Argonaut Gold Intersects 7.0 Metres at 13.3 g/t Gold at Magino's South Zone Approximately 1.5 Kilometres from the Border Between Magino and Island Gold

Toronto, Ontario – (July 8, 2021) **Argonaut Gold Inc. (TSX: AR)** (the "Company", "Argonaut Gold" or "Argonaut") is pleased to announce that drill hole MA21-070 has intersected a core length of 7.0m at 13.3 g/t Au approximately 1.5 kilometres west from the border between the Magino property and the Island Gold mine, as a follow-up drill hole to previously announced drill intercept MA20-057 which encountered 10.0m at 19.0 g/t Au in the South Zone at its 100% owned Magino property in Ontario, Canada (see press release dated January 20, 2021).

Recent highlights include:

- South Zone:
  - MA21-070 with 7.0m at 13.3 g/t Au and 8.0m at 5.1 g/t Au;
- Elbow Zone:
  - MA21-063 with 8.0m at 7.7 g/t Au, including 1.1m at 36.8 g/t Au;
  - MA21-064 with 3.0 m at 6.7 g/t Au, including 1.0 m at 18.4 g/t Au;
  - MA21-065 with 19.0m at 3.7 g/t Au, including 2.0m at 14.8 g/t Au;
  - MA21-066 with 3.5m at 8.0 g/t Au;
  - MA21-067 with 6.0m at 6.5 g/t Au, including 2.0m at 17.7 g/t Au; and
  - MA21-068 with 26.0m at 1.7 g/t Au, including 1.0m at 7.7 g/t Au.

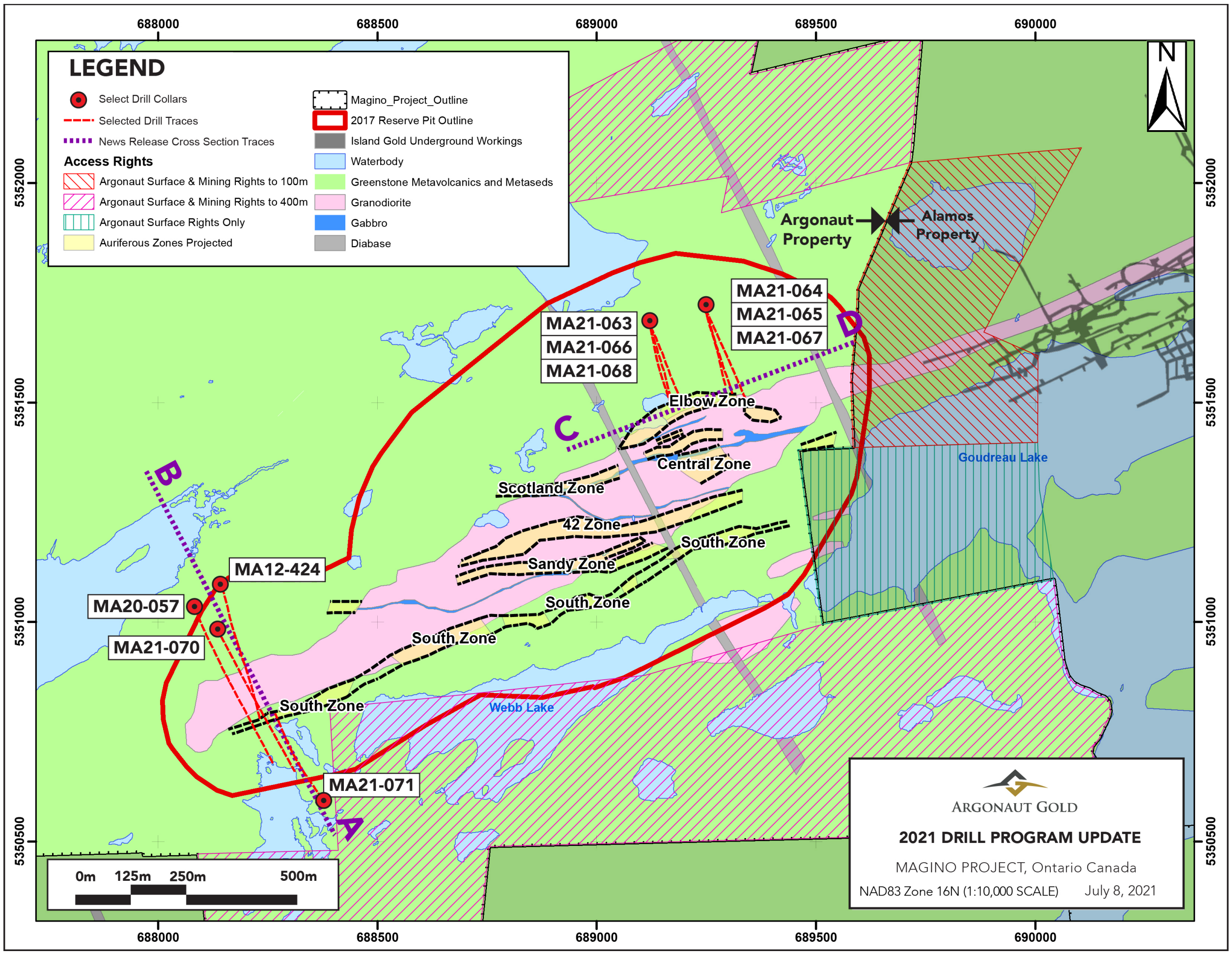

Figure 1 – Plan Map of Magino Showing the Locations of Drill Holes in this Press Release

The 2021 drilling program is primarily focused on tightening the drill spacing to approximately 40 m (upper portion) and 80 m (lower portion) within the Elbow Zone from the bottom of the planned pit to a vertical depth from surface of around 1,000 m. The secondary focus of the program is to continue to drill test previously discovered high-grade gold structures within the South Zone, Central Zone, Scotland Zone, #42 Zone and Sandy Zone as well as other prospective showings located elsewhere on the Magino property. Argonaut plans to drill approximately 25,000 metres on these targets this year, is currently drilling with four diamond drill rigs and anticipates completing the program during the fourth quarter of 2021.

Pete Dougherty, President and CEO stated: "The goal of our 2021 program is to tighten the drill spacing within the Elbow Zone to the point where we can evaluate the resource potential of this important structure. Due to the exploration team's success to date at discovering high-grade gold structures below and adjacent to the planned open pit, we have numerous highly prospective drill targets."

The South Zone follows the southern contact of the Webb Lake Stock (granodiorite rocks) and volcanic rocks (Figure 2). Drill holes MA21-070 (7.0m at 13.3 g/t Au and 8.0 m at 5.1 g/t Au) and MA21-071 (9.5m at 3.7 g/t Au) were designed to test the South Zone as follow up holes to previously reported intercepts MA20-057 (10.0m at 19.0 g/t Au) and MA12-424 (21.0 m at 11.0 g/t Au including 7.6m at 29.4 g/t Au). This zone contains two parallel vein systems within a structure that has an approximate true width of 25 metres that mimics the trend of a nearby aplite dyke, appears to transect eastward into the volcanic rock package for an apparent strike length of 1.5 km to the eastern property boundary. Drill holes MA20-057 and MA20-070 intersected the gold-bearing vein system down-plunge for an estimated apparent true width ranging between 3.4m to 4.8m. With only three holes completed at depth to define this zone, additional drilling perpendicular to the vein system is required to accurately define the width of the vein systems that comprise the South Zone.

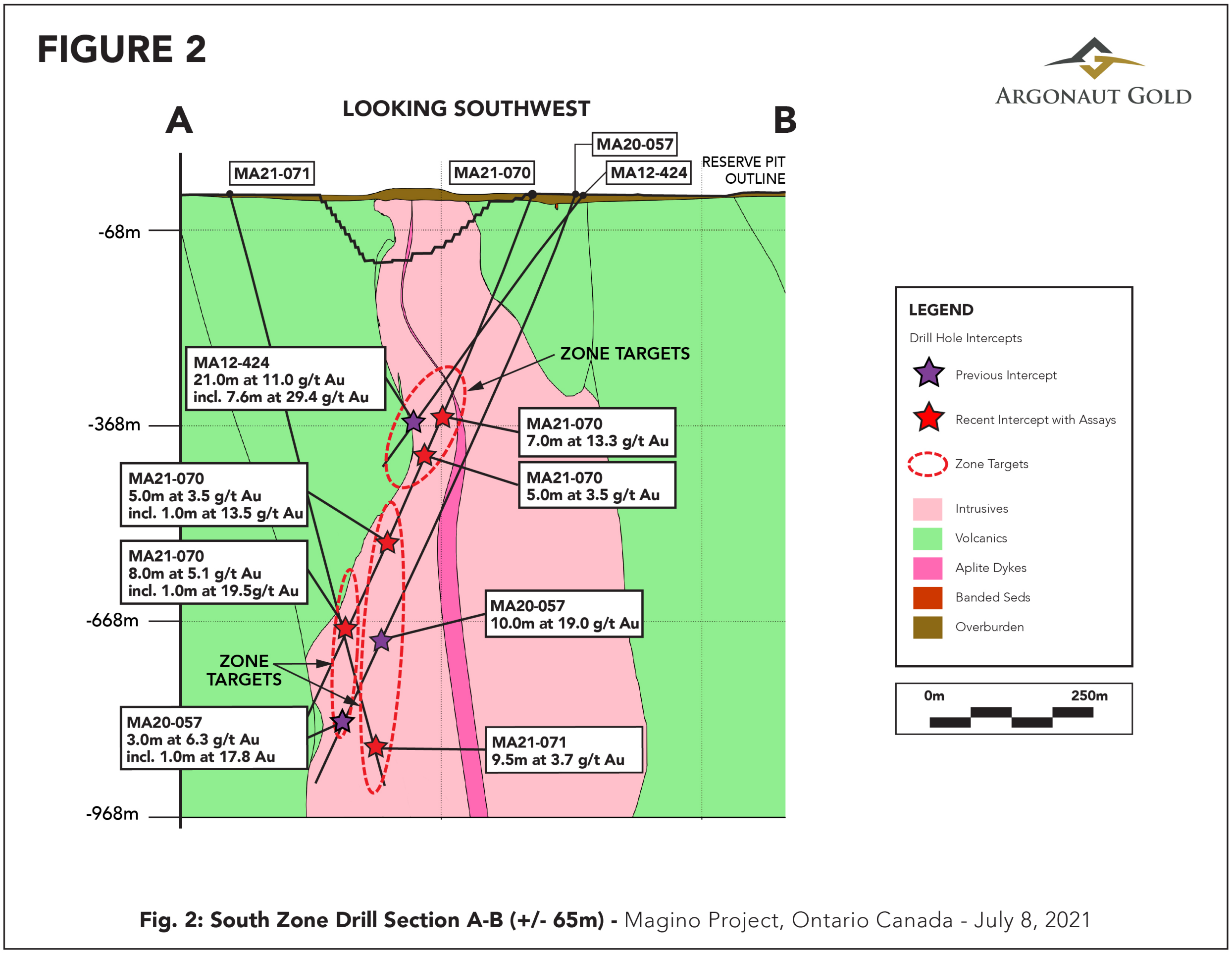

Figure 2 – Drill holes MA21-070 and MA21-071 in relation to high-grade gold intercepts in previously announced drill holes MA20-057 and MA12-424

Infill definition drilling of the Elbow Zone continues to define numerous high grade gold zones within this steeply east plunging structure where oriented core and the collection of structural measurements on significant vein systems continues to test the continuity of gold mineralized veins that define this important zone. Close to 17,000 metres of drilling is still needed to complete the Phase 1 definition drilling program. Drilling within the Elbow Zone continues to intersect exciting gold values (MA21-063 of 8.0 m at 7.7 g/t Au; MA21-067 of 2.0 m at 17.7 g/t Au) as presented on Figure 3 below.

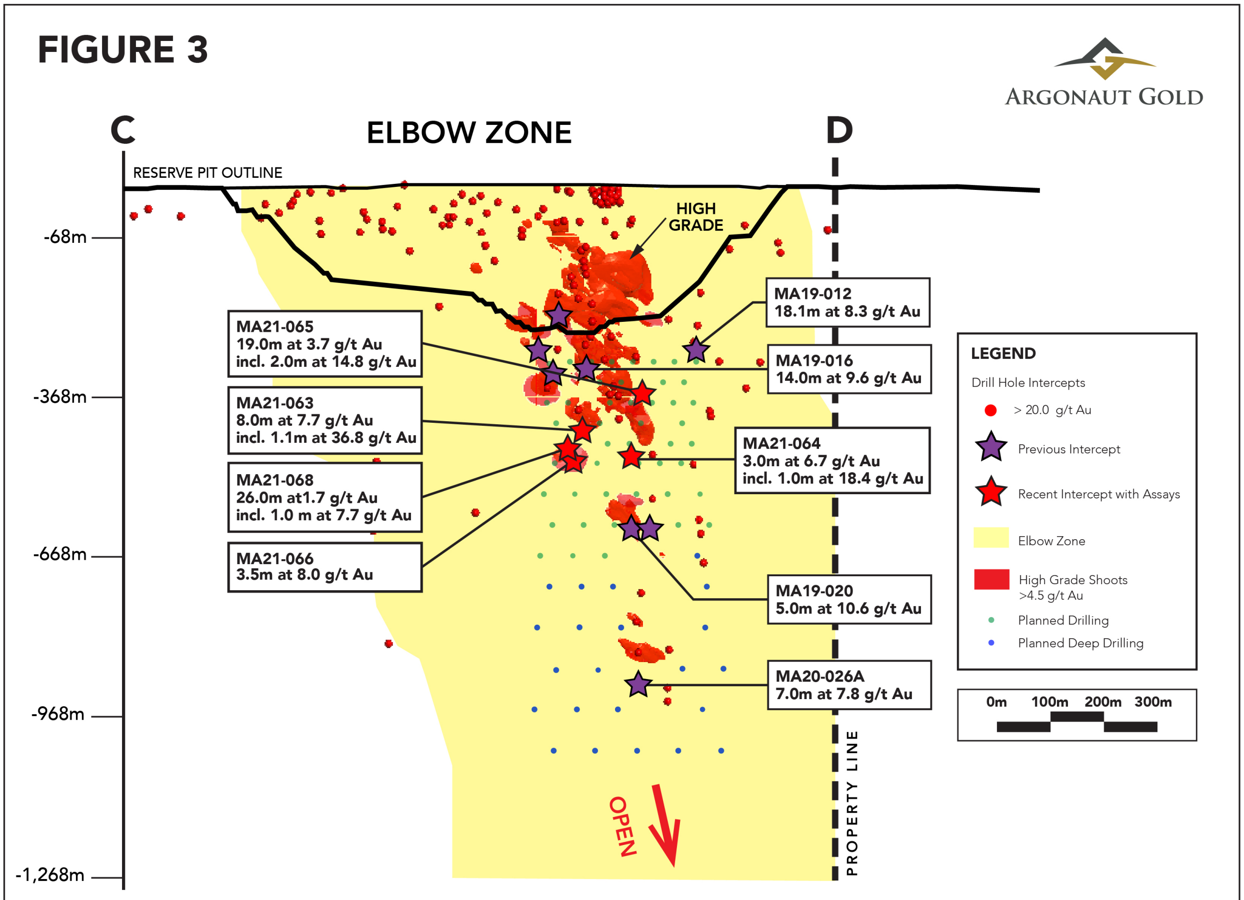

FIG. 3: Elbow Zone Longitudinal Section C-D (+/- 50m) - MAGINO PROJECT, Ontario Canada - July 8, 2021

Figure 3 – Long Section of Elbow Zone Showing Completed Drill Holes and Planned Drill Holes

Brian Arkell, Vice President of Exploration commented: "We are continuing to develop a better understanding on the structural controls on the high-grade mineralization at Magino and are now in the process of early-stage resource definition drilling on the Elbow Zone. With the extremely encouraging initial high-grade gold results at depth within the Elbow and South Zones, we are very excited about our success in defining a series of high-grade gold mineralized structures below the Magino planned open pit."

Table 1: Drill Results From the On-Going Drill Program

Hole	Zone	Azimuth	Dip	From (metres)	To (metres)	Length (metres)	Grade* (Au g/t)	Estimated True Width (meters)
MA21-070	South	153.3	-72.1	433.0	440.0	7.0	13.3	3.4
and				536.8	540.0	5.0	3.5	2.4
including				537.5	538.5	1.0	18.2	0.5
and				616.0	621.0	5.0	3.5	2.4
including				620.0	621.0	1.0	13.5	0.5
and				720.0	728.0	8.0	5.1	3.8
including				726.0	727.0	1.0	19.5	0.5

MA21-071	South	331.7	-75.1	877.5	887.0	9.5	3.7	4.6
including				877.5	880.6	3.1	5.9	1.5
and				884.0	886.0	2.0	6.0	1.0
MA21-063	Elbow	156.1	-77.4	453.0	461.0	8.0	7.7	6.0
including				459.9	461.0	1.1	36.8	0.8
MA21-064	Elbow	164.4	-79.4	463.0	466.0	3.0	6.7	2.3
including				464.0	465.0	1.0	18.4	0.8
MA21-065	Elbow	164.0	-74.0	342.0	361.0	19.0	3.7	14.3
including				359.0	361.0	2.0	14.8	1.5
MA21-066	Elbow	165.7	-78.0	526.9	530.4	3.5	8.0	2.6
MA21-067	Elbow	153.9	-73.1	444.0	450.0	6.0	6.5	4.5
including				448.0	450.0	2.0	17.7	1.5
MA21-068	Elbow	173.7	-81.2	462.0	488.0	26.0	1.7	19.5
including				481.0	482.0	1.0	7.7	0.8

***Grade uncut**

A table of the drill results as well as maps and an interactive 3D model are available on the Company's website at https://www.argonautgold.com/English/assets/drill-results/default.aspx

Qualified Person Comments / Quality Control Procedures

The preparation of this press release was supervised and approved by Brian Arkell, Argonaut Gold's Vice President Exploration and a Qualified Person under NI 43-101. Mr. Arkell also reviewed the diamond drilling, sampling, and on-site sample preparation procedures at Magino.

For sample analysis, the Company utilizes a system of Quality Assurance/Quality Control (QA/QC) that includes insertion and verification of standards, blanks, and duplicates consistent with industry standards.

The Company has implemented a QA/QC program to ensure sampling and analysis of all exploration work is conducted in accordance with the CIM Exploration Best Practices Guidelines. The entire drill hole is sampled and tagged by geologic personnel. Cores are then photographed and sawn in half by experienced geotechnicians, placed in numbered plastic bags, and gathered in rice bags which are sealed with tamper-proof security tags under the supervision of the project geologists. The other half of the core is retained for future assay verification and/or metallurgical testing. Other QA/QC procedures include the insertion of coarse blanks and Canadian Reference Standards for every tenth sample in the sample stream.

Samples are bagged, sealed with numbered security tags and shipped to the Activation Laboratories facility, Thunder Bay, Ontario, for sample preparation and assaying. The laboratory has its own QA/QC protocols, running standards, blanks, and duplicate samples in each batch stream. Gold analysis is conducted by lead collection, fire assay with a gravimetric finish on a 50-gram sample. Metallic screen fire assaying is now completed using a 1.0 kg sample and two 50 gm fire assays of the pass (-100 mesh) pulverized material on all samples containing visible gold. Check assays are conducted at a secondary ISO certified laboratory.

Please see below under the heading "Cautionary note regarding forward-looking statements" for further details regarding risks.

Creating Value Beyond Gold

Cautionary Note Regarding Forward-looking Statements

This press release contains certain “forward-looking statements” and “forward-looking information” under applicable Canadian securities laws concerning the business, operations and financial performance and condition of Argonaut Gold Inc. (“Argonaut” or “Argonaut Gold”). Forward-looking statements and forward-looking information include, but are not limited to statements with respect to permitting and legal processes in relation to mining permitting and approvals; estimated production and mine life of the various mineral projects of Argonaut; the ability to obtain permits for operations; synergies; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; and financial impact of completed acquisitions; the benefits of the development potential of the properties of Argonaut; the future price of gold, copper, and silver; the estimation of mineral reserves and resources; success of exploration activities; and currency exchange rate fluctuations. Except for statements of historical fact relating to Argonaut, certain information contained herein constitutes forward-looking statements. Forward-looking statements are 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”, “should” or “will” occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Many of these assumptions are based on factors and events that are not within the control of Argonaut and there is no assurance they will prove to be correct.

Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include variations in ore grade or recovery rates, changes in market conditions, risks relating to the availability and timeliness of permitting and governmental approvals; risks relating to international operations, fluctuating metal prices and currency exchange rates, changes in project parameters, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated.

These factors are discussed in greater detail in Argonaut's most recent Annual Information Form and in the most recent Management’s Discussion and Analysis filed on SEDAR, which also provide additional general assumptions in connection with these statements. Argonaut cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. Argonaut believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release.

Although Argonaut has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Argonaut undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements. Statements concerning mineral reserve and resource estimates may also be deemed to constitute forward-looking statements to the extent they involve estimates of the mineralization that will be encountered if the property is developed. Comparative market information is as of a date prior to the date of this document.

For further information on the Magino project, please see the report as listed below on the Company's website or on www.sedar.com:

Magino Gold Project	Feasibility Study Technical Report on the Magino Project, Ontario, Canada dated December 21, 2017 (effective date November 8, 2017)

About Argonaut Gold

Argonaut Gold is a Canadian gold company engaged in exploration, mine development and production. Its primary assets are the El Castillo mine and San Agustin mine, which together form the El Castillo Complex in Durango, Mexico, the La Colorada mine in Sonora, Mexico and the Florida Canyon mine in Nevada, USA. The Company also holds the construction stage Magino project, the advanced exploration stage Cerro del Gallo project and several other exploration stage projects, all of which are located in North America.

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