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DIAMOND DRILLING AT INTERCEPT HILL PROJECT RECOMMENCES

Argo Exploration Ltd (**Argo**) (**ASX Code 'AXT'**) announced today it has recommenced drilling at the Company's Intercept Hill project, as it continues to explore for IOCG and base metal deposits in the Stuart Shelf of South Australia. As of Tuesday evening, the Company's fifth diamond drill hole, IHAD5, had advanced to about 10 metres depth.

The recommencement of drilling follows on from the successful completion of the first drilling campaign in 2007, which resulted in significant copper mineralization being intersected in IHAD2. Derived geological information obtained has now been carefully reviewed, integrated with detailed geophysical data and modeled to aid drill hole positioning for the 2008 campaign, which is expected to involve up to 8,000 metres of diamond drilling of priority targets.

IHAD5 is a 500 meter step-out to drill hole IHAD2 along strike between IHAD2 and IHAD3 and is planned to further test both Tapley Hill Formation base metal, and Basement IOCG, mineralization. It is designed to assess the potential for economic copper enrichment in the modeled hematite annulus about the partly hematite altered, copper-bearing magnetite ironstone body intersected in IHAD2. The IHAD5 drill hole position coincides roughly with the "null" point in magnetic gradient along the section between IHAD2 and IHAD3.

As the 2008 program recommences, Argo has appointed Dr Emmanuel Wembenyui as Senior Geologist to oversee the drilling operations and project. Prior to joining Argo, Dr Wembenyui was engaged in exploration and mining projects for Groote Eylandt Mining Company and Gladstone Pacific Nickel Ltd, Australia. He holds the degrees of Bachelor of Science (Hons) and Master of Science from the University of Buea, Cameroon and Doctor of Philosophy in Geochemistry from the University of Queensland, Australia. He is a Member of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Geological Society of Cameroon.

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ABOUT ARGO EXPLORATION

Argo Exploration Limited ('Argo') (ASX Code 'AXT') is a junior exploration company searching for IOCG, Gold, Uranium and Base metal deposits in prospective locations of the Gawler Craton, South Australia. Argo is a focused explorer searching for world-class ore deposits within two key project areas, namely Intercept Hill and Toondulya.

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Compliance Statement

The information in this report that relates to exploration results, mineral resources and ore reserves is based on information compiled by Mr J I Stewart, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Stewart has sufficient experience which is relevant to the styles of mineralization and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stewart consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.