



ASX: AZS

14 June 2016

COPPER MINERALISATION DRILLED AT LOMA BONITA

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to advise that drilling at Loma Bonita has delivered the first significant copper intercept on its flagship Alacrán Project.

Highlights:

- Diamond drill hole MDPD-016 intersects semi-massive copper sulphides, finishing in strong mineralisation:
 - 8.4m @ 0.92% Cu from 192.4m; which includes
 - 1.4m @ 2.42% Cu from 199.4m to end of hole (200.8m)
- MDPD-016 also intersected the near-surface gold-silver zone, returning:
 - 25.0m @ 0.78g/t Au & 28g/t Ag from surface; which includes
 - 11.0m @ 1.09g/t Au & 39g/t Ag from 14.0m
- Phase V drill program is underway at Loma Bonita, to be followed by drilling at Mesa de Plata Norte and on other nearby prospects
- Geophysical (Induced Polarisation) survey was completed over Mesa de Plata and Loma Bonita with data interpretation in progress

Azure's Managing Director, Tony Rovira described the identification of semi-massive copper sulphide mineralisation as a very significant development for the Alacrán Project.

"This discovery supports our geological model that the hydrothermal breccia at Loma Bonita is part of a feeder zone within a large mineralised system that may extend to significant depths."

"The gold-silver mineralisation within the near-surface oxide zone at Loma Bonita is the highest priority for our exploration program, and drilling is continuing there in order to delineate the overall size and grade of this mineralised zone."

"Additionally we will continue to explore for precious and base metal mineralisation at depth. The first step in this process was to undertake a detailed IP survey over Mesa de Plata and Loma Bonita to seek geophysical anomalies that may represent zones of alteration and mineralisation. This survey has now been completed and we're evaluating the data."

“Meanwhile development studies on the Mesa de Plata silver deposit are continuing with metallurgy, mineral processing, mining and environmental studies underway.”

DETAILS

This release reports on the final three diamond core holes drilled as part of the Phase IV drilling program on the Alacrán Project (see Figure 3).

- **MDPD-015** tested the northeast extent of the Mesa de Plata silver deposit
- **MDPD-016** was drilled to provide infill information of the Loma Bonita gold-silver mineralisation
- **MDPD-017** tested a new area east of Loma Bonita where surface mapping and sampling identified potential for gold and silver mineralisation

Mineralised intersections from these holes are detailed in Table 1.

Table 1: Significant mineralised intercepts from MDPD-015, 016 & 017

HOLE No	DEPTH (m)		WIDTH (m)	GRADE		
	FROM	TO		Au (g/t)	Ag (g/t)	Cu (%)
MDPD-015	No significant mineralisation intersected					
MDPD-016	0.0	25.0	25.0	0.78	28	<0.01
which includes	0.0	6.0	6.0	1.04	18	<0.01
and	14.0	25.0	11.0	1.09	39	<0.01
MDPD-016	192.4	200.8	8.4	0.06	24	0.92
which includes	199.4	200.8	1.4	0.06	76	2.42
MDPD-017	25.0	36.0	11.0	0.16	26	<0.01

Hole **MDPD-016** was collared on the Loma Bonita ridge midway between holes MDPD-007 and MDPD-008, both of which intersected significant near-surface gold and silver mineralisation, including **20m @ 1.52g/t Au & 62g/t Ag** and **7.5m @ 1.05g/t Au & 130g/t Ag** respectively (ASX: 8 March 2016).

MDPD-016 intersected gold and silver mineralisation extending from surface to a vertical depth of **25m, grading 0.78g/t Au & 28g/t Ag**, including **11m @ 1.09g/t Au & 39g/t Ag**, confirming continuity of the thick, near-surface gold-silver mineralised zone in this area (see Figure 2). This mineralisation extends over a north-south extent of over 300m and is open in all directions.

The hole was continued to a final depth of 200.8m to test for additional mineralisation. At a depth of 192.4m the hole entered a zone of strong silicification hosting significant quantities of sulphide mineralisation (up to 15% total sulphide content), including various copper sulphide minerals and pyrite (see core photo in Figure 1).

The sulphide mineralisation is present in disseminated and semi-massive form over a length of **8.4m grading 0.92% Cu**. The hole finished in semi-massive copper sulphides, with the final **1.4m of the hole returning a copper grade of 2.42% Cu**.

The Company believes it is reasonable to expect additional similar mineralisation below the current depth of drilling. Consequently, Azure will re-enter and extend this hole to determine the thickness of the copper mineralised zone.

Figure 1: MDPD-016 drill core showing sulphide-rich interval of 196.5m - 200.8m

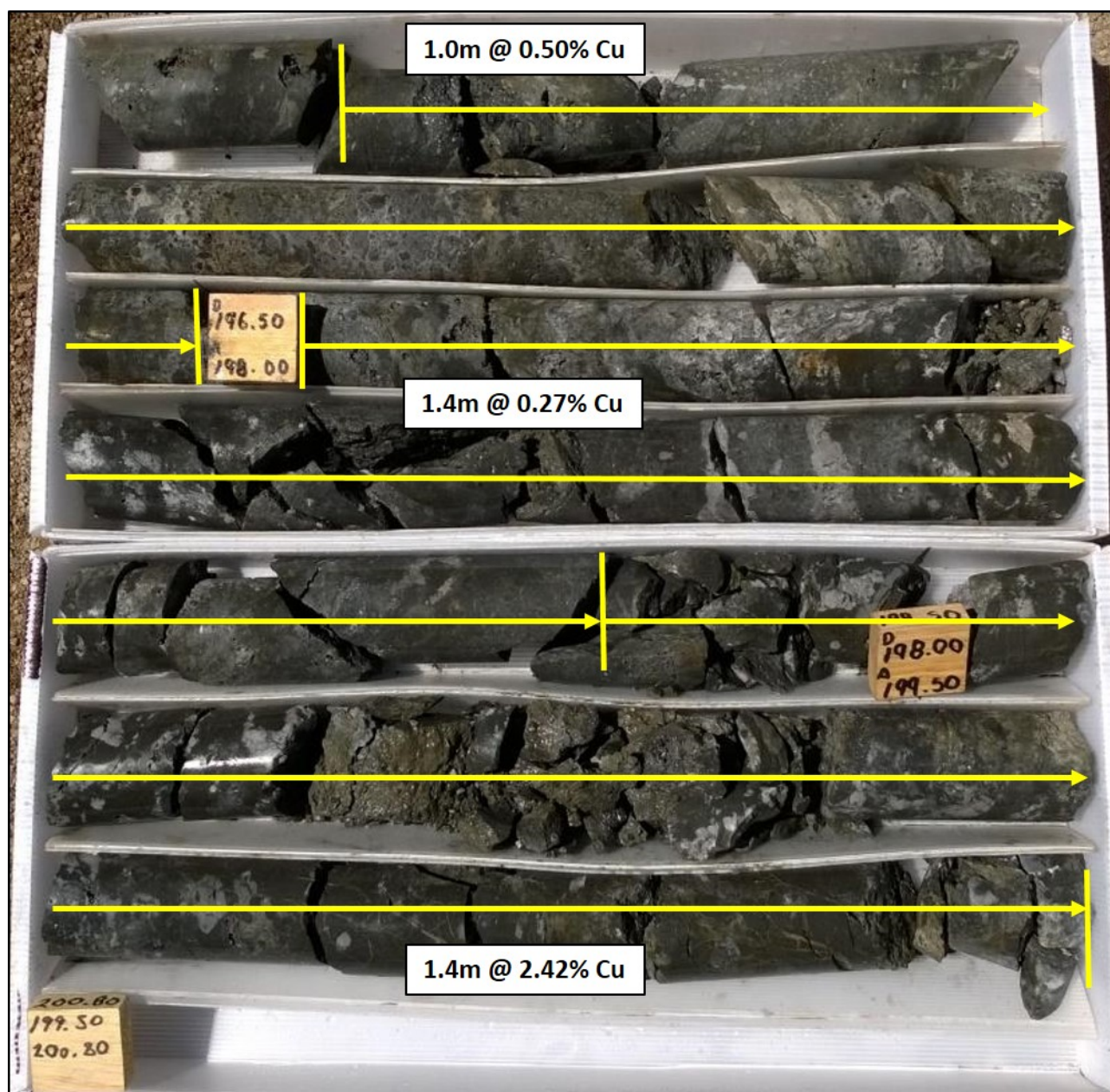
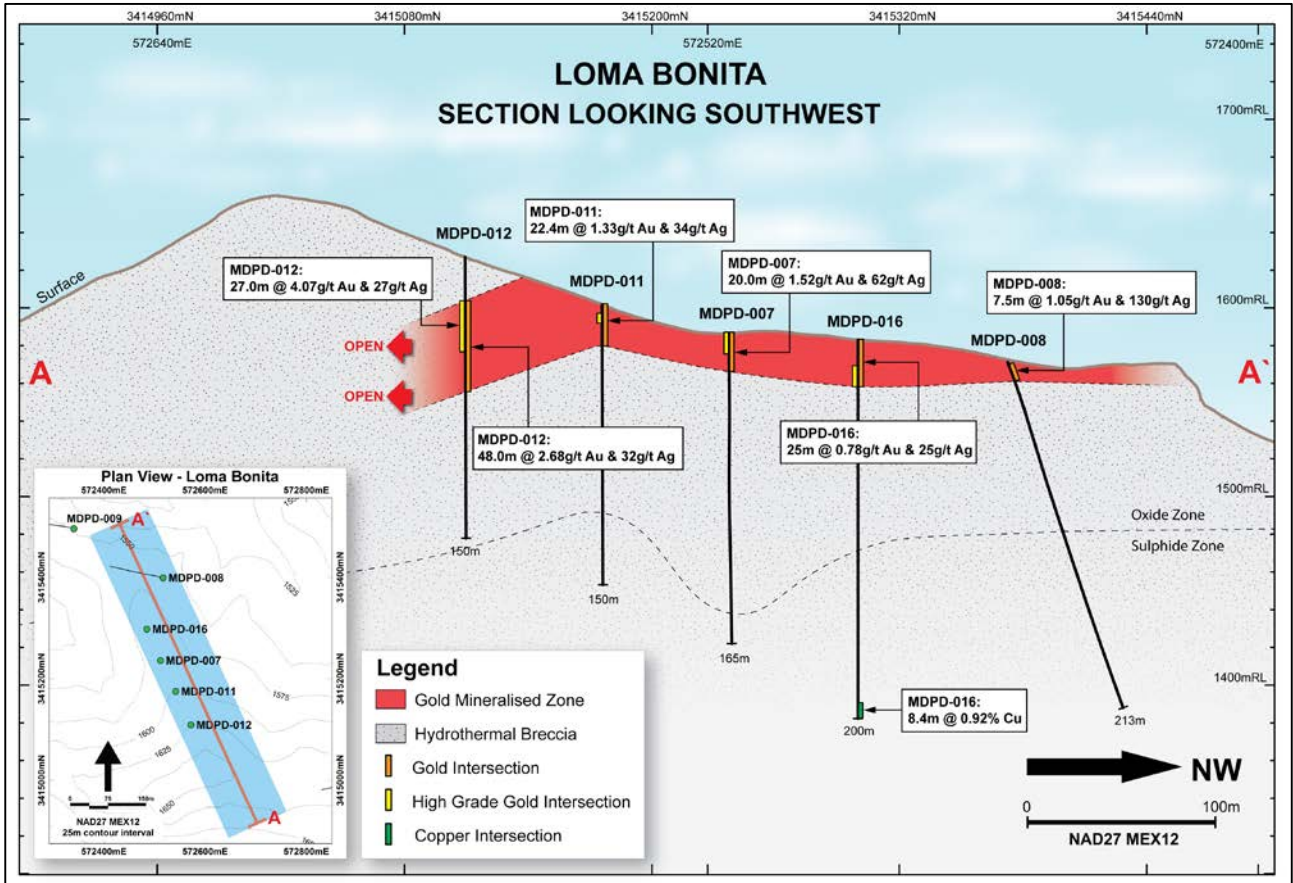


Figure 2: Section through Loma Bonita gold-rich zone



Loma Bonita is located only 200m from the Mesa de Plata silver deposit (see Figure 3) where Azure has reported a 26 million ounce silver resource (ASX: 9 May 2016). Surface mapping and drill hole logging indicates a major geological break between the sub-horizontal, stratabound silver mineralisation at Mesa de Plata and the gold, silver and base metal mineralisation hosted in hydrothermal breccia at Loma Bonita.

Hole MDPD-015 was collared to the northeast of Mesa de Plata, approximately 100m and 220m north of MDPD-013 & 014. Both of these holes intersected silver mineralisation which falls outside of the resource boundary (ASX: 9 May 2016). MDPD-015 intersected only weak silver mineralisation in the Mesa de Plata host unit before drilling into barren footwall rocks. This confirms the northeast extent of the mineralised zone in this area.

Hole MDPD-017 was collared about 550m east of hole MDPD-016 and was designed to test an area where surface sampling had identified anomalous silver and gold mineralisation in outcrop. Anomalous silver and gold mineralisation was intersected which warrants further investigation.

GEOPHYSICS

Azure recently completed a detailed Induced Polarisation (IP) survey over the northwestern part of the Alacrán Project area, including complete coverage of Mesa de Plata and Loma Bonita. This survey extends for approximately 1.5km north from the earlier IP survey area undertaken in mid-2015 (ASX: 2 July 2015).

This new survey comprised 15, 100m spaced lines, totalling 52 line kilometres. All data has now been delivered to the Company's geophysical consultant and modelling and interpretation is currently in progress. Results from this survey will be released when they become available.

Figure 3: Loma Bonita – Mesa de Plata drill hole location plan

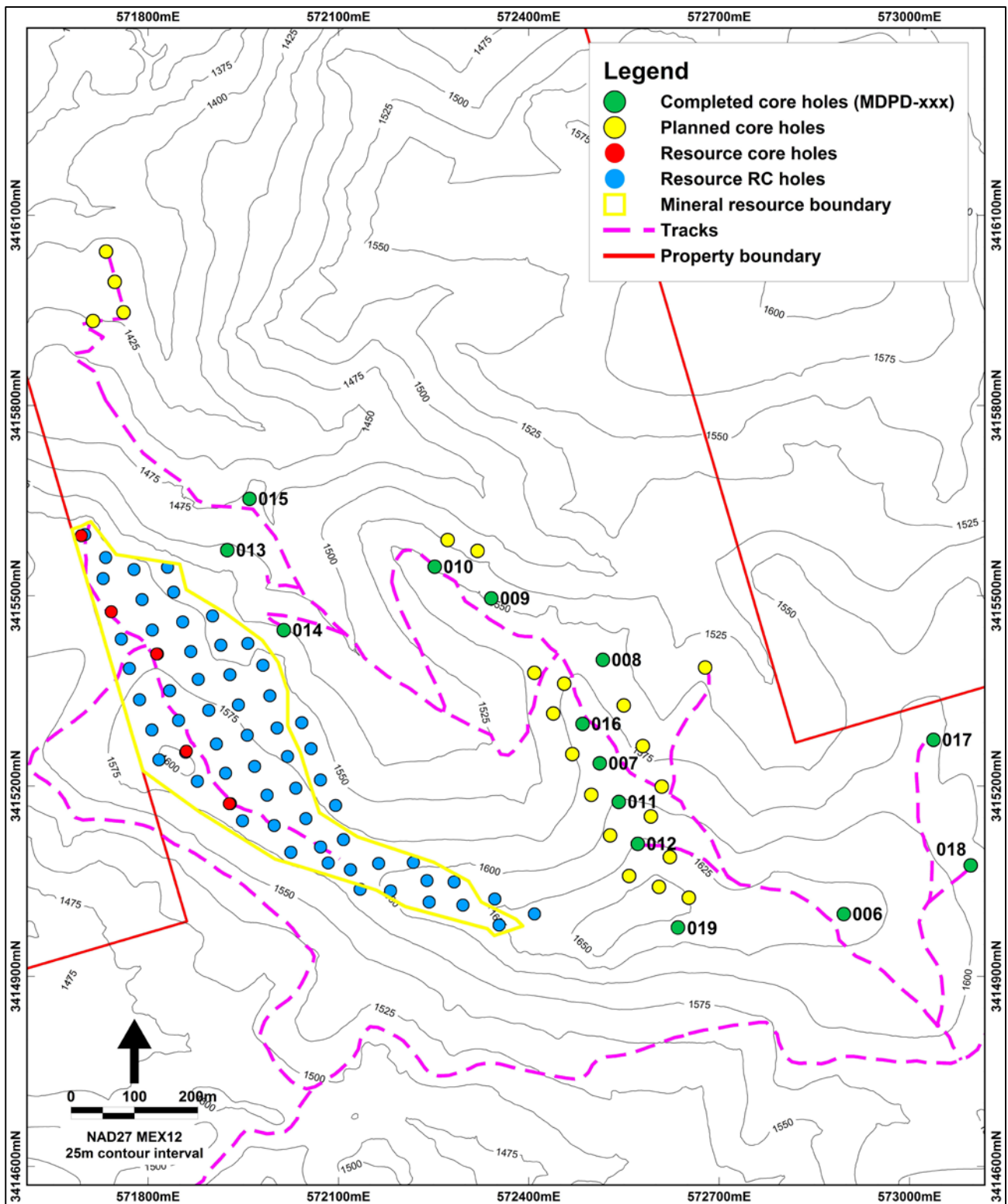


Table 2: Diamond drill hole information

HOLE No.	EAST (mE)	NORTH (mN)	ELEVATION (mASL)	AZIMUTH	DIP	TOTAL DEPTH (m)	LOCATION
MDPD-006	572897	3414998	1,631	270	-80	539.0	Puerto del Oro
MDPD-007	572512	3415236	1,587	000	-90	165.0	Loma Bonita
MDPD-008	572517	3415399	1,566	290	-60	213.0	Loma Bonita
MDPD-009	572341	3415496	1,547	290	-60	200.2	Loma Bonita
MDPD-010	572252	3415546	1,548	290	-60	172.0	Loma Bonita
MDPD-011	572542	3415175	1,602	000	-90	149.9	Loma Bonita
MDPD-012	572572	3415109	1,627	000	-90	150.0	Loma Bonita
MDPD-013	571925	3415572	1,505	000	-90	28.0	Mesa de Plata
MDPD-014	572014	3415446	1,526	000	-90	65.0	Mesa de Plata
MDPD-015	571960	3415653	1,475	110	-60	80.0	Mesa de Plata
MDPD-016	572485	3415298	1,578	000	-90	200.8	Loma Bonita
MDPD-017	573038	3415273	1,580	000	-90	150.0	Loma Bonita
MDPD-018	573096	3415075	1,588	000	-90	330.0	Loma Bonita
MDPD-019	572635	3414977	1,640	000	-90	In progress	Loma Bonita

BACKGROUND

Azure acquired the rights to the Alacrán Project in December 2014 through its fully owned Mexican subsidiary Minera Piedra Azul S.A. de C.V.

Azure has signed an Agreement with Teck to acquire 100% of the property, subject to an underlying back-in right retained by Teck and a 2% NSR retained by Grupo Mexico. Teck Resources Limited is Canada's largest diversified resource company. Grupo Mexico is Mexico's largest and one of the world's largest copper producers.

-ENDS-

For further information:

Tony Rovira
Managing Director
Azure Minerals Limited
Phone: +61 8 9481 2555

Media & Investor Relations
Michael Weir or Richard Glass
Citadel-MAGNUS
+61 8 6160 4903

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 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.

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data

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><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></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>An ongoing program of diamond core drilling is being undertaken on the Alacrán Project.</p> <p>Initial drill hole collar locations were determined by hand-held GPS.</p> <p>All drill holes were surveyed for down-hole deviation, with surveys undertaken at 30m intervals and at bottom of hole.</p> <p>Drill core was sampled at 0.15m to 1.5m intervals guided by changes in geology.</p> <p>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.</p> <p>Envelopes containing the 250g sample pulps were sent via courier to the Acme laboratory in Vancouver, Canada for analysis.</p> <p>The analytical techniques for all elements (other than gold) initially involved a four-acid digest followed by multi-element ICP-MS analysis. This technique is considered a total digest for all relevant minerals.</p> <p>Following the four-acid digest, the analytical method used was MA300 (for silver and base metals by ICP-MS).</p> <p>Fire Assay method FA430 was used for gold.</p> <p>Over-limit assays were re-analysed by MA370 (by ICP-ES for base metals grading >1%) and FA530 (by fire assay with gravimetric finish for silver grading >200ppm and gold grading >10ppm).</p>
Drilling techniques	<p><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></p>	<p>Drilling technique for all holes was diamond drilling with HQ-size (63.5mm diameter) core. MDPD-006 was drilled with an RC precollar from 0m to 231m. All other holes were cored from surface.</p> <p>Drill core was not orientated.</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><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></p>	<p>All samples came from diamond core drilling (with the exception of the RC precollar in MDPD-006). 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 database.</p> <p>Sample recoveries within the top 3m of MDPD-007 are approximately 50%.</p> <p>Sample recoveries throughout the remainder of the cored holes were high with >85% of the drill core having recoveries of >90%.</p> <p>There is no observable relationship between recovery and grade, and therefore no sample bias.</p>
Logging	<p><i>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.</i></p> <p><i>Whether logging is qualitative or quantitative in nature.</i></p>	<p>Detailed core logging was carried out with recording of weathering, lithology, alteration, veining, mineralisation, structure, mineralogy, RQD and core recovery.</p>

	<p><i>Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>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.</p> <p>All holes were logged in full.</p>
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <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> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>Azure sub samples drill core by cutting the core in half (with a wet diamond saw blade) along the core axis to prepare a ½-core sample. The ½-core sub-sample is then wet cut along the core axis to prepare a ¼-core sub-sample for laboratory dispatch. The second half of core and residual ¼ core is retained in core trays and may be used for further testwork.</p> <p>No non-core samples were collected.</p> <p>The sample collection and preparation followed industry best practice.</p> <p>Samples were prepared at the Acme laboratories in Hermosillo or Chihuahua, 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.</p> <p>Envelopes containing the 250g pulps were sent via courier to the Acme laboratory in Vancouver.</p> <p>Certified Reference Standards, replicate samples, pulp duplicate samples, and blank samples were routinely inserted alternately at intervals of every 10 samples, and also immediately following visually identified mineralised intercepts to provide assay quality checks.</p> <p>For sub sampling and assay quality control monitoring Azure:</p> <ul style="list-style-type: none"> • Submits replicate DCD ¼-cores anonymously to the laboratory in order to monitor the precision of this sub sample type. • Instructs the laboratory to collect and assay replicates of pulp samples in order to monitor the precision of the pulp material dispatched for assay. • Submits known grade value pulp references anonymously to the laboratory in order to monitor the accuracy of grades reported. • Submits a nominal barren 'blank' samples anonymously to the laboratory in order to monitor potential cross contamination between samples during sample preparation. <p>The sample sizes are considered appropriate to the grain size of the material being sampled.</p>
Quality of assay data and laboratory tests	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><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> <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></p>	<p>The analytical techniques for all elements (other than gold) initially involved a four-acid digest followed by multi-element ICP-MS analysis. This technique is considered a total digest for all relevant minerals.</p> <p>Following the four-acid digest, the analytical method used was MA300 (for silver and base metals by ICP-MS).</p> <p>Fire Assay method FA430 was used for gold.</p> <p>Over-limit assays were re-analysed by MA370 (by ICP-ES for base metals grading >1%) and FA530 (by fire assay with gravimetric finish for silver grading >200ppm and gold grading >10ppm).</p> <p>Azure implemented industry standard QAQC protocols to monitor levels of accuracy and precision.</p>

		<p>Internal laboratory control procedures comprised duplicate sampling of randomly selected assay pulps, as well as internal laboratory standards and blanks.</p> <p>Azure routinely inserted Certified Reference Standards, replicate samples, duplicate samples, and blank samples at alternate sample intervals to provide assay quality checks. Review of the standards, duplicates and blanks are within acceptable limits.</p> <p>No geophysical or portable analysis tools were used to determine assay values.</p>
Verification of sampling and assaying	<p>The verification of significant intersections by either independent or alternative company personnel.</p> <p>The use of twinned holes.</p> <p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <p>Discuss any adjustment to assay data.</p>	<p>Senior technical personnel from the Company (Project Geologist, & Exploration Manager) have inspected the drilling and sampling.</p> <p>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 is managed by an independent data management company.</p> <p>No adjustments or calibrations have been made to any assay data.</p>
Location of data points	<p><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></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>Drill hole collar locations were determined by hand-held GPS.</p> <p>Final drill hole collar locations will be surveyed by a licensed surveyor using a two frequency differential GPS with accuracy of +/-3cm.</p> <p>All drill holes were surveyed for down-hole deviation, with surveys undertaken at 30m intervals and at bottom of hole.</p> <p>The grid system used is NAD27 Mexico UTM Zone 12 for easting, northing and RL.</p>
Data spacing and distribution	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><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></p> <p><i>Whether sample compositing has been applied.</i></p>	<p>Being a reconnaissance exploration drill program, drill hole spacing is variable.</p> <p>Data spacing and distribution are not sufficient to establish the degree of geological and grade continuity appropriate for a Mineral Resource estimation procedure.</p> <p>No composite samples were collected.</p>
Orientation of data in relation to geological structure	<p><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></p> <p><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></p>	<p>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.</p> <p>No sampling bias is believed to have been introduced.</p>
Sample security	<p><i>The measures taken to ensure sample security.</i></p>	<p>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.</p>
Audits or reviews	<p><i>The results of any audits or reviews of sampling techniques and data.</i></p>	<p>All digital data is subject to audit by the independent data manager.</p>

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary																																																																																												
Mineral tenement and land tenure status	<p><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></p> <p><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></p>	<p>The Alacrán Project comprises 22 mineral concessions 100% owned by Minera Teck SA de CV, a subsidiary of Teck Resources Limited.</p> <table><tr><th>CLAIM</th><th>FILE</th><th>TITLE</th><th>HECTARES</th></tr><tr><td>Hidalgo</td><td>1794</td><td>166374</td><td>99.00</td></tr><tr><td>Hidalgo 2</td><td>1796</td><td>166369</td><td>99.00</td></tr><tr><td>Hidalgo 3</td><td>1797</td><td>166368</td><td>99.00</td></tr><tr><td>Hidalgo 4</td><td>1798</td><td>166366</td><td>99.00</td></tr><tr><td>Hidalgo 5</td><td>1799</td><td>166370</td><td>99.00</td></tr><tr><td>Hidalgo 6</td><td>1800</td><td>166371</td><td>99.00</td></tr><tr><td>Hidalgo 7</td><td>1801</td><td>166373</td><td>99.00</td></tr><tr><td>Hidalgo 8</td><td>1802</td><td>166372</td><td>99.00</td></tr><tr><td>Hidalgo 9</td><td>1803</td><td>166375</td><td>99.00</td></tr><tr><td>Kino 2</td><td>1886</td><td>166313</td><td>100.00</td></tr><tr><td>Kino 3</td><td>1887</td><td>166312</td><td>100.00</td></tr><tr><td>Kino 4</td><td>1888</td><td>166314</td><td>100.00</td></tr><tr><td>Kino 8</td><td>1892</td><td>166315</td><td>100.00</td></tr><tr><td>Kino 9</td><td>1893</td><td>166316</td><td>100.00</td></tr><tr><td>Kino 10</td><td>1894</td><td>166317</td><td>100.00</td></tr><tr><td>Kino 11</td><td>1895</td><td>166318</td><td>100.00</td></tr><tr><td>Kino 15</td><td>1899</td><td>166365</td><td>100.00</td></tr><tr><td>Kino 16</td><td>1800</td><td>166367</td><td>100.00</td></tr><tr><td>San Simón</td><td>1894</td><td>166376</td><td>100.00</td></tr><tr><td>San Simón 2</td><td>1895</td><td>166377</td><td>100.00</td></tr><tr><td>El Alacrán</td><td>E.4.1.3/1182</td><td>201817</td><td>3,442.36</td></tr><tr><td>TOTAL SURFACE</td><td></td><td></td><td>5,433.36</td></tr></table> <p>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.</p> <p>A 2% Net Smelter Royalty is held by Grupo Mexico.</p> <p>The tenements are secure and are in good standing. There are no known impediments to obtaining a licence to operate in the area.</p>	CLAIM	FILE	TITLE	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
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El Alacrán	E.4.1.3/1182	201817	3,442.36																																																																																											
TOTAL SURFACE			5,433.36																																																																																											
Exploration done by other parties	<p><i>Acknowledgment and appraisal of exploration by other parties.</i></p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>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).</p> <p>Minera Teck S.A. de C.V., a Mexican subsidiary of Teck Resources Limited acquired the property in 2013 and undertook limited surface exploration.</p>																																																																																												

		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	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>Various styles of mineralisation occur on the property.</p> <p>Epithermal zones, veins, breccias and stockworks host silver, lead, zinc, copper and gold in volcanoclastic rocks (Mesa de Plata, Loma Bonita, San Simon and Palo Seco).</p> <p>Secondary copper oxide and chalcocite mineralisation occur in volcanic rocks (La Morita and Cerro Alacrán).</p> <p>Primary copper mineralization is hosted in porphyry rocks.</p>
Drill hole information	<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 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.</i></p>	Refer to figures and tables in the report which provide all relevant details.
Data aggregation methods	<p><i>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.</i></p> <p><i>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.</i></p> <p><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></p>	<p>All reported mineralised intervals have been length-weighted. No top cuts have been applied.</p> <p>High grade intervals internal to broader mineralised zones, if existing, are reported as included zones.</p>
Relationship between mineralisation widths and intercept lengths	<i>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').</i>	Geological controls and orientations of the mineralised zones are unknown at this time and therefore all mineralised intersections are reported as "intercept length" and may not reflect true width.
Diagrams	<i>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.</i>	Refer to Figures in the accompanying report.
Balanced reporting	<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>	The Company believes that the ASX announcement is a balanced report with all material results reported.
Other substantive exploration data	<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>	This announcement refers to previous exploration results including geophysics, geochemistry and geology.

Further work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <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></p>	Further work to better understand the mineralisation systems in the project area will be determined upon a full analysis and interpretation of results.
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