21 FEBRUARY 2021

HIGH-GRADE RESULTS CONTINUE FROM ANDOVER (VC-07 EAST) Ni-Cu DEPOSIT

Final Assays Received for Mineral Resource Estimate

- **Final assays for the maiden Mineral Resource Estimate for Andover nickel-copper sulphide deposit (formerly VC-07 East) received, delivering excellent results including:**
  - **ANDD0112 (western infill):**
    - **3.7m @ 2.73% Ni, 0.42% Cu & 0.12% Co from 258.1m downhole**
  - **ANDD0116 (western extension):**
    - **17.9m @ 1.57% Ni, 0.79% Cu & 0.08% Co from 266.8m downhole; including**
      - **4.5m @ 2.42% Ni, 0.59% Cu & 0.11% Co from 266.8m downhole; and**
      - **3.9m @ 2.04% Ni, 0.52% Cu & 0.11% Co from 277.8m downhole**
  - **ANDD0122 (upper western extension):**
    - **3.7m @ 1.54% Ni, 0.40% Cu & 0.06% Co from 171.7m downhole; including:**
  - **ANDD0124 (depth extension):**
    - **7.0m @ 1.23% Ni, 0.41% Cu & 0.06% Co from 565.4m downhole; including:**
      - **2.7m @ 2.19% Ni, 0.20% Cu & 0.10% Co from 566.5m downhole; and**
    - **3.7m @ 1.59% Ni, 0.49% Cu & 0.08% Co from 621.6m downhole; including:**
      - **1.7m @ 2.61% Ni, 0.34% Cu & 0.12% Co from 623.0m downhole**
- **Confirmation of strong continuity of internal mineralised widths and grades in the deposit**
- **Maiden Andover Mineral Resource Estimate expected in late March 2022**
- **Drilling continuing at Ridgeline (formerly VC-07 West)**
- **First-pass drill testing of regional targets Pipeline (formerly VC-18 West), VC-18 East and VC-41 completed**
- **Advanced metallurgical testwork commenced on Andover mineralisation**

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Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to announce receipt of assay results from the final 14 drill holes completed as part of the mineral resource drill-out of the Andover nickel-copper (Ni-Cu) sulphide deposit on the Andover Project (60% Azure / 40% Creasy Group), located in the West Pilbara region of Western Australia.

All assay results are now finalised and have been provided to Azure's consultants CSA Global Pty Ltd, who are completing the maiden Mineral Resource Estimate (MRE) for Andover, which is expected to be released in late March 2022.

Assay results remain pending for a further 22 holes that have been drilled at Ridgeline (formerly VC-07 West) and other regional targets, with laboratory turnaround times currently averaging around eight weeks.

In addition to resource definition and exploration drilling, Azure has commenced advanced-stage metallurgical test work on samples collected from different zones within the Andover deposit. Sulphide flotation tests are being carried out on multiple composite samples to assess the variability of metallurgical characteristics across the deposit and to optimise the process flowsheet.

Azure has renamed some of the prospects hosted within the Andover project area, as not all targets the Company is exploring have been identified by the airborne electromagnetic (VTEM) survey, which originated the VC-xx naming convention (see **Figure 1** below).

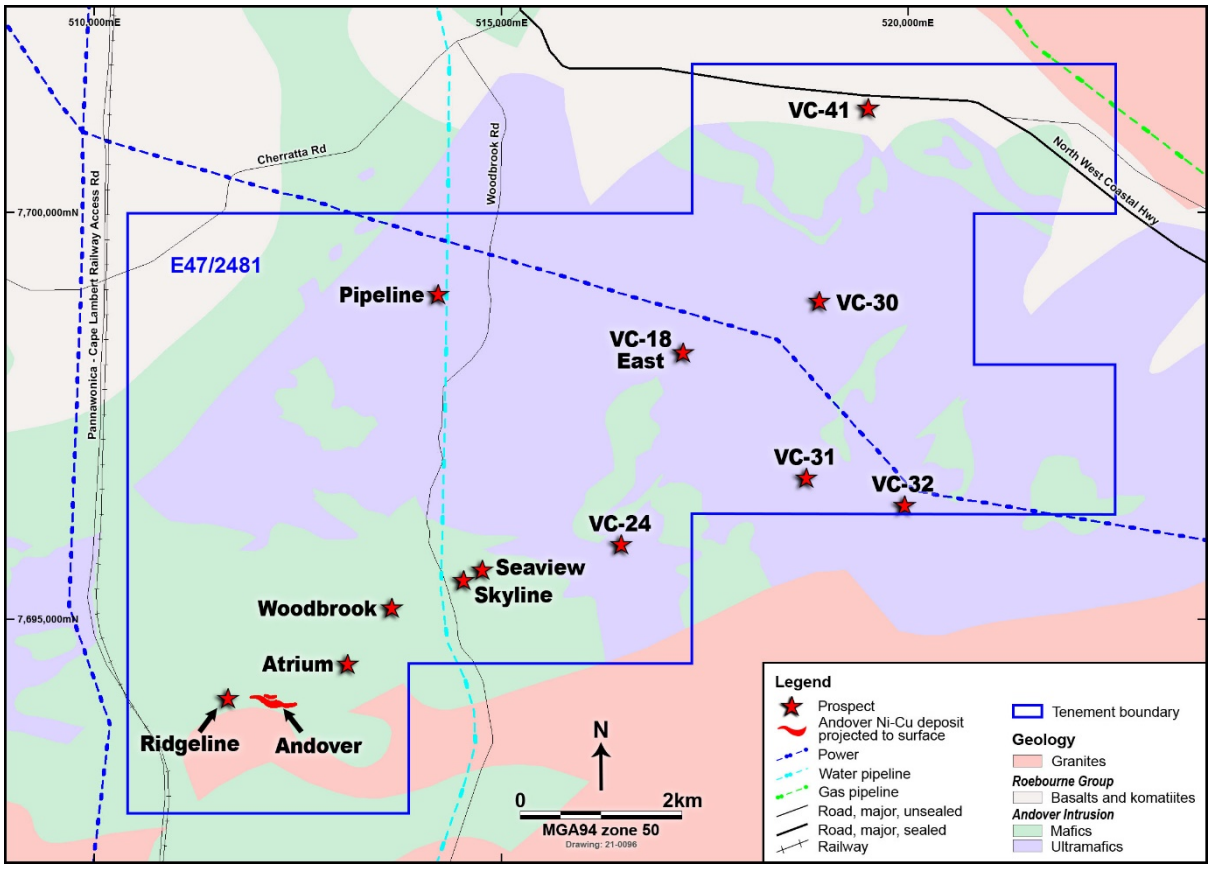

Figure 1: Andover project area showing Andover Ni-Cu deposit and other targets

ANDOVER Ni-Cu SULPHIDE DEPOSIT

The Andover deposit has been defined by a total of 102 diamond holes for 43,995m.

A 50m x 50m drill intersection spacing was achieved over an east-west strike length of ~400m and a continuous vertical extent exceeding 550m and the deposit remains open in multiple directions (see **Figures 2** and **3**).

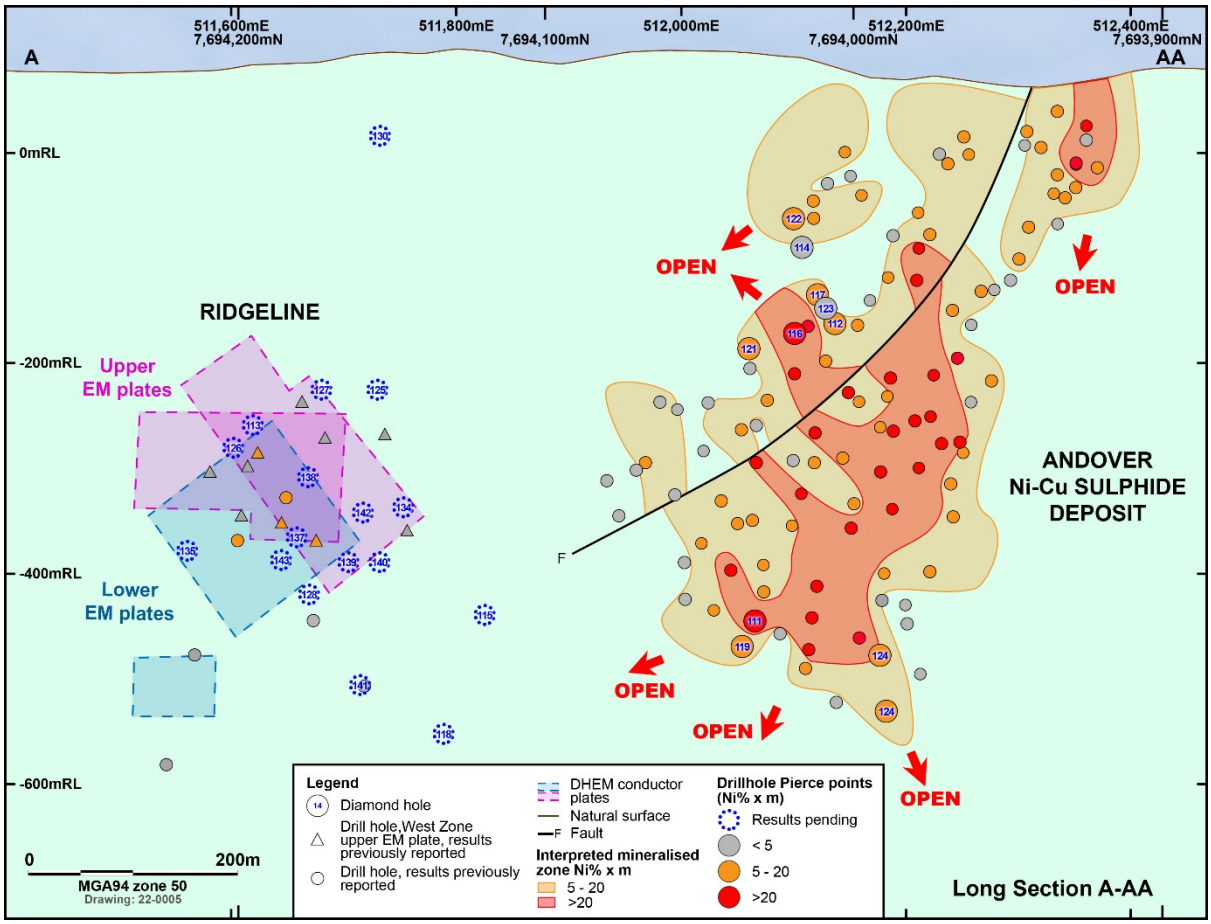

Figure 2: Long section A-AA through Andover Ni-Cu deposit and Ridgeline prospect

Assay results have now been received for all holes drilled into the Andover deposit. Data has been delivered to CSA Global, who will estimate and classify the MRE in accordance with the guidelines of the JORC Code (2012), with delivery expected in late March 2022.

Azure is very pleased with results from the recent drilling, with infill drilling of the deposit confirming excellent continuity of mineralised widths and grades and extensional drilling indicating the mineralisation remains open for further expansion to the east, west and at depth.

Encouragingly, shallow drilling at the eastern end of the deposit intersected Ni-Cu sulphide mineralisation within 20m of surface, beneath an extensive outcrop of nickel and copper-rich gossan, which extends for several hundred metres further to the east. This potential eastern mineralised extension remains undrilled and Azure will undertake additional drilling in this direction once heritage approvals have been received.

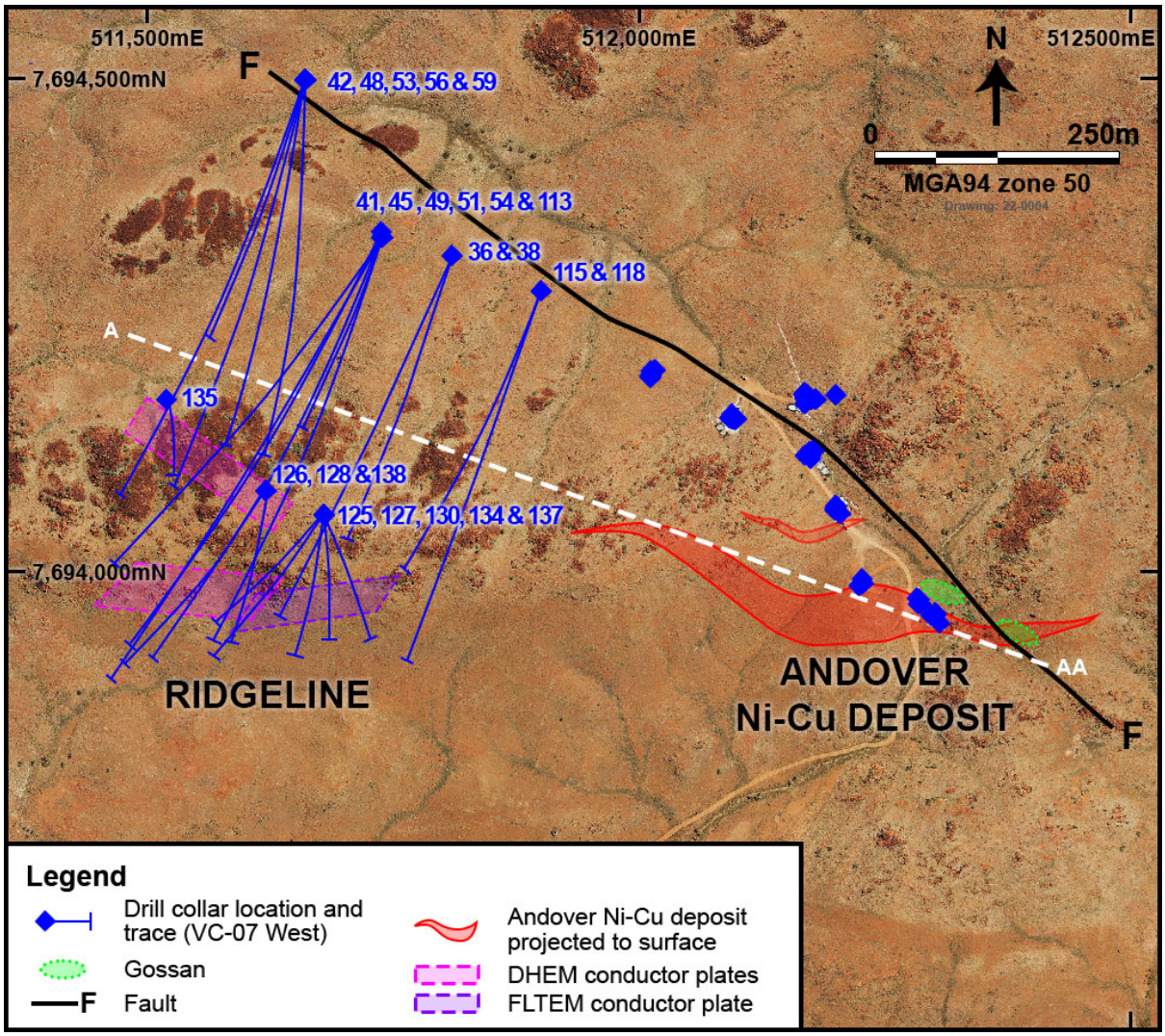

Figure 3: Andover Ni-Cu deposit, Ridgeline targets and long section A-AA location

LOOKING FORWARD AT ANDOVER

With the resource drill-out of the Andover deposit completed, Azure's focus has moved to exploring other targets where Ni-Cu sulphide mineralisation has already been drilled, such as the Ridgeline, Seaview (formerly VC-23) and Skyline prospects (see **Figure 1**).

In addition, Azure's ongoing regional exploration program at Andover, comprising geological mapping, geochemical sampling, surface and downhole EM surveying and drilling, continues to show very promising results. Targets such as Pipeline, VC-18 East and VC-41 have undergone initial drill-testing and observations of the drill core will be released when finalised.

Drilling of these and other targets on the property is expected to continue through 2022.

Meanwhile development studies focused on a standalone mining and processing operation are continuing. Advanced-stage metallurgical testwork and processing optimisation studies are underway, mine design and operational studies are being undertaken in conjunction with the resource modelling, tailings storage studies have commenced and infrastructure assessments are in progress.

Table 1: Significant assay results returned from drill holes ANDD0112 to ANDD0124

HOLE No	DEPTH (m)		INTERCEPT LENGTH (m)	ESTIMATED TRUE WIDTH (m)	GRADE		
	FROM	TO			Ni (%)	Cu (%)	Co (%)
ANDD0112	258.1	261.8	3.7	2.4	2.73	0.42	0.12
ANDD0113	569.6	573.4	3.8	3.1	0.91	0.50	0.05
Incl	570.0	571.2	1.2	1.0	1.95	0.63	0.10
ANDD0114	378.5	379.7	1.2	1.0	1.51	0.40	0.07
And	381.3	385.2	3.4	3.2	1.29	0.55	0.06
ANDD0115	No Significant Mineralised Intersections						
ANDD0116	266.8	284.7	17.9	10.9	1.57	0.79	0.08
Incl	266.8	271.3	4.5	2.7	2.42	0.59	0.11
And	277.8	281.7	3.9	2.4	2.04	0.52	0.11
ANDD0117	271.4	281.3	9.9	8.1	0.80	0.84	0.04
Incl	272.1	275.1	3.0	2.4	1.55	1.39	0.08
ANDD0118	659.0	660.2	1.2	0.9	1.18	0.15	0.06
ANDD0119	473.6	474.8	1.2	0.6	2.48	0.91	0.12
And	556.6	557.1	1.1	0.2	1.08	0.93	0.05
ANDD0120	No Significant Mineralised Intersections						
ANDD0121	328.7	340.5	11.8	6.6	0.53	0.28	0.03
Incl	334.7	335.4	0.7	0.4	1.27	0.09	0.07
ANDD0122	171.7	175.4	3.7	3.0	1.54	0.40	0.06
Incl	173.6	175.4	1.8	1.5	2.95	0.65	0.12
ANDD0123	339.7	343.4	3.7	3.4	0.99	0.48	0.05
Incl	339.7	340.9	1.2	1.1	1.63	0.40	0.10
And	342.3	343.4	1.1	1.0	1.38	0.01	0.06
ANDD0124	565.4	572.4	7.0	3.9	1.23	0.41	0.06
Incl	566.5	569.2	2.7	1.5	2.19	0.20	0.10
And	621.60	625.3	3.7	2.0	1.59	0.49	0.08
Incl	623.0	624.7	1.7	0.9	2.61	0.34	0.12
Mineralised intersections calculated using a 0.4% Ni grade cut-off for overall zones and 1.0% Ni for included high grade zones.							

Table 2: Location data for drill holes ANDD0112 to ANDD0124

HOLE LOCATION	HOLE No.	EAST (mE)	NORTH (mN)	ELEVATION (mASL)	AZIMUTH	DIP	TOTAL DEPTH (m)
Andover	ANDD0112	512205	7694056	65	221	-62	351.8
Ridgeline	ANDD0113	511733	7694339	68	206	-43	648.3
Andover	ANDD0114	512095	7694156	76	162	-58	951.6
Ridgeline	ANDD0115	511895	7694280	72	200	-69	789.7
Andover	ANDD0116	512203	7694057	65	230	-58	350.0
Andover	ANDD0117	512176	7694122	67	202	-50	360.3
Ridgeline	ANDD0118	511894	7694279	72	198	-59	800.0
Andover	ANDD0119	512179	7694173	77	234	-79	630.6
Andover	ANDD0120	512299	7693951	62	117	-27	161.1
Andover	ANDD0121	512204	7694057	65	233	-52	390.4
Andover	ANDD0122	512090	7694154	76	166	-55	285.7
Andover	ANDD0123	512005	7694196	78	154	-42	387.2
Andover	ANDD0124	512182	7694172	77	169	-79	681.7

-ENDS-

Authorised for release by the Board of Directors of Azure Minerals Limited.

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COMPETENT PERSON STATEMENT

Information in this report that relates to Exploration Results for the Andover Project is based on information compiled by Graham Leaver, who is a Member of The Australasian Institute of Geoscientists and fairly represents this information. Mr Leaver has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Leaver is a full-time employee of Azure Minerals Limited 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 in this report that relates to previously reported Exploration Results has been crossed-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data		
Criteria	***JORC Code Explanation***	**Commentary**
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Samples are taken from diamond drill core (HQ or NQ2) that is saw cut (half or quarter). Sample intervals are determined according to the geology logged in the drill holes. Sample preparation was undertaken at Bureau Veritas Minerals, Canning Vale laboratory, where the samples received were sorted and dried. Primary preparation crushed each whole sample to 10mm and then to 3mm. The samples were then split with a riffle splitter to obtain a sub-fraction which was pulverised via robotic pulveriser. The resultant pulverised material was placed in a barcoded sample packet for analysis. The barcoded packet is scanned when weighing samples for their respective analysis. Internal screen QAQC is done at 90% passing 75um. Samples were analysed by methods: • XRF202 – XRF fusion with pre-oxidation using 66:34 flux containing 10% LiNO3 added, and • LA101 – fused bead laser ablation ICPMS These techniques are considered a total digest for all relevant minerals.
Drilling Techniques	*Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling technique for all holes was diamond drilling with HQ-size (63.5mm diameter) from surface and NQ2-size (50.6mm diameter) core to the final depth. Drill holes are angled and core is being oriented for structural interpretation.
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Diamond core was reconstructed into continuous runs. Depths were measured from the core barrel and checked against marked depths on the core blocks. Core recoveries were logged and recorded in the database. Core recoveries are very high with >90% of the drill core having recoveries of >98%. There is no discernible relationship between recovery and grade, and therefore no sample bias.

Section 1: Sampling Techniques and Data		
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	Detailed core logging was carried out with recording of weathering, lithology, alteration, veining, mineralisation, structure, mineralogy, RQD and core recovery. Drill core logging is qualitative. Drill core was photographed, wet and dry without flash, in core trays prior to sampling. Core from the entire drill hole was logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled*	Drill core was sawn in half or quarter using a core saw. All samples were half or quarter core and were collected from the same side of the core. The sample preparation followed industry best practice. Sample preparation was undertaken at Bureau Veritas Minerals, Canning Vale laboratory, where the samples received were sorted and dried. Primary preparation crushed each whole sample to 10mm and then to 3mm. The samples were then split with a riffle splitter to obtain a sub-fraction which was pulverised via robotic pulveriser. The resultant pulverised material was placed in a barcoded sample packet for analysis. The barcoded packet is scanned when weighing samples for their respective analysis. Internal screen QAQC is done at 90% passing 75um. The sample sizes are considered appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Samples were analysed by methods: • XRF202 – XRF fusion with pre-oxidation using 66:34 flux containing 10% LiNO3 added, and • LA101 – fused bead laser ablation ICPMS These techniques are considered a total digest for all relevant minerals. Duplicate, standard and blank check samples were submitted with drill core samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.*	Senior technical personnel from the Company (Project Geologists +/- Exploration Manager) logged and verified significant intersections. Primary data was collected by employees of the Company at the project site. All measurements and observations were recorded digitally and entered into the Company's

Section 1: Sampling Techniques and Data		
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. *Discuss any adjustment to assay data*	database. Data verification and validation is checked upon entry into the database. Digital data storage is managed by an independent data management company. No adjustments or calibrations have been made to any assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Drill holes were pegged by Company personnel using a handheld GPS, accurate to ± 3m. The grid system used is MGA94 Zone 50 for easting, northing and RL. Available state contour data and GPS recorded RL has been used which is adequate given the early stage of the project.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied*	Holes were individually drilled into electromagnetic targets and were not setup on a regular spacing. Downhole sample interval spacings are selected based on identification of intersected mineralisation. The project is at early exploration drilling stage, geological and grade continuity is not yet established. No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Drilling was designed to intersect the modelled EM targets and geological features were not factored at this early stage of exploration. No sampling bias has been identified due to the early stage of the project.
Sample security	*The measures taken to ensure sample security*	Assay samples were placed in calico sample bags, each is pre-printed with a unique sample number. Calico bags were placed in a poly weave bag and cabled tied closed at the top. Poly weave bags were placed inside a large bulka bag prior to transport. Samples were picked up and delivered to the laboratory by a transport contractor.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits have been completed. Review of QAQC data has been carried out by company geologists

Section 2: Reporting of Exploration Results		
Criteria	***JORC Code Explanation***	**Commentary**
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Exploration Licence E47/2481 is a Joint Venture between Azure Minerals Ltd (60%) and Croydon Gold Pty Ltd (40%), a private subsidiary of the Creasy Group. The tenement is centred 35km southeast of the major mining/service town of Karratha in northern WA. The tenement is approximately 12km x 6km in size with its the northern boundary located 2km south of the town of Roebourne. Approximately 30% of the tenement area is subject to either pre-existing infrastructure, Class "C" Reserves and registered Heritage sites. Written permission is required to access these areas which are outside the current areas of exploration focus. The tenement has been kept in good standing with all regulatory and heritage approvals having been met. There are no known impediments to operate in the area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Limited historical drilling has been completed within the Andover Complex. The following phases of drilling works with results have been undertaken: 1986-1987: Greater Pacific Investment; 6 core holes. Intersected elevated values of nickel (up to 1.0% Ni) and copper (up to 0.41% Cu). No PGEs were detected. 1996-1997: Dragon Mining; Stream sediment sampling, 5 RC holes in the NE at Mt Hall Ni-Cu target. Zones of noted sulphides (in sediments & gabbro) were selectively sampled with no anomalous results. Rare intervals of ultramafics were sampled. 1997-1998: BHP Minerals; 2 RC/DD holes were drilled within the Andover project area. Both holes intersected strongly magnetic serpentinite containing elevated values of nickel (up to 0.29% Ni), copper (up to 0.26% Cu) and cobalt (up to 332ppm Co) but no anomalous PGE's. 2012-2018: Croydon Gold; VTEM Survey, soil, and rock chip sampling, 7 RC holes tested 4 geophysical / geological targets. Significant Ni-Cu-Co sulphide mineralisation was intersected in two locations.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Andover Complex is an Archean-age layered mafic-ultramafic intrusion covering an area of about 200km^2 that intruded the West Pilbara Craton. The Andover Complex comprises a lower layered ultramafic zone 1.3km thick and an overlying 0.8km gabbroic layer intruded by dolerites. Ni-Cu-Co sulphide mineralisation occurs at lithological boundaries, either between different types of gabbro's, or between mafics and ultramafics. The current interpretation of the mineralized sulphides suggests a magmatic origin heavily overprinted by one or several hydrothermal events.

Section 2: Reporting of Exploration Results		
Drill hole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Refer to tables in the report and notes attached thereto which provide all relevant details.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Length weighted average grade calculations have been applied to reported assay intervals. No maximum and/or minimum grade truncations (eg cutting of high grades) or cut-off grades were applied. High grade intervals internal to broader mineralised zones are reported as included zones - refer to drill intercept and detail tables. No metal equivalents were reported. Reported nickel and copper mineralised intersections for the drilling are based on intercepts using a lower grade cut-off of 0.4% Ni for the overall mineralised zones and 1.0% Ni for the included high grade mineralised zones.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Geological controls and orientations of the mineralised zone are unconfirmed at this time and therefore all mineralised intersections are reported as "intercept length" and may not reflect true width. Drilling was designed to intersect the modelled EM targets and geological features have not been factored at this early stage of exploration. The true direction of mineralisation is not determined at this stage.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant*	Refer to figures in the report.

Section 2: Reporting of Exploration Results		
	discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The Company believes that the ASX announcement is a balanced report with all material results reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Everything meaningful and material is disclosed in the body of the report. Geological observations have been factored into the report.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or large-scale step out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Additional diamond drilling to follow-up the sulphide intersections. Downhole EM and surface fixed-loop EM surveying.