

Form 51-101 F1
Argo Gold Inc.
Statement of Reserves Data
And Other Oil and Gas Information
As of December 31, 2023

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Glossary of Terms

Reserves	Estimated reserves of natural gas, natural gas liquids and crude oil.
Working interest	Those lands in which the Company receives its acreage share of net production revenues.
Gross reserves	Estimated reserves before royalties based on working interest.
Net reserves	Estimated reserves after royalties based on working interest.
Future net revenue	Working interest revenues after royalties, development costs, production costs and well abandonment costs, but before administrative, overhead and other such indirect costs. Future net revenue may be presented either before or after tax.
Proved reserves	Reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.
Probable reserves	Reserves that are less certain than proved reserves at being recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.
Developed reserves	Reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.
Producing reserves	Reserves that are expected to be recovered from completion intervals open at the time of estimate. The category of reserve may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
Non-producing reserves	Reserves that either have not been on production, or have previously been on production, but is shut-in, and the date of resumption of production is unknown.
Stb/stock tank barrel	A 42-US gallon barrel of crude oil at standard conditions of 1 atmosphere and 60 °F.
M	Thousand (1,000).
MM	Million (1,000,000)
Mbbl	1,000 barrels of oil and/or natural gas liquids.
MMBtu	A unit of heat energy equal to one million British thermal units.
Mcf	1,000 cubic feet of natural gas.
Bcf	One billion (1,000,000,000) cubic feet of natural gas
bbl or barrel	A 42-US gallon barrel of crude oil or natural gas liquids.
Undeveloped reserves	Reserves that are expected to be recovered from known accumulations where a significant expenditure is required to render them capable of production (e.g. in comparison to the costs of drilling a well). Such reserves must fully meet the requirements of the reserves classification to which they are assigned (proved or probable).

Form 51-101 F1**Statement of Reserves Data and Other Oil and Gas Information for Argo Gold Inc.****Part 1 Date of Statement****Item 1.1 Relevant Dates**

1. Date of Statement: April 29, 2024
2. Effective Date: December 31, 2023
3. Preparation Date: April 29, 2024

Petrotech and Associates Ltd. (“Petrotech”), independent qualified evaluators of Calgary, Alberta estimated the reserves effective December 31, 2023. The Company used the reserves in the preparation of the Financial Statements for the fiscal year ended December 31, 2023.

All of the Company’s oil and gas reserves are located onshore in the country of Canada.

The reserves on the properties described herein are estimates only. Actual reserves on the properties may be greater or less than those calculated.

In certain instances, numbers may not total due to computer-generated rounding. In such cases, differences are not material and amounts presented are as shown in the Petrotech Report.

Part 2 Disclosure of Reserves Data

Item 2.1 Reserves Data (Forecast Prices and Costs)

Item 2.1.1 Breakdown of Reserves

Onshore Canada:

Reserves Category	Heavy Crude Oil			L&M Crude Oil			Conventional Natural Gas			Oil Equivalent		
	100%	Gross	Net	100%	Gross	Net	100%	Gross	Net	100%	Gross	Net
	(Mbbl)	(Mbbl)	(Mbbl)	(Mbbl)	(Mbbl)	(Mbbl)	(MMcf)	(MMcf)	(MMcf)	(Mboe)	(Mboe)	(Mboe)
Proved Dev. Producing	685.6	208.8	176.3	-	-	-	-	-	-	685.6	208.8	176.3
Proved Dev. Non-Prod.	-	-	-	-	-	-	-	-	-	-	-	-
Proved Undeveloped	727.3	272.7	223.6	-	-	-	-	-	-	727.3	272.7	223.6
Total Proved	1,412.8	481.5	399.9	-	-	-	-	-	-	1,412.8	481.5	399.9
Total Probable	280.6	92.8	76.0	-	-	-	-	-	-	280.6	92.8	76.0
Proved + Probable	1,693.4	574.3	476.0	-	-	-	-	-	-	1,693.4	574.3	476.0

Item 2.1.2 Net Present Value of Future Net Revenue

Onshore Canada:

Reserves Category	Before Tax NPV @				
	0%	5%	10%	15%	20%
	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)
Proved Dev. Producing	11,145.0	9,346.2	8,059.1	7,103.4	6,369.9
Proved Dev. Non-Prod.	0.0	0.0	0.0	0.0	0.0
Proved Undeveloped	13,661.3	10,865.7	8,888.9	7,442.0	6,349.2
Total Proved	24,806.4	20,211.9	16,948.0	14,545.3	12,719.1
Total Probable	5,532.0	3,715.0	2,636.7	1,961.9	1,518.4
Proved + Probable	30,338.3	23,926.9	19,584.7	16,507.2	14,237.5

Reserves Category	After Tax NPV @				
	0%	5%	10%	15%	20%
	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)
Proved Dev. Producing	10,217.3	8,527.8	7,326.2	6,438.7	5,760.8
Proved Dev. Non-Prod.	0.0	0.0	0.0	0.0	0.0
Proved Undeveloped	12,421.5	9,830.8	8,006.9	6,677.0	5,676.1
Total Proved	22,638.8	18,358.5	15,333.0	13,115.7	11,436.8
Total Probable	4,870.8	3,225.2	2,259.5	1,661.6	1,272.4
Proved + Probable	27,509.6	21,583.8	17,592.5	14,777.3	12,709.3

Item 2.1.3 (a) (b) Additional Information Concerning Future Net Revenue

Reserves Category	Gross Revenue	Royalties	Operating Costs	Development Costs	Abandonment & Reclamation Costs	Future Net Revenue Before Income Tax	Future Income Tax Expenses	Future Net Revenue After Income Tax
	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)	(M\$)
Total Proved	35,059.5	4,776.3	4,034.7	1,237.5	204.6	24,806.4	2,167.6	22,638.8
Total Proved + Probable	36,612.3	5,910.1	4,821.1	1,237.5	215.4	30,338.3	2,828.7	27,509.6

Item 2.1.3 (c) Unit Value of Net Present Value of Future Net Revenue based on Forecast Prices and Costs

Unit Value of the NPV of Future Net Revenue based on Net Share, Forecast Prices and Costs before deduction of income tax and discount rate of 10%

Reserves Category	Heavy Crude Oil		
	Net (Mbbbl)	Unit Price (\$/bbl)	NPV @ 10% (M\$)
PDP	176.3	45.71	8,059.1
PDNP	-	-	-
PUD	223.6	39.75	8,889
Total Proved	399.9	42.38	16,948.0
Total Probable	76.0	34.67	2,636.7
Total Proved + Probable	476.0	41.15	19,584.7

Item 2.2 Supplemental Disclosure of Reserves Data (Constant Prices and Costs)

Not applicable.

Item 2.3 Reserves Disclosure Varies with Accounting

Not applicable.

Item 2.4 Future Net Revenue Disclosure Varies with Accounting

Not applicable.

Part 3 Pricing Assumptions

Item 3.1 Constant Prices Used in Supplemental Estimates

Not applicable.

Item 3.2 Forecast Prices Used in Estimates

The following table sets out the Sproule (www.sproule.com) “Heavy Crude Oil (12°API)” December 31, 2023 price forecast, as well as the adjusted price forecast used in the Saskatchewan property.

Year	Heavy Crude at Hardisty 12° API	Lloydminster, AB Oil	Lindbergh, AB Oil
	<u>\$CAD/bbl</u>	<u>\$CAD/bbl</u>	<u>\$CAD/bbl</u>
2019	\$55.11		
2020	\$31.47		
2021	\$63.82		
2022	\$92.06		
2023	\$72.95		
2024	\$74.83	\$66.37	\$69.70
2025	\$77.89	\$69.44	\$72.77
2026	\$77.59	\$69.13	\$72.46
2027	\$79.14	\$70.68	\$74.01
2028	\$80.72	\$72.27	\$75.60
2029	\$82.34	\$73.88	\$77.21
2030	\$83.98	\$75.53	\$78.86
2031	\$85.66	\$77.21	\$80.54
2032	\$87.38	\$78.92	\$82.25
2033	\$89.12	\$80.67	\$84.00

Part 4 Reconciliations of Changes in Reserves

Item 4.1 Reserves Reconciliation

Onshore Canada:

	Gross Heavy Crude Oil		
	Proved (Mboe)	Probable (Mboe)	Proved + Probable (Mboe)
Total			
Opening Balance (December 31, 2022)	0.0	0.0	0.0
Extension & Improved Recovery			
Technical Revisions			
Discoveries	538.8	92.8	631.6
Acquisitions			
Dispositions			
Economic Factors			
Production	-57.3		-57.3
Closing Balance (December 31, 2023)	481.5	92.8	574.3

Note: Figures may be rounded off.

Part 5 Additional Information Relating to Reserves Data

Item 5.1 Undeveloped Reserves

Not applicable.

Item 5.2 Significant Factors or Uncertainties

Item 5.2.1

The process of evaluating reserves is inherently complex. It requires significant judgements and decisions based on available geological, geophysical, engineering, and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices, and economic conditions. These factors and assumptions include among others: (i) historical production in the area compared with production rates from analogous producing areas; (ii) initial production rates; (iii) production decline rates; (iv) ultimate recovery of reserves; (v) success of future development activities; (vi) marketability of production; (vii) effects of government regulations; and (viii) other government levies imposed over the life of the reserves.

As circumstances change and additional data becomes available, reserve estimates also change. Estimates are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performances, prices, economic conditions, and government restrictions. Revisions to reserve estimates can arise from changes in year-end prices, reservoir performance, and geologic conditions or production. These revisions can be either positive or negative.

Item 5.3 Future Development Costs

Item 5.3.1 (a) (b)

Forecast Case		
Onshore Canada		
Year	Proved	Proved + Probable
	\$M	\$M
2024	1,237.5	1,237.5
2025	-	-
2026	-	-
2027	-	-
2028	-	-
All Years	1,238	1,238
Discount @ 10%	1,181	1,181

Item 5.3.2 (a) (b)

The Company would typically utilize available funding to finance future capital expenditure programs from 3 potential sources: internally generated cash flow from operating activities, debt financing when appropriate and new equity issues, if available on favourable terms.

Item 5.3.3

Not applicable

Part 6 Other Oil and Gas Information**Item 6.1 Oil and Gas Properties and Wells**

Onshore Canada

Producing Lands

Lindbergh, AB

The Company holds a 37.5% working interest in Section 8, Township 53, Range 6 W4M in the Lindbergh, Alberta area. There are two wells of interest located in Section 8, as follows:

- 100/09-08-053-06W4/0
- 100/12-08-053-06W4/0

Lloydminster, AB

The Company holds an 18.75% working interest in Legal Subdivisions (LSDs) 6, 7, 11, 12, 13 and 14 within Section 14, Township 49, Range 1W4M in the Lloydminster, Alberta area. There is one well of interest within Section 14, as follows:

- 100/13-14-049-01W4/0

Item 6.1.2 Gross and Net Oil and Gas wells

Onshore Canada

Oil Wells

Onshore Canada	Forecast Case	
	Gross Wells	Net Wells
Lindbergh, AB	2	0.75
Lloydminster, AB	1	0.1875
Total	3	0.9375

Item 6.2 Properties with No Attributed Reserves

Not applicable

Item 6.3 Forward Contracts

Not applicable

Item 6.4 Additional Information Concerning Abandonment and Reclamation Costs

Repealed

Item 6.5 Tax Horizon

Not applicable, the Company will pay income taxes for its most recently completed financial year.

Item 6.6 Costs Incurred

The following table summarizes the Company's property development costs incurred in Canada during the financial year ended December 31, 2023:

Nature of Cost	Capital Expenditures (\$M)
Development Costs	\$1,793.4
Total	\$1,793.4

Item 6.7 Exploration and Development Activities

Onshore Canada

The Company participated in the following oil wells, completed in the year ending December 31, 2023:

- 100/09-08-053-06W4/0 (37.5% net to the Company)
- 100/12-08-053-06W4/0 (37.5% net to the Company)
- 100/13-14-049-01W4/0 (18.75% net to the Company)

There were no gas wells, service wells, stratigraphic test wells or dry holes.

The Company will be participating in drilling new wells within the next five years.

Item 6.8 Production Estimates

Onshore Canada	Light & Medium Crude Oil		Heavy Crude Oil		Conventional Natural Gas	
	Proved	Proved + Probable	Proved	Proved + Probable	Proved	Proved + Probable
Lindbergh, AB	bbl	bbl	bbl	bbl	Bcf	Bcf
2024	-	-	74,286.0	75,489.0	-	-
Lloydminster, AB						
2024	-	-	68,147.2	70,353.5	-	-
Total			142,433.2	145,842.5		

Item 6.9 Production History

The following table outlines the gross production from January 1, 2023 to December 31, 2023 for important fields for each product type:

Onshore Canada:

Gross	Lindbergh, AB Oil Production (bbl)	Lloydminster, AB Oil Production (bbl)
Q1	308.1	-
Q2	3,857.3	-
Q3	4,326.7	-
Q4	5,099.9	3,941.7
Total 2023	13,591.8	3,941.7

The following table (Item 6.9.1b) outlines as an average per unit volume (for example, \$/bbl or \$/Mcf), the Company's prices received, royalties paid, production costs, and resulting netback:

2023 Heavy Crude Oil Unit Values								
Onshore Canada	Q1				Q2			
	Price Received	Royalties Paid	Opex	Net Back	Price Received	Royalties Paid	Opex	Net Back
Property	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl
Lindbergh, AB	52.52	9.45	20.58	22.48	66.74	12.01	10.27	44.46
Lloydminster, AB	-	-	-	-	-	-	-	-
2023 Heavy Crude Oil Unit Values								
Onshore Canada	Q3				Q4			
	Price Received	Royalties Paid	Opex	Net Back	Price Received	Royalties Paid	Opex	Net Back
Property	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl	\$/bbl
Lindbergh, AB	83.64	15.06	9.69	58.90	56.16	10.14	13.13	32.89
Lloydminster, AB	-	-	-	-	64.50	3.23	4.76	56.52