



## Apollo Announces Closing of \$52.9 Million Subscription Receipt Financing

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VANCOUVER, British Columbia, July 07, 2021 (GLOBE NEWSWIRE) -- **Apollo Gold & Silver Corp.** ("**Apollo**" or the "**Company**") (TSXV: APGO) is pleased to announce that, further to its news releases dated May 12, 2021, June 7, 2021, June 17, 2021, and June 22, 2021, the Company has completed its concurrent financing (the "**Concurrent Financing**") of subscription receipts (the "**Subscription Receipts**"). The Company issued a total of 70,533,334 Subscription Receipts for aggregate gross proceeds of \$52,900,000.50. Eight Capital, Desjardins Securities Inc. ("**Desjardins**") and Cantor Fitzgerald Canada Corporation (together with Eight Capital and Desjardins, the "**Agents**") acted as co-lead agents and joint bookrunners in connection with the Concurrent Financing. In connection with the Concurrent Financing, the Agents received an aggregate cash fee equal to 6.0% of the gross proceeds from any subscriptions, except in respect of subscriptions by purchasers on the President's List, on which the Agents received a cash commission equal to 3.0% of the gross proceeds from such sale.

Upon satisfaction of certain escrow release conditions, each Subscription Receipt shall be automatically converted, without any further action by the holder of such Subscription Receipt (and for no additional consideration), into one unit of the Company (a "**Unit**"). Each Unit shall consist of one common share of the Company (a "**Common Share**") and one-half of one common share purchase warrant (each full warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one common share of the Company (each, a "**Warrant Share**") at a price of \$1.25 per Warrant Share for period of 24 months from the date of issuance.

The Company will use the net proceeds from the Concurrent Financing to fund the acquisition of all of the issued and outstanding common shares of Stronghold Silver Corp. ("**Stronghold**") in accordance with the terms and conditions of the amalgamation agreement dated May 12, 2021 between the Company and Stronghold (the "**Transaction**"). The net proceeds from the Concurrent Financing, together with the Company's existing treasury of approximately \$5,000,000, will be used as follows: 1) \$27M payable to Pan American Minerals Inc. (a wholly owned subsidiary of Pan American Silver Corp) ("**Pan American**") as the closing payment under the Asset Purchase Agreement for the purchase of the Waterloo Project; 2) \$7.3M payable to Pan American within 25 days of the close of the Transaction<sup>(1)</sup>; 3) \$7.2M for exploration and resource development work at the Calico Silver project; 4) \$0.5M for option payments and mineral title taxes; 5) \$1.5M for exploration at the Arizona Silver Project; 6) \$5.1M in General and Administrative costs and 7) \$6.9 M for general corporate and business development activities.

The Subscription Receipts were issued pursuant to a subscription receipt agreement dated July 6, 2021 (the "**Subscription Receipt Agreement**") among the Company, the Agents, and Endeavor Trust Corporation as subscription receipt agent. Pursuant to the Subscription Receipt Agreement, the gross proceeds from the Concurrent Financing (net 50% of the cash commission payable to the Agents and the reasonable costs and expenses of the Agents and their counsel) (the "**Net Escrowed Funds**") were deposited in escrow. The Net Escrowed Funds will be released from escrow to the Company immediately prior to the closing of the Transaction upon the satisfaction of specified escrow release conditions as set out in the Subscription Receipt Agreement (the "**Escrow Release Conditions**"). If the Escrow Release Conditions have not been satisfied on or before August 24, 2021, the Net Escrowed Funds together with accrued interest thereon will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled. The Company will be responsible for any shortfall owing to the holders of Subscription Receipts.

The securities issued pursuant to the Concurrent Financing will be subject to a four-month and one day hold period under applicable securities laws in Canada.

The securities of the Company referred to in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, the securities of the Company may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of any offer to buy any securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful.

### **About Apollo Gold & Silver Corp.**

Apollo Gold & Silver has assembled an experienced and technically strong leadership team who have joined to advance the world class precious metals deposits in tier-one jurisdictions with a focus on the Americas.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

*"Tom Peregoodoff"*

Tom Peregoodoff  
Chief Executive Officer

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**Cautionary Statement Regarding “Forward-Looking” Information**

*This news release contains forward-looking statements. Forward-looking statements can be identified by the use of words such as, “expects”, “is expected”, “anticipates”, “intends”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may” or “will” be taken, occur or be achieved. Forward-looking statements include those relating to the TSXV’s approval of the Transaction and the use of net proceeds from the Concurrent Financing. Forward-looking statements are not a guarantee of future performance and are based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, including assumptions related to the approval of the TSXV for the Transaction, as well as other factors that management believes to be relevant and reasonable in the circumstances. Actual results, performance or achievement could differ materially from that expressed in, or implied by, any forward-looking statements in this news release, and, accordingly, you should not place undue reliance on any such forward-looking statements and they are not guarantees of future results. Forward-looking statements involve significant risks, assumptions, uncertainties and other factors that may cause actual future results or anticipated events to differ materially from those expressed or implied in any forward looking statements. Except as required by law, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.*

(1) Within 15 days of the close of the Transaction, Apollo will issue to Pan American notice providing Pan American with ten business days to elect to receive either 1) an additional US\$6,000,000 in cash or 2) the equivalent of US\$6,000,000 in common shares of Apollo at the higher of: (i) the 10-day VWAP calculated on the first 10 trading days following the close of the Transaction and (ii) \$0.71 per share. If Pan American elects to receive common shares of Apollo, the \$7.3M in cash allotted above will be re-allocated to exploration and resource development work at the Calico silver project and general corporate and business development activities.