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Company Announcements Office
Australian Stock Exchange Limited
2 The Esplanade
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By Electronic Lodgment

Dear Sir/Madam

Execution of Asset Swap Agreement between Apollo Gold Mining Limited and AngloGold Australia Limited

Apollo Gold Mining Limited (**Apollo Gold**) is pleased to announce that it has executed a formal agreement with AngloGold Australia Limited (**AngloGold**) to exchange tenements in the Laverton region of Western Australia.

Under the terms of the agreement, AngloGold will exchange the Royal tenements (E38/915 and E38/937) for Apollo Gold's tenements L39/124, M39/262, M39/185, M39/139 and M39/138, which were referred to as the Jasper Hills tenements in Apollo Gold's recent prospectus. AngloGold's tenement E38/915 contains the Sickle deposit.

Highlights

- Excellent first round RC drilling results at Sickle include 21m @ 3.62g/t (from 18 m), 20m @ 2.54g/t (from 14 m) and 4m @ 6.8g/t (from 47 m);
- Inferred oxide resource of 1.2m tonnes at 2.0g/t Au estimated at Sickle, 5km from Laverton Treatment Plant.
- Good exploration potential for additional high-grade shoots to be discovered along strike;
- Sickle deposit outcrops at surface;

Resource Statement

Apollo Gold also prepared a Resource Statement for the Sickle deposit using both the historical data and recent RC drill program results.

An inferred resource (oxide plus fresh rock) of 6 million tonnes grading 1.25 g/t Au (245,000 ounces of gold contained) has been estimated. An oxide component of 1.2 million tonnes grading 2.0 g/t Au (77,000 ounces of gold contained) has been estimated

as part of the total inferred resource. The Sickle deposit is located approximately 5 kilometres south-east of Apollo Gold's Laverton Treatment Plant.

The Company is planning a follow-up drilling program in the September quarter to upgrade a large part of the inferred oxide resource to a minimum indicated status and to test the Sickle deposit along strike.

Sickle RC Drilling Results

Apollo Gold has recently completed five additional RC holes for 398 metres at the Sickle project, the composite results of which appear in **Table 1**. The drilling program was part of due diligence work to assess and to test previous values attained in drilling conducted by AngloGold.

Table 1

Composite Assay Results from RC drilling at Sickle

Assay Results – 2003 Drilling								
Hole ID	Easting	Northing	Azimuth	Decl.	Depth	Interval		Intercept (g/t au)
						From	To	
ASRC001	452,527	6,829,636	270	-60	74	18	39	21m @ 3.62
						65	66	2m @ 2.55
ASRC002	452,506	6,829,587	270	-60	84	55	66	12m @ 1.99
ASRC003	452,459	6,829,531	270	-60	84	14	34	20m @ 2.54
						47	50	4m @ 6.80
						61	66	5m @ 2.96
ASRC004	452,474	6,829,480	270	-60	90	42	50	8m @ 1.17
ASRC005**	452,276	6,829,934	270	-60	66	19	21	2m @ 1.02
						30	33	3m @ 1.38
						37	38	2m @ 2.42
						43	46	3m @ 1.54

* Lower grade cutoff is 1.0g/t.

** This hole was abandoned at 66 metres in depth

AngloGold has completed significant exploration at Sickle since 1998, including soil/auger geochemistry, RAB, RC and diamond drilling (**Table 2** below), a close-spaced aeromagnetic survey, petrophysical analyses and 1:20,000 scale mapping.

The Sickle deposit mineralization exhibits potential for additional high-grade shoots to be discovered along strike. Mineralization of a similar style to Sickle exists at the Hangover Prospect located approximately 5km east on tenement E38/915. In addition, there are soil anomalies within the Royal tenements package worthy of drill testing.

Apollo Gold also completed metallurgical testing of samples from the RC drill program, which confirmed results put forward by AngloGold. These tests indicate the oxide material has excellent recovery characteristics, with the oxide material yielding a gold extraction of >92%.

Historical Drilling

The earlier drilling program(s) conducted by AngloGold consisted of 47 RC holes for a total of 8,472 metres and three diamond holes for 1,068 metres. The results of that drilling program are as follows:

Table 2

Composite Assay Results from previous drilling at Sickle

Significant Assay Results – Previous Drilling								
Hole ID	Easting	Northing	Azimuth	Decl.	Depth	Interval		Intercept (g/t au)
						From	To	
RYD001	452,605	6,829,559	270	-60	350	20	35	15m @ 2.64
						118	184	66m @ 1.80
RYD002	452,465	6,829,804	270	-60	405	58	92	34m @ 5.02
						160	180	20m @ 1.03
RYRC003	452,580	6,829,548	270	-60	181	156	181	25m @ 2.03
RYRC005	452,552	6,829,551	270	-60	220	151	162	11m @ 1.62
RYRC006	452,453	6,829,703	270	-60	250	180	199	19m @ 3.77
RYRC007	452,558	6,829,701	270	-60	250	3	9	6m @ 2.00
RYRC011	452,281	6,829,704	270	-60	220	128	134	6m @ 4.08
RYRC013	452,388	6,829,798	270	-60	220	158	168	10m @ 4.07
						171	192	21m @ 1.69
RYRC016	452,485	6,829,460	270	-60	150	37	67	30m @ 1.64
RYRC017	452,536	6,829,459	270	-60	156	144	156	12m @ 1.46
RYRC019	452,465	6,829,510	270	-60	140	33	50	17m @ 2.96
RYRC021	452,565	6,829,510	270	-60	180	156	177	21m @ 1.82
RYRC022	452,436	6,829,608	270	-60	140	21	31	10m @ 1.03
RYRC024	452,536	6,829,609	270	-60	204	60	98	38m @ 1.26
RYRC025	452,411	6,829,659	270	-60	157	10	34	24m @ 2.60
						43	52	9m @ 1.37
						67	79	12m @ 1.70
RYRC027	452,511	6,829,659	270	-60	225	2	45	43m @ 1.99
RYRC032	452,356	6,829,859	270	-60	220	168	180	12m @ 1.17
RYRC036	452,371	6,829,909	270	-60	276	201	245	44m @ 1.80
RYRC037	452,246	6,829,959	270	-60	114	55	62	7m @ 6.24
RYRC038	452,296	6,829,959	270	-60	200	60	72	12m @ 6.43
						90	97	7m @ 2.51
RYRC045	452,586	6,829,608	270	-60	114	82	114	32m @ 1.78
RYRC046	452,561	6,829,659	270	-60	198	19	27	8m @ 1.28
RYRC047	452,611	6,829,658	270	-60	180	36	61	25m @ 1.28
						64	77	13m @ 1.69

Swap Agreement Details

The tenements being exchanged by Apollo contain the Lord Byron and Fish projects, which were listed in Apollo's recent prospectus as containing an inferred resource of 4.4 million tonnes at 1.83 g/t Au (262,000 ounces) and an inferred/indicated resource of 0.6 million tonnes grading 4.06 g/t Au (81,000 ounces) respectively. The Lord Byron and Fish tenements lie approximately 90 kilometres south-east of Apollo's Laverton Treatment Plant and 60-70 kilometres east of AngloGold's Sunrise Dam operation.

The agreement provides for royalties to be paid on production from the Royal, Lord Byron and Fish tenements on the following basis:

- Royal:** a production royalty of \$30 per ounce from the defined Sickie prospect and a production royalty of \$10 per ounce from elsewhere in the tenements is payable to AngloGold.
- Lord Byron:** a production royalty of \$5 per ounce from the Lord Byron tenement is payable to Apollo Gold.
- Fish:** a production royalty of \$12 per ounce from the Fish tenements is payable to Apollo Gold.

Apollo Gold intends applying to convert E38/915 to a mining lease in the near future and will initiate negotiations with local Aboriginal groups in accordance with the Native Title Act requirements in the near future.

The agreement is subject to the satisfaction of various conditions precedent including:

- the consent of the Western Australian mining minister (if and to the extent that consent is required) to the exchange of tenements;
- the approval of, or indication of no objection from, the Commonwealth Treasurer, to the exchange of tenements;
- the resolution of matters concerning a plaint over Apollo Gold's ML39/185;
- the execution by various aboriginal heritage groups of deeds of assignment and assumption with respect to AngloGold's heritage obligations; and
- the release of the Apollo Gold tenements from contingent security arrangements.

Apollo Gold's tenement ML39/185 is the subject of a plaint. A preliminary hearing has before the Warden's Court in Perth has been set down for the 24 July 2003. The Company has taken legal advice and is confident that it will be successful in defending the plaint.

Compilation of Resources and Reserves

The information relating to Resources and Reserves has been compiled by Malcolm Castle B.Sc.(Hons), who is a corporate member of the Australasian Institute of Mining and Metallurgy and has relevant experience in relation to the mineralization being reported on to qualify as a competent person as defined in the Australasian Code for Reporting of Identified Mineral Resources and Reserves.

By Order of the Board
Apollo Gold Mining Limited

Dudley J Kingsnorth
Managing Director