

Azumah Resources Limited
ACN 112 320 251

Issued Capital:

93M ord shares: 16.25M unlisted options

Directors & Management:

Executive Chairman:

Stephen Stone

Non-Executive Directors:

Joe Ariti
Michael Ivey

General Manager:

Bernard Aylward

Company Secretary:

Dennis Wilkins

Investment Highlights:

- 516,000oz gold resource at Kunche
- New discovery at Bepkong and maiden JORC resource pending
- 100%-owned, 2,800km² licences hosting 110km of prospective Birimian greenstone belt
- Pipeline of drill targets
- Management team of successful explorers
- Market capitalisation per resource ounce well below industry benchmark

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Encouraging Kunche Metallurgical Results

Overall Gold Recovery Expected To Exceed 90% With Up To 40% Recoverable By Gravity

West African gold explorer Azumah Resources Limited (ASX: AZM) is pleased to announce results from the first stage of metallurgical test work being conducted on samples of primary (unoxidised) mineralisation from the Kunche resource at the Company's 100% owned Wa-Lawra Gold Project in Ghana.

Initial metallurgical results indicate that recoveries of over 90% should be obtained on typical resource-grade Kunche mineralisation using conventional gold processing technology comprising gravity separation followed by carbon-in-leach ("CIL").

Importantly, between 25% and 40% of the gold is likely to be recoverable using a preliminary gravity separation phase, which should impact favourably on bottom line operating costs.

The first stage of this laboratory scale test work was undertaken in Perth by independent metallurgical laboratory, AMDEL Ltd, on a blend of ore and marginal grade material grading approximately 1.0g/t gold. The test results returned a total gold recovery of 86.5% (grind size of 80% passing 75µm, final solid tail of 0.12 g/t Au), of which approximately 40% was recovered by gravity separation (Table 1).

"Whilst a number of gold operations in Ghana are burdened with refractory ores requiring expensive specialist treatment regimes, it is particularly encouraging that Kunche mineralisation can be treated using conventional gold processing technology - especially as 72% of the total 516,000 ounce indicated and inferred gold resource at Kunche is comprised of primary, unoxidised mineralisation," commented Azumah Executive Chairman, Mr Stephen Stone.

"The next phase of test work is already underway focused on Kunche mineralisation grading closer to the average combined indicated and inferred resource grade of 1.9g/t gold," Mr Stone continued. "Metallurgical test work will also be conducted on samples of primary mineralisation from the recently discovered Bepkong deposit, for which we expect to release a maiden JORC compliant resource estimate shortly."

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Table 1: Summary Metallurgical Results for Kunche Primary Material

Grind Size	Gold Grades		Gold Recovery		
	Feed (g/t)	Final Tail (g/t)	Gravity (%)	CIL (%)	Total (%)
80% passing (µm)					
106	1.14	0.16	25.5	60.5	86.0
75	0.89	0.12	39.3	47.2	86.5

Notes:

1. Kunche sample prepared from ¼ core by combining marginal and ore grade intervals from drill holes KRCD018 and KRDC136.
2. Gravity separation conducted in a laboratory scale Knelson concentrator with the tail collected for CIL testing and the concentrate amalgamated with mercury and assayed.
3. CIL tests conducted in Perth tap water for 48 hours at 40% solids (w/w), a carbon concentration of approximately 15g/l and an initial cyanide concentration of 500mg/l. The pH was maintained at 10 and dissolved oxygen levels ranged between 8 and 10mg/l.

Competent Persons and Forward Looking Statements:

The information in this report that relates to Metallurgical Results is based on information compiled by Mr G V Ariti. Mr Ariti is a metallurgist and Non-Executive Director of Azumah Resources Limited. Mr Ariti 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 Ariti consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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.

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 resource estimation can be found at www.azumahresources.com.au