

January 24, 2011

**Robust gold intercepts from ongoing drilling at the Hicks Prospect
Including: 17m @ 5.4g/t Au, 42m @ 1.8g/t Au, 29m @ 2.2g/t Au and 21m @ 2.4 g/t Au**

Azimuth Resources Limited (ASX:AZH) is pleased to announce results for a further thirteen reverse circulation drill holes (HRC007-HRC019) from its ongoing 8,000m resource definition drilling program at the 100% owned Hicks prospect, located within the West Omai Gold Project, Guyana, South America.

Highlights

- **HRC018** contained two significant intercepts **17m @ 5.35 g/t Au** from 14m and **42m @ 1.72 g/t Au** from 75m, with the hole ending in mineralisation at 117m;
- **HRC014** intersected **8m @ 1.38g/t Au** from surface, **29m @ 2.20g/t Au** from 20m, and **15m @ 0.49g/t Au** from 87m with the hole ending in mineralisation at 102m; and
- **HRC012** intersected multiple zones of gold mineralisation - **2m @ 1.48g/t Au** from surface, **5m @ 1.24g/t Au** from 20m, **21m @ 2.40 g/t Au** from 28m and **1m @ 5.5g/t Au** from 61m.

The end of hole intersection in HRC014 of 15m @ 0.49g/t Au is of particular interest to the Company, being a newly found and completely untested mineralised zone to the south west of the main Hicks zone (see Figure 2). Though the grade of this intercept is low, within a shear hosted system such as Hicks where pinch and swell of mineralised zones is to be expected, potential may exist for this zone to improve in grade along strike or up and down dip.

In addition to HRC014, the intersection in HRC018 of 42m @ 1.72g/t Au from 75m to the end of hole is of significance to the Company (see Figure 4). This intersection is in a poorly drilled and defined parallel zone situated immediately to the northeast of the main Hicks zone. Previous drilling and trenching has only defined about 200m strike of this zone near surface. Consequently, this wide intersection demonstrates the potential for the poorly explored parallel zones to the main Hicks lode to host significant mineralisation. Further drilling beyond the planned 8000m will be required to properly define and constrain parallel zones of mineralisation at Hicks.

In general results returned to date are broadly consistent with the historic wide spaced diamond drilling at Hicks.

All recent results are reported in Table 1 below together with previously reported drill results (HRC001-HRC006) which included HRC002- **30m @ 7.68g/t Au** from 54m and HRC004 and **15m @ 1.76g/t Au** from 61m.

General progress and drilling plan is shown in Figure 1 and representative cross sections are shown in Figures 2, 3 and 4.

Outlook

The Company recommenced drilling at the Hicks Prospect on January 8, 2011. To expedite planned resource drilling at Hicks and further exploratory drilling of other prospects, a second reverse circulation rig has now been contracted for 5000 metres of drilling. The rig which arrived in country in early January 2011 has a prior 2000 metre drilling contract to complete before it is scheduled to mobilise to the West Omai Project. This second rig is the only other RC rig currently in Guyana, apart from the RC rig owned by the Company. The Company expects the rig to arrive at the Hicks prospect sometime in February and looks forward to accelerating the pace of its ongoing drill program.

**Table 1 Mineralised Intersections
(holes HRC001-HRC006 previously reported)**

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
					Includes	55	56	1	30.03
					Includes	66	67	1	21.76
					273226.21	92	93	1	1.50
HRC003	215	-45	55	619655.51	273226.21	3	7	4	0.25*
HRC 004	215	-45	90	619703.35	273245.37	61	76	15	1.76
					Includes	65	75	10	2.56
HRC 005	215	-45	66	619656.65	273290.99	31	37	6	0.41
HRC006	215	-45	114	619685.05	273316.13	96	101	6	1.12
						105	106	1	1.50
HRC 007	215	-45	54	619388.36	273634.26	0	2	2	1.07
						17	33	16	1.75
						51	54	3	1.01
HRC 008	215	-45	72	619411.96	273648.11	0	2	2	1.27
						56	61	6	5.15

Hole ID	Azimuth	Dip	Depth	UTM Zone 21 Northing	UTM Zone 21 Easting	From	To	Width	Grade g/t Au
HRC009	035	-45	54	618932.21	274217.32	0	6	6	0.45
						34	35	2	0.52
HRC010	035	-45	102	618904.51	274194.61	0	15	15	2.25
						26	30	4	1.50
						48	49	1	0.54
						58	84	26	0.63
HRC011	300	-45	66	618991.97	274184.67	0	6	6	0.44
HRC012	215	-45	78	618932.69	274162.31	0	2	2	1.43
						20	25	5	1.24
						28	49	21	2.40
						61	62	1	5.50
HRC013	300	-45	30	618932.69	274162.31	0	3	3	0.52
						9	12	3	0.54
						24	30	6	3.38
HRC014	215	-45	102	619039	274081.8	0	8	8	1.38
						20	49	29	2.20
						87	102	15	0.49*
HRC015	035	-45	60	619045	274076.4	0	3	3	0.41
HRC016	035	-50	129	619091	274064	0	2	2	0.35
						93	101	8	3.05
HRC017	035	-50	51	619104.72	274027.38	0	3	3	0.36
HRC018	035	-50	117	619053.44	273995.75	0	3	3	0.95
						14	31	17	5.35
					Includes	19	20	1	24.46
						67	68	1	1.00
						75	117	42	1.77*
HRC019	035	-50	63	619101.53	273963.87	0	4	4	0.32
						28	38	10	1.72

Notes:

1) All holes Reverse Circulation drill holes

2) All holes sampled at 1metre intervals. Assayed as 1metre intervals in visibly conspicuous mineralisation, otherwise composited and assayed as 3 metre intervals.

* denotes assayed as or partly assayed as 3m composites

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 Chile

5) Assayed by 30 gram fire assay with gravimetric finish

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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

7) HRC001 was abandoned before reaching target depth.

8) HRC007 and HRC008 drilled in November 2010 early in the program were abandoned before reaching planned depth. These holes are situated below the surface trench intercept of 19m @ 2.22g/t Au including 5m @ 8.36g/t Au which was released to the market on June 9, 2010. These holes will be either re-entered or redrilled.

9) HRC011 and HRC013 - Both holes were planned to define the south eastern margin of the dolerite dyke which cross cuts mineralisation in the vicinity of the Kaburi Blackwater Creek. The holes were to be drilled just outside the mineralised zone, and approximately parallel to mineralisation. No mineralisation was expected to be encountered. However HRC013 did intersect mineralisation at the bottom of the hole, and the dyke contact in this area remains poorly constrained. Further drilling to define the contact will be conducted at the end of the planned program.

10) HRC015 - Mineralisation designed to be intersected near surface by HRC015 is not where it has been interpreted, rather it has been displaced about 15m and HRC014 which has a collar in close proximity intersected the intended target zone of HRC015 at surface (8m @ 1.38g/t Au). HRC015 will be stepped back and redrilled.

11) HRC017 was a speculative hole designed to test for additional parallel zones of mineralisation to the northeast of the Hicks zone beyond that encountered in HRC018.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Dominic O'Sullivan', with a small dot at the end of the signature.

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'")

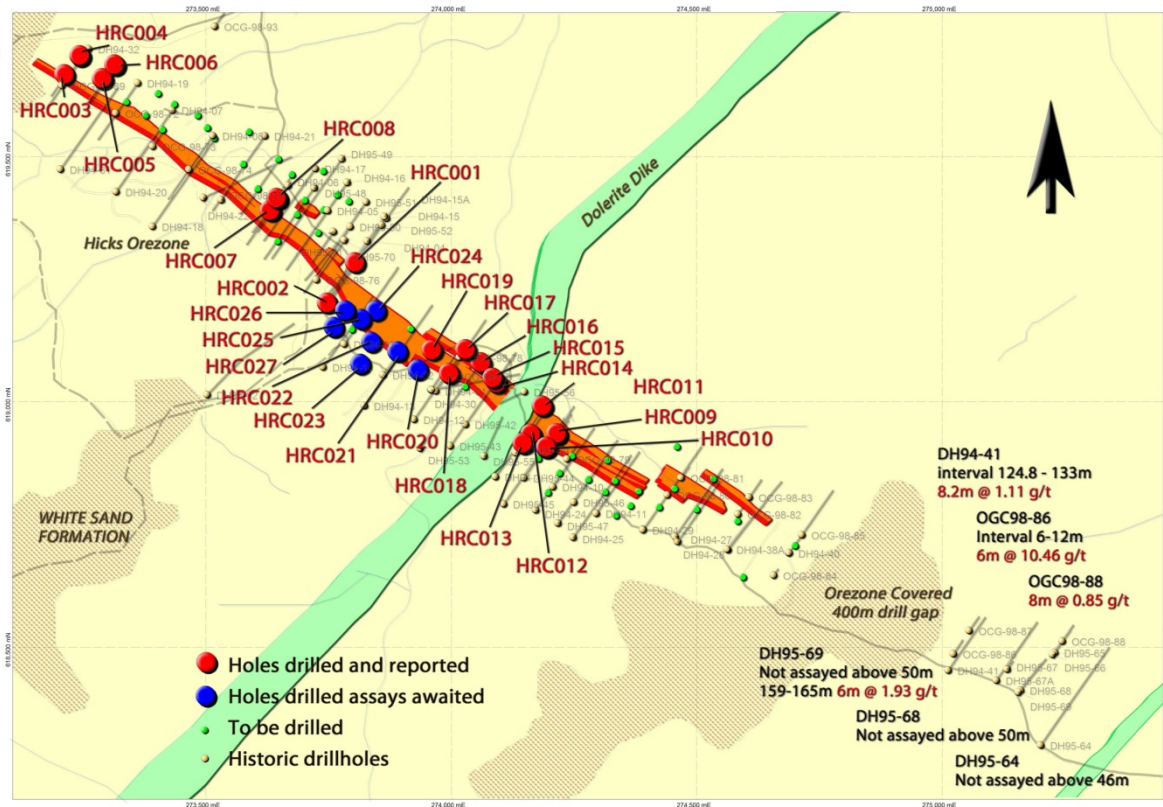


Figure 1 Showing outline of Hicks mineralised zone, location of historic drill collars (yellow), planned Azimuth RC drill holes (green), drilled and assayed Holes (red) and drilled Azimuth RC holes with assays yet to be received (blue). Grid lines are 250m apart.

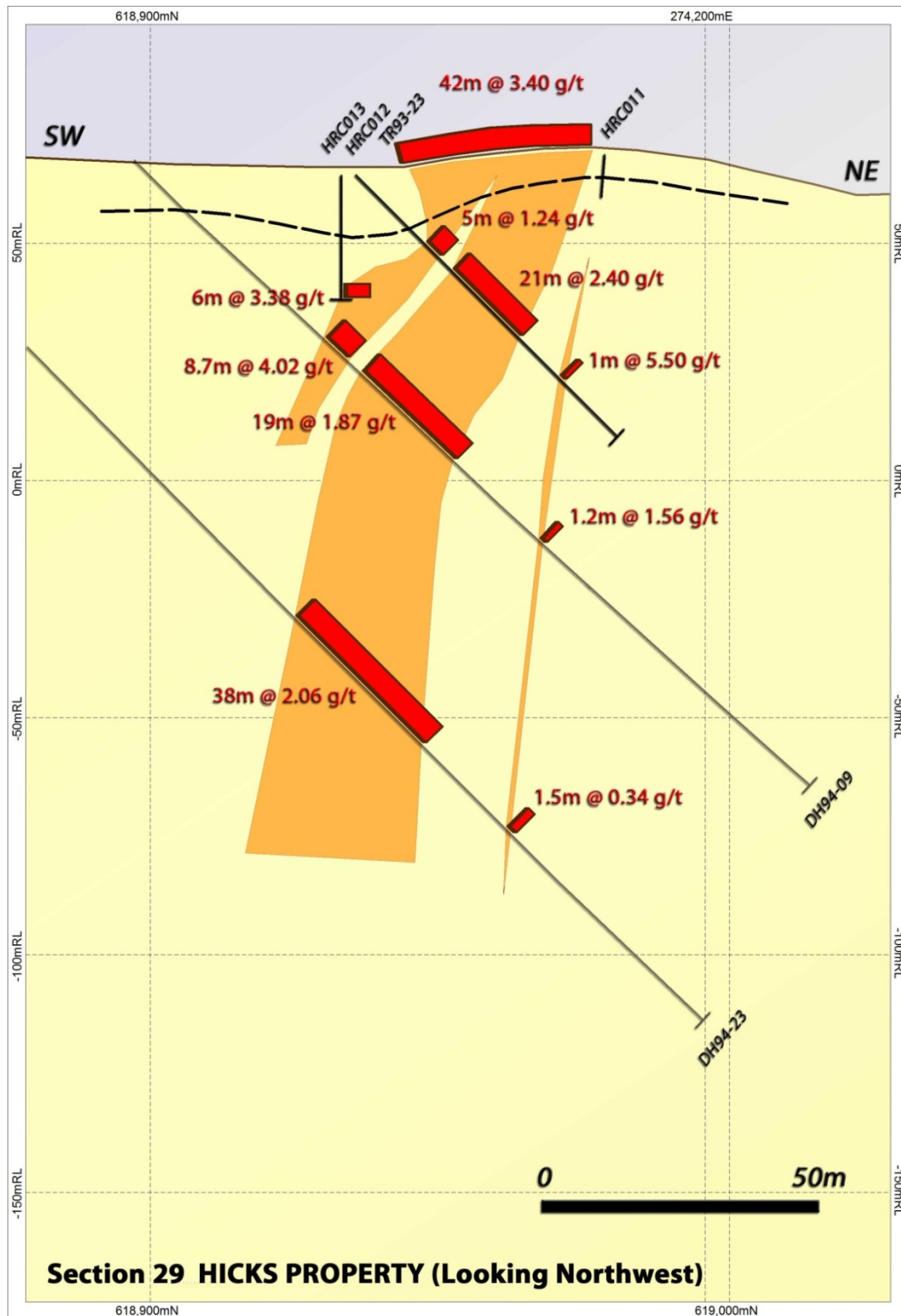


Figure 2. Cross Section, showing Azimuth's drill hole HRC011, 12 & 13 together with historic diamond drill holes and surface trenches. Holes HRC011 and 13 were drilled with an azimuth of 300° approximately 90° to the plane of the cross section. Base of oxidation is shown as the black dashed line.

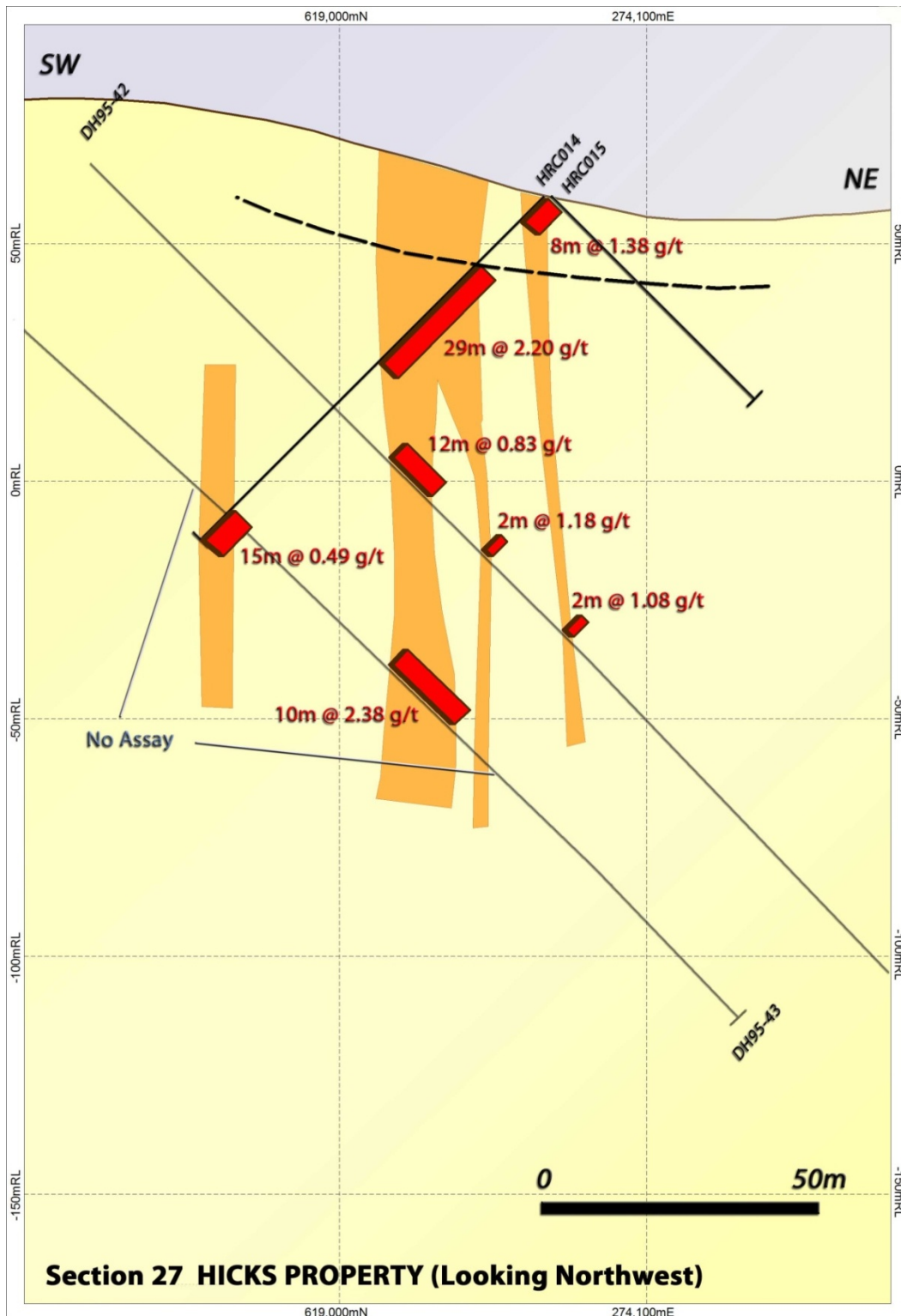


Figure 3. Cross Section, showing Azimuth's drill hole HRC014 & 15 together with historic diamond drill holes. Base of oxidation is shown as the black dashed line. There are no historic trenches on this section line. The historic diamond drill hole DH95-43 was not assayed in the area above or below the main Hicks zone and consequently was not assayed where HRC014 intersected 15m @ 0.49 g/t Au.

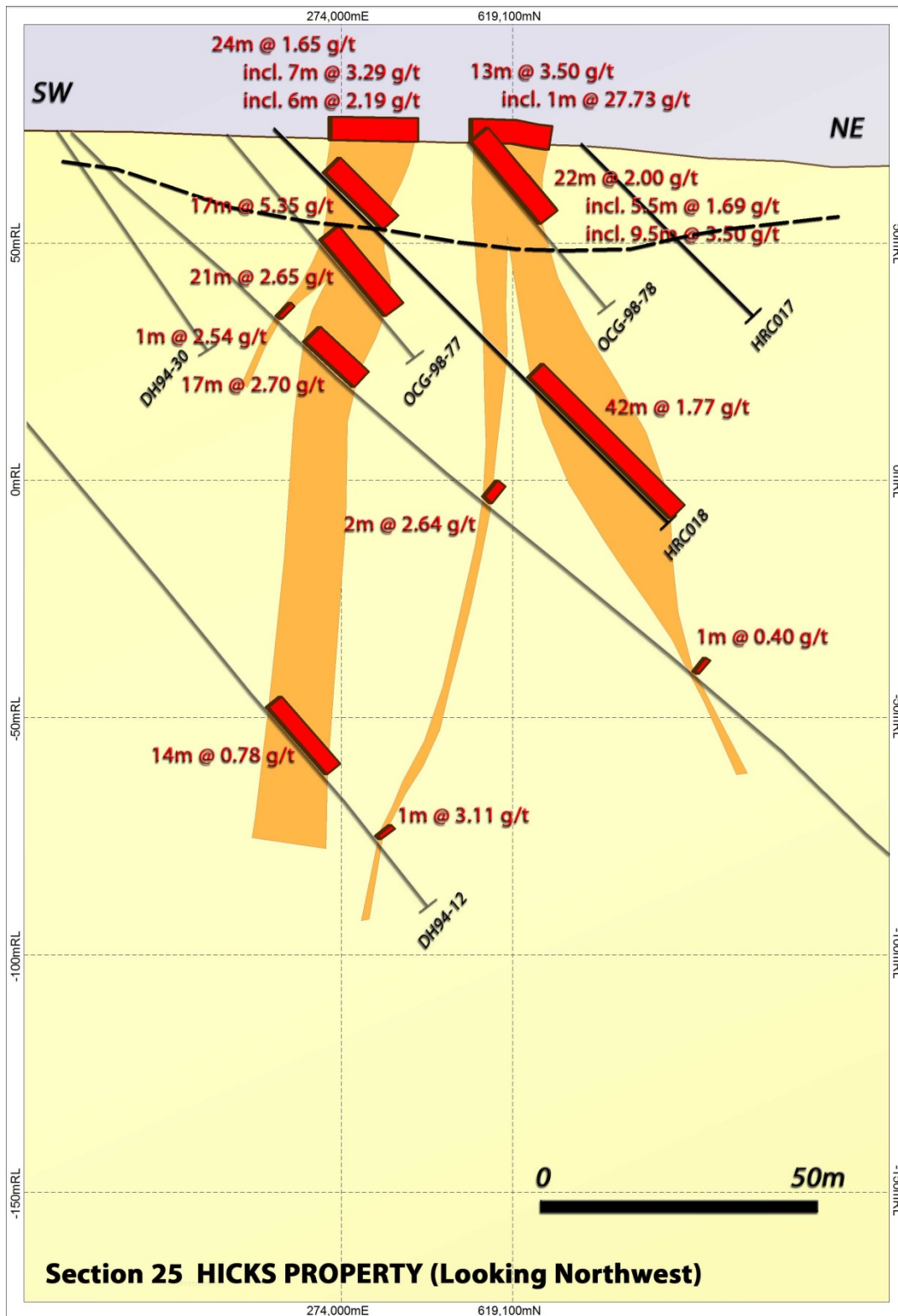


Figure 3. Cross Section, showing Azimuth's drill holes HRC018 & 17 together with historic diamond drill holes and trenches. Further drilling is required to define the orientation and extent of the end of hole mineralisation encountered in HRC018 of 42m @ 1.72g/t Au.