ASX ANNOUNCEMENT
ASX:AZS

14 NOVEMBER 2022

AZURE ACCELERATES LITHIUM EXPLORATION AT ANDOVER

Helicopter-supported surface sampling program targets abundant outcropping pegmatites

HIGHLIGHTS

- **Pegmatite sampling undertaken by helicopter to fast-track lithium exploration with 230 samples collected - assays pending**
- **Numerous outcropping spodumene-rich pegmatites identified up to 1,200m in strike length and up to one to two hundred metres across**
- **Previous sampling of similar pegmatites returned high-grade lithium assays (ASX: 12 & 19 October 2022), including:**

  APRK00037 - 3.32% Li_2O APRK00046 - 2.65% Li_2O APRK00029 - 1.62% Li_2O
  APRK00050 - 1.31% Li_2O APRK00051 - 1.19% Li_2O APRK00049 - 1.13% Li_2O

- **On-ground lithium exploration continuing with first lithium-specific drill program being prepared**
- **Nickel sulphide drilling continuing at targets VC-30, VC-31 and VC-32**

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to announce that the Company is accelerating assessment of the lithium potential on its Andover Project ("Andover") (Azure 60% / Creasy Group 40%), located in the West Pilbara region of Western Australia.

Image 1: Helicopter-supported pegmatite sampling

To follow up the highly successful first-pass exploration program which identified widespread lithium-bearing pegmatites across the Andover Project, Azure has implemented a multi-pronged strategy to fast-track its lithium-focused exploration.

1. Extensive helicopter-supported sampling program (see Images 1 and 4) recently completed across the project area, with 230 pegmatite samples collected.
2. Ground-based exploration with detailed mapping and sampling continuing.
3. First lithium-focused drilling program is being prepared and diamond drilling will be undertaken on newly identified target zones as soon as approvals have been received.
4. The option of drilling pegmatites located close to nickel sulphide targets where drilling approvals have already been received is being investigated.

During the helicopter-supported sampling program, the lithium-bearing mineral spodumene was observed in-situ in many pegmatite outcrops (see Images 2 and 3), especially proximal to and along strike from similar samples collected in Azure's earlier reconnaissance programs (ASX: 12 and 19 October 2022) which returned high grades of lithium, including:

APRK00037 - 3.32% Li_2O APRK00046 - 2.65% Li_2O APRK00029 - 1.62% Li_2O

APRK00050 - 1.31% Li_2O APRK00051 - 1.19% Li_2O APRK00049 - 1.13% Li_2O

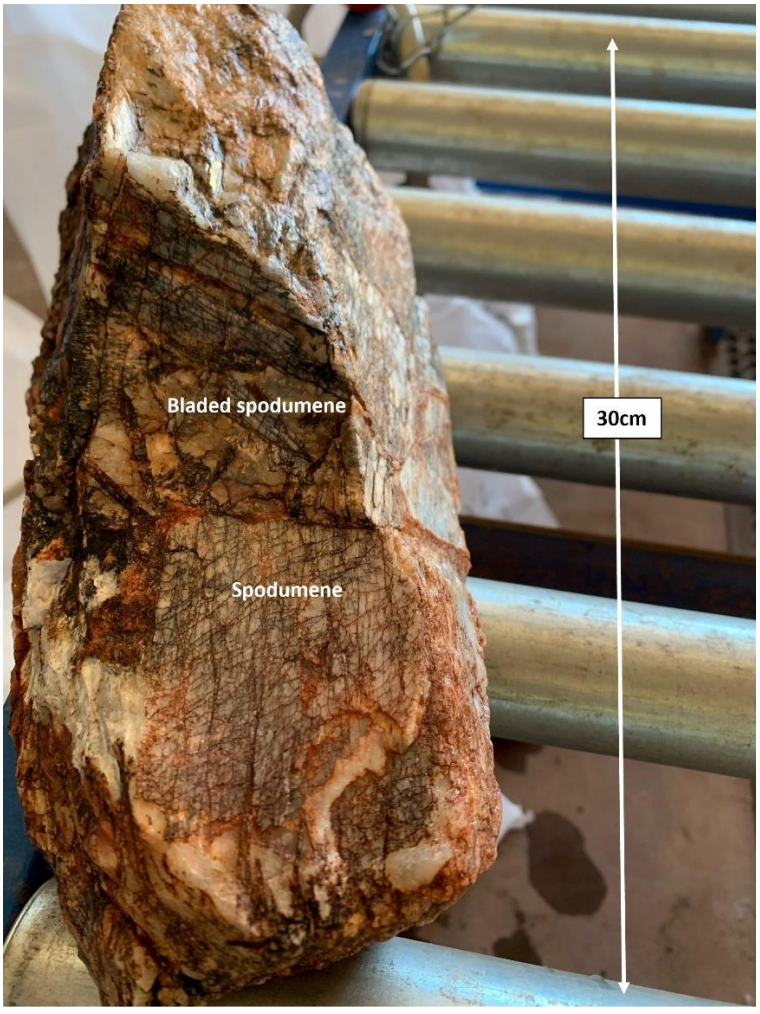

Image 2: Coarse-grained spodumene crystals in pegmatite

Image 3: Bladed spodumene in pegmatite outcrop

Image 4: Historical mine workings in pegmatite

The Andover pegmatite swarm contains several hundred outcropping pegmatites occurring in a zone approximately 8km long and up to 4km wide in the central and eastern parts of the project area (see Figure 1).

The pegmatite bodies typically trend in a southwest to northeast orientation and are generally horizontal to shallow dipping. Surface exposures range in size up to several hundreds of metres across and up to 1,200m in length. Within historical mine workings, vertical exposures of the pegmatites demonstrate true thicknesses of more than five metres.

The strike of the pegmatites is generally parallel with Azure's richly endowed Ni-Cu-Co Southern Mineralised Corridor, with most pegmatites lying within or adjacent to this mineralised horizon. It is interpreted that at the time of their emplacement, the pegmatites were likely utilising pre-existing structures that also controlled the earlier emplacement of the mineralising intrusion responsible for the formation of the Andover Ni-Cu-Co deposits.

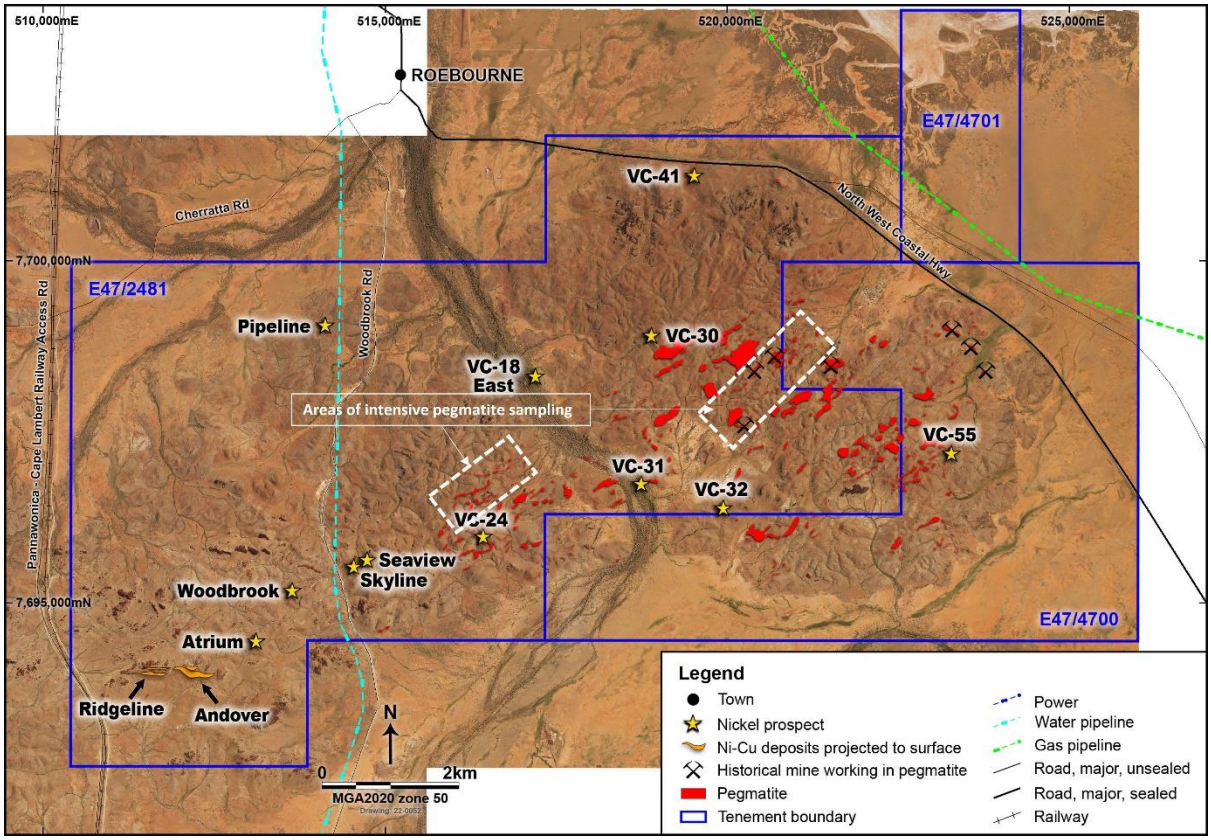

Figure 1: Andover Project showing areas of helicopter-supported pegmatite sampling

-ENDS-

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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 Mr Tony Rovira, who is a Member of The Australasian Institute of Mining and Metallurgy, and fairly represents this information. Mr Rovira 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 Rovira 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 reported in this release are surface rock chips collected from various pegmatite bodies across the project area and are representative of the outcrop they were collected from, given the nature of pegmatites having variable grain size and mineralogy. The rock samples collected were between 0.5kg and 3kg in weight.
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).*	Not applicable.
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.*	Not applicable.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource*	Rock chips were collected as part of a detailed surface geological mapping program. Qualitative field logging of the rocks is completed in the field including assessment

	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.*	of weathering, lithology, alteration, veining, mineralisation and mineralogy.
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*	Rock chips were collected from outcropping pegmatite bodies with limited sampling of "float" material. Field geologists selected samples that best represented the geology of the pegmatite body sampled. Rocks collected were assessed for their representativeness with grainsize of each pegmatite taken in account to ensure the sample size was appropriate. No field sub-sampling techniques were employed. Sample preparation following standard industry practice was undertaken at Bureau Veritas Minerals, Canning Vale laboratory, where the samples received were sorted and dried. All rock chips were initially crushed and then pulverize using a vibrating disc pulveriser to produce a homogenous, representative sample. Samples were placed in a barcoded packet for further analysis. The barcoded packet is scanned when weighing samples for their respective analysis. Internal screen QAQC is done at 90% passing 75um.
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.*	All rock samples were analysed by methods: • SC302 – mixed acid digest & peroxide fusion/ICPMS & ICPOES for 61 elements, and • FA006 – lead collection fire assay/ICPAES for Au, Pb and Pt.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data*	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 database. Data verification and validation is checked upon entry into the database. 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.*	Sample locations are determined by handheld GPS with and accuracy of approximately 5m. The grid system used is MGA2020 zone 50.
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*	Sample spacing has been determined solely by geological mapping and no grade continuity is implied. 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.*	No known sampling bias has been introduced.
Sample security	*The measures taken to ensure sample security*	Samples were placed in calico bags which 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. Bulka bags were transported from the Company's Roebourne core shed to the Bureau Veritas Minerals laboratory in Perth by a freight contractor.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have been conducted in relation to surface rock sampling.

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 Licences E47/2481, E47/4700 & E47/4701 are a Joint Venture between Azure Minerals Ltd (60%) and Croydon Gold Pty Ltd (40%), a private subsidiary of the Creasy Group. The project is centred 35km southeast of the major mining/service town of Karratha in northern WA. The tenement area is approximately 15.6km x 7.5km in size with its the northern boundary located 2km south of the town of Roebourne. Approximately 20% of the tenement area is subject to either pre-existing infrastructure, Class "C" Reserves and registered Heritage sites. The tenements are 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 have been undertaken: 1997-1998: BHP Minerals Two RC/DD holes were drilled within the Andover Project area (ARD01 & ARD02). ARD02 intersected 21m of Felsic Intrusive from 24m. 2012-2018: Croydon Gold VTEM Survey, soil, and rock chip sampling, seven RC holes tested four geophysical / geological targets. Significant Ni-Cu-Co sulphide mineralisation was intersected in two locations. Several minor historical excavations within the tenement area extracted beryl, tantalite and cassiterite found within pegmatite bodies of the Mount Hall Pegmatites.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Andover Complex is an Archean-age mafic-ultramafic intrusive complex covering an area of approximately 200km^2 that intruded the West Pilbara Craton. The Andover Complex comprises a lower ultramafic zone 1.3 km thick and an overlying 0.8 km gabbroic layer intruded by dolerites. The magmatic Ni-Cu-Co sulphide mineralisation at the Andover Deposit is hosted in a fractionated, low MgO gabbro with taxitic textures (± websterite xenoliths) proximal to the mineralisation. Later pegmatite bodies have intruded the Andover Mafic-Ultramafic Complex along pre-existing structures. Based on field observations, the pegmatites range up to 500m in length with surface exposures up to 100m across. The pegmatites are currently mapped over an approximate 8km strike length within the tenements.

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.*	Surface rocks sampling information is included within the body of the report.
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.*	No data aggregation techniques have been applied.
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').*	Not applicable.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a*	Refer to figures in the body of the text.

	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.*	Results from geochemical sampling and mapping programs will be synthesised to prioritise pegmatite bodies that required additional intensive sampling and mapping to determine their potential to host significant concentrations of lithium bearing minerals.