

ASX: AZS

11 March 2011

Environmental Approval Received for Promontorio Drilling

Azure Minerals Limited ("Azure" or "Company"), is pleased to announce it has received Mexican Federal Government environmental approval to continue with its next stage of drilling on the Promontorio Project. This approval follows the lodgement by Azure of an Environmental Impact Statement in late November 2010.

Exploration will now recommence at Promontorio with a program of up to 40 diamond drill holes (6,000m) which will start as soon as a suitable drilling rig is secured.

The Promontorio Project contains a JORC Code mineral resource (Indicated + Inferred) of:

502,000 tonnes @ 4.7% Copper, 2.1 g/t Gold and 99 g/t Silver

This deposit remains open and Azure believes that drilling along strike to the north and south, as well as deeper drilling of the depth extensions of the high grade veins will significantly enlarge the potential of Promontorio (Figure 1). Of particular interest will be the follow up of two wildcat drill holes completed in the last drilling campaign at Promontorio. Drill hole APR-DD-041 drilled 100m north along strike from the Resource intersected **1.1 metres @ 3.8% copper, 22.1g/t gold and 168g/t silver**, and drill hole APR-DD-042 drilled a further 200m along strike intersected the mineralised structure with anomalous copper, gold and molybdenum values, including values up to **3.5g/t gold**.

Drilling will also investigate the epithermal gold-silver mineralisation hosted at the nearby Cascada prospect, where historical drill intercepts include:

- **7.6 metres @ 19.8g/t gold from 56.4 metres**
- **48.4 metres @ 1.47g/t gold from 4.6 metres**
- **24.4 metres @ 1.86g/t gold from surface**

Azure Minerals Executive Chairman, Mr Tony Rovira, said he was very pleased to have received approval from the Mexican authorities.

"The straightforward approvals process in Mexico again demonstrates the attractiveness of the country for mineral exploration and mining. We compiled a comprehensive Environmental Impact Statement (EIS) to ensure compliance with environmental laws and received prompt approval from the regulatory authorities as a result," said Mr Rovira.

"This will allow the company to continue progressing Promontorio towards development while also continuing the evaluation and development activities currently underway at the San Francisco Manganese project."

The Promontorio project is situated in an area that has previously been subject to small scale mining and extensive logging. It is also located on the edge of the Tutuaca Flora and Fauna Protection Area. Under the relevant legislation, exploitation of natural resources including minerals is allowed in such areas when there is a benefit for local inhabitants and an approved environmental management program is implemented. Azure submitted the EIS to

the Federal Government Ministry of Environment and Natural Resources (“SEMARNAT”), with approval now granted to undertake the next stage of intensive drilling.

Azure also continues to compile a wider EIS to enable the Company to operate in previously undisturbed areas of Promontorio, which is expected to be lodged in the coming weeks.

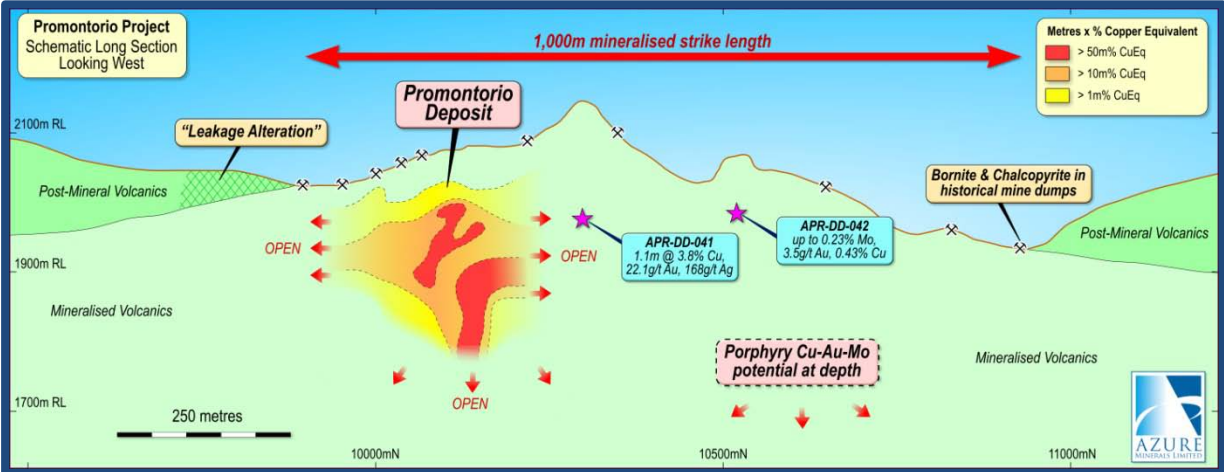


FIGURE 1: Long section of Promontorio mineralised system



Photograph of previous resource drilling at Promontorio

BACKGROUND

Promontorio contains a JORC Code mineral resource (Indicated + Inferred) at a 1% copper cut-off, is: **502,000 tonnes @ 4.7% Copper, 2.1 g/t Gold and 99 g/t Silver**

Details of the resources classification and estimation methodologies are contained in Azure’s announcement to the ASX, released on 7th January 2009.

-ENDS-

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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.