

Developing High Grade Projects in Mexico



ASX: AZS



@AzureMinerals

www.azureminerals.com.au

Tony Rovira
Managing Director
Azure Minerals Ltd
20 February 2018

Exciting High Quality Projects

Sara Alicia:

100% AZS

Cobalt & Gold

Drilled up to **6.6% Co & 66g/t Au¹**

More drilling results expected in March

Alacrán:

100% AZS

Silver & Gold

Resources = **32Moz Ag & 150,000oz Au²**

Azure free-carried by Teck for **US\$10-15M**

Oposura:

100% AZS

Zinc, Lead & Silver

On pathway to development & production



1. Refer ASX announcements dated 27 November & 7 December 2017
2. Refer ASX announcements dated 1 December and 21 December 2016

Investment Highlights

Assets: Advanced-stage cobalt, gold, zinc and silver projects

Location: Sonora, Mexico – a safe & stable, world-class mining province

Management: Track record of making discoveries and developing mines

Funding: Strong cash position: A\$3.5M (at 31 December 2017)

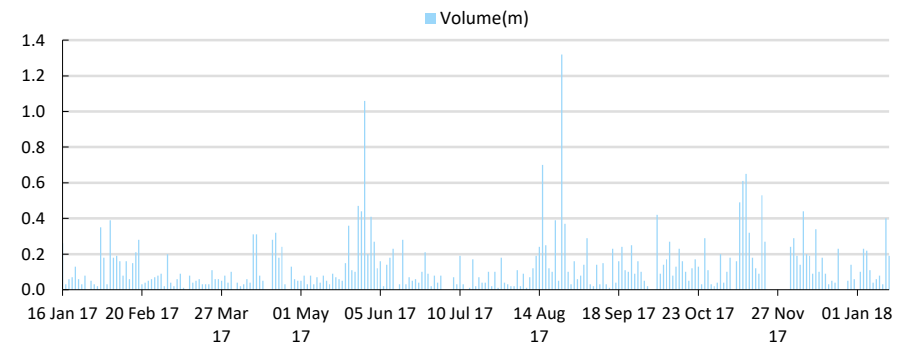
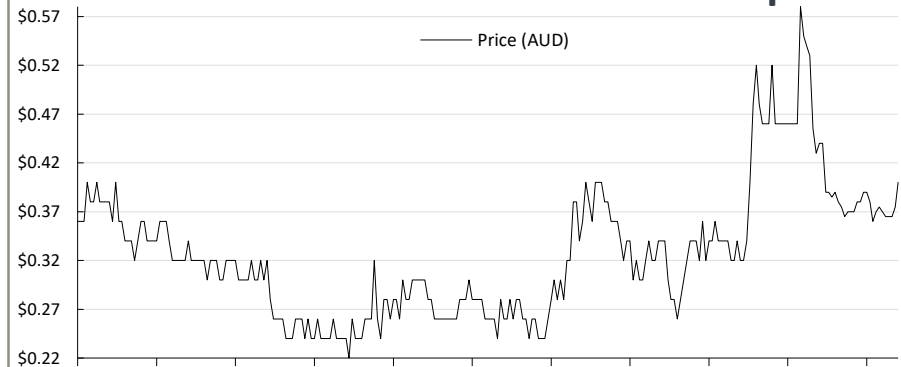
Outlook: Fast tracking exploration & development with strong news flow



Corporate Snapshot

ASX	AZS
Share Price	A\$0.30
Shares	83,633,326
Market Cap	A\$25M
Cash	A\$3.5M _(at 31/12/2017)
Debt	Nil
Share Spread	Australian ~80% North American ~20%
Top 20	37%

AZS 12 Month Share Price Graph



100% ownership of all projects



Projects timeline & news flow

PROJECT	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Sara Alicia	Stage 2 drilling starts early March – results expected mid-March			
Oposura	Resource drill-out <i>Nearly complete</i>	Resource expansion and exploration drilling - ongoing		
		Mineral Resource <i>in April</i>	PEA / Scoping Study <i>mid-2018</i>	Commence DFS
Alacrán	Teck Resource earning-in: >US\$2.0M in 2018 (US\$2.6M spent in 2017)			
	Geology & geophysical surveys <i>February to July</i>	Stage 2 drilling <i>August to December</i>		

Sara Alicia – bonanza gold & cobalt

Drill hole DSA-03:

12.6m @ 16.8g/t Au & 6.4m @ 3.6% Co¹

from a depth of only 13.2m

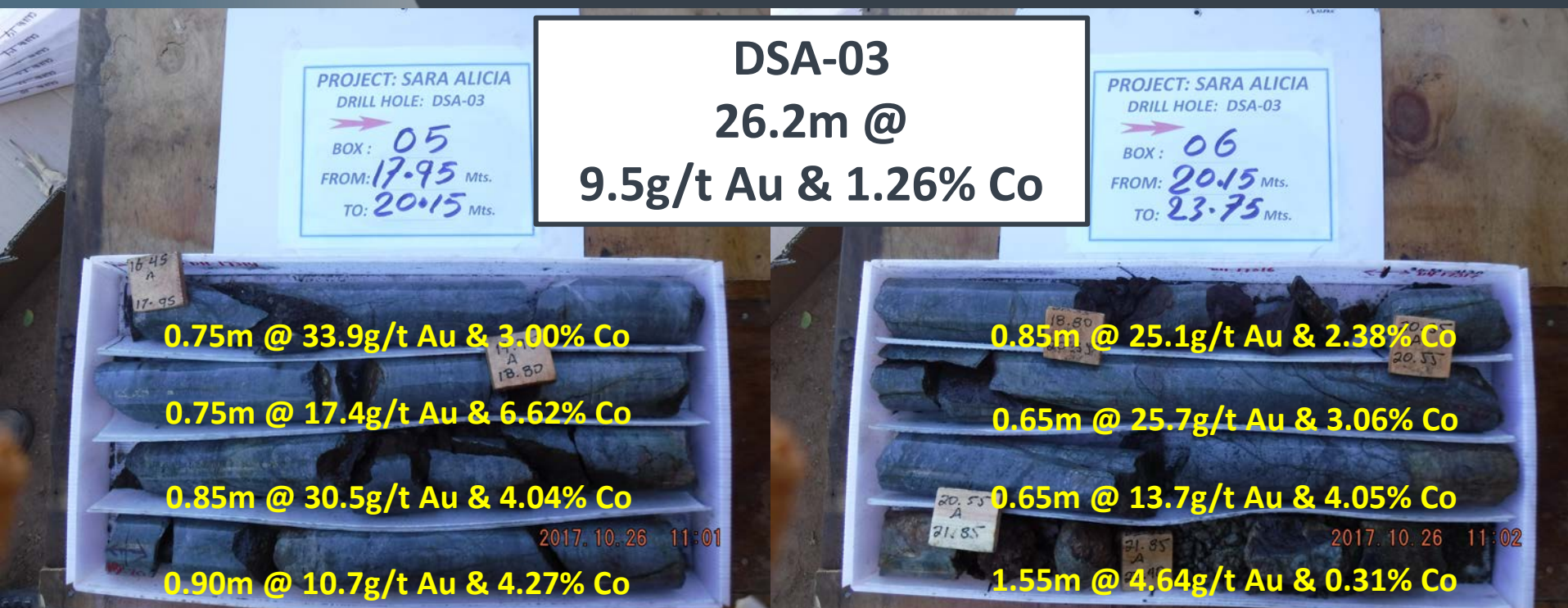
Highest grade cobalt drill intersection in 2017



1. Refer ASX announcements dated 27 November & 7 December 2017

Sara Alicia – consistent high grades¹

1. Refer ASX announcements dated 27 November & 7 December 2017

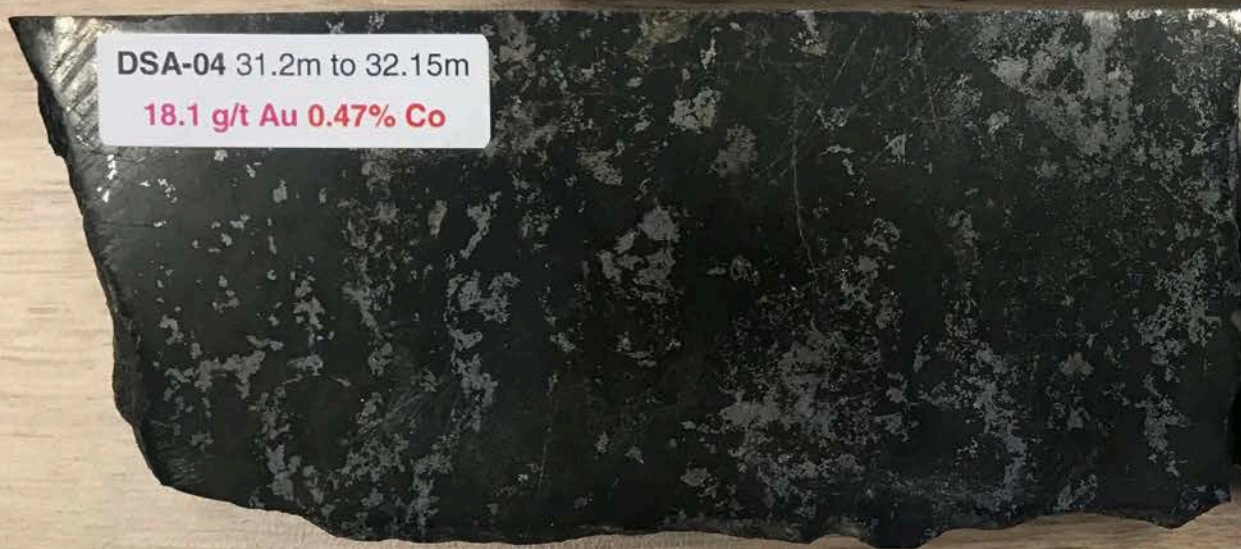


Gold & cobalt hosted in massive sulphides

Mineralised zone bounded above & below by magnetite



DSA-03 17.2m to 17.95m
17.49 g/t Au 6.62% Co



DSA-04 31.2m to 32.15m
18.1 g/t Au 0.47% Co

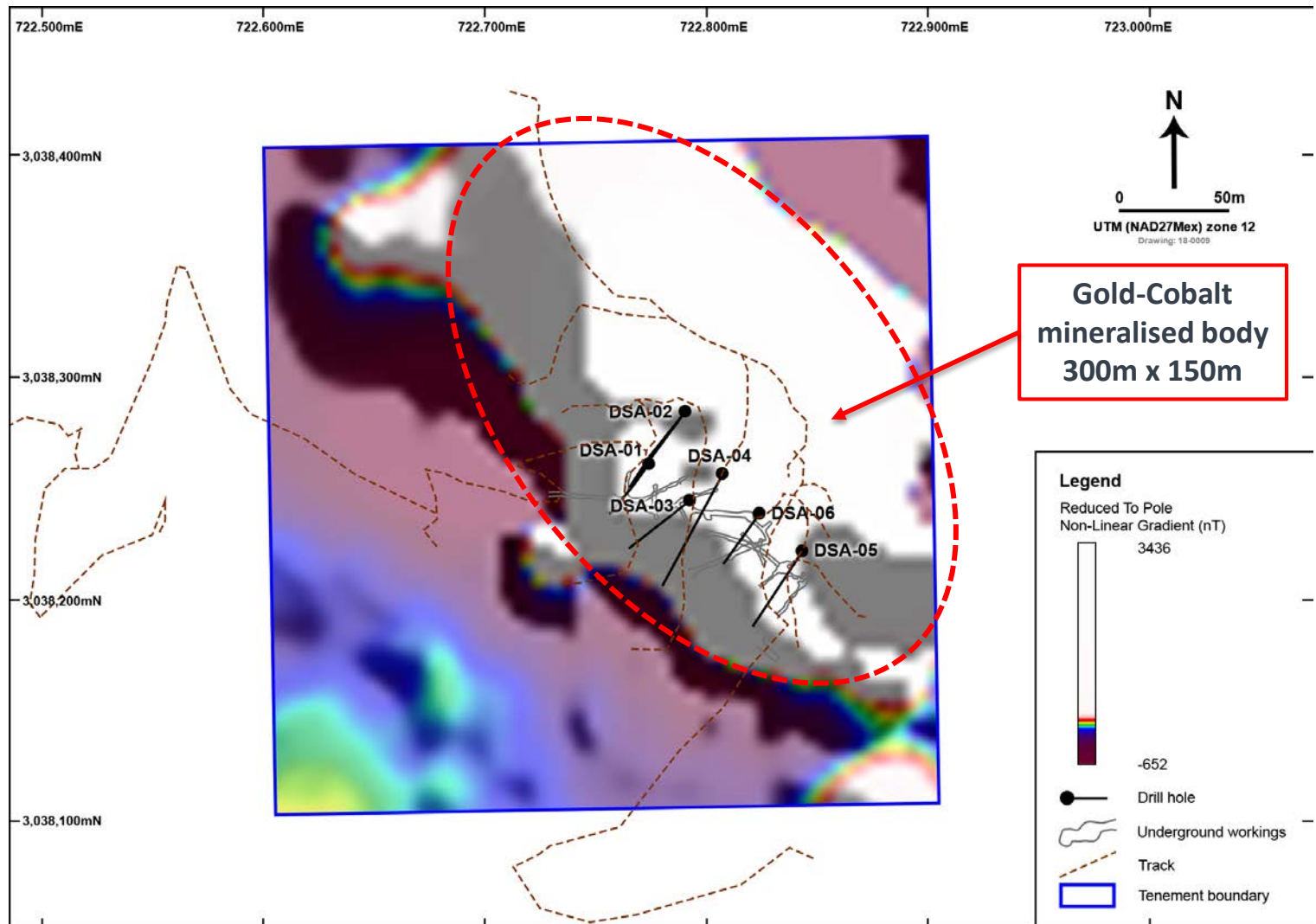


DSA-05 12.2m to 12.75m
6.62 g/t Au 0.678% Co



High-grade massive sulphides mineralisation

Sara Alicia – easily identifiable



Sara Alicia – great potential

Focus is on near-surface, high-grade gold & cobalt

Follow-up drilling (10-12 holes for ~1,000m) to
commence within 2 weeks

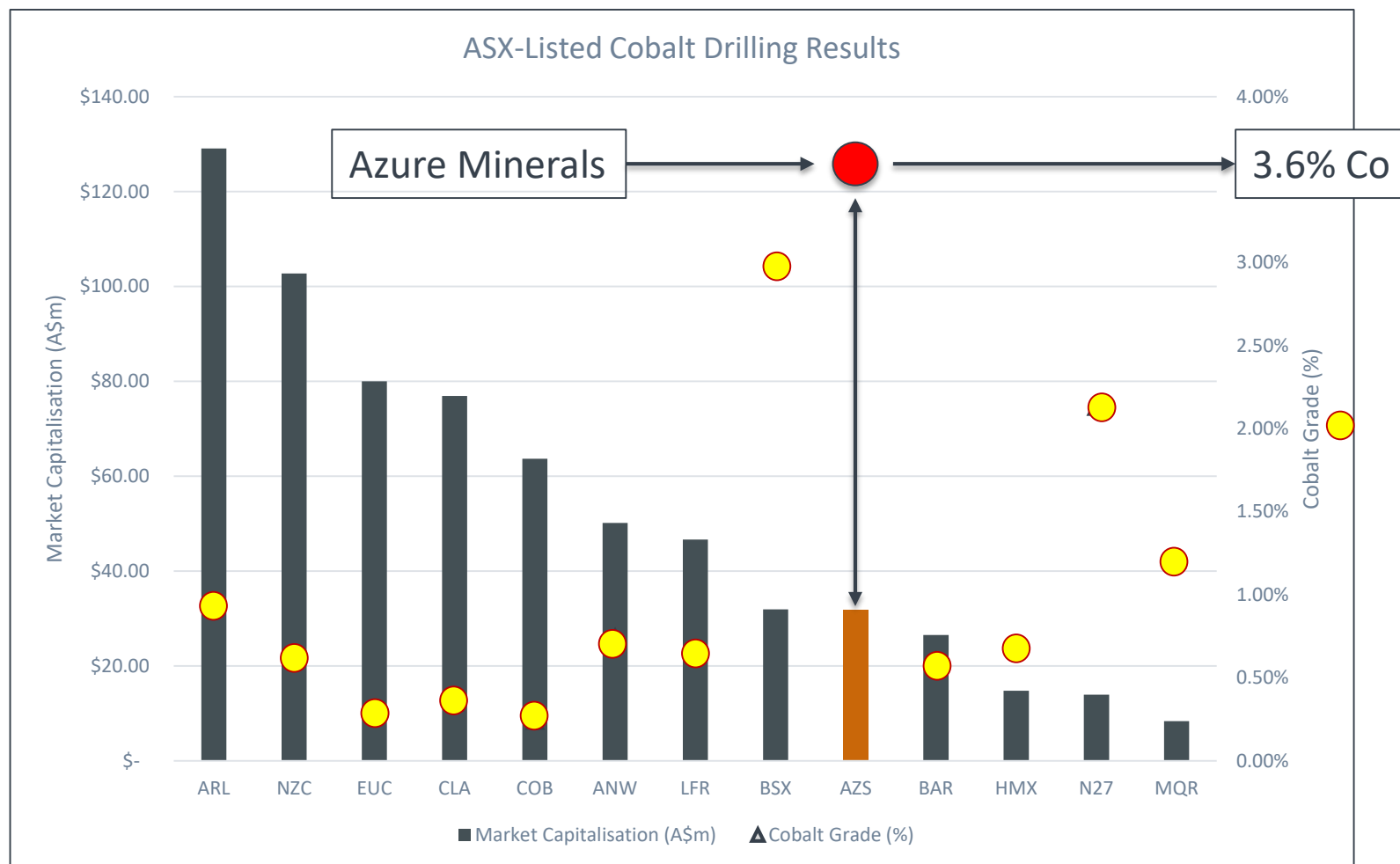
Metallurgical testwork in progress with flotation
to produce high-grade gold & cobalt concentrate

Underlying porphyry has potential & needs
investigation



Sara Alicia - world class cobalt grade

Cobalt focused peer comparison



Oposura – fast-tracking to development

High-grade **Zinc-Lead-Silver** massive sulphide deposit

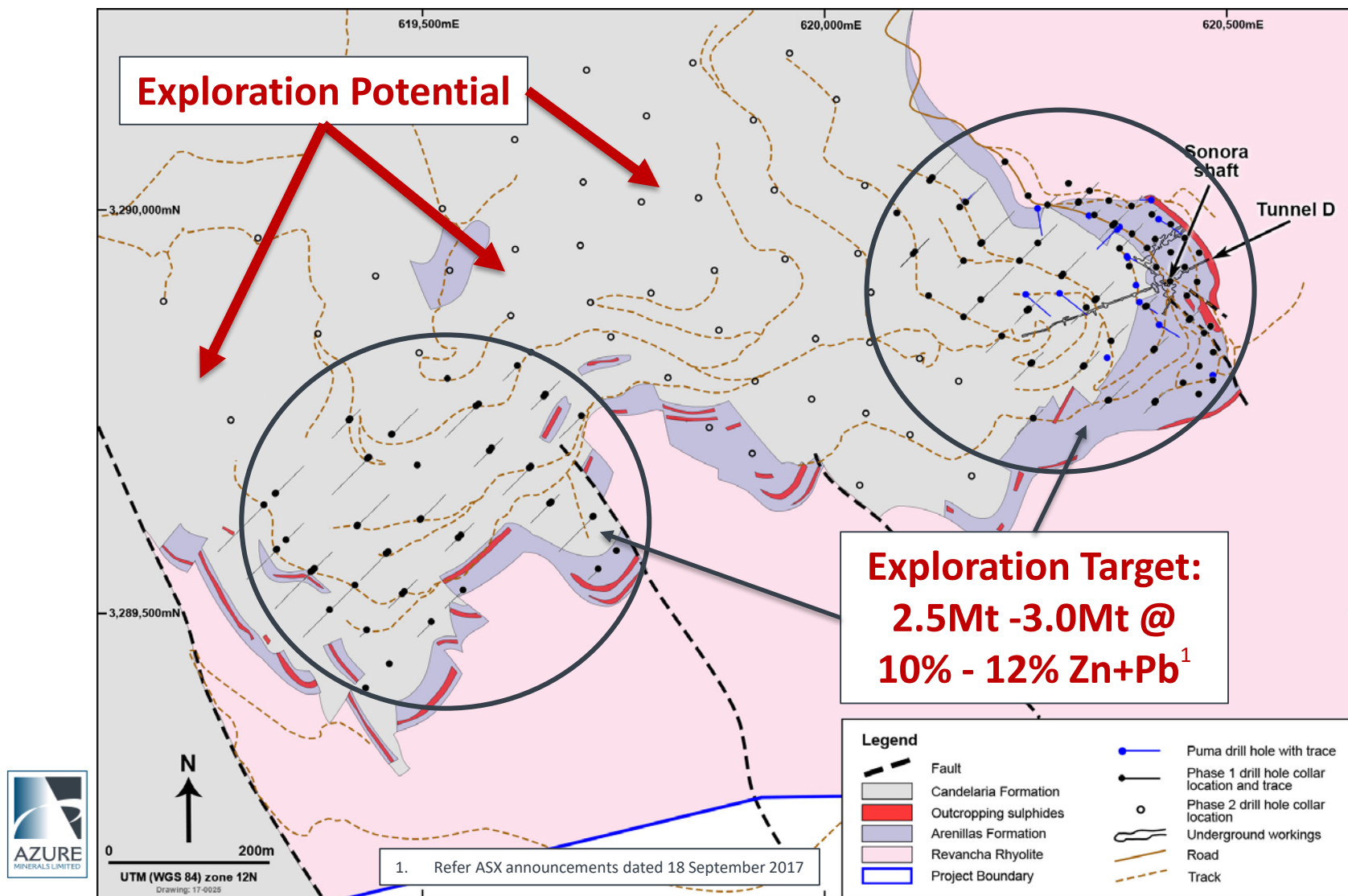
Some near-surface zones grade >40% Zn+Pb

Mineral Resource: in April 2018

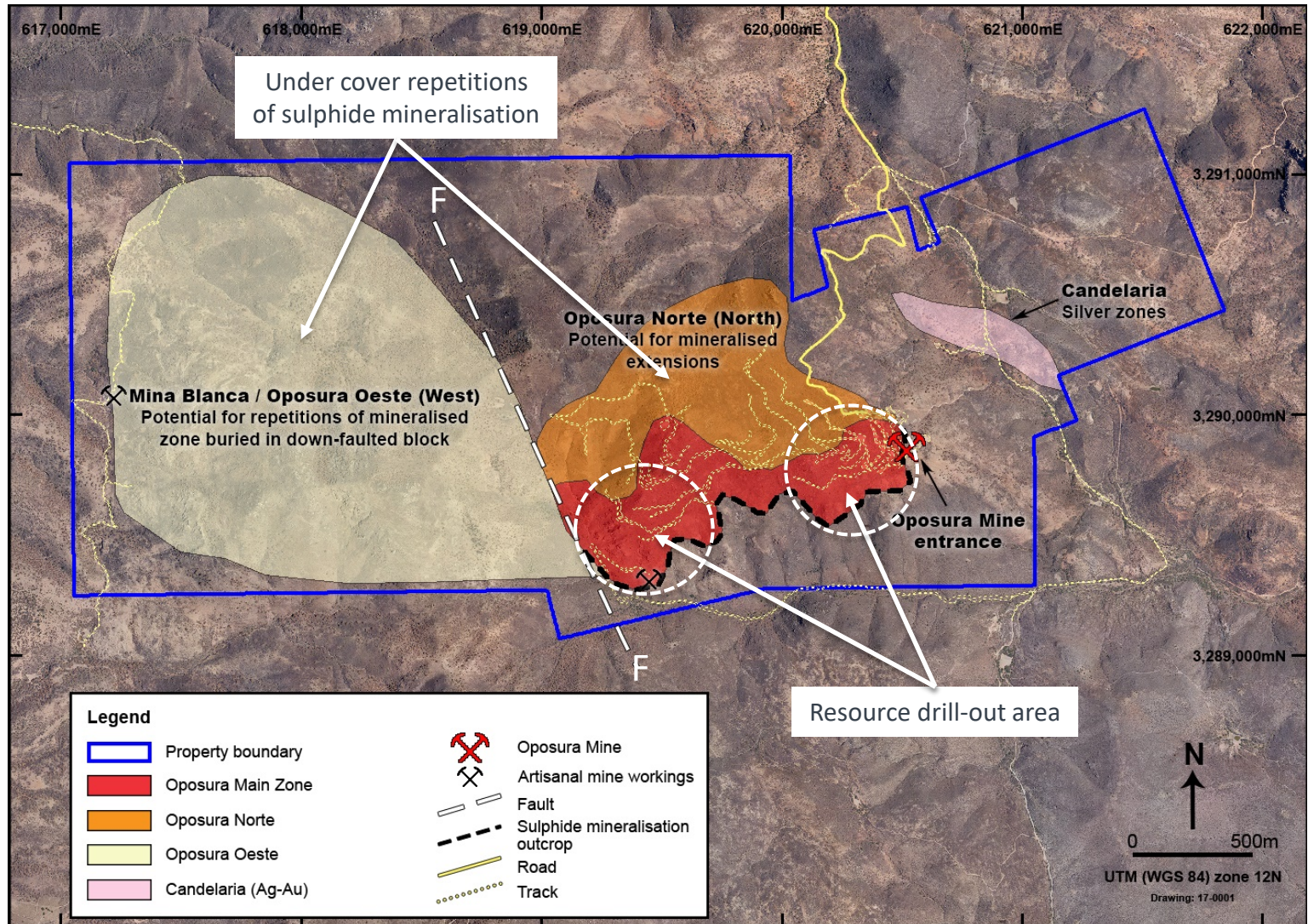
PEA / Scoping Study: in Q3 2018



Oposura – resource drill-out



Oposura – good exploration potential



Oposura - simple mining & processing

Simple, low cost extraction

- Massive sulphides start at surface
- Very low mine development capital required
- Flat-lying - easy to mine
- Open pit mining followed by room & pillar underground

Excellent metallurgy

- Standard sulphide flotation process
- Excellent recoveries of zinc, lead & silver
- High grade, low contaminant, zinc & lead concentrates

Alacrán – an exploration success story

2 silver-gold deposits discovered by Azure¹

Mesa de Plata 27 Moz Ag

Loma Bonita 5 Moz Ag & 150,000oz Au

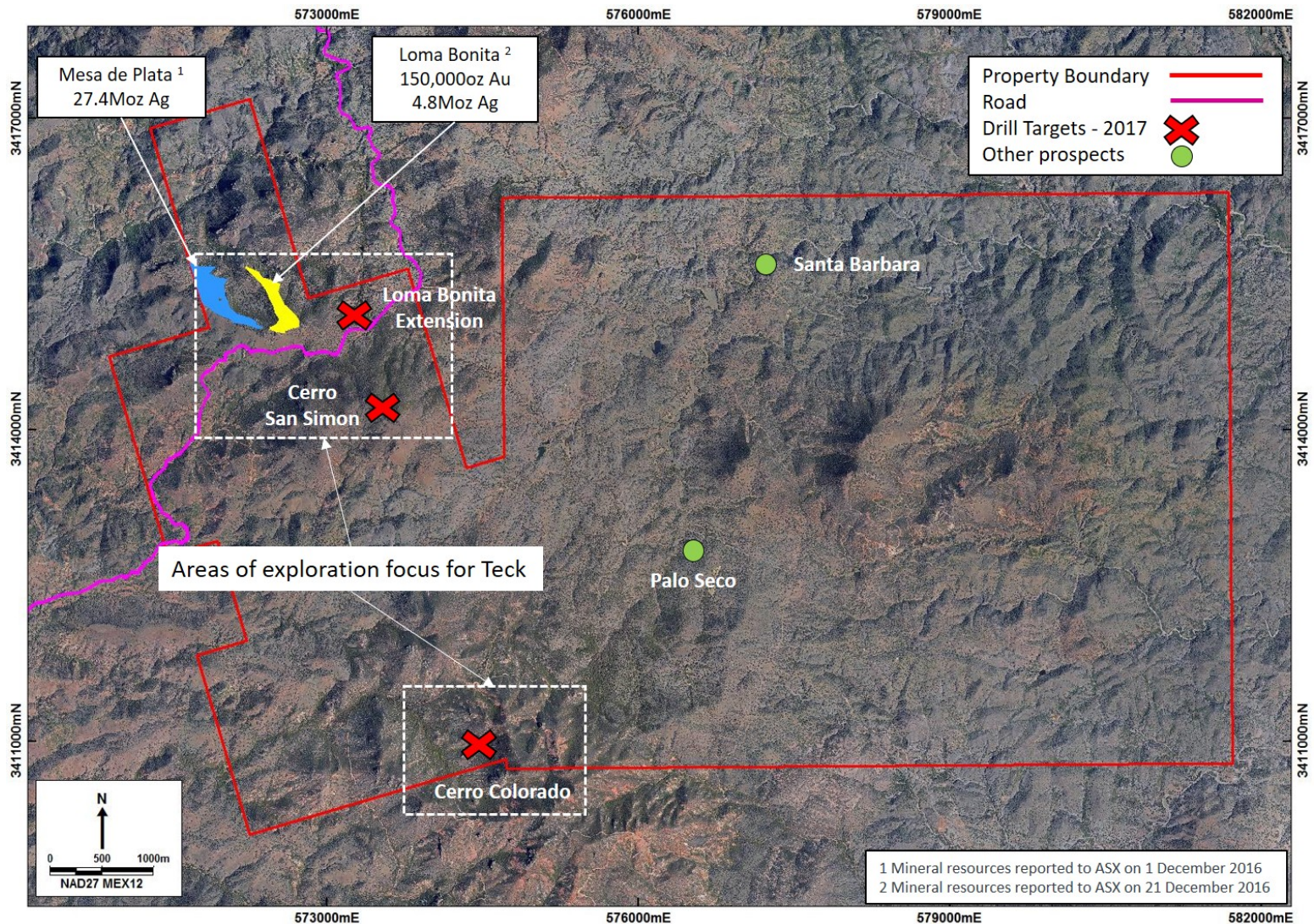
Azure free-carried: Teck Resources spending
US\$10M to earn 51% (and US\$15M to earn 65%)

Drilling focused on epithermal silver-gold and
porphyry copper: results expected February-March



1. Refer ASX announcements dated 1 December and 21 December 2016

Alacrán – multiple drill targets



Growing strongly & delivering value

Experienced team with proven discovery and mine-building credentials

High quality projects in top class mining jurisdiction

Right commodity exposure: **Co, Au, Zn, Ag**

Active programs fast-tracking project development

Strong news flow to continue over the coming months





Thank you



For enquiries, please contact:
Tony Rovira, Managing Director
admin@azureminerals.com.au

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 CEO of Azure Minerals
Discovered 3 gold deposits & 2 nickel deposits in Australia – 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 studies, 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

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 @ 9.5g/t Au from 0.60m	26.2m @ 1.26% Co from 8.5m
<i>including</i>	12.6m @ 16.8g/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



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 the 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.