

# Azure Minerals Ltd

*On the Road to Mining in*

**México**

ASX Code: **AZS**



**@AzureMinerals**

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

**Tony Rovira - Managing Director**

**Australia Copper Conference – June 2014**



# Azure Minerals - Corporate Overview

- Listed on the ASX
- ASX Code: AZS
- Shares 765M
- Options / Warrants 67M
- Share Price Range (12 months) 2.5c – 7.1c
- Current Share Price 2.8c
- Current Market Cap \$21M
- Cash \$2M

# Objective

To become a copper-gold producer in Mexico

## Why Mexico?

- A mineral-rich, mining friendly country
- 500 years of mining history
- Major producer of copper, gold, silver, lead, zinc & molybdenum

# Flagship Project

## PROMONTORIO

- **Promontorio**: Advanced stage, high grade copper-gold-silver deposit with Mineral Resource and positive PFS completed
- **Cascada**: High grade copper-gold-silver deposit with very strong upside potential
- **Porphyry**: Newly discovered copper-bearing porphyry beneath Promontorio & Cascada



Panchita

SONORA

USA

Hermosillo

El Tecolote

PDN

CHIHUAHUA

Promontorio  
& Cascada

BAJA  
CALIFORNIA  
SUR

Loreto

MEXICO

Gulf of  
Mexico

Mexico City

Pacific  
Ocean

# Azure in Mexico

# Pipeline to Production

## Early Stage Exploration

**Panchita**  
*Gold*

**Loreto**  
*Copper*

## Advanced Exploration

**El Tecolote**  
*Copper-Zinc*



**Pozo de Nacho**  
*Molybdenum*

## Feasibility Study

**Promontorio**  
*Copper-Gold-Silver*

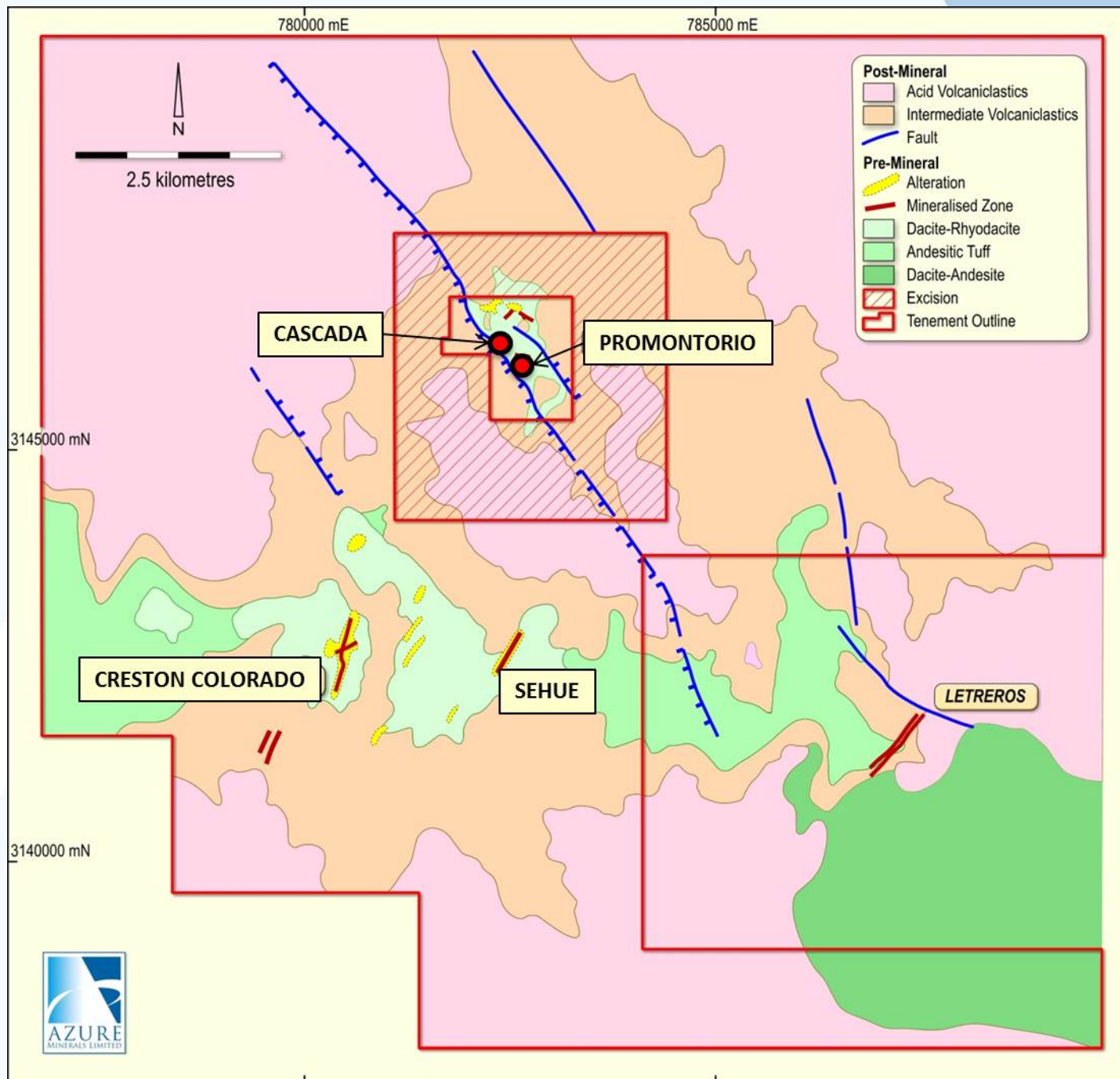
**Cascada**  
*Copper*



# Promontorio Project

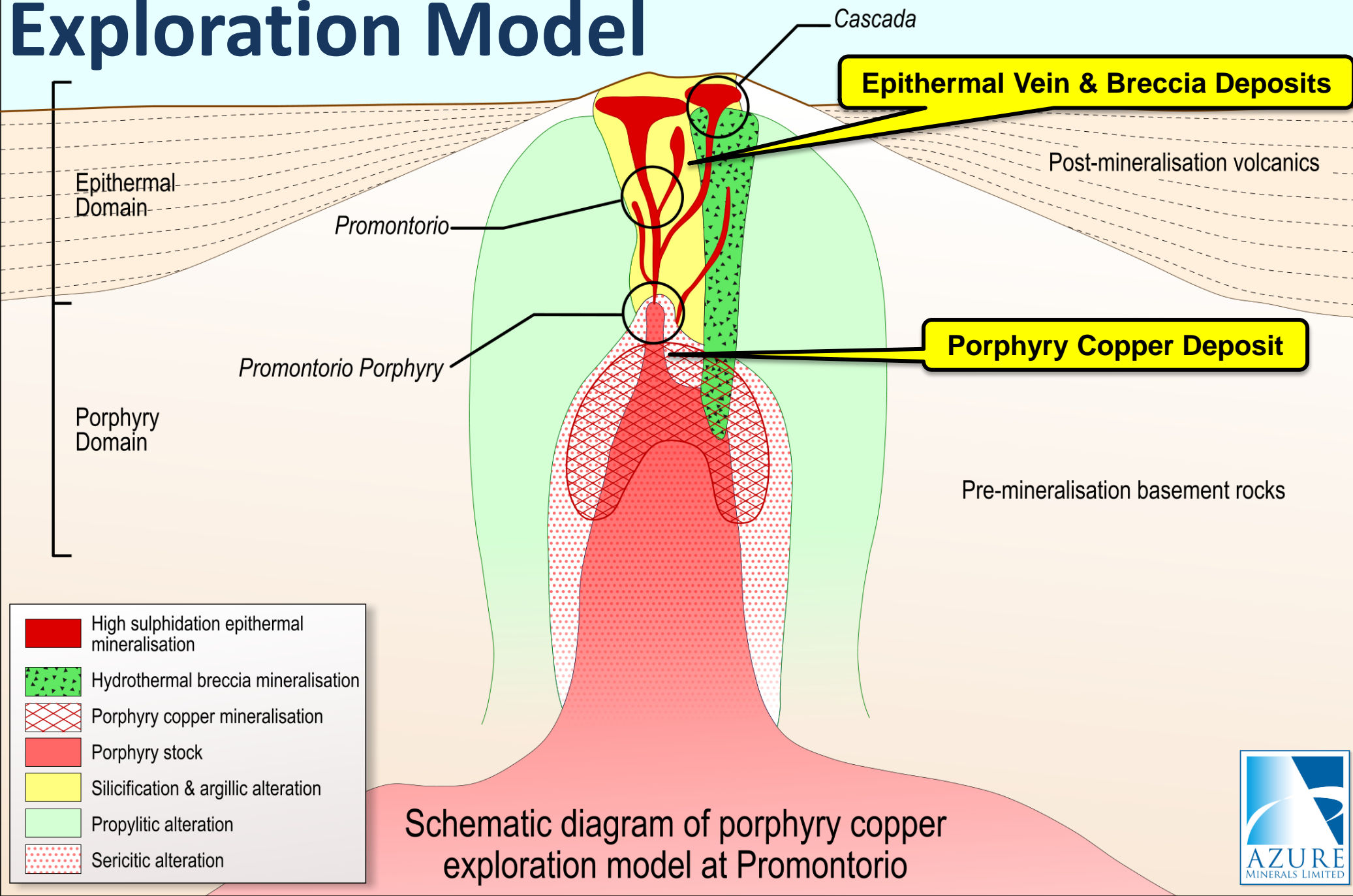








# Exploration Model



# Promontorio & Cascada

**Near-surface, high grade copper-gold-silver deposits**

**Massive & disseminated copper sulphides**

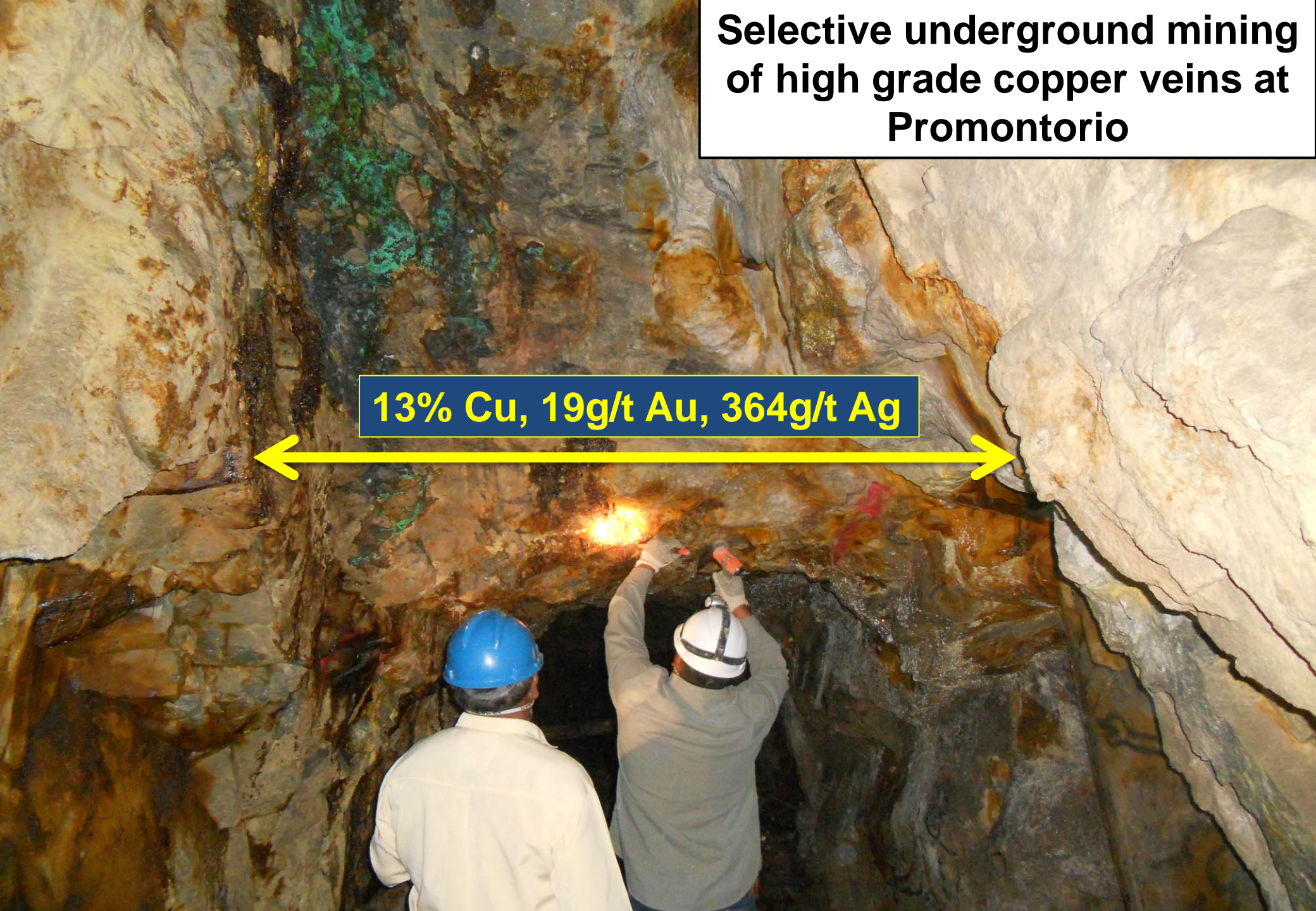
**Three different styles of mineralisation**

- **High sulphidation epithermal**
- **Hydrothermal breccia**
- **Porphyry**



# Selective underground mining of high grade copper veins at Promontorio

**13% Cu, 19g/t Au, 364g/t Ag**



# Promontorio Deposit

<b>JORC Mineral Resource<sup>(1)</sup> (@ 0.5% CuEq cut-off)</b>	<b>Tonnes</b>	<b>CuEq<sup>(2)</sup> (%)</b>	<b>Cu (%)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
<b>Indicated</b>	<b>610,000</b>	<b>4.4</b>	<b>2.7</b>	<b>1.7</b>	<b>56</b>
<b>Inferred</b>	<b>230,000</b>	<b>3.3</b>	<b>1.8</b>	<b>1.5</b>	<b>56</b>
<b>TOTAL</b>	<b>840,000</b>	<b>4.1</b>	<b>2.5</b>	<b>1.6</b>	<b>56</b>

## Strong metallurgical testwork results

	<b>Copper</b>		<b>Gold</b>		<b>Silver</b>	
	<b>Grade (%)</b>	<b>Recovery (%)</b>	<b>Grade (ppm)</b>	<b>Recovery (%)</b>	<b>Grade (ppm)</b>	<b>Recovery (%)</b>
<b>Concentrate</b>	<b>39.5</b>	<b>94</b>	<b>9.6</b>	<b>54</b>	<b>773</b>	<b>88</b>

## Positive Pre-Feasibility Study: near-term production potential

(1) Details of the resources classification and estimation methodologies are contained in Azure's ASX announcement, released on 10th May 2013

(2) See Appendix for Copper Equivalency (CuEq) Statement



# Cascada Deposit – *A Game Changer*

- Located only 200m from Promontorio
- High grade, open-ended copper-gold-silver deposit
- Excellent potential for growing mineralised zone through further exploration drilling
- Mineralisation – disseminated chalcocite

# Cascada – *A High Grade Deposit*

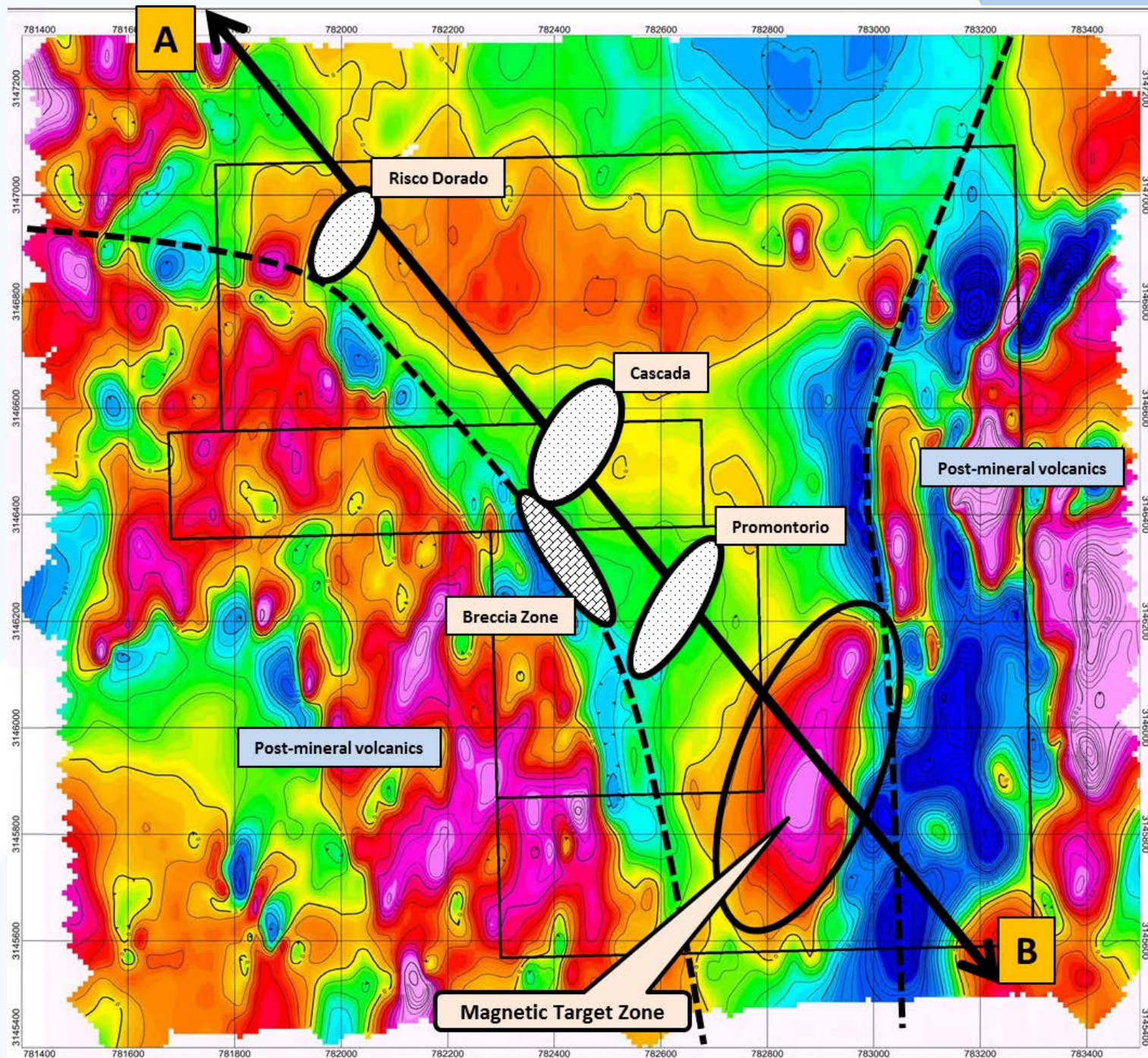
DRILL HOLE	HIGH GRADE COPPER ZONE (0.5% Cu cut-off)	GOLD ENVELOPE (0.2g/t Au cut-off)
APR-DD-087	36m @ 2.9% Cu	119m @ 0.7g/t Au
APR-DD-089	19m @ 6.8% Cu	129m @ 0.7g/t Au
APR-DD-090	10m @ 3.3% Cu	90m @ 1.0g/t Au
APR-DD-091	28m @ 4.5% Cu	70m @ 1.8g/t Au
APR-DD-092	14m @ 4.3% Cu	100m @ 1.0g/t Au
APR-DD-093	12m @ 5.2% Cu	114m @ 2.4g/t Au
APR-DD-094	10m @ 3.2% Cu	87m @ 0.9g/t Au
APR-DD-098	19m @ 4.9% Cu	65m @ 0.7g/t Au

# Cascada Metallurgy

*Excellent results from bulk sample testwork*

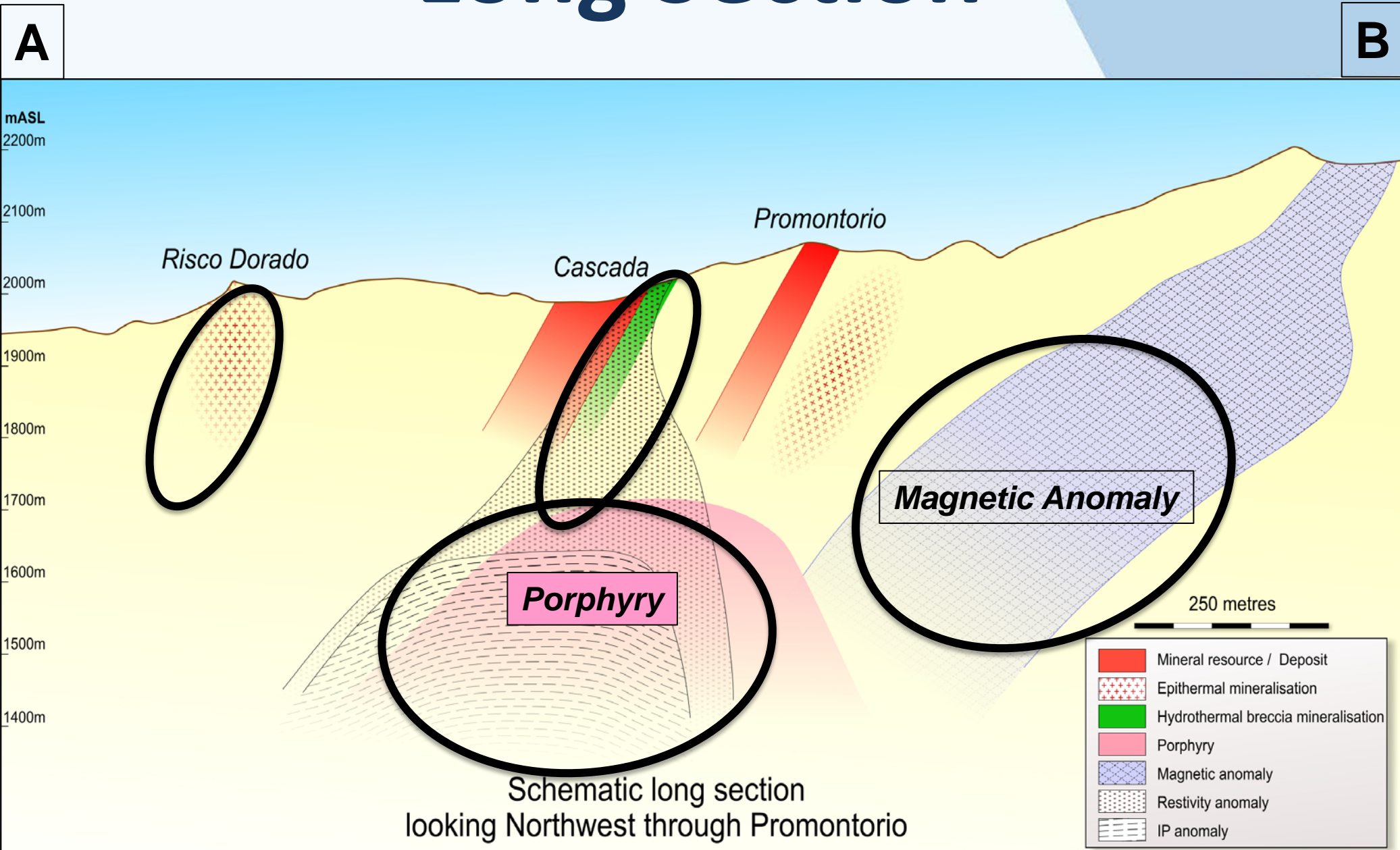
	Copper		Gold		Silver	
	Grade (%)	Recovery (%)	Grade (ppm)	Recovery (%)	Grade (ppm)	Recovery (%)
Concentrate	37.7	93	15.2	75	470	83



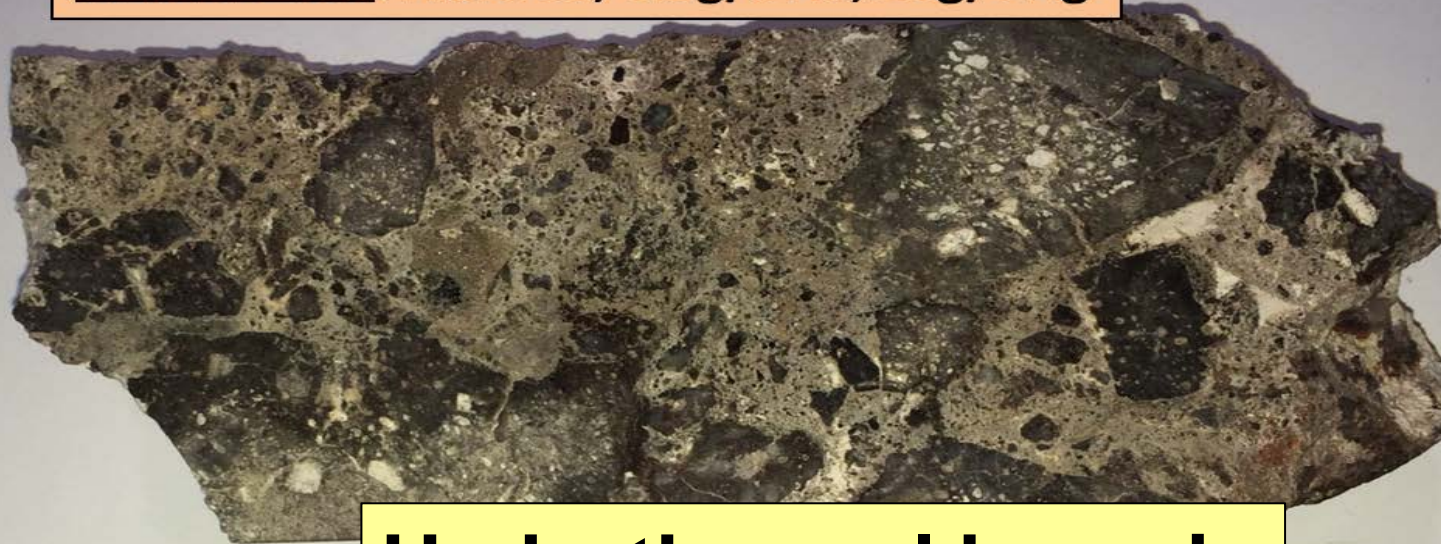




# Long Section



**APR-DD-109: 1.0% Cu, 3.9g/t Au, 53g/t Ag**



**Hydrothermal breccia**



**APR-DD-110: 3.2% Cu, 15.5g/t Au, 40g/t Ag**





# Milestones & News Flow

## Cascada & Promontorio

- Environmental approvals: *Received*
- Expansion drilling at Cascada: *July 2014*
- Cascada Mineral Resource: *Q3/Q4 2014*

## Regional Exploration & Porphyry Copper Potential

*Farm-in / Joint Venture under negotiation*



# México

**Land of Opportunity**



## **APPENDIX**

### **Competent Person Statements:**

*The information in this report that relates to Exploration Results, Metallurgical Results and Mineral Resources, was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and is based on information compiled by Mr Tony Rovira who is a Member of The Australasian Institute of Mining and Metallurgy. 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 is a full time employee of the Company and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Information that relates to Metallurgical Results at Cascada was previously reported to the ASX on 14<sup>th</sup> May 2014. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects the information or supporting documentation included in the previous announcement, and that all material assumptions and technical parameters underpinning the results in the previous announcement continue to apply and have not materially changed.*

### **Copper Equivalency Statement:**

*Copper Equivalent (CuEq) was based on the following assumed metal prices that were guided by the three year averages at the data cut-off date: US\$3.25/lb for Cu, US\$1,450/oz for Au and US\$27.50/oz for Ag.*

*The CuEq grade accounts for the following metal recoveries, which were based on metallurgical testwork completed on the adjacent Promontorio deposit by independent metallurgical laboratories AMDEL and Ammtec, under the supervision of Coffey Mining Pty Ltd: 97.9% for Cu, 93.4% for Au, and 97.0% for Ag.*

*It is Azure’s belief that all elements included in the metal equivalent calculation have a reasonable potential to be recovered.*

*The following formula was used to calculate the Copper Equivalent grade:  $\text{CuEq (\%)} = (\text{Cu\%} \times 0.979) + (\text{Au (g/t)} \times 0.6077) + (\text{Ag (g/t)} \times 0.0120)$*