INDEPENDENT EXPERT CONFIRMS SIGNIFICANCE OF COPPER HILL Cu-Au-Mo PORPHYRY DISCOVERY AND INDICATES POTENTIAL FOR NEW HIGHER-GRADE MINERALISED ZONES

Expert concludes Copper Hill shares characteristics of other major Andean porphyry deposits and has potential to attain world-class deposit status

HIGHLIGHTS

- Discovery of potentially large-scale mineralised porphyry confirmed by Independent Geologist’s report on Copper Hill Porphyry Cu-Au-Mo Project
- Alteration-transition zones noted in drill-core are important mineralisation guides
- Surface geochemistry supports evidence from drilling of new central and eastern target zones
- Leached cap, supergene zone and deeper primary zone drill targets identified
- Shallow leached cap – supergene zone drilling recommended
- Primary zone drilling recommended
- Rhenium-molybdenum and other valuable metal associations recommended for investigation

Argentina Mining Limited (Argentina Mining or the Company) (ASX:AVK) is pleased to advise that it has received from Chilean independent geological consultants GeoscanEx S.A.2 a comprehensive and detailed report, entitled Copper Hill Project, San Juan Province, Argentina NI 43-1011 Technical Report, 27 February 2012 on the progress of the Company’s exploration at the Copper Hill Copper-Gold-Molybdenum Prospect (“Copper Hill”). Currently, Copper Hill is the Company’s principal focus of exploration at its Cerro Blanco Project in San Juan Province, Argentina.

Argentina Mining contracted the services of GeoScanEx SA to provide this independent assessment of exploration at Copper Hill, which includes results from the Company’s maiden diamond drilling campaign undertaken between April and December 2011. This drilling was conducted in two phases; an initial “proof of concept” phase, followed by a second phase of three deep drill holes. This drilling intersected broad zones of primary porphyry copper-gold-molybdenum sulphide, overlain by supergene and leached zone oxide mineralisation.

The objective of the independent assessment was to provide an opinion on the potential of the Copper Hill Prospect for discovery of an economic porphyry copper-gold-molybdenum deposit and to recommend directions for future exploration.

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After reviewing all exploration undertaken at Copper Hill and undertaking independent fieldwork, including further mapping and sampling at the project site, Geoscanex concluded that:

- The Copper Hill porphyry Cu-Au-Mo deposit shares the characteristics of other well-known large-scale Andean porphyry copper-style deposits developed in and around Tertiary-age dacitic porphyries which have intruded older Permo-Triassic volcanic and intrusive complexes, and has the potential to attain the status of a world-class deposit.

- The geological characterisation of the deposit and its location in a well-defined belt of continental porphyry copper deposits makes it possible to anticipate potential for a large volume of mineralisation, which can be corroborated from the results of geophysics.

- From the studies undertaken, only a minor portion of the main mineralised body is known, principally on the western edge of Copper Hill, while results from surface mapping, geochemistry, geophysics and drilling indicate that only a peripheral western mineralised zone has been intersected in drilling to date, and that indicated potentially higher grade central and eastern zones remain to be tested.

- The results of the geochemical distribution of copper, molybdenum and gold grades at surface enable significant inferences to be made with respect to the potential to discover other areas of greater prospectivity and mineralised volume potential.

- The deep primary mineralisation intersected in drilling by Argentina Mining is dominantly pyrite and chalcopyrite.

- A pronounced copper-gold mineralised leached cap has developed at surface, with an average thickness of about 20m.

- At a greater depth and of similar thickness to the leached cap, a zone of supergene copper oxides has developed. This zone is composed mainly of malachite, chrysocolla, turquoise and azurite. If further drilling indicates this zone to be laterally persistent it may prove economically significant.

- Phyllic quartz-sericite alteration is the most common alteration process and is of the most extensive distribution; this alteration style interfaces with abundant potassic alteration and is expressed mainly as veins and stock-works of quartz or gypsum.

- The transition zone from phyllic to potassic alteration styles noted in drill-core is associated with increasing mineralisation and is of great significance as a guide to determining areas of possible higher grade mineralisation.
• Disseminated bornite, chalcocite and covellite occur in some places, in association with pyrite and chalcopyrite, especially at the important phyllic-potassic alteration interface. These zones probably result from hypogene alteration of pyrite and chalcopyrite respectively and are often of notably higher grade, attaining copper grades of 0.7% Cu, with molybdenite concentrations up to 600ppm Mo or higher. An increase in copper, molybdenum and gold values is noted in a 75m interval between 240m and 315m depth in diamond drill-hole MC-3 and is related to this alteration interface.

• The hydrothermal alteration and mineralisation system of Copper Hill is influenced by major controlling NNW to NW-trending structures on which normal faults have displaced mineralised blocks, especially in a vertical direction, such that in some cases primary mineralisation may be observed at surface.

• The results of three separate geochemical surveys shows higher levels of surface copper anomalism in the western sector of Copper Hill, with a distinct ring of relatively anomalous copper values in the vicinity of the known mineralised body.

• Molybdenum anomalism coincides with that of copper, although other interesting molybdenum anomalism appears to be controlled by important structural trends in the eastern sector of Copper Hill, which has not yet been tested by drilling.

• Given the generally strong copper-molybdenum association, anomalous molybdenum in the eastern zone may be a useful indicator of copper potential in that area.

On the basis of its conclusions, GeoScanEx recommended:

• Additional detailed geological and structural mapping.

• A study of the relationships between limonite and other iron oxides found at surface in the leached cap and in secondary and primary copper-bearing oxides.

• Study the geochemical distribution of molybdenum, as an exploration guide to higher grade copper-gold-molybdenum mineralisation.

• Undertake 1,650m of shallow drilling penetrating below post-mineralisation volcanics to explore the leached cap, supergene zones and shallower primary sulphide zones.

• Undertake 2,550m of deeper inclined and vertical diamond drilling to locate higher grade primary Cu-Au-Mo mineralisation in the inferred central and eastern mineralised zones.

• A trial analysis for rhenium in high grade molybdenum samples and to examine other potentially valuable metal associations.
The Board of Argentina Mining Limited is greatly encouraged by GeoScanEx’s conclusions and recommendations and their value in providing future exploration direction at Copper Hill.

The findings of the report provide strong support and direction for the existence and location of untested potentially larger volumes and higher grades of porphyry Cu-Au-Mo mineralisation, copper-gold leached cap deposits and copper-rich supergene deposits.

The Board is now carefully considering these findings and examining drilling options, with a view to recommencing drilling at Copper Hill later in 2012.

Figures 1 and 2 below show schematic cross-sectional relationships between existing drill hole intersections and new target zones for primary, leached cap and supergene zone mineralisation.

Figure 1: Schematic Section SW-NE
GeoScanEx S.A. was commissioned to prepare their report to conform to the guidelines for reporting set by NI 43-101, a national instrument for the Standards of Disclosure for Mineral Projects within Canada and which is broadly comparable to the Joint Ore Reserves Committee Code (JORC Code), which regulates the publication of mineral resource reports on the Australian Stock Exchange (ASX). The reason for this is that Argentina Mining is anticipating that further drilling at Copper Hill will enable the estimation of mineral resources for the Copper Hill and wishes to set in place appropriate reporting standards from the outset.

GeoScanEx SA is a mineral resources consultancy based in Santiago, Chile. The author of the Copper Hill Project, San Juan Province, Argentina NI 43-101 Technical Report, 27 February 2012 is Mr Orlando Alvarez, a graduate of the University of Chile and presently Geology and Exploration Manager of GeoScanEx. Mr Alvarez has 45 years experience in the area of the exploration; geological management and mining of porphyry copper deposits both in Chile and throughout the world and is a ‘Qualified Person’ as defined in the Canadian National Instrument 43-101.
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About Argentina Mining Limited
Argentina Mining Limited listed on ASX on 9 March 2011. The Company is exploring a suite of gold and base metal projects in San Juan Province, Argentina. These projects range from the established porphyry copper-gold-molybdenum project at Cerro Blanco, epithermal vein gold and copper mineralisation at Amiches, San Francisco and Tres Amigos and regional exploration projects near Barrick Gold Corporation’s major Veladero (Reserves 12Moz Au) and Pascua-Lama (Reserves 17.8Moz) gold operations.

The Company’s 2011 maiden exploration program at the Copper Hill Prospect at Cerro Blanco intersected broad zones of porphyry copper-gold-molybdenum mineralisation in five diamond drill holes, confirming the presence of a large mineralised porphyry sulphide and oxide system. The company is planning follow-up drilling in 2012.

Competent Person Statement
The information in this report relating 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 geological consultant to Argentina Mining Limited. Mr Bright has sufficient experience relevant to the style of mineralisation and type of 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 Exploration Results, Mineral Resources and Ore Reserves.’ Mr Bright consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.