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AZURE COMPLETES HEAVILY OVERSUBSCRIBED A\$8.2 MILLION PLACEMENT TO ACCELERATE SARA ALICIA AND OPOSURA PROJECTS

HIGHLIGHTS

- **Heavily oversubscribed A\$8.2 million placement to underpin development studies at the Company's flagship Oposura zinc and lead project and fast-track exploration and development at the high grade, near-surface gold and cobalt project at Sara Alicia**
- **Placement demand underpinned by significant support from North American, European and Australian institutions**
- **New shares to be issued at \$0.30 per share in two tranches, with second tranche subject to shareholder approval**

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to advise that it has secured funding of approximately A\$8.2 million (before costs) through a placement to institutional and sophisticated investors to enable the Company to continue development studies at its flagship Oposura project and to accelerate its exploration campaign to further define the high-grade, near-surface gold and cobalt mineralisation on the Sara Alicia project.

A total of 27.3 million fully paid ordinary shares will be issued at a price of \$0.30, which represents a 9% discount to the VWAP of the last fifteen trading days of Azure's shares. In addition, one option exercisable at \$0.45 and expiring after two years will be offered for every two shares subscribed.

Azure's Managing Director, Mr Tony Rovira, said the strong investor support had significantly strengthened the balance sheet, and allowed for the continued exploration and development at Oposura and Sara Alicia.

"I am very pleased with the strong support shown from institutions in North America, Europe and Australia. This heavily oversubscribed placement places Azure in a very strong position moving forward, as we work towards completing development studies at Oposura and fast-track exploration at the Sara Alicia gold and cobalt project."

"With both zinc and cobalt prices at decade highs, we believe that the Company is ideally placed to accelerate both Oposura and Sara Alicia towards development."

Placement Details

The placement will be conducted in two tranches.

Of the first tranche of 20.5 million shares to raise approximately \$6.15 million, 12,136,700 shares will be issued under the Company's existing 15% placement capacity in accordance with Listing Rule 7.1 and 8,363,300 shares issued under Listing Rule 7.1A.

The second tranche of 6.8 million shares and all the options, representing approximately \$2.05 million, will be issued subject to receiving shareholder approval at a meeting to be held in early April 2018. Shareholders will be sent a notice of meeting shortly.

Patersons Securities Limited acted as sole Lead Manager and Bookrunner to the placement. Tectonic Advisory Partners LLC (acting through Ecoban Securities Corporation) acted as North American manager.

Use of Funds

Funds raised under the share placement will be used to:

- advance the development of the Oposura zinc-lead-silver project and further accelerate exploration at the Sara Alicia gold-cobalt project, both located in northern Mexico;
- fund ongoing exploration activities by the Company; and
- provide general working capital.

.-ENDS-

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