

## Activities Update 2009

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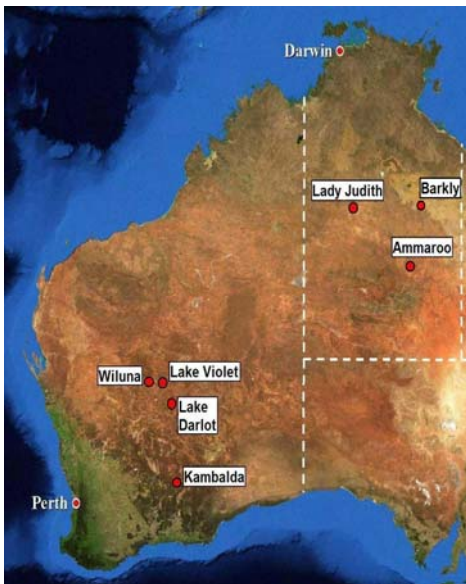
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#### Major Shareholders:

Westgold Resources Ltd	37.02%
Metals X Limited	11.35%



### Overview

Aragon Resources is pleased to provide an outlook for planned exploration activities in 2009. Aragon intends to conduct modest programs of value-driven exploration, focused on our key prospects at Mission and Cables (gold) and Lake Lefroy (nickel) in Western Australia, and at Ammaroo (phosphate) in the Northern Territory. All exploration expenditures will be financed from current cash reserves of \$5 million. Approximately \$1.4M has been budgeted for on-ground exploration at these key prospects during 2009.

Aragon is well placed to take advantage of any opportunities that may arise as a result of the current uncertain market conditions. The company will continue to seek acquisitions while executing prudent exploration in those areas identified with the greatest potential.

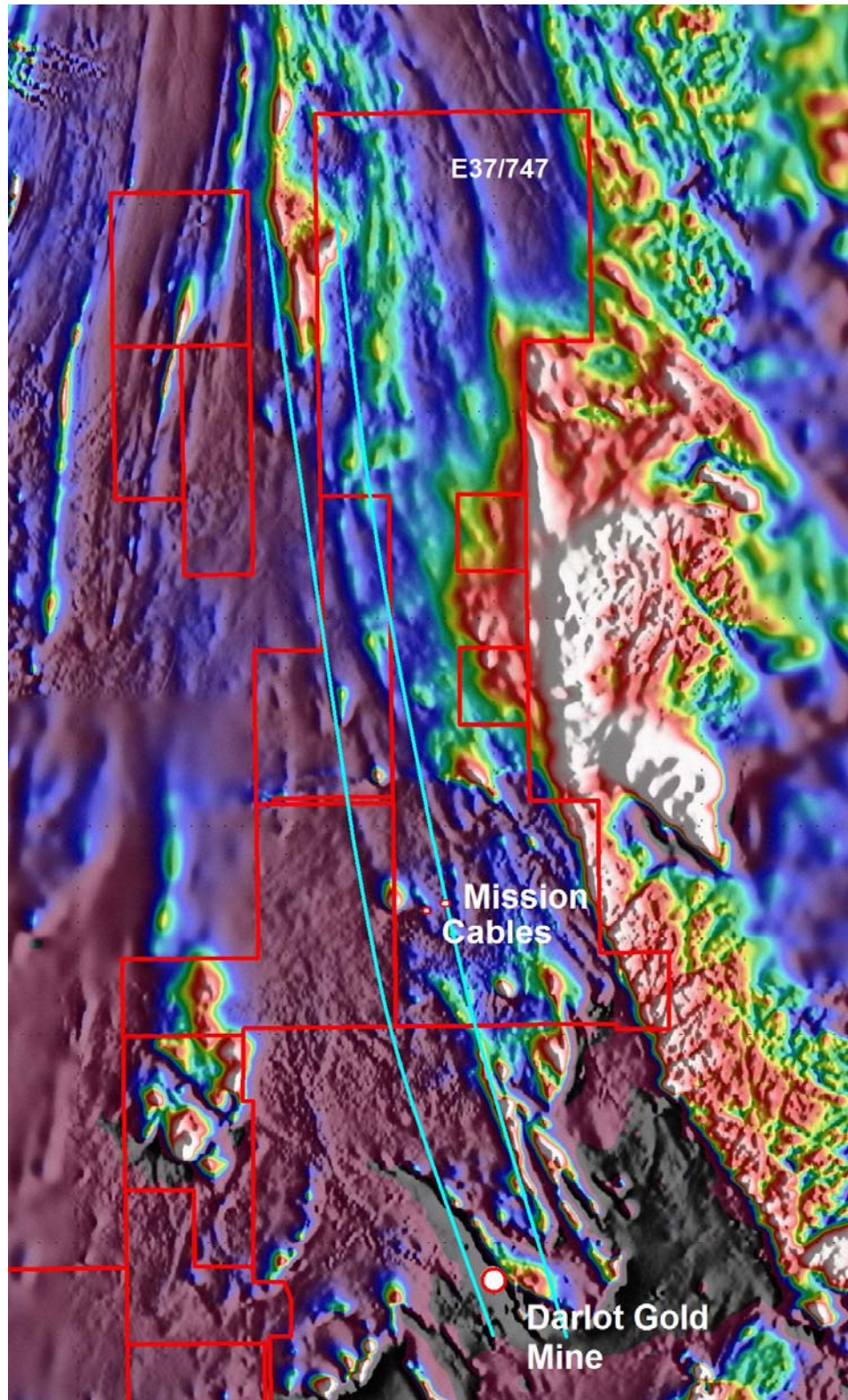
### Western Australia Projects

#### Mission and Cables, E37/747 (Gold)

During 2008 Aragon completed a number of drill programs that have successfully identified high grade gold mineralisation within a sheared magnetic dolerite host, similar to that found at the Darlot Gold Mine 7km to the south. Primary mineralisation occurs along shear margins within the dolerite. While it is difficult to link interpreted lodes along strike, the controlling structure is continuous and can be modelled over a significant distance. At this stage there is insufficient information to define a mineral resource, however Aragon believes that this mineralised structure is extensive and is worthy of further investigation along strike. The numerous high grade intersections that have been achieved to date suggest the area has great potential to host a significant primary gold deposit.

Extending the existing identified mineralisation and exploring the structure along strike to the north will be the focus of drilling activity during 2009. This will be done using both aircore and reverse circulation drilling over a number of programs throughout the year. Drilling is expected to commence in June.

The greater Lake Darlot region is a strategic land holding for Aragon and will continue to be the focus of gold exploration activities. Aragon has also identified anomalous uranium in the Lake Darlot area. Further assessment of these anomalies is required to quantify this potential.



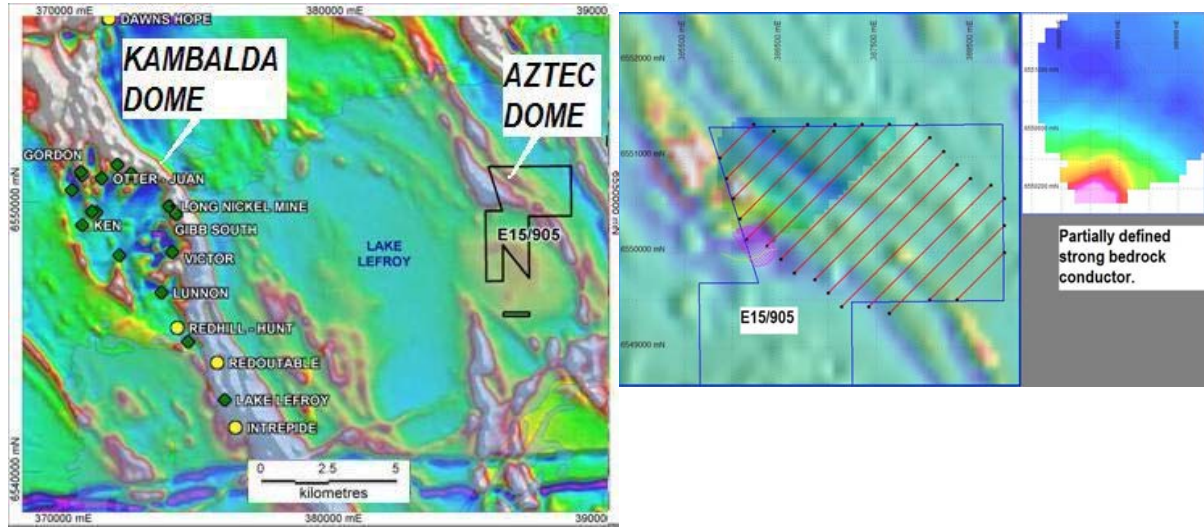
**Figure 1.** Aragon's Darlot Project over regional magnetic image. Displayed between the annotated blue lines is the targeted structural corridor interpreted to control gold mineralisation in the region.



### Lake Lefroy, E15/905 (Nickel)

The Lake Lefroy Prospect is located on Lake Lefroy, approximately 15km east of the Kambalda Dome nickel mines. Aragon commenced a SQUID geophysical survey over the prospect; however the survey was delayed due to difficulties in crossing the lake surface. A number of unsuccessful attempts to access the lake have been made since the first disruption. It is difficult to predict when access will be achieved; the survey will resume as soon as conditions improve.

This is a speculative and conceptual nickel exploration play. Future deep diamond drilling will only occur if the SQUID survey is successful in defining precise targets.



**Figure 2.** Lake Lefroy tenement map over regional magnetic imagery and the partially defined bedrock conductor from the incomplete SQUID ground geophysical survey.

## Northern Territory Projects

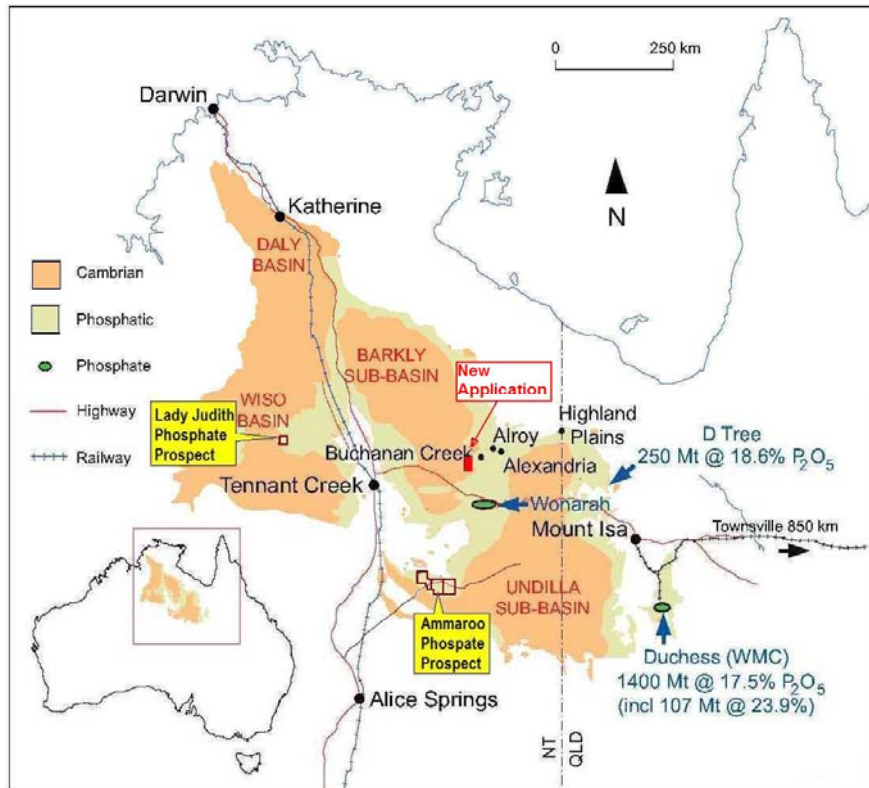
### Ammaroo, EL25183-85 (Phosphate)

Aragon has received the final Sacred Site Clearance Report for the areas identified for drilling activity during 2009. During the Northern Territory wet season there is a high risk of excessive rain during the months of December, January, February and March within the project area, resulting in flooded roads and tracks, and slowing drilling rates, potentially increasing costs. Therefore field activities are scheduled to resume in late March, when a reconnaissance mapping field trip is planned. During the reconnaissance identification, mapping and sampling of favourable outcrops and drill site access preparations will be conducted.

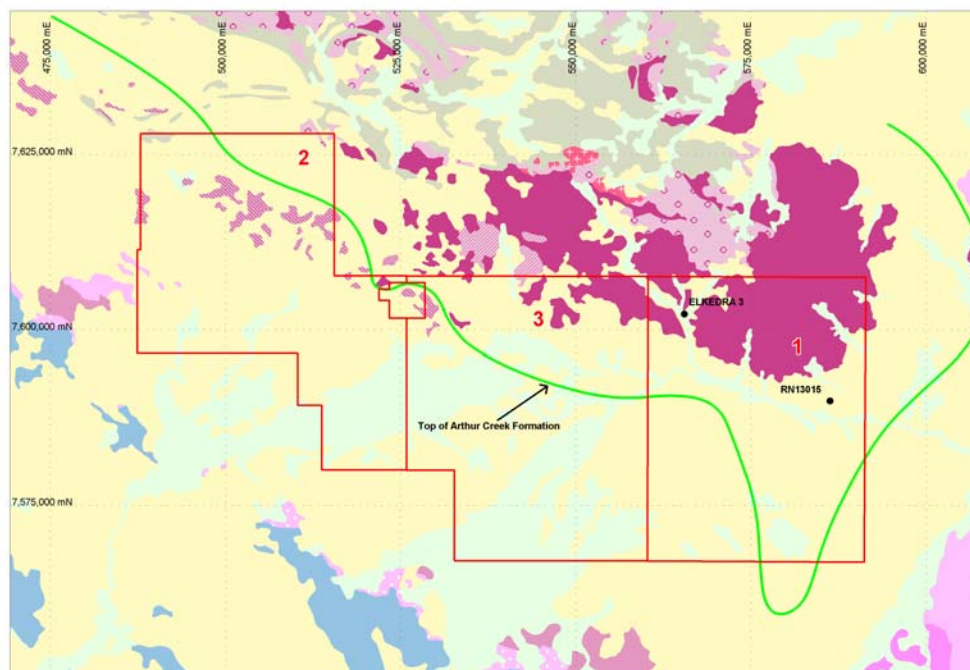
A wide spaced aircore drill program is scheduled to commence in late April, with Bostech Drilling contracted to complete the planned 4000 metre program. This program is concentrated around waterbore RN013015, where NTGS sampling returned 45m @ 6.7% P<sub>2</sub>O<sub>5</sub> from 30m, including 12m @ 12.8% P<sub>2</sub>O<sub>5</sub> from 42m (3m composite samples). Further drilling will occur later in the year to follow up on favourable drill results and to continue the wide spaced reconnaissance drilling planned for the north west of the tenement area (Figure 4).

### Lady Judith ELA24994 and Barkly ELA27082 (Phosphate)

Aragon, through 100%-owned subsidiary Territory Phosphate Pty Ltd, has tenement applications over the Lady Judith and Barkly Phosphate Prospects. Work will continue on meeting all statutory obligations to progress these applications to granting. Following this, and based on consultation with the traditional owners, field reconnaissance and drill programs will be implemented.



**Figure 3.** Location map showing the Ammaroo, Lady Judith and Barkly Phosphate Prospects including the major phosphate deposits. Also shown are the Wiso Basin and the Barkly and Undilla Sub-basins of the Georgina Basin.



**Figure 4.** Ammaroo Prospect area showing simplified surface geology and the interpreted extent in green of the favourable phosphatic host Arthur creek Formation (dark purple). Planned drilling areas for 2009 are numbered 1, 2 and 3.

## Tenement Review Outcome

In response to a turbulent period of market activity and the resultant uncertainty in the financial markets, Aragon has conducted a review of its activities (as previously reported). As a result Aragon has implemented a number of cost saving measures across all areas. The review included an assessment of the tenement holdings and the costs related to these. While Aragon believes that the prospects at Lake Violet, Corboys and Capellis Find have some potential, it is evident from the work carried out so far by Aragon that these areas require significant expenditure to adequately test all the targets identified. Aragon has tested what it identified as the highest quality targets as a priority since listing, without significant success. It has therefore decided that it will seek to gain value from these prospects by way of a risk-sharing partner, to progress further exploration. Tenements that are unable to attract a partner, or have been given low potential for success, will be relinquished in due course.

Aragon will continue to acquire additional land in areas of focus and will continue to actively seek project acquisitions with the potential to develop to production.

Enquires:

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*The information in this report that relates to exploration, mineral resources or ore reserves is based on information compiled by Mr Christopher Bryans (B.App.Sc.) who is a full time employee of Aragon Resources Ltd, is a member of the AusIMM. Mr Bryans has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bryans consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

