APOLLO GOLD & SILVER CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
FORM 51-102F1

FOR THE THREE AND SIX-MONTH PERIODS ENDED MAY 31, 2021

INTRODUCTION

This is Management's Discussion and Analysis ("MD&A") for Apollo Gold & Silver Corp. ("Apollo" or the "Company") and has been prepared based on information known to management as of July 30, 2021.

The MD&A is intended to complement and supplement the Company's condensed interim financial statements, but it does not form part of those condensed interim financial statements. To better understand this MD&A, it should be read in conjunction with the condensed interim condensed interim financial statements for the three and six-month periods ended May 31, 2021 and the audited financial statements for the years ended November 30, 2020 and 2019 including the related notes. All financial information in this document is prepared in accordance with International Financial Reporting Standards ("IFRS") unless otherwise indicated. All dollar figures included in the following Management Discussion and Analysis ("MD&A") are quoted in Canadian dollars unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A provide, or appear to provide, a forward-looking orientation with respect to the Company's activities and its future financial results. Consequently, certain statements contained in this MD&A constitute express or implied forward-looking statements. Terms including, but not limited to, "anticipate", "estimate", "believe" and "expect" identify forward-looking statements. Forward-looking statements, while they are based on the current knowledge and assumptions of the Company's management, are subject to risks and uncertainties that could cause or contribute to the actual results being materially different than those expressed or implied. Readers are cautioned not to place undue reliance on any forward-looking statement that August be in this MD&A.

Forward looking statements in this MD&A include, but are not limited to, the following:

- Working capital requirements;
- Management's expectations of future activities and results; and
- The Company's ability to raise capital for exploration expenditures and/or to acquire interest(s) in new projects.

ADDITIONAL INFORMATION

Condensed interim financial statements, MD&A's and additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com.

OVERVIEW OF THE BUSINESS

The Company is an exploration and development 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"), trading under the symbol APGO. The Company was delisted on the OTCQB as a result of the prolonged trading halt on the TSX as requested by the TSX while they reviewed the proposed Stronghold Silver Corp. ("Stronghold") transaction (see below) announced on May 12, 2021. Subsequently, the Company has reapplied to become listed on the OTCQB under the symbol APGOF.

The Company is engaged in the investigation, acquisition, exploration and definition of potentially economically viable mineral resources on mineral properties. The recoverability of the amounts shown to acquire the Company's mineral properties and related deferred exploration costs are dependent upon the existence of economically recoverable resources, the ability of the Company to obtain necessary financing to complete the development of those resources and upon future profitable production.

Scientific and technical information contained in this MD&A was reviewed and approved by Cathy Fitzgerald, P. Geo., Vice President Exploration and Resource Development for Apollo, and a "qualified person" as defined by Canadian Securities Administrators' National Instrument 43-101 - Standards of Disclosure for Mineral Projects."

OVERALL PERFORMANCE

Highlights and Notable Events

On February 12, 2021, Apollo terminated the letters of intent in relation to two exploration projects, Muylaque and Libertador, in Peru, as the conditions of a 43-101 compliant Technical Report and Title opinions were not supplied in a timely manner.

On May 1, 2021, Simon Clarke, resigned as Chief Executive Officer and Tom Peregoodoff was appointed President and Chief

Executive Officer. Simon Clarke remains involved as a director of the Company.

On May 11, 2021, Apollo entered into a definitive acquisition agreement to acquire all the issue and outstanding shares of privately held Stronghold Silver Corp. ("Stronghold"). Stronghold holds rights to three silver projects: Waterloo and Langtry in California and The Silver District in Arizona. Under the terms of the Agreement, Apollo was required to issue a total of 40 million common shares to Stronghold shareholders on a share exchange ratio of one Apollo common share for one Stronghold common share. In addition, it was a condition of closing that Apollo complete a financing of a minimum of $35,000,000 (the "Concurrent Financing").

Stronghold USA ("Stronghold") as Purchaser, and Pan American Minerals Inc. ("Pan American", a wholly-owned subsidiary of Pan American Silver Corp.), as Vendor, entered into an asset purchase agreement dated January 22, 2021 (the "Waterloo Purchase Agreement") which gave Stronghold the right to purchase 100% interest in the Waterloo Silver-Barite Project ("the Project") for a consideration of US$25,000,000 (the "Base Purchase Price"). Pan American will retain a 2% Net Smelter Royalty on any future production of minerals from the Project. In addition, within 15 days of the close of a public listing, Stronghold 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 June 30, 2021, the Company agreed to an extension of the definitive acquisition agreement with Stronghold to July 12, 2021. In consideration, the Company paid US$500,000 to Stronghold.

On July 7, 2021, the Company 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. 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. On July 9, the Company completed the amalgamation with Stronghold.

On July 12, 2021, the Company completed the purchase of the 100% working interest in the Project from Pan American.

The Project is located in San Bernardino County, California, USA., in the Calico Mountains. It is situated approximately 145 miles (230 km) northeast of Los Angeles, approximately halfway between Los Angeles and Las Vegas, Nevada along the I-15 interstate highway. The Project comprises 21 unpatented lode claims and 27 fee land parcels, totaling approximately 1,770 gross acres (715 hectares) (collectively, the "Property").

The Calico Mining District has a lengthy history of exploration and mining, with silver-rich mineralization discovered in the Calico Mountains in 1881. The region is a prolific historic silver and barite mining district and is responsible for most of the silver production in the Mojave. Several past-producing mines and historical workings are situated in the vicinity of the Project, with most of the historical mining operations situated over a 12 square mile (19.3 km^2) area northeast of Calico. Four past-producing mines are located in the northeast portion of the Waterloo Property, including Waterloo, Voca, Union and Burcham mines.

Mineralization on the Property is found as discrete veins in the Pickhandle Formation striking generally northwest and as veinlet stockworks and disseminations in the Barstow Formation. Veins are composed of similar minerals including barite, jasperoid/chalcedony, oxides, and sulphides. Near surface vein exposures are often oxidized, enriching the silver grade with embolite, chlorargyrite, cerargyrite, and native silver. Alteration dominantly consists of silicification (chalcedony and jasperoid) and patchy propylitic alteration. Potassium feldspar alteration has been observed in the Barstow Formation associated with mineralization. Acid sulphate/steam heated leeching, not directly related to mineralization, has been mapped on the Property.

Mineralization on the Property is interpreted to be epithermal precious metal vein-type and stockwork type. Fluids were focused along detachment faults and bedding planes of the Barstow Formation. The timing of mineralization is approximated to be around 15-20 Ma, which corresponds with a period of subduction and extension in the region.

The Langtry Option Agreements

Athena Agreement

Stronghold as optionee and Athena Minerals Inc. ("Athena", a wholly owned subsidiary of Athena Silver Corporation) as optionor entered into an Option to Purchase Agreement dated December 21, 2020 which gives Stronghold the right to acquire 100% interest in certain lands forming a portion of the Langtry Project (“Athena Lands”) for an aggregate purchase price of US$1,000,000 to be made on or before December 21, 2025.

Terms of the option include US$15,000 upon closing (paid) and US$25,000 on each anniversary of the effective date. All payments made by the optionee to the optionor during the 24-month period prior to the full exercise of the option shall be credited against the purchase price.

Upon vesting of 100% interest, Stronghold will grant to Athena a 1% Net Smelter Royalty on any future production of minerals from the Athena Property subject to the royalty shall only apply on those Athena Lands that currently do not have existing royalties of 1% or higher such that at no time will any property have a royalty of greater than 2%.

Strachan Agreement

Stronghold USA, as optionee, and Bruce D. Strachan and Elizabeth Strachan as Trustees of the Bruce and Elizabeth Strachan Recoverable Living Trust dated 7-25-2007 (“Strachan”) as optionor entered into an Option to Purchase Agreement dated December 23, 2020 (the “Strachan Agreement”) which gives Stronghold the right to acquire 100% interest in lands forming a portion of the Langtry Project (“Strachan Lands”) for the aggregate purchase price of the greater of 1) US$5,200,000 or 2) spot price of 220,000 troy ounces of silver, on or before December 24, 2025.

Under the terms of the Strachan agreement Stronghold is required to pay US$100,000 on each anniversary of the effective date to keep the option in good standing. All payments made during the term of the option shall be applied to the purchase price. Upon full exercise of the option, Stronghold will grant to Strachan the following royalties: 1) a 1% Net Smelter Royalty on any future production of silver from the Strachan Lands; 2) 5% gross royalty on all other mineral production and 3) 10% gross royalty on all other non-mineral production income derived from any other commercial use of the property.

Arizona Silver District Project

This district-scale property position is located in the heart of the historic Silver District in Southwest Arizona. The Arizona Silver District project covers over 2,000 acres and includes mineral title covering three major epithermal vein structures (West, Central, East), having a collective strike length of 13 km. Previous drilling is limited to approximately 45 m vertical depth, opening up significant discovery potential.

Stronghold as optionee and Gulf + Western Industries Inc (“Gulf”), as optionor, entered into an Option to Purchase Agreement dated January 22, 2021, which gives Stronghold the right to acquire 100% interest in lands forming the Arizona Silver District Project for an aggregate purchase price of US$2,000,000 to be made on or before January 22, 2026.

Terms of the option include 1) US$70,000 upon closing (paid); 2) US$100,000 and US$100,000 in common shares of Stronghold on 12 month anniversary of the effective date; 3) US$125,000 on 24 month anniversary and US$125,000 in common shares of Stronghold of the effective date; 4) US$175,000 and US$175,000 in common shares of Stronghold on 36 month anniversary of the effective date; 5) US$250,000 and US$250,000 in common shares of Stronghold on 48 month anniversary of the effective date; 6) US$300,000 and US$300,000 in common shares of Stronghold on 60 month anniversary of the effective date.

Additional bonus payments will be made by Stronghold in the following events; 1) US$250,000 and US$250,000 in common shares of Stronghold in the event the property becomes the flagship property of the company within 36 months of the effective date; 2) Stronghold declares a 43-101 compliant resource of at least 30 M ounces silver within 36 months of the effective date; 3) US$3,000,000 in the event that the price of silver exceeds US$125/ounce for ninety days on of before the 60 month anniversary of the effective date.

Upon vesting of 100% interest, Stronghold will grant to Gulf a 2% Net Smelter Royalty on any future production of minerals from the property.

On July 13, 2021, Cathy Fitzgerald was appointed Vice President Exploration and Resource Development and Dean Besser became a technical advisor.

KEY PERFORMANCE INDICATORS

	For the Three-Months Ended		For the Six-Months Ended	
	May 31, 2021	May 31, 2020	May 31, 2021	May 31, 2020
Revenue	$ -	$ -	$ -	$ -
Net loss	$ (273,337)	$ (790,934)	$ (499,686)	$ (827,297)
Loss per share	$ (0.01)	$ (0.03)	$ (0.01)	$ (0.03)
Total assets	$ 5,969,489	$ 2,267,934	$ 5,969,489	$ 2,267,934
Purchases of exploration and evaluation	$ 38,562	$ 50,000	$ 38,562	$ 50,000

Net loss decreased by $517,597 to $273,337 for the three-months ended May 31, 2021, from $790,934 for the three-months ended May 31, 2020. The decrease in the loss for the period is attributed to the decrease in expense from the share-based payments as 2,500,000 share options were issued in the prior period resulting in an expense of $653,439. No share options have been issued to date in 2021. In addition, the Company incurred consulting fees of $89,273 compared to $17,000 in the prior period resulting from additional individuals needed for the increase in corporate activity for management of the Company. In addition, the Company incurred higher professional fees of $24,314 resulting in the increase costs for legal matters, increase in accounting and audit costs for the annual filings and incurred higher transfer agent and filing fees of $28,611 for the fees associated with the acquisition.

For the six-months ended May 31, 2021, the Company incurred a net loss of $499,686 compared to $827,297 in the prior period. The decrease of $327,611 is attributed to the reduction in the above-mentioned share-based payments. This was offset by an increase in accounting and audit, for higher annual filing costs, increase in consulting fees for additional requirements needed for the day-to-day operations of the Company, increase in investor relations and shareholder communications for third party marketing program, increase in professional fees from higher legal costs for general corporate matters, and an increase in transfer agent and filing fees resulting in higher annual fees.

At May 31, 2021, the Company had $5,969,489 of total assets compared to $2,267,934 at May 31, 2020. The assets for both periods mainly consisted of cash. The increase in assets at May 31, 2021 is attributed to the additional financing offset by cash operating costs in the period.

During the six-month and three-month period ended May 31, 2021, the Company incurred $38,562 of exploration and evaluation costs compared to $50,000 for the three and six-month period ended May 31, 2020, which included the costs associated with the Apolo and San Carron concessions in Chile.

RESULTS OF OPERATIONS

	For the Three-Months Ended May 31,		For the Six-Months Ended May 31,	
	2021	2020	2021	2020
Accounting and audit	$ 24,443	$ 1,950	$ 26,541	$ 3,850

During the three-months ended May 31, 2021, the Company incurred $24,443 of accounting and audit fees compared to $1,950 for the same period ended May 31, 2020, representing an increase of $22,493. The increase is related to the increase in fees from the filing and preparation of the annual filings of the financial statements and tax returns.

During the six-months ended May 31, 2021, the Company incurred $26,541 of expenses compared to $3,850 for the comparable period representing and increase of $22,691. The increase is related to the above-mentioned filings.

	For the Three-Months Ended May 31,		For the Six-Months Ended May 31,	
	2021	2020	2021	2020
Consulting fees	$ 89,273	$ 17,000	$ 182,611	$ 27,500

During the three-months ended May 31, 2021, the Company incurred $89,273 of consulting fees compared to $17,000 for the same period ended May 31, 2020, representing an increase of $72,273. The increase is related to the addition of individuals required for the day-to-day management of the Company resulting from the increase in activity.

During the six-months ended May 31, 2021, the Company incurred $182,611 of expenses compared to $27,500 for the comparable period representing and increase of $155,111. The increase is related to the above-mentioned consultants used in the day-to-day activities.

	For the Three-Months Ended May 31,		For the Six-Months Ended May 31,	
	2021	2020	2021	2020
Investor relations and shareholder Communications	$ 37,279	$ 41,890	$ 99,488	$ 41,890

During the three-months ended May 31, 2021, the Company incurred $37,279 of investor relations and shareholder communication expenses compared to $41,890 for the same period ended May 31, 2020, representing a decrease of $4,611. The Company incurs costs related to website design and maintenance and marketers to attract new shareholders.

During the six-months ended May 31, 2021, the Company incurred $99,488 of expenses compared to $41,890 for the comparable period representing an increase of $57,598. The increase is related to the above-mentioned costs.

	For the Three-Months Ended May 31,		For the Six-Months Ended May 31,	
	2021	2020	2021	2020
Professional fees	$ 48,840	$ 27,526	$ 81,876	$ 27,526

During the three-months ended May 31, 2021, the Company incurred $48,840 of professional fees compared to $27,526 for the same period ended May 31, 2020, representing an increase of $21,314. The Company incurs costs related to legal fees for general corporate matters.

During the six-months ended May 31, 2021, the Company incurred $81,876 of expenses compared to $27,526 for the comparable period representing and increase of $54,350. The increase is related to the above-mentioned legal fees for general corporate matters and agreement preparation and review.

	For the Three-Months Ended May 31,		For the Six-Months Ended May 31,	
	2021	2020	2021	2020
Share-based payments	$ -	$ 653,439	$ -	$ 653,439

During the three-months ended May 31, 2021, the Company incurred nil of share-based payments compared to $653,439 for the same period ended May 31, 2020, representing an increase of $653,439. The Company granted 2,500,000 share-options in 2020 resulting in a related expense of $653,439. No grants have occurred to May 31, 2021.

	For the Three-Months Ended May 31,		For the Six-Months Ended May 31,	
	2021	2020	2021	2020
Transfer agent and filing fees	$ 39,023	$ 10,412	$ 55,037	$ 19,220

During the three-months ended May 31, 2021, the Company incurred $39,023 of transfer agent and filing fees compared to $10,412 for the same period ended May 31, 2020, representing an increase of $28,611. The Company incurred additional fees for the proposed transaction in addition to increased costs with the transfer agent on additional work on share issuances.

During the six-months ended May 31, 2021, the Company incurred $55,037 of expenses compared to $19,220 for the comparable period representing and increase of $35,817. The Company incurred additional fees for the proposed transaction in addition to increased costs with the transfer agent on additional work on share issuances.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Management has determined that cash flows for operating, general and administrative expenses, and exploration and evaluation will be funded by Apollo's cash on hand. Any expected short fall of cash required for these expenses will be funded by the issuance of common shares through private placements.

During the six-months ended May 31, 2021, the Company issued 499,325 common shares for proceeds of $153,209 resulting from the exercise of share purchase warrants. For the six-months ended May 31, 2020, Apollo issued 12,500,000 units for net proceeds of $625,000 as a result of a private placement. Each unit consisted of one common share and one common share purchase warrant that entitled the holder to purchase one common share at $0.25 for a period of two years. The Company also issued 8,032,000 units at a price of $0.25 per unit for net proceeds of $1,942,915. Each unit consisted of one common share and one common share purchase warrant that allows the holder to purchase an additional share of the Company at $0.75 for a period of two years from the date of issuance. There has been no material deviations from the prior disclosed use of proceeds.

Losses that are incurred will affect the Company's liquidity. Future operating losses will reduce the amount of available working capital that could be used for exploration and development activities. As the Company incurs operating losses, there maybe a requirement to obtain additional financing to fund exploration and development programs and fund operating losses.

Cash Flow Summary

	May 31, 2021	May 31, 2020
Cash on hand, December 1,	$ 6,125,876	$ 10,822
Cash flow used in operations	(444,714)	(108,260)
Cash flow from financing activities	153,209	2,260,882
Available for investments	5,834,371	2,163,444
Cash flow used in investing activities	(38,562)	(50,000)
Net liquidity available, May 31	$ 5,795,809	$ 2,113,444

Cash flow used in operations for the six-months ended May 31, 2021 was $444,714, an increase of $336,454 over cash used in operations of $108,260 for the same period in 2020. The increase in cash used in operations primarily relates to the increase in the operating loss for the period. The increase in the loss is the result of the increase in consulting fees, accounting, audit and professional fees and transfer agent and filling fees as discussed in the above results of operations. In addition, fluctuations of working capital resulted in cash inflow of $52,219 for the six-month period ended May 31, 2021 compared to $65,476 for 2020, based on timing of payments on accounts payable, collection of GST and prepaid expenses.

During the first six-months of fiscal 2021, Apollo's cash flow from financing was $153,209 compared to $2,260,882 for 2020. The inflows were the results of issuance of common shares of nil (2020 – $2,260,882), exercise of share purchase warrants of $153,209 (2020 – nil).

Apollo incurred costs of $38,562 (2020 - $50,000) in the first six-months of the fiscal year associated with the Apolo and San Carron annual concession payments for 2021 while the payment in the comparative period represents the first payment on the acquisition of the concessions in 2020.

The following table represents the net capital of the Company:

	May 31, 2021	November 30, 2020
Shareholders' equity	$ 5,853,805	$ 6,200,282

Apollo uses net shareholders' equity to monitor leverage. The decrease in capital is the result of the issuance of common shares during the year, offset by the increase in deficit resulting from the operations of the Company.

Working Capital

The Company had working capital of $5,708,338 at May 31, 2021 compared to $6,090,623 at November 30, 2020 representing a decrease of $382,285. The decrease in working capital is comprised of a decrease in current assets of $414,137 and a decrease in current liabilities of $31,852.

The decrease in current assets was due to the decrease in cash of $330,067 resulting from the payment of operating expenses and expenses related to exploration and the evaluation of exploration assets. This was offset by the receipt of the proceeds from the exercise of the warrants and a reduction in accounts payable. Receivables decreased $4,330 resulting from the collection of GST offset by the additional GST paid on expenses. Prepaid expenses decreased $79,740 from the amortization of prepaid insurance and marketing program costs.

The decrease in current liabilities is the result of a decrease in accounts payable of $31,852. The decrease in accounts payable is due to the timing of the payment of the relevant expenses.

Exploration and Evaluation Assets

The Company has exploration and development assets in the Apolo and San Carron property located in western Chile. The following provides the breakout of the 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

Under the option agreement, to earn a 65% interest in the Apolo and Sancarron properties, the Company was required to make a $50,000 payment upon signing of the agreement and an additional $50,000 payment within 7 days of the TSX-Venture approval. Both these payments were made in fiscal year ended November 30, 2020. For the six months ended May 31, 2021, the Company made concession payments totaling $38,562 to maintain the title of the properties.

The Company will assess future exploration and evaluation of the properties on a priority basis with other projects that were acquired subsequent to year end.

CONTRACTUAL OBLIGATIONS

In the normal course of operations, Apollo assumes various contractual obligations and commitments. The Company has entered into a consulting agreement with a senior officer, whereby if the Company terminates the contract or experiences a change of control, the officer and director is due 12 months' salary.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

SELECTED QUARTERLY FINANCIAL INFORMATION

The selected financial information provided below is derived from the quarterly and annual condensed interim financial statements for each of the last eight quarters:

	Three Months Ended ($)							
	May 31, 2021	February 28, 2021	November 30, 2020	August 31, 2020	May 31, 2020	February 29, 2020	November 30, 2019	August 31, 2019
Operating expenses	273,337	226,349	416,052	318,477	790,934	36,363	41,157	28,609
Net loss	(273,337)	(226,349)	(417,452)	(283,504)	(770,999)	(36,363)	(41,157)	(28,609)
Loss per share – basic and diluted – continuing operations	(0.01)	(0.00)	(0.01)	(0.00)	(0.03)	(0.00)	(0.01)	(0.00)

During the second quarter ended May 31, 2021, the Company incurred a net loss of $273,337. The loss is the result of consulting fees of $89,273 required for the management of the Company, professional fees of $48,840 resulting from legal work for various agreements and general corporate matters, transfer agent and filing fees of $39,023 resulting from the expenses for the annual filing fees, investor relations and communication expense of $37,279 for marketing programs, $33,547 of office and administration expenses resulting from salary's and office rent, and finally accounting and audit of $24,443 from additional costs of the annual filings.

During the first quarter ended February 28, 2021, the Company incurred a net loss of $226,349. The loss is the result of consulting fees of $93,338, due to management of the Company, investor relation fees of $62,209 for marketing programs, legal fees of $33,036 for general corporate purposes, office and administration expenses of $17,833 mainly due to office rent, and $16,014 for transfer agent and filing fees for the annual sustaining fee and amounts paid to the transfer agent.

During the fourth quarter ended November 30, 2020, the Company incurred a net loss of $416,052. This loss was attributed to consulting fees of $98,783 for the key management consultants, $96,878 for investor relations expenses for the marketing programs described above, office and administrative expenses of $28,986 mainly attributed to rent and general costs, and property investigation costs of $195,348 for the analysis of mining projects related to potential mineral property acquisitions.

During the third quarter ended August 31, 2020, the Company incurred a net loss of $283,504 compared to $28,609 for the same quarter in 2019. The increase in the loss was primarily the result of higher consulting fees due to the engagement of new management personnel to manage the Company given its expanded operations, including in relation to the exploration and development of its newly acquired interests in mineral properties. In addition, client communications increased due to marketing firms engaged to deliver shareholder communication services, increases in exploration services for consultants and property visits to potential acquisition targets, and lastly increase in transfer agent and filing fees due to fees paid to exchange on the issuance of shares. These expenses were offset by the recognition of a gain on the settlement of accounts payable, as a result of negotiations with certain vendors to accept lower payments on previously issued invoices.

In the second quarter ended May 31, 2020, the Company incurred a loss of $770,999 compared to $32,262 for the quarter ended May 31, 2019. The increase in the loss was attributed to the recognition of $653,439 in share-based compensation resulting form the issuance of stock options. Finally, the Company had increased legal fees for legal services surrounding acquisition agreements and general corporate purposes.

In the first quarter ended February 29, 2020, the Company incurred a net loss of $36,363 compared to $41,157 in November 2019 and $28,609 in August 2019. During these periods, the Company had minimal operations and incurred consulting fees and rent to maintain the Company. The losses are comparable.

Outstanding share data:

As of the date of this report, the Company had an unlimited number of common shares authorized for issuance and 51,245,239 shares outstanding.

	2021
Issued and outstanding shares at May 31, 2021	51,319,739
Outstanding share purchase warrants at May 31, 2021	21,687,915
Outstanding stock options at May 31, 2021	2,500,000
Total diluted common shares at May 31, 2021	75,507,654
Common shares issued on acquisition of Stronghold	40,000,000
Share purchase warrants assumed on acquisition of Stronghold	5,010,638
Common shares issued subsequent to May 31, 2021	70,533,334
Share purchase warrants issued subsequent to May 31, 2021	35,266,667
Stock options issued subsequent to May 31, 2021	4,550,000
Total diluted common shares at July 30, 2021	230,868,293

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 executives and officers and members of the Company's Board of Directors. The remuneration of key management personnel during the six-month periods ended May 31, 2021 and May 31, 2020, were as follows:

Accounting fees of $7,650 (2020 - $3,850) to a company controlled by Daryn Gordon, CFO and director of the Company.

Consulting fees of $78,000 (2020 – nil) to a company controlled by Simon Clarke, former CEO and director of the Company after May 5, 2020.

Consulting fees of nil (2020 - $17,500) to a company controlled by Andrew Cheshire the former CEO and former director of the Company.

Consulting fees of $48,000 (2020 – nil) to a company controlled by Dean Besserer, the VP Exploration of the Company.

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

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.

Financial risk factors

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. As 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 August 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.

Interest rate risk

The Company's financial assets exposed to interest rate risk consist of cash balances. The Company's current policy allows the Company 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.

Foreign currency risk

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

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. Factors beyond control of the Company August affect the marketability of any minerals discovered. There can be no assurance that the Company will discover minerals in accumulations that warrant mining, and if so, there can be no assurances that mineral prices at the time will be such that the Company's properties can be mined at a profit. The price of gold and silver 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.

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," a subsidiary of Pan American Silver Corp.) for the purchase of the Waterloo Silver-Barite Project, $7.3 million payment to Pan American within 25 days of closing the transaction, $7.2 million for exploration and resource definition work at Waterloo and Langtry, $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, administration and business development activities.

On July 9, 2021, the Company completed an amalgamation transaction and acquired all issued and outstanding shares of 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.

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.

Risks Related to Our Business

The Company's principal activity is the acquisition and exploration of high-grade precious metal deposits. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The risks and uncertainties are considered by management to be the most important in the context of the Company's business. The risks and uncertainties are not limited to but include risks associated with the Company's dependence on the exploration and evaluation assets in the United States and Chile are: geological exploration and development; changes in law; continued negative operating cash flow and the availability of additional funding as and when required; infrastructure; inflation; governmental regulation; environmental; hazards, insurance; uninsured risks; competition; currency fluctuations; labour and employment; joint ventures; contract repudiation; dependence on key management personnel and executives; supply chain management; and litigation risks.

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, supply chains, 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.