

ASX/Media Release
15 December 2010

Argo-Xstrata Copper JV receives drill site clearances – drilling expected to commence February 2011

Melbourne, 15 December 2010 - Argo Exploration Ltd ('Argo; ASX Code 'AXT') announced today that it has received cultural heritage clearance for seven prospective sites located at the Company's Oak Dam South (3 sites) and Winjabbie East (4 sites) Prospect areas (Fig. 1). The cleared sites will allow comprehensive assessment of modelled geophysical targets.

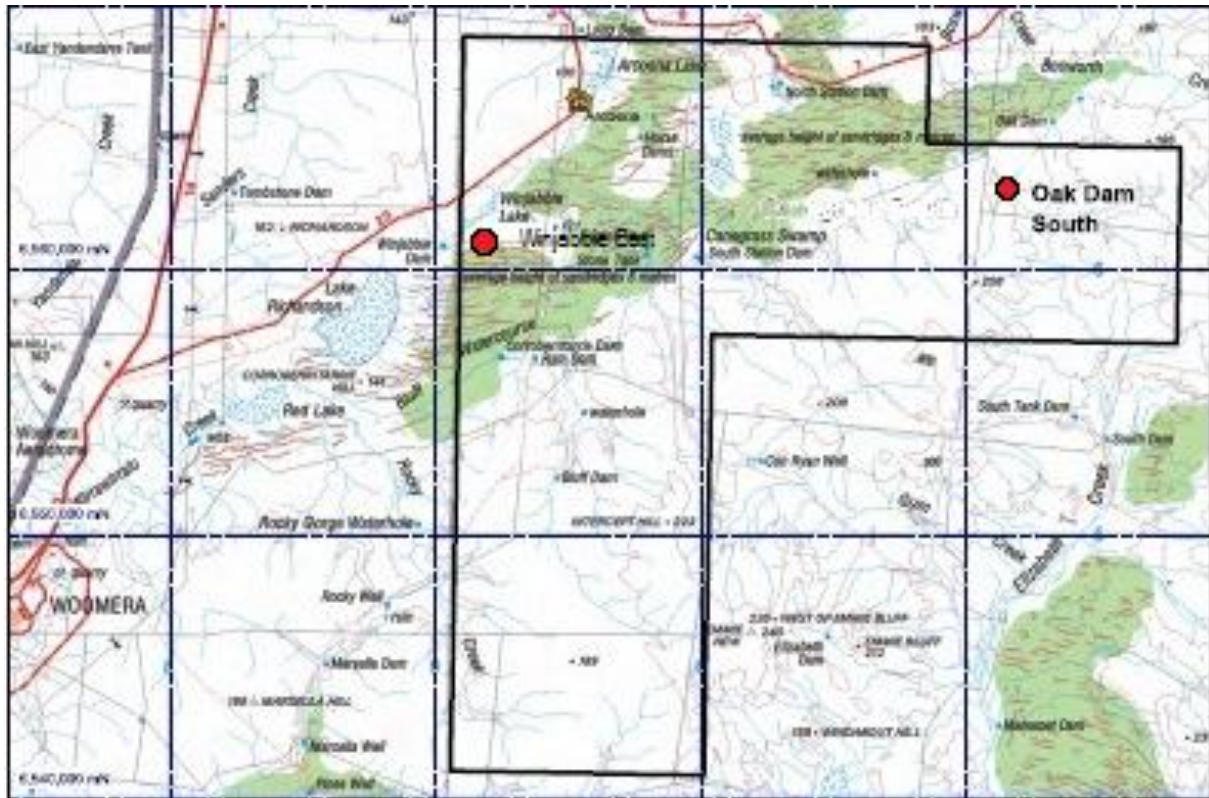


Figure 1: EL4164 Intercept Hill showing relative positions of Oak Dam South and Winjabbie East Prospect areas.

The first hole to be drilled under the Argo-Xstrata Copper Joint Venture is expected, subject to suitable rig availability, to be collared during February 2011 at Oak Dam South Prospect. Argo considers the Oak Dam South geophysical target to be a high priority target within the Intercept Hill tenement with the potential to host a significant iron oxide copper-gold (IOCG) mineralized system.

Argo announced in May that it had secured funding support in the amount of \$60,000 under the Plan for Accelerating Exploration (PACE) program towards the costs of drilling this hole as part of the JV's forward work program.

The PACE program is an initiative of the South Australian Government administered by Primary Industries and Resources SA (PIRSA). Applications for funding support are internally and externally peer reviewed against stringent technical, scientific and commercial criteria.

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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 Dr HK Herbert, who is a Member of the Australasian Institute of Mining and Metallurgy. Dr Herbert 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' Dr Herbert consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.