



ASX / MEDIA ANNOUNCEMENT

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AZURE GAINS 100% OWNERSHIP OF MEXICAN JV PROPERTIES

Azure Minerals Limited (ASX: AZS) is pleased to announce that it has reached agreement with joint venture partner Kiska Metals Corp (formerly Geoinformatics Exploration Inc) to rationalise and dissolve its Mexican Joint Venture.

Under the terms of the agreement, Azure will gain 100% ownership of five of the former joint venture projects. The remainder will revert to Kiska or be relinquished. Furthermore, as part consideration for the rationalisation, Kiska has transferred full ownership of two of its 100%-owned Mexican properties to Azure.

Azure's Executive Chairman, Mr Tony Rovira, welcomed this agreement as providing Azure with the opportunity to accelerate the exploration and development of these properties while also bringing significant strategic advantages to the Company.

"We are excited at the number of high quality exploration prospects within our portfolio of Mexican projects," said Mr Rovira.

"Azure's properties hold excellent potential for discovery of major ore deposits, highlighted by the promising exploration results already achieved by Azure, as well as the presence of major past and present mines located either within or in close proximity to the projects."

"These ownership changes will enable us to accelerate our exploration program, as well as offering greater flexibility to pursue the most effective path for unlocking value at each project, either on a stand-alone basis or in partnership with significant resources players."

"Full ownership brings strategic advantages to Azure with this package of properties situated in such a highly regarded mineralised district. Azure has received several expressions of interest regarding project participation from major international resource companies and is currently considering the various proposals."

"Where these expressions of interest are assessed as being favourable for shareholders, Azure will look for partners with significant financial capacity and the proven ability to take projects beyond the exploration phase and into feasibility and production."

THE PROJECTS

The former joint venture projects which are now 100%-owned by Azure are:

Estacion Llano – This 24km² property adjoins the western boundary of the +1 million ounce San Francisco Gold Mine (currently producing at a rate of 100,000oz gold per year). Recent drilling by owner Timmins Gold Corp confirms the mineralised system extends west towards Azure's property, where no drilling has been carried out. Azure will undertake drilling to test the extensions of the San Francisco mineralised system.

El Llano Del Nogal – This large, 122km² property is ideally located between the two world class porphyry copper mines of Cananea (2 billion tonnes @ 0.7% copper) and La Caridad (1.8 billion tonnes @ 0.5% copper). Reconnaissance exploration identified a large alteration system hosting numerous historical mine workings, indications of porphyry copper mineralisation, and epithermal gold-silver and base metal mineralisation. Surface sampling returned assays up to **10.9g/t gold, 1,060g/t silver, 2.25% copper, 16.7% lead, 3.4% zinc & 0.22% molybdenum**. Several major mining companies have expressed interest in joint venturing into this project, and Azure is evaluating these proposals.

Pozo De Nacho – Drilling of 24 diamond and RC holes totalling 3,374m has identified a large body of porphyry-hosted molybdenum mineralisation over 600m x 250m and from surface to >300m depth. With numerous wide drill intercepts of molybdenum mineralization, Azure is targeting a potential 75Mt – 150Mt @ 0.04% – 0.1% molybdenum¹. Better drill intercepts include:

- **198.1m @ 0.044% molybdenum from 1.5m to end of hole**
- **138.9m @ 0.044% molybdenum from 12.0m to end of hole**
- **67.0m @ 0.076% molybdenum from 6.0m to end of hole**
- **73.1m @ 0.070% molybdenum from 9.0m to end of hole.**

Tabisco – Contains epithermal gold-silver mineralisation with high grade drill intercepts of:

- **1.7m @ 22.0g/t gold & 332g/t silver from 16.1m**
- **4.0m @ 4.0g/t gold & 144g/t silver from 27.0m**
- **1.3m @ 5.8g/t gold & 849g/t silver from 66.8m.**

Los Chinos – Drilling by Azure intersected polymetallic base metal and precious metal mineralized breccias on this 94km² property. Better drill intercepts include:

- **4m @ 7.1% zinc from 18m**
- **5m @ 5.6% zinc from 51m**
- **3m @ 1.5% lead, 355g/t silver & 2.4g/t gold from 2.0m.**

ADDITIONAL PROJECTS

Furthermore Kiska has also transferred, at no cost to Azure, full ownership of the following two additional properties to Azure.

El Tecolote – This 112km² property contains the El Tecolote Copper-Zinc-Silver Mine, a significant mining and processing venture operated by Grupo Mexico, Mexico's largest mining company. Historical production is recorded as approximately **1.6 million tonnes @ 1.8% copper, 6.9% zinc and 50g/t silver**. Production ceased in the early 1980's due to low metals prices at the time, with substantial unmined copper and zinc mineralisation remaining around the old mine workings. Potential also exists for additional deposits within the property. Azure will commence exploration on this project shortly.

San Juan – Peripheral to the high grade Cumobabi porphyry-hosted molybdenum-copper mine, San Juan is prospective for epithermal silver-gold mineralisation. Previous drilling intersected 22m @ 92g/t silver and potential exists for a typical silver-rich epithermal precious metal deposit.

-ENDS-

¹ The potential quantity and grade of a molybdenum deposit at Pozo de Nacho are conceptual in nature; there has been insufficient exploration to define a Mineral Resource; and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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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.

FIGURE 1: AZURE'S MEXICAN PROJECTS

