

Press Release

Monday, August 22, 2005

Azco Mining Inc. CEO Issues Shareholder Message

GLENDALE, Ariz.--(BUSINESS WIRE)--August 22, 2005--Azco Mining Inc. (OTC: [AZMN](#) - [News](#)), a U.S.-based mining and exploration enterprise with an emphasis on gold, copper and industrial minerals, today issued the following message to shareholders:

I want to take this opportunity to welcome our new shareholders and to bring you up to date on the progress your company is making. To reintroduce myself, my name is Pierce Carson. I have a PhD in economic geology from Stanford University and have been in the mining business for 35 years. Since I have become CEO of the company, management has developed a plan to transform Azco into a viable operating company. Execution of that plan has consumed almost every waking hour of senior management's time as we have worked diligently to build value for the company's shareholders. I assure you we are making significant headway and believe you will see more tangible evidence of progress over the next three months.

The first step in our plan is to place the company on an improved financial footing so it will be possible to arrange the funding needed to advance our projects. An important priority has been to bring the financial reports current. Quite frankly, this task has taken considerably longer than originally anticipated. However, we have continued to make progress and I am pleased to report that in the near future we expect to file the required 2004 and 2005 annual and quarterly financial statements.

Upon regaining currency in our financial reporting, we plan to apply for resumption of quotation of the company's stock on the OTC Bulletin Board.

Azco's two main properties, the Ortiz gold project in New Mexico and the Black Canyon mica project in Arizona, each contain immense in-ground resources and in my view constitute very promising mining propositions. The task before us is to bring these projects to fruition and thereby increase shareholder value.

I also have made it my mission to redirect the company's strategic future to further acquisition of high quality gold, silver and copper properties. These metals have deep world markets and bright demand outlooks and attract great interest in today's mining markets. The acquisition of the Ortiz gold property represents the first realization of our new strategic agenda. But in addition, I am happy to report that we have been successful in identifying other attractive precious metals properties containing drilled resources and have begun active negotiations on two of those properties.

The Ortiz gold project contains two million ounces of gold in several deposits that other companies discovered and drilled in the 1970's and 1980's at a cost of \$40 million. These deposits have yet to be mined, although a major gold company did operate another open cut, heap leach mine on the property in the 1980's. Two of the undeveloped deposits contain one million ounces of gold and were the subject of extensive drilling, metallurgical testing and feasibility studies. We have conducted field verification and in-house analysis of the large amount of data we acquired and have concluded that at today's gold price the Ortiz project could support development of one or more very profitable new gold mines. We intend shortly to commission an independent engineering review and are confident it will support our conclusions. The company holds mineral rights to a huge area covering 90 square miles, and the geology offers superb potential for discovery of other major gold deposits. We realize of course that development of an enormous property of the magnitude of Ortiz represents a formidable undertaking for a junior mining company. As an alternative to developing the property ourselves, we are considering the option of bringing in a strong mining company partner to more quickly advance the project.

I am aware that many of you are long-term shareholders who may have invested in this company because of the promise of the Black Canyon mica project. Black Canyon is a new mine development already permitted and largely completed. The mine is planned to produce mica for the growing cosmetics, plastics and pigment industries, and by-product feldspathic sand for the expanding Phoenix construction market. Since 1999 the company has spent over \$15 million on resource assessment and construction of production facilities. In 2002 the mine operated for several months on a limited basis and was successful in demonstrating it could produce high quality products. However, the project requires additional capital to reach sustained profitable production. Once this capital is obtained, we believe initial production could begin within four months and that positive cash flow could be achieved within twelve months. At full production, the project's economics are anticipated to be very attractive. The company controls a very large mica resource at Black Canyon, sufficient to support the mining operation for many years.

We will continue to work diligently to execute our strategic plan outlined above. After regaining currency in our financial reporting and returning to trading on the OTC Bulletin Board, the company will be in a much stronger position to arrange the financing necessary to complete development of Black Canyon, to restructure corporate debt, to take the Ortiz gold project forward and to acquire additional precious metals properties. Our overall goal here at Azco is to build a substantial mining company driven by cash flow and possessing a portfolio of quality exploration and development projects for future growth.

We believe the next several months will be an exciting time in the transformation of Azco and want to thank you for your patience and support.

About Azco Mining Inc.

Azco Mining Inc. is a U.S.- based mining and exploration enterprise with an emphasis on gold, copper and industrial minerals. Azco owns mineral lease rights to 90 square miles at the Ortiz gold property in New Mexico, where previous exploration has identified resources containing two million ounces of gold. Azco also owns and operates the Black Canyon mica deposit in Arizona, which contains a large resource of mica and by-product feldspathic sand.

The information contained herein regarding risks and uncertainties, which may differ materially from those set forth in these statements, in addition to the economic, competitive, governmental, technological and other factors, constitutes a "forward-looking statement" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, the Private Securities Litigation Reform Act of 1995 and is subject to the safe harbors created thereby. While the company believes that the assumptions underlying such forward-looking information are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the forward-looking information will prove to be accurate. Accordingly, there may be differences between the actual results and the predicted results, and actual results may be materially higher or lower than those indicated in the forward-looking information contained herein.

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