

25 February 2011

# ASX ANNOUNCEMENT

## Drilling at Alford Project reveals copper mineralisation

- **Copper and silver mineralisation present in initial pre-collar assays**
- **Highlights of Intercepts include:**
  - **ALDDH10: 78m at 0.62% Cu from 88m**
  - **including 54m at 0.86% Cu from 88m**
- **3,000m drilling program to include 12 diamond drill holes currently underway**

Argonaut Resources NL (ASX: ARE) is pleased to announce results from the first batch samples analysed for the current drilling program at the Company's 100% held Alford project (EL3969) on South Australia's Yorke Peninsula.

The results received to date are from pre-collars for the first three holes drilled in the program. The pre-collars were drilled by mud rotary at the Netherleigh Park prospect (Figure 1). The intercepts are from weathered basement rocks and the mineralisation is predominantly copper oxide.

No drill core results had been received at the time of writing. Drill core is being progressively cut and submitted for assay.

The pre-collar, mud rotary results are shown in the table below.

Hole	From	Interval	Cu (%)	Ag (g/t)
ALDDH09	20	65.9		4.0
<i>including</i>	48	12		10.8
<i>and</i>	36	8	0.16	
ALDDH10	32	4	0.13	
<i>and</i>	32	141.5		3.9
<i>including</i>	136	4		40.6
<i>plus</i>	52	12	0.13	
<i>and</i>	88	<b>78</b>	<b>0.62</b>	
<i>including</i>	88	<b>54</b>	<b>0.86</b>	
ALDDH11	28	58.4	0.19	

Importantly, the depth to fresh basement in drill hole ALDDH10 was 173.5m compared to typical depths of 80-90m. The target zone was intersected from 88m by the pre-collar, rather than diamond core. Although oxidised, the new intercepts confirm a NNE striking linear trend of copper mineralisation at Netherleigh Park which is now shown to extend over 270m.

The exploration program will target a range of mineralisation styles across three prospect areas (Figure 1). The company plans to drill 12 diamond core holes to approximately 250m for a total of 3,000m.

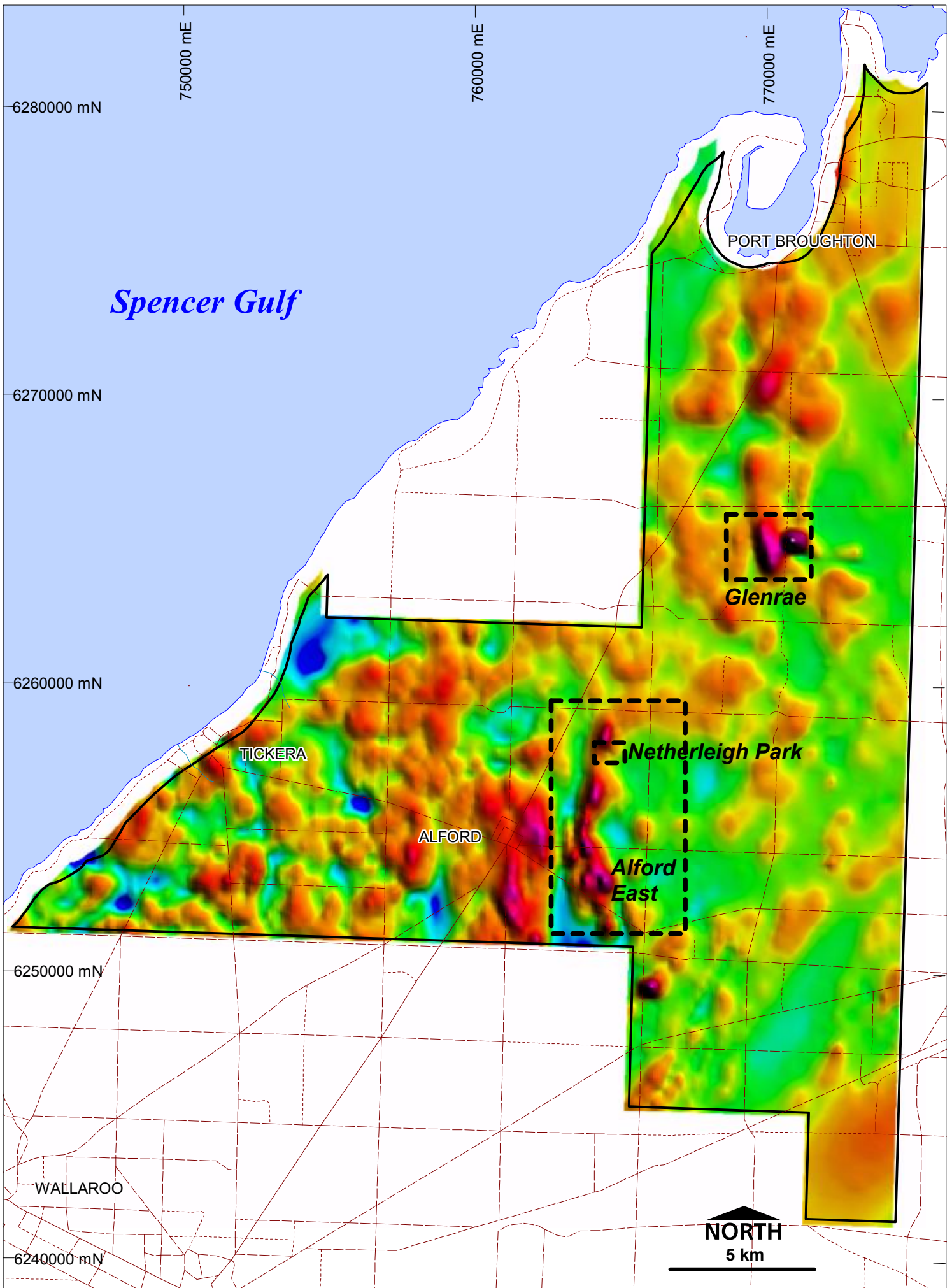
The Company has now received airborne heli-mag data and ground gravity data for the Glenrae prospect. These data sets are currently being modelled with a view to generating iron oxide copper-gold ("IOCG") drill targets in the Glenrae area.

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*Sections of information contained in this report that relate to Exploration Results and Mineral Resources were compiled or supervised by Mr Lindsay Owler BSc, MAusIMM who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Argonaut Resources NL. Mr Owler has sufficient experience which is relevant to the style of mineral deposits 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 Mineral Resources and Ore Reserves". Mr Owler consents to the inclusion in this report of the matters based on his information in the form and context in which it appear.*



## ALFORD DRILL INTERSECTIONS

Hole	East	North	RL	Dip	Azimuth	Total Depth	From	To	Interval	Cu (%)	Ag (g/t)	Comment
ALDDH09	764,540	6,257,710	50	-60	135	260.0	20	85.9	65.9		4.0	MR
<i>including</i>							48	60	12		10.8	MR
							36	44	8	0.16		MR, AP
ALDDH10	764,590	6,257,775	50	-60	135	260.8	32	36	4	0.13		MR
<i>and</i>							32	173.5	141.5		3.9	MR
<i>including</i>							136	140	4		40.6	MR
<i>plus</i>							52	64	12	0.13		MR
<i>and</i>							88	166	78	0.62		MR
<i>including</i>							88	142	54	0.86		MR, AP
ALDDH11	764,430	6,257,545	50	-60	135	258.4	28	86.4	58.4	0.19		MR, AP

**Notes**

- 1 Pre collars by mud rotary drilling
- 2 1m sample interval in diamond core
- 3 Analysis by ALS - Methods ICP61 and Cu-OG62
- 4 Coordinate System: MGA/GDA94, Zone 54
- 5 NSI = No Significant Intercepts
- 6 AP = Assays Pending
- 7 MR = Mud Rotary intercept