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Argonaut Gold Announces Closing of C$126.5 Million Bought Deal Financing

Toronto, Ontario (July 23, 2020) – Argonaut Gold Inc. (TSX:AR) ("**Argonaut Gold**" or the "**Company**") is pleased to announce that it has closed its previously announced "bought deal" public offering of 49,608,700 common shares of the Company (including the full exercise of the Underwriters' over-allotment option, the "**Common Shares**") at a price of C$2.55 per Common Share for aggregate gross proceeds of C$126,502,185 (the "**Offering**"). The Common Shares were offered and sold through a syndicate of underwriters led by BMO Capital Markets (collectively, the "**Underwriters**").

The Common Shares issued under the Offering were offered by way of a short form prospectus dated July 17, 2020 in each of the provinces of Canada, except Québec. Copies of the final short form prospectus and documents incorporated by reference therein are available electronically under Argonaut Gold's issuer profile on SEDAR at www.sedar.com.

The net proceeds of the Offering will be used to for the advancement of the Company's Magino Project and for general corporate purposes.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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, the La Colorada mine in Sonora, Mexico and the Florida Canyon mine in Nevada, USA. Advanced exploration projects include the Magino project in Ontario, Canada, the Cerro del Gallo project in Guanajuato, Mexico and the Ana Paula project in Guerrero, Mexico. The Company continues to hold the San Antonio advanced exploration project in Baja California Sur, Mexico and several other exploration stage projects, all of which are located in North America.

Cautionary Note Regarding Forward-looking Statements

This press release contains certain "forward-looking statements" and "forward-looking information" under applicable Canadian securities laws concerning, among other things, the Offering and the use of proceeds of the Offering. These "forward-looking statements" and "forward-looking information" 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 Gold and there is no assurance they will prove to be correct. Although Argonaut Gold 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. Argonaut Gold 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. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

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