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# Argonaut Gold Announces Closing of C$40 Million Bought Deal Financing

Toronto, Ontario (March 15, 2017) – 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 16,700,000 common shares of the Company (the "**Common Shares**") at a price of C$2.40 per Common Share for aggregate gross proceeds of C$40,080,000 (the "**Offering**"). The Common Shares were offered and sold through a syndicate of underwriters led by BMO Capital Markets.

Under the terms of the Offering, the Company has also granted the underwriters an option, exercisable in whole or in part for a period of 30 days following the closing date of the Offering, to purchase up to an additional 2,505,000 Common Shares at a price of C$2.40 per Common Share for market stabilization purposes and to cover over-allotments, if any.

The Common Shares issued under the Offering were offered by way of a short form prospectus dated March 7, 2017 in each of the provinces and territories of Canada, except Québec. Copies of the final short form prospectus and documents incorporated by reference therein are available electronically under Argonaut's issuer profile on SEDAR at www.sedar.com.

The net proceeds of the Offering will be used to fund the purchase of a mining concession in San Juan del Río Durango, consisting of 420 hectares covering known projections of the El Castillo mineralization 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 activities. Its primary assets are the production stage El Castillo mine and the construction stage San Agustin project in Durango, Mexico and the production stage La Colorada mine in Sonora, Mexico. Advanced exploration stage projects include the San Antonio project in Baja California Sur, Mexico, and the Magino project in Ontario, Canada. The Company also has several 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 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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