

ARGONAUT GOLD

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

Third Quarter 2023 Results | TSX: AR

November 14, 2023

Forward-Looking Information

Certain information contained or incorporated by reference in this presentation, including any information as to our strategy, projects or future financial or operating performance, constitutes “forward-looking statements”. Forward-looking statements are frequently characterized by words such as “plan,” “expect,” “project,” “intend,” “believe,” “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may”, “should” or “will” occur. This presentation contains forward-looking statements and forward-looking information including, but not limited to: Magino becoming one of the largest and lowest cost Canadian gold mines, the likelihood of success of the Magino reserve development drilling program to increase reserves, the likelihood of the engineering studies to increase mill throughput, organic growth through mineral resource expansion delivering significant value, the Company becoming a low-cost, mid-tier North American gold producer, the Company achieving its full year 2023 production and cost guidance, the Magino mill achieving crushing and grinding circuit throughput targets, completion of mining the current reserve base at San Agustin, optimizing the value of the Mexican assets, Magino production increasing, Magino costs including consolidated cost of sales per ounce, cash cost per ounce, and all-in sustaining cost per ounce decreasing, and the exploration cost being greater than original guidance.

Forward-looking statements are based on a number of assumptions, opinions and estimates, including estimates and assumptions in regards to the factors listed below that, while considered reasonable by the Company as at the date of this presentation based on management’s experience and assessment of current conditions and anticipated developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many of these assumptions are based on factors and events that are not within the control of Argonaut and there is no assurance they will prove to be correct. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements and undue reliance should not be placed on such statements and information. Such factors include, but are not limited to: risks associated with construction and start up of new mines, various operational risks associated mines at difference stages of their lifecycles; the impact of inflation on costs of exploration, development and production; the impact of COVID-19 and other human health concerns and the effectiveness of government responses to COVID-19 and other human health concerns; risks and uncertainties associated with operations in an emerging market; risk associated with safety and security of people and assets in emerging markets; commodity price volatility; foreign exchange rate fluctuations; the ability of the Company to achieve the conditions precedent for draws on the loan facilities; the availability of undrawn debt under the loan facilities; risks associated with independent engineer technical review and impacts on availability and/or timing of access to loan facilities; the availability of and changes in terms of financing; the ability of the Magino project to become one of the largest and lowest cost gold mines in Canada; the ability of the Company to complete the drill programs in line with public guidance (if at all); the realization of mineral reserve estimates; risks associated with the winding down of Mexican mines; risks associated with achieving estimated production and mine life of the various mineral projects of the Company; risks of employee and/or contractor strike actions; risks associated with the Company’s ability to recruit, retain and maintain workforce necessary to achieve its objectives; timing of approval for remaining permits or modifications to existing permits; risks associated with achieving the benefits of the development potential of the properties of the Company; risks associated with the future price of gold; risks associated with the estimation of mineral reserves and resources and the possibility that future exploration results may not be consistent with Company’s expectations and that resources may not be converted into reserves.

These factors are discussed in greater detail in the Argonaut's most recent Annual Information Form dated March 31, 2023, and in the most recent Management’s Discussion and Analysis for the three and nine months ended September 30, 2023, both filed under the Company’s issuer profile on SEDAR+. Argonaut cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail.

Forward-looking statements included in this presentation speak only as of the date of this presentation. Although Argonaut has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Argonaut undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws.

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

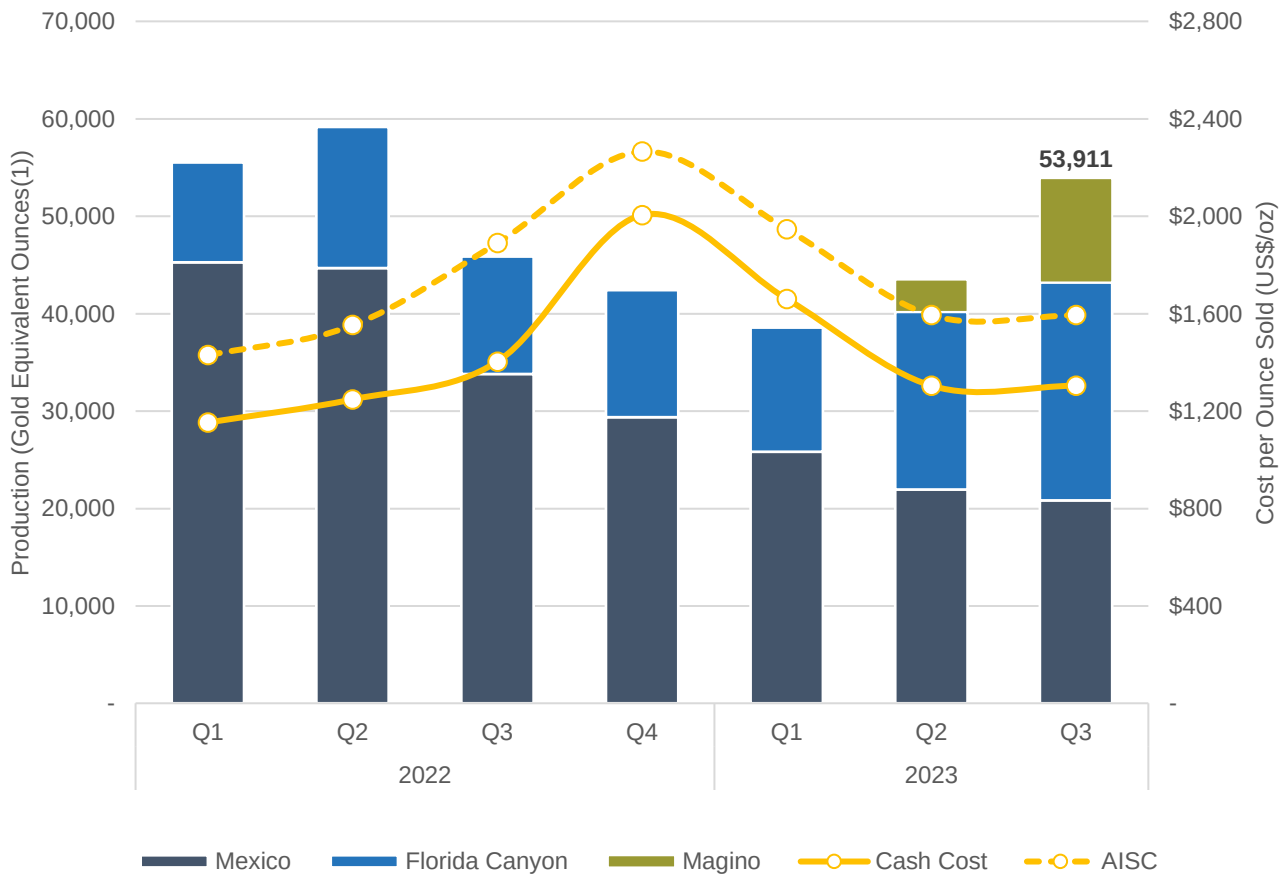
Reposition to a lower cost North American gold company focused on free cash flow generation to support growth



Deliver and Prosper

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

Consolidated Q3 GEOs Production Up 17%



Magino has achieved commercial production

- Mill operating at or above nameplate capacity
- Further step-improvement expected in Q4

86% Higher Production at Florida Canyon Mine

- Production increase is attributed to the increase in tonnage directly placed on the leach pad and a 19% increase in gold grade

38% Lower Production from Mexico

- Indicative of Mexico wind-down

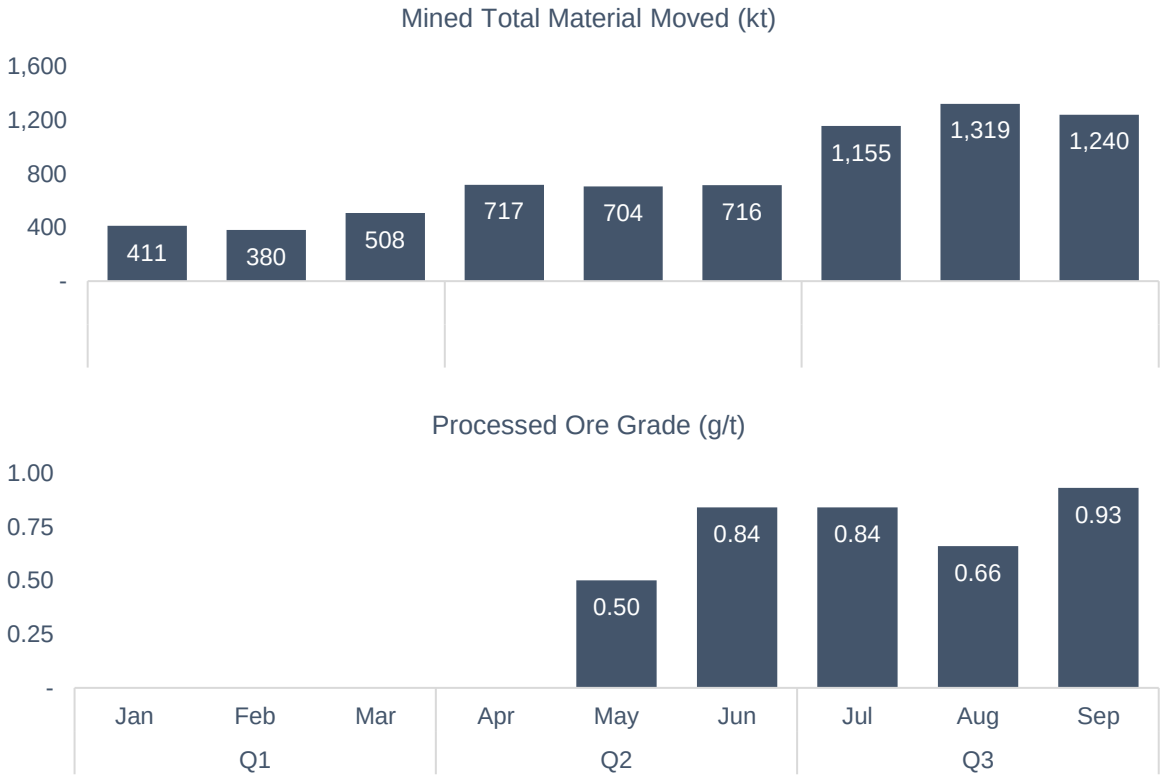
Cash Costs[1] and AISC[1]

- Cash cost[1] of $1,383 per ounce
- All-in sustaining cost[1] of $1,601 per ounce

Magino has began transforming the Argonaut Gold production profile

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

Magino Mining Metrics Continue to Improve



Mining is behind schedule for the year

- Pioneering benches & historical underground workings
- Workforce issues
- Lower haulage capacity than design

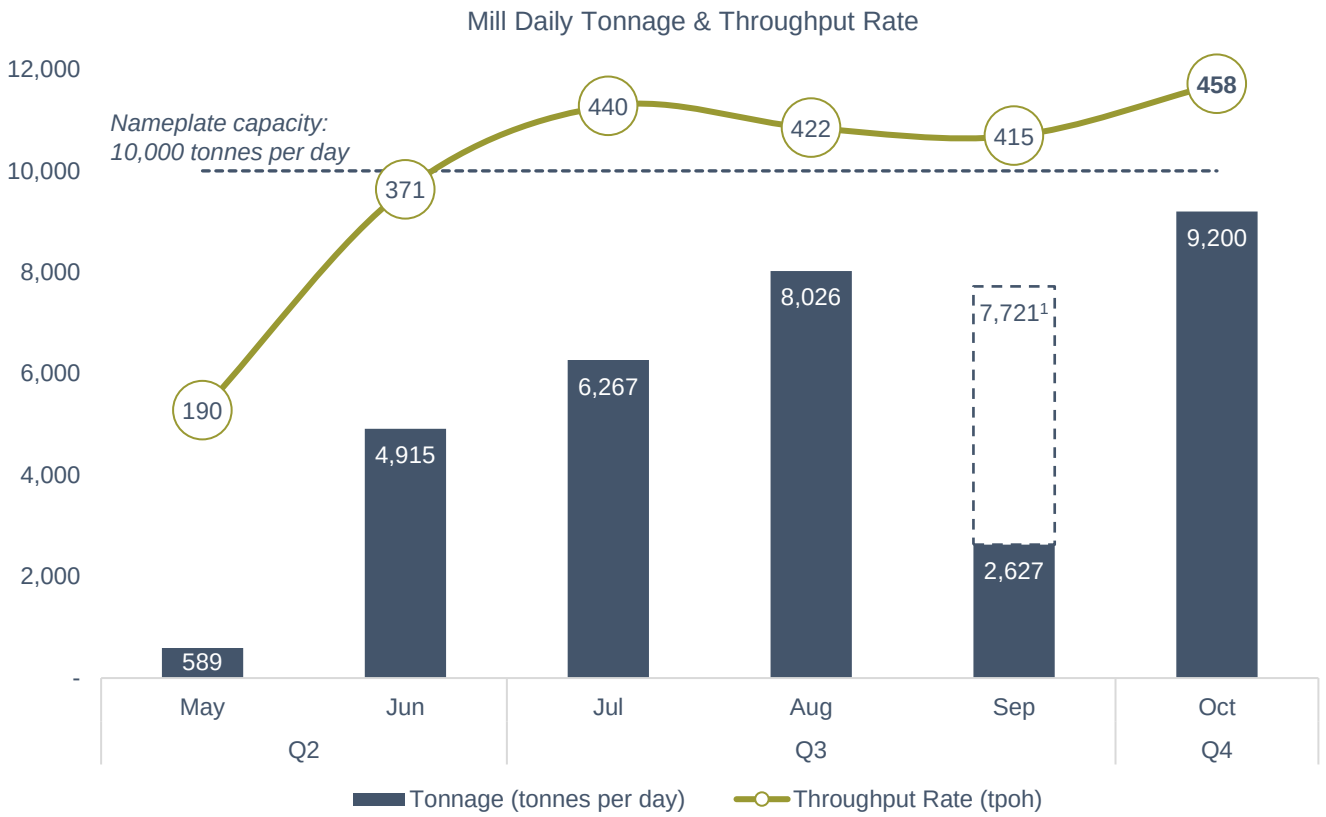
Resulting in higher dilution and delivering lower grade to the mill than originally planned

With tonnage approaching the necessary levels, management focus has turned to mining accuracy

- Improved practices around underground workings
- Workforce build-up
- Truck box modifications
- Fleet management system implementations
- Ore control block model optimization

Mining productivity and accuracy continue to ramp up

Magino Mill Process Metrics are Ramping Towards Design Values



Mill tonnage continues to improve

- Approaching nameplate capacity of 10,000 tonnes per day
- September is an outlier due to aforementioned software issues

Design mill throughput rate achieved

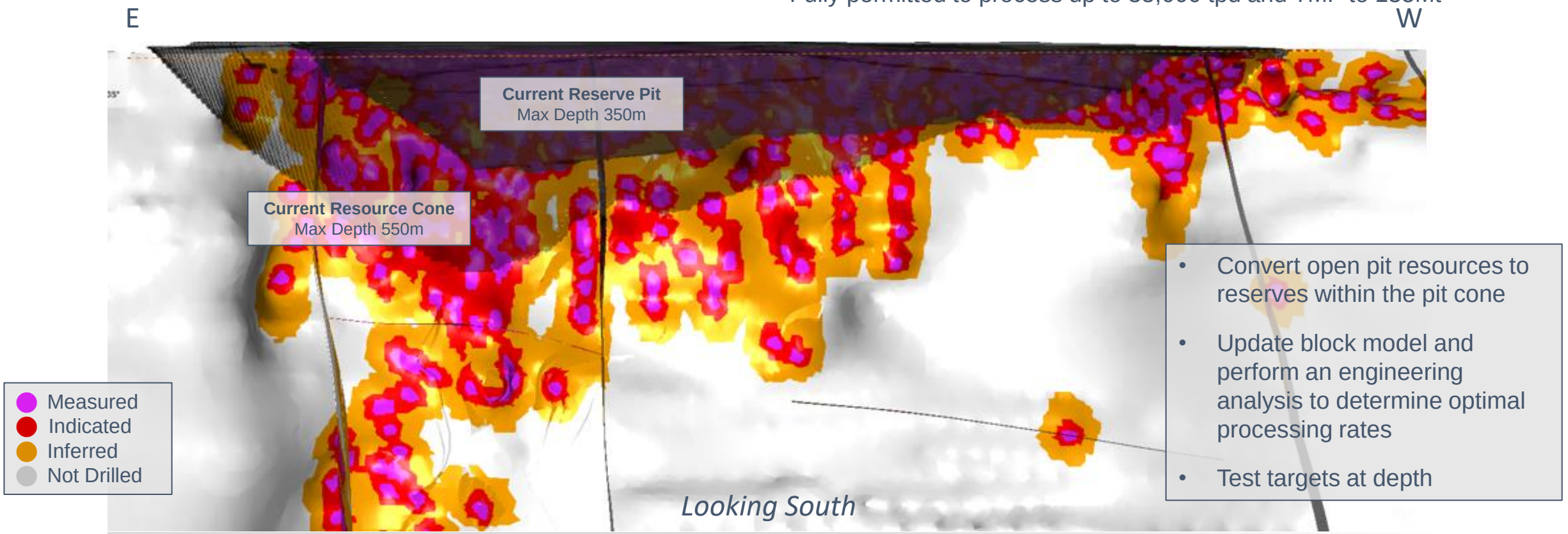
- Grinding circuit has met and exceeded design 453 tonnes per operating hour, while delivering design grind sizes to downstream processes

Solid TPOH highlights the potential of the Magino mill

1. September operating days average (downtime excluded)

2023 Magino Reserve Expansion Program Began in Q3

- Resource body remains open at depth, along strike to the east towards Alamos' Island Gold Mine, and west along strike
- Target 0.5 – 1.0 Moz added to reserves
- Conversion of resources to reserves could support an increase to process capacity from 10,000 tpd to a range of 17,500 tpd – 20,000 tpd
- Potentially increases production to over 200,000 ounces per year
- Fully permitted to process up to 35,000 tpd and TMF to 135Mt



- Convert open pit resources to reserves within the pit cone
- Update block model and perform an engineering analysis to determine optimal processing rates
- Test targets at depth

Mineral Resources[1] Increased to 5.4 Moz Au Based on Exploration Drilling Below the Reserve Pit

1. Mineral Resources are inclusive of Mineral Reserves

Florida Canyon Mine Highlights

Current Opportunity

Optimizing Current Oxide Operation for Near-term Production

- Transformed the asset, it is now cash flow positive
- On pace to produce over 40% more gold equivalent ounces in 2023 than in 2022

Long-term Opportunity

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

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

Development Focus

Preparing for Redevelopment

- Completed a reliable geologic model in Q2
- “Proof-of-concept” drill program scheduled to be complete by the end of Q4
- Prepare PEA on the viability of the sulfides with an initial resource for year-end 2024, assuming “proof-of-concept” successful

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

Financial Performance Reflects Current Transformation

	Q3 2023A	Q3 2022A	Change
Gold Sold *(oz)*	**54,571**	38,639	41%
Cost of Sales[1] *($/oz sold)*	**$1,607**	$1,768	(9%)
Cash Cost[1] *($/oz sold)*	**$1,383**	$1,405	(2%)
All-in Sustaining Costs[1] *($/oz sold)*	**$1,601**	$1,893	(15%)
Revenues *(Millions)*	**$104.8**	$75.3	39%
Cost of Sales *(Millions)*	**$87.7**	$68.3	28%
Gross Profit *(Millions)*	**$17.1**	$7.0	146%
Net Loss *(Millions)*	**($0.5)**	($1.3)	(64%)
Per basic & diluted share	**$0.00**	$0.00	0%
Adjusted net income[1] *(Millions)*	**$9.9**	$0.4	2,632%
Per basic & diluted share[1]	**$0.01**	$0.00	+$0.01
Operating cash flow[2] before changes in working capital and other items *(Millions)*	**$21.1**	$13.6	55%

- **Gold sold** increased due to Magino contribution and Florida Canyon improvements
- **Cost of sales**[1]**, cash cost**[1]**, and all-in sustaining costs**[1] **per ounce** are expected to be higher than guidance set at the beginning of the year
- **Revenue, gross profit, and operating cash flow** [2] increased due to production increase

1. Refer to “Notes & Disclosures – Non-IFRS Performance Measures” in the Appendix
2. Before changes in operating working capital and other items

Liquidity & 2023 Outlook

Liquidity Overview

	Outstanding *(as at Sept. 30, 2023)*	Undrawn *(as at Sept. 30, 2023)*
Cash and Cash Equivalents	**$45M**	**-**
Loan Facilities - Drawn		
Term Loan	**$200M**	**-**
Revolving Credit Facility	**$30M**	**$20M**

Actions to strengthen balance sheet:

- Sold an additional 1% NSR on Magino and other non-core royalties for $29.5M
- Deferral of repayment on the $19.1 million gold prepaid advances from December 31, 2023 to March 31, 2024
- Obtained waivers on certain financial covenants related to the company's debt

Guidance Update

- Florida Canyon is expected to exceed original production guidance by 10%, with costs in-line with original guidance
- Mexico is expected to exceed original production guidance by 5% - 10%
- Argonaut is expected to achieve the low end of published 2023 consolidated production guidance
- On a consolidated basis, cost of sales[1], cash cost[1], and all-in sustaining costs[1] per ounce are expected to exceed the high end of 2023 guidance

Focused on maintaining financial flexibility

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1. Refer to "Notes & Disclosures – Non-IFRS Performance Measures" in the Appendix

Delivering per Share Growth through Responsible Capital Allocation

Five Major Objectives

1) Complete Magino Construction
2) Ramp Magino to Steady-State
3) Stabilize Florida Canyon
4) Magino & Florida Canyon Drill Programs
5) Optimize Value of Mexican Operations

Expansion

Magino
Blue-Sky Potential

Re-Development

Redeveloping
Florida Canyon

Balance Sheet Health

Repaying
Debt

Near-term Value Creation

Long-term Value Creation

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 Marc Leduc, Chief Operating Officer; he is a qualified person 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

Marc Leduc, Chief Operating Officer, 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.

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

Endnote

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.

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TSX: AR

ADDITIONAL INFORMATION

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