



Argonaut Gold Completes C\$10,000,000 Non-Brokered Private Placement with Ausenco and Provides Magino Project Construction Update

Toronto, Ontario – (March 31, 2021) **Argonaut Gold Inc. (TSX: AR)** (the “Company”, “Argonaut Gold” or “Argonaut”) is pleased to announce it has completed a private placement of 4,255,319 common shares, issued at a price of C\$2.35 per common share, representing an 8.3% premium to the closing price on March 30, 2021, for gross proceeds of C\$10,000,000 with Ausenco Engineering Canada Inc. (“Ausenco”). Argonaut Gold and Ausenco previously executed a fixed-bid engineering, procurement, construction and commission contract for the construction of the Magino processing facility and other parts of the Magino construction project (see press release dated January 4, 2021) at which time a private placement was contemplated. The Company intends to use the proceeds for Magino construction activities and general corporate purposes.

Pete Dougherty, President and CEO of Argonaut stated: "The private placement by Ausenco aligns our respective companies, as we work together to advance and unlock value of the Magino project. We are very pleased to have a partner with ‘skin in the game’ as we continue to advance Magino’s construction."

Zimi Meka, CEO and Managing Director of Ausenco commented: “With our intimate knowledge of the Magino project, we are excited to partner with Argonaut in building Canada’s next gold mine. We are pleased to be a shareholder of Argonaut and look forward to working with Peter and his team to maximise the value of Magino for all shareholders.”

Magino Project Construction Update

Argonaut is also pleased to provide a construction update at its Magino project in Ontario, Canada. The overall Magino construction project is tracking on schedule and ahead of schedule in relation to logging activities. The Company has secured all long lead items and is actively preparing the site for earthworks, which are expected to commence during the second quarter 2021.

Argonaut is very pleased to report that 100% of the process plant site has been cleared, which allows for earthworks to begin in this area. Earthworks in the process plant site area will be followed by concrete pouring and steel erection so that the Company is in a position to enclose the process facility building prior to next winter, allowing construction to continue on the recovery plant.

Magino project activities since commencing construction include:

- Logging;
- Pioneering of roads and worksites;

- Earthworks to level the area of the process facility site for preparation of concrete pouring for the foundation;
- Installed construction offices;
- Completed the pad for a 144 person camp;
- Installation of the first 88 person camp units; and
- Placed orders of long lead time equipment.

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 statements with respect to the Magino construction project schedule; permitting and legal processes in relation to mining permitting and approvals; estimated production and 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 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)
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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. The Company also holds the construction stage Magino project, the advanced exploration stage Cerro del Gallo project and several other exploration stage projects, all of which are located in North America.

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