



ARGONAUT GOLD

Argonaut Gold Acquires Key Mineral Concessions Surrounding its San Agustin Mine from Fresnillo for US\$5.75 Million and More Than Quadruples Mineral Tenure in the San Agustin District

Toronto, Ontario – (October 12, 2021) **Argonaut Gold Inc. (TSX: AR)** (the “Company”, “Argonaut Gold” or “Argonaut”) is pleased to announce that its wholly-owned subsidiary, Minera Real Del Oro, S.A. de C.V., has acquired key mineral concessions from Desarrollos Mineros El Aguila, S.A. de C.V., a wholly-owned subsidiary of Fresnillo Plc for a cash consideration of US\$5.75 million. The mineral concessions acquired more than quadruples Argonaut’s mineral tenure and area of potential exploration in the San Agustin district to 5,884 hectares. The acquired mineral concessions consist of a very large concession of 4,791 hectares surrounding all of Argonaut’s existing concessions in the district, as well as four key concessions totalling 27 hectares immediately surrounding the San Agustin pit (see Figure 1 below).

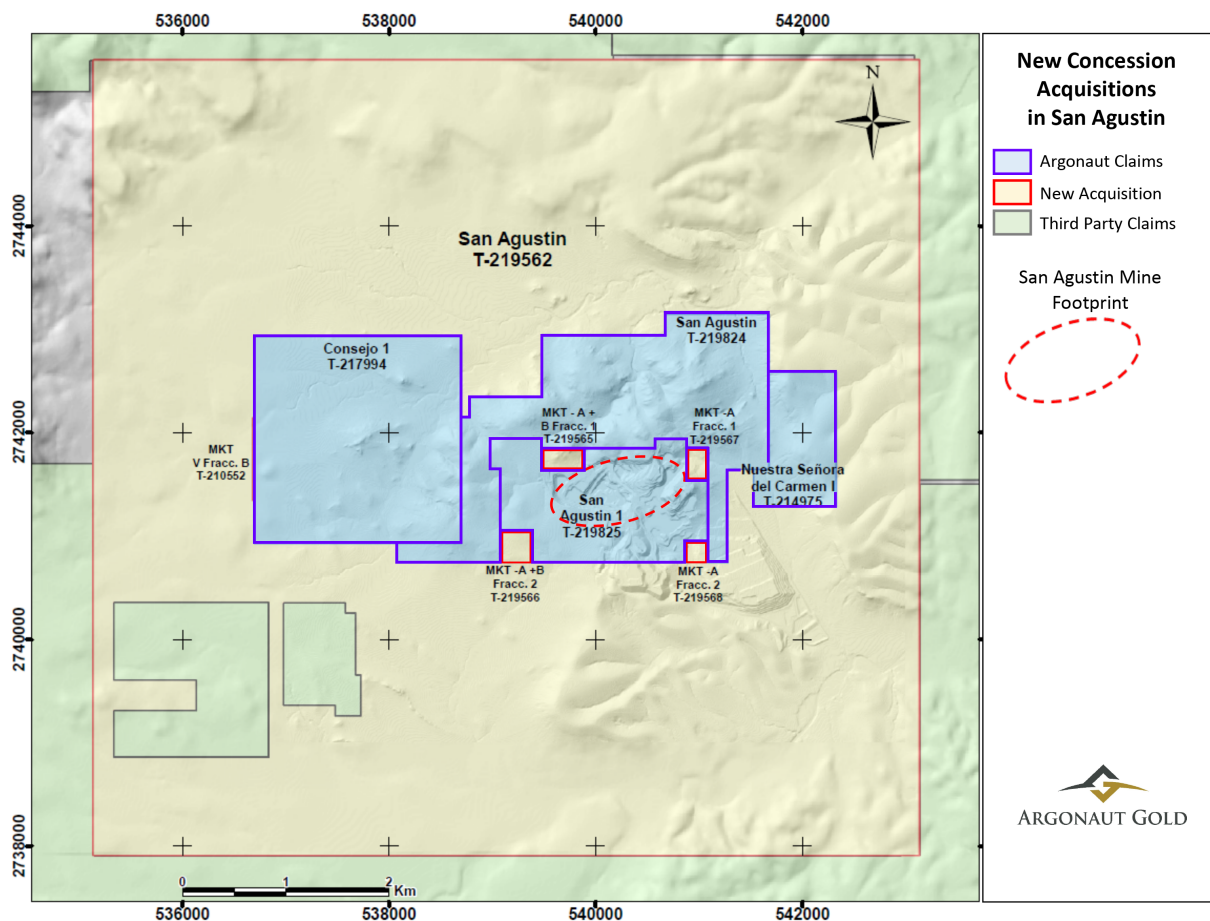


Figure 1 – New Concession Acquisitions within the San Agustin District

The acquisition of the four mineral concessions immediately adjacent to the San Agustin pit will allow Argonaut to expand the pit, increase mineral reserves and extend mine life. These strategic mineral concessions may also have potential to add mineralization to the northeast and southwest of the current mine footprint.

The very large concession surrounding all of Argonaut's existing mineral concessions in the San Agustin district increases Argonaut's area of potential exploration by over 400%. Anomalous gold mineralization is known to occur in numerous areas of this concession, especially to the north and northwest of the current San Agustin mine operations.

Pete Dougherty, President and CEO stated: "The acquisition of these strategic mineral concessions wrap up the San Agustin district for Argonaut, more than quadrupling our mineral tenure to 5,884 hectares and vastly increasing our exploration potential. As part of the acquisition, we have also acquired four, key mineral concessions immediately adjacent to the San Agustin pit which will allow operations to further expand the open pit, increase mineral reserves and extend mine life."

The Company is currently preparing updated National Instrument ("NI") 43-101 Technical Reports for all Mexican operations and plans to publish these by the end of 2021.

Qualified Person, Technical Information and Mineral Properties Reports

Technical information 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 San Agustin mine, please see the report 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, Mexico dated March 27, 2018 (effective date of March 7, 2018)
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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 realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; estimated production and mine life of the various mineral projects of Argonaut; timing of approval for modifications to existing permits; permitting and legal processes in relation to mining permitting and approval; 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.

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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