

Form 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Argo Gold Inc. (the “Company”)
365 Bay Street, Suite 400
Toronto, Ontario M5H 2V1

2. **Date of Material Change**

December 30, 2016

3. **News Release**

A press release disclosing the material change was released on January 3, 2017, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company announced the completion of a non-brokered private placement financing of common shares (the “Shares”) and flow through common shares (the “Flow Through Shares”) through the issuance of 663,983 Shares at a price of \$0.10 per Share for gross proceeds of \$66,398.33 and 1,468,500 Flow Through Shares at a price of \$0.12 per Flow Through Share for gross proceeds of \$176,220 (the Shares and the Flow Through Shares, collectively the “Offering”). The aggregate gross proceeds raised pursuant to the Offering was \$242,618.33 through the issuance of 2,132,483 common shares.

Pursuant to the Offering, the Company also paid a cash commission to certain finders in the amount of \$11,439.40 and issued an aggregate of 91,245 broker warrants. Each broker warrant entitles the holder to acquire one common share at a price of \$0.12 for two years from the date of issuance.

5. **Full Description of Material Change**

A full description of the material change is described in the Company’s press release which is attached as Schedule “A” hereto.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer**

For further information, contact Judy Baker, President and Chief Executive Officer of the Company at (416) 786-7860.

9. **Date of Report**

This report is dated at Toronto, this 6th day of January, 2017.

ARGO GOLD INC.

Per: “*Judy Baker*” (Signed)
Judy Baker
President and Chief Executive Officer

SCHEDULE “A”

Argo Gold Closes Offering of Shares and Flow-Through Shares

TORONTO, ON – January 3, 2017 – **Argo Gold Inc.** (CSE: ARQ) (the “**Company**”) is pleased to announce that it has completed a non-brokered private placement of 663,983 common shares (the “**Shares**”) at a price of \$0.10 per Share for gross proceeds of \$66,398.33 and 1,468,500 flow through common shares (the “**Flow Through Shares**”) at a price of \$0.12 per Flow Through Share for gross proceeds of \$176,220 (the Shares and the Flow Through Shares, collectively the “**Offering**”). The aggregate gross proceeds raised pursuant to the Offering was \$242,618.33 through the issuance of 2,132,483 common shares.

Pursuant to the Offering, the Company paid a cash commission to certain finders in the amount of \$11,439.40 and also issued an aggregate of 91,245 broker warrants, each broker warrant entitling the holder to acquire one common share at a price of \$0.12 for a period of two years from the date of issuance.

The net proceeds from the Share offering will be used for general corporate purposes. The gross proceeds from the Flow Through Share offering will be used for Canadian Exploration Expenses, and will qualify as “flow-through mining expenditures”, as defined in the *Income Tax Act* (Canada). The securities issued pursuant to the Offering are subject to a four month hold period.

For further information, please contact:

Judy Baker
President & Chief Executive Officer
(416) 786-7860
judybakertoronto@gmail.com

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Forward-looking Information Cautionary Statement

Except for statements of historic fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is 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” or “will” occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements including, but not limited to delays or uncertainties with regulatory approvals, including that of the CSE. There are uncertainties inherent in forward-looking information, including factors beyond the Company’s control. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company’s filings with Canadian securities regulators, which filings are available at www.sedar.com.