

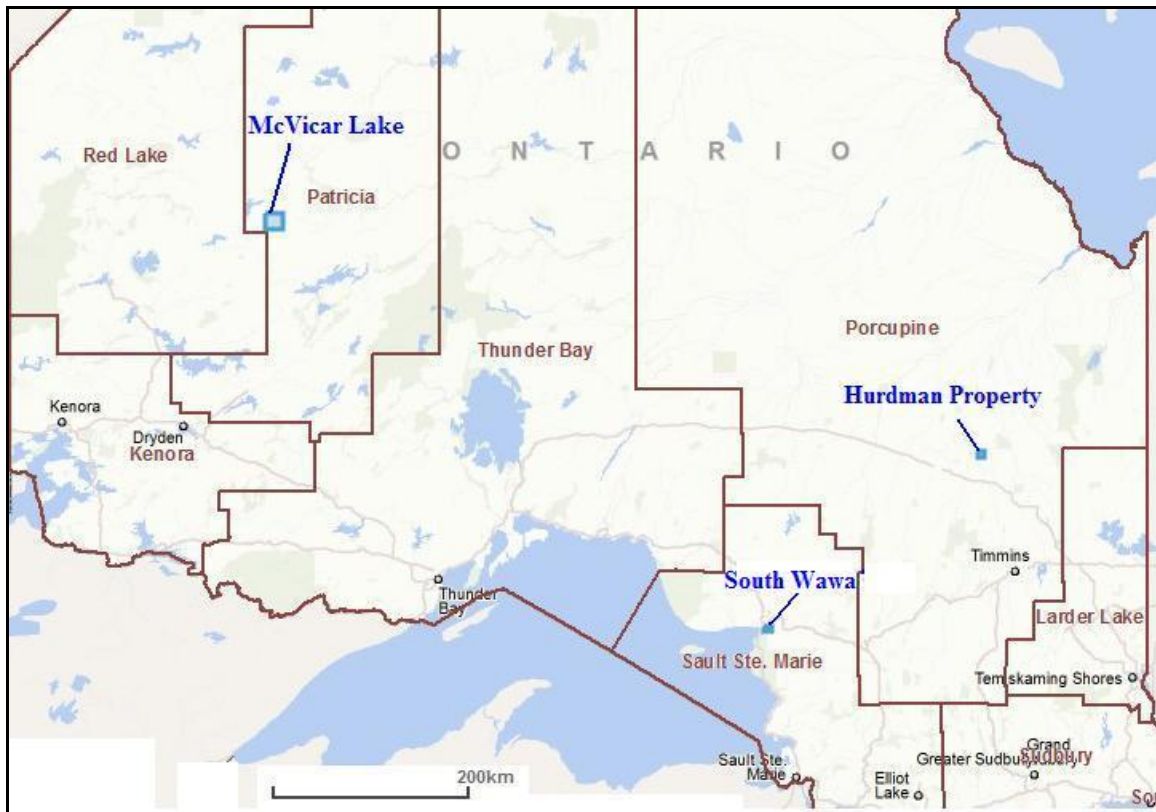
South Wawa Gold Property Naveau Township, Wawa Area

Location, Accessibility, Infrastructure and Local Resources

The South Wawa Property is located in the northeast corner of Naveau Township about 10 km southeast of the Town of Wawa. The property consists of two claim blocks consisting of 16 units totaling 260 Ha. The property is situated north of the Michipicoten River and is approximately 2.5 km long and 1 km wide.

The property can be reached by an all-weather road (High Falls Road) which leads eastward from the Trans Canada Highway (Highway 17) at a point about 5 km south of Highway 101 at Wawa. This road passes through the southern part of the claim group at approximately 10 km east from Highway 17. A power transmission line crosses the property and a number of logging roads and trails provide additional access from the High Falls Road.

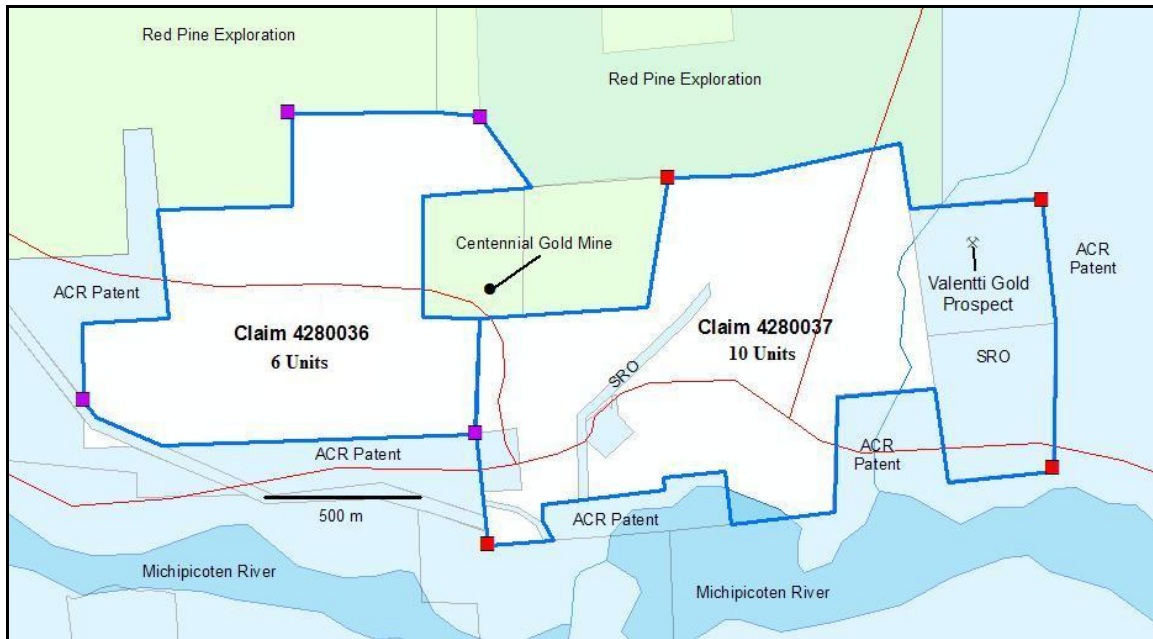
The property is near the High Falls hydro-electric generating station, one of three such stations in the immediate area. Wawa is a source of supplies and other local resources.



Location of the South Wawa Gold Property

Claim Ownership

Argo Gold Inc. has staked two claims 4280036 and 4280037, recorded on June 20, 2016 and due June 20, 2018. The property is encumbered by patents, leases, and staked claims to the north, south, east, and west. There are three known surface rights owners on the property. The property is bordered to the north by Red Pine Exploration Inc. and two units referred to as the Anderson Claims (historic Centennial Gold Mine). To the east, west and south the property is bordered by patented lands of the A.C.R.



South Wawa Gold Property Claim Staking by Argo Gold Inc.

Historical and Recent Exploration

Recent exploration is primarily concentrated on the Red Pine Exploration property to the north. Prospecting and assaying have been done on the two Anderson Claims covering the Centennial Gold Mine area to retain the claims in good standing.

The Centennial Mine was initiated during the early 1900s, but a small amount of gold was produced between 1935 and 1940. Historical files indicate that the main shaft reached a depth of 262 feet with levels at 125 and 250 feet. Crosscuts were driven from these levels to intersect parallel quartz veins. Total gold production was 610 ounces, but no ore grades are noted.

Most of the recent exploration took place between 1984 and 1994 (based on assessment file records). Ground magnetic and VLF surveys were completed in 1984. This was followed by detailed geological mapping completed by Sears (1985) and followed by a drill program in 1986 focusing on the Centennial Gold Mine.

No recent exploration has been completed on the Valentti Prospect between 2000 and 2015. The most recent exploration was completed in 1991 by Babcock and Desisle. The prospect was stripped, mapped and sampled. Channel samples ranged from 0.001 oz/ton over 1 metre to 0.87 oz/ton over 1.2 metres. Weighted average grade was 4 g/tonne over 3.4 metre width and over a length of 60 metres.

A soil geochemical survey was conducted by Babcock (1991) which identified the Valentti Prospect along with nearby areas of anomalous gold and pathfinder elements.

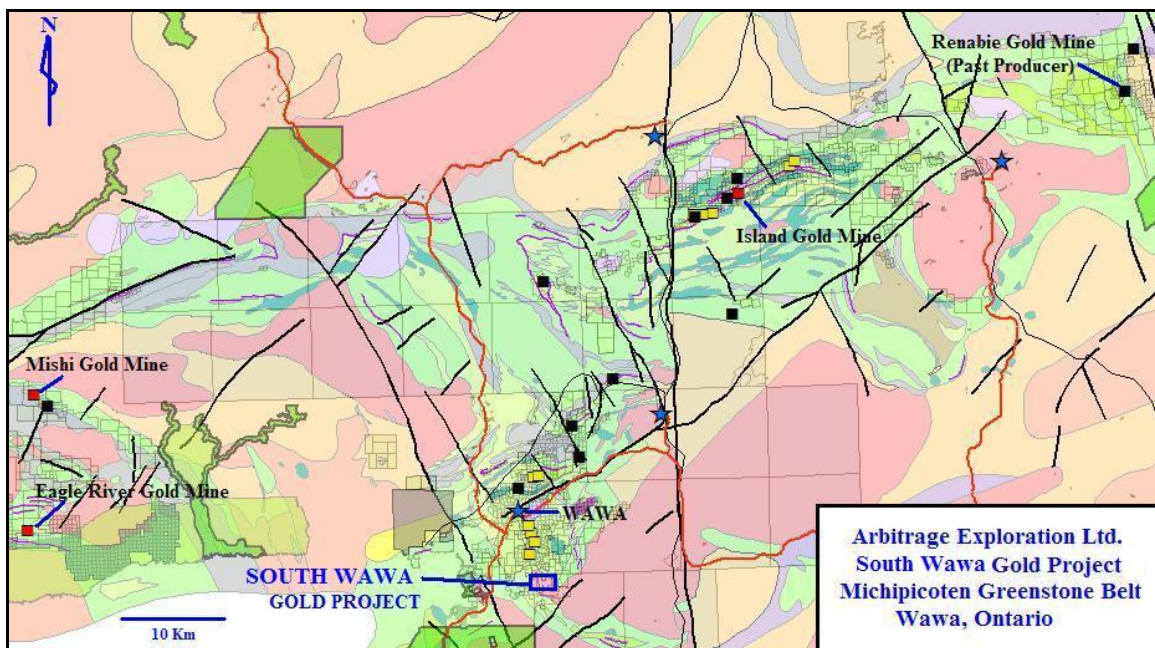
No drilling has been completed on the Valentti Prospect.

Geology, Structure, and Mineralization

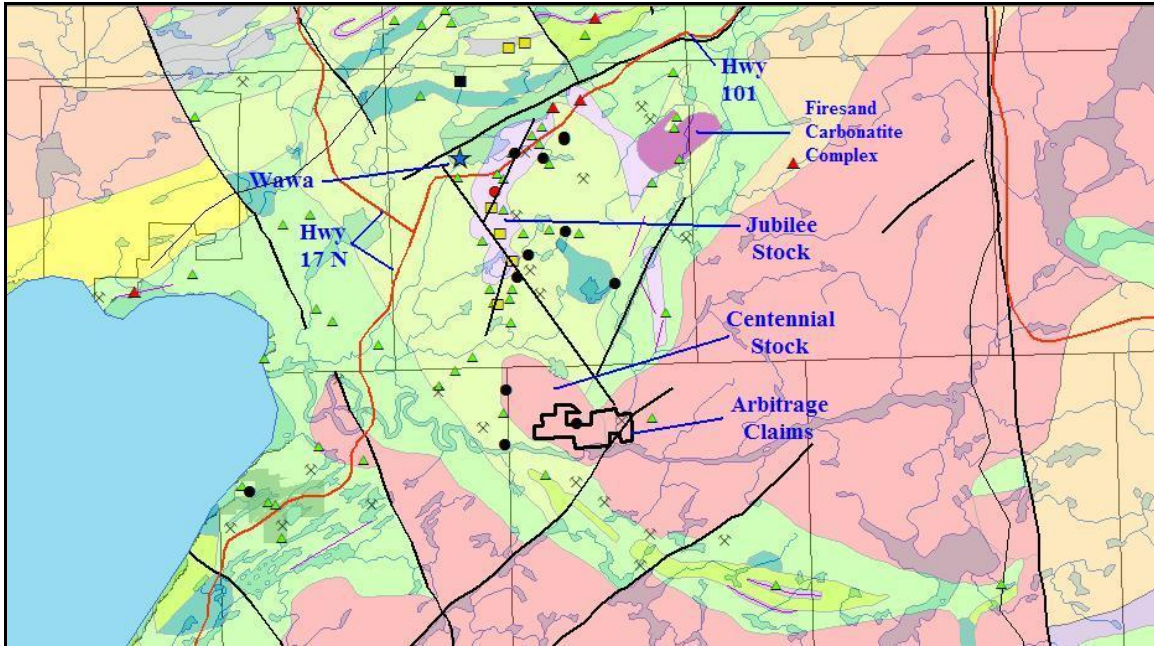
The South Wawa Property is underlain by rocks of the Centennial Stock, a granodiorite intrusive dated at 2737 +/- 6 Ma and by external granitoids dated at 2694 +/- 3 Ma. The Centennial Stock intrudes felsic to mafic metavolcanic rocks of the Michipicoten Greenstone Belt classified as part of Cycle 2 (Sage, 1993).

Many of the historic gold mines south of Wawa follow a NNE-SSW orientation closely related to the Jubilee and Darwin Shear Zones which have a similar strike with a 60° easterly dip. The Jubilee-Darwin Shear Zone is offset by a left lateral movement along the NW trending Parkhill Fault.

North of the Michipicoten River, historic gold mines and prospects are dominated by a NW orientation. Brittle-ductile shear zones are oriented WNW to NW and are inferred to form a wide deformation zone referred to as the Michipicoten River Deformation Zone (Frey, 1987).



Regional Geology, Michipicoten Greenstone Belt, current and past producing mines



Regional Geology, Southern Michipicoten Greenstone Belt

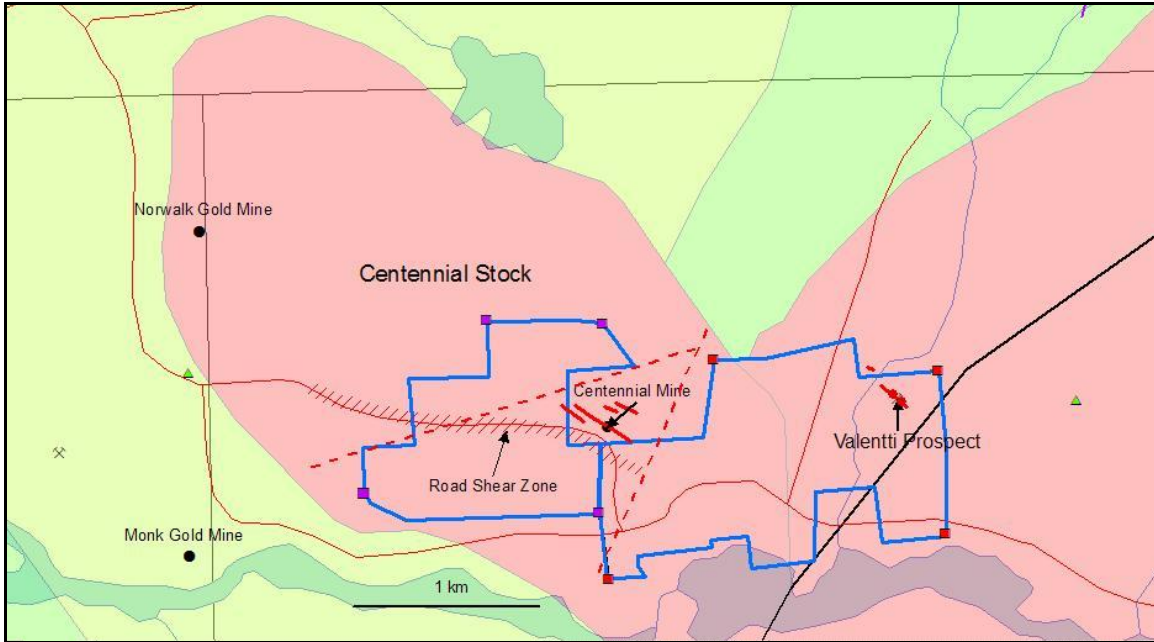
Centennial Gold Mine Area

The Centennial Gold Mine and surrounding area is characterized by gold-bearing quartz and quartz-carbonate veins contained in sheared zones of the Centennial granodiorite stock. The veins are oriented to the NW and dip 40 to 45° NE. Mineralization consists of pyrite, pyrrhotite and chalcopyrite with rare visible gold. The veins vary in thickness with the main vein ranging from 2 feet (0.6 m) to 7 feet (2.1 m). The main vein can be traced for about 350 m along strike. Red feldspar-carbonate veins and lamprophyre dikes cut the quartz veins.

A wide shear zone trending at 110° referred to as the Road Fault follows the High Falls Road (Sears, 1985). The fault zone is about 200 to 500 feet wide trending at 105° and consisting of strongly foliated and altered rocks with a schistosity varying from 080° to 120° (averaging 110°) and dipping steeply. Fissure veins cut across the Road Fault and strike at 060 to 080 with a southward dip of 60 to 80°. The Road Fault may be associated with the Michipicoten River Deformation Zone hosting the Monk Gold Mine to the west and other prospects to the northwest (Frey, 1987).

A northeast fault occurs northwest of the Centennial Mine and appears to be closely associated with the quartz veins and shear zones in the area east of the fault and may also be associated with the Monk Gold Mine and Valentti Prospect.

The most recent sampling and assaying in the area was done by G. Konig (1994) in which he sampled many veins and wall rock using 100 lb grab samples with results ranging from 0.01 oz/ton to 0.5 oz/ton Au (*NOTE: no assay certificates included in report*). A weighted average grade for all the samples and assays was calculated to be 0.14 oz/ton Au (4.69 g/tonne Au). This would be equivalent to a 3000 lb bulk sample.



Local Geology, Michipicoten River Area, Centennial Mine and Valenti Gold Prospect

Valenti Gold Prospect

The Valenti gold prospect occurs in granitoid intrusive rocks about 1 km east of the Centennial Gold Mine. The Valenti along with the Centennial, Norwalk, Fred C Shaft, and Monk Gold Mine all fall within the NW trending Michipitoten River Deformation Zone.

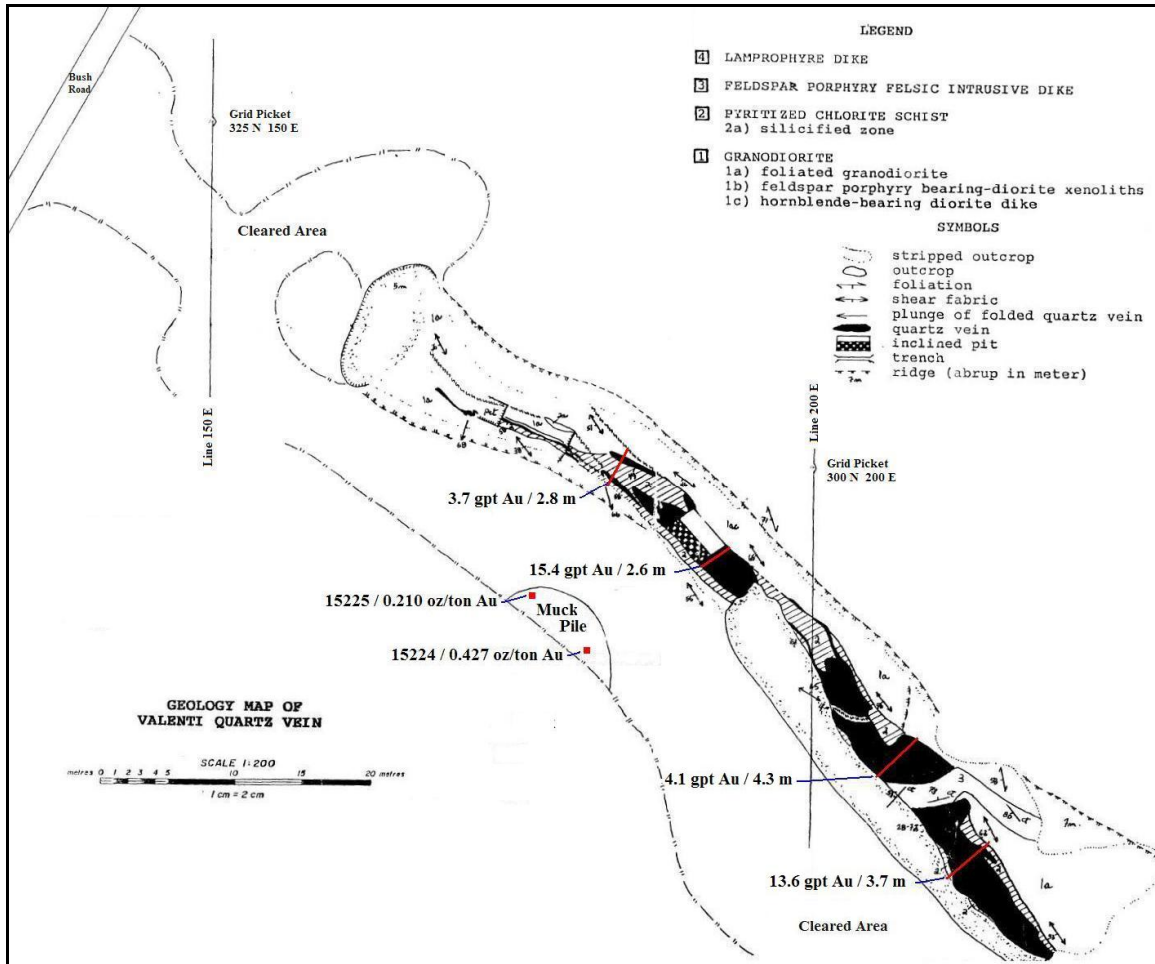
The Valenti Quartz Vein is located within the external granitoid and comprises four geological units: a granodiorite, pyritized chlorite schists, a feldspar porphyry intrusive dike and a lamprophyre dike. The external granitoid is primarily granodiorite and is in intrusive contact with the Centennial Stock based on geochronological dates.

The Valenti quartz vein has a northwest-southeast strike and dips moderately-to steeply southwest at about 60°. The vein is bounded by a narrow, friable, schistose, ductile-brittle shear zones composed of chlorite schist. The Valenti Quartz Vein displays two types of texture: 1) a massive sugary quartz vein and 2) a glassy to sugary crack and seal shear vein. The stripped and channel sampled part of the vein is exposed over a distance of 60 metres. Trenching occurs over a distance of 250 metres.

Analytical results indicate that the Valenti Quartz Vein and the pyritized chlorite schists are gold-bearing. The crack and seal vein is higher in gold concentration than the massive vein, and the pyritized chlorite schists are generally lower grade in gold mineralization. The quartz vein displays hook-shaped and tight Z folds with a steep south plunge. This kinematic indicator suggests a dextrally northeast-side up oblique, strike-slip shear.

The crack and seal shear vein at an inclined pit yielded 0.45 ounce gold per ton over 2.60 meters. A high-grade section of the vein situated in the southeast assayed 0.61 ounce gold

per ton over 2.40 meters. Pyritized chloritic schists assayed as high as 0.106 ounce gold per ton over 0.88 metres. Channel samples ranged from 0.001 oz/ton over 1 metre to 0.87 oz/ton over 1.2 metres. Weighted average grade was 4 g/tonne over 3.4 metre width and over a length of 60 metres.



Detailed Geology and selected channel gold assays

Summary of Channel Sample assays for the Valentti Vein

Channel	Width_m	oz/t Au	g/T Au
1	1.64	0.03	1.08
2	2.85	0.11	3.73
3	4.44	0.04	1.51
4	2.6	0.45	15.37
5	4.08	0.08	2.67
6	2.35	0.04	1.30
7	2.55	0.01	0.42
8	2.35	0.04	1.51
9	4.35	0.12	4.13
10	4.75	0.03	0.97
11	3.75	0.40	13.62
12	4.56	0.06	2.06

Summary

The Valenti gold prospect is on Argo Gold claim 4280037 and has been exposed over a distance of 60 metres and traced using soil geochemistry, which has also identified several possible en echelon vein systems. The vein is bounded by a narrow, friable, schistose, ductile-brittle shear zones composed of chlorite schist which likely represents a deformed mafic dike.

Over a 60 metre distance, 62 channel samples ranged from 0.001 oz/ton over 1 metre to 0.87 oz/ton over 1.2 metres. Weighted average grade was 4 g/tonne over 3.4 metre width over a length of 60 metres with channel spacing ranging from 2 to 7 metres. An inclined pit containing a crack and seal shear vein yielded 0.45 ounce gold per ton over 2.60 meters. One high-grade section of the vein situated in the southeast assayed 0.61 ounce gold per ton over 2.40 meters.

Extensions of the Centennial Gold Mine vein system strike onto Arbitrage Exploration property to the NW and SE. Several large (100 lb) samples analyzed by Konig (1994) indicated anomalous to high-grade gold in several mineralized quartz veins, but lack of assay certificates and accurate sample locations renders the results questionable.

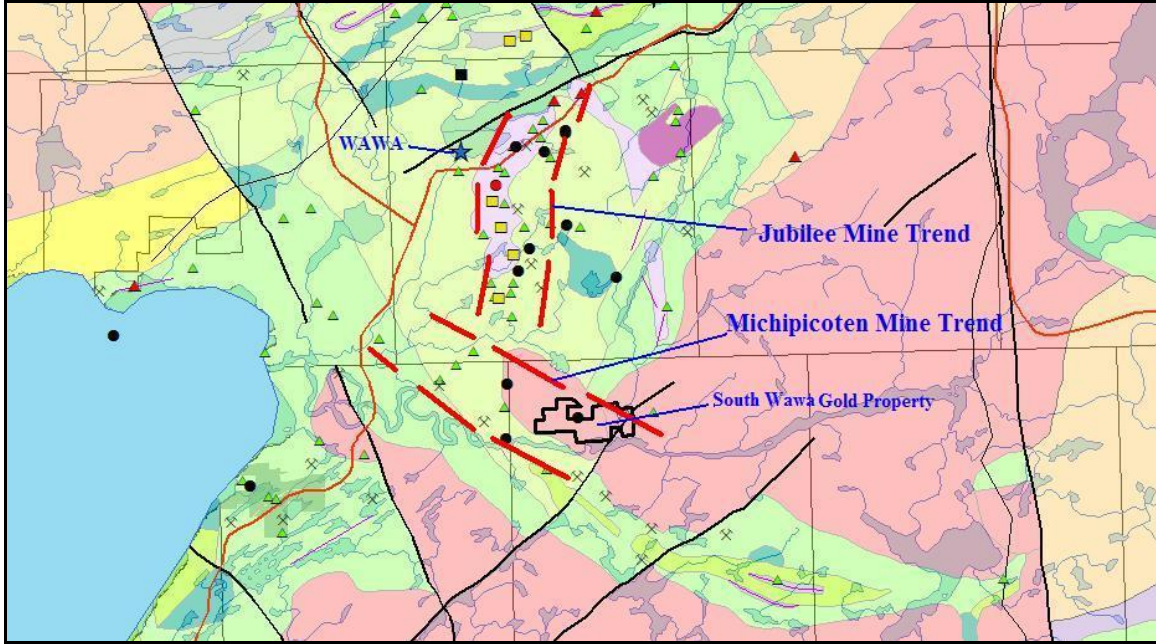
Conclusions

The Valenti prospect occurs along a NW-SE trending structural corridor that contains a number of similarly oriented shear-hosted vein systems in both felsic intrusive rocks and felsic to mafic metavolcanic rocks.

The Michipicoten River area is structurally distinct from the NNE-SSW trending historical gold mines associated with the Jubilee Stock such as the Surluga (Citadel) Gold Mine, Jubilee Gold Mine, Parkhill, Minto and Grace which fall along the Jubilee shear zone.

Deformation zones are present in both the Jubilee Lake mine trend and Michipicoten River areas, but have never been defined in any detail by the Ontario Geological Survey. The presence of historical gold mines along the Michipicoten River Deformation Zone is an indication that a strong mineralizing system was present and makes this an under-explored area with high gold potential.

No drill hole records have been found for the Valenti gold prospect and so little is known of the depth potential of the shear zone and vein system. Little information is available on sampling and gold grades of the various mineralized quartz veins in the Centennial Mine area.



South Wawa Area: Interpreted Regional Gold Mine Trends