

AZURE MINERALS LTD

Australia's Leading Explorer in Mexico

ASX: AZS

8 JANUARY 2013

OUTSTANDING HIGH GRADE RESULTS **CONTINUE AT PROMONTORIO**

HIGHLIGHTS

- **High grade copper-rich extensions drilled at Promontorio**
 - **2.3m @ 21.9% Copper Equivalent (CuEq¹),**
 - **4.75m @ 8.8% CuEq**
 - **2.5m @ 9.3% CuEq, and**
 - **4.5m @ 11.0% CuEq**
- **Positive drilling results expected to increase existing resource**
- **Updated Mineral Resource estimate expected April 2013**

Mexican-focused **Azure Minerals Limited** ("Azure" or "the Company") is pleased to provide an update on the diamond drilling program currently underway at its Promontorio Project, located in the Mexican state of Chihuahua.

Personnel have remobilised to Promontorio following completion of their Christmas – New Year break and drilling operations have recommenced on site. In addition, further assay results from last year's drilling have recently been received.

High grade copper intercepts from the newly identified veins include:

APR-DD-062:

2.3 metres @ 21.9% CuEq - (15.2% Copper, 5.3g/t Gold & 230g/t Silver)

APR-DD-063:

4.75 metres @ 8.8% CuEq - (5.6% Copper, 2.6g/t Gold & 105g/t Silver)

APR-DD-066:

2.5 metres @ 9.3% CuEq - (7.2% Copper, 0.9g/t Gold & 113g/t Silver), and
4.5 metres @ 11.0% CuEq - (9.25 Copper, 1.0g/t Gold & 84g/t Silver)

Azure's Managing Director, Mr Tony Rovira, commented, "*The recently received assay results contain very high grades of copper, along with good gold and silver mineralisation. These strongly mineralised intercepts are located in areas that were untested by previous exploration, both above and along strike from the current*

¹ See Appendix for Copper Equivalency (CuEq) Statement

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mineral resource boundaries. We expect that this mineralisation will add further tonnage to the Promontorio Resource."

The drilling program is designed to test the mineralised system outside of the current Promontorio mineral resource boundaries. To date, 28 holes have been completed for a total of approximately 3,100 metres. An additional three holes totalling approximately 400 metres are planned and it is expected that the program will be completed within two weeks.

Azure is continuing to receive assay results and the Company anticipates releasing an updated Mineral Resource estimate by April 2013.

BACKGROUND

Promontorio is a high sulphidation epithermal deposit which currently contains a JORC Mineral Resource (Indicated + Inferred) of:

502,000 tonnes @ 4.7% Copper, 2.1 g/t Gold and 99 g/t Silver²

The deposit remains open along strike and at depth and Azure believes that the current drilling program has the potential to achieve the company's short-term goal of doubling the existing resource (Exploration Target³).

-ENDS-

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APPENDIX

Competent Person Statement:

Information in this document that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Tony Rovira, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Rovira is a full-time employee of Azure Minerals Limited. Mr Rovira 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 defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Rovira consents to the inclusion in the documents of the matters based on his information in the form and context in which it appears.

² Details of the resources classification and estimation methodologies are contained in Azure's ASX announcement, released on 7th January 2009.

³ The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to define the increased Mineral Resource and it is uncertain if further exploration will result in the determination of an increased Mineral Resource.

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TABLE 1: Significant Mineralised Drill Intercepts

HOLE	FROM	TO	INTERCEPT LENGTH (m)	CuEq (%)	Cu (%)	Au (ppm)	Ag (ppm)
APR-DD-061	81.0	82.35	1.35	2.6	0.1	3.2	30
APR-DD-062	107.25	107.75	0.5	2.2	0.4	2.2	26
APR-DD-062	150.7	154.6	3.9	13.6	9.1	3.9	135
including	150.7	153.0	2.3	21.9	15.2	5.3	230
APR-DD-063	128.15	134.8	6.65	6.6	4.1	2.1	78
including	130.05	134.8	4.75	8.8	5.6	2.6	105
APR-DD-064	27.3	28.1	0.8	2.7	0.9	1.8	40
APR-DD-065	Assays Awaited						
APR-DD-066	66.0	69.3	3.3	7.3	5.6	0.7	88
including	66.0	68.5	2.5	9.3	7.2	0.9	113
APR-DD-066	81.4	88.45	7.05	8.0	6.7	0.7	62
including	83.0	87.5	4.5	11.0	9.2	1.0	84

TABLE 2: Drill Hole Collar Information

HOLE	NORTH	EAST	mASL	AZIMUTH	DIP	TOTAL DEPTH
APR-DD-055	3145989	782,642	2,037	0	-90	104.6
APR-DD-056	3145989	782,643	2,036	135	-45	72.85
APR-DD-057	3146006	782,626	2,036	90	-60	74.35
APR-DD-058	3146060	782,704	2,080	250	-45	172.9
APR-DD-059	3146060	782,706	2,082	310	-30	102.7
APR-DD-060	3146060	782,706	2,082	335	-30	108.7
APR-DD-061	3146060	782,705	2,082	280	-30	126.6
APR-DD-062	3146060	782,704	2,082	280	-50	167
APR-DD-063	3146058	782,706	2,082	300	-60	167
APR-DD-064	3146049	782,568	2,082	150	-30	50
APR-DD-065	3146049	782,568	2,082	150	-60	110.5
APR-DD-066	3146048	782,568	2034	150	-75	179.7
APR-DD-067	3146000	782,497	2004	110	-55	176.2
APR-DD-068	3146001	782,497	2004	110	-35	126.5
APR-DD-069	3145852	782,696	2024	60	-60	125.5
APR-DD-070	3145852	782,696	2024	60	-20	100
APR-DD-071	3145907	782,664	2017	70	-60	125.4
APR-DD-072	3145907	782,665	2018	63	-20	75
APR-DD-073	3145852	782,693	2026	20	-50	75
APR-DD-074	3145852	782,693	2026	25	-20	63
APR-DD-075	3145870	782,749	2036	340	-55	89
APR-DD-076	3145870	782,749	2036	340	-20	46.3
APR-DD-077	3145907	782,662	2017	335	-25	71
APR-DD-078	3145869	782,642	2025	330	-60	95.5
APR-DD-079	3145869	782,642	2025	330	-25	33
APR-DD-080	3145935	782,538	2025	310	-30	65.4
APR-DD-081	3145935	782,538	2025	330	-55	128.3
APR-DD-082	3145907	782,662	2016	120	-50	101.1
APR-DD-083	3146059	782,705	2080	8	-42	142.9

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Drilling and Sample Analysis Statement:

Promontorio samples are all HQ half core. Intersections selected are based on intercepts using a 0.5% copper or 2% Copper Equivalent lower cut-off.

Sample preparation was undertaken by ALS-Chemex (Hermosillo) and analysed by ALS-Chemex (Vancouver) using methods ICP61 and OG62 (for silver and base metals) and Fire Assay methods AA-23 and GRA-21 for gold.

Certified Reference Standards and blank check samples are inserted at regular intervals to provide assay quality checks. Review of the standards and blanks are within acceptable limits.

Drill hole collar locations are initially surveyed by handheld GPS and definitively surveyed by differential GPS following completion of the drilling program. Downhole surveys are undertaken at 30m intervals by gyroscope.

Copper Equivalency Statement:

Copper Equivalent ("CuEq") represents the total value of each metal (Copper + Gold + Silver) factored by metallurgical recoveries, multiplied by the conversion factor, summed and expressed in equivalent copper percentage.

Long Term Metals Price Assumptions:

Copper = US\$3.00/lb

Gold = US\$1500/oz

Silver = US\$30/oz

Allowance is made for recoveries for all metals based upon metallurgical testwork and mineralogical studies undertaken by independent laboratories as part of the Promontorio Pre-Feasibility Study. This testwork demonstrates the following metal recoveries are possible into a polymetallic concentrate:

Copper = 97.9%

Gold = 93.4%

Silver = 97.0%

In the Company's opinion, all elements included in the metal equivalents calculation have a reasonable potential to be recovered.

Copper Equivalent Calculation Formula = $Cu (\%) + (Au(ppm) \times 0.68) + (Ag(ppm) \times 0.0134)$

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