

Apollo Gold Signs Letter of Intent with First Majestic Silver for Option to Acquire Its Jalisco Group of Property Concessions in Mexico

Vancouver, British Columbia, June 23, 2020 (GLOBE NEWSWIRE) – **Apollo Gold Corp. TSX.V: APGO** (“**Apollo**” or the “**Company**”) is pleased to announce that it has entered into a letter of intent with First Majestic Silver Corp. (“First Majestic”) effective June 22, 2020 (“Letter of Intent” or “LOI”). Pursuant to the LOI, Apollo has confirmed its intention to enter into a 3 year earn-in option (“the Option”) with First Majestic to acquire 100% of First Majestic’s ownership in its Jalisco Group of properties, in the state of Jalisco, Mexico (the “Transaction”). The LOI is non-binding, however it is the intention of Apollo and First Majestic to enter into a Definitive Agreement within 90 days.

Under the terms of the Transaction, Apollo Gold may exercise the Option by paying a total of \$750,000, as well as issuing shares to First Majestic over a 3-year period, as follows:

- on closing the Definitive Agreement (“Closing”), Apollo Gold will pay to First Majestic \$250,000 and issue 4,289,004 shares in Apollo Gold (equivalent to 9.9% of Apollo’s issued and outstanding share capital as at the date of execution of the LOI). In addition, Apollo Gold will issue 1.5 million share purchase warrants, each warrant entitling First Majestic to acquire one share of Apollo Gold at \$0.50 a share for a period of two years;
- on the date that is twelve (12) months after Closing, Apollo Gold will pay to First Majestic \$200,000 and issue 1,000,000 shares of Apollo Gold; and
- on the date that is twenty-four (24) months after Closing, Apollo Gold will pay to First Majestic \$300,000 and issue 1,000,000 shares of Apollo Gold.

In addition, Apollo Gold will commit to exploration expenditures of at least \$1,250,000 on the Jalisco Group of Properties within 36 months of Closing.

First Majestic’s Jalisco Group of Properties (the “Jalisco Properties”) covers 6 properties and 15 highly prospective claims, 13 of which First Majestic owns 100% and 2 in which it has a 45% interest, in the state of Jalisco, Mexico. The claims cover 5,240 hectares in a district that has a history of gold and silver mining, including the historic Etzatlan, Ampora, La Calbaza, Piedra and Bola mines. The Jalisco Properties are adjacent to a number of properties, such as El Barqueno, El Rayo and Coyote, owned by Agnico Eagle who, together with Compania Minera Artengo (“CMA”), dominate the district. In 2008, First Majestic mapped a number of known epithermal veins and ran sampling programs on most of their Etzatlan claims, one of the Jalisco Properties, and identified a number of drill-ready targets. Historic rock grab and/or channel sample results reported from several veins included results with ranges from: 0 to 11.18 g/t Au; 0 to 538 g/t Ag; 0.013 to 7.3% Pb; 0.009 to 6.19% Zn, and 0.003 to 2.5% Cu.

The historic samples are rock grab samples and are by their nature selective and are not necessarily indicative of the general geology or grade within the property and are not contained in a National Instrument 43-101 report and are provided for context only.

Private Placement Financing

The Company is also conducting a non-brokered private placement of up to 10,000,000 units at a price of \$0.50 per unit for total gross proceeds of up to \$5,000,000 (the "Offering"). Each unit will consist of one common share (a "Share") and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional share at a price of \$0.75 per Share for a period of 24 months from the date of issuance.

A portion of the Offering may be completed in accordance with the exemption set out in BC Instrument 45-536 (Exemption from prospectus requirement for certain distributions through an investment dealer) (the "Investment Dealer Exemption").

The Company may pay a finder's fee on the Offering within the amount permitted by the policies of the TSX Venture Exchange (the "Exchange"). In accordance with the requirements of the Investment Dealer Exemption, the Company confirms there is no material fact or material change related to the Company which has not been generally disclosed. Closing of the Offering is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including from the Exchange. All securities issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation. The Offering is not subject to a minimum aggregate amount of subscriptions. The Company will use the proceeds of the Offering to finance the exploration and development of the Company's projects and for general working capital purposes.

The Transaction and the Private Placement are subject to TSX-V approval.

Simon Clarke, CEO of Apollo Gold stated, "We are very pleased to enter into this letter of intent and look forward to working with First Majestic to close the Transaction and then launch exploration work on the Jalisco Properties. This fits with our stated strategy of selecting assets in Tier 1 mining jurisdictions which we believe have the potential to develop into world-class gold assets. These are highly prospective assets which have returned promising exploration results in the past and we look forward to initiating the next phase of exploration on the key targets identified through those programs."

On behalf of the Board of Directors

APOLLO GOLD CORP.

"Simon Clarke"

Simon Clarke, Chief Executive Officer

About Apollo Gold Corp. (TSX.V: APGO)

Apollo Gold has assembled a team that is exploring for world class gold deposits in tier-one jurisdictions. Positioned for a prolonged gold cycle, the Company's initial 5,329-hectare project lies in the heart of the Republic of Chile's prolific El Indio Gold Belt surrounded by some of the largest gold companies/mines in the world. The Company has also announced a letter of intent to enter into an option to acquire 5,240 hectares in the state of Jalisco, Mexico in a district with a history of gold and silver mining and with a number of deposits nearby. Apollo's team offers

global resource sector experience focused on exploration and development with a track-record in advancing projects and creating shareholder value.

The technical content of this news release has been reviewed and approved by Dean Besserer, P.Geol., Vice President Exploration of the Company and a Qualified Person as defined by National Instrument 43- 101.

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Cautionary Statement Regarding “Forward-Looking” Information

Statements in this news release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in the Company’s periodic filings with Canadian securities regulators. When used in this news release, words such as “will”, “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “appear”, “should,” and similar expressions, are forward-looking statements.

Although Apollo Gold Corp. has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate or that management’s expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events.

Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release are made as of the date of this news release, and the Company disclaims any intention or obligation to update or revise such information, except as required by applicable law.