

CORPORATE PRESENTATION

Second Quarter 2018 Conference Call

August 10, 2018

ARGONAUT GOLD

FORWARD LOOKING INFORMATION

This presentation 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; expectations with respect to future cash flows from operations, net debt and financial results; the successful completion of proposed acquisitions; metal or mineral recoveries; 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 risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, 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 and labour disputes.

These factors are discussed in greater detail in Argonaut's (i) most recent Annual Information Form, and (ii) most recent Management Discussion and Analysis, which are each filed on SEDAR and 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 presentation should not be unduly relied upon. These statements 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. 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.

References to dollars or “$” are to U.S. dollars unless specified otherwise.

Q2 2018 Results Conference Call



OVERVIEW



FINANCIALS



OPERATIONS



LOOKING AHEAD

Q2 2018 and Recent Highlights

Solid Q2 2018 Financial Performance

- Net income of $0.4 million and adjusted net income[1] of $7.0 million
- Earnings per share – basic of $0.00 and adjusted earnings per share – basic[1] of $0.04
- Increased net cash[1] by $1.5 million

38,441 Production GEOs[2]

- At cash cost of $704/oz Au sold[1] & AISC of $832/oz Au sold[1]

Short Term Initiatives

- Exceeded nameplate crushing capacity at San Agustin by 24%
- El Castillo CR2 crusher throughput ramp up
- Leach pad construction at all operations
- ESR recognition at all operations

Long Term Growth Initiatives

- Magino
  - Advanced EA process and permitting
  - Signed Community Benefit Agreement with Métis Nation of Ontario
- Cerro del Gallo
  - Complete geologic model
  - Initiated drill program for metallurgical test work samples

Received Environmental Socially Responsible Company recognition at all Mexican operations

[1] Please refer to section on slide 20 entitled “Non-IFRS Measures” for a discussion of these Non-IFRS Measures.
[2] Gold equivalent ounces (‘GEO” or “GEOs”) are based on a conversion ratio of 70:1 for silver to gold.

Financial Performance

	3 months ended June 30		Change	6 months ended June 30		Change
	2018	2017		2018	2017	
Production (GEO)[1]	38,441	29,730	+29%	79,294	67,437	+18%
Sales (GEO)[1]	38,858	33,747	+15%	78,904	69,920	+13%
Revenue ($M)	$50.2	$42.5	+18%	$103.1	$87.0	+19%
Net income ($M)	$0.4	$6.2	-94%	$12.6	$18.2	-31%
Earnings per share – basic	$0.00	$0.04	-100%	$0.07	$0.11	-36%
Adjusted net income ($M)[2]	$7.0	$4.1	+71%	$14.9	$9.0	+66%
Adjusted earnings per share – basic[2]	$0.04	$0.02	+100%	$0.08	$0.05	+60%
Cash flow from operations before changes in non-cash operating working capital ($M)	$17.0	$13.5	+26%	$38.1	$28.4	+34%
Cash and Cash Equivalents ($M)	$22.7	$53.8	-58%	$22.7	$53.8	-58%

[1] Gold equivalent ounces ("GEO" or "GEOs") are based on a conversion ratio of 70:1 for silver to gold.
[2] Please refer to section on slide 20 entitled "Non-IFRS Measures" for a discussion of these Non-IFRS Measures.

Q2 2018 Capital Spending, Cash Flow & Liquidity ($M)

Investing in the future

Cash Flow Reconciliation

Opening balance cash	21.3	
Cash flow from ops excl. working capital	17.0	
Changes in working capital	(6.4)	
Cash before investment & financing		31.9
Capital spending	(9.4)	
Other	0.2	
		(9.2)
Ending Balance Cash		**$22.7**

Capital Spend

	Sustaining	Expansion	Stripping
El Castillo	0.6	2.0	1.5
La Colorada	0.3	0.4	-
Magino	-	0.9	-
San Agustin	0.1	2.5	-
San Antonio	-	0.2	-
Exploration	-	0.5	-
Corp & Other	-	0.4	-
	1.0	6.9	1.5
Total Spending			**$9.4**

Eliminated $10 million in 2018 capital spending – 2018 capital guidance now $40 - $45 million

Leach Pad Construction

EL CASTILLO
La Victoria Leach Pad



7.2M tonnes
Completed March 2018

EL CASTILLO
Phase 8A Leach Pad



5.0M tonnes
Completed June 2018

SAN AGUSTIN
Leach Pad Expansion



14.0M tonnes
Completed June 2018

LA COLORADA
NE Phase 2 Expansion



3.1M tonnes
Completed April 2018

Q2 2018 - Operations Overview

	Second Quarter		YTD at June 30	
Production (GEOs)[1]	**2018**	**2017**	**2018**	**2017**
El Castillo Complex	26,518	17,086	52,255	39,312
El Castillo	10,194	17,086	18,959	39,312
San Agustin	16,324	-	33,296	-
La Colorada	11,923	12,644	27,039	28,125
TOTAL	**38,441**	**29,730**	**79,294**	**67,437**

	Second Quarter		YTD at June 30	
Cash Costs[2]	**2018**	**2017**	**2018**	**2017**
El Castillo Complex	$638	$893	$620	$889
El Castillo	$992	$893	$1,005	$889
San Agustin	$431	-	$399	-
La Colorada	$833	$590	$775	$579
Consolidated	**$704**	**$785**	**$677**	**$767**
All-In Sustaining Costs[2]				
Consolidated	**$832**	**$906**	**$806**	**$887**

[1] Gold equivalent ounces ("GEO" or "GEOs") are based on a conversion ratio of 70:1 for silver to gold.
[2] Please refer to section on slide 20 entitled "Non-IFRS Measures" for a discussion of these Non-IFRS Measures.

El Castillo Complex – Challenges & Solutions

Q2 CHALLENGES

- **El Castillo Mine**
  - Ore placed on upper lifts of leach pads resulting in slower recovery due to solution time to reach the liner
  - Equipment availability
- **San Agustin Mine**
  - Low solution application rate due to increased crusher throughput rate

SOLUTIONS IMPLEMENTED

- **El Castillo Mine**
  - Operational flexibility greatly increased with the completion of two new leach pads
  - Moved San Agustin mobile fleet to El Castillo and initiated contract mining at San Agustin on July 1, 2018
  - Improving maintenance practices
- **San Agustin Mine**
  - Completed second water well to increase solution flow

La Colorada – Challenges & Actions Taken

Q2 CHALLENGES

- Could not blast due to temporary suspension of explosives permit
- Approximately 70 people let go during halt in blasting operations

ACTIONS TAKEN

- We are back to blasting!
- Re-hiring and ramping back up

Re-iterating 2018 GEO Production and Cost Guidance

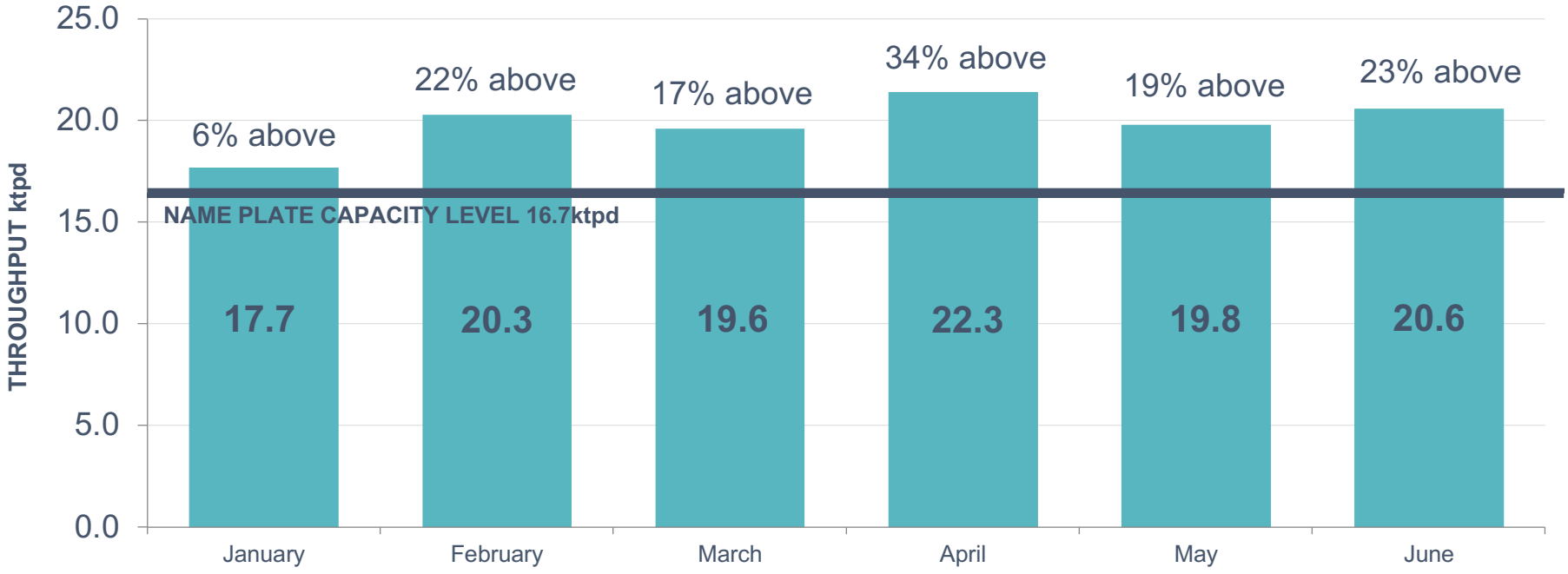
		2018 Full Year Consolidated	Q2 2018 Actual Consolidated	H1 2018 Actual Consolidated
GEO[1] Production	In 000s	**165 - 180**	**38.4**	**79.3**
Cash costs [2,3]	$ per ounce Au	**700 - 800**	**704**	**677**
AISC [2,3]	$ per ounce Au	**850 - 950**	**832**	**806**

Q4 is expected to provide strongest quarterly production of 2018

[1] Gold equivalent ounces ("GEO" or "GEOs") are based on a conversion ratio of 70:1 for silver to gold.
[2] Assumes a MXN:USD exchange rate of 18:1.
[3] Please refer to section on slide 20 entitled "Non-IFRS Measures" for a discussion of these Non-IFRS Measures.

San Agustin 2018 Crusher Throughput by Month





Our Focus



Ramp production



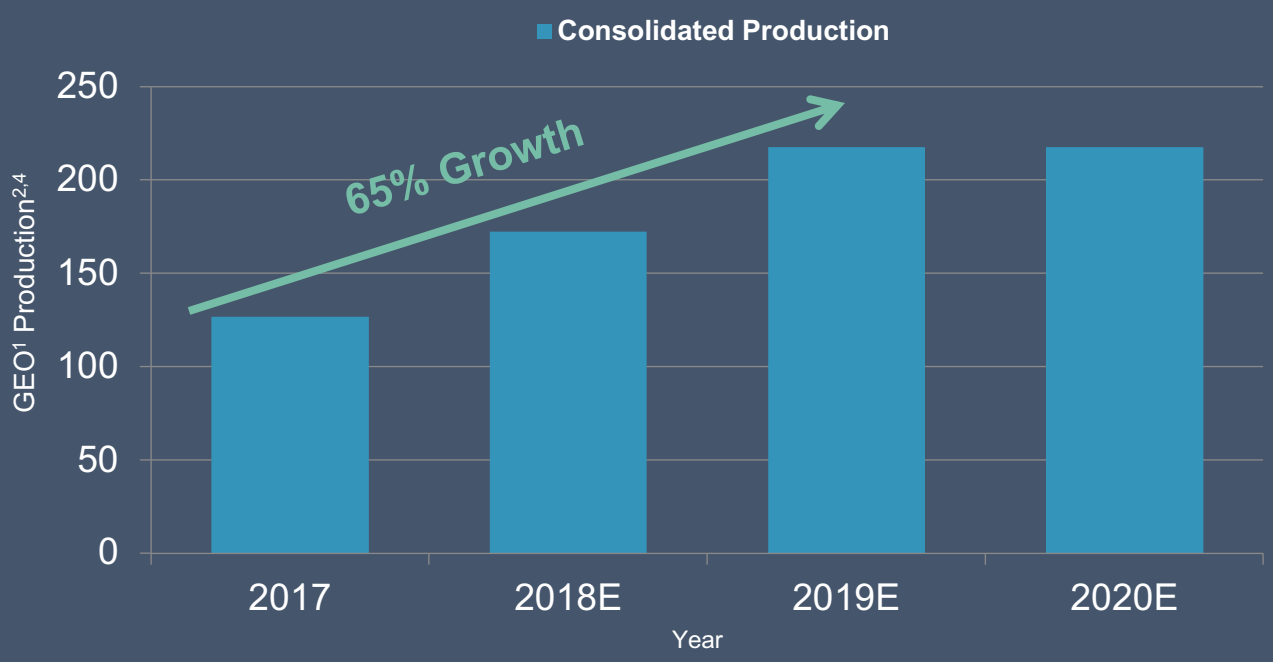
Build balance sheet



De-risk development projects

Achieving Our Objectives and Delivering Value

Three Year Production Outlook



Year	Consolidated GEO[1] Production[4] (000s)
2017 Actual	127
2018E	165 - 180
2019E	210 - 225
2020E	210 - 225

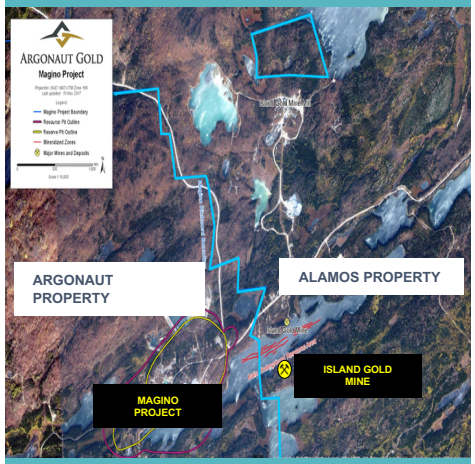
Unparalleled Production Growth

Argonaut Goal: Annual AISC[3] at or below $950 per gold ounce sold

[1] Gold equivalent ounces ("GEO" or "GEOs") are based on a conversion ratio of 70:1 for silver to gold.
[2] Assumes mid-point of production guidance.
[3] Please refer to section on slide 20 entitled "Non-IFRS Measures" for a discussion of these Non-IFRS Measures.
[4] Actual 2017 GEO Production includes 2,932 pre-commercial production GEOs from San Agustin.

Development Assets

Magino[1]



- Ontario, Canada
- M&I 144.0Mt @ 0.91 g/t Au for 4.197 Contained Au oz
- P&P 59.0Mt @ 1.13 g/t Au for 2.157 Contained Au oz
- Cash Op. Costs $669/oz[4]
- AISC $711/oz[4]
- Initial Capital $321M
- After-tax NPV 5% $288M
- After-tax IRR 19.5%

Cerro del Gallo[2]



- Guanajuato, Mexico
- M&I 47,878 kt @ 0.60 g/t Au for 923k Au oz
- P&P 32,219 kt @ 0.69 g/t Au for 712k Au oz
- Primero's May 2012 Feasibility Highlights:
  - Initial 7 year mine life
  - Ability to expand mine life to 14 years through a second stage CIL/Heap Leach mill expansion
  - 95,000 GEOs annually at estimated cash costs of $700/oz[4]

San Antonio[3]



- Baja California Sur, Mexico
- M&I 65,089 tonnes @ 0.83 g/t Au for 1,735,000 Au oz.
- Cash Op. Costs $553/oz[4]
- Initial Capital $97.5M
- After-tax NPV 8% $205M
- 15 year mine life

[1] Based on the assumptions and parameters as set forth in the Feasibility Study dated December 21, 2017 for 10k TPD capacity.
[2] Based on the assumptions and parameters as set forth in Primero Mining Corp.'s Definitive Feasibility Study Technical Report dated June 29, 2012.
[3] Based on the assumptions and parameters as set forth in the NI 43-101 Technical Report on Resources San Antonio Project dated October 10, 2012.
[4] Please refer to section on slide 20 entitled "Non-IFRS Measures" for a discussion of these Non-IFRS Measures.

Note: Please refer to Mineral Resource disclosure on slide 21 for full details.

De-Risking Development Projects

CERRO DEL GALLO

RECENT ACTIVITIES

- Completed geologic model
- Initiated drill program for metallurgical test work samples

FUTURE PLANS

- Metallurgical test work
- Internal scoping study
- Permit application submittal

MAGINO

RECENT ACTIVITIES

- Advanced Environmental Assessment
- Signed the Community Engagement Agreement with the Métis Nation of Ontario

FUTURE PLANS

- EA approval
- File closure plan and Schedule 2 permit applications
- Continue Indigenous consultation

Summary of Investment Case

Strong balance sheet with flexibility

- $22.7M cash[1]
- $50M revolver
  - $8M drawn[1]
  - Accordion feature to increase to $75M, if desired
- $20M VAT[1]
- $83M inventory[1] (69k oz @ $1,200 Au)

Defensive gold stock

- Long track record of adding cash to the balance sheet through operations
- Goal of AISC[2] at or below $950 per gold ounce sold

Highly leveraged to upside in gold

- De-risking of development assets provide tremendous leverage

Proven operator

- Track record of low cost production
- Expected ~65% annual production growth 2017 to 2019

[1] At June 30, 2018.
[2] Please refer to section on slide 20 entitled “Non-IFRS Measures” for a discussion of these Non-IFRS Measures.

Our Focus



Build balance sheet



De-risk development projects



Prepare for 200k+ GEO[1] production in 2019

[1] Gold equivalent ounces (“GEO” or “GEOs”) are based on a conversion ratio of 70:1 for silver to gold.



ADDITIONAL INFORMATION

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Notes and Disclosures

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.

QUALIFIED PERSON

Technical information included in this presentation was supervised and approved by Brian Arkell, Argonaut Gold's Vice President of Exploration, and a Qualified Person under National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*. ("NI 43-101").

NATIONAL INSTRUMENT 43-101

Brian Arkell, Argonaut Gold's Vice-President of Exploration and a Qualified Person under NI 43-101, has 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.

NON-IFRS MEASURES

The Company has included certain non-IFRS measures including "Cash cost per gold ounce sold", "All-in sustaining cost per gold ounce sold", "Adjusted net income", "Adjusted earnings per share – basic" and "Net cash" in this press release to supplement its financial statements which are presented in accordance with International Financial Reporting Standards ("IFRS"). Cash cost per gold ounce sold is equal to production costs less silver sales divided by gold ounces sold. All-in sustaining cost per gold ounce sold is equal to production costs less silver sales plus general and administrative expenses, exploration expenses, accretion of reclamation provision and sustaining capital expenditures divided by gold ounces sold. Adjusted net income is equal to net income less foreign exchange impacts on deferred income taxes, foreign exchange (gains) losses and unrecognized (recognition of previously unrecognized) Mexican deferred tax assets. Adjusted earnings per share – basic is equal to adjusted net income divided by the basic weighted average number of common shares outstanding. Net cash is calculated as the sum of the cash and cash equivalents balance net of debt as at the statement of financial position date. 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 the management's discussion and analysis ("MD&A") for full disclosure on non-IFRS measures.

Mineral Reserves and Mineral Resource Notes and Disclosures

All Mineral Resources have been estimated in accordance with Canadian Institute of Mining Standards. Mineral Resources are not known with the same degree of certainty as Mineral Reserves and do not have demonstrated economic viability. In addition, the quantity and grade of reported inferred mineral resources shown above are uncertain in nature and there is insufficient exploration to define these inferred mineral resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

Mineral Resources are presented inclusive of Mineral Reserves. Numbers may not sum due to rounding.

The Mineral Reserves for El Castillo and San Agustin, which together form the El Castillo Complex were taken from the El Castillo Complex Technical Report, including depletion from July 1, 2017 to December 31, 2017 through mining activities, are valid as of January 1, 2018 and used a gold price of $1,200 per ounce and silver price of $17 per ounce. Cut-off grades, depending on rock and ore type, varied from 0.14 g/t AuEq for oxide to 0.57 g/t Au for silicified sulphide.

The Mineral Reserves for La Colorada were taken from the La Colorada Technical Report, including depletion from July 1, 2017 to December 31, 2017 through mining activities, are valid as of January 1, 2018 and used a gold price of $1,200 per ounce and silver price of $17 per ounce. Cut-off grades, depending on deposit, varied from 0.10 g/t AuEq to 0.16 g/t AuEq.

The Mineral Reserves for Magino were taken from the Magino Technical Report. The Mineral Reserve was estimated at a gold price of $1,200 per ounce. The Mineral Reserve used a gold cutoff of 0.41 g/t.

The M&I Mineral Resources and Inferred Mineral Resources for El Castillo and San Agustin, which together form the El Castillo Complex were taken from the El Castillo Complex Technical Report, including depletion from July 1, 2017 to December 31, 2017 through mining activities, are valid as of January 1, 2018 and used a gold price of $1,400 per ounce and silver price of $20 per ounce. Cut-off grades, depending on rock and ore type, varied from 0.09 g/t AuEq for oxide to 0.47 g/t Au for silicified sulphide.

The M&I Resource and Inferred Resource were taken from the La Colorada Technical Report, including depletion through mining activities from July 1, 2017 to December 31, 2017, are valid as of January 1, 2018 and used a gold price of $1,400 per ounce and silver price of $20 per ounce. Cut-off grades, depending on deposit, varied from 0.09 g/t AuEq to 0.12 g/t AuEq.

The M&I Mineral Resources and Inferred Mineral Resource for the Magino Project were taken from the Magino Technical Report. The Mineral Resource was estimated at a gold price of $1,300 per ounce. The Mineral Resource used a gold cutoff of 0.25 g/t.

The Mineral Resources for the San Antonio Project were taken from the San Antonio Technical Report. The gold resource was estimated at a gold price of $1,500 per ounce using a cutoff grade of 0.11 g/t Au for oxide and transition and 0.15 g/t Au for sulphide.

For further information on the Cerro del Gallo project, please see historical estimates disclosed in the technical report titled “First Stage Heap Leach Feasibility Study Cerro del Gallo Gold Silver Project Guanajuato, Mexico” dated June 29, 2012 and available Primero Mining Corp. (“Primero”) at www.sedar.com. Per Primero, the historical Mineral Reserves estimate was completed by Thomas Dyer, P.E., a Qualified Person and the historical Mineral Resources estimate was completed by by Timothy Carew, P. Geo, a Qualified Person pursuant to National Instrument (“NI”) 43-101, in a technical report completed by Sedgman Ltd, Reserva International and Mine Development Associates. The report was reviewed by Brian Arkell on behalf of Argonaut Gold Inc. (“Argonaut”), who has concluded that it continues to be relevant and reliable as a basis for understanding the potential Mineral Reserves and Resources at the property. To the best of Argonaut’s knowledge, information and belief, there is no new material, scientific or technical information that would make the disclosure of the Mineral Reserves and Resources inaccurate or misleading. Argonaut has not done sufficient work to classify the historical estimate as current Mineral Reserves and Resources and is not treating the historical estimate as current Mineral Reserves and Resources. Argonaut plans to complete metallurgical test work and re-log the available drill core to update the Mineral Resource model and verify or update the historical work to support the development of a current estimate.