ARGO EXPLORATION LTD

MARCH 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.

Argo Exploration Limited
ACN: 120 917 535
Suite 304, 22 St Kilda Road
St Kilda Victoria 3182
Australia

Phone (61 3) 9692 7222
Fax (61 3) 9529 8057

www.argoexploration.com.au

Dr Hugh K Herbert, Chairman & Managing Director

Phone (61 7) 4636 2788 (Direct)
Fax (61 7) 4635 6867 (Direct)

Email
hugh.herbert@argoexploration.com.au

SUMMARY OF ACTIVITY

Exploration activities during the Quarter have focused on essential data review and modeling of results from the Company's South Australian exploration assets as the Board continues to seek potential Joint Venture partners to spread risk moving forward.

Economic modeling at Emmie North Prospect (Intercept Hill EL4164) is planned with the objective of establishing grade-tonnage parameters required to sustain economically viable iron oxide copper-gold (IOCG), and stratabound base metal, deposits within basement and cover sequence Tapley Hill Formation, respectively at >800 and ~400 meters depth.

Complementary further geophysical modeling is planned in an attempt to establish target size potential of the fertile Emmie North IOCG system to integrate with results derived from the economic modeling.

A full review of geochemical results from EL3156, Toondulya, is in progress.

Concurrently, Argo continued 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. In addition, the Company has reviewed potential early cash flow opportunities in the non-resources sector. The process is on-going.

CORPORATE

Strategies have been implemented that have significantly reduced overhead costs.

Cash reserves increased marginally during the Quarter with the maturing of interest-bearing deposits and, at end of the March Quarter stood at $4,306,840 with no secured debt. The difficulty of raising further capital under prevailing market conditions and current share price is expected to impact the Company's short- medium-term capacity to aggressively explore at its South Australian Projects.

CORPORATE DIRECTORY

Board of Directors

Hugh Herbert	Chairman & MD
Meredith Bird	Non-Executive Director
Justin Hondris	Non-Executive Director
James Stewart	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
Jun 2008	$0.265	$0.16	$0.16
Sept 2008	$0.16	$0.03	$0.07
Dec 2008	$0.075	$0.025	$0.03
Mar 2009	$0.06	$0.027	$0.035

Registered Office

Argo Exploration Limited
Suite 304, 22 St Kilda Road
St Kilda Victoria 3182
Australia
Phone (61 3) 9692 7222
Fax (61 3) 9529 8057
www.argoexploration.com.au

Share Registry

Computershare Investor Services Pty Ltd
Yarra Falls
452 Johnston Street
Abbotsford Victoria 3067
Australia
Phone 1300 850 505 (within Australia)
Phone (61 3) 9415 4000
Fax (61 3) 9473 2500
www.computershare.com.au

Please direct shareholding enquiries to the share registry.