

**ARGO GOLD INC.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2021**

**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, 2021 ("**first quarter of 2021**" or "**Q1 2021**"). The comparative period is for the three months ended March 31, 2020 ("**first quarter of 2020**" or "**Q1 2020**"). 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 years ended December 31, 2020 and 2019, and the unaudited condensed interim financial statements for the three months ended March 31, 2021 and 2020, 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, 2020 and 2019 for disclosure of the Company's significant accounting policies.

The audit committee of the Company has reviewed this MD&A and the unaudited condensed interim financial statements for the three months ended March 31, 2021 and 2020 and the Company's Board of Directors approved these documents prior to their release.

This MD&A is dated May 31, 2021 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](http://www.sedar.com), on the Canadian Securities Exchange ("**CSE**") website at [www.thecse.com](http://www.thecse.com) or on Argo Gold's website at [www.argogold.ca](http://www.argogold.ca).

**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., Lead Exploration 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 a 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 OTC under **ARBTF**, and on the FSE under **P3U**. The address of the Company's corporate office and principal place of business is 350 Bay Street, Suite 700 Toronto, Ontario, M5H 2S6.

## Description of the Business

Argo Gold is a Canadian mineral exploration and development company, focused on gold exploration projects in northwestern Ontario, all of which are 100% owned by Argo Gold and have indications of potentially economic mineralization. Argo Gold's flagship project is the Uchi Gold Project, which covers 22 km<sup>2</sup> of widespread mineralization and multiple mineralized trends in the Birch-Uchi Greenstone Belt. High grade gold intercepts from the winter 2019 drilling program include 132 grams per tonne gold (“g/t Au”) over 1.8 metres at the Woco Vein. Historic drilling by St. Jude Resources in 1993 includes 139 g/t Au over 2.1 metres, 65 g/t Au over 1.83 metres, and 62 g/t Au over 3.6 metres. In addition, Argo Gold acquired the Talbot Lake Gold Project in June 2020, located 70 km east of Pickle Lake, in the prolific Uchi Geologic Subprovince. Talbot Lake hosts known gold mineralization in banded iron formations.

## Developments during the three months ended March 31, 2021 and up to May 31, 2021

### Exploration and Evaluation Activities – Uchi Gold Project

In April 2021, Argo Gold commenced surface exploration at the Uchi Gold Project. The bedrock stripping, trenching, washing, geological mapping and channel sampling will continue in phases at the Uchi Gold Project throughout the 2021 field season. The Company also expects to commence a 2,500 metre drilling program at the end of May 2021.

The 2020 field season identified high-grade gold mineralization at Northgate and Woco, located on the main mineralized trend, as well as at Raingold on the HST Zone, a parallel mineralized trend located west of the main Northgate-Woco trend. Argo Gold's December 1, 2020 news release summarized the results of this program that indicated pervasive gold mineralization on multiple mineralized trends.

Objectives of the bedrock stripping and trenching include expanding and defining known gold mineralization, identifying additional gold mineralization along the mineralized trends, and following up on the biogeochemical anomalies identified by the Summer 2019 biogeochemical survey that covered 5 km of strike length on the main mineralized trend. Areas of interest include the following:

- The north and south strike extensions at Raingold, where this iron formation hosted zone returned visible gold from most of the 2020 channel samples, including 2.3 metres of 31.2 g/t Au and identified high-grade gold mineralization over 15 metres of strike length. Raingold is located on the 600 metre HST zone located west of the main Woco-Northgate mineralized trend.
- Gold element biogeochemical anomalies located northeast and east of the Woco Vein.
- A 500 metre strike length of copper-gold pathfinder elements located southeast of the Woco Vein.
- The west and east strike extensions at Northgate that has been stripped over a strike length of 65 metres and identified two 15 metre sections of high-grade gold mineralization where channel samples include 1.65 metres of 43.5 g/t Au and 1.65 metres of 40.1 g/t Au.
- A number of other gold element biogeochemistry anomalies identified by the 2019 biogeochemical survey that covered 5 km of strike length on the main mineralized trend that includes Woco and Northgate.

The principal exploration target at the Uchi Gold Project area continues to be the narrow vein, high-grade gold mineralization, a common economic model in the Canadian Shield, where a series of high-grade gold veins are mined using narrow vein mining methods.

## Overview of Financial Results

### Three Months Ended March 31, 2021 vs. March 31, 2020

(Expressed in Canadian Dollars)	Three Months Ended March 31,	
	2021	2020
<b>Expenses</b>		
Exploration and evaluation	\$ 77,440	\$ 78,490
Management fees	42,000	33,000
Consulting fees	13,000	24,875
Professional fees	11,728	16,503
Business development	40,030	22,775
Investor relations	38,851	21,500
General and administrative	28,928	11,691
Listing, filing and regulatory fees	7,720	5,978
Depreciation	923	509
Share-based compensation	-	139,020
<b>Total expenses</b>	<b>260,620</b>	<b>354,341</b>
<b>Loss before the undernoted</b>	<b>(260,620)</b>	<b>(354,341)</b>
Bank charges	(821)	(153)
Part X11.6 taxes	-	(4,106)
Interest income	-	10
Flow-through share premium recovery	30,262	627
Unrealized loss on value of investments	(371,000)	(175)
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (602,179)</b>	<b>\$ (358,138)</b>
<b>Net loss per share</b>		
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)

### Three months ended March 31, 2021 vs. three months ended March 31, 2020

- Overall, the Company recorded a net loss and comprehensive loss of \$602,179 or \$0.01 per share for the quarter ended March 31, 2021 compared to a net loss and comprehensive loss of \$358,138 or \$0.01 per share for the quarter ended March 31, 2020.
- Exploration and evaluation expenses were \$77,440 in the first quarter of 2021 compared to \$78,490 during the first quarter of 2020. Similar to 2020, first quarter expenditures were mainly comprised of consulting fees associated with planning the upcoming field exploration season. The Company plans to commence a 2,500 metre drilling program at the Uchi Gold Project near the end of May 2021. In 2020, the majority of planned exploration work was associated with a third quarter mechanical stripping program at the Uchi Gold Project.
- Management fees were \$42,000 in the first quarter of 2021 compared to \$33,000 in the first quarter of 2020. These include fees paid to the Company's CFO and 50% of the fees paid to the Company's CEO. The other 50% are included in exploration and evaluation expenditures. The increase relates to fees paid to the Company's CFO for the provision of additional services in lieu of professional fees billed by other services providers. As a result, professional fees were lower in Q1 2021.

- Consulting fees were \$13,000 during the first quarter of 2020 compared to \$24,875 during the first quarter of 2020.
- Professional fees were \$11,728 during the first quarter of 2021 compared to \$16,503 during the first quarter of 2020.
- Business development was \$40,030 during the first quarter of 2021 compared to \$22,775 during the first quarter of 2020.
- Investor relations was \$38,851 during the first quarter of 2021 compared to \$21,500 during the first quarter of 2020.
- General and administrative expenses were \$28,928 in the first quarter of 2021 compared to \$11,691 in the first quarter of 2020.
- Listing, filing and regulatory fees were \$7,720 in the first quarter of 2021 compared to \$5,978 during the first quarter of 2020. Q1 2021 was higher due to the Company now being listed on the OTCQB as of November 2020.
- Share-based compensation was \$nil for the first quarter of 2021, as no stock options were granted, compared to \$139,020 for the first quarter of 2020. The 2020 expense represented the grant date fair value of 1,400,000 stock options granted on February 13, 2020.
- The Company raised \$431,266 of flow-through funds in December 2020 compared to \$142,812 in December 2019. As a result, the Company recorded a flow-through share premium liability of \$224,650 as at December 31, 2020 compared to \$5,951 as at December 31, 2019. During the first quarter of 2021, the Company recognized \$30,262 of flow-through share premium recovery compared to \$627 during the first quarter of 2020, associated with the expenditure of flow-through funds in the respective quarters.
- The change in market value of investments resulted in a non-cash loss of \$371,000 during the first quarter of 2021, compared to a non-cash loss of \$175 during the first quarter of 2020. The 2021 quarterly non-cash loss was primarily the result of a decrease in the share price of Cross River Ventures Inc. from \$0.34 per share at December 31, 2020 to \$0.195 per share at March 31, 2021. See Note 5 to the financial statements for the three months ended March 31, 2021 for the market values of the Company's investments.

### 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 unaudited condensed interim financial statements of the Company. The information has been prepared by management in accordance with IFRS and is expressed in Canadian dollars.

	<b>Q1</b>	<b>Annual</b>	<b>Q4</b>	<b>Q3</b>	<b>Q2</b>
	<b>March 2021 (unaudited)</b>	<b>Dec. 2020 (audited)</b>	<b>Dec. 2020 (unaudited)</b>	<b>Sept. 2020 (unaudited)</b>	<b>June 2020 (unaudited)</b>
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	(\$602,179)	(\$206,547)	\$1,124,586	(\$581,985)	(\$391,010)
Loss per share – basic and diluted	(\$0.01)	(\$0.00)	\$0.02	(\$0.01)	(\$0.01)
Assets	\$3,620,438	\$4,303,968	\$4,303,968	\$1,464,083	\$1,790,522

	Q1	Annual	Q4	Q3	Q2
	March 2020 (unaudited)	Dec. 2019 (audited)	Dec. 2019 (unaudited)	Sept. 2019 (unaudited)	June 2019 (unaudited)
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
(Loss) income and comprehensive (loss) income	(\$358,138)	(\$1,225,438)	(\$241,499)	(\$486,746)	(\$110,121)
(Loss) income per share – basic and diluted	(\$0.01)	(\$0.03)	(\$0.01)	(\$0.01)	\$0.00
Assets	\$1,853,439	\$1,127,662	\$1,127,662	\$1,042,049	\$1,284,678

### Liquidity and Capital Resources

The Company's cash decreased by \$407,117 during the three months ended March 31, 2021, compared to an increase of \$686,320 during the three months ended March 31, 2020. As at March 31, 2021, the ending cash balance was \$1,399,901 compared to \$1,807,018 as at December 31, 2020.

### Working Capital

As at March 31, 2021, the Company had a working capital surplus of \$2,616,218 compared to a surplus of \$3,249,285 as at December 31, 2020. The non-cash flow-through share premium liability amount has been excluded from current liabilities in the calculation of working capital. \$373,171 of the cash balance at March 31, 2021 must be spent on Canadian qualifying exploration expenditures during 2021.

A summary of the Company's cash position and changes in cash for the three months ended March 31, 2021 and 2020 are provided below:

	Three Months Ended March 31,	
	2021	2020
Cash used in operating activities – gross	\$ (260,518)	\$ (131,561)
Changes in non-cash operating working capital	(145,050)	(200,919)
Cash used in operating activities – net	(405,568)	(332,480)
Cash used in investing activities	(1,549)	-
Cash provided by financing activities	-	1,018,800
(Decrease) increase in cash	(407,117)	686,320
Cash, beginning of period	1,807,018	123,585
Cash, end of period	\$ 1,399,901	\$ 809,905

### Three months ended March 31, 2021 vs. three months ended March 31, 2020

#### Operating Activities

Cash used in operating activities before changes in non-cash working capital during the three months ended March 31, 2021 was \$260,518 compared to \$131,561 for the three months ended March 31, 2020. The first quarter of 2021 was higher due to increased business development, investor relations and general and administrative costs.

### **Investing Activities**

During the three months ended March 31, 2021, cash used in investing activities was \$1,549 compared to \$nil for the three months ended March 31, 2020. The 2021 amount relates to the purchase of a computer.

### **Financing Activities**

During the three months ended March 31, 2021, cash provided by financing activities was \$nil compared to \$1,018,800 for the three months ended March 31, 2020. On February 5, 2020, the Company closed a non-brokered private placement with an entity beneficially owned by Mr. Eric Sprott, through the issuance of 11,200,000 units at \$0.09 per unit, for gross proceeds of \$1,008,000. In addition, a subscription receivable of \$10,800, part of a flow-through financing closed on December 31, 2019, was collected in January 2020. No financings were completed or planned during the three months ended March 31, 2021.

### **Liquidity Outlook**

The Company had a cash balance of \$1,399,901 at March 31, 2021, a decrease of \$407,117 from the balance at December 31, 2020.

In general, completion of all of 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").

On December 23, 2020, the Company raised \$1,835,675 through the issuance of 8,261,232 units at \$0.17 per unit and the issuance of 1,960,300 flow-through shares at \$0.22 per flow-through share. These proceeds are sufficient to fund the Company's operations in 2021, including a 2,500 metre drilling program at the Uchi Gold Project, set to begin around the end of May 2021.

At March 31, 2021, the Company also holds investments valued at \$1,130,250. Future sales of these investments to fund the Company's operations remain a possibility.

The Company is currently sufficiently funded to carry out its 2021 exploration programs and fund its operations. The Company will require additional funding in the future.

### **Related Party Transactions and Key Management Compensation**

#### *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.

There were no related party transactions during the three months ended March 31, 2021.

As at March 31, 2021, \$27,402 (December 31, 2020 - \$26,313) 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.

### 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.

	Three months ended	
	March 31,	
	2021	2020
Management fees – paid to CEO	\$ 15,000	\$ 15,000
Exploration and evaluation fees – paid to CEO <sup>(1)</sup>	15,000	15,000
Management fees – paid for CFO services	27,000	18,000
Consulting fees – paid to an independent director	3,000	2,000
Total fees paid to management	60,000	50,000
Share-based payments	-	79,440
	<b>\$ 60,000</b>	<b>\$ 129,440</b>

(1) Amount included in “Consulting fees” in exploration and evaluation expenditures

### Subsequent Events

There are no events subsequent to March 31, 2021.

### Outstanding Capital and Share Data

Argo Gold’s authorized capital stock consists of an unlimited number of common shares without par value. As at May 31, 2021 there were 63,068,881 common shares issued and outstanding.

As at May 31, 2021, the Company also had the following items issued and outstanding:

- 11,200,000 common share purchase warrants at an exercise price of \$0.12, expiring February 5, 2023.
- 8,794,565 common share purchase warrants at an exercise price of \$0.24, expiring December 22, 2022.
- There are no stock options outstanding as at May 31, 2021.

### Off-Balance Sheet Arrangements

As at March 31, 2021, the Company has not entered into any off-balance sheet arrangements.

### Proposed Transactions

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.

As of May 31, 2021, there are no material property acquisitions or possible transactions that the Company is examining.

## **Financial Instruments**

The Company manages its exposure to a number of 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, through the use of 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. The 2021 budget is planned to be funded from funds raised on December 23, 2020. There is no certainty of the Company's ability to complete additional financings.

As at March 31, 2021 the Company held cash of \$1,399,901 (December 31, 2020 - \$1,807,018) to settle current liabilities of \$69,356 (December 31, 2020 - \$120,445), exclusive of non-cash flow-through share premium liability.

## **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 March 31, 2021 and December 31, 2020 were as follows:

	Amortized Cost	FVPL	Total
<b>December 31, 2020</b>			
Financial assets			
Cash	\$ 1,807,018	\$ -	\$ 1,807,018
Investments	\$ -	\$ 1,501,250	\$ 1,501,250
Financial liabilities			
Accounts payable and accrued liabilities	\$ 120,445	\$ -	\$ 120,445
<b>March 31, 2021</b>			
Financial assets			
Cash	\$ 1,399,901	\$ -	\$ 1,399,901
Investments	\$ -	\$ 1,130,250	\$ 1,130,250
Financial liabilities			
Accounts payable and accrued liabilities	\$ 69,356	\$ -	\$ 69,356

At March 31, 2021 and December 31, 2020, 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.

### Going Concern

The unaudited condensed interim 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 unaudited condensed interim 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.

### **Critical Accounting Policies and the Use of Estimates**

The preparation of the condensed interim 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, 2020. The accounting policies and management estimates applied in the condensed interim financial statements for the three months ended March 31, 2021, are consistent with those used in the Company's audited financial statements for the year ended December 31, 2020.

### **Commitments**

As at March 31, 2021, the Company has a remaining commitment to spend \$373,171 (December 31, 2020 - \$431,266) from amounts raised from flow-through financing on eligible Canadian Exploration Expenditures ("CEE"), by December 31, 2022.

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on eligible CEE. The Company has indemnified current and previous flow-through subscribers for any tax and other costs payable by them in the event the Company does not incur the required exploration expenditures. No amounts have been recorded in these financial statements for potential liabilities relating to these indemnities as a triggering event has not taken place. Upon issuance of the flow-through shares in December 2020 in the amount of \$431,266 (December 2019 - \$142,812), the Company recorded a flow-through share premium liability of \$224,650 (December 2019 - \$5,951). As expenditures are incurred, the liability will be drawn down as income through the statement of loss. Through March 31, 2021, the Company has incurred \$58,095 on eligible CEE related to the 2020 flow-through issuance. During the three months ended March 31, 2021 and 2020, the Company recorded a flow-share premium recovery of \$30,262 and \$627, respectively in the statement of loss.

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.

The Company and its operations have been largely unaffected by the impact of the COVID-19 global pandemic. The Company continues to follow all related government measures and mandates and recommendations from health officials. The Company continues to believe that it will remain largely unaffected, however the future impact on the Company, if any, is uncertain at this time.

### **Risks and Uncertainties**

Readers of the MD&A should give careful consideration to the information included or incorporated by reference in this document and the Company's unaudited condensed interim 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, 2020 and the "Risks and Uncertainties" discussion in the Company's MD&A for the year ended December 31, 2020, dated April 28, 2021, before investing in the Company's common shares. Readers are also encouraged to read and consider the risk factors more particularly described in Note 4 to the unaudited condensed interim financial statements for the three months ended March 31, 2021, which have been posted on the Company's website at [www.argogold.ca](http://www.argogold.ca) and are available on SEDAR at [www.sedar.com](http://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 and Chief Financial Officer have each evaluated the effectiveness of the Company's disclosure controls and procedures as at March 31, 2021 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, 2021.

**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 unaudited condensed interim financial statements and in Note 7 of the unaudited condensed interim financial statements for the three months ended March 31, 2021 and 2020 that are available on the Company's website at [www.argogold.ca](http://www.argogold.ca) and on SEDAR at [www.sedar.com](http://www.sedar.com).

**Approval**

The Board of Directors of Argo Gold approved the disclosure contained in this MD&A on May 31, 2021. 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 and Director  
Michael Farrant, Chief Financial Officer

*Independent Directors*

Jonathan Armes, Director  
George Langdon, Director  
Reinhard Schu, 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.