
NEWS

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For Immediate Release
14 May, 2004

APOLLO TARGETS UPGRADED GOLD RESOURCE

ESTIMATE AFTER NEW W.A. INTERSECTIONS

Apollo Gold Limited today reported gold grades ranging up to 36.6 grams per tonne from the first stage of development drilling on the Company's Admiral Hill project in Western Australian.

Intersections ranging from 1 metre to 8 metres returned grades of between 1.9 grams per tonne (g/t) gold and 36.6 g/t gold from 3,790 metres of drilling over 68 holes in the first stage.

"These are significant grades and importantly, are at shallow depth," Apollo Gold's Executive Director, Mr Andrew Haythorpe, said today.

"We have already commenced Stage 2 drilling with a target of moving to Stage 3 in the next few weeks and calculating an upgraded resource estimate early in the new financial year," he said.

The Admiral Hill project is located nine kilometres north of the Company's Laverton gold mill.

The project contains an inferred resource of seven million tonnes at 1.2 grams per tonne gold, containing 262,000 ounces of gold, hosted in three deposits - Armstrong, Castaway and Pieces of Eight.

The drilling results released today were from the first reverse circulation drilling at Armstrong, a 1.2 kilometre portion of the five kilometre long mineralised Admiral Hill system. Intercepts included:

- 36.6 grams per tonne gold (g/t au) over 1 metre between 45 and 46 metres depth
- 11.1 g/t au over one metre between 24 and 25 metres
- 5.8 g./t au over six metres between 63 and 69 metres
- 4.8 g/t au over two metres between 48 and 50 metres
- 4.7 g/t au over three metres at 97 to 100 metres
- 3.9 g/t au over five metres between 73 and 78 metres, through to
- 1.9 g/t au over eight metres between 26 and 34 metres.

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Mr Haythorpe said the current Stage 2 in-fill drilling program was focused on the northern zone of the Armstrong deposit as the first stage drill results suggested potential for the zone to support a low grade, low cost, bulk tonnage gold operation.

"However, any decisions on mine development options will have to await the outcome of further drilling in the next six weeks, and a feasibility study over the whole of the Admiral Hill project, due for completion by October," he said.

"Stage 2 drilling on Armstrong involves 20 RC holes over a total of 1,500 metres to infill the better mineralised zones. We expect to complete this work within a week or two."

"This should position Apollo to move strongly into the new financial year with a series of resource upgrades followed by completion of a feasibility study on and then consideration of possible mining options."

Apollo Gold shareholders will meet in Perth on June 2 to vote on a proposal to change the Company's name to Crescent Gold Limited.

The change of name is necessary to avoid confusion in these markets with a similarly named (Apollo) entity already listed on the Toronto Exchange.

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