

APOLLO GOLD & SILVER CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
(Unaudited)
(Expressed in Canadian Dollars)

FOR THE PERIOD ENDED MAY 31, 2021

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited condensed interim financial condensed interim condensed interim statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

APOLLO GOLD & SILVER CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited)
(Expressed in Canadian Dollars)
AS AT

	May 31, 2021	November 30, 2020
ASSETS		
Current		
Cash	\$ 5,795,809	\$ 6,125,876
GST receivable	17,672	22,002
Prepaid expenses	<u>10,541</u>	<u>90,281</u>
	5,824,022	6,238,159
Exploration and evaluation (Note 3)	138,562	100,000
Property and equipment (Note 4)	<u>6,905</u>	<u>9,659</u>
	<u>\$ 5,969,489</u>	<u>\$ 6,347,818</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	<u>\$ 115,684</u>	<u>\$ 147,536</u>
Shareholders' equity		
Share capital (Note 5)	13,269,715	13,111,731
Reserves (Note 5)	1,325,534	1,325,534
Warrants (Note 5)	442,352	447,127
Deficit	<u>(9,183,796)</u>	<u>(8,684,110)</u>
	<u>5,853,805</u>	<u>6,200,282</u>
	<u>\$ 5,969,489</u>	<u>\$ 6,347,818</u>

Nature and continuance of operations (Note 1)
Subsequent Events (Note 9)

The accompanying notes are an integral part of these condensed interim financial statements.

APOLLO GOLD & SILVER CORP.**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Unaudited)

(Expressed in Canadian Dollars)

FOR THE PERIODS ENDED

	Three Months ended May 31, 2021	Three Months ended May 31, 2020	Six Months ended May 31, 2021	Six Months ended May 31, 2020
OPERATING EXPENSES				
Accounting and audit	\$ 24,443	\$ 1,950	\$ 26,541	\$ 3,850
Consulting fees	89,273	17,000	182,611	27,500
Depreciation	932	61	2,753	122
Investor relations and shareholder communications	37,279	41,890	99,488	41,890
Professional fees	48,840	27,526	81,876	27,526
Office and administration	33,547	31,490	51,380	46,584
Exploration	-	7,166	-	7,166
Share-based payments	-	653,439	-	653,439
Transfer agent and filing fees	<u>39,023</u>	<u>10,412</u>	<u>55,037</u>	<u>19,220</u>
Loss and comprehensive loss for the period	\$ (273,337)	\$ (790,934)	\$ (499,686)	\$ (827,297)
Basic and diluted loss per share	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ (0.03)
Weighted average number of common shares outstanding - basic and diluted	51,272,174	24,584,223	51,178,575	23,171,694

The accompanying notes are an integral part of these condensed interim financial statements.

APOLLO GOLD & SILVER CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited)
(Expressed in Canadian Dollars)
FOR THE SIX-MONTH PERIODS ENDED

	May 31, 2021	May 31, 2020
CASH FROM OPERATING ACTIVITIES		
Loss for the period	\$ (499,686)	\$ (827,297)
Item not affecting cash:		
Depreciation	2,753	122
Share-based compensation	-	653,439
Changes in non-cash working capital items:		
GST Receivables	4,330	(8,023)
Prepaid expenses	79,740	(83,779)
Accounts payable and accrued liabilities	<u>(31,851)</u>	<u>157,278</u>
Net cash used in operating activities	<u>(444,714)</u>	<u>(108,260)</u>
CASH FROM FINANCING ACTIVITIES		
Proceeds from private placements, net of share issue costs (Note 5)	-	2,260,882
Proceeds from exercise of warrants (Note 5)	<u>153,209</u>	<u>-</u>
	153,209	2,260,882
CASH FROM INVESTING ACTIVITIES		
Purchase of exploration and evaluation (Note 4)	<u>(38,562)</u>	<u>(50,000)</u>
	(38,562)	(50,000)
Change in cash during the period	(330,067)	2,102,622
Cash, beginning of period	<u>6,125,876</u>	<u>10,822</u>
Cash, end of period	<u>\$ 5,795,809</u>	<u>\$ 2,113,444</u>
Supplemental cash flow information:		
Cash paid during the period for interest	\$ -	\$ -
Cash paid during the period for income taxes	-	-

The accompanying notes are an integral part of these condensed interim financial statements.

APOLLO GOLD & SILVER CORP.**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)**

(Unaudited)

(Expressed in Canadian Dollars)

	Share capital					
	Number	Amount	Warrants	Reserves	Deficit	Total
Balance at November 30, 2019	20,140,584	\$ 6,254,197	\$ -	\$ 672,095	\$ (7,122,284)	\$ (195,992)
Private placement (Note 5)	20,532,000	2,362,100	-	-	-	2,362,100
Share issue costs (Note 5)	-	(101,218)	-	-	-	(101,218)
Issuance of finders' fee warrant (Note 5)	-	(88,362)	88,362	-	-	-
Share-based compensation (Note 5)	-	-	-	653,439	-	653,439
Loss for the period	-	-	-	-	(807,362)	(807,362)
Balance at May 31, 2020	40,672,584	8,426,717	88,362	1,325,534	(7,929,646)	1,910,967
Private placement (Note 5)	10,000,000	5,266,900	-	-	-	5,266,900
Share issue costs (Note 5)	-	(297,036)	-	-	-	(297,036)
Shares issued on exercise of warrants (Note 5)	147,830	75,249	(1,334)	-	-	73,915
Issuance of finders' fee warrant (Note 5)	-	(360,099)	360,099	-	-	-
Loss for the period	-	-	-	-	(754,464)	(754,464)
Balance at November 30, 2020	50,820,414	13,111,731	447,127	1,325,534	(8,684,110)	6,200,282
Shares issued on exercise of warrants (Note 5)	499,325	157,984	(4,775)	-	-	153,209
Loss for the period	-	-	-	-	(499,686)	(499,686)
Balance at May 31, 2021	51,319,739	\$ 13,269,715	\$ 442,352	\$ 1,325,534	\$ (9,183,796)	\$ 5,853,805

The accompanying notes are an integral part of these condensed interim financial statements.

APOLLO GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Apollo Gold & Silver Corp. (the “Company”) is an exploration company incorporated on September 22, 1999 under the laws of the Province of Alberta, Canada. The Company filed for continuance under the Canada Business Corporations Act on December 1, 2003 and then under the laws of British Columbia on November 4, 2010. The Company is listed on the TSX Venture Exchange (“TSX-V”) and trades under the symbol APGO. The Company’s head office, principal address and registered and records office is 1507, 1030 West Georgia Street, Vancouver, British Columbia, Canada, V6E 2Y3.

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and, while the Company believes it has sufficient working capital for at least the next 12 months of operations, it does not currently have the financial resources to sustain operations in the long-term. . While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. These material uncertainties may cast significant doubt about the Company’s ability to continue as a going concern.

The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company’s ability to receive financial support, necessary financings, or generate profitable operations in the future.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses, including the Company’s. This outbreak could decrease spending, adversely affect demand for the Company’s product and harm the Company’s business and results of operations. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time. In addition, the ongoing pandemic continues to impact the free movement of people across the Canada-US border. The duration of this border restriction is unknown as is any changes to level of restriction of movement. As our primary projects are in the US this could impact our ability to execute our planned programs.

These financial statements are authorized for issuance by the Board of Directors on July 30, 2021.

2. BASIS OF PREPARATION

Statement of Compliance and basis of presentation

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s November 30, 2020 annual financial statements.

Critical accounting estimates and significant judgments

Estimates:

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and the reported expenses during the period. Actual results could differ from these estimates.

APOLLO GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

Significant assumptions about the future and other sources of estimation and judgement uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgements and assumptions about each project. Management considers the viability of the project, including the latest resources prices and the long-term forecasts.

The determination of income tax is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes. The value of deferred tax assets is evaluated based on the probability of realization; the Company has assessed that it is improbable that such assets will be realized and has accordingly not recognized a value for deferred taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Judgments:

The most significant judgments relate to the recoverability of capitalized amounts and recognition of deferred tax assets and liabilities.

3. EXPLORATION AND EVALUATION ASSETS

	Apolo and San Carron Property
Balance, November 30, 2019	\$ -
Additions during the year	
Acquisition costs	100,000
Balance, November 30, 2020	100,000
Additions during the period	
Concession costs	38,562
Total additions during the year	38,562
Balance, May 31, 2021	\$ 138,562

Apolo and Sancarron Concessions, Chile

On March 25, 2020, the Company entered into an option agreement to earn up to 90% interest in two prospective gold-silver properties, comprising 5 exploration and 18 exploitation concessions, in the El Indio Gold Belt of western Chile. The terms of the option agreement are as follows:

- To earn a 65% interest, the Company must make cash payments totalling \$600,000 as follows:
 - \$50,000 upon signing of the agreement (paid);
 - \$50,000 within 7 business days of TSX-V Exchange approval (paid);

APOLLO GOLD CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS (continued)

- \$100,000, \$150,000, and \$250,000 on the first, second and third anniversary date of Exchange approval of the agreement (17 August in each relevant year);
- The Company must also incur \$3,000,000 of expenditures on the properties as follows: \$500,000, \$1,000,000, and \$1,500,000, during the first, second and third respective years following TSX-V approval of the agreement.
- To earn an additional 25% interest, the Company must make total cash payments of \$250,000 and \$500,000 on or before 90 days after the third and fourth respective years following the TSX-V Exchange approval. In addition, the Company must also incur an aggregate total of \$5,000,000 of expenditures within 5 years of TSX-V approval of the agreement.
- On August 17, 2020, the Company confirmed that the conditions of the Option Agreement, including TSX-V approval, had been fulfilled and the Option Agreement is now unconditional.

4. PROPERTY AND EQUIPMENT

	Computer Equipment	Furniture and Fixtures	Total
Cost			
Balance, November 30, 2019	\$ 4,164	\$ -	\$ 4,164
Additions	5,104	4,728	9,832
Balance, November 30, 2020	9,268	4,728	13,996
Additions	-	-	-
Balance, May 31, 2021	\$ 9,268	\$ 4,728	\$ 13,996
Accumulated Depreciation			
Balance, November 30, 2019	\$ 3,349	\$ -	\$ 3,349
Depreciation	949	39	988
Balance, November 30, 2020	4,298	39	4,337
Depreciation	2,050	703	2,753
Balance, May 31, 2021	\$ 6,348	\$ 742	\$ 7,090
Net Book Value, November 30, 2020	\$ 4,970	\$ 4,689	\$ 9,659
Net Book Value, May 31, 2021	\$ 2,920	\$ 3,985	\$ 6,905

5. SHARE CAPITAL AND RESERVES**Authorized share capital**

As at May 31, 2021 the authorized share capital of the Company is an unlimited number of common shares without par value.

Private placements

There were no private placements completed during the six-month period ended May 31, 2021.

On April 27, 2020, the Company closed a private placement of 12,500,000 units at \$0.05 per unit for gross proceeds of \$625,000. Each unit consists of one common share and one warrant to purchase one common share of the Company at \$0.25 for two years from the date of closing. There were no share issue costs associated with this private placement.

APOLLO GOLD CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (continued)

On May 27, 2020, the Company closed a private placement of 8,032,000 units at \$0.25 per unit for gross proceeds of \$2,008,000. Each unit consists of one common share and one-half of one common share purchase warrant (each whole warrant a “Warrant”). Each Warrant entitles the holder to purchase an additional common share at \$0.50 for a period of two years from the date of closing. In connection with this private placement, the Company paid \$65,085 in share issue costs and issued 320,600 finders’ warrants valued at \$88,362 to purchase one common share for \$0.50 per share for a period of two years. The warrants were valued using the Black-Scholes model using the following assumptions: risk free rate of 0.30%, expected life 2 years, estimated volatility of underlying common shares of 100%, forfeiture rate of 0%, and expected dividend yield of 0%.

On August 6, 2020, the Company closed a private placement of 10,000,000 units at \$0.50 per unit for gross proceeds of \$5,000,000. Each unit consists of one common share and one-half of common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at \$0.75 per share for a period of two years from the date of closing. In connection with this private placement, the Company paid \$283,855 in share issue costs and issued 498,470 finders’ warrants valued at \$360,099 to purchase one common share for \$0.75 per share for a period of two years. The warrants were valued using the Black-Scholes model using the following assumptions: risk free rate of 0.23%, expected life 2 years, estimated volatility of underlying common shares of 100%, forfeiture rate of 0%, and expected dividend yield of 0%.

The Company paid other share issue costs of \$49,315 for the above issuances.

Exercise of warrants

During the six-month period ended May 31, 2021, 499,325 (2020 – nil) warrants were exercised to issue 499,325 (2020 – nil) common shares for gross proceeds of \$152,209 (2020- nil).

Warrants

Warrants transactions are summarized as follows:

	Warrants	
	Number	Weighted Average Exercise Price
Outstanding, November 30, 2019	-	\$ -
Granted on private placements	21,516,000	0.41
Issuance of finders’ fee warrants	819,070	0.65
Exercise of finders’ fee warrants	(147,830)	0.50
Outstanding, November 30, 2020	22,187,240	\$ 0.42
Exercise of warrants	(482,000)	0.26
Exercise of finders’ fee warrants	(17,325)	0.50
Outstanding, November 30, 2020	21,687,915	\$ 0.42

Details of the warrants outstanding at May 31, 2021 are as follows:

Exercise Price	Number	Weighted Average Remaining Life
\$0.25	12,100,000	0.93
\$0.50	4,084,270	0.99
\$0.75	5,486,470	1.18
	21,670,740	0.99

APOLLO GOLD CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

5. SHARE CAPITAL AND RESERVES (continued)**Share-based payments**

The Company has a stock option plan under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan the exercise price of each option equals the market price of the Company's stock, less applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years with vesting determined by the board of directors.

During the year ended November 30, 2020, the Company issued 2,500,000 stock options. No options have been issued in the six-months ended May 31, 2021.

Share-based payments expense related to stock options granted during the year ended November 30, 2020 was \$653,439. No expenses were incurred for the six-months ended May 31, 2021.

The following table sets forth a reconciliation of stock options warrant activity:

	Number	Average Exercise Price	Weighted Average Remaining Life
Outstanding, November 30, 2019	-	\$ -	-
Granted	2,500,000	\$ 0.33	4.42
Outstanding and exercisable, November 30, 2020	2,500,000	\$ 0.33	4.42
Outstanding and exercisable, May 31, 2021	2,500,000	\$ 0.33	3.92

6. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of Company Officers and members of the Company's Board of Directors. The remuneration of directors and key management personnel during the six-month periods ended May 31, 2021 and 2020, were as follows:

- Accounting fees of \$7,650 (2020 - \$3,850) to a company controlled by the CFO and director of the Company.
- Consulting fees of \$78,000 (2020 – nil) to a company controlled by the former CEO of the Company, who remains a director.
- Consulting fees of nil (2020 - \$17,500) to a company controlled by the former CEO and director of the Company.
- Consulting fees of \$48,000 (2020 – nil) to a company controlled by the VP Exploration of the Company.

Included in accounts payable and accrued liabilities at May 31, 2021 is \$8,663 (November 30, 2020 - \$22,575) due to directors and officers of the Company.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**Financial instruments**

Cash is carried at fair value using a level 1 fair value measurement. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

APOLLO GOLD CORP.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits exposure to credit risk on liquid financial assets through maintaining its cash with high-credit quality financial institutions. Receivables consist mainly of GST receivable from the Government of Canada. The Company has been successful in recovering input tax credits and believes credit risk with respect to receivables to be insignificant.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At May 31, 2021, the Company had a cash balance of \$5,795,809 (November 30, 2020 - \$6,125,876) to settle current liabilities of \$115,684 (November 30, 2020 - \$147,536). All of the Company's accounts payable and accrued liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. To maintain liquidity, the Company is currently investigating financing opportunities, including optioning interests in the Company's properties.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. The Company does not have a practice of trading derivatives.

a) Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks. As at May 31, 2021, the Company did not have any investments in investment-grade short-term deposit certificates.

b) Foreign currency risk

The Company's business at May 31, 2021 is conducted in Canadian dollars. As such, the Company considers exposure to foreign currency risk to be minimal at May 31, 2021.

c) Price risk

The mining industry is heavily dependent upon the market price of the metals or minerals being mined. There is no assurance that, even if commercial quantities of mineral resources are discovered, a profitable market will exist for their sale. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond control of the Company may affect the marketability of any minerals discovered. The price of gold has experienced volatile and significant price movements over short periods of time, and is affected by numerous factors beyond the Company's control. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

APOLLO GOLD CORP.**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

THREE AND SIX MONTH PERIOD ENDED MAY 31, 2021

(Unaudited)

(Expressed in Canadian Dollars)

8. CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds to finance the acquisition and exploration of its exploration and evaluation assets. Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

9. SUBSEQUENT EVENTS

On July 6, 2021, the Company completed a private placement of 70,533,334 common unit for gross proceeds of \$52.9 million. Each common unit consists of one common share of the Company and one-half of one common share purchase warrant ("warrant"). Each warrant entitles the holder to purchase an additional common share of the Company at a price of \$1.25 per common share for a period of 24 months. In connection with the private placement, the Company paid finders' fees of \$3 million and incurred approximately \$0.2 million of share issue costs.

The Company will use the net proceeds to fund the acquisition of Stronghold Silver Corp. ("Stronghold"). The acquisition includes a \$27 million payment to Pan American Minerals Inc. ("Pan American") for the purchase of the Waterloo project, \$7.3 million payment to Pan American within 25 days of closing the transaction, \$7.2 million exploration and resource development work at Calico Silver project, \$0.5 million for option payments and mineral title taxes, \$1.5 million for exploration costs at the Arizona Silver Project, \$5.1 million in G&A costs, and \$6.9 million in general corporate and business development activities.

On July 9, 2021, the Company completed an amalgamation transaction and acquired all issued and outstanding shares of Stronghold Silver Corp. ("Stronghold"). With the close of the Transaction, Apollo has issued a total of 40 million common shares to Stronghold shareholders at a share exchange ratio of one Apollo common share for one Stronghold common share or warrant (the "Exchange Ratio"). The shares issued by Apollo to Stronghold shareholders are subject to various seed share resale restrictions imposed by the TSXV. Apollo will also be assuming 5,010,638 warrants of Stronghold (the "Stronghold Warrants"). The Stronghold Warrants will now, in accordance with their terms, be exercisable into common shares of Apollo at an exercise price of US\$0.20 per Stronghold Warrant. The Company is currently assessing the appropriate accountant treatment under IFRS 3 and have not yet finalized the purchase price allocation.

July 13, 2021, the Company completed the purchase of the Waterloo Silver Barite Project to obtain 100% interest from Pan American Minerals Inc. for base consideration of US\$25 million. In addition, 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 Stronghold at the higher of: (i) the 10-day VWAP calculated 10 trading days following the close of the Transaction; and (ii) CA\$0.71 per share.

On July 21, 2021, the Company granted 4,550,000 of incentive stock options to certain directors, officers, and consultants of the Company. The options have a term of 5 years and are exercisable at \$0.86 per common share.