

APOLLO GOLD CORPORATION
CORPORATE POLICY AND PROCEDURE ON INSIDER TRADING
AND CONFIDENTIALITY

1. Introduction

The purpose of this Corporate Policy and Procedure on Insider Trading and Confidentiality is to (i) define the rules and procedures applicable to the purchase and/or sale of Company Securities by persons who may have possession of or access to Material Non-Public Information concerning the Company and (ii) limit the use of internal information relating to the Company by persons associated with the Company.

2. Certain Definitions

For the purposes of this policy, the following terms shall have the meanings set forth below:

- A. "Company" means Apollo Gold Corporation.
- B. "Company Insiders" means all directors, officers and employees of the Company and their respective family members and other persons living in the same household.
- C. "Company Securities" means shares of the Company's common stock, options or warrants to purchase such common stock, and any other type of debt or equity securities that the Company (or any of its subsidiaries) may issue.
- D. "Material Information" means (i) information that is substantially likely to be viewed by a reasonable investor as significant in deciding whether to buy or sell Company Securities and (ii) information the public disclosure of which would be expected to significantly alter the total mix of information in the marketplace about the Company. It is important to note that, in the event of a dispute whether information is material, a court will determine what is material after the fact, with the benefit of hindsight. While it is not possible to define all categories of Material Information, the Company regards information about the following matters as likely to be material:
- Financial results, significant changes in financial results and/or financial condition;
 - Any projections of future financial performance;

- Significant increases or decreases in the amount of outstanding securities or indebtedness;
- An event of default under a financial or other agreement;
- A call of securities for redemption;
- The granting of options or payments or other compensation to directors or officers;
- A stock split, consolidation, stock dividend or other change in capital structure;
- A declaration of or failure to pay a dividend;
- Significant changes in business operations;
- A significant discovery or other development affecting the Company's resources, products or markets;
- Significant changes in management;
- A change in share ownership that may affect the control of the Company;
- A take-over bid or issuer bid;
- Major new contracts, or the loss thereof;
- A major labour dispute or a dispute with a major contractor or supplier;
- A significant acquisition, disposition or joint venture;
- Significant litigation or governmental investigation or other governmental action;
- Changes in the Company's certifying accountants; and
- A potential change in corporate structure such as a merger, amalgamation or reorganization.

The above list is not exhaustive. The Company's Compliance Officer or outside legal counsel should be consulted concerning any doubts about whether information constitutes Material Information.

- E. “Material Non-Public Information” means any Material Information that has not been publicly disclosed and is not otherwise available to the general public. Non-public information will be deemed to be public after two full trading days have passed following the date when the information is disclosed publicly.
- F. “Restricted Persons” means (i) all directors and officers of the Company, (ii) those persons listed on Annex I attached hereto, and, with respect to each of the foregoing, their respective family members and other persons living in the same household. The Company’s Compliance Officer is authorized to amend Annex I from time to time as appropriate to effect the purposes of this policy. The Compliance Officer will notify the affected persons when amendments are made to Annex I.
- G. “Trade” shall mean any sale, purchase or other transfer of, or transactions in, Company Securities beneficially owned by any Company Insider, including securities held indirectly through any other person or entity such as a trust, corporation, partnership, or other entity.

3. **General Principles**

Neither a Company Insider, nor any other person associated or affiliated with the Company in any way, may, while in possession of Material Non-Public Information concerning the Company:

- Trade any Company Securities; or
- advise, “tip” or otherwise assist any third party Trading in Company Securities.

Persons subject to this policy should be aware that violations of these principles can lead to significant criminal and civil penalties both for the person concerned and for the Company under applicable U.S. and Canadian securities laws.

4. **Additional Restrictions on Trading in Company Securities**

A. Blackout Periods and Pre-Clearance Obligations

In addition to the restriction on trading when in possession of Material Non-Public Information, Restricted Persons may not Trade in Company Securities during certain periods (“Blackout Periods”) in which such trading could lead to inadvertent violations of applicable securities laws or create an appearance of impropriety.

Blackout Periods include: (i) with respect to quarterly releases of financial information, a period beginning on the first day of the calendar month following the end of a fiscal quarter and ending after two full trading days have passed following the date of the release, (ii) with respect to annual releases of financial

) information, a period beginning on February 1 and ending after two full trading days have passed following the date of such release; (iii) with respect to any other new release by the Corporation, a period beginning with the issuance of the release and ending after two full trading days have passed following the date of such release; and (iv) such other times as the Company deems appropriate prior to or upon the occurrence of significant corporate acquisitions, divestitures, contract negotiations, asset write downs, or similar transactions or events that may be material to the Company. The Company will evaluate potentially significant corporate events as they develop and will notify Restricted Persons when a Blackout Period commences and is terminated.

In addition, even if no Blackout Period is in effect, a Restricted Person who desires to Trade in Company Securities must obtain pre-clearance for the transaction from the Company's Compliance Officer. From time to time, the Company may require certain other persons to obtain pre-clearance before Trading in Company Securities. The Compliance Officer will notify those persons when applicable.

To obtain pre-clearance, the Restricted Person must deliver to the Compliance Officer a written request for approval in substantially the form attached hereto as Annex II prior to initiating any Trade. Requests may be delivered by hand or email. If an approved transaction is not effected within 10 calendar days after receipt of approval, a new pre-clearance request must be filed. The Compliance Officer will promptly inform the applicant should an authorization be refused under the pre-clearance procedure.

B. 10b5-1 Trading Plan

) Company Insiders may Trade in Company Securities pursuant to a trading plan or arrangement satisfying the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934 and the requirements of this policy (a "Trading Plan"). Restricted Persons may ordinarily effect transactions pursuant to a qualified Trading Plan even during a Blackout Period. In addition, no pre-clearance of transactions under such a Trading Plan is required.

To qualify, a Trading Plan must be documented, *bona fide* and established at a time when the Company Insider does not possess Material Non-Public Information. The Trading Plan must specify the price, amount and date of Trades to be made or provide a formula or other mechanism to be followed. In addition, the Company must pre-approve any Trading Plan, which may be evidenced by the Company's signature on the plan or other written approval. The Company reserves the right to require that additional provisions be included in a Trading Plan with the objective of complying with Rule 10b5-1. The Company shall not impose requirements regarding specific trades or trading instructions.

The Company may make public disclosures regarding the existence or terms of a Trading Plan if the Company deems it desirable, and may establish procedures with third parties to ensure timely compliance with the requirements of Section 16 of the Securities and Exchange Act of 1934. The Company also reserves the right to require that transactions under a Trading Plan be suspended during periods when the Company believes that legal, contractual or regulatory restrictions could prohibit such transactions or make them undesirable.

Those individuals who wish to adopt a Trading Plan are encouraged to consult with their financial, tax and legal advisors to help ensure that the Trading Plan will meet their objectives.

5. Additional Prohibited Transactions

It is the Company's policy that Company Insiders may not engage in any of the following activities with respect to Company Securities at any time:

- A. Short sales (a sale of securities which are not owned by the seller at the time of the sale), including short sales against the box;
- B. Buying or selling puts or calls; or
- C. Frequent trading (for example, daily or weekly) to take advantage of fluctuations in trading prices.

In addition, because purchasing Company Securities on margin can raise potential problems under the U.S. securities laws, it is strongly suggested that Company Insiders consult with the Company's outside legal counsel before purchasing or selling Company Securities in margin accounts.

6. Other Legal Obligations

The above restrictions are in addition to the legal requirements relating to Company Securities that may otherwise apply to directors and officers and major stockholders of the Company. Those legal requirements include the following:

- A. Rule 144 under the Securities Act of 1933 imposes limits on sales of Company Securities by "affiliates" of the Company (a term that generally includes directors, officers, major stockholders and, in some cases, relatives of the foregoing). Under Rule 144, affiliates of the Company who sell Company Securities must comply with certain limits on the amount and method of sale and must satisfy certain public reporting requirements.
- B. U.S. and Canadian law generally require directors and officers of the Company (and, in some cases, any subsidiary of the Company), to file a report with the applicable securities regulator when (i) the person becomes a director or officer and (ii) when the person buys, sells or transfers any Company Securities. The

same reporting obligations apply to beneficial owners of 10% or more of the Company's voting securities.

- C. Section 16 of the Securities Exchange Act of 1934 imposes liability on directors, officers and major stockholders for any "short-swing" profit received by those persons from purchases and sales, or sales and purchases, of registered Company securities that occur within any six month period.

The Company's Compliance Officer and outside legal counsel are available to advise you further about these matters and other legal requirements that may apply to Trading in Company Securities.

7. Confidential Information

Unauthorized disclosure of internal information relating to the Company could cause harm to the Company and in some cases could result in liability for the Company and the person disclosing the information. It is the duty of all persons to whom this policy applies to maintain the confidentiality of sensitive or proprietary information belonging or relating to the Company. **In particular, Company Insiders must not disclose such internal information about the Company** except as required in the performance of their duties for the Company. Company Insiders should be discreet with inside information pertaining to the Company that is not generally public and not discuss it in public places where it can be overheard, such as elevators, restaurants, taxis and airplanes. Sensitive or proprietary information should be divulged only to persons having a need to know it in order to carry out their job responsibilities. In addition, to avoid even the appearance of impropriety, Company Insiders should refrain from providing advice or making recommendations regarding Trading in Company Securities.

Communications on behalf of the Company with the media, securities analysts and other investors must be made **only** by specifically designated representatives of the Company (namely the Chairman, CEO, CFO or the Director of Investor Relations). Unless you have been expressly authorized to make such communication, if you receive any inquiry relating to the Company from the media, a securities analyst or an investor, you should refer the inquiry to one of the aforementioned individuals.

8. Responsibility

The policies and procedures set forth herein present only a general framework within which a Company Insider may Trade Company Securities without violating insider trading laws. The Company Insider has the ultimate responsibility for complying with insider trading and other applicable laws. All Company Insiders should therefore obtain additional guidance when uncertainty exists regarding a contemplated transaction.

9. Sanctions

Failure to comply with this policy will result in the Company taking appropriate disciplinary action, which may include termination of employment.

Canadian securities laws provide that breach of the prohibition against trading in securities with knowledge of undisclosed material information or providing undisclosed material information to others, in addition to civil liability for damages, may result in imprisonment for up to five years less a day and/or a fine of up to the greater of (i) \$5 million and (ii) an amount equal to three times the profit obtained or loss avoided by reason of the contravention. Potential liability under U.S. securities laws is similar, except that the term of imprisonment for insider trading violations can be as long as 25 years.

Penalties may also be levied by U.S. and Canadian securities regulatory authorities for not complying with the requirements to file insider reports.

10. Acknowledgement of Policy

A copy of this policy will be delivered by the Compliance Officer to all existing directors, officers and employees of the Company as well as to all new directors, officers and employees of the Company at the start of their employment or relationship with the Company. Upon first receiving a copy of the policy or any revised versions, the recipient must sign an acknowledgement that he or she has read and understands the terms of the policy. A form of acknowledgement is attached hereto.

11. Inquiries and Notices

Please direct all inquiries or notices relating to this policy to the incumbent in the Office of the General Counsel, the Company's Compliance Officer, at (720) 886-9656 (Ext. ___) or _____. The Company's outside legal counsel is Deborah Friedman of Davis Graham & Stubbs LLP. Ms. Friedman can be reached at (303) 892-9400 or deborah.friedman@dgsllaw.com.

ACKNOWLEDGMENT

The undersigned acknowledges that she or he has received a copy of this Policy and has read and understood it.

DATED: _____, 20__.

[signature]

Printed Name: _____

ANNEX I
List of Additional Restricted Persons

ANNEX II
Request for Approval to Engage
in Transactions in Securities of Apollo Gold Corporation

To: _____

From: _____
Print Name

Signature

Date: _____

Time: _____

I hereby request approval for myself (or a member of my immediate family or household) to execute the following transaction relating to securities of Apollo Gold Corporation:

Type of Transaction (circle one):

- PURCHASE
- SALE
- EXERCISE OPTION (AND HOLD SHARES)
- EXERCISE OPTION (AND SELL SHARES)
- OTHER

Securities Involved in Transaction:

Number of shares: _____

Number of registered shares represented by option: _____

Other (please explain): _____

Beneficial Ownership (if not applicable, please write "N/A")

Name of beneficial owner if other than yourself: _____

Relationship of beneficial owner to yourself: _____

THIS AUTHORIZATION IS VALID FOR ONLY 10 DAYS AFTER THE TIME OF APPROVAL OR UNTIL A BLACKOUT PERIOD BEGINS, WHICHEVER COMES FIRST.

Approved by: _____

Name: _____

Date: _____

Time: _____