



Exploring & Developing Mining Projects In Mexico

Annual General Meeting

22nd November 2010



USA

SONORA

CHIHUAHUA

MEXICO

Gulf of Mexico

Pacific Ocean

Mexico City ★

La Paz

This Presentation

- **Why Mexico?**
- **Our Projects**
- **Growth & Outlook**

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Exploration Strategy – Why Mexico ?

World class mineral province containing many deposits and operating mines

Wide variety of commodities: precious metals, base metals and industrial minerals

Well established mining culture:

- **>500 years of mining history**

Strong public acceptance of mining

Opportunities:

- **under-explored**
- **mostly local ownership in prospective districts**
- **deals to be done**

Exploration Strategy – Why Mexico ?

Low sovereign risk

- **Not a 3rd world country - member of the G20**
- **Joined NAFTA in 1994 - contemporary tax & legal system**
- **Simple & transparent mining legislation**
- **No mining royalties**
- **No “Super Profits Tax” or “Resource Rent Tax”**

Very attractive destination for mining investments

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Mexico – A Favoured Destination

	COUNTRY	EXPLORATION BUDGETS*
1	Canada	19%
2	Australia	14%
3	United States	7%
4	MEXICO	6%
5	Peru	5%
6	Russia	5%
7	Chile	4%
8	Brazil	3%
9	South Africa	3%
10	China	3%
	Other Countries	31%

- Source: Metals Economics Group, 2009
1,912 companies' budgets totaling US\$12.6B



Our Projects



- ★ AZS 100% Projects
- ★ Gold/Silver Mine
- ★ Base Metal Mine

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12 PROJECTS = 1,070km²

USA

Nogales

Cananea

El Llano del Nogal

Estacion Llano

San Francisco

San Eduardo

Tecolote

La Tortuga

Los Nidos

Los Chinos

Cumobabi

Tabisco

San Juan

La Caridad

USA

Bismark

Corralitos

Cinco de Mayo

CHIQUAHUA

Mexico City

Pacific Ocean

Gulf of Mexico

0 100 Kilometres

SONORA

Hermosillo

Guaymas

La Colorada

Pozo de Nacho

Mulatos

Pinos Altos

Ocampo

Palmarejo

Piedras Verdes

Alamos

El Sauzal

CHIQUAHUA

Chihuahua

Promontorio

Terrazas

Santa Eulalia

Naica

Parral

St Barbara

Adargas

GULF of CALIFORNIA

Project Potential

PROJECT	STATUS
Promontorio	High grade Copper-Gold-Silver deposit in Pre-Feasibility Study
La Tortuga	Porphyry Copper JV - JOGMEC earning 51% for US\$3M expenditure
San Eduardo	Porphyry Copper JV - OZ Minerals earning 70% for US\$13M expenditure
Tecolote	Gold, silver, copper, lead & zinc - Exploration in progress
Estacion Llano	Gold Project - Exploration in progress Exploring extensions of +1.3Moz operating San Francisco Gold Mine

Promontorio – JORC Resource

CLASSIFICATION	Tonnes	Cu (%)	Au (g/t)	Ag (g/t)
INDICATED	290,000	4.2	2.1	94
INFERRED	212,000	5.3	2.1	106
TOTAL	502,000	4.7	2.1	99

Competent Person Statement – Exploration Results and Mineral Resources

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 report of the matters based on his information in the form and context in which it appears.

Promontorio – Development Studies

Attractive metallurgy

- **Conventional crushing, grinding & flotation – low risk, proven technology**
- **Very high grade concentrate**
- **39.5% Copper, 773g/t Silver & 9.6g/t Gold**

Positive financials

- **Financially robust project**
- **Free cash of US\$82 million at today's metals prices**
- **Financial modelling shows significant profit increase with increased resources**

Significant resource upside⁽¹⁾

- **Exploration Target = 1- 2Mt @ 5% Cu + Au + Ag**

(1) The potential quantity and grade of the Target is conceptual in nature, and 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

Promontorio – 2010-2011

DRILLING TO INCREASE PROMONTORIO RESOURCE

- **Strike & depth extensions to identify 1 - 2Mt high grade Cu-Au-Ag deposit**

PRE - FEASIBILITY STUDY

- **Metallurgical testwork – Stage 1 complete**
- **Off-take agreement – *in negotiation***
- **Environmental Studies – Stage 1 complete**
- **Social & Community negotiations – Stage 1 complete**
- **Geotechnical drilling & Mine planning**
- **Plant & Infrastructure design**

EXPLORATION & DRILLING ON REGIONAL LEASE

- **Epithermal gold at Cascada, Creston Colorado & Sehue**

Other Azure Projects

10 other projects in Sonora

All 100% owned by Azure Minerals

Prospective for:

- **Copper**
- **Gold**
- **Silver**
- **Lead**
- **Zinc**
- **Molybdenum**

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Nogales

USA

Cananea

El Llano del Nogal

Estacion Llano

San Francisco

La Caridad

San Eduardo

Tecolote

La Tortuga

Los Nidos

Los Chinos

Cumobabi

Tabisco

San Juan

Hermosillo

SONORA

La Colorada

Pozo de Nacho

Dolores

Mulatos

Pinos Altos

Ocampo

Palmarejo

Piedras Verdes

Alamos

El Sauzal

Bismark

Corralitos

Cinco de Mayo

CHIHUAHUA

Chihuahua

Terrazas

Santa Eulalia

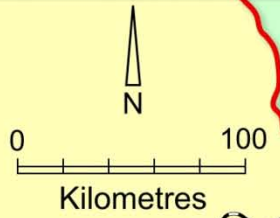
Naica

Parral

St Barbara

Adargas

Promontorio



- ★ AZS 100% Projects
- ★ Gold/Silver Mine
- ★ Base Metal Mine



OZ Minerals & JOGMEC JV's

- ★ AZS 100% Projects
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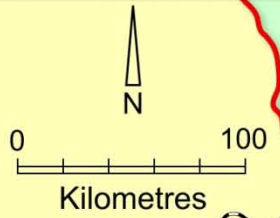
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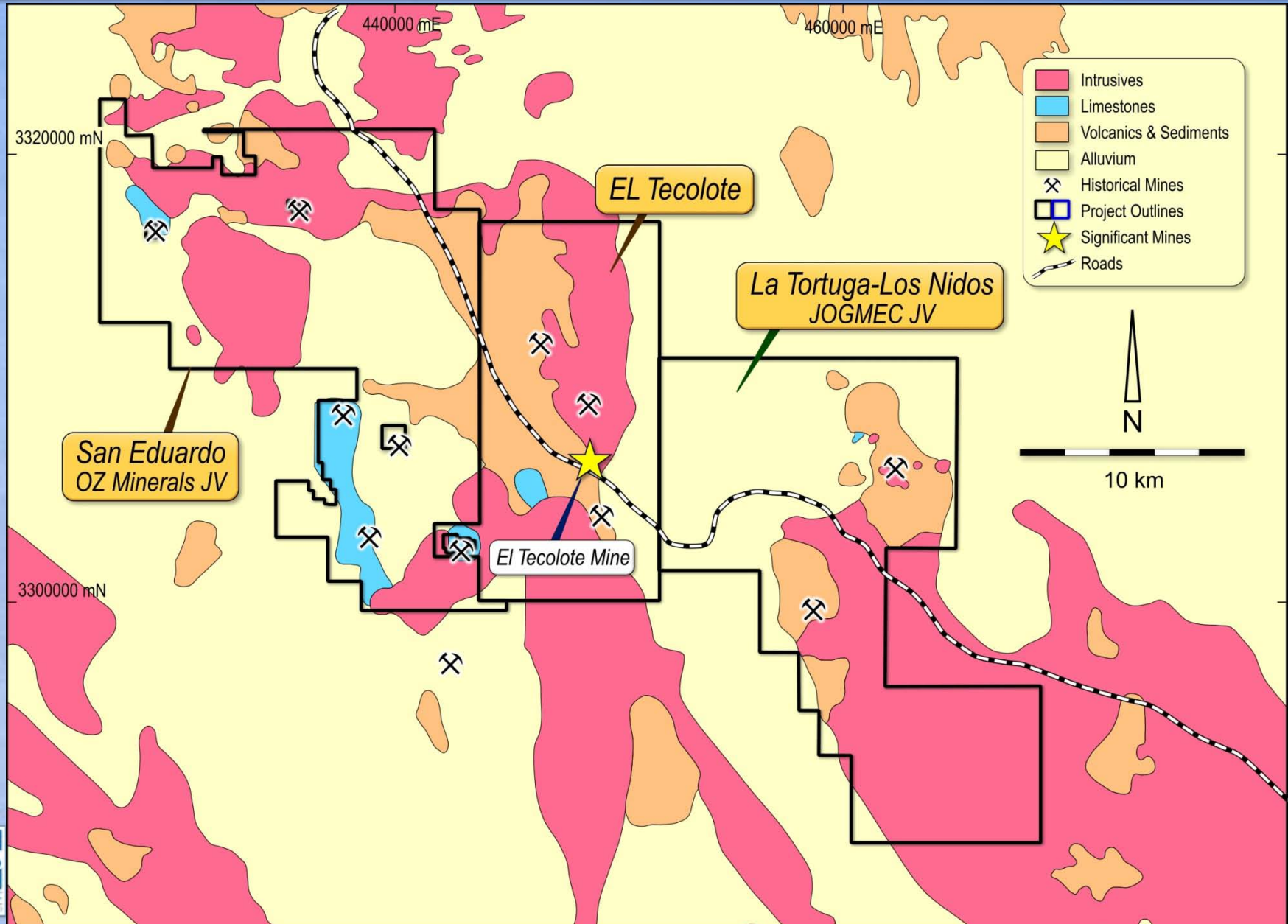
Alamos

Parral

St Barbara

Adargas

Tecolote District – High Copper Potential



JV Exploration Activities

La Tortuga – JOGMEC to spend US\$3M to earn 51%

- **Aeromagnetics** - ✓
- **Mapping & sampling** - ✓
- **IP survey** - ✓
- **Drilling** - *in progress: 5 holes for 1,500m*

San Eduardo - OZ Minerals to spend US\$13M to earn 70%

- **Aeromagnetics** - ✓
- **Mapping & sampling** - ✓
- **IP survey** - ✓
- **Drilling** - *to commence in December: 2 holes for 1,600m*

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Growth & Outlook

Azure Minerals – A Very Positive Outlook

Promontorio - Advanced high grade copper project

- **Drilling to expand resources: 2011**
- **Drilling of epithermal gold targets: 2011**
- **Feasibility Study & Permitting: 2011 to 2012**
- **Development & Construction: 2012 to 2013**
- **Commence Production: 2013**

San Eduardo JV & La Tortuga JV

- **Exploration & Drilling: 2010 to 2011**

Estacion Llano & Tecolote

- **Exploration & Drilling: 2011**

New Projects

- **Reviewing acquisition potential of new projects**

AZS - Corporate Snapshot

ASX Code: AZS	
Fully Paid Shares:	343.2 million
Share Options: (unlisted @ 8.8c, 17.5c, 25c & 35c)	14.8 million
Market Capitalisation: (@ 9.0c)	A\$31 million
Cash: (@ 30 September 2010)	A\$4.5 million
Top Shareholders	Holding
Yandal Investments	8.5%
Tempo Capital	6.8%
Stadjoy	2.9%
AZS Directors	2.0%
Investec Bank	1.6%
Top 40 Shareholders	43.6%

The Azure Advantage

Opportunity to invest in a company with quality exposure to a world class mining province

Continuous exploration & drilling programs for next 12 months = regular news flow

Current share price & market capitalisation provides significant valuation upside in the near term

Mexico – The Land of Opportunity



**Presented by:
Tony Rovira
Executive Chairman
22nd November 2010**