FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Argonaut Gold Inc. ("**Argonaut**" or the "**Company**")
Royal Bank Plaza, South Tower
200 Bay Street, Suite 1302
Toronto, Ontario M5J 2J3

Item 2: Date of Material Change

March 27, 2024

Item 3: News Release

A news release announcing the material change was disseminated over GlobeNewswire's distribution network on March 27, 2024 and a copy was filed on the Company's profile at www.sedarplus.ca.

Item 4: Summary of Material Change

On March 27, 2024, the Company entered into a definitive agreement (the "**Agreement**") with Alamos Gold Inc. ("**Alamos**") whereby Alamos will acquire all of the issued and outstanding shares of Argonaut, pursuant to a court-approved plan of arrangement (the "**Transaction**"). In connection with the Transaction, Alamos will acquire Argonaut's Magino mine, located adjacent to its Island Gold mine in Ontario, Canada, and other Canadian assets. Concurrently with the Transaction, Argonaut's assets in the United States and Mexico will be spun out to its existing shareholders as a newly created junior gold producer ("**SpinCo**"). SpinCo will own the Florida Canyon mine in the United States, as well as the El Castillo Complex, the La Colorada operation, and the Cerro del Gallo project, located in Mexico. Under the terms of the Agreement, each Argonaut common share outstanding will be exchanged for 0.0185 Alamos common shares and one share of SpinCo[1] (the "**Exchange Ratio**"). Upon completion of the Transaction, existing Alamos and Argonaut shareholders will own approximately 95% and 5% of the pro forma company, respectively.

Item 5: 5.1 - Full Description of Material Change

Transaction Summary

On March 27, 2024, the Company entered into the Agreement with Alamos, whereby Alamos will acquire all of the issued and outstanding shares of Argonaut by way of a court-approved plan of arrangement. In connection with the Transaction, Alamos will acquire Argonaut's Magino mine, located adjacent to its Island Gold mine in Ontario, Canada, and other Canadian assets. Concurrently with the Transaction, Argonaut's assets in the United States and Mexico will be spun out to its existing shareholders as SpinCo. SpinCo will own the Florida Canyon mine in the United States, as well as the El Castillo Complex, the La

[1] Shares issued in SpinCo as part of the Exchange Ratio do not reflect a planned 10:1 share consolidation of SpinCo.

Colorada operation, and the Cerro del Gallo project, located in Mexico. Under the terms of the Agreement, each Argonaut common share outstanding will be exchanged at the Exchange Ratio. The Exchange Ratio implies estimated total consideration of C$0.40 per Argonaut common share, or approximately US$325 million. This represents a 34% premium based on Argonaut's and Alamos' closing prices on March 26, 2024 on the Toronto Stock Exchange ("**TSX**"), and a 41% premium based on both companies' 20-day volume-weighted average prices. Total consideration includes C$0.34 of an Alamos common share, based on the closing price of Alamos common shares on the TSX on March 26, 2024, and SpinCo common shares with an estimated value of C$0.06[2]. Alamos expects to issue approximately 20.3 million common shares in connection with the Transaction, representing an equity value of approximately US$276 million on a fully diluted in-the-money basis, and an enterprise value of US$516 million.

Upon completion of the Transaction, existing Alamos and Argonaut shareholders will own approximately 95% and 5% of the pro forma company, respectively.

The Transaction will require approval by 66 2/3% of the votes cast by the shareholders of Argonaut at a special meeting of Argonaut shareholders expected to be held in June 2024 (the "**Special Meeting**"). The directors and members of senior management of Argonaut, as well as Argonaut's two largest shareholders have entered into support agreements pursuant to which they agreed to vote their shares in favor of the proposed Transaction.

In addition to shareholder and court approvals, the Transaction is subject to applicable regulatory approvals and the satisfaction of certain other closing conditions customary for a transaction of this nature. The Agreement includes customary deal protections, including fiduciary-out provisions, non-solicitation covenants, and the right to match any superior proposals. Additionally, a break fee in an amount of C$20 million is payable to Alamos by Argonaut in certain circumstances, if the Transaction is not completed, and an expense reimbursement fee is payable by Alamos to Argonaut in certain circumstances, if the Transaction is not completed.

Voting Support Agreements

Argonaut's two largest shareholders, representing approximately 40% of Argonaut's common shares outstanding, have entered into lock-up agreements in support of the Transaction.

Board of Directors Recommendations

The Agreement has been unanimously approved by the boards of directors of Alamos and Argonaut, and Argonaut's board recommended that their shareholders vote in favor of the Transaction.

The board of directors of Argonaut has received an opinion from Cormark Securities Inc. that based upon and subject to the assumptions, limitations, and qualifications stated, the

[2] Based on consensus analyst estimates for the underlying assets and comparable peer market multiples.

consideration to be received by Argonaut shareholders pursuant to the Transaction is fair, from a financial point of view, to Argonaut shareholders.

Further details regarding the terms of the Transaction are set out in the Agreement, which is available on SEDAR+ (www.sedarplus.ca) under Argonaut's issuer profile.

Additional information regarding the Transaction, the background to the Transaction, the rationale for the recommendation of the board of directors of Argonaut, and how Argonaut shareholders can participate in, and vote at, the Special Meeting will be provided in the management information circular of the Company for the Special Meeting (the "**Circular**"), which will also be filed on SEDAR+ (www.sedarplus.ca) under Argonaut's issuer profile in due course. Shareholders are urged to read the Agreement, the Circular and other relevant materials when they become available.

Private Placement Transaction

In connection with the Transaction, Alamos agreed to provide Argonaut with a private placement equity financing in the amount of C$50 million priced at an 8% discount to Argonaut's 5-day volume-weighted average share price as of March 26, 2024, providing Alamos with a 13.8% interest in Argonaut on an issued and outstanding basis. This financing will allow Argonaut to fund its immediate liquidity needs related to its loan facilities and operations. The private placement transaction closed on April 4, 2024.

SpinCo

SpinCo will own the Florida Canyon mine in the United States, as well as the El Castillo Complex, the La Colorada operation, and the Cerro del Gallo project, located in Mexico. Upon SpinCo going public, Alamos has agreed to subscribe for a further US$10 million to obtain a 19.9% interest in SpinCo.

5.2 - Disclosure for Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Inquiries in respect of the material change referred to herein may be made to David Savarie, VP, General Counsel & Corporate Secretary by contacting Joanna Longo, Investor Relations, at 416-575-6965.

Item 9: Date of Report

April 8, 2024

Forward-Looking Statements

This material change report includes certain information that may constitute "forward-looking information" under applicable securities legislation. Forward-looking information includes, but is not limited to, information with respect to the completion of the Transaction, including the receipt of court, shareholder and regulatory approvals. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information, including the ability to complete the Transaction, the receipt of necessary approvals, the ability to satisfy conditions to the Transaction, and the ability to achieve the benefits of the Transaction. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this material change report is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. Argonaut disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.