enabling it to control the Board and senior management, determine Apollo's dividend policy and control the strategic direction of Apollo.
- (ii) Subject to the requirements of the Corporations Act and Apollo's constitution, Ramelius may appoint nominees of Ramelius to the Board.
- (iii) Your Directors believe it is reasonably likely that the liquidity of Apollo Shares would be lower than at present if a number of Apollo Shareholders accept the Offer.
- (iv) Ramelius may apply for Apollo's removal from the official list of ASX. If this occurs, Apollo Shares will not be able to be bought or sold on ASX.
- (v) If Ramelius acquires 75% or more of the Apollo Shares, it will be able to pass special resolutions of Apollo. This will enable Ramelius to amend Apollo's constitution.

There are also risks associated with holding Apollo Shares, these are detailed at section 8.4 of this Target's Statement.

#### Apollo's share price may fall

If the Offer is unsuccessful and no other offers emerge, Apollo's Share price may fall below the current trading price and Apollo Shareholders will be exposed to the ongoing risks associated with an investment in Apollo. In particular:

- (a) Apollo Shareholders will have full exposure to the development risk associated with Apollo's existing projects, and will not benefit from Ramelius' development expertise or financial strength; and

- (b) there is a strong probability that Apollo will have to raise additional funds to fund the development of the Lake Rebecca Project potentially through an issue of equity at a discount to the trading price of Apollo Shares, which could dilute your investment in Apollo.

#### **If you do not accept the Offer**

Liquidity in Apollo Shares may be significantly reduced, or Ramelius may be entitled to remove Apollo from the official list of the ASX and Ramelius may be entitled to acquire your Apollo Shares through compulsory acquisition (see section 3.14 of this Target's Statement).

### **8.4 Risks associated with holding Apollo Shares**

If you decide not to accept the Offer and retain your Apollo Shares, you will continue to be exposed to the risks associated with being an Apollo Shareholder. Holding an Apollo Share provides an economic interest in the ongoing operating activities of Apollo. However, there is no guarantee that Apollo will become profitable in the future as the business is affected by many risk factors.

These may be risks that are widespread risks associated with any form of business or specific risks associated with Apollo's business and its involvement in the exploration and mining industry.

The following summary represents some of the major risk factors which affect Apollo. These risk factors ought not to be taken as exhaustive of the risks faced by Apollo or by Apollo Shareholders. These factors, and others not specifically referred to, may in the future materially affect the financial performance of Apollo and the value of Apollo Shares. Where relevant, the risk factors below assume the Offer will not be successful and Apollo will continue to develop its projects interests.

#### **(a) General market risks**

The value of Apollo Shares will be influenced by a number of factors that are common to most listed investments. At any point in time, these may include:

- (i) the Australian and international economic outlook;
- (ii) movements in the general level of prices on international and local stock markets;
- (iii) changes in economic conditions including commodity prices, inflation, recessions and interest rates; and
- (iv) changes in Government fiscal, monetary and regulatory policies.

#### **(b) Company specific risks**

##### **(i) Future Share price**

There is a risk that the Apollo Share price may fall if the Offer is unsuccessful.

The Directors are not in a position to speculate on the future trading price of the Apollo Shares, including if the Offer lapses. The future price of Apollo Shares is dependent not only on

Apollo's performance, but also on external market and other factors.

(ii) **Financing and capital**

Apollo's continued ability to effectively implement its business plan over time may depend in part on its ability to raise additional funds. Notwithstanding Apollo's current financial position, Apollo's capacity to develop projects depends on its ability to put funding solutions in place.

There can be no assurance that Apollo will generate sufficient cash flow, or that access to sufficient investments, loans or other financing alternatives will be secured on commercially acceptable terms.

If the Offer is not successful, there is a risk that Apollo may not be able to fund its projects, or may only be able to do so on unfavourable terms. Specifically, it is likely that Apollo will need to raise funds by way of an equity issue and there is a risk that Apollo may not be able to complete such an equity raising, or only do so at a price that represents a significant discount to the then trading price of Apollo Shares, which would potentially significantly dilute your interest in Apollo.

(iii) **Exploration and development risk**

Apollo's future value will be materially dependent on the success or otherwise of Apollo's activities which are directed towards the exploration, evaluation and development of gold, nickel, copper and other resources. Exploration for and development of these resources is speculative and involves a significant degree of risk. Although the rewards can be substantial, there is no guarantee that future exploration on territories for which Apollo has exploration and development licences will lead to a commercial discovery or, if there is such discovery, that Apollo will be able to develop it economically. If at any stage Apollo is precluded from pursuing any of its exploration programs or from developing any resource it may identify, this may have an adverse effect on the value of Apollo Shares.

(iv) **Resources and reserve estimates**

Resource and reserve estimates are expressions of judgements based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect Apollo's operations.

Apollo's projects may yield less gold and precious metals under actual production conditions than indicated by Apollo's Mineral

Resource Estimates, which are estimates based on a number of assumptions.

(v) **Mine development**

Possible future development of mining operations at Apollo's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If Apollo commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control. No assurance can be given that Apollo will achieve commercial viability through the further development of its projects.

(vi) **Operating risks**

The current and future operations of Apollo, including exploration, appraisal and potentially construction and production activities may be affected by a range of factors, including adverse geological conditions, limitations on activities due to seasonal weather patterns and cyclone activity, unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities, mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes, riots and other force majeure events, unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment and the inability to obtain necessary consents or approvals.

Further, mechanical or operational failures during drilling, sampling, test work and potentially construction and production could cause Apollo substantial loss due to the cost of delay, personal injury or loss of life, damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations. Any of these events might also give rise to claims against Apollo.

Industry operating risks include fire, explosions, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown, environmental hazards such as accidental spills or leakage of liquids, gas leaks, ruptures, discharges of toxic gases, tailings dam failures, geotechnical failures or geological uncertainty. The occurrence of any of these risks could result in legal proceedings against Apollo and substantial losses to Apollo due to injury or loss of life, damage to or destruction of property,

natural resources or equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against Apollo.

(vii) **Key contracts**

The potential future construction, commissioning and operation of Apollo's projects will be dependent on securing key contracts. There can be no assurance that contract negotiations will achieve the estimates assumed in any of the studies prepared in relation to Apollo's projects, or that contractors will comply with their obligations under the key contracts.

(viii) **Geological, metallurgical and geotechnical**

There is a risk that unforeseen geological, metallurgical and geotechnical difficulties may be encountered when exploring, developing and mining ore reserves. In this event, a loss of revenue may be caused due to the lower than expected production and/or higher than anticipated operation and maintenance costs and/ or on-going unplanned capital expenditure in order to meet production targets.

(ix) **The future indebtedness of Apollo**

If Apollo enters into a project financing facility, the conditions imposed on Apollo by its financing arrangements could materially and adversely affect its business and results of operations. Any failure by Apollo to comply with the terms of a proposed project finance facility could lead to a termination of that facility or accelerate amounts due under that facility. Apollo could be exposed to adverse interest rate and exchange rate movements as a result of entering into the proposed project finance facility.

(x) **Market, Commodity Price and Currency risk**

Apollo is exposed to fluctuations in metal prices (principally gold, nickel and copper), fluctuations in foreign currency and interest rates, in each case in relation to its future operational cash flows and its ability to service existing and planned funding of current projects. The market prices for gold, nickel and copper fluctuate widely. These fluctuations are caused by numerous factors beyond Apollo's control, such as: speculative positions taken by investors or gold, nickel and copper traders, changes in the demand and supply, actual or expected metal sales by central banks and The International Monetary Fund (IMF), global or regional economic events. A sustained period of significant gold, nickel and copper price volatility may adversely affect Apollo's ability to evaluate the feasibility of undertaking new capital projects or continuing existing operations or to make other long-term strategic decisions.



(xi) **Occupational Health and Safety Risk**

The mining industry is an inherently hazardous industry, and is subject to increasing occupational health and safety responsibility and liability. The potential for significant loss and liability is a constant risk. If Apollo fails to comply with necessary occupational health and safety legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage.

(xii) **Environmental Risk**

All phases of Apollo's exploration and potential mining operations are subject to environmental regulation. There can be no assurance that future changes in environmental regulation, if any, will not adversely affect Apollo's operations, including in relation to pre-existing environmental hazards unknown to Apollo at present. Reclamation costs are uncertain and planned expenditures may differ from the actual expenditures required.

(xiii) **Regulatory and Political Risk**

Government regulations and political factors, including those relating to prices, taxes, royalties, land tenure, security of mineral rights tenure, land use, the environment, and community constraints, including potential land claims or restrictions on exploration or development are all key considerations in mineral projects. The effects of these factors cannot be accurately predicted and any combination of one or other of the above may impede the operation or development of a project and even render it uneconomic.

(xiv) **Reliance on key personnel**

Apollo currently depends on a relatively small number of key employees. There can be no assurance that Apollo will be able to attract and retain the necessary project and operations personnel to develop and operate the projects, the loss of any of whom could have a material impact on its business and results of operations.

## 9. ADDITIONAL INFORMATION

### 9.1 Details of Directors

The Directors of Apollo as at the date of this Target's Statement are:

Director Name	Position
Mr Roger Steinepreis	Non-Executive Chairman
Mr Nick Castleden	Managing Director
Mr Robert Gherghetta	Non-Executive Director
Mr Anthony James	Non-Executive Director

### 9.2 Directors' interests in Apollo securities

Details of Apollo Shares and Apollo Options in which each Director has a Relevant Interest are as follows:

Director Name	Apollo Shares <sup>1</sup>	Apollo Options
Mr Roger Steinepreis	Nil	Nil
Mr Nick Castleden	Nil	Nil
Mr Robert Gherghetta	Nil	Nil
Mr Anthony James	Nil	1,250,000 <sup>2</sup>

**Notes:**

1. Each of the Apollo Directors who owned or controlled Apollo Shares has accepted the Offer in respect of the Apollo Shares that they owned or controlled as at the date of the Bidder's Statement. As a pre-condition to making the revised Offer, Ramelius required the Apollo Board to agree to accept into the revised Offer immediately. Ramelius advised the Board that it would not make the revised Offer without this support.
2. Each exercisable on or before 30 June 2022 with an exercise price of \$0.325.

### 9.3 Dealings in securities in Apollo

Other than their entry into the relevant pre-bid acceptance agreements and their acceptance of the Offer in relation to the Apollo Shares owned or controlled by them, no Director has acquired or disposed of a Relevant Interest in any Apollo Shares or Apollo Options during the four month period ending on the date immediately before the date of this Target's Statement.

### 9.4 Directors' interests in Ramelius securities

No Director has a Relevant Interest in any securities of Ramelius as at the date of this Target's Statement.

## 9.5 Dealing in Ramelius securities

Neither Apollo nor any Director acquired or disposed of a Relevant Interest in any securities in Ramelius during the four month period ending on the date immediately before the date of this Target's Statement.

## 9.6 Conditional agreements

No Director is a party to any agreement or arrangement with any other person in connection with or conditional on the outcome of the Offer, other than:

- (a) as Optionholders
- (b) under Nick Castleden's existing employment agreement, he may (upon his leaving the Company) be entitled to a payment equal to 12 months' salary (being \$350,000) following a change of control of the Company.

## 9.7 Payments and benefits

Except as otherwise disclosed in this Target's Statement, other than a benefit permitted under section 200F of the Corporations Act, no benefit is proposed to be given to a Director in connection with his retirement from office at Apollo or a related body corporate of Apollo, or in connection with the transfer of the whole or any part of the undertaking or property of Apollo.

To the extent permitted by law and subject to restrictions in the Corporations Act, Apollo indemnifies each Director against any liabilities arising as a result of the Director acting as an officer of Apollo.

## 9.8 Bid Implementation Deed

On 17 October 2021, Apollo and Ramelius entered into the Bid Implementation Deed in relation to the Offer.

On 1 November 2021, Apollo and Ramelius jointly announced that the Bid Implementation Deed had been amended and restated, and Ramelius had increased the consideration payable under the Offer to \$0.34 cash plus 0.1778 Ramelius Shares for each Apollo Share held.

A full copy of the amended and restated Bid Implementation Deed was released by Apollo to ASX on 1 November 2021 and is available at: **[www.asx.com.au](http://www.asx.com.au)**.

## 9.9 Continuous disclosure

Apollo is a "disclosing entity" under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. These obligations require Apollo to notify ASX of information about specified matters and events as they occur for the purpose of making that information available to the market. In particular, Apollo has an obligation (subject to limited exceptions) to notify ASX immediately on becoming aware of any information which a reasonable person would expect to have a material effect on the price or value of Apollo Shares.

Copies of the documents filed with ASX may be obtained from the ASX website at **[www.asx.com.au](http://www.asx.com.au)** and **[www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au)**.

Copies of documents lodged with ASIC in relation to Apollo may be obtained from, or inspected at, an ASIC office.

#### **9.10 Publicly available information**

This Target's Statement contains statements which are made in or based on statements made in documents lodged by various parties (including Apollo) with ASIC, or given to ASX, including the Bidder's Statement.

As required by ASIC Class Order 13/521, Apollo will make available a copy of these documents (or of relevant extracts from these documents), free of charge, to Apollo Shareholders who request it during the Offer Period. To obtain a copy of these documents (or the relevant extracts), Apollo Shareholders may call the Company Secretary on +61 8 6319 1900 at any time between 8:30am and 5pm (WST) on Monday to Friday.

#### **9.11 Material litigation**

As at the date of this Target's Statement, Apollo is not aware of any current or proposed litigation or dispute that is material and to which it is or may be party.

#### **9.12 ASIC declarations and ASX Listing Rules waivers**

Apollo has not been granted any modifications or exemptions by ASIC from the Corporations Act in connection with the Offer. Further, Apollo has not sought or been granted any waivers from ASX in relation to the Offer, but expects that it will be requested to lodge an application for waiver of Listing Rule 6.23.2 to permit Apollo to cancel the Apollo Options without approval by Apollo Shareholders under private agreements to be entered into with the holders of those Apollo Options.

#### **9.13 Taxation considerations for Apollo Shareholders**

A general outline of the tax implications of accepting the Offer is set out in section 14 of the Bidder's Statement.

As that section provides a general overview only, Apollo Shareholders are encouraged to seek their own personal advice on the taxation implications applicable to their circumstances.

#### **9.14 No other material information**

This Target's Statement is required to include all the information Apollo Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- (b) only if the information is known to any of the Apollo Directors.

The Apollo Directors are of the opinion that the information that Apollo Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer is:

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);

- For personal use only
- (b) the information which has been previously disclosed by Apollo as a disclosing entity in accordance with its continuous disclosure and reporting obligations to ASX and ASIC;
  - (c) the information contained in Apollo releases to ASX prior to the date of this Target's Statement; and
  - (d) the information contained in this Target's Statement.

The Apollo Directors have assumed, for the purposes of preparing this Target's Statement, that the information contained in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). The Apollo Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Apollo Directors have had regard to:

- (a) the nature of the Apollo Shares;
- (b) the matters Apollo Shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to the professional advisers of Apollo Shareholders; and
- (d) the time available to Apollo to prepare this Target's Statement.

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## 10. CONSENTS

Each of the persons listed below has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn their consent to the inclusion of the following information in this Target's Statement in the form and context in which it is included and to all references in this Target's Statement to that information in the form and context in which they appear:

- (a) each Director, to being named as a director;
- (b) Steinepreis Paganin, to being named in this Target's Statement as legal adviser to Apollo; and
- (c) Deloitte Corporate Finance, to being named in this Target's Statement as corporate adviser to Apollo.

Each person named above as having given its consent to being named in this Target's Statement:

- (a) does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

As permitted by ASIC Class Order 13/521, this Target's Statement contains statements which are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the ASX Listing Rules). Pursuant to this Class

Order, the consent of persons to which such statements are attributed is not required for the inclusion of those statements in this Target's Statement.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or published book, journal or comparable publication.

Pursuant to ASIC Corporations (Consents to Statements) Instrument 2016/72, the consent of persons to which such statements are attributed is not required for the inclusion of those statements in this Target's Statement.

Any Apollo Shareholder who would like to receive a copy of any of the documents (or parts of the documents) that contain the statements which have been included pursuant to ASIC Class Order 13/521 may obtain a copy free of charge by writing to the Apollo Company Secretary or by contacting the Company Secretary on +61 8 6319 1900 at any time between 8:30am and 5pm (WST) on Monday to Friday.

Copies of all announcements by Apollo may also be obtained from Apollo's website at **[www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au)**.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement contains share price trading data sourced from Bloomberg without its consent.

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**11. APPROVAL OF THE TARGET'S STATEMENT**

The copy of this Target's Statement that is to be lodged with ASIC has been approved by a resolution passed by the Directors.

This Target's Statement is dated 12 November 2021, which is the date on which it was lodged with ASIC.

Signed for and on behalf of Apollo.

**Dated 12 November 2021**

**Mr Roger Steinepreis  
Non-Executive Chairman**

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## 12. GLOSSARY AND INTERPRETATION

### 12.1 Definitions

The following definitions apply in this Target's Statement unless the context requires otherwise:

**Acceptance Form** means the Acceptance Form provided to you by Ramelius with its Bidder's Statement containing instructions on how to accept the Offer.

**Announcement Date** means 1 November 2021, being the day on which Ramelius and Apollo announced the Offer.

**ASIC** means the Australian Shares and Investments Commission.

**Associate** has the meaning given in Division 2 of Part 1.2 of the Corporations Act.

**ASX** means ASX Limited or the market operated by it (as the context requires).

**ASX Listing Rules** means the official listing rules of ASX as amended, varied, modified or waived from time to time.

**Apollo** or **Company** means Apollo Consolidated Limited (ACN 102 084 917).

**Apollo Board** or **Board** means the board of directors of Apollo.

**Apollo Director** or **Director** means a director of Apollo.

**Apollo Group** means Apollo and its Related Bodies Corporate.

**Apollo Optionholder** or **Optionholder** means a person registered in the register of options of Apollo as a holder of one or more Apollo Options.

**Apollo Options** or **Options** means options to subscribe for Apollo Shares which are on issue at the Register Date.

**Apollo Share** or **Share** means a fully paid ordinary share in Apollo.

**Apollo Shareholder** or **Shareholder** means a person who is registered as the holder of an Apollo Share in the Apollo register of members.

**Apollo Share Registry** means Computershare Investor Services Pty Limited.

**Bid Implementation Deed** means the bid implementation deed between Apollo and Ramelius dated 17 October 2021, as varied on 31 October 2021.

**Bidder's Statement** means the bidder's statement served on Apollo by Ramelius on 1 November 2021 in relation to the Offer.

**Business Day** means a day which is not a Saturday, Sunday or a public holiday in Perth, Western Australia.

**Combined Entity** means the Ramelius Group following the acquisition of Apollo.

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

**Foreign Apollo Shareholder** has the meaning in the Bidder's Statement.

**Gold Road** means Gold Road Resources Limited (ABN 13 109 289 527).



**Gold Road Offer** means the offer by Gold Road to purchase all Apollo Shares for \$0.56 cash consideration each, as announced to the ASX on 21 October 2021.

**Initial Announcement** means the initial announcement detailing the Initial Offer, dated 18 October 2021.

**Initial Announcement Date** means 18 October 2021, being the day on which Ramelius and Apollo announced the Initial Offer.

**Initial Offer** means the initial takeover bid by Ramelius, announced on the Initial Announcement Date, to acquire all of the Apollo Shares at an offer price of \$0.34 cash plus 0.1375 Ramelius Shares.

**Material Adverse Change** has the meaning in 'Bidder Material Adverse Change' in clause 11 of the Bid Implementation Deed.

**Offer** means the takeover bid by Ramelius to acquire all of the Apollo Shares on the terms and conditions set out in the Bidder's Statement.

**Offer Price** means \$0.34 cash plus 0.1778 Ramelius Shares per Apollo Share.

**Offer Period** means the period within which the Offer is open for acceptance in accordance with the Bidder's Statement and the Corporations Act.

**Ramelius** or **Bidder** means Ramelius Resources Limited (ACN 001 717 540).

**Ramelius Group** means Ramelius and its Related Bodies Corporate.

**Ramelius Kalgoorlie** Ramelius Kalgoorlie Pty Ltd (ACN 654 590 039).

**Ramelius Share** means a fully paid ordinary share in Ramelius.

**Register Date** means the date set by Ramelius under section 633(2) of the Corporations Act, being 10:00am (Perth time) on 1 November 2021.

**Related Bodies Corporate** has then meaning given in the Corporations Act.

**Relevant Interest** has the meaning given to that term in section 9 of the Corporations Act.

**Superior Proposal** has the meaning given to that term in the Bid Implementation Deed.

**Target's Statement** means this document, being the statement of Apollo under Part 6.5 of the Corporations Act in relation to the Offer.

**Tenements** means the tenements held by Apollo as at 18 October 2021.

**Unmarketable Parcel** and **Unmarketable Parcel Shareholder** have the meaning in the Bidder's Statement.

**VWAP** means volume weighted average price.

## 12.2 Interpretation

The following rules of interpretation apply unless the context requires otherwise:

- (a) A term not specifically defined in this Target's Statement has the meaning given to it (if any) in the Corporations Act (as is appropriate to the context).
- (b) A gender includes all genders.
- (c) The singular includes the plural, and the converse also applies.
- (d) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
- (e) A reference to legislation or to a provision of legislation includes any modification or re-enactment of it, any legislative provision substituted for it and any regulations and statutory instruments issued under it.
- (f) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.
- (g) A reference to a right or obligation of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
- (h) A reference to an agreement or document is to the agreement or document as amended, supplemented, novated or replaced.
- (i) Headings used in this Target's Statement are for ease of reference only and do not affect the meaning or interpretation of this Target's Statement.
- (j) A reference to a section or Annexure is to a section of, or annexure to, this Target's Statement unless otherwise specified.
- (k) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (l) \$, A\$ or AUD is a reference to the lawful currency of Australia.
- (m) A reference to time is a reference to Australian Western Standard Time.

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## CORPORATE DIRECTORY

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### **Apollo Consolidated Limited (ACN 102 084 917)**

#### **Registered Office**

1202 Hay Street  
Perth WA 6000

Telephone: +61 (0) 8 6319 1900  
Website: [www.apolloconsolidated.com.au](http://www.apolloconsolidated.com.au)

#### **Share Registry**

Computershare Investor Services Pty Limited  
Level 11  
172 St Georges Terrace  
Perth WA 6000

Tel: +61 08 9323 2000  
Facsimile: +61 8 9323 2033

#### **Corporate Adviser**

Deloitte Corporate Finance Pty Limited  
Brookfield Place, Tower 2  
123 St Georges Terrace  
Perth WA 6000

#### **Legal Adviser**

Steinepreis Paganin  
Level 4  
16 Milligan Street  
Perth WA 6000

#### **Auditor**

HLB Mann  
130 Stirling Street  
Perth WA 6000