

1 September 2010

Centralised Company Announcements Platform,
Australian Stock Exchange
10th Floor, 20 Bond Street
Sydney NSW 2000

LARGE SOIL ANOMALY DEFINED AT KABURI PROSPECT

Highlights

- **1.8km long gold auger soil anomaly defined with supporting saprolite anomalism**
- **Peak result in saprolite for 1m samples of 14.8g/t Au**
- **Drill rig in Guyana awaiting road repairs to travel to site**

Azimuth Resources Limited (the "Company" or "Azimuth") (ASX:AZH) has in recent months conducted an auger sampling program to re-examine soil anomalies delineated by Denison Mines Corporation ("Denison") in the late 1980s. In recognition of potential assay problems related to coarse gold in the Kaburi area (see announcement dated June 9, 2010), the Company has used cyanide bottle rolls with a leach accelerant on assay samples (or aliquots) of 500 grams. The larger aliquot as compared to the previously used 100 to 150 gram fire assay techniques gives a more representative assay for coarse gold and also demonstrates that the contained gold is amenable to CIP/CIL type extraction processes. The auger sampling was designed as a "ridge and spur" programme with samples collected on topographic highs away from current creek systems to avoid collection of samples containing transported gold.

Results to date are very encouraging and reveal the existence to the south and west of the bedrock artisanal pit at Kaburi extensive areas of > 1g/t Au (peak value 6.6g/t Au) soil anomalism. This area is approximately 1.8km long, up to 500m wide and open ended. Its NW-SE orientation is consistent with the major mineralised trend of the area. Further anomalism of lesser extent has also been detected to the north west of the Kaburi workings. The extent and intensity of the surface anomalism is greater than that detected by Denison and the better results achieved by Azimuth are attributed to the use of the larger assay aliquot size than the 30 gram aliquot by fire assay used by Denison.

In situ gold anomalism hosted by saprolite immediately below the surface anomalism is also evident with peak values of 14.8 g/t Au and 13.2 g/t Au detected. Saprolite anomalism, as expected, is more restricted in extent than surface anomalism. Maps showing surface and saprolite results are shown in Figures 1 and 2 respectively.

Sampling has been conducted along the tops of ridges and spurs, giving a sample pattern of irregular wide spaced lines. Sample spacing along the lines is 25m. Hand augers with cup bits have been used to minimise down hole contamination and at each site two samples have been collected. One sample from the surface to the saprolite interface - variably consisting of soil, laterite and/or sand (presumably transported) and a second sample from the first metre of recognisable in situ saprolite. Individual holes vary in depth from 2.5 to 8 metres.

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Anomalous values in saprolite are close to Trenches Tr1, Tr3 and Tr8 which were previously reported in the March 2010 Quarterly Activities and Cash Flow Report. These trenches though showing significant payable gold, when assayed by screen fire assay using aliquots of between 100-150g, only detected low grade anomalism of 0.06 to 0.36 g/t Au. Azimuth has resubmitted coarse rejects of all samples from Trenches, Tr1, Tr3 and Tr8, for assay by 1,000g bottle roll.

Azimuth is continuing to expand ridge and spur sampling around Kaburi and is following up anomalous areas by close spaced auger sampling on a grid of 100 metres by 25 metres to depths of 9 metres. Robust anomalies will be followed up by RC drill testing. The exact strike, extent and orientation of surface and saprolite anomalism remains unknown until the completion of the close spaced grid sampling.

Due to unusually heavy rains in the South of Guyana the main road from Brazil is currently closed leaving the RC drilling rig stranded on the Guyanese side of the Guyana/Brazil border. Attempts to move the rig through the rain affected parts of the road have been unsuccessful to date and the Company now awaits repairs to the road to be completed (see Figures 3 and 4). The expected timeframe for the rig to arrive has yet to be determined but is expected to be in the next 2 to 6 weeks. Repair of this road is a priority for the Guyanese government as towns in the south of the country are already facing shortages of food and fuel.

A handwritten signature in black ink, appearing to read "Dominic O'Sullivan". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

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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 a Director of Epsilon Energy Ltd. 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'. Mr. O'Sullivan consents to the inclusion in this ASX Release of the matters based on his information in the form and context in which it appears.

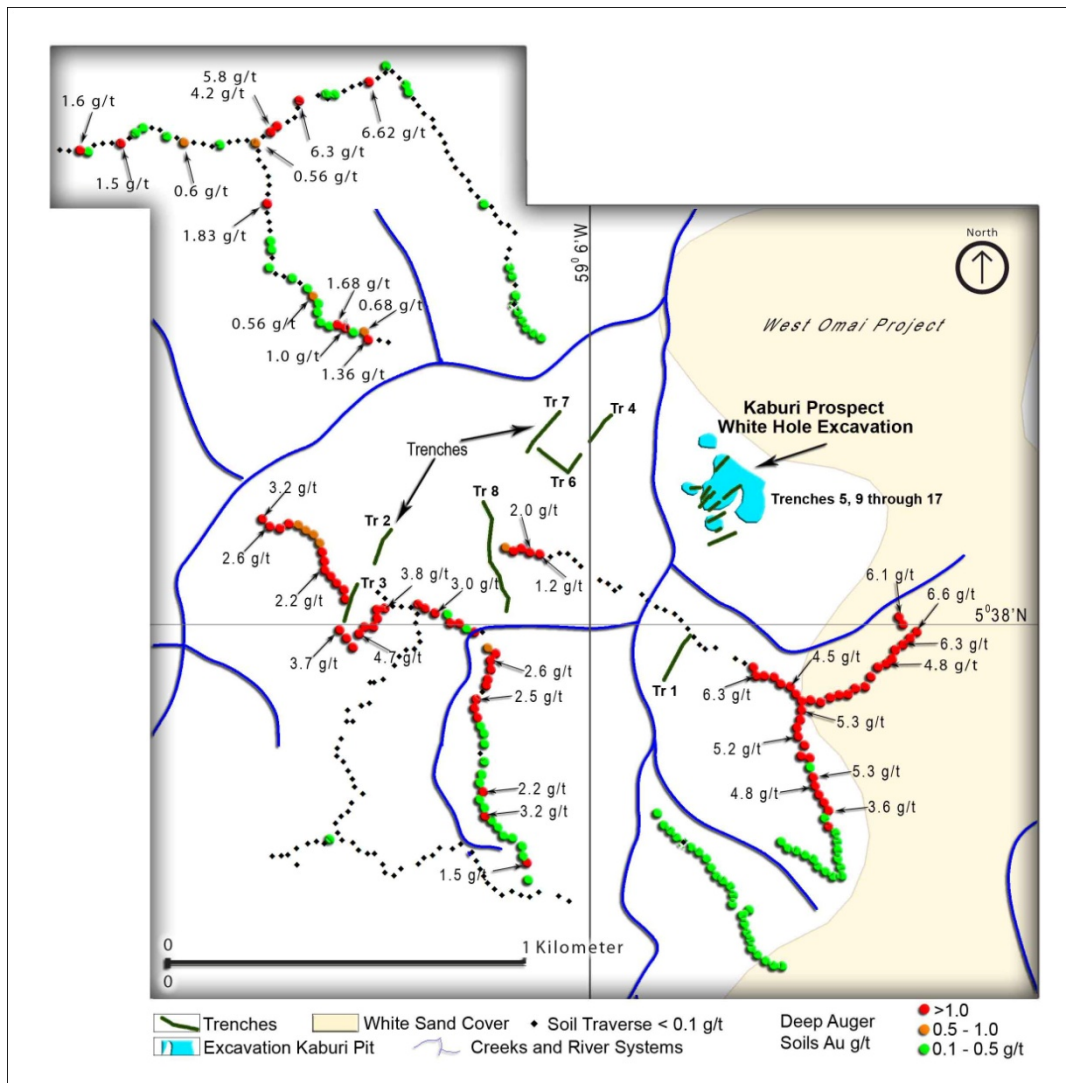


Figure 1: Results of surface auger sampling in relation to previously excavated trenches, and the Kaburi artisanal working. Note extensive areas of >1g/t Au assay values.

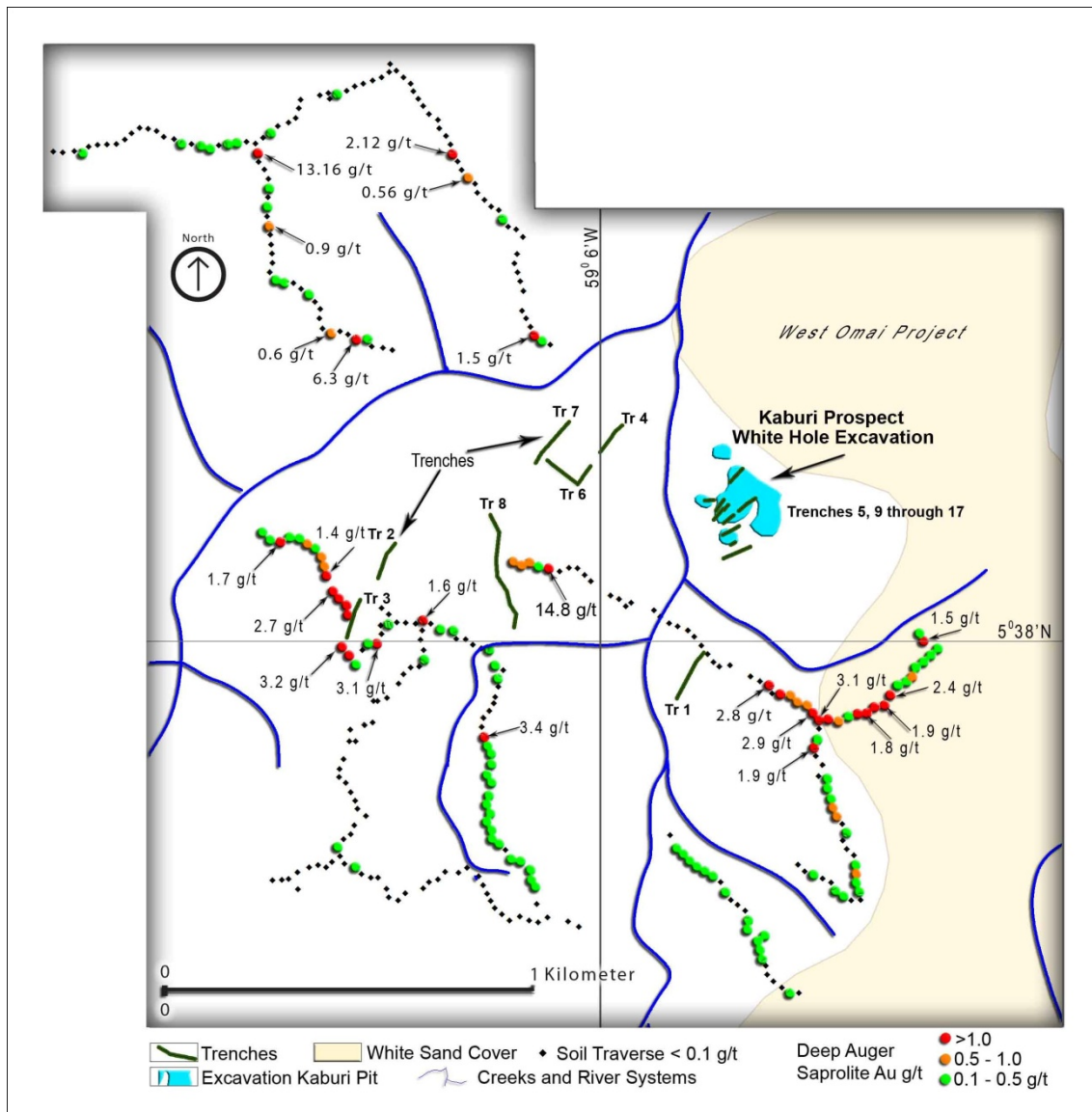


Figure 2: Showing results of sapolite auger sampling >1g/t Au as red circles.



Figures 3 & 4: Drill rig progress through Guyana being delayed by heavy rains and road repairs in progress.