



MARCH 2008 QUARTERLY REPORT

HIGHLIGHTS

Wa-Lawra Gold Project, Ghana

Issued Capital:

81.00M 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

Wa-Lawra Project:

- Targeting initial 1,000,000oz gold resource to underpin open cut mining operation scoping study
- 516,000oz gold resource at Kunche
- 100%-owned 2,800km² licence area
- 100km strike length of prospective Birimian greenstone belt
- Increasing pipeline of prospects
- New management team of successful explorers

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- Confirmed and extended mineralisation at Bepkong, with results including:
 - 16m at 4.9g/t gold from 50m, including 10m at 7.1g/t gold from 54m; and
 - 32m at 3.62g/t gold from surface, incl. 10m at 6.45g/t gold from 19m.
- Discovered broad zones of near surface mineralisation at Basabli
- Identified several new soil gold anomalies requiring drill testing
- Commenced metallurgical testwork programme
- Drilling to recommence in mid-May to:
 - Increase 516,000 ounce JORC compliant gold resource at Kunche;
 - Define maiden JORC resources at Bepkong;
 - Test the new discovery at Basabli to greater depth; and
 - Investigate other new targets.
- Immediate objective to increase near-surface, open-pitiable JORC resource to 1,000,000 ounces of gold.

OVERVIEW

The March 2008 Quarter has seen Azumah continue its aggressive exploration programme aimed at achieving the Company's primary objective of delineating sufficient near surface, open-pitiable JORC Code compliant gold resources to underpin a stand-alone mining operation at its 100% owned, 2,800km² Wa-Lawra Project in northwest Ghana.

Additional ounces are currently being sought in the immediate vicinity of the existing Kunche resource (516,000 ounces), as well as at the new Bepkong discovery (2km north of Kunche), along the main north-south trending Wa-Lawra fault structure linking Kunche with several other prospects, and elsewhere within the highly prospective but under-explored 100km strike of Birimian greenstones hosted at Wa-Lawra.

The Company's exploration strategy of conducting truck-mounted auger soil sampling on geologically and structurally ranked anomalies, followed-up by RAB and/or RC drilling, is proving to be an effective and cost-efficient discovery method.

Bepkong Discovery

Bepkong represents a significant new target at Wa-Lawra. It was discovered in December 2007 by the first drill hole testing an auger-generated soil gold anomaly, 2km north of the 516,000 ounce Kunche gold resource.

The discovery hole intersected **16m at 4.9g/t gold from 50m, including 10m at 7.1g/t gold from 54m** (ASX release: 29th January 2008).

Follow-up reverse circulation (RC) and diamond drilling in March confirmed near-surface, open-pitiable mineralisation extending over 300m and remaining open to the north and at depth (ASX releases: 25th March and 9th April 2008). The drilling programme consisted of 37 RC drill holes for 3,116m and one diamond drill hole for 98m, and returned excellent results including:

- **32m at 3.62g/t gold from surface, incl. 10m at 6.45g/t gold from 19m;**
- **20m at 2.55g/t gold from 42m, incl. 2m at 15.5g/t gold from 54m; and**
- **28m at 1.66g/t gold from 24m, incl. 8m at 2.59g/t gold from 37m.**

Wide spaced RC drilling on 200m to 300m spaced traverses also tested an additional 800m of possible southerly strike extension of the Bepkong soil anomaly. This drilling confirmed that the Bepkong mineralised structure does continue south, and returned up to 15m at 1.07g/t gold from 13m (Figs 1 and 2. Table 1).

The next drilling programme at Bepkong, scheduled to commence in May, will target the inferred northern extension of the Bepkong mineralisation where shallow alluvial cover masks the geochemical response and no drilling has been conducted to date. Drilling will also infill and investigate the southern extension of the mineralised Bepkong structure.

Basabli

Assay results from a first-pass, wide-spaced, shallow 42-hole RAB drilling programme at Basabli, 40km north of Kunche, intersected broad zones of open-ended, near-surface mineralisation and confirmed a new mineralised system in the area (Fig 3. Table 2). Results include:

- **57m at 0.16g/t gold from 4m to end of hole;**
- **53m at 0.14g/t gold from surface to end of hole;**
- **24m at 0.38g/t gold from surface to end of hole, incl 4m at 1.42g/t gold from 8m; and,**
- **8m at 0.60g/t gold from 24m, incl 4m at 1.06g/t gold from 28m.**

This area has never been drilled and the discovery opens up the possibility of a completely new prospective area within the Wa-Lawra project.

RC drilling in May will investigate this mineralisation to greater depth, in-fill around the anomalous intersections and test several other soil anomalies in the area.

Butele

First-pass reconnaissance RC drilling of a prominent quartz vein hosted in granite at the recently discovered **Butele** prospect returned a best intersection of **1m at 19.0g/t gold from 30m**.

Seven holes for a total of 522m returned generally erratic results (Table 3) despite previous surface rock chip sampling assays including **11.5g/t, 8.2g/t and 7.8g/t gold**.

The area remains of interest with mapping, auger soil sampling and additional reconnaissance drilling planned for next Quarter.

Soil Sampling

Historical surface soil sampling campaigns by various earlier explorers has highlighted large tracts of anomalous gold throughout the 2,800km² Wa-Lawra project. Whilst the reliability of some of this work is uncertain, it does provide an important indicator as to where to focus current exploration activities, as well as providing a general indication that there is much more gold to be found in the region.

Azumah's continuous truck-mounted power-auger soil sampling programme is being directed at several of these areas that also have favourable geological and structural settings. A pipeline of over 20 targets of interest has been generated, many of which are virtually drill ready (Fig 4).

This auger work has been instrumental in the discovery of the Bepkong and Basibli mineralisation, demonstrating a strong correlation between soil anomalies and primary mineralisation.

During the Quarter, 1,762 power auger soil samples were collected from 9 prospects including Kunche West, Duri and Basabli.

Power auger sampling completed at the **Kunche West** prospect, 1.5km west of the 516,000 ounce Kunche gold resource, has defined a 500m x 50m gold anomaly (+50ppb Au contour, maximum value 260ppb Au) with no previous drill testing in the area, as well as several other anomalous zones in this highly mineralised area.

Sampling completed at Duri, 35km north of Kunche, has defined several anomalous gold zones with a maximum result of 1.29g/t gold. The Duri and Kunche West prospects are high priority targets that will be drill tested next Quarter.

Metallurgy

Diamond drill core representing different styles and grades of mineralisation at Kunche has been collected and transported to AMDEL laboratories in Perth. A 10 week programme of detailed metallurgical testwork under the guidance of Azumah Non-Executive Director and metallurgist, Joe Ariti, has commenced.

Corporate

As of the date of this Report, Azumah has working capital of \$2.4M and 81 million fully-paid ordinary shares on issue.

At a General Meeting of Azumah shareholders held in Perth on April 16th, the issue of a total of 8 million options was approved to Executive Chairman Stephen Stone and General Manager Bernard Aylward. The total number of unlisted Azumah options is now 16.25 million.

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Competent Persons and Forward Looking Statements:

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.

Fig 1: Bepkong Prospect – Northern Cross-Sections

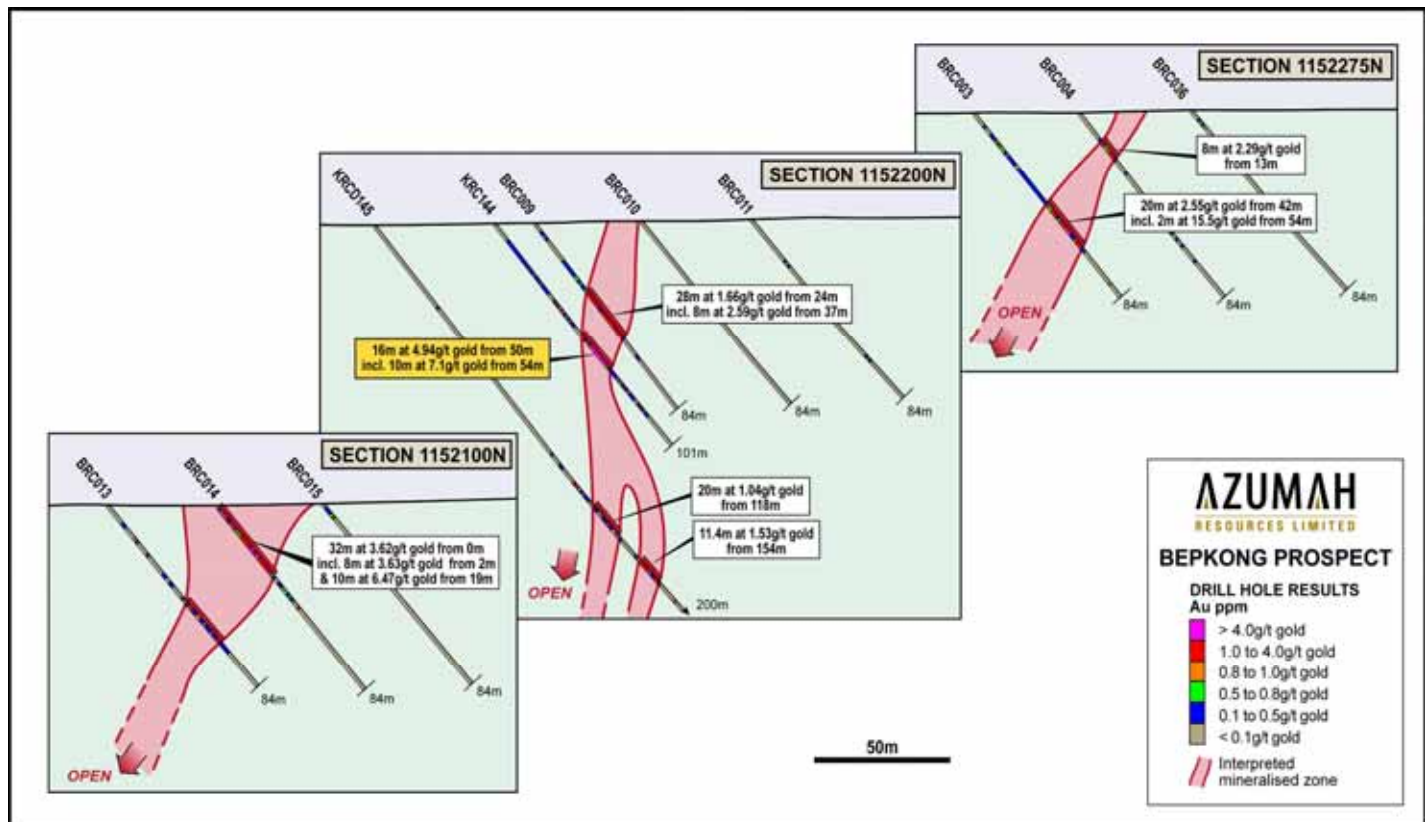


Fig 2: Bepkong Drill Hole Plan

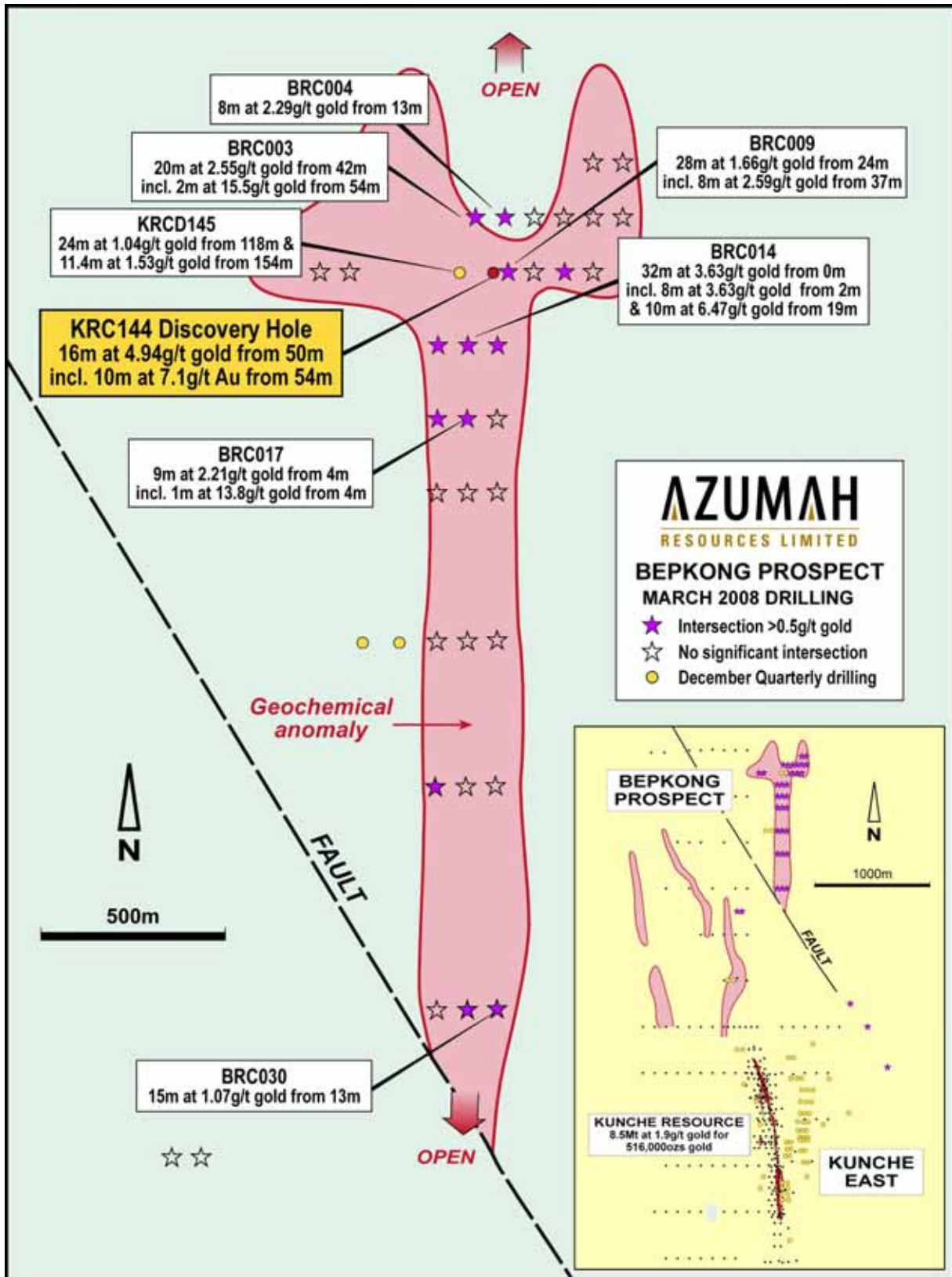


Fig 3: Basabli Reconnaissance RAB Drilling Update

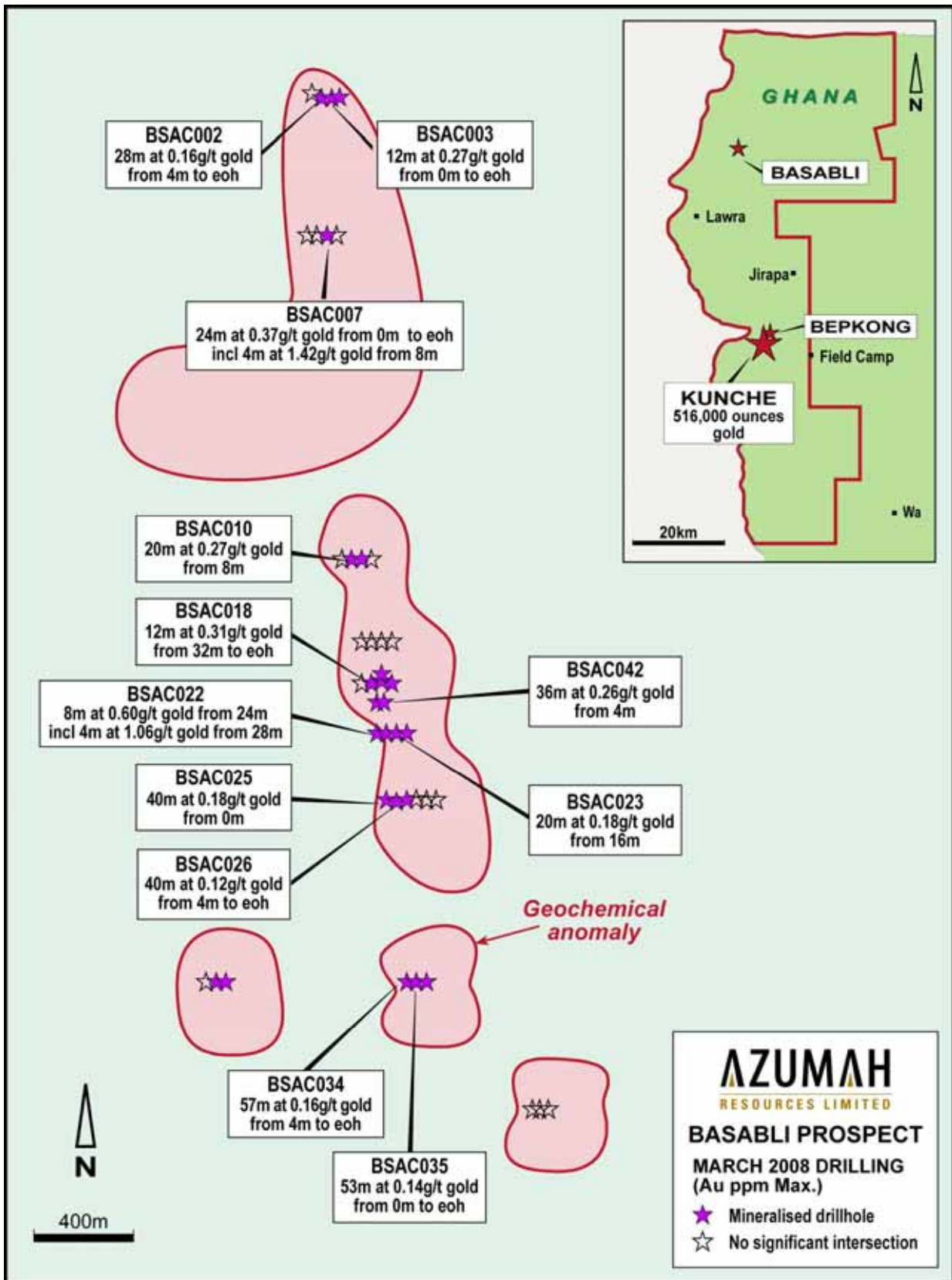


Fig 4: Wa-Lawra Prospect Locations

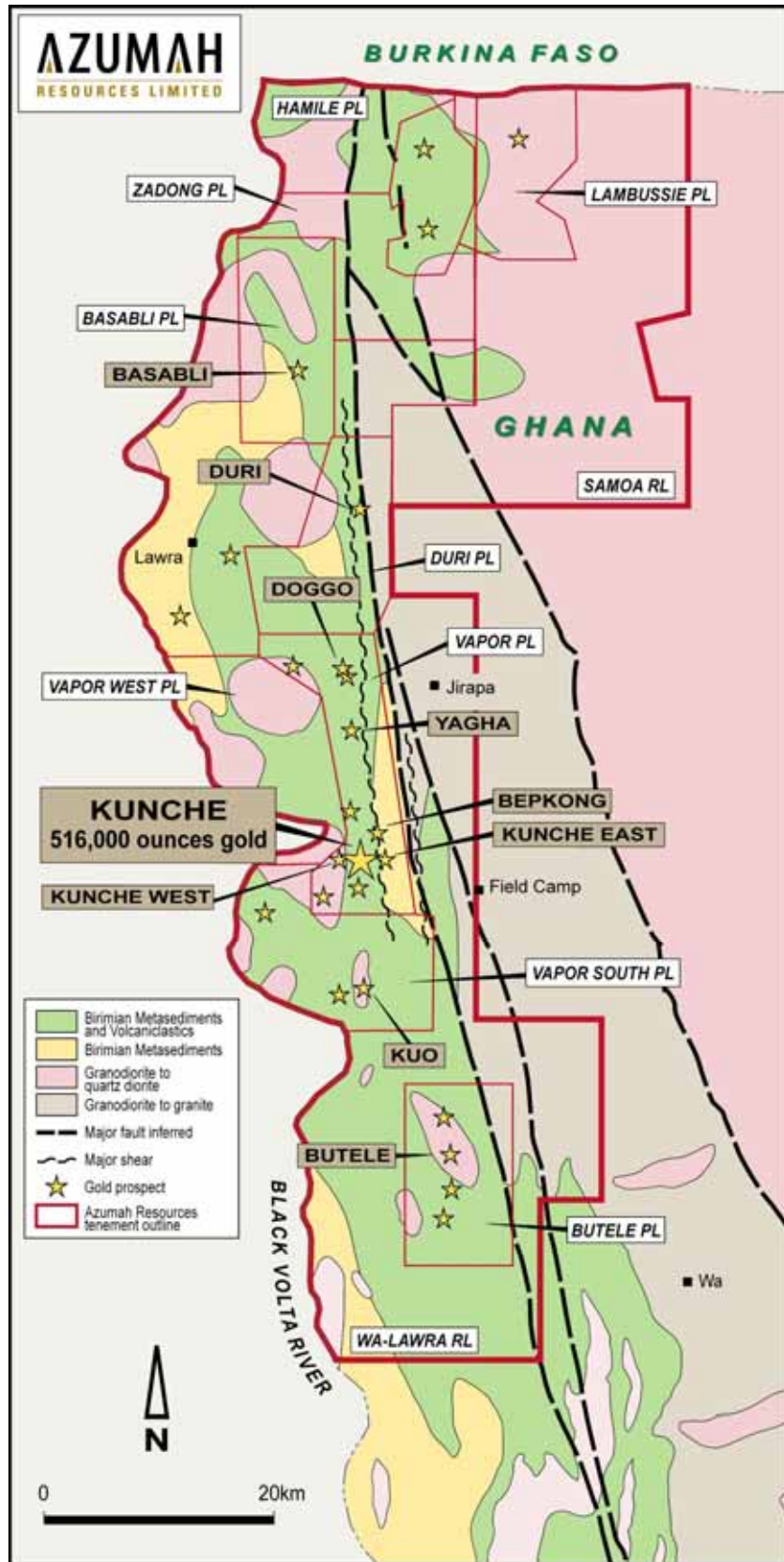


Table 1 – Bekpong Prospect – RC and Diamond Drilling Results - March Quarter 2008

Hole_ID	North	East	RL	Dip	Azi	Hole Depth	From metres	To metres	Thickness metres	Grade g/t gold
BRC003	1152274.4	527149.1	267.3	-50	90	84	12	18	6	0.96
							42	62	20	2.55
							<i>includes</i> 54	<i>includes</i> 56	2	15.50
							78	79	1	0.67
BRC004	1152275.0	527188.1	267.1	-50	90	84	13	21	8	2.29
BRC009	1152198.7	527189.3	268.1	-50	90	84	24	52	28	1.66
							<i>includes</i> 37	<i>includes</i> 45	8	2.59
KRC144	1152198.0	527176.0	268.1	-50	90	101 <i>Extended</i>	19	27	8	0.54
							35	44	9	0.73
							50	66	16	4.94
							<i>includes</i> 54	<i>includes</i> 64	10	7.10
							71	75	4	1.58
							83	86	3	0.80
KRCD145	115220.0	527130.0	268.1	-50	90	197.8	118	142	24	1.04**
							154	165.4	11.4	1.53**
							173	174	1	5.16**
BRC013	1152098.5	527100.0	268.3	-50	90	84	15	16	1	0.90
							44	52	8	0.74
							58	63	5	0.77
BRC014	1152099.6	527140.2	268.5	-50	90	84	0	32	32	3.62
							<i>includes</i> 2	<i>includes</i> 10	8	3.63
							<i>includes</i> 19	<i>includes</i> 29	10	6.47
							38	47	9	0.39
BRC015	1152100.5	527178.9	268.8	-50	90	84	5	7	2	1.29
BRC016	1151999.4	527097.5	268.4	-50	90	84	0	1	1	0.53
							26	27	1	0.79
							66	76	10	0.83
BRC017	1152000.0	527139.8	268.7	-50	90	90	4	13	9	2.21
							<i>includes</i> 4	<i>includes</i> 5	1	13.8
BRC025	1151498.9	527092.9	276.3	-50	90	86	80	84	4	1.81
BRC026	1151499.7	527137.5	277.7	-50	90	84	1	2	1	0.55
BRC027	1151500.4	527177.6	278.4	-50	90	84	18	20	2	4.39
BRC029	1151200.9	527138.0	272.5	-50	90	84	49	59	10	0.60
							77	78	1	0.80
BRC030	1151201.6	527178.7	272.7	-50	90	84	13	28	15	1.07
							38	39	1	1.03
							69	70	1	1.51
							77	79	2	0.80
BRC036	1152275.1	527270.9	267.2	-50	90	84	6	7	1	0.68

Notes: Assay results are for ½ NQ2 diamond core (**) or 1m riffle split samples for RC drill holes.
 Assay results SGS, Tarkwa, Ghana, Fire Assay method. Intersections are based on a 0.5g/t gold lower cut-off, no upper-cut applied and maximum 4m internal dilution.
 Grid coordinates are UTM Zone 30N, Ghana. Azimuth is grid, and -4° variation

Table 2 – Basabli Prospect – RAB Drilling Results - March Quarter 2008

Hole_ID	North	East	RL	Dip	Azi	Hole Depth	From metres	To metres	Thickness metres	Grade g/t gold
BSAC002	1193300	520240	271	-50	90	32	4	32	28	0.16
BSAC003	1193300	520280	271	-50	90	13	0	12	12	0.27
BSAC004	1193305	520310	283	-50	90	17	0	8	8	0.23
BSAC007	1192750	520260	273	-50	90	24	0	24	24	0.38
BSAC010	1191450	520360	268	-50	90	35	8	28	20	0.27
BSAC011	1191450	520400	269	-50	90	32	28	32	4	0.33
BSAC017	1190950	520400	267	-50	90	41	0	4	4	0.10
BSAC018	1190950	520440	268	-50	90	44	0	8	8	0.28
							32	44	12	0.31
BSAC019	1190960	520480	271	-50	90	35	0	8	8	0.13
BSAC020	1190952	520520	271	-50	90	44	24	28	4	0.12
BSAC021	1190750	520460	263	-50	90	44	8	12	4	0.38
							20	32	12	0.14
BSAC022	1190750	520500	264	-50	90	44	0	12	12	0.16
							24	32	8	0.60
BSAC023	1190750	520540	265	-50	90	44	16	36	20	0.18
BSAC024	1190750	520580	266	-50	90	20	4	12	8	0.25
BSAC025	1190480	520500	265	-50	90	44	0	40	40	0.18
BSAC026	1190475	520540	265	-50	90	44	4	44	40	0.12
BSAC027	1190480	520580	265	-50	90	45	0	20	20	0.19
							40	44	4	0.29
BSAC032	1189750	519815	263	-50	90	41	12	16	4	0.28
BSAC033	1189750	519855	263	-50	90	54	4	8	4	0.13
							32	44	12	0.11
BSAC034	1189750	520580	260	-50	90	61	4	61	57	0.16
BSAC035	1189750	520620	260	-50	90	53	0	53	53	0.14
BSAC036	1189750	520660	260	-50	90	26	0	12	12	0.12
BSAC040	1190990	520480	270	-50	90	44	0	4	4	0.10
							8	12	4	0.12
							16	20	4	0.11
BSAC041	1190875	520460	268	-50	90	44	0	8	8	0.17
							36	40	4	0.17
BSAC042	1190875	520490	268	-50	90	44	4	40	36	0.26

Notes: Assay results are for 4m composite RAB samples.

Assay results SGS, Tarkwa, Ghana, Fire Assay method. Intersections are based on a 0.1g/t gold lower cut-off, no upper-cut applied and maximum 4m internal dilution. Grid coordinates are UTM Zone 30N, Ghana. Azimuth is grid, and -4° variation

Table 3 – Butele Prospect – RC drilling results - March Quarter 2008

Hole_ID	North	East	RL	Dip	Azi	Hole Depth	From metres	To metres	Thickness metres	Grade g/t gold
BURC003	1124448.8	536743.4	296.5	-50	222	72	30	31	1	19.0

Notes: Assay results are for 1m riffle split samples for RC drill holes.

Assay results SGS, Tarkwa, Ghana, Fire Assay method. Intersections are based on a 0.5g/t gold lower cut-off, no upper-cut applied and maximum 4m internal dilution. Grid coordinates are UTM Zone 30N, Ghana. Azimuth is grid, and -4° variation.