

27 April 2011

ASX ANNOUNCEMENT

Highly successful March Quarter leaves Argentina Mining poised for aggressive exploration program

March 2011 Quarter Activity Report and Drilling Update

- Argentina Mining Limited listed on ASX on 9 March 2011.
- Initial Public Offering (IPO) raised \$6 million (before costs).
- Historic drill core located in government archives confirms potential for porphyry copper-molybdenum mineralisation at the Cerro Blanco Cu-Mo Project.
- Road access upgraded and drill sites prepared for maiden drilling program at Cerro Blanco.
- Diamond drilling commenced on 11 April 2011 at Cerro Blanco.
- Drilling proceeding very well, with first drillhole MC3 reaching 337.3 metres downhole by Monday 25 April 2011, on target for 400 metres depth.
- Highly sulphidized, brecciated and stockwork-fractured andesite porphyry, with visible copper sulphides, encountered throughout majority of MC3, to 337.3 metres.
- Geophysics commissioned for Tres Amigos Cu-Au-Ag Project.
- Field offices established in San Juan City, Argentina.

Overview

Argentina Mining Limited (ASX: AVK) is pleased to report that the March 2011 quarter was extremely successful, with the Company listing on the ASX after raising \$6 million in a heavily-oversubscribed IPO and preparations being made for the start of its maiden drilling program at the Cerro Blanco copper-molybdenum project in Argentina.

Cerro Blanco is one of several gold and base metal exploration projects the Company holds in the San Juan Province, Argentina (Figure 1). The others include Amiches, San Francisco and Tres Amigos, which include significant vein gold-copper and porphyry copper targets, and regional exploration projects near Barrick Gold Corporation's major Veladero (Reserves 12Moz Au) and Pascua-Lama (Reserves 17.8Moz) gold operations (Figure 2).

During the March 2011 Quarter, the Company's principal efforts were directed towards preparation for diamond drilling at the Cerro Blanco Project and geophysical surveying at the Tres Amigo Project.

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Figure 1 – Argentina Mining Limited’s Project Locations

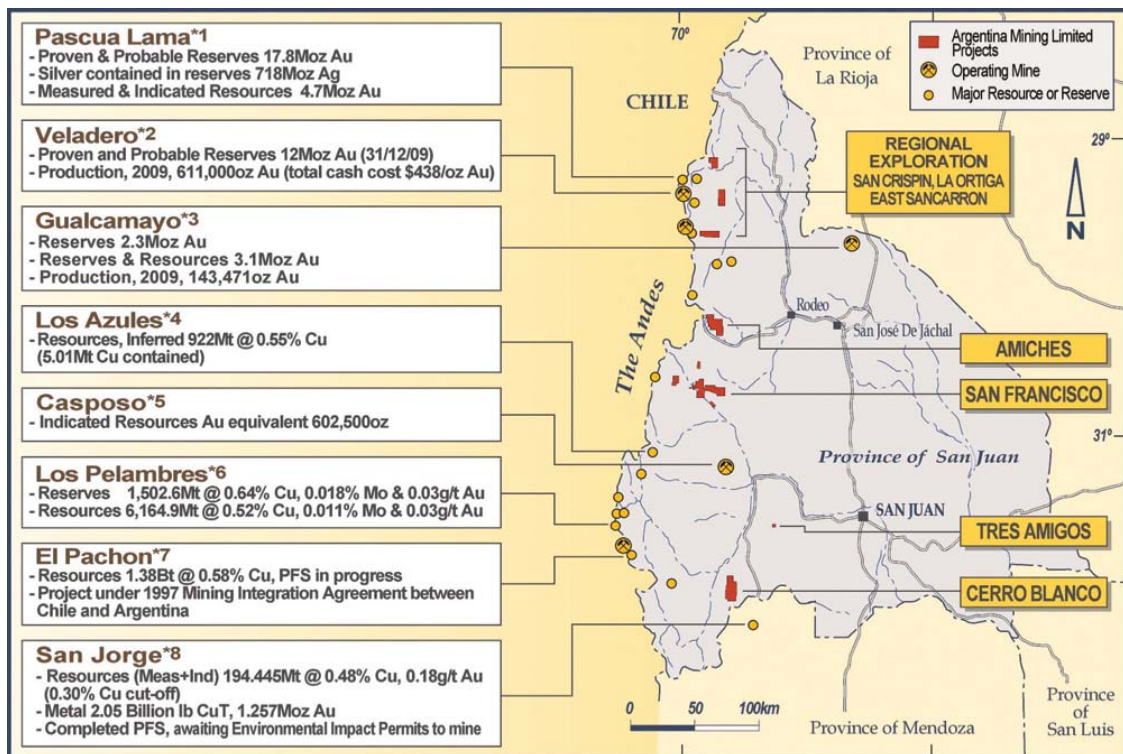


Figure 2 – Proximity of Argentina Mining Limited’s Projects to Other Major Projects in San Juan Province, Argentina

Drilling commenced at Cerro Blanco on 11 April 2011 and assay results are expected in May/June 2011.

Argentina Mining's cornerstone investor is Independence Group NL (ASX: IGO), which hold a 19.9% stake in the Company.

Exploration Activities

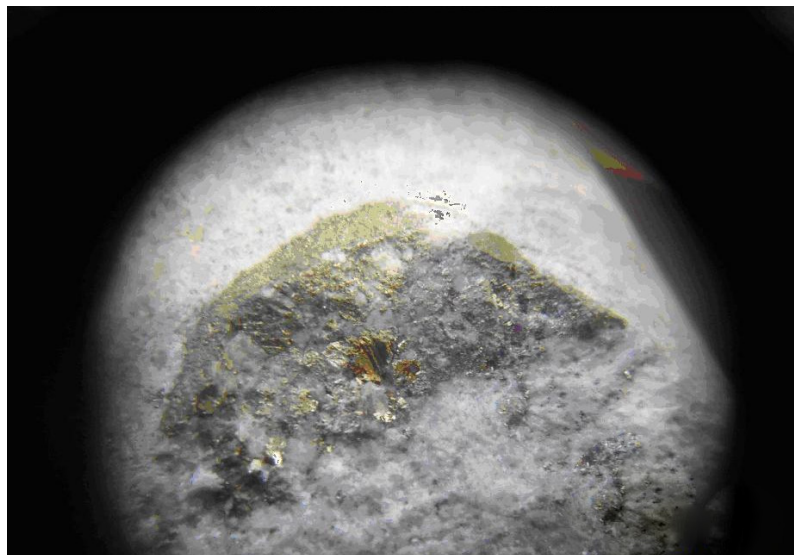
The following exploration activities were undertaken during the reporting period:

Cerro Blanco Cu-Mo Project

Upgrading of the access road into the Cerro Blanco project area and establishment of drill pads and water tanks was undertaken in preparation for diamond drilling which commenced on schedule on 11 April 2011. The Company dry-hired a light water truck suited to the steep access to assist with water supply to the drill rig.

The diamond drilling rig was prepared for installation at Cerro Blanco. It is a compact diesel-hydraulic, demountable rig well-suited to the steep terrain typical of the Andes. Under ordinary drilling conditions, the rig is rated for a maximum depth capability of 300 metres with NTW sized core and 500 metres with BTW sized core.

Following a search of exploration records, historic diamond drill core from drillhole CB3 completed in 1968 at the Cerro Blanco Project was located in a government warehouse in Mendoza City (refer ASX announcement dated 10 March 2011).



**Figure 3 - Core photograph 1 – DDH CB3 – at 122m
Primary chalcopyrite and bornite in potassic altered andesite**

Diamond drillhole CB3 was drilled to 179m downhole depth at the very shallow angle of 10° from horizontal into the flanks of the Copper Hill Prospect at Cerro Blanco, intersecting broad zones of anomalous copper and molybdenum mineralisation (Figure 4).

The principal outcome of the review of the CB3 diamond drill core was confirmation that the copper and molybdenum sulphide mineralisation and host rock alteration encountered, is analogous to other known porphyry copper deposits in the region. Given the known size and extent of the mineralised and altered system evident at surface and the very limited amount of sub-surface exploration to date, the Copper Hill area warrants continued exploration.

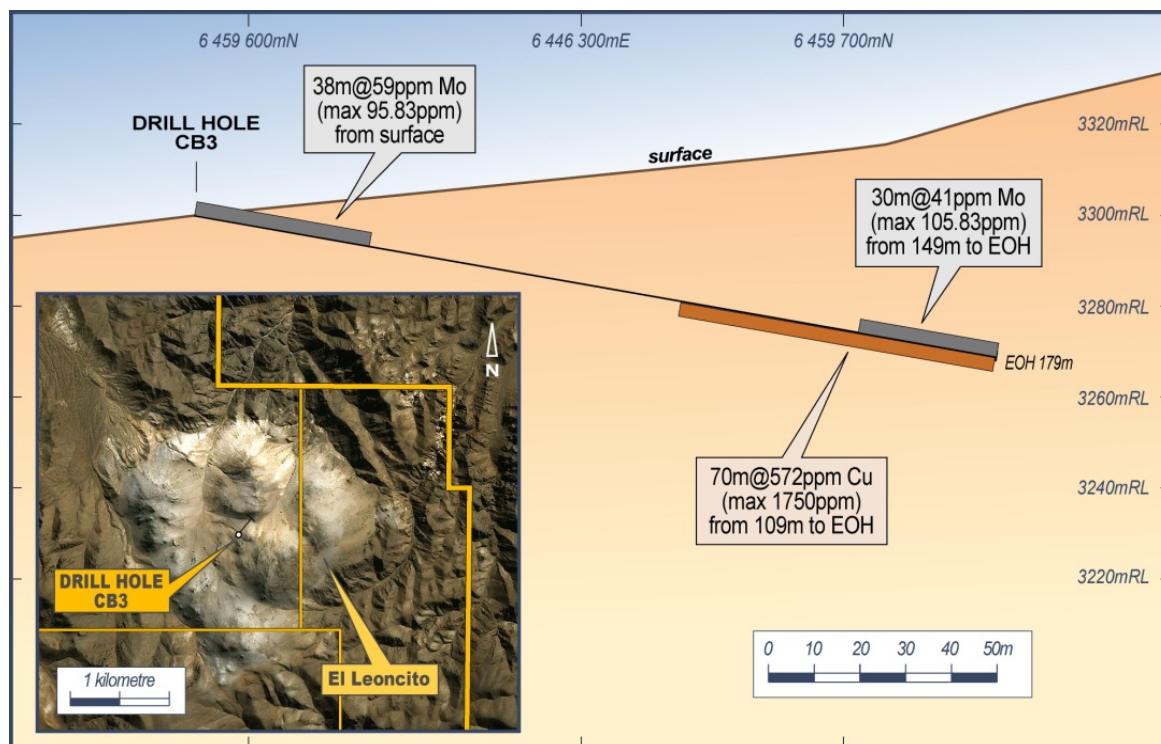


Figure 4 – Stylized section of DDH CB3 showing Copper & Molybdenum intercepts of interest (from AVK Prospectus)

The first two diamond drillholes scheduled by Argentina Mining, with a possible third contingent hole, are intended to be “proof-of-concept” holes to verify the mineralisation indications recorded in the original holes. They are therefore similarly located but will penetrate the interpreted mineralised structure to a much greater depth (nominally 300-400m) than was achieved by the limited drilling technology available to the original exploration undertaken by the government agency in 1968.

Tres Amigos Au-Ag-Cu Project

On 18 March 2011, Argentina Mining commissioned Quantec International Project Services Ltd to undertake a surface geophysical exploration program at the Tres Amigos Copper-gold Project, located 51km north-east of the Cerro Blanco Project, in the Andean Precordillera, and only a short distance from the Company’s local exploration base in the township of Barreal.

The geophysical survey is scheduled to commence in May 2011 and is a combined program employing the three following geophysical methods:

1. Magnetics
2. Dipole-Dipole Induced Polarisation/Resistivity
3. CSMAT (Controlled Source Magneto-Audio -Tellurics).

Two target types have been identified at Tres Amigos:

1. High grade sulphide and gold -rich quartz-ironstone veins of epithermal/porphyry origin in radial and circumferential shears and faults.
2. Copper-gold mineralisation in the core porphyry intrusive and its surrounding contact metamorphic aureole.

This combined geophysical survey is designed to identify deeper magnetic or conductive sources which may be associated with mineralisation, define the outline of shallower porphyry-related disseminated sulphide mineralisation and to better define important controlling geological structures such as faults and shear zones at varying depths.

Drilling Update – Cerro Blanco Project

By Monday morning, 25 April 2011 (Argentina Time), the first diamond drillhole at the Cerro Blanco Project, MC3, had reached 337.3 metres downhole depth, after advancing smoothly to that depth.

The drillhole at that time was being prepared to step down in drill core size from NTW to BTW, with the intention of continuing the drillhole to its nominal target depth of 400 metres.

Satisfactory and consistent daily drilling advances have been achieved in MC3, with high core recoveries.

A highly sulphidized andesite porphyry system has been encountered throughout the majority of the drillhole to 337.3 metres, with extensive brecciation, stockworking and visible fracture-controlled copper sulphide mineralisation reported.

Drill core logging, cutting, sampling and submission of core samples to an accredited mineral assaying laboratory was proceeding.

Corporate

Initial Public Offering

On 9 March 2011 the Company listed on the ASX after its heavily oversubscribed IPO raised \$6 million (before costs) by way of the issue of 30 million ordinary fully paid shares at \$0.20 each and the issue of 15 million free-attached Options exercisable at \$0.20 each and expiring 9 March 2015.

Shares trade under ASX code: AVK
Options trade under ASX code: AVKO

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Competent Persons Statement

Information in this report that relates to Exploration Results is based on information compiled by Mr Doug Bright, a member of the Australasian Institute of Mining and Metallurgy and a director of and consultant to Argentina Mining Limited. Mr Bright has sufficient experience relevant to the style of mineralization and type 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 Bright consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.