
ARGO GOLD INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTH ENDED MARCH 31, 2023

General

The following management's discussion and analysis ("**MD&A**") of the financial condition and results of the operations of Argo Gold Inc. ("**Argo Gold**", or the "**Company**") constitutes management's review of the factors that affected the Company's financial and operating performance for the three months ended March 31, 2023 and 2022. This MD&A was written to comply with the requirements of National Instrument 51-102 - Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited annual financial statements of the Company for the three months ended March 31, 2023 and 2022, together with the notes thereto ("**the financial statements**"). Results are reported in Canadian dollars, unless otherwise noted.

The financial statements and the financial information contained in this MD&A were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and interpretations of the International Financial Reporting Interpretations Committee ("**IFRIC**"). Please refer to Note 3 of the annual audited financial statements as at and for the years ended December 31, 2022 and 2021 for disclosure of the Company's significant accounting policies.

The audit committee of the Company has reviewed this MD&A and the financial statements for the three months ended March 31, 2023 and 2022 and the Company's Board of Directors approved these documents prior to their release.

This MD&A is dated May 30, 2023 and is current to that date.

Additional information relating to the Company is available free of charge on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at www.sedar.com, on the Canadian Securities Exchange ("**CSE**") website at www.thecse.com or on Argo Gold's website at www.argogold.com.

Caution Regarding Forward Looking Information

This MD&A includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address future exploration activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Qualified Person

Technical information contained in this MD&A has been prepared by or under the supervision of Bill Kerr, P. Geo., consulting geologist for Argo Gold, who is a "Qualified Person" for the purpose of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("**NI 43-101**"). He has verified the data comprising such technical information, including sampling, analytical and test data underlying the information or opinions contained herein.

Overview

Argo Gold is an exploration and development stage company incorporated under the laws of Ontario on December 9, 1995. The Company is listed on the Canadian Securities Exchange ("**CSE**") under the symbol **ARQ**, the OTCQB under **ARBTF**, and on the XFRA, XSTU and XBER under **A2ASDS**. The address of the Company's corporate office and principal place of business is 350 Bay Street, Suite 700 Toronto, Ontario, MSH 256.

Going Concern

The audited financial statements of the Company have been prepared on the basis that the Company will continue as a going concern, which presumes that it will be able to realize its assets and discharge its liabilities in the normal course of business. Due to continuing operating losses and current working capital levels, the application of the going concern basis is dependent upon the Company achieving profitable operations to generate sufficient cash flows to fund continuing operations or in the absence of adequate cash flows from operations, obtaining additional financing to support operations for the foreseeable future. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. These factors may cast significant doubt on the entity's ability to continue as a going concern.

The audited financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern. If management is unsuccessful in securing capital, the Company's assets may not be realized, or its liabilities discharged at their carrying amounts and these differences could be material. Changes in future conditions could require material write-downs of the carrying amounts of mineral properties.

Description of the Business

Argo Gold Inc. (the "Company" or "Argo Gold") was incorporated under the laws of Ontario on December 9, 1995. The Company is listed on the Canadian Stock Exchange ("CSE"), having the symbol ARQ and on the OTCQB under the symbol ARBTF. The Company is currently engaged in the acquisition, exploration, and development of mineral properties, and has entered into joint arrangements to pursue the exploration and development of oil and gas opportunities. The address of the Company's corporate office and principal place of business is 350 Bay Street, Suite 700 Toronto, Ontario, M5H 2S6, Canada.

Developments up to May 1, 2023

Oil and Gas Exploration and Development

March 30, 2023 - Argo announced that the Lindbergh Area Sparky oil well was drilled in mid-March 2023 and is on production at anticipated rates. Argo participated for 37.5% of the Lindbergh well and Argo's share of production is expected to yield 55 to 70 barrels oil/day.

February 1, 2023 - Argo announced that the company has entered into a second participation agreement with Croverro Energy to participate in a second horizontal Sparky oil well proximal to Lloydminster, Alberta. Argo will pay the operator 25 per cent of the cost to drill, complete, and fully equip or abandon the well to earn an 18.75 percent working interest in the well. The second Sparky oil well is planned to be drilled post spring break-up and upon successful completion, Argo's portion of oil production is estimated to be 30 to 40 bbls oil/day.

December 20, 2022. The Alberta Energy Regulator (AER) approved Argo Gold for General Eligibility for Energy under AER Directive 067 to hold and acquire energy licenses in the province of Alberta.

Croverro Energy had some delays and the Sparky oil well that Argo is participating in will be initiated in the first quarter of 2023. Also, Croverro Energy now estimates that Argo's 50% of capital costs has been decreased to an estimated \$800,000. Argo's 50% capital cost contribution entitles Argo to 37.5% of the oil well production estimated to be 90 bbl/day oil to Argo.

On November 7, 2022 – Argo announced it entered a non-binding letter of intent to acquire interest in the Clearwater Play in Alberta. Under the terms of the agreement, Argo would pay \$725,000 to a private junior energy producer to acquire interest on land in the Clearwater Play around the Nipisi area of Alberta. This agreement was subsequently cancelled.

On November 3, 2022 – Argo announced it entered into a farmout agreement to participate in the Sparky Oil Well in the Lindbergh area, proximal to Lloydminster, Alberta. The agreement is a one-well farmout with Croverro Energy Ltd. of Calgary, Alberta whereby Argo Gold (the Farmee) will pay the operator 50 per cent of the cost to drill, complete, and fully equip or abandon the well to earn a 37.5% interest.

August 25, 2022 – Argo announced that it had entered into strategic alliance with Jasper Mining Corporation ("Jasper" TSXV:JSP) whereby the companies agreed to share technical knowledge and expertise, employing the particular technical strengths of each management team in their respective resource industry. Each of Jasper and Argo have a similar asset mix, including lands which contain significant quantities of precious and base metals within Canada; yet both aspire to expand their operations to include a significant, or dominant, component in the oil and gas sector.

The joint-use of technical expertise and resources is expected to have a near-term impact of reducing specific consulting costs, where currently each company must retain professionals to fill gaps in its team's technical ability to effectively evaluate acquisitions and conduct operations, without incurring costs to the respective corporation. The initial term of the alliance shall be for 12 months; but can be terminated at any time by either company giving written notice to the other.

On June 21, 2022, Argo Gold entered into two letters of intent (LOIs) to farm into two separate Devonian oil and gas mineral lands in southern Alberta. Argo Gold will earn a 100% working interest in the two prospect lands, subject to a gross overriding royalty (GOR) to the holder of the mineral lands, in exchange for drilling one well per prospect. The oil prospects are seismically defined and are located within in a well-known producing trend with proven oil zones and surrounding infrastructure. Four additional well locations have been identified on the two Devonian prospects. Estimated yield on the two initial test wells is estimated to be 100 bbl/day to 150 bbl/day in range and the estimated ultimate recovery (EUR) of the two initial wells is expected to be 275,000 bbl oil and 300,000 bbl oil respectively.

Argo Gold also confirms that it had entered into a fourth Letter of Intent and Area of Mutual Interest Agreement to earn into oil and gas lands in southern Alberta with exploration and development potential in Cretaceous clastic reservoirs. However, the parties mutually agreed to cancel the agreement but have also agreed to continue discussions. These two letters or intent were subsequently cancelled.

Uchi Gold Project

Argo Gold announced that a gold mineralized extension has been identified at the Raingold and HST Zone at the Uchi Gold Project. Raingold is located along the HST Zone (Hill-Sloan-Tivy) which also hosts the past-producing Grasset Mine to the north. The HST Zone is a parallel mineralized trend located one km west of the main Uchi - Northgate gold mineralized trend.

In Spring 2021, Argo Gold drilled a total of 399 metres at the Raingold and the HST Zone. Only anomalous gold was intersected at depth. A step-out drill hole located 100 metres to the north identified anomalous gold across two structures where the second mineralized structure is identified as a new mineralized trend 100 metres to the east of the HST Zone. In Spring 2021, Argo Gold also confirmed high-grade gold in channel sampling 32.84 g/t Au over 2.5 metres at Raingold.

In late 2021, Argo Gold also completed overburden stripping and washing for 280 metres south of the high-grade Raingold area along the near vertical HST Zone following quartz veining and sulphide mineralization along the sheared break. Sixty-two channel samples across 35 channels perpendicular to strike were taken along the south extension of the Raingold - HST Zone with an average spacing of 7.7 metres. Gold mineralization is associated with abundant quartz veins and veinlets, iron formation, pyrite or ankerite alteration. The Fall 2021 channel samples are shown on the Raingold map where the best intercept is 15.4 g/t Au over 0.9 metres. It is significant that this highest sample was the farthest sample to the south and the trench geologic structure remains open in that direction.

Talbot Lake Gold Project

April 18, 2023, Argo announced that Argo's 100% owned Talbot Lake Gold Project located 100 kilometres northeast of Pickle Lake, Ontario is permitted for exploration and drilling.

In June 2020, Argo Gold acquired the Talbot Lake Gold Project located 100 kilometres north east of Pickle Lake in the prolific Uchi Geologic Subprovince (see Argo Gold news release June 11, 2020). The property hosts a historical non-NI 43-101 compliant mineral resource estimate of approximately 50,000 ounces at 14.0 g/t Au in a quartz vein system, starting at surface. There is also known gold mineralization in the associated banded iron formations ("**BIFs**") stretching over 23 line kilometres, which holds the potential for Musselwhite Mine type mineralization (over 20 years of 200,000 ounces of annual production). Gold mineralization in BIFs can be very pervasive.

The Company believes the current historical non-NI 43-101 compliant estimated mineral resource has the potential to be expanded. Prior to the acquisition of Talbot Lake from Denison Mines Inc., the property had been sitting unexplored within a uranium company.

Hurdman Silver-Zinc Project

The Hurdman Silver-Zinc Project is a metamorphosed sedimentary exhalative VMS deposit that is very similar to that of Australia's Broken Hill deposit. The Main Zone at surface has an NI 43-101 compliant mineral resource estimate of 3.4 M tonnes grading 1.2% Zn, 18.1g/t Ag and 0.34 g/t Au for *approximately 2 million in-situ silver ounces*. The nature of the known mineralization indicates exploration potential for additional mineralization and higher-grade mineralization as a result of metamorphism. Located 120 km north of Timmins, there are 70 km² of mineral claims surrounding the Main Zone that cover all of the area geophysical targets that have not been drill tested.

Marshall Lake Area Copper Property

On January 9, 2022, the Company staked 243 copper focused mineral claims, comprising four separate claim blocks in the Marshall Lake Area of the Thunder Bay Mining District, in Ontario.

The four claim blocks cover 50 square kilometres that is prospective for copper mineralization indicated by known sulphide mineralization present in the area Marshall assemblage.

The SW Claim Block is on the NE -SW trend line of local faults and is possibly down dip of the east dipping D2 fold. The North Claim Block is underlain by the Marshall assemblage, multiple faults, the D1 fold and the gabbroic intrusion associated with known mineralization in the camp. The East Claim Block covers the D2 fold extension associated with the trend of notable VTEM anomalies. The SE Claim Block has historic drill holes intersecting the lithology similar to Marshall Lake including sulphides with 12 historic assessment reports assaying for nickel and copper.

Financings

May 1, 2023, Argo issued 3,650,000 shares at \$0.10 per share for gross proceeds of \$365,000. The total number of outstanding shares after the new share issuance is 69,653,581. Argo did not complete any financing in 2022.

Sale of Investments

March 3, 2023, Argo Sold 218,000 shares of Manitou Gold Inc. for net proceeds of \$9,640. Argo no longer has an investment in Manitou Gold Inc.

January 12, 2023, Argo sold 2,500,000 shares of Cross River Ventures Corp. for gross proceeds of \$50,000. Argo no longer has an investment in Cross River Ventures Corp.

December 21, 2022, Argo sold 32,000 shares of Manitou Gold Inc. for net proceeds of \$450.

Overview of Financial Results

Three Months ended March 31, 2023, vs March 31, 2022

| (Expressed in Canadian Dollars) | March 31, 2023 | March 31, 2022 |
|-------------------------------------------------------|-------------------|-------------------|
| Revenue | \$ 13,263 | \$ - |
| Expenses | | |
| Oil and gas expenses | 6,341 | - |
| Exploration and evaluation | 17,908 | 39,499 |
| Management fees | 15,000 | 36,000 |
| Consulting fees | 6,817 | 1,215 |
| Professional fees | 9,452 | 14,016 |
| Business development | 5,544 | 16,020 |
| Investor relations | 15,978 | 20,400 |
| General and administrative | 30,827 | 22,051 |
| Listing filing and regulatory fees | 10,481 | 9,883 |
| Depreciation | 8,372 | 406 |
| Total Expenses | 126,720 | 159,490 |
| Loss before the undernoted | (126,720) | (159,490) |
| Bank charges | (510) | (256) |
| Interest (expense) income | (8,972) | 3 |
| Realized (loss) gain on sale of investments | (18,630) | - |
| Change in unrealized (loss) on value of investments | - | 36,250 |
| Flow-through share premium recovery | - | 278 |
| Net loss and comprehensive loss for the year | (141,569) | (123,215) |
| Basic and diluted loss per share | (0.00) | (0.00) |
| Weighted average number of shares outstanding - basic | 66,515,581 | 65,985,581 |

Three months ended March 31, 2023 vs. three months ended March 31, 2022

- Net gross revenue from the Sparky Oil Well was \$13,263 for the quarter ended March 31, 2023 compared to \$Nil in the quarter ended March 31, 2022. The Sparky Oil Well was drilled and started producing barrels of oil in late March 2023.
- Overall, the Company recorded a net loss and comprehensive loss of \$141,659 or \$Nil per share for the quarter ended March 31, 2023, compared to a net loss and comprehensive loss of \$123,215 or \$0.00 per share for the quarter ended March 31, 2022.
- Oil and gas expenses were \$6,341 in the first quarter of 2022. These expenses include repairs and maintenance, oil cleaning, propane, contract and administrative fees, trucking emulsion, and trucking water.
- Exploration and evaluation expenses were \$17,908 in the first quarter of 2023 compared to

\$39,499 during the first quarter of 2022. These costs for the quarter ended 2023 were lower due to less expenditures in the mineral exploration projects. The first quarter 2022 expenditures were related to research, and staking of the Marshall Lake are copper claims, assay, and analysis of the fall 2021 stripping, sampling, and mapping program at Uchi Gold Project and mineral claim management.

- Management fees were \$15,000 in the first quarter of 2023 compared to \$36,000 in the first quarter of 2022. These include 50% of fees paid to the CEO. The other 50% is included in exploration and evaluation expenditures. There were no CFO fees paid in the first quarter of 2023.
- Consulting fees were \$6,817, during the first quarter of 2023 compared to \$1,215 in the first quarter of 2022. The first quarter of 2023 includes fees paid to former officers of the company. These former officers were not working for Argo in the first quarter of 2022.
- Professional fees were \$9,452 during the first quarter of 2023 compared to \$14,016 during the first quarter of 2022. The 2023 decrease relates to negotiations with vendors for reduction of fees.
- Business development was \$5,544 during the first quarter of 2023 compared to \$16,020 during the first quarter of 2022. The decrease is the result of more focused efforts to prospect and develop oil and gas properties.
- Investor relations was \$15,978 during the first quarter of 2023 compared to \$20,400 during the first quarter of 2022. The decrease in the first quarter of 2023 was due to the more focused efforts of promoting the Company.
- General and administrative expenses were \$30,827 in the first quarter of 2023 compared to \$22,051 in the first quarter of 2022. The increase in 2023 is due to Argo Golds rent and office expenses in Calgary and management's increased travel and accommodation while prospecting for Argo and promoting Argo.
- Listing, filing, and regulatory fees were \$10,481 in the first quarter of 2023 compared to \$9,883 during the first quarter of 2022. This slight increase is due to an increase in news releases.
- Depreciation in the first quarter of 2023 was \$8,372 compared to \$406 in the first quarter of 2022. This increase is due to the deprecation of the Sparky Oil Well based on units of production and the depreciation of the well abandonment costs allocated to the asset cost.
- Interest expense was \$8,972 in the first quarter 2023 compared to only \$3 in the first quarter 2022. This increase is the short-term loan from the CEO at 10% interest rate
- Change in unrealized value of investments was \$Nil in 2023 compared to \$36,250 in the first quarter of 2022 as all investments were sold and losses were realized.

Selected Quarterly Financial Information

The following table is a summary of selected financial information for the Company for the eight most recently completed financial quarters. It has been derived from the audited condensed financial statements of the Company. The information has been prepared by management in accordance with IFRS and is expressed in Canadian dollars.

| | 2023 | | 2022 | | |
|---------------------------------------------|--------------|---------------|--------------|--------------|--------------|
| | Q1 | Annual | Q4 | Q3 | Q2 |
| | 31-Mar-23 | 31-Dec-22 | 31-Dec-22 | 30-Sep-22 | 30-Jun-22 |
| | (unaudited) | (audited) | (unaudited) | (unaudited) | (unaudited) |
| Revenue | \$ 13,263 | \$ - | \$ - | \$ - | \$ - |
| (Loss) income and comprehensive loss | (\$141,569) | (\$1,447,217) | (\$141,569) | (\$386,231) | (\$602,166) |
| (Loss) income per share - basic and diluted | (\$0.00) | (\$0.02) | (\$0.0) | (\$0.01) | (\$0.01) |
| Assets | \$ 1,853,370 | \$ 1,092,164 | \$ 1,092,164 | \$ 1,270,765 | \$ 1,526,252 |

| | 2022 | | 2021 | | |
|---------------------------------------------|--------------|---------------|-------------|--------------|--------------|
| | Q1 | Annual | Q4 | Q3 | Q2 |
| | 31-Mar-22 | 31-Dec-21 | 30-Dec-21 | 30-Sep-21 | 30-Jun-21 |
| | (unaudited) | (audited) | (unaudited) | (unaudited) | (unaudited) |
| Revenue | \$ - | \$ - | \$ - | \$ - | \$ - |
| (Loss) income and comprehensive loss | (\$123,215) | (\$2,176,180) | (251,094) | (\$446,395) | (\$876,512) |
| (Loss) income per share - basic and diluted | (\$0.02) | (\$0.03) | (\$0.0) | (\$0.01) | (\$0.01) |
| Assets | \$ 2,008,466 | 2,140,104 | 2,140,104 | \$ 2,148,861 | \$ 3,101,495 |

Liquidity and Capital Resources

The Company's cash increased by \$37,101 during the three months ended March 31, 2023, compared to a decrease of \$187,304 during the three months ended March 31, 2022.

Working Capital

As at March 31, 2023, the Company had a working capital deficit of \$1,212,827 compared to a surplus of \$1,171,051 as at March 31, 2022.

A summary of the Company's cash position and changes in cash for the three months ended March 31, 2023, and 2022 are provided below:

Three months ended March 31, 2023, vs. three months ended March 31, 2022

Operating Activities

Cash used in operating activities before changes in non-cash working capital during the three months ended March 31, 2023, was \$733,166 compared to negative \$187,304 for the three months ended March 31, 2022. The first quarter of 2022 was increased by the short-term loan from the Company's CEO.

| | Three Months Ended | |
|-----------------------------------------------|--------------------|-------------|
| | March 31, | |
| | 2023 | 2022 |
| Cash used in operating activities | (\$114,567) | (\$159,337) |
| Changes in non-cash operating working capital | 847,734 | (\$27,967) |
| Cash used in operating activities - net | \$733,166 | (187,304) |
| Cash used in investing activities | (749,065) | \$0 |
| Cash provided by financing activities | \$53,000 | \$0 |
| (Decrease) increase in cash | \$37,101 | (187,304) |
| Cash, beginning of period | 7,104 | 821,717 |
| Cash, end of period | \$44,205 | \$634,413 |

Investing Activities

During the three months ended March 31, 2023, cash used in investing activities was a negative \$749,065 compared to \$Nil in the first quarter 2022. Cash was invested in acquiring the 37.5% share of the Sparky Oil Well by paying 50% of the costs of drilling. The cash used in investing activities includes \$59,640 of net proceeds from the sale of investments in Cross River Corp. and Manitou Gold Inc.

Financing Activities

The cash provided by financing activities was \$53,000 for 530,000 shares for which subscriptions were received and approved, and shares were issued May 1, 2023.

Liquidity Outlook

The Company had a cash balance of \$44,205 at March 31, 2023, a decrease of \$590,208 from the balance at March 31, 2022.

In general, completion of all the Company's ongoing and future exploration and development initiatives and its ability to continue as a going concern are subject to successfully raising additional funding (see "Risks and Uncertainties").

Related Party Transactions and Key Management Compensation

Key Management Compensation

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Key management of Argo Gold includes the Chief Executive Officer and the Chief Financial Officer.

Related Party Transactions and Key Management Compensation

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Key management of Argo Gold includes the Chief Executive Officer and the Vice President Finance and Chief Financial Officer.

| | Three months ended | |
|--------------------------------------------------------------|--------------------|-------------------|
| | March 31, 2023 | March 31, 2022 |
| Management fees - paid to CEO | \$ 15,000 | \$ 15,000 |
| Exploration and evaluation fees - paid to CEO ⁽¹⁾ | 15,000 | 15,000 |
| Management fees - paid for CFO services | - | 21,000 |
| Other fees paid to key management personnel | 31,167 | - |
| Total fees paid to management | \$ 61,167 | \$ 51,000 |

(1) Amount included in "Consulting fees" in exploration and evaluation expenditures.

Related Party Transactions

Related parties include the Board of Directors, senior management, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

As at March 31, 2023, \$119,124 (March 31, 2022 - \$1,269) included in accounts payable and accrued liabilities was owing to related parties. These amounts are unsecured, non-interest bearing, with no fixed terms of repayment.

In February, Judy Baker, Argo Gold's CEO loaned the company \$755,296. The loan is for a five-month term at 10% interest.

| Short-term Loan | |
|------------------------------|-------------------|
| Principal, February 14, 2023 | \$ 103,009 |
| Principal, February 17, 2023 | 652,287 |
| Total, March 31, 2023 | 755,296 |
| <hr/> | |
| Interest for the period | 8,983 |
| Total, March 31, 2023 | \$ 764,278 |

Subsequent Events

Financing

May 1, 2023

Argo issued 3,500,000 shares at \$0.10 per share for gross proceeds of \$350,000. Brokers fees were \$17,600.00 for net proceeds of \$332,400. The total number of outstanding shares after the new share issuance is 69,485,581.

Outstanding Capital and Share Data

Argo Gold's authorized capital stock consists of an unlimited number of common shares without par value. As at March 31, 2023 there were 65,985,581 common shares issued and outstanding, and 530,000 subscribed but not yet issued.

Continuous efforts to finance Argo to increase its oil and gas producing assets will make the number of common shares change in 2023.

Off-Balance Sheet Arrangements

In the normal course of business, the Company evaluates property acquisition and sale transactions and, in some cases, makes proposals to acquire or sell such properties. These proposals, which are usually subject to Board and sometimes regulatory and shareholder approvals, may involve future payments, share issuances and property work commitments. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction.

On February 1, 2023 Argo entered into a second participation agreement with Croverro Energy to participate in a second horizontal Sparky oil well proximal to Lloydminster, Alberta. Argo will pay the operator 25 per cent of the cost to drill, complete, and fully equip or abandon the well to earn an 18.75 percent working interest in the well. The second Sparky oil well is planned to be drilled post spring break-up and upon successful completion, Argo's portion of oil production is estimated to be 30 to 40 bbls oil/day.

Financial Instruments

The Company manages its exposure to several different financial risks arising from its operations as well as its use of financial instruments including market risks (commodity prices, foreign currency exchange rate and interest rate), credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

Financial risks are primarily managed and monitored through operating and financing activities and, if required, using derivative financial instruments. The Company does not use derivative financial instruments for purposes other than risk management. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up to date market information.

Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The Company may use derivative financial instruments such as foreign exchange contracts and interest rate swaps to manage certain exposures. These market risks are evaluated by monitoring changes in key economic indicators and market information on an ongoing basis.

Commodity Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices as they relate to gold and the stock market to determine the appropriate course of action to be taken.

Liquidity Risk

Liquidity risk encompasses the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock issuances. These funds are primarily used to finance working capital, operating expenses, capital expenditures and acquisitions.

The Company manages its liquidity risk by regularly monitoring its cash flows from operating activities and holding adequate amounts of cash.

As at March 31, 2023 the Company held cash of \$44,205 (March 31, 2022- \$634,413) to settle current liabilities of \$1,302,394 (March 31, 2022- \$27,262), There is no certainty of the company's ability to complete additional financing.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears interest at market rates. In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. The Company does not have any interest-bearing debt. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and subscription receivable. The Company has reduced its credit risk by investing its cash with a Canadian chartered bank. The Company's financial assets and liabilities as at December 31, 2022 and December 31, 2021 were as follows:

| | Amortized Cost | FVPL | Total |
|------------------------------------------|----------------|-----------|------------|
| December 31, 2022 | | | |
| Financial assets | | | |
| Cash | \$ 7,104 | \$ - | \$ 7,104 |
| Investments | \$ - | \$ 78,270 | \$ 78,270 |
| Financial liabilities | | | |
| Accounts payable and accrued liabilities | \$ 538,115 | \$ - | \$ 538,115 |
| March 31, 2023 | | | |
| Financial assets | | | |
| Cash | \$ 44,205 | \$ - | \$ 44,205 |
| Investments | \$ - | \$ - | \$ - |
| Financial liabilities | | | |
| Short term loan | \$ 764,278 | | \$ 764,278 |
| Accounts payable and accrued liabilities | \$ 478,434 | \$ - | \$ 478,434 |

At March 31, 2023 and December 31, 2022, there were no significant concentrations of credit risk for receivables. The carrying amounts reflected above represent the Company's maximum exposure to credit risk for such receivables.

The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rates on the instruments.

Critical Accounting Policies and the Use of Estimates

The preparation of the annual financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from those estimates. A detailed summary of the Company's significant accounting policies, including the use of estimates, is included in Notes 2 and 3 of the Company's audited financial statements for the year ended December 31, 2022.

Commitments and Contingencies

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Risks and Uncertainties

Readers of the M D&A should give careful consideration to the information included or incorporated by reference in this document and the Company's audited condensed financial statements and related notes. Argo Gold's business of exploring and developing mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry, including the limited extent of the Company's assets, the Company's state of development and the degree of reliance upon the expertise of management. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative. Only those persons who can bear the risk of the entire loss of their investment should participate.

An investor should carefully consider the risks described in the Company's audited financial statements for the year ended December 31, 2022, and the "Risks and Uncertainties" discussion in the Company's MD&A for the year ended December 31, 2022, dated May 1, 2023, before investing in the Company's common shares. These documents have been posted on the Company's website at www.argogold.com and are available on SEDAR at www.sedar.com. The risks described in these documents is not an exhaustive list. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business in the future. If any of the risks noted in the Company's financial disclosure occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and could cause actual events to differ materially from those described in forward- looking statements relating to the Company. In this event, investors may lose part or all of their investment.

Regulatory standards continue to change, making the review process longer, more complex and more costly. Even if an apparently mineable mineral deposit is developed, there is no assurance that it will ever reach production or be profitable, as its potential economics are influenced by many key factors such as commodity prices, foreign exchange rates, equity markets and political interference, which cannot be controlled by management. As a result, the Company's future business, operations, and financial condition could differ materially from the forward-looking information contained in this MD&A and described in the "Forward-Looking Statements" section below.

Forward Looking Statements

This report may contain forward-looking statements that involve a number of risks and uncertainties, including statements regarding the outlook for the Company's business and operational results. By nature, these risks and uncertainties could cause actual results to differ materially from what has been indicated. Factors that could cause actual results to differ materially from any forward-looking statement include but are not limited to failure to establish estimated resources and reserves, the grade and recovery of ore which is mined from estimates, capital and operating costs varying significantly from estimates, delays or failure in obtaining governmental, environmental or other project approvals and other factors including those risks and uncertainties identified above. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information as a result of new information, future results or other such factors, which affect this information, except as required by law.

Management's Evaluation of Disclosure Controls

Management is responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. The Company's Chief Executive Officer has evaluated the effectiveness of the Company's disclosure controls and procedures as at March 31, 2023 and have concluded that these controls and procedures are effective.

Internal Control over Financial Reporting:

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with accounting principles generally accepted in Canada. Based on a review of its control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed as at March 31, 2023.

Other MD&A Requirements

Additional Disclosure for Companies Without Significant Revenue

Additional disclosure concerning Argo Gold's exploration and evaluation expenditures, mineral property costs and general and administrative expenses is provided in the Company's audited financial statements for the year ended December 31, 2022 that are available on the Company's website at www.argogold.com and on SEDAR at www.sedar.com.

Approval

The Board of Directors of Argo Gold approved the disclosure contained in this MD&A on May 30, 2023. A copy of this MD&A will be provided to anyone who requests it from the Company.

Additional Information

Officers and Directors:
Judy Baker, Chief Executive Officer

Directors
Jonathan Armes, Director
George Langdon, Director
Christopher Wardrop, Director
Legal Counsel and Auditors
Peterson Mcvicar LLP, James Mcvicar
McGovern Hurley LLP, Auditors
TSX Trust Company, Transfer Agent

Comparative Figures

Certain comparative figures have been reclassified to conform to the current period's presentation. These reclassifications did not affect the results of prior periods.