ASX / MEDIA ANNOUNCEMENT **26 October 2007**

AZURE ENTERS AGREEMENT TO DIVEST SPLINTER PROJECT – CONTINUES MEXICAN DEVELOPMENT STRATEGY

Azure Minerals Ltd (ASX: AZS) is pleased to announce it has entered into a conditional agreement for the sale of its 100%-owned Splinter Magnetite Iron Ore Project (Splinter) to Icon Resources Ltd (ASX: III).

Azure will receive A$50,000 by providing Icon a three month option over the project. Icon can elect to extend this option for an additional three months by the payment of an additional A$100,000. The exercise price for the option is A$2,000,000.

The divestment of Splinter continues Azure's strategy of consolidating its project portfolio and focus on the development of its key assets in Mexico, including the Pozo de Nacho molybdenum project and the Los Chinos and Jagüey silver-lead-zinc projects.

After a period of data review, field exploration in Mexico has recommenced with a soil sampling program at Los Chinos, mapping and sampling at La Providencia, and reassaying of drill intercepts at Pozo de Nacho. Planning of the next phase of drilling has been completed and drilling should commence within 2 weeks. Projects to be drilled include La Providencia, Los Chinos and Pozo de Nacho.

Azure Managing Director, Mr Tony Rovira, said "the divestment of Splinter represents an opportunity for the Company to realise full value for this non-core and only remaining Australian asset. The Company is now able to fully focus on its portfolio of exciting Mexican projects".

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