

31 May 2023

RC RIGS ACCELERATE DRILLING AT ANDOVER LITHIUM PROJECT

HIGHLIGHTS

- **Reverse Circulation (RC) drilling has commenced with two rigs in operation on an initial 40,000m drilling program**
 - **Two diamond drill rigs continuing with 20 holes for 7,332.6m completed to date**
 - **Assay results from the first diamond holes expected to be released in mid-June**
 - **Drilling is currently testing over the full 1,500m of strike length of the AP0011 and AP0012 pegmatites**
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Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to announce lithium-focused RC drilling has commenced at the Company's Andover Project (Azure 60% / Creasy Group 40%), located in the West Pilbara region of Western Australia.

Commenting on the upcoming campaign, Azure's Managing Director, Mr Tony Rovira said:

"Following receipt of the environmental and heritage clearances which allows us to access several high priority lithium targets, we have moved rapidly to increase our drilling capability at the Andover Project.

"Along with the two diamond core rigs that have been operating on site since early March, we've now added two RC rigs to our lithium-focused drilling campaign and it's likely that additional drill rigs will be mobilised within the next month to further accelerate the program towards resource definition.

"To date, we're very encouraged by the visual indications in the drill core from the AP0011 and AP0012 pegmatites, so for the time being the rigs will continue at these locations. However, I expect to start drilling other high-priority pegmatite targets at Andover in the near future when additional drill rigs arrive on site."

RC Drilling

Two RC rigs were mobilised to site this week and have commenced drilling along the 1,500m strike length of the AP0011 and AP0012 pegmatites. To further accelerate the lithium exploration, an additional one or two RC rigs, depending upon availability, will be mobilised to Andover within the next month, enabling the Company to speed up the step-out drilling and test the full extent of the AP0011, AP0012 and other pegmatites.

Diamond Drilling

The two diamond core rigs currently on site have moved to the recently approved areas to test along the 1,500m strike length of the AP0011 and AP0012 pegmatites (Image 1). Earlier diamond drilling intersected substantial widths of pegmatites in most holes (ASX: 15 March and 5 April 2023), confirming along-strike and down-dip extensions of the outcropping pegmatites that

returned high lithium grades from the Company's previously reported extensive surface sampling campaign (ASX: 20 January & 21 March 2023).

Looking Forward

Numerous high priority lithium targets are now available to be drilled across the pegmatite swarm that extends over an area of 9km (east-west) and up to 5km (north-south) (see Figure 1) within the central and eastern parts of the Andover project area. Going forward, the Company expects to have a total of five to six drill rigs operating on site to ensure rapid testing and delineation of potential lithium resources.

The first priority is to focus drilling in the AP0009-AP0014 sub-region (see Figure 2) which contains multiple pegmatites extending over a strike length in excess of 1,500m. Azure's geologists have already visually identified abundant spodumene in the AP0011 and AP0012 pegmatites, both in outcrop where surface sampling returned numerous high grade lithium assays between 2% to 4% Li₂O (ASX: 12 and 19 October 2022, 20 January and 21 March 2023), and also in the drill core produced in the ongoing diamond drilling program.



Image 1: Diamond drilling commencing on recently approved area at AP0012. Spodumene-rich pegmatite outcrop is present in the foreground.

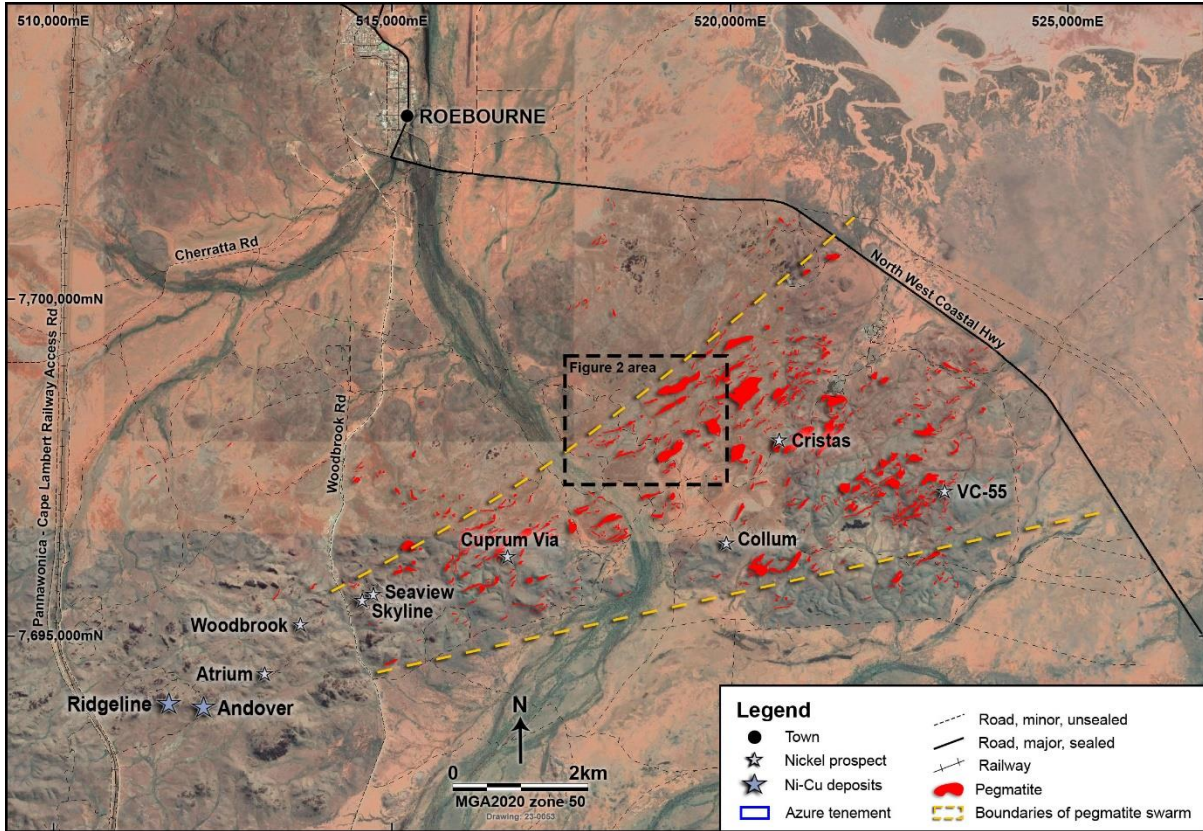


Figure 1: Andover Lithium Project showing pegmatite outcrops

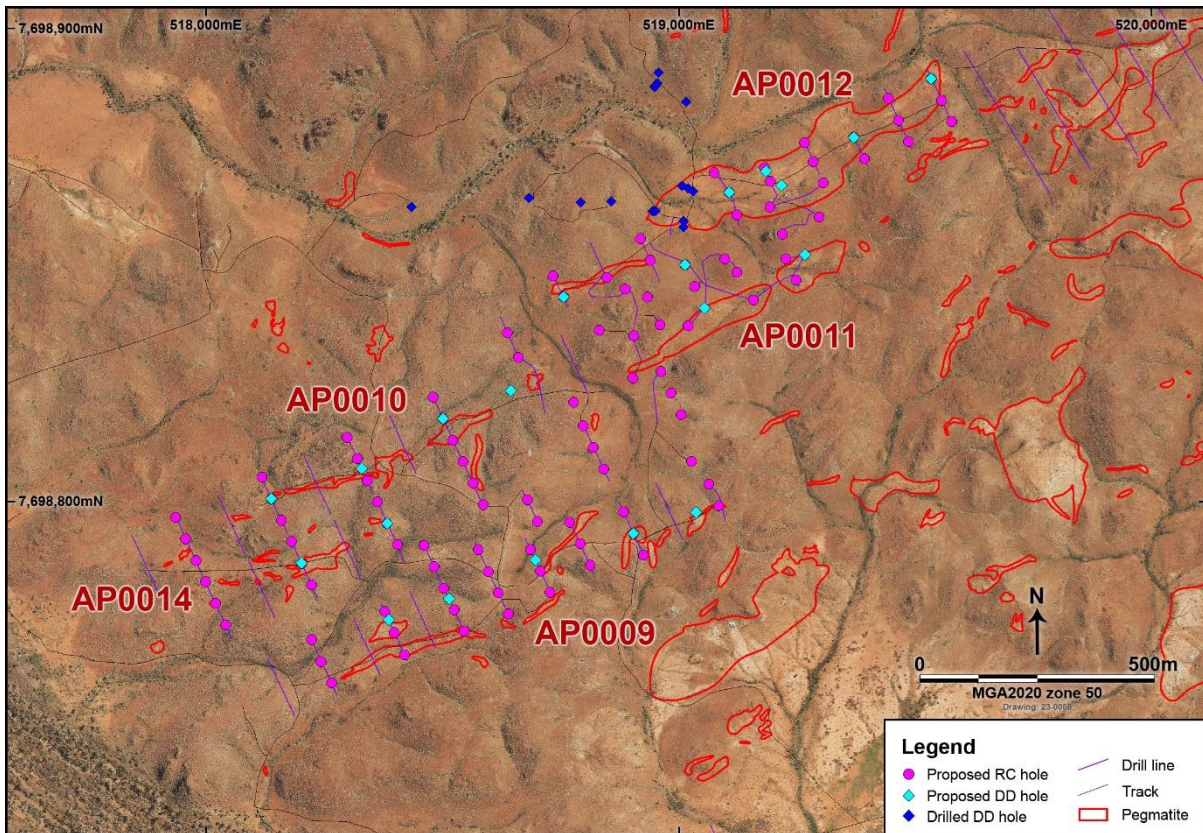


Figure 2: Pegmatite outcrops and planned drilling at AP0009, AP0010, AP0011, AP0012 and AP0014 targets

ASX ANNOUNCEMENT

ASX:AZS



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For enquiries, please contact:

Tony Rovira

Managing Director
Azure Minerals Limited
Ph: +61 8 6187 7500
E: admin@azureminerals.com.au

Media & Investor Relations

David Tasker
Chapter One Advisors
Ph: +61 433 112 936
E: dtasker@chapteroneadvisors.com.au

or visit:

Website: www.azureminerals.com.au
LinkedIn: **Azure Minerals Limited**
Twitter: **@AzureMinerals**

COMPETENT PERSON STATEMENT

Information in this report that relates to previously reported Exploration Results has been cross-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.