

# AZURE MINERALS LTD

## *Australia's Leading Explorer in Mexico*

ASX: AZS

18 JANUARY 2013

### **PROMONTORIO CONTINUES TO DELIVER** **HIGH GRADE RESULTS**

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

#### **HIGHLIGHTS**

- ***Assays for the first 16 holes have now been received - economically significant mineralisation present in 14 holes***
- ***High grade copper assays continue to be returned from resource extension drilling, including:***
  - ***1.5 metres @ 11.9% Copper Equivalent (CuEq<sup>1</sup>)***
  - ***1.1 metres @ 7.8% CuEq***
- ***Two new targets separate from the resource area have been identified and will be drill tested in the current program***
- ***Inspection of recent drill core identifies likely high grade copper mineralisation in vein extensions and in newly identified veins outside of the existing JORC resource – assays pending***
- ***Drill program of 33 holes drilled for approximately 3,550m nearing completion***
- ***Assays results for the remaining 17 holes will be received progressively over the next two to four weeks***
- ***Strong news flow from Promontorio and other Mexican projects expected to continue across Q1 2013***

Since the recommencement of the drilling program at Promontorio post the Christmas-New Year break, Azure has continued to make excellent progress, with three holes now completed and the fourth and final hole nearing completion.

Assay results from the first 16 holes, **APR-DD-055** to **APR-DD-070**, submitted to the laboratory prior to Christmas, have been received.

<sup>1</sup> See Appendix for Copper Equivalency (CuEq) Statement

# AZURE MINERALS LTD

## *Australia's Leading Explorer in Mexico*

All 16 holes intersected the targeted veins, with economically significant mineralisation being present in 14 of those holes. Drill intercepts are contained within Table 1 and drill hole collar data is detailed in Table 2.

Sampling of the remaining 17 holes, **APR-DD-071** to **APR-DD-087**, is ongoing and the Company anticipates receiving assay results from these holes over the next two to four weeks.

Assays received to date are predominantly from extensions of known mineralised veins. However, several new veins containing massive copper sulphide mineralisation have been intersected in recent drilling, assays of which are still pending. Azure believes the discovery of these new veins will have a positive impact on the new Mineral Resource estimation for Promontorio, which is expected to be completed by April 2013.

In addition to the discovery of new veins within the resource area, ongoing reconnaissance work continues at Promontorio, with the Company's geologists recently identifying two new high priority targets. Two extra holes have been added to the drilling program to test these new targets.

Drilling at Promontorio will be completed shortly, with the total program comprising 33 holes for approximately 3,550 metres.

### **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 Silver<sup>2</sup>**

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 near-term goal of doubling the existing resource (Exploration Target<sup>3</sup>). The Company anticipates releasing an updated Mineral Resource estimate for Promontorio by April 2013.

**-ENDS-**

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

<sup>3</sup> 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.

For personal use only

# AZURE MINERALS LTD

## Australia's Leading Explorer in Mexico

For further information, please contact:

**Tony Rovira**  
Managing Director  
Azure Minerals Limited  
Ph: +61 8 9481 2555

**Press / Investor Relations**  
Victoria Thomas  
Six Degrees Investor Relations  
Ph: +61 3 9645 7567

or visit [www.azureminerals.com.au](http://www.azureminerals.com.au)

### **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.

#### **Drilling and Sample Analysis Statement:**

Detailed geological logging is undertaken with recording of lithology, alteration, veining, mineralisation and mineralogy.

Samples are all HQ half core. Sampling is based upon geological boundaries with minimum sample length of 0.15m and maximum sample length of 1.0m.

Reported mineralised intersections are based on intercepts using a 0.5% copper or 1% 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 routinely inserted at 20m intervals and also immediately following visually identified mineralised intercepts 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

# AZURE MINERALS LTD

## Australia's Leading Explorer in Mexico

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 =  $Cu (\%) + (Au(ppm) \times 0.68) + (Ag(ppm) \times 0.0134)$

TABLE 1: Complete List of Significant Mineralised Drill Intercepts to Date

HOLE	FROM	TO	INTERCEPT LENGTH (m)	CuEq (%)	Cu (%)	Au (ppm)	Ag (ppm)
APR-DD-070	45.4	46.0	0.6	3.1	1.5	1.2	60
APR-DD-069	114.0	115.0	1.0	Vein of massive pyrite intersected with no significant assays returned			
APR-DD-068	61.9	62.9	1.0	1.8	1.4	0.4	14
APR-DD-068	117.65	119.0	1.35	3.3	2.4	0.2	43
APR-DD-067	85.0	87.8	2.8	6.9	5.4	1.7	27
including	85.0	86.5	1.5	11.9	9.4	2.9	44
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
APR-DD-065	42.5	43.6	1.1	7.8	6.0	1.4	63
APR-DD-065	96.8	97.1	0.3	3.5	1.4	1.3	87
APR-DD-064	27.3	28.1	0.8	2.7	0.9	1.8	40
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-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-061	81.0	82.35	1.35	2.6	0.1	3.2	30
APR-DD-060	63.0	64.1	1.1	1.3	0.2	1.2	16
APR-DD-059	57.8	61.5	3.7	Vein of massive pyrite intersected with no significant assays returned			
APR-DD-058	145.9	147.8	1.9	3.8	1.0	3.7	21
APR-DD-057	13.3	15.3	2.0	3.7	1.1	3.5	18
APR-DD-056	37.6	38.5	0.9	3.9	1.0	3.4	48
APR-DD-056	54.1	58.8	4.7	5.9	0.5	5.1	130
including	57.5	58.3	0.8	17.5	2.1	12.4	495
APR-DD-055	31.0	35.0	4.0	4.7	1.3	3.2	83

NOTE: New drill intercepts reported for the first time are identified in bold and shaded. Eg:

APR-DD-067	85.0	87.8	2.8	6.9	5.4	1.7	27
------------	------	------	-----	-----	-----	-----	----

# AZURE MINERALS LTD

## Australia's Leading Explorer in Mexico

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	167.0
APR-DD-063	3146058	782,706	2,082	300	-60	167.0
APR-DD-064	3146049	782,568	2,082	150	-30	50.0
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	100.0
APR-DD-071	3145907	782,664	2017	70	-60	125.4
APR-DD-072	3145907	782,665	2018	63	-20	75.0
APR-DD-073	3145852	782,693	2026	20	-50	75.0
APR-DD-074	3145852	782,693	2026	25	-20	63.0
APR-DD-075	3145870	782,749	2036	340	-55	89.0
APR-DD-076	3145870	782,749	2036	340	-20	46.3
APR-DD-077	3145907	782,662	2017	335	-25	71.0
APR-DD-078	3145869	782,642	2025	330	-60	95.5
APR-DD-079	3145869	782,642	2025	330	-25	33.0
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
APR-DD-084	3145940	782,606	2014	110	-60	86.5
APR-DD-085	3145870	782,640	2026	330	-45	71.6
APR-DD-086	3146622	782,099	2008	0	-90	200.7
APR-DD-087	3146280	782,424	1993	310	-60	100