

Developing High Grade Projects in Mexico



ASX: AZS



@AzureMinerals

www.azureminerals.com.au

Tony Rovira
Managing Director
Azure Minerals Ltd
1 December 2017

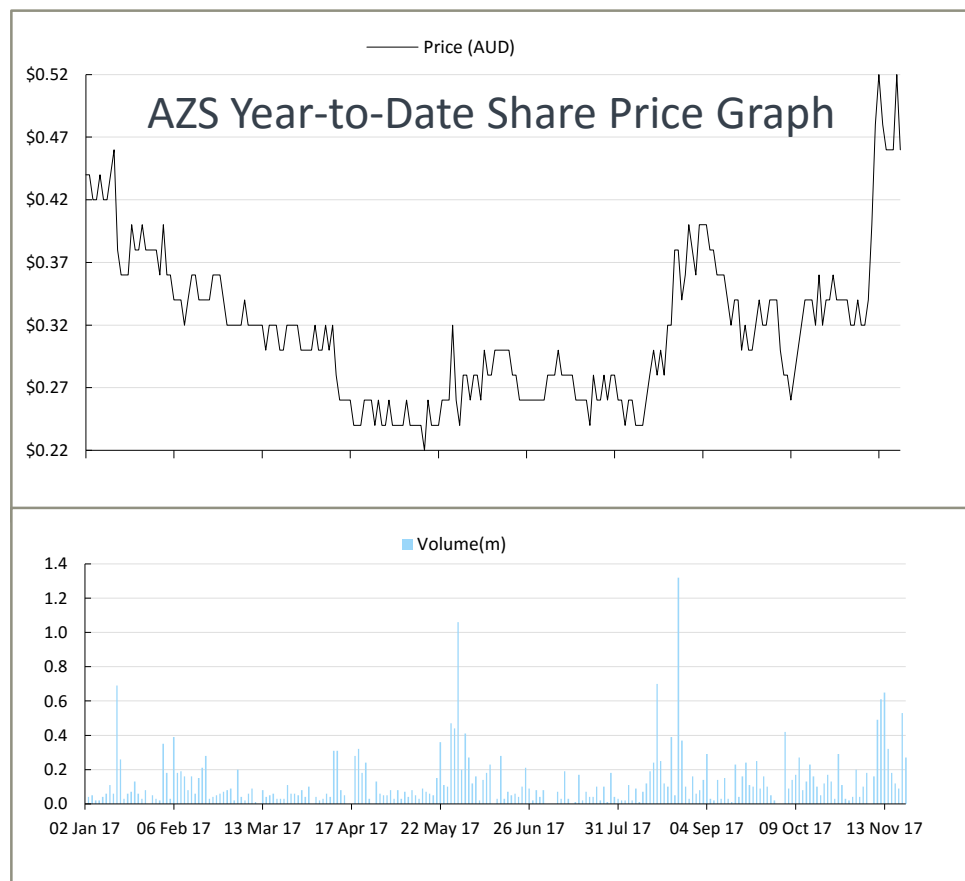
Australia's Leading Explorer in Mexico

- Assets:** Multi-commodity, advanced-stage projects
- Location:** Sonora, Mexico – a world-class mining province
- Management:** Track record of making discoveries and developing mines
- Funding:** Strong cash position: A\$5.5M (at 31 October 2017)
- Outlook:** Fast tracking development, significant news flow expected



Corporate Overview

ASX	AZS
Share Price	A\$0.60
Shares	83.6M
Market Cap	~A\$50M
Cash	~A\$5.5M
Share Spread	Australian ~80% North American ~20%
Top 20	37%



Experienced Board and Management

CHAIRMAN: Mr Peter Ingram

Geologist with +50 years experience
+30 years public company management
+20 years CEO of mid-tier gold mining company

MANAGING DIRECTOR: Mr Tony Rovira

Geologist with +30 years experience
Founding director of Azure Minerals
Discovered 3 gold deposits & 2 nickel deposits
– all became mines
Awarded Australian Prospector of the Year 2000

NON-EXEC DIRECTOR: Dr Wolf Martinick

Environmental scientist with +40 years
experience in environmental, water, social &
community issues

PROJECT MANAGER: Mr Glenn Jardine

Mining engineer with +30 years experience
Feasibility, development & operation of 6 gold &
nickel mines in Australia & Africa

CFO: Mr Brett Dickson

CFO & Company Secretary with +30 years
experience in financial management of public
companies specialising in the resources sector

VP-EXPLORATION: Mr Brent Hendrickson

Geologist with +30 years experience, including
+20 years in Latin America (12 years in Mexico)
Led Azure's team to discovery of 4 silver, gold,
copper deposits in Mexico

Mexico – A world-class mining destination

Stable democratic government

Modern mining legal system >> secure mining titles

World-leading minerals producer

+500 years of continuous mining history

Low cost, highly skilled pro-mining country

100% profit repatriation & no withholding taxes



100% owner of high quality projects

Oposura: **Zn-Pb-Ag** deposit with **3 rigs drilling now**
On pathway to development & production

Alacrán: **Ag-Au-Cu** project with **3 rigs drilling now**
Azure free-carried by Teck for US\$10-15M

Sara Alicia: **Au-Co** project with **6 holes drilled**
Drilling intersects very high grades of gold &
cobalt mineralisation



Assets Safe & Secure

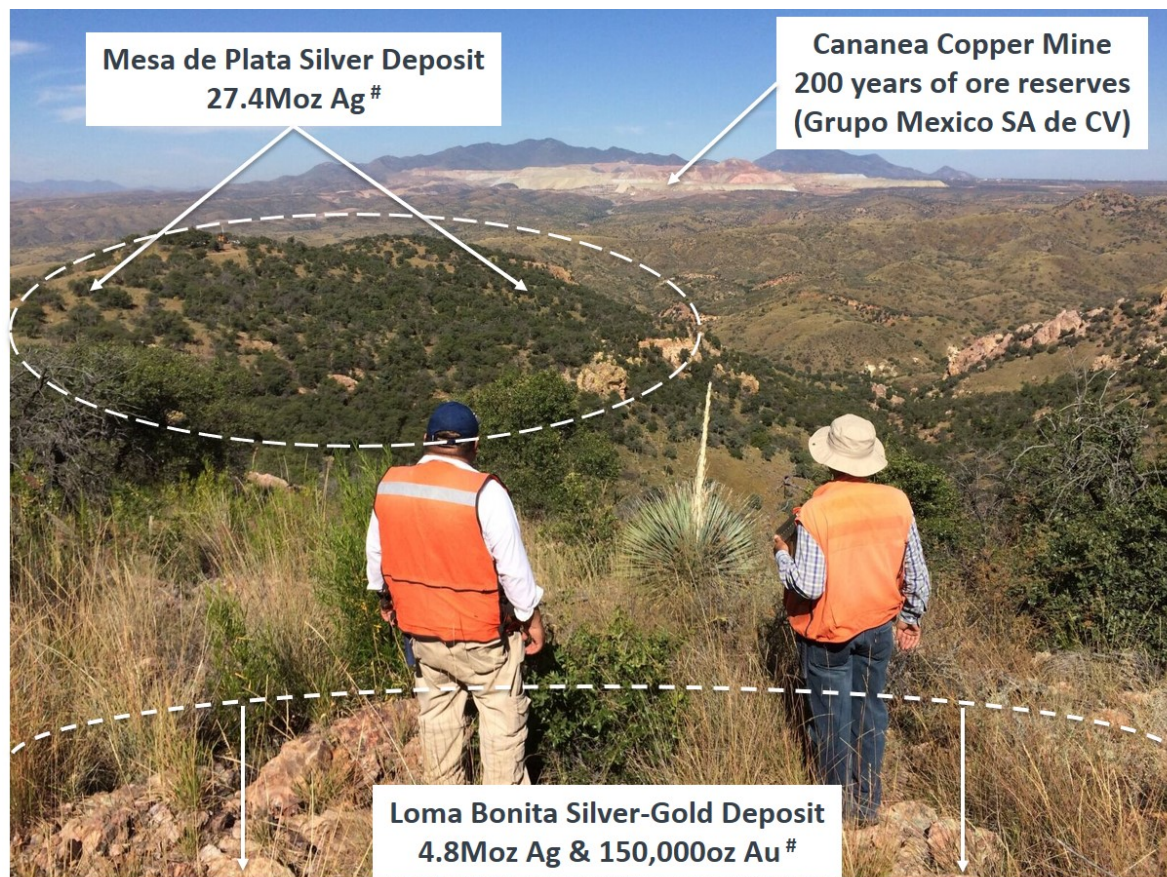


Alacrán – an exploration success

2 silver-gold deposits discovered by Azure

- Mesa de Plata
- Loma Bonita

32.2Moz silver
150,000oz gold[#]



Alacrán - Azure free carried

Excellent upside:

- more gold & silver resources to be found
- evidence for large copper porphyry deposits

Partner Teck Resources spending US\$10M to earn 51%
(and US\$15M to earn 65%)

Teck has 5,000m diamond drilling campaign underway

Focus on epithermal silver-gold at Loma Bonita and
porphyry copper at Cerro Colorado

Oposura - Our Flagship Project

Acquired 100% ownership in Q3 2017 for US\$1.5M

Fast-tracking high-grade **Zn-Pb-Ag** deposit to mine development & production

Resource drill-out – **drilling now**

Mineral resource estimate – **March/April 2018**

Scoping Study / PEA underway – due **Q3 2018**

Follow-up drilling to expand resource – **Q2 & Q3 2018**



Exploration Target:
2.5Mt -3.0Mt @ 10% - 12% Zn+Pb[#]

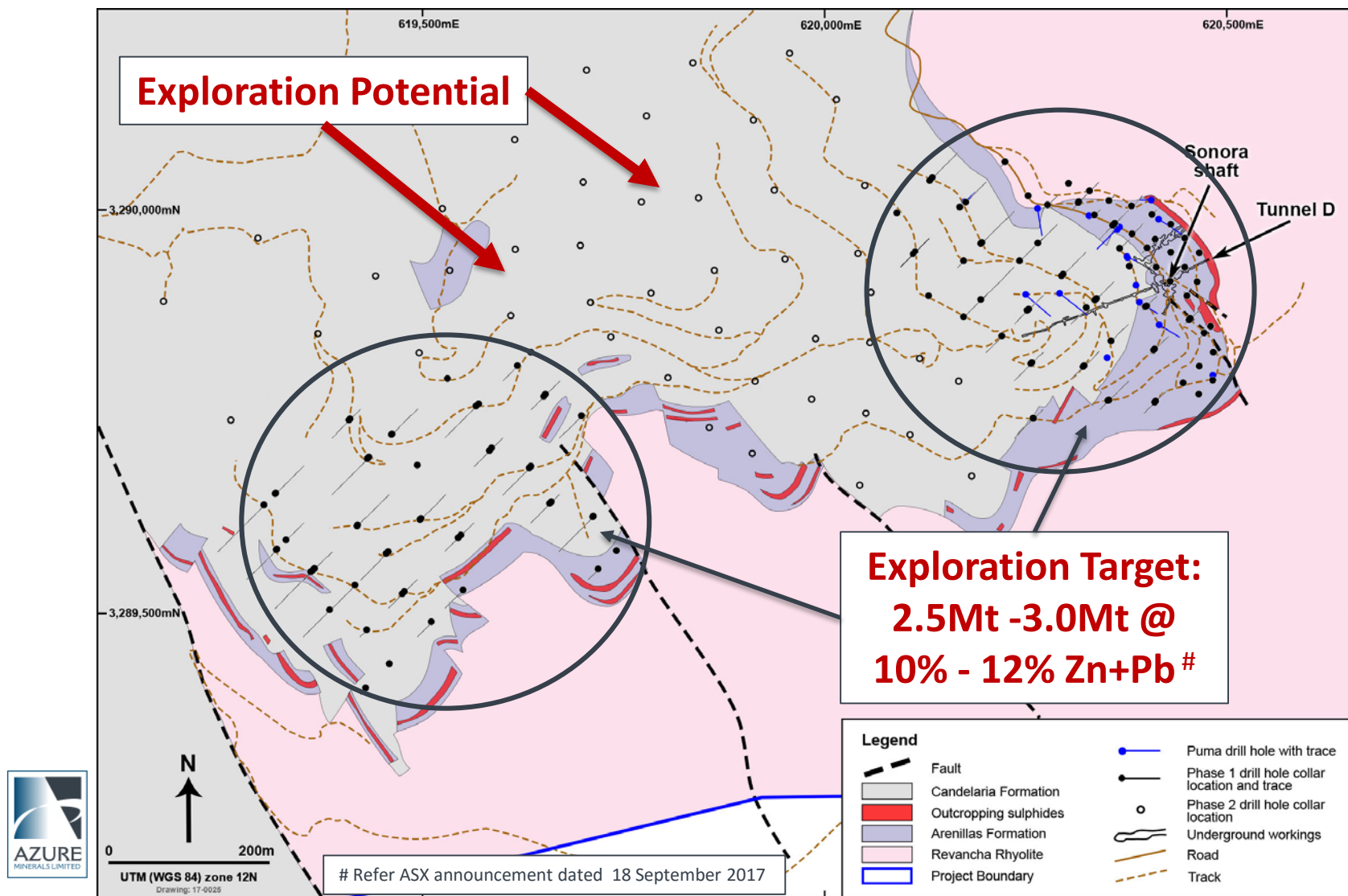
Refer ASX announcement
dated 18 September 2017

Oposora – a high grade deposit

DRILL HOLE	MINERALISED INTERCEPTS [#]
BDA-01	4.4m @ 13.0% Zn+Pb & 18g/t Ag from 13.80m
BDA-03	9.3m @ 11.4% Zn+Pb & 32g/t Ag from 29.60m
BDA-6AR	7.4m @ 13.7% Zn+Pb & 22g/t Ag from 24.55m
BDA-07	3.4m @ 13.9% Zn+Pb & 23g/t Ag from 53.40m
BDA-07	3.0m @ 29.2% Zn+Pb & 54g/t Ag from 66.30m
BDA-08	6.7m @ 18.8% Zn+Pb & 107g/t Ag from 45.95m



Oposura – resource drill-out



Visible high grade zinc-lead-silver ore



**BDA-03 @ 31.0m:
17.9% Zn & 10.8% Pb & 50g/t Ag**

Simple mining & processing

Open pit mining followed by room & pillar underground

- Massive sulphides start at surface
- Easy to mine
- Simple, low cost extraction

Excellent metallurgy

- Standard sulphide flotation process
- High grade, low contaminant, lead & zinc concentrates[#]



Oposura – development timeline

Resource drill-out	Q1 2018
Mineral Resource Estimate	Q2 2018
Scoping Study / PEA	Q3 2018
Definitive Feasibility Study	Q3 2019
Construction & production	late 2019

Sara Alicia – high grade gold & cobalt

Acquired 100% ownership in August 2017

Acquisition cost = US\$125,000

First drill program completed

Very high grade gold and cobalt discovered

Sara Alicia – spectacular drill results

DRILL HOLE	BEST MINERALISED INTERCEPTS [#]	
	GOLD	COBALT
DSA-01	11.4m @ 3.3g/t Au from 32.4m	5.5m @ 0.13% Co from 32.4m
DSA-03	26.2m @ 8.6g/t Au from 0.60m	26.2m @ 1.26% Co from 8.5m
<i>including</i>	12.6m @ 14.9g/t Au from 13.2m	6.4m @ 3.57% Co from 13.2m
DSA-04	19.7m @ 5.0g/t Au from 14.9m	14.5m @ 0.09% Co from 20.0m
<i>including</i>	3.8m @ 15.4g/t Au from 28.4m	4.7m @ 0.11% Co from 20.0m
DSA-06	13.7m @ 3.6g/t Au from 12.2m	20.6m @ 0.13% Co from 3.9m
<i>including</i>	3.0m @ 6.4g/t Au from 13.8m	1.9m @ 1.12% Co from 8.0m



Sara Alicia – consistent high grades

DSA-03: Core Tray 5

16.45m-17.20m: 0.75m @ 33.9g/t Au & 3.00% Co

17.20m-17.95m: 0.75m @ 17.4g/t Au & 6.62% Co

17.95m-18.80m: 0.85m @ 2.86g/t Au & 4.04% Co

18.80m-19.70m: 0.90m @ 10.7g/t Au & 4.27% Co



DSA-03: Core Tray 6

19.70m-20.55m: 0.85m @ 25.1g/t Au & 2.38% Co

20.55m-21.20m: 0.65m @ 25.7g/t Au & 3.06% Co

21.20m-21.85m: 0.65m @ 13.7g/t Au & 4.05% Co

21.85m-23.40m: 1.55m @ 4.64g/t Au & 0.31% Co



Sara Alicia – good potential

Mineralisation starts at surface

Potential for modest size, high-grade gold & cobalt deposit

Exploration continuing

Follow-up drilling in Q1 2018

Growth & Outlook



Growing strongly & delivering value

Experienced team with proven discovery and mine-building credentials

High quality projects in top class mining jurisdiction

Multi-commodity exposure (**Ag, Au, Co, Zn, Pb, Cu**)

Active programs fast-tracking project development

Strong news flow over the coming months



Strong pipeline of news flow

Oposura

Our Flagship Project
3 rigs drilling now

Fast-tracking development of Zn-Pb-Ag project

- 120 hole, 7,000m resource drill-out - **in progress**
- Mineral resource estimate - due **March / April 2018**
- Maiden scoping study / PEA underway - due **Q3 2018**

Sara Alicia

Gold & Cobalt
1st drilling completed

Ultra-high grade gold & cobalt

- Old mine workings from 1930s
- Spectacular assays from drilling¹
- **26.2m @ 8.6g/t Au & 1.3% Co**
 - *including 12.6m @ 14.9g/t Au & 6.4m @ 3.6% Co*

Alacrán

Silver & Gold
3 rigs drilling now

Silver, gold & copper deposits

- Azure discovers 32Moz silver & 150,000oz gold²
- Partner Teck Resources earning 51% by spending US\$10M and 65% by spending US\$15M
- Teck drilling 5,000m for copper, gold & silver deposits



1. Refer ASX announcements dated 27 November 2017

2. Refer Appendix 1 for details of mineral resource classifications

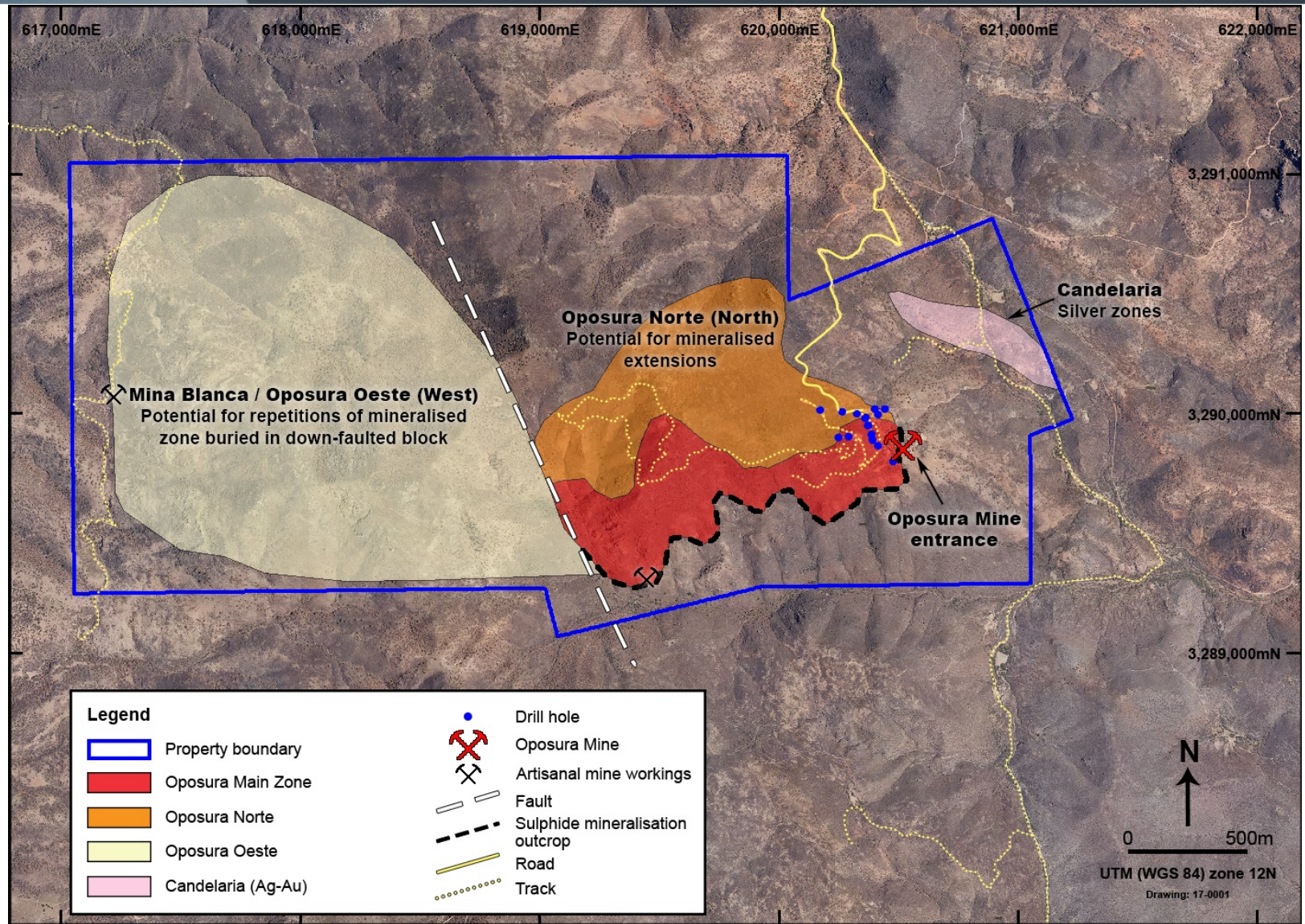


Thank you

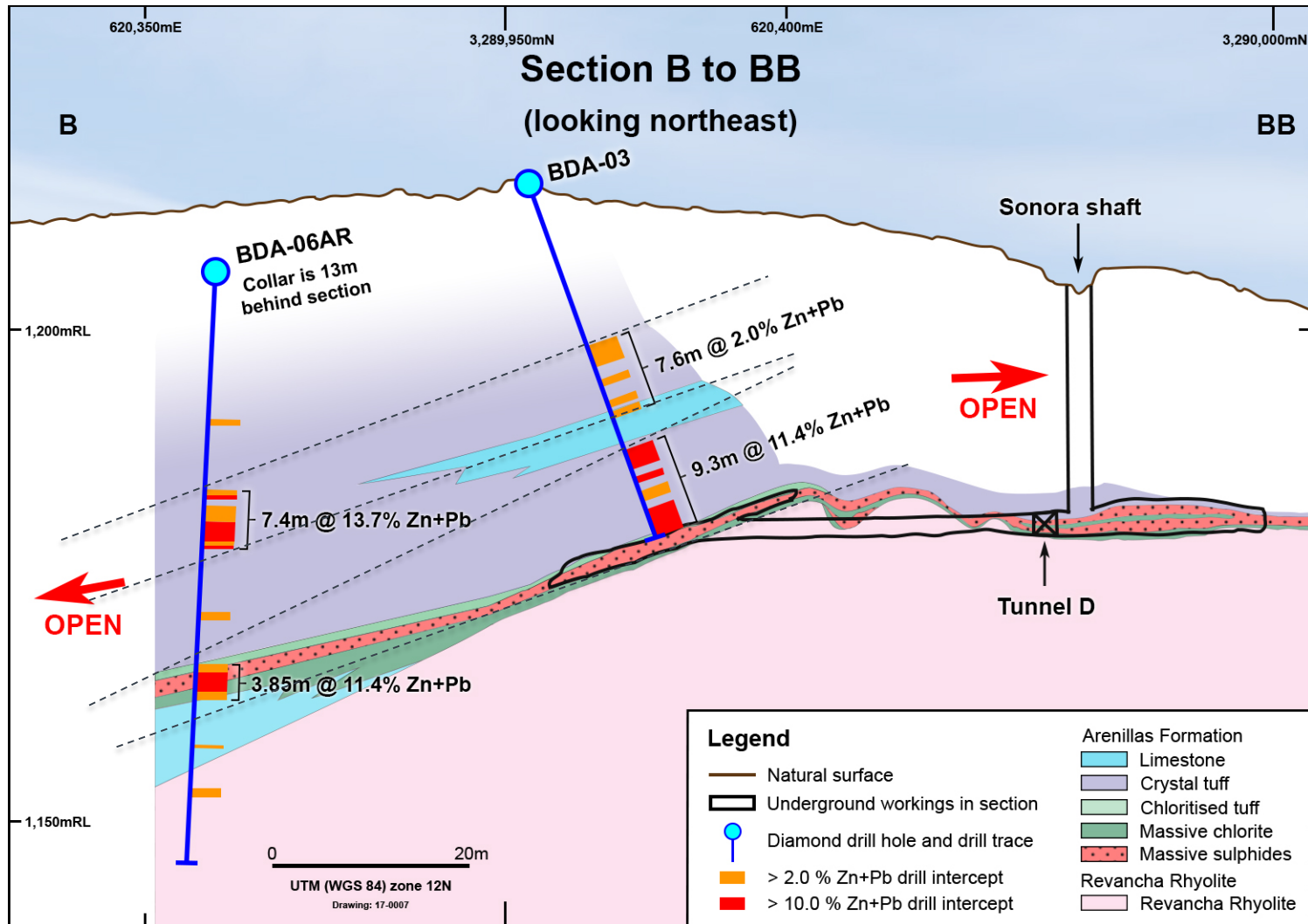


For enquiries, please contact:
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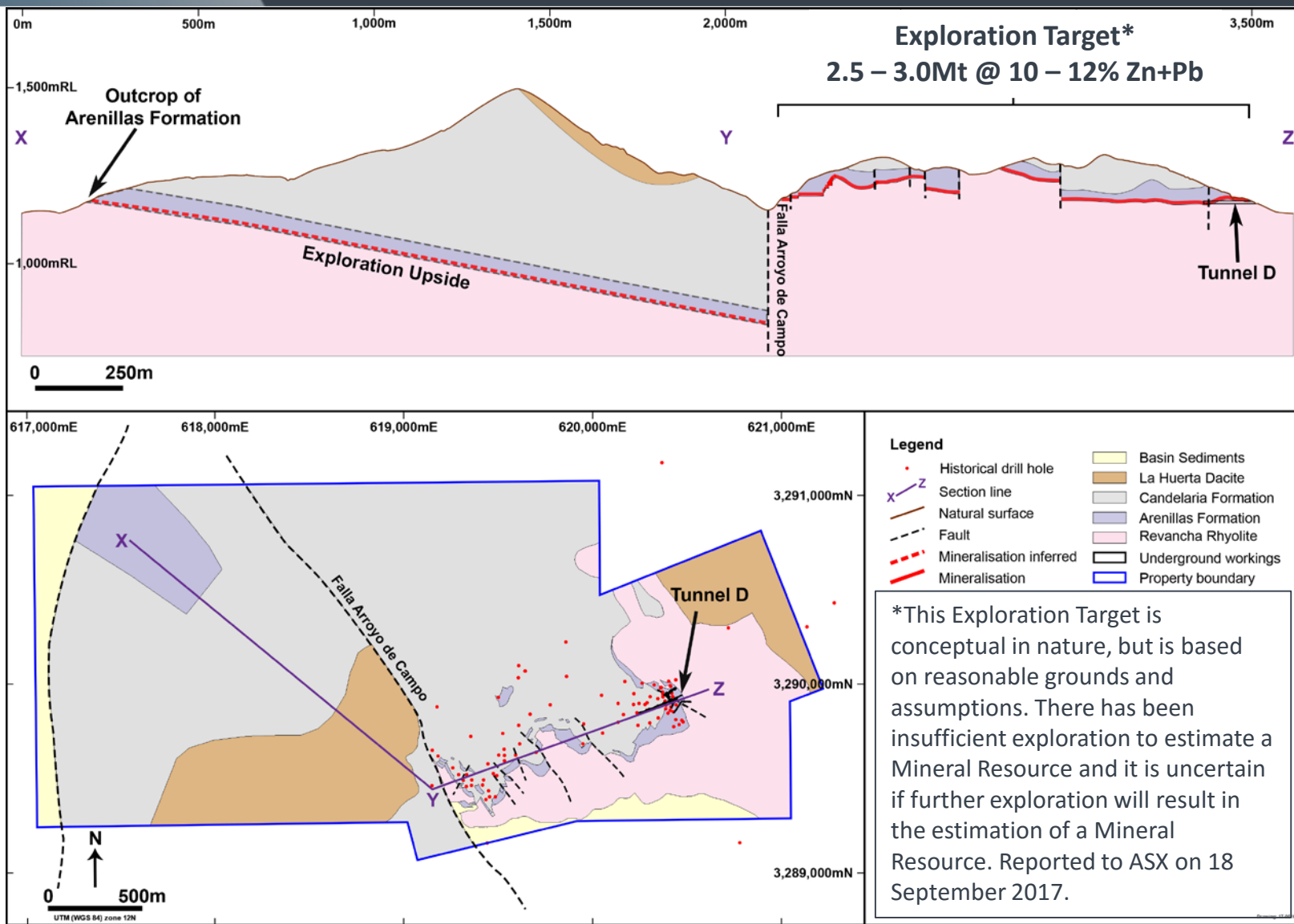
Oposura – good exploration upside



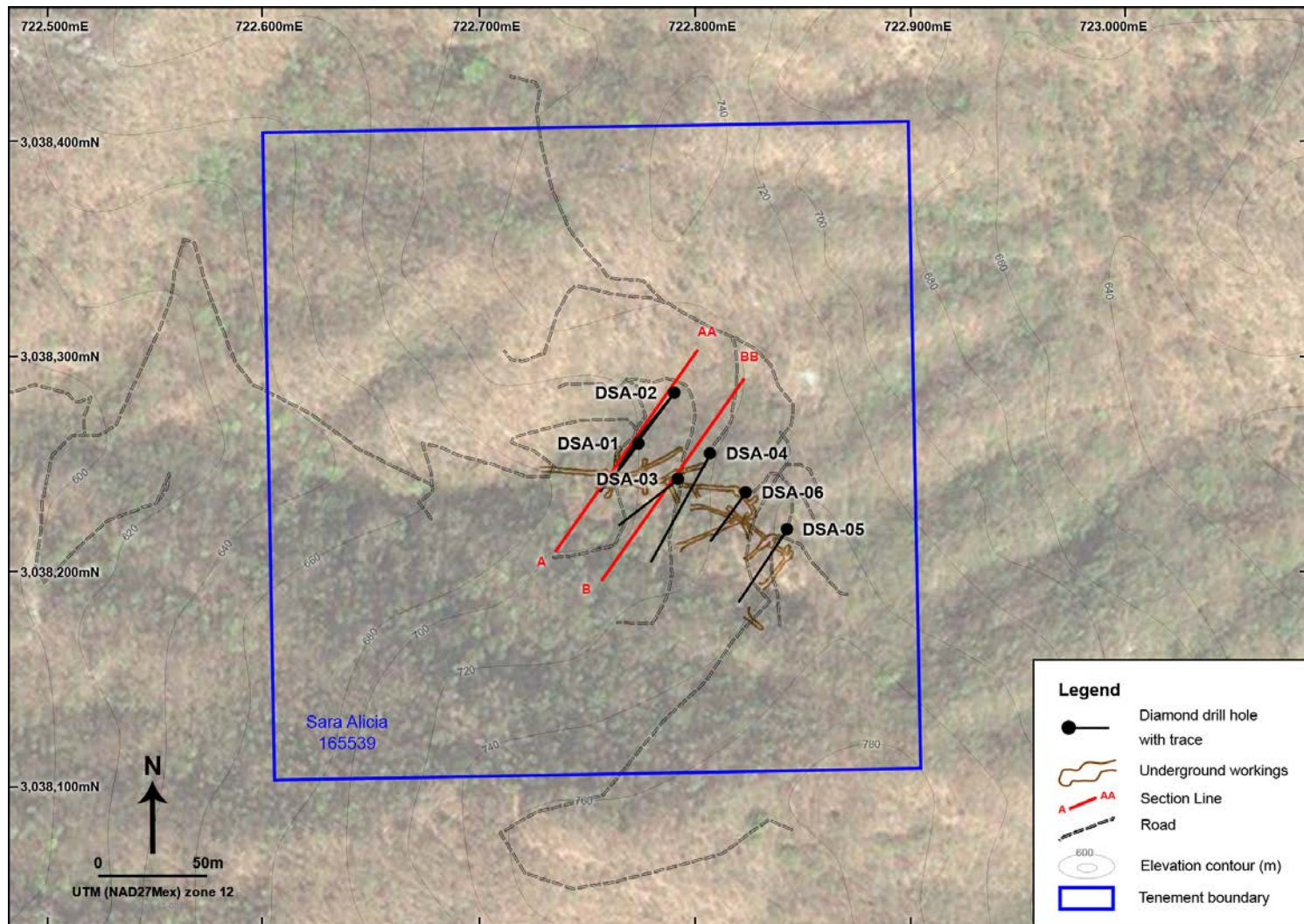
Oposura - near surface & high grade[#]



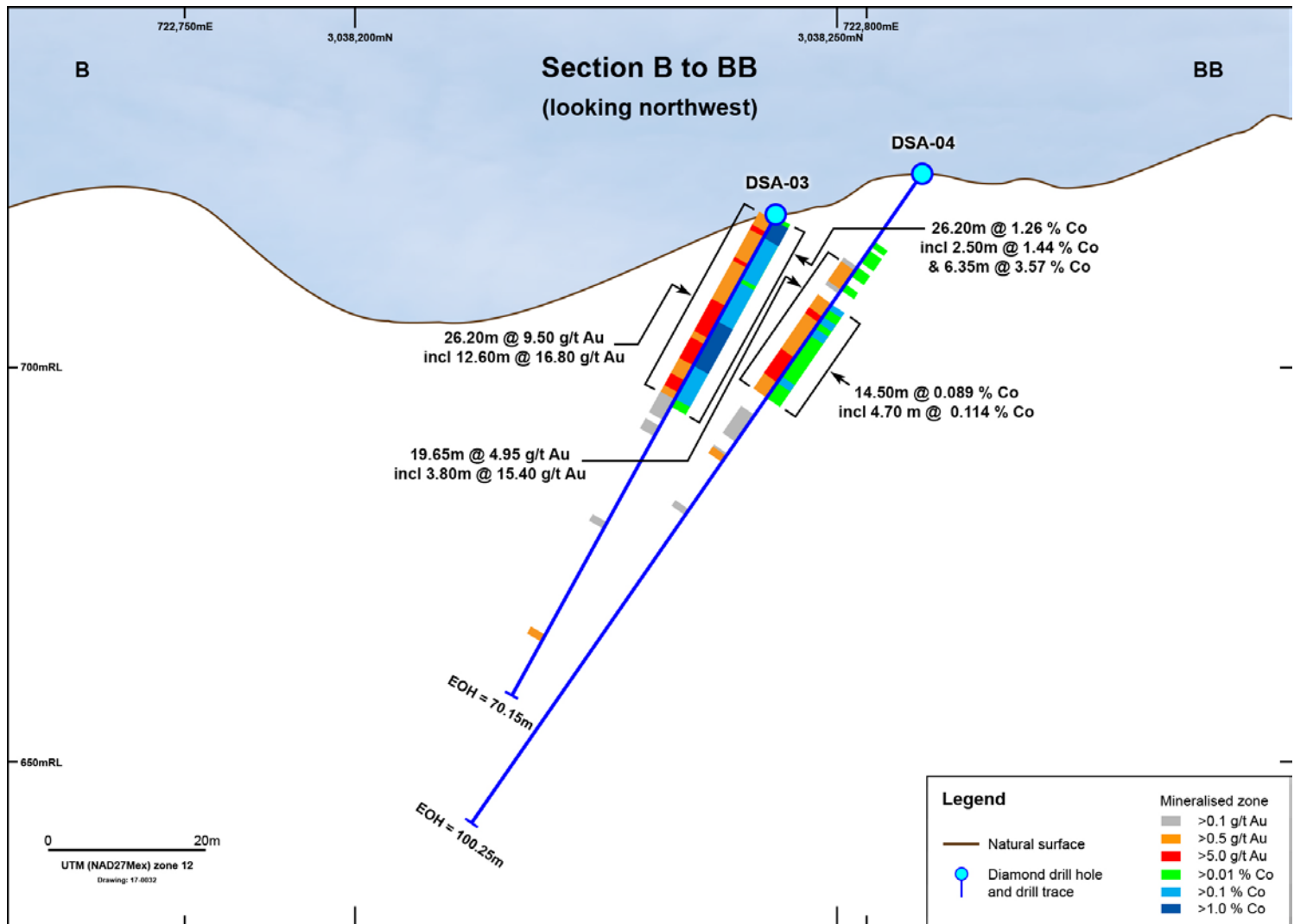
Exploration Target + upside potential



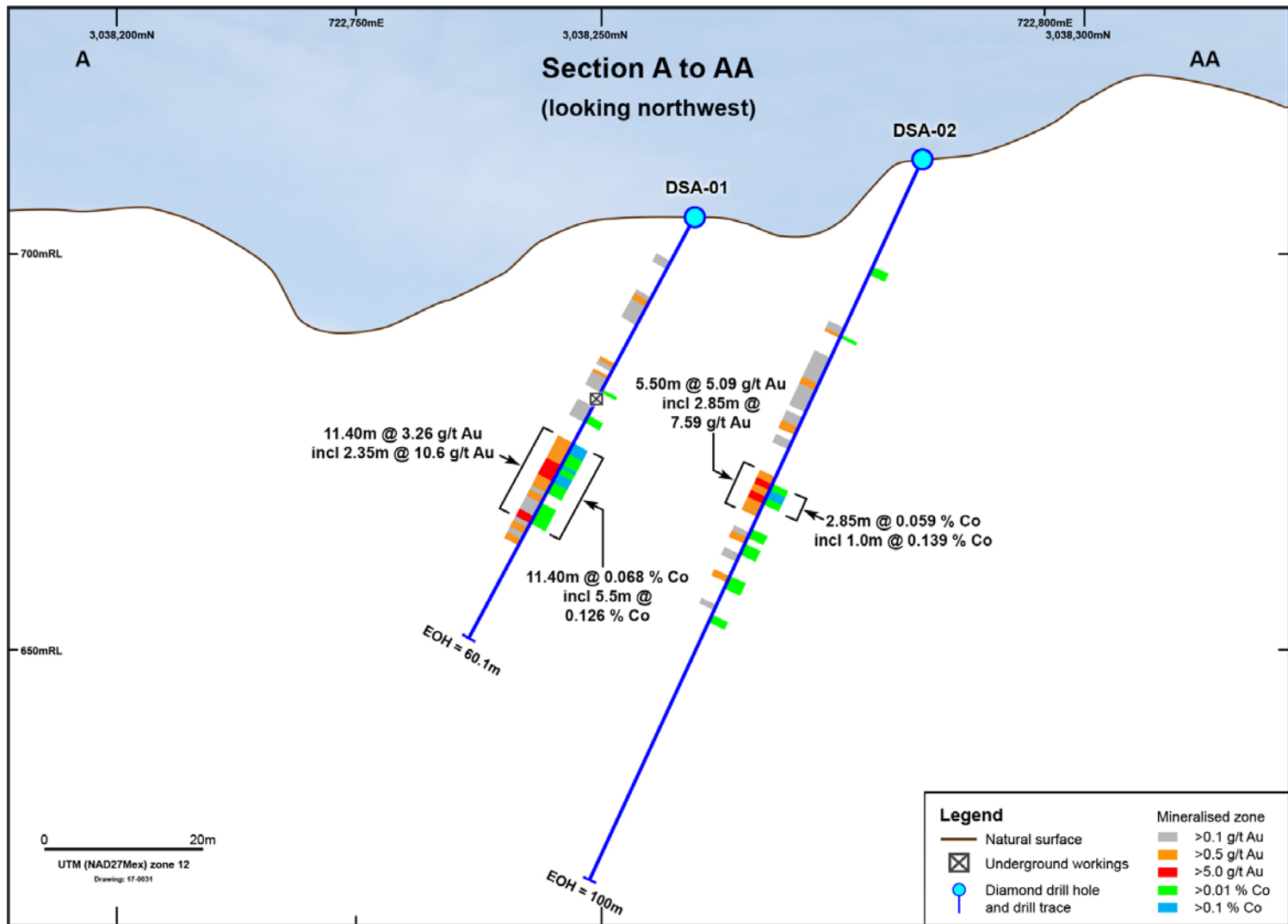
Sara Alicia – high grade gold & cobalt



Sara Alicia – high grade gold & cobalt[#]



Sara Alicia – high grade gold & cobalt[#]



Alacrán Mineral Resources

Appendix 1

Table 1: Mesa de Plata Mineral Resource (ASX: 1 December 2016)

Zone	Measured Mineral Resource			Indicated Mineral Resource			Total Mineral Resource		
	Tonnes (Mt)	Silver		Tonnes (Mt)	Silver		Tonnes (Mt)	Silver	
		(g/t Ag)	(Moz)		(g/t Ag)	(Moz)		(g/t Ag)	(Moz)
High Grade	1.21	307.4	12.0	0.54	201.7	3.5	1.75	274.7	15.5
Mid-Grade	8.43	43.0	11.7	0.28	36.2	0.3	8.71	42.8	12.0
Total	9.64	76.2	23.6	0.82	145.4	3.8	10.46	81.6	27.4

Notes

Reported using a block model cut-off grade of ≥ 20 g/t Ag using capped silver grade estimates

Numbers in this table have been rounded to one decimal for silver grade and two decimals for tonnage

Table 2: Loma Bonita Mineral Resource (ASX: 21 December 2016)

Cut-Off Grade (g/t Au)	JORC Code Classification	Tonnes (Mt)	Gold		Silver	
			(g/t Au)	(kOz)	(g/t Ag)	(Moz)
≥ 0.5	Indicated Mineral Resource	2.87	1.25	115.7	33.9	3.14
	Inferred Mineral Resource	0.5	1.0	15	18	0.3
	Total	3.4	1.2	131	32.0	3.4
≥ 0.21	Indicated Mineral Resource	4.20	0.95	128.5	30.1	4.07
	Inferred Mineral Resource	1.2	0.6	22	18	0.7
	Total	5.4	0.9	150	28	4.8

Notes

Block cut-off grade of ≥ 0.21 g/t Au equates to gold price assumption of 1,466 USD/troy ounce.

Cut-off grade does not consider the value of silver credits.

Gold and silver grades capped (98th percentile).

Numbers may not sum precisely due to rounding assumptions (two decimal places for Indicated Resources and one decimal place for Inferred Resources, as the latter are reported using a lower precision to convey the higher level of uncertainty).

The JORC Code reportable estimate using the ≥ 0.21 g/t Au is inclusive of the ≥ 0.5 g/t Au estimate. The ≥ 0.5 g/t Au estimate is provided for information purposes to highlight that the bulk of the contained metal is within a higher grade zone.

Promontorio Mineral Resources

Appendix 2

Table 3: Promontorio Deposit Mineral Resource (ASX: 10 May 2013)

Total Resource		Grade			Contained Metal		
Classification	Tonnes	Copper (%)	Gold (g/t)	Silver (g/t)	Copper (tonnes)	Gold (oz)	Silver (oz)
Indicated	610,000	2.7	1.7	56	16,700	32,500	1,090,000
Inferred	230,000	1.8	1.5	56	4,100	11,300	410,000
TOTAL	840,000	2.5	1.6	56	20,800	43,800	1,500,000

Table 4: Cascada Deposit Mineral Resource (ASX: 17 May 2015)

Total Resource		Grade			Contained Metal		
Classification	Tonnes	Copper (%)	Gold (g/t)	Silver (g/t)	Copper (tonnes)	Gold (oz)	Silver (oz)
Indicated	840,000	1.1	1.4	27	9,200	36,700	740,000
Inferred	1,230,000	0.8	1.8	26	9,500	70,500	1,020,000
TOTAL	2,060,000	0.9	1.6	27	18,800	107,200	1,760,000

Table 5: Total Promontorio Project Mineral Resources (summary of Table 3 & 4)

Deposit	Tonnes	Grade			Contained Metal		
		Copper (%)	Gold (g/t)	Silver (g/t)	Copper (t)	Gold (Oz)	Silver (oz)
Promontorio	840,000	2.5	1.6	56	20,800	43,800	1,500,000
Cascada	2,060,000	0.9	1.6	27	18,800	107,200	1,760,000
TOTAL MINERAL RESOURCES	2,900,000	1.4	1.6	35	39,600	151,000	3,260,000

Statements

Competent Person Statements:

The information in this report that relates to Mineral Resources for the Mesa de Plata and Loma Bonita deposits are extracted from the respective reports “Mesa de Plata Mineral Resource Upgraded” and “Loma Bonita Mineral Resource” created and released to ASX on 1 December 2016 and 21 December 2016 respectively and are available to view on www.asx.com.au.

The information in this report that relates to Mineral Resources for the Promontorio and Cascada deposits are extracted from the respective reports “Promontorio Resource Update” and “Cascada Resource” created and released to ASX on 10 May 2013 and 7 May 2015 respectively and are available to view on www.asx.com.au.

Information in this report that relates to previously reported Exploration Results has been cross-referenced in this report to the date it was first reported to the ASX .

Azure Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.