



Azure Minerals Ltd

Mexican Copper – an Exciting Growth Story

Investor Presentation – May 2015

ASX Code: AZS



@AzureMinerals

www.azureminerals.com.au

Corporate Overview

Key Statistics

ASX Code	AZS
Share Price	\$0.015
Shares	995,020,107
Options	25M @ 5.8c 26M @ 4.5c
Market Capitalisation	\$15M
Cash	\$2.0M

Share Price Chart



Board & Management

Chairman	Peter Ingram
Managing Director	Tony Rovira
Non-Executive Director	Wolf Martinick
Chief Financial Officer	Brett Dickson
VP Exploration Mexico	Brent Hendrickson

Shareholders

Drake Private Investments	10.5%
Yandal Investments	2.9%
Directors	1.7%
Top 20 Shareholders	25.1%

Azure Minerals Ltd

Objective

To be a low cost, high margin copper producer

Strategy

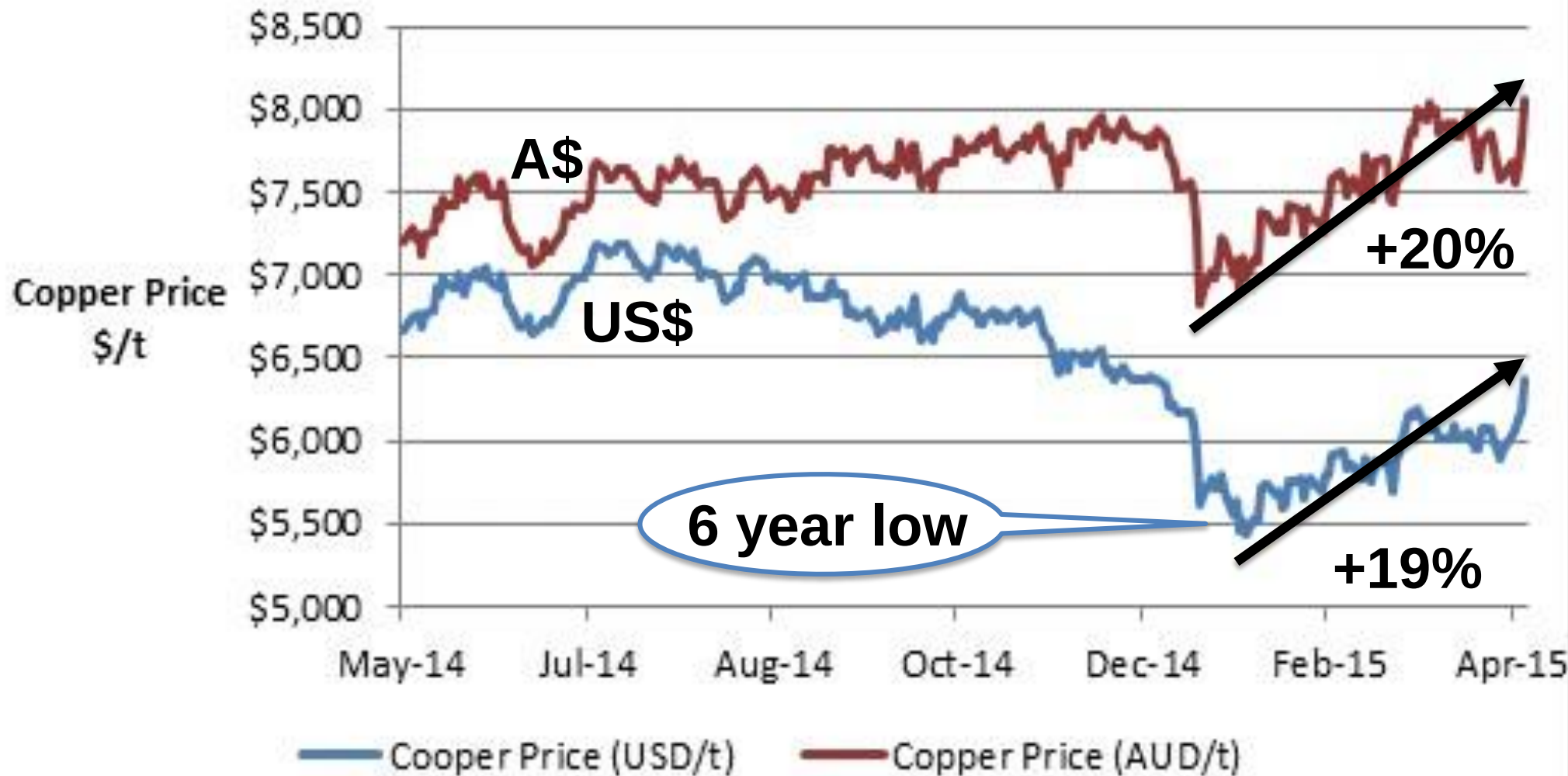
Developing our high quality mineral assets in partnership with major resource companies

Why Mexico?

A mineral-rich, low cost, mining friendly country

Commodity Focus – Copper

Copper Price



Our Assets in Mexico

Azure Minerals Ltd

Alacrán

Located in North America's
premier copper mining
province

Historical mining of high
grade copper

Contains many high grade
precious metal / base
metal targets

Little modern exploration

Promontorio

JORC resources total
2.9Mt @ 2.5% CuEq

JV exploration by Rio Tinto
for giant copper deposits

Rio Tinto can earn 80%

Azure free-carried for 1st
US\$245M spend

Non-core Projects

El Tecolote
Copper-zinc

Loreto
Copper

Panchita
Gold

Telix
Graphite

Competitive Advantages of Mexico

One of the world's best mining destinations

- Mineral-rich, mining friendly country: >500 years mining history
- Favourable Mining Act with pro-mining government
- Skilled and experienced local workforce in a low cost environment

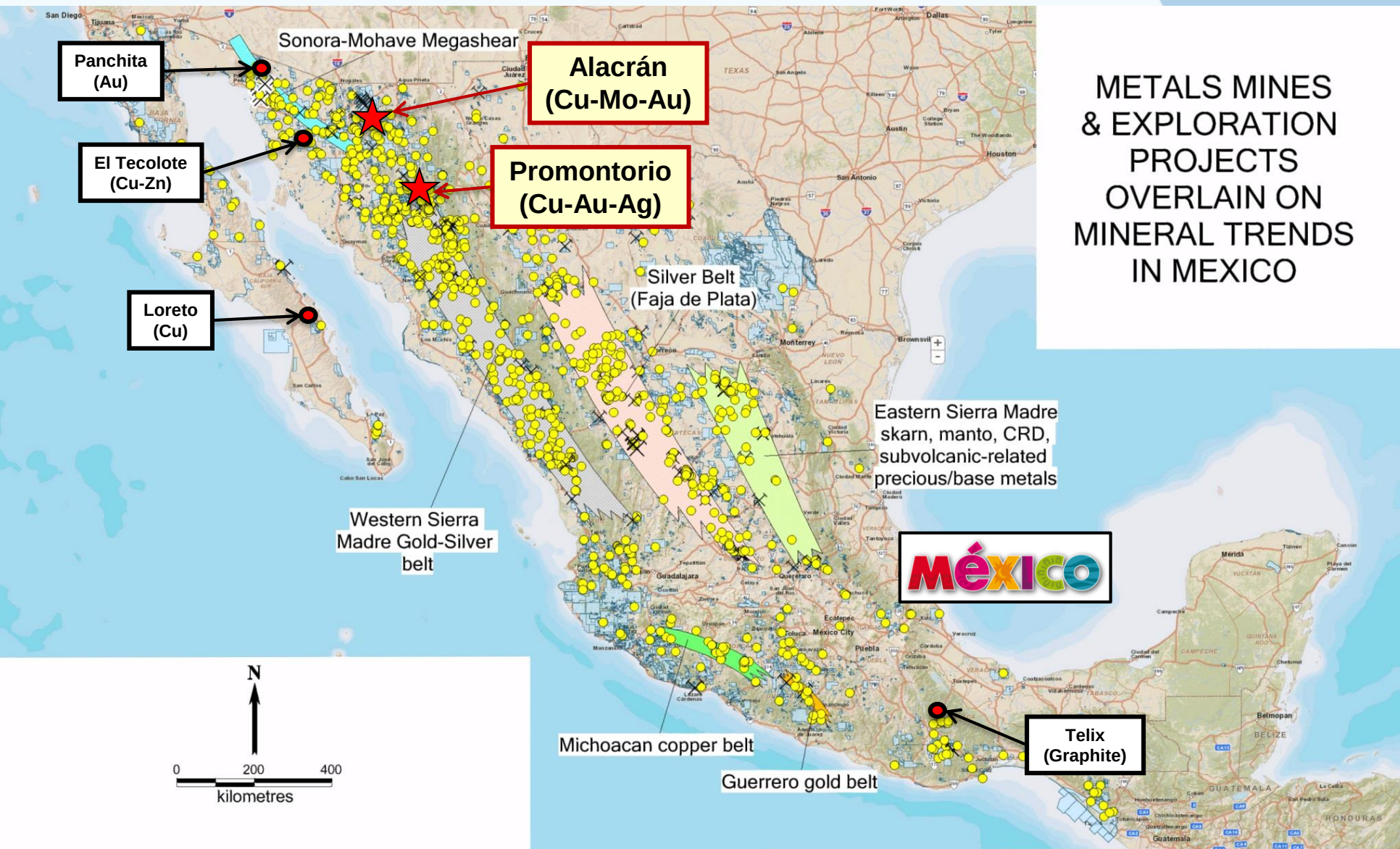
Experience and Reputation of Management

- Extensive experience operating in-country
- Positive reputation and strong relationships with Mexican Government & local communities

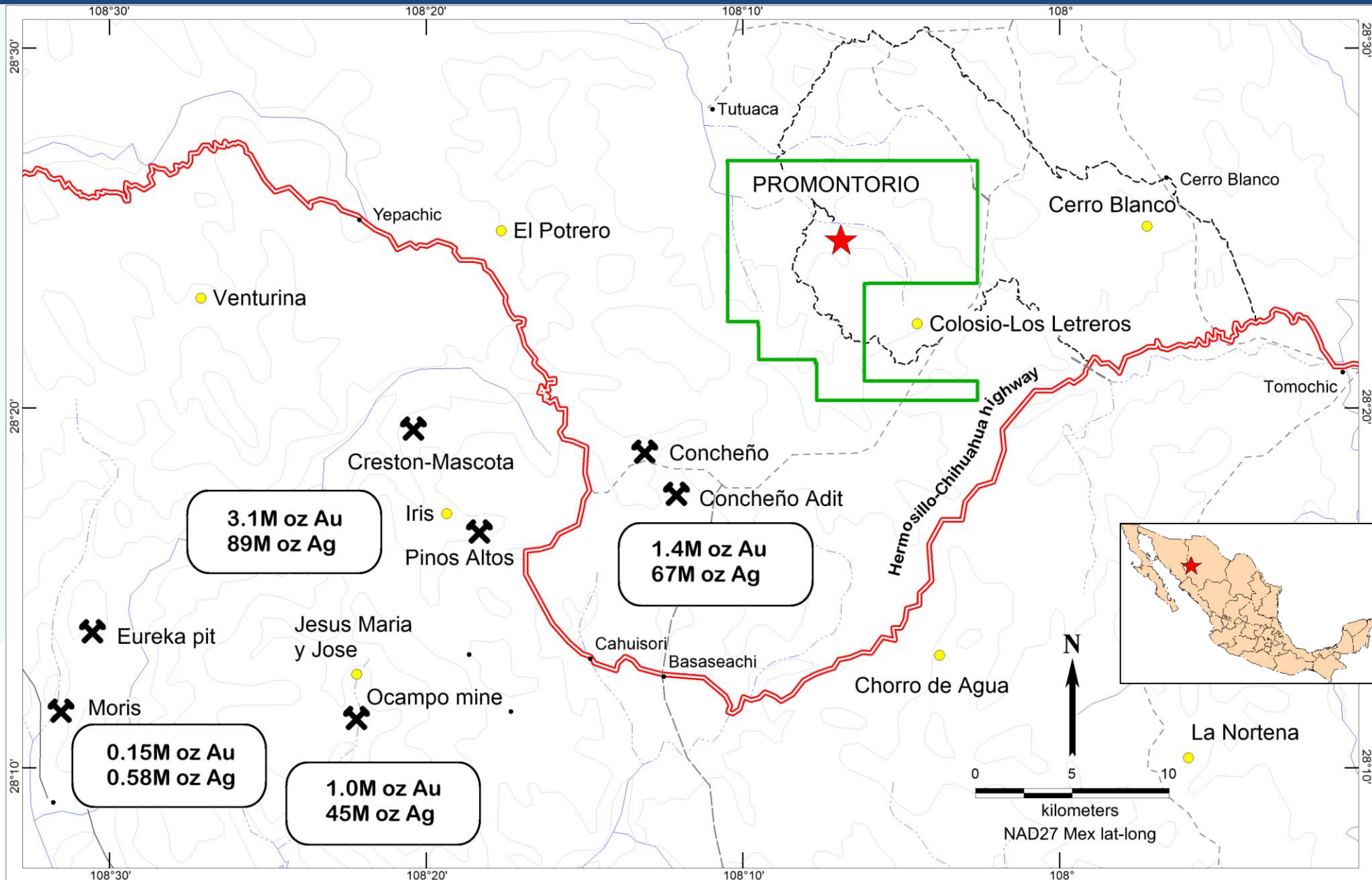
Near term catalysts for uplift in valuation

- Generating exploration results throughout 2015 from Promontorio JV with Rio Tinto and exciting Alacrán Project

Projects



Promontorio Project - 105km²



Promontorio – strong copper potential

Promontorio & Cascada Deposits:

- Total JORC resources:

= 2.9Mt @ 2.5% CuEq (1.4% Cu, 1.6g/t Au & 35g/t Ag)*

= ~40,000t Copper, 150,000oz Gold & 3.25Moz Silver

Porphyry copper potential attracts the interest of Rio Tinto

Landmark Earn-In and Joint Venture Agreement with Rio Tinto

Excellent regional potential for giant porphyry copper deposits

* Refer ASX release dated 7 May 2015

Rio Tinto Joint Venture – a landmark deal

Rio Tinto targeting giant porphyry copper deposits

Exploration sole-funded by Rio: **US\$2M** exploration in 2015

Azure is project manager, receives **10%** management fee

Rio can earn 80% project interest by spending **US\$45M**

Azure free-carried for first **US\$245M** project expenditure

Result = accelerated exploration & development

Promontorio Activity Update – Stage 1

ACTIVITY	TIMING
Regional mapping & sampling	
Airborne LiDAR survey, aerial photography & DTM	
Aeromagnetic, radiometric and electromagnetic survey	In progress
Ground IP survey	June/July
Environmental approvals for drilling	In progress
Diamond drilling	2 nd Half 2015



USA

SONORA

CHIHUAHUA

MEXICO

Laramide Copper Belt
North America's Premier
Copper Province

Alacrán
Project

*Gulf of
Mexico*

*Pacific
Ocean*

*Mexico
City* ★

La Paz

Alacrán - 54km² in excellent location

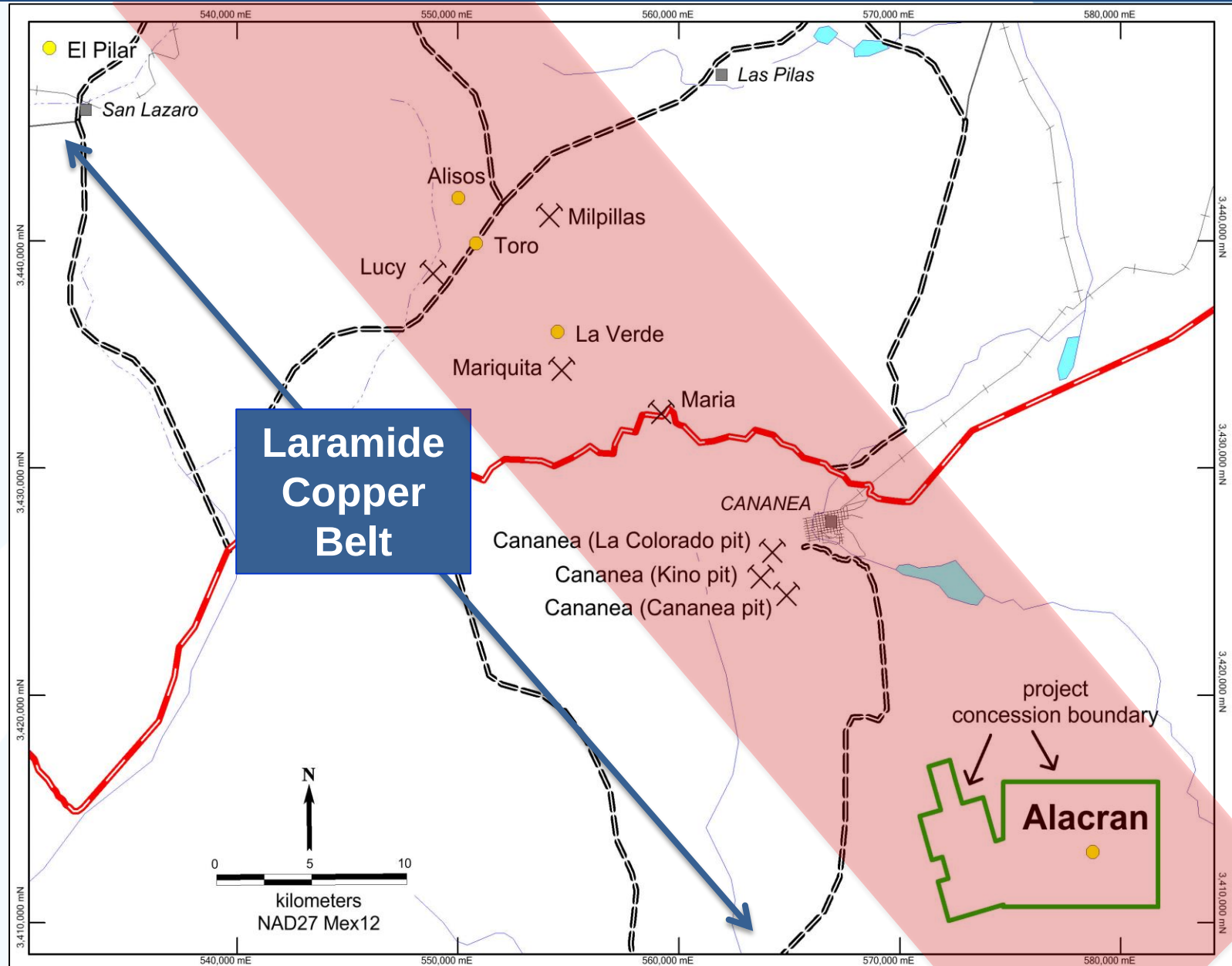
Laramide Copper Belt

- North America's largest copper producing district
- +75 million tonnes of copper produced (1870's – 2011)
- +295 million tonnes of total copper endowment

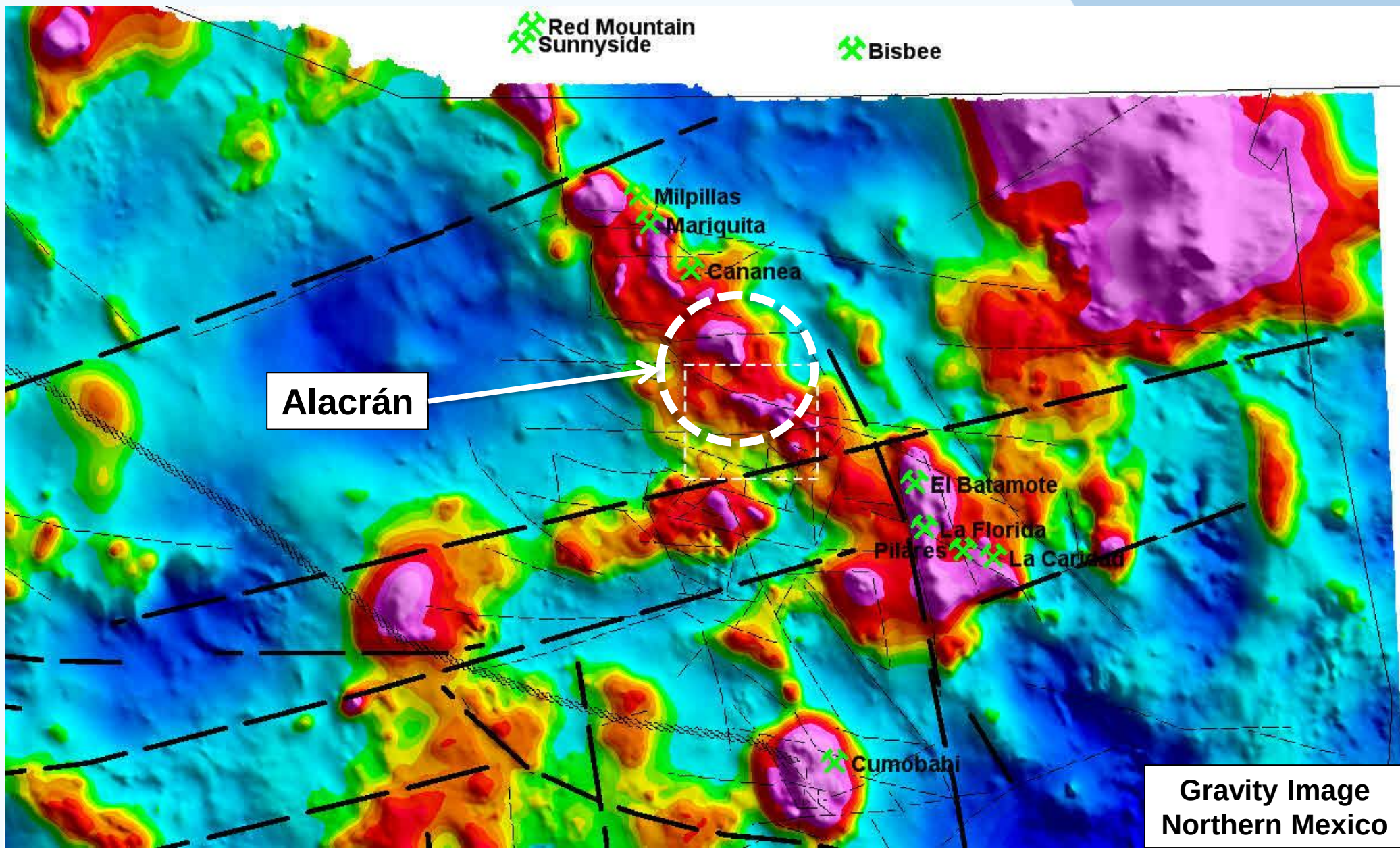
Located 15km from the giant Cananea Copper Mine

- Ore Reserves = 8 billion tonnes @ 0.33% Cu (>26Mt copper)
- Annual copper production capacity of 510,000 tonnes in 2016

“Best under-explored copper project in Mexico”



Middle of Mexico's Major Copper Mines



Past, Present & Future

HISTORICAL MINING:

- High grade copper mined with concentrates exported to the USA
- Production ceased in 1913 due to the Mexican Revolution
- Very little modern exploration

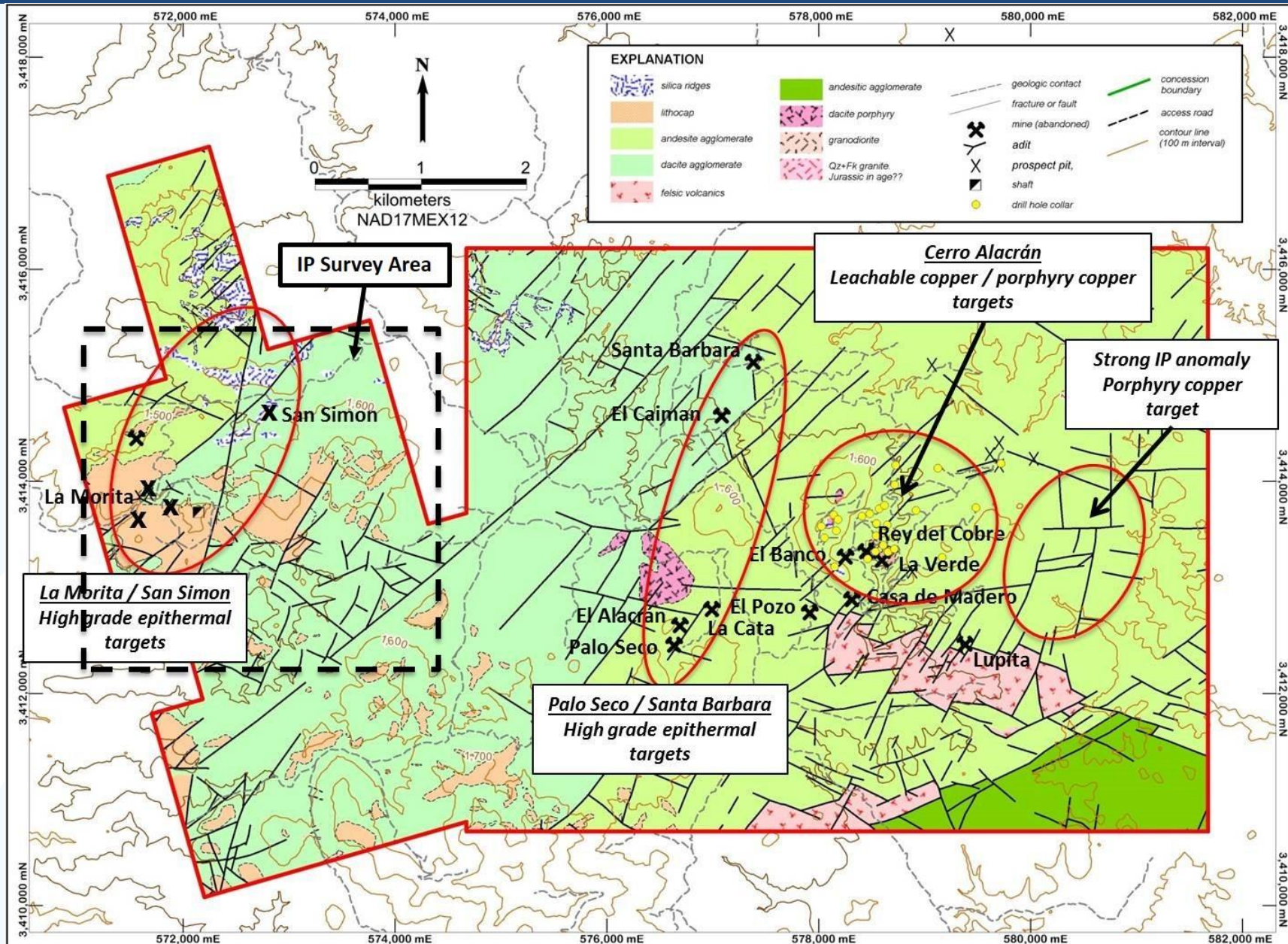
ACQUISITION TERMS:

- Azure can acquire 100% of Alacrán from Teck Resources by spending US\$5M over 4 years
- Teck has a one-off right to buy back up to 65% for US\$15M

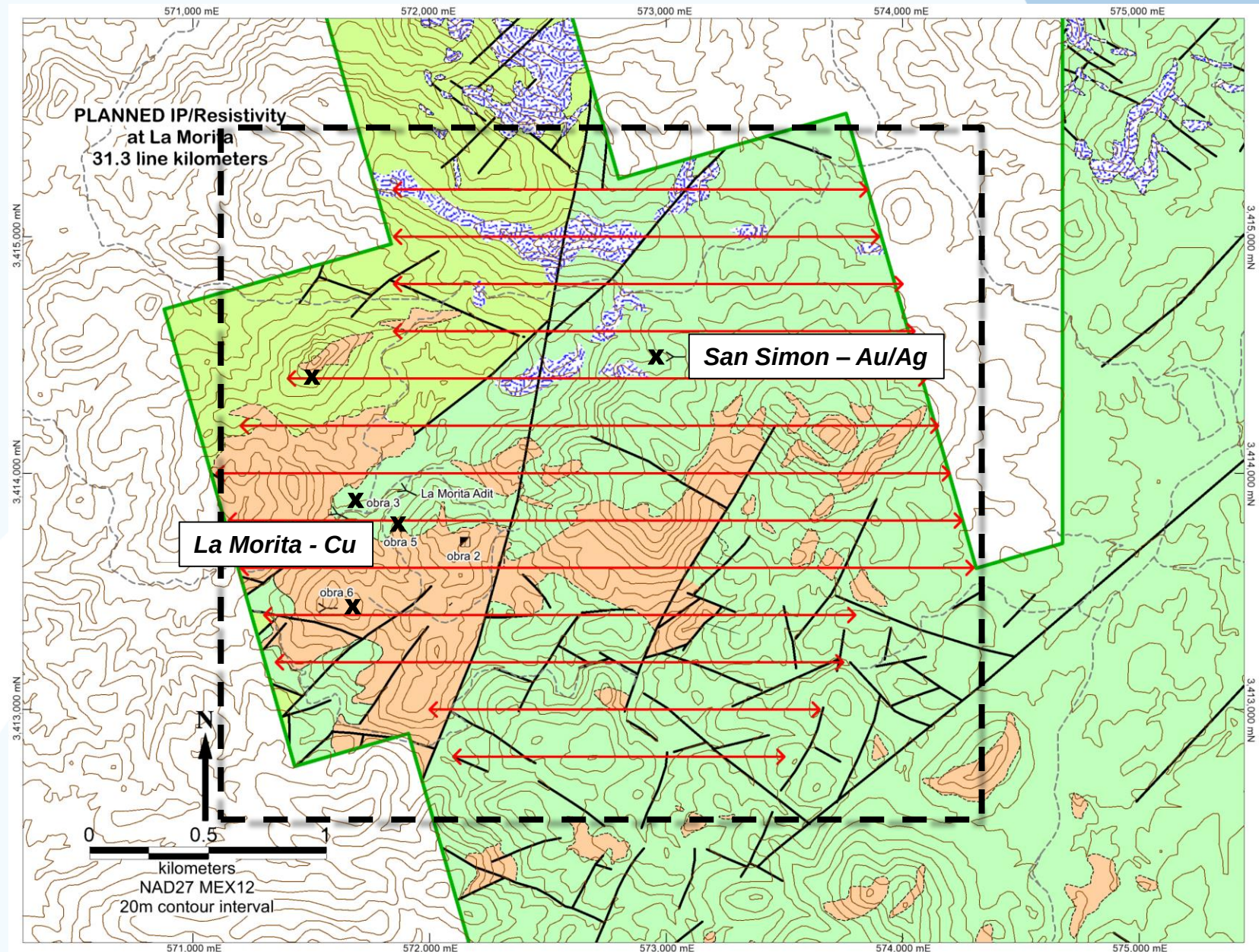
POTENTIAL:

1. High grade polymetallic sulphide deposits
2. Mid-grade porphyry-style sulphide copper deposits
3. Low grade supergene, leachable chalcocite copper deposits

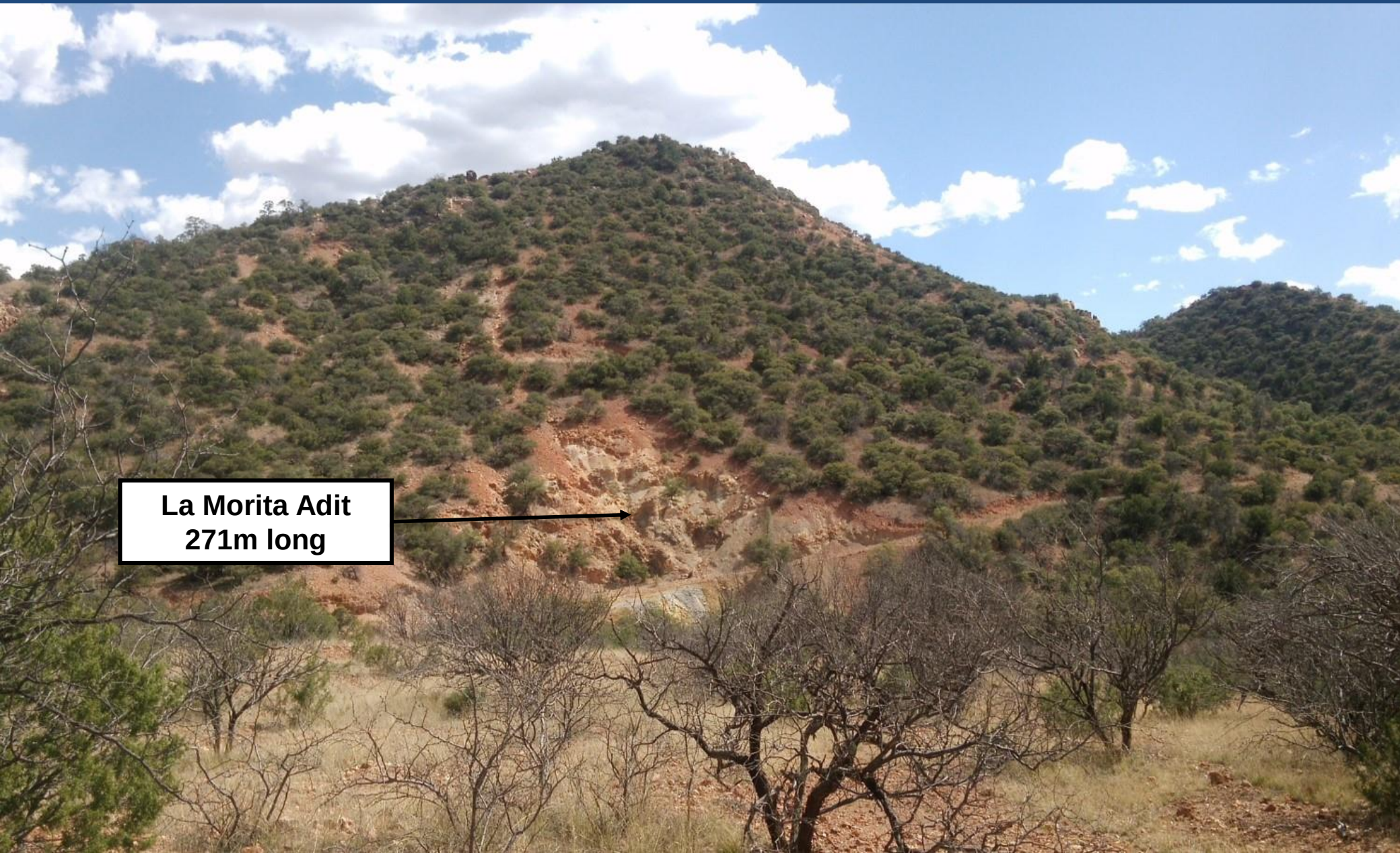
Many Untested Targets



La Morita & San Simon



La Morita – high grade copper potential

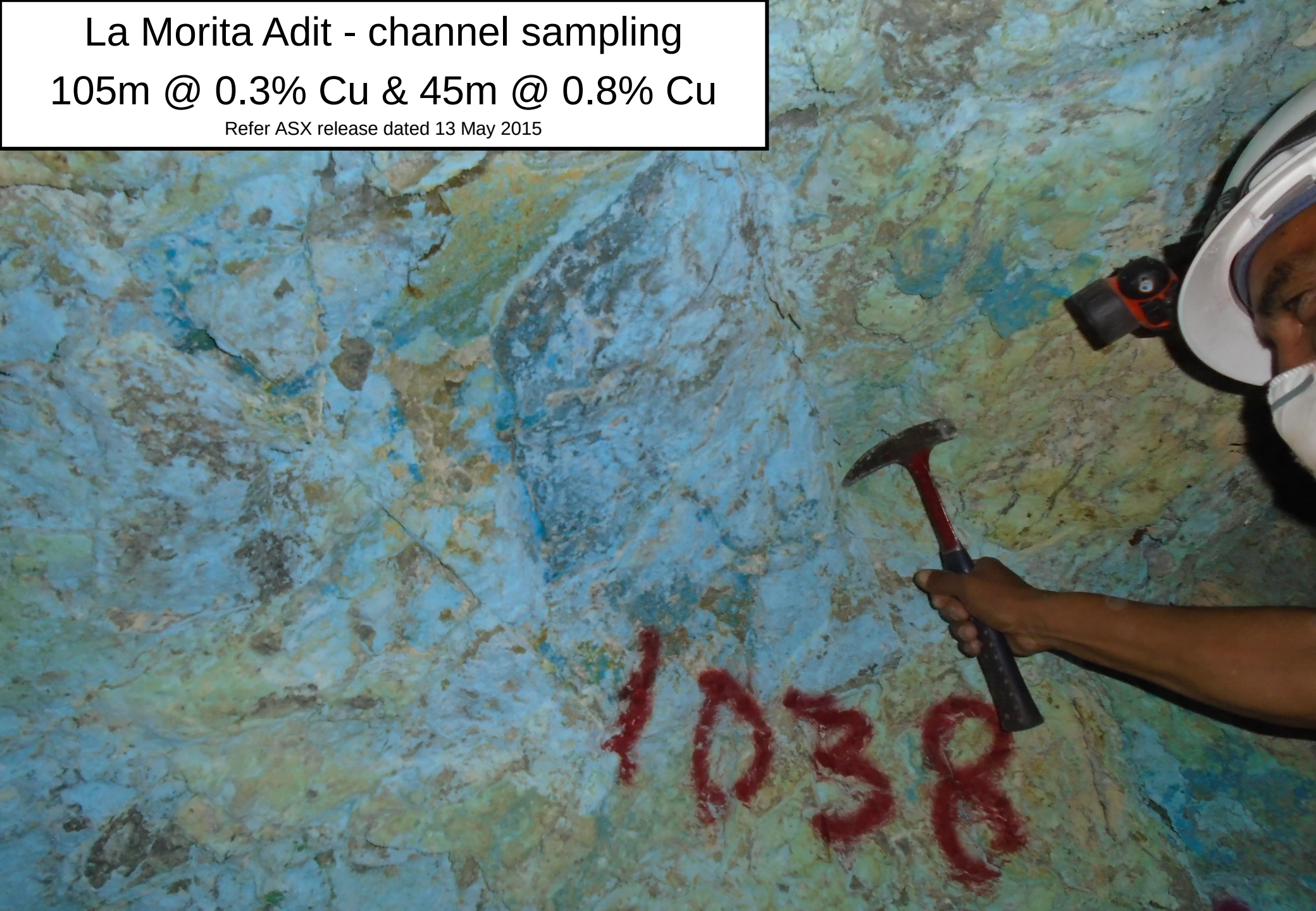


**La Morita Adit
271m long**

La Morita Adit - channel sampling

105m @ 0.3% Cu & 45m @ 0.8% Cu

Refer ASX release dated 13 May 2015



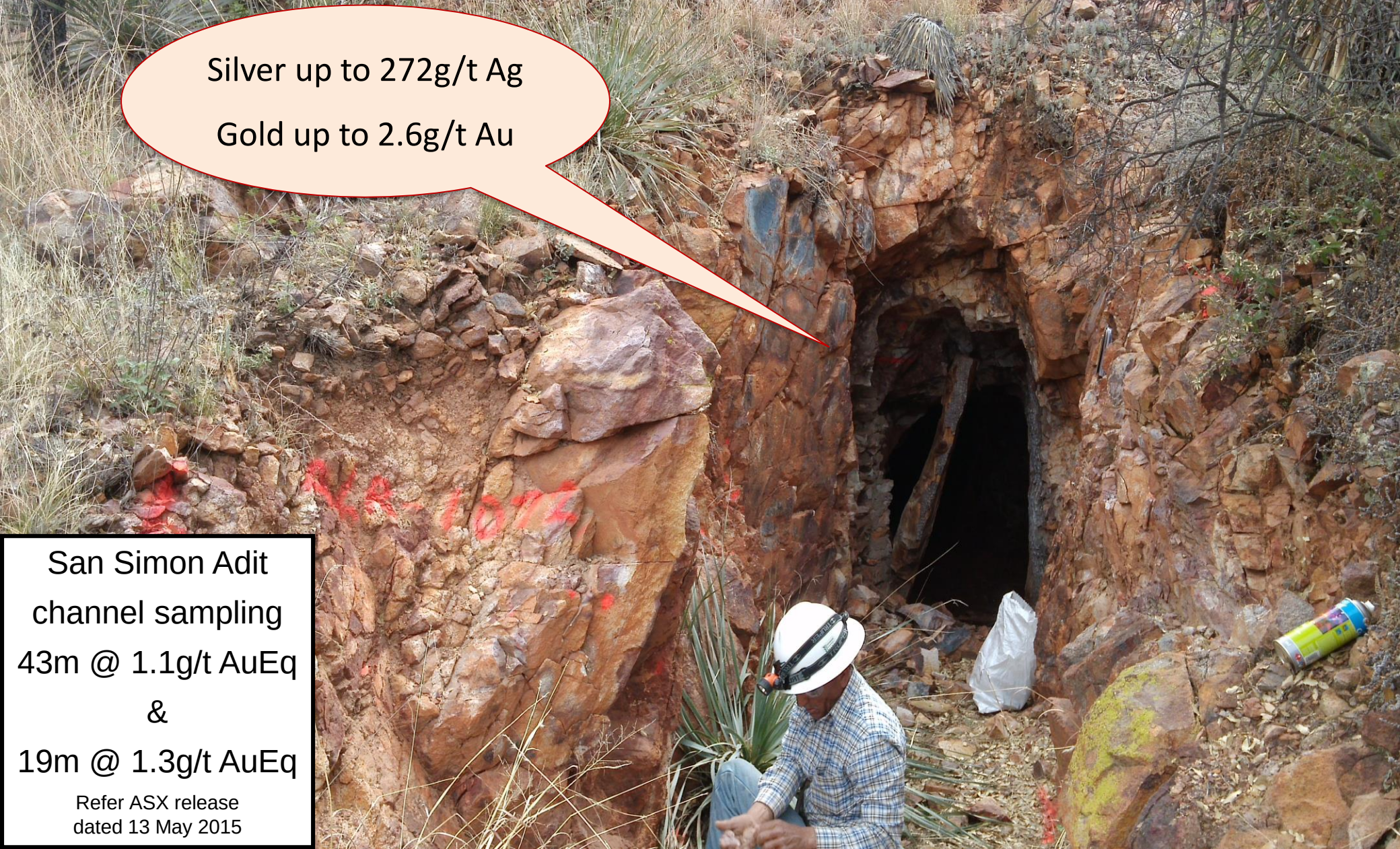
San Simon – widespread gold & silver

Silver up to 272g/t Ag

Gold up to 2.6g/t Au

San Simon Adit
channel sampling
43m @ 1.1g/t AuEq
&
19m @ 1.3g/t AuEq

Refer ASX release
dated 13 May 2015



Cerro Alacrán – large copper potential

**Deposit open in
all directions**



Cerro Alacrán hosts an historical, drill-defined resource of:
106Mt @ 0.21% Cu = 225,000 tonnes of leachable copper

Alacrán Activity Update – Year 1

ACTIVITY	TIMING
Aerial photography & DTM	
Aeromagnetics	
Mapping & reconnaissance sampling	On-going
IP survey – La Morita / San Simon	In progress
Soil sampling survey – La Morita / San Simon	In progress
Environmental approvals for drilling	In progress
Drilling	June/July >>>

Azure in 2015

Promontorio:

- Fully-funded exploration underway
- Rio Tinto spending US\$2M in accelerated program

Alacrán:

- Systematic exploration for the first time in the modern era
- Excellent potential for copper and gold/silver discoveries with first stage of exploration

Newsflow in 2015

Quarter	Promontorio	Alacrán
June	• Mapping & sampling • Aeromagnetic, radiometric & EM survey	• Mapping & sampling • IP survey
September	• Mapping & sampling • IP survey	• Drilling • Mapping & sampling • IP survey
December	• Drilling	• Drilling



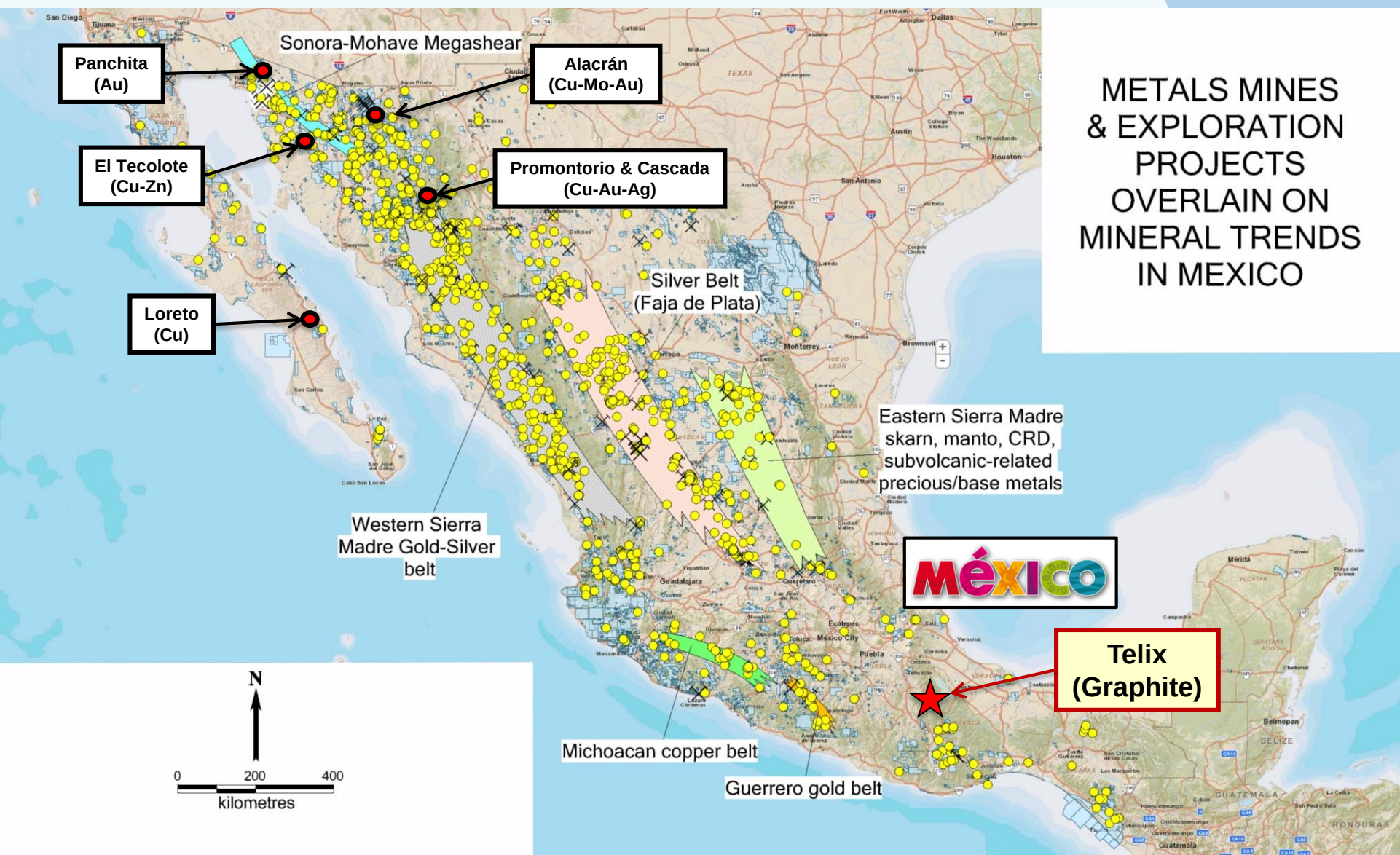
Thank You

Tony Rovira
Managing Director
Azure Minerals Limited
Ph: +61 8 9481 2555
tony@azureminerals.com.au

Media & Investor Relations
Rupert Dearden
Citadel-MAGNUS
Ph: +61 8 6160 4903
Mob: +61 422 209 889

Appendix – Further Information

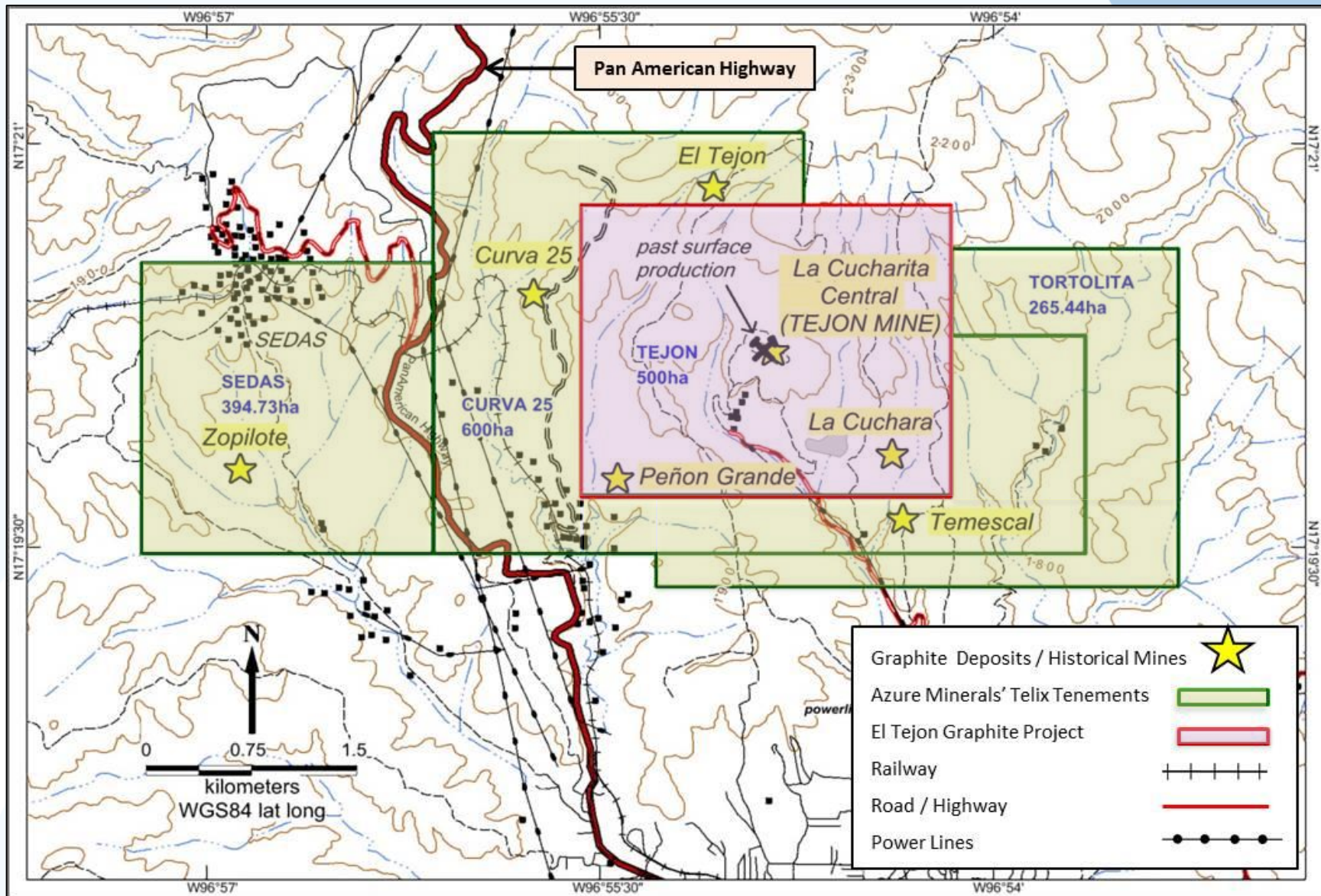
Telix Graphite Project



Telix – a strategic play

- Three large 100%-owned mineral concessions in proven graphite mining district
- Contains several historical graphite mines
- Excellent potential for commercial quantities of high quality flake graphite

Excellent Location & Infrastructure



Telix - a growth opportunity?

- Low entry cost & low holding costs
- Strategically important landholding
- Surrounds the El Tejon Graphite Mine and Mill - Mexico's only bulk tonnage, commercial producer of flake graphite
- El Tejon is being re-commissioned for production by Canadian company Big North Graphite – seeking mill feed

SYNERGIES ???

Evaluate co-development potential with El Tejon

Promontorio Project Resources

Promontorio Resource ⁽¹⁾		Grade				Contained Metal			
Classification	Tonnage (tonnes)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)	Cu (tonnes)	Au (oz)	Ag (oz)	CuEq (tonnes)
Indicated	610,000	2.7	1.7	56	4.4	16,700	32,500	1,090,000	26,500
Inferred	230,000	1.8	1.5	56	3.3	4,100	11,300	410,000	7,700
Total	840,000	2.5	1.6	56	4.1	20,800	43,800	1,500,000	34,200

Cascada Resource ⁽²⁾		Grade				Contained Metal			
Classification	Tonnage (tonnes)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)	Cu (tonnes)	Au (oz)	Ag (oz)	CuEq (tonnes)
Indicated	840,000	1.1	1.4	27	1.9	9,200	36,700	740,000	16,300
Inferred	1,230,000	0.8	1.8	26	1.8	9,500	70,500	1,020,000	22,300
Total	2,060,000	0.9	1.6	27	1.9	18,800	107,200	1,760,000	38,600

(1) See ASX release dated 10 May 2013 (Promontorio)

(2) See ASX release dated 7 May 2015 (Cascada)

Promontorio Total Resources

Total Resource ⁽¹⁾		Grade				Contained Metal			
Deposit	Tonnage (tonnes)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)	Cu (tonnes)	Au (oz)	Ag (oz)	CuEq (tonnes)
Promontorio	840,000	2.5	1.6	56	4.1	20,800	43,800	1,500,000	34,200
Cascada	2,060,000	0.9	1.6	27	1.9	18,800	107,200	1,760,000	38,600
Total	2,900,000	1.4	1.6	35	2.5	39,600	151,000	3,260,000	72,800

Metallurgical Test Results ⁽²⁾

	Copper		Gold		Silver	
Concentrate	Grade (%)	Recovery (%)	Grade (ppm)	Recovery (%)	Grade (ppm)	Recovery (%)
Promontorio	39.5	94	9.6	54	773	88
Cascada	37.7	93	15.2	75	470	83

(1) See ASX releases dated 10 May 2013 (Promontorio) and 7 May 2015 (Cascada)

Metal Equivalency Statements

Copper Equivalency Statement – Promontorio:

Copper Equivalent (CuEq) was based on the following assumed metal prices that were guided by the three year averages at the data cut-off date 2 April 2013: US\$3.25/lb for Cu, US\$1,450/oz for Au and US\$27.50/oz for Ag.

The CuEq grade accounts for the following metal recoveries: 97.9% for Cu, 93.4% for Au, and 97.0% for Ag.

It is Azure's belief that all elements included in the metal equivalent calculation have a reasonable potential to be recovered.

The following formula was used to calculate the Copper Equivalent grade: $\text{CuEq (\%)} = (\text{Cu\%} \times 0.979) + (\text{Au (g/t)} \times 0.6077) + (\text{Ag (g/t)} \times 0.0120)$.

Copper Equivalency Statement – Cascada:

Copper Equivalent (CuEq) was based on the following assumed metal prices that were guided by the three year averages at the data cut-off date of 30 October 2014: US\$3.40/lb for Cu, US\$1,470/oz for Au and US\$25.00/oz for Ag.

The CuEq grade accounts for the following metal recoveries: 95.0% for Cu, 75.0% for Au, and 85.0% for Ag.

It is Azure's belief that all elements included in the metal equivalent calculation have a reasonable potential to be recovered.

The following formula was used to calculate the Copper Equivalent grade: $\text{CuEq (\%)} = (\text{Cu\%} \times 0.95) + (\text{Au (g/t)} \times 0.4729) + (\text{Ag (g/t)} \times 0.0091)$

Gold Equivalency Statement – San Simon:

Gold Equivalent (AuEq) was based on the following assumed metal prices that were guided by the three year averages at the data cut-off date of 8 May 2015: US\$1,190.30/oz for Au and US\$16.42/oz for Ag.

The following formula was used to calculate the Copper Equivalent grade: $\text{AuEq (\%)} = (\text{Au (ppm)} + (\text{Ag (ppm)}/70)$

Based upon other gold/silver mining operations in the district, it is Azure's belief that all elements included in the metal equivalent calculation have a reasonable potential to be recovered.

Competent Persons Statements

Competent Person Statements:

The information in this report that relates to the Mineral Resource for the Promontorio deposit was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Information in this report that relates to previously reported Exploration Results and the Cascada Mineral Resource has been cross-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the results and estimates in the relevant market announcements continue to apply and have not materially changed.