ARGO GOLD INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2018

General

This Management's Discussion and Analysis ("MD&A) is prepared as of May 25, 2018 and should be read in conjunction with the audited annual financial statements of Argo Gold Inc. ("Argo" or "the Company") for the three months ended March 31, 2018 and March 31, 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). 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. Additional information, including the Annual Information Form can be found on SEDAR, www.sedar.com. All amounts are in Canadian dollars.

Overview

Argo Gold Inc. (the "Company") (formerly Arbitrage Resources Inc.) is a development stage enterprise incorporated under the laws of Ontario on December 9, 1995. The Company is listed on the Canadian Stock Exchange ("CSE"), having the symbol ARQ and is in the process of exploring its mineral properties. Effective September 19, 2016, the Company changed its name to Argo Gold Inc. The address of the Company's corporate office and principal place of business is 365 Bay Street, Suite 400 Toronto, Ontario, M5H 2V1, Canada.

Results of Operations

During the quarter, The Company had limited exploration activity due to the seasonal nature of the field work. The exploration activity done in the quarter did include geological and structural mapping, and prospecting in conjunction with the compilation and review of historical geological and geophysical data; as well as planning for follow-up drilling.

On January 17, 2018, the Company settled an aggregate of $152,000 of indebtedness of the Company with various arm's-length creditors through the issuance of an aggregate of 760,000 common shares at a price of $0.20 cents per common share.

On February 14, 2018, the Company entered into a purchase and sale agreement to sell a 100% interest in the South Wawa Gold Project to RT Minerals Corp. for consideration of 350,000 common shares of RT Minerals Corp. The transaction closed on March 01, 2018 when the common share certificate was dated and received. Argo recognized a small loss of $1,749 on the sale of the property.

On February 22, 2018, the Company entered into a mining claim acquisition agreement with Premier Gold Mines Limited to acquire a 100% interest in certain mineral claims adjacent to

Argo Gold's 100%-owned Woco Gold Project located in Earngey Township. In exchange for these mineral claims, Premier will receive 200,000 common shares of Argo Gold.

On March 21 2018, the Company entered into an agreement with an arm's length purchaser Manitou Gold Inc. pursuant to which Argo Gold has agreed to sell its 100% interest in 16 unpatented mining claims comprising its Rockstar Gold Project located in the Sault Ste. Marie Mining Division for aggregate proceeds of $200,000 and 4 million shares of Manitou Gold Inc. Pursuant to the terms of the Letter Agreement, Argo Gold agreed to sell its Rockstar Property, in exchange for: 1) $200,000 payable to the Company on the date of closing, 2) 4 million shares of Manitou Gold Inc. on the date of closing, and 3) A 1% net smelter return royalty (the "Royalty") in favour of Argo Gold on the Rockstar Property. The Purchaser shall have a one-time right to purchase 0.5% of the Royalty from Argo Gold for the sum of $500,000. The transaction was closed on April 04, 2018 when the common share certificate was dated and funds received, after the quarter end making it a subsequent event.

Revenue and Other Income

The Company did not earn any revenue during the three months ended March 31, 2018. In the quarter, the company generated other income in the net amount of $13,751 consisting of the following items: A gain of $19,000 on the settlement with creditors, a loss of $1,749 on the sale of properties and a loss on the value of marketable securities of $ 3,500 relating to the RT Minerals transaction, all noted above in the results of operations.

Selected expenses for the three months ended March 31, 2018 – 2017 and 2016.

		March 31,	
	2018	2017	2016
Administrative expenses	$ 13,284	$ 10,207	$ 7,517
Management fees	$ 19,200	$ 28,942	$ -
Professional fees	$ 36,823	$ 3,656	$ -
Listing fees (recovery)	$ (3,688)	$ 1,915	$ 1,158
Share-based compensation	$ -	$ 65,121	$ -
Consulting fees	$ 104,288	$ 34,000	$ -
Business development & Investor relations	$ 56,464	$ 44,664	$ -

For the three months ended March 31, 2018

Administration expenses increased by $3,077 from the prior year due an increase in activity during the year. Management fees decreased by $9,742 as a result of reduced management salaries. Professional and consulting fees increased by $103,455 due to the additional work required to acquire and close the transactions listed in the results of operations and the addition of an advisory board member. Business development and Investor relations increased by $11,800 and covers planning meetings and attendance at numerous trade shows during the quarter.

Summary of Results & Selected Quarter Information

The following table sets for the selected financial information for Argo Gold Inc. for the most recently completed eight quarters. This information has been derived from Company's financial statements for the period and should be read in conjunction with financial statement and the notes thereto.

Quarterly Financial Information (unaudited)		2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2
(a)	Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(b)	Other Income	$ 15,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(c)	Net Income (loss)	$ (212,308)	$ (154,068)	$ (77,909)	$ (254,584)	$ (188,565)	$ (126,083)	$ (113,442)	$ (55,073)
(d)	Net Income (loss) per share	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.00)

For the three-month period ended March 31, 2018

The following table sets forth selected financial information for Argo Gold Inc. for the Quarters ended March 31, 2018 and 2017. This information has been derived from the Company's financial statements for the period and should be read in conjunction with financial statement and the notes thereto.

	For the three-month period ended March 31,	
	2018	2017
Revenues	**$ Nil**	$ Nil
Net income (loss) and comprehensive loss	**$ (214,058)**	$ (188,565)
Net income (loss) per share basic and diluted	**$ 0.01**	$ (0.01)
Total assets	**$ 1,435,765**	$ 780,244

Liquidity and Capital Resources

As at March 31, 2018 there was cash of $9,003 compared to cash of $118,263 as at March 31, 2017, and HST receivable of $119,178 compared to $22,798 as at March 31, 2017. HST accounts receivable increased due to outstanding 2017 and 2018 quarterly returns, 2017 refunds have since been received in April 2018 after the quarter end. The Company's March 31, 2018 short-term obligations consist of accounts payable of $194,081 (March 31, 2017 - $91,427).

The Company’s working capital at March 31, 2018 was a deficit of $51,832 compared to a surplus of $49,634 at March 31, 2017. The Company continues to keep administrative expenses to a minimum. The Company has been successful in accessing the equity market in the past and while there is no guarantee that this will be continue to be available, management has no reason to expect that this capability will diminish in the near term.

Outstanding Share Data

Shares, warrants and options outstanding are:

- Shares - As at March 31, 2018, the Company had outstanding and issued 29,827,928 common shares. During the quarter the Company issued 760,000 common shares to settle debts and 200,000 common shares to acquire properties. An additional 6,300 common shares were issued on the exercise of warrants.

- Warrants – As at March 31, 2018, the Company had 2,611,795 warrants outstanding. During the quarter there were 6,300 warrants exercised during the year for cash proceeds of $756.

- Stock Options - The Company has a stock option plan (the "Plan") to encourage ownership of the Company by its key officers, directors, employees and consultants. The maximum number of common shares that can be issued under the Plan at any time is a maximum of 10% of the issued and outstanding shares of the Company. As at March 31, 2018, there are 2,800,000 options outstanding.

Related Party Transactions

The following related party transactions occurred and were reflected in the financial statements during the quarters ended March 31, 2018 and 2017 as follows:

	March 31, 2018	March 31, 2017
Management fees and consulting fees expense:		
Management fees were charged by the CFO for corporate administrative and financial management services (note b)	**$ 4,200**	$ 13,942
Consulting fees were charged by the CEO for corporate administration (note b)	**$ 15,000**	$ 15,000
	$ 19,200	$ 28,942
Professional fees expense:		
Legal fees were charged by an officer/director for legal and corporate secretarial services	**$ 22,898**	$ 2,991

a) Included in accounts payable and accrued liabilities are consulting fees of $19,200 (2017 - $6,725) to the CEO and CFO for management fees, and legal fees of $42,460 (March 31, 2017 - $6,846) due to a company controlled by a director in common with the Company.

b) Key management compensation was incurred of $19,200 (2016 - $75,000) in salaries.

c) The debt settlement arrangements that occurred on 02-Feb-18, where the Company settled amounts payable of $15,000 to a company controlled by a director in common with the Company.

Subsequent Events

Subsequent to the quarter end, on April 04, 2018, the Company closed the transaction with Manitou Gold Inc. pursuant to which Argo Gold sold its 100% interest in 16 unpatented mining claims comprising its Rockstar Gold Project to Manitou Gold Inc. as detailed in the results of operations. On the closing Argo will recognize a gain on the sale in the amount of $691,615 which will be recognized in the quarter ending June 30, 2018.

Also subsequent to the quarter end, Argo Gold acquired nine claim units totaling 1.7 square kilometres near Angela Lake at the north end of the Birch Uchi greenstone belt in the Red Lake Mining Division. Very localized gold in basal till was discovered in the 1970's in an area with very little outcrop. Further exploration in the 1980's resulted in the discovery of boulders with visible gold, to 0.5 cm diameter on a cut surface, hosted within thin quartz veinlets in a metasedimentary host rock. Initial drilling in the 1980's encountered 0.3 metres of 3.7 g/t, and confirmed that the metasedimentary host rock encountered in drilling was identical to the boulders hosting the high-grade mineralization. Argo Gold believes follow-up exploration activity is warranted at the Angela Lake Gold Project to better define the structure, geology and mineralization. Initial field work is planned for the upcoming field season.

Additionally and also subsequent to the quarter end, Argo Gold staked approximately 2,074 hectares of additional mineral claims at its flagship Woco Gold Project as well as McVicar Lake, Abbie Lake, Macassa Creek and the Hurdman Silver Zinc Project.

Future accounting pronouncements

IFRS 9 *Financial Instruments*

On July 24, 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* ("IFRS 9"), which replaces IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 provides a revised model for the recognition and measurement of financial instruments including a single forward-looking 'expected loss' impairment model, amendments to the classification and measurement model for financial assets by adding a new fair value through comprehensive income category for certain financial instruments and provides guidance on how to apply the business model and contractual cash flow characteristics test. IFRS 9 also includes significant changes to hedge accounting. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company will adopt IFRS 9 for the annual period beginning January 1, 2018 on a retrospective basis. The Company has completed its assessment of the impact of IFRS 9 and does not expect the new standard to have a material impact on the Company's financial statements.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15") was issued by IASB in May 2014. IFRS 15 replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations on revenue. IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. Companies can elect to use either a full or modified retrospective approach when adopting this standard. The Company has completed its assessment of the impact of IFRS 15 and does not expect the new standard to have a material impact on the Company's financial statements.

IFRS 16 Leases

On January 13, 2016, the IASB published a new standard, IFRS 16 *Leases* ("IFRS 16"), eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use asset. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with earlier adoption permitted. The Company is assessing the impact of adopting this standard on its financial statements.

Comparative Figures

Certain comparative figures have been reclassified to conform to the current period's presentation. These reclassifications did not affect prior year's net losses.

Off-Balance Sheet Arrangements and Commitments

The Company has not entered into any off-balance sheet arrangements, other than previously disclosed, that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our Company.

The Company has no commitments, other than previously disclosed that has, or is reasonably likely to have, an impact on the current or future results of operations or the financial condition of our Company.

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, 2018 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 internal 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, 2018.

Risks and Uncertainties

The Company's business of exploring and developing mineral properties is highly uncertain and risky by its very nature. In addition, the ability to raise funding in the future to maintain the Company's exploration and development activities is dependent on financial markets, which often fail to provide necessary capital.

Regulatory standards continue to change making the review process longer, more complex and more costly. Even if an apparently mineable 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's 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.