24 NOVEMBER 2020

FIFTH DRILL HOLE AT ANDOVER INTERSECTS MORE MASSIVE SULPHIDES

20.8m-wide zone contains significant nickel-copper sulphide mineralisation

Azure Minerals Limited (ASX: AZS) ("Azure" or "the Company") is pleased to report that the Andover Ni-Cu Project (60% Azure / 40% Creasy Group) continues to deliver outstanding exploration results.

The most recent hole, ANDD0005, has intersected a **20.8m-wide zone containing significant intervals of nickel-copper mineralisation, including massive and semi-massive sulphides** (see Figures 1 and 2). This latest mineralised intersection is located approximately 40m up-dip from the 38m-wide sulphide zone intersected in ANDD0004 (refer ASX: 12 November 2020).

HIGHLIGHTS

- **ANDD0005 intersected a 20.8m-wide interval containing significant nickel-copper sulphide mineralisation from a downhole depth of 325.2m, with multiple zones of semi-massive to massive Ni-Cu sulphides including:**
  - **2.0m of blebby and semi-massive to massive Ni-Cu sulphides from 325.2m downhole**
  - **3.2m of matrix to massive Ni-Cu sulphides from 329.8m downhole**
  - **1.5m of semi-massive to massive Ni-Cu sulphides from 340.5m downhole**
- **Significant grades of nickel and copper confirmed by on-site pXRF readings**
- **Assay results for holes ANDD0003 to ANDD0005 are pending**
- **Downhole EM (DHTEM) surveying in ANDD0004 confirms and validates the VC7 electromagnetic conductor identified in the surface fixed loop EM (FLTEM) survey**
- **Diamond drilling at Andover continues with ANDD0006 underway to test the down-dip extensions of the Ni-Cu sulphide mineralisation intersected in ANDD0004 and ANDD0005**
- **Further holes are planned to test for strike extensions to the west**

OVERVIEW

Azure has completed five diamond drill holes at the Andover Ni-Cu Project and a sixth hole is in progress. All five holes completed to date intersected intervals containing substantial widths of nickel-copper sulphide mineralisation. In every hole, massive, matrix and disseminated nickel and copper sulphides coincide with strong electromagnetic conductors detected by surface fixed loop (FLTEM) and down hole (DHTEM) electromagnetic surveys.

Figure 1
ANDD0005 drill core with semi-massive to massive Ni-Cu sulphides @ 330.0m-330.2m

Figure 2
ANDD0005 drill core with massive Ni-Cu sulphides @ 335.1m-336.0m

ANDD0005

ANDD0005 was designed to test the up-dip extensions of the 38m-wide zone of nickel-copper sulphide mineralisation intersected in ANDD0004 in the eastern part of the extensive (1,050m x 200m) VC7 conductor identified by Azure in recent electromagnetic surveys (see Figure 3).

ANDD0005 intersected a 20.8 wide interval (true width not known at this stage) containing significant nickel-copper sulphide mineralisation in the form of massive, semi-massive, matrix, blebby and disseminated pentlandite, chalcopyrite and pyrrhotite (see Table 1).

The mineralised interval commences at a downhole depth of 325.2m, extending 20.8m to 346.0m (see Figures 4 and 5), and contains multiple zones containing significant volumes of Ni-Cu sulphides, including:

- 2.0m of blebby and semi-massive to massive Ni-Cu sulphides from 325.2m downhole;
- 3.2m of matrix to massive Ni-Cu sulphides from 329.8m downhole; and
- 1.5m of semi-massive to massive Ni-Cu sulphides from 340.5m downhole.

This strongly mineralised interval is followed by another 23.4m-wide zone of weakly disseminated Ni-Cu sulphide mineralisation in the gabbro host rock, resulting in a 44.2m-wide mineralised envelope which further supports the potential for a substantial body of mineralisation at Andover.

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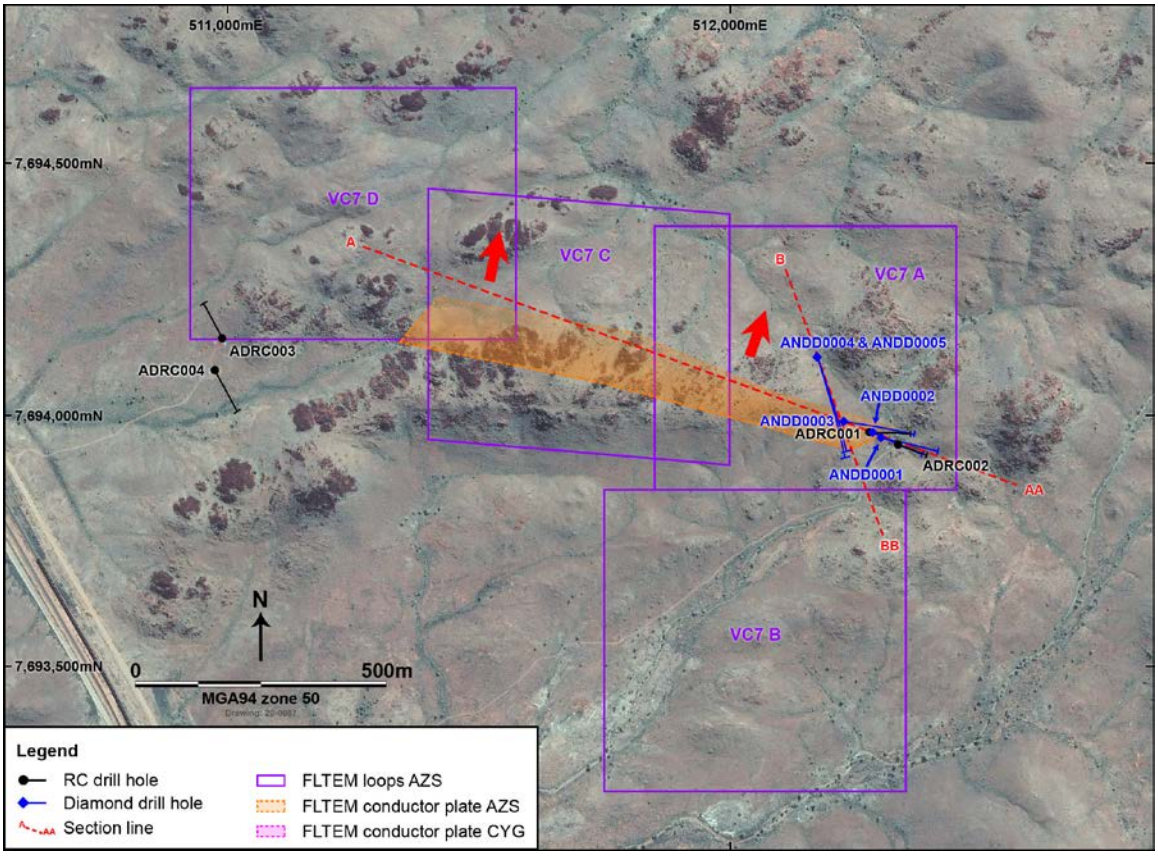

Figure 3: Andover - Drill holes with section lines A-AA and B-BB

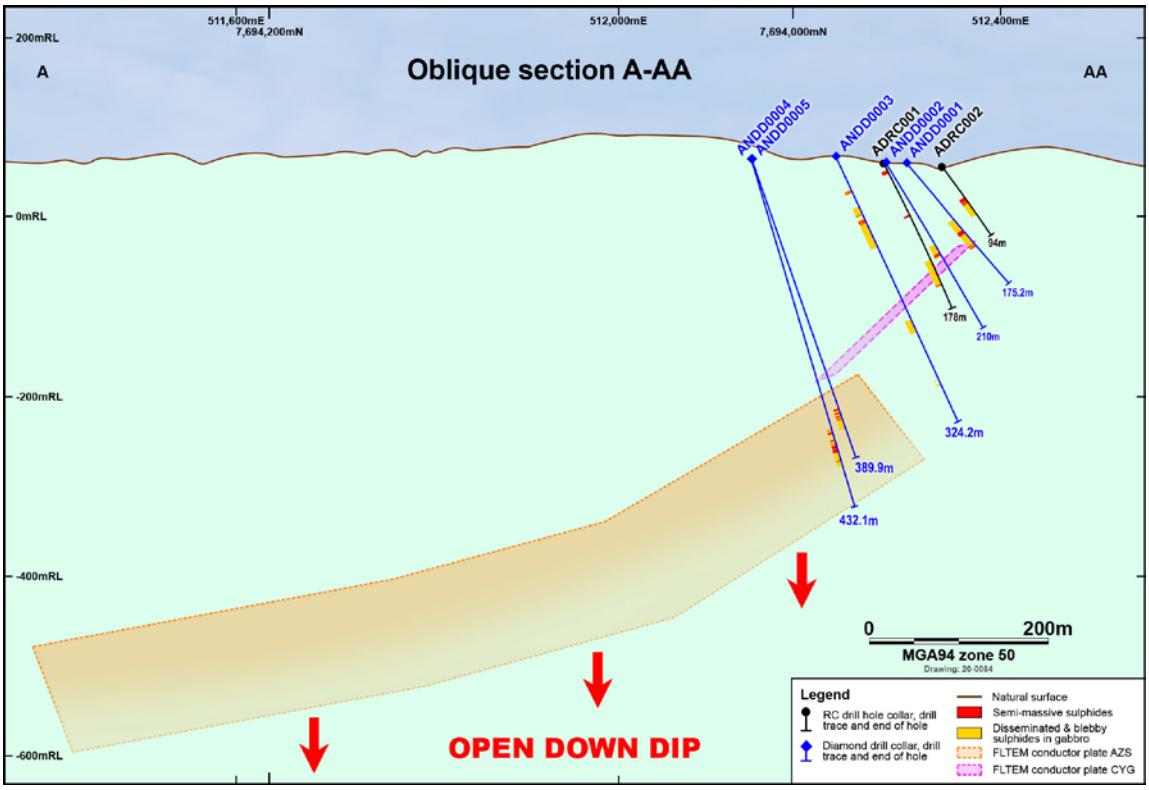

Figure 4: Section A-AA (looking North) showing drill holes and mineralised intersections

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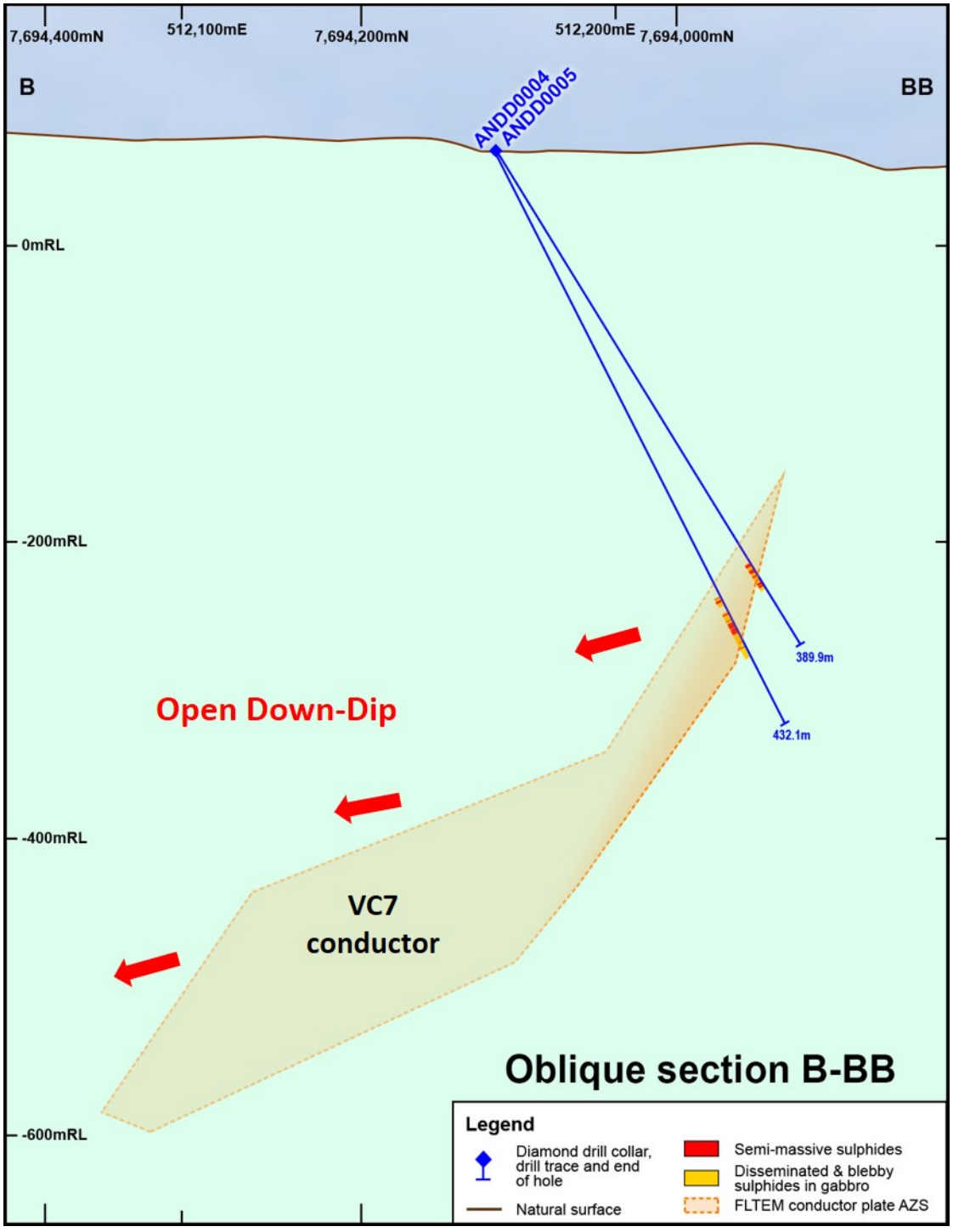

Figure 5: Section line B-BB (looking East) with drill holes and VC7 conductor plate

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LOOKING FORWARD

With on-going success intersecting nickel-copper sulphide mineralisation, drilling is continuing with ANDD0006 underway to test for down-dip mineralised extensions with a planned intersection point in the VC7 conductor plate approximately 50m below the sulphide zone intersected in ANDD0004.

This will be followed by step-out drilling to the west-northwest to test the along-strike extent of VC7. Follow-up downhole EM surveying will then provide greater definition on the vertical / down-dip extent of the VC7 conductor.

Based on FLTEM surveying completed to date, **12 separate conductor anomalies** have been identified within the Andover project area. Drilling to test the highest priority conductors is being planned and, subject to drill rig availability, likely to commence in the first quarter of 2021.

Table 1: Summary drill log of mineralised intervals for ANDD0005

INTERVAL (m)			MINERALISATION DESCRIPTION
FROM	TO	LENGTH	SULPHIDE % (Visual Estimate)
325.2	327.2	2.0	Blebby, semi-massive to massive sulphides (Po-Pn-Cpy) (40-80%)
327.2	329.8	2.6	Disseminated sulphides (Po-Pn-Cpy) (2-5%) in gabbro
329.8	333.0	3.2	Matrix to massive sulphides (Po-Pn-Cpy) (40-80%)
333.0	335.1	2.1	Disseminated and blebby sulphides (Po-Pn-Cpy) (5-15%) in gabbro
335.1	336.0	0.9	Semi-massive to massive sulphides (Po-Pn-Cpy) (40-80%)
336.0	338.4	2.4	Disseminated sulphides (Po-Pn-Cpy) (5-10%) in gabbro
338.4	338.8	0.4	Semi-massive to massive sulphides (Po-Pn-Cpy) (40-80%)
338.8	340.5	1.7	Disseminated sulphides (Po-Pn-Cpy) (5-10%) in gabbro
340.5	342.0	1.5	Semi-massive to massive sulphides (Po-Pn-Cpy) (40-80%)
342.0	342.8	0.8	Disseminated sulphides (Po-Pn-Cpy) (5-10%) in gabbro
342.8	343.9	1.1	Semi-massive to massive sulphides (Po-Pn-Cpy) (40-80%)
343.9	346.0	2.1	Disseminated sulphides (Po-Pn-Cpy) (5-10%) in gabbro
346.0	369.4	23.4	Weakly disseminated sulphides & stringers (Po-Pn-Cpy) (1-5%) in gabbro
Po = Pyrrhotite Pn = Pentlandite Cpy =Chalcopyrite Py = Pyrite			

In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of sulphide and oxide material abundance should never be considered a proxy or substitute for laboratory analysis. Laboratory assay results are required to determine the widths and grade of the visible mineralisation reported in preliminary geological logging. The Company will update the market when laboratory analytical results become available.

Table 2: Location data for Andover drill holes

HOLE No.	EAST (mE)	NORTH (mN)	ELEVATION (mASL)	AZIMUTH	DIP	TOTAL DEPTH (m)	COMMENT
ANDD0001	512300	7693954	58.5	100	-50	175.2	Completed
ANDD0002	512282	7693965	58.8	110	-60	210.0	Completed
ANDD0003	512226	7693986	66.3	097	-65	324.2	Completed
ANDD0004	512174	7694114	63.8	160	-65	432.0	Completed
ANDD0005	512174	7694113	63.8	160	-59	389.9	Completed
ANDD0006	512174	7694115	63.8	160	-70	TBC	In Progress

Authorised for release by Mr Brett Dickson, Company Secretary.

-ENDS-

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COMPETENT PERSON STATEMENT

Information in this report that relates to Exploration Results for the Andover Project is based on information compiled by Graham Leaver, who is a Member of The Australasian Institute of Geoscientists and fairly represents this information. Mr Leaver has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Leaver is a full-time employee of Azure Minerals Limited and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report that relates to previously reported Exploration Results has been crossed-referenced in this report to the date that it was reported to ASX. Azure Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

APPENDIX 1 – Visual Identification of Sulphide Mineralisation

JORC Code, 2012 Edition – Table 1

Section 1: Sampling Techniques and Data		
Criteria	***JORC Code Explanation***	**Commentary**
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling*	No sampling has been undertaken
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	No sampling has been undertaken
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	No sampling has been undertaken
Drilling Techniques	*Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling technique for all holes was diamond drilling with HQ-size (63.5mm diameter) from surface and NQ2-size (50.6mm diameter) core to the final depth. Drill holes are angled and core is being oriented for structural interpretation.
Drill Sample Recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Diamond core was reconstructed into continuous runs. Depths were measured from the core barrel and checked against marked depths on the core blocks. Core recoveries were logged and recorded in the database. Core recoveries are very high with >90% of the drill core having recoveries of >98%. There is no discernible relationship between recovery and grade, and therefore no sample bias.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Detailed core logging was carried out with recording of weathering, lithology, alteration, veining, mineralisation, structure, mineralogy, RQD and core recovery.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Drill core logging is qualitative.
	The total length and percentage of the relevant intersections logged.	Core from the entire drillhole was logged.

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Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No sampling has been undertaken.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No sampling has been undertaken.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	No sampling has been undertaken.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	No sampling has been undertaken.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	No sampling has been undertaken.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	No sampling has been undertaken.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	No sampling has been undertaken.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No sampling has been undertaken.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	No sampling has been undertaken.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Senior technical personnel from the Company (Project Geologists +/- Exploration Manager) logged and verified significant intersections.
	The use of twinned holes	No twinned holes.
	Discuss any adjustment to assay data	No sampling has been undertaken.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill holes were pegged by Azure Minerals' personnel using a handheld GPS ± 3m.
	Specification of the grid system used	MGA94_50
	Quality and adequacy of topographic control	Available state contour data and GPS recorded RL has been used which is adequate given the early stage of the project.
Data spacing and distribution	*Data spacing for reporting of Exploration Results*	Holes were individually drilled into electromagnetic targets and were not setup on a regular spacing. Downhole sample interval spacings are selected based on identification of intersected mineralisation.

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	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The project is at early exploration drilling stage, geological and grade continuity is not yet established.
	Whether sample compositing has been applied	No sampling has been undertaken.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drilling was designed to intersect the modelled EM targets and geological features were not factored at this early stage of exploration.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No sampling bias has been identified due to the early stage of the project.
Sample security	*The measures taken to ensure sample security*	No sampling has been undertaken.

Section 2: Reporting of Exploration Results		
Criteria	***JORC Code Explanation***	**Commentary**
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Exploration Licence E47/2481 is a Joint Venture between Azure Minerals Ltd (60%) and Croydon Gold Pty Ltd (40%), a private subsidiary of the Creasy Group. The tenement is centred 35km southeast of the major mining/service town of Karratha in northern WA. The tenement is approximately 12km x 6km in size with its the northern boundary located 2km south of the town of Roebourne. Approximately 30% of the tenement area is subject to either pre-existing infrastructure, Class "C" Reserves and registered Heritage sites. Written permission is required to access these areas which are outside the current areas of exploration focus.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement has been kept in good standing with all regulatory and heritage approvals having been met. There are no known impediments to operate in the area.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Limited historical drilling has been completed within the Andover Complex. The following phases of drilling works with results have been undertaken: 1986-1987: Greater Pacific Investment; 6 core holes. Intersected elevated values of nickel (up to 1.0% Ni) and copper (up to 0.41% Cu). No PGEs were detected. 1996-1997: Dragon Mining; Stream sediment sampling, 5 RC holes in the NE at Mt Hall Ni-Cu target. Zones of noted sulphides (in sediments & gabbro) were selectively sampled with no anomalous results. Rare intervals of ultramafics were sampled.

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Section 2: Reporting of Exploration Results		
		1997-1998: BHP Minerals; 2 RC/DD holes were drilled within the Andover project area. Both holes intersected strongly magnetic serpentinite containing elevated values of nickel (up to 0.29% Ni), copper (up to 0.26% Cu) and cobalt (up to 332ppm Co) but no anomalous PGE's. 2012-2018: Croydon Gold; VTEM Survey, soil and rock chip sampling, 7 RC holes tested 4 geophysical / geological targets. Significant Ni-Cu-Co sulphide mineralisation was intersected in two locations.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Andover Complex is an Archean-age layered mafic-ultramafic intrusion covering an area of about 200km^2 that intruded the West Pilbara Craton. The Andover Complex comprises a lower layered ultramafic zone 1.3km thick and an overlying 0.8km gabbroic layer intruded by dolerites. Ni-Cu-Co sulphide mineralisation occurs at lithological boundaries, either between different types of gabbro's, or between mafics and ultramafics. The current interpretation of the mineralized sulphides suggests a magmatic origin heavily overprinted by one or several hydrothermal events.
Drill hole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*	Table included in the body of this report.
	easting and northing of the drill hole collar	See above
	elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar	See above
	dip and azimuth of the hole	See above
	down hole length and interception depth	See above
	hole length.	See above
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No material information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	No sampling has been undertaken.
	Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No sampling has been undertaken.

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	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No sampling has been undertaken.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results*	No drilling results have been reported in this release.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Results are reported as downhole widths. Drilling was designed to intersect the modelled EM targets and geological features have not been factored at this early stage of exploration. The true direction of mineralisation is not determined at this stage.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Downhole lengths have been reported and true widths are not known at this stage.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to figures in the report.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	No sampling has been undertaken but photographs of sulphide intervals are included in this report.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Everything meaningful and material is disclosed in the body of the report. Geological observations have been factored into the report.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or large-scale step out drilling).*	Submit drill core for analysis. Additional diamond drilling to follow-up the sulphide intersections. Downhole EM surveying.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	

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