



**ASX / MEDIA ANNOUNCEMENT**

**5 June 2007**

## **AZURE'S MEXICAN PORTFOLIO GROWS TO 'GRANDE' PROPORTIONS**

**Azure Minerals Ltd** (ASX: AZS) today announced the Company's joint venture program has acquired five new mining concessions in Sonora, Mexico. Azure's tenements now cover a total area of 111,875 hectares (1,118km<sup>2</sup>), in both joint venture and 100% owned holdings.

The five new properties, Estacion Llano, Los Chinos, Llano del Nogal (Extension), El Chileno (Extension), and La Ramada are located within 200 kilometres to the north of Hermosillo, the capital city of the state of Sonora where Azure, as manager of the joint venture, has an established exploration and administration office.

In conjunction with joint venture partner Geoinformatics Exploration Inc (TSX-V: GXL), Azure is conducting an ongoing program of regional assessment and project acquisition in northern Mexico. The program has resulted in the identification and successful acquisition of the five new mining concessions through staking vacant areas prospective for the following styles of mineralisation:

- high grade, vein style epithermal precious (gold, silver) and base metal (copper, zinc, lead) mineralisation;
- bulk tonnage porphyry hosted copper-molybdenum mineralisation; and
- structurally controlled gold mineralisation.

Azure Managing Director, Mr Tony Rovira, said the Company will be carrying out exploration, including drill testing on these projects as a matter of priority.

The prospectivity of these properties is evidenced by the occurrence of historical mine workings, anomalous surface geochemistry, high grade surface samples and the nearby presence of existing mining operations. However, none of the properties have been systematically evaluated by modern exploration methods.

"These acquisitions support Azure's plan to capitalise on strong international interest in the region. Vacant areas with excellent potential abound in the region, with significant areas of northern Mexico remaining untouched by modern exploration methods," said Mr Rovira.

"Our onsite team in Mexico allows us to conduct reconnaissance exploration and rapidly evaluate new opportunities in order to add to our portfolio," he continued.

"We now have a great number of very promising, high priority targets within our project areas."

## INTERNATIONAL INTEREST IN 'THE CORRIDOR'

Four of the new joint venture properties are situated within the La Caridad Corridor, a strongly mineralised trend containing numerous major mining operations and recently discovered deposits (see Figure 1).

The La Caridad Corridor is a significantly mineralised district considered very prospective for the discovery of further deposits. It is currently the centre of significant international exploration interest, particularly from the North American mining sector. Several Canadian companies have recently announced successful exploration activities and significant results from projects within the Corridor.

Significant mining operations located in this district include:

- La Caridad 680Mt @ 0.5% copper & 0.02% molybdenum
- San Felipe 4Mt @ 300g/t silver, 10% zinc & 7% lead
- Cumobabi 45Mt @ 0.1% molybdenum.

"The La Caridad Corridor is another example of the great potential in Mexico," said Mr Rovira. "It hosts a world-class copper mine at La Caridad and numerous other mining operations and deposits, yet significant amounts of the mineralised trend remain unpegged and unexplored by modern methods."

"Our work has identified substantial prospective open ground within the Corridor and we will continue to add more projects to our holdings in a very cost effective manner, thereby growing our exploration portfolio."

In addition to the new joint venture projects discussed in this release, Azure also recently announced the acquisition of three new wholly owned projects, two of which are situated in the La Caridad Corridor.

## NEW JOINT VENTURE PROJECTS

### Estacion Llano

- 2,379 hectares (24km<sup>2</sup>)
- Borders the **>1.1 million ounce San Francisco Gold Mine** (Timmins Gold Corp)
- Mineralised structures trend onto Estacion Llano property
- Shallow soil cover but with no drilling on the property
- High priority drill target

### Los Chinos

- 9,392 hectares (94km<sup>2</sup>)
- Contains extensive alteration zones and old mine workings untested by drilling
- High grades from surface sampling including: **>1g/t gold, >30g/t silver, & >1.0% copper, lead and zinc**
- Encloses the **Los Amoles Uranium-Gold\*** deposit, excised in a small Mexican Government-owned mining reserve, which reportedly hosts uranium reserves of **1.9Mt @ 0.047% U<sub>3</sub>O<sub>8</sub>** (uranium oxide) containing approximately 900 tonnes of U<sub>3</sub>O<sub>8</sub>.
- Los Amoles mineralised structures trend into Los Chinos property

### Llano del Nogal - Extension

- 6,317 hectares (63km<sup>2</sup>)
- High grades from surface sampling, including: **10.9g/t gold, >1% copper, >5% lead, >3% zinc**
- No drilling of numerous historical workings and extensive (>35km<sup>2</sup>) alteration system

### El Chileno - Extension

- 4,731 hectares (47km<sup>2</sup>)
- Located adjacent to the **Washington base metal deposit (1.5Mt @ 1.6% copper, 0.11% molybdenum, 0.14% tungsten)**
- Contains historical drill intercepts:
  - **52m @ 0.13% copper from surface**
  - **50m @ 0.10% copper from 120m**
- High grade surface samples, including: **4.0g/t gold, 770g/t silver, 6.9% lead**
- Extensive alteration enveloping outcropping porphyry, breccias and veining

### La Ramada

- 4,450 hectares (44km<sup>2</sup>)
- High grade surface sampling, including: **618g/t silver, 3.4% lead, 3.1% zinc, 0.4% copper, 0.52g/t gold**
- No drilling of numerous historical workings and surface anomalies

-ENDS-

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#### **JOINT VENTURE BACKGROUND**

Azure holds 14 projects in Sonora, Mexico in joint venture with TSX-V listed Geoinformatics Exploration Inc (TSX-V: GXL). Under the terms of the joint venture agreement, Azure must spend US\$4 million on the projects by July 2009 to earn a 51% interest. If GXL elects not to contribute at that stage, Azure can increase to a 75% interest in all projects by sole funding a pre-feasibility study by July 2011. To date, Azure has expended approximately US\$2.5 million on joint venture exploration.

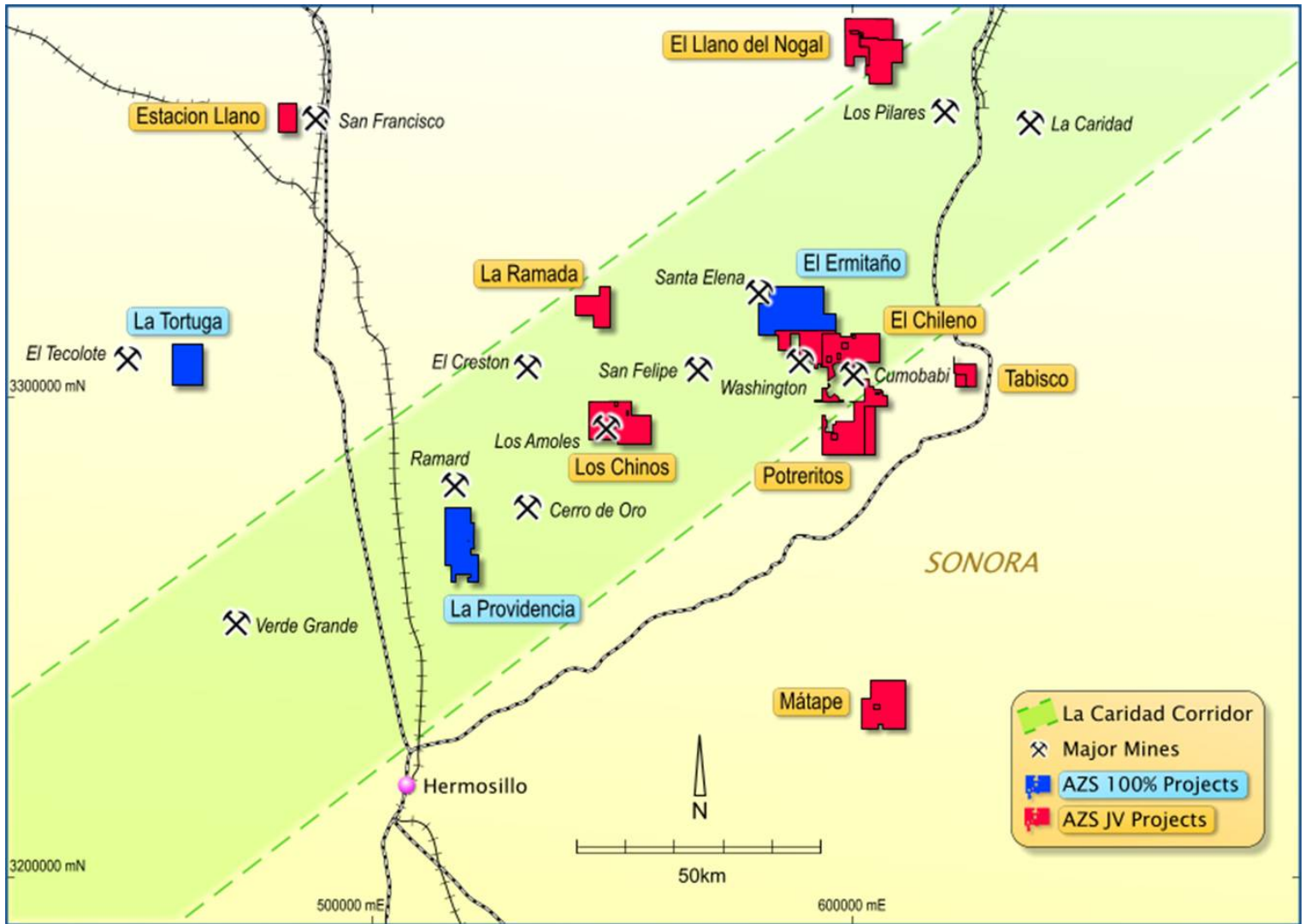
New projects acquired by either Azure or Geoinformatics, which fall within the Strategic Alliance Area (certain select districts in northern Mexico), form part of the Joint Venture. Locations of the recently acquired projects are shown on the attached plans.

\* NOTE: Current Mexican Government policy does not permit exploitation of uranium.

#### **100% OWNED PROJECTS**

Azure also holds applications for three 100%-owned projects totalling 26,650 hectares (266.5km<sup>2</sup>) in Sonora, and anticipates further projects will be added to this portfolio through its ongoing program of target identification and project acquisition. Exploration on these recently acquired projects will be carried out as a matter of priority. See Figure 1 for locations of wholly owned projects.

**FIGURE 1: LA CARIDAD CORRIDOR**



**FIGURE 2: AZURE PROJECT LOCATIONS**



*The information in these documents that relates to Exploration Results 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.*