



**TROY RESOURCES LIMITED**



**AZIMUTH**  
RESOURCES LIMITED  
ABN 87 089 531 082

30 April 2013

Dear Fellow Shareholder

### **Update on Progress of Troy Takeover Offer for Azimuth**

Since we announced the recommended offer by Troy for all of the shares in Azimuth just over four weeks ago, the gold sector has experienced tremendous volatility. The price of gold has dropped from US\$1,605 per ounce to US\$1,475<sup>1</sup>. The S&P/ASX Gold Index has dropped by 24% and the S&P/TSX Global Gold Index is down 22%. In addition, just about every gold company listed on the ASX and the TSX over this period has seen its share price drop materially with some as much as 49% and the average across the Australian listed gold sector down around 23%<sup>2</sup>.

Whilst this volatility is obviously not good for shareholders of either Troy or Azimuth, it does underscore and reinforce the compelling logic of the proposed combination of Troy and Azimuth. In an environment where gold and equity markets are unforgiving and investors are increasingly risk averse, the Troy offer will bring together the best attributes of both companies in one group which will have the technical skills, financial capacity and geological prospectivity to deliver value to shareholders over the long term.

Troy will bring two producing mines, a technical team with a proven track record in cost effective and profitable mine development and exploration upside along with the balance sheet and financial capacity to rapidly bring the West Omai project into production.

Azimuth will bring an existing high grade resource capable of rapid development in the new company, exciting exploration upside and important in-country expertise to help move the West Omai project forward.

For these reasons, the directors of both Troy and Azimuth remain convinced about the merits of combining the two companies and continue to unanimously recommend the offer to Azimuth shareholders.

We will shortly be sending the Troy Bidder's Statement and the Azimuth Target's Statement to Azimuth shareholders along with the paperwork they will need to accept the offer. Until then, Azimuth shareholders do not need to take any action in relation to the offer.

On behalf of our fellow directors we thank you for your support to date and we look forward to implementing this transaction as quickly as possible so that time, energy and capital can be focussed on building value for all shareholders in the enlarged Troy.

Yours sincerely

**David Dix**  
Chairman  
Troy Resources Limited

**Michael Hunt**  
Chairman  
Azimuth Resources Limited

<sup>1</sup> From 27 March 2013 to 29 April 2013.

<sup>2</sup> All percentage changes are based on closing prices and levels on 27 March 2013 (the last trading day prior to the announcement of the takeover offer) through to 29 April 2013. 'Average across the Australian listed gold sector' refers to a sample of 40 junior and mid-cap gold producers, developers and explorers listed on the ASX excluding Newcrest.