



Exploration Update

ASX Release

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Dean Felton - Non-Executive Director

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Issued Capital

418,911,161 Ordinary Shares

22,782,954 Unlisted Options

ASX & TSX Code

AZH (Fully Paid Ordinary Shares)

About Azimuth:

Azimuth Resources is a Guyana focused gold explorer with a portfolio of gold exploration projects totalling over 8,000km² of granted licences (East and West Omai Projects).

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PERTH AUSTRALIA. Azimuth Resources Limited (ASX and TSX: AZH) (the “Company” or “Azimuth”) is pleased to provide an update on exploration activities at its West Omai Project. Following on from our maiden resource statement, Azimuth continues to expand existing deposits at depth and along strike. In parallel, Azimuth continues to test the region with programs at several promising targets outside of the Smarts and Hicks resource envelopes.

Resource Extension Drilling at Smarts

Drilling at Smarts has likely extended the resource wireframes at depth and along strike;

The location of the results appear in Figure 1. Recent results include;

- SDD017: 9m @ 3.9 g/t Au (from 269m) including 3m @ 9.3 g/t Au (from 272m)
- SDT601: 5m @ 9.9 g/t Au (from 153m) and 2m @ 6.4 g/t Au (from 164m)
- SRC629: 11m @ 4.9 g/t Au (from 78m)
- SDD019: 8m @ 1.7 g/t Au (from 148m) and 5m @ 4.3 g/t Au (from 184m)
- SRC624: 11m @ 2.3 g/t Au (from 98m – hole ended in mineralization)
- SDD010: 3m @ 6.8 g/t Au (from 119m)
- SDT579: 1m @ 148 g/t Au (from 62m)

Developing Exploration targets at West Omai

In addition to drilling at Smarts and Hicks, the Company has been scout drilling at other targets in West Omai. An RC rig has been scouting targets between El Paso and Kaburi (see Figure 2, regional prospect map), as well as completing several lines between the Hicks and Smarts deposits.

Most encouragingly, results have been received for HRC089, which is 140m and HRC095 which is 250m northwest along strike from the last section of the Hicks resource. The holes returned the following results and positively suggest that the structure is continuous in this direction towards Smarts and warrants further investigation;

- HRC089 4m @ 1.7 g/t Au (from 99m)
- HRC095 8m @ 1.1 g/t Au (from 46m)

In addition, drilling lateral to the Hicks main load to the NE has discovered the potential for a sub-parallel gold bearing structure;

- HRC102 3m @ 2.2 g/t Au (from 4m) and 5m @ 0.9 g/t Au (from 80m)
- HRC094 1m @ 25.9 g/t Au (from 46m)

Regional first pass scout drilling assessment of areas laying outside the Hicks Smarts trend have resulted in encouraging signs of mineralization. Three prospects (Powers, Gold Star & El Dorado) have undergone first pass drilling, each of which have returned encouraging mineralized structures containing high grades within broader intervals of anomalous gold values.

Geophysics

Processing and interpretation of the airborne magnetics / radiometrics data that was collected earlier this year continues. The new images and processing highlight the mineralized trends and further enhance the geological understanding of the West Omai area and will be incorporated into targeting methodology going forward.

Resource Extension Drilling at Smarts

The recent drilling at Smarts in the Company's view has likely extended the resource wire frames in the Central area down dip approximately 100-125m (to approximately 250m vertical depth), over several hundred metres of strike length. Other smaller existing areas of mineralization along the length of the Smarts structure have also been extended and joined together by the recent drilling. Two drill rigs are currently focusing on extending high grade mineralization at Smarts. This drilling is a combination of shallow RC holes along strike of the known deposits and deeper core holes attempting to extend the high grade shoots down dip. Over the coming months similar drilling will be completed at Hicks.

Depth extension results at Smarts currently outside of the resource envelope are as below:

- SDD017 9m @ 3.9 g/t Au (from 269m) including 3m @ 9.3 g/t Au (from 272m)
- SDT601: 5m @ 9.9 g/t Au (from 153m) and 2m @ 6.4 g/t Au (from 164m)
- SDD010: 3m @ 6.8 g/t Au (from 119m)
- SRC624: 11m @ 2.3 g/t Au (from 98m – hole ended in mineralization)

Intercepts in the north-western portion of Smarts (along strike and sub parallel lodes) that are currently outside of the resource envelopes;

- SRC629 11m @ 4.9 g/t Au (from 78m) – this brings a known object, closer to the surface
- SDT579 1m @ 148 g/t Au (from 62m).
- SDD020 2m @ 2.0 g/t Au (from 80m)

It is the view of the Company that these results, along with previously released results outside of the resource envelope (including 18m @ 6.8 g/t Au, 5m @ 5.9 g/t Au, 5m @ 7.6 g/t Au and 6m @ 5.0 g/t Au) signify intercepts that will likely ultimately add to the resource inventory of the project. Locations of significant intercepts appear in Figure 1;

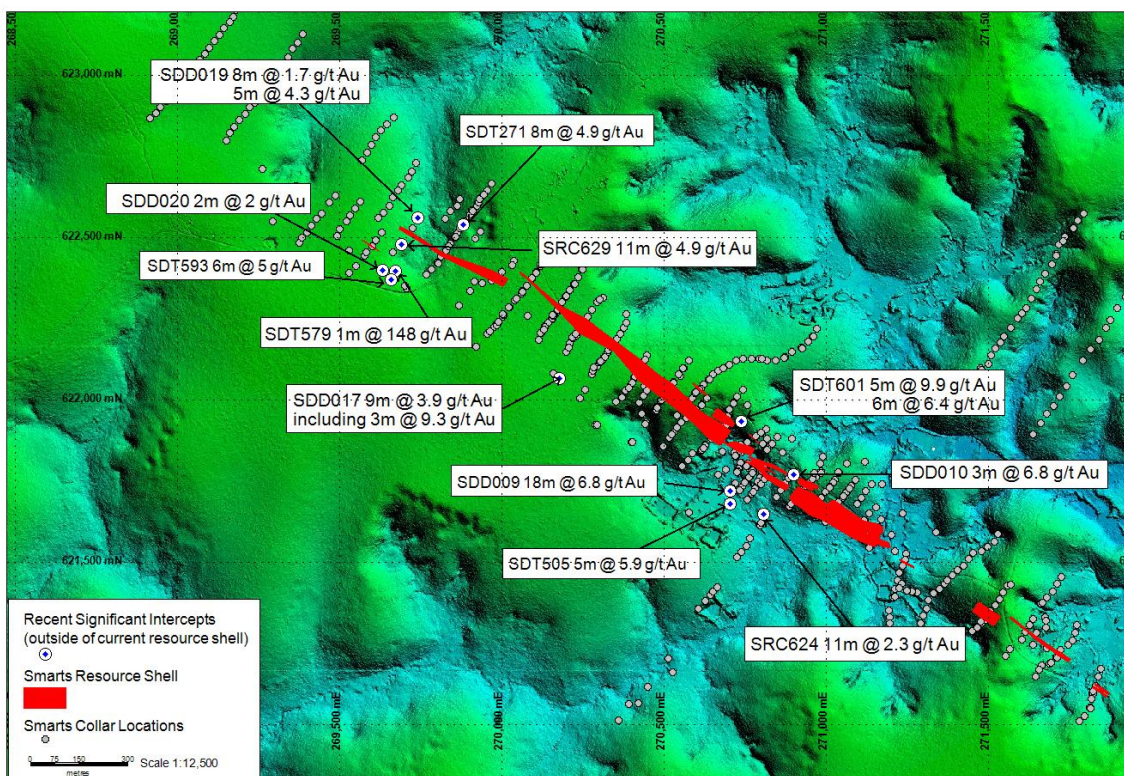


Figure 1: Map identifying recent significant collar locations.

Developing Exploration targets at West Omai

In addition to the drilling expanding the resources described above, the Company is continuing to develop new targets at West Omai.

A third rig is scout drilling between Kaburi and El Paso in an area where several coincident surface geochemical anomalies and magnetic lineaments occur. The magnetic trends appear to be the northwest extensions of the Smarts and Kaburi structures.

Several lines of scout RC drill holes have recently been completed between the Smarts and Hicks deposits looking to illustrate continuity.

Recent results indicate potential for a +250m strike extension to the Hicks orebody. Shear zones with quartz and minor sulphides were intersected in some of the holes and look to be the likely NW extension of the Hicks Deposit. Assay results have been received for HRC089 and HRC095 which are 140m and 250m respectively northwest along strike of the last section at Hicks. HRC089 returned 4m @ 1.7 g/t Au and is located down dip of quartz vein hosted 3m @ 3 g/t Au (HRC067). HRC095 returned 3m @ 2.2 g/t Au and 8m @ 1.1 g/t Au, also hosted in quartz veining. These results show that the mineralized structure is continuous in this direction with follow up drilling to be undertaken. Assay results are pending for the other drill holes in this area.

A line of scout holes approximately 500m east of the Kaburi artisanal open pit was completed during July. This line of holes targeted east - west and northwest trending magnetic linears that possibly control mineralization at Kaburi. Minor quartz and sulphide zones were intersected and assay results are pending.

Final remaining assay results have been received from the RC scout programs that were conducted at Goldstar, Powers and Eldorado. Each of these targets test under and adjacent to previous and currently worked small scale mining activities known to recover significant gold. Anomalous gold intersections were recorded at each of the prospect areas with maximum gold values including:

- Powers - values up to 0.95 g/t Au (within shear hosted quartz pyrite veining visually similar to mineralization at Smarts).
- Gold Star – values up to 6.28 g/t Au (mineralization hosted within and on the margins of a granitic intrusive body aligned to the regional prospective NW trend).
- Eldorado – values up to 8.78 g/t Au (hosted in quartz veining within saprolite).

Azimuth is very encouraged by these first pass regional drill programs. Whilst the intersections to date are not representative of imminently economic deposits, the geological understanding has been enhanced. The aid of recently re-processed magnetic and radiometric data sets will greatly assist with follow up targeting. The scout RC rig continues to assess numerous other high potential magnetic features within the tenement but will move back to do follow up drilling in these areas in Q4 2012. A map identifying the locations of the Company's regional prospects is presented in Figure 2.

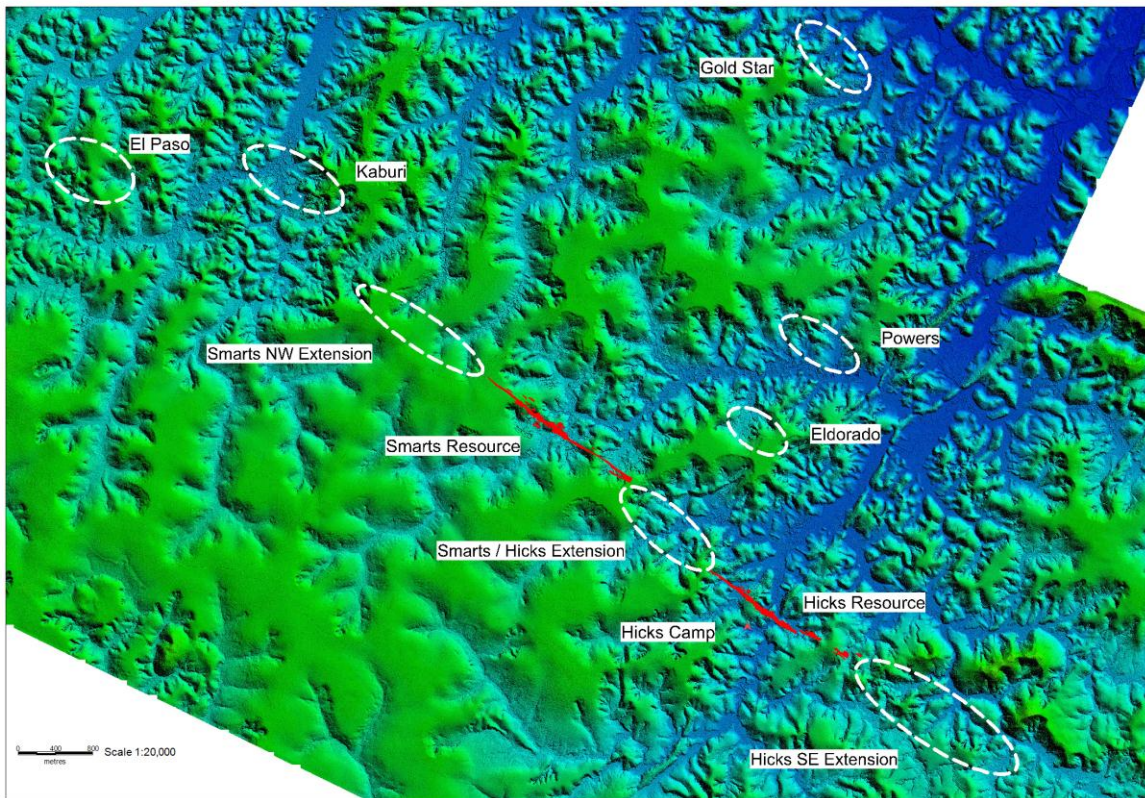


Figure 2; West Omai Regional Drill Targets.


Geophysics

The airborne magnetics / radiometrics data that was collected earlier this year has recently had further advanced processing and interpretation completed.

The new images and processing highlight the mineralized trends and further enhance the geological understanding of the West Omai area. Several obvious areas for ground checking and reconnaissance work have already been identified and are in the project pipeline.

A trial IP – Resistivity survey over the Smarts orebody is planned for September. If this technique can identify the mineralised structure under the sand cover the technique will be used elsewhere in the project area searching for similar profiles. This technique could be crucial in areas of sand cover where geochemical techniques aren't as effective.

The Company is very encouraged by these results as it continues to work towards expanding the resource inventory and develop targets in the West Omai project.



Richard Monti
Executive Director

Competent Person's Statement

The scientific and technical information in this news release is based on information compiled by Mr. Richard Monti who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Monti is a Director of Azimuth Resources Ltd. Mr. Monti 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' and a qualified person as defined in National Instrument 43-101. Mr. Monti consents to the inclusion in this news release of such information and approves such information in the form and context in which it appears.

For a description of Azimuth's data verification process, quality assurance and quality control measures, the effective date of the mineral resource and mineral reserve estimates contained herein, details of the key assumptions, parameters and methods used to estimate the mineral resources and reserves set out in this report and the extent to which the estimate of mineral resources or mineral reserves set out herein may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or other relevant issues, readers are directed to the technical report entitled "Technical Report – West Omai Gold Project, Guyana" dated May 30, 2012.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking information, including statements concerning the Company's projects, exploration results, proposed exploration, analyst coverage, the ability to raise funds and other matters. Any statements that express or involve predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "plans", "likely", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are forward-looking statements.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to materially differ from those reflected in the forward-looking statements, including, without limitation: inherent uncertainties and risks associated with mineral exploration; uncertainties related to the availability of future financing; uncertainties related to the outcome of studies; uncertainties relating to fluctuations in gold or uranium prices; the risk that Azimuth's title to its properties could be challenged; uncertainties related to general economic and financial conditions; and uncertainties related to fluctuations in Azimuth's share price. This list is not exhaustive of the factors that may affect any of Azimuth's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Azimuth or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in the Company's Annual Information Form under the heading "Description of the Business - Risk Factors" and elsewhere.

Azimuth's forward-looking statements are based on the assumptions, beliefs, expectations and opinions of management as of the date hereof and which Azimuth believes are reasonable in the circumstances, but no assurance can be given that these expectations will prove to be correct. These assumptions include, but are not limited to, that there will be no material adverse change affecting the Company or its properties and such other assumptions as set out herein. Azimuth disclaims any intention or obligation to update or revise forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.