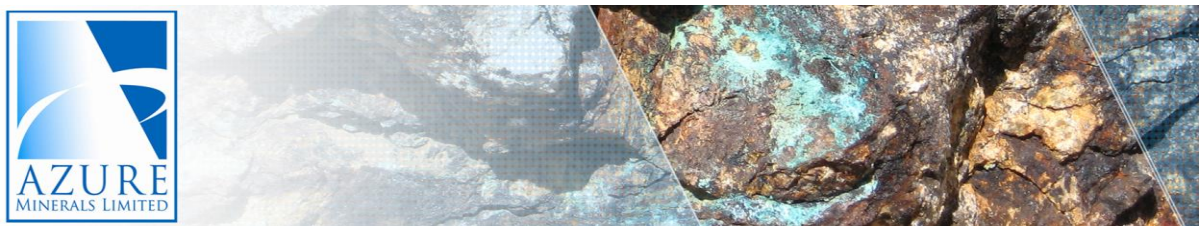

ASX: AZS **14 JULY 2015**

HIGH GRADE GOLD TARGET IDENTIFIED AT ALACRÁN

Extensive outcropping gold and silver mineralisation identified at the Puerto del Oro prospect

Best assays include:

Sample Length	Sample Type	Gold (g/t)	Silver (g/t)
4.0m	channel sample	7.9	11
2.6m	channel sample	5.1	33
10m x 5m	composite rock chip sample	5.0	27
3.7m	channel sample	3.0	12
2.1m	channel sample	2.5	129
2.4m	channel sample	2.5	53

Mineralisation is hosted in vuggy silica, quartz veins and silicified breccias

Puerto del Oro prospect will be drill tested during the upcoming drilling program, once all necessary approvals have been received

Azure's Managing Director, Tony Rovira, stated: *"Puerto del Oro is a very promising addition to the growing number of exciting, high quality targets we have identified in the first six months of our exploration activities at Alacrán. The prospect is in close proximity to San Simon and Mesa de Plata where we have already identified potential for significant gold and silver mineralisation, and will be included in the upcoming drill program which is scheduled to commence in late July."*

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to provide an update on results from the ongoing exploration activities at the Alacrán Project, located in the northern Mexican state of Sonora.

Puerto del Oro is located between the Mesa de Plata and San Simon prospects in the northwest part of the Alacrán property (see Figures 1 and 2).

The area contains outcropping volcanic rocks with numerous zones of vuggy silica, silicified breccia and quartz veining with widespread iron-rich (hematite-goethite) alteration. Visually prospective zones were systematically sampled by rock chip sampling of the mineralised trends. A total 160 surface samples were collected over an area of approximately 600m x 400m (see Figure 3).

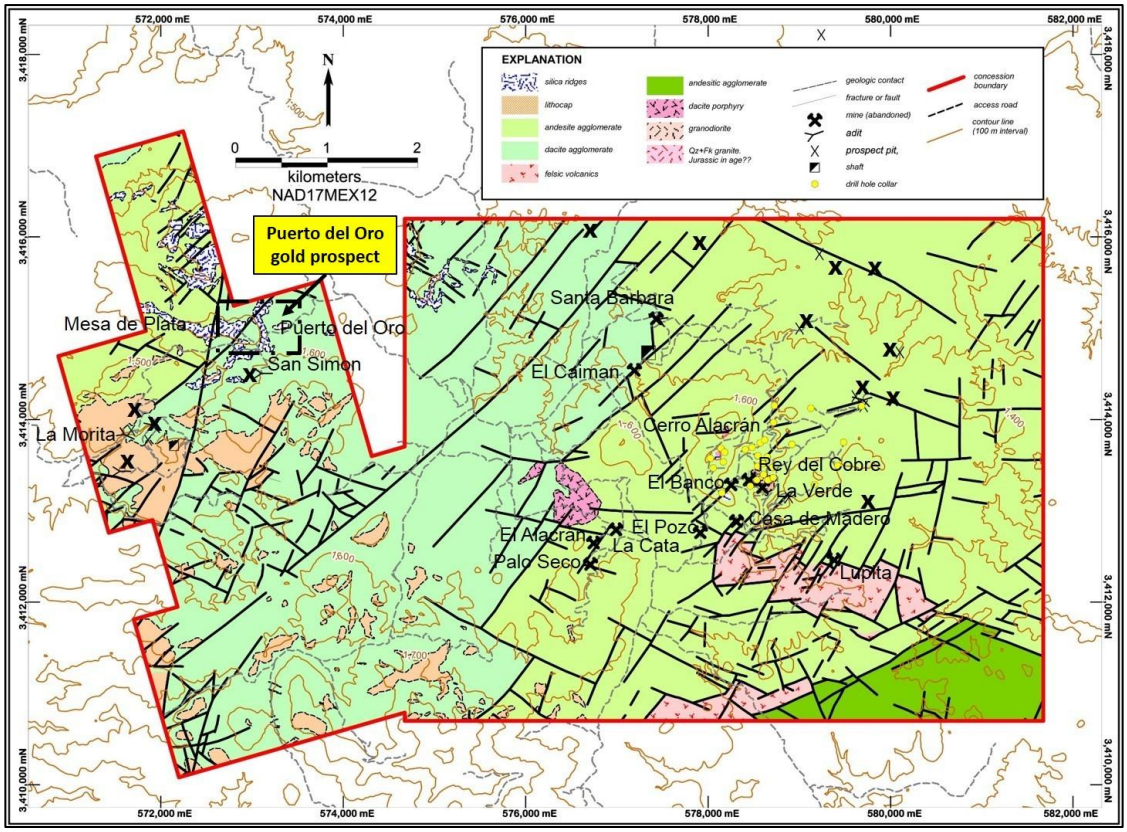

Figure 1: Alacrán geology plan showing location of Puerto del Oro gold prospect

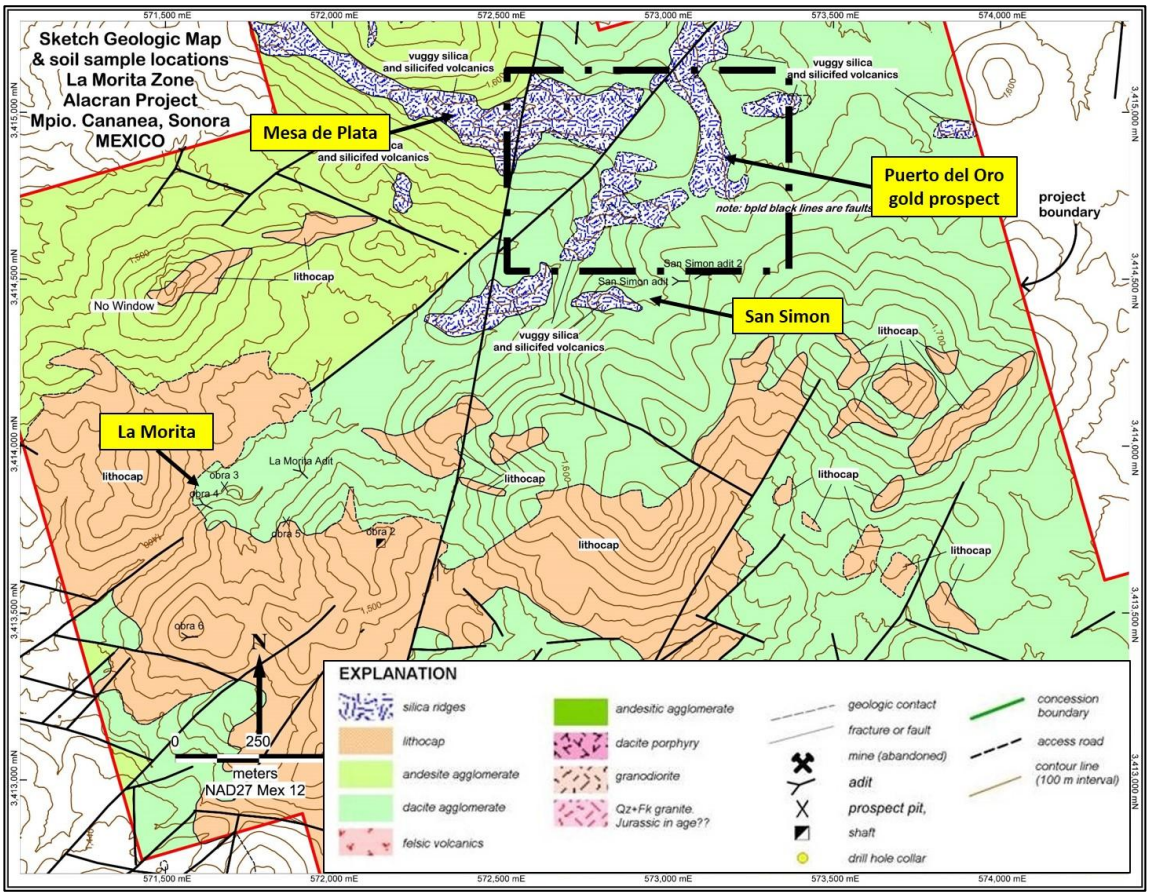

Figure 2: Enlargement showing area of Puerto del Oro sampling

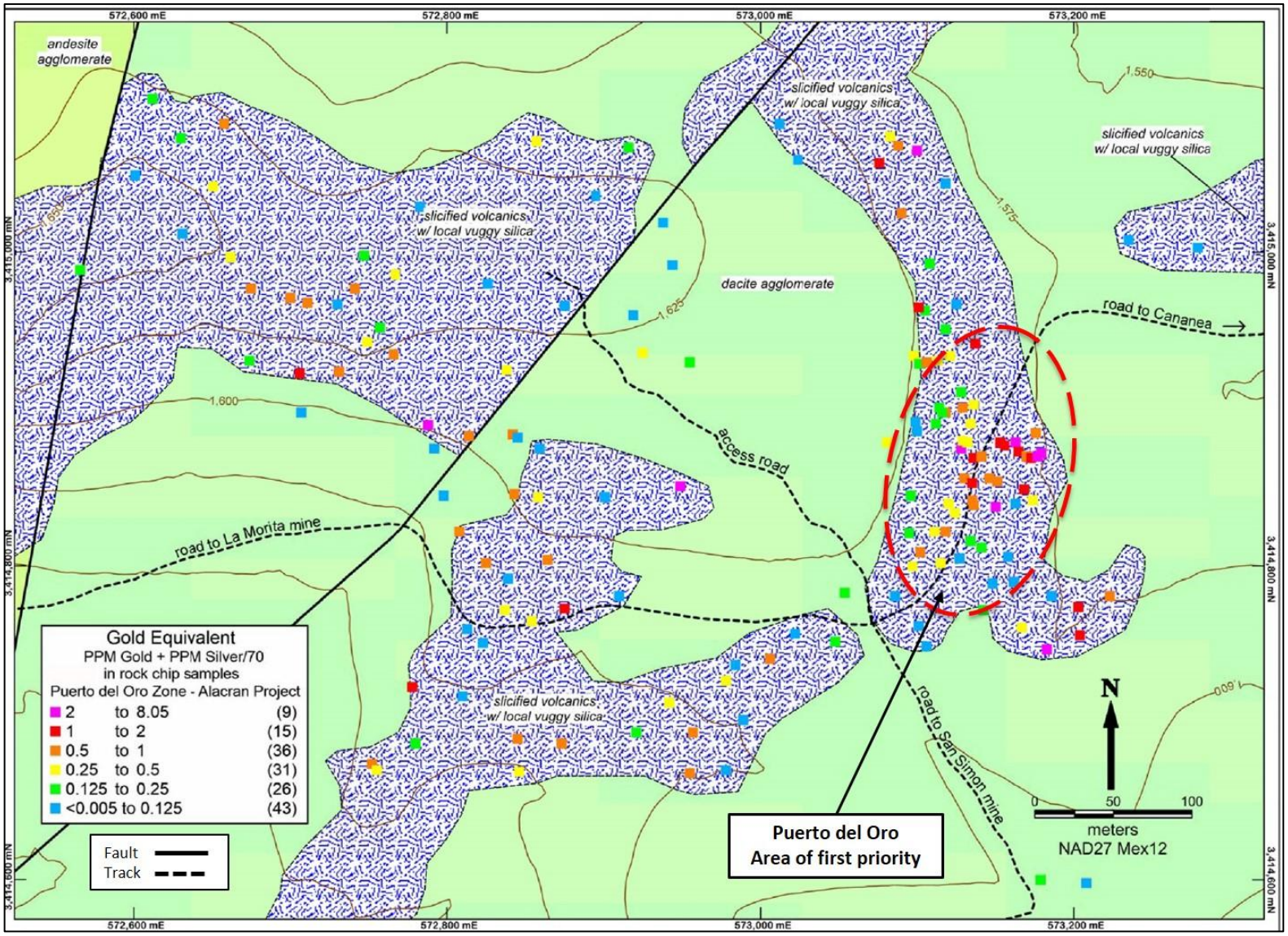

Figure 3: Sample locations and gold assays from Puerto del Oro

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Phone: 08 9481 2555 **Fax:** 08 9485 1290 **Email:** admin@azureminerals.com.au **Website:** www.azureminerals.com.au

Significant grades of gold and silver mineralisation are present in the Puerto del Oro prospect (see Figure 3). Mineralisation is hosted in quartz veins and zones of silicified and iron-rich breccia. These zones extend for up to several hundred metres in strike length, and range up to 10 metres in width.

The photograph in Figure 4 shows an outcrop of silicified breccia typical of the mineralised zones at the prospect. This particular outcrop is situated adjacent to one of the main tracks in the area, and access throughout the Puerto del Oro prospect is good.

Figure 4: Photo of strongly mineralised outcrop at Puerto del Oro looking northeast. The silicified breccia assayed 2.6m @ 5.1g/t gold and 33g/t silver (sample ALR-1348)

Similar mineralised material outcrops extensively at the nearby San Simon prospect, where previous sampling by the Company returned strong gold and silver mineralisation, including 2.61g/t Au & 192g/t Ag and 1.58g/t Au & 272g/t Ag (refer ASX releases dated 15/04015 & 13/05/15).

Puerto del Oro joins the other high priority targets that Azure has identified within the western part of the Alacrán project area. Drill testing of these anomalies is expected to commence in late July, as soon as the necessary environmental and access approvals are received.

BACKGROUND

Alacrán is located in northern Mexico approximately 50km south of the USA border. The property covers 54km^2 of highly prospective exploration ground in the middle of the Laramide Copper Province. This is one of North America's most prolific copper-producing districts, extending from northern Mexico into the southern United States. Alacrán lies in close proximity to several large copper mines, including being 15km from the world class, giant Cananea Copper Mine operated by Grupo Mexico.

Azure has signed an Agreement with Minera Teck S.A. de C.V. ("Teck"), a Mexican subsidiary of Teck Resources Limited to acquire 100% of the property, subject to an underlying back-in right retained by Teck and a 2% NSR retained by Grupo Mexico S.A.B.de

C.V.; (refer ASX release dated 07/01/15). Teck is Canada's largest diversified resource company. Grupo Mexico is Mexico's largest and one of the world's largest copper producers.

-ENDS-

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Information in this report that relates to Exploration Results is based on information compiled by Mr Tony Rovira, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Rovira is a full-time employee and Managing Director of Azure Minerals Limited. Mr Rovira has sufficient experience which is relevant to the styles of mineralisation and types 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 Rovira consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report that relates to previously reported Exploration Results has been crossed-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.

APPENDIX

Table 1: Gold and silver assay results from sampling at Puerto del Oro

SAMPLE NUMBER	SAMPLE TYPE	SAMPLE LENGTH (m)	EAST (mE)	NORTH (mN)	ELEVATION (mASL)	GRADE	
						Au g/t	Ag g/t
ALR-1297	Rock Chip	7.5	573136	3414869	1598	0.578	33
ALR-1298	Channel	4.5	573141	3414870	1593	0.233	36
ALR-1299	Rock Chip	2.5	573129	3414880	1596	0.072	13
ALR-1300	Rock Chip	2.3	573132	3414879	1596	0.148	8
ALR-1301	Channel	2.8	573129	3414901	1594	0.548	12
ALR-1302	Channel	4.0	573134	3414891	1593	0.205	11
ALR-1303	Channel	1.4	573136	3414903	1589	0.371	4
ALR-1304	Channel	1.6	573112	3414891	1598	0.15	6
ALR-1305	Channel	2.3	573118	3414898	1596	0.233	48
ALR-1306	Channel	1.9	573116	3414898	1599	0.042	9
ALR-1307	Channel	2.5	573114	3414901	1599	0.022	8
ALR-1308	Channel	1.4	573100	3414886	1600	0.027	3
ALR-1309	Channel	1.9	573115	3414802	1601	0.266	9
ALR-1310	Channel	3.8	573097	3414800	1599	0.185	7
ALR-1311	Channel	2.8	573102	3414809	1599	0.426	16
ALR-1312	Channel	3.4	573111	3414822	1600	0.035	17
ALR-1313	Channel	3.6	573118	3414822	1600	0.337	21
ALR-1314	Channel	3.2	573095	3414821	1601	0.179	4
ALR-1315	Channel	2.9	573096	3414845	1600	0.067	5
ALR-1316	Channel	0.5	573081	3414879	1611	0.448	<2
ALR-1317	Channel	3.1	573099	3414892	1597	<0.005	<2
ALR-1318	Channel	1.6	573098	3414934	1597	0.007	19
ALR-1319	Channel	4.5	573101	3414929	1600	0.041	9
ALR-1320	Channel	3.2	573106	3414930	1606	0.200	21
ALR-1321	Channel	4.5	573113	3414931	1603	0.252	14
ALR-1322	Channel	3.5	573121	3414934	1600	0.093	15
ALR-1323	Channel	3.8	573118	3414951	1603	0.075	10
ALR-1324	Channel	3.5	573105	3414963	1606	0.030	10
ALR-1325	Channel	2.2	573101	3414965	1604	0.438	44
ALR-1326	Channel	2.7	573108	3414993	1597	0.033	7
ALR-1327	Channel	3.4	573137	3414942	1591	0.428	104
ALR-1328	Channel	3.6	573128	3414911	1598	0.086	8
ALR-1329	Channel	2.2	573130	3414856	1596	0.518	27
ALR-1330	Channel	3.7	573135	3414853	1593	0.299	67
ALR-1331	Channel	1.2	573120	3414840	1593	0.238	11
ALR-1332	Channel	3.1	573124	3414834	1597	0.248	11
ALR-1333	Channel	2.6	573136	3414839	1598	0.424	12
ALR-1334	Channel	2.0	573135	3414842	1597	0.319	17
ALR-1335	Channel	4.6	573127	3414805	1607	0.043	3
ALR-1336	Channel	4.4	573141	3414812	1595	0.130	3
ALR-1337	Channel	2.5	573134	3414816	1596	0.045	11

ALR-1338	Channel	2.4	573150	3414838	1589	2.492	53
ALR-1339	Channel	3.9	573146	3414856	1587	0.297	26
ALR-1340	Channel	4.7	573151	3414854	1586	0.257	30
ALR-1341	Channel	3.75	573153	3414879	1589	1.223	15
ALR-1342	Channel	3.75	573156	3414877	1585	0.899	20
ALR-1343	Channel	4.1	573165	3414873	1585	1.151	17
ALR-1344	Channel	2.1	573163	3414879	1584	2.515	129
ALR-1345	Channel	3.5	573170	3414870	1580	0.536	30
ALR-1346	Channel	3.5	573173	3414869	1578	1.392	10
ALR-1347	Channel	3.7	573177	3414870	1581	2.980	12
ALR-1348	Channel	2.6	573179	3414872	1579	5.100	33
ALR-1349	Rock Chip	5.0	573385	3415032	1568	0.038	<2
ALR-1350	Rock Chip	5.0	573333	3415023	1575	0.064	<2
ALR-1351	Rock Chip	7.0	573279	3415003	1577	0.025	3
ALR-1352	Rock Chip	10.0	573235	3415008	1572	0.042	<2
ALR-1353	Rock Chip	3.0	573090	3415025	1597	0.391	10
ALR-1354	Channel	2.3	573076	3415057	1599	0.915	48
ALR-1355	Rock Chip	10.0	573100	3415065	1593	5.019	27
ALR-1356	Channel	3.0	573056	3415152	1594	0.058	<2
ALR-1357	Channel	8.0	573172	3415255	1569	0.006	<2
ALR-1358	Channel	3.0	573003	3415157	1607	0.034	4
ALR-1359	Channel	3.8	572916	3415067	1621	0.238	<2
ALR-1360	Rock Chip	7.0	572857	3415071	1623	0.169	8
ALR-1361	Rock Chip	9.5	572895	3415036	1630	0.017	2
ALR-1383	Rock Chip	5.0	573158	3414806	1588	0.063	1.5
ALR-1384	Channel	4.0	573163	3414840	1587	0.013	3.1
ALR-1385	Channel	5.0	573168	3414849	1584	0.787	30.9
ALR-1386	Channel	3.3	573176	3414885	1586	0.279	30.5
ALR-1387	Rock Chip	8.5	573174	3414842	1583	0.112	20.9
ALR-1388	Channel	3.0	573162	3414790	1586	0.032	3.9
ALR-1389	Channel	2.3	573148	3414789	1590	0.022	3.7
ALR-1390	Rock Chip	8.0	573167	3414761	1584	0.158	9.5
ALR-1391	Rock Chip	5.0	573142	3414772	1595	0.097	6.7
ALR-1392	Channel	3.0	573186	3414781	1581	0.018	4.1
ALR-1393	Rock Chip	5.0	573203	3414774	1574	0.821	30.8
ALR-1394	Rock Chip	5.0	573223	3414781	1580	0.435	30.6
ALR-1395	Channel	3.3	573204	3414756	1581	0.884	32
ALR-1396	Channel	2.5	573183	3414747	1580	1.665	30.6
ALR-1397	Rock Chip	5.0	573106	3414749	1602	0.033	2.3
ALR-1398	Rock Chip	7.0	573101	3414762	1601	0.01	0.6
ALR-1399	Rock Chip	5.0	573086	3414781	1599	0.021	4.5
ALR-1400	Rock Chip	3.0	573054	3414783	1598	0.174	0.9
ALR-1401	Rock Chip	6.5	573048	3414752	1597	0.154	0.7
ALR-1402	Rock Chip	5.0	573022	3414757	1590	0.053	2.3
ALR-1403	Rock Chip	6.0	572984	3414737	1588	0.014	0.6
ALR-1404	Channel	4.3	572978	3414727	1585	0.033	31.7
ALR-1405	Channel	3.2	572957	3414694	1571	0.142	43.3

ALR-1406	Channel	3.7	572989	3414702	1582	0.01	2.5
ALR-1407	Channel	4.2	572978	3414670	1578	<0.005	<0.5
ALR-1408	Rock Chip	5.0	572955	3414668	1579	0.402	31.4
ALR-1409	Rock Chip	4.0	572921	3414694	1569	0.135	4.1
ALR-1410	Channel	3.2	572942	3414713	1576	0.067	17.3
ALR-1411	Rock Chip	2.0	573006	3414741	1587	0.068	32.1
ALR-1412	Rock Chip	10.0	573208	3414598	1611	0.034	1.5
ALR-1413	Rock Chip	5.0	573179	3414600	1606	0.014	10.2
ALR-1414	Channel	4.3	573031	3414631	1590	0.286	16.5
ALR-1415	Channel	3.5	572651	3415042	1650	0.171	20.7
ALR-1416	Rock Chip	4.7	572630	3415073	1644	0.149	5.5
ALR-1417	Rock Chip	4.0	572700	3414971	1643	0.418	13.6
ALR-1418	Channel	4.2	572675	3414977	1644	0.671	11.9
ALR-1419	Channel	4.3	572711	3414968	1640	0.361	13.1
ALR-1420	Channel	2.8	572741	3414977	1640	0.319	14.8
ALR-1421	Rock Chip	7.0	572747	3414998	1638	0.051	9.3
ALR-1422	Rock Chip	4.3	572749	3414943	1628	0.074	17.7
ALR-1423	Channel	3.8	572757	3414952	1632	0.029	14.2
ALR-1424	Channel	2.3	572767	3414986	1642	0.011	19.1
ALR-1425	Channel	3.6	572731	3414924	1618	0.549	14.5
ALR-1476	Channel	2.2	572730	3414967	1615	0.019	2.5
ALR-1477	Channel	2.8	572766	3414935	1631	0.172	34.8
ALR-1478	Channel	4.5	572783	3415029	1637	0.034	<0.5
ALR-1479	Channel	2.5	572826	3414980	1635	0.007	<0.5
ALR-1480	Rock Chip	1.7	572875	3414966	1628	0.009	2.3
ALR-1481	Rock Chip	1.3	572838	3414925	1624	0.138	14.9
ALR-1482	Channel	4.0	572842	3414884	1613	0.516	8
ALR-1483	Channel	4.0	572845	3414882	1612	0.025	<0.5
ALR-1484	Channel	4.8	572859	3414875	1611	0.029	1
ALR-1485	Channel	3.8	572843	3414846	1605	0.514	4.4
ALR-1486	Channel	4.4	572858	3414844	1609	0.236	5.5
ALR-1487	Channel	7.0	572792	3414875	1602	0.012	<0.5
ALR-1488	Channel	4.0	572788	3414890	1607	7.89	10.6
ALR-1489	Channel	2.4	572814	3414883	1609	0.214	41.7
ALR-1490	Channel	4.1	572798	3414845	1587	0.015	2.8
ALR-1491	Channel	3.0	572707	3414898	1597	0.035	2.2
ALR-1492	Channel	3.0	572706	3414923	1613	0.752	21.7
ALR-1493	Channel	3.9	572674	3414931	1621	0.121	4.8
ALR-1494	Channel	3.2	572808	3414822	1590	0.43	8.5
ALR-1495	Channel	3.7	572825	3414802	1594	0.395	12.3
ALR-1496	Channel	4.3	572839	3414792	1600	0.066	2.9
ALR-1497	Channel	4.6	572837	3414772	1594	0.324	7.5
ALR-1498	Channel	3.0	572854	3414765	1593	0.198	11.6
ALR-1499	Channel	3.6	572864	3414804	1602	0.554	11.4
ALR-1500	Channel	4.2	572901	3414844	1607	0.076	3.4
ALR-1501	Rock Chip	6.0	572949	3414851	1606	1.705	21.6
ALR-1502	Channel	3.8	572910	3414781	1590	0.025	1.2

ALR-1503	Channel	2.3	572875	3414773	1590	0.92	36
ALR-1504	Channel	2.0	572823	3414751	1584	0.026	0.7
ALR-1505	Channel	3.7	572840	3414709	1573	0.03	20.9
ALR-1506	Channel	6.0	572845	3414690	1566	0.23	22.9
ALR-1507	Channel	2.7	572846	3414669	1551	0.359	5.7
ALR-1508	Channel	3.3	572873	3414687	1565	0.325	25.7
ALR-1509	Channel	3.4	572813	3414760	1584	0.042	<0.5
ALR-1510	Channel	4.7	572778	3414723	1567	0.753	27.5
ALR-1511	Channel	4.3	572780	3414687	1566	0.067	4.6
ALR-1512	Channel	5.0	572752	3414674	1560	0.202	22.1
ALR-1513	Channel	5.0	572755	3414670	1562	0.127	14.5
ALR-1514	Channel	5.0	572810	3414717	1576	0.01	3
ALR-1515	Rock Chip	10.0	572955	3414930	1621	0.043	5.9
ALR-1516	Rock Chip	7.0	572919	3414960	1629	0.015	3.2
ALR-1517	Rock Chip	5.0	572925	3414936	1625	0.029	16.5
ALR-1518	Rock Chip	8.0	572944	3414992	1631	0.008	0.9
ALR-1519	Rock Chip	8.0	572938	3415019	1632	0.011	<0.5
ALR-1520	Channel	0.9	573012	3415082	1612	0.026	<0.5
ALR-1521	Channel	5.0	573024	3415059	1612	0.008	<0.5
ALR-1522	Channel	5.5	573083	3415074	1593	0.09	15.5
ALR-1523	Channel	5.0	573088	3415068	1594	0.376	10.6
ALR-1524	Rock Chip	10.0	573118	3415044	1586	0.011	0.6
ALR-1525	Channel	2.4	573125	3414967	1594	0.015	0.9

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.*	Type of samples collected were: 1. Grab and chip samples of rock material spread across outcrop containing visible mineralisation or alteration. 2. Continuous chip sampling along a marked channel over a defined length perpendicular across the strike of the observed mineralised zone or trend Sample locations were determined by hand-held GPS. Samples preparation was undertaken at Acme Laboratories (a Bureau Veritas Group company) in Hermosillo, Sonora,, Mexico. Samples were weighed, assigned a unique bar code and logged into the Acme tracking system. Samples were dried and each sample was fine crushed to >70% passing a 2 mm 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 the Acme laboratory in Vancouver, Canada for analysis. Samples were dissolved by four-acid digest and analytical methods used were MA300 (for silver and base metals) and Fire Assay method FA430 for gold.
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).*	This release has no reference to drilling.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure 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.*	This release has no reference to drilling.
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.*	This release has no reference to drilling. Samples were collected and described by geological personnel. Photographs were taken of samples and sample sites.
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*	No samples were collected from drilling. The sample preparation followed industry best practice. Samples were prepared at the Acme laboratories in Hermosillo, Sonora, Mexico. Samples were weighed, assigned a unique bar code and logged into the Acme tracking system. The sample was dried and the entire sample was fine crushed to >70% passing a 2 mm screen. A 250g split was pulverised using a ring and puck system to >85% passing 75 micron screen. Envelopes containing the 250g pulps were sent via courier to the Acme laboratory in Vancouver.

	sampling. *Whether sample sizes are appropriate to the grain size of the material being sampled.*	No external standard and blank check samples were submitted. 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 elements (other than gold) involved a four-acid digest followed by multi-element ICP-ES analysis. This technique is considered a total digest for all relevant minerals. No geophysical or portable analysis tools were used to determine assay values. Internal laboratory control procedures comprised duplicate sampling of randomly selected assay pulps, as well as internal laboratory standards and blanks.
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.	Samples were collected by the project Geologist and senior technical personnel from the Company (Project Geologists and Exploration Manager) inspected the samples. No drilling was undertaken. 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.*	Sample locations were determined by hand-held GPS. The grid system used is NAD27 Mexico UTM Zone 12 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.*	Grab and rock chip samples were collected on the basis of visual recognition of alteration or mineralisation. Sample spacing was not relevant as this was a reconnaissance program. Channel samples were collected by continuous chip sampling along a marked channel over a defined length perpendicular across the strike of the observed mineralised zone. Data spacing and distribution is insufficient to establish the degree of geological and grade continuity appropriate for Mineral Resource and Ore Reserve estimation procedures. No composite samples were collected.
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.*	Geological controls and orientations of the mineralised zone are unknown at this time and it is not possible to determination potential sampling bias.
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.

		The rice bags were delivered by company personnel directly to the Acme laboratory for sample preparation. The numbers on the seals were recorded for each shipment. Acme 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 Alacrán Project comprises 22 mineral concessions 100% owned by Minera Teck SA de CV, a subsidiary of Teck Resources Limited. CLAIM / FILE / TITTLE / HECTARES Hidalgo 1794 166374 99.00 Hidalgo 2 1796 166369 99.00 Hidalgo 3 1797 166368 99.00 Hidalgo 4 1798 166366 99.00 Hidalgo 5 1799 166370 99.00 Hidalgo 6 1800 166371 99.00 Hidalgo 7 1801 166373 99.00 Hidalgo 8 1802 166372 99.00 Hidalgo 9 1803 166375 99.00 Kino 2 1886 166313 100.00 Kino 3 1887 166312 100.00 Kino 4 1888 166314 100.00 Kino 8 1892 166315 100.00 Kino 9 1893 166316 100.00 Kino 10 1894 166317 100.00 Kino 11 1895 166318 100.00 Kino 15 1899 166365 100.00 Kino 16 1800 166367 100.00 San Simón 1894 166376 100.00 San Simón 2 1895 166377 100.00 El Alacrán E.4.1.3/1182 201817 3,442.36 TOTAL SURFACE 5,433.36 Azure Minerals has an Option to acquire 100% ownership of these concessions by spending US$5 million over four years, subject to Teck having a one-off right to buy back up to 65% ownership. A 2% Net Smelter Royalty is held by Grupo Mexico. The tenements are secure and are in good standing. There are no known impediments to obtaining a licence to operate in the area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	The project area has a history of industrial-scale commercial mining and small-scale artisanal mining dating back to the early 20th century, which ended shortly after the start of the Mexican Revolution in 1910. After the Revolution ended in the 1920's, the property was explored intermittently. The Anaconda Copper Mining Company is known to have done some exploration, including drilling, on the property prior to the late 1960's. Data relating to this work has been located but has yet to be reviewed. Between 1969 and the early 1980's, the Consejo de Recursos Minerales (Mexican Geological Survey) carried out occasional exploration programs, including drilling 6 holes in 1970 and undertaking geophysical surveys over the Palo Seco and La Morita prospects in 1981. Grupo Mexico acquired the project after the CRM completed their drilling. Grupo Mexico drilled an additional 26 holes on the project in two phases. The

		first phase was done in 1991 (24 holes) and the second phase was done in 1997 and 1998 (two holes). Minera Teck S.A. de C.V., a Mexican subsidiary of Teck Resources Limited acquired the property in 2013 and undertook limited surface exploration. Azure Minerals acquired the rights to the project in December 2014 through its fully owned Mexican subsidiary company Minera Piedra Azul SA de CV.
Geology	*Deposit type, geological setting and style of mineralisation.*	Various styles of mineralisation occur on the property. Intermediate sulphidation epithermal veins and stockworks host silver, lead, zinc, copper and gold in volcaniclastic rocks (San Simon, Palo Seco and Alacrán). Secondary copper oxide and chalcocite mineralisation occur in volcanic rocks (La Morita and Cerro Alacrán). Primary copper mineralization is hosted in porphyry rocks.
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.*	This release has no reference to drilling.
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. No metal equivalents were reported
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 unknown at this time.
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 refers to previous exploration results including geophysics, geochemistry and geology.

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*	Further work to better understand the mineralisation systems in the project area will comprise geological mapping, surface and underground sampling, geophysical surveys (IP and magnetics) and drilling.