



**FOR IMMEDIATE RELEASE**  
15 October 2018

**TSX-V: AZR**

**AZARGA METALS FILES UNKUR  
PRELIMINARY ECONOMIC ASSESSMENT TECHNICAL REPORT**

**HIGHLIGHTS:**

- **Positive PEA result achieved based only on 2018 Mineral Resource as an 'initial option' with significant growth potential**
- **Open-pit mine with annual production rate of 2 million tonnes of mill feed per year and conventional processing circuit to produce a very high-grade copper and silver concentrate**
- **Average of 13,217 tonnes of copper and 3.70 million ounces of silver metal contained in concentrate production per year over 8-year life of mine**
- **Pre-tax net present value of US\$203.6 million (post-tax US\$147.5 million) and internal rate of return of 28.9%**
- **Updated 'follow-on' PEA to be prepared following completion of exploration works to grow the Mineral Resource at Unkur**

**AZARGA METALS CORP.** ("Azarga Metals" or the "Company") (TSX-V:AZR) has filed a technical report titled "Technical Report and Preliminary Economic Assessment for the Unkur Copper-Silver Project, Kodar-Udokan, Russian Federation" dated effective 30 August 2018 (the "Unkur PEA") for its Unkur Copper-Silver Project in Russia to support the Preliminary Economic Assessment announced on 30 and 31 August, 2018.

The Unkur PEA Report was prepared in accordance with National Instrument 43-101 (NI 43-101) and is filed on the Company's profile on [www.sedar.com](http://www.sedar.com) and is also available on the Company's web site.

The Unkur PEA is based on the current Inferred Mineral Resource estimate for Unkur of 62 million tonnes at 0.53% copper and 38.6g/t silver, containing 328,600 tonnes (724 million pounds) of copper and 76.8 million troy ounces of silver, as announced by the Company on 27 March 2018 ("2018 Mineral Resource").

The Unkur PEA is preliminary in nature and is based on Inferred Mineral Resources that are currently considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty

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that the Unkur PEA will be realized. There is no certainty that the Inferred Resources will be converted to the Indicated or Measured categories, or that the potential Indicated or Measured Resources would be converted to the Proven or Probable Mineral Reserve categories. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

### Qualified Person

The results of the 2018 Mineral Resources and Unkur PEA prepared by Tetra Tech have been reviewed by the Company's technical staff, including Dorian (Dusty) Nicol B.Sc. Geo, MA Geo the Company's President and Chief Executive Officer and, a Qualified Person as defined by NI 43-101. Mr. Nicol is also the person responsible for preparation of the technical information contained in this news release.

The following Qualified Persons have participated in the Unkur PEA or are responsible for specific inputs into the Unkur PEA:

| <b>Qualified Person</b> |                                      | <b>Company</b>                               |
|-------------------------|--------------------------------------|--|
| Joseph Hirst            | BSc (Hons), MSc, CGeol, EurGeol, FGS | Tetra Tech                                   |
| Robin Simpson           | MAIG                                 | SRK Consulting (Russia) Ltd.                 |
| Euring Andrew Carter    | CEng, BSc, MIMMM, MSAIMM, SME        | Tetra Tech                                   |
| Matthew M. Randall      | BSc (Hons), PhD, CEng, MIMMM         | Director, Axe Valley Mining Consultants Ltd. |

### About Azarga Metals Corp.

Azarga Metals is a mineral exploration and development company that owns 100% of the Unkur Copper-Silver Project in the Zabaikalsky administrative region in eastern Russia.

### **AZARGA METALS CORP.**

*"Dusty Nicol"*

Dorian L. (Dusty) Nicol, President and CEO

For further information please contact: Doris Meyer, at +1 604 536-2711 ext 6, visit [www.azargametals.com](http://www.azargametals.com), or follow us on Twitter @AzargaMetals.

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Cautionary Statement:

This news release contains forward-looking statements that are based on the Corporation's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current planned exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Corporation disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.