

ASX / Media Release

ASX Code – AZM

Wednesday 27th January
2010



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Investment Highlights:

- 754,300oz gold JORC Code-compliant Mineral Resource at Wa Gold Project, NW Ghana
- Project development studies underway
- 100% of 3,100km² licences hosting over 150km of prospective Birimian greenstone belt
- Pipeline of priority drill-ready targets
- \$8.0M cash to fund aggressive exploration and development programmes
- Board and management team of successful explorers, developers, mining, finance and corporate professionals

Issued Capital:

175.30M ord. shares
13.25M unlisted options

Directors & Management:

Chairman:
Michael Atkins
Managing Director:
Stephen Stone
Non-Executive Director:
Geoff M Jones
General Manager:
Bernard Aylward
Company Secretary:
Dennis Wilkins

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High-Grade Drilling Results to Support Resource Upgrade at Wa Gold Project, Ghana

- ▶ High-grade intersections confirm continuity of near-surface gold mineralisation at Julie prospect. Best results include*:
 - 15m at 6.46g/t gold from 1m (AJRC039)
Incl. 3m at 23.10g/t gold from 1m;
 - 16m at 4.18g/t gold from surface (AJRC065)
Incl. 8m at 7.72g/t gold from 4m
 - 16m at 3.80g/t gold from 48m (AJRC070)
Incl. 4m at 13.20g/t gold from 56m; and
 - 4m at 9.74g/t gold from surface (AJRC061)

*Note intersections based on composite sampling to a maximum of 4m

- ▶ Maiden Julie resource estimation to be completed in March Quarter ~ to add to Azumah's existing 754,000 ounce Indicated and Inferred gold resource
- ▶ Rock chip samples grading up to 186g/t gold confirm new mineralised quartz reef to the south of known Julie mineralisation

West African gold explorer Azumah Resources (ASX:AZM) is pleased to announce that recent drilling at its **Julie prospect** has produced a host of bumper results ahead of a maiden resource estimation that will undoubtedly see an increase in the Company's Wa Gold Project's existing 754,000-ounce Indicated and Inferred mineral resource base (see *Tables 1 and 2. Figures 1, 2 and 3*).

In addition, the very recent discovery of an as yet undrilled mineralised quartz reef south of Julie, where rock chip sampling returned up to **186g/t gold**, infers that there is excellent scope to increase resources in the broader Julie prospect area.

The recently completed Reverse Circulation (RC) drilling programme at Julie successfully extended and confirmed the continuity of three zones of high-grade, near-surface gold mineralisation within the open-ended 6km east-west Julie shear zone. The Julie mineralisation remains open at depth and along strike.

Preliminary assay results, based on 4m composited samples, returned mineralised intersections including:

- ▶ 15m at 6.46g/t gold from 1m – AJRC039 (*Incl. 3m at 23.10g/t gold from 1m*);
- ▶ 16m at 4.18g/t gold from surface – AJRC06 (*Incl. 8m at 7.72g/t gold from 4m*);
- ▶ 16m at 3.80g/t gold from 48m – AJRC070 (*Incl. 4m at 13.20g/t gold from 56m*); and
- ▶ 4m at 9.74g/t gold from surface – AJRC061.

Azumah will immediately commission an independent mineral resource estimation for the Julie prospect with completion expected during the March 2010 Quarter.

The Julie prospect lies 75km east of the Company's main Kunche-Bepkong resources within its largely under-explored 3,100km² Wa Gold Project in Ghana's emerging north west gold province.

Rock Chip Sampling Returns High-Grade Results

Azumah's continuing rock chip sampling and field reconnaissance programmes within the Wa Gold Project have most recently focussed on the Julie prospect area. Some excellent results have been returned including the discovery of a new high-grade but poorly exposed mineralised quartz vein, parallel to and south of the main Julie structure, with rock chip sampling assay results of up to **186g/t gold** obtained. This presents an immediate target for drilling in the March Quarter. Many other rock chip samples taken in the Julie area returned over 50g/t gold.

41,000m Drilling Campaign Continuing

Azumah has completed approximately half of the planned 19,000 RC component of its combined 41,000 RC, diamond and aircore drilling campaign with final assay results from RC drilling recently completed at the Collette prospect expected in the next two weeks.

An eight hole, 1,000m large diameter diamond drilling programme to obtain samples for geotechnical and metallurgical studies is half completed at the Kunche and Bepkong resource areas and approximately one third of the planned 21,000m, 240 hole aircore drilling programme that is testing a number of new high-priority targets, is now completed.

"These excellent high-grade results from Julie and the announcement last week of new discoveries at Aduane and Sabili provide a great start to 2010, and we are still only part way through our current 41,000m combined RC, diamond and aircore drilling campaign," said Azumah's Managing Director, Stephen Stone.

"We will immediately commence the estimation of a maiden mineral resource for the open-ended Julie mineralisation that lies on a well defined 6km structure. This, along with the discovery of a parallel but as yet undrilled mineralised quartz vein where we obtained rock-chip sampling results up to 186g/t gold, provides strong encouragement that we will continue to build-up resources in this area," he said.

"A continuing flow of drilling results combined with project development studies moving forward on several fronts will ensure that shareholders can look forward to some very interesting developments as we move steadily towards our key objective of developing the first commercial-scale gold mining operation in the emerging north-west Ghana gold province," he added.

- ENDS -

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Inspecting Julie mineralisation at artisanal workings



Field geologists logging Julie RC drill holes

Figure 1: Ghana's Emerging North West Gold Province

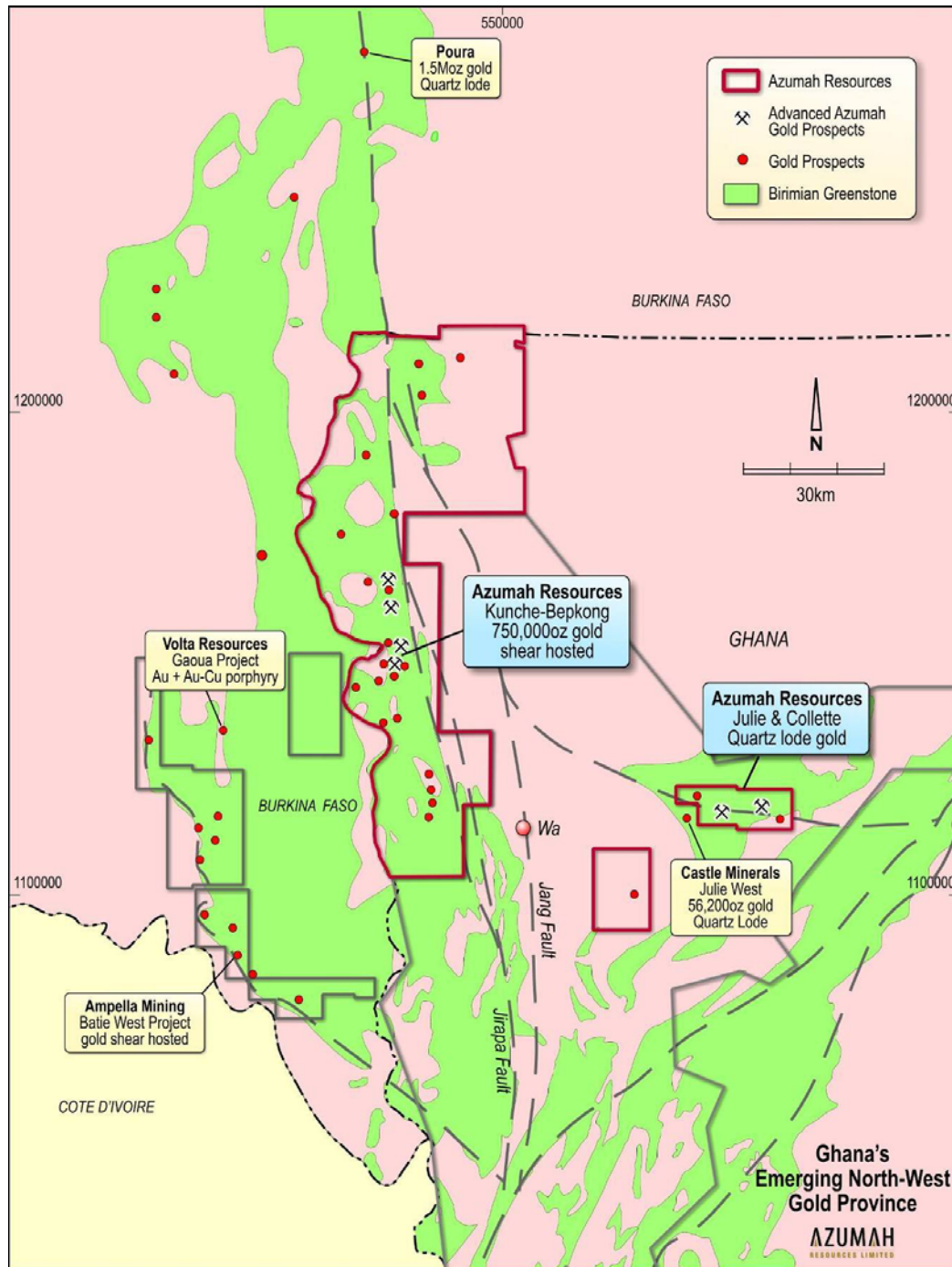


Figure 2: Julie Prospect: Western Zone – Latest Drilling Results

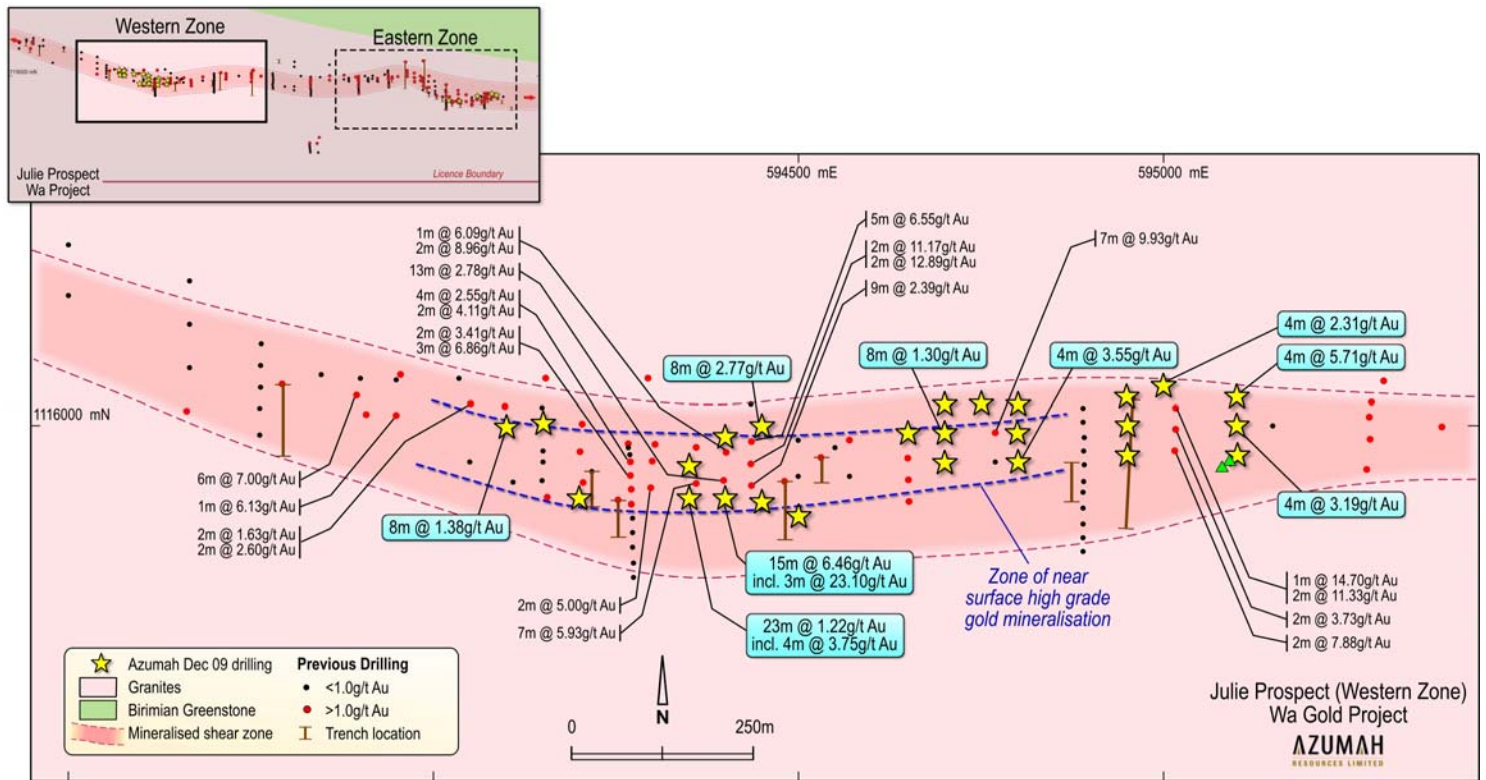


Figure 3: Julie Prospect: Eastern Zone – Latest Drilling Results

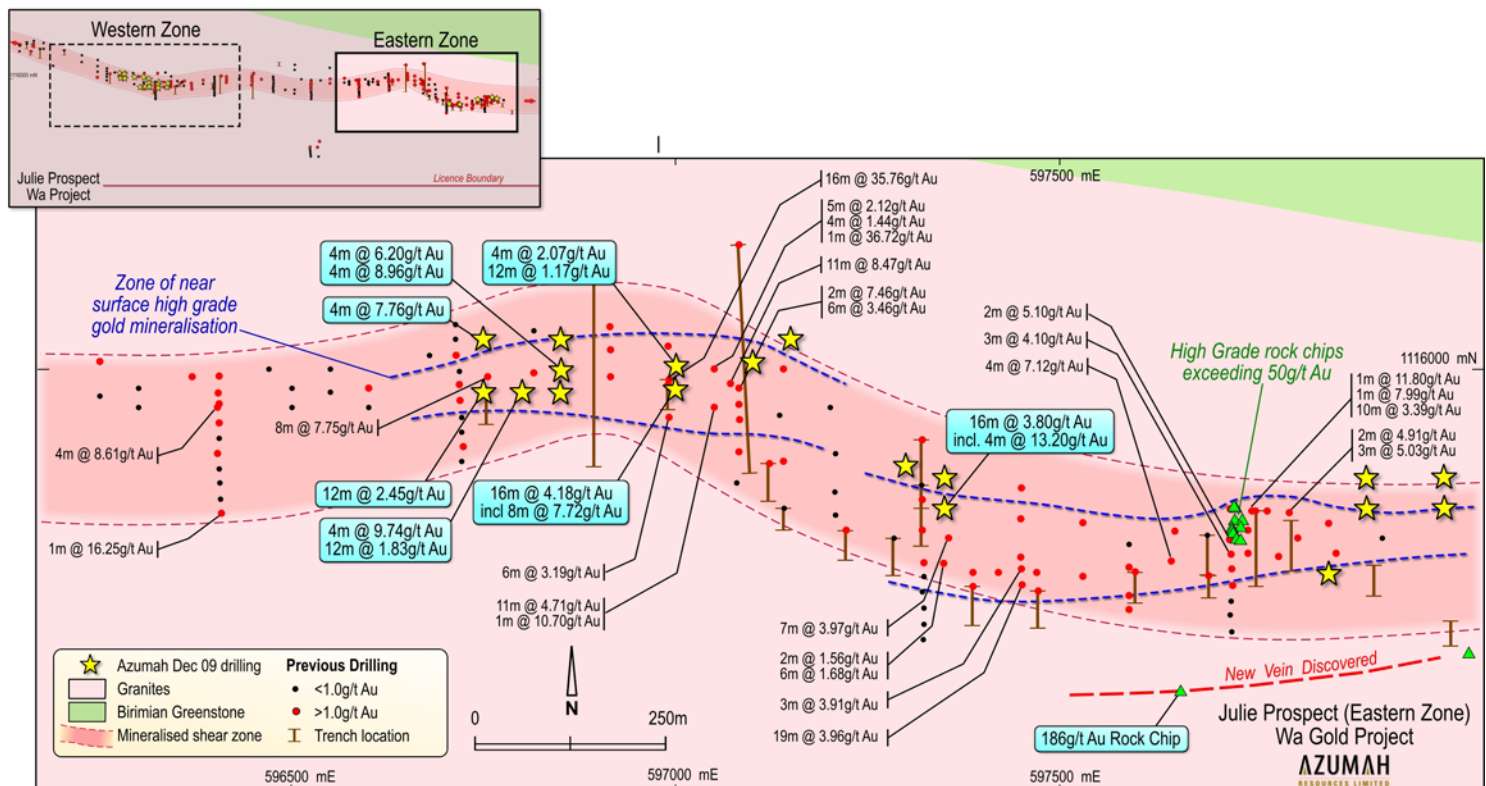


Table 1: Julie RC Drilling (Nov-Dec 09) – Preliminary Mineralised Intersections

Hole_ID	East	North	RL	Dip	Azi	Hole Depth	From (m)	To (m)	Intersected metres	Grade g/t
AJRC 034	594110	1115998	290	-50	180	30	0	8	8	1.38
AJRC 035	594150	1116006	286	-50	180	30	4	24	20	0.68
AJRC 037	594349	1115901	290	-50	180	36	1	24	23	1.22
						<i>incl.</i>	4	8	4	3.75
AJRC 039	594397	1115899	290	-50	180	30	1	16	15	6.46
						<i>incl.</i>	1	4	3	23.10
AJRC 040	594400	1115985	291	-50	180	90	0	4	4	0.67
							20	24	4	1.05
AJRC 041	594450	1115900	288	-50	180	36	4	16	12	0.93
AJRC 042	594441	1115998	292	-50	180	60	8	16	8	2.77
AJRC 046	594704	1115989	282	-50	180	60	28	36	8	1.30
AJRC 048	594752	1116030	282	-50	180	84	48	56	8	0.54
AJRC 049	594800	1115951	284	-50	180	42	20	24	4	3.55
AJRC 050	594800	1115990	284	-50	180	60	20	28	8	0.66
AJRC 052	594946	1115953	283	-50	180	42	8	12	4	1.24
AJRC 053	594947	1116001	281	-50	180	54	36	40	4	1.47
AJRC 054	595948	1116041	282	-50	180	90	48	52	4	0.96
AJRC 055	595000	1116057	286	-50	180	90	60	64	4	2.31
AJRC 056	595102	1115975	282	-50	180	36	8	16	8	0.75
AJRC 057	595101	1115998	282	-50	180	48	8	12	4	1.99
							24	28	4	3.19
AJRC 058	595106	1116057	281	-50	180	90	48	52	4	5.71
AJRC 059	596751	1115969	305	-50	180	36	12	24	12	2.45
AJRC 060	596748	1116009	306	-50	180	60	28	32	4	7.76
AJRC 061	596797	1115985	308	-50	180	54	0	4	4	9.74
							20	32	12	1.83
AJRC 062	596849	1115967	306	-50	180	30	0	4	4	1.40
							16	20	4	2.36
AJRC 063	596846	1115996	304	-50	180	54	4	8	4	6.20
							28	32	4	8.96
AJRC 064	596852	1116038	302	-50	180	72	44	48	4	2.40
AJRC 065	597004	1115976	300	-50	180	54	0	16	16	4.18
						<i>incl.</i>	4	12	8	7.72
							24	36	12	0.85
AJRC 066	597001	1116001	301	-50	180	66	16	20	4	2.07
							28	40	12	1.17
AJRC 067	597108	1116012	300	-50	180	78	8	12	4	0.84
							40	44	4	0.78
							52	56	4	0.53
							68	72	4	0.81
AJRC 070	597347	1115822	294	-50	180	78	48	64	16	3.80
						<i>incl.</i>	56	60	4	13.20
AJRC 071	597347	1115863	294	-50	180	84	56	60	4	0.82
AJRC 072	597849	1115732	292	-50	180	42	4	8	4	1.25

Notes: All intersections based on maximum 4m composite RC samples. Intersections selected are based on a 0.50g/t gold lower cut-off, no upper-cut applied and maximum 4m internal dilution. Sample analysed by 50gm Fire Assay method, SGS Tarkwa. Eoh – end of hole intersection. Drill hole collars are located by GPS with accuracy \pm 5m. RC drill holes are down hole surveyed on a 30m interval.

Table 2: Wa Gold Project - Statement of Combined Mineral Resource Estimates

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade g/t Gold	Contained Ounces Gold	Tonnes	Grade g/t Gold	Contained Ounces Gold	Tonnes	Grade g/t Gold	Contained Ounces Gold
Kunche ⁽¹⁾	4,900,000	2.0	318,000	3,600,000	1.7	198,000	8,500,000	1.9	516,000
Bepkong ⁽²⁾	1,040,000	2.5	82,000	1,930,000	2.1	130,000	2,970,000	2.2	212,000
Atikpi ⁽²⁾				350,000	1.4	15,500	350,000	1.4	15,500
Yagha ⁽²⁾				270,000	1.2	10,800	270,000	1.2	10,800
Total	5,900,000	2.1	400,000	6,100,000	1.8	354,300	12,090,000	1.9	754,300

1. Kunche Mineral Resource estimation quoted for blocks with a grade greater than 1.0g/t gold. Differences may occur due to rounding errors. Refer ASX release September 2006 and details on Azumah website. Estimation completed by Resource Evaluations Pty Ltd in September 2006.
2. Bepkong, Atikpi and Yagha Mineral Resource estimations quoted for blocks with a grade of greater than 0.8 g/t gold. Differences may occur due to rounding errors. Estimation completed by CSA Global Pty Ltd in August 2008.
3. Details of the Bepkong Mineral Resource estimation appear in ASX release dated 4th September 2008.
4. Details of the Atikpi and Yagha Mineral Resource estimation appear in ASX release dated 4th September 2008.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Bernard Aylward. Mr Aylward is the General Manager of Azumah Resources Limited. Mr Aylward is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Aylward consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The information in this report that relates to in-situ Mineral Resource estimates for Bepkong, Yagha and Atikpi is based on information compiled by Mr David Williams, an employee of CSA Global Pty Ltd, geological consultants. Mr Williams is the competent person for the Bepkong, Yagha and Atikpi estimates and takes overall responsibility for these. Mr Williams is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Williams consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

The information in this presentation that relates to Mineral Resources at the Kunche Project is based on a resource estimate that has been audited by Mr Paul Payne, who is the Principal and full time employee of Resource Evaluations Pty Ltd. Mr Payne is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Payne consents to the inclusion in the presentation of the matters based on information in the form and context in which it appears.

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

All notes pertaining to the Kunche Mineral Resource estimation of September 2006, the Bepkong Mineral Resource estimation of September 2008 and the Atikpi and Yagha Mineral Resource estimation of September 2008 can be found at www.azumahresources.com.au