

JUNE 2009 QUARTERLY REPORT

ABOUT ARGO EXPLORATION LTD

Argo Exploration Limited ('Argo') (ASX Code 'AXT') is a junior exploration company searching for iron oxide copper-gold, 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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SUMMARY OF ACTIVITY

Activities during the Quarter have focused on essential data review and modeling of results from the Company's South Australian exploration assets while seeking potential Joint Venture partners to spread risk moving forward.

A full review of geochemical results from EL3156, Toondulya, is nearing completion and will be used, in conjunction with geophysical data modeling, to prioritize areas for further geochemical assessment and potential drilling upon grant of a continuation Exploration License.

Concurrently, Argo continues to review potential acquisition/JV opportunities in the resources sector, focusing on advanced projects likely to lead to early positive cash flow. No decision to acquire, farm-in, joint venture or merge has been made and the process is continuing as opportunities arise.

CORPORATE

The offer of a continuation Exploration License, without reduction, to supersede EL3156 Toondulya has been received and accepted. Notification of grant is expected early July.

Mr James Stewart resigned as a director of the Company, effective 01 July 2009.

Strategies implemented to reduce overhead costs have proven effective. Cash reserves at end of the June Quarter stood at \$4,146,330, a reduction of \$160,510 for the quarter, with no secured debt.

CORPORATE DIRECTORY

Board of Directors

Hugh Herbert Chairman & MD
 Meredith Bird Non-Executive Director
 Justin Hondris Non-Executive Director

Company Secretary

Melanie Leydin

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.

Issued Share Capital

Argo Exploration Ltd has 82,800,000 ordinary shares currently on issue.

In addition, there are 30 million options issued to cornerstone investors, directors and employees with an expiry date of 10 December 2010. The options are exercisable at \$0.20.

Quarterly Share Price Activity

	High	Low	Last
Sept 2008	\$0.160	\$0.030	\$0.070
Dec 2008	\$0.075	\$0.025	\$0.030
Mar 2009	\$0.060	\$0.027	\$0.035
Jun 2009	\$0.044	\$0.030	\$0.032

Registered Office

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Please direct shareholding enquiries to the share registry.