

6 March 2018

The Company Announcements Office
 Australian Securities Exchange
via electronic lodgement

Please find attached:

1. Appendix 3B in relation to the issue of 20,525,000 fully paid shares for Tranche 1 of the Placement announced on 27 February 2018; and
2. A cleansing notice under section 708A(5)(e) of the Corporations Act 2001.

Pursuant to Listing Rule 7.1A.4 and in accordance with Listing Rule 3.10.5A, the Company advises as follows:

- a) 8,363,300 shares were issued under Listing Rule 7.1A. This will result in a dilution of approximately 9.1% to existing shareholders, as set out in the following table:

| | Issued Shares | Dilutionary effect on existing shareholders |
|---|---------------|---|
| Number of shares on issue prior to the Placement | 83,633,326 | |
| Placement issue under Listing Rule 7.1A | 8,363,300 | 9.1% |
| Placement issue under Listing Rule 7.1 | 12,161,700 | 12.7% |
| Number of shares on issue following the Placement | 104,158,326 | |

The shares issued under Listing Rule 7.1A were issued to both existing and new security holders. The percentage of post-Placement capital is as follows:

- 80.3% held by pre-Placement security holders who did not participate in the Placement;
- 0% held by pre-Placement security holders who did participate; and

- 8.0% held by participants in the Placement who were not previously security holders and participated pursuant to Listing Rule 7.1A.
 - 11.7% held by participants in the Placement who participated pursuant to Listing Rule 7.1.
- b) The securities were issued as a placement and not as a pro-rata issue as it was important that the Company secure funding to enable its stated plans and activities to continue in a quick and orderly manner. Unfortunately, equity markets this year have continued to be volatile and the company's share price has reflected this volatility. With this volatility there was the possibility that a protracted pro-rata issue would not be successful in raising the funds sought, so disadvantaging the Company. In addition, the last share issue undertaken by the Company included a component for shareholders by way of a Share Purchase Plan which was poorly supported by shareholders with less than 50% applied for under the plan.
- c) The issue was not underwritten and, therefore, there are no underwriting fees;
- d) The Company will pay a placement fee of 5% of the amount raised to various parties involved in the raising.

Yours faithfully



Brett Dickson
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Name of entity

AZURE MINERALS LIMITED

ABN

46 106 346 918

We (the entity) give ASX the following information.

Part 1 - All issues

- | | | |
|---|--|--------------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary Fully Paid |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 20,525,000 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Issued Fully Paid |
| 4 | Do the +securities rank equally in all respects from the issue date with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Yes, Ordinary Fully Paid (AZS) |

| | | |
|----|--|--|
| 5 | Issue price or consideration | \$0.30 |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | To advance development studies for the Oposura project and to accelerate exploration at the Sara Alicia project, both located in northern Mexico, to fund ongoing exploration activities by the Company and provide general working capital. |
| 6a | Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i> , and comply with section 6i | Yes |
| 6b | The date the security holder resolution under rule 7.1A was passed | 20 November 2017 |
| 6c | Number of ⁺ securities issued without security holder approval under rule 7.1 | 12,161,700 |
| 6d | Number of ⁺ securities issued with security holder approval under rule 7.1A | 8,363,300 |
| 6e | Number of ⁺ securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | - |
| 6f | Number of securities issued under an exception in rule 7.2 | - |
| 6g | If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation. | Yes Issue date – 5 March 2018 15 day VWAP: \$0.3309 75% of 15 day VWAP: \$0.248 VWAP calculated by the company's advisors Patersons Securites Limited |
| 6h | If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | LR 7.1 – 383,299 LR 7.1A – 33 |

| | | | |
|----|---|--------------|--|
| 7 | +Issue date Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rate entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B. | 5 March 2018 | |
| 8 | Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable) | Number | +Class |
| | | 104,158,326 | Fully paid ordinary shares (AZS) |
| 9 | Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable) | 1,850,000 | 30 November 2018, \$1.20 options (AZSAR) |
| | | 9,725,511 | 11 July 2019, \$1.10 options (AZSAS) |
| | | 2,050,000 | 30 November 2019, \$0.94 options (AZSAT) |
| | | 2,050,000 | 30 November 2020, \$0.58 options (AZSAT) |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | N/A | |

Part 2 - Pro rata issue

| | | |
|----|--|-----|
| 11 | Is security holder approval required? | N/A |
| 12 | Is the issue renounceable or non-renounceable? | N/A |
| 13 | Ratio in which the +securities will be offered | N/A |
| 14 | +Class of +securities to which the offer relates | N/A |
| 15 | +Record date to determine entitlements | N/A |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | N/A |

| | | |
|----|---|-----|
| 18 | Names of countries in which the entity has ⁺ security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7. | N/A |
| 19 | Closing date for receipt of acceptances or renunciations | N/A |
| 20 | Names of any underwriters | N/A |
| 21 | Amount of any underwriting fee or commission | N/A |
| 22 | Names of any brokers to the issue | N/A |
| 23 | Fee or commission payable to the broker to the issue | N/A |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders | N/A |
| 25 | If the issue is contingent on ⁺ security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | N/A |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | N/A |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do ⁺ security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do ⁺ security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | ⁺ Issue date | N/A |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the issue date with an existing +class of quoted +securities?
If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now
Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

| |
|--|
| |
|--|

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

| Number | +Class |
|--------|--------|
| | |

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary

Date: 6 March 2018

Print name:

BRETT DICKSON

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|--|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid ordinary securities on issue 12 months before issue date or date of agreement to issue | 1,672,653,995 |
| <p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |
| Subtract the number of fully paid ordinary securities cancelled during that 12 month period | (1,589,020,669) Nil the company completed a 1:20 consolidation approved by shareholders at the 20 Nov 2017 AGM. |
| “A” | 83,633,326 |

| | |
|---|--|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 12,544,999 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 12,161,700 – this issue |
| “C” | 12,161,700 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| “A” x 0.15 <i>Note: number must be same as shown in Step 2</i> | 12,544,999 |
| Subtract “C” <i>Note: number must be same as shown in Step 3</i> | 12,161,700 |
| Total [“A” x 0.15] – “C” | 383,299 <i>[Note: this is the remaining placement capacity under rule 7.1]</i> |

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|---|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 83,633,326 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 8,363,333 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 8,363,300 |
| “E” | 8,363,300 |

+ See chapter 19 for defined terms.

| Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A | |
|--|--|
| "A" x 0.10 <i>Note: number must be same as shown in Step 2</i> | 8,363,333 |
| Subtract "E" <i>Note: number must be same as shown in Step 3</i> | 8,363,300 |
| Total ["A" x 0.10] – "E" | 33 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

6 March 2018

The Company Announcements Office
Australian Securities Exchange
via electronic lodgement

Notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth)

1. On 5 March 2018 Azure Minerals Limited (ACN 106 346 918) (**Azure**) issued 20,525,000 fully paid ordinary shares at an issue price of \$0.30 per share (**Relevant Securities**).
2. Azure issued the Relevant Securities without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Cth) (**the Act**).
3. This notice is being given under section 708(5)(e) of the Act.
4. As at the date of this notice Azure has complied with:
 - a. the provisions of Chapter 2M of the Act as they apply to Azure; and
 - b. section 674 of the Act.
5. As at the date of this notice, there is no information that is excluded information (as that term is defined in sections 708A(7) and (8) of the Act) in respect to Azure.

Yours faithfully



Brett Dickson
Company Secretary