Argonaut Gold Confirms High-Grade Geological Continuity at the Magino Project Below the Planned Pit

Toronto, Ontario - (December 2, 2019) **Argonaut Gold Inc. (TSX: AR)** (the "Company", "Argonaut Gold" or "Argonaut") is pleased to announce further drill results from the on-going, 20,000-metre exploration program at its 100% owned Magino property in Ontario, Canada. The current drilling campaign is targeting high-grade gold mineralization below and adjacent to the current open pit Mineral Resource at depth. To date, the Company has completed 16 diamond drill holes and approximately 12,200 metres of the 20,000-metre program. The results of the 2019 exploration program to date suggest the following:

- the continuity of high-grade structure below the planned open pit;
- at least two high-grade structures hosting multiple veins that remain open at depth and to the west; and,
- several newly identified additional geological targets.

Pete Dougherty, President and CEO stated: "The drill program to date has focused on testing the same gold-bearing geological structures that strike westward into the Magino deposit from those of the adjacent Island Gold Mine, Lochalsh gold deposit. Through the incorporation of structural and geochemical data, the program continues to target and intercept deeper high-grade gold-bearing structures below the currently designed open pit. During this program to date, drilling has been focused on the eastern portion of the deposit and targeted depths of 200 to 500 metres below surface. We now plan to test the structures below 800 metres and deeper and extend drilling toward the western edge of the property where a number of targets have been identified. We are pleased with the success of the programs targeting and the drill results to date. It appears from early drilling there is potential for high-grade, underground mineralization below the pit."

Drilling results continue to define structurally controlled higher-grade gold zones below and adjacent to the planned pit. Gold grades and thicknesses show good continuity to the open pit mineral resource above.

Table 1 below highlights select drill results from the on-going, 20,000-metre program. A table of all drill results, plan view and cross section maps are available on the Company's website at https://www.argonautgold.com/English/assets/drill-results/default.aspx

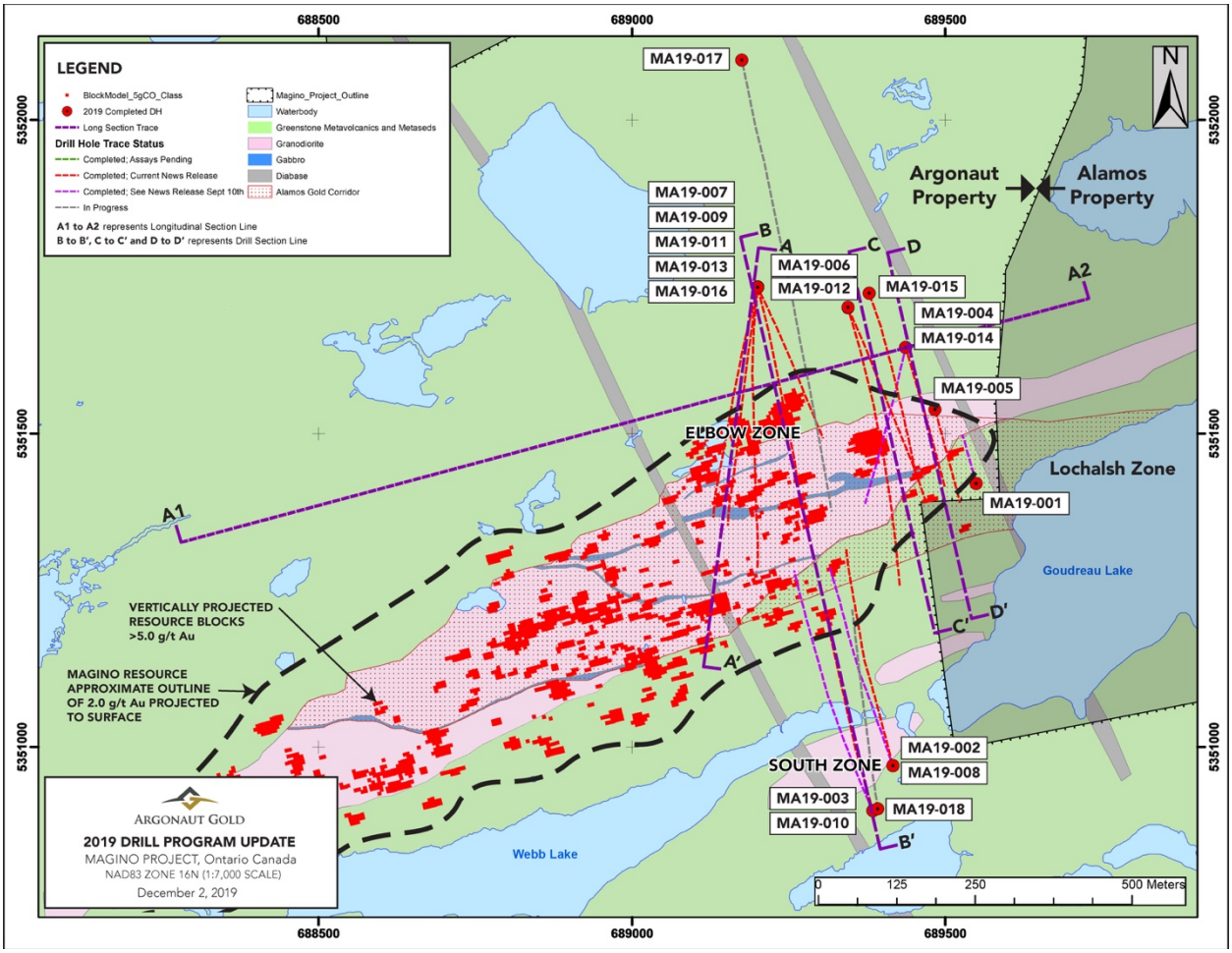
Table 1: Select Drill Results

Hole	Azimuth	Dip	From (metres)	To (metres)	Length (metres)	Grade (Au g/t)	Estimated True Width (metres)
MA19-005	165.1	-60.2	79.0	81.8	2.8	6.39	2.1
and			284.2	286.7	2.5	6.73	1.9
MA19-006	160.1	-67.4	484.0	490.0	6.0	5.40	4.2
MA19-007	165.0	-62.0	348.0	357.0	9.0	4.95	7.2
including			348.0	353.0	5.0	6.79	4.0
including			350.2	353.0	2.8	10.50	2.3
and			375.0	380.0	5.0	5.10	4.0
including			376.0	377.0	1.0	16.50	0.8
MA19-008	344.3	-55.0	461.0	464.0	3.0	5.95	2.4
including			461.0	463.0	2.0	8.81	1.6
MA19-009	194.0	-51.1	344.0	354.0	10.0	5.37	8.7
including			349.0	354.0	5.0	9.47	4.3
and			433.8	437.8	4.0	9.60	3.5
including			433.8	434.8	1.0	37.00	0.9
MA19-010	343.0	-62.9	387.0	389.0	2.0	7.82	1.4
including			388.0	389.0	1.0	14.40	0.7
MA19-011	149.6	-79.3	464.0	467.0	3.0	8.43	2.1
including			465.0	466.0	1.0	20.90	0.7
and			636.0	638.0	2.0	5.66	1.4
including			636.0	637.0	1.0	9.77	0.7
MA19-012	155.1	-70.0	479.0	516.0	37.0	4.92	29.6
including			479.0	499.0	20.0	7.73	16.0
including			479.9	498.0	18.1	8.31	14.5
including			479.9	492.0	12.1	10.83	9.7
including			511.0	514.0	3.0	5.45	2.4
MA19-013	186.5	-55.0	355.0	357.0	2.0	3.21	1.6
including			355.0	356.0	1.0	5.47	0.8
Additional assays pending							

MA19-014	157.3	-62.3	439.0	441.1	2.0	5.33	1.6
including			440.1	441.1	1.0	10.96	0.8
				Additional assays pending			
MA19-015	159.1	-79.2		Assays pending			
MA19-016	185.4	-62.0	355.0	374.0	19.0	6.90	15.2
including			360.0	374.0	14.0	9.02	11.2
including			360.0	372.0	12.0	10.24	9.6
including			360.0	371.0	11.0	10.89	8.8
including			364.0	371.0	7.0	14.78	5.6
and			439.3	441.5	2.2	5.47	1.8
including			439.3	440.5	1.2	8.23	1.0
				Additional assays pending			

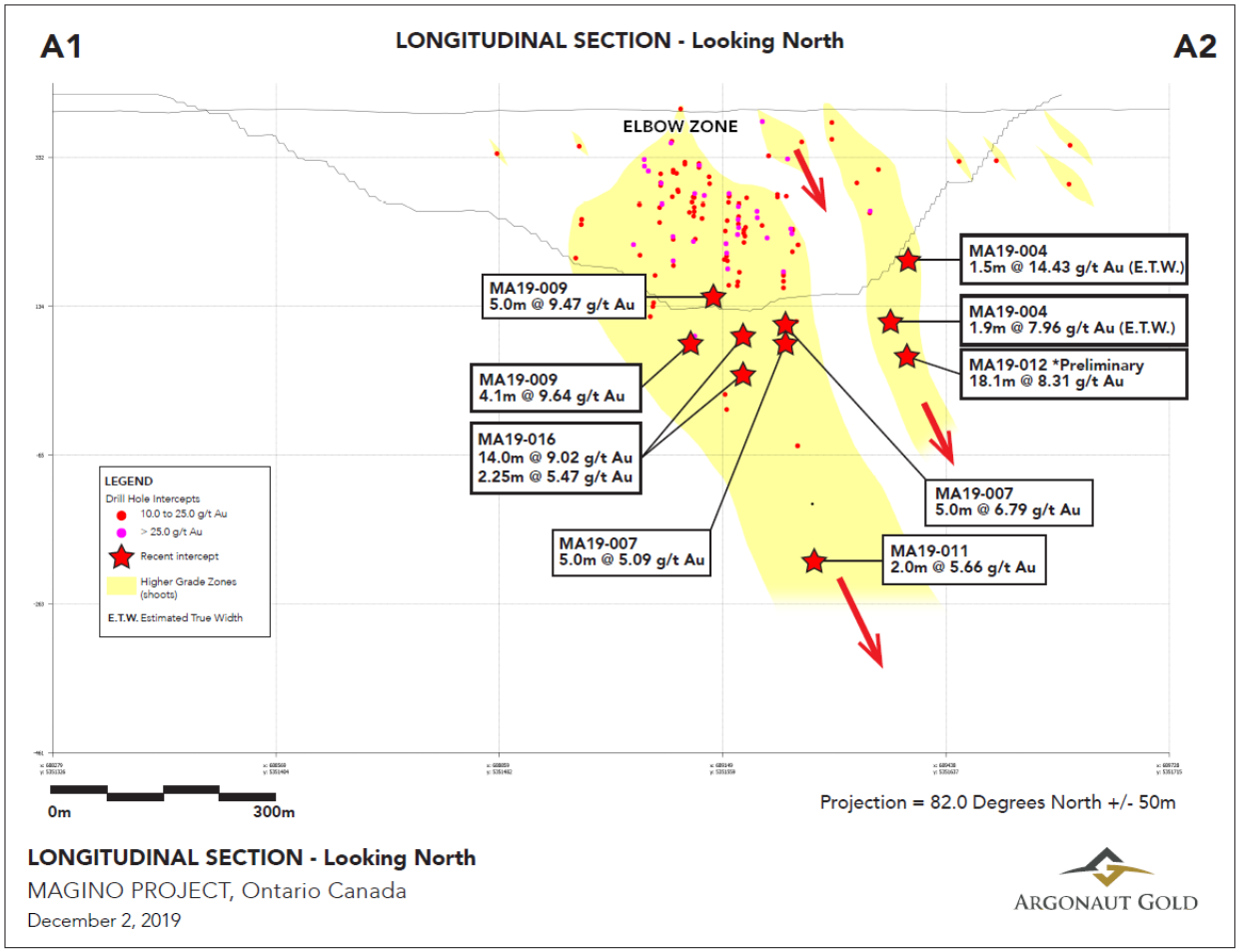
High-grade Structural Zones

Previous exploration had primarily focused on targeting mineralization from surface to approximately 300 metres in depth and identified a Measured and Indicated Mineral Resource of 144.0 million tonnes at 0.91 g/t Au containing 4.2 million gold ounces. During the summer of 2019, Argonaut initiated its first drill program to specifically target high-grade structures at depth. The first four drill holes (see press release dated September 10, 2019) successfully intersected a number of higher-grade structures trending westward from the adjacent Island Gold Mine into areas below and adjacent to the planned Magino open pit. The current exploration program has primarily focused on two high-grade structural zones, the Elbow Zone and the South Zone.



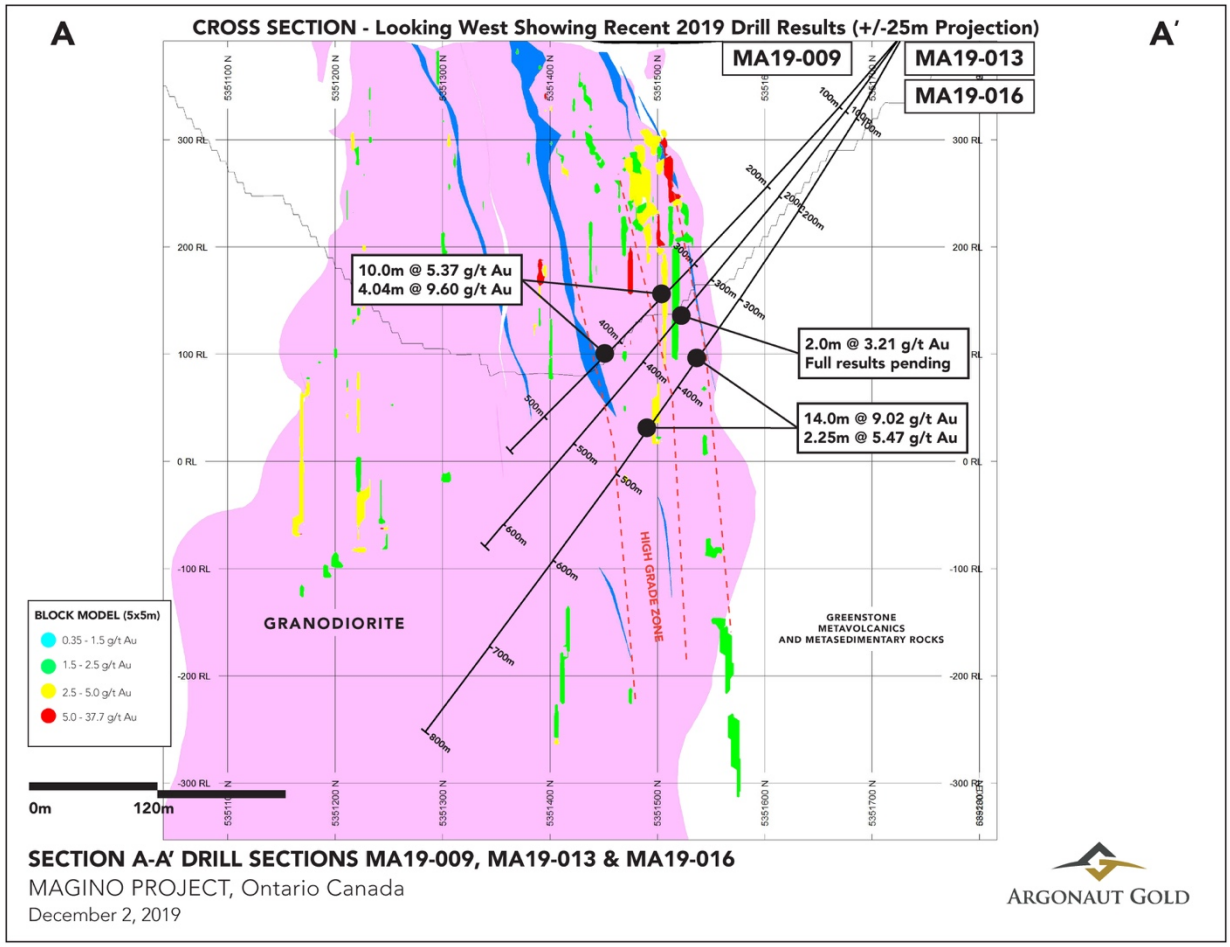
Elbow Zone

The Elbow Zone crosses the north and east portion of the Magino deposit. The zone has been intersected in drilling from the eastern property boundary westward over a strike distance of more than 500 metres and remains open both at depth and to the west. Argonaut's geology team believes that this zone is the continuation of the adjacent Island Gold Mine's Lochalsh Zone. The Elbow Zone has been intersected in 10 separate drill holes and displays at least three high-grade veins ranging in width from 1.5 metres to over 18 metres. To date, drilling has intersected the Elbow Zone to a vertical depth of 600 metres below surface.



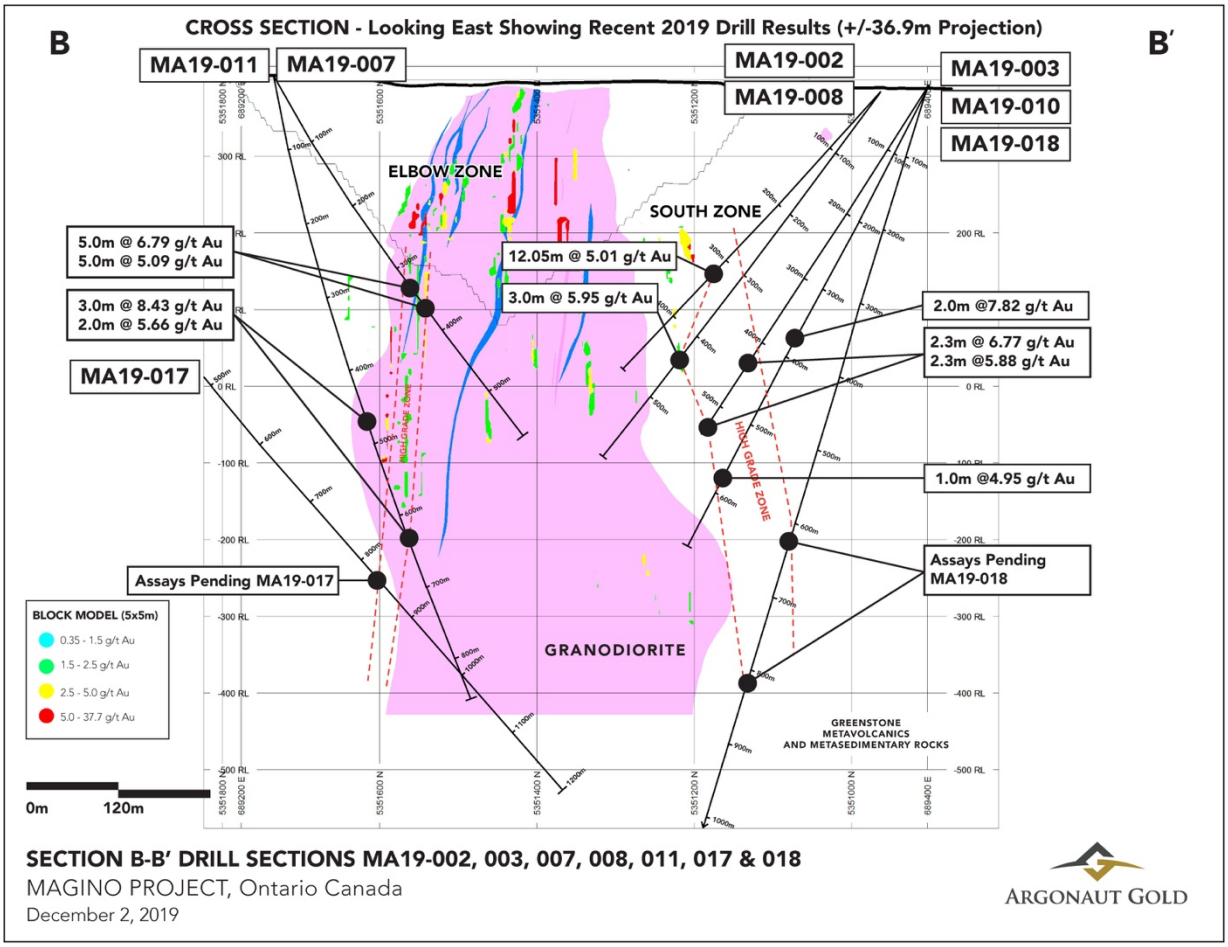
Key Elbow Zone Highlights

Drill hole MA19-004 intersected 14.43 g/t Au over an estimated true width ("ETW") of 1.5 metres and a second vein of 7.96 g/t Au over an ETW of 1.9 metres. Drill hole MA19-006 was drilled 125 metres down plunge and intersected 5.40 g/t Au over an ETW of 4.2 metres and was followed by drill hole MA19-012 that returned 8.31 g/t Au over an ETW of 14.5 metres. Drill hole MA19-012 had a 41 metre separation along strike from MA19-006. High grade occurs within intense silica-sericite alteration with grey quartz and tourmaline veining, which allows Argonaut to establish continuity of the veins.



Approximately 200 metres to the west, Argonaut drilled a second fence of diamond drill holes into the Elbow Zone. MA19-009 intersected a broad zone of anomalous gold with multiple occurrences of visible gold in pervasively altered granodiorite over a core length of 130 metres. The most significant intersections returned 9.47 g/t Au over an ETW of 4.3 metres and 9.60 g/t Au over an ETW of 3.5 metres. Visible gold-silver electrum was observed in hole MA19-007 in quartz veined, pyritic granodiorite assaying 6.79 g/t Au over an ETW of 4.0 metres and a second intersection of 5.10 g/t Au over an ETW of 4.0 metres. Oriented core structural measurements have been successful in defining a visible gold-bearing zone that can be traced over a minimum strike length of 80 metres from hole MA19-007 (4.0 metres ETW at 6.79 g/t Au) westward to holes MA19-016 (11.2 metres ETW at 9.02 g/t Au) and MA11-183 (3.0 metres ETW at 5.0 g/t Au). This well-defined zone of concentrated gold mineralization ranges from 3.0 metres to 11.2 metres ETW and remains open in all directions.

Argonaut plans to continue to drill test the Elbow Zone to both the west and at depth, where mineralization remains open and grade appears to be improving.

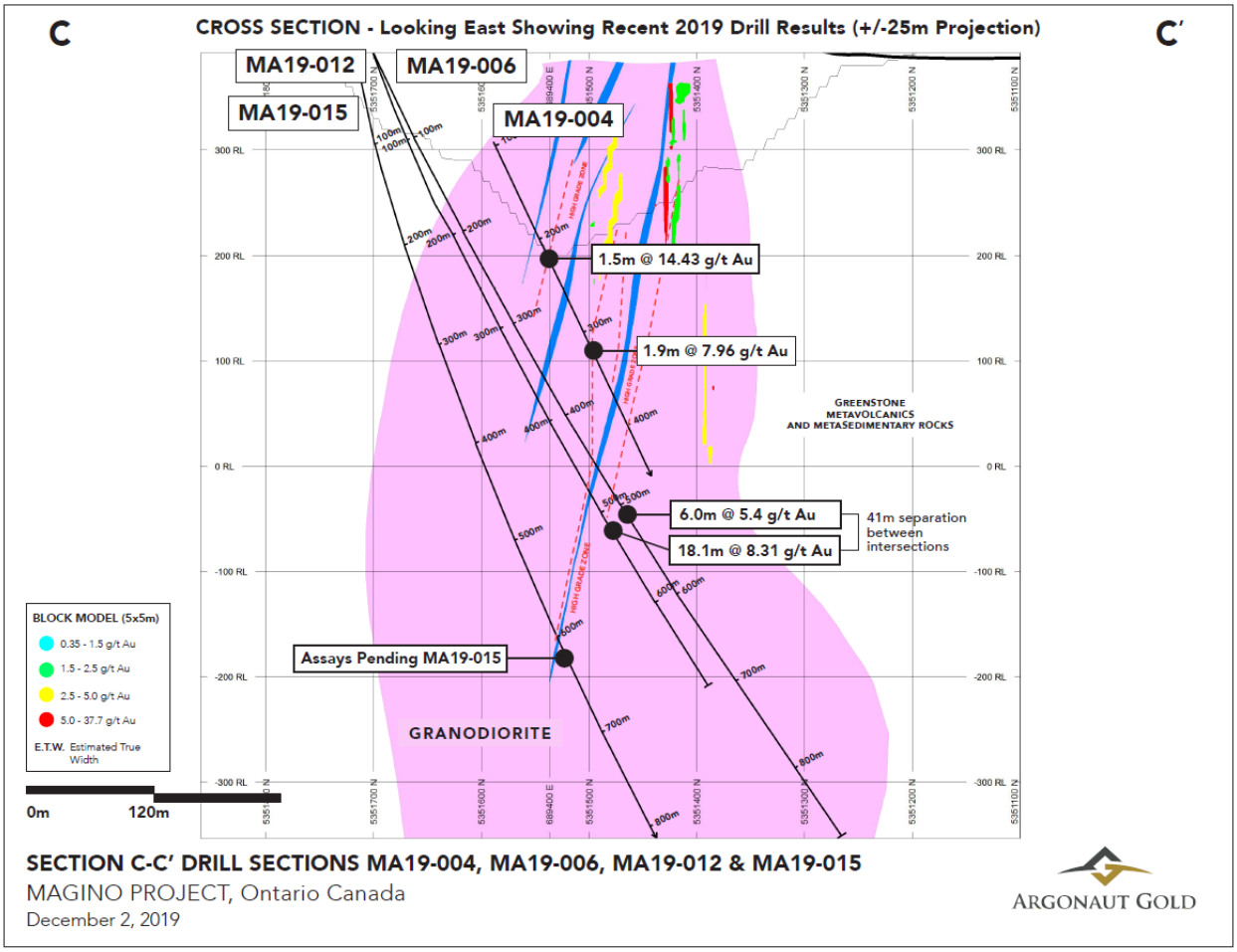


SECTION B-B' DRILL SECTIONS MA19-002, 003, 007, 008, 011, 017 & 018

MAGINO PROJECT, Ontario Canada

December 2, 2019

ARGONAUT GOLD

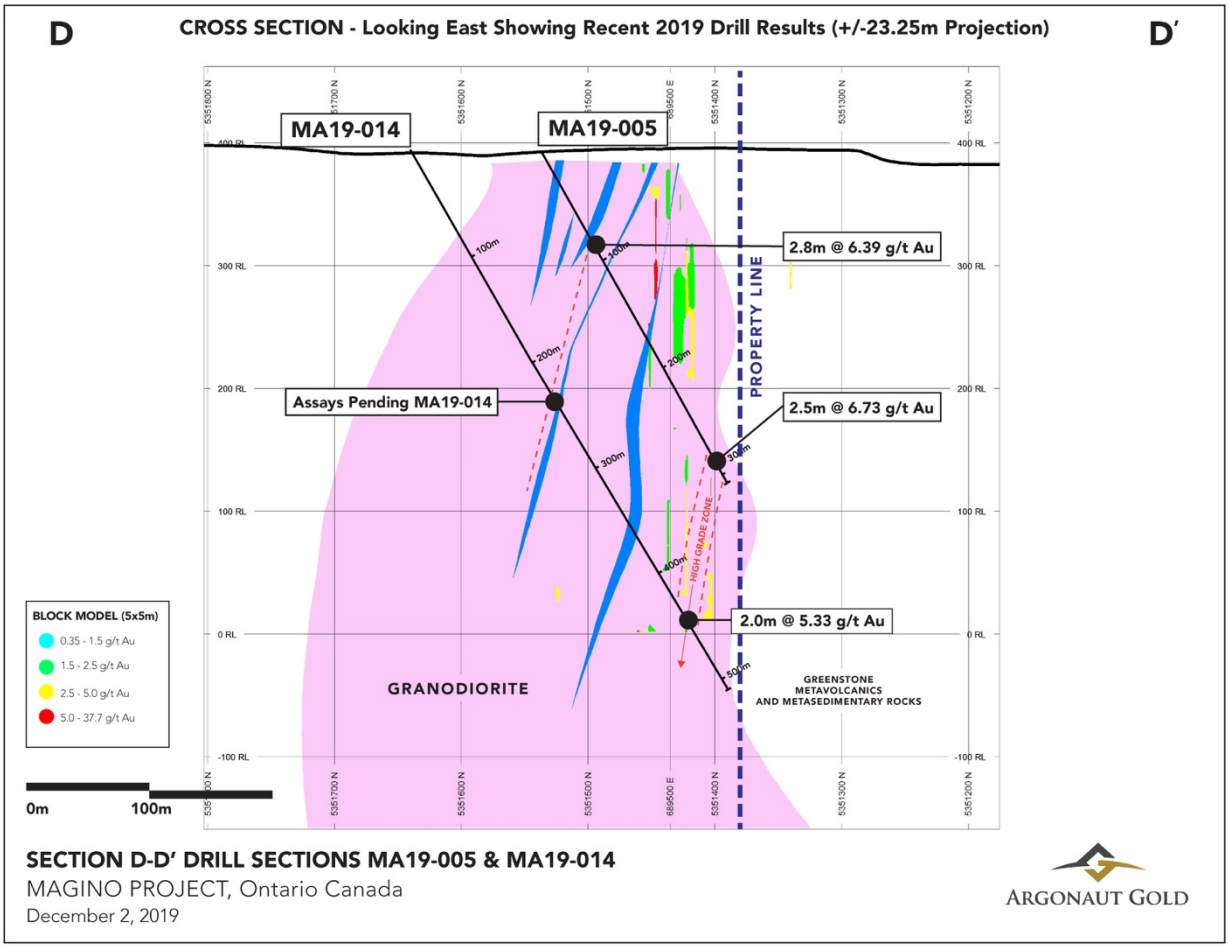


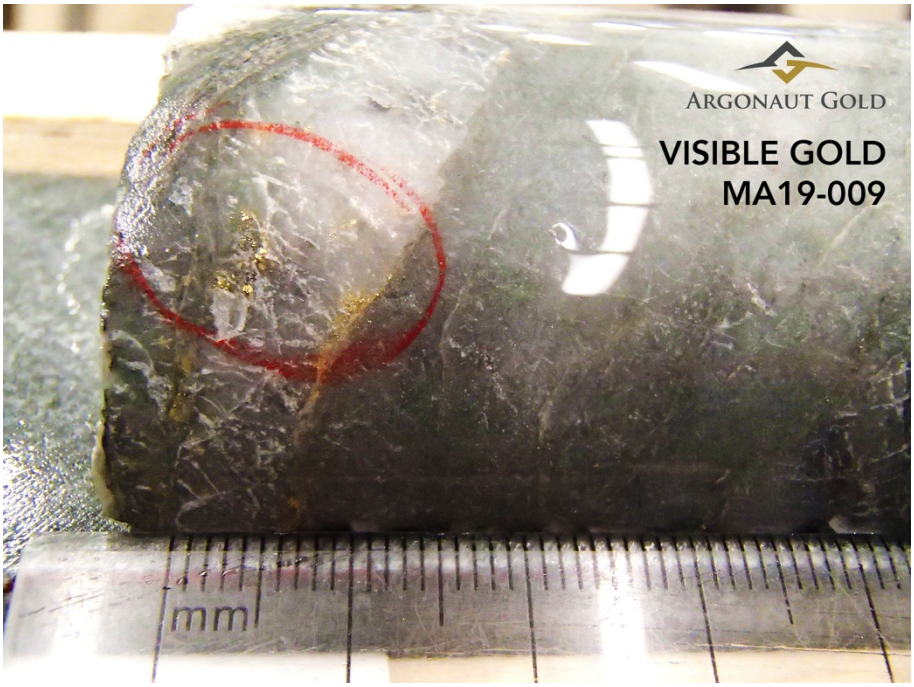
SECTION C-C' DRILL SECTIONS MA19-004, MA19-006, MA19-012 & MA19-015

MAGINO PROJECT, Ontario Canada

December 2, 2019

ARGONAUT GOLD


D
CROSS SECTION - Looking East Showing Recent 2019 Drill Results (+/-23.25m Projection)
D'
MA19-014
MA19-005
2.8m @ 6.39 g/t Au
Assays Pending MA19-014
2.5m @ 6.73 g/t Au
2.0m @ 5.33 g/t Au
PROPERTY LINE
HIGH GRADE ZONE
GRANODIORITE
GREENSTONE METAVOLCANICS AND METASEDIMENTARY ROCKS
BLOCK MODEL (5x5m)
0.35 - 1.5 g/t Au
1.5 - 2.5 g/t Au
2.5 - 5.0 g/t Au
5.0 - 37.7 g/t Au
0m
100m
SECTION D-D' DRILL SECTIONS MA19-005 & MA19-014
MAGINO PROJECT, Ontario Canada
December 2, 2019
ARGONAUT GOLD

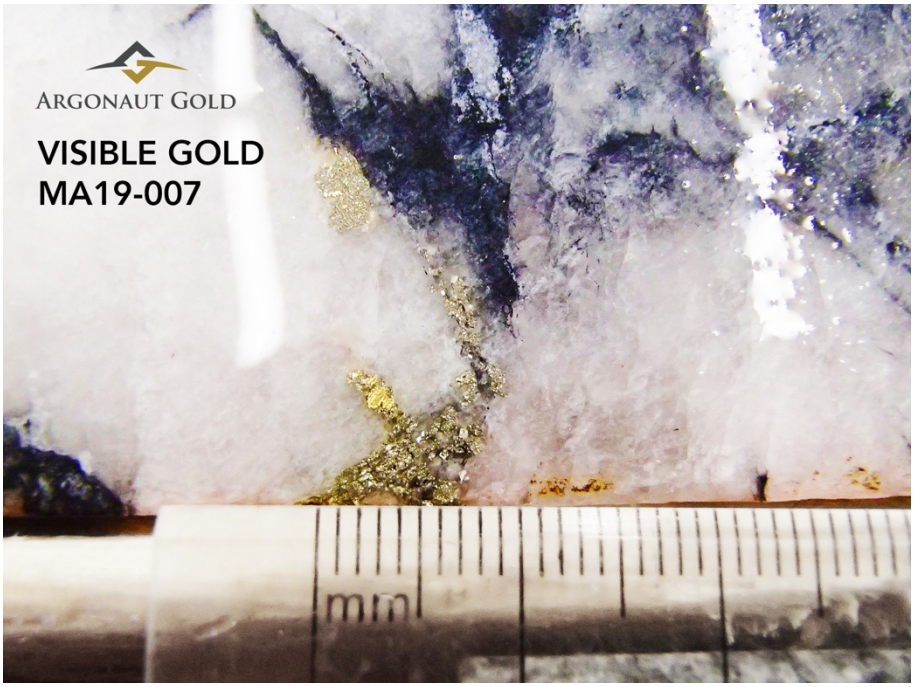

ARGONAUT GOLD
VISIBLE GOLD
MA19-009
mm

South Zone

Argonaut has drilled two fences of diamond drill holes in a previously untested area now identified as the South Zone. Drilling targeted a number of shear zones identified through a combination of surface mapping and geophysics. The South Zone sits 300 metres south of the Elbow Zone and immediately south of the planned Magino open pit. The South Zone remains open to the west and at depth.

Key South Zone Highlights

Drill hole MA19-002 returned a zone averaging 5.00 g/t Au over an ETW of 10.4 metres, which included a higher grade interval of 11.80 g/t Au over an ETW of 4.3 metres. This intercept, drilled south of the planned Magino pit in an area with limited previous drilling, occurs in a shear zone within mafic metavolcanics rocks. As a follow-up to this hole, holes MA19-003 (2.6 metres ETW at 4.8 g/t Au and 1.8 metres ETW at 5.9 g/t Au), MA19-008 (1.6 metres ETW at 8.81 g/t Au) and MA19-010 (1.4 metres ETW at 7.82 g/t Au) were completed to test a western extension. These holes intersected two parallel gold-bearing zones, which can contain visible gold, that are interpreted to dip south and plunge steeply to the east.

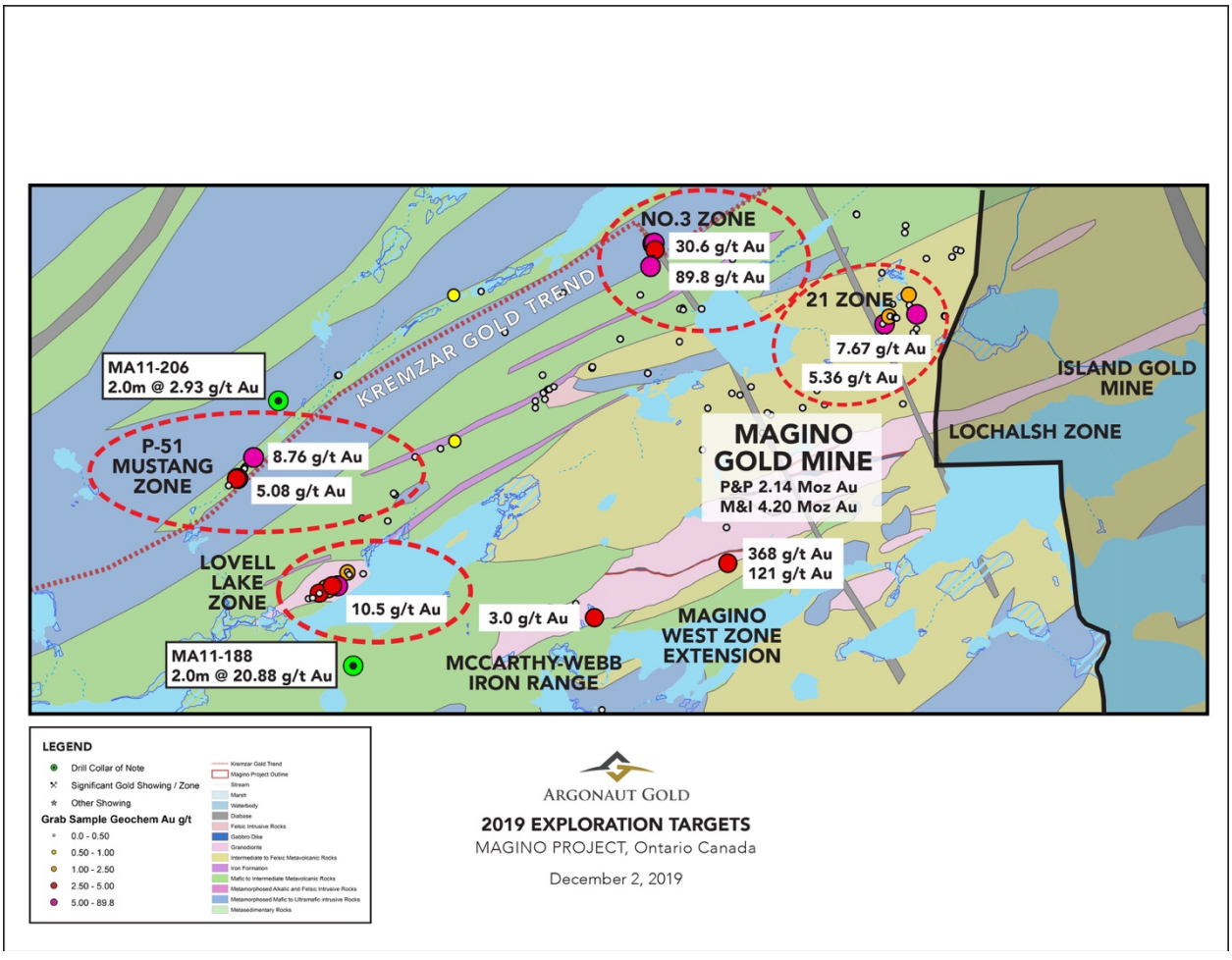


Brian Arkell, Vice President Exploration stated: “We continue to be encouraged by our drilling results and the size and extent of the Magino deposit. We have completed approximately 60% of the planned 20,000-metre program and are beginning to see good continuity of mineralization zones. We’ve encountered gold mineralization in all 16 holes drilled thus far and are excited to continue to drill test these high-grade structures to the west and at depth. Our team has employed new exploration tools and successfully delineated a number of high-grade, gold-bearing structures outside of the previously defined 4.2 million ounce Measured and Indicated Mineral Resource. Exploration efforts will now focus on extending the known

zones at depth, as well as testing a number of new targets that we have identified to the west."

Future Drill Targets

As part of the 2019 exploration program, the Company has identified several future drill targets on the Magino property. Key areas for future exploration include the Lovell Lake Zone, the P-51 Mustang Zone, the No. 3 Zone and the 21 Zone. The Lovell Lake target, which lies along the projection of the Elbow Zone some 750 metres to the west, contains surface samples up to 10.5 g/t Au in favorable, structural deformed host rocks. The P-51 and No. 3 targets lie along a mineralized structural break, the Kremzar Gold Trend; surface samples returned anomalous gold values including 30.6 g/t Au and 89.8 g/t Au. The map below (Figure: 2019 Exploration Targets) illustrates the drill targets that will be tested in the future.



Brian Arkell continued: "The district around the Magino deposit is very much underexplored and our initial reconnaissance has successfully identified a number of strong targets. We have initiated a program of geophysics and plan scout drilling on these prospects in the coming year. We see excellent potential here to add to our pipeline of projects."

Qualified Person Comments / Quality Control Procedures

The preparation of this press release was supervised and approved by Brian Arkell, Argonaut Gold's Vice President Exploration and a Qualified Person under NI 43-101. Mr. Arkell also reviewed the diamond drilling, sampling and on-site sample preparation procedures at Magino.

For sample analysis, the Company utilizes a system of Quality Assurance/Quality Control (QA/QC) that includes insertion and verification of standards, blanks and duplicates consistent with industry standards.

The Company has implemented a QA/QC program to ensure sampling and analysis of all exploration work is conducted in accordance with the CIM Exploration Best Practices Guidelines. The entire drill hole is sampled and tagged by geologic personnel. Cores are then photographed and sawn in half by experienced geotechnicians, placed in numbered plastic bags, and gathered in rice bags which are sealed with tamper-proof security tags under the supervision of the project geologists. The other half of the core is retained for future assay verification and/or metallurgical testing. Other QA/QC procedures include the insertion of coarse blanks and Canadian Reference Standards for every tenth sample in the sample stream. Samples are bagged, sealed with numbered security tags and shipped to the Act Labs facility, Thunder Bay, Ontario, for sample preparation and assaying. The laboratory has its own QA/QC protocols, running standards, blanks and duplicate samples in each batch stream. Gold analysis is conducted by lead collection, fire assay with a gravimetric finish on a 50-gram sample. Metallic screen fire assaying is now completed using a 1.0 kg sample and two 50 gm fire assays of the pass (-100 mesh) pulverized material on all samples containing visible gold. Check assays are conducted at a secondary ISO certified laboratory.

Please see below under the heading "Cautionary note regarding forward-looking statements" for further details regarding risk.

Cautionary Note Regarding Forward-looking Statements

This press release contains certain "forward-looking statements" and "forward-looking information" under applicable Canadian securities laws concerning the business, operations and financial performance and condition of Argonaut Gold Inc. ("Argonaut" or "Argonaut Gold"). Forward-looking statements and forward-looking information include, but are not limited to free cash flow estimates; mine life of the various mineral projects of Argonaut; the ability to obtain permits for operations; synergies; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; and financial impact of completed acquisitions; the benefits of the development potential of the properties of Argonaut; the future price of gold, copper, and silver; the estimation of mineral reserves and resources; success of exploration activities; and currency exchange rate fluctuations. Except for statements of historical fact relating to Argonaut, certain information contained herein 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. Forward-looking statements are based on the opinions and estimates

of management at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. 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.

Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include access to water to meet planned solution flow rates, estimates of future capital and operating costs, variations in ore grade or recovery rates, changes in market conditions, risks relating to the availability and timeliness of permitting and governmental approvals, risks relating to international operations, fluctuating metal prices and currency exchange rates, changes in project parameters, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated.

These factors are discussed in greater detail in Argonaut's most recent Annual Information Form and in the most recent Management's Discussion and Analysis filed on SEDAR, which also provide additional general assumptions in connection with these statements. 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. Argonaut believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release.

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. The reader is cautioned not to place undue reliance on forward-looking statements. Statements concerning mineral reserve and resource estimates may also be deemed to constitute forward-looking statements to the extent they involve estimates of the mineralization that will be encountered if the property is developed. Comparative market information is as of a date prior to the date of this document.

For further information on the Magino project, please see the report as listed below on the Company's website or on www.sedar.com:

Magino Gold Project	Feasibility Study Technical Report on the Magino Project, Ontario, Canada dated December 21, 2017 (effective date November 8, 2017)

About Argonaut Gold

Argonaut Gold is a Canadian gold company engaged in exploration, mine development and production. Its primary assets are the El Castillo mine and San Agustin mine, which together form the El Castillo Complex in Durango, Mexico and the La Colorada mine in Sonora, Mexico. Advanced exploration projects include the San Antonio project in Baja California Sur, Mexico, the Cerro del Gallo project in Guanajuato, Mexico and the Magino project in Ontario, Canada. The Company also has several exploration stage projects, all of which are located in North America.

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Source: Argonaut Gold Inc.