
ARGO GOLD INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 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 year ended December 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 unaudited interim financial statements of the Company for the year ended December 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, 2023 and 2022 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 year ended December 31, 2023 and 2022 and the Company's Board of Directors approved these documents prior to their release.

This MD&A is dated April 29, 2024 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.sedarplus.ca, 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.

Petroleum reserves

The reserves report was completed by Petrotech and Associates Ltd., an independent qualified reserves evaluator based in Calgary, Alberta and was prepared in accordance with the Canadian Oil and Gas evaluation handbook ("COGE Handbook") and National Instrument 51-101, Standards of Disclosure for Oil and Gas activities.

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 Inc. is currently producing oil, exploring oil properties, and developing oil wells in Alberta. The Company incorporated under the laws of Ontario. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol **ARQ**, on the XFRA, XSTU and XBER under **A2ASDS**. The address of the Company's corporate office and principal place of business is 25 Adelaide Street, Suite 1400, Toronto, Ontario, M5C 3A1.

Description of the Business

Argo Gold Inc. ("**Argo Gold**", or the "**Company**") was incorporated under the laws of Ontario. The Company is listed on the Canadian Stock Exchange ("CSE") on the XFRA, XSTU and XBER under **A2ASDS**. The Company is currently engaged in the acquisition, exploration, and development of mineral properties and oil properties.

Argo Gold is now an oil producing company. Argo's first oil well started production on March 29, 2023, two additional oil wells were added to production in October and December 2023.

Developments up to April 30, 2024

Oil and Gas Exploration and Development

December 12, 2023 – Argo announced that a second horizontal well was producing oil at Lindbergh. Argo's interest in this second well in the Lindbergh Area is 37.50%.

November 2, 2023 – Argo announced the September 2023 oil production for the Lindbergh oil well where the company's share of production was 43.4 barrels a day. The Lindbergh oil well has been in production since late March 2023.

October 5, 2023 – Argo Gold announced that the seven leg multi-lateral Lloydminster oil well in the Lindbergh formation has been completed and equipped and is now producing oil. Argo's interest in the Lloyd oil well is 18.75%.

March 30, 2023 - Argo announced that the first Lindbergh oil well was drilled in mid-March 2023 and was in production. Argo participated for 37.5% of the Lindbergh oil well.

February 1, 2023 - Argo announced that the company has entered into a second participation agreement with Croverro Energy to participate in a second horizontal Lindbergh 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.

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.

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 Lindbergh 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.

Oil and Gas Opportunities

Argo also has a mutual area of interest at Lindbergh, whereby Argo can participate in additional oil wells for 37.5% of the production for 37.5% of the oil well cost. In the area proximal to the current Lindbergh oil well (southern half of property), there are drilling locations for five oil wells based on current seismic coverage. It is estimated that there are locations for an additional six oil wells on the northern half of property upon completion of technical due diligence.

Mineral Properties

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.

Hurdman main claims became open April 11, 2023, got extended upon request but because no credits were added, the claims became open. Management performed a review of these claims and there were clear indicators of impairment in accordance with IRFS 6. The Property was subsequently written off.

Financings

November 2, 2023 – Argo Gold announced that it had closed the second tranche of its previously announced non-brokered private placement. In the second tranche, the Company issued 2,700,000 common shares at a price of \$0.10 per share for gross proceeds of \$268,000. The shares issued under the financing are subject to a four-month and one day statutory hold period expiring on March 1, 2024.

May 1, 2023, Argo issued 3,650,000 shares at \$0.10 per share for gross proceeds of \$347,000. The total number of outstanding shares after the new share issuance was 69,635,581.

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

For the years ended December 31, 2023, vs December 31, 2022.

(Expressed in Canadian Dollars)	Three months ended		Twelve months ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Revenue	\$ 431,804	\$ -	\$ 952,692	\$ -
Expenses				
Oil and gas expenses	(\$9,776)	-	285,755	-
Exploration and evaluation	16,187	30,942	71,775	128,697
Management fees	15,000	45,975	60,000	138,625
Consulting fees	24,882	40,049	(\$8,301)	186,963
Professional fees	58,084	119,160	156,064	205,659
Business development	23,103	88,733	44,074	233,552
Investor relations	12,000	18,928	58,632	101,006
General and administrative	12,792	79,512	66,251	155,597
Listing filing and regulatory fees	13,642	36,679	48,228	84,538
Depreciation	1,184	878	3,947	3,360
Total Expenses	167,099	460,855	786,425	1,237,997
Loss before the undernoted	264,705	(460,855)	166,267	(1,237,997)
Bank charges	(613)	(607)	(1,454)	(1,483)
Part X11.6 taxes	-	(\$2,400)	-	(\$2,400)
Realized (loss) gain on sale of investments	-	(\$3,870)	(18,630)	(3870)
Interest (expense) income	1,270	(260)	1,299	(307)
Interest expense - short-term loan	(137,485)	-	(137,485)	-
Realized (Loss) on impairment of mineral property	(290,000)	-	(290,000)	-
Change in unrealized (loss) on value of investments	-	(17,410)	-	(244,910)
Flow-through share premium recovery	-	149,798	-	43,750
Net profit (loss) and comprehensive loss for the period	(\$162,124)	(335,604)	(\$280,003)	(1,447,612)
Basic earnings per share basic and fully diluted	(0.00)	(0.01)	(0.00)	(0.02)
Weighted average number of shares outstanding -basic	72,335,581	63,068,881	72,335,581	63,068,881

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

- Gross revenue after royalties from the Lindbergh Oil Well was \$431,804 for the quarter ended December 31, 2023, compared to \$nil in the quarter ended December 31, 2022. The first Lloydminster well started producing in the second quarter and the second Lindbergh well started producing in the fourth quarter. The company had, at the end of 2023, three oil producing wells.
- Overall, the Company recorded a net loss and comprehensive loss of **\$114,216** or \$nil per share for the quarter ended December 31, 2023, compared to a net loss and comprehensive loss of \$335,604 or \$0.01 per share for the quarter ended December 31, 2022. Profit before one-time impairment was \$175,784.
- Oil and gas expenses were negative \$85,691 in the last quarter of 2023 (\$nil in the last quarter of 2022)
- Exploration and evaluation expenses for mineral properties were \$16,187 in the fourth quarter of 2023 compared to \$30,942 during the fourth quarter of 2022. The fourth quarter 2022 expenditures were related to some Uchi and Talbot and to geological consulting fees.

In the quarter ended 2023, expenses are related to general geological consulting fees and software.

- Management fees were \$15,000 in the fourth quarter of 2023 compared to \$20,275 in the fourth 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 fourth quarter of 2023.
- Consulting fees were \$24,882 during the fourth quarter of 2023 compared to \$40,049 in the fourth quarter of 2022. Two consultants left the company in early 2023.
- Professional fees were \$58,084 during the fourth quarter of 2023 compared to \$119,160 during the fourth quarter of 2022. Professional fees include higher audit fees, legal and controllership fees.
- Business development was \$23,103 during the fourth quarter of 2023 compared to \$88,733 during the fourth quarter of 2022. 2022 business development fees were geared toward the prospecting of oil properties and partnerships.
- Investor relations was \$12,000 during the fourth quarter of 2023 compared to \$18,928 during the fourth quarter of 2022. In the fourth quarter of 2022, there was a campaign to promote the company's new oil and gas direction.
- General and administrative expenses were \$12,792 in the fourth quarter of 2023 compared to \$79,512 in the fourth quarter of 2022. The decrease in 2023 is due to Argo Gold moving to a new office with lower monthly rent and the closing of the Calgary office.
- Listing, filing, and regulatory fees were \$13,642 in the fourth quarter of 2023 compared to \$36,679 during the fourth quarter of 2022. This 2022 higher amount is due to the annual general meeting expenses.
- Depreciation in the fourth quarter of 2023 was \$1,184 compared to \$878.29 in the fourth quarter of 2022. Some equipment became fully depreciated in 2023 and no additions have been made.
- Interest expense was \$89,578 in the fourth quarter 2023 compared to \$nil. This is interest on the short-term loan.
- The change in unrealized value of investments was \$Nil in 2023 compared to negative \$1,250 in the fourth quarter of 2022 as all investments were sold and losses were realized in the first quarter of 2023.

Year ended December 31, 2023 vs. year ended December 31, 2022

- Gross revenue after royalties was \$952,692 for the year ended December 31, 2023, compared to \$nil in the year ended 2022. The first Lloydminster well started producing in the second quarter and the second Lindbergh well started producing in the fourth quarter. The company had, at the end of 2023, three oil producing wells.
- Expenses attributable to the production of oil, for the year ended December 31, 2023, were \$174,070 compared to \$nil in the year ended December 31, 2022. The gross margin for the year ended December 31, 2023, was 82%, with production only starting at the end of March 2023.
- Exploration and evaluation expenses were \$71,775 in the year ended December 31, 2023, compared to \$128,697 during the year ended December 31, 2022. The focus in 2022 was still only on the exploration of mineral properties.
- Management fees were \$60,000 in the year ended December 31, 2023, compared to \$138,625 in year ended December 31, 2022. These include fees paid to the Company's CFO and 50% of the fees paid to the Company's CEO. The other 50% is included in exploration and evaluation expenditures. No CFO fees were paid in 2023.
- Consulting fees were negative \$8,301 during year ended December 31, 2023, compared to \$186,963 during the year ended December 31, 2022. After negotiations, Argo managed to reduce fees owed to some consultants.
- Professional fees were \$156,064 during the year ended December 31, 2023, compared to \$205,659 during the year ended December 31, 2022. The 2023 increase relates to higher accrued audit fees compared to 2022, this amount also includes controllership fees.
- Business development was \$44,074 during the year ended December 31, 2023, compared

to \$233,552 during the year ended December 31, 2022. The higher amount in 2022 is the result of pursuing new opportunities in the oil and gas industry.

- Investor relations was \$58,632 during the year ended December 31, 2023, compared to \$101,006 during the year ended December 31, 2022. The decrease in 2023 is due to less outside investors relations services.
- General and administrative expenses were \$66,251 in the year ended December 31, 2023, compared to \$155,597 in the year ended December 31, 2022. The 2022 amount includes expenses for the Calgary office. This office was closed early in 2023.
- Listing, filing, and regulatory fees were \$48,227 in the year ended December 31, 2023, compared to \$84,538 during the year ended December 31, 2022. The 2022 amount is due to the Annual General Meeting expenses.
- Interest expense was \$136,186 in the year ended December 31, 2023, compared to interest revenue of \$307 in the year ended December 31, 2022. The increase is due to the interest on the short-term loan.
- Change in unrealized value of investments was \$nil in the year ended December 31, 2023 compared to negative \$227,500 in the year ended December 31, 2022 as all investments were sold and losses were realized in the first quarter of 2023.
- Overall, the Company recorded a net loss and comprehensive loss of \$280,003 or \$nil per share for the year ended December 31, 2023, compared to a net loss and comprehensive loss of \$1,447,612 or \$0.02 per share for the year ended December 31, 2022.

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 in Canadian dollars.

	2023				
	Annual	Q4	Q3	Q2	Q1
	31-Dec-23	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-23
	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	\$ 952,692	\$ 431,804	\$ 286,563	\$ 221,061	\$ 13,263
(Loss) income and comprehensive loss	(\$280,004)	(114,216)	(\$6,944)	(\$17,273)	(\$141,569)
(Loss) income per share - basic and diluted	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)	(\$0.00)
Assets	\$ 2,775,329	\$ 2,775,329	\$ 2,384,011	\$ 2,053,348	\$1,853,370

	2022				
	Annual	Q4	Q3	Q2	Q1
	31-Dec-22	31-Dec-22	30-Sep-22	30-Jun-22	31-Mar-22
	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
(Loss) income and comprehensive loss	(\$1,447,217)	(\$335,605)	(\$386,231)	(\$602,166)	(\$123,215)
(Loss) income per share - basic and diluted	(\$0.02)	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.02)
Assets	\$ 1,092,164	\$ 1,092,164	\$ 1,270,765	\$ 1,526,252	\$2,008,466

Liquidity and Capital Resources

The Company's cash increased by \$39,708 in the three months ended December 31, 2023, compared to a decrease in cash of \$164,414 in the months ended December 31, 2022. Cash increased by \$67,785 during the year ended December 31, 2023, compared to a decrease of \$814,613 during the year ended December 31, 2022.

Working Capital

As at December 31, 2023, the Company had a working capital deficit of \$1,379,007 compared to a working capital deficit of \$323,924. December 31, 2022.

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

Operating Activities

Cash used in operating activities before changes in non-cash working capital during the three months ended December 31, 2023, was \$124,338 compared to (\$463,244) for the three months ended December 31, 2022. Cash used in operating activities before changes in non-working capital during the year ended December 31, 2023, was \$[187,09879,712](#) compared to the year ended December 31, 2022 of (\$[1,238,827926,699](#)) for the year ended December 31, 2023.

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Cash used in operating activities	\$124,338	(463,244)	\$187,098	(\$1,238,827)
Changes in non-cash operating working capital	250,714	299,406	(\$65,085)	431,132
Cash used in operating activities - net	375,052	- 163,838	122,012	- 807,695
Cash used in investing activities	(413,346)	(576)	(1,734,924)	(6,918)
Cash provided by financing activities	78,000	-	1,680,696	-
(Decrease) increase in cash	\$39,706	(164,414)	67,785	(\$814,613)
Cash, beginning of period	35,183	171,518	7,104	821,717
Cash, end of period	\$74,889	\$7,104	\$74,889	\$7,104

Investing Activities

During the three months ended December 31, 2023, cash used in investing activities was \$413,346 compared to \$576 in the fourth quarter 2022. The fourth quarter's increase is due to the capitalized exploration and development costs of oil and gas properties. Investing activities for the year ended December 31, 2023, were \$1,734,924 compared to \$6,918 in the year ended December 31, 2022. The 2023, increase in cash used in investment activities, includes the costs of the Lindbergh and Lloydminster oil wells currently in production.

Financing Activities

The cash provided by financing activities was in the three months ended December 31, 2023 was \$78,000, compared to \$Nil in the three months ended December 31, 2022. The fourth quarter increase is the net proceeds from the November 2, 2023, private placement.

Liquidity Outlook

The Company had a cash balance of \$74,889 at December 31, 2023, an increase of \$67,785 from the balance at December 31, 2022.

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.

	2023	2022
Compensation	\$135,000	\$208,625
Share-based payments	\$0	\$0
Total fees paid to management	\$135,000	\$208,625

During 2023, the company was charged \$135,000, (2022 - \$208,625) by companies controlled by certain of the Company's officers and directors for services rendered. As of December 31, 2023, \$79,686 are in accounts payable (2022 - \$88,254).

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.

- a) Judy Baker, Argo Gold's CEO loaned the company a total of \$1,109,683. The short-term loan

was extended to the end of the year at the same interest rate of 10%. The loan maturity date is April 24, 2024. There are no covenants attached to it.

Short-term Loan	Total Principal
February 14, 2023	\$ 107,301
February 14, 2024	679,466
September 21, 2023	322,917
Total, December 31, 2023	1,109,683
Financing costs to December 31, 2023	137,463

- b) On October 30, 2023, The Company entered into a \$50,000 convertible note agreement with Caravel Resources Corp. (“Caravel”) bearing an annual interest rate of 15%. The principal plus any accrued interest is payable October 31, 2024. The Company has the option to convert the principal amount and any accrued interest into equity units at the conversion price of \$0.075 on the loan due date. George Langdon is the CEO and director of Caravel Resources Corp. He is also a member of the Company’s board of directors. As at December 31, 2023, the Company had recognized Interest income of \$1,253.

Subsequent Events

There are no subsequent events to report.

Outstanding Capital and Share Data

Argo Gold's authorized capital stock consists of an unlimited number of common shares without par value. As at December 31, 2023 there were 72,335,581 common shares issued and outstanding,

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.

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 comes from the sale of oil. These funds are primarily used for 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.

Oil production is the main source of liquidity for the Company and liquidity risk is currently having only two companies to sell its production to, this in addition to any accidents or force majeure that could prevent the continued production of oil from its wells,

As at December 31, 2023 the Company held cash of \$74,889 (December 31, 2022- \$7,104) to settle current liabilities of \$1,767,750 (December 31, 2022- \$478,434).

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. The short-term loan from the Companies CEO has a fixed rate.

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.

The Company has accounts receivable risk as the number of customers it currently has is only two.

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, 2023.

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 producing oil and exploring and developing oil wells and 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. 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, 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 December 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 December 31, 2023.

Other MD&A Requirements

Additional Disclosure for Companies Without Significant Revenue

Additional disclosure concerning Argo Gold's exploration and evaluation expenditures, oil and mineral property costs and general and administrative expenses is provided in the Company's audited financial statements for the year ended December 31, 2023, that are available on the Company's website at www.argogold.com and on SEDAR+ at www.sedarplus.ca.

Approval

The Board of Directors of Argo Gold approved the disclosure contained in this MD&A on April 29, 2024. 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

Weir Foulds LLP

MNP , 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.