



## Apollo Gold Repays RMB Resource Loan of US\$1.7 Million Early

**Denver, Colorado – August 27, 2008** - Apollo Gold Corporation (“Apollo”) (TSX: APG) (AMEX: AGT) announces that it has repaid early the balance of the facilities agreement owing to RMB Resource Inc. of US\$1,654,000 mainly from proceeds of unwinding its hedge position with a maturity date of September 26, 2008 as more fully described below.

On October 12, 2007, Apollo entered into a US\$8.0 million Facility Agreement (the “Facility Agreement”) by and among Apollo and its wholly owned subsidiaries, Montana Tunnels Mining, Inc. and Apollo Gold, Inc., as borrowers and guarantors, and RMB Holdings Limited, an Australian corporation, and RMB Resources Inc., a Delaware corporation, as lenders. Also, on October 12, 2007, Apollo Gold entered into certain put and call contracts for lead and zinc as a requirement of the Facility Agreement. As of June 30, 2008, the balance of the Facility Agreement was US\$1,654,000 due September 30, 2008 (the “September 2008 Obligation”) and the following put and call contracts were scheduled to expire on September 26, 2008 (the “September 2008 Contracts”):

<u>Contract Type</u>	<u>Base Metal</u>	<u>Volume</u>	<u>Strike Price</u>
Put	Lead	567 Tonnes (1,250,020 pounds)	US\$1.40
Call	Lead	567 Tonnes (1,250,020 pounds)	US\$1.898
Put	Zinc	891 Tonnes (1,964,316 pounds)	US\$1.20
Call	Zinc	891 Tonnes (1,964,316 pounds)	US\$1.539

On July 1, 2008 Apollo Gold entered into an Amendment to the Facility Agreement (the “Amendment”) and borrowed an additional US\$5.1 million (the “Extended Loan Facility”) and entered into additional put and call contracts for gold, silver, lead and zinc as a requirement of the Amendment.

On August 22, 2008, Apollo Gold unwound the September 2008 Contracts early as a debt management decision since the current value of the contracts were near the September 2008 Obligation (US\$1,654,000) and realized a gain of US\$1,556,000. The net proceeds of US\$1,556,000 plus additional cash of US\$108,000 were used to repay early the September 2008 Obligation (plus interest thereon of US\$10,000). As of August 22, 2008, Apollo Gold owes US\$5.1 million on the Extended Loan Facility. This transaction did not affect any other terms of the Amendment.

### **Apollo Gold Corporation**

Apollo is a gold mining and exploration company which operates the Montana Tunnels Mine, which is a 50% joint venture with Elkhorn Tunnels, LLC, in Montana, the Black Fox advanced

stage development project in Ontario, Canada, and the Huizopa project, an early stage exploration project in the Sierra Madres in Chihuahua, Mexico.

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