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## **AZURE CLOSES \$37.0 MILLION PLACEMENT TO ACCELERATE ANDOVER NICKEL-COPPER DRILLING**

### **HIGHLIGHTS**

- **Commitments received for placement of 50.0 million shares at \$0.74 per share to raise \$37 million through clients of Euroz Hartleys**
- **Pricing represents a 9.8% discount to the last closing price, a 5.9% discount to the 10 day VWAP and a 26.3% premium to the 30 day VWAP**
- **Very strong Australian and International institutional interest with high-quality institutions joining the Azure register**
- **Proceeds to fund accelerated exploration at the Andover Nickel-Copper Project and commence exploration on the Pilbara gold projects**

**Azure Minerals Limited** (ASX: AZS) (“Azure” or “the Company”) is pleased to advise that it has received commitments to raise \$37.0 million (before costs) through a very successful placement (**Placement**) to clients of Euroz Hartleys Securities Limited (**Euroz Hartleys**), who acted as Sole Lead Manager of the Placement.

**Azure’s Managing Director, Mr Tony Rovira**, said the strong investor support justified the Company’s strategy to return its exploration focus to Western Australia with the acquisition and joint venture of several nickel and gold projects in the Pilbara from the Creasy Group.

*“We are very encouraged by the positive response to our fundraising and are now in the strong position of accelerating the exploration on our new projects. These projects tick all the boxes – right location, right commodities, right partner and delivering outstanding results.*

*“The first five holes drilled by us at Andover are nothing less than exceptional, with all intersecting substantial widths of nickel-copper sulphide mineralisation. We will immediately move to secure multiple drill rigs for the drill-out of the VC-07 target and to test the other 12 strong electromagnetic (EM) anomalies on the project.*

*“The funding also allows us the capacity to commence exploration on the Turner River Gold Project, which is along strike of De Grey Mining’s Hemi and other gold discoveries. We are looking to expedite the grant of the exploration licences and start work as soon as possible.*

*“We are very pleased to have been able to continue to add value for shareholders given the position we found ourselves in earlier this year with COVID-19 and its continued impact on our activities in Mexico.”*

## Exploration Plans

Proceeds from the Placement will enable Azure to immediately plan and undertake accelerated exploration at the large VC-07 target at Andover. Azure currently has one diamond drill rig operating at Andover and, with the exception of a short Christmas break, will continue drilling into 2021. The Company's newly appointed Exploration Manager, Mr Graham Leaver, has been tasked with securing additional drill rigs to rapidly advance delineation of the Andover VC-07 nickel-copper mineralisation and test additional regional targets.

## Placement Details

The Company has received binding commitments from new and existing institutional and sophisticated investors to raise \$37.0 million (before costs) through the issue of 50,000,000 fully paid ordinary shares (Shares) at an issue price of \$0.74 per Share, representing a 5.9% discount to the volume weighted average price (VWAP) over the past 10 trading days and a 26.3% premium to the 30-day VWAP of Azure's shares. It is intended that 26,000,000 shares will be issued under the Company's existing 15% placement capacity in accordance with Listing Rule 7.1 and 24,000,000 shares will be issued under Listing Rule 7.1A. The Shares issued under the Placement will rank equally with Azure's existing Shares quoted on the ASX. The Placement timetable is set out below.

Event	Date*
Placement commitments announced	27 November 2020
Settlement of New Shares via DVP	3 December 2020
Allotment and quotation of New Shares	4 December 2020
Despatch of holding statements	4 December 2020

\*These dates are indicative only and are subject to change. Azure may alter the above dates in its discretion subject to the Listing Rules and the Corporations Act.

## Use of Funds

It is the intention of the Company to use the funds raised as set out below. Azure's priority will be to undertake a substantial diamond drilling program to determine the scale of the nickel and copper sulphide mineralisation associated with the VC-07 EM conductor. Early stage environmental, hydrological and flora and fauna studies will also commence. In addition, exploration will also be initiated at the Company's Pilbara gold projects, including Turner River once the relevant tenements are granted. The Company's current cash on hand of approximately \$3 million will be allocated to the Company's other projects, including the Alacrán silver-gold project in Mexico.

Expenditure Item	Indicative Budget \$
Drill out nickel-copper mineralisation at VC-07 EM target	15,000,000
Other expenditure at Andover (regional exploration)	5,000,000
Other Andover Studies including EIS, Flora & Fauna, Heritage, Metallurgy, Geotechnical, Hydrological, Engineering	3,000,000
Exploration on Gold projects	2,000,000
Corporate & administration	2,500,000
Repay convertible notes	2,000,000
Expenses of the issue	1,400,000
Working Capital	6,100,000
<b>Total</b>	<b>37,000,000</b>

Euroz Hartleys acted as Sole Lead Manager to the Placement.

Authorised for release by Mr Brett Dickson, Company Secretary.

**-ENDS-**

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