



AZURE MINERALS LIMITED
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31 January

The Manager
Companies Announcement Office
Australian Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000

Dear Sir

RE: MEDIA RELEASE

We enclose herewith a copy of an announcement in relation to the above.

Yours faithfully,

A handwritten signature in black ink, appearing to read "APR", with a long horizontal flourish extending to the right.

Tony Rovira
Managing Director

Encl





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ASX / MEDIA ANNOUNCEMENT

31 January 2007

AZURE MINERALS GROWTH STRATEGY ON TRACK

Emerging precious and base metals explorer, **Azure Minerals Limited (“Azure”) (ASX: AZS)** today released a summary of the Company’s activities for the quarter ending 31 December 2006.

Azure Managing Director, Mr Tony Rovira, said that the quarter was an exciting and dynamic time. Highlights during the quarter included an intensive exploration program in Mexico that continued to deliver promising results and shareholder approval to change the Company’s name from Nickel Australia.

“Azure Minerals, better reflects the wider nature of our target commodities,” said Mr Rovira. “We are pleased that our shareholders overwhelmingly supported the decision to focus on a broader range of commodities in Mexico which continues to reward us with positive results.”

Drilling in Azure’s Mexican projects discovered high grade copper and silver mineralisation (up to 8.5% copper and 57g/t silver) at the Potreritos project. Additionally, molybdenum-copper mineralisation was identified at Pozo de Nacho. Further drilling on Potreritos is scheduled for February, with drilling on Pozo de Nacho to follow in the Quarter.

Azure was attracted to Mexico due to its low sovereign risk, attractive commercial environment and a government committed to natural resource development. The Sierra Madre region in northern Mexico hosts one of the most prospective and yet under-explored mineral provinces in the world, containing numerous world-class copper, gold and silver mines.

“Best of all, we have a very active drilling program to follow up these results commencing in February and continuing throughout the first half of 2007,” continued Mr Rovira. “Only drilling will result in the discovery of ore bodies and as a result, we are committed to our intensive exploration program.”

During the quarter, Azure further advanced its Splinter project near Esperance in Western Australia, with a RC drilling program completed in December. Wide zones of high grade magnetite mineralisation were intersected, with initial metallurgical work reporting positive magnetite recovery and concentrate grade results.

“We believe that Splinter has excellent potential for hosting large scale magnetite style iron ore deposits, in a similar fashion to the Southdown magnetite project,” he said. “In light of the excellent results we continue to receive from our Mexican projects, we are currently reviewing options for Splinter in order to determine the best way to expedite this project’s growth.”

Please refer to Azure’s December 2006 Quarterly Activity Report as lodged on the ASX and Azure’s website www.azureminerals.com.au for a complete review of activities.

-ENDS-

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