



Apollo Finalizes Arizona Silver District Project Work Program; Makes Scheduled Option Payment and Retains Marketing and Investor Relations Group

Vancouver, British Columbia, **January 24, 2022** – **Apollo Silver Corp.** (“**Apollo**” or the “**Company**”) (TSX.V:APGO, OTCQB:APGOF, Frankfurt:6ZF) is pleased to provide an update on its corporate and technical activities for its Arizona Silver District Project (the “**Project**”) in La Paz County, Arizona. Apollo has the option to earn 100% interest in the Project through its wholly-owned subsidiary Stronghold Silver USA Corp., (“**Stronghold**”), from Gulf + Western Industries Inc. (the “**Vendor**”).

Highlights

- **Site visit by technical team completed at the Project, confirming large size (up to 15 m width) of mineralized veins and breccias;**
- **Plans for 2022 exploration work program finalized, set to commence Q2 2022; and**
- **First option payment made to Vendor of the Project.**

“The visit verified the extensive scale of the epithermal system in the region, which when combined with the fact that exploration to date has been limited to less than 45 m depth, has confirmed the prospectivity of the project,” Apollo’s VP Exploration and Resource Development, Cathy Fitzgerald, commented. “The surface exploration program we have designed will improve our understanding of the mineralization controls and identify new targets for drilling in early 2023.”

About the Silver District Project

The Project is located in the heart of the Silver District, a historic silver mining region in southwestern Arizona. The district-scale property position comprises over 2,000 acres covering three major epithermal vein structures having a collective strike length of 13 kilometres (“km”). Mineralization consists of silver, lead and zinc hosted in massive quartz-calcite-barite-fluorospars, occurring in pod-like bodies in fault-hosted veins and breccia that may exceed 15 metres (“m”) in width and be hundreds of m long.

Silver and lead were discovered in the area in 1862 and supported small but significant production, largely from underground operations at the Red Cloud and Clip mines. Additional exploration work was completed by various operators between 1950 and 1992 and included limited further underground development, drilling of 465 shallow (less than 45 m depth) holes for an aggregate length of 19,161 m (62,866 feet); metallurgical test work and scoping studies. Between 2012 and 2014, Magellan Gold Corp., a wholly-owned subsidiary of the Vendor, completed limited mapping and surface sampling, a 20 line-km ground magnetic survey and three diamond drill holes, one of which was designed to confirm historic drill results.

The Project is located 48 km (30 miles) north of the city of Yuma. It is easily accessed via State Route 95 (56 km/35 miles) and then along county-maintained gravel roads (24 km/15 miles). This area is a well-mineralized but under-explored area in a prime jurisdiction in Arizona, which is ranked #2 globally in terms of investment attractiveness in the Fraser Institute Survey (2020).

2022 Exploration Program

Historical work on the Project was focused on or immediately around known mineralized segments of veins and breccias and no comprehensive geological mapping or geophysical program has ever been completed

over the project area. Apollo's near-term exploration plans are designed to define the broad controls on the mineralized system and to identify new targets. The exploration program will be completed over three phases:

- Phase One: Site visit to confirm size and extent of mineralized vein systems (completed November 2021); validation of the historic drilling data and construction of a detailed database and preliminary 3D geology model (underway);
- Phase Two: Comprehensive surface exploration program involving a ground or drone-based airborne magnetic survey, soil sampling, prospecting and rock grab sampling and detailed geological mapping covering the entire property; and
- Phase Three: Drill testing prospective targets identified in Phase Two.

A budget of approximately C\$830,000 has been approved for Phase One and Phase Two described above. Results of this work will provide a better understanding of the mineralization, alteration and structural controls on mineralization resulting in new drilling targets which will form the basis of Phase Three of the exploration program.

Phase One is well advanced and results to date have validated the prospectivity of the Project. It is expected that Phase Two commence in Q2 of this year. Planning and permitting of the planned Phase Three drill program is expected to commence in late Q3 of 2022, with the drills expected to begin turning in early Q1 of 2023.

Terms of the Option Agreement

The terms of the definitive option agreement between Stronghold and the Vendor to acquire a 100% interest in the Project dated January 22, 2021 (the "**Option Agreement**") were announced in the Company's news release dated May 12, 2021. Among other commitments, Apollo must make scheduled cash and share payments to the Vendor in aggregate value of US\$1.97 million on or before January 22, 2026. Terms of the Option Agreement include:

1. US\$70,000 due on the effective date (paid);
2. US\$100,000 and US\$100,000 in common shares of Apollo on the 12-month anniversary of the effective date;
3. US\$125,000 and US\$125,000 in common shares of Apollo on the 24-month anniversary of the effective date;
4. US\$175,000 and US\$175,000 in common shares of Apollo on the 36-month anniversary of the effective date;
5. US\$250,000 and US\$250,000 in common shares of Apollo on the 48-month anniversary of the effective date; and
6. US\$300,000 and US\$300,000 in common shares of Apollo on the 60-month anniversary of the effective date.

Additional bonus payments may be made by Apollo in the following events:

1. US\$250,000 and US\$250,000 in common shares of Apollo in the event the property becomes the flagship property of the company on or before January 22, 2024
2. US\$250,000 and US\$250,000 in common shares of Apollo in the event Apollo declares a NI 43-101 compliant resource of at least 30 million ounces of silver on or before January 22, 2024; and
3. US\$3,000,000 in the event that the price of silver exceeds US\$125/ounce for ninety days on or before January 22, 2026.

Upon vesting of the 100% interest, Apollo will grant to the Vendor a 2% Net Smelter Royalty on any future production of minerals from the Project.

Apollo made the payment of US\$100,000 due on the first anniversary of effective date of the Option Agreement. Under the terms of the Option Agreement, Apollo also intends to issue an aggregate of 203,322 common shares of the Company at a price of C\$0.617 per share representing a value of approximately C\$125,450 (US\$100,000 on the deemed conversion date) to the Vendor, subject to TSX Venture Exchange approval. The price per share is calculated based on the 10-day volume-weighted average price for the 10 trading days prior to the anniversary date. Shares issued to the Vendor will be subject to a four-month and one day hold period.

Investor Relations

Apollo announces that it intends to enter into an investor relations and services agreement (the “**Agreement**”) with Pacific Prime Communications Corp. (“**PPC**”) to provide digital marketing and investor relations services to the Company. The Agreement provides for total consideration of C\$140,000 for a term of 10 months. In addition, PPC will be entitled to receive grants of stock options of the Company, from time to time, pursuant to the Company’s incentive stock ownership plan. All grants of stock options shall be at the sole discretion of the Company and shall be subject to the approval of the TSX Venture Exchange.

PPC, a company based in Vancouver, British Columbia, provides investor communications and marketing strategies for growing and emerging public companies. A principal of PPC was previously issued a total of 200,000 stock options, exercisable into 200,000 common shares of the Company, pursuant to a consulting arrangement. The stock options were granted on July 21, 2021, at an exercise price of \$0.86 and are exercisable for a period of five years, expiring on July 21, 2026.

The Agreement is subject to the approval of the TSX Venture Exchange.

Qualified Person

The scientific and technical data contained in this news release was reviewed and approved under the supervision of Cathy Fitzgerald, P.Geol., Vice President Exploration and Resource Development, a Qualified Person as defined by National Instrument 43-101 Standards of Disclosure for Minerals Projects. Ms. Fitzgerald is a registered Professional Geoscientist in British Columbia, Canada.

Please visit www.apollosilver.com for further information on the Arizona Silver District project.

ON BEHALF OF THE BOARD OF DIRECTORS

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About Apollo Silver Corp.

Apollo Silver Corp. has assembled an experienced and technically strong leadership team who have joined to advance world class precious metals projects in tier-one jurisdictions in the United States. The Company is focused on advancing its portfolio of three significant pure silver exploration and resource development

projects: the historical Waterloo and Langtry projects, in San Bernardino County, California and Arizona Silver District Project in La Paz County, Arizona.

Forward Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of Canadian securities laws (collectively, “forward-looking statements”). Forward-looking statements in this news release relate to, among other things: receipt of final approval from the TSXV for the Agreement; acquiring an interest in the Project; and all other statements that are not historical facts, particularly statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance of the Company. Often, but not always, forward-looking statements can be identified through the use of words or phrases such as “will likely result”, “are expected to”, “expects”, “will continue”, “is anticipated”, “anticipates”, “believes”, “estimated”, “intends”, “plans”, “forecast”, “projection”, “strategy”, “objective” and “outlook”. Forward-looking statements contained in this news release are made based on reasonable estimates and assumptions made by management of the Company at the relevant time in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate and reasonable in the circumstances. Forward-looking statements contained in this news release are made as of the date of this news release and the Company will not update any such forward-looking statements as a result of new information or if management’s beliefs, estimates, assumptions or opinions change, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are beyond the Company’s control, which could cause actual results, performance, achievements and events to differ materially from those that are disclosed in or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the impact and progression of the COVID-19 pandemic and other factors outlined in the Company’s publicly filed documents under the Company’s profile on SEDAR at www.sedar.com. The Company cautions that the list of risk factors and uncertainties described in its publicly filed documents on SEDAR is not exhaustive and other factors could materially affect its results. New factors emerge from time to time, and it is not possible for the Company to consider all of them or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement.

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