

ARGONAUT GOLD

*Building a Low-Cost Mid-Tier North American Gold Producer*

**First Quarter 2023 Results | TSX: AR**

**May 5, 2023**

# Forward-Looking Information

This presentation may contain "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical facts, included in this MD&A that address activities, events, or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company's business, operations, plans and other such matters are considered forward-looking information.

When used in this presentation, the words "estimate", "plan", "anticipate", "expect", "intend", "believe(s)" and similar expressions are intended to identify forward-looking information. This information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Examples of such forward-looking information include statements pertaining to, without limitation, satisfying the conditions precedent for further draws on the Loan Facilities, satisfying ongoing covenants under the Loan Facilities, results of independent engineer technical reviews, the availability and change in terms of financing, the possibility of cost overruns and unanticipated costs and expenses, the ability of the Magino project to be one of the largest and lowest cost gold mines, the winding down of the Mexican mines, the Magino construction capital estimate, the ability to finance the balance of Magino construction activities, the ability to finance additional construction costs on terms acceptable to Argonaut, risks related to meeting the Magino construction project schedule, the timing of the first gold pour at the Magino Mine, the impact of inflation on costs of exploration, development and production, risk of employee and/or contractor strike actions, the future price of gold and silver, the estimation of the mineral reserves and resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production at each of the El Castillo mining complex, La Colorada mine and Florida Canyon mine, costs of production (including cash cost per gold ounce sold), expected capital expenditures, costs and timing of development of new deposits, success of exploration activities, permitting requirements, currency fluctuations, the ability to take advantage of forward sales agreements profitably, the ability to recover property potentially impaired by third party insolvency proceedings, requirements for additional capital, government regulation of mining operations, environmental risks and hazards, title disputes or claims and limitations on insurance coverage.

For a more detailed discussion of these factors and other risks, see "Risk Factors" as more fully described in the Company's filings with the Canadian Securities Administrators, including its Annual Information Form for the year ended December 31, 2022, available under the Company's issuer profile on SEDAR at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such information will prove to be accurate as actual results may differ materially from those anticipated. Many factors are beyond the Company's ability to predict or control.

Readers of this presentation are cautioned not to put undue reliance on forward-looking information due to its inherent uncertainty. Argonaut disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, except as and when required by applicable securities laws. This forward-looking information should not be relied upon as representing management's views as of any date subsequent to the date of this presentation.

The information contained in this presentation reflects our assumptions, opinions, estimates, plans, beliefs and expectations as May 4, 2023 and is subject to change without notice.

**CURRENCY**
References to dollars or "$" are to U.S. dollars unless specified otherwise.

# Argonaut Today: A Pivotal Growth Stage

## ARGONAUT'S NEW VALUE CREATION STRATEGY



### Focus on High-quality Assets

Rebalance portfolio focusing on quality assets and disciplined capital allocation for sustainable production growth and lower costs



### Focus on Free Cash Flow

Reposition to a lower cost North American gold company focused on free cash flow generation to support growth



### Deliver and Prosper

Build a team and culture to support our commitment to operational excellence and responsible mining

# Unlocking Value: Current Objectives at Three Key Assets

**1 MAGINO PROJECT**

**2 FLORIDA CANYON**

**3 LA COLORADA**

**REPOSITION ARGONAUT AS A LOW-COST NORTH AMERICAN GOLD COMPANY**

## Commercial Production

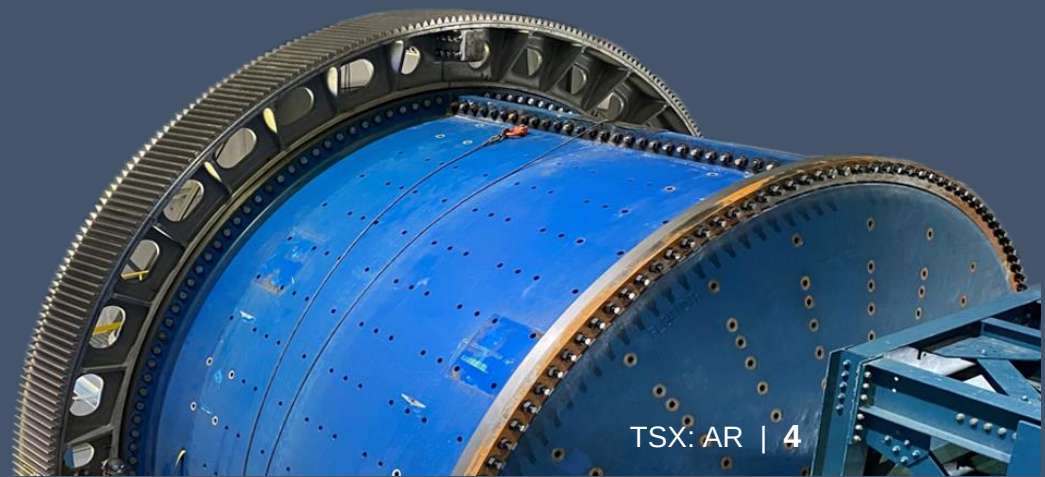
- Commission the mill
- Grade control and optimize mill throughput creating a path to annual production of 150,000 – 200,000 oz(1)
- Convert open pit resources to reserves to support a mill expansion
- Evaluate shallow and deeper underground resources
- Drill regional targets

## Explore Large Sulfide Resource

- Stabilize and optimize current operation
- Complete geologic modelling
- Complete proof-of-concept program to process deeper oxide and sulfide material

## Optimize Remaining Value

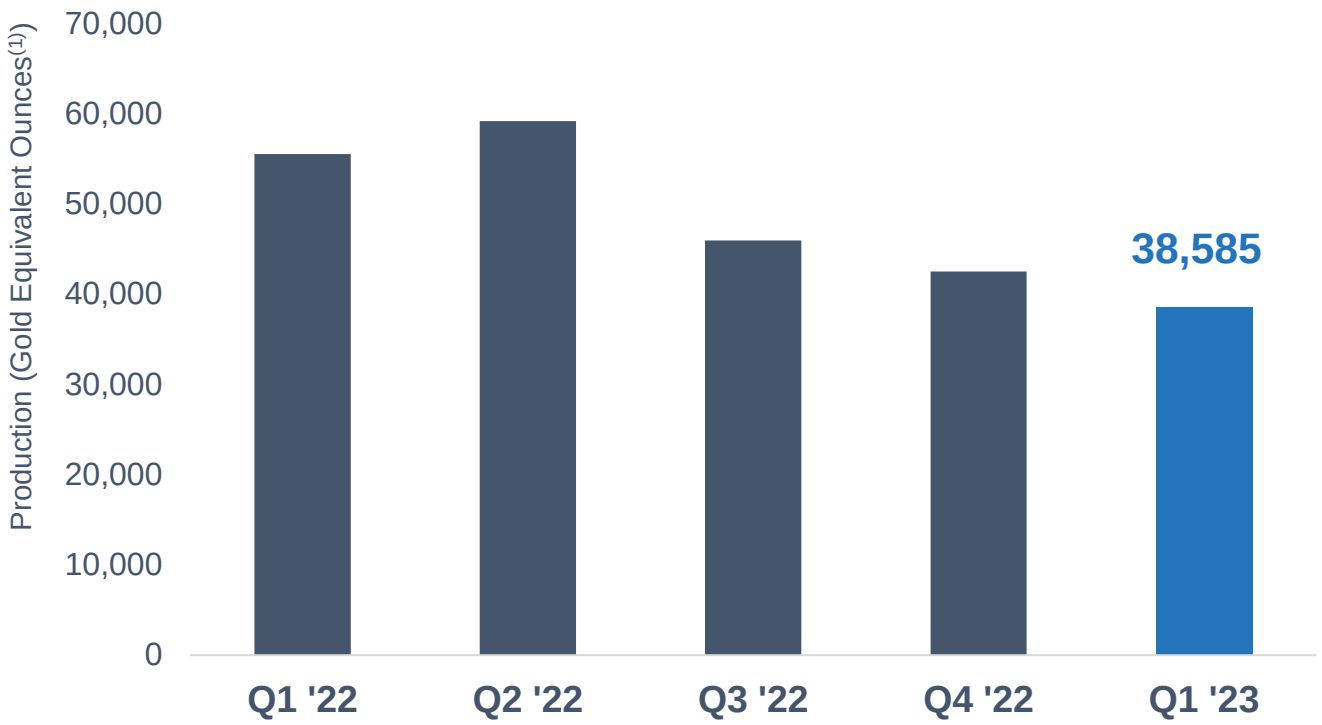
- Trade-off studies between the open pit and underground
- Drilling offset to orebody



Refer to Endnote (1) in the Appendix.

# Q1 Production Reflects Scheduled Wind Down of Mexican Operations

## Quarterly Consolidated Production (GEOs)




### 30% Decline in Consolidated Q1 Production

- Lower ore tonnes mined and lower grades placed on leach pads at three Mexican operations as planned

### 25% Higher Production at Florida Canyon Mine

- Marginally below plan
- Operational improvements implemented by the new team delivered improved gold production through March
- Expect Florida Canyon to be back on plan by the end of the second quarter

Refer to Endnote (1) in the Appendix.

# Magino Project: First Gold Pour Expected Second Half of May 2023

## DEVELOPMENT UPDATE: Well-positioned to Achieve Commercial Production Rates Anticipated in Q3 2023

- ✓ Operational readiness activities continue to advance
- ✓ Construction activities under the Company's scope (earthworks, on-site infrastructure and site power) are on schedule
- ✓ Engineering contractor (Ausenco) is on track to complete processing plant and related infrastructure
- ✓ Commissioning commenced in grinding, carbon in pulp, and reagent areas in March 2023
- ✓ Ore mining commenced for stockpile buildup of ~200,000 tonnes*
- ✓ Most operational permits received; One permit outstanding

## Capital Costs

~$652M Project Spend To-date*
(includes $69M invested in Q1 2023)

$755M Project Capital Costs
(unchanged from year-end update)

*As at May 4, 2023

# Initiating Resource Expansion Program at Magino

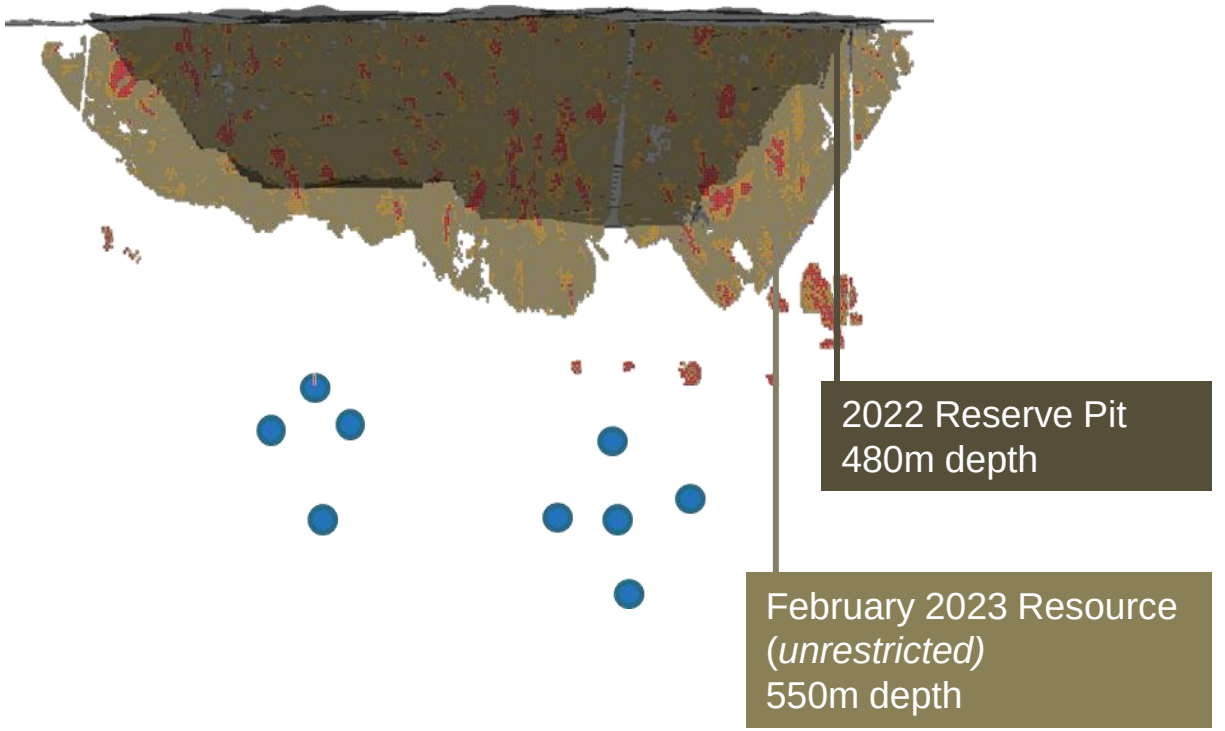
## Measured & Indicated Resources Increased by 13% to 4.6 Moz and Inferred Mineral Resources Increased to 843,000 oz*

- Nearly all Measured, Indicated and Inferred Resources fall into a larger open pit cone with no restrictions
- Mineral Reserves were largely unchanged after applying a long-term gold price of $1,350 per ounce compared to $1,600 in prior estimate

## C$25M for 12-to-15-month Drill Program

- Majority focus is converting open pit resources to reserves within the pit cone to update block model and perform an engineering analysis to determine optimal processing rates
- Test underground high-grade targets similar to neighboring Island Gold Mine (Alamos) and open pit targets west along strike
- Mill optimization and expansion review could increase throughput into the range of 15,000tpd - 20,000tpd with production of over 200,000 oz per annum LOM(2)

West-facing Cross Section of Magino Open Pit




*Refer to "Notes & Disclosures For Mineral Resource and Reserve Estimates" in the Appendix.

Refer to Endnote (2) in the Appendix.

# Florida Canyon Mine: Stabilize & Optimize

## Current Opportunity

### Optimizing Current Oxide Operation for Near-term Production Growth

- Significant increase in Inferred Mineral Resources to 2.1 Moz Au where 700,000 ounces of sulfide mineralization helped pull an additional 1.35 Moz of oxide mineralization into a large tonnage economic pit*

## Long-term Opportunity

### Evaluating Significant Sulfide System Below Oxide Material to Increase Production & Mine Life

- Assembled an internal team to review the long-term viability of the significant sulfide potential below the large oxide deposit

## Development Focus

### Preparing for Redevelopment

- Prepare a reliable geologic model by summer 2023
- Develop an initial drill plan for late-2023 targeting sulfide resources
- Prepare preliminary economic assessment on the viability of the sulfides with an initial resource for late-2024

*Refer to “Notes & Disclosures For Mineral Resource and Reserve Estimates” in the Appendix.

# Mexican Operations In Line With 2023 Plan

## All Three Mines Currently Expected to Meet Full-Year Production Guidance

- To be placed on care and maintenance while management works to secure land access and permits to mine remaining reserves and resources
- Working to secure land and permit to extend the mine lives, but approvals are uncertain

### La Colorada Mine

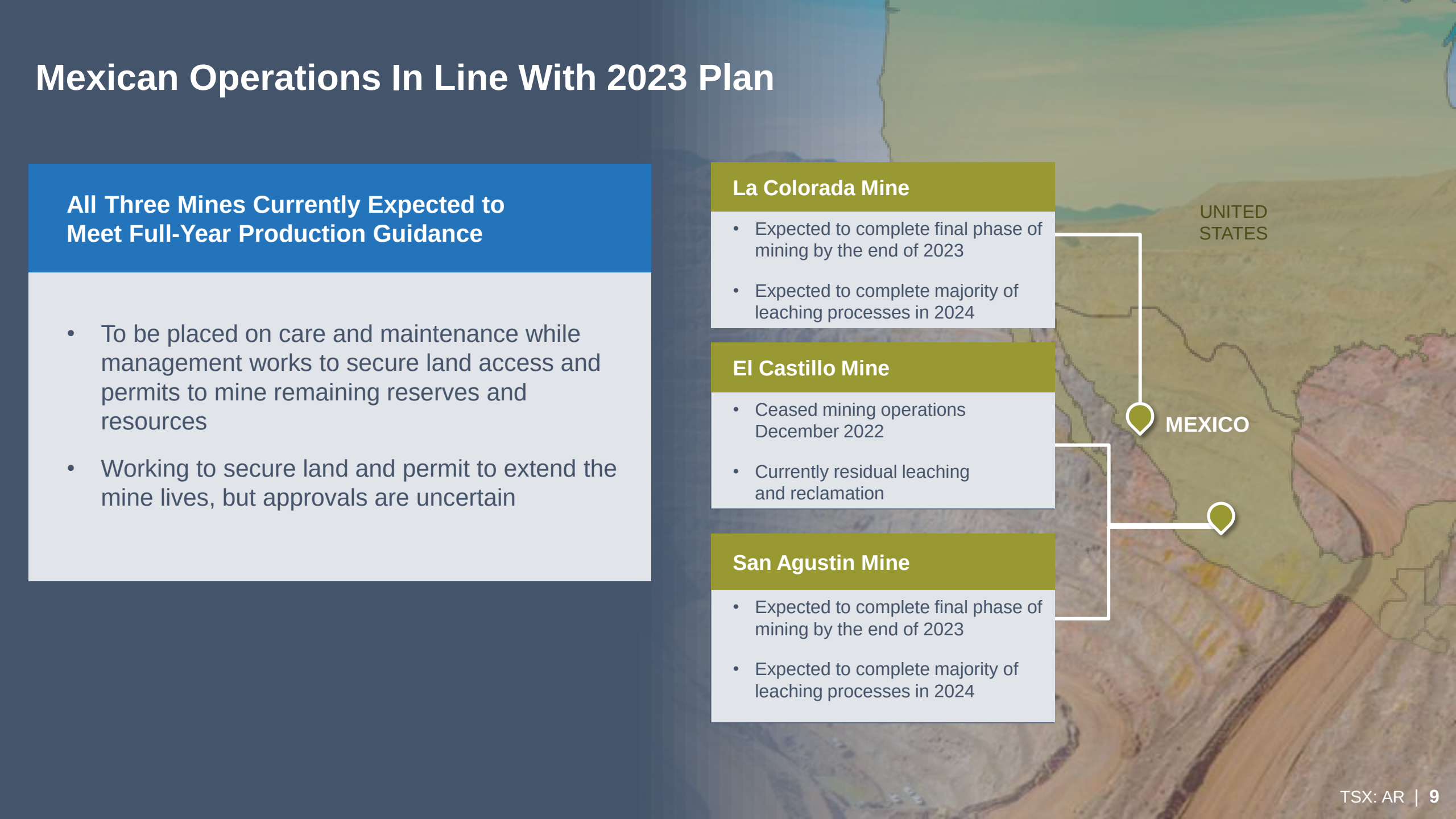
- Expected to complete final phase of mining by the end of 2023
- Expected to complete majority of leaching processes in 2024

### El Castillo Mine

- Ceased mining operations December 2022
- Currently residual leaching and reclamation

### San Agustin Mine

- Expected to complete final phase of mining by the end of 2023
- Expected to complete majority of leaching processes in 2024



# Financial Performance Reflects Current Transformation Phase of Production Base

| | Q1 2023A | Q1 2022A | Change |
|---|---|---|---|
| **Production** *Gold Equivalent Ounces*[1] | **38,585** | 55,516 | (30%) |
| **Gold Sold** *(oz)* | **36,168** | 54,107 | (33%) |
| **Cost of Sales*** *($/oz sold)* | **$1,977** | $1,555 | 27% |
| **Cash Cost*** *($/oz sold)* | **$1,660** | 1,153 | 44% |
| **All-in Sustaining Costs*** *($/oz sold)* | **$1,947** | $1,430 | 36% |
| **Revenues** *(Millions)* | **$69.0** | $105.8 | (35%) |
| **Cost of Sales** *(Millions)* | **$71.5** | $84.1 | (15%) |
| **Gross (loss) Profit** *(Millions)* | **($2.5)** | $21.7 | - |
| **Net (loss) Income** *(Millions)* | **($10.4)** | $5.6 | - |
| **Per basic and diluted share** | **($0.01)** | $0.02 | - |
| **Adjusted net (loss) income*** *(Millions)* | **($2.8)** | $8.2 | - |
| **Per basic share*** | **($0.00)** | $0.03 | (100%) |
| **Operating cash flow** before changes in non-cash working capital and other items *(Millions)* | **$10.5** | $25.1 | (58%) |

- **Per ounce sold unit costs** impacted by non-cash inventory write-down leading to a cost increase of ~$259 per gold ounce
- **Cost of sales**, **cash cost** and **all-in sustaining costs** are expected to be in-line with full year 2023 guidance with Magino's first gold pour planned for the second half of May
- **Revenue** and **gross profit** declined due to the scheduled wind down of Mexican operations
- **Net loss** and **operating cash flow**** declined due to lower gross profit

Refer to Endnote (1) in the Appendix.
*Refer to "Notes & Disclosures – Non-IFRS Performance Measures" in the Appendix. **Before changes in non-cash operating working capital and other items.

# Liquidity

| | As at March 31, 2023 | Subsequent to Quarter-end |
|---|---|---|
| **Cash and Cash Equivalents** | **$58.4M** | - |
| **Term Loan** | | |
| Total drawdown | **$146M** | **$176M** |
| Remaining balance | **$54M** | **$24M** |
| **Credit Facility** | | |
| Remaining balance | **$50M** | **$50M** |
| **Net Debt** | **$83.3M** | |

- Remaining balance of the total Loan Facilities are expected to cover Magino's remaining project costs
- **CA$17.5 million flow through equity raise** subsequent to quarter-end to fund a portion of the planned exploration and development

# Argonaut Today: Upcoming Catalysts

## Near-term Catalysts

- Develop Magino into one of the largest and lowest cost gold mines in Canada
- Stabilize operations at Florida Canyon and complete proof-of-concept program on the sulfide material to support redevelopment
- Evaluate the underground potential at La Colorada
- Close higher cost Mexican mines in an environmentally and socially responsible manner

## Long-term Catalysts

- Become a low-cost mid-tier North American gold producer that creates significant value for stakeholders and proudly demonstrates responsible mining
- By focusing on asset growth and operational excellence



# APPENDIX

# Notes & Disclosures

Argonaut Gold is a Canadian gold company with a portfolio of operations and multi-stage assets in North America. The Company is in the final stages of construction at its Magino Project, located in Ontario, Canada. The Company also has three operating mines including the Florida Canyon mine in Nevada, USA, where it is pursuing additional growth, La Colorada mine in Sonora, Mexico and San Agustin mine in Durango, Mexico, in addition to several multi-stage exploration properties.

**QUALIFIED PERSON**

The technical information contained in this document has been prepared under the supervision of, and has been reviewed and approved by Mr. Brian Arkell, Argonaut's Vice President of Exploration and Mine Technical Services and Marc Leduc, Chief Operating Officer; both are qualified persons as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). For further information on the Company's material properties, please see the reports as listed below on the Company's website www.argonautgold.com or on www.sedar.com:

| | |
|---|---|
| **Magino Gold Project** | Magino Gold Project, Ontario, Canada, NI 43-101 Technical Report, Mineral Resource and Mineral Reserve Update dated March 3, 2022 (effective date of February 14, 2022) |
| **Florida Canyon Gold Mine** | NI 43-101 Technical Report on Mineral Resource and Mineral Reserve Florida Canyon Gold Mine, Pershing County, Nevada, USA dated July 8, 2020 and with an effective date of June 1, 2020 |
| **La Colorada Gold/Silver Mine** | La Colorada Gold/Silver Mine, Sonora, Mexico, NI 43-101 Technical Report dated February 14, 2022 (effective date of October 1, 2021) |
| **San Agustin Gold/Silver Mine** | San Agustin Gold/Silver Mine, Durango, Mexico, NI 43-101 Technical Report dated February 14, 2022 (effective date of August 1, 2021) |

**NATIONAL INSTRUMENT 43-101**

Brian Arkell, Argonaut Gold's Vice-President of Exploration and Mine Technical Services and Marc Leduc, Chief Operating Officer; both a Qualified Person under NI 43-101, have read and approved the scientific and technical information in this presentation as it relates to Argonaut. This presentation contains information regarding mineral resources that are not mineral reserves and do not have demonstrated economic viability.

**CAUTIONARY NOTE TO U.S. INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED RESOURCES**

This presentation uses the terms "Measured", "Indicated" and "Inferred" Resources as defined in accordance with NI 43-101. United States readers are advised that while such terms are recognized and required by Canadian securities laws, the United States Securities and Exchange Commission does not recognize them. Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve calculation is made. United States readers are cautioned not to assume that all or any part of the mineral deposits in these categories will ever be converted into reserves. In addition, "Inferred Resources" have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Resource will ever be upgraded to a higher category. United States readers are also cautioned not to assume that all or any part of an Inferred Resource exists, or is economically or legally mineable.

# Notes & Disclosures Continued

**NON-IFRS MEASURES**

The Company has included certain non-IFRS measures including “Cost of sales per ounce sold”, “Cost of sales per ounce sold”, “All-in sustaining costs per gold ounce sold” (or “AISC), “Cash cost per ounce sold”, “Adjusted net (loss) income”, and “Adjusted earnings (loss) per share – basic”, and “net (debt) cash” in this presentation to as supplementary information to its financial statements that management believes may be useful to investors to explain the Company’s financial results, , which are presented in accordance with International Financial Reporting Standards (“IFRS”).

“Cost of sales per ounce sold” and “Cash cost per ounce sold” are common financial performance measures in the gold mining industry but have no standard meaning under IFRS. The Company reports cost of sales and cash cost per ounce on a sales basis. Cash cost figures are calculated in accordance with a standard developed by The Gold Institute. The World Gold Council definition of AISC seeks to extend the definition of cash cost by adding corporate, and site general and administrative costs, reclamation and remediation costs (including accretion and amortization), exploration and study costs (capital and expensed), capitalized stripping costs and sustaining capital expenditures and represents the total costs of producing gold from current operations. AISC excludes income tax payments, interest costs, costs related to business acquisitions and items needed to normalize profits. Consequently, this measure is not representative of all of the Company’s cash expenditures. In addition, the calculation of AISC does not include depreciation expense as it does not reflect the impact of expenditures incurred in prior periods. Therefore, it is not indicative of the Company’s overall profitability. “Adjusted net (loss) income” and “adjusted net (loss) income per basic share” exclude a number of temporary or one-time items, which management believes not to be reflective of the underlying operations of the Company, including the impacts of: unrealized losses (gains) on derivatives, non-operating income, foreign exchange losses (gains), impacts of foreign exchange on deferred income taxes, inventory impairments (reversals), mineral properties, plant and equipment impairments (reversals), and other unusual or non-recurring items. Adjusted net (loss) income per basic share is calculated using the weighted average number of shares outstanding under the basic calculation of earnings per share as determined under IFRS. “Net (debt) cash” is calculated as the sum of the cash and cash equivalents balance net of debt as at the statement of financial position date, and the calculation includes unamortized transaction costs, but excludes Convertible Debentures and equipment loans which are currently included in total debt, in order to show the nominal undiscounted debt.

The Company believes that these measures provide investors with an alternative view to evaluate the performance of the Company. Non-IFRS measures do not have any standardized meaning prescribed under IFRS. Therefore, they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

**Please see management's discussion and analysis ("MD&A") from the most recent reporting period for full disclosure on non-IFRS measures and the reconciliation of these measures available on the Company's website at www.argonautgold.com and under the Company’s issuer profile on SEDAR at www.sedar.com.**

**This presentation should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2023 and associated MD&A, for the same period, which are available on the Company's website at www.argonautgold.com, and under the Company’s issuer profile on SEDAR at www.sedar.com.**

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# Notes & Disclosures For Mineral Resource and Reserve Estimates

(1) Mineral Reserves and Mineral Resources have been estimated as at December 31, 2022 in accordance with NI 43-101 as required by Canadian securities regulatory authorities. Mineral Resources are presented inclusive of Mineral Reserves. Numbers may not sum due to rounding.

(2) The Mineral Reserves for the Magino Project set out in the table above were based on the technical report titled "Magino Gold Project, Ontario, Canada, NI 43-101 Technical Report, Mineral Resource and Mineral Reserve Update", dated effective as of February 14, 2022, prepared by John M. Marek, P. Eng., Independent Mining Consultants, Inc.; Christo Marais, P. Geo., Argonaut; Philip Addis, P. Eng., SLR Consulting (Canada) Ltd.; Tommaso Roberto Raponi, P. Eng., T.R. Raponi Consulting Ltd.; and Kyle L. Stanfield, P. Eng., Argonaut (the "**Magino Technical Report**"). The Mineral Reserves were estimated using a gold price of $1,350 per ounce. The Mineral Reserves used a variable gold cut-off grade of between 0.38 g/t Au and 0.70 g/t Au, depending on mine sequencing.

(3) The Mineral Reserves for Florida Canyon set out in the above table are based on updated models, mine plans and topography as well as updated recoveries and cost assumptions as of December 31, 2022. Florida Canyon used a gold price of $1,600 per ounce. The cut-off grade for Florida Canyon was variable depending on ore type and process selection.

(4) The Mineral Reserves for La Colorada Complex set out in the above table are based on updated models, mine plans and topography as well as updated recoveries and cost assumptions as of December 31, 2022. La Colorada used a gold price of $1,600 per ounce and a silver price of $20.00 per ounce. Cut-off grades for La Colorada were 0.14 g/t Au equivalent ("AuEQ") at El Creston and 0.16 g/t AuEQ at Veta Madre.

(5) The Mineral Reserves for San Agustin Mine set out in the above table are based on updated models, mine plans and topography, including depletion through mining activities and changes to recovery and cost assumptions as of December 31, 2022. San Agustin used a gold price of $1,600 per ounce and silver price of $20.00 per ounce. Cut-off grades at San Agustin were 0.17 g/t AuEQ.

(6) The Mineral Reserves for Cerro del Gallo set out in the table above were based on the technical report titled "Pre-Feasibility Study NI 43-101 Technical Report Cerro del Gallo Heap Leach Project Guanajuato, Mexico", dated January 31, 2020 (effective date of October 24, 2019, prepared by Carl Defilippi, M.Sc. C.E.M., SME of Kappes Cassiday & Associates, Thomas Dyer, P.E. of Mine Development Associates, Todd Minard, P.E. of Golder Associates Inc., Brian Arkell, CPG and Neb Zurkic, CPG (the "**Cerro del Gallo Technical Report**"). The Mineral Reserves were estimated at a gold price of $1,200 per ounce and a silver price of $14.50 per ounce. The Mineral Reserves used a gold cut-off grade of between 0.30 g/t AuEQ and 0.39 g/t AuEQ depending on ore type.

(7) The M&I Mineral Resources and Inferred Mineral Resources for the Magino Project set out in the table above were based on pit cones using a gold price of $1,800 per ounce and preliminary stope designs below the $1,800 per ounce cone.

(8) The M&I Mineral Resources and Inferred Mineral Resources for Florida Canyon set out in the above table were based on pit cones using a gold price of $1,800 per ounce.

(9) The M&I Mineral Resources and Inferred Mineral Resources for La Colorada set out in the above table were based on pit cones using a gold price of $1,800 per ounce and a silver price of $24.00 per ounce.

(10) The M&I Mineral Resources and Inferred Mineral Resources for El Castillo and San Agustin, which together form the El Castillo Complex, set out in the above table were based on pit cones using a gold price of $1,800 per ounce and silver price of $24.00 per ounce. El Castillo mine ceased mining operations in the fourth quarter of 2022 and is now in residual leaching.

(11) The M&I Mineral Resources and Inferred Mineral Resources for the Cerro del Gallo Project set out in the table above were taken from the technical report titled "Pre-Feasibility Study NI 43-101 Technical Report Cerro del Gallo Heap Leach Project Guanajuato, Mexico", dated January 31, 2020 (effective date of October 24, 2019 (the "**Cerro del Gallo Technical Report**"). The Mineral Resources were estimated at a gold price of $1,600 per ounce and a silver price of $20.00 per ounce. Cut-off grades range from 0.25 g/t AuEQ to 0.30 g/t AuEQ depending on ore type.

(12) The M&I Mineral Resources and Inferred Mineral Resources for the San Antonio Project set out in the table above were taken from the technical report titled "NI 43-101 Technical Report on Resources, San Antonio Project", dated October 10, 2012 (effective date of September 1, 2012), prepared by Leah Mach, M.Sc. Geology, CPG and Mark Willow, M.Sc., C.E.M. of SRK Consulting (U.S.) Inc., Richard Rhoades, P.E., and Carl Defilippi, M.Sc. C.E.M., SME of Kappes Cassiday & Associates (the "**San Antonio Technical Report**"). The Mineral Resources were estimated at a gold price of $1,500 per ounce using a cut-off grade of 0.11 g/t Au for oxide and transition and 0.15 g/t Au for sulphide. On December 5, 2022, Argonaut entered into an Option Agreement whereby Heliostar Metals Limited has been granted the option to acquire a 100% interest in and to San Antonio.

(13) The Company completed the sale of the Ana Paula Project to Heliostar Metals Limited in March 2023 as per the purchase agreement, therefore Mineral Resource and Reserve estimates prepared for this property are not included in these tables

# Consolidated Mineral Reserves & Resources(1)

*Effective as of December 31, 2022*

| Project | Category | Tonnes (millions) | Au Grade (g/t) | Contained Au Ounces (000s) | Ag Grade (g/t) | Contained Ag Ounces (000s) | Cu Grade (%Cu) | Contained Tonnes Cu (000s) |
|---|---|---|---|---|---|---|---|---|
| Magino | Proven | 26.3 | 1.24 | 1,044 | | | | |
| Magino | Probable | 37.0 | 1.11 | 1,317 | | | | |
| **Magino** | **Proven & Probable** | **63.3** | **1.16** | **2,361** | | | | |
| Florida Canyon | Probable | 86.6 | 0.33 | 930 | | | | |
| **Florida Canyon** | **Probable** | **86.6** | **0.33** | **930** | | | | |
| El Creston | Probable | 13.4 | 0.88 | 380 | 12.0 | 5,170 | | |
| Veta Madre | Probable | 5.9 | 0.70 | 132 | 4.2 | 797 | | |
| **La Colorada Complex** | **Probable** | **19.3** | **0.83** | **512** | **9.6** | **5,967** | **-** | **-** |
| San Agustin | Probable | 14.0 | 0.32 | 145 | 14.9 | 6,690 | | |
| El Castillo | Probable | - | - | - | | | | |
| **El Castillo Complex** | **Proven & Probable** | **14.0** | **0.32** | **145** | **14.9** | **6,690** | | **-** |
| Cerro del Gallo | Proven | 70.4 | 0.59 | 1,326 | 13.7 | 31,088 | 0.10 | 68 |
| Cerro del Gallo | Probable | 21.3 | 0.46 | 313 | 11.7 | 8,012 | 0.08 | 18 |
| **Cerro del Gallo** | **Proven & Probable** | **91.7** | **0.56** | **1,639** | **13.3** | **39,100** | **0.09** | **86** |
| **Consolidated Mineral Reserves** | **Proven** | **96.7** | **0.76** | **2,370** | **N/A** | **31,088** | **N/A** | **68** |
| | **Probable** | **178.2** | **0.56** | **3,217** | **N/A** | **20,669** | **N/A** | **18** |
| | **Proven & Probable** | **274.9** | **0.63** | **5,587** | **N/A** | **51,757** | **N/A** | **86** |

Mineral Resources are not Mineral Reserves. Mineral Resources hold intrinsic economic interest, which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined. There is no certainty that all or any part of the Mineral Resources will be converted into Mineral Reserves. Measured and Indicated Mineral Resources listed below are inclusive of Mineral Reserves.



[1]Refer to slide titled “Notes & Disclosures For Mineral Resource and Reserve Estimates” for notes and disclosures.

# Consolidated Mineral Reserves & Resources[(1)] *Continued*

*Effective as of December 31, 2022*

| Project | Category | Tonnes (millions) | Au Grade (g/t) | Contained Au Ounces (000s) | Ag Grade (g/t) | Contained Ag Ounces (000s) | Cu Grade (%Cu) | Contained Tonnes Cu (000s) |
|---|---|---|---|---|---|---|---|---|
| Magino | Measured | 48.8 | 0.99 | 1,556 | | | | |
| Magino | Indicated | 102.0 | 0.92 | 3,001 | | | | |
| **Magino** | **M&I** | **150.8** | **0.94** | **4,557** | | | | |
| Florida Canyon | Indicated | 113.6 | 0.31 | 1,132 | | | | |
| **Florida Canyon** | **Indicated** | **113.6** | **0.31** | **1,132** | | | | |
| La Colorada Complex | Indicated | 21.7 | 0.82 | 570 | 9.6 | 6,671 | | |
| **La Colorada Complex** | **Indicated** | **21.7** | **0.82** | **570** | **9.6** | **6,671** | | |
| San Agustin | Indicated | 22.1 | 0.31 | 223 | 12.8 | 9,092 | | |
| El Castillo | Indicated | 23.5 | 0.31 | 232 | | | | |
| **EL Castillo Complex** | **Indicated** | **45.6** | **0.31** | **455** | | **9,092** | | |
| Cerro del Gallo | Measured | 121.6 | 0.49 | 1,899 | 13.1 | 51,086 | 0.10 | 122 |
| Cerro del Gallo | Indicated | 80.4 | 0.37 | 965 | 10.8 | 28,017 | 0.08 | 66 |
| **Cerro del Gallo** | **M&I** | **202.0** | **0.44** | **2,864** | **12.2** | **79,103** | **0.09** | **187** |
| San Antonio | Indicated | 65.0 | 0.86 | 1,735 | | | | |
| **Consolidated Mineral Resources** | **Measured** | **170.4** | **0.63** | **3,455** | **N/A** | **51,086** | **N/A** | **122** |
| | **Indicated** | **428.3** | **0.57** | **7,858** | **N/A** | **43,780** | **N/A** | **66** |
| | **M&I** | **598.7** | **0.59** | **11,314** | **N/A** | **94,866** | **N/A** | **187** |

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[1]Refer to slide titled “Notes & Disclosures For Mineral Resource and Reserve Estimates” for notes and disclosures.

# Consolidated Mineral Reserves & Resources(1) Continued

*Effective as of December 31, 2022*

| Project | Category | Tonnes (millions) | Au Grade (g/t) | Contained Au Ounces (000s) | Ag Grade (g/t) | Contained Ag Ounces (000s) | Cu Grade (%Cu) | Contained Tonnes Cu (000s) |
|---|---|---|---|---|---|---|---|---|
| Magino | Inferred | 31.6 | 0.83 | 843 | | | | |
| Florida Canyon | Inferred | 119.3 | 0.53 | 2,051 | | | | |
| La Colorada | Inferred | 0.6 | 0.63 | 12 | 7.2 | 138 | | |
| San Agustin | Inferred | 21.9 | 0.61 | 427 | 21.3 | 15,015 | | |
| El Castillo | Inferred | 2.5 | 0.33 | 26 | | | | |
| Cerro del Gallo | Inferred | 5.1 | 0.43 | 71 | 11.9 | 1,947 | 0.06 | 5 |
| San Antonio | Inferred | 6.2 | 0.34 | 67 | | | | |
| **Consolidated Mineral Resources** | **Inferred** | **187.2** | **0.58** | **3,497** | **N/A** | **17,100** | **N/A** | **5** |

[1]Refer to slide titled “Notes & Disclosures For Mineral Resource and Reserve Estimates” for notes and disclosures.

# Endnotes

1) Gold Equivalent Ounces (“GEOs”) are based on a conversion ratio of 80:1 for silver to gold in 2023 and 2022. The silver to gold conversion ratio is based on the three-year trailing average silver to gold ratio. Produced ounces are calculated as ounces loaded to carbon.

2) The production target range is based on proven and probable reserves only from Argonaut's Magino Project, as of December 31, 2022, and reflects the potential impact of higher grades and throughput rates on production. To date, infill drill results show higher tonnage and grade, which could improve the average grade processed over the first five years of operations from 1.3 grams per tonne up to 1.43 grams per tonne. Throughput rates are expected to be higher than nameplate capacity of the process plant for two reasons. First, EPC contracts, as is the case for the Magino Project, require the engineering firm to guarantee throughput rates which generally result in slight overdesign of process plants. The second reason for the higher throughput rates is the potential addition of a pebble crusher to debottleneck the crushing circuit. A 15% improvement due to overdesign of the process plant combined with a 15% increase in throughput from the addition of the pebble crusher could increase throughput by as much as 30% over the current nameplate capacity of the process plant of 10,000 tonnes per day to 13,000 tonnes per day. A 13,000 tonnes per day process plant processing gold with an average grade of 1.43 grams per tonne with a 92% recovery rate could produce 201,000 ounces of gold.

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**TSX: AR**

## ADDITIONAL INFORMATION

**Joanna Longo**
**Investor Relations**
Phone: (416) 575-6965
Email: investor.relations@argonautgold.com

**WWW.ARGONAUTGOLD.COM**

/ArgonautGoldInc
@Argonaut_Gold
@ArgonautGoldInc
company/Argonaut-Gold-Inc
Argonaut Gold Inc.