

Azimuth Resources Intersects High Grade Gold at Hicks Prospect

Highlights:

- **Drilling intersects 30m @ 7.68g/t gold**
- **Ongoing drilling to delineate maiden JORC code compliant resource**
- **Acquisition of drilling rig and support equipment**

Azimuth Resources Limited (ASX: **AZH**) (“Azimuth” or the “Company”) is pleased to announce results of the first three reverse circulation holes drilled at the Hicks prospect located on the Company's West Omai Gold Project, Guyana, South America. These are the first holes drilled as part of an 8,000 metre resource definition drilling program to define a maiden JORC code compliant resource at the Hicks prospect.

The first hole, HRC-001, was abandoned before it reached the main Hicks ore zone, but intersected 3m @ 1.55g/t Au in a poorly explored zone parallel to the main Hicks mineralisation.

The second hole, HRC-002, was drilled as a scissor hole to intersect the main Hicks zone mineralisation that HRC-001 was targeting. It **intersected 30m @ 7.68g/t Au from 54-84m**, including **1m @ 30.03 g/t Au** and **1m @ 21.76 g/t Au** (see Table 1).

Mineralisation intersected in HRC-002 is steeply dipping (>80°) and is estimated to have a true width of 21 metres. The mineralisation is in the oxide zone between 54-72 metres, the transition zone between 72-75 metres, and in fresh rock between 75-84 metres. Gold mineralisation is hosted by strongly sheared and quartz veined intermediate metavolcanics with 2-5% disseminated pyrite in the fresh rock.

Table 1: Mineralised Intersections

Hole ID	Azimuth	Dip	Depth	UTM Zone 21 Northing	UTM Zone 21 Easting	From	To	Width	Grade g/t Au
HRC 001	215	-45	66	619276.53	273825.18	6	9	3	1.17*
HRC 002	035	-45	93	619195.30	273769.48	54	84	30	7.68**
					including	55	56	1	30.03
					including	66	67	1	21.76
					and	92	93 (EOH)	1	1.50
HRC003	215	-45	55	619655.51	273226.21	3	7	4	0.25*

NOTES

* Assayed as 3m composite

** Assayed as 1m interval

1) All holes Reverse Circulation drill holes

2) All holes sampled at 1 metre intervals and assayed as 1 metre intervals in visible mineralisation otherwise composited and assayed as 3 metre intervals

3) Mineralised intervals reported with a maximum of 1 metre of internal dilution of less than 0.20 g/t Au

4) Sample preparation conducted by Actlabs Guyana Inc. and Fire Assay performed by ActLabs Venezuela

5) Assayed by 30 gram fire assay with gravimetric finish

6) QA/QC protocol: One QA/QC sample every five samples being 1 duplicate every 10 assays and 1 standard or blank every 10 samples

The mineralised interval encountered in HRC-002 is somewhat unexpected as mineralisation intersected in historic drill holes DH94-04 and DH94-15 (see figure 2), below HRC-002, is of only moderate grade and width and there is no surface sampling immediately above. Consequently modelling of the Hicks zone from historic data has interpreted it to become thin in this region. It has now been assessed that it is possible that mineralisation encountered in HRC-002 may represent part of a structurally controlled, plunging, high grade ore shoot within the generally planar shear hosted mineralisation at Hicks. However until further drilling has been completed the orientation, continuity and extent of such a shoot remains to be determined.

The third hole, HRC-003, was drilled at the northern extremity of drilled mineralisation at the Hicks prospect, where mineralisation thins. HRC-003 intersected 4m @ 0.25 g/t Au which is of a similar tenor to mineralisation intersected near surface by historic diamond drill hole OCG98-89 - which intersected 2.5m @ 0.64 g/t Au approximately 6m below the mineralisation intersection in HRC-003.

General Progress

Reverse Circulation drilling commenced on October 16, 2010 and to date 10 holes have been completed with a total of 748 metres drilled. Slower than expected progress is due to mechanical issues with the rig and inexperienced drillers operating the drill rig. The mechanical issues have now been resolved and Azimuth has purchased the drilling rig, booster and all required support equipment from the contractor. Azimuth has also hired its own drillers, who have extensive experience in drilling the geological environment encountered at Hicks. The Company also intends to commence a night shift shortly to expedite drilling and complete the 8,000 metre resource definition drilling program at the Hicks prospect, prior to drill testing other prospects within the West Omai Project Area.

Yours faithfully



Dominic O'Sullivan
Managing Director

The information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Dominic O'Sullivan, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr O'Sullivan is the Managing Director and full-time employee of Azimuth Resources Limited. Mr O'Sullivan 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'.

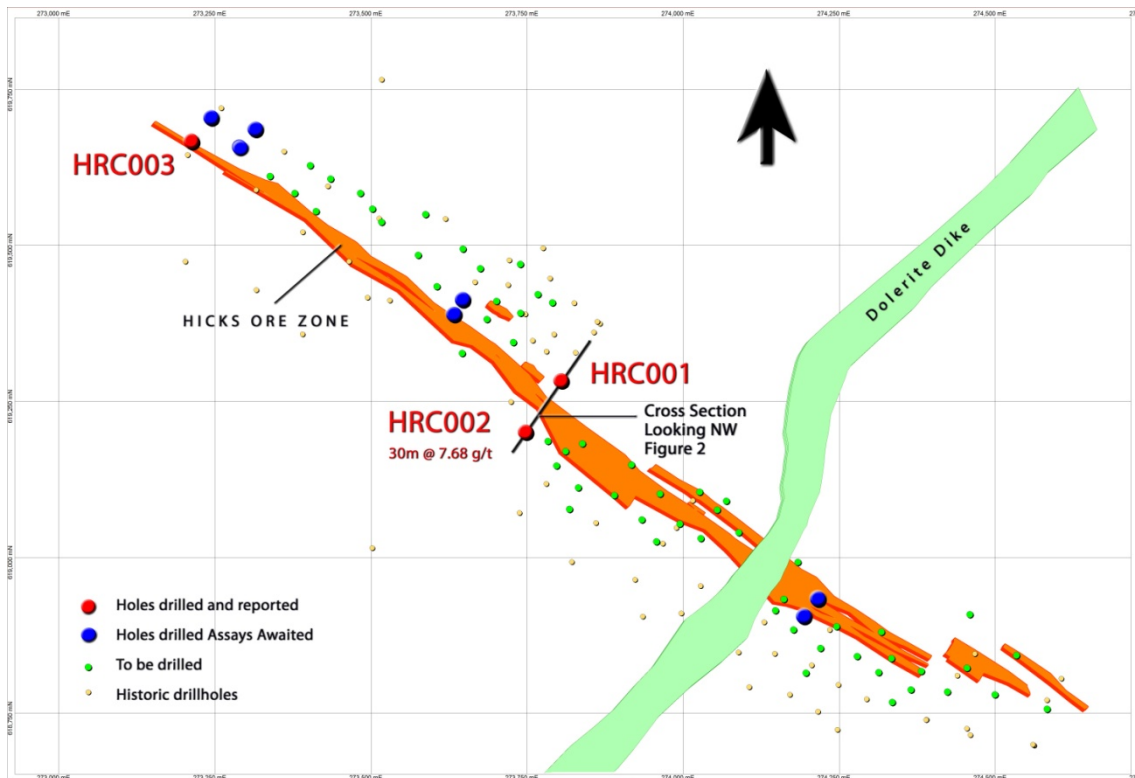


Figure 1 Showing outline of Hicks mineralised zone, location of historic drill collars (yellow), planned Azimuth RC drill holes (green), drilled and assayed holes (red) and drilled Azimuth RC holes with assays yet to be received (blue). Grid lines are 250m apart.

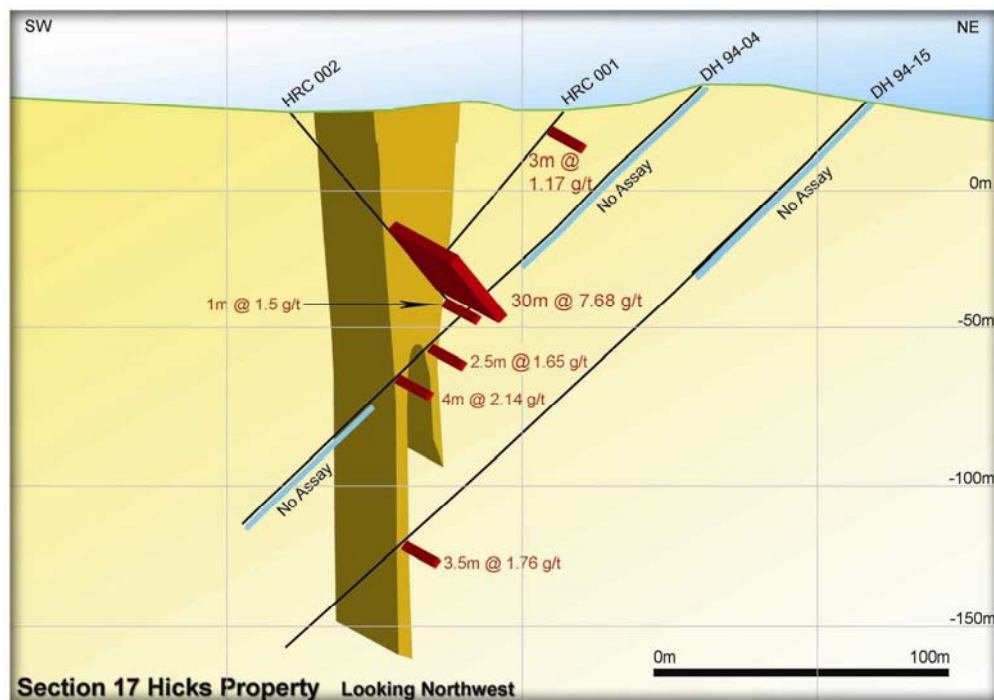


Figure 2: Shows a cross section looking northwest as located on Figure 1, traces of all historic diamond and recent RC drill holes.



Figure 3: Drilling at the Hicks Prospect