



ASX: AZS

8 AUGUST 2011

## **PROJECT ACTIVITY UPDATE**

Mexican focused **Azure Minerals Limited** ("Azure" or the "Company") is pleased to provide an update on recent exploration activities at its key Promontorio copper-gold-silver, San Francisco manganese and El Tecolote copper-zinc projects (see Figure 1).

### **PROMONTORIO**

Azure concluded drilling at the Promontorio Project, located in the state of Chihuahua, in late July with 12 holes completed for 2,746m.

Promontorio contains a JORC Mineral Resource estimate (Indicated + Inferred) of:

**502,000 tonnes @ 4.7% Copper, 2.1 g/t Gold and 99 g/t Silver<sup>1</sup>**

The drilling program targeted:

- Strike extensions to the north and south of the Mineral Resource (eight holes)
- Depth extensions beneath the middle of the resource (two holes)
- The Cascada gold prospect (two holes)

All Promontorio holes have been sampled and samples dispatched to the laboratory. Assay results are expected to be available shortly.

### **SAN FRANCISCO**

Azure has now relocated the drill rig to the Company's San Francisco Manganese Project located in the state of Jalisco, where a drilling program of up to 5,000m has commenced.

The maiden JORC Mineral Resource estimate (Inferred) for the San Francisco deposit is:

**1,045,000 tonnes @ 30% Mn for 312,000 tonnes of contained manganese<sup>2</sup>**

Drilling will target resource expansion on a 150m x 150m grid pattern to expand the current resource along the mineralised trend to the north and northwest. Further drilling will then be undertaken to convert Mineral Resources to Ore Reserves and to test additional exploration targets.

This resource expansion drilling forms part of the wider feasibility study and mine development program currently being conducted by Project Manager Gary Leighton. Concurrent feasibility activities include bulk sampling of the ore, advanced stage metallurgical testwork, process engineering design, mine design and permitting.

### **EL TECOLOTE**

The intensive \$1.5 million exploration program for skarn-hosted copper-zinc and porphyry copper mineralisation, being conducted in joint venture with the Japanese Government corporation JOGMEC, is continuing at El Tecolote. This includes:

- Airborne magnetic and electromagnetic (VTEM) surveys (completed)

<sup>1</sup> Details of the resources classification and estimation methodologies for Promontorio are contained in Azure's ASX announcement, released on 7<sup>th</sup> January 2009.

<sup>2</sup> Details of the resources classification and estimation methodologies for San Francisco are contained in Azure's ASX announcement, released on 14<sup>th</sup> June 2011.

- Induced Polarisation (IP) surveys (Stage 1 completed; Stage 2 scheduled later in 2011)
- Geological mapping and surface sampling (in progress)
- Diamond core drilling (scheduled for later in 2011)

The VTEM and aeromagnetic surveys identified several anomalies with signatures characteristic of massive sulphide bodies. Follow up exploration using IP surveys confirmed the presence of valid drill targets. On the ground exploration is continuing, and further IP surveying and diamond drill testing will be undertaken later in 2011.

-ENDS-

**For further information, please contact:**

Tony Rovira  
Executive Chairman  
Azure Minerals  
+61 8 9481 2555

**Press / Investor Relations**  
Victoria Thomas  
Six Degrees Investor Relations  
+61 3 9674 0347

or visit [www.azureminerals.com.au](http://www.azureminerals.com.au)

**Figure 1: Project Locations**



**Competent Person Statement:**

*Information in this document that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Tony Rovira, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Rovira is a full-time employee of Azure Minerals Limited. Mr Rovira 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 Rovira consents to the inclusion in the documents of the matters based on his information in the form and context in which it appears.*