

ARGO GOLD INC.
365 Bay Street, Suite 400
Toronto, Ontario M5H 2V1

FOR IMMEDIATE RELEASE

Argo Gold Announces Closing of Second Tranche of Units and Flow-Through Shares

Toronto, CANADA, May 11, 2017 – Argo Gold Inc. (“**Argo Gold**” or the “**Company**”) (CSE: **ARQ**) is pleased to announce that it has completed the second tranche (“**Second Tranche**”) of its previously announced non-brokered private placement through the issuance of 875,000 units (“**Units**”) at a price of \$0.20 per Unit for gross proceeds of \$175,000 and 60,000 flow through shares (“**Flow Through Shares**”) at a price of \$0.25 per Flow Through Share for aggregate gross proceeds of \$15,000. Each Unit is comprised of one common share (a “**Common Share**”) of the Company and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”) with each Warrant entitling the holder thereof to purchase one Common Share at an exercise price of \$0.30 for a period of twenty-four (24) months from the date of closing of the Second Tranche.

Ms. Judy Baker, a director and officer of the Company acquired (the “**Acquisition**”) 200,000 Common Shares and 100,000 Warrants in connection with the Second Tranche, representing approximately 13.92% of the issued and outstanding common shares of the Company on a non-diluted basis. If Ms. Baker were to exercise all of her convertible securities she would own 5,470,750 Common Shares, representing approximately 20.21% of the Company’s then outstanding Common Shares, on a partially diluted basis. Ms. Baker has acquired the Units of the Company for investment purposes and Ms. Baker may, depending on market and other conditions, increase or decrease her beneficial ownership, control or direction over the common shares or other securities of the Company, through market transactions, private agreements, treasury issuances, exercise of convertible securities or otherwise. For further details relating to the Acquisition, please see the early warning report, a copy of which is available on the Company’s profile on SEDAR at www.sedar.com.

In connection with the closing of the Second Tranche, the Company paid a finder’s fee equal to \$2,450 and issued an aggregate of 12,250 broker warrants (the “**Broker Warrants**”), each Broker Warrant exercisable into one Common Share at a price of \$0.30 per share for twenty-four (24) months from the date of closing of the Second Tranche. All securities issued in connection with the Second Tranche are subject to a hold period of four months and a day from the date of closing.

The transaction constituted a related party transaction within the meaning of Multilateral Instrument 61-101 (“**MI 61-101**”) as an insider of the Company subscribed for an aggregate of 200,000 Units pursuant to the Second Tranche. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Second Tranche by the insider does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Second Tranche, which the Company deems reasonable in the circumstances in order to complete the Second Tranche in an expeditious manner.

The net proceeds from the Unit offering will be used for general corporate purposes. The gross proceeds from the Flow-Through Share offering will be used for Canadian Exploration Expenses, and will qualify as “flow-through mining expenditures”, as defined in the *Income Tax Act* (Canada).

About Argo Gold Inc.

Argo Gold is listed on the Canadian Securities Exchange under the ticker ARQ. Argo Gold is focused on gold exploration projects central and northwestern Ontario. All of Argo Gold's projects are 100% owned and have indications of economic viability. Argo Gold's website is www.argogold.ca.

For more information please contact:

Judy Baker

President

(416) 786-7860

judybakertoronto@gmail.com

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Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is 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 at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, which filings are available at www.sedar.com.