

Argo Gold Closes Oversubscribed Private Placement Financing

Toronto, Ontario--(Newsfile Corp. - December 24, 2020) - Argo Gold Inc. (**CSE: ARQ**) (**OTCQB: ARBTF**) ("**Argo Gold**" or the "**Company**") is pleased to announce that it has closed the previously announced non-brokered private placement offering (the "**Offering**"), through the issuance of 8,261,232 units ("**Units**") at a price of \$0.17 per Unit, for gross proceeds of \$1,404,409.44; and 1,960,300 flow-through shares ("**Flow-Through Shares**") at a price of \$0.22 per Flow-Through Share, for gross proceeds of \$431,266.00. All securities issued pursuant to the Offering will be subject to a four month and one day hold period in accordance with applicable securities laws.

Each Unit consists of one common share of the Company (a "**Common Share**") and one common share purchase warrant (each whole warrant, a "**Warrant**") with each Warrant entitling the holder thereof to purchase a Common Share at an exercise price of \$0.24 for a period of twenty-four (24) months following the closing of the Offering.

The gross proceeds received by the Company from the sale of the Flow-Through Shares will be used to incur eligible "Canadian exploration expenses" ("**CEE**") that are "flow-through mining expenditures" (as such term is defined in the *Income Tax Act* (Canada) (the "**Tax Act**") related to the Company's mining projects. The Company will renounce such CEE to the purchasers of the Flow-Through Shares with an effective date of no later than December 31, 2020.

In connection with the Offering, the Company paid finder's fees to qualified individuals (the "**Finders**") totaling \$95,987.90 in cash and issued 533,333 common share purchase warrants (each, a "**Finder Warrant**"). Each Finder Warrant is non-transferrable and exercisable for one Common share at an exercise price of \$0.24 for a period of twenty-four (24) months following the closing of the Offering.

The financing constituted a related party transaction within the meaning of Multilateral Instrument 61-101 ("**MI 61-101**") as insiders of the Company subscribed for an aggregate of 1,676,000 units for gross proceeds of \$284,920. Certain directors and officers of the Company funded part or all of their subscriptions in the Offering with the sale of free trading shares in the Company previously held by them. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by insiders 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 Offering, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Offering in an expeditious manner.

The proceeds of the Offering will be used for exploration at the Uchi Gold Project including; a February 2021 till and bedrock sampling program at Uchi to locate extensions of the mineralized structures and a June 2021 drill program at Uchi targeting additional high-grade gold mineralization at the Woco, Northgate and Raingold Zones, as well as for working capital and general corporate purposes.

Argo Gold has completed a successful year including; Eric Sprott becoming a major shareholder, acquiring the Talbot Lake Gold Project, selling non-core assets, and commencing trading on the OTCQB Venture Market. On December 1 2020, Argo Gold announced the results of its expanded 2020 field season at the Uchi Gold Project which confirmed multiple high-grade mineralized structures and visible gold at all target areas. Subsequently, the Company has now closed an oversubscribed financing.

About Argo Gold Inc.

Argo Gold is a Canadian mineral exploration and development company, focused on gold exploration at

the Uchi Gold Project in the Red Lake District. Argo Gold recently added the Talbot Lake Gold Project to its portfolio. (Argo Gold PR, June 11 2020). Information on Argo Gold can be obtained from SEDAR at www.sedar.com and on Argo Gold's website at www.argogold.ca. Argo Gold is listed on the Canadian Securities Exchange (www.thecse.com) (CSE: ARQ) as well as (OTCQB: ARBTF) and (FSE: P3U).

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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.

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