Argonaut Gold Announces Updated Mineral Reserves at its Operating Mines and Files Updated National Instrument 43-101 Technical Reports

Toronto, Ontario – (March 27, 2018) **Argonaut Gold Inc. (TSX: AR)** (the "Company", "Argonaut Gold" or "Argonaut") is pleased to announce updated Mineral Reserves at its El Castillo Complex, which is made up of the El Castillo and San Agustin Mines in Durango, Mexico, and its La Colorada Mine in Sonora, Mexico as of July 1, 2017. The El Castillo Mineral Reserve increased approximately 74% from December 31, 2016 to July 1, 2017, primarily due to the acquisition of, and exploration success on, the San Juan mineral concession that was acquired in February of 2017. The Mineral Reserves at the San Agustin Mine and the La Colorada Mine are maiden Mineral Reserves, as the Company had previously reported Mineral Resources only.

The Company has filed two National Instrument ("NI") 43-101 Technical Reports on www.sedar.com and Argonaut's website www.argonautgold.com for the El Castillo Complex and the La Colorada Mine dated March 27, 2018, which include life-of-mine plans that illustrate annual production profiles slightly above Argonaut's production guidance. However, the Company reaffirms its previously reported three-year production guidance given its operating experience and weather-related challenges historically associated with low-grade, highly variable heap leach operations (see press release dated January 16, 2018 for Argonaut's Three-Year Production Outlook). The Company intends to provide further updates to its Mineral Reserves net of depletion through mining activities between July 1, 2017 and December 31, 2017 in its Annual Information Form, which will be filed on or before April 2, 2018.

Pete Dougherty, President & CEO stated: "We significantly increased our Mineral Reserves and mine life at El Castillo through the purchase of, and exploration success on, the adjacent San Juan mineral concession. Furthermore, we feel we have more opportunity at El Castillo in the future with approximately an additional 220,000 gold ounces in Measured and Indicated Mineral Resource above and beyond the Mineral Reserve. With San Agustin now also having achieved commercial production, the El Castillo Complex boasts a Proven and Probable Mineral Reserve of 1.3 million gold ounces and 26.2 million silver ounces and across our Mexico operations we now have over 1.7 million gold ounces of Mineral Reserves. At La Colorada, we continue to demonstrate our ability to consistently replace the ounces we deplete annually through mining due to our successful exploration programs."

The El Castillo Complex consists of the El Castillo Mine and the San Agustin Mine, which share nearby infrastructure and resources. The Mineral Reserves and life-of-mine plans at July 1, 2017 demonstrate a mine life through the end of 2021 at El Castillo and through the end of

2025 at San Agustin. Table 1 below illustrates the El Castillo Complex Mineral Reserve and Mineral Resource estimate:

Table 1 – El Castillo Complex Mineral Reserves and Mineral Resources at July 1, 2017[(1)]

Project	Category	Tonnes (millions)	Au Grade (g/t)	Contained Au Ounces (000s)	Ag Grade (g/t)	Contained Ag Ounces (000s)
El Castillo[(2)]	Proven	3.7	0.57	67		
El Castillo[(2)]	Probable	37.2	0.38	455		
San Agustin[(2)]	Probable	80.4	0.31	794	10.2	26,241
El Castillo Complex[(2)]	**Proven & Probable**	**121.3**	**0.34**	**1,315**	**10.2**	**26,241**
El Castillo[(3)]	Measured	4.5	0.54	77		
El Castillo[(3)]	Indicated	57.9	0.35	662		
San Agustin[(3)]	Indicated	97.9	0.28	892	9.6	30,097
El Castillo Complex[(3)]	**Measured & Indicated**	**160.3**	**0.31**	**1,632**	**9.6**	**30,097**
El Castillo[(3)]	Inferred	1.5	0.36	17		
San Agustin[(3)]	Inferred	11.0	0.21	74	9.0	3,163
El Castillo Complex[(3)]	**Inferred**	**12.5**	**0.23**	**91**	**9.0**	**3,163**

[(1)] Mineral Resources are presented inclusive of Mineral Reserves. Numbers may not sum due to rounding.
[(2)] The Mineral Reserves for El Castillo and San Agustin, which together form the El Castillo Complex, assume metal prices of US$1,200/oz Au and US$17/oz Ag and a Mexican peso to US dollar exchange rate of 19:1. The Mineral Reserves were estimated by Argonaut and audited by Bret Swanson, BE (Min) MMSAQP, of SRK Consulting (U.S.), Inc., who is a Qualified Person under NI 43-101.
[(3)] The Measured and Indicated Mineral Resources and Inferred Mineral Resource for El Castillo and San Agustin, which together form the El Castillo Complex, assume metal prices of US$1,400/oz Au and US$20/oz Ag and were estimated by Argonaut and reviewed by Michael J. Lechner, PGeo, of Resource Modeling Inc., who is a Qualified Person under NI 43-101.

The Mineral Reserves and life-of-mine plan at the La Colorada Mine at July 1, 2017 demonstrates a mine life through mid-2022. Table 2 below illustrates the La Colorada Mine Mineral Reserve and Mineral Resource estimate:

Table 2 – La Colorada Mineral Reserves and Mineral Resources at July 1, 2017[(1)]

Open Pit	Category	Tonnes (millions)	Au Grade (g/t)	Contained Au Ounces (000s)	Ag Grade (g/t)	Contained Ag Ounces (000s)
Gran Central[(2)]	Probable	1.5	0.63	31	4.7	231
El Créston[(2)]	Probable	14.3	0.68	315	14.8	6,817
Veta Madre[(2)]	Probable	4.8	0.57	88	3.8	591
La Colorada Mine[(2)]	**Probable**	**20.7**	**0.65**	**435**	**11.5**	**7,639**
La Colorada/Gran Central[(3)]	Indicated	7.7	0.60	150	7.4	1,831
El Créston[(3)]	Indicated	17.7	0.62	355	13.9	7,910

Veta Madre[3]	Indicated	5.8	0.53	98	3.6	657
La Colorada Mine[3]	**Indicated**	**31.2**	**0.60**	**603**	**10.4**	**10,398**
La Colorada/Gran Central[3]	Inferred	0.0	0.33	0	12.5	1
El Créston[3]	Inferred	1.9	0.79	47	10.8	644
Veta Madre[3]	Inferred	0.2	0.20	0	5.8	3
La Colorada Mine[3]	**Inferred**	**1.9**	**0.78**	**47**	**10.8**	**648**

[1] Mineral Resources are presented inclusive of Mineral Reserves. Numbers may not sum due to rounding.
[2] The Mineral Reserves for the La Colorada Mine assume metal prices of US$1,200/oz Au and US$17/oz Ag and a Mexican peso to US dollar exchange rate of 19:1. The Mineral Reserves were estimated by Argonaut and audited by Bret Swanson, BE (Min) MMSAQP, of SRK Consulting (U.S.), Inc., who is a Qualified Person under NI 43-101.
[3] The Measured and Indicated Mineral Resources and Inferred Mineral Resource for the La Colorada Mine assume metal prices of US$1,400/oz Au and US$20/oz Ag and were estimated by Argonaut and reviewed by Michael J. Lechner, PGeo, of Resource Modeling Inc., who is a Qualified Person under NI 43-101.

Qualified Person, Technical Information and Mineral Properties Reports

Technical information included in this release was supervised and approved by Brian Arkell, Argonaut's Vice President, Exploration and a Qualified Person under NI 43-101. For further information on the Company's material properties, please see the reports as listed below on the Company's website or on www.sedar.com:

El Castillo Complex	NI 43-101 Technical Report on Resources and Reserves, El Castillo Complex, Durango State, Mexico dated March 27, 2018 (effective date of March 7, 2018)
La Colorada Mine	NI 43-101 Technical Report on Resources and Reserves, La Colorada Gold/Silver Mine, Hermosillo, Mexico dated March 27, 2018 (effective date of December 8, 2017)

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 proposed transaction and 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, statements with respect to estimated production and mine life of the various mineral projects of Argonaut; synergies 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; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; 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" 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 changes in market conditions, variations in ore grade or recovery rates, 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. 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.

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 San Agustin mine, which together form the El Castillo Complex 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, 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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