

ASX / Media Release

ASX Code – AZM

Friday 6th November 2009



www.azumahresources.com.au

Investment Highlights:

- 754,300oz gold JORC Code-compliant Mineral Resource at Wa Gold Project, NW Ghana
- 100% of 3,100km² licences hosting over 150km of prospective Birimian greenstone belt
- \$5.2M cash to fund aggressive exploration and development programme
- Pipeline of drill-ready targets
- Board and Management team of successful explorers, developers, mining, finance and corporate professionals

Issued Capital:

154.10M ord. shares
13.25M unlisted options

Directors & Management:

Chairman:
Michael Atkins
Managing Director:
Stephen Stone
Non-Executive Director:
Geoff M Jones
General Manager:
Bernard Aylward
Company Secretary:
Dennis Wilkins

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AZUMAH RAISES A\$4.24M TO ACCELERATE DEVELOPMENT OF WA GOLD PROJECT, GHANA

FUNDS TO BE USED TO BOLSTER WORKING CAPITAL AHEAD OF MAJOR 41,000m DRILLING CAMPAIGN AND PROJECT DEVELOPMENT STUDIES

West African gold company Azumah Resources Ltd (ASX: AZM) is pleased to announce that it has successfully raised **A\$4.24 million** (before expenses) through an oversubscribed share placement as part of its push to fast-track exploration and development of its 100%-owned **Wa Gold Project** in north-west Ghana (*Fig 1*).

The share placement, comprising **21.2 million shares at 20 cents per share**, has been made to Australian and overseas institutional and sophisticated investor clients of Perth-based Blackswan Equities Limited and Melbourne / Sydney-based BGF Securities. Pursuant to the 15% allowance under ASX Listing Rules the placement does not require shareholder approval.

Azumah's largest shareholder, Macquarie Bank Limited, is participating in the placement to maintain its 15% holding in the Company.

The funds raised **will bolster Azumah's working capital to over A\$9 million** ahead of a large-scale, **41,000m drilling programme** aimed at increasing the Company's previously outlined 750,000oz Indicated and Inferred Mineral Resource (*Table 1*).

This drilling programme is scheduled to commence shortly and will as a priority test for extensions to the Kunche and Bepkong discoveries. It will also test for new mineralisation in the immediate vicinity of these deposits, investigate priority targets along the Kunche-Bepkong mineralised structural corridor and delineate maiden resources at the Julie and Collette prospects (*Fig 2*).

First results are expected in early December and news flow will continue well into 2010. Maiden JORC Code mineral resource estimates for Julie and Colette are expected to be available early in the next Quarter.

Preliminary open pit optimisation and mine design studies based on the mining of the Kunche and Bepkong deposits over an initial 4.5 years indicate that the Wa Gold Project is already capable of generating robust cash operating margins and a healthy overall cash operating surplus (*ASX announcement 21st August 2009*).

Azumah's immediate objective is to delineate sufficient additional resources during the forthcoming and subsequent drilling programmes to underpin a decision in 2010 to develop a mining operation.

Azumah's licences (*Fig 3*) encompass over 150 strike kilometres of prospective Birimian aged greenstone terrain, the same rocks that host many of the world-class gold deposits in West Africa and Ghana. Reconnaissance soil sampling has returned very widespread gold anomalism within Azumah's 3,200km² tenure but only a relatively limited area has ever been drilled.

"This capital raising comes at a pivotal time in the Company's development as we embark on a major new drilling programme designed to help us reach the critical mass resource base required to establish the first stand-alone commercial mining operation in the emerging north-west Ghana gold province and to ramp-up development studies at our Wa Gold Project," said Mr Stone.

"Based on our current resources, Azumah has an Enterprise Value (EV) of just A\$41 per resource ounce of gold and, while this has been increasing of late, the Company is still fundamentally and relatively undervalued against its West African explorer peers," Mr Stone added.

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Fig 1: Wa Gold Project

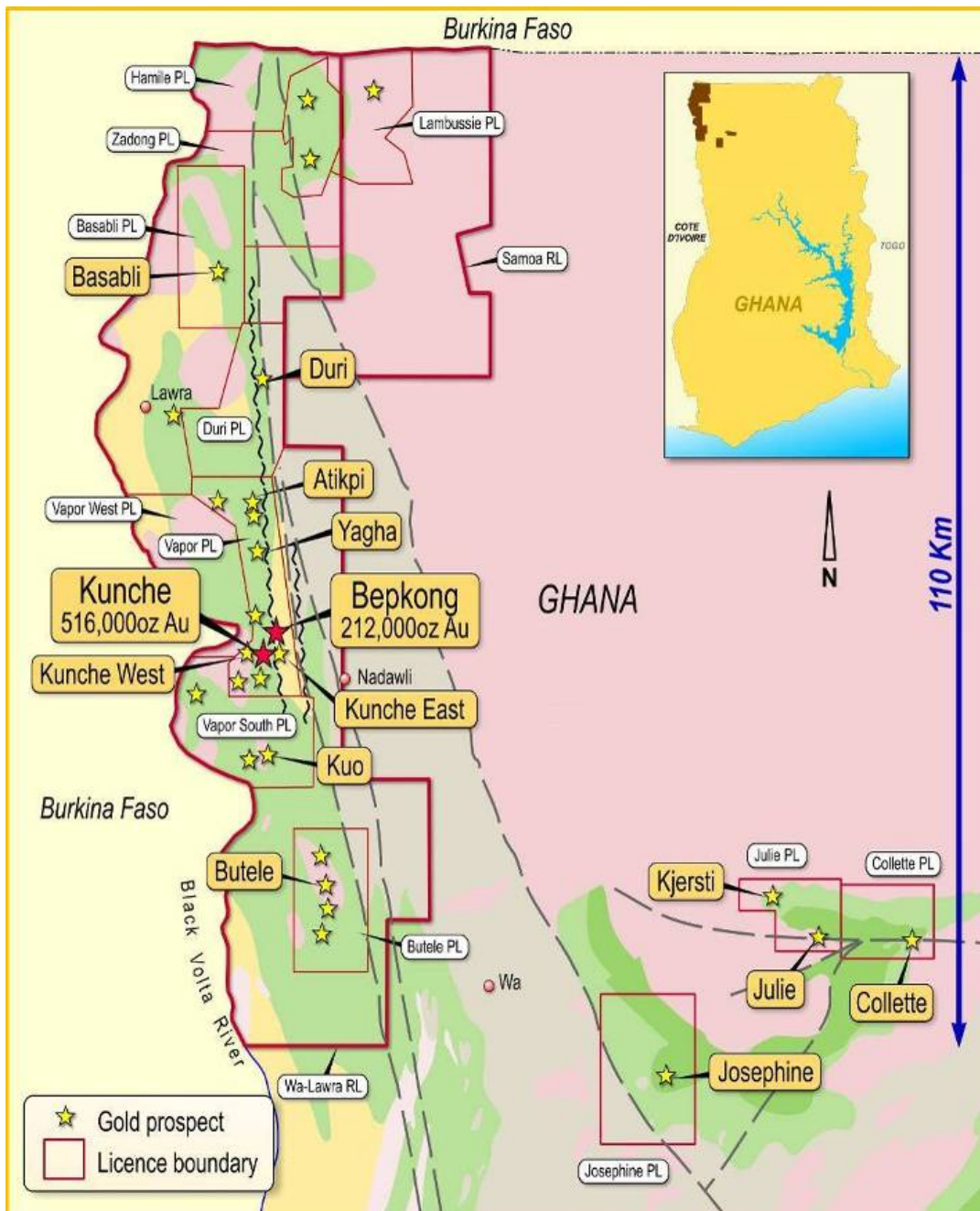


Fig 2: Wa Gold Project – Priority Exploration Targets: Kunche-Bepkong District

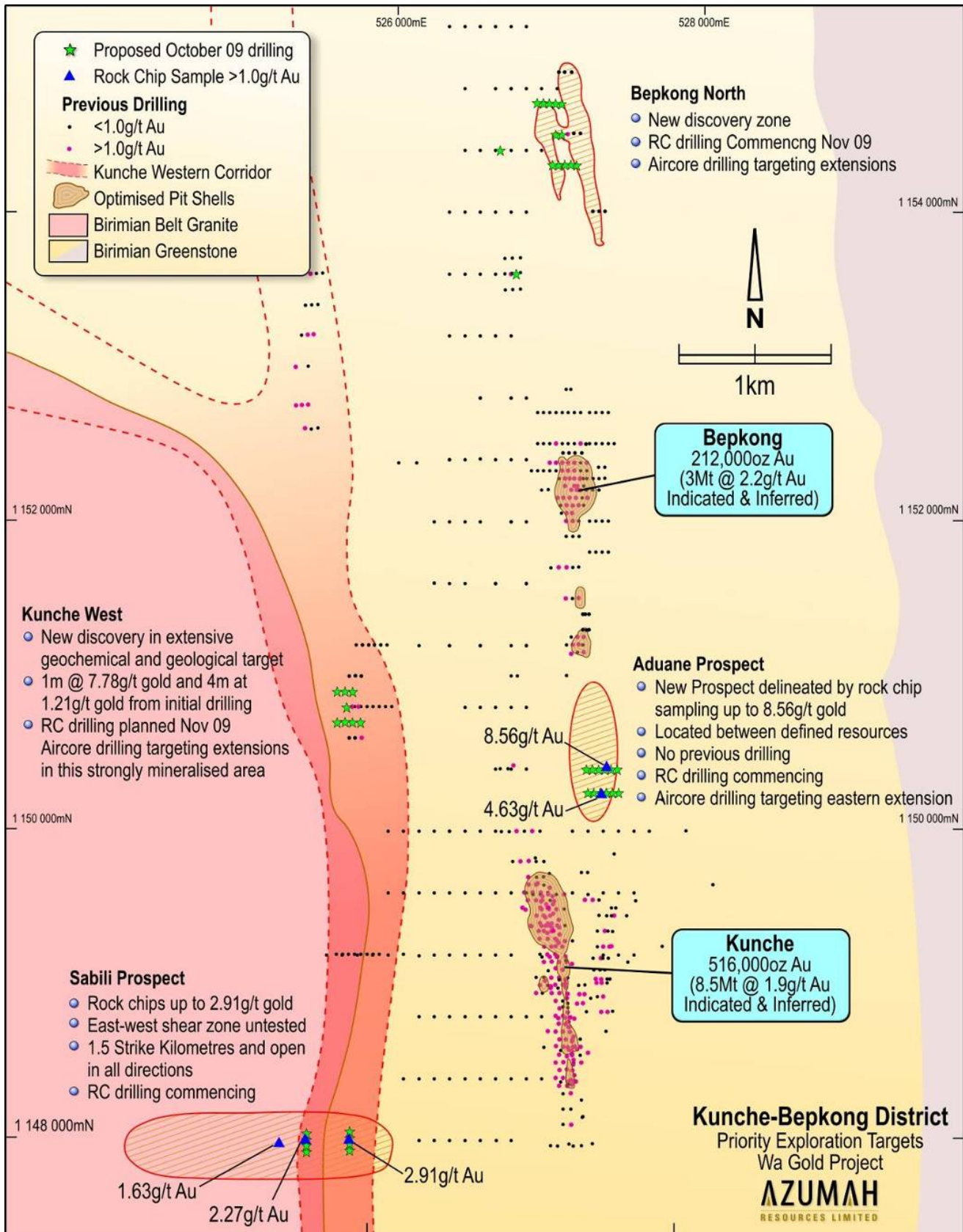


Fig 3: Azumah: Strategically Positioned in Ghana's Emerging North West Gold Province

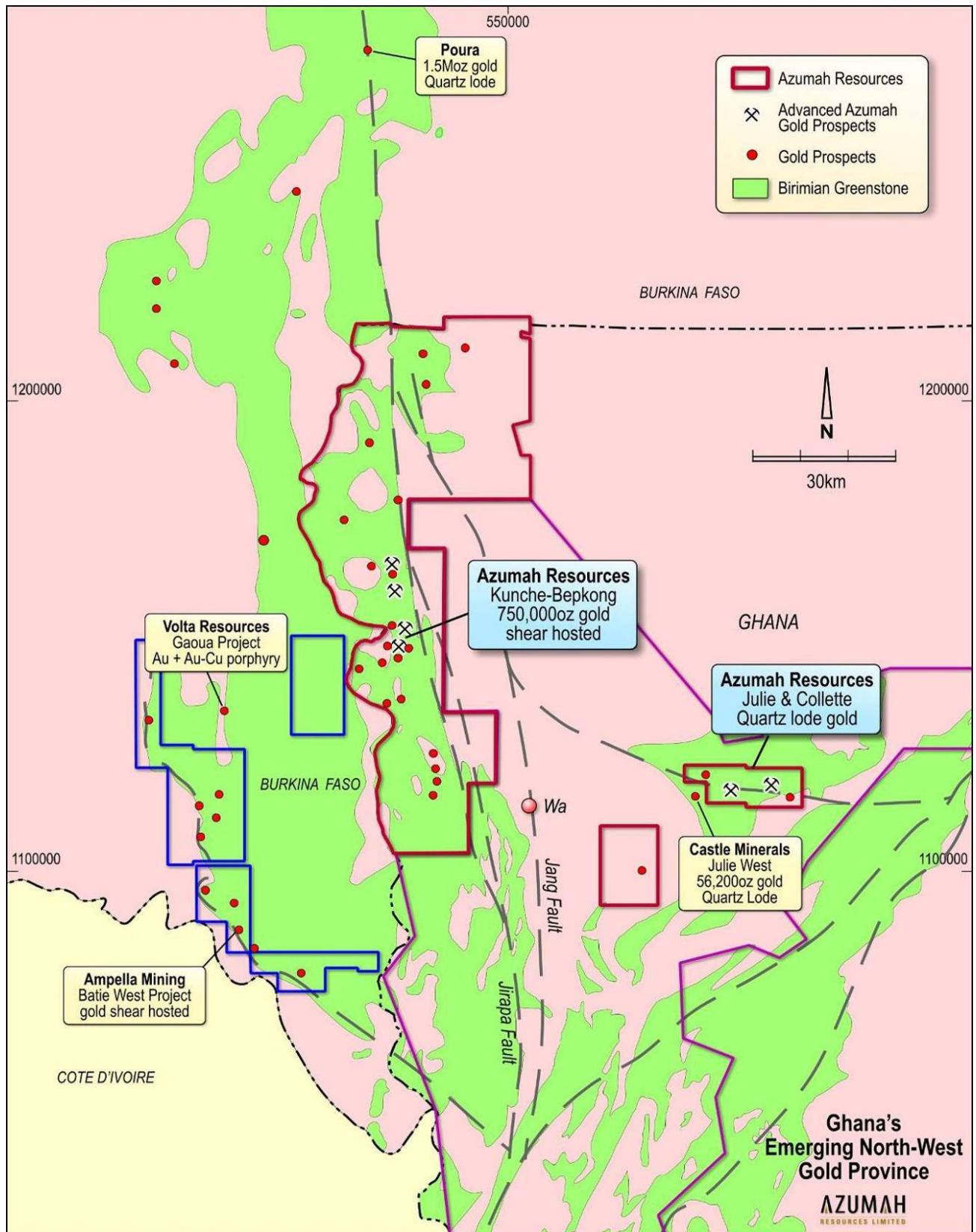


Table 1: Wa Gold Project - Statement of Combined Mineral Resource Estimates

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade g/t Gold	Contained Ounces Gold	Tonnes	Grade g/t Gold	Contained Ounces Gold	Tonnes	Grade g/t Gold	Contained Ounces Gold
Kunche ⁽¹⁾	4,900,000	2.0	318,000	3,600,000	1.7	198,000	8,500,000	1.9	516,000
Bepkong ⁽²⁾	1,040,000	2.5	82,000	1,930,000	2.1	130,000	2,970,000	2.2	212,000
Atikpi ⁽²⁾				350,000	1.4	15,500	350,000	1.4	15,500
Yagha ⁽²⁾				270,000	1.2	10,800	270,000	1.2	10,800
Total	5,900,000	2.1	400,000	6,100,000	1.8	354,300	12,090,000	1.9	754,300

1. Kunche Mineral Resource estimation quoted for blocks with a grade greater than 1.0g/t gold. Differences may occur due to rounding errors. Refer ASX release September 2006 and details on Azumah website. Estimation completed by Resource Evaluations Pty Ltd in September 2006.
2. Bepkong, Atikpi and Yagha Mineral Resource estimations quoted for blocks with a grade of greater than 0.8 g/t gold. Differences may occur due to rounding errors. Estimation completed by CSA Global Pty Ltd in August 2008.
3. Details of the Bepkong Mineral Resource estimation appear in ASX release dated 4th September 2008.
4. Details of the Atikpi and Yagha Mineral Resource estimation appear in ASX release dated 4th September 2008.

The information in this report that relates to Exploration Results is based on information compiled by Mr Bernard Aylward. Mr Aylward is the General Manager of Azumah Resources Limited. Mr Aylward is a Member of The Australasian 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Aylward consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The information in this report that relates to in-situ Mineral Resource estimates for Bepkong, Yagha and Atikpi is based on information compiled by Mr David Williams, an employee of CSA Global Pty Ltd, geological consultants. Mr Williams is the competent person for the Bepkong, Yagha and Atikpi estimates and takes overall responsibility for these. Mr Williams is a Member of The Australasian 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Williams consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The information in this presentation that relates to Mineral Resources at the Kunche Project is based on a resource estimate that has been audited by Mr Paul Payne, who is the Principal and full time employee of Resource Evaluations Pty Ltd. Mr Payne is a Member of The Australasian 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne consents to the inclusion in the presentation of the matters based on information in the form and context in which it appears.

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

All notes pertaining to the Kunche Mineral Resource estimation of September 2006, the Bepkong Mineral Resource estimation of September 2008 and the Atikpi and Yagha Mineral Resource estimation of September 2008 can be found at www.azumahresources.com.au