

Confirmed High-Grade Continuity at Bepkong Strengthens Case for Underground Mining

- Two holes drilled 50m and 100m north of BRCD487 confirm continuity within the new high-grade Eastern lode
 - 11m at 13.45g/t Au from 171m within a broader zone of 35m at 4.70g/t Au from 148m (BRCD485)
 - 5m at 6.01g/t Au from 417m (BRCD486)
- Two additional high-grade lodes intersected in BRCD485:
 - 5m at 6.05g/t Au from 220m, and
 - 5.6m at 8.15g/t Au from 291.4m, incl. 2m at 18.00g/t Au from 292m.
- Bepkong system remains open at depth and along strike
- Follow-up holes underway
- High-grade zones strengthen case for underground mining and possible step-change in production and mine-life
- Results from deep drilling at nearby Kunche deposit available in coming weeks
- Ore Reserves and Feasibility Study progress update scheduled to be released in January 2019

West African gold explorer and developer Azumah Resources Limited (ASX: AZM) (“Azumah”) advises that two additional RC/DDH holes (BRCD485 and BRCD486) have confirmed the recently discovered, shallow plunging, high-grade Eastern Lode at the Bepkong deposit is continuously mineralised from surface to 330m vertical depth where it remains open (Figs 1, 2, 3 and 4. Photos 1, 2 and 3. Appendix).

The two holes drilled 100m and 50m north of BRCD487 to test for continuity within the Eastern lode, have returned extremely robust intercepts of **35m at 4.70g/t Au from 148m**, including **11m at 13.45g/t Au from 171m**, (BRCD485) and **5m at 6.01g/t Au from 417m** (BRCD486).

ASX & Media Release

19 December 2018

ASX: AZM

www.azumahresources.com.au

Wa Gold Project:

Value

2.5Moz Mineral Resource
2,400km² fertile terrain
624,000oz, 2.14g/t Au Ore Reserve

Upside

Growing resources and reserves
Widespread anomalism
Numerous priority targets

Activity

~40,000m drilling and
Feasibility update underway

Fully Funded

<A\$17M over 2yrs
Ibaera Capital earning 47.5%
directly in Project

Issued Capital:

782M ordinary shares
35M 3c opts exp 13.11.2021
3M 3c opts exp 30.06.2020
1.5M 3c opts exp 31.01.2021

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Non-Executive Director:
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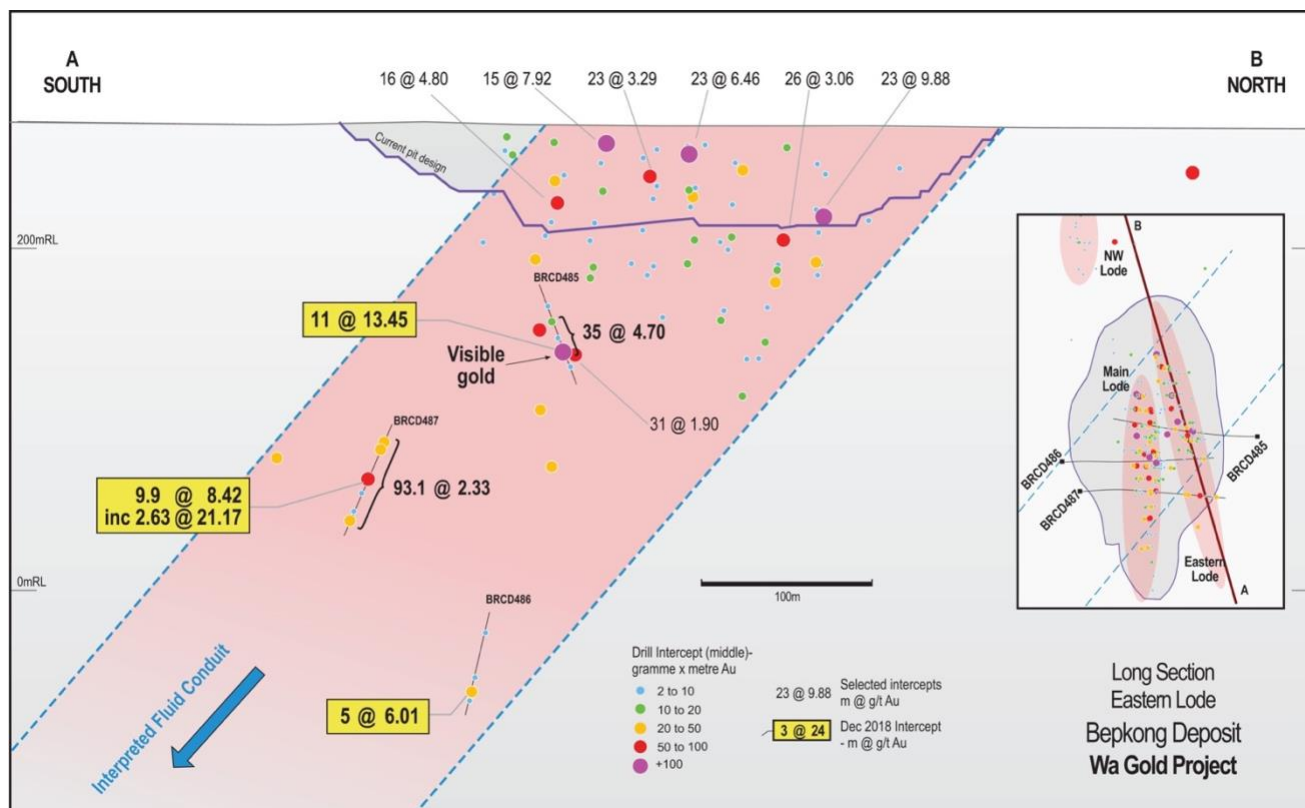
The holes complement the ‘discovery hole,’ BRCD487, that recently returned a **93m mineralised zone grading 2.33g/t Au from 261m** (including **9.9m at 8.42g/t Au from 295m**, and **2.16m at 21.17g/t Au from 303m and 0.5m at 88.71g/t Au from 338m**)(refer ASX release 12 December 2019).

Drillhole BRCD485 also extended west and through to under the Main Lode where it intersected two high grade zones of **5m at 6.05g/t Au from 220m**, and **5.6m at 8.15g/t from 291.4m**, including **2m at 18.00g/t from 292m**. These intercepts are the deepest to date under the Main Lode, and so also highlight the depth extent of this zone of mineralisation.

Importantly, the several wide zones of mineralisation grading greater than 4g/t Au are likely to underpin the possibility of extending mining underground beneath existing planned pit bases.

If underground mining is shown to be viable, this would provide a material increase in production levels and mine life from those being considered in the current Wa Gold Project (‘Project’) Feasibility Study. An interim update of the Feasibility Study and Ore Reserves is planned for release in January 2019.

Fig 1: Bepkong Deposit - Long Section through interpreted Eastern Lode zone



Azumah Managing Director, Stephen Stone, said **“This is another magnificent result in our 2019 multi-million-dollar exploration campaign and has extremely positive implications for the overall Wa Gold Project.**

“A completely new geological dimension to the Project has been introduced that could see a step-change in its scale, longevity and economics well beyond that envisaged in the pending Feasibility Study update.

“Our geological team, under the guidance of joint venture partner Ibaera Capital, have done an absolutely tremendous job in taking the Project to another level of geological understanding.

“Shareholders can look forward in early in January to some more results from deeper drilling at the Kunche deposit, then later in the month from follow-up drilling underway at Bepkong and then the much anticipated interim update of the Feasibility Study and Ore Reserve scheduled for the end of January 2019.”

Fig 2: Bepkong Deposit - Cross Section showing BRCD485

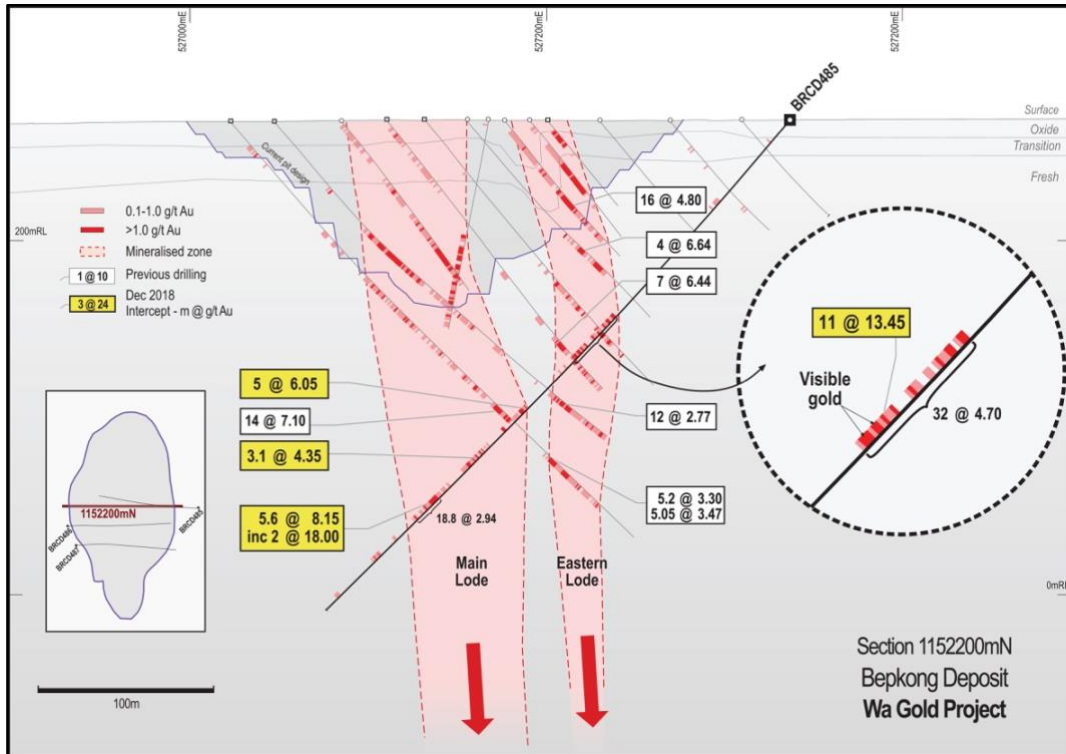


Fig 3: Bepkong Deposit - Cross Section through BRCD486

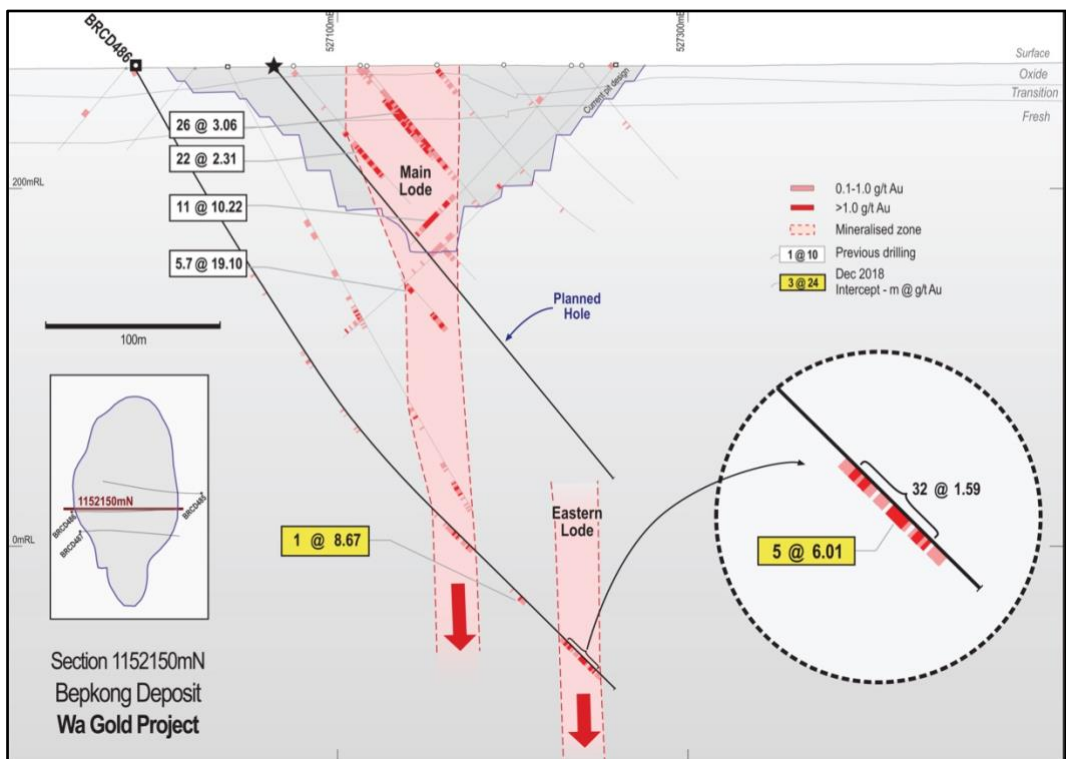
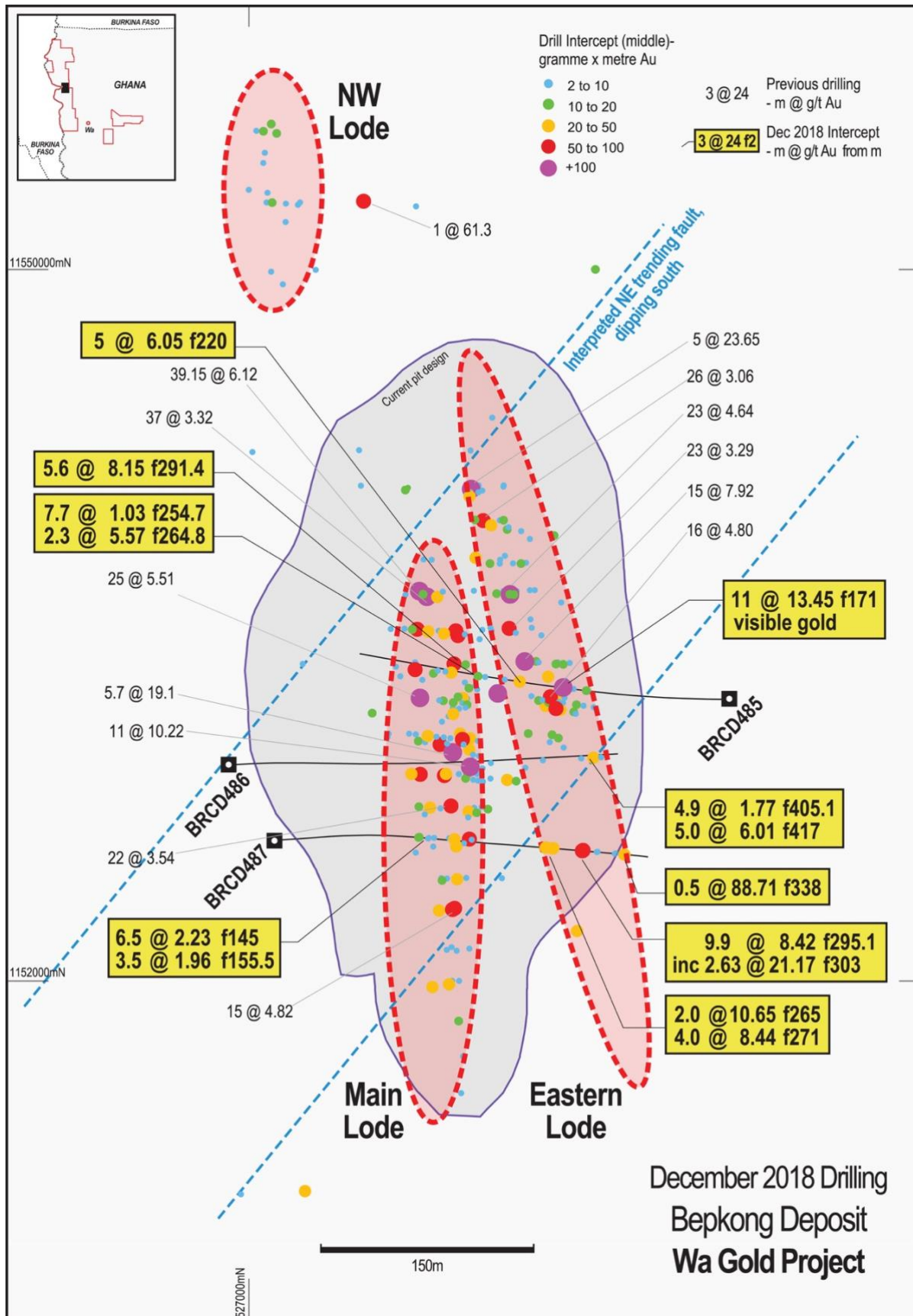


Fig 4: Bepkong Deposit – Plan showing recent and historical drilling results and location of Eastern Lode which plunges to the south



Inspection of diamond drill core from all three Bepkong holes indicates a very well-developed mineralised system, increasing the belief that the near-surface and deeper mineralisation at Bepkong is part of a much larger, structurally controlled system.

With the continuously mineralised 1.5km long Kunche deposit just 2km to the south, plus several satellite resources in between such as Aduane, it would not surprise if they were eventually shown to all be components of a much larger interconnected mineralised system extending to considerable depth.

This is consistent with the structurally controlled orogenic-style of mineralisation at the Project and which elsewhere in West Africa and Western Australia is known to typically extend to considerably greater depths than has been drilled to date at the Project.

Next results and planned drilling

Two holes have just been drilled at the Kunche deposit with results likely to be reported very early in January. These holes were designed with a similar objective to those just reported from Bepkong and, in particular, to test for continuity of high-grade mineralisation in the vicinity of KRC831. This hole intersected **44m at 5.37g/t Au from 99m** including zones of **6m at 3.33g/t Au from 99m** and **27m at 7.86g/t Au from 116m (incl 20m at 10.27g/t Au from 120m, 1m at 144g/t Au from 137m)**(refer ASX release 8 April 2018).

Additional drilling is underway at Bepkong to extend mineralisation in the Eastern Lode.

Photo 1: BRCD485 – Core run 172.27m to 178.23m



Photo 2: BRCD485 – Core run 178.23m to 184.45m



Photo 3: BRCD486 – Core run 417.0m to 422.9m



Summary of key intercepts:

Hole	From	To	Intercept
BRCD485	148	157	9 m @ 1.15g/t
BRCD485	165	166	1 m @ 2.27g/t
BRCD485	171	182	11 m @ 13.45g/t
BRCD485	220	225	5 m @ 6.05g/t
BRCD485	237	239	2 m @ 1.50g/t
BRCD485	254.7	262.4	7.7m @ 1.03g/t
BRCD485	264.8	267.1	2.3m @ 5.57g/t
BRCD485	291.4	297	5.6m @ 8.15g/t
BRCD485	300	301	1 m @ 3.34g/t
BRCD485	308	309	1 m @ 2.58g/t
BRCD486	317	321	4 m @ 0.98g/t
BRCD486	328	329	1 m @ 1.06g/t
BRCD486	369.5	370.5	1 m @ 8.67g/t
BRCD486	405.1	410	4.9m @ 1.77g/t
BRCD486	417	422	5 m @ 6.01g/t
BRCD486	425	429	4 m @ 1.47g/t

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About Azumah Resources Limited

Azumah Resources Limited is a Perth-based, ASX-listed (ASX: AZM) company focused on exploring and developing its regional-scale Wa Gold Project in the Upper West Region of Ghana, West Africa.

Three main deposits have been discovered and extensively drilled at Kunche and Bepkong, adjacent to the Black Volta River and Ghana's border with Burkina Faso, and at Julie approximately 80km to the east.

Several satellite deposits including Aduane, Kunche Northwest, Yagha, Julie West, Danyawu, Alpha/Bravo, Josephine and Collette have also been discovered and delineated.

To date, the Company has estimated a JORC 2012 Mineral Resource of 2.5Moz of gold grading 1.6g/t Au, including 1.6Moz Measured and Indicated grading 1.8g/t Au, with these evenly distributed between the Kunche-Bepkong and Wa East (Julie deposit etc) camps.

A 2015 Feasibility Study defined an Ore Reserve of 624,000oz Au (9.1Mt at 2.14g/t Au)(JORC 2012). The Feasibility Study is being updated with delivery scheduled for Q3 2019.

Extensive metallurgical test work has confirmed a high average overall gold recovery of ~92% for the combined Kunche, Bepkong and Julie deposits.

Mineral Resources have been progressively grown through a focused, systematic approach to exploration of the Company's 2,400km² licence holdings. These encompass large tracts of prospective Birimian terrain, the rocks that host the majority of West Africa's gold mines.

Much of the tenure is covered in soil, alluvium or laterite so most discoveries have been 'blind'. Azumah anticipates Mineral Resources will grow substantially as it continues to generate and test its large pipeline of targets.

Azumah's current exploration strategy is primarily driven by its aim to materially increase its existing Ore Reserve base and demonstrate attractive project economics. This will enhance funding capability and solidly underpin a development decision.

Azumah has two 15-year Mining Leases over its key deposits (Ghana government holds a 10% free carried interest in their 'rights and obligations' and is also entitled to a 5% gross gold royalty).

No technical, social or environmental impediments to development have been identified, no communities need to be relocated and rehoused and there is strong support from key stakeholders for the Project.

The Project benefits from excellent regional infrastructure including grid power to site, good quality bituminised and non-bituminised roads, easy access to water, a 2km sealed airstrip at the regional centre of Wa and good general communications.

Ibaera Funding Transaction

All of Azumah's Ghana interests are held through its wholly owned Ghana subsidiary, Azumah Resources Ghana Limited (AZG).

On 1 September 2017 Azumah executed a transformative Earn-In and Shareholders Agreement (EISA) with Perth managed private equity group, Ibaera Capital GP Limited (Ibaera), whereby Ibaera can initially earn a 42.5% interest in AZG and therefore the Wa Gold Project by spending US\$11.5M over two years.

If Azumah elects not to co-contribute pro-rata thereafter, Ibaera may increase its interest to a maximum of 47.5% for a total minimum expenditure of US\$13.5 million (~A\$17M).

Ibaera is backed by a US-based +US\$1 billion natural resources focused investment fund. Prior to committing to the Project, Ibaera reviewed many other international resource projects and, having selected the Azumah Project, undertook an extremely thorough due diligence prior to committing to the EISA.

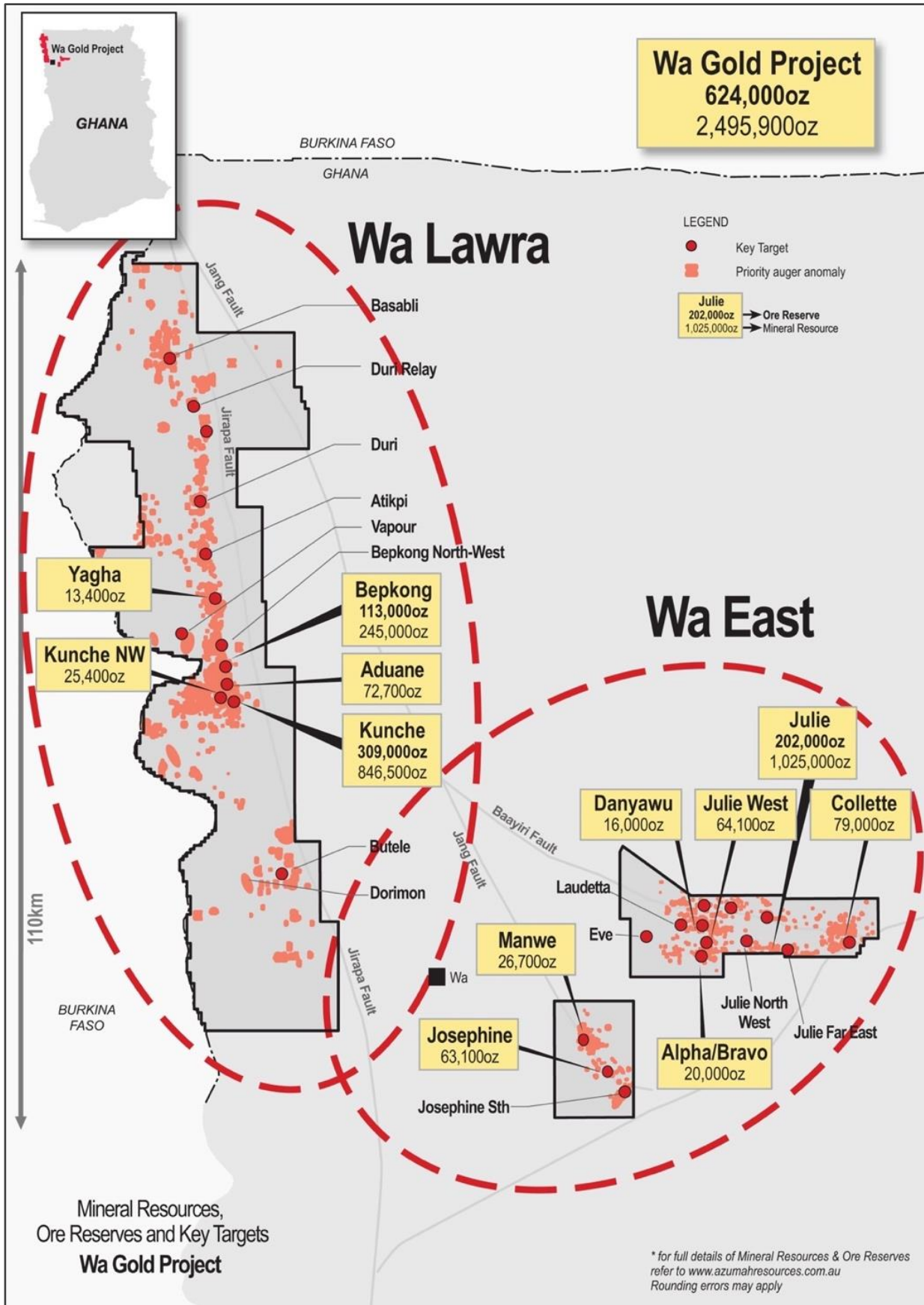
The terms of the EISA set out the basis for the parties to boost Mineral Resources, Ore Reserves and to deliver a feasibility level study supporting a decision to proceed to production (refer ASX release dated 2 September 2017).

Ibaera's owners, principals and management are all very experienced geologists, engineers and financiers and, pursuant to the EISA, are now managing all facets of the Project.

References

All references to Mineral Resources and Ore Reserves pertain to ASX releases dated 2 September 2014, 23 March 2015 and 12 October 2016 respectively. Also refer to Tables 1 and 2 herein. The Company confirms that all material assumptions underpinning the production targets and forecast information continue to apply and have not materially changed other than a positive material reduction in capital costs (refer ASX release dated 9 May 2016). For further information on Azumah Resources Limited and its Wa Gold Project please visit its website at www.azumahresources.com.au which contains copies of all continuous disclosure documents to ASX, Competent Persons' Statements and Corporate Governance Statement and Policies.

Wa Gold Project: Deposits, Prospects, Mineral Resources and Ore Reserves



'Competent Persons' Statements

The scientific and technical information in this report that relates to the geology of the deposits and exploration results is based on information compiled by Mr Stephen Stone, who is an executive employee of Azumah Resources Limited. Mr Stone is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stone is the Qualified Person overseeing Azumah's exploration projects and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement that relates to the geology of the deposits and exploration results.

Table 1: Ore Reserves Summary – JORC Code 2012

(As at August 2014)	Proved		Probable		Total		Gold To Mill
	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Tonnes (Mt)	Grade g/t Au	Gold oz
Kunche	4.91	1.92	0.05	3.11	4.97	1.94	309,000
Bepkong	1.79	1.84	0.11	1.97	1.90	1.85	113,000
Julie	0.29	2.45	1.93	2.89	2.21	2.84	202,000
Total	7.00	1.92	2.09	2.85	9.08	2.14	624,000

Values have been rounded.

Table 2: Mineral Resource Estimate – JORC Code 2012 – Updated September 2018

Deposit	Cutoff Au g/t	Measured			Indicated			Inferred			Grand Total		
		Tonnes (Kt)	Grade g/t Au	Gold oz	Tonnes (Kt)	Grade g/t Au	Gold oz	Tonnes (Kt)	Grade g/t Au	Gold oz	Tonnes (Kt)	Grade g/t Au	Gold oz
Wa-Lawra													
Kunche	0.5	8,835	1.6	446,000	3,404	1.4	145,000	7,616	1	255,700	19,855	1.3	846,500
Bepkong**	0.5	2,220	1.8	128,000	1,700	1.3	73,000	1,170	1.2	44,000	5,090	1.5	245,000
Aduane	0.5				322		12,800	1,491	1.3	59,900	1,812	1.3	72,700
Kunche NW	0.5					1.6		694	1.1	25,400	694	1.1	25,400
Yagha	0.5					4.2		333	1.3	13,400	333	1.3	13,400
Wa-East													
Julie*	0.5	1,490	2.1	101,000	9,300	1.9	572,100	6,360	1.7	352,000	17,150	1.9	1,025,000
Collette**	0.5							1,690	1.5	79,000	1,690	1.5	79,000
Julie West	1				455	4	58,900	68	2.4	5,100	523	3.8	64,100
Danyawu	1				105	4.2	14,200	38	1.5	1,800	143	3.5	16,000
Alpha/Bravo	1							148	4.2	20,000	148	4.2	20,000
Josephine	1				709	1.5	34,500	580	1.5	28,600	1,290	1.5	63,100
Manwe	1				257	2.1	17,300	192	1.5	9,400	450	1.9	26,700
Total		12,545	1.7	675,000	16,252	1.8	927,800	20,380	1.4	894,300	49,178	1.6	2,496,900

Note: Values have been rounded. A lower cut-off of 0.5g/t Au was used for Kunche, Bepkong, Aduane, Julie and Collette, and a lower cut-off of 1.0g/t Au was used for Julie West and Danyawu

The information in this report that relates to a Mineral Resource estimate for the Julie deposit is based on and fairly reflects information compiled by Mr David Williams, a Competent Person, who is an employee of CSA Global Pty Ltd and a Member of the Australian Institute of Geoscientists (#4176) and Mr Mark Glassock, a Competent Person, who is an employee of Extomine Pty Ltd and a member of the AusIMM (#202048). Mr Williams assumes responsibility for the interpretation and the grade estimation and Mr Glassock assumes responsibility for the input data. Mr Williams and Mr Glassock have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Williams and Mr Glassock consent to the disclosure of information in this report in the form and context in which it appears.

The information in this report that relates to a Mineral Resource estimate for the Kunche, Aduane, Kunche NW, Yagha, Julie West, Danyawu, Alpha/Bravo, Josephine and Manwe deposits is based on and fairly reflects information compiled by Mr Mark Glassock, a Competent Person, who is an employee of Extomine Pty Ltd and a member of the AusIMM (#202048). Mr Glassock has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Persons as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Glassock consents to the disclosure of information in this report in the form and context in which it appears.

Statements of Competent Persons for the various Mineral Resource Estimates, Ore Reserve Estimates and Process Metallurgy can all be found on the Company's website at: <http://www.azumahresource.com.au/projects-competent-persons.php>

Forward-Looking Statement

All statements other than statements of historical fact included on this website including, without limitation, statements regarding future plans and objectives of Azumah, are forward-looking statements. Forward-looking statements can be identified by words such as 'anticipate', 'believe', 'could', 'estimate', 'expect', 'future', 'intend', 'may', 'opportunity', 'plan', 'potential', 'project', 'seek', 'will' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Azumah that could cause Azumah's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained on this website will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. Azumah does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained on this website, except where required by applicable law and stock exchange listing requirements.

Appendix: Wa Gold Project - JORC Code 2012 Edition – Table 1
Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>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.</i></p>	<p>The following information relates to reverse circulation (RC) and diamond (DD) drilling conducted in November and December 2018.</p> <p>A total of 3 holes were drilled for 1185m. This included 430m of RC pre-collar, and 755m diamond tails.</p> <p>This appendix covers assays for BRCD485 and BRCD486.</p>
	<p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p>	<p>Drillholes were located by handheld GPS, using coordinate system WGS84 UTM Zone30N</p> <p>RC samples were collected at 1m intervals. Each 1m RC sample was split into two 1 kg samples. The remaining sample was collected in large green bags and used to create a 4m composite sample. RC sample weights averaged 20 kg in oxide material and 30 kg in fresh material.</p> <p>DD samples were taken at 0.1–1.1m intervals. The sample quality and recovery of DD core from fresh and oxidised rock was good. Appropriate quality assurance/quality control (QAQC) protocols were followed, including submission of field duplicates and insertion of commercial standards for all types of drilling.</p> <p>RC and DD samples are analysed by fire assay method FA50/AAS which has a detection level of 0.001 ppm Au.</p> <p>Appropriate quality assurance/quality control (QAQC) protocols were followed, including submission of field duplicates and insertion of commercial standards for all types of drilling.</p>
	<p><i>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</i></p>	<p>RC holes were drilled with a 5.25inch hammer bit and collected via cyclone. Every metre drilled was collected via cyclone into a plastic bag, then placed in rows of 20. The samples were composited into 4m composites using a PVC spear, then sent to the laboratory for analysis, except in zones of obvious mineralisation, where the single metre rifle split sample was sent for analysis.</p> <p>DD holes were drilled at NQ size (47.6mm). Sampling intervals were based on lithology and/or alteration changes. The core was cut in half longitudinally using a core saw.</p> <p>Laboratory Sample preparation of samples included:</p> <ul style="list-style-type: none"> • Drying the sample at 105°C for 4 hours. • Grinding the sample to less than -6mm. • Splitting the sample using a riffle splitter. • Pulverising the sample for 4 minutes to achieve 85% of sample passing -75µm in grain size.

Criteria	JORC Code explanation	Commentary
		Gold analysis was carried out by fire assay with atomic absorption spectroscopy method (FA50/AAS) which has a detection level of 0.001 ppm Au.
<i>Drilling techniques</i>	<i>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).</i>	RC and DD drilling was conducted by Geodrill Ghana Limited with a 900-15 or 900-16 multi-purpose rig.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Drill sample recovery was visually assessed and considered to be acceptable within the mineralised zones.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	The quality of drill samples was very good.
	<i>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.</i>	Sample recovery is generally very high within the mineralised zones. No significant bias is expected, and any potential bias is not considered material.
<i>Logging</i>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resources</i>	All drilling has been geologically logged in detail over the entire hole length (at 1m intervals for RC & AC drilling). Colour, lithology, degree of oxidation and water table depth etc were recorded. DD was geotechnically logged for recovery and rock quality designation. Structure type and orientation are recorded in the database. DD core and RC chip trays are stored in the Kalsegra Exploration Base and the Julie Field Camp for Julie and Collette drilling.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Geological logging is qualitative in nature based on a qualified geologists observation. This includes records of lithology, oxidation state, colour, mineralisation, alteration and veining.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes were geologically logged in full.
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Diamond drilling core samples were sawn in half, with half the sample sent for analysis and half kept on site. The entire length of BRCD487 core was analysed by the laboratory. Sampling of the core of BRCD486 and BRCD485 was based on the visual observations of the mineralised zones.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples were collected on the rig using a cyclone, then passed through a riffle splitter to collect a smaller sub-sample in a calico bag. The remaining sample was collected in a plastic bag and placed in rows of 20. Samples were dry.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were dried and ground to 85% passing 75 microns using laboratory mills for fire assay (FA50 or FA51) analysis. The resultant prill is dissolved in aqua regia and gold content is determined by flame atomic absorption spectroscopy (AAS).

Criteria	JORC Code explanation	Commentary
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	<p>Field QA/QC procedures included insertion of field duplicates and commercial standards of Certified Reference Material (CRM) in every batch (1 per 50 samples).</p> <p>Laboratory QA/QC procedures included:</p> <ul style="list-style-type: none"> • Every 50th sample was screened to check grinding results (% passing 2mm and 75 microns). • 1 reagent blank was inserted every 50 samples, 1 preparation process blank was inserted every 50 samples and 1 weighed replicate was inserted every 50 samples. • 1 preparation duplicate (re-split) every 50 samples and 2 certified reference materials (CRMs) every 50 samples. <p>Repeat analyses are completed whenever an analytical batch fails to meet the laboratory standards or when requested by a client. No repeats were warranted on this sampling.</p>
	<i>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</i>	<p>Duplicate samples are taken for all drilling except DD.</p> <p>Where the duplicate versus original sample differ, both samples were re-assayed to check the analysis.</p>
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled</i>	Sample size is considered appropriate.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	The analytical technique used was fire-assay with an atomic-absorption finish (FA50 or FA51/AAS) which is industry standard for Au.
	<i>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.</i>	<p>Downhole samples have been scanned with a hand-held XRF device. This data is qualitative and used as a guide to potential mineralisation.</p> <p>The device used is an Innovex Delta XRF with 40Kv Tube and silicon drift detector (SDD). It is used in soil test mode for 90 seconds per test at 30 seconds for each beam. No calibration factors are applied.</p>
	<i>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.</i>	Field QA/QC procedures included the insertion of field duplicates, blanks and CRM at a rate of 1 to 50.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The verification of significant intersections by independent or alternative company personnel has not occurred.
	<i>The use of twinned holes.</i>	No twinned holes were drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Field data was all recorded as hard copies. Geological logging and sample intervals were recorded in digital form using a logging computer or Excel templates. This data was imported into a SQL database for validation and QC. The analytical data was imported into SQL database with all related metadata and QA/QC information.

Criteria	JORC Code explanation	Commentary
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made, other than for values below the assay detection limit. These values have been entered as the negative of the detection limit.
Location of data points	<i>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.</i>	The collar locations of all holes were located using a hand-held GPS (accurate to ±2m).
	<i>Specification of the grid system used.</i>	The grid system is WGS84 Zone 30 North.
	<i>Quality and adequacy of topographic control.</i>	The topographic surfaces of all properties were created using a GeoEye image and Digital Surface Model. This was corrected and validated using DGPS drill hole points collected in the field.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The RC/DD drill holes at Bepkong were planned individually to test for a proposed depth extension of the Eastern Lode
	<i>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.</i>	The RC drilling at Kunche, Kunche Northwest, Bepkong, Aduane and Yagha North was at variable spacing, based on increasing confidence in the ore body interpretation to allow an upgrade in Resource Estimation calculation.
	<i>Whether sample compositing has been applied.</i>	For the RC pre-collars, samples were assayed in 1m intervals in zones of interpreted mineralisation, or 4m composites. Diamond core was sampled based on visual observations, with sample lengths of 1m or less.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Drilling fences are orientated perpendicular to the interpreted strike of the mineralisation.
	<i>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.</i>	No orientation based sampling bias has been identified in the data based on the interpreted mineralised structures.
Sample security	<i>The measures taken to ensure sample security.</i>	Chain of Custody is managed by Azumah staff (geologists and technicians). Samples are stored on site and delivered to the Intertek Laboratory at Tarkwa Samples submission sheets are in place to track the progress of every batch of samples.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling techniques are consistent with industry good practice. Data was validated by CSA Global during loading into the database. Checks included Depth from Depth to, sample interval hole depth and overlapping sample intervals. Any data which failed the checking process is returned to Azumah for validation. Global consistency was also checked at a later stage by plotting holes on sections using the database and reconciling assays against the geology.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary																																																																																												
<i>Mineral tenement and land tenure status</i>	<i>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.</i>	The Project area is located in the Upper West Region in the north-west corner of Ghana. All leases are held 100% by Azumah Resources Ltd (Ghana) or its wholly owned subsidiary Phoenix Resources.																																																																																												
	<i>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.</i>	The tenements are in good standing with no known impediments.																																																																																												
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Previous mapping and exploration works were completed by BHP-Utah (1990's), AGEM (late 1990's) and Semafo (late 1990's). All exploration activities have been completed by Azumah since 2006.																																																																																												
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	The Wa Gold Project covers approximately 70% of the Palaeoproterozoic Upper and Lower Birimian units, typically known as the Wa-Lawra greenstone belt, within Ghana. Gold mineralisation at deposits within the Project occurs as follows: Kunche: Brittle quartz lode/breccia-hosted with higher grade Au mineralisation associated with zones of intense silicification, smoky quartz veins, arsenopyrite and pyrrhotite. Bepkong and Aduane: Increased ductile shearing and dismemberment of quartz veins. Greater than 1 g/t Au mineralisation occurs within translucent quartz veins and arsenopyrite. Julie: Quartz veining and lodes within sheared granodiorite host. Au mineralisation is associated with silicification, pyrite, chalcopyrite, carbonate, sericite and haematite alteration. Collette: Quartz veining with at least 3 orientations. Au mineralisation is associated with silicification, arsenopyrite, pyrite, haematite alteration and glassy translucent quartz veining.																																																																																												
<i>Drill Hole Information</i>	<p><i>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:</i></p> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <p><i>If the exclusion of this information is justified on the basis that the</i></p>	<p>Collar Details:</p> <table border="1"> <thead> <tr> <th>Hole</th> <th>East</th> <th>North</th> <th>RL</th> <th>Az</th> <th>Dip</th> <th>Depth</th> <th>RC</th> <th>DD</th> </tr> </thead> <tbody> <tr> <td>BRCD485</td> <td>527337</td> <td>1152198</td> <td>267</td> <td>270</td> <td>-50</td> <td>381m</td> <td>130m</td> <td>251m</td> </tr> <tr> <td>BRCD486</td> <td>526986</td> <td>1152152</td> <td>267</td> <td>90</td> <td>-60</td> <td>444m</td> <td>150m</td> <td>294m</td> </tr> <tr> <td>BRCD487</td> <td>527017</td> <td>1152099</td> <td>268</td> <td>90</td> <td>-50</td> <td>360m</td> <td>150m</td> <td>210m</td> </tr> </tbody> </table> <p>Significant Intercepts:</p> <table border="1"> <thead> <tr> <th>Hole</th> <th>From</th> <th>To</th> <th>Intercept</th> </tr> </thead> <tbody> <tr> <td>BRCD485</td> <td>148</td> <td>157</td> <td>9 m @ 1.15g/t</td> </tr> <tr> <td>BRCD485</td> <td>165</td> <td>166</td> <td>1 m @ 2.27g/t</td> </tr> <tr> <td>BRCD485</td> <td>171</td> <td>182</td> <td>11 m @ 13.45g/t</td> </tr> <tr> <td>BRCD485</td> <td>220</td> <td>225</td> <td>5 m @ 6.05g/t</td> </tr> <tr> <td>BRCD485</td> <td>237</td> <td>239</td> <td>2 m @ 1.50g/t</td> </tr> <tr> <td>BRCD485</td> <td>254.7</td> <td>262.4</td> <td>7.7 m @ 1.03g/t</td> </tr> <tr> <td>BRCD485</td> <td>264.8</td> <td>267.1</td> <td>2.3 m @ 5.57g/t</td> </tr> <tr> <td>BRCD485</td> <td>291.4</td> <td>297</td> <td>5.6 m @ 8.15g/t</td> </tr> <tr> <td>BRCD485</td> <td>300</td> <td>301</td> <td>1 m @ 3.34g/t</td> </tr> <tr> <td>BRCD485</td> <td>308</td> <td>309</td> <td>1 m @ 2.58g/t</td> </tr> <tr> <td>BRCD486</td> <td>317</td> <td>321</td> <td>4 m @ 0.98g/t</td> </tr> <tr> <td>BRCD486</td> <td>328</td> <td>329</td> <td>1 m @ 1.06g/t</td> </tr> <tr> <td>BRCD486</td> <td>369.5</td> <td>370.5</td> <td>1 m @ 8.67g/t</td> </tr> </tbody> </table>	Hole	East	North	RL	Az	Dip	Depth	RC	DD	BRCD485	527337	1152198	267	270	-50	381m	130m	251m	BRCD486	526986	1152152	267	90	-60	444m	150m	294m	BRCD487	527017	1152099	268	90	-50	360m	150m	210m	Hole	From	To	Intercept	BRCD485	148	157	9 m @ 1.15g/t	BRCD485	165	166	1 m @ 2.27g/t	BRCD485	171	182	11 m @ 13.45g/t	BRCD485	220	225	5 m @ 6.05g/t	BRCD485	237	239	2 m @ 1.50g/t	BRCD485	254.7	262.4	7.7 m @ 1.03g/t	BRCD485	264.8	267.1	2.3 m @ 5.57g/t	BRCD485	291.4	297	5.6 m @ 8.15g/t	BRCD485	300	301	1 m @ 3.34g/t	BRCD485	308	309	1 m @ 2.58g/t	BRCD486	317	321	4 m @ 0.98g/t	BRCD486	328	329	1 m @ 1.06g/t	BRCD486	369.5	370.5	1 m @ 8.67g/t
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Data aggregation methods	<p>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.</p>	<p>All assays greater 1g/t Au have been averaged based on a weighted average, with a maximum of 2m consecutive internal waste. No top cut has been used.</p>																												
	<p>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.</p>	<p>Not relevant.</p>																												
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Not relevant.</p>																												
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p>	<p>All holes were designed to be drilled perpendicular to the interpreted orientation of mineralisation.</p>																												
	<p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>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').</p>	<p>Mineralisation Bepkong striking north-south and is vertical to sub-vertical. All drillholes are oriented east or west – perpendicular to the strike of mineralisation, and angled at -50° or -60°</p>																												
Diagrams	<p>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</p>	<p>Refer to diagrams in body of text.</p>																												

Criteria	JORC Code explanation	Commentary
	<i>hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<i>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.</i>	Summary results of drilling to date is presented in the body of the text and in the tables above.
<i>Other substantive exploration data</i>	<i>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.</i>	<p>All meaningful and material exploration data has been referred to in the body of the text or on accompanying figures.</p> <p>Induced Polarisation:</p> <p>SAGAX Afriques completed a gradient induced polarisation survey (IP) over the Kunche and Bepkong deposits. The anomalies were interpreted to be caused by disseminated sulphides and quartz veining. The IP survey outlined several linear zones with a similar geophysical response, particularly a prominent linear anomaly west of Kunche. Three dominant orientations were interpreted as a dextral reverse shear model.</p> <p>Several other geophysical targets were identified and require drill testing.</p> <p>Metallurgical Test Work:</p> <p>Extensive metallurgical test work has been undertaken on the Kunche, Bepkong and Julie deposits. There has been only minor work completed on Collette and no work on Aduane.</p> <p>Metallurgical test work performed on the Kunche, Bepkong and Julie ores has included:</p> <ul style="list-style-type: none"> • Comprehensive head analysis. • Comminution. • Gravity concentration. • Direct cyanide leaching. • Carbon kinetics. • Thickening. • Rheology. • Oxygen uptake. • Cyanide detoxification. • Variability testing. <p>In addition for Julie ore test work has included:</p> <ul style="list-style-type: none"> • Bulk sulphide flotation. • Ultra-fine grinding (UFG) of concentrate. • Cyanide leaching of UFG flotation concentrate and of flotation tailings. • QEM*SCAN® analysis of Julie concentrate products. • Collette testing only includes: <ul style="list-style-type: none"> • Gravity concentration. • Direct cyanide leaching. <p>Potential Deleterious Substances:</p>

Criteria	JORC Code explanation	Commentary
		<p>Both Kunche and Bepkong mineralisation contains small quantities of organic carbon, arsenic in the form of arsenopyrite, and other sulphide mineralisation.</p> <p>In general, this does not appear to have a significant deleterious effect on gold extraction. The limited number of Kunche primary variability composites that do exhibit a reduction in extraction have been included in the correlation equation for gold recovery.</p> <p>Preliminary testing indicates the flotation/regrind circuit designed for the Julie primary ore may also benefit some of the Kunche primary ore and further test work is planned on some Kunche primary ore samples.</p> <p>Julie mineralisation contains sulphides which is predominantly pyrite and relatively unreactive. Approximately 35% of the gold is associated with pyrite which can be recovered by flotation and fine grinding of concentrate prior to extraction by cyanide.</p>
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	<p>Diamond drilling at Bepkong has identified a significant intercept of mineralization that has not previously been included in resource calculations.</p> <p>A further two holes are currently being drilled at Bepkong, targeting the Eastern Lode.</p>
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Refer to diagrams in body of text.