22 MARCH 2018

HIGH GRADE ZINC AND LEAD DRILLED AT OPOSURA WEST

HIGHLIGHTS:

- **2.4m @ 15.5% Zn+Pb in OPDH-032**
- **7.4m @ 15.9% Zn+Pb in OPDH-049**
- **2.8m @ 19.0% Zn+Pb & 3.7m @ 15.6% Zn+Pb in OPDH-056**
- **3.5m @ 13.2% Zn+Pb in OPDH-061**
- **4.6m @ 15.0% Zn+Pb in OPDH-079**
- **Resource drill-out program expanded by an additional 40 drill holes (an extra 3,000m)**
- **152 holes completed to date at Oposura for 9,800m; assay results received for 89 holes**
- **Scoping Study / PEA remain on track for delivery in Q3 2018**

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to advise that resource definition drilling of the Company's flagship Oposura Project continues to deliver solid and very encouraging results. The initial mineral resource estimate is due in May and the release of the Scoping Study / Preliminary Economic Assessment is expected in Q3 2018.

Rock chip sampling of outcropping mineralisation at the West Zone returned individual grades up to 43.7% Zn and 29.6% lead, with combined grades up to 59.6% Zn+Pb (see Table 1).

Drilling along strike from this mineralised outcrop intersected high-grade zinc and lead sulphide mineralisation which extends at shallow depths over an area of more than 400m (east-west) by 400m (north-south), with excellent internal continuity of the horizontal mineralised zone. The mineralisation remains open to the north and east.

Some of the better mineralised intersections from the West Zone include:

- 2.4m @ 15.5% Zn+Pb in OPDH-032 from 15.65m (lower zone)
- 7.4m @ 15.9% Zn+Pb in OPDH-049 from 60.45m (lower zone)
- 2.8m @ 19.0% Zn+Pb in OPDH-056 from 12.30m (newly identified upper zone)
- 3.7m @ 15.6% Zn+Pb in OPDH-056 from 78.25m (lower zone)
- 3.5m @ 13.2% Zn+Pb in OPDH-061 from 43.05m (lower zone)
- 4.6m @ 15.0% Zn+Pb in OPDH-079 from 56.05m (lower zone)

With the mineralisation being mostly horizontal, the vertical height of the mineralised zone continues to be optimal for a simple room and pillar underground mining operation utilising industry-standard mechanised mining equipment.

A second horizontal zone of mineralisation has also been discovered lying above the main zone, hosted within the upper Candelaria Formation. This unit overlies the sedimentary Arenillas Formation which typically hosts the main zone of massive sulphide mineralisation near its lowest level where it sits in contact with the underlying Revancha Rhyolite (refer Figure 1). The importance of this new mineralised horizon will be determined as further results are received.

To date, drilling in the West Zone has comprised 64 holes for 4,936m (refer Figure 2), and assay results have been received for 26 drill holes. Samples from the remaining holes are currently being processed and assay results will be released as they become available.

To optimise and expand the mineral resource, Azure significantly increased the number of drill holes within both the East and West zones, and also expanded the overall resource drill-out area. Consequently, the total number of drill holes for the resource drill-out has increased from 120 to 160 and the number of drilled metres from the original estimate of 7,000m to approximately 10,000m.

This expansion of the drill program has resulted in an extra two months of drilling, and accordingly a commensurate increase in time to complete the resource estimate. The resource estimate is now expected to be completed in late May to June. These extensions are not expected to affect the delivery of the Scoping Study / Preliminary Economic Assessment, which is still scheduled for completion in the third quarter of 2018.

Figure 1: Oposura drill hole locations and geology

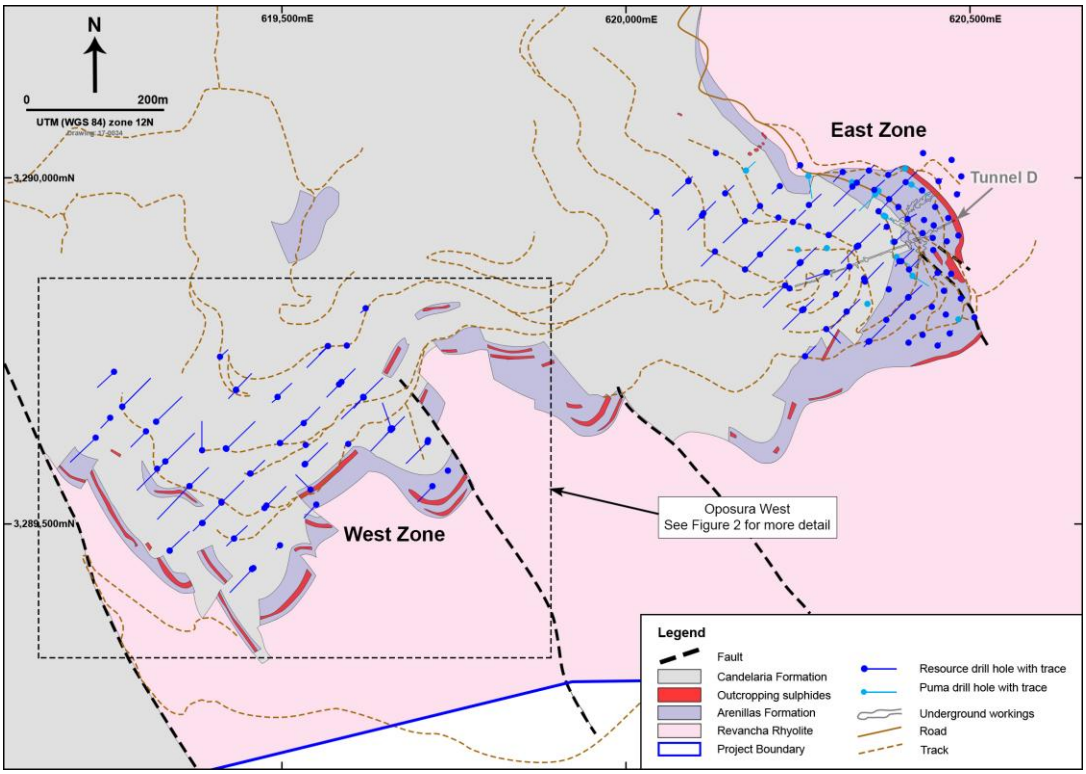

Figure 2: Oposura West Zone drill hole locations

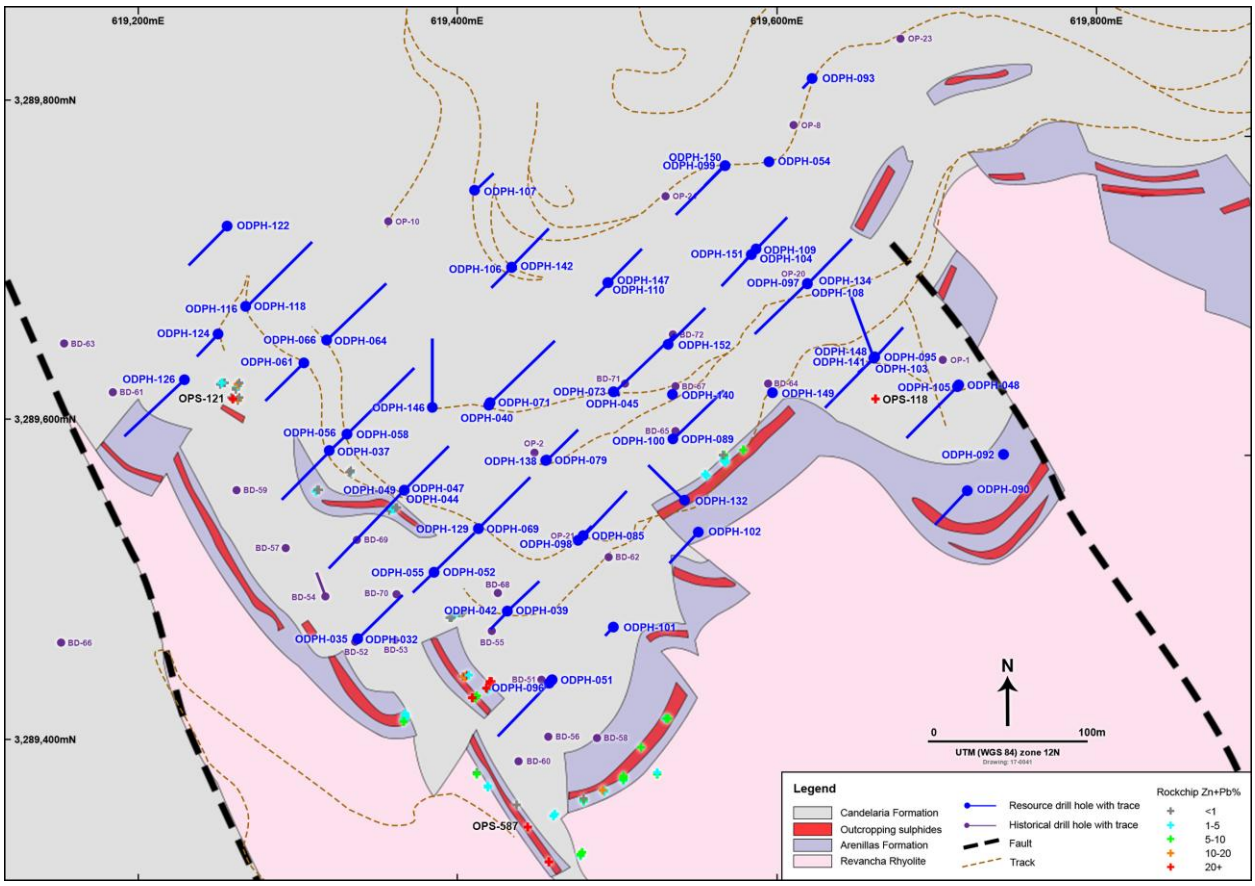

TABLE 1: Examples of high-grade zinc results from rock chip sampling at Oposura West Zone

Sample ID	East (m)	North (m)	RL (m)	Ag (g/t)	Pb (%)	Zn (%)	Zn+Pb (%)
OPS-118	619662	3289613	1225	188	0.46	30.3	30.8
OPS-121	619259	3289613	1226	137	0.74	43.7	44.4
OPS-587	619444	3289345	1161	58	29.6	30.0	59.6

TABLE 2: Significant mineralised drill intersections from Oposura West Zone

Hole No	Depth (m)		Intercept Length (m)	Grade			
	From	To		Zn (%)	Pb (%)	Zn+Pb (%)	Ag (g/t)
OPDH-032	15.65	18.00	2.35	7.99	7.46	15.45	13.68
including	16.90	18.00	1.10	14.42	12.69	27.11	23.15
	23.20	24.60	1.40	1.82	0.83	2.65	2.98
OPDH-035	18.50	21.30	2.80	1.61	1.85	3.46	4.08

TABLE 2: Significant mineralised drill intersections from Oposura West Zone (Cont'd)

Hole No	Depth (m)		Intercept Length (m)	Grade			
OPDH-037	13.30	14.15	0.85	3.15	3.88	7.04	10.37
including	13.75	14.15	0.40	5.68	6.89	12.57	18.10
	52.75	63.45	10.70	4.51	1.59	6.10	16.08
including	55.35	56.00	0.65	5.13	5.54	10.67	17.70
and	57.95	58.55	0.60	14.55	9.37	24.28	23.30
and	62.55	63.45	0.90	16.20	0.18	16.37	67.99
	70.20	73.35	3.15	9.14	0.01	9.15	4.90
including	72.20	73.35	1.15	16.33	0.01	16.34	5.50
OPDH-039	18.10	22.33	3.75	1.09	0.95	2.04	0.95
including	21.85	22.12	0.48	12.83	9.64	22.48	17.69
	36.50	37.95	1.45	1.63	1.31	2.95	2.60
	41.10	44.75	3.65	3.06	1.95	5.02	5.83
including	41.50	42.00	0.50	15.24	10.58	25.82	20.00
OPDH-040	42.00	43.80	1.80	1.62	1.43	3.05	6.75
	86.85	92.40	5.55	2.34	2.07	4.42	6.91
including	92.10	92.40	0.30	16.85	12.61	29.46	23.80
	96.06	98.50	2.45	4.30	1.95	6.25	17.22
including	96.05	96.45	0.40	12.05	10.46	22.51	38.10
OPDH-042	23.15	23.45	0.30	2.09	2.00	4.09	5.70
	25.80	26.60	0.80	3.17	1.53	4.70	7.20
	39.40	45.10	5.70	3.21	2.20	5.41	6.25
including	39.40	40.00	0.60	11.81	5.09	16.90	31.80
and	42.15	42.80	0.65	7.33	5.77	13.10	11.80
OPDH-044	9.50	10.10	0.60	0.94	1.11	2.05	5.40
	17.90	19.85	1.95	1.50	0.55	2.05	2.39
	89.10	97.08	7.98	4.56	3.41	7.97	17.00
including	90.40	91.00	0.60	9.88	6.84	16.72	7.80
and	93.50	95.50	2.00	6.16	5.21	11.37	9.83

TABLE 2: Significant mineralised drill intersections from Oposura West Zone (Cont'd)

Hole No	Depth (m)		Intercept Length (m)	Grade			
OPDH-045	42.30	42.30	0.30	6.79	5.77	12.56	16.90
	56.25	66.00	9.75	3.13	2.87	6.00	7.48
including	56.25	56.55	0.30	15.52	15.66	31.18	53.40
and	58.55	59.65	1.10	8.06	5.56	13.62	9.86
and	62.80	63.20	0.40	10.41	4.00	14.41	14.2
and	65.60	66.00	0.40	9.29	10.57	19.86	27.59
	79.95	80.20	1.20	6.91	6.50	13.41	138.00
OPDH-047	61.40	64.80	3.40	4.12	0.18	4.30	13.45
including	61.40	62.00	0.60	10.66	0.08	10.74	40.70
	67.70	68.21	0.51	2.48	2.02	4.50	24.66
including	68.11	68.21	0.10	6.35	4.35	10.70	111
OPDH-048	0.00	1.50	1.50	0.78	3.53	4.31	8.35
	40.15	40.75	0.60	2.30	2.00	4.30	8.20
	50.85	51.17	0.3	3.86	6.57	10.43	20.40
	55.10	56.55	1.45	4.55	3.00	7.55	12.93
including	56.23	56.33	0.10	19.86	12.54	32.40	39.50
OPDH-049	42.77	72.89	0.12	1.39	0.87	2.26	8.3
	44.16	44.29	0.13	1.72	2.41	4.13	11.00
	60.45	67.85	7.40	14.95	0.92	15.86	56.22
including	61.05	65.05	4.00	25.09	1.21	26.30	94.46
OPDH-051	20.75	23.74	2.99	2.42	2.32	4.74	5.07
including	23.05	23.61	0.56	7.46	5.74	13.18	12.50
	31.80	35.65	3.85	3.49	2.87	6.36	9.29
including	34.14	35.65	1.51	6.58	5.16	11.74	18.69
OPDH-052	12.00	12.45	0.45	1.30	0.89	2.19	4.4
	27.55	28.35	0.80	2.93	3.30	6.23	8.30
OPDH-054	82.85	82.98	0.13	1.47	1.25	2.72	8.40
	93.65	96.30	2.65	1.99	1.39	3.39	6.62
	114.65	116.85	2.20	1.82	1.82	3.64	6.33
	119.40	122.15	2.75	2.46	2.29	4.75	5.13
	125.90	126.70	0.80	4.02	3.40	7.42	9.75

TABLE 2: Significant mineralised drill intersections from Oposura West Zone (Cont'd)

Hole No	Depth (m)		Intercept Length (m)	Grade			
OPDH-055	7.00	7.30	0.30	2.26	1.00	3.26	6.30
	28.40	30.64	2.24	1.56	0.70	2.26	4.24
OPDH-056	12.30	15.10	2.80	7.96	11.00	18.96	35.14
including	12.30	14.40	2.10	10.43	14.15	24.57	42.59
	78.25	81.95	3.70	15.43	0.16	15.59	24.60
including	78.25	81.10	2.85	17.17	0.17	17.34	25.31
OPDH-058	32.80	33.25	0.45	4.74	2.46	7.20	20.20
	41.85	42.60	0.75	3.44	3.12	6.56	17.40
	60.45	61.15	0.70	2.29	1.14	3.43	11.60
	63.00	67.40	4.40	4.52	2.60	7.12	32.93
including	66.25	67.40	1.15	11.51	7.44	18.95	86.91
	71.05	73.00	1.95	3.51	2.92	6.43	13.62
including	72.40	73.00	0.60	7.34	6.30	13.64	27.00
OPDH-061	18.05	19.55	1.50	6.03	3.93	9.96	91.67
including	18.05	18.35	0.30	13.48	17.66	31.14	156.00
	23.10	23.85	0.75	1.19	1.21	2.40	7.20
	26.11	26.24	0.13	1.47	1.97	3.44	10.50
	36.00	36.95	0.95	33.74	0.16	33.90	50.00
	43.05	46.55	3.50	13.15	0.02	13.16	15.48
including	45.25	46.55	1.30	31.22	0.08	31.30	38.91
	50.85	51.55	0.70	2.29	BDL	2.29	2.70
OPDH-064	34.25	34.95	0.70	5.42	4.48	9.90	27.90
	37.23	38.27	1.04	1.95	0.06	2.01	12.90
	50.65	52.55	1.90	26.16	0.17	26.33	32.89
OPDH-066	53.60	53.80	0.20	11.71	8.66	20.37	27.40
OPDH-069	46.65	47.10	0.45	1.24	0.95	2.19	9.00
	48.10	48.82	0.72	2.16	1.53	3.69	13.00
	51.45	51.95	0.50	1.15	0.95	2.10	3.90
	54.35	55.20	0.85	2.42	1.58	4.00	5.80

TABLE 2: Significant mineralised drill intersections from Oposura West Zone (Cont'd)

Hole No	Depth (m)		Intercept Length (m)	Grade			
OPDH-071	71.50	72.30	0.80	1.80	1.12	2.92	20.20
	86.00	86.10	0.10	2.71	1.88	4.59	6.80
	87.20	87.85	0.65	2.34	1.92	4.26	5.10
	94.30	95.50	0.90	18.82	0.45	19.27	37.08
OPDH-073	6.45	9.60	3.15	2.34	2.13	4.47	4.88
including	8.90	9.60	0.70	7.99	6.45	14.44	12.50
	65.70	68.95	3.25	5.83	4.14	9.97	11.97
including	66.15	66.70	0.55	15.43	9.10	24.53	17.20
and	68.40	68.95	0.55	9.13	8.28	17.41	31.60
	72.90	76.45	3.55	5.09	3.16	8.25	5.87
including	72.90	73.45	0.55	18.79	12.79	31.58	22.00
	81.15	82.15	1.00	8.47	8.10	16.57	17.43
OPDH-079	56.05	60.60	4.55	7.25	7.80	15.05	24.10
including	56.95	60.16	3.21	8.73	9.80	18.53	28.84
OPDH-085	41.94	46.35	4.41	2.80	2.40	5.20	10.14
including	45.20	45.70	0.50	7.35	7.85	15.17	24.10
OPDH-092	4.80	5.70	0.90	2.05	BDL	2.05	BDL
	19.40	19.67	0.27	12.95	9.03	21.98	38.80

Table 3: Location data for holes drilled to date in the West Zone of the Oposura Project

HOLE No.	EAST	NORTH	ELEVATION	AZIMUTH	DIP	TOTAL DEPTH
	(m)E	(m)N	(m)ASL			(m)
OPDH-032	619338.0	3289463.0	1223.5	000	-90	39.80
OPDH-035	619338.0	3289463.0	1223.5	045	-45	54.00
OPDH-037	619319.9	3289580.8	1267.1	000	-90	85.40
OPDH-039	619431.5	3289480.5	1239.0	225	-75	54.50
OPDH-040	619419.5	3289609.3	1308.9	000	-90	106.75
OPDH-042	619431.5	3289480.5	1239.0	045	-65	61.20
OPDH-044	619366.9	3289556.3	1270.5	225	-51	106.95
OPDH-045	619497.7	3289617.6	1301.5	000	-90	83.90
OPDH-047	619366.9	3289556.3	1270.5	045	-60	74.70
OPDH-048	619713.4	3289621.6	1260.0	000	-90	74.75
OPDH-049	619366.9	3289556.3	1270.5	000	-90	76.05

Table 3: Location data for holes drilled to date in the West Zone of the Oposura Project (cont'd)

HOLE No.	EAST	NORTH	ELEVATION	AZIMUTH	DIP	TOTAL DEPTH
OPDH-051	619459.5	3289437.8	1223.5	000	-90	39.65
OPDH-052	619385.5	3289505.0	1242.0	225	-75	66.80
OPDH-054	619595.0	3289760.9	1355.9	000	-90	134.20
OPDH-055	619385.5	3289505.0	1242.0	045	-50	52.35
OPDH-056	619331.0	3289591.0	1275.2	225	-55	96.10
OPDH-058	619331.0	3289591.0	1275.2	045	-50	90.00
OPDH-061	619304.1	3289635.7	1261.5	225	-65	76.25
OPDH-064	619318.1	3289649.6	1274.1	000	-90	71.70
OPDH-066	619318.4	3289650.0	1274.1	045	-53	81.70
OPDH-069	619413.0	3289532.0	1261.0	045	-50	68.65
OPDH-071	619420.5	3289610.5	1309.4	045	-60	106.75
OPDH-073	619499.5	3289618.7	1301.1	045	-55	86.75
OPDH-079	619456.0	3289574.9	1288.2	045	-72	80.70
OPDH-085	619478.5	3289527.9	1255.9	045	-45	54.80
OPDH-089	619535.0	3289588.0	1280.0	045	-45	60.40
OPDH-090	619719.2	3289555.6	1234.7	225	-45	39.65
OPDH-092	619741.8	3289578.3	1236.3	000	-90	27.45
OPDH-093	619622.0	3289813.0	1351.1	225	-85	102.30
OPDH-095	619661.1	3289639.2	1271.4	045	-72	76.25
OPDH-096	619458.0	3289436.0	1223.0	225	-50	70.15
OPDH-097	619619.0	3289685.0	1299.0	000	-90	85.40
OPDH-098	619475.7	3289525.1	1255.8	045	-85	57.95
OPDH-099	619567.7	3289758.7	1355.8	225	-70	126.65
OPDH-100	619535.0	3289588.0	1280.0	045	-80	44.20
OPDH-101	619498.0	3289471.0	1222.0	225	-80	41.95
OPDH-102	619551.1	3289530.0	1248.9	225	-45	36.60
OPDH-103	619659.2	3289637.5	1271.5	225	-49	62.00
OPDH-104	619584.2	3289703.3	1316.7	225	-73	86.90
OPDH-105	619712.3	3289620.4	1259.9	225	-45	62.50
OPDH-106	619434.5	3289695.3	1351.6	225	-83	134.35
OPDH-107	619411.1	3289742.5	1348.6	045	-83	126.55
OPDH-108	619619.0	3289685.0	1299.0	225	-55	79.30
OPDH-109	619586.9	3289706.1	1318.9	045	-75	105.00
OPDH-110	619494.5	3289685.1	1339.7	225	-85	118.65
OPDH-116	619268.3	3289670.6	1254.2	045	-80	50.45
OPDH-118	619269.4	3289671.6	1254.2	045	-45	79.20
OPDH-122	619257.0	3289721.0	1252.5	225	-70	97.55
OPDH-124	619251.1	3289653.5	1243.5	225	-70	54.90
OPDH-126	619230.0	3289625.0	1227.3	225	-60	100.85

Table 3: Location data for holes drilled to date in the West Zone of the Oposura Project (cont'd)

HOLE No.	EAST	NORTH	ELEVATION	AZIMUTH	DIP	TOTAL DEPTH
OPDH-129	619413.0	3289532.0	1263.0	000	-90	56.40
OPDH-132	619542.0	3289550.0	1258.0	315	-45	42.70
OPDH-134	619619.0	3289685.0	1298.0	045	-65	92.50
OPDH-138	619456.0	3289575.0	1288.2	000	-90	82.35
OPDH-140	619535.0	3289616.0	1292.0	000	-90	71.65
OPDH-141	619660.4	3289639.0	1271.0	225	-80	65.55
OPDH-142	619434.0	3289695.0	1351.0	045	-73	126.55
OPDH-146	619385.0	3289608.0	1305.0	000	-65	100.45
OPDH-147	619494.5	3289685.0	1339.7	045	-75	112.85
OPDH-148	619660.4	3289639.0	1271.0	340	-60	80.80
OPDH-149	619597.0	3289617.0	1267.0	000	-90	30.50
OPDH-150	619567.7	3289759.0	1355.8	225	-82	126.55
OPDH-151	619584.2	3289703.0	1316.7	225	-85	94.55
OPDH-152	619532.0	3289647.0	1309.0	045	-66	79.30

-ENDS-

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Competent Person Statements:

Information in this report that relates to Exploration Results for the Oposura 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 and Managing Director 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.

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.*	Targets were sampled by diamond core drilling. Drill core was sampled at 0.15m to 1.5m intervals guided by changes in geology. Drill hole collar locations were initially determined by hand-held GPS and with final drill hole collar positions surveyed by 2 channel differential GPS. Chip samples were collected of outcropping rock material with visible mineralisation, alteration or weathering characteristics. Chip sample locations were determined by hand-held GPS. Sample preparation was undertaken at Bureau Veritas Laboratories (BVL) in Hermosillo, Sonora, Mexico. Samples were weighed, assigned a unique bar code and logged into the BVL tracking system. Samples were dried and each sample was fine crushed to >70% passing a 2mm screen. A 250g split was pulverised using a ring and puck system to >85% passing 75 micron screen. Envelopes containing the 250g sample pulps were sent via courier to BVL in Vancouver, Canada for analysis. Gold analysis (only on the chip samples) was undertaken at BVL in Hermosillo. The analytical techniques for all samples initially involved a four-acid digest followed by multi-element ICP-ES analysis. This technique is considered a total digest for all relevant minerals. Following the four-acid digest, the analytical method used was: • Method MA200 (by ICP-ES for silver and base metals) for the chip samples; • Method MA300 (by ICP-ES for silver and base metals) for the drill core samples. Over-limit assays were re-analysed by: • Method MA370 (by ICP-ES for base metals grading >1%); • Method GC816 (by Classical Titration for zinc grading >40%); • Method GC817 (by Classical Titration for lead grading >10%); • Method FA530 (by fire assay with gravimetric finish for silver grading >200ppm and gold grading >10ppm Au).
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) core. Drill core in angled holes 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*	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

	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.*	database. Sample recoveries were high with >85% of the drill core having recoveries of >90%. There is no discernible relationship between recovery and grade, and therefore no sample bias.
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 was photographed, wet and without flash, in core trays prior to sampling. Each photograph includes an annotated board detailing hole number and depth interval. All holes were logged in full. Chip samples were collected and described by geological personnel.
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 using a core saw. All samples were half core and were collected from the same side of the core. Chip samples were collected of outcropping rock material with visible mineralisation, alteration or weathering characteristics. The sample preparation followed industry best practice. Samples were prepared at BVL in Hermosillo, Sonora, Mexico. Samples were weighed, assigned a unique bar code and logged into the BVL tracking system. The sample was dried and the entire sample was fine crushed to >70% passing a 2mm screen. A 250g split was pulverised using a ring and puck system to >85% passing 75micron screen. Envelopes containing the 250g sample pulps were sent via courier to BVL in Vancouver, Canada for base metal analysis. Gold analysis was undertaken at BVL in Hermosillo. Duplicate, standard and blank check samples were submitted with drill core samples only. 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.*	The analytical techniques for all samples initially involved a four-acid digest followed by multi-element ICP-ES analysis. This technique is considered a total digest for all relevant minerals. Following the four-acid digest, the analytical method used was: • Method MA200 (by ICP-ES for silver and base metals) for the chip samples; • Method MA300 (by ICP-ES for silver and base metals) for the drill core samples. Over-limit assays were re-analysed by: • Method MA370 (by ICP-ES for base metals grading >1%); • Method GC816 (by Classical Titration for zinc grading >40%); • Method GC817 (by Classical Titration for lead grading >10%);

		• Method FA530 (by fire assay with gravimetric finish for silver grading >200ppm and gold grading >10ppm Au).
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.	Senior technical personnel from the Company (Project Geologists) collected and inspected the samples. Approximately 20% of historical drill holes are being twinned. Primary data was collected by employees of the Company at the project site. All measurements and observations were recorded onto hard copy templates and later transcribed into the Company's digital database. Digital data storage, verification and validation are 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 down-hole 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 hole collar locations were initially determined by hand-held GPS and with final drill hole collar positions surveyed by 2 channel differential GPS. Chip sample locations were determined by hand-held GPS. The grid system used is WGS84 Mexico UTM Zone 12N for easting, northing and RL.
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.*	Chip samples were collected of outcropping rock material with visible mineralisation, alteration or weathering characteristics. Chip samples were collected from outcrop where it was observed. Data spacing and distribution of chip samples is insufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures. As this drilling program is for the purposes of mineral resource estimation, an initial drill hole spacing of 50m x 50m was implemented. Additional drilling to infill the hole spacing to 25m x 25m was implemented in some areas. When completed, the data spacing and distribution will be sufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures. 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.*	The mineralised zone is predominantly a horizontal layer of massive and banded sulphide mineralisation. Geological controls and orientations of the mineralised zone are unknown at this time and therefore all mineralised intersections are reported as "intercept length" and may not reflect true width. No sampling bias is believed to have been introduced.
Sample security	*The measures taken to ensure sample security.*	Assay samples were placed in poly sample bags, each with a uniquely numbered ticket stub from a sample ticket book. Sample bags were marked with the same sample number and sealed with a plastic

		cable tie. Samples were placed in woven polypropylene "rice bags" and a numbered tamper-proof plastic cable tie was used to close each bag. Company personnel delivered the rice bags directly to BVL for sample preparation. The numbers on the seals were recorded for each shipment. BVL audited the arriving samples and reported any discrepancies back to the Company. No such discrepancies occurred.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	All digital data is subject to audit by the independent data manager.

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.*	The Oposura Project comprises eleven mineral concessions, 10 granted and one in application, totalling 771 hectares in area. All tenements are 100% owned by Minera Piedra Azul SA de CV, a wholly-owned subsidiary of Azure Minerals Limited. A 2.5% NSR royalty on production is payable to the previous owners. The tenements are secure and in good standing. There are no known impediments to obtaining a licence to operate in the area. Nine of the tenements have an expiry date of 3 May 2037 and the tenth tenement has an expiry date of 9 January 2055. The eleventh tenement is still at the application stage.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Peñoles and Anaconda carried out diamond core drilling, underground exploratory mine development and metallurgical testwork in the 1970's. Minero Puma SA de CV conducted exploration in 2017 comprising underground mapping and sampling of historical workings and drilling of 16 surface drill holes. Azure Minerals acquired 100% ownership of the project in August 2017 through its wholly-owned Mexican subsidiary company Minera Piedra Azul SA de CV.
Geology	*Deposit type, geological setting and style of mineralisation.*	Carbonate replacement and/or skarn style of mineralisation forming horizontal mantos of massive sulphides containing zinc, lead and silver.
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.*	No weighted averaging techniques were used. 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 zinc and lead mineralised intersections for the drilling are based on intercepts using a lower grade cut-off of 2.0% Zn+Pb for the overall mineralised zones and 10.0% Zn+Pb for the included high grade mineralised zones. A maximum of 2m of consecutive internal dilution at <2.0% Zn+Pb has been applied to all mineralised intercepts.
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 (e.g. '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.
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 plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in attached report
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.*	This announcement makes no reference to previous exploration results.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth 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*	Planned further work to better understand the mineralisation systems in the project area will comprise geological mapping and sampling, geophysical surveys and drilling.