

ASX / TSX & Media Release

ASX Code – AZM

TSX Code – AZR

19th July 2012



www.azumahresources.com.au

Investment Highlights:

- NI 43-101 and JORC Code reportable 1.02Moz Measured & Indicated and 0.66Moz Inferred Mineral Resource at Wa Gold Project, NW Ghana
- 100% of 3,100km² licences hosting over 150km of prospective Birimian greenstone belt. Less than 10% effectively explored
- Feasibility Study nearly completed for multi-pit, +1.0Mtpa, 80 - 100,000oz per year mining and gravity / CIL operation
- Aggressive \$20M, 2012 drilling programme focused on resource discovery and increase
- 17% strategic investment in neighbour, Castle Minerals Limited
- Board and management team of successful explorers, mining and corporate professionals

Issued Capital:

333.6M ordinary shares
9.5M unlisted options
4.1M performance rights

Directors & Management:

Chairman:
Michael Atkins

Managing Director:
Stephen Stone

Non-Executive Directors:
Geoff M Jones
Willaim (Bill) LeClair

Company Secretary:
Dennis Wilkins

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Resource Increase Expected For Julie Deposit

- ▶ Drilling confirms mineralisation at Julie deposit extends to more than 100m depth and below base of planned pits
- ▶ Increase in Julie and Wa Gold Project Mineral Resources likely later in 2012 – currently 1.02Moz Measured & Indicated and 0.66Moz Inferred
- ▶ Best intercepts to date (30 of 72 holes received) include:-
 - 9.1m @ 2.92g/t Au from 117.3m (AJUCD599A)
 - 13.0m @ 4.24g/t Au from 82m (AJUC606)
 - 5.0m @ 13.28g/t Au from 133m (AJUC611)
 - 6.0m @ 3.86g/t Au from 105m (AJUC614)
 - 7.0m @ 7.90g/t Au from 36m (AJUC615) and 9.0m @ 4.65g/t Au from 64m
 - 11.0m @ 3.04g/t Au from 86m (AJUC616)
 - 1.0m @ 45.43g/t Au from 63m (AJUC656)
- ▶ Drilling reinforces possibility of a stand-alone mining operation at Wa East
- ▶ Second phase of drill testing at nearby Collette deposit completed
- ▶ Initial drill test of new targets at Kjersti prospect also completed – results pending
- ▶ Cash and listed investments of \$22.5M

“Exploration continues to confirm the excellent gold endowment of the plus-3,000km² Wa Gold Project with a strong likelihood that current Mineral Resources can be increased to enhance the development of a long term mining operation.”
said Azumah Managing Director, Stephen Stone

“Even more interesting is that the latest Julie depth extension drilling and other encouraging work increases the possibility of a stand-alone mining operation being established at Wa East”.

West African gold explorer and developer Azumah Resources Limited (ASX: AZM TSX: AZR) is pleased to report that interim drilling results at its Wa Gold Project's Julie deposit have confirmed that mineralisation extends to at least 100 metres below surface.

Julie Mineral Resources are presently 386,000oz Measured and Indicated and 181,000oz Inferred based on drilling to a maximum depth of 50m. The recent drilling results indicate a possible upgrade in Julie Mineral Resources later this year and, subject to a number of economic parameters, a possible deepening of current optimised pits at Julie (refer Figures 1, 2 and 3. Tables 1 and 2).

These latest results from Wa East strengthen the rationale for the Wa East licences to host a second stand-alone mining operation within Azumah's extensive Wa Gold Project licences. This would be an alternative to trucking the Wa East material to a processing plant at Kunche, as is the current basis of the soon to be completed Wa Gold Project Feasibility Study.

The possible upgrade in Mineral Resources at Julie may also be accompanied by additional resources arising from work recently completed at the flagship Kunche and Bepkong deposits as well as from drilling between them at Aduane (refer ASX release dated 19th June 2012).

Azumah's current Mineral Resource base stands at 1.02Moz Measured & Indicated and 0.66Moz Inferred with only 10% of its extensive licence holdings explored to date.

The majority of the Julie Mineral Resources occur towards the central and eastern end of the 6km east-west trending Julie structure where two high-grade, shallow-dipping mineralised zones with a surface extent of approximately 1km each are recognised. The latest drilling confirms that both of these zones extend to greater than the 50m depth limit of previous drilling and that grades also appear to improve with depth.

Two multi-purpose drill rigs are on site to infill drill the Julie mineralisation on 50m spaced drill traverses in order to increase Indicated Mineral Resources and generally to provide more complete coverage of the whole Julie prospect, with the focus being to delineate additional near-surface mineralisation conducive to open pit mining methods.

Further infill drilling and modelling is also planned to determine if, as is the case at Kunche-Bepkong, high-grade plunging "shoots" can be defined within the two high-grade zones. This information can also be used to assist planning of other exploration drilling at Julie as well as follow-up programmes planned for the nearby Collette deposit and Kjersti prospect (refer below).

Programme Details

The recently completed Julie depth extension programme comprised 72 holes for 9,879 metres. Drill traverses were spaced at approximately 100m intervals along strike over the full length of each zone. All holes were drilled at -50° towards the south to provide perpendicular intercepts (for approximate true widths) of the shallow (30-40°), north-dipping, host shear zone.

Assay results from the first 30 holes are reported in this release with the remaining results expected within the next month.

Several of the deeper holes were diamond core drilled to provide enhanced geological information, which is being used to refine the geological model of the deposit.

Numerous mineralised intersections were made, with the better intercepts including:

- 4.0m @ 3.63g/t Au from 93m (AJUCD599A) and 9.1m @ 2.92g/t Au from 117.3m
- 13.0m @ 4.24g/t Au from 82m (AJUC606)
- 2.0m @ 6.14g/t Au from 53m (AJUC607) and 10.0m @ 1.69g/t Au from 127m

- 3.0m @ 9.03g/t Au from 118m (AJUC609)
- 5.0m @ 13.28g/t Au from 133m (AJUC611)
- 6.0m @ 3.86g/t Au from 105m (AJUC614)
- 7.0m @ 7.90g/t Au from 36m (AJUC615) and
9.0m @ 4.65g/t Au from 64m
- 11m @ 3.04g/t Au from 86m (AJUC616)
- 9.0m @ 2.89g/t Au from 92m (AJUC617)
- 10.0m @ 1.19g/t Au from 95m (AJUC625)
- 4.0m @ 4.18g/t Au from 46m (AJUC627) and
4.0m @ 2.15g/t Au from 71m
- 6.0m @ 3.52g/t Au from 79m (AJUC628)
- 1.0m @ 45.43g/t Au from 63m (AJUC656)

Collette deposit follow-up drilling

A preliminary follow-up drilling programme has been completed at the Collette deposit, 10km east of Julie, where Azumah had previously defined a 79,000oz Inferred Mineral Resource.

Eleven holes for 1,774m were drilled principally to gather more geological data from the best mineralised zone but also to test a new geological model inferring a northeast-trending cross-cutting structure that may be one of the controls on the localisation of higher grades. Several sheared intercepts containing arsenopyrite, which is often an indicator of high grades, have been logged in diamond core. Assay results are awaited.

Further drilling will be planned for the next field season, starting in October, when the geology and assay results of this latest programme have been properly assessed.

Kjersti follow-up drilling

The Kjersti prospect, located about 8km northwest of Julie, is at an early stage of exploration. Limited drilling, soil sampling and follow-up soil augering have defined several coherent geochemical anomalies and the presence of artisanal miner workings is also encouraging.

Kjersti mineralisation appears to be focused on the north-dipping contact zone between meta-sediments and basalts, although what appear to be slivers of granodiorite - the host to mineralisation at Julie - have been intersected in a number of holes.

The recent drilling of 35 holes for 3,737m has focused on the Kjersti Central prospect, but an initial drill test was also made on a nearby northeast-trending geochemical anomaly aligned along a fault zone, interpreted from Landsat TM imagery and airborne geophysics. Results are awaited from both programmes.

Market comment and strategy

Several of Azumah's major overseas-based institutional shareholders are experiencing either redemptions by their own shareholders or other challenges. Azumah's management believes this is having a doubly negative impact on its share price in an already difficult market environment. However, there has been consistent buying interest in Azumah stock, which management sees as recognition of its excellent assets and support for its strategy.

Importantly, Azumah holds cash and listed investments totalling \$22.5 million making it well positioned to ride out this present market malaise.

Management is carefully balancing the prudent preservation of its capital with the need to progress essential value-adding activities including exploration focused on Mineral Resource increases, completion of its Feasibility Study for the Wa Gold Project and project development licences and approvals.

In addition to a regular flow of exploration results, a maiden ‘Stage One’ Mineral Reserve will be announced in coming weeks and a Feasibility Study completed several weeks after that.

For further information on Azumah Resources Limited and its projects please visit the Canadian SEDAR website and Azumah’s own website at www.azumahresources.com.au

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Figure 1: Wa Gold Project – Key Deposits and Prospects

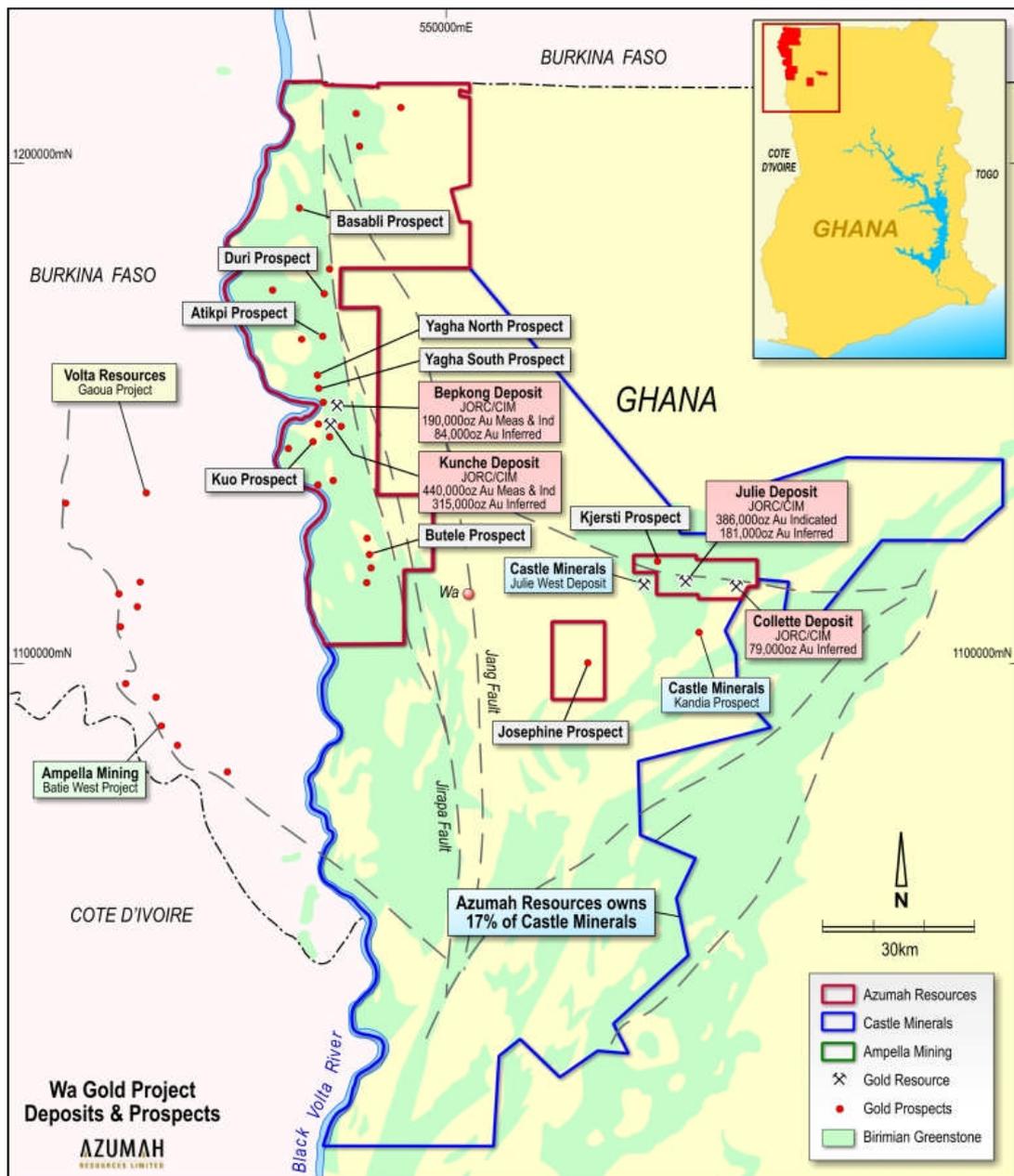


Figure 2: Julie Deposit: latest RC and diamond core drilling results

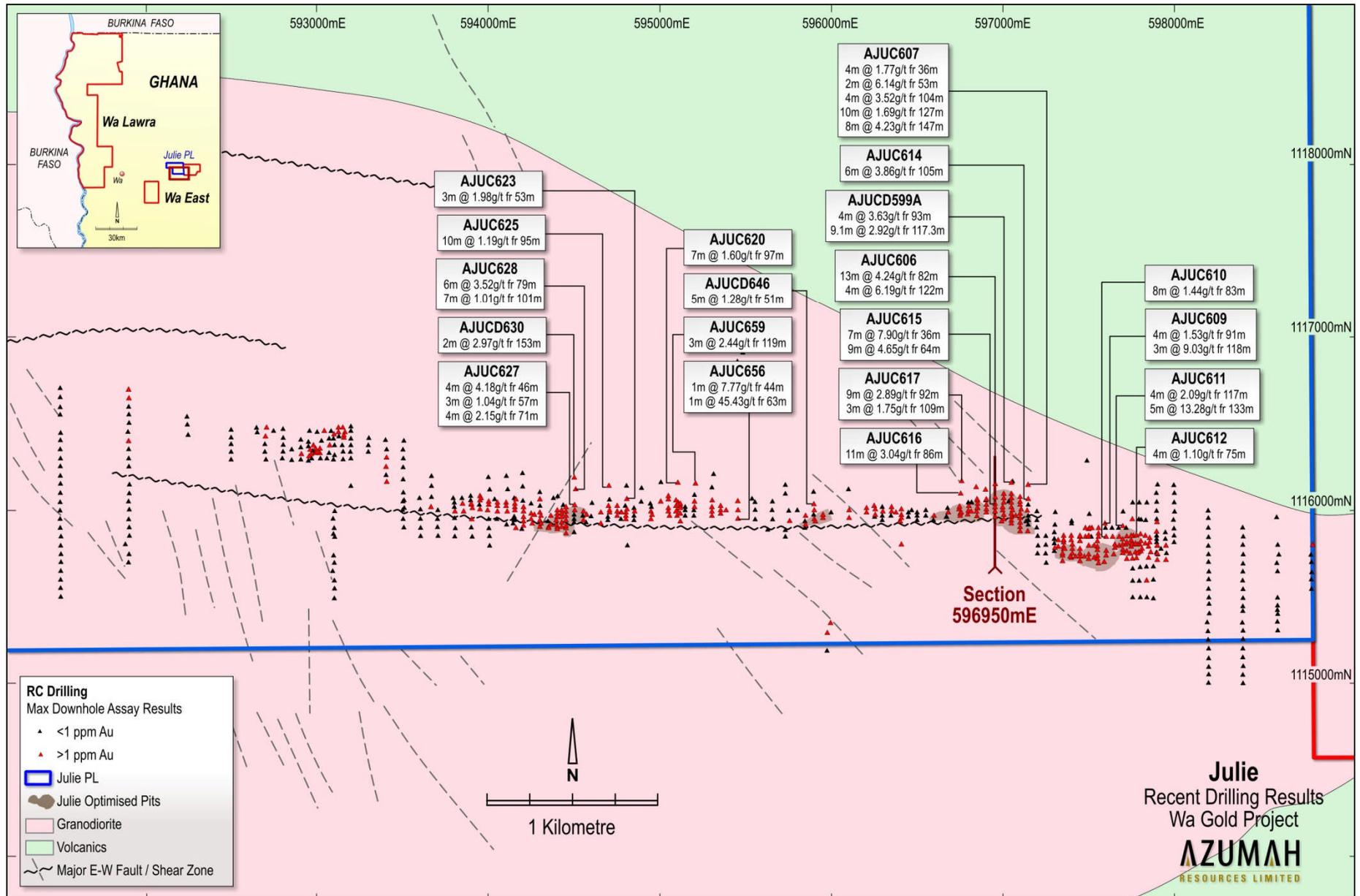


Figure 3: Julie deposit: Cross-Section 1596950mE

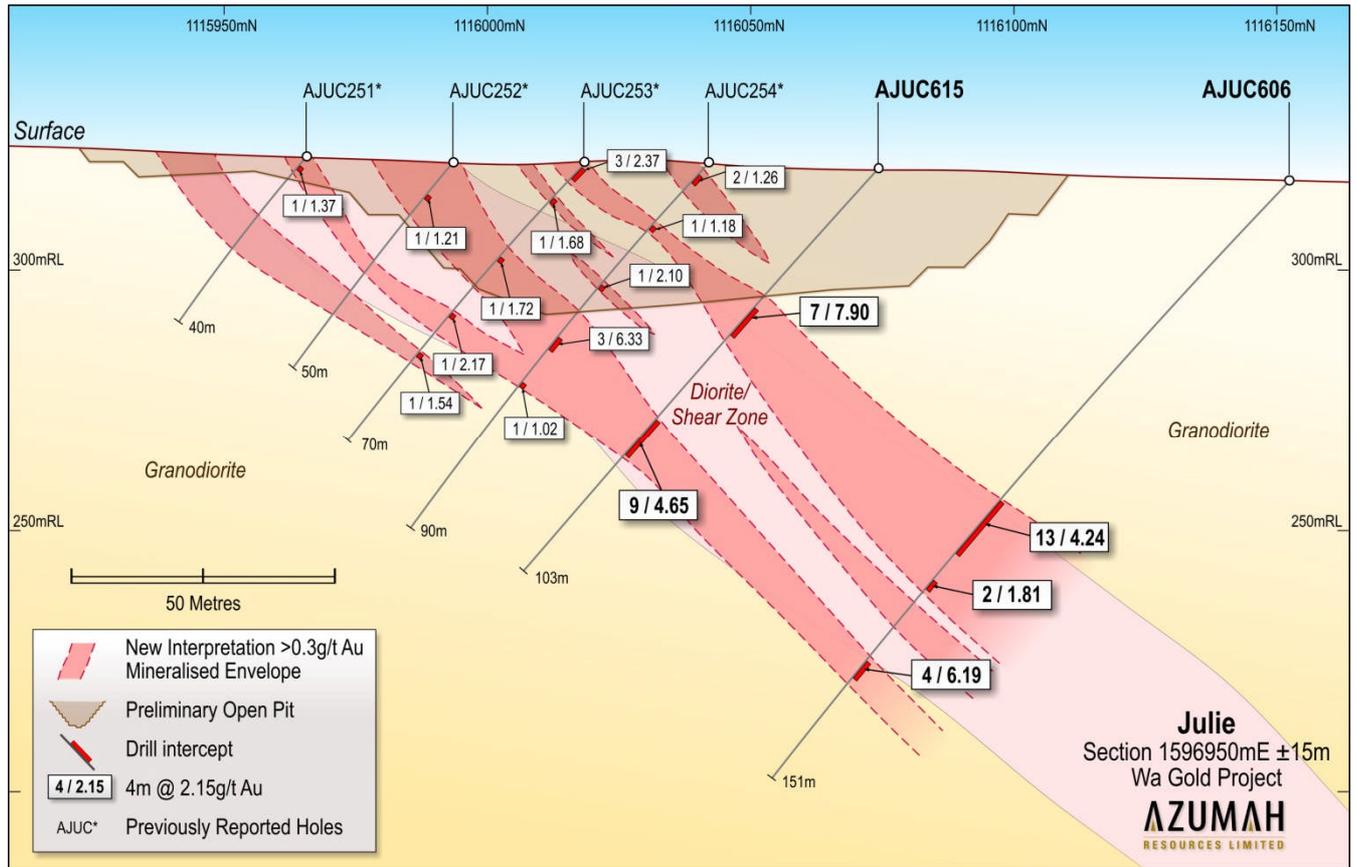


Table 1: Julie Deposit – Interim depth extension RC and diamond core drilling programme results

Hole ID	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Au (g/t)
AJUCD599A	597,053	1,116,161	177.0	-50	185	93.0	97.0	4.0	3.63
						117.3	126.4	9.1	2.92
AJUCD600B	597,401	1,115,936	185.5	-50	185	132.0	134.0	2.0	2.87
AJUCD601	597,503	1,115,981	197.7	-50	185	108.0	109.0	1.0	1.67
AJUC604	597,898	1,115,934	179.0	-50	185	123.0	124.0	1.0	2.13
AJUCD605B	596,843	1,116,134	170.7	-50	185	50.0	51.0	1.0	1.54
AJUC606	596,956	1,116,152	151.0	-50	185	82.0	95.0	13.0	4.24
						102.0	104.0	2.0	1.81
						122.0	126.0	4.0	6.19
AJUC607	597,147	1,116,149	171.0	-50	185	36.0	40.0	4.0	1.77
						53.0	55.0	2.0	6.14
						104.0	108.0	4.0	3.52
						127.0	137.0	10.0	1.69
						147.0	155.0	8.0	4.23
					Including	147.0	148.0	1.0	18.53
						163.0	164.0	1.0	2.89
AJUC609	597,597	1,115,926	181.0	-50	185	91.0	95.0	4.0	1.53
						118.0	121.0	3.0	9.03
AJUC610	597,602	1,115,845	121.0	-50	185	77.0	78.0	1.0	1.81
						83.0	91.0	8.0	1.44

Hole ID	East	North	Depth (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Au (g/t)
AJUC611	597,700	1,115,910	151.0	-50	185	117.0	121.0	4.0	2.09
						133.0	138.0	5.0	13.28
AJUC612	597,802	1,115,862	121.0	-50	185	75.0	79.0	4.0	1.10
						97.0	98.0	1.0	5.78
AJUC614	597,149	1,116,065	121.0	-50	185	76.0	77.0	1.0	1.88
						105.0	111.0	6.0	3.86
						120.0	121.0	1.0	1.11
AJUC615	596,956	1,116,074	103.0	-50	185	36.0	43.0	7.0	7.90
						64.0	73.0	9.0	4.65
AJUC616	596,753	1,116,098	115.0	-50	185	62.0	67.0	5.0	0.54
						78.0	79.0	1.0	6.59
						86.0	97.0	11.0	3.04
AJUC617	596,759	1,116,171	164.0	-50	185	92.0	101.0	9.0	2.89
						109.0	112.0	3.0	1.75
AJUC620	595,102	1,116,161	139.0	-50	185	97.0	104.0	7.0	1.60
AJUC621	595,302	1,116,058	121.0	-50	185	45.0	47.0	2.0	1.18
						68.0	69.0	1.0	1.06
						78.0	79.0	1.0	2.26
AJUC623	594,806	1,116,067	109.0	-50	185	53.0	56.0	3.0	1.98
						88.0	89.0	1.0	2.65
AJUC625	594,701	1,116,142	145.0	-50	185	95.0	105.0	10.0	1.19
AJUC627	594.502	1,116,032	110.0	-50	185	46.0	50.0	4.0	4.18
						57.0	60.0	3.0	1.04
						71.0	75.0	4.0	2.15
AJUC628	594,504	1,116,118	139.0	-50	185	79.0	85.0	6.0	3.52
						107.0	114.0	7.0	1.01
AJUCD630	594,500	1,116,188	204.8	-50	185	153.0	155.0	2.0	2.97
						163.0	164.0	1.0	6.01
AJUCD631	594,299	1,116,103	159.1	-50	185	153.0	154.0	1.0	1.03
AJUC646	595,897	1,116,038	120.0	-50	185	51.0	56.0	5.0	1.28
AJUC647	595,896	1,116,108	139.0	-50	185	70.0	71.0	1.0	1.22
						84.0	85.0	1.0	1.29
AJUC652	593,901	1,116,190	150.0	-50	185	90.0	91.0	1.0	3.22
						96.0	97.0	1.0	1.04
AJUC655	595,414	1,115,972	71.0	-50	185	21.0	22.0	1.0	1.13
						44.0	45.0	1.0	7.77
						63.0	64.0	1.0	45.43
AJUC659	594,402	1,116,160	151.0	-50	185	119.0	122.0	3.0	2.44
AJUC660	596,103	1,116,036	70.0	-50	185	28.0	31.0	3.0	1.11
AJUC661	596,094	1,116,111	103.0	-50	185	91.0	92.0	1.0	2.33

Table 2: Summary of WA Gold Project Mineral Resources - March 2012

Cut-off 0.5 g/t Au	Measured			Indicated			Measured and Indicated			Inferred		
	Tonnes (Mt)	Grade (g/t)	Gold (oz)	Tonnes (Mt)	Grade (g/t)	Gold (oz)	Tonnes (Mt)	Grade (g/t)	Gold (oz)	Tonnes (Mt)	Grade (g/t)	Gold (oz)
Kunche	3.17	1.94	198,000	4.95	1.52	242,000	8.13	1.68	440,000	7.35	1.33	315,000
Bepkong	2.02	1.81	117,000	1.67	1.36	73,000	3.69	1.60	190,000	1.98	1.32	84,000
Julie				7.92	1.52	386,000	7.92	1.52	386,000	3.74	1.51	181,000
Collette										1.69	1.45	79,000
Total	5.19	1.89	315,000	14.54	1.50	701,000	19.74	1.60	1,016,000	14.76	1.39	659,000

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Nick Franey, who a full-time employee (General Manager Geology) of Azumah Resources Ltd. Mr Franey is a Member of the Australian Institute of Geoscientists 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' and to qualify as a "Qualified Person" as defined in National Instrument 43 -101 – Standards of Disclosure for Mineral Projects ("NI 43-101") of the Canadian Securities Administrators. Mr Franey consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

For a description of Azumah's standard data verification processes, quality assurance and quality control measures, and details of the key assumptions, parameters and methods used to estimate the Mineral Resources set out in this report and the extent to which the estimate of previously declared Mineral Resources set out herein may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, marketing or relevant issues, readers are directed to the technical report entitled "NI 43-101 Azumah Resources Limited Wa Gold Project, North West Ghana", dated 3rd May, 2012.

For further information on the Wa Gold Project in general please refer to the Company's website at www.azumahresources.com.au and www.sedar.com.

Forward-Looking Statement

This release contains forward-looking information. Such forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend", and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved, and other similar expressions. In providing the forward-looking information in this news release, the Company has made numerous assumptions regarding: (i) the accuracy of exploration results received to date; (ii) anticipated costs and expenses; (iii) that the results of the feasibility study continue to be positive; and (iv) that future exploration results are as anticipated.

Management believes that these assumptions are reasonable. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those contained in the forward-looking information. Some of these risks, uncertainties and other factors are described under the heading "Risks Factors" in the Company's annual information form available on www.sedar.com. Forward-looking information is based on estimates and opinions of management at the date the statements are made. Except as required by law, Azumah does not undertake any obligation to update forward-looking information even if circumstances or management's estimates or opinions should change. Readers should not place reliance on forward-looking information and readers are advised to consider such forward-looking statements in light of the risks set forth in the Company's continuous disclosure filings as found at the (Canadian) SEDAR website.