

AZURE MINERALS LTD

Australia's Leading Explorer in Mexico

ASX: AZS

15 JULY 2014

DRILLING COMMENCES AT CASCADA

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to announce that a 10 hole, 1,500m diamond core drilling program has commenced at its 100%-owned Cascada copper deposit, part of the Promontorio Project located in the state of Chihuahua, Mexico.

KEY OBJECTIVES

- Test the westerly and easterly along-strike extensions of the Cascada copper-gold-silver deposit
- Finalise data requirements for the maiden Cascada mineral resource estimate
- Follow up the exciting breccia-hosted high grade gold mineralisation previously intersected to the west and south of Cascada:
 - 42m @ 2.5g/t Au (APR-DD-110)
 - 18m @ 6.6g/t Au (APR-DD-111)

DETAILS

Located only 200 metres northwest of the Promontorio deposit (see Figure 1), Cascada is a high grade copper-gold-silver deposit that strikes northeast-southwest with a moderate northwesterly dip. Drilling to date has yet to define the boundaries of Cascada and this drilling program will test potential along-strike extensions of the mineralised body.

Furthermore, several holes will be drilled to follow up the gold-rich hydrothermal breccia mineralisation intersected in the previous drilling program. Hole APR-DD-110 intersected **150m @ 1.5g/t Au, including 42m @ 2.5g/t Au** at the bottom of the hole. The first task of the current program will be to re-enter hole 110 and extend it for a further 40-50m to determine the extent of the mineralisation in this hole. Additional holes will test along strike and up/down dip extensions.

The drilling program is expected to take three weeks to complete with results expected over the following 3-4 weeks. Following completion of the drilling and receipt of all assays and bulk density results, the Company will commence the estimation of a JORC-compliant Mineral Resource.

Azure's Managing Director, Tony Rovira, commented: *"I'm pleased to announce that we're now back drilling at Cascada where previous drilling has outlined a*

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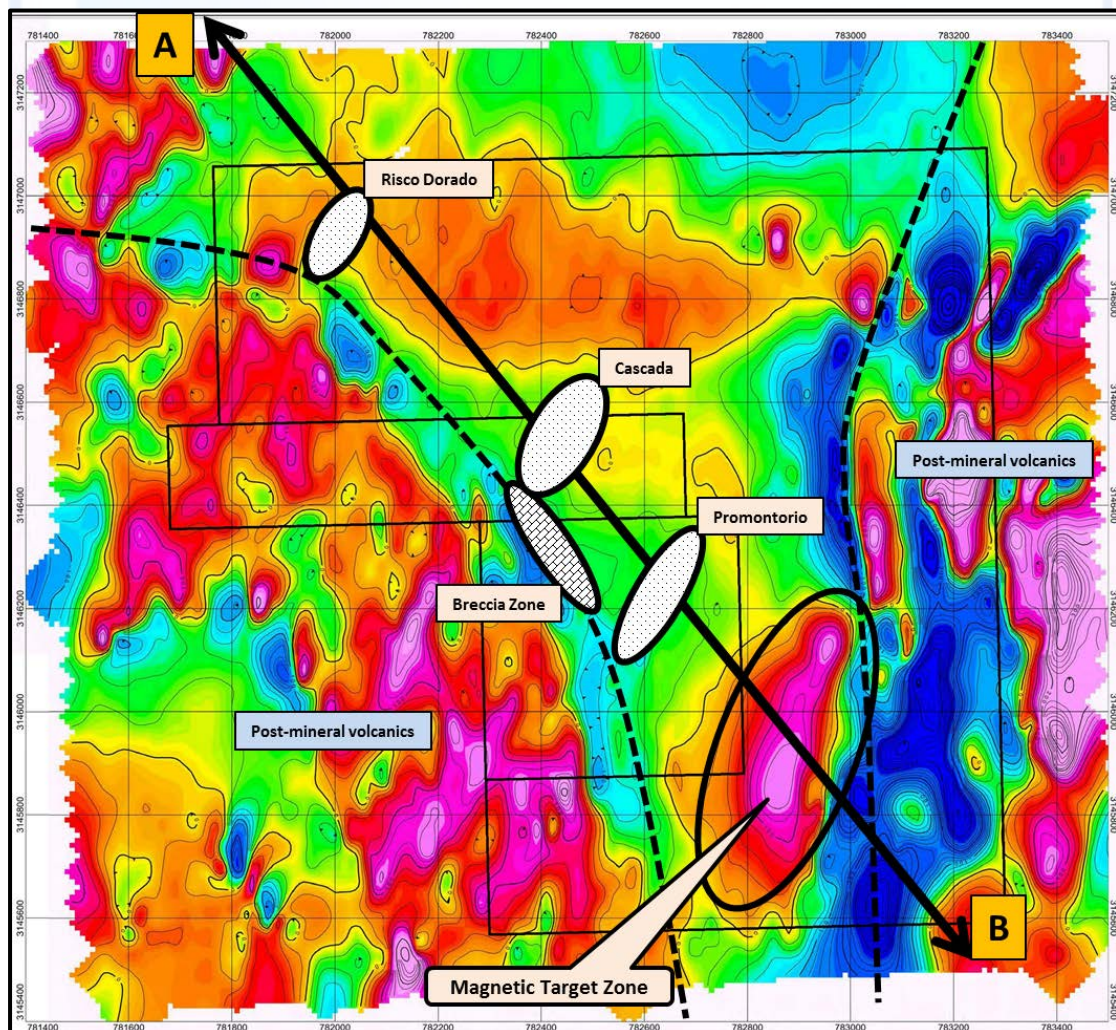
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coherent body of copper, gold and silver mineralisation with a high grade core. I'm also looking forward to undertaking the initial mineral resource estimate for Cascada.

The presence of gold-rich, hydrothermal breccia-hosted mineralisation is a very exciting development for the project, giving us another deposit-style to explore. High grade copper and gold breccia pipes are known to provide a significant proportion of resources at porphyry copper mines throughout Latin America.

In addition, the recent finalisation of the tenement acquisition process has provided certainty of Azure's ownership of this very exciting project. The Company considered this to be vital when moving forward towards mine development and/or joint ventures."

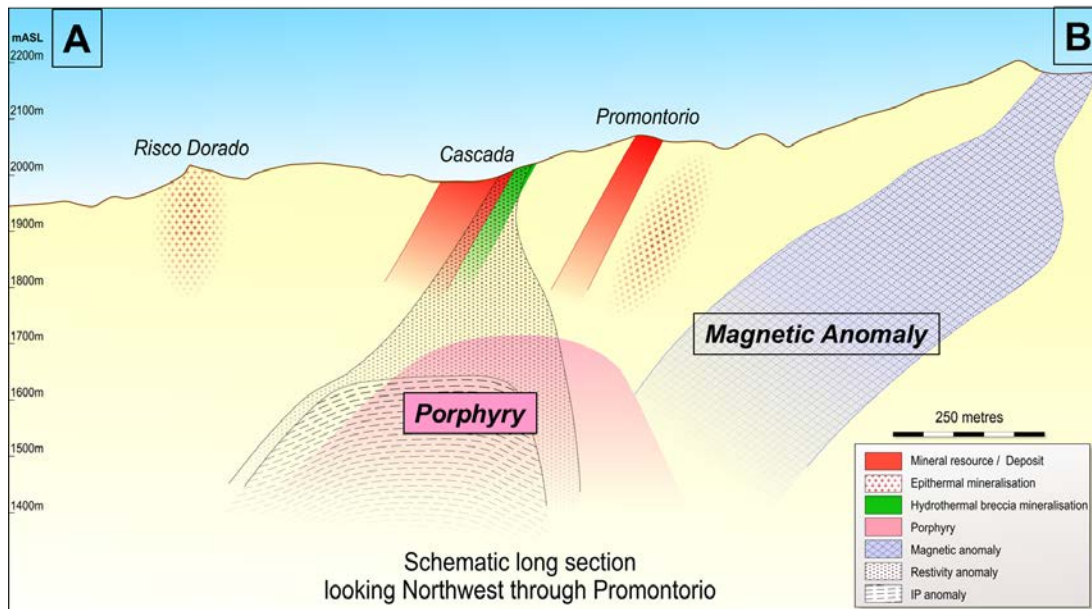
Figure 1: Locations of Promontorio and Cascada deposits and Risco Dorado prospect, overlying ground magnetic survey image. Long Section A-B is shown in Figure 2



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Figure 2: Promontorio Long Section A-B



BACKGROUND

Azure's Promontorio Project comprises four mineral concessions totalling 10,700ha. The Company has 100% ownership of three of these concessions and the right to purchase 100% ownership of the fourth concession.

Promontorio, Cascada and Risco Dorado are all mineralised occurrences within a high-sulphidation, epithermal system where base and precious metal mineralisation comprising massive, semi-massive and disseminated copper sulphides are hosted in vuggy silica and silicified volcanic host rocks.

Such high sulphidation epithermal deposits form above porphyry copper bodies with feeder zones connecting the porphyry and the overlying systems. These types of deposits are common in northern Mexico and south-western USA.

Azure's drilling has identified a copper-mineralised porphyry body beneath the Cascada and Promontorio deposits, which is likely to be the source of the near-surface epithermal copper, gold and silver mineralisation.

-ENDS-

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Competent Person Statement:

Information in this report that relates to previously reported Exploration Results was originally reported to ASX on 12 February 2014. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement.

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