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**AZARGA METALS ANNOUNCES SECOND PHASE WORK PROGRAM
AT UNKUR PROJECT**

Azarga Metals Corp. (“Azarga Metals” or the “Company”) announces its proposed work program for the second phase of physical exploration at its Unkur Copper-Silver Project in the Zabaikalsky administrative region of eastern Russia.

The second phase of exploration at Unkur will be carried out during the 2017-2018 field season and will focus on the potential for the discovery of additional copper and silver mineralization from three target concepts: (i) drilling along strike or down dip from currently defined mineralization; (ii) drilling to confirm the presence of at least one additional mineralized zone postulated to occur stratigraphically below the currently defined Zone 1 and Zone 2; and (iii) drilling new targets expected to be generated by planned geophysical surveys.

Dorian L. (Dusty) Nicol, the Company’s president and CEO said “Our objective this year will be to at least double the size of the current Resource while increasing the overall copper and silver grades. Some of this increase is expected to come from step out drilling near the current Resource footprint. The remainder of the anticipated new Resource is expected to come from drilling of new targets from geophysics. Several such new targets have already been identified and drilling will focus on near-surface, high-grade targets as they are identified.”

The approved exploration plan comprises:

- Geophysical exploration: continuation of ground magnetics and initiation of electrical prospecting (induced polarization or IP and electrical tomography) to the north and northeast of the currently defined resource. On a lower priority basis, the area to the south of the current resource will also be covered with ground magnetics and IP. These proposed survey areas are shown in Figure 1.

- Near-resource drilling: eight diamond drill holes totaling 2,370 meters, as shown on the attached plan (Figure 2) and cross-sections (Figure 3). These drill holes are planned to confirm Zone 1 mineralization as estimated in the current resource model, extend Zone 2 mineralization along strike, and in some cases test for a postulated Zone 3 of mineralization, stratigraphically below Zone 2, as suggested by geologic mapping and historic trenching.

Figure 1: Plan view of survey areas

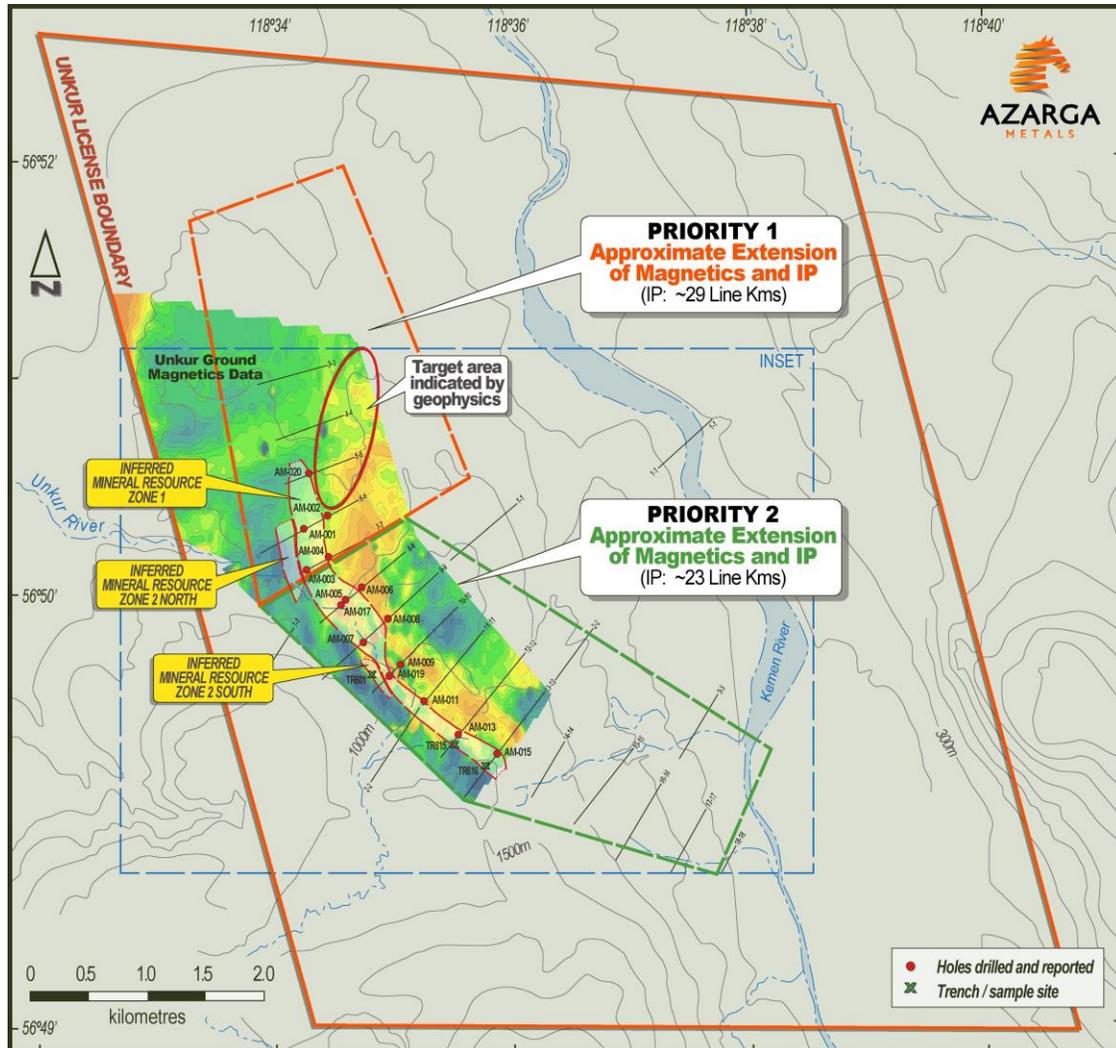
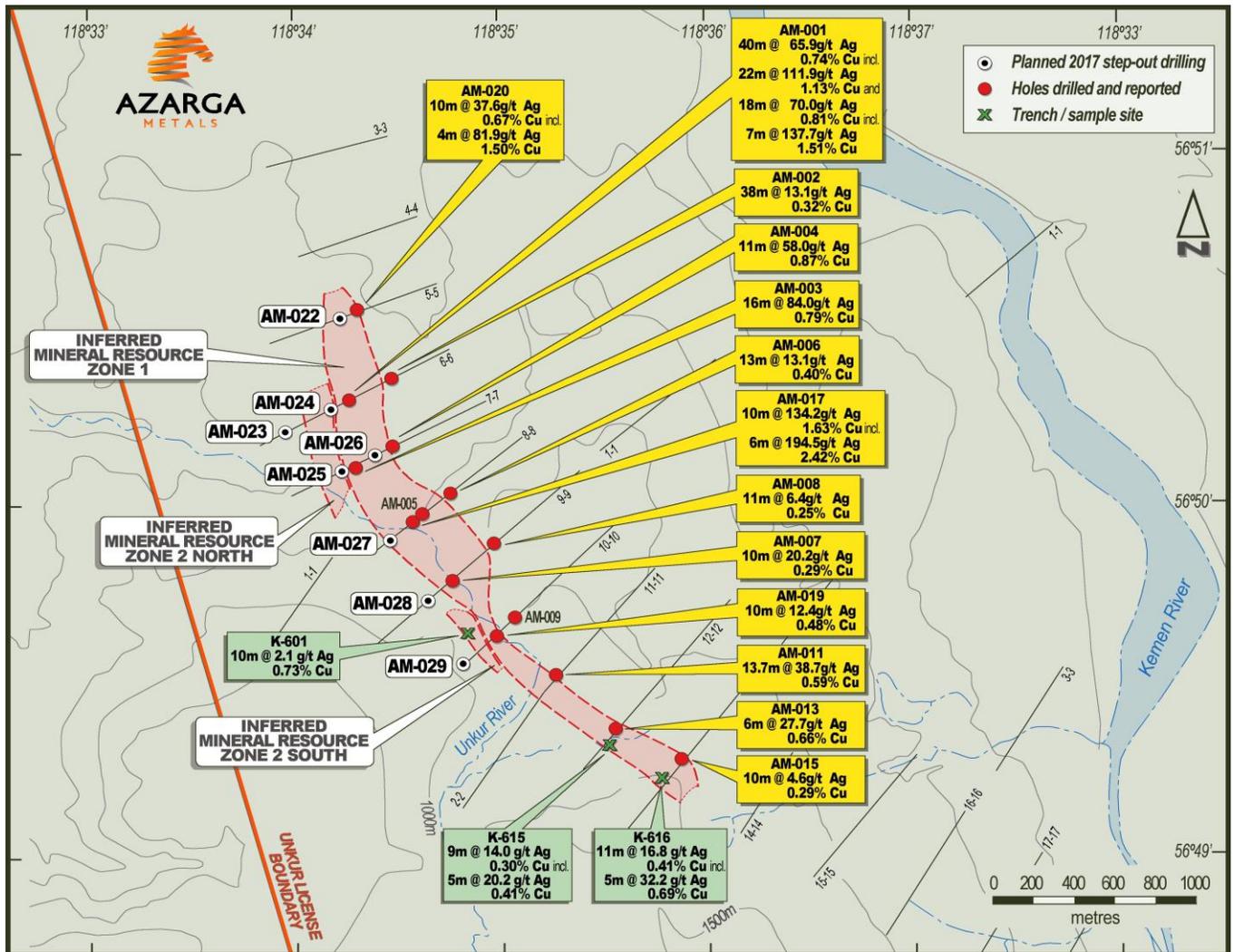


Figure 2: Plan view of Geological Mapping and Historical Trenching



- New target drilling: approximately 1,500 meters of additional diamond drilling is earmarked to test new targets expected to be identified by the planned geophysical surveys.
- Metallurgical characterization: mineralized samples from the Company's prior drilling campaign, as well as sample composites from new mineralization expected to be drilled, will be characterized for sulphide / oxide content and identification of copper minerals to guide future metallurgical testing that will develop a suitable process flowsheet for Unkur mineralization.

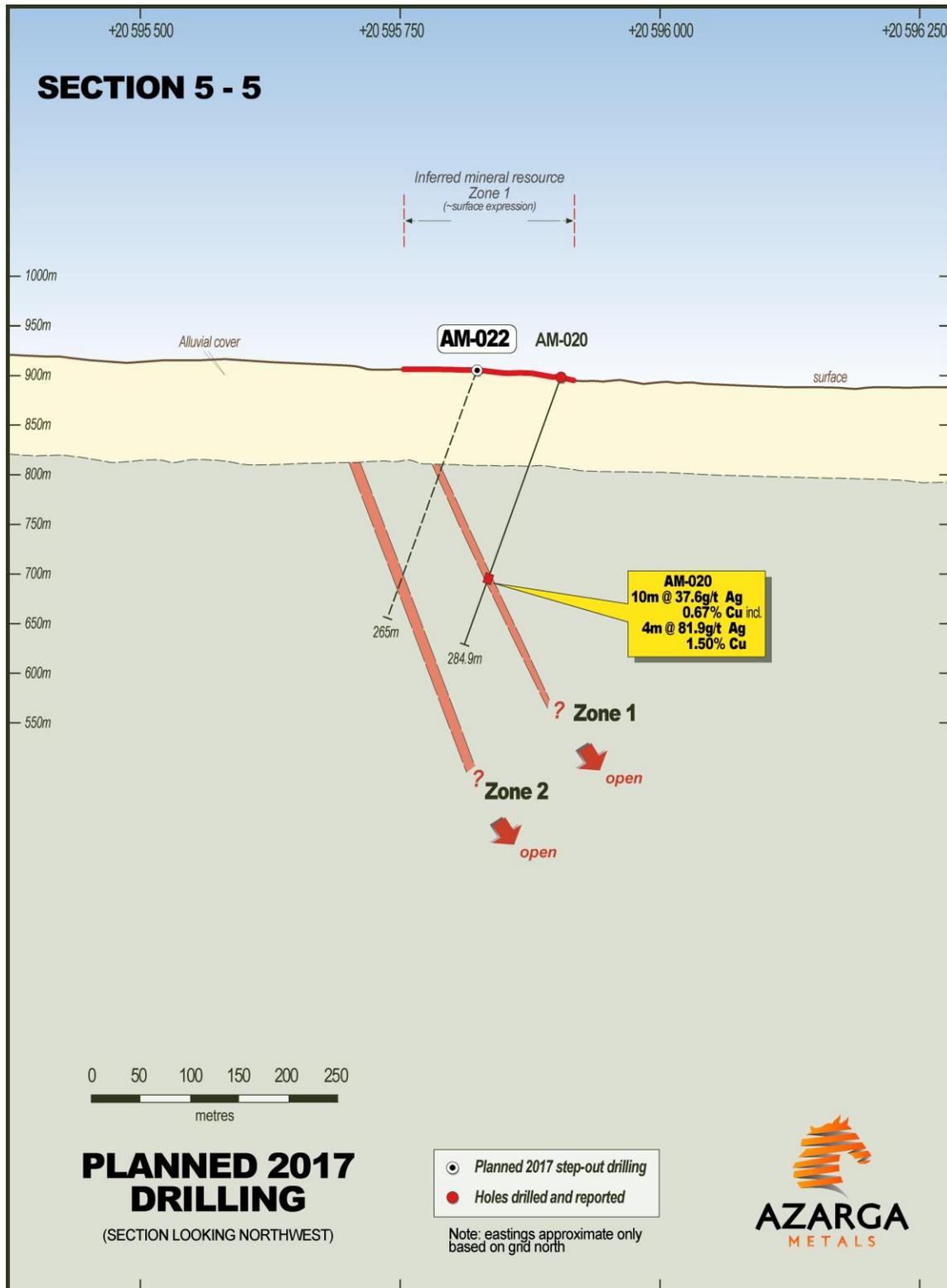
The following Table shows the true width and composite grade of each mineralized intersection used in the current Resource estimate. These are shown as drilled in the accompanying plans and cross sections.

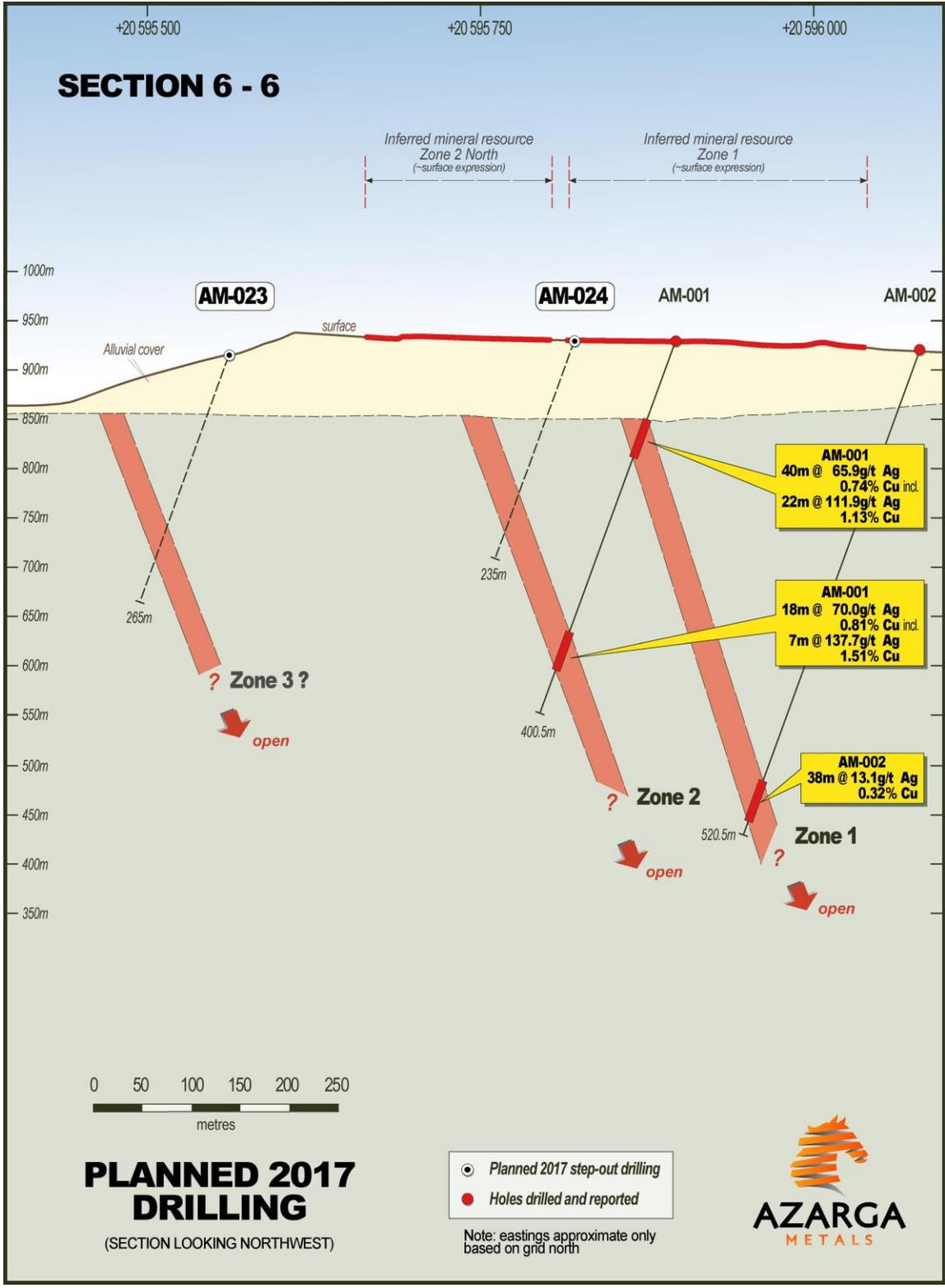
Table 1: Intersections used for estimation⁽¹⁾

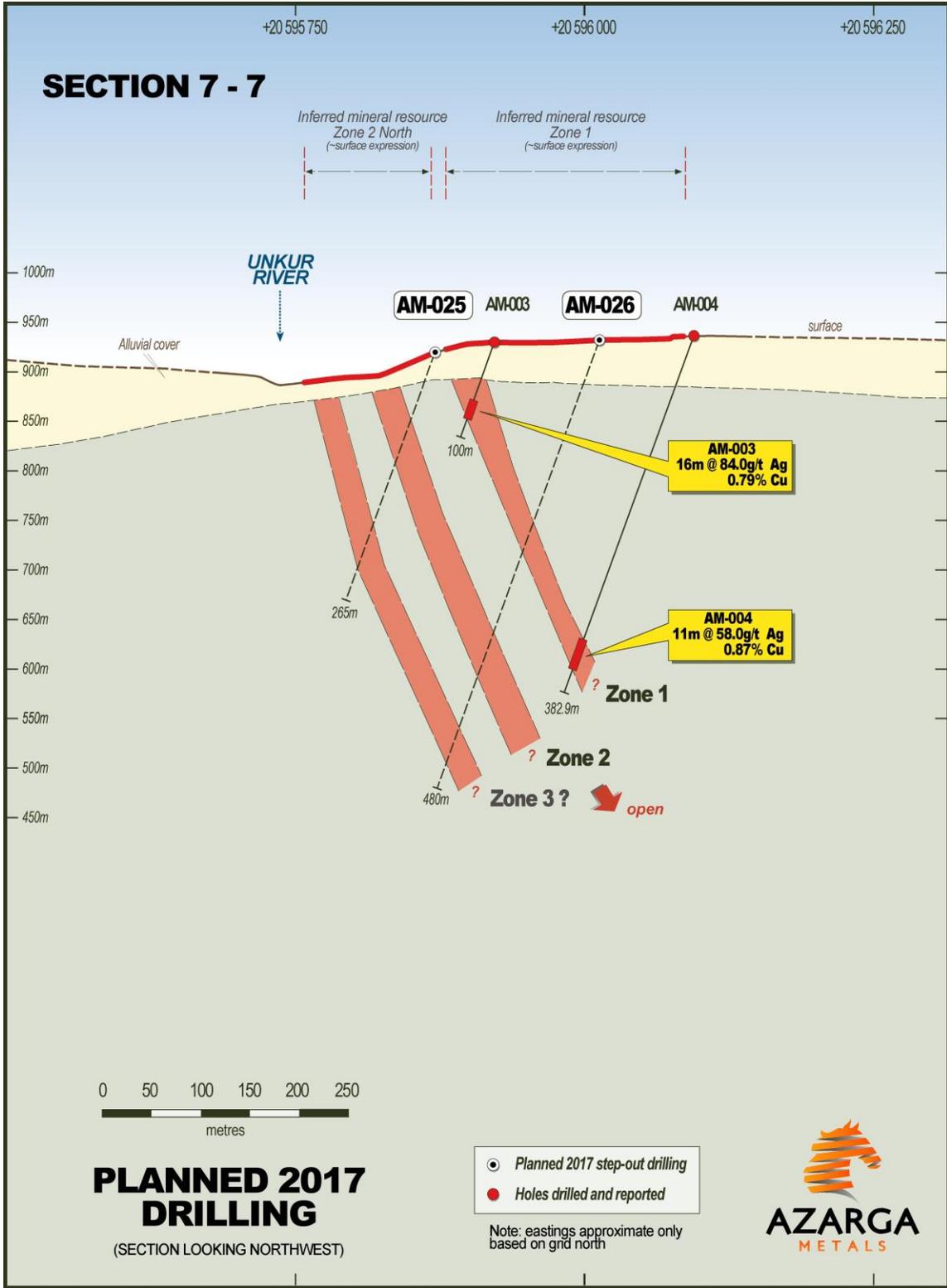
Hole or trench ID	From (m)	To (m)	Length (m)	Copper grade (%)	Silver grade (%)	Copper equivalent grade (%)	True thickness (m)
<u>Zone 1</u>							
AM-020	227.0	241.0	14	0.51	28.44	0.79	10.6
AM-001 ⁽²⁾	82.5	125.5	33	0.83	79.81	1.61	20.1
AM-002	432.5	472.5	40	0.31	12.77	0.44	33.8
AM-003 ⁽³⁾	40.5	77.5	37	0.43	39.63	0.82	26.9
AM-004 ⁽⁴⁾	319.5	358.5	31	0.44	27.23	0.70	23.7
AM-006	440.5	456.5	16	0.34	11.02	0.45	14.4
AM-007	47.0	60.0	13	0.25	17.12	0.41	10.9
AM-008	352.3	364.3	12	0.24	6.02	0.30	9.9
AM-011	145.5	153.9	8.4	0.92	61.73	1.52	7.3
AM-013	70.0	78.0	8	0.53	22.62	0.75	6.8
AM-015	135.0	145.0	10	0.29	4.55	0.34	8.7
AM-017	189.5	202.5	13	1.28	103.91	2.29	9.8
AM-019	39.0	49.0	10	0.48	12.39	0.60	8.6
TR K615	8.0	17.0	9	0.30	14.03	0.44	6.9
TR K616	18.0	29.0	11	0.41	6.32	0.47	8.1
<u>Zone 2 (N)</u>							
AM-001	311.5	346.5	35	0.47	43.49	0.89	
AM-019	106.0	119.0	13	0.17	4.99	0.22	
<u>Zone 2 (S)</u>							
TR K601	0.0	10.0	10	0.73	2.07	0.75	

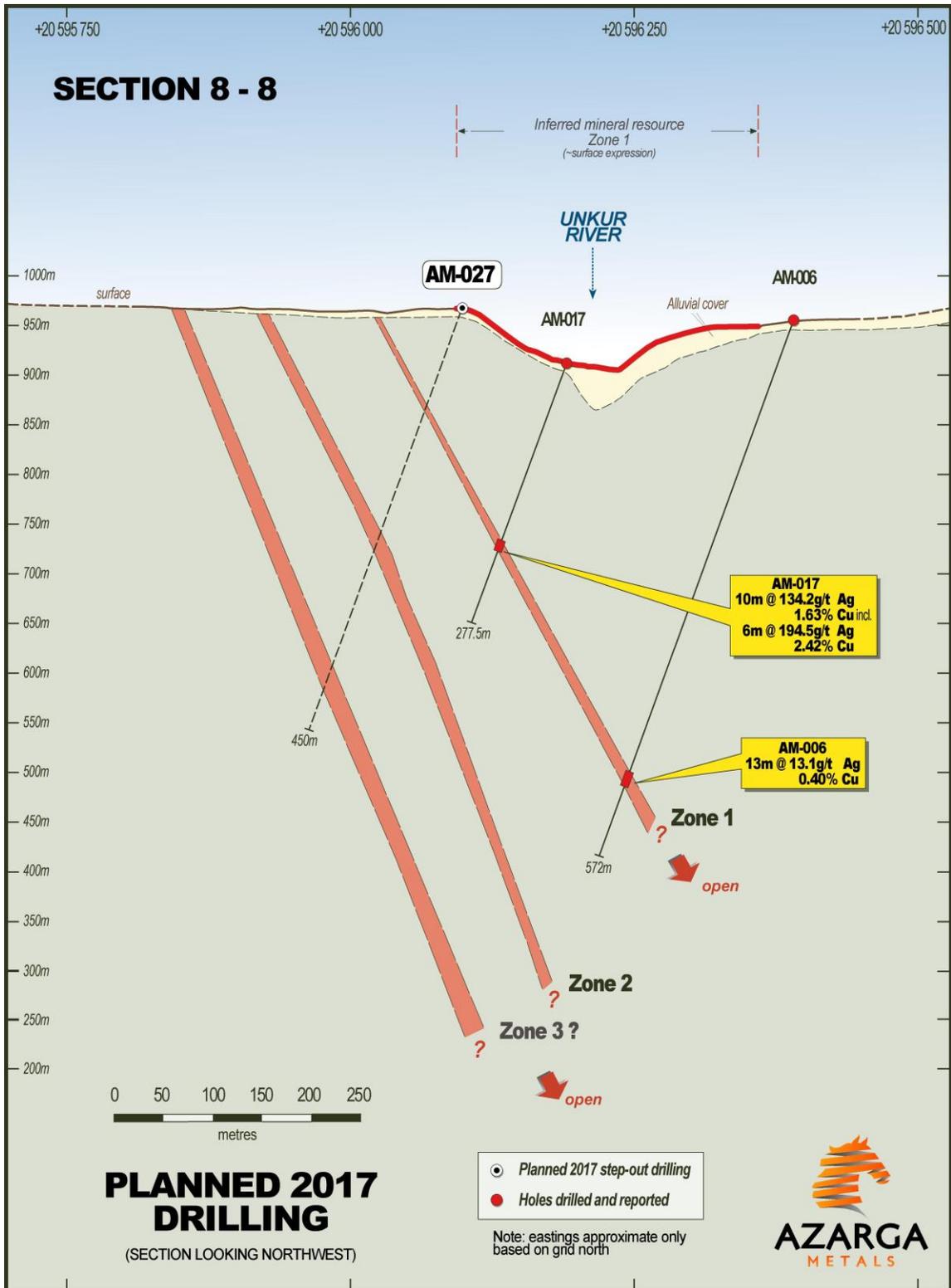
Notes: (1) copper and silver equivalent grades were estimated using US\$3.00/lb copper price, US\$20.00/oz silver price and 100% recovery using the formulae $Cu\ eq = Cu + (0.009722 \times Ag)$ and $Ag\ eq = Ag + (102.86 \times Cu)$; (2) mineralization begins at base of moraine, possibly intersection has been truncated by glacial erosion – composite excludes barren zone from 104.5 to 114.5; (3) mineralization begins at base of moraine, possibly intersection has been truncated by glacial erosion; and (4) composite excludes barren zone from 335.5 to 343.5.

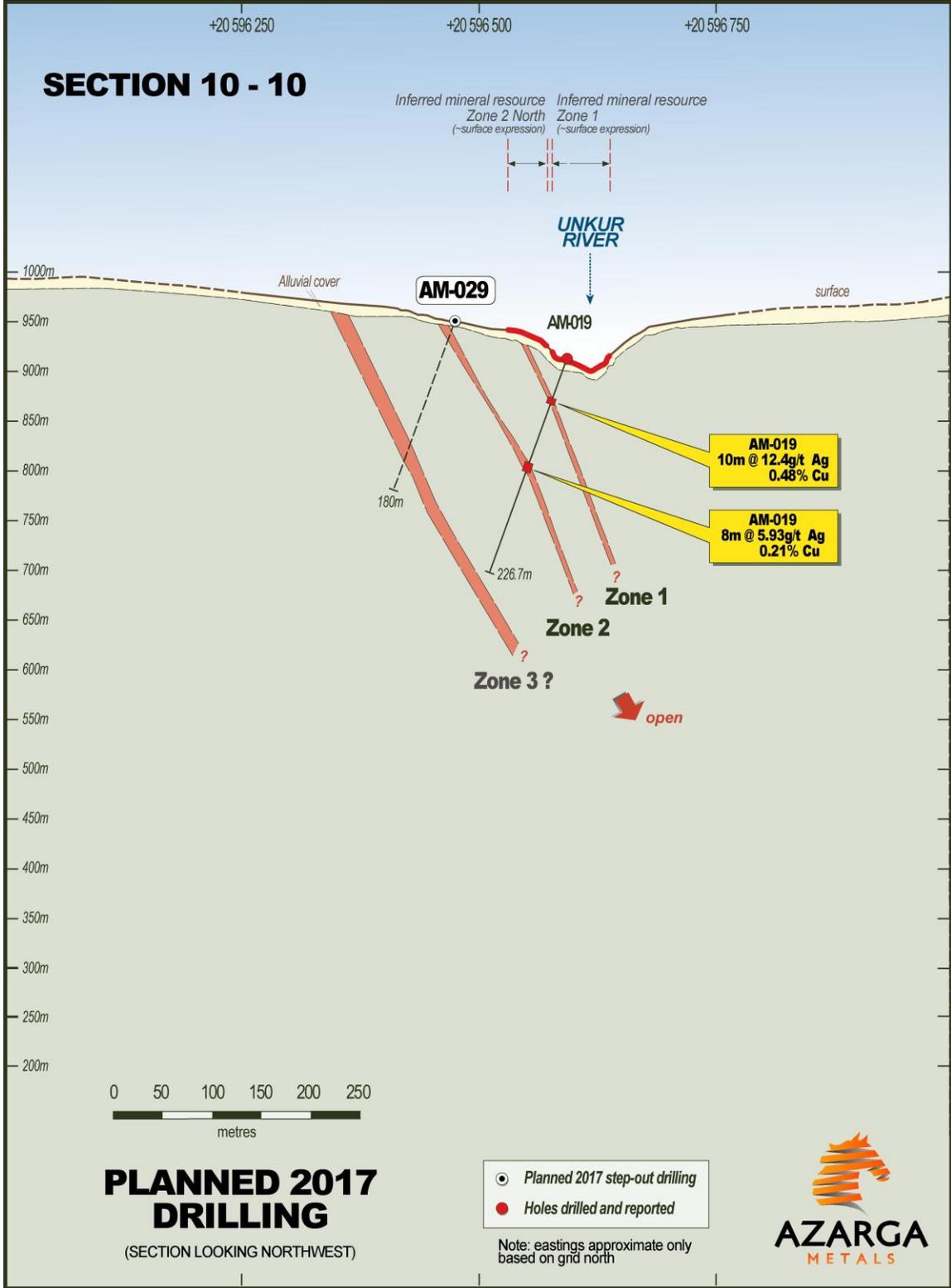
Figure 3: Conceptual Cross Sections Showing Drilled Intersections and Targets











Qualified Person

The Company's President and Chief Executive Officer, Dorian L. (Dusty) Nicol, B.Sc. Geo, MA Geo, a Qualified Person as defined by NI 43-101, has reviewed and approved the exploration information disclosures contained in this Press Release.

About Azarga Metals Corp.

Azarga Metals is a mineral exploration and development company that owns 60% of the Unkur Copper-Silver Project in the Zabaikalsky province in eastern Russia.

AZARGA METALS CORP.

"Dusty Nicol"

Dorian L. (Dusty) Nicol, President and CEO

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