

510A Hay Street,
Subiaco WA 6008
PO Box 2030, Subiaco
WA 6904

P: +61 8 9381 2488
F: +61 8 9388 3117
admin@azimuthresources.com.au
www.azimuthresources.com.au



9 May 2013

Market Announcements Office
ASX Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

AZIMUTH RESOURCES LIMITED – TARGET’S STATEMENT

We attach, by way of service pursuant to item 14 of subsection 633(1) of the *Corporations Act 2001* (Cth), the target’s statement of Azimuth Resources Limited (ABN 87 089 531 082) (**Azimuth**) (ASX, TSX: AZH), dated 9 May 2013 in relation to the off-market takeover bid by Troy Resources Limited (ABN 33 006 243 750) (**Troy**) (ASX, TSX: TRY) for all the ordinary shares in Azimuth and forming part of a booklet including Troy’s bidder’s statement for that takeover offer.

A copy of Azimuth’s target’s statement has been given to each of the Australian Securities & Investments Commission and Troy today and will be filed on the Canadian System for Electronic Document Analysis and Retrieval (“SEDAR”) today.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Richard Monti". The signature is fluid and cursive, with a prominent initial 'R' and 'M'.

Richard Monti
Director



TROY RESOURCES LIMITED

ABN: 33 006 243 750



AZIMUTH

RESOURCES LIMITED

ABN 87 089 531 082

Troy Resources Recommended Takeover Offer for Azimuth Resources

YOUR DIRECTORS URGE YOU TO READ THIS BOOKLET CAREFULLY
AND **ACCEPT** THE TROY OFFER, IN THE ABSENCE OF A SUPERIOR
PROPOSAL, AS SOON AS POSSIBLE

BIDDER'S STATEMENT

THIS BIDDER'S STATEMENT HAS BEEN ISSUED BY TROY IN RELATION TO A RECOMMENDED TAKEOVER OFFER BY TROY TO ACQUIRE ALL OF YOUR AZIMUTH SHARES.

THE OFFER IS DATED 13 MAY 2013 AND WILL CLOSE AT 7.00PM (SYDNEY TIME) / 5.00AM (TORONTO TIME) ON 14 JUNE 2013 (UNLESS EXTENDED OR WITHDRAWN).

TARGET'S STATEMENT

THIS TARGET'S STATEMENT HAS BEEN ISSUED BY AZIMUTH IN RESPONSE TO THE RECOMMENDED TAKEOVER OFFER MADE BY TROY, AND PROVIDES YOU WITH THE REASONS FOR THE RECOMMENDATION MADE BY AZIMUTH'S BOARD AND CEO.

**YOUR DIRECTORS AND CEO UNANIMOUSLY RECOMMEND THAT YOU ACCEPT THE OFFER,
IN THE ABSENCE OF A SUPERIOR PROPOSAL.**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO HOW TO DEAL WITH IT, YOU SHOULD CONSULT YOUR PROFESSIONAL OR FINANCIAL ADVISER AS SOON AS POSSIBLE.

If you require additional assistance, please contact the Offer information line on 1300 810 584 (for callers in Australia) or +61 2 8022 7909 (for callers outside Australia) or consult your professional or financial adviser.



FINANCIAL ADVISER TO
TROY RESOURCES LIMITED



LEGAL ADVISER TO
TROY RESOURCES LIMITED



FINANCIAL ADVISER TO
AZIMUTH RESOURCES LIMITED



LEGAL ADVISER TO
AZIMUTH RESOURCES LIMITED

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Key dates

Announcement Date	28 March 2013
Date of this Bidder's Statement	9 May 2013
Register Date	9 May 2013
Date of Offer	13 May 2013
Date for giving notice of status of Conditions	7 June 2013
Offer closes (unless extended or withdrawn)	7.00pm (Sydney time) / 5.00am (Toronto time) on 14 June 2013

Key contacts

Offer Information Line*

1300 810 584 (toll free) for callers within Australia

+61 2 8022 7909 for callers outside Australia

between 7.00am and 5.00pm (Perth time) on Business Days

The Australian share registrar for the Offer is:

Computershare Investor Services Pty Limited

GPO Box 2115

Melbourne VIC 3001

The Canadian Depositary for the Offer is:

Computershare Investor Services Inc.

8th Floor, 100 University Avenue

Toronto, ON M5J 2Y1

1-800-564-6253

**Calls to these numbers may be recorded*

How to accept the Offer

You may only accept the Offer for all of Your Azimuth Shares.

Australian and New Zealand Azimuth Shareholders

Issuer sponsored shareholders (your SRN starts with an “I”)

If Your Azimuth Shares are held on Azimuth's issuer sponsored subregister, you may accept the Offer by completing and signing the Acceptance Form accompanying this Bidder's Statement and returning it, along with any other documents required to be returned with your Acceptance Form, to the address specified on the form so it is received before the Offer closes.

CHESS sponsored shareholders (your HIN starts with an “X”)

If Your Azimuth Shares are in a CHESS Holding, you may accept the Offer by either:

- completing and signing the Acceptance Form enclosed with this Bidder's Statement and returning it to the address specified on the form so that it is received in sufficient time for your Controlling Participant to effect acceptance before the Offer closes; or
- instructing your Controlling Participant (usually your broker) to accept the Offer on your behalf, before the Offer closes.

Canadian Azimuth Shareholders

If Your Azimuth Shares are held on the Canadian branch register:

- directly or through CDS, you can move them to the Australian branch register and thereafter use the Acceptance Form to accept the Offer; or
- through CDS, you may accept the Offer through a book-entry transfer using the CDS online tendering system (**CDSX**). You may need to instruct your financial institution or broker who is a CDS participant to assist you; or
- in physical certificated form, you can accept the Offer by delivering a duly completed letter of transmittal (**Letter of Transmittal**) together with your physical share certificate to the Canadian Depository as set forth in the Letter of Transmittal; or
- in physical certificated form but you do not have your physical share certificate presently available, you can accept the Offer by delivering a duly completed notice of guaranteed delivery (**Notice of Guaranteed Delivery**) with a medallion guarantee stamp, to the Canadian Depository as set forth in the Notice of Guaranteed Delivery and thereafter delivering a duly completed Letter of Transmittal to the Canadian Depository as set forth in the Letter of Transmittal.

If you wish to move Your Azimuth Shares to the Australian branch register, you should contact your broker for assistance.

If you wish to accept using a Letter of Transmittal or Notice of Guaranteed Delivery and Letter of Transmittal, you should contact the Canadian Depository at 1-800-564-6253 and ask for copies of a Letter of Transmittal or both a Letter of Transmittal and a Notice of Guaranteed Delivery to be sent to you. You should allow sufficient time for this to occur so that your acceptance is received before the end of the Offer Period.

Participants

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in Section 14.4.

Troy Chairman's letter

9 May 2013

Dear Azimuth Shareholder,

On 28 March 2013, Troy Resources Limited and Azimuth Resources Limited announced the terms of a recommended offer by Troy for all of your shares in Azimuth (the **Offer**).

Since we announced the Offer, the gold price has fallen by some US\$135¹ and gold indices on both the ASX and the TSX have fallen by more than 20%² as investors have become increasingly concerned about what the future holds for gold. This recent volatility has, however, simply reinforced our view that combining Troy and Azimuth will create a Combined Group with the attributes needed to thrive in difficult times. On the following pages we have summarised why the directors and senior management of both companies believe that a combination of Troy and Azimuth will generate value for shareholders of both companies. In summary, combining Troy and Azimuth will create a South American focused gold and silver producer with:

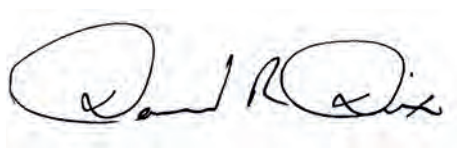
- a portfolio of production, development and exploration assets providing future growth;
- approximate gold equivalent Ore Reserves (NI 43-101 Mineral Reserves) containing 0.64 million ounces, Measured and Indicated gold equivalent Mineral Resources of 0.76 million ounces (such Mineral Resources are inclusive of the Ore Reserves) and gold equivalent Inferred Mineral Resources of 1.92 million ounces, all defined in accordance with the JORC Code and NI 43-101^{3,4};
- significant exploration potential;
- a board and management team with a track record in developing cost effective and profitable projects in South America and Australia;
- balance sheet and operational cashflow to assist in funding the development of Azimuth's West Omai project; and
- increased scale, market relevance and trading liquidity.

On successful completion of the Offer, Azimuth Shareholders will together hold approximately 45% of the enlarged Troy⁵. You will therefore maintain significant exposure to Azimuth's West Omai project while also enjoying the benefits of being a shareholder in a diversified gold and silver producer with strong growth prospects and great exploration potential and a 13 year history of paying dividends.

I encourage you to carefully read this booklet and to accept the Offer without delay. If you require additional assistance, please contact the Offer information line on 1300 810 584 (for callers in Australia) or +61 2 8022 7909 (for callers outside Australia) or consult your professional or financial adviser.

On behalf of my fellow directors we very much look forward to welcoming you as a new shareholder in Troy.

Yours sincerely,



David Dix

**Non-executive Chairman
Troy Resources Limited**

¹ From 27 March 2013 being the day immediately prior to the Announcement Date to 3 May 2013.

² From 27 March 2013 being the day immediately prior to the Announcement Date to 3 May 2013.

³ Refer to Section 3.9 of the Bidder's Statement for information on the calculation of the gold equivalent.

⁴ Casposo Technical data and Resource and Reserve Estimates as of 28 February 2012 detailed in the NI 43-101 Technical Report – Casposo Project, San Juan Province Argentina dated 31 May 2012. Andorinhas Gold Project technical information and Resource and Reserve Estimates detailed in NI-431010 Technical Report dated 10 December 2007.

⁵ Based on the undiluted issued shares of both companies.

Azimuth Chairman's letter

9 May 2013

Dear Azimuth Shareholder,

On behalf of all of Azimuth's directors and its CEO, I am very pleased to present you with our formal response to Troy's takeover offer (the **Offer**).

On 28 March 2013 (the date the Offer was announced), the Offer consideration of 1 Troy Share for every 5.695 Azimuth Shares you hold valued Azimuth Shares at A\$0.437 each, a premium of 78% to Azimuth's pre-announcement closing price on ASX that day. This valued Azimuth at approximately A\$188⁶ million. Assuming completion of the Offer, Azimuth Shareholders will hold approximately 45% of Troy. As at 3 May 2013 (being the last practicable date for printing prior to this letter), the Offer values Azimuth Shares at A\$0.313 each, valuing Azimuth at approximately A\$135⁷ million with Azimuth Shareholders' share of Troy on completion of the Offer unchanged.

After careful consideration of the Offer, Azimuth's Directors and its CEO unanimously recommend that you **ACCEPT** the Offer, in the absence of a Superior Proposal, for the following reasons:

1. The Offer represented a **significant premium** to Azimuth's pre-announcement trading prices.
2. Azimuth Shareholders will hold a substantial stake of approximately 45% in Troy, a significant **South-American focused gold and silver producer**.
3. Troy has a **track record of successful, low-cost mine development in South America**.
4. If successful, **the transaction will reduce project funding risks**.
5. If successful, **the transaction avoids a significant dilution** of your shareholding. If the transaction does not complete, Azimuth will need to complete further dilutionary equity fund raising in very difficult global markets.
6. Post completion, you will hold shares in a company with **increased market relevance, enhanced trading liquidity and a history of paying dividends**.
7. **No Superior Proposal for Your Azimuth Shares has emerged**.
8. **The value of Your Azimuth Shares may fall** if the Offer does not complete.

Your Board and the CEO believe that the Offer represents an exciting opportunity that will allow you to participate in a larger and financially stronger South American focused gold and silver company, while retaining exposure to the potential of Azimuth's portfolio. You should also be aware that, as a result of Troy advancing A\$10 million in funding to Azimuth, Azimuth has avoided the need to raise further equity capital in volatile equity markets. Ultimately, we strongly believe the Offer provides greater value to Shareholders than Azimuth continuing as a standalone entity.

A detailed explanation of the reasons why you should **ACCEPT** this Offer is set out in Section 1 of the Target's Statement. In addition, the Target's Statement sets out other matters that may be relevant to your decision whether to accept the Offer. I encourage you to read both the Bidder's Statement and the Target's Statement and to seek independent advice if required.

The Offer is scheduled to close at 7:00pm (Sydney time) / 5:00am (Toronto time) on 14 June 2013, unless extended by Troy. To accept the Offer, follow the instructions set out in section 14.4 of the Bidder's Statement. Your Directors and CEO intend to immediately **ACCEPT** the Offer for the Azimuth Shares they hold or control, in the absence of a Superior Proposal. Should you intend to **ACCEPT** the Offer, your Directors and CEO encourage you to do so without delay.

Yours truly,



Mr Michael Hunt

**Non-Executive Chairman
Azimuth Resources Limited**

⁶ Based on Troy's and Azimuth's ASX closing prices of A\$2.49 and A\$0.245 respectively as at 27 March 2013.

⁷ Based on Troy's ASX closing price of A\$1.78 as at 3 May 2013.



TROY RESOURCES LIMITED

ABN: 33 006 243 750

TROY RESOURCES LIMITED BIDDER'S STATEMENT

Troy Resources Limited (ABN 33 006 243 750) is offering to acquire all of your shares in Azimuth Resources Limited (ABN 87 089 531 082).

Troy's offer is one new Troy Share for every 5.695 Azimuth Shares you hold.

Azimuth Directors and CEO recommend that you **ACCEPT** the Offer,
in the absence of a Superior Proposal.



MACQUARIE

FINANCIAL ADVISER TO TROY RESOURCES LIMITED



LAWYERS

LEGAL ADVISER TO TROY RESOURCES LIMITED

Important notices

Nature of this document

This Bidder's Statement is issued by Troy Resources Limited ABN 33 006 243 750 (**Bidder or Troy**) under Part 6.5 of the Corporations Act 2001.

Role of ASIC, ASX or TSX

A copy of this Bidder's Statement was lodged with ASIC on 9 May 2013 and filed under Troy's profile on ASX at www.asx.com.au and SEDAR at www.sedar.com on 9 May 2013. Neither ASIC, ASX or TSX nor their respective officers takes any responsibility for the content of this Bidder's Statement.

Application for quotation / listing

Troy will apply for official quotation on ASX of the Troy Shares to be issued under the Offer. Quotation by ASX will not be automatic but will depend on ASX exercising its discretion.

Troy has obtained conditional approval from the TSX of the issuance of the Troy Shares to be issued under the Offer and the listing of such Troy Shares on the TSX.

Troy has already been admitted to the official list of ASX and TSX and shares in Troy of the same class as those to be issued under the Offer are already quoted on ASX and listed on TSX. However, Troy cannot guarantee, and does not represent or imply, that the Troy Shares to be issued under the Offer will be quoted and/or listed.

Investment advice

The information in this Bidder's Statement is general information only. In preparing this Bidder's Statement, Troy has not taken into account the individual objectives, financial situation or needs of individual Azimuth Shareholders. You should consider whether the information in this Bidder's Statement is appropriate for you in light of your objectives, financial situation and needs. Accordingly, before deciding whether or not to accept the Offer, you may wish to consult with your financial, tax or other professional adviser.

Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement and the Troy Chairman's letter may be in the nature of forward looking statements. You should be aware that such statements are not based solely on historical facts, but are rather based on Troy's current expectations about future events and results, are only predictions and are subject to inherent assumptions, risks and uncertainties which could cause actual events or results to differ materially from the expectations described in such forward looking statements. Those risks and uncertainties include factors and risks specific to the industries in which members of the Azimuth Group and the Troy Group operate, as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement; deviations are both normal and to be expected. None of the Troy Group or any of the officers or employees of any of them, nor any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

The fact that Troy has referenced the NI 43-101 Technical Report – Casposo Project, San Juan Province Argentina dated 31 May 2012 is not intended to be a restatement of all information in that document. The NI 43-101 Technical Report – Casposo Project, San Juan Province Argentina dated 31 May 2012 contains forward looking statements that have been impacted by subsequently disclosed information.

Disclaimer as to Azimuth and Combined Group information

The information on Azimuth, Azimuth's securities and the Azimuth Group contained in this Bidder's Statement has been prepared by Troy based on a review of publicly available and limited non-public information and should not be considered comprehensive. Further, the information in this Bidder's Statement concerning Azimuth and the assets and liabilities, financial position and performance, profits and losses and prospects of the Azimuth Group has not been independently verified by Troy. Accordingly, subject to the Corporations Act, none of Troy, the Troy Board, any member of the Troy Group or their respective officers or employees make any

representation or warranty (express or implied) as to the accuracy or completeness of any such information.

The information on the Combined Group contained in this Bidder's Statement, to the extent that it incorporates or reflects information on Azimuth and the Azimuth Group, has also been prepared using publicly available and limited non-public information. Accordingly, such information is subject to the foregoing disclaimer.

Further information relating to Azimuth's business is included in Azimuth's Target's Statement, a copy of which accompanies this Bidder's Statement.

Foreign jurisdictions

Troy Shares will only be issued under the Offer to Azimuth Shareholders with an address on Azimuth's share register in Australia and its external territories, New Zealand or Canada.

Foreign Shareholders (as defined in Section 15.1) will not be entitled to Troy Shares as part of the Offer Consideration. Instead, the Troy Shares to which they would otherwise be entitled will be issued to the Nominee and offered for sale, with the net proceeds (calculated on an average basis so that all Foreign Shareholders are paid the same net sale price per Troy Share subject to rounding) of such sale provided to Foreign Shareholders in Australian dollars (refer to Section 14.8).

The distribution of this Bidder's Statement in jurisdictions outside Australia may be restricted by law, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Bidder's Statement does not constitute an offer nor a solicitation of an offer (whether to sell or buy securities) in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify Troy or to otherwise permit a public offering of Troy Shares outside Australia. Troy Shares have not been, and will not be, registered under the United States Securities Act of 1933 (**Securities Act**) and may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable United States state securities laws.

The financial statements included in this Bidder's Statement have been prepared in accordance with generally accepted accounting principles in Australia that will differ from those in other jurisdictions (including the United States).

None of the US Securities Exchange Commission, any United States securities commission or any other United States regulatory authority has passed comment upon or endorsed the merits of the Offer or the accuracy, adequacy or completeness of this Bidder's Statement.

In making the Offer available to persons in New Zealand, Troy is relying on an exemption contained in the New Zealand Securities Act (Overseas Companies) Exemption Notice 2013 in relation to prospectus and investment statement requirements in New Zealand.

This Bidder's Statement has been prepared having regard to Australian disclosure requirements. These disclosure requirements may be different from other countries.

Notice to Canadian Azimuth Shareholders

This Bidder's Statement, and the Offer contained in it, has been prepared in accordance with securities laws, stock exchange rules and other legal requirements of jurisdictions other than Canada or any province or territory of Canada. This Offer is being made in and to residents of Canada on the basis of an exemption from the formal takeover requirements of applicable Canadian provincial securities laws.

This Bidder's Statement is not a Canadian takeover bid circular or prospectus and has only been filed in Canada with the applicable Canadian provincial securities commissions in order that Troy may rely on an exemption from the takeover bid requirements of applicable Canadian provincial securities laws. This Bidder's Statement has not been reviewed by any provincial securities commission in Canada. Shareholders of Azimuth who accept the Offer and are issued Troy Shares will receive such shares pursuant to available exemptions from the takeover bid and prospectus requirements of applicable Canadian provincial securities laws.

Accordingly, both the terms and conditions of the Offer and the disclosures and other information contained in this Bidder's Statement may not be comparable to the terms and conditions and disclosures and other information that would be contained in a Canadian takeover bid circular prepared in accordance with applicable Canadian provincial securities laws.

Azimuth Shareholders on the Canadian branch register should consult their professional financial or legal advisers regarding this Bidder's Statement and the Offer contained in it (including the tax and other implications of accepting such Offer, including resale requirements for Troy Shares that are received on acceptance of the Offer).

This Bidder's Statement and associated shareholder materials are being sent to both registered and non-registered owners of Azimuth Shares. If you are a non-registered owner, and Troy (or its agent) has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Privacy

Troy has collected your information from the register of Azimuth Shareholders for the purpose of making the Offer and, if accepted, administering acceptances of the Offer in respect of your holding of Azimuth Shares. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to related bodies corporate and external service providers of Troy, and may be required to be disclosed to regulators such as ASIC. The registered address of Troy is First Floor, Unit 12, 11 Ventnor Avenue, West Perth, Western Australia 6005.

Updated information

Information contained in this Bidder's Statement is subject to change from time to time. This information may be updated and made available to you on Troy Group's website at www.troyres.com.au where that information is not of a kind that is required to be included in a supplementary Bidder's Statement (that is, where that information is not material).

Enquiries

Requests for free hard copies of any updated information may be made by contacting the Offer Information Line on 1300 810 584 (callers in Australia) or +61 2 8022 7909 (callers outside Australia) between 7.00am and 5.00pm (Perth time) on Business Days (calls to these numbers may be recorded).

If you are in any doubt as to how to deal with this Bidder's Statement, you should consult your professional adviser. If you have any questions about the Offer, please call the Offer Information Line on 1300 810 584 (callers in Australia) or +61 2 8022 7909 (callers outside Australia) between 7.00am and 5.00pm (Perth time) on Business Days (calls to these numbers may be recorded).

Defined terms

A number of defined terms are used in this Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in Section 15, words and phrases in this Bidder's Statement have the same meaning and interpretation as in the Corporations Act.

Unless otherwise indicated, all references to Sections are references to Sections of this Bidder's Statement.

Maps and diagrams

Maps and diagrams are illustrative only and may not be drawn to scale.

Effect of rounding

A number of figures, amounts, percentages or estimates and calculations of value in this Bidder's Statement may be subject to the effect of rounding.

1. Why you should accept the Offer

Troy's Directors wish to highlight the following reasons to accept the Offer. If the Offer is successful:

1. **You will receive a substantial premium to Azimuth's pre-Offer share price levels for Your Azimuth Shares.**
2. **You will acquire an interest in Troy, a South-American focused gold and silver producer, and, in doing so you will maintain a meaningful exposure to Azimuth's assets.**
3. **As a shareholder in Troy, you will benefit from Troy's proven track record of successful low cost mine development in South America and Troy's ability to optimise and fast track the development of West Omai.**
4. **As a shareholder in Troy, you will benefit from the funding capability, enhanced equity market presence and liquidity of the Combined Group.**
5. **The Azimuth Share price is likely to trade below the implied value of the Offer if the Offer is not successful and no alternative proposal emerges.**
6. **No alternative proposal has emerged since the announcement of the Offer.**
7. **Azimuth Shareholders may be eligible for capital gains tax roll-over relief under Australian tax law.**

The Azimuth Board and Azimuth CEO are therefore unanimously recommending that Azimuth Shareholders **ACCEPT** the Offer, in the absence of a Superior Proposal. See also section 1 of the Target's Statement.

Azimuth's Directors and the Azimuth CEO intend to **ACCEPT** the Offer for all the Azimuth Shares held or controlled by them in the absence of a Superior Proposal.

Risk factors

In deciding whether to accept the Offer, you should consider the risk factors set out in full in Section 10. Some key risks that may affect the Combined Group are summarised at the end of Section 1.

The Offer is subject to Conditions

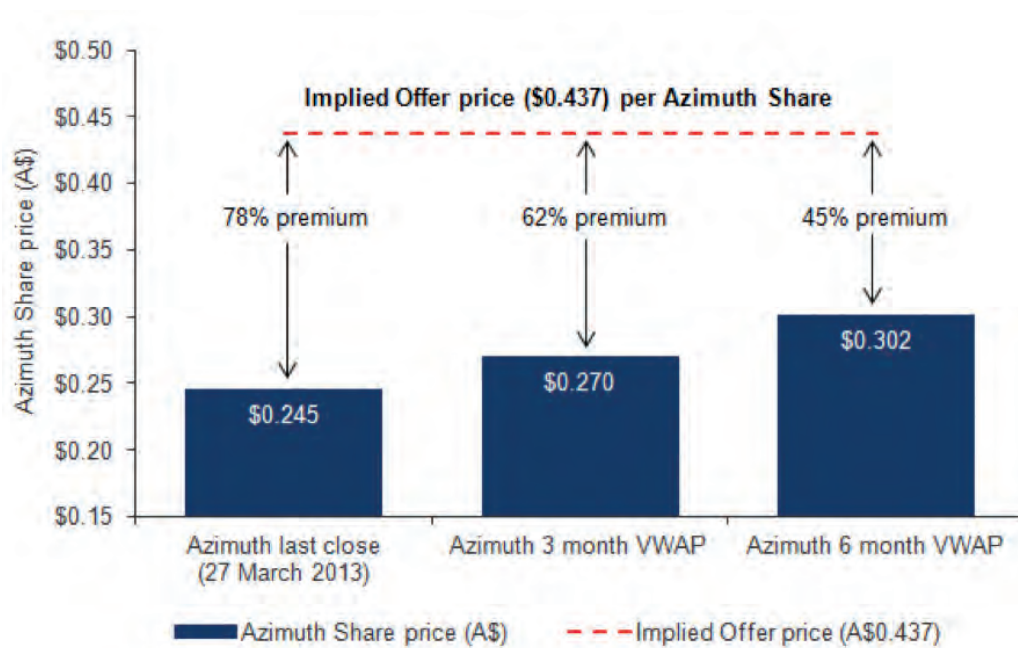
The Offer is subject to a number of Conditions which are summarised in Section 2 and set out in full in Section 14.9. There is a risk that some of these Conditions may not be satisfied or waived and that, as a result, the Offer will not become unconditional. In this event, Azimuth Shareholders who accept the Offer will not receive the Offer Consideration for their Azimuth Shares and will retain their Azimuth Shares.

1. **If the Offer is successful, you will receive a substantial premium to the pre-Offer Azimuth share price levels for Your Azimuth Shares.**

Under the Offer, you will receive 1 new Troy Share for every 5.695 Azimuth Shares you hold. Using the market values of Troy Shares and Azimuth Shares on the day before the Offer was announced, the Offer valued Your Azimuth Shares at A\$0.437⁸ which was a substantial premium to the pre-announcement trading price of Azimuth Shares on the ASX across a range of time periods.

⁸ Based on Troy's ASX closing price of A\$2.49 as at 27 March 2013 (the day prior to the Announcement Date).

Figure 1: Implied premium⁹



As permitted by ASIC Class Order 07/429, this figure contains ASX share price trading information sourced from IRESS without its consent.

Figure 1 does not provide a forecast of the price at which Troy Shares will trade on ASX.

Since the announcement of the Offer there has been considerable volatility in the gold sector generally with the gold price down 8%, Australian gold equities down 28%, Canadian gold equities down 23% and Troy Shares down 29%¹⁰. You should note that market fluctuations during the course of the Offer will continue to favourably or adversely impact the implied value of the Offer.

2. If the Offer is successful, you will acquire an interest in Troy, a leading mid-cap South-American focused gold and silver producer, and, in doing so you will maintain a meaningful exposure to Azimuth's assets.

Azimuth Shareholders who accept the Offer, assuming it is successful, will become part of the larger, more diversified gold mining Combined Group with a portfolio which includes two operating mines (Casposo and Andorinhas), an early stage development project (West Omai) and a number of prospective exploration properties in South America.

In addition to maintaining the potential upside exposure to Azimuth assets through 45% ownership in the Combined Group, Azimuth Shareholders will gain exposure to a number of positive attributes of the Troy business:

- Troy owns the operating Casposo mine (in San Juan Province, Argentina) and the operating Andorinhas mine (in Para State, Brazil) which generate significant gold and silver production at a competitive cash cost.
- Troy's Board believes that there is significant potential to extend the current reserve life of four years at Casposo, given:
 - o the highly prospective nature of the deposit and the numerous drill targets already identified; and
 - o the Company's track record in already having increased the gold equivalent¹¹ Ore Reserves on the property by 50% since its acquisition in 2009.
- Troy has a highly experienced and capable management team who have successfully designed, built, commissioned and operated mines in South America and Australia including Casposo, Andorinhas, Sertão and Sandstone at competitive capital and operating costs.
 - o Troy believes that it can leverage its operating and development capabilities to enhance the value proposition at West Omai. Further detail on Troy's operating and development capabilities are set out under point 3 below.
 - o Troy believes there is potential to optimise the flow sheet of the West Omai project and use second hand plant (where appropriate). This would allow Troy to keep capital costs to a minimum and reduce the time to potential first production (which production cannot be guaranteed).

⁹ Implied premium as at 27 March 2013 (the day prior to the Announcement Date).

¹⁰ Based on closing prices between 27 March 2013 (the day prior to the Announcement Date) and 3 May 2013. Gold equities performance refers to performance of the S&P/ASX All Ordinaries Gold Index for Australia and the S&P/TSX Global Gold Index for Canada.

¹¹ Refer to Section 3.9 of the Bidder's Statement for information on the calculation of the gold equivalent.

- Troy is in a strong financial position, with A\$43.3 million in cash and cash equivalents and no debt as at 31 March 2013¹² (this is prior to the payment of A\$10 million to Azimuth on 8 April 2013 pursuant to the convertible note facility), plus A\$40 million in committed and undrawn debt facilities (as announced on 22 April 2013)¹³.
- Troy has a history of generating strong financial returns for its shareholders, as demonstrated by the payment of 13 cash dividends to shareholders in the last 13 years.

3. As a shareholder in Troy you will benefit from Troy's proven track record of successful mine development in South America and Troy's ability to optimise and fast track the development of West Omai.

Troy is committed to optimising the development of West Omai and will work with Azimuth during the Offer Period to progress key engineering studies and in-fill drilling required to advance the project's development. Further details on Troy's intentions for Azimuth are set out in Section 8 of the Bidder's Statement.

Importantly, Azimuth's Directors and the Azimuth CEO believe that Troy has demonstrated a track record of successful, fast-track mine development and low-cost operations in South America. Troy has successfully acquired and developed four mines since its inception, as outlined below, three of which have been developed in South America:

- **Casposo, Argentina** – acquired in 2009 and in production since March 2011 with total gold equivalent¹⁴ production to 31 March 2013 of 184,348 ounces;
- **Andorinhas, Brazil** – acquired in 2006 and commenced production in 2008 with total gold production to 31 March 2013¹⁴ of 188,991 ounces;
- **Sertão, Brazil** – acquired in 2002 and in production between 2002 and 2007 with total attributable gold production of 188,614 ounces; and
- **Sandstone, Western Australia** – acquired in 1998 and in production between 1999 and 2010 with total gold production over the period of 504,155 ounces.

Troy's track record of building mines at a very low capital cost has been demonstrated at Casposo where the previous owner of the project had an independent consultant complete a prefeasibility report that estimated the initial capital expenditure to develop the site of US\$86.5 million. Troy developed the site for US\$45 million, slightly more than half the cost of the independent estimate. Troy also has an excellent track record in adding ounces to Mineral Resources through successful brownfields exploration.

4. As a shareholder in Troy you will benefit from the funding capability, enhanced equity market presence and liquidity of the Combined Group.

Azimuth's primary project, West Omai, is at a relatively early stage of development. Whilst Azimuth has successfully funded initial exploration and a scoping level study at the project, further funding will be required to support additional drilling, economic studies, corporate costs, working capital, and any ultimate project development.

Given funding available to Azimuth (including existing cash and the A\$10 million principal amount of the Convertible Notes (as summarised in Section 6.4)) Azimuth will require additional funding sources to continue the planned work program at West Omai beyond 2013.

There are two key risks for Azimuth Shareholders in the financing of West Omai, both for the 2013 program and for future development:

- It is likely that any capital sourced by Azimuth from equity markets would be at a discount to the prevailing market price, which would result in dilution to Azimuth Shareholders who are unable (or unwilling) to participate in that equity issue.
- Azimuth may face challenges in obtaining funding for its exploration and development activities in a volatile global environment where gold prices have been unstable and are down 18%¹⁵ relative to the recent peak of approximately US\$1,800/oz reached in October 2012.

The Combined Group will be in an enhanced position to meet the short and long term funding requirements of the West Omai project in Guyana.

- Troy's visibility in equity and debt capital markets will be enhanced by the transaction, with a substantially larger market capitalisation and supported with coverage by a number of analysts in Australia and Canada. To this end, on 22 April 2013 Troy announced it had signed a mandate letter with Investec Bank (Australia) Limited (**Investec**) for the provision of A\$40 million in loan facilities¹⁶. The Investec facilities will, in part, be used to fund costs associated with the takeover of Azimuth and, assuming the Offer is successful, ongoing work associated with completing the prefeasibility study of Azimuth's West Omai project.

¹² As at 31 March 2013; refer Troy's 31 March 2013 Quarterly Report.

¹³ Troy and Investec have entered into a binding mandate. The provision of finance is subject to customary conditions including the completion of full form legal documentation.

¹⁴ Based on the ratio of sales prices realised.

¹⁵ Over the period from 27 March 2013 to 3 May 2013.

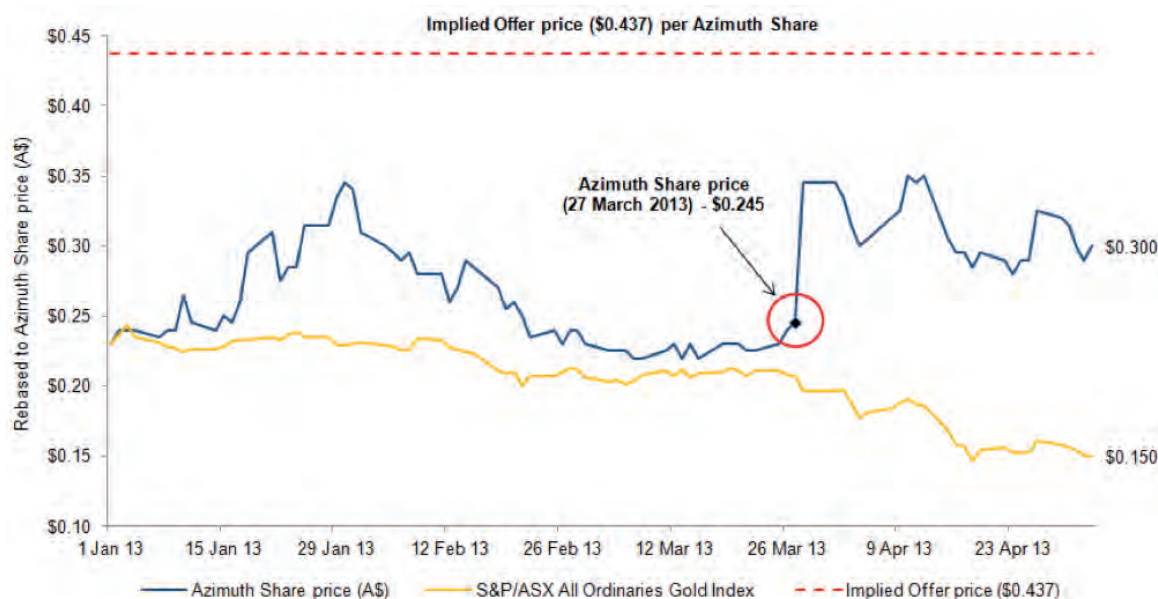
¹⁶ Troy and Investec have entered into a binding mandate. The provision of finance is subject to customary conditions including the completion of legal documentation.

- Troy also has the potential to attract a broader set of institutional investors given its inclusion in the S&P/ASX 200 Index and by the nature of the operating status of its assets and its greater relative trading liquidity (A\$1.24 million per day vs. A\$0.24 million per day for Azimuth)¹⁷.

5. The Azimuth Share price is likely to trade below the implied value of the Offer if the Offer is not successful and no alternative proposal emerges.

The Offer provides you with the opportunity to realise attractive value for all of your Azimuth Shares. If the Offer is not successful (and there is no other offer available for your Azimuth Shares) the Azimuth Share price may decline and is likely to trade below the implied value of the Offer. Azimuth has traded as low as A\$0.215 per Azimuth Share in March 2013 relative to the implied Offer Price of A\$0.437 per Azimuth Share¹⁸.

Figure 2: Implied Offer price (\$0.437) per Azimuth Share¹⁹



In considering the potential impact on Azimuth's Share price should the Troy Offer not be successful, Troy believes it is relevant to consider changes in the gold price and sentiment towards gold equities in general since announcement of the Offer. Specifically, since announcement of the Offer, the gold price has fallen 8% and the S&P/ASX All Ordinaries Gold Index has also fallen 28%²⁰.

6. No Competing Transactions have emerged since the announcement of the Offer.

After careful consideration of the various strategic options available to Azimuth, Azimuth's Directors and the Azimuth CEO consider the Offer to be the best and only proposal available to Azimuth Shareholders and unanimously recommend that Azimuth Shareholders accept the Offer, in the absence of a Superior Proposal.

As at the date of this Bidder's Statement, no Competing Transaction had been received by Azimuth and Azimuth is not aware of any party having an intention to make such a proposal.

7. Azimuth Shareholders who are resident in Australia may be eligible for capital gains tax roll-over relief under Australian tax law.

Azimuth Shareholders who are resident in Australia who derive a capital gain as a result of accepting the Offer may be eligible to claim CGT roll-over relief under Australian tax law in respect of the disposal of Azimuth Shares and the acquisition of Troy Shares under the Offer.

Please refer to Section 11 of this Bidder's Statement for further information in relation to the availability of CGT roll-over relief and taxation considerations generally for Australian residents.

¹⁷ ASX trading liquidity for each of Troy and Azimuth calculated for the 6 months to 27 March 2013.

¹⁸ Based on Troy's ASX closing price of A\$2.49 as at 27 March 2013 (the day prior to the Announcement Date).

¹⁹ Trading in Azimuth shares on the ASX from the period from 1 January 2013 to 3 May 2013; implied Offer price based on Troy's ASX closing price of A\$2.49 as at 27 March 2013 (the day prior to the Announcement Date).

²⁰ Current as of 3 May 2013.

Key risks

The following is a summary of key risks to which the Combined Group may be exposed. These risks, together with other risks associated with the Offer, are set out in detail in Section 10. You should consider these risks when deciding whether to accept the Offer.

- **Gold and silver price**

The Combined Group's revenue will come from sale of precious metals. Therefore, its earnings will be closely related to the price and arrangements it enters into for selling its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold and silver, forward selling by producers, the cost of production and general global conditions.

In particular, the Combined Group's future profitability depends upon the world market price of gold and silver. If the market price for gold and/or silver falls below the Combined Group's production costs and remain at such levels for any sustained period of time, it may not be economically feasible to commence or continue production. Future production, if any, from the Combined Group's mineral properties will be dependent upon the price of gold and/or silver being adequate to make these properties economic.

- **Mineral and resource estimates**

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. By their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

- **Exploration and development risks**

The business of mining and exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. The Combined Group's ability to maintain or increase its annual production of gold and silver in the future will be dependent in significant part on:

- o the success of its exploration program and its ability to expand its resources and reserves; and
- o the economic returns and the costs of developing its current projects, which may differ significantly from its estimates.

The Combined Group's projects are at various stages of development. Ultimate and continuous success of activities is dependent on many factors, including:

- o the discovery and/or acquisition of economically recoverable reserves;
- o access to adequate capital for project development;
- o design and construction of efficient development and production infrastructure within capital expenditure budgets;
- o securing and maintaining title to interests and necessary regulatory approvals; and
- o securing plant and equipment and access to appropriately skilled and experienced employees, contractors and consultants.

- **Operational risks**

Drilling, mining and processing activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of a number of factors outside the Combined Group's control. These include geological conditions, technical difficulties, securing and maintaining tenements, weather and construction of efficient processing facilities. The operation may be affected by force majeure, fires, labour disruptions, underground rock falls, landslides, the inability to obtain adequate machinery, engineering difficulties and other unforeseen events.

In particular, due to the irregular nature of the original topography and outcrop at Casposo and difficulty in placement of drills in suitable positions and varying levels of oxidation, there is greater uncertainty around the grade of the initial ore mined and hence the stockpiles of that ore. There is a risk that the grade of the stockpile will be lower than estimated.

- **Delays in project delivery and cost overruns**

There is a risk that any one or more of the projects in which the Combined Group is involved could be delayed, cost more than intended or not perform as planned.

The Casposo mine plan assumes initial high grade ore comes from the open cut mine and that, as grades naturally decline in the open pit, high grade ore from the new underground mine is added to the mill feed. A delay in the development of the new underground mine or lower than planned productivities will result in lower grades being fed to the plant with commensurately lower gold and silver production, revenues and profitability.

To date all cost assumptions used in planning the underground mine and determining Ore Reserves have used underground mining costs that were determined from first principles by Troy and its underground mining contractor. If underground mining costs and/or underground mining productivities turn out to be significantly different from what has been assumed, then the cost of production and the costs used to calculate Ore Reserves will be different.

- ***Sovereign risk – Brazil, Argentina and Guyana***

The Combined Group's key projects are located in Brazil, Argentina and Guyana. Possible sovereign risks include, without limitation, changes to the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes to the ability to enforce legal rights. Any of these factors may in the future, adversely affect the financial performance of the Combined Group and the market price of Troy Shares. No assurance can be given regarding future stability in these or any other country in which the Combined Group may have an interest.

In particular, permitting of new mine development remains uncertain in Brazil with a moratorium on new approvals while the Brazilian Federal Government reviews the relevant legislation. This has delayed mining from the Coruja NE open pit at Andorinhas which needs its own permit. Due to this delay, the scheduling for mining this pit has been pushed back from FY 2013 to FY 2014. In the event that this approval is not forthcoming, and other reserves are exhausted before a permit is given to mine the pit, then Andorinhas is likely to close earlier than expected.

In addition, Argentina is experiencing a period of high cost inflation which flows through to Casposo's cost of production. The Argentinean currency has devalued against the US dollar in recent years offsetting a significant proportion of the cost inflation in US dollar terms. Unless the currency devaluation matches or exceeds the rate of inflation, costs will rise in real terms.

- ***Environmental regulations and risk***

The Combined Group's activities must be operated within controls and processes to ensure compliance with various regulations, licenses, standards and expectations so that these activities are undertaken in a way that does not cause unauthorised environmental harm. Any failure of or non-compliance with these controls, processes or expectations may result in the Combined Group breaching applicable environmental regulations, and/or may lead to environmental damage. This could result in delays, increased costs, significant monetary damages, suspension of operations and/or reputational damage, any one of which may reduce profitability or the ability of the Combined Group to operate in the future.

- ***Uninsured or uninsurable risks***

Troy undertakes complex and large scale operating activities and faces operating hazards associated with these activities. In accordance with customary industry practices, the Combined Group will maintain insurance coverage limiting financial loss resulting from certain operating hazards and performs cost/benefit analysis to determine insurance coverage. However, not all risks inherent to the Combined Group's operations can be insured economically or at all. Although the Combined Group will maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all potential risks associated with the Combined Group's operations. Losses, liabilities and delays arising from uninsured or underinsured operational events could reduce the Combined Group's revenue or increase costs or cause a decline in the value of the securities of the Combined Group.

- ***Contracting arrangements and counterparty risk***

Many of the activities, functions or operations required by the Combined Group are performed by third party contractors or subcontractors. There is a risk that the Combined Group retains liability, or is made liable, for the acts or omissions of its contractors and subcontractors. There is also a risk that the contractual position taken by the Combined Group may not be enforced or may be enforced in a manner different to that planned by the Combined Group.

The Combined Group is subject to the risk that some counterparties may fail to fulfil their obligations under these contracts, including making payments as they fall due. If customers or counterparties fail to meet their financial or contractual commitments, this could have a material adverse effect on the Combined Group's cash flows and financial condition.

In particular, underground mining at Casposo is carried out by a third party contractor. There is a risk that the contractor may elect to cease operating in Argentina or their performance is such that Troy elects to take over underground mining activities. In either case, Troy would then be required to conduct such activities as owner operator as it has been doing at Andorinhas.

2. Overview of the Offer

1.1 Summary of the Offer

What is the Offer?	<p>Troy is offering to buy all the Azimuth Shares on the terms and conditions set out in Section 14. The Offer extends to Azimuth Shares issued during the Offer Period as a result of the conversion or exercise of Azimuth Options existing at the Register Date.</p> <p>Details of Azimuth's issued securities are set out in Section 6.1.</p>
Who is making the Offer?	<p>The Offer is being made by Troy Resources Limited.</p> <p>Troy is a gold and silver producer which is listed on both the ASX and the TSX.</p> <p>Troy has two producing operations; the Casposo gold and silver mine in San Juan province, Argentina and the Andorinhas gold mine in Para State, Brazil.</p> <p>For more information on the Troy Group, refer to Section 3.</p>
What is a Bidder's Statement and a Target's Statement?	<p>The Bidder's Statement contains information on the Offer that Troy has made for Your Azimuth Shares. The law requires Troy to send the Bidder's Statement to you.</p> <p>Azimuth is required, by law, to produce the Target's Statement in response to the Offer. The Target's Statement contains information to help you decide whether to accept or reject the Offer for Your Azimuth Shares.</p>
What choices do I have?	<p>If you are an Azimuth Shareholder (other than a Foreign Shareholder), you have the following choices:</p> <ul style="list-style-type: none">• accept the Offer;• sell Your Azimuth Shares (unless you have previously accepted the Offer) on ASX or TSX; or• do nothing.
What will I receive if I accept the Offer?	<p>If you accept the Offer, and the Offer is declared unconditional, you will be issued 1 Troy Share for every 5.695 Azimuth Shares that you hold, subject to the terms and conditions of the Offer (fractional entitlements to Troy shares will be rounded up to the nearest whole number).</p>
What is the current value of the Offer?	<p>The implied value of the Offer is A\$0.313 per Azimuth Share (based on the price of Troy Shares of A\$1.78 as at 3 May 2013 (being the last practicable date for printing prior to the date of this Bidder's Statement)).</p> <p>Since the announcement of the Offer there has been considerable volatility in the gold sector generally and the market price of Troy Shares has dropped while the gold price is also down approximately 8% as at 3 May 2013. You should note that market fluctuations during the course of the Offer will continue to favourably or adversely impact the implied value of the Offer.</p>
Are the Azimuth Directors and Azimuth CEO accepting the Offer?	<p>The Azimuth Board and the Azimuth CEO have unanimously recommended that Azimuth Shareholders accept the Offer, in the absence of a Superior Proposal.</p> <p>All Azimuth Directors and the Azimuth CEO intend to accept the Offer for all the Azimuth Shares they own or control as at the Announcement Date, no later than five Business Days after the dispatch of the Bidder's Statement and in the absence of a Superior Proposal.</p>

How do I accept the Offer?

You may only accept the Offer for all of Your Azimuth Shares.

Issuer sponsored shareholders (your SRN starts with an “I”)

If Your Azimuth Shares are held on Azimuth's issuer sponsored subregister, you may accept the Offer by completing and signing the Acceptance Form accompanying this Bidder's Statement and returning it, along with any other documents required to be returned with your Acceptance Form, to the address specified on the form so it is received before the Offer closes.

Sponsored CHESS shareholders (your HIN starts with an “X”)

If Your Azimuth Shares are in a sponsored CHESS Holding, you may accept the Offer by either:

- completing and signing the Acceptance Form accompanying this Bidder's Statement and returning it to the address specified on the form so that it is received in sufficient time for your Controlling Participant to effect acceptance before the Offer closes; or
- instructing your Controlling Participant (usually your broker) to accept the Offer on your behalf, before the Offer closes.

Participants

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in Section 14.4.

How do I accept the Offer if my Azimuth Shares are on the Canadian branch register?

This depends on how your Azimuth Shares are held in Canada. If Your Azimuth Shares are held:

- on the Canadian branch register directly or through CDS, you can move them to the Australian branch register and thereafter use the Acceptance Form to accept the Offer; or
- through CDS, you may accept the Offer through a book-entry transfer using the CDS online tendering system (**CDSX**). You may need to instruct your financial institution or broker who is a CDS participant to assist you; or
- in physical certificated form, you can accept the Offer by delivering a duly completed letter of transmittal (**Letter of Transmittal**) together with your physical share certificate to the Canadian Depository as set forth in the Letter of Transmittal; or
- in physical certificated form but you do not have your physical share certificate presently available, you can accept the Offer by delivering a duly completed notice of guaranteed delivery (**Notice of Guaranteed Delivery**) with a medallion guarantee stamp, to the Canadian Depository as set forth in the Notice of Guaranteed Delivery and thereafter delivering a duly completed Letter of Transmittal to the Canadian Depository as set forth in the Letter of Transmittal.

If you wish to move Your Azimuth Shares to the Australian branch register, you should contact your broker for assistance.

If you wish to accept using a Letter of Transmittal or Notice of Guaranteed Delivery and Letter of Transmittal, you should contact the Canadian Depository at 1-800-564-6253 and ask for copies of a Letter of Transmittal or both a Letter of Transmittal and a Notice of Guaranteed Delivery to be sent to you. You should allow sufficient time for this to occur so that your acceptance is received before the end of the Offer Period.

Where do I send the acceptance form?

If your Azimuth Shares are held on the Australian register, use the accompanying reply paid self addressed envelope and send it to:

Computershare Investor Services Pty Limited
GPO Box 2115
Melbourne VIC 3001

If your Azimuth Shares are held on the Canadian register, please refer to the directions in the answer immediately above.

If I accept the Offer, when will I receive the Troy Shares?	<p>If you accept the Offer in accordance with the instructions in this Bidder's Statement and the Offer becomes unconditional, you will be issued the Offer Consideration due to you under the Offer on or before the earlier of:</p> <ul style="list-style-type: none"> • one month after your acceptance of the Offer is processed or one month after all of the Conditions have been waived or fulfilled (whichever is the later); and • 21 days after the end of the Offer Period. <p>Full details of when the Offer Consideration will be issued is set out in Section 14.7.</p>
Can I accept the offer for part of my holding?	<p>Unless you hold Your Azimuth Shares as trustee or nominee for, or otherwise on account of, more than one person, you can accept the Offer only in respect of all of Your Azimuth Shares. See Section 14.1 of the Bidder's Statement for more information on who can accept the Offer.</p>
Will I incur any brokerage charges or stamp duty if I accept the Offer?	<p>If you accept the Offer, you will not pay Australian stamp duty on the sale of Your Azimuth Shares to Troy under the Offer nor on the issue of Troy Shares to you as part of the Offer Consideration.</p> <p>If Your Azimuth Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Troy, you will not incur any brokerage in connection with your acceptance of the Offer.</p> <p>If Your Azimuth Shares are in a CHESS Holding or you hold Your Azimuth Shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.</p> <p>There is no stamp duty payable in Canada and no brokerage fees will be payable in connection with the acceptance of the Offer by Canadian resident Azimuth Shareholders.</p> <p>If you are a Foreign Shareholder, see the answer to "What if I am a Foreign Shareholder?" below.</p>
When does the Offer close?	<p>The Offer closes at 7.00pm (Sydney time) / 5.00am (Toronto time) on 14 June 2013, unless it is extended or withdrawn under the Corporations Act.</p>
Can the Offer Period be extended?	<p>Yes. While the Offer is subject to the Conditions, Troy may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in Section 14.14 of this Bidder's Statement) and otherwise only in limited circumstances (including where another person lodges a bidders statement, announces a takeover bid or makes or improves offers under it in each case for Azimuth Shares). However, if the Offer is unconditional (that is all of the Conditions are fulfilled or waived), Troy may extend the Offer Period at any time before the end of the Offer Period. In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period, Troy improves the consideration offered under the Offer, or Troy's voting power in Azimuth increases to more than 50%. If either of these events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.</p>
What are the Conditions of the Offer?	<p>The Offer is subject to certain Conditions, being:</p> <ul style="list-style-type: none"> • at the end of the Offer Period, Troy and its Associates having a Relevant Interest in more than 90% (by number) of Azimuth's Shares (both on an undiluted and fully diluted basis); • no Azimuth Prescribed Occurrences occurring between the date of the TBID and the End Date; • no Azimuth Material Adverse Change during the Exclusivity Period. <p>The above is a summary only of the Conditions. The full terms are set out in Section 14.9.</p>
What happens if the Conditions of the Offer are not satisfied?	<p>If the Offer closes with Conditions remaining unsatisfied or not waived, the Offer will lapse and acceptances will be void. This means that the Offer will not proceed and you will continue to hold Your Azimuth Shares.</p>
Can Troy withdraw the Offer?	<p>Before the Offer becoming free of the Conditions, Troy may withdraw the Offer with the written consent of ASIC and subject to conditions (if any) specified in such consent.</p> <p>Troy cannot withdraw the Offer if you have already accepted it (and the Offer is free of Conditions).</p>

What happens if Troy improves the consideration under its Offer?	If Troy improves the consideration offered under its Offer, all Azimuth Shareholders who have accepted the Offer will be entitled to the benefit of that improved consideration (whether they accepted the Offer before or after the consideration is improved).
What are Troy's intentions for Azimuth?	Further details of Troy's intentions in relation to Azimuth are set out in Section 8.
Can I withdraw my acceptance?	<p>You can only withdraw your acceptance of the Offer in limited circumstances described in the Corporations Act.</p> <p>Such a withdrawal right will arise if, after you have accepted the Offer, Troy varies the Offer in a way that postpones for more than 1 month the time when Troy has to meet its obligations under the Offer (for example, if Troy extends the Offer for more than 1 month while the Offer remains conditional).</p>
What happens if I do not accept the Offer?	If you do not accept the Offer and you do not sell Your Azimuth Shares, you will remain an Azimuth Shareholder and will not receive any Offer Consideration. However, if Troy becomes entitled to compulsorily acquire your Azimuth Shares, it intends to do so. If this occurs, Azimuth will receive the Offer Consideration as your trustee. You must claim this consideration, which means that you will receive the consideration at a later date than you would have otherwise received it if you had accepted the Offer. In that case, you will be required to make a claim on Azimuth, as trustee for your consideration, in order to receive the Offer Consideration for your Azimuth Shares at the conclusion of the compulsory acquisition process.
Can I sell my Azimuth Shares on market?	Yes, but you will pay brokerage fees and, if applicable, Australian GST on that brokerage if you do.
What if I am a Foreign Shareholder?	<p>Troy is presently of the view that it is unreasonable to make the Offer to Foreign Shareholders (see definition in Section 15.1) having regard to the number of Azimuth Shareholders outside of Australia, Canada and New Zealand and the cost and complexity of complying with the legal requirements and requirements of regulatory authorities in certain overseas jurisdictions.</p> <p>If you are a Foreign Shareholder and you accept the Offer, the Troy Shares which would otherwise have been issued to Foreign Shareholders will instead be issued to the Nominee (an application has been made to ASIC for approval of the appointment who will sell these Troy Shares on the ASX and pay to that Foreign Shareholder the net proceeds (by cheque, in Australian dollars) received, after deducting any applicable brokerage, taxes and charges in accordance with the Offer (calculated on an averaged basis so that all Foreign Shareholders receive the same price per Troy Share, subject to rounding).</p> <p>Subject to applicable laws, Foreign Shareholders are free to purchase Troy Shares on market (on ASX or TSX) with the proceeds noted above.</p> <p>For more details, refer to Section 14.8.</p>
What are the tax implications of accepting the Offer?	<p>A general description of the taxation treatment for Azimuth Shareholders who accept the Offer is set out in Sections 11 and 12.</p> <p>Azimuth Shareholders should not rely on that description and should consult their taxation adviser for personalised advice before deciding whether or not to accept the Offer.</p>
What are the risks if I accept the Offer?	<p>If you accept the Offer, and the Offer becomes unconditional, you will be issued with new Troy Shares (unless you are a Foreign Shareholder).</p> <p>There are risks in holding Troy Shares. Section 10 provides detailed explanations on the risks associated with holding Troy Shares.</p>
What if I have questions?	<p>If you have any questions in relation to the Offer, including about how to accept it, please contact the Offer Information Line on 1300 810 584 (toll free for callers within Australia) or +61 2 8022 7909 (for callers outside Australia) between 7.00am and 5.00pm (Perth time) on Business Days (calls to these numbers may be recorded).</p> <p>Enquiries in relation to the Offer will not be received on any other telephone numbers of Troy or its advisers.</p>

Important Notice

The information in this Section 2.1 is a summary only of the Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement.

You should read this entire Bidder's Statement and the Target's Statement that Azimuth has prepared and which accompanies this Bidder's Statement, before deciding whether to accept the Offer.

3. Information on the Troy Group

3.1 Overview of Troy

Troy is a dividend paying gold and silver producer that listed on the ASX in 1987 as an explorer and graduated to producer in 1999 with the opening of the Sandstone mine in Western Australia. In addition to being a profitable mine in its own right, Sandstone funded Troy's entry into South America. Troy was an early mover for an Australian junior into South America, opening the Sertão mine in central Brazil in 2003. After Sertão closed in 2007, the plant was relocated a thousand kilometres to the north to Troy's Andorinhas project in Para State, Brazil, which opened in 2008. In that same year Troy dual listed on the TSX.

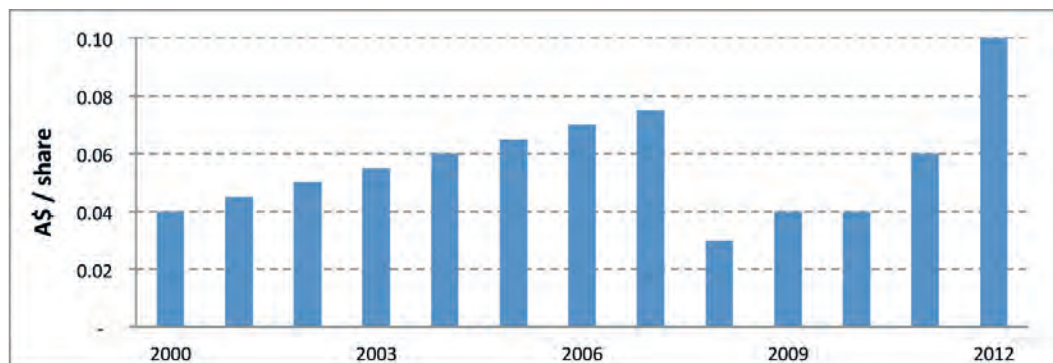
Today Troy has two operations; the Andorinhas gold mine in Brazil and the Casposo gold and silver mine in San Juan province, Argentina as set out in Figure 3 below. Over the years Troy has earned an enviable track record of building mines quickly and at very low capital cost. The most recent example of this was Casposo where the previous owner had an independent consultant complete a prefeasibility report that estimated the initial capital to develop the site at US\$86.5 million. Troy developed the site for US\$45 million, slightly more than half the cost of the independent estimate. Troy also has an excellent track record in adding ounces through successful brownfields exploration.

Figure 3 - Project locations



Troy also has an excellent track record when it comes to looking after its shareholders. Despite listing in 1987, Troy today has just 91.4 million shares on issue, evidence that Troy has protected its equity jealously. Troy has also rewarded shareholders with dividends, having paid 13 fully franked cash dividends over the last 13 years.

Figure 4 – Troy dividend history



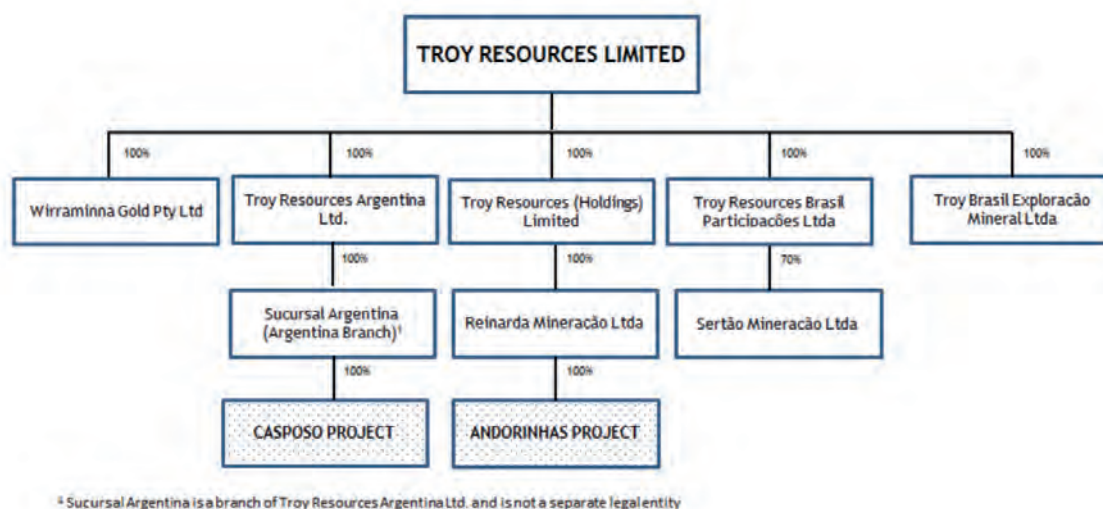
For the year ending 30 June 2012, Troy's gold equivalent production was 137,457 ounces and Troy²¹ reported a net profit after tax of A\$31.4 million. Troy's total gold equivalent production for the half year ended 31 December 2012 was 66,603 ounces²².

²¹ Based on the ratio of sales prices realised.

²² Refer to Section 3.9 of the Bidder's Statement for information on the calculation of the gold equivalent.

The following chart describes the inter-corporate relationships amongst Troy and Troy's subsidiaries. Each subsidiary is wholly owned, directly or indirectly, by Troy.

Figure 5 – Troy corporate structure



3.2 Overview of Troy projects

This Section contains a summary of Troy's activities. Further information on Troy can be obtained from Troy's website (www.troyres.com.au).

Argentina: Casposo Operations (*Troy 100% through Troy Resources Argentina Ltd.*)

Location

The Casposo gold and silver mine is situated about 150km northwest of the city of San Juan, in the Department of Calingasta, San Juan Province, Argentina (refer Figure 3).

Production

Troy commenced development of Casposo in October 2009. First gold was poured in November 2010 and the official opening of the mine was held in late May 2011.

During the 2012 financial year, a total of 463,177 tonnes of ore was mined at grades of 7.21g/t gold and 100.1g/t silver and 315,670 tonnes of ore were processed at an average grade of 8.0g/t gold and 121.11g/t silver, with recoveries of 87.38% and 76.25% respectively, for a total production of 70,989 ounces of gold and 937,208 ounces of silver. Due to the high grades and high silver price, the site had low gold production cash costs of US\$404 per ounce net of silver credits.

During the six month period to 31 December 2012, 217,823 tonnes of ore was mined at 5.86g/t gold and 88.88g/t silver with 195,768 tonnes of ore processed at an average grade of 6.73g/t gold and 120.10g/t silver to produce 37,340 ounces of gold and 605,059 ounces of silver. Cash costs net of silver credits were US\$532 per ounce of gold.

Troy has approved a modification to the Casposo processing plant that will see the addition of a ball mill, as a re-grind mill, with the current SAG mill to increase the overall treatment rate lowering the unit milling cost. It is also expected that maintenance costs will be reduced as sharing the grinding load across two mills will result in longer periods between mill liner changes.

Commissioning of the ball mill is expected to commence during the June quarter 2013. Work commenced on the underground in mid calendar 2012 and the first ore was accessed in the March quarter 2013. Underground ore will start to be added to the mill feed blend in the June quarter and will become an increasingly larger proportion of the mill feed in the second half of calendar 2013 as more levels are developed in the ore.

Metallurgical test work indicates that there will be an improvement in metallurgical recoveries as the proportion of high grade underground ore increases.

Exploration

The Casposo mine is classified as a low-sulphidation epithermal gold-silver deposit that occurs in both rhyolite and underlying andesite of the Permian-Triassic Choiyoi Group. As with all gold deposits, structures are the key control for the mineralisation, and at Casposo mineralised quartz veins occur in three main orientations: northwest-southeast, north-south and east-west. The tenements are cut diagonally by a major northwest-southeast trending regional structural corridor that hosts the known deposits at Kamila, Mercado and Julieta where prior to Troy's acquisition, 85% of the drilling has been focused. The majority of this corridor between Mercado and Julieta (5km) remains untested because the area is covered by younger volcanic and no outcropping veins have been mapped.

Since mid-2009, Troy's exploration has been focussed on extensions to known mineralised zones, evaluation and drilling of brownfields outcropping quartz veins and generation of new targets through a GIS driven integrated targeting process that combines geochemical, geological, geophysical and structural data.

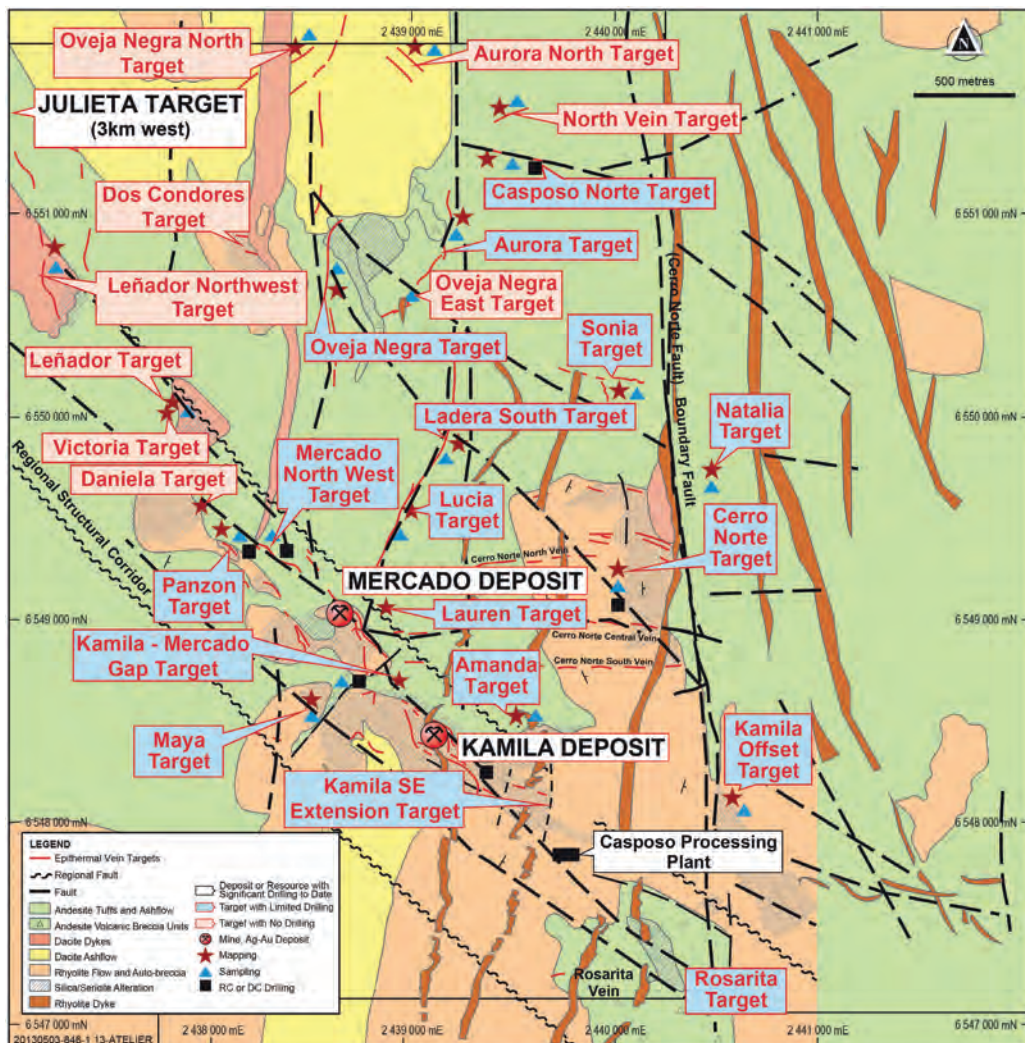
During 2011-2012 exploration was focused on the drill-out of the new Kamila Southeast INCA 2 Zone and conversion of the Resource to Reserve (detailed in NI-43-101 Technical report released May 31, 2012).

Drilling during the current year has continued to focus on the Kamila-Mercado Corridor including a number of infill and step out holes that have targeted the INCA vein in a "drilling gap" between the INCA 1 and INCA 2 Reserves as well as B Vein-B Vein 2 Targets in the hangingwall of the INCA Vein. In addition, a number of satellite Brownfields outcropping vein targets north of the plant site have been drilled at shallow levels, including Casposo Norte, Aurora, Oveja Negra, Lucia, Amanda, Sonia, Cerro Norte, Natalia, Kamila Offset, Mercado NW Panzon and Maya. Approximately 5km to the north-west at Julieta, a follow-up drill program is currently underway targeting the South Vein at depth.

Troy is currently completing a detailed induced polarization gradient geophysical survey over the covered area between Mercado and Julieta to define new targets for drilling.

Current plans call for follow-up drilling that targets the 2.5km of outcropping veins on the Castaño joint venture areas later this year.

Figure 6 – Extensional and brownfields target geology and location plan



Brazil: Andorinhas Operations (Troy 100% through Reinarda Mineração Ltda)

Location

The Andorinhas gold mine is located in the central eastern area of Para State, Brazil, 750km south of the state capital of Belem (refer Figure 3).

Production

During the 2012 financial year, Andorinhas processed a total of 256,119 tonnes of ore at a head grade of 6.25g/t gold to produce 48,632 ounces. Metallurgical recovery was 94.43%. Underground ore production was 206,414 tonnes at 6.30g/t gold.

Andorinhas has processed 123,941 tonnes of ore for the six months ended 31 December 2012 at a head grade of 4.88g/t gold and metallurgical recovery of 92.81% to produce 18,031 ounces. Underground ore production was 90,534 tonnes at 5.24g/t gold.

Productivity has been impacted by the narrower and more complex ore structures as the mine gets deeper. To assist in maximising productivity in the face of these changes the mine has undertaken a shift in mining methods from a predominantly mechanised “cut and fill”, to increasingly more hand-held, pillar-supported, shrink stoping methods.

Exploration

Underground drilling focused on the area immediately below the Ore Reserve targeting the 850m, 830m, 810m and 790m levels of the Melechete Lode. This drilling confirmed that the Melechete Lode dips steeply to the north and rather than one broad quartz lode, it now has split into several narrower quartz veins each hosted within biotite-pyrite altered shear zones. Current drilling is focused on the eastern portion of the Melechete Lode below the 850m level which has yielded encouraging gold values. This drilling is ongoing with the hope of outlining zones of mineralisation that warrants further development below the Ore Reserve to a limited extent on the 850m east and possibly 830m level.

An eight hole limited step-out Resource Definition Drill program commenced to test the M2 Lode east of the Mafic Dyke. The first hole MUD310 produced an ore grade hit of 13.2m grading 17.9g/t gold from 38.0m downhole including 3m at 20.21g/t gold from 40.0m and 4m grading 37.07g/t gold from 47.2m. The hole pierced the M2 Lode on the 1040m level just east of the Dyke. Historically the lode adjacent to the dyke margins has yielded good gold values.

3.3 Relationship with Azimuth

Troy has no existing relationship with Azimuth.

3.4 Gold and silver markets

Troy is principally engaged in the mining of gold and silver. As such, Troy is exposed to movements in gold and silver prices. Figure 7 below charts the performance of gold and silver prices over the last 5 years²³.

Figure 7 – Gold and silver prices



²³ Gold and silver prices charted in Figure 7 from the period between 1 April 2008 and 3 May 2013.

3.5 Directors (and proposed Directors) of Troy

Directors

Brief profiles of the Troy Directors as at the date of this Bidder's Statement are as follows:

Mr David R Dix

Independent Non-executive Chairman

Mr Dix was appointed on 28 January 2010 and as Chairman on 25 November 2010.

Mr Dix's background is in economics, law and tax and he is a Barrister and Solicitor in the High Court of Australia. He has held various positions with Shell Australia Limited and worked for 16 years in Corporate Advisory at both Macquarie Bank Limited and UBS AG specialising in the mining industry, including Head of Resources for Asia Pacific and in London as Head of Mining.

Mr Dix is also a Non-Executive Director of Aquarius Platinum since March 2004 and was previously a Director and Chairman of AED Oil Limited.

Mr Paul Benson

Chief Executive Officer and Managing Director

Mr Benson was appointed as Chief Executive Officer on 3 October 2007 and reappointed Managing Director on 13 September 2010.

Mr Benson has over 25 years' experience in the mining industry having worked for RGC Limited, the Rio Tinto Group and BHP Billiton Limited in several locations including Australia, Portugal, the United States and South America. Before joining Troy, Mr Benson was the Chief Development Officer, Base Metals Division for BHP Limited from 2004 to September 2007 and also the Vice President of Business Development, Base Metals Division for BHP Limited from 2001 until September 2007.

Mr Ken K Nilsson

Executive Director of Project Development

Mr Nilsson was appointed in May 1998.

Mr Nilsson was Troy's Chief Operating Officer from April 1997 through to December 2011 when his title changed to Director of Project Development. He is a mining engineer with more than 35 years' experience in the mining industry, covering gold, base metals and coal. Since Mr Nilsson relocated from Australia to South America in 2002 he has overseen the construction and operation of all of Troy's South American mines.

Mr Gordon R Chambers

Independent Non-executive Director

Mr Chambers was appointed on 2 April 2008.

Mr Chambers is a partner of Canadian law firm Cassel Brock & Blackwell LLP based in Vancouver. With over 25 years' experience in the legal sector, Mr Chambers specialises in securities law. He has a particular focus on corporate finance for mining companies and has extensive experience advising dual listed issuers, particularly Australian companies that are dual-listed on the TSX.

Mr Chambers has previously served on the Securities Legal Advisory Committee of the British Columbia Securities Commission and the Securities Advisory Committee of the Vancouver Stock Exchange. He is currently a member of the Listings Advisory Committee of the Toronto Stock Exchange.

Mr Fred S Grimwade

Independent Non-executive Director

Mr Grimwade was appointed on 25 November 2010.

Mr Grimwade is a Non-Executive Director of Select Harvests Limited, Chairman of CPT Limited and is a Principal and Executive Director of Fawcner Capital, a specialist corporate advisory and investment firm. He was a Director of AWB Limited from 2008-2010 and has held general management positions at Colonial Agricultural Company, the Colonial Group, Western Mining Corporation and Goldman, Sachs & Co. He has a broad range of experience in strategic management, mining, finance, corporate governance and law. In 2012, Mr Grimwade was appointed as a non-executive director of listed company XRF Scientific Limited.

Mr John Load Cecil Jones
Non-executive Director

Mr Jones was appointed in July 1988.

Mr Jones, Troy's largest shareholder, has over 40 years' experience as a director of public companies. Past roles include as founder and Chairman of Jones Mining Ltd and Chairman of both North Kalgurli Mines NL and Anglo Australian Resources NL.

In addition to being a Director of Troy, he is currently a Director of Anglo Australian Resources NL (since 1990), Director of private company Hampton Transport Services Pty Ltd, a service company to the mining industry in Australia, and founder and Chairman of TSX Ventures listed Altan Rio Minerals Limited and Altan Nevada Minerals Limited.

Mr Clement Robin W Parish
Independent Non-executive Director

Mr Parish was appointed on 27 November 2009.

Mr Parish has been involved in Investment Management since 1971 and a Director of El Oro Ltd and its predecessor sister The Exploration Co.plc since 1981. El Oro originated as a silver mine in Mexico, and by managing its portfolio, Mr Parish has developed a broad knowledge of mining across a diverse spread of metals and geographic locations. Mr Parish has intimately followed the progress of Troy for more than 10 years.

Proposed Directors

As soon as practicable after Troy acquires a Relevant Interest in 90% of Azimuth's Shares and the Offers become or are declared unconditional, Troy will appoint current Azimuth Directors, Mr Sean Harvey and Mr Richard Monti to the Troy Board.

Subject to the new appointments taking effect, Mr Gordon Chambers intends to step down from the Troy Board.

Mr Richard Monti

Mr Monti has qualifications in geology (Bachelor of Science with Honours from the University of Western Australia) and finance (Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia).

He has gained broad experience over a twenty five year career working in the technical, commercial, marketing and financial fields of the international exploration and mining industry.

In 2004 he founded Ventnor Capital Pty Ltd, a boutique consultancy firm which provides technical, marketing, corporate advisory and investment banking services to junior and mid-cap listed resources companies.

Mr Monti has worked for a number of international and Australian companies including Anaconda Nickel, RTZ Exploration, the North Group and the Normandy Group. During a seven year term at Anaconda Nickel he held general manager positions in technical, commercial and marketing fields.

He has also held positions on the boards of a number of ASX and TSX listed and private mining companies. Mr Monti has been a director of Azimuth Resources since November 2008.

Mr Sean Harvey

Mr Harvey has over 20 years mining industry experience and has worked for over 10 years in Investment Banking in North America for Nesbitt Burns (now BMO) and Deutsche Bank, primarily focused on the basic industry (mining) sector. For the last dozen years Mr Harvey has held senior executive and board positions with various mining companies, accumulating a wealth of South American experience.

From 2001 through 2006 Mr Harvey was President and CEO of TVX Gold (Chile/Brazil) at the time of its sale to Kinross Gold, Atlantico Gold (Brazil) that was sold to Goldcorp Inc. and Orvana Minerals Corp. which operated in Bolivia.

Mr Harvey currently sits on the board of directors of several other mining companies including Perseus Mining Limited and is the non-executive Chairman and co-founder of Sarama Resources Ltd.

Mr Harvey has an Honours BA in economics and geography and an MA in economics, both from Carleton University. He also has an LLB from the University of Western Ontario and an MBA from the University of Toronto. Mr Harvey is a member of the Law Society of Upper Canada.

3.6 Executive Management Team

Mr Paul Benson

Chief Executive Officer and Managing Director

Refer to Section 3.5 for biographical details.

Mr Ken K Nilsson

Executive Director of Project Development

Refer to Section 3.5 for biographical details.

David R Sadgrove

Chief Financial Officer and Joint Company Secretary

Mr Sadgrove was appointed Company Secretary on 1 October 2008 and Chief Financial Officer in November 2008. He gained his Chartered Accountant qualifications whilst employed with Ernst & Young (Australia, audit division) and has over 20 years' experience in accounting, finance and taxation management for listed multinational corporations both within Australia and the United Kingdom, including foreign exchange, treasury management and compliance across foreign jurisdictions and with dual listings in North America.

Stacey Apostolou

Joint Company Secretary

Ms Apostolou was appointed joint Company Secretary on 8 February 2013. Ms Apostolou has previously acted as Finance Director to an ASX/AIM listed company, has held finance and company secretarial roles for publicly listed companies within the mining and exploration industry and has over 25 years relevant industry experience. Ms Apostolou has been responsible for the corporate, treasury, finance, accounting and administration functions for these companies.

Peter J Doyle

Vice President Exploration & Business Development

Mr Doyle joined Troy in 2005. Mr Doyle has over 30 years international experience in all aspects of mineral exploration from regional reconnaissance to detailed prospect evaluations throughout Canada, the United States, Mexico, Australia, Indonesia, China and South East Asia. As Project Manager for P.T. Freeport Indonesia he supervised regional exploration in the Central Highlands of Irian Jaya that resulted in the delineation of the Wabu Gold Deposit. Since joining Troy, Mr Doyle has been responsible for the Company's exploration in Australia, Mongolia, Brazil and most recently Argentina. In 2012, Mr Doyle relocated to Canada and is now based in Troy's Toronto office.

Andrew Storrie

Chief Operations Officer

Mr Storrie has over 20 years international mining experience in underground narrow vein and underground massive ore mining and open pit and offshore mining operations. Mr Storrie commenced his career working at the South Crofty mine in Cornwall before working for 10 years in Africa and Canada for De Beers and Falconbridge. Prior to joining Troy as the Brazil Operations Manager in July 2009, he has held mine construction and management roles in South America and West Africa. Mr Storrie has a Bachelor of Mining Engineering (Hons) degree from the Camborne School of Mines, Exeter University.

3.7 Financial Information of the Troy Group

Basis of preparation of historical financial information

The historical financial information below relates to the Troy Group on a stand-alone basis and accordingly does not reflect any impacts of the Offer. It is a summary only and does not contain all the disclosures usually provided in an annual report prepared in accordance with Australian accounting standards and the Corporations Act.

The full financial statements for Troy for the years ended 30 June 2012 and 30 June 2011, which include notes to the statements, can be found in the annual reports for those periods and on the Company's website: www.troyres.com.au.

The financial statements for the half year ended 31 December 2012, including notes to statements, can be found in the half yearly report for that period and on the Company's website.

The Troy Directors are not aware of any material change to the financial position of the Company between 31 December 2012 and the date of this Bidder's Statement.

Historical statements of profit or loss

The historical consolidated statements of profit or loss of Troy set out below have been derived from:

- the audited financial statements of Troy for the years ended 30 June 2011 and 30 June 2012; and
- the reviewed half year financial statements of Troy for the half year ended 31 December 2012.

	Consolidated statement of profit or loss for the half year ended:		Consolidated statement of profit or loss for the financial years ended:
	31 Dec 2012 (A\$'000)	30 June 2012 (A\$'000)	30 June 2011 (A\$'000)
Revenue	108,934	208,581	102,451
Cost of Sales	(76,093)	(132,526)	(76,827)
GROSS PROFIT	32,841	76,055	25,624
Other income	369	2,215	7,563
Exploration expenses (net)	(5,116)	(8,624)	(5,390)
Administration expenses	(4,108)	(7,643)	(8,453)
Other expenses – Corporate	(362)	(1,001)	(586)
Care and maintenance costs	(736)	(1,227)	(340)
Finance costs	(1,306)	(3,290)	(3,325)
Impairment of financial assets	-	(938)	-
PROFIT BEFORE INCOME TAX EXPENSE	21,582	55,547	15,093
Income tax (expense)	(8,042)	(24,125)	(459)
PROFIT AFTER INCOME TAX EXPENSE	13,540	31,422	14,634
Profit Attributable to:			
Owners of the Parent	13,543	31,438	14,648
Non-controlling interests	(3)	(16)	(14)
	13,540	31,422	14,634
EARNINGS PER SHARE (EPS)			
Basic EPS (cents)	15.0	35.5	16.7
Diluted EPS (cents)	14.8	35.0	16.5

Historical statements of financial position

The historical consolidated statements of financial position of Troy set out below have been derived from:

- the audited financial statements of Troy as at 30 June 2011 and 30 June 2012; and
- the reviewed half year financial statements of Troy as at 31 December 2012.

	Consolidated statement of financial position as at:		Consolidated statement of financial position as at:
	31 Dec 2012 (A\$'000)	30 June 2012 (A\$'000)	30 June 2011 (A\$'000)
CURRENT ASSETS			
Cash and cash equivalents	41,474	58,922	27,941
Trade and other receivables	19,873	14,604	7,324
Inventories	19,535	17,143	14,029
Assets held for sale	86	-	-
TOTAL CURRENT ASSETS	80,968	90,669	49,294
NON-CURRENT ASSETS			
Property, plant and equipment	47,755	46,422	53,070
Mining properties	51,485	43,502	44,131
Exploration properties	-	1,612	2,884
Other receivables	5,507	3,102	6,461
Other financial assets	135	134	406
Deferred tax assets	-	-	4,468
TOTAL NON-CURRENT ASSETS	104,882	94,772	111,420
TOTAL ASSETS	185,850	185,441	160,714
CURRENT LIABILITIES			
Trade and other payables	20,200	15,716	9,735
Current tax payables	14,906	7,752	2,317
Provisions	3,434	3,173	3,389
Provisions – liabilities held for sale	1,175	-	-
Borrowings	-	14,227	12,500
TOTAL CURRENT LIABILITIES	39,715	40,868	27,941
NON-CURRENT LIABILITIES			
Other payables	1,500	2,267	-
Deferred tax liabilities	5,459	7,029	4,071
Provisions	3,042	3,005	2,432
Borrowings	-	-	16,589
TOTAL NON-CURRENT LIABILITIES	10,001	12,301	23,092
TOTAL LIABILITIES	49,716	53,169	51,033
NET ASSETS	136,134	132,272	109,681
EQUITY			
Issued capital	109,428	101,804	97,596
Reserves	(45,757)	(37,501)	(29,782)
Retained earnings	72,721	68,224	42,103
Parent interest	136,392	132,527	109,917
Non-controlling interests	(258)	(255)	(236)
TOTAL EQUITY	136,134	132,272	109,681

Historical statement of cash flows

The historical consolidated statements of cash flows of Troy set out below have been derived from:

- the audited financial statements of Troy for the years ended 30 June 2011 and 30 June 2012; and
- the reviewed half year financial statements of Troy for the half year ended 31 December 2012.

	Consolidated statement of cash flows for the half year ended:		Consolidated statement of cash flows for the financial years ended:
	31 Dec 2012 (A\$'000)	30 June 2012 (A\$'000)	30 June 2011 (A\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	104,808	205,737	109,846
Payments to suppliers and employees	(65,531)	(104,633)	(73,355)
Proceeds from sundry income	48	80	1,125
Export tax and government royalties paid	(6,970)	(13,508)	(3,625)
Income taxes paid	(1,756)	(10,694)	(3,061)
NET CASH PROVIDED BY OPERATING ACTIVITIES	30,599	76,982	30,930
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	(11,008)	(7,462)	(20,440)
Payments for mine & development properties	(13,913)	(9,022)	(15,769)
Payments for exploration properties capitalised	(4,186)	(7,876)	(3,422)
Payments for power line commitments	(781)	(1,523)	(5,937)
Payment of deferred consideration	-	-	(1,695)
Proceeds on sale of property, plant and equipment	86	231	576
Proceeds on sale of investment securities	-	-	4,503
Interest received	229	558	443
NET CASH (USED IN) INVESTING ACTIVITIES	(29,573)	(25,094)	(41,741)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments – Investec Bank (Australia) Limited	(15,000)	(15,000)	27,000
Payments for financing costs	(533)	(3,153)	(2,560)
Proceeds from issues of equity securities	3,790	2,373	1,489
Dividends paid – members of parent entity	(6,616)	(4,727)	(2,988)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(18,359)	(20,507)	22,941
Net (decrease) increase in cash and cash equivalents	(17,333)	31,381	12,103
Cash and cash equivalents at the beginning of the period	58,922	27,941	16,432
Effects of exchange rate changes on the balance of cash held in foreign currencies	(115)	(400)	(594)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	41,474	58,922	27,941

Management commentary on historical results

Half year ended 31 December 2012

- The consolidated profit after tax was A\$13.5 million. Total revenue generated was A\$108.9 million.
- The half-year profit result is after charging the following items: net exploration of A\$5.1 million, export tax incurred in Argentina of A\$4.4 million, amortisation and depreciation of A\$17.1 million and Income tax expense of A\$8.0 million.

Financial year ended 30 June 2012

- The consolidated profit from ordinary activities after tax and non-controlling interests was A\$31.4 million. The profit for the year is after A\$8.6 million of net exploration expenditure and depreciation and amortisation of A\$32.1 million. Revenue from gold and silver sales totalled A\$208.6 million.
- Total production was 119,621 ounces of gold and 937,208 ounces of silver or 137,457 gold equivalent ounces²⁴.
- Casposo reached its nameplate capacity and produced 70,989 ounces of gold and 937,208 ounces of silver, from the processing of 315,670 tonnes of ore at an average gold grade of 8.00g/t and average silver grade of 121.11g/t.
- Casposo cash costs on a by-product basis were US\$404 per ounce (net of silver credits). The total gold equivalent ounces produced at Casposo were 88,825 with cash costs on a co-product basis of US\$654 per ounce.
- Andorinhas produced 48,632 ounces of gold at an average cash cost of US\$571 per ounce from the processing of 256,119 tonnes of ore at an average gold grade of 6.25g/t.
- Exploration expenditure totalled A\$16.5 million, of which A\$7.9 million was capitalised primarily in relation to the Kamila South East extension at the Casposo project in Argentina and the Coruja and Mamão deposits in Brazil, based on exploration results achieved to date indicating recoupment is reasonably assured. Therefore net exploration expensed directly to the profit and loss totalled A\$8.6 million.

Financial year ended 30 June 2011

- Net profit after income tax for the financial year was A\$14.6 million.
- Revenue from ordinary activities was A\$102.4 million.
- Gross profit generated from ordinary activities of A\$27.1 million, was a significant increase on the prior year gross profit of A\$4.8 million. The increase in gross profit was principally driven by a 25% increase in production with 76,983 gold equivalent ounces produced during the current year compared to 61,453 ounces in the previous year. This was further supported by increasing US dollar gold and silver prices, which was partially offset by the strengthening Australian dollar.
- Contributions to gross profit for the year across the three mines were Andorinhas A\$17.3 million, Sandstone A\$2.9 million and Casposo A\$6.9 million.
- Total exploration expenditure for the financial year totalled A\$8.3 million, of which A\$2.9 million was capitalised in relation to the Kamila South East extension at Casposo, based on exploration results achieved to date indicating recoupment is reasonably assured. Net exploration expensed directly to the profit and loss totalled A\$5.4 million.
- Finance costs of A\$3.3 million were due to Troy's third party debt facility with Investec Bank (Australia) Limited, funds from which were utilised in the final development and construction of Casposo and general working capital.
- Group income tax expense of A\$0.5 million relates to an expense in Brazil for Andorinhas, offset by a credit for the recognition of a deferred tax asset for carried forward income tax losses in Argentina.

3.8 Publicly available information about Troy

Troy is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Troy is subject to the ASX Listing Rules, which require Troy to immediately disclose information concerning it that a reasonable person would expect to have a material effect on the price or value of its securities subject to the availability of certain exceptions. Troy is a "designated foreign issuer" under Canadian securities laws, meaning that less than 10% of Troy's equity securities, on a fully-diluted basis, are owned, directly or indirectly, by Canadian residents, and is deemed to satisfy many Canadian continuous disclosure requirements by complying with the timely disclosure requirements of its foreign jurisdiction (ie: Australia), filing its announcements and Australian disclosure documents on SEDAR and promptly sending to Troy Shareholders in Canada any documents it is required by its foreign jurisdiction to send to Troy Shareholders.

²⁴ Based on the ratio of sales prices realised.

In addition, Troy is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Troy can be obtained from, or inspected at, an ASIC office.

On request to Troy and free of charge, Azimuth Shareholders may obtain a copy of:

- the annual financial report of Troy for the year ended 30 June 2012 (being the annual financial report most recently lodged with ASIC by Troy before the date of this Bidder's Statement);
- the half year financial report lodged with ASIC by Troy for the half year ended 31 December 2012 (being the half year financial report lodged with ASIC by Troy before the lodgement of the copy of this Bidder's Statement); and
- any continuous disclosure notice given to ASX by Troy after the lodgement with ASIC of the annual financial report of Troy referred to above and before the lodgement of this Bidder's Statement with ASIC.

A substantial amount of information about Troy is available in electronic form from www.troyres.com.au, www.asx.com.au (ASX Code: TRY) and www.sedar.com. A list of ASX announcements made by Troy between the date of lodgement with ASIC of the annual financial report of Troy and 3 May 2013 (being the last practicable date for printing prior to the date of this Bidder's Statement) is included in Section 17.

3.9 Calculation of gold equivalent

In this Bidder's Statement Troy has calculated the gold equivalent (**Au_Eq**) grade using gold to silver ratio of 1:60. The gold to silver ratio is determined using metal price and recovery factors and determined according to the parameters below:

- Au Price US\$1500/oz
- Ag Price US\$28/oz
- Au processing Metallurgical recovery 90%
- Ag processing Metallurgical recovery 80%

Metal prices approximate 3 year averages for each of gold and silver.

Processing recoveries were determined from updated metallurgical testwork carried out by independent consultants on diamond drill core from Casposo.

The equivalency factor is calculated by the formula:

$$\begin{aligned}\text{Gold to Silver ratio} &= (\text{gold price} \div \text{silver price}) \times (\text{gold recovery} \div \text{silver recovery}) \\ &= (1500 \div 28) \times (.90 \div .80) \\ &= 60\end{aligned}$$

Gold equivalency (Au_Eq) is calculated by the formula: $\text{Au_Eq g/t} = \text{Au g/t} + (\text{Ag g/t} \div 60.00)$

3.10 Resource and reserve information

Casposo Mineral Reserves - 30 June 2012

Probable Mineral Reserves					Contained Metal		
	Tonnes	Gold (g/t)	Silver (g/t)	Au_Eq (g/t)	Gold Ounces	Silver Ounces	Au_Eq Ounces
Total Open Pit, Underground & Stockpile	1,993,000	4.7	236	8.6	298,000	15,103,800	549,600

Andorinhas Mineral Reserves - 30 June 2012

	Tonnes	Gold (g/t)	Gold ounces
Proven	82,000	2.5	6,700
Probable	310,000	8.6	85,900

Casposo Identified Mineral Resources - 30 June 2012

Category	Total Mineral Resources				Contained Metal		
	Tonnes	Gold (g/t)	Silver (g/t)	Au_Eq (g/t)	Gold Ounces	Silver Ounces	Au_Eq Ounces
Measured	171,000	5.0	725	17.1	27,700	3,991,600	94,300
Indicated	2,043,000	4.0	227.9	8.0	263,800	14,971,500	523,400
Inferred	801,000	3.6	129	5.0	93,700	3,309,600	127,900

Andorinhas Mineral Resources - 30 June 2012

Category	Tonnes	Gold (g/t)	Gold Ounces
Measured	95,000	2.5	7,500
Indicated	986,000	4.4	138,900
Inferred	860,000	5.3	146,700

- Rounding errors may occur in the tables.
- Cut-off grades for reporting Mineral Resources are applied as follows:
 - o Argentina – Casposo: 0.8g/t Au_Eq (Open Pit) and 2.0g/t Au_Eq (Underground)
 - o Argentina – Julieta: 2.0 g/t Au_Eq
 - o Argentina - Kamila SEXT: 2.0 g/t Au_Eq
 - o Brazil - Mamão Underground: 2.0g/t gold
 - o Brazil - Lagoa Seca: 0.8g/t gold
 - o Brazil - Lagoa Seca West: 0.8g/t gold
 - o Brazil – Luiza: 0.8g/t gold
 - o Brazil – Coruja NE: 0.8g/t gold
 - o Brazil – Marcinho: 0.8g/t gold
- Cut-off grades for reporting Mineral Reserves are as follows:
 - o Mamão Underground- 4.0g/t gold
 - o Casposo- Open Pit 1.5g/t Au_Eq,
 - o Casposo Underground 4.3g/t Au_Eq
- All Mineral Reserves are in the Proven and Probable categories.
- For Casposo Mineral Reserves are estimated using a US\$1500/oz gold price and US\$28.00/oz silver price and an economic function that includes operating costs, metallurgical recoveries and royalty costs.
- Mine optimization was based on the optimal throughput rate and used the same block model as used for estimation of the Mineral Resources, but raised the elevation at which planned open pit mining was to be completed and underground mining commence compared to the elevation which had been used to separate the open pit and underground Mineral Resources. This resulted in some mineralisation that had been classified as open pit Mineral Resources being considered as more optimally mined by underground methods.
- Rounding as required by reporting guidelines may result in apparent differences between tonnes, grade and contained metal content.

- Tonnage and grade measurements are in metric units. Gold ounces are reported as troy ounces.
- For Casposo Au_Eq grade is calculated using gold to silver ratio of 1:60. The gold: silver ratio is determined using metal price and recovery factors and determined according to the parameters below:
 - o Au Price US\$1500/oz
 - o Ag Price US\$28/oz
 - o Au processing recovery 90%
 - o Ag processing recovery 80%

Metal prices are approximate 3 year averages for each of gold and silver.

Processing recoveries were determined from updated metallurgical test work carried out by independent consultants on diamond drill core from Casposo.

The equivalency factor is calculated by the formula:

$$\begin{aligned} \text{Gold:Silver ratio} &= (\text{gold price} \div \text{silver price}) \times (\text{gold recovery} \div \text{silver recovery}) \\ &= (1500 \div 28) \times (.90 \div .80) = 60 \end{aligned}$$

Gold equivalency (Au_Eq) is calculated by the formula: Au_Eq g/t = Au g/t + (Ag g/t ÷ 60.00)

- The Mamão underground Mineral Reserve was estimated using a gold price of US\$912/oz.
- Proven Reserves and Measured Resources represent stockpiled ore at the mine sit and/or processing plant.
- Mineral Resources are reported inclusive of Mineral Reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
- The reported Ore Reserves and Mineral Resources have not been adjusted for depletion since 30 June 2012.

3.11 Competent person's statement

Information in this Bidder's Statement of a scientific or technical nature which relates to exploration results, Mineral Resources or ore Reserves of the Troy Group was prepared under the supervision of Peter J. Doyle, Vice President Exploration and Business Development of Troy, a "qualified person" under NI 43-101 – "Standards of Disclosure for Mineral Projects", a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Doyle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a "competent person" as defined under the Australian JORC Code as per the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Casposo Resource and Reserve Estimates as of 28 February 2012 as documented in NI 43-101, Technical Report – Casposo Project, San Juan Province Argentina, dated May 31 2012. Andorinhas Gold Project Resource and Reserve Estimates as documented in the NI 43-101 Technical Report, dated December 10, 2007. Mr Doyle has reviewed and approved the information contained within this Bidder's Statement. For further information regarding the Company's projects in Argentina and Brazil, including a description of Troy's quality assurance program, quality control measures, the geology, samples collection and testing procedures, please refer to the technical reports filed which are available under the Company's profile at www.sedar.com or on the Company's website.

4. Information on Troy's securities

4.1 Troy's issued securities

As 3 May 2013 (being the last practicable date for printing prior to the date of this Bidder's Statement), Troy's issued shares and convertible securities consist of:

- 91,318,649 Troy Shares;
- 320,000 employee performance rights; and
- 3,068,293 Troy Options.

It is contemplated Azimuth Optionholders will be issued a maximum of 601,531 Troy Shares or 2,778,446 Troy Options outside of the Offer for the cancellation or transfer of their Azimuth Options (subject to rounding).

4.2 Rights and liabilities attaching to Troy Shares

Introduction

The rights and liabilities attaching to the Troy Shares which will be issued as consideration under the Offer are set out in Troy's constitution and in the Corporations Act. The main rights and liabilities attaching to those Troy Shares are summarised below.

Meetings of shareholders and voting rights

Each Troy Shareholder is entitled to receive notice of general meetings of Troy. The Troy directors may determine for the purposes of a particular general meeting that all the Troy Shares that are quoted on ASX at a specified time before the meeting are taken for the purposes of the meeting to be held by the persons in whose name they are registered at that time.

At a general meeting, every person present who is a Troy Shareholder or a proxy, attorney or representative of a Troy Shareholder and is entitled to vote on the resolution has one vote on a show of hands and one vote on a poll for each Troy Share held as at the record time for the meeting.

A poll may be demanded by a shareholder in accordance with the Corporations Act or by the chairperson.

Dividends

The directors of Troy may from time to time, decide that a dividend is payable and fix the amount, record date, time for payment and method of payment. The directors of Troy may rescind a decision to pay a dividend at any time before the payment date if they decide that Troy's financial position no longer justifies the payment. The payment of a dividend does not require confirmation at a general meeting.

Winding up

If Troy is wound up, the liquidator may, with the sanction of a special resolution, divide among all or any of the Troy Shareholders any part of the assets of Troy and vest any part of those assets in trustees of any trusts for the benefit of all or any of the Troy Shareholders and may for that purpose set such value as the liquidator considers fair on any property so divided. The liquidator may, with the sanction of a special resolution, vest the whole or any part of any such property in trustees.

Transfer of Troy Shares

Subject to the constitution of Troy and any rights or restrictions attached to any Troy Shares, Troy Shareholders may transfer any of their Troy Shares in any manner approved by the Troy directors and permitted by law.

Unless precluded by law, the Troy directors may refuse to register, or apply a holding lock to prevent, a transfer of Troy Shares. If the Troy directors refuse to register a transfer, Troy must give notice of the refusal as required by the Corporations Act and the Listing Rules.

Share capital

Subject to the Corporations Act and the Listing Rules the Troy directors may issue or dispose of Troy Shares, cancel shares, grant options over unissued shares and settle the manner in which fractions of a share, however arising, are to be dealt with.

Variation of rights attaching to a class

Unless otherwise provided in the terms of issue of a class of shares, the rights attached to the class may be varied with the written consent of the holders of at least 75% of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

Unmarketable parcels

Subject to the Corporations Act and the Listing Rules, Troy may sell the Troy Shares of a Troy Shareholder if that Troy Shareholder holds less than a marketable parcel of Troy Shares in a particular class at the date specified in a written notice given by Troy (which date must not be less than 6 weeks after the notice is sent).

The notice must notify the Troy Shareholder that they hold less than a marketable parcel, that Troy intends to sell the relevant Troy Shares and that the Troy Shareholder may at any time within 6 weeks after the date of the notice, notify Troy that the Troy Shareholder desires to retain their Troy Shares and if the Troy Shareholder does so Troy is not entitled to sell those Troy Shares.

Where Troy sells shares constituting less than a marketable parcel, it must do so as soon as practicable and at a price which the Troy directors consider is the best price reasonably available for the Troy Shares when they are sold, and must also deal with the proceeds of such sale in accordance with the terms of Troy's constitution.

From the date of the announcement of a takeover bid for Troy Shares until the close of the offers made under such a takeover bid, Troy's powers to sell the Troy Shareholder's Troy Shares cease. After the close of the offers under such a takeover bid, Troy may give a notice to a Troy Shareholder who holds less than a marketable parcel, despite the fact that it may be less than 12 months since the Company gave such a notice to that Troy Shareholder.

4.3 Share and option plans

As at the date of this Bidder's Statement, Troy has a performance rights plan and an employee share option plan in place. The details of the plans are:

Employee Performance Rights Plan (EPRP)

Troy Shareholders approved the EPRP at the annual general meeting held on 25 November 2010. The EPRP is an incentive plan which is designed to increase the motivation of staff and create a stronger link between increasing Troy Shareholder value and employee reward. The Troy Board may from time to time in its absolute discretion offer performance rights to eligible persons under the EPRP. However, it is the current intention of the Troy Board that the EPRP will only be offered to senior employees and executives of Troy in Australia who are able to influence the achievement of Troy's strategic objectives.

Performance rights are issued under the EPRP for no consideration and will lapse on the first to occur of (i) four years from the date of grant; (ii) the expiry of 30 days after the holder ceases to be employed or engaged by Troy for any reason other than the circumstances described in (iii); (iii) a determination by the Troy Board that the holder has acted fraudulently, dishonestly or in breach of his or her obligations to Troy.

Since 30 June 2012, the Company has issued 300,000 performance rights to Mr Paul Benson, as approved by Troy Shareholders at the annual general meeting of Troy held on 29 November 2012.

As at 3 May 2013, employees hold 20,000 outstanding performance rights over ordinary shares under the EPRP and Mr Paul Benson holds 300,000 performance rights.

Employee Share Option Plan (ESOP)

The Troy Board approved an ESOP in November 2007, which was refreshed at the annual general meeting held on 25 November 2010. Like the EPRP, the ESOP is an incentive plan which is designed to increase the motivation of staff and create a stronger link between increasing Troy Shareholder value and employee reward. The Troy Board may from time to time in its absolute discretion offer options to eligible persons under the ESOP. However, it is the current intention of the Troy Board that the ESOP will only be offered to overseas based employees of Troy who are able to influence the performance of their business segment and therefore the performance of the Troy Group.

Troy Options are issued under the ESOP for no consideration. The Troy Options do not carry any rights to dividends or voting rights. The Troy Options may be exercised at any time from the date on which they vest to their expiry date, with grants of Troy Options split into three approximately equal portions; the first third vest on the anniversary of the grant date, the second third on the second anniversary and the final third on the third anniversary of the grant date. Under the ESOP, the exercise price of the Troy Options is based on the VWAP of the Troy Shares as traded on ASX on the previous 5 trading days prior to the grant of the Troy Options.

There has been no issue of Troy Options pursuant to the ESOP since 30 June 2012.

As at 3 May 2013, employees held 1,483,000 Troy Options over Troy Shares under the ESOP.

Investec Options

Pursuant to a debt facility entered into with Investec Bank (Australia) Limited on 31 March 2010, the Company issued to Investec 952,381 Troy Options each with an exercise price of A\$3.15 and an expiry date of 7 May 2013 and 632,912 Troy Options each with an exercise price of A\$3.16 and an expiry date of 30 July 2013.

As announced on 22 April 2013, Troy has entered into a terms sheet with Investec Bank (Australia) Limited for the provision of a new A\$40 million facility. Pursuant to the facility (assuming formal documentation is entered into) and subject to receipt of approval from TSX, Troy has agreed to grant Investec Bank (Australia) Limited 1,362,398 Troy Options each with an exercise price of A\$3.67 and expiry date 3 years from the date of issue.

4.4 Substantial holders of Troy Shares

As at the date of this Bidder's Statement (prior to the issue of Troy Shares under the terms of the Offer), so far as known to Troy based on publicly available information, Troy's largest shareholder is Warrigal Pty Ltd, who together with its associates (as defined in the Corporations Act), has a Relevant Interest in 11.26% of Troy's issued capital.

The twenty largest registered shareholders of Troy as at 3 May 2013 are set out in the below table.

Shareholder	Number of Troy Shares held	%
HSBC Custody Nominees (Australia) Limited	12,687,653	13.89
National Nominees Limited	10,572,430	11.58
JP Morgan Nominees Australia Limited <Cash Income A/C>	9,532,122	10.44
Warrigal Pty Ltd	6,952,400	7.61
J P Morgan Nominees Australia Limited	5,067,404	5.55
Canadian Register Control	2,782,590	3.05
Citicorp Nominees Pty Limited	2,166,263	2.37
BNP Paribas Noms Pty Ltd <DRP>	1,707,947	1.87
Mr John Load Cecil Jones	1,237,707	1.36
Gladiator Pty Ltd	700,000	0.77
Strath Dee Pty Ltd	603,067	0.66
Bainpro Nominees Pty Limited	481,484	0.53
L J Thomson Pty Ltd	470,686	0.52
Mr Bruce Clayton Bird	429,155	0.47
AMP Life Limited	425,457	0.47
Woodross Nominees Pty Ltd	377,032	0.41
Mr Burchell Francis Jones	339,734	0.37
Mr Paul Benson	335,196	0.37
Goldman Sachs Australia Pty Ltd <SLF A/C>	311,885	0.34
Hooper Ritchie Pty Ltd	300,000	0.33
Total Top 20 holders of Troy Shares	57,480,212	62.96

4.5 Recent trading in Troy Shares

The last recorded sale price of Troy Shares on ASX before the Announcement Date was A\$2.49.

In the four months before the date of this Bidder's Statement:

- the highest recorded sale price of Troy Shares on the ASX was A\$3.89 on 29 January 2013; and
- the lowest recorded sale price of Troy Shares on the ASX was A\$1.69 on 3 May 2013.

5. Information on Azimuth

5.1 Information

Information on Azimuth is included in section 4 of the Target's Statement accompanying this Bidder's Statement.

5.2 Publicly available information about Azimuth

Azimuth is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Azimuth is subject to the ASX Listing Rules, which require Azimuth to immediately disclose information concerning it that a reasonable person would expect to have a material effect on the price or value of its securities subject to the availability of certain exceptions.

In addition, Azimuth is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Azimuth may be obtained from, or inspected at, an ASIC office.

Further information about Azimuth is available in electronic form from www.azimuthresources.com.au, www.asx.com.au (ASX Code: AZH) and www.sedar.com.

6. Information on Azimuth's securities

6.1 Azimuth's issued securities

According to documents provided by Azimuth to ASX, as at 3 May 2013 (being the last practicable date for printing prior to the date of this Bidder's Statement), Azimuth's issued securities consist of:

- 430,626,680 Azimuth Shares; and
- 15,822,581 Azimuth Options.

The Offer extends to Azimuth Shares that are issued during the Offer Period due to the conversion or exercise of securities existing as at the Register Date (refer to Section 14.1(b) for more detail). Troy encourages holders of Azimuth Options (which are unlisted) to convert or exercise, to the extent that they are entitled to do so, all of their Azimuth Options and to accept the Offer in respect of the Azimuth Shares issued to them as a result of such conversion or exercise.

Under the TBID, Troy has agreed to make offers to each Azimuth Optionholder to cancel or transfer to Troy their Azimuth Options following the Offer being made in consideration for Troy Shares or Troy Options or a combination of both.

Azimuth Optionholders will be issued a maximum of 601,531 Troy Shares or 2,778,446 Troy Options outside of the Offer for the cancellation or transfer of their Azimuth Options (subject to rounding).

The consideration to be offered for each Azimuth Option is set out in the table in Section 18.

6.2 Azimuth's substantial holders

Information on Azimuth's substantial shareholders is set out in section 7.8 of the Target's Statement accompanying this Bidder's Statement.

6.3 Azimuth's option and incentive plans

According to documents provided by Azimuth to ASX, Azimuth currently has an Employee and Consultants Option Plan (**ECOP**) in place.

Employee and Consultants Option Plan

On 28 March 2012 Azimuth Shareholders adopted its current ECOP (an earlier ECOP having been adopted and approved by shareholders at a general meeting held in July 2010).

Grants under the ECOP are made as medium to long term incentives that are designed to allow participants to be compensated for their role in sustained growth in Azimuth Shareholder value. The size of such grants correlates with Azimuth's performance and the individual's level of responsibility, performance and potential. The Azimuth Options are issued for nil consideration and are non-transferrable. The participant is allotted one Azimuth Share at the exercise price, per Azimuth Option. The Azimuth Options do not carry voting or dividend rights. The Azimuth Options generally expire approximately three years from their date of issue, or three months from the date of resignation of the employee or consultant (whichever is the earlier). The ECOP contains a 'cashless exercise facility' allowing the participant to set-off the Azimuth Option exercise price against the number of Azimuth Shares which the participant is entitled to receive upon exercise of the participant's Azimuth Options.

At its general meeting in March 2012 Azimuth Shareholders also agreed to amend the terms of the former ECOP, to allow existing holders of Azimuth Options issued under the former ECOP to utilise the 'cashless exercise facility'.

6.4 Convertible Note Deed

Troy has provided an A\$10 million unsecured convertible note facility to Azimuth.

The convertible notes have a face value of A\$1 each, a maturity date of 12 months and convert at A\$0.30 per Azimuth Share (**Convertible Notes**) with fractional entitlements to be rounded up. Interest on the Notes will accrue at a fixed rate of 8% calculated quarterly in arrears. Azimuth has agreed that proceeds received from the issue of the Convertible Notes will be used to fund Azimuth's working capital requirements and for general corporate purposes (which must not exceed A\$4 million) and to fund approved exploration activities (which must not exceed A\$6 million), in accordance with the Azimuth budget. Exploration costs are restricted to in-fill drilling on existing identified mineral resources and those which are necessary to maintain Azimuth's tenements in good order, but do not include costs associated with greenfield exploration. However, if Troy has not acquired over 50% of the Azimuth Shares under the Offer by 8 July 2013 and Azimuth and Troy agree, acting reasonably, that the Offer is less likely to succeed than not to succeed, Azimuth may direct the A\$6 million be allocated to exploration activities in Azimuth's discretion.

Azimuth must redeem all Convertible Notes or alternatively at Troy's election convert some or all of them into Azimuth Shares (after receipt of Azimuth Shareholder approval if necessary for such conversion) on the earlier of:

- (a) the maturity date (being 28 March 2014);
- (b) an event of default which has not been remedied within 10 business days; or
- (c) in the event that shareholder approval is required for the conversion, the date on which the Azimuth Shareholders do not approve conversion.

If there is a change in control in Azimuth (being an announcement of a competing transaction by Azimuth (recommended by a majority of the board) or a person (other than Troy) acquires 30% or more of Azimuth), then Troy may elect to:

- (a) declare the amount outstanding (plus accrued interest) payable on demand; or
- (b) require Azimuth to redeem the Convertible Notes; or
- (c) require Azimuth to convert the Convertible Notes in whole or in part, subject to any required approval of Azimuth Shareholders.

It will be an event of default under the Convertible Note terms if any of the following occur:

- (a) Azimuth does not pay an amount due under the Convertible Notes for more than 3 business days after the due date;
- (b) a material breach of a representation or warranty given by Azimuth;
- (c) Azimuth fails to comply with the terms of the Convertible Notes and such breach remains unremedied for 10 business days;
- (d) Azimuth uses the proceeds of the Convertible Notes for other than an approved purpose;
- (e) a material adverse change occurs to Azimuth;
- (f) the TBID is terminated in certain circumstances;
- (g) Azimuth, its affiliates or its subsidiaries are in cross default under a material document; or
- (h) an insolvency event occurs in relation to Azimuth, its affiliates or its subsidiaries.

The Convertible Note Deed has a matching right similar to that in the TBID.

If the matching right is not exercised, and the Azimuth Board recommends a competing transaction, then, subject to any required approvals, the Noteholder will convert the Convertible Notes and use any of the shares issued on conversion which it holds at the relevant time to support the competing transaction.

Azimuth has given representations and warranties customary for agreements of this kind.

6.5 Interests in Azimuth's securities

As at the date of this Bidder's Statement and the date of the Offer Troy has no Relevant Interest in Azimuth Shares.

6.6 Dealings in Azimuth Shares

Neither Troy nor any associate (as defined in the Corporations Act) of Troy has provided, or agreed to provide, consideration for Azimuth Shares under any purchase or agreement during the 4 months before the date of this Bidder's Statement except as described in Section 6.4.

6.7 No pre Offer benefits

During the period of 4 months before the date of this Bidder's Statement, and the period from the date of this Bidder's Statement to the date before the date of the Offer, neither Troy nor any associate (as defined in the Corporations Act) of Troy gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate (as defined in the Corporations Act) of the other person, to:

- accept the Offer; or
- dispose of Azimuth Shares,

and which is not offered to all holders of Azimuth Shares under the Offer.

As noted in Section 3.5 as soon as practicable after Troy acquires a Relevant Interest in 90% of Azimuth's Shares and the Offers become or are declared unconditional, Troy will appoint current Azimuth Directors, Sean Harvey and Richard Monti to the Troy Board. Mr Monti and Mr Harvey will receive directors' fees for acting as Troy directors.

6.8 No escalation agreements

Neither Troy nor any associate (as defined in the Corporations Act) of Troy has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

7. Sources of consideration

7.1 Sources of scrip consideration

The maximum number of Troy Shares which would be issued under the Offer is approximately 75,614,869 Troy Shares.

Troy has the capacity to issue the maximum number of Troy Shares which may be required to be issued under the Offer.

8. Troy's intentions in relation to Azimuth

8.1 Introduction

This Section 8 sets out Troy's current intentions in relation to the following:

- the continuation of the business of Azimuth;
- any major changes to the business of Azimuth and any redeployment of the fixed assets of Azimuth;
- the compulsory acquisition of Azimuth Shares and the delisting of Azimuth; and
- the future employment of the present employees of Azimuth.

Further, the ability of Troy to implement the intentions set out in this Section 8 will be subject to:

- the law, in particular in relation to the related party transactions and conflicts of interest;
- the legal obligation of the Azimuth Directors to act for proper purposes and in the best interest of Azimuth Shareholders as a whole; and
- the rights of holders of Azimuth Shares which may be subject to compulsory acquisition.

8.2 Strategic Review

The intentions below have been formed on the basis of facts and information concerning Azimuth, its business and the general business environment known to Troy at the date of this Bidder's Statement. Troy's due diligence on Azimuth has been limited to a review of publicly available information and limited non-public information. As a result, Troy does not have knowledge of all of the material information, facts and circumstances that are necessary to assess the operational, commercial, taxation and financial implications of its current intentions.

After the end of the Offer Period, if the Offer is successful, Troy intends to undertake a detailed review of the operations, assets, structure and employees of Azimuth (**Strategic Review**). Only upon completion of the Strategic Review can Troy finally determine its intentions with respect to Azimuth, having regard to all material facts and circumstances then existing.

Accordingly, the statements set out in this Section are statements of current intention only and may vary as new information becomes available to Troy or as circumstances change.

8.3 Current intentions for Azimuth as a wholly owned controlled entity

This Section 8.3 describes Troy's current intentions if Troy and its Associates acquire a Relevant Interest in 90% or more of the Azimuth Shares, with the result that Troy becomes entitled to proceed to compulsory acquisition of outstanding Azimuth Shares in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, Troy's intentions are set out below.

Corporate matters

Troy intends to:

- proceed with compulsory acquisition of the outstanding Azimuth Shares in accordance with the provisions of Part 6A.1 of the Corporations Act;
- proceed with compulsory acquisition of any outstanding Azimuth Options (to the extent they are not cancelled or transferred to Troy under the deeds to be entered into between the Azimuth Optionholders, Azimuth and Troy) in accordance with the provisions of Part 6A.2 of the Corporations Act;
- if Troy is required to do so under the Corporations Act, offer to acquire any securities convertible into Azimuth Shares;
- arrange for Azimuth to be removed from the official list of ASX and TSX;
- Troy expects to maintain an office in Perth, Western Australia and will maintain its primary listing on the ASX and secondary listing on the Toronto Stock Exchange; Troy also maintains a small office in Toronto.

In addition, Troy intends to replace those members of the Azimuth Board (and the boards of Azimuth's subsidiaries) which are not Troy nominees, with its nominees. As noted in Section 8.4, Troy intends to appoint nominees to the Azimuth Board if Troy and its Associates acquire a Relevant Interest in 50% or more of the Azimuth Shares such that Troy nominees will represent a majority of the Azimuth Board at that time. Replacement Azimuth Board members have not yet been identified by Troy and their identity will depend on the

circumstances at the relevant time. However, it is expected that the majority of the replacement board members will be members of the Troy management team.

General Strategic Review

As part of the Strategic Review, Troy intends to conduct a broad based review of Azimuth's West Omai project and its exploration strategy to:

- enable a prefeasibility study for the West Omai project to be completed by the end of calendar 2013; and
- review and prioritise the exploration targets and develop an exploration plan that balances the infill resource definition drilling, step-out brownfields and a wider greenfields exploration plan in consultation with Azimuth management.

The precise scope of this review is not able to be determined at this stage as Troy has not had access to all of the information relevant to making this determination. Troy will also seek to identify opportunities to consolidate duplicated functions, where economic.

Impact on employees

With Troy being primarily a producer/developer and Azimuth being a Guyanese focused exploration company, there is little overlap in terms of job functions between the two companies. However, it is possible that certain corporate and shared services functions will become redundant, resulting in job losses. The incidence, extent and timing of such job losses cannot be predicted in advance.

Where possible, Troy will seek to minimise job losses through redeployment of the relevant employees elsewhere in the Combined Group. If redundancies do occur, the relevant employees will receive benefits in accordance with their contractual and other legal entitlements.

8.4 Intentions for Azimuth as a part owned controlled entity

This Section 8.4 describes Troy's intentions if Azimuth becomes a controlled entity of Troy, but Troy is not entitled to proceed to compulsory acquisition of outstanding Azimuth Shares in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, Troy's intentions are set out below.

Corporate matters

Troy and its Associates could acquire a Relevant Interest in 50% or more of the Azimuth Shares, but less than a Relevant Interest in 90% or more of the Azimuth Shares, if the 90% minimum acceptance Condition was waived by Troy. It is not the present intention of Troy to waive the 90% minimum acceptance Condition. However, if Troy did waive 90% minimum acceptance Condition and it and its Associates acquire a Relevant Interest in 50% or more of the Azimuth Shares, Troy intends, subject to the Corporations Act and the constitution of Azimuth, to seek to replace some or all of the members of the Azimuth Board (and the boards of Azimuth's subsidiaries). Replacement Azimuth Board members have not yet been identified by Troy and their identity will depend on the circumstances at the relevant time.

To the extent possible, through its nominees on the Azimuth Board, Troy will seek to implement the intentions detailed in Section 8.3 where they are consistent with Azimuth being a controlled entity of (but not wholly owned by) Troy and are considered to be in the best interests of Troy. The Azimuth Board will consider the best interests of Azimuth Shareholders.

Azimuth Shareholders should be aware that, in this circumstance, the liquidity of Azimuth Shares may be materially decreased.

It is possible that, even if Troy is not entitled to proceed to compulsory acquisition of outstanding Azimuth Shares under Part 6A.1 of the Corporations Act, it may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6A.2 of the Corporations Act – for example, as a result of acquisitions of Azimuth Shares in reliance on the '3% creep' exception in item 9 of section 611 of the Corporations Act. If so, Troy intends to exercise those rights.

If there is limited spread or volume of Azimuth Shareholders following completion of the Offer, Troy may seek to procure the removal of Azimuth from the official list of ASX and TSX.

General operational review

After the end of the Offer Period, Troy intends to propose to the Azimuth Board, through its board nominees, that a broad based operational review be conducted on both a strategic and financial level, along similar lines to that described in Section 8.3.

Troy intends to participate in this review, subject to the approval of the Azimuth Board.

Troy also intends, to the extent possible, to implement a centralised treasury function in order to optimise the funding arrangements of the Combined Group. This may involve the use of intercompany lending.

Azimuth will be required to raise capital to undertake further exploration, development and production work at its projects. Future funding requirements may also include, for example, funding any redemption or replacement of the Convertible Notes.

Azimuth will have a variety of potential funding sources available for consideration.

It is Troy's present view (if Azimuth is a part owned controlled entity) that when considering potential funding sources in the future, Azimuth should prefer and look first, to the viability and desirability of pro rata rights issues, which as a method of fundraising promote equity funding by existing shareholders of Azimuth and minimise dilution.

Dividends and funding

The payment of dividends by Azimuth will be at the discretion of the Azimuth Board.

Azimuth Shareholders should be aware that it is possible that Azimuth may not declare a dividend in the future and, if any cash flow is produced by Azimuth (which cannot be guaranteed), Azimuth may opt to reinvest cash into the company.

Limitations in giving effect to intentions

The ability of Troy to implement the intentions set out in this Section 8.4 will be subject to the legal obligations of Azimuth directors to have regard to the interests of Azimuth and all Azimuth Shareholders, including the rights of all minority shareholders, and the requirements of the Corporations Act and the Listing Rules relating to transactions between related parties, which may in certain circumstances require the approval of minority shareholders. The requirement to have regard to fiduciary duties and other legal obligations in the context of a partly owned company and the potential requirements for minority shareholder approval may prevent a particular objective from being achieved.

8.5 Other intentions

As at the date of this Bidder's Statement, subject to the matters described above in this Section 8 and elsewhere in this Bidder's Statement and, in particular, the completion of the Strategic Review, it is the intention of Troy, that, on the basis of the facts and information concerning Azimuth its business and the general business environment that are known to Troy at the date of this Bidder's Statement:

- the business of Azimuth will be conducted in substantially the same manner as it is conducted at the date of this Bidder's Statement;
- no other major changes will be made to the business of Azimuth; and
- there will be no redeployment of the fixed assets of Azimuth.

9. Effect of the Offer on Troy and profile of the Combined Group

9.1 Pro forma consolidated financial information for the Combined Group

(a) Basis of presentation of pro forma financial information

This Section 9.1 provides an overview of the effects of the Offer on Troy, based on the reviewed consolidated statement of financial position for each of Troy and Azimuth as at 31 December 2012 (which assumes that Troy acquires 100% of Azimuth Shares) after completion of the transaction.

This Section 9.1 should be read in conjunction with the underlying financial information from which it is derived, the risk factors set out in Section 10, the accounting policies of Troy (as detailed in its annual report for the year ended 30 June 2012) and other information contained within this Bidder's Statement.

This Section 9.1 also sets out information regarding:

- general assumptions underlying the preparation of the pro forma balance sheet as at 31 December 2012 (adjusted for the Offer) set out in Section 9.1(b) below (Combined Group unaudited pro forma consolidated statement of financial position); and
- other relevant considerations.

The financial information has been prepared for illustrative purposes only and has been prepared on an abbreviated basis. It does not contain all the disclosure usually provided in an annual report in accordance with the Corporations Act.

Troy has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information in relation to the Combined Group. The Troy Board has concluded that forecast financial information would be misleading to provide, as a reasonable basis does not exist for producing forecasts that would be sufficiently meaningful and reliable, particularly considering the large effect that variations in key variable inputs, most of which are outside the control of Troy, may have on the future financial position of the Combined Group. Key variable inputs include foreign exchange rates, fluctuations in commodity prices, the timing and level of capital and exploration expenditure and production and costs related to development and operating activities. Accordingly, this Bidder's Statement does not include any financial forecasts or projections for revenue or profit in relation to Troy, Azimuth or the Combined Group.

Pro forma adjustments and assumptions have been made to present the Combined Group unaudited pro forma consolidated statement of financial position as at 31 December 2012 (adjusted for the Offer). Acquisition accounting entries have been made, consistent with the terms of the Offer and the assumptions set out in Section 9.1(c) below, in order to arrive at Combined Group unaudited pro forma consolidated statement of financial position. It is assumed that the acquisition will be accounted for as an asset acquisition with Troy the acquirer of Azimuth's assets.

The Troy Board will undertake a comprehensive assessment of the fair value of the assets and liabilities acquired after the transaction has completed.

The Combined Group unaudited pro forma consolidated statement of financial position is indicative only. The Troy Board has drawn their own conclusions based on the known facts and other information publicly available. If the facts, circumstances, assumptions or other information should prove to be different to that described, the conclusions may change accordingly.

All adjustments have been made in accordance with IFRS and Australian accounting standards.

(b) Combined Group unaudited pro forma consolidated statement of financial position

	Troy	Azimuth		Pro Forma Adjustments Unaudited	Combined Group Unaudited
	Reviewed 31 Dec 2012 \$'000	Reviewed 31 Dec 2012 \$'000	Notes 9.1(c)	\$'000	\$'000
CURRENT ASSETS					
Cash and cash equivalents	41,474	4,459	(a),(c)	(8,177)	37,756
Trade and other receivables	19,873	1,148			21,021
Inventories	19,535	614			20,149
Prepayments and deposits	-	403			403
Assets held for sale	86	-			86
TOTAL CURRENT ASSETS	80,968	6,624		(8,177)	79,415
NON-CURRENT ASSETS					
Property, plant & equipment	47,755	2,367			50,122
Mining properties	51,485	-			51,485
Exploration and evaluation expenditure	-	52,290	(a),(b),(c)	145,703	197,993
Trade and other receivables	-	26			26
Leasehold improvements	-	6			6
Other receivables	5,507	-			5,507
Other financial assets	135	-			135
TOTAL NON-CURRENT ASSETS	104,882	54,689		145,703	305,274
TOTAL ASSETS	185,850	61,313		137,526	384,689
CURRENT LIABILITIES					
Trade and other payables	20,200	2,954			23,154
Current tax payable	14,906	-			14,906
Provisions	3,434	-			3,434
Provisions - liabilities held for sale	1,175	-			1,175
TOTAL CURRENT LIABILITIES	39,715	2,954			42,669
NON-CURRENT LIABILITIES					
Other payables	1,500	-			1,500
Other liabilities	-	568			568
Deferred tax liabilities	5,459	5,538			10,997
Provisions	3,042	-			3,042
TOTAL NON-CURRENT LIABILITIES	10,001	6,106			16,107
TOTAL LIABILITIES	49,716	9,060			58,776
NET ASSETS	136,134	52,253		137,526	325,913
EQUITY					
Issued capital	109,428	67,940	(b),(c)	121,839	299,207
Reserves	(45,757)	2,365	(b)	(2,365)	(45,757)
Retained earnings	72,721	(18,052)	(b)	18,052	72,721
Parent interest	136,392	52,253		137,526	326,171
Non-controlling interests	(258)	-			(258)
TOTAL EQUITY	136,134	52,253		137,526	325,913

(c) Pro forma adjustments and assumptions

The following adjustments and assumptions have been made in the preparation of the Combined Group unaudited pro forma consolidated statement of financial position:

- (a) Transaction costs in relation to the Offer have been at a combined A\$5,457,000 and have been capitalised to "Exploration and evaluation expenditure" on the assumption that the transaction qualifies as an asset acquisition in accordance with applicable accounting standards.
- (b) The difference between the fair value of the consideration and the carrying value of the identifiable assets, liabilities and contingent liabilities acquired of A\$137,546,220 has been allocated against "Exploration and evaluation expenditure". The fair value has been calculated using the number of Troy Shares to be issued to Azimuth Shareholders including those Troy Shares to be issued to the holders of Azimuth Options in exchange for the cancellation of the Azimuth Options (it has been assumed that all holders of Azimuth Options elect to receive Troy Shares in exchange for the transfer or cancellation of the Azimuth Options). This will result in 76,216,400 Troy Shares being issued at an assumed Troy Share price of A\$2.49 (being the implied Offer price based on Troy's ASX closing price as at 27 March 2013 (the day prior to announcement of the transaction) for a total value of A\$189,778,836. The acquisition consideration is subject to change as the final number of Azimuth Shares on issue and the value of the Troy Shares issued to effect the acquisition will be determined at the actual date of acquisition. The final purchase price allocation will be completed after the transaction is complete.
- (c) Azimuth has incurred costs of approximately A\$3,800,000 in relation to its activities from 1 January 2013 to 31 March 2013 and received proceeds from share issues of A\$1,080,000.
- (d) Troy has provided A\$10 million of funding to Azimuth pursuant to the Convertible Note. This has not been shown as an adjustment given that there is no financial effect of this on the Combined Group unaudited pro forma consolidated statement of financial position.

9.2 Effect on capital structure of Troy

There are a range of factors that may impact the number of Troy Shares that will be on issue following completion of the Offer, including:

- the number of acceptances of the Offer;
- the number of Azimuth Options exercised into Azimuth Shares during the Offer Period (if any) and the number of Troy Shares otherwise issued by Troy during the Offer Period (if any);
- the number of Troy Shares issued outside the Offer for the cancellation or transfer of the Azimuth Options.

Assuming that:

- the Offer is accepted in respect of all Azimuth Shares on issue as at the date of this Bidder's Statement²⁵;
- all Azimuth Options are exercised into Azimuth Shares during the Offer Period and the Offer is accepted in respect of all of those Azimuth Shares²⁶;
- no person who accepts the Offer is treated as a Foreign Shareholder for the purposes of the Offer; and
- no Troy Shares are issued prior to the Offer Consideration being provided to all Azimuth Shareholders who have accepted the Offer²⁷,

a maximum of 75,614,869 new Troy Shares will be issued to Azimuth Shareholders under the Offer (subject to rounding) or a maximum of 76,216,400 if all Azimuth Optionholders elect to receive Troy Shares in return for the cancellation of their Azimuth Options, resulting in the number of Troy Shares on issue increasing to 166,933,518 or 167,535,049. These new Troy Shares would represent approximately 45.3% or 45.5% of the total number of Troy Shares on issue at that time.

The above scenario is an example only and is not the only scenario that may eventuate.

²⁵ Based on 430,626,680 Azimuth Shares.

²⁶ Based on 15,822,581 Azimuth Options and assuming exercise into Azimuth Shares on a one for one basis.

²⁷ Based on 91,318,649 Troy Shares.

²⁸ Of these contractual obligations, one of the Material Contracts requiring the issue of 2,500,000 Azimuth Shares contains a reconstruction provision which in Troy's view would not require negotiation to issue Troy Shares instead of Azimuth Shares.

Pursuant to the terms contained within a number of the Material Contracts between Azimuth and certain land holders in Guyana, Azimuth has agreed to the future issue of Azimuth Shares. The maximum number of Azimuth Shares that might be issued is 8,500,000 and US\$50,000 worth of Azimuth Shares. Assuming that the Offer is successful, then Troy will seek to negotiate with these land holders to issue Troy Shares under the relevant Material Contracts instead of Azimuth Shares²⁶. On the basis of the ratio of consideration payable under the Offer (being 1 Troy Share for every 5.695 Azimuth Shares), then this could possibly result in up to approximately 1,492,537 further Troy Shares being issued (excluding the Troy Shares to be issued instead of US\$50,000 worth of Azimuth Shares). The exact number of Troy Shares that could possibly be issued will not be known until such time an agreement (if any) is reached with the land holders in Guyana.

10. Risk factors

10.1 Introduction

If the Offer becomes or is declared unconditional, Azimuth Shareholders who accept the Offer (other than Foreign Shareholders) will receive Troy Shares as Offer Consideration and become shareholders in Troy. The value of the Offer Consideration to these Azimuth Shareholders will depend, in part, on the value of Troy Shares.

It is therefore important for Azimuth Shareholders to be aware of risks and uncertainties which may affect the future operating and financial performance of the Combined Group and the value of Troy Shares. Some of these risks and uncertainties may be the same as, or similar to, those already faced by the Azimuth Group. Some of them will be new.

This Section 10 outlines:

- specific risk factors that may affect Troy and the Combined Group (see Section 10.2);
- risk factors that arise from the Offer (see Section 10.3); and
- risk factors that relate to the general economy and securities market (see Section 10.4).

The risks outlined in this Section 10 are not necessarily exhaustive. Risks already faced by the Azimuth Group may not have been emphasised or mentioned at all if, in Troy's opinion, Azimuth Shareholders' exposure to these risks will not materially increase if they become shareholders in Troy. There may be other risks that prove to be material which are not disclosed in this Bidder's Statement because they are not known to Troy or were not considered to be material at the date of this Bidder's Statement.

Troy employs various techniques it deems prudent to safeguard against, reduce or deal with risks, including through the use of insurance, though not all risks can be mitigated in whole or part.

10.2 Specific risk factors of the Combined Group

Gold and silver price

The Combined Group's revenue will come from sale of precious metals. Therefore, its earnings will be closely related to the price and arrangements it enters into for selling its products. Product prices fluctuate and are affected by factors including the relationship between global supply and demand for gold and silver, forward selling by producers, the cost of production and general global conditions.

Commodity prices are also affected by the outlook for inflation, interest rates, currency exchange rates and supply and demand issues. These factors may have an adverse effect on the Combined Group's exploration, development and production activities as well as its ability to fund those activities.

In particular, the Combined Group's future profitability depends upon the world market price of gold and silver. If the market price for gold and/or silver falls below the Combined Group's production costs and remains at such levels for any sustained period of time, it may not be economically feasible to commence or continue production. Future production, if any, from the Combined Group's mineral properties will be dependent upon the price of gold and/or silver being adequate to make these properties economic. Future serious price declines in the market value of gold or silver could cause the development of and any commercial production from, a project to be rendered uneconomic. This would materially and adversely affect production, profitability and the Combined Group's financial position. The Combined Group may, against a decline in the gold and/or silver prices, experience losses and may determine to discontinue operations or development of a project or mining at one or more of its properties. If the price of gold and/or drops significantly, the economic prospects of the projects in which the Combined Group has an interest could be significantly reduced or rendered uneconomic.

A decline in the market prices of gold and/or silver may also require the Combined Group to write down its ore reserves and mineral resources which would have a material and adverse effect on its earnings and profitability. Should any significant write-down in reserves and resources be required, material write-down of the Combined Group's investment in the affected mining properties and increased amortisation, reclamation and closure expenses may be required.

International prices of various commodities plus a significant portion of the Combined Group's supplies, operating contracts and capital purchases, are denominated in United States Dollars, whereas the income and expenditures of the Combined Group are and will be taken into account in Australian, Canadian, Guyanese, Brazilian and Argentinean currencies.

Mineral Resource and Ore Reserve Estimates

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available.

In addition, by their very nature, Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and

analysis, the estimates are likely to change. Should the Combined Group encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, Mineral Resource or Ore Reserve estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Combined Group's operations.

Exploration and development risks

The business of mining and exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. The Combined Group's ability to maintain or increase its annual production of gold and silver in the future will be dependent in significant part on:

- the success of its exploration program and its ability to expand its Mineral Resources and Ore Reserves; and
- the economic returns and the costs of developing its current projects, which may differ significantly from its estimates.

The Combined Group's projects are at various stages of development. Ultimate and continuous success of activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable Ore Reserves;
- access to adequate capital for project development;
- design and construction of efficient development and production infrastructure within capital expenditure budgets;
- securing and maintaining title to interests;
- obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production;
- securing plant and equipment, particularly given equipment utilisation rates are high in the current period of global exploration/production activity, hence competition for such equipment may also be high; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

There is no guarantee that gold or other mineral deposits will be discovered in the locations being explored by the Combined Group. In the event that deposits are, or have been discovered, there is no guarantee that they will be in commercially viable quantities or economically profitable.

Azimuth has no history of earnings and has not commenced commercial production on any mineral property. Whether or not income will result from projects undergoing exploration and development programs depends on successful exploration and establishment of production facilities. Factors including costs, actual resources, ability to mine consistency and reliability and commodity prices affect successful project development and operations.

Operational risks

Drilling, mining and processing activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of a number of factors outside the Combined Group's control. These include geological conditions, technical difficulties, securing and maintaining tenements, weather and construction of efficient processing facilities. The operation may be affected by force majeure, formation pressures, fires, labour disruptions, underground rock falls, landslides, the inability to obtain adequate machinery, engineering difficulties and other unforeseen events.

As with most metalliferous mines, reserves, resources and stockpiles are based on estimates of grade, volume and tonnage. The accuracy and precision of these estimates will depend upon drill spacing and other information such as continuity, geology, rock density, metallurgical characteristics, mining dilution, costs, etc. which evolve as the mine moves through different parts of the ore body.

Due to the irregular nature of the original topography and outcrop at Casposo and difficulty in placement of drills in suitable positions and varying level of oxidation, there is greater uncertainty around the grade of the initial ore mined and hence the stockpiles of that ore. There is a risk that the grade of the stockpile will be lower than estimated.

Delays in project delivery and cost overruns

There is a risk that any one or more of the projects in which the Combined Group is involved could be delayed, cost more than intended or not perform as planned.

If major projects are delayed or cost more than planned, it could lead to lower returns on investment, reduced profitability, output that is delayed or lower than originally planned, reduced ability to service customers, the obligation to pay damages to customers or projects becoming economically unviable or no longer being compliant with applicable laws and regulations. If a major project is not completed on time or on budget, or if the project is terminated, the Combined Group's profitability and financial condition could be materially adversely affected.

Delay in project underground development

The Casposo mine plan assumes initial high grade ore comes from the open cut mine and that, as grades naturally decline in the open pit, high grade ore from the new underground mine is added to the mill feed maintaining high grade. A delay in the development of the new underground mine or lower than planned productivities will result in lower grades being fed to the plant with commensurately lower gold and silver production, revenues and profitability.

Underground mining costs

To date, all cost assumptions used in planning the underground mine and determining Ore Reserves (NI 43-101 "Mineral Reserves") have used underground mining costs that were determined from first principles by Troy and its underground mining contractor. If underground mining costs and/or underground mining productivities turn out to be significantly different from what has been assumed, then the cost of production and the costs used to calculate Ore Reserve (NI 43-101 "Mineral Reserves") will be different.

Argentinean cost inflation

Argentina is experiencing a period of high cost inflation which flows through to Casposo's cost of production. The Argentinean currency has devalued against the US dollar in recent years offsetting a significant proportion of the cost inflation in US dollar terms. Unless the currency devaluation matches or exceeds the rate of inflation, costs will rise in real terms.

Brazil permitting

Permitting of new mine development remains uncertain in Brazil with a moratorium on new approvals while the Brazilian Federal Government reviews the relevant legislation. This has delayed mining from the Coruja NE open pit at Andorinhas which needs its own permit. Due to this delay, the scheduling for mining this pit has been pushed back from FY 2013 to FY 2014. In the event that this approval is not forthcoming, and other reserves are exhausted before a permit is given to mine the pit, then Andorinhas is likely to closer earlier than expected.

Andorinhas has continued to operate under local temporary permits, which is standard practice while waiting for the formal permanent licence. Troy has been advised by the relevant department that it is operating in accordance with their requirements.

Sovereign risk – Brazil, Argentina and Guyana

The Combined Group's key projects are located in Brazil, Argentina and Guyana. Possible sovereign risks include, without limitation, changes to the terms of mining legislation, changes to royalty arrangements, changes to taxation rates and concessions and changes to the ability to enforce legal rights. Any of these factors may in the future, adversely affect the financial performance of the Combined Group and the market price of its shares. No assurance can be given regarding future stability in these or any other country in which the Combined Group may have an interest.

Title risk - general

The Combined Group has operations and assets located in foreign jurisdictions, particularly Brazil, Argentina and Guyana.

Each permit and concession is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Combined Group could lose title to or its interest in permits and concessions if permit and concession conditions are not met or if insufficient funds are available to meet expenditure commitments.

There is no guarantee that the permits granted by the governments of Brazil, Argentina and Guyana in connection with each of the properties will be renewed upon their termination.

Government approvals and permits are currently, and may in the future be, required in connection with the Combined Group's operations. To the extent such approvals are required and not obtained or maintained, the Combined Group may be curtailed or prohibited from proceeding with planned exploration or development of mineral properties or continuing with operations.

Title risk - Guyana

All minerals within the lands of Guyana are vested in the State of Guyana and all of the lands on which minerals are located in Guyana are owned and controlled by the Government of Guyana, which operates through the Guyana Geology and Mines Commission (the GGMC). In all cases, the GGMC grants exclusive permission to operate, which provides the grantees with a proprietary interest in the property, however the land remains solely owned by the Government of Guyana.

In general, foreign investors and domestic investors receive the same treatment under the applicable laws of Guyana and are equally able to hold property in Guyana, with the exception that interests in property for small scale claims, medium scale prospecting permits (PPMSs) and medium scale mining permits (**MPs**) must be held by a Guyanese national. Such Guyanese nationals are permitted to enter into joint venture arrangements with non-Guyanese entities with respect to such Guyanese property interests; however, the **Guyana Mining Act** (1989) does not permit the transfer of these interests. Large scale prospecting licenses (**PLs**) and mining licenses (**MLs**) can be held directly by non-Guyanese entities and their subsidiaries and are capable of being transferred.

To the extent that an issuer's interest in properties are held by way of title documents that are not capable of being held by non-Guyanese entities, in the absence of an irrevocable power of attorney or joint venture agreement that confers the right of the issuer or its designee to act as agent on behalf of the registered Guyanese national or majority-owned Guyanese entity, there is no assurance that a registered interest over such properties can be obtained and held in the name of the issuer by way of a PL or ML.

Government policy and permits

In the ordinary course of business, mining companies are required to seek governmental permits for exploration, expansion of existing operations or for the commencement of new operations.

Obtaining the necessary governmental permits can be a complex and time-consuming process involving layers of government and regulatory bodies which is often costly. The duration and success of permitting efforts are contingent upon many variables not within the control of the Combined Group. There can be no assurance that all necessary permits will be obtained, and, if obtained, that the costs involved will not exceed those estimated by the Combined Group.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions against the Combined Group including orders issued by regulatory or judicial authorities causing activities to cease or be curtailed and may include corrective measures requiring capital expenditures, the installation of additional equipment or remedial action. Parties engaged in mining operations, including the Combined Group, may be required to compensate those suffering loss or damage by reason of mining activities and may be subject to civil or criminal fines or penalties.

Security

Security is an issue in Brazil. Andorinhas was the subject of an armed robbery in February 2010. Site security at that time was already at a high level, with additional security measures being implemented after the robbery, including working closely with the local branch of the Brazilian Military Police. Site management need to be constantly vigilant and mindful of security risks.

Environmental regulations and risk

The Combined Group's activities must be operated within controls and processes to ensure compliance with various regulations, licenses, standards and expectations so that these activities are undertaken in a way that does not cause unauthorised environmental harm. Troy believes it is currently in compliance with all applicable environmental laws and regulations.

Any failure of or non-compliance with these controls, processes or expectations may result in the Combined Group breaching applicable environmental regulations, and/or may lead to environmental damage. This could result in delays, increased costs, significant monetary damages, suspension of operations and/or reputational damage, any one of which may reduce profitability or the ability of the Combined Group to operate in the future.

Actual or perceived adverse health or environmental consequences of the Combined Group's activities may harm relationships with employees and various external stakeholders, including certain communities, landholders, organisations and governments who are or are perceived to be impacted by the Combined Group's production, exploration, operating and development activities. Deterioration in these relationships may lead to a change in regulation or conditions and thereby cause delays, increase costs or otherwise restrict the Combined Group's ability to operate or pursue development opportunities.

Uninsured or uninsurable risks

Troy undertakes complex and large scale operating activities and faces operating hazards associated with these activities.

There is a risk that operating equipment, facilities and systems may not operate as intended or may not be available from time to time as a result of operator error or unanticipated failures or other events outside of Troy's control, such as fires, catastrophic breakdowns, unforeseen geological impacts, deliberate acts of destruction, interference, terrorism, natural disasters or extreme weather events, which may reduce profitability and the ability of the Combined Group to operate in the future.

While the Combined Group will seek to implement strict operational controls to protect the safety of employees, contractors, the environment and local communities, the size, nature and complexity of operations in many cases pose risks in relation to the safety of the employees and contractors involved, the environment and local communities, including injuries and loss of life, and oil and other hazardous spills, pollution or other environmental damage. Such events could lead to legal liability, regulatory action and or damage to the Combined Group's reputation and relationship with the communities in which it does business.

In accordance with customary industry practices, the Combined Group will maintain insurance coverage limiting financial loss resulting from certain operating hazards and performs cost/benefit analysis to determine insurance coverage. However, not all risks inherent to the Combined Group's operations can be insured economically or at all. Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods and other environmental occurrences as well as political or social instability that could result in damage or destruction of mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining and possible legal activity. It is not always possible to obtain insurance against all such risks and the Combined Group may decide not to insure against certain risks because of high premiums or other reasons. Although the Combined Group will maintain insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all potential risks associated with the Combined Group's operations. Losses, liabilities and delays arising from uninsured or underinsured events could reduce the Combined Group's revenue or increase costs or cause a decline in the value of the securities of the Combined Group.

General risks associated with mining

When compared with many industrial and commercial operations, mining and mineral processing projects are relatively high risk. This is particularly so where new technologies are employed.

Each orebody is unique. The nature of mineralisation, the occurrence and grade of the ore, as well as its behaviour during mining and processing can never be wholly predicted. Estimations of the tonnes, grade and overall mineral content of a deposit are not precise calculations but are based on interpretation and samples from drilling, which, even at close drill hole spacing, represent a very small sample of the entire orebody. Also, access to a particular part of the orebody maybe delayed beyond what was forecast in the original mine plan. This could impact upon the tonnes and grade of material that is then available to be processed.

Contracting arrangements and counterparty risk

Many of the activities, functions or operations required by the Combined Group are performed by third party contractors or subcontractors. There is a risk that the Combined Group retains liability, or it is made liable, for the acts or omissions of its contractors and subcontractors. There is also a risk that the contractual position taken by the Combined Group may not be enforced or may be enforced in a manner different to that planned by the Combined Group. There is also a risk that the Combined Group's contractors or subcontractors become bankrupt, fail to fulfil their contracts or even default, creating liabilities for and adversely affecting the Combined Group and its interests.

The Combined Group is subject to the risk that some counterparties may fail to fulfil their obligations under these contracts, including making payments as they fall due. If those customers or counterparties fail to meet their financial or contractual commitments, this could have a material adverse effect on the Combined Group's cash flows and financial condition.

Underground mining at Casposo is carried out by a third party contractor. There is a risk that the contractor may elect to cease operating in Argentina or their performance is such that Troy elects to take over underground mining activities. Either way, Troy would then be required to conduct such activities as owner operator as it has been doing at Andorinhas.

Reliance on third party infrastructure

The Combined Group relies on infrastructure to transport gold and silver and to deliver these products to the Combined Group's customers. Reliable roads, bridges, power sources and water supply are important determinants that affect capital and operating costs. In most cases, the Combined Group does not own the infrastructure that provides these services. Any failure of infrastructure could materially and adversely affect the ability of the Combined Group to conduct business and operations.

Litigation and legal proceedings

The nature of the Combined Group's business means that it has been, is and from time to time is likely to be involved in litigation, regulatory actions or similar dispute resolution processes arising from a wide range of possible matters, including disputes with suppliers, joint venture partners, contractors, employees, licensors, governments, customers and regulators. Troy may also be involved in investigations, inquiries or disputes, debt recoveries, native title claims, land tenure and access disputes, environmental claims or occupational health and safety claims. Any of these claims or actions could result in delays, increase costs or otherwise adversely impact the Combined Group's assets, operations, prospects, profitability or ability to operate or pursue operations or opportunities.

Labour shortages and industrial disputes

There is a risk that the Combined Group may need to pay a higher than expected cost to acquire or retain the necessary labour for operations and development projects. This could result in a material and adverse increase in costs and/or development projects being delayed or becoming uneconomic and not proceeding as planned.

Certain operations of the Combined Group may be reliant on particular individuals with specialist knowledge of a particular asset or a unique specialist skill set. The loss or failure to retain such skilled labour and individuals with specialist knowledge may impede the ability of the Combined Group to undertake activities as efficiently and effectively as it otherwise would have been able to. There is no assurance that the Combined Group will be able to acquire or retain the necessary qualified personnel to continue its operations or put its mineral deposit properties into production on terms it considers acceptable.

The Combined Group will also be exposed to the risk that industrial disputes may arise (for example, in relation to claims for higher wages or better conditions) which might disrupt some of the Combined Group's businesses and lead to increases in project costs and delays including to scheduled start-up dates of projects under construction.

Access to capital in the financial markets

To meet its financial obligations, the Combined Group is required to maintain sufficient cash and available funding through an adequate amount of committed credit facilities. Due to the dynamic nature of its business, the Combined Group aims to maintain flexibility in funding by keeping committed credit lines available and ensuring that it has liquidity buffers in accordance with Board approved limits. If the Combined Group fails to appropriately manage its liquidity position, level of debt relative to its income and assets or if capital markets are not available generally to the Combined Group, at the time of any financing or refinancing that the Combined Group (or such entity) requires, there is a risk that the Combined Group's credit ratings, business and prospects

and financial flexibility will be adversely affected. The Combined Group's credit rating may be adversely impacted if the rating agencies consider that the Combined Group's credit profile has deteriorated, including as a result of the Offer, which could impact the Combined Group's access to debt funding in the capital markets.

Fluctuations in foreign exchange rates

The Combined Group will be exposed to foreign exchange rate fluctuations in the Australian dollar value of foreign currency denominated assets, revenues, dividends received and expenses including interest expense.

Interest rate risk

The Combined Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates will expose the Combined Group to cash flow interest rate risk. Borrowings issued at fixed rates will expose the Combined Group to fair value interest rate risk. Exposure limits are set to ensure that the Combined Group is not exposed to excess risk from interest rate volatility and appropriate hedging strategies are implemented. However, increases in interest rates, either through increases in base rates or borrowing margins, may reduce the Combined Group's cash flow and profitability.

Tax liabilities

The Combined Group will be exposed to risks arising from the manner in which the Australian and international tax regimes may be amended, applied, interpreted and enforced.

Troy believes that it has in place controls and procedures designed to ensure compliance with applicable tax laws and regulations in order to manage its tax obligations appropriately. Despite that, any actual or alleged failure to comply with, or any change in the interpretation, application or enforcement of, applicable tax laws and regulations could significantly increase the Combined Group's tax liability and expose the Combined Group to legal, regulatory and other actions that could adversely affect the reputation and financial position of the Combined Group.

The Combined Group has been, is and from time to time may be subject to tax reviews and audits. Although Troy considers that prior tax treatment for prior periods does not need to be amended, a material amendment to any tax treatment for prior periods will adversely affect the Combined Group's assets and financial condition. Troy monitors the state of any tax reviews and audits and adjusts its response, including provisioning, as appropriate.

There is also a risk that the Australian federal government or, where relevant, state or territory governments, or foreign governments, will alter tax regimes that apply to the Combined Group or to other entities in which an investment is held, and/or their respective businesses, thereby adversely impacting the financial position of the Combined Group.

10.3 Risk factors that arise from the Offer

Troy Shares

Azimuth Shareholders are being offered Troy Shares under the Offer. The value of Troy Shares issued as consideration may fluctuate prior to and after acceptance, and Troy is not obliged to make any adjustment to the Offer Consideration if there are such fluctuations during the Offer Period.

Furthermore, some of the Azimuth Shareholders that receive Troy Shares as consideration under the Offer may not intend to continue to hold those Troy Shares and may wish to sell them on ASX. There is a risk that if a significant number of Azimuth Shareholders seek to sell their Troy Shares at or around the same time, this may adversely impact the price of Troy Shares for a period of time.

Acquisition of less than 100% of Azimuth Shares

It is possible that Troy will acquire less than 100% of the Azimuth Shares under the Offer. The impact on the Combined Group of this outcome will depend on the ultimate level of ownership acquired by Troy, but, in any event, the existence of minority interests in Azimuth may have an impact on the Combined Group's capacity to integrate the businesses of the Troy Group and the Azimuth Group and to fully realise synergies.

If Troy does not become the owner of 80% or more of the voting shares in Azimuth Shares as a result of the Offer, eligible Azimuth Shareholders who accepted the Offer will be unable to obtain scrip for scrip rollover relief for the scrip portion of the consideration. This means that Australian tax resident shareholders for income tax purposes who hold their Azimuth Shares on capital account and who would make a capital gain on disposal of their Azimuth Shares will be unable to choose to disregard that gain. A general summary of the tax consequences to holders of Azimuth Shares as a result of accepting the Offer is set out in Sections 11 and 12.

Integration risks

There are risks that any integration between the businesses of the Troy Group and the Azimuth Group may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible differences in the management culture of the two groups, inability to achieve synergy benefits and cost savings, and the potential loss of key personnel.

Change in control risk

As the Offer may result in a change in control of Azimuth, there could be adverse consequences for the Combined Group, for example, contracts to which a member of the Azimuth Group is a party may be subject to review or termination or its interests in joint ventures may be subject to consent requirements or pre-emption rights by other persons in the event of a change of control of Azimuth.

10.4 Risk factors that relate to the general economy and securities market

Stock market fluctuations

A number of factors (some of which cannot be predicted) may impact the market price of Troy Shares, including the Troy Shares to be issued as part of the Offer Consideration. In addition to the financial performance of the Combined Group, these factors include changes in global economic conditions (including changes in interest rates, inflation, foreign exchange rates and labour costs); general trends in the Australian and overseas equity markets; investor sentiment; market supply and demand; and government taxation and other policy changes.

These and other factors may cause Troy Shares to trade below current prices and may adversely affect the operating and financial performance of the Combined Group.

Economic conditions

The operating and financial performance of the Combined Group will be influenced by a variety of general economic and business conditions. A prolonged deterioration in these conditions could materially and adversely affect the Combined Group's operations and/or financial position and performance.

Government policy and taxation

Changes in relevant taxation laws, interest rates, accounting standards, other legal, legislative and administrative regimes, and government policies, may have an adverse effect on the assets, operations and ultimately the financial performance of the Combined Group. These factors may ultimately affect the Combined Group's financial position and performance and the market price of Troy Shares.

11. Australian tax considerations

11.1 Introduction

The following is intended as a general description of the Australian income tax and GST consequences to Azimuth Shareholders of the acceptance of the Offer.

Tax is a complex area of law and the tax consequences for you may differ from those detailed below, depending on your particular circumstances. As this guide is of a general nature only it is recommended that you obtain your own independent professional advice in respect of the Australian tax consequences of the Offer. The following is a general overview of certain Australian income tax consequences for Azimuth Shareholders who holds their Azimuth Shares on capital account and who accept the Offer (the position of Azimuth Shareholders whose Azimuth Shares are compulsorily acquired is not considered below).

The Australian tax outcomes may be different if, for example, you are a dealer in securities, you hold Your Azimuth Shares on revenue account or as trading stock, or you are an insurance company or a collective investment scheme. In addition, the following may not apply to you if you acquired Your Azimuth Shares as a result of an employment or services arrangement. Such persons may be subject to special rules. Again, we would strongly urge these Azimuth Shareholders to take their own independent professional advice.

Non-Australian tax resident Azimuth Shareholders may also have tax implications in their country of residence, for which they should seek advice.

The summary does not consider the Australian tax consequences of the Offer for any holder of Azimuth Options.

Capitalised terms used in this summary are as defined in the Bidder's Statement, unless otherwise indicated.

11.2 Acceptance of the Offer

Australian resident shareholders

Acceptance of the Offer will involve the disposal by Azimuth Shareholders of their Azimuth Shares by way of transfer to Troy. This change in the ownership of the Azimuth Shares will constitute a capital gains tax (**CGT**) event for Australian CGT purposes.

Broadly, you would be expected to make a capital gain where the capital proceeds received for Your Azimuth Shares exceed the cost base in your Azimuth Shares, and a capital loss where the capital proceeds received are less than your reduced cost base in Your Azimuth Shares.

Broadly speaking we would expect the cost base and reduced cost base in Your Azimuth Shares to be the amount you paid to acquire them (plus any incidental costs of acquisition, e.g., brokerage fees and stamp duty). The amount of the capital proceeds received for Your Azimuth Shares under the Offer will be equal to the market value of any Troy Shares received (calculated as at the date you accept the Offer).

If an Azimuth Shareholder (being an individual, trust or complying superannuation fund) has held their Azimuth Shares for at least 12 months, any capital gain made may be entitled to apply the CGT discount. To be eligible for the CGT discount, you must have acquired Your Azimuth Shares at least 12 months before accepting the Offer.

The amount of the discount is:

- 50% in respect of an Azimuth Shareholder that is an individual or the trustee of a trust; and
- 33 1/3% in respect of an Azimuth Shareholder that is a complying superannuation entity.

The CGT discount is applied to the capital gain after the application of any available capital losses.

Capital gains and capital losses of a taxpayer in the year of income in which the Offer is accepted are aggregated to determine whether there is a net capital gain. If so, that net capital gain is included in the taxpayer's assessable income in the year of income in which the Offer is accepted and is subject to income tax. Unutilised capital losses may not be deducted against the taxpayer's other income for income tax purposes, but may be carried forward to be offset against capital gains in future years of income.

CGT scrip-for-scrip roll-over relief

To the extent you receive Troy Shares under the Offer, you may be eligible to choose to obtain scrip-for-scrip roll-over to disregard any capital gain you make in respect of the disposal of Your Azimuth Shares if:

- you receive Troy Shares under the Offer;
- you hold Your Azimuth Shares on capital account;
- you acquired Your Azimuth Shares on or after 20 September 1985;

- you would, apart from the application of the roll-over, make a capital gain from the disposal of Your Azimuth Shares; and
- Troy becomes the holder of 80% or more of the voting shares in Azimuth as a result of the Offer.

Under the Offer, Azimuth Shareholders will receive 1 Troy Share for every 5.695 Azimuth Shares. The CGT roll-over relief will only be available to the extent the consideration for the disposal of Your Azimuth Shares is in the form of Troy Shares.

If CGT roll-over relief is available to an Azimuth Shareholder, then capital gains arising from the disposal by the Azimuth Shareholder of its Azimuth Shares for Troy Shares pursuant to the Offer may be disregarded.

The Offer is conditional on Troy and its Associates having a Relevant Interest in more than 90% of Azimuth's Shares (both on an undiluted and fully diluted basis) at the end of the Offer Period (Troy reserves the right to free the Offer from this Condition). Scrip-for-scrip roll-over relief will not be available unless Troy becomes the owner of 80% or more of the voting shares in Azimuth as a consequence of the Offer. Troy is not in a position to confirm, as at the date of this Offer, that the 80% requirement referred to above will be satisfied for the purposes of determining whether CGT scrip-for-scrip roll-over relief will be available. Troy will advise Azimuth Shareholders whether it has become the owner of 80% or more of the voting shares in Azimuth as a consequence of the Offer.

Azimuth Shareholders should seek their own independent taxation advice to confirm whether CGT roll-over relief will be available.

Non-resident shareholders

Generally, non-Australian tax resident shareholders who hold their Azimuth Shares on capital account should not be subject to Australian CGT upon the disposal of their Azimuth Shares, unless together with associates (as defined in the Corporations Act), they hold, or have held for at least 12 of the last 24 months, 10% or more of the Azimuth Shares and the market value of the underlying assets of Azimuth predominantly relates to interests in Australian real property (in those circumstances, a non-Australian tax resident shareholder's Azimuth Shares would constitute "taxable Australian property"). If this is the case, and to the extent that the non-resident is eligible to receive consideration in the form of scrip under the terms of this Bidder's Statement (provided such scrip is also taxable Australian property just after its acquisition), then CGT scrip for scrip roll-over relief may be available as for Australian residents (see above). Non-Australia tax resident shareholders should also note that the proposed changes to the tax law may mean that a non-resident will no longer be able to access the CGT discount.

11.3 Future disposal of Troy Shares

Australian resident shareholders

The Australian CGT consequences of any disposal by an Azimuth Shareholder of Troy Shares will generally be the same as for the disposal of Azimuth Shares as described above, subject to the below differences which depend on whether CGT roll-over was claimed:

Troy Shares acquired where CGT roll-over relief was claimed

Where a choice to apply CGT roll-over relief was made by an Azimuth Shareholder in respect of the disposal of Azimuth Shares, the cost base of the Troy Shares issued to the Azimuth Shareholder is broadly equal to the cost base of their Azimuth Shares that were exchanged for the Troy Shares (plus any incidental costs of acquisition).

For CGT discount purposes, an Azimuth Shareholder will be taken to have acquired the Troy Shares issued under the Offer at the time the Azimuth Shares were acquired for CGT purposes.

Troy Shares acquired where CGT roll-over relief was not claimed

Where CGT roll-over relief does not apply to the disposal of Azimuth Shares, the cost base of the Troy Shares you receive will broadly be equal to the market value of your Azimuth Shares (worked out on the date you accept the Offer) plus any incidental costs of acquisition.

To the extent Azimuth Shareholders (being an individual, trust or complying superannuation fund) hold their new Troy Shares for at least 12 months before disposing of them, any capital gain made on the disposal of the Troy Shares may be treated as a discount capital gain. The date of acquisition of the Troy Shares for the purposes of applying the CGT discount will be the date on which you accepted the Offer (i.e. Shareholders will not be taken to have acquired their Troy Shares at the time they acquired their Azimuth Shares).

Non-resident shareholders

The Australian CGT consequences of any disposal by a non-Australian tax resident Azimuth Shareholder of Troy Shares will generally be the same as for the disposal of Azimuth Shares as described above (but note the proposed changes to the tax law may mean that a non-resident will no longer be able to access the CGT discount).

11.4 Australian Goods and services tax

Holders of Azimuth Shares should not be liable to Australian GST in respect of a disposal of those Azimuth Shares.

No Australian GST should be payable on the future disposal of Troy Shares.

However, Australian GST may be payable on any brokerage charged to you or in respect of other costs which you may incur in connection with any of the above transactions.

Depending on your circumstances, no, or only reduced input tax credits may be available in respect of the Australian GST cost of your acquisitions to the extent that they relate to any of the above transactions.

12. Canadian Federal income tax considerations

12.1 Introduction

The following is, as of the date of this Bidder's Statement, a summary of the principal Canadian federal income tax considerations generally applicable to Azimuth Shareholders who acquire Troy Shares pursuant to the Offer and who, for the purposes of the *Income Tax Act* (Canada) (**Canadian Tax Act**) and at all relevant times, hold the Azimuth Shares, and will hold the Troy Shares acquired pursuant to the Offer, as capital property, deal at arm's length, and are not affiliated, with Azimuth or Troy, and are resident or deemed resident in Canada (**Canadian Holders**). The Azimuth Shares and Troy Shares will generally be considered to be capital property to a Canadian Holder unless either the Canadian Holder holds such shares in the course of carrying on a business of buying and selling securities or the Canadian Holder has acquired such shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Canadian Holder:

- (i) that is a "financial institution" within the meaning of the Canadian Tax Act for purposes of the mark-to-market rules;
- (ii) that is a "specified financial institution" within the meaning of the Canadian Tax Act;
- (iii) an interest in which is or would constitute a "tax shelter investment" within the meaning of the Canadian Tax Act;
- (iv) that reports its Canadian tax results in a currency other than the Canadian currency;
- (v) in relation to which Troy is a "foreign affiliate" within the meaning of the Canadian Tax Act; or
- (vi) that has entered or will enter into a "derivative forward agreement" as that term is defined in proposed amendments contained in a Notice of Ways and Means Motion that accompanied the Canadian federal budget tabled by the Minister of Finance (Canada) on March 21, 2013 with respect to the Azimuth Shares or Troy Shares. Such persons should consult their own tax advisers.

In addition, this summary does not address the Canadian tax consequences of the Offer to an Azimuth Optionholder or the deductibility of interest by an Azimuth Shareholder who borrowed money to acquire Azimuth Shares. Such Azimuth Optionholders and Azimuth Shareholders should consult their own tax advisers.

Additional considerations, not discussed herein, may be applicable to a Canadian Holder that is a corporation resident in Canada, and is, or becomes, controlled by a non-resident corporation for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Canadian Tax Act. Such Canadian Holders should consult their own tax advisers.

This summary is based upon the current provisions of the Canadian Tax Act, the regulations under the Canadian Tax Act (**Canadian Regulations**) and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (**CRA**), which have been made publicly available prior to the date of this Bidder's Statement. This summary takes into account all specific proposals to amend the Canadian Tax Act and Canadian Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Bidder's Statement (**Canadian Tax Proposals**). This summary assumes that the Canadian Tax Proposals will be enacted as proposed but does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax considerations. No assurances can be given that the Canadian Tax Proposals will be enacted as proposed, if at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed in this Section 12.

For the purposes of the Canadian Tax Act, all amounts expressed in a currency other than Canadian dollars relating to the acquisition, holding or disposition of Azimuth Shares or Troy Shares, including dividends, adjusted cost base and proceeds of disposition, must be determined in Canadian dollars using the relevant rate of exchange quoted by the Bank of Canada at noon on the day the amount first arose or such other rate of exchange as is acceptable to CRA.

The following discussion of the Canadian federal income tax considerations is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and is not intended to constitute income tax advice to any particular Canadian Holder. Accordingly, Canadian Holders should consult their own tax advisors, having regard to their own particular circumstances.

Capitalised terms used in this Section 12 are as defined in the Bidder's Statement, unless otherwise indicated.

12.2 Acceptance of the Offer

Exchange of Azimuth Shares for Troy Shares pursuant to the Offer

A Canadian Holder that exchanges Azimuth Shares for Troy Shares pursuant to the Offer will be considered to have disposed of the

Azimuth Shares for proceeds of disposition equal to the fair market value of the Troy Shares received under the Offer. As a result, such Canadian Holder will realise a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition exceed (or are less than) the aggregate of the Canadian Holder's adjusted cost base of the Azimuth Shares immediately before the exchange and any reasonable costs of disposition. The general tax consequences to a Canadian Holder of realising such a capital gain or capital loss are described below under the subheading "Future disposal of Troy Shares - Taxation of capital gains and capital losses".

In these circumstances, the cost to a Canadian Holder of the Troy Shares acquired pursuant to the Offer will be equal to the fair market value of the Troy Shares received pursuant to the Offer. The adjusted cost base of the Troy Shares to a Canadian Holder at any time will be determined by averaging the cost of such shares with the adjusted cost base to the Canadian Holder of all other Troy Shares, if any, owned by the Canadian Holder as capital property at such time.

Dividends

Any dividends, before deduction of any withholding taxes as may be applicable, received on the Troy Shares by a Canadian Holder who is an individual will be included in the individual's income and will not be subject to the gross-up and dividend tax credit rules in the Canadian Tax Act normally applicable to taxable dividends received from "taxable Canadian corporations" (as defined in the Canadian Tax Act).

Dividends, before deduction of any withholding taxes as may be applicable, received on the Troy Shares by a Canadian Holder that is a corporation will be included in computing the corporation's income and generally will not be deductible in computing the corporation's taxable income.

Australian tax, if any, payable by a Canadian Holder in respect of dividends received on the Troy Shares may be eligible for a foreign tax credit or deduction under the Canadian Tax Act to the extent and under the circumstances described in the Canadian Tax Act. Prospective investors should consult their own tax advisers with respect to the availability of a foreign tax credit or deduction, having regard to their own particular circumstances.

Offshore investment fund property

The Canadian Tax Act contains rules which may require a taxpayer to include in income in each taxation year an amount in respect of the holding of an "offshore investment fund property". These rules could apply to a Canadian Holder in respect of a Troy Share held by the Canadian Holder if, but only if:

- the Troy Share may reasonably be considered to derive its value, directly or indirectly, primarily from portfolio investments in:
 - (i) shares of one or more corporations;
 - (ii) indebtedness or annuities;
 - (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities;
 - (iv) commodities;
 - (v) real estate;
 - (vi) Canadian or foreign resource properties;
 - (vii) currency of a country other than Canada;
 - (viii) rights or options to acquire or dispose of any of the foregoing; or
 - (ix) any combination of the foregoing(collectively, "**Investment Assets**"); and
- it may reasonably be concluded, having regard to all the circumstances, that one of the main reasons for the Canadian Holder acquiring, holding or having an interest in the Troy Share was to derive a benefit from portfolio investments in Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Canadian Tax Act if the income, profits and gains had been earned directly by such Canadian Holder.

If applicable, these rules would generally require a Canadian Holder to include in income for each taxation year in which such Canadian Holder holds a Troy Share an imputed amount determined by applying a prescribed rate of interest to the "designated cost" (as defined for purposes of the offshore investment fund property rules in the Canadian Tax Act) to the Canadian Holder of the Troy Share at the end of a month in the year less the amount of certain income of the Canadian Holder from the Troy Share in the year. Any amount required to be included in computing a Canadian Holder's income in respect of a Troy Share under these rules would be added to the adjusted cost base to the Canadian Holder of such Troy Share.

The application of these rules depends, in part, on the reasons for a Canadian Holder acquiring or holding Troy Shares. Canadian Holders are urged to consult their own tax advisers regarding the application and consequences of these rules.

Foreign property information reporting

In general, a “specified Canadian entity” (as defined in the Canadian Tax Act) for a taxation year or fiscal period whose total cost amount of “specified foreign property” (as defined in the Canadian Tax Act) at any time in the taxation year or fiscal period exceeds C\$100,000 is required to file an information return for the taxation year or fiscal period disclosing prescribed information. On March 4, 2010, the Minister of Finance (Canada) announced Canadian Tax Proposals to expand existing reporting requirements with respect to specified foreign property to require more detailed information. As of the date hereof, draft legislation with respect to such amended reporting requirements has not been released. Subject to certain exceptions, a taxpayer resident in Canada in the year, other than a corporation or trust exempt from tax under Part I of the Canadian Tax Act, will be a specified Canadian entity, as will certain partnerships.

The Troy Shares will be specified foreign property to a Canadian Holder. The reporting rules in the Canadian Tax Act are complex and this summary does not purport to explain all circumstances in which reporting may be required by any investor. Accordingly, Canadian Holders should consult their own tax advisers regarding compliance with these rules.

Eligibility for investment

The Troy Shares, if issued on the date hereof, would be “qualified investments” under the Canadian Tax Act and the Canadian Regulations for a trust governed by a registered retirement savings plan (RRSP), a registered retirement income fund (RRIF), a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan or a tax-free savings account (TFSA) provided that the Troy Shares are listed on a “designated stock exchange” for purposes of the Canadian Tax Act (which includes the ASX and the TSX on the date of this Bidder’s Statement).

The Troy Shares will not be a “prohibited investment” for a trust governed by an RRSP, RRIF or TFSA unless the annuitant of the RRSP or RRIF, or holder of the TFSA, as the case may be:

- (i) does not deal at arm’s length with Troy for purposes of the Canadian Tax Act;
- (ii) has a “significant interest” (within the meaning of the Canadian Tax Act) in Troy; or
- (iii) has a “significant interest” (within the meaning of the Canadian Tax Act) in any corporation, partnership or trust with which Troy does not deal at arm’s length for purposes of the Canadian Tax Act.

Canadian Tax Proposals released on December 21, 2012 propose to delete the condition in (iii) above. Prospective investors who intend to hold Troy Shares in a trust governed by an RRSP, RRIF, or TFSA should consult their own tax advisers regarding the tax rules applicable to that RRSP, RRIF, or TFSA, respectively, and whether the Troy Shares would be a prohibited investment in their particular circumstances.

12.3 Future disposal of Troy Shares

Upon a disposition (or a deemed disposition) of a Troy Share, a Canadian Holder generally will realise a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such shares, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such shares to the Canadian Holder. The tax treatment of capital gains and losses is discussed below under the subheading “*Taxation of capital gains and capital losses*”.

Taxation of capital gains and capital losses

Generally, a Canadian Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a “taxable capital gain”) realised in the year. Subject to and in accordance with the provisions of the Canadian Tax Act, a Canadian Holder is required to deduct one-half of the amount of any capital loss (an “allowable capital loss”) realised in a taxation year from taxable capital gains realised in the year by such Canadian Holder. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any following year against taxable capital gains realised in such year to the extent and under the circumstances described in the Canadian Tax Act.

Australian tax, if any, levied on any capital gain realised on the disposition of Azimuth Shares or Troy Shares may be eligible for a foreign tax credit or deduction to the extent and under the circumstances described in the Canadian Tax Act. Canadian Holders to whom these rules may be relevant should consult their own tax advisers.

Minimum tax

Capital gains realised and dividends received by a Canadian Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Canadian Tax Act.

Additional refundable tax

A Canadian Holder that is a “Canadian-controlled private corporation” (as defined in the Canadian Tax Act) may be liable to pay an additional 6²/₃% refundable tax on certain investment income, including dividends and taxable capital gains. This refundable tax generally will be refunded to a corporate Canadian Holder at the rate of \$1 for every \$3 of taxable dividends paid while it is a private corporation.

13. Additional information

13.1 Takeover Bid Implementation Deed

As announced on 28 March 2013, Troy and Azimuth have entered into the TBID under which Troy agreed to make the Offer. Under the TBID, Troy agreed to make the Offer to Azimuth Shareholders of 1 Troy Share for every 5.695 Azimuth Shares.

Under the TBID, Azimuth has agreed to be bound by usual exclusivity arrangements until the earlier of termination of the TBID and the End Date.

The TBID contains no-shop and no-talk restrictions on Azimuth continuing or participating in negotiations or discussions with any other person regarding a Competing Transaction and directly or indirectly solicit, invite, encourage or initiate any enquiries, negotiations or discussions or communicate an intention to do any of those things, in relation to a Competing Transaction. The restrictions are subject to typical carve outs.

Azimuth must immediately notify Troy if it is approached about a Competing Transaction or if any Azimuth Director or the Azimuth CEO proposes to change his or her recommendation of the Offer so that he or she can recommend a Competing Transaction. Troy has a matching right to amend the terms of the Offer, including increasing the amount of consideration. The Azimuth Directors must review the Counter Proposal in good faith and Azimuth and Troy must use their best endeavours to give effect to the Counter Proposal if a majority of the Azimuth Directors consider the Counter Proposal would be at least as favourable as the Competing Transaction.

The TBID contains standard terms regarding break fees to be payable by Azimuth and Troy upon the occurrence of certain events and representations and warranties typical of an agreement of this nature.

The TBID may be terminated in the following circumstances:

- (a) by Troy, if:
 - o Azimuth is in breach of a material clause of the TBID, or the Convertible Note Deed, an Azimuth Prescribed Occurrence occurs or there is an event of default under the Convertible Note Deed and that breach or default (as applicable) remains unremedied for 5 business days;
 - o a Competing Transaction is proposed and is recommended by any Azimuth Director or the Azimuth CEO;
 - o a person (other than Troy) that does not hold more than 20% voting power in Azimuth as at 28 March 2013 increases its voting power in Azimuth to 20% or more (but not if that person has indicated they intend to accept the Offer in respect of their Azimuth Shares); and
 - o any Azimuth Director or the Azimuth CEO fails to make or withdraws or changes their recommendation other than in accordance with the TBID; and
- (b) by Azimuth, if:
 - o Troy is in breach of a material clause of the TBID, or the Convertible Note Deed, a Troy Prescribed Occurrence occurs and that breach or default (as applicable) remains unremedied for 5 business days;
 - o a Troy Material Adverse change occurs; or
 - o a majority of the Azimuth Directors and the Azimuth CEO withdraws their recommendation of the Offer where a Superior Proposal has emerged, the matching right procedure under the TBID has been fully complied with and upon financial and legal advice, the Azimuth Directors and the Azimuth CEO change their recommendation of the Offer to comply with their fiduciary and statutory duties.

Termination of the TBID (including by expiration of the End Date) does not mean the takeover bid will lapse.

Full details of the TBID are contained in the announcement released on 28 March 2013 (ASX: TRY, AZH).

13.2 Date for determining holders of Azimuth Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

13.3 Consents

Each of the parties in the table below:

- has not authorised or caused the issue of the whole or any part of this Bidder's Statement;
- has consented to being named in this Bidder's Statement in the form and context in which they are named;
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Bidder's Statement.

Consenting party	Role
Gilbert + Tobin	Australian legal adviser to Troy
Cassels Brock & Blackwell LLP	Canadian legal adviser to Troy
Macquarie Capital (Australia) Limited	Financial adviser to Troy
Computershare Investor Services Pty Limited	Australian share registrar for the Offer
Computershare Trust Company of Canada	Canadian transfer agent
Computershare Investor Services Inc.	Canadian Depositary
Mr Peter Doyle	Competent Person in relation to the Troy Group's reserves information
Macquarie Securities (Australia) Limited	Nominee
Deloitte Touche Tohmatsu	Auditor of Troy
HLB Mann Judd	Auditor of Azimuth

In addition, Deloitte Touche Tohmatsu has consented to reference Troy's:

- statements of profit or loss, financial position and cash flows for the years ended 30 June 2011 and 30 June 2012 being audited; and
- statements of profit or loss, financial position and cash flows for the half year ended 31 December 2012 being reviewed,

in the form and context in which they appear.

In addition, HLB has consented to the inclusion of Azimuth's reviewed statement of financial position for the half year ended 31 December 2012 in the form and context in which it appears.

13.4 Troy material litigation

Troy is not party to any material litigation and is not involved in any material disputes.

13.5 Foreign Shareholders

An Azimuth Shareholder is a Foreign Shareholder if their address as shown in the register of members of Azimuth is in a jurisdiction other than Australia and its external territories, New Zealand or Canada. However, such a person will not be a Foreign Shareholder if Troy is satisfied that it is not legally or practically constrained from making the Offer to an Azimuth Shareholder in the relevant jurisdiction or issuing Troy Shares to such a shareholder on acceptance of the Offer, and that it is lawful for the shareholder to accept the Offer in such circumstances in the relevant jurisdiction. Notwithstanding anything else in this Bidder's Statement, Troy is not under any obligation to spend any money, or undertake any action, in order to satisfy itself concerning any of these matters.

The Troy Shares which would otherwise have been issued to Foreign Shareholders will instead be issued to the Nominee (an application has been made to ASIC for the approval of the appointment), who will sell these Troy Shares on the ASX and pay to that Foreign Shareholder the net proceeds (by cheque, in Australian dollars) received, after deducting any applicable brokerage, taxes and charges in accordance with the Offer (calculated on an averaged basis so that all Foreign Shareholders are paid the same price per Troy Share, subject to rounding).

Refer to Section 14.8 of this Bidder's Statement for further details.

13.6 Social security and superannuation implications of Offer

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

13.7 Disclosure of interests of certain persons

Other than as set out elsewhere in this Bidder's Statement, no:

- director or proposed director of Troy;
- person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
- promoter of Troy; or
- financial services licensee named in this Bidder's Statement as being involved in the issue of Troy Shares,

(together, the **Interested Persons**) holds at the date of this Bidder's Statement, or held at any time during the last two years, any interest in:

- the formation or promotion of Troy;
- property acquired or proposed to be acquired by Troy in connection with its formation or promotion, or the offer of Troy Shares under the Offer; or
- the offer of Troy Shares under the Offer.

13.8 Disclosure of fees and benefits received by certain persons

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director or proposed director of Troy to induce them to become, or to qualify as, a director of Troy;
- for services provided by an Interested Person in connection with the formation or promotion of Troy or the offer of Troy Shares under the Offer.

Gilbert + Tobin has acted as Australian legal adviser to Troy in connection with the Offer and is entitled to professional fees in accordance with its normal time-based charges which is estimated to be A\$280,000.

Cassels Brock & Blackwell LLP has acted as Canadian legal adviser to Troy in connection with the Offer and is entitled to professional fees in accordance with its normal time-based charges which is estimated to be C\$113,000. Gordon Chambers, a Troy Director, is a partner of Cassels Brock & Blackwell LLP.

Macquarie Capital (Australia) Limited has acted as financial adviser to Troy in connection with the Offer and is entitled to receive professional fees for these services estimated to be up to \$2 million (ex GST).

13.9 Disclosure of interests of directors

Interests in Troy Shares

As at the date of this Bidder's Statement, the directors of Troy have the following relevant interests in Troy securities:

Director	Troy Shares
David R Dix	127,013 Troy Shares indirectly held
Paul Benson	335,196 Troy Shares directly held 27,494 Troy Shares indirectly held 300,000 performance rights
Ken K Nilsson	300,239 Troy Shares directly held
Gordon R Chambers	23,332 Troy Shares directly held
Fred S Grimwade	80,000 Troy Shares indirectly held
John Load Cecil Jones	1,239,061 Troy Shares directly held 9,041,963 Troy Shares indirectly held
Clement Robin W Parish	160,577 Troy Shares directly held 4,302,266 Troy Shares indirectly held

13.10 Troy Directors and officers indemnity and insurance

The Troy constitution permits the grant of an indemnity (to the maximum extent permitted by law) in favour of each current or former Troy Director, company secretary or senior manager of Troy or a subsidiary of Troy.

Troy has entered into deeds of indemnity and access with all current Troy Directors. This indemnity is against liability to third parties by such officers unless excluded by law. The indemnity also covers costs or expenses incurred by an officer in defending proceedings relating to that person's position.

Troy maintains an insurance policy in respect of certain present and future officers against certain liability incurred in that capacity.

13.11 Interests in Azimuth Shares

As at the date of this Bidder's Statement, other than Mr Paul Benson who holds 50,000 Azimuth Shares that were purchased on his behalf through a discretionary trading account in March 2011, no Director of Troy has a relevant interest in Azimuth securities.

13.12 Expiry date

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the date of this Bidder's Statement.

13.13 Other material information

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- material to the making of a decision by an Azimuth Shareholder whether or not to accept the Offer; and
- known to Troy which has not previously been disclosed to Azimuth Shareholders.

14. The terms and conditions of the Offer

14.1 Offer

- (a) Troy offers to acquire all of Your Azimuth Shares, together with all Rights attaching to them, on and subject to the terms and conditions set out in this Section 14.
- (b) This Offer relates to Azimuth Shares that exist or will exist at the Register Date and extends to any Azimuth Shares that are issued between that date and the end of the Offer Period due to:
 - (i) the conversion of securities convertible into Azimuth Shares, where such securities exist or will exist at the Register Date; or
 - (ii) the exercise of rights to be issued Azimuth Shares, where such rights are conferred by securities that exist or will exist at the Register Date.
- (c) Offers on terms and conditions identical to those contained in this Offer have been or will be dispatched to all holders of Azimuth Shares registered as such in the Register on the Register Date and any person who becomes registered as the holder of Azimuth Shares during the period commencing on the Register Date and ending at the conclusion of the Offer Period.
- (d) The Troy Shares to be issued as consideration under the Offer:
 - (i) are ordinary shares in Troy;
 - (ii) will be credited as fully paid;
 - (iii) will have the rights summarised in Section 4.2 of this Bidder's Statement;
 - (iv) will rank equally in all respects with all existing Troy Shares; and
 - (v) will be free from any Encumbrance.
- (e) By accepting this Offer, you undertake to transfer to Troy not only the Azimuth Shares to which the Offer relates, but also all Rights attached to those Azimuth Shares (see Sections 14.6(c)(v) and 14.7(c) of this Bidder's Statement).
- (f) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is registered as the holder of some or all of Your Azimuth Shares, then:
 - (i) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Azimuth Shares;
 - (ii) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other of Your Azimuth Shares; and
 - (iii) this Offer will be deemed to have been withdrawn immediately at that time.
- (g) If at any time during the Offer Period you are registered as the holder of one or more parcels of Azimuth Shares as trustee or nominee for, or otherwise on account of, another person, you may accept this Offer as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call the Offer Information Line on 1300 810 584 (toll free for callers within Australia) and +61 2 8022 7909 (for callers outside Australia) between 7.00am and 5.00pm (Perth time) on Business Days (calls to these numbers may be recorded).
- (h) If Your Azimuth Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
- (i) The Offer is dated 13 May 2013.

14.2 Consideration for the Offer

- (a) Subject to the terms of this Offer, the consideration offered by Troy for Your Azimuth Shares is 1 Troy Share for every 5.695 Azimuth Shares.
- (b) If, at the time this Offer is made to you, you are a Foreign Shareholder, you will not receive Troy Shares as consideration under the Offer. Instead, you are offered and will be paid a cash amount (by cheque, in Australian dollars) determined in accordance with Section 14.8 of this Bidder's Statement.

- (c) Any entitlement that you have to Troy Shares under this Offer will be calculated by dividing the number of Your Azimuth Shares by 5.695. If this calculation results in an entitlement to a fraction of a Troy Share, the number of Troy Shares you are entitled to pursuant to this Offer will be rounded up to the nearest whole number.
- (d) If Troy reasonably believes that an Azimuth Shareholder's holdings have been manipulated to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the nearest whole number of Troy Shares.

14.3 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 7.00pm (Sydney time) / 5.00am (Toronto time) on the later of:
 - (i) 14 June 2013; or
 - (ii) any date to which the Offer Period is extended.
- (b) Troy reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- (c) If, within the last 7 days of the Offer Period, either of the following events occurs:
 - (i) the Offer is varied to improve the consideration offered; or
 - (ii) Troy's voting power in Azimuth increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

14.4 How to accept this Offer

- (a) General

Subject to Section 14.1(g) and this Section 14.4, you may only accept this Offer only for all of Your Azimuth Shares at any time during the Offer Period, subject to the terms and conditions of this Offer.

- (b) Azimuth Shares held in your name on Azimuth's issuer sponsored subregister

To accept this Offer for Azimuth Shares held in your name on Azimuth's issuer sponsored subregister (in which case your SRN will commence with 'I'), you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (together with any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period at the address shown on the Acceptance Form.

- (c) Azimuth Shares held in your name in a CHES Holding

If Your Azimuth Shares are held in your name in a CHES Holding (in which case your Holder Identification Number will commence with 'X'):

- (i) and you are not a Participant, you may:
 - (a) instruct your Controlling Participant (normally your broker) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
 - (b) sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (together with any documents required by the terms of this Offer or the instructions on the Acceptance Form) is received at the address shown on the Acceptance Form;
- (ii) and you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; and
- (iii) you must comply with any other applicable ASX Settlement Operating Rules.

- (d) Canadian Azimuth Shareholders

How Canadian Shareholders accept the Offer will depend on how their Azimuth Shares are held in Canada. If Your Azimuth Shares are held on the Canadian branch register:

- (i) on the Canadian branch register directly or through CDS, you can move them to the Australian branch register and thereafter use the Acceptance Form to accept the Offer; or
- (ii) through CDS, you may accept the Offer through a book-entry transfer using the CDS online tendering system (CDSX). You may need to instruct your financial institution or broker who is a CDS participant to assist you. Azimuth Shareholders who utilise CDSX to accept the Offer through a book-entry transfer will be deemed to have completed and submitted a letter of transmittal (Letter of Transmittal) and be bound by the terms thereof; or
- (iii) in physical certificated form, you can accept the Offer by delivering a duly completed Letter of Transmittal together with your physical share certificate to the Canadian Depository as set forth in the Letter of Transmittal; or
- (iv) in physical certificated form but you do not have your physical share certificate presently available, you can accept the Offer, by delivering a duly completed notice of guaranteed delivery (Notice of Guaranteed Delivery) with a medallion guarantee stamp, to the Canadian Depository as set forth in the Notice of Guaranteed Delivery and thereafter delivering a duly completed Letter of Transmittal to the Canadian Depository as set forth in the Letter of Transmittal.

If you wish to move Your Azimuth Shares to the Australian branch register, you should contact your broker for assistance.

If you wish to accept the Offer using one of the procedures set out in paragraphs 14.4(d)(ii), (iii) and (iv) above, you should contact the Canadian Depository at 1-800-564-6253 and ask for copies of a Letter of Transmittal or both a Letter of Transmittal and a Notice of Guaranteed Delivery to be sent to you. You should allow sufficient time for this to occur so that your acceptance is received before the end of the Offer Period.

If you accept the Offer by using one of the procedures set out in paragraphs 14.4(d)(ii), (iii) and (iv) above, references to Acceptance Forms in this Section 14 are to be read as references to the applicable Canadian equivalent.

- (e) Acceptance Form and other documents
 - (i) The Acceptance Form forms part of the Offer.
 - (ii) If your Acceptance Form (together any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Troy at the address shown on the Acceptance Form before the end of the Offer Period. You may only return your Acceptance Form by facsimile with the prior approval of Troy.
 - (iii) When using the Acceptance Form to accept this Offer in respect of Azimuth Shares in a CHES Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer or the instruction on the Acceptance Form) are received by Troy in time for Troy to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
 - (iv) The postage and transmission of the Acceptance Form and other documents is at your own risk.

14.5 Validity of acceptances

- (a) Subject to this Section 14.5, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in Section 14.4.
- (b) Troy will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Troy is not required to communicate with you prior to or after making this determination. The determination of Troy will be final and binding on all parties.
- (c) Notwithstanding Section 14.4 Troy may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Azimuth Shares, even if a requirement for acceptance has not been complied with but the issue of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Troy.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Azimuth Shares, Troy may, in its sole discretion, regard this Offer to be accepted in respect of those of Your Azimuth Shares but not the remainder.
- (e) Troy will provide the consideration to you in accordance with Section 14.7 in respect of any part of an acceptance determined by Troy to be valid.

14.6 The effect of acceptance

- (a) Once you have accepted the Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Azimuth Shares from the Offer or otherwise dispose of Your Azimuth Shares, except as follows:
- (i) if, by the relevant times specified in Section 14.6(b), the Conditions in Section 14.9 have not all been fulfilled or freed, this Offer will automatically terminate and you will retain Your Azimuth Shares; or
 - (ii) if the Offer Period is varied in a way that postpones for more than one month the time when Troy has to meet its obligations under this Offer and, at the time, this Offer is subject to one or more of the Conditions in Section 14.9, you may be able to withdraw your acceptance and Your Azimuth Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) The relevant times for the purposes of Section 14.6(a)(i) are:
- (i) in relation to the condition in Section 14.9(b), the end of the third business day after the end of the Offer Period; and
 - (ii) in relation to all other Conditions in Section 14.9, the end of the Offer Period.
- (c) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to Section 14.4, you will be deemed to have:
- (i) accepted this Offer (and any variation of it) in respect of, and, subject to all of the Conditions to this Offer in Section 14.9 being fulfilled or freed, agreed to transfer to Troy, all Your Azimuth Shares (even if the number of Azimuth Shares specified on the Acceptance Form differs from the number of Your Azimuth Shares), subject to Section 14.5;
 - (ii) represented and warranted to Troy, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Azimuth Shares (including any Rights) to Troy is registered, and going forward, that:
 - (a) all Your Azimuth Shares are and will be free from all mortgages, charges, liens, Encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise);
 - (b) you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Azimuth Shares (including any Rights) to Troy; and
 - (c) you have paid to Azimuth all amounts which at the time of acceptance have fallen due for payment to Azimuth in respect of Your Azimuth Shares;
 - (iii) irrevocably authorised Troy (and any director, secretary, nominee or agent of Troy) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Azimuth Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Troy to make it an effective acceptance of this Offer or to enable registration of Your Azimuth Shares in the name of Troy;
 - (iv) if you signed the Acceptance Form in respect of Azimuth Shares which are held in a CHESS Holding, irrevocably authorised Troy (and any director, secretary, nominee or agent of Troy) to:
 - (a) instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Azimuth Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
 - (b) give any other instructions in relation to Your Azimuth Shares to your Controlling Participant, as determined by Troy acting in its own interests as a beneficial owner and intended registered holder of those Azimuth Shares;
 - (v) irrevocably authorised and directed Azimuth to pay to Troy, or to account to Troy for, all Rights in respect of Your Azimuth Shares, subject, if this Offer is withdrawn, to Troy accounting to you for any such Rights received by Troy;
 - (vi) irrevocably authorised Troy to notify Azimuth on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Azimuth Shares is the address specified by Troy in the notification;
 - (vii) with effect from the time and date on which all the Conditions to this Offer in Section 14.9 have been fulfilled or freed:

- (a) irrevocably appointed Troy (and any director, secretary or nominee of Troy) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Azimuth Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative at all general meetings and all court-convened meetings of Azimuth and to request Azimuth to register, in the name of Troy or its nominee, Your Azimuth Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and
 - (b) agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Azimuth or to exercise or purport to exercise any of the powers and rights conferred on Troy (and its directors, secretaries and nominees) in Section 14.6(c)(vii)(A);
 - (viii) agreed that in exercising the powers and rights conferred by Section 14.6(c)(vii)(A), the attorney will be entitled to act in the interests of Troy as the beneficial owner and intended registered holder of Your Azimuth Shares;
 - (ix) agreed to do all such acts, matters and things that Troy may require to give effect to the matters the subject of Section 14.6(c)(vii)(A) (including the execution of a written form of proxy to the same effect as this Section 14.6(c) which complies in all respects with the requirements of the constitution of Azimuth if requested by Troy);
 - (x) agreed to indemnify Troy in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or SRN or in consequence of the transfer of Your Azimuth Shares to Troy being registered by Azimuth without production of your Holder Identification Number or your SRN for Your Azimuth Shares;
 - (xi) represented and warranted to Troy that, unless you have notified it in accordance with Section 14.1(g), Your Azimuth Shares do not consist of separate parcels of Azimuth Shares;
 - (xii) irrevocably authorised Troy (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Azimuth Shares to Troy's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
 - (xiii) irrevocably authorised Troy (and any nominee) to transmit a message in accordance with Rule 14.17.1 of the ASX Settlement Operating Rules to transfer Your Azimuth Shares, if held in a CHESS Holding, to the Takeover Transferee Holding and initiate a transfer of ownership of Your Azimuth Shares, if held in an issuer sponsored holding, into the name of Troy, even if Troy has not at that time paid or provided the consideration due to you under the Offer to Troy's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
 - (xiv) agreed, subject to the Conditions of this Offer in Section 14.9 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Troy may consider necessary or desirable to convey the Azimuth Shares registered in your name and Rights to Troy; and
 - (xv) agreed to accept any Troy Shares to which you have become entitled by acceptance of this Offer subject to the constitution of Troy and have authorised Troy to place your name on its register of shareholders in respect of those Troy Shares.
- (d) The undertakings and authorities referred to in Section 14.6(c) will remain in force after you receive the consideration for Your Azimuth Shares and after Troy becomes registered as the holder of Your Azimuth Shares.

14.7 Issue of consideration

- (a) Subject to this Section 14.7 and Sections 14.5(b) and 14.8, and subject to the Corporations Act, Troy will issue the consideration due to you for Your Azimuth Shares on or before the earlier of:
 - (i) one month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept, within one month after this Offer becomes unconditional; and
 - (ii) 21 days after the end of the Offer Period.
- (b) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
 - (i) if that document is given with your Acceptance Form, Troy will issue the consideration in accordance with Section 14.7(a);
 - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a Condition, Troy will issue the consideration due to you on or before the earlier of one month

after this Offer becomes unconditional and 21 days after the end of the Offer Period;

- (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a Condition, Troy will issue the consideration due to you on or before the earlier of one month after that document is given and 21 days after the end of the Offer Period; and
 - (iv) if at the time the document is given, the Offer is still subject to a Condition, Troy will provide the consideration due to you within 21 days after the Offer becomes unconditional.
- (c) If you accept this Offer, Troy is entitled to all Rights in respect of Your Azimuth Shares (whether received by you or any previous holder of those Azimuth Shares). This includes any Rights which you or a previous holder of Your Azimuth Shares:
- (i) are entitled to receive; or
 - (ii) would have been entitled to receive had those Azimuth Shares been on issue at the record date in respect of the Rights (where such record date is on or after the Announcement Date).
- (d) Troy may require you to provide all documents necessary to vest title to Rights in Troy, or otherwise to give it the benefit or value of Rights.
- (e) If:
- (i) you do not give those documents to Troy;
 - (ii) you have (or any previous holder of your Azimuth Shares has) received the benefit of those Rights; or
 - (iii) the benefit of those Rights will not be received because the relevant Azimuth Shares did not exist at the record date in respect of such Rights (where such record date is on or after the Announcement Date).
- Troy may deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Troy) of those Rights, together with the value (as reasonably assessed by Troy) of the franking credits, if any, attached to the Rights. This may involve a reduction in the number of Troy Shares due to you under the Offer.
- (f) If you have accepted the Offer and you are a Foreign Shareholder, you will be paid your share of the proceeds from the sale of the Troy Shares in accordance with Section 14.8.
- (g) Subject to Section 14.8, the obligation of Troy to procure Troy to issue and allot any Troy Shares to which you are entitled will be satisfied by Troy:
- (i) procuring your name is entered on the register of members of Troy; and
 - (ii) dispatching or procuring the dispatch to you by pre paid post to your address recorded in Azimuth's register of members immediately before the commitment to issue is generated, an uncertificated holding statement in your name (for issuer sponsored holdings) or a confirmation of issue (for CHES holdings). If Your Azimuth Shares are held in a joint name, written confirmation of issue will be issued based on the details in Troy's copy of Azimuth's register immediately before the commitment to issue is generated.
- (h) If at the time you accept the Offer any of the following:
- (i) Autonomous Sanctions Regulations 2011;
 - (ii) Autonomous Sanctions Act 2011;
 - (iii) Charter of the United Nations (Sanctions – Afghanistan) Regulations 2008 (Cth);
 - (iv) Charter of the United Nations (Sanctions – Iraq) Regulations 2008 (Cth);
 - (v) Charter of the United Nations (Sanctions – Côte d'Ivoire) Regulations 2008 (Cth);
 - (vi) Charter of the United Nations (Sanctions – Democratic Republic of the Congo) Regulations 2008 (Cth);
 - (vii) Charter of the United Nations (Sanctions – Democratic People's Republic of Korea) Regulations 2008 (Cth);
 - (viii) Charter of the United Nations (Sanctions – Eritrea) Regulations 2010 (Cth);
 - (ix) Charter of the United Nations (Sanctions - Iran) Regulations 2008 (Cth);
 - (x) Charter of the United Nations (Sanctions – Lebanon) Regulations 2008 (Cth);
 - (xi) Charter of the United Nations (Sanctions – Liberia) Regulations 2008 (Cth);
 - (xii) Charter of the United Nations (Sanctions - Libyan Arab Jamahiriya) Regulations 2008 (Cth);

- (xiii) Charter of the United Nations (Sanctions - Somalia) Regulations 2008 (Cth);
- (xiv) Charter of the United Nations (Sanctions – Sudan) Regulations 2008 (Cth);
- (xv) Charter of the United Nations (Sanctions - Al-Qaida and the Taliban) Regulations 2008 (Cth); or
- (xvi) any other law of Australia,

require that an authority, clearance or approval of the Department of Foreign Affairs and Trade; the Australian Taxation Office or any other government authority be obtained before you receive any consideration for Your Azimuth Shares, or would make it unlawful for Troy to provide any consideration to you for Your Azimuth Shares, you will not be entitled to receive any consideration for Your Azimuth Shares until all requisite authorities, clearances or approvals have been received by Troy. As far as Troy is aware, as at the date of this Bidder's Statement, the persons to whom this Section 14.7(h) will apply includes: prescribed supporters of the former government of Yugoslavia; ministers and senior officials of the Government of Zimbabwe; persons associated with the former government of Iraq (including senior officials, immediate family members of senior officials, or an entity controlled by any of those persons); the Taliban; members of the Al Qaida organisation; and persons named in the list maintained pursuant to paragraph 2 of Resolution 1390 of the Security Council of the United Nations and the persons named in the list maintained as provided by regulation 40 of the Charter of the United Nations (Dealing with Assets) Regulations 2008.

14.8 Foreign Shareholders

- (a) If you are a Foreign Shareholder, you will not be entitled to receive Troy Shares as the consideration for Your Azimuth Shares as a result of accepting this Offer. In this event, Troy will:
 - (i) arrange for the issue to a nominee approved by ASIC (the **Nominee**) of the number of Troy Shares to which you and all other Foreign Shareholders would have been entitled but for Section 14.2(b) and the equivalent provision in each other offer under this Offer;
 - (ii) cause the Troy Shares so issued to be offered for sale by the Nominee on the ASX as soon as practicable and otherwise in the manner, at the price and on such other terms and conditions as are determined by the Nominee; and
 - (iii) cause the Nominee to pay to you the amount ascertained in accordance with the formula:

$$\frac{N \times YS}{TS}$$

TS

where:

'N' is the amount which is received by the Nominee upon settlement of the sale of all Troy Shares under this Section 14.8 less brokerage and sale expenses;

'YS' is the number of Troy Shares which would, but for Section 14.2(b), otherwise have been issued to you; and

'TS' is the total number of Troy Shares allotted to the Nominee under this Section 14.8.

- (b) You will be paid your share (if any) of the proceeds of the sale of Troy Shares by the Nominee in Australian currency.
- (c) Payment will be made by cheque posted to you at your risk by ordinary mail (or, if you have an overseas address, by airmail) at the address in Troy's copy of Azimuth's register immediately before the commitment to issue that cheque is generated within the period required by the Corporations Act.
- (d) Under no circumstances will interest be paid on your share of the proceeds of the sale of Troy Shares by the Nominee, regardless of any delay in remitting these proceeds to you.

14.9 Conditions of this Offer

Subject to this Section 14.9, the completion of this Offer and any contract that results from an acceptance of this Offer is subject to the fulfilment of the Conditions set out below:

- (a) Minimum acceptance condition

At the end of the Offer Period, Troy and its Associates have a Relevant Interest in more than 90% (by number) of all of the Azimuth Shares both on an undiluted and on a fully-diluted basis.
- (b) No Azimuth Prescribed Occurrences

No Azimuth Prescribed Occurrence happens in the period between the date of the TBID and the End Date (both inclusive).

(c) No Azimuth Material Adverse Change

During the Exclusivity Period:

- (i) no event, change, condition, matter or thing occurs which has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Azimuth Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or
- (ii) no event, matter or thing, as described in sub-paragraph (i), which occurred before 28 March 2013 (Perth time) (being the date of the TBID) but was not apparent from publicly available information before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Azimuth Group exceeds A\$10 million, other than any such event, change, condition, matter or thing:

- (iii) required to be done or procured by Azimuth pursuant to the TBID;
- (iv) relating to changes affecting the global gold industry or security markets generally or a change in the market price of gold which impacts on Azimuth and its competitors in a similar manner;
- (v) that is an actual event, matter or thing which is known to Troy prior to 28 March 2013 (which does not include knowledge of the risk of an event, occurrence or matter happening);
- (vi) directly resulting from any actions taken (or omitted to be taken) upon the request of Troy; or
- (vii) any change in taxation rates or the law relating to taxation or accounting policy which impacts on Azimuth and its competitors in a similar manner.

Without limitation to any other part of this Condition:

- (viii) a creditor lawfully demanding repayment of a debt of A\$2 million or more will have the effect referred to in sub-paragraph (i);
- (ix) the following events will have the effect referred to in sub-paragraph (i) where they have a financial impact on the Azimuth Group of more than A\$10 million:
 - (a) a person exercises rights under a deed, arrangement or understanding to which any member of the Azimuth Group is a party where that exercise has, will have or is reasonably likely to have the effect of accelerating or adversely modifying the performance of any of the obligations of the relevant Azimuth Group member under the deed, arrangement or understanding;
 - (b) an outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster or a material increase in the intensity of any such event existing as at 28 March 2013 which has a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Azimuth Group taken as a whole; and
 - (c) a Governmental Agency or other body withdraws, revokes, cancels or suspends an approval, consent, licence or permit granted to or held by the Azimuth Group (or expresses an intention to do any of these things).

The above Conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Troy to rescind any contracts resulting from acceptance of the Offer.

14.10 Status of Conditions

None of the Conditions to the Offer have been satisfied as at the date of this Bidder's Statement.

14.11 Nature and benefit of Conditions

- (a) The Conditions in Section 14.9 are conditions subsequent. The non fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the Conditions in Section 14.9(b), until the end of the third business day after the end of the Offer Period), prevent a contract to sell Your Azimuth Shares from arising, but non-fulfilment of any of those Conditions will have the consequences set out in Section 14.12(b).
- (b) Subject to the Corporations Act, Troy alone is entitled to:
 - (i) the benefit of the Conditions in Section 14.9; and
 - (ii) rely on any non fulfilment of any of them.

- (c) Each Condition in Section 14.9 is a separate, several and distinct condition. No Condition will be taken to limit the meaning or effect of any other Condition.

14.12 Freeing the Offer of Conditions

- (a) Troy may free this Offer, and any contract resulting from its acceptance, from all or any of the Conditions in Section 14.9, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Azimuth and to ASX declaring this Offer to be free from the relevant condition or conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:
 - (i) in the case of the Condition in Section 14.9(b), not later than 3 business days after the end of the Offer Period; and
 - (ii) in the case of all the other Conditions in Section 14.9, not less than 7 days before the end of the Offer Period.
- (b) If, at the end of the Offer Period (or in the case of the Conditions in Section 14.9(b), at the end of the third business day after the end of the Offer Period), any of the Conditions in Section 14.9 have not been fulfilled and Troy has not declared the Offer (or it has not become) free from those Conditions, all contracts resulting from the acceptance of the Offer will be automatically void.
- (c) If Troy wishes to waive the Condition in Section 14.9(a), it must first consult with Azimuth in good faith.

14.13 Official quotation of Troy Shares

- (a) Troy is admitted to the official list of ASX. Shares of the same class as those to be issued as consideration under (and subject to the terms of) this Offer have been granted official quotation by ASX.
- (b) An application will be made within 7 days after the start of the bid period to ASX for the granting of official quotation of the Troy Shares to be issued in accordance with and subject to the terms of this Offer. However, official quotation is not granted automatically on application.
- (c) Troy has received conditional approval of the TSX to the listing of the Troy Shares to be issued or made issuable in connection with the Offer or in connection with the exchange of Azimuth Options for Troy Options, Troy Shares or a combination of both.

14.14 Notice on status of Conditions

The date for giving the notice on the status of the Conditions required by section 630(1) of the Corporations Act is 7 June 2013 (subject to extension in accordance with section 630(2) if the Offer Period is extended).

14.15 Withdrawal of this Offer

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Troy will give notice of the withdrawal to ASX and to Azimuth and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the Conditions in Section 14.9 have been freed in accordance with Section 14.12, all contracts arising from acceptance of this Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, it remains subject to one or more of the Conditions in Section 14.9, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant Conditions have occurred).
- (d) A withdrawal pursuant to this Section 14.15 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied or waived.

14.16 Variation of this Offer

Troy may vary this Offer in accordance with the Corporations Act.

14.17 No stamp duty or brokerage

- (a) Troy will pay any stamp duty on the transfer of Your Azimuth Shares to it pursuant to this Offer.
- (b) As long as Your Azimuth Shares are registered in your name and transferred to Troy in accordance with the terms of this Offer, you will not incur any brokerage in connection with your acceptance of this Offer.

14.18 Governing laws

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Western Australia.

15. Definitions and interpretation

15.1 Definitions

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below:

Term	Meaning
A\$	means Australian dollars, the currency of the Commonwealth of Australia.
Acceptance Form	means the acceptance form accompanying this Bidder's Statement.
Announcement Date	means the date on which the Offer was announced, being 28 March 2013.
Applications	means applications for tenements under the Mining Acts set out in schedule 4 of the TBID.
ASIC	means the Australian Securities and Investments Commission.
Associate	has the meaning it has in section 12 of the Corporations Act as if subsection (1) of that section included a reference to the TBID.
ASX Settlement	means ASX Settlement Pty Limited ABN 49 008 504 532.
ASX Settlement Operating Rules	means the operating rules of ASX Settlement which govern the administration of the CHES.
ASX	means ASX Limited ABN 98 008 624 691 and where the context permits, the Australian Securities Exchange operated by ASX Limited.
Au	means Gold.
Australian GST	means goods and services tax imposed under the GST Law (as defined in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth)).
Azimuth	means Azimuth Resources Limited ABN 87 089 531 082.
Azimuth Board	means the board of directors of Azimuth.
Azimuth CEO	means Azimuth's Chief Executive Officer, Mr Russell Clark.
Azimuth Director	means a director of Azimuth.
Azimuth Group	means Azimuth and its subsidiaries (as defined in the Corporations Act).

Azimuth Material Adverse Change

means during the Exclusivity Period:

- (a) no event, change, condition, matter or thing occurs which has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Azimuth Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or
- (b) no event, matter or thing, as described in sub-paragraph (i), which occurred before 28 March 2013 (Perth time) (being the date of the TBID) but was not apparent from publicly available information before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Azimuth Group exceeds A\$10 million, other than any such event, change, condition, matter or thing:

- (c) required to be done or procured by Azimuth pursuant to the TBID;
- (d) relating to changes affecting the global gold industry or security markets generally or a change in the market price of gold which impacts on Azimuth and its competitors in a similar manner;
- (e) that is an actual event, matter or thing which is known to Troy prior to 28 March 2013 (which does not include knowledge of the risk of an event, occurrence or matter happening);
- (f) directly resulting from any actions taken (or omitted to be taken) upon the request of Troy; or
- (g) any change in taxation rates or the law relating to taxation or accounting policy which impacts on Azimuth and its competitors in a similar manner.

Without limitation to any other part of this Condition:

- (h) a creditor lawfully demanding repayment of a debt of A\$2 million or more will have the effect referred to in sub-paragraph (i);
- (i) the following events will have the effect referred to in sub-paragraph (i) where they have a financial impact on the Azimuth Group of more than A\$10 million:
 - (i) a person exercises rights under a deed, arrangement or understanding to which any member of the Azimuth Group is a party where that exercise has, will have or is reasonably likely to have the effect of accelerating or adversely modifying the performance of any of the obligations of the relevant Azimuth Group member under the deed, arrangement or understanding;
 - (ii) an outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster or a material increase in the intensity of any such event existing as at 28 March 2013 which has a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Azimuth Group taken as a whole; and
 - (iii) a Governmental Agency or other body withdraws, revokes, cancels or suspends an approval, consent, licence or permit granted to or held by the Azimuth Group (or expresses an intention to do any of these things).

Azimuth Optionholder

means a holder of Azimuth Options as at the Register Date.

Azimuth Options

means an option to acquire an Azimuth Share.

Azimuth Prescribed Occurrence

means the occurrence of any of the following where that occurrence was not consented to by Troy or is not the result of Azimuth taking or procuring any action required to be taken or procured by it under the TBID:

- (a) Azimuth converting all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (b) a member of the Azimuth Group resolving to reduce its share capital in any way;
- (c) a member of the Azimuth Group entering into a buy-back agreement or resolving to approve the terms of such an agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) a member of the Azimuth Group making an issue of its shares (other than pursuant to the exercise of any Azimuth Options existing at the date of the TBID or other than as provided for under the Convertible Note or Item 3 of Schedule 3 of the TBID) or granting an option over its shares or agreeing to make such an issue or grant such an option;
- (e) a member of the Azimuth Group issuing, or agreeing to issue, convertible notes other than the Convertible Note;
- (f) a member of the Azimuth Group disposes, or agrees to dispose, of the whole or a substantial part of its business or property;
- (g) a member of the Azimuth Group resolving that it be wound up;
- (h) the appointment of a liquidator or provisional liquidator of a member of the Azimuth Group;
- (i) the making of an order by a court for the winding up of a member of the Azimuth Group;
- (j) an administrator of a member of the Azimuth Group being appointed under section 436A, 436B or 436C of the Corporations Act;
- (k) a member of the Azimuth Group executing a deed of company arrangement;
- (l) the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of a member of the Azimuth Group;
- (m) a member of the Azimuth Group agrees to pay, declares or pays a dividend or any other form of distribution of profit or capital, other than the declaration and payment by any Subsidiary of Azimuth of a dividend where the recipient of that dividend, is Azimuth or a wholly-owned Subsidiary of Azimuth;
- (n) Azimuth makes any change to its constitution;
- (o) a member of the Azimuth Group disposes of, or agrees to dispose of, or creates or agrees to create an equity interest in respect of:
- (p) any assets (including, without limitation, under any off-take or similar deed), properties or businesses, whether in one transaction or a number of such transactions, where the amount or value involved in such transaction or transactions exceeds A\$2 million in aggregate; or
- (q) any mining license or tenement (including the Applications and Tenements);
- (r) a member of the Azimuth Group creates, or agrees to create, any encumbrance over its business or any part of its property other than in the ordinary course of its business;
- (s) a member of the Azimuth Group incurs any financial indebtedness or issues any debt securities, other than:
 - (i) in the ordinary course of business; or

Azimuth Prescribed Occurrence	<ul style="list-style-type: none"> (ii) pursuant to advances under its credit facilities in existence as at the date of the TBID (including the Convertible Note) where the funds drawn pursuant to those advances are used in the ordinary course of business; (t) a member of the Azimuth Group ceases, or threatens to cease, to carry on business; (u) a member of the Azimuth Group is deregistered as a company or otherwise dissolved; (v) (v) a member of the Azimuth Group entering into any arrangement, commitment or deed with a related party (as that term is defined in section 228 of the Corporations Act), other than in the ordinary course of business; (w) (w) any member of the Azimuth Group: <ul style="list-style-type: none"> (i) increases the remuneration of, pays any bonus (other than in accordance with existing contractual entitlements as at the date of the TBID) to or otherwise varies the employment arrangements of any Azimuth director or any employee of the Azimuth Group whose total employment cost exceeds A\$200,000 (collectively, Relevant Azimuth Employees); (ii) issues any securities, options or performance rights to any of the employees of the Azimuth Group, or accelerates the rights of any such employee to compensation or benefits of any kind (including, without limitation, under any executive or employee share or option plan and including, without limitation, by vesting any outstanding performance rights); (iii) pays any of the Relevant Azimuth Employees termination or retention payments (otherwise than in accordance with contractual entitlements existing at the date of the TBID which were disclosed to Troy prior to the date of the TBID); or (iv) enters into, amends or terminates any Material Contract that are material to the conduct of the businesses of the Azimuth Group.
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Azimuth Shareholder	means a holder of Azimuth Shares as at the Register Date.
Azimuth Shares	means fully paid ordinary shares in the capital of Azimuth.
Bidder's Statement	means this document, being the statement of Troy under Part 6.5 Division 2 of the Corporations Act relating to the Offer.
Business Day	means Monday to Friday inclusive except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day or which TSX declares is a 'stock market holiday'.
C\$	means Canadian dollars, the currency of Canada.
Canadian branch register	means Azimuth's share register maintained by Computershare Trust Company of Canada at its offices in Toronto, Canada and Vancouver, Canada.
Canadian Depository	Computershare Investor Services Inc.
Canadian Holders	means Azimuth Shareholders who acquire Troy Shares pursuant to the Offer and who, for the purposes of the Canadian Tax Act and at all relevant times, hold the Azimuth Shares, and will hold the Troy Shares acquired pursuant to the Offer, as capital property, deal at arm's length, and are not affiliated, with Azimuth or Troy, and are resident or deemed resident in Canada.

Canadian Tax Act	means the Income Tax Act (Canada).
Canadian Tax Proposals	means specific proposals to amend the Tax Act and Canadian Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Bidder's Statement.
Canadian Regulations	means the regulations under the Tax Act.
CRA	means Canada Revenue Agency.
CDS	means CDS Clearing and Depository Services Inc., the settlement and depository organisation for settling trades in shares on TSX.
CDSX	means CDS online tendering system.
CGT	means capital gains tax.
CHESS	means the Clearing House Electronic Subregister System operated in accordance with the Corporations Act.
CHESS Holding	means a number of Azimuth Shares which are registered on the Azimuth Share register being a register administered by the ASX Settlement and which records uncertificated holdings of shares.
Combined Group	means the Troy Group, following the successful acquisition of a relevant interest in all or a majority of the Azimuth Shares.
Competing Transaction	<p>means any expression of interest, proposal, offer or transaction, which if completed, would mean a person (other than Troy or one of its Related Bodies Corporate) would:</p> <ul style="list-style-type: none"> (a) directly or indirectly, acquire an interest in, a relevant interest in, become the holder of, or enter into a cash settled equity swap or other synthetic, economic or derivative transaction connected with or relating to: <ul style="list-style-type: none"> (i) more than 10% of the Azimuth Shares or more than 10% of the shares in any of Azimuth's Subsidiaries; or (ii) the whole or a material part of the business or property of Azimuth or any of its Subsidiaries; (b) acquire control of Azimuth, within the meaning of section 50AA of the Corporations Act; (c) otherwise acquire or merge (including by a scheme of arrangement, capital reduction, sale of assets, strategic alliance, joint venture, partnership, reverse takeover bid or dual listed company structure) with Azimuth; or (d) result in the Bid not being able to be implemented on the basis set out in the TBID.
Conditions	means the conditions of the Offer as set out in Section 14.9 of this Bidder's Statement.
Controlling Participant	in relation to Your Azimuth Shares, has the same meaning as in the ASX Settlement Operating Rules.
Convertible Note	means the convertible notes issued under the Convertible Note Deed.
Convertible Note Deed	means the Convertible Note Deed Poll between Troy and Azimuth dated on or about 28 March 2013.
Corporations Act	means the Corporations Act 2001 (Cth - Australia).

Counter Proposal	means a proposal to amend the terms of the Offer (including, but not limited to, increasing the amount of consideration offered) or proposing any other form of transaction.
Encumbrance	means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential right or trust arrangement, claim or any other security arrangement or any other arrangement having the same effect.
End Date	means the earlier of: <ul style="list-style-type: none"> (a) the date on which the Offer Period ends; and (b) 28 September 2013, or such other date as Azimuth and Troy agree in writing.
EPS	means earnings per Share.
Exclusivity Period	means the period commencing on the date of the TBID and ending on the first to occur of: <ul style="list-style-type: none"> (a) termination of the TBID; and (b) the End Date.
Foreign Shareholder	means a Azimuth Shareholder: <ul style="list-style-type: none"> (a) who is (or is acting on behalf of) a citizen or resident of a jurisdiction other than residents of Australia and its external territories, New Zealand or Canada; or (b) whose address shown in the Register is a place outside Australia and its external territories, New Zealand or Canada, or who is acting on behalf of such a person, unless Troy determines that: <ul style="list-style-type: none"> (c) it is lawful and not unduly onerous or unduly impracticable to issue that Azimuth Shareholder with Troy Shares on completion of the Offer; and (d) it is lawful for that Azimuth Shareholder to participate in the Offer by the law of the relevant place outside Australia and its external territories, New Zealand or Canada.
FY	financial year.
g/t	means grams per tonne.
Governmental Agency	means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local whether in Australia, Argentina, Brazil, Guyana or elsewhere, including (without limitation) any self-regulatory organisation established under a statute or otherwise discharging substantially public or regulatory functions, and in particular, ASX, TSX and ASIC.
GST	goods and services tax.
Holder Identification Number or HIN	has the same meaning as in the ASX Settlement Operating Rules.
IFRS	means International Financial Reporting Standards.
Inferred Mineral Resource	has the meaning given to that term pursuant to the JORC Code and NI 43-101.

Interested Person	means any of the following: <ul style="list-style-type: none"> (a) director or proposed director of Troy; (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; (c) promoter of Troy; or (d) underwriter to the issue of Troy Shares or financial services licensee named in this Bidder's Statement as being involved in the issue of Troy Shares.
Issuer Sponsored Holdings	means a holding of Azimuth Shares on Azimuth's issuer sponsored subregister.
JORC	means Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.
JORC Code	means 2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves prepared by JORC.
km	means kilometres.
km²	means square kilometres.
Listing Rules	means the official listing rules of ASX, as amended and waived by ASX from time to time.
m	means metres.
Mining Acts	means the Mining Act No. 20 of 1989 and the Mining Regulations made under the (old) Mining Act, chapter 65:01, Laws of Guyana, the Brazilian Mining Code and/or the Código de Minería (t.o. 1997 por Decreto N° 456. con modificaciones de la Ley N° 25.225) as amended and Argentine Mining Code (as amended and approved by the Argentine Congress on 21 May 1997).
Material Contract	means: <ul style="list-style-type: none"> (a) Executive Services Agreement dated 29 January 2013 between Azimuth and Russell Clark; (b) Engagement Letter dated 9 January 2013 between Standard Chartered Bank and Azimuth; (c) Exploration and Mining Agreement dated 26 November 2011 between Azeem Baksha and in his capacity as the duly contributed attorney of Deoraj Singh and Azeem Baksh (Jnr) and Pharsalus Gold Inc.; (d) Option Deed 12 Prospecting Permits Potaro Mining District Number 2 Region 10 – Upper Demerara Berbice dated 26 June 2012 between Persaud & Associates Trust Inc. and Deonarine Sookram; (e) S-25 PL Area Property Option Agreement dated 7 October 2011 between Deonarine Sookram and Pharsalus Gold Inc.; (f) Option Deed 3 Prospecting Permits at Nine Mile Mazaruni Mining District No 3 dated 21 June 2012 between Persaud & Associates Trust Inc., and Simona Broomes; (g) Agreement of Sale and Purchase dated 11 June 2007 between George Hicks Mining Company Limited, Kaburi Development Company Limited and Pharsalus Gold Inc.; (h) Heads of Agreement dated 21 September 2007 between Pharsalus Gold Inc., Patrick Harding and Perial Limited; (i) West Kaburi Agreement dated 8 May 2008 between Pharsalus Gold Inc., Patrick Harding, West Kaburi Mining Company Inc., and Perial Limited;

Material Contract

- (j) Exploration and Mining Agreement dated 26 July 2010 between Leslie Smart and Pharsalus Gold Inc;
- (k) Exploration and Mining Agreement dated 31 August 2007 between Pharsalus Gold Inc. and Shreemattie Budhram;
- (l) Deed of Assignment dated 8 May 2008 between Pharsalus Gold Inc., and Dominic O'Sullivan individually and as duly constituted attorney of Shreemattie Budhram;
- (m) Exploration and Mining Agreement dated 11 July 2002 between Dominic O'Sullivan and Shreemattie Budhram;
- (n) Exploration and Mining Agreement dated 8 May 2008 between Pharsalus Gold Inc and Shreemattie Budhram;
- (o) Exploration and Mining Agreement dated 1 March 2011 between Pharsalus Gold Inc and Marlon Trotz;
- (p) Mineral Option Agreement dated 5 September 2012 between Pereira Mining Company Limited, Golden Eruption Resources (Guyana) Inc., Romeo Pereira, Julio Pereira, Ryan Pereira, Pharsalus Gold Inc., Azimuth and Persaud and Associates Trust Inc;
- (q) Exploration Agreement with Option to Purchase dated 6 July 2011 between Orin Lewis and Pharsalus Gold Inc;
- (r) Exploration and Mining Agreement dated 8 April 2011 between Orin Lewis and Pharsalus Gold Inc;
- (s) Property Option Agreement dated 8 April 2011 between Orin Lewis, Brian Chase and Marlon Trotz and Pharsalus Gold Inc;
- (t) Exploration and Mining Agreement dated 7 September 2011 between Sanjaya O. Jones and Cannon Newton and Pharsalus Gold Inc;
- (u) Property Option Agreement dated 30 September 2011 between Wayne A. Heber and Pharsalus Gold Inc;
- (v) Exploration and Mining Agreement dated 1 March 2011 between Victor Daniels, Jason Adams and Carl Adams and Pharsalus Gold Inc;
- (w) Exploration Agreement with Option to Purchase dated 25 July 2011 between Rodwell Chilcott and Pharsalus Gold Inc;
- (x) Exploration and Mining Agreement dated 8 April 2011 between Brian Chase and Pharsalus Gold Inc;
- (y) Exploration Agreement with Option to Purchase dated 6 July 2011 between Brian Chase and Pharsalus Gold Inc;
- (z) Exploration and Mining Agreement dated 23 June 2010 between Azeem Baksh and Pharsalus Gold Inc;
- (aa) Exploration and Mining Agreement dated 28 October 2011 between Deleep Singh and Pharsalus Gold Inc;
- (ab) Drilling services agreement (undated and unsigned) between Azimuth Resources Limited as the parent of Pharsalus Gold Inc and Drilllex Inc Guyana;
- (ac) drilling contract dated 28 August 2012 between Orbit Garant Drilling Services Inc. and Pharsalus Gold Inc;
- (ad) drilling contract dated 11 November 2011 between Orbit Garant Drilling Services Inc. and Pharsalus Gold Inc;
- (ae) addendum dated 11 January 2012 to the agreement dated 5 July 2011 between Orbit Garant Drilling Services Inc. and Pharsalus Gold Inc;
- (af) signature page dated 10 November 2011 signed by Pharsalus Gold Inc. (counter party is Garant Drilling Services Inc.);

Material Contract	<p>(ag) a signature dated 7 November 2011 signed by Pharsalus Gold Inc. (counter party is Garant Drilling Services Inc.);</p> <p>(ah) Conditional Funding Agreement dated 21 May 2012 between Azimuth and Pharsalus Inc;</p> <p>(ai) Conditional Funding Agreement dated 30 April 2012 between Azimuth and Pharsalus Gold Inc;</p> <p>(aj) Agreement of Sale and Purchase dated 15 May 2012 between Nelson David and Persaud & Associates Trust Inc; and</p> <p>(ak) Option Deed dated 19 June 2012 between Persaud & Associates Trust Inc. and Donne Charles; or</p> <p>(al) any other contract having a value in excess of A\$5 million.</p>
Mineral Reserve	has the meaning given to that term pursuant to NI 43-101.
Mineral Resource	has the meaning given to that term pursuant to the JORC Code and NI 43-101.
NI 43-101	means Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects.
Nominee	means Macquarie Securities (Australia) Limited being the nominee for the purposes of selling the Troy Shares that Foreign Shareholders would have been entitled but for Section 14.2(b), an application has been made to ASIC for approval of the appointment.
Offer	means the offer for Azimuth Shares under the terms and conditions contained in Section 14 of this Bidder's Statement.
Offer Consideration	means the consideration which Azimuth Shareholders will receive if the Offer becomes or is declared unconditional.
Offer Period	means the period during which the Offer will remain open for acceptance in accordance with Section 14.3 of this Bidder's Statement.
Ore Reserve	has the meaning given to that term pursuant to the JORC Code.
Participant	means an entity admitted to participate in the CHESSE under the ASX Settlement Operating Rules.
Recommending Directors	means Michael Hunt, Richard Monti, Dean Felton and Sean Harvey.
Register Date	means the date set by Troy under section 633(2) of the Corporations Act, being 9 May 2013.
Related Body Corporate	has the meaning it has in the Corporations Act.
Relevant Interest	has the meaning it has in the Corporations Act.
Rights	means all accreditations, rights or benefits of whatever kind attaching or arising from Azimuth Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends or other distributions and all rights to receive them or rights to receive or subscribe for shares, Azimuth Options, bonds, options or other securities declared, paid or issued by Azimuth or any of its subsidiaries).
RRIF	means a "registered retirement income fund" (as defined under the Canadian Tax Act).
RRSP	means a "registered retirement savings plan" (as defined under the Canadian Tax Act).
Section	means a section of this Bidder's Statement.
SRN	has the same meaning as in the ASX Settlement Operating Rules.
Subsidiary	has the meaning it has in the Corporations Act.

Superior Proposal	<p>means a publicly announced transaction or proposed transaction which, if completed substantially in accordance with its terms, would mean a person (other than Troy or one of its Related Bodies Corporate) would become the holder of:</p> <ul style="list-style-type: none"> (a) more than 50% of the Azimuth Shares; or (b) the whole or substantially the whole of the business, assets and undertakings of the Azimuth Group, <p>provided that a majority of the Recommending Directors determine, acting in good faith after receipt of advice from Azimuth's financial and legal advisers and in order to satisfy what the Recommending Directors consider to be their fiduciary and statutory duties, that the transaction or proposed transaction is capable of being valued and completed, taking into account all aspects of the transaction or proposed transaction (including its conditions precedent and the person or persons making it) and is superior overall for Azimuth Shareholders as compared to the Offer.</p>
Takeover Transferee Holding	has the same meaning as in the ASX Settlement Operating Rules.
Target's Statement	means the target's statement prepared by Azimuth in relation to the Offer.
TBID	means the Takeover Bid Implementation Deed dated 28 March 2013 entered into between Azimuth and Troy and announced by news release issued in Canada and filed on SEDAR and announced to ASX on 27 and 28 March 2013 respectively, as summarised in Section 13.1.
Tenements	means the tenements (granted under the Mining Act) which are identified in schedule 4 of the TBID and any tenement applied for or granted in renewal or extension of, or in substitution for, any such tenement (excluding the Applications but including any tenements granted pursuant to the Applications).
TFSA	means a "tax-free savings account" (as defined under the Canadian Tax Act).
Troy Applications	means the applications for tenements under the Mining Acts, as specified in Schedule 6 of the TBID.
Troy Board	means the board of directors of Troy.
Troy Director	means a director of Troy.
Troy Group	means Troy and its subsidiaries (as defined in the Corporations Act).
Troy Option	means an option to acquire a Troy Share.
Troy Material Adverse Change	<p>means, during the Exclusivity Period:</p> <ul style="list-style-type: none"> (a) no event, change, condition, matter or thing occurs which has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Troy Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or (b) no event, matter or thing, as described in sub-paragraph (a), which occurred before the date of the TBID but was not apparent from publicly available information before then, becomes public, <p>where the financial impact of such event, change, condition, matter or thing on the Troy Group exceeds A\$20 million, other than any such event, change, condition, matter or thing:</p> <ul style="list-style-type: none"> (c) required to be done or procured by Troy pursuant to the TBID; (d) relating to changes affecting the global gold industry or security markets generally or a change in the market price of gold which impacts on Troy and its competitors in a similar manner; (e) that is an actual event, matter or thing which is known to Azimuth prior to the date of the TBID (which does not include knowledge of the risk of an

Troy Material Adverse Change

event, occurrence or matter happening);

- (f) directly resulting from any actions taken (or omitted to be taken) upon the request of Azimuth; or
- (g) any change in taxation rates or the law relating to taxation or accounting policy which impacts on Troy and its competitors in a similar manner.

Without limitation to any other part of this condition:

- (h) a creditor lawfully demanding repayment of a debt of A\$2 million or more will have the effect referred to in sub-paragraph (a);
- (i) the following events will have the effect referred to in sub-paragraph (a) where they have a financial impact on the Troy Group of more than A\$20 million:
 - (i) a person exercises rights under a deed, arrangement or understanding to which any member of the Troy Group is a party where that exercise has, will have or is reasonably likely to have the effect of accelerating or adversely modifying the performance of any of the obligations of the relevant Troy Group member under the deed, arrangement or understanding;
 - (ii) an outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster or a material increase in the intensity of any such event existing as at the date of the TBID which has a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Troy Group taken as a whole; and
 - (iii) a Governmental Agency or other body withdraws, revokes, cancels or suspends a material approval, consent, licence or permit granted to or held by the Troy Group (or expresses an intention to do any of these things).

Troy Material Contract

means a contract having a value in excess of A\$5 million.

Troy Prescribed Occurrence

means the occurrence of any of the following where that occurrence was not consented to by the Azimuth or is not the result of the Troy taking or procuring any action required to be taken or procured by it under the TBID:

- (a) the Troy converting all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (b) a member of the Troy Group resolving to reduce its share capital in any way;
- (c) a member of the Troy Group entering into a buy-back agreement or resolving to approve the terms of such an agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) a member of the Troy Group making an issue of securities (other than pursuant to the exercise of any Troy Options existing at the date of the TBID) or granting an option over its shares or agreeing to make such an issue or grant such an option, in excess of its available capacity (without shareholder approval) under ASX Listing Rule 7, or within that capacity but without prior consultation with Azimuth;
- (e) a member of the Troy Group making an issue of convertible notes or agreeing to make such an issue, in excess of its available capacity (without shareholder approval) under ASX Listing Rule 7, or within that capacity but without prior consultation with Azimuth;
- (f) a member of the Troy Group disposes, or agrees to dispose, of the whole or a substantial part of its business or property;
- (g) a member of the Troy Group resolving that it be wound up;

Troy Prescribed Occurrence

- (h) the appointment of a liquidator or provisional liquidator of a member of the Troy Group;
- (i) the making of an order by a court for the winding up of a member of the Troy Group;
- (j) an administrator of a member of the Troy Group being appointed under section 436A, 436B or 436C of the Corporations Act;
- (k) a member of the Troy Group executing a deed of company arrangement;
- (l) the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of a member of the Troy Group;
- (m) a member of the Troy Group agrees to pay, declares or pays a dividend or any other form of distribution of profit or capital, other than the declaration and payment by any Subsidiary of Troy of a dividend where the recipient of that dividend, is Troy or a wholly-owned Subsidiary of Troy;
- (n) Troy makes any change to its constitution;
- (o) a member of the Troy Group disposes of, or agrees to dispose of, or creates or agrees to create an equity interest in respect of:
 - (i) any assets (including, without limitation, under any off-take or similar deed), properties or businesses, whether in one transaction or a number of such transactions, where the amount or value involved in such transaction or transactions exceeds A\$2 million in aggregate; or
 - (ii) any mining license or tenement (including the Troy Applications and Troy Tenements);
- (p) a member of the Troy Group creates, or agrees to create, any encumbrance over its business or any part of its property other than in the ordinary course of its business;
- (q) a member of the Troy Group incurs any financial indebtedness or issues any debt securities, other than pursuant to advances under any facility either in existence before the date of the TBID, or the subject of negotiations before the date of the TBID which have been disclosed to Azimuth;
- (r) a member of the Troy Group ceases, or threatens to cease, to carry on business;
- (s) a member of the Troy Group is deregistered as a company or otherwise dissolved;
- (t) a member of the Troy Group entering into any arrangement, commitment or deed with a related party (as that term is defined in section 228 of the Corporations Act), other than in the ordinary course of business;
- (u) any member of the Troy Group:
 - (i) increases the remuneration of, pays any bonus (other than in accordance with existing contractual entitlements as at the date of the TBID) to or otherwise varies the employment arrangements of any Troy director or any employee of the Troy Group whose total employment cost exceeds A\$200,000 (collectively, Relevant Troy Employees);
 - (ii) issues any securities, options or performance rights to any of the employees of the Troy Group, or accelerates the rights of any such employee to compensation or benefits of any kind (including, without limitation, under any executive or employee share or option plan and including, without limitation, by vesting any outstanding performance rights);
 - (iii) pays any of the Relevant Troy Employees termination or retention payments (otherwise than in accordance with

Troy Prescribed Occurrence	contractual entitlements existing at the date of the TBID which were disclosed to Azimuth prior to the date of the TBID); or (iv) enters into, amends or terminates any Troy Material Contract.
Troy Tenements	means the tenements (granted under the Mining Acts) which are identified in Schedule 6 of the TBID and any tenement applied for or granted in renewal or extension of, or in substitution for, any such tenement (excluding the Troy Applications but including any tenements granted pursuant to the Troy Applications).
Troy Shares	means fully paid ordinary shares in the capital of Troy.
Troy Shareholder	means any holder of Troy Shares.
TSX	means the Toronto Stock Exchange.
US	means the United States of America.
US\$	means United States dollars, the currency of the United States of America.
VWAP	means volume weighted average price.
Your Azimuth Shares	means subject to Section 14.1 of this Bidder's Statement, the Azimuth Shares (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Azimuth at the Register Date, or (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

15.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires:

- (i) a reference to currency is a reference to A\$;
- (ii) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (iii) words importing a gender include any gender;
- (iv) words importing the singular include the plural and vice versa;
- (v) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (vi) a reference to a Section, attachment and schedule is a reference to a Section of and an attachment and schedule to this Bidder's Statement as relevant;
- (vii) a reference to any statute, regulation, proclamation, ordinance or by law includes all statutes, regulations, proclamations, ordinances, or by laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (viii) headings and bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (ix) a reference to time is a reference to time in Perth, Australia;
- (x) a reference to writing includes facsimile transmissions;
- (xi) "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates or examples of a similar kind; and
- (xii) a period of time dating from a day or the day of an act or event, is to be calculated exclusive of that day.

16. Approval of Bidder's Statement

This Bidder's Statement has been approved by a unanimous resolution passed by the directors of Troy.

Signed for and on behalf of
Troy Resources Limited

by

A handwritten signature in black ink, appearing to read 'David Dix', is written above a horizontal line.

Mr David Dix

Director

9 May 2013

17. ASX announcements

Announcement	Date
Update on Progress of Takeover Offer	30 Apr 2013
Appendix 3Y - Change of Director's Interest - Parish	30 Apr 2013
Quarterly Activities Report March 2013	24 Apr 2013
Troy Secures A\$40 Million Funding From Investec	22 Apr 2013
Appendix 3Y – Change of Director's Interest – Parish	11 Apr 2013
TRY Provides A\$10 million Convertible Note Funding to AZH	9 Apr 2013
Appendix 3Y – Change of Director's Interest – Parish	9 Apr 2013
Appendix 3Y – Change of Director's Interest – Parish	4 Apr 2013
Appendix 3Y – Change of Director's Interest – Grimwade	3 Apr 2013
Appendix 3Y – Change of Director's Interest – Parish	3 Apr 2013
Takeover Offer – BRR Webcast	3 Apr 2013
Appendix 3Y - Change of Director's Interest – Dix	2 Apr 2013
Appendix 3Y - Change of Director's Interest – Benson	2 Apr 2013
Media Conference Call Recording	28 Mar 2013
Investor Presentation - Takeover Offer	28 Mar 2013
Takeover Bid Implementation Deed for AZH	28 Mar 2013
AZH: Recommended Takeover Offer of Azimuth by Troy Resources	28 Mar 2013
Trading halt	28 Mar 2013
TRY Completes Sale of Sandstone to Southern Cross Goldfields	27 Mar 2013
SXG Completes Acquisition of Sandstone Gold Project	27 Mar 2013
Casposo Update - BRR Webcast	26 Mar 2013
Casposo Exploration Drilling Update - High Grade Results	25 Mar 2013
Troy Presentation – PDAC Toronto	6 Mar 2013
Troy Resources Half Year 31 December 2012 Financial Results	26 Feb 2013
Half Year Report for the period ended 31 December 2012	26 Feb 2013
Appointment of Company Secretary – Correction	8 Feb 2013
Appointment of Company Secretary	5 Feb 2013
Quarterly Activities Report December 2012	30 Jan 2013
Appendix 3Y – Change of Director's Interest – Parish	10 Dec 2012
SXG Signs Formal Agreement for Sandstone, Receives Finance	10 Dec 2012
Appendix 3Y – Change of Director's Interest - Parish	5 Dec 2012
Appendix 3Y – Change of Director's Interest – Benson	5 Dec 2012
Appendix 3B – Grant of Performance Share Rights	4 Dec 2012
Troy Resources 2012 AGM Results	29 Nov 2012
Troy Resources 2012 AGM CEO's Presentation	29 Nov 2012
Troy Resources 2012AGM Chairman's Address	29 Nov 2012
SXG Update on WA Gold Projects	23 Nov 2012
Response to ASX Query	22 Nov 2012
Appendix 3Y – Change of Director's Interest – Jones	14 Nov 2012
Appendix 3Y – Change of Director's Interest – Jones	14 Nov 2012
Appendix 3Y – Change of Director's Interest – Parish	12 Nov 2012
Appendix 3Y – Change of Director's Interest – Parish	12 Nov 2012
Notice of 2012 Annual General Meeting & Proxy Form	25 Oct 2012
Appendix 3Y – Change of Director's Interest – Parish	24 Oct 2012
Appendix 3Y – Change of Director's Interest - Benson	23 Oct 2012
Quarterly Activities Report September 2012	22 Oct 2012

18. Azimuth Option offer terms

Number	Type of security	Exercise Price	Expiry Date	No. of Troy Options to be offered as consideration	Troy Options to Azimuth Options ratio	Troy Option Exercise Price	Troy Option Expiry Date	No. of Troy Shares to be offered as consideration	Troy Shares to Azimuth Options ratio
175,000	Option	A\$0.10	13/08/2013	30,730	0.1756x	A\$0.569	13/08/2013	22,960	0.1312x
425,000	Option	A\$0.10	13/08/2014	74,630	0.1756x	A\$0.569	13/08/2014	53,295	0.1254x
3,000,000	Option	A\$0.371	30/04/2014	526,800	0.1756x	A\$2.113	30/04/2014	106,800	0.0356x
250,000	Option	A\$0.42	30/05/2014	43,900	0.1756x	A\$2.392	30/05/2014	6,825	0.0273x
900,000	Option	A\$0.70	17/01/2015	158,040	0.1756x	A\$3.986	17/01/2015	8,280	0.0092x
900,000	Option	A\$0.90	17/01/2015	158,040	0.1756x	A\$5.125	17/01/2015	3,510	0.0039x
822,581	Option	A\$0.35	02/08/2015	144,445	0.1756x	A\$1.993	02/08/2015	39,155	0.0476x
4,350,000	Option	A\$0.448	27/11/2015	763,861	0.1756x	A\$2.551	27/11/2015	149,206	0.0343x
2,500,000	Option	A\$0.38	22/01/2016	439,000	0.1756x	A\$2.164	22/01/2016	111,250	0.0445x
2,500,000	Option	A\$0.41	22/01/2016	439,000	0.1756x	A\$2.335	22/01/2016	100,250	0.0401x

Notes

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AZIMUTH
RESOURCES LIMITED
ABN 87 089 531 082

TARGET'S STATEMENT

Troy Resources Limited (ABN 33 006 243 750) is offering to acquire all of your shares in Azimuth Resources Limited (ABN 87 089 531 082).

Troy's offer is 1 new Troy Share for every 5.695 Azimuth Shares you hold.

Azimuth's Directors and CEO recommend that you **ACCEPT** the Offer, in the absence of a Superior Proposal.



FINANCIAL ADVISER TO AZIMUTH RESOURCES LIMITED



LEGAL ADVISER TO AZIMUTH RESOURCES LIMITED

Important notices

Nature of this document

This document is a Target's Statement issued by Azimuth Resources Limited (ABN 87 089 531 082) (**Azimuth** or the **Target**) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover offer for all the Shares in Azimuth made by Troy Resources Limited ABN (33 006 243 750) (**Troy**). Troy is a company incorporated in Australia and dual listed on the Australian Securities Exchange and the Toronto Stock Exchange.

This Target's Statement is dated 9 May 2013 and was lodged with the ASIC and given to ASX on that date according to WST. This Target's Statement has also been filed on SEDAR (at www.sedar.com) under Azimuth's profile. None of ASIC, ASX, TSX or any Canadian securities regulatory authority, nor any of their respective officers take any responsibility for the contents of this Target's Statement.

Key dates

Date of this Target's Statement	9 May 2013
Date of the Offer	13 May 2013
Close of Offer Period (unless extended or withdrawn)	14 June 2013

Offer Information Line

Azimuth and Troy have established an Offer Information Line which Azimuth Shareholders may call if they have any queries in relation to Troy's Offer. The telephone number for the Offer Information Line is 1300 810 584 (for calls made from within Australia) or +61 2 8022 7909 (for calls made from outside Australia) available between 7.00am and 5.00pm (WST) on Business Days. Calls to the Offer Information Line may be recorded.

Further information relating to Troy's Offer can be obtained from Azimuth's website at www.azimuthresources.com.au.

Defined terms

A number of defined terms are used in this Target's Statement. These terms are explained in Section 8.1 of this Target's Statement. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Target's Statement and defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

No account of personal circumstances

This Target's Statement does not take into account your individual objectives, financial situation or particular circumstances. It does not contain personal advice. Your Directors and CEO encourage you to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

Disclaimer as to forward looking statements

Some of the statements appearing in this Target's Statement and Azimuth's Chairman's letter may be in the nature of forward looking statements. Such information is based on assumptions and judgements of management regarding future events and results.

Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. You are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Troy Group, the Azimuth Group to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, inability to complete Troy's Offer, including due to the inability to satisfy the Offer Conditions, changes in market conditions, future prices of gold and silver, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure, the possibility of

cost overruns, as well as those factors disclosed in Azimuth and Troy's filed documents. There can be no assurance that Troy's Offer or either Azimuth or Troy's plans will proceed as planned or that they will be successfully completed within expected time limits and budgets or that, when completed, expected production levels will be achieved.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Azimuth believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

None of Azimuth, Azimuth's officers and employees, any persons named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law.

Azimuth does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws. You are cautioned not to place undue reliance on any forward looking statement.

The forward looking statements in this Target's Statement and Azimuth's Chairman's letter reflect views held only as at the date of this Target's Statement.

Disclaimer as to information on Troy

The information on Troy's securities contained in this Target's Statement and Azimuth's Chairman's letter has been prepared by Azimuth using publicly available information. The information in the Target's Statement concerning Troy and the Troy Group assets and liabilities, financial position and performance, profits and losses and prospects, has not been independently verified by Azimuth. Accordingly Azimuth does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Information of a scientific or technical nature which relates to Troy exploration results, mineral resources or ore reserves was prepared under the supervision of Peter J. Doyle, Vice President Exploration and Business Development of Troy, a "qualified person" under National Instrument 43-101 – "Standards of Disclosure for Mineral Projects" and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Doyle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a "competent person" as defined under the JORC Code as per the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Doyle has reviewed and approved the information contained in this Target's Statement concerning Troy's exploration results, mineral resources or ore reserves. Mr Doyle:

- Is a full time employee of Troy.
- Has consented in writing to the inclusion in the Target's Statement of the matters based on his information in the form and context in which it appears.

Further information in relation to Troy and Troy Group's business is included in the Bidder's Statement a copy of which accompanies this Target's Statement and is also available from the website of the ASX at www.asx.com.au or on SEDAR at www.sedar.com.

Cautionary note to Canadian Shareholders

This Target's Statement and the Bidder's Statement have not been prepared in accordance with Canadian securities laws. Azimuth and Troy are relying on an exemption from Canadian securities laws with respect to the Bid. This Target's Statement and the Bidder's Statement have been prepared in accordance with Australian law and practice with respect to such documents, which differ significantly from Canadian law and practice.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia, Canada and New Zealand may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian and New Zealand law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside of Australia and New Zealand.

Maps and diagrams

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date of this Target's Statement.

Privacy

Azimuth has collected your information from the Azimuth register of Azimuth Shareholders and Azimuth Option holders for the purpose of providing you with this Target's Statement. The type of information Azimuth has collected about you includes your name, contact details and information on your shareholding or option holding (as applicable) in Azimuth. Without this information, Azimuth would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Azimuth Shareholders and Azimuth Option holders to be held in a public register. Your information may be disclosed on a confidential basis to Azimuth's Related Bodies Corporate and external service providers (such as Azimuth's share registry, Computershare Investor Services Pty Limited (in Australia) and Computershare Investor Services Inc. (in Canada), and print and mail service providers) and may be required to be disclosed to regulators, such as the Australian Securities and Investments Commission. If you would like details of information about you held by Azimuth, please contact the Offer Information Line.

Azimuth's JORC Code and NI 43-101 reporting

The exploration results concerning Azimuth's projects described in this Target's Statement are based on information compiled by Mr Richard Monti who is a member of the Australasian Institute of Mining and Metallurgy. Mr Monti is a Director of Azimuth. Mr Monti 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' and a qualified person as defined in NI 43-101. Mr Monti consents to the inclusion in this Target's Statement of such information and approves such information in the form and context in which it appears.

Information that relates to Mineral Resources at the West Omai Project is based on a resource estimate that has been audited by Mr Aaron Green, who is a full time employee of RungePincockMinarco Limited. Mr Green is a Member of the Australian Institute of Geoscientists (MAIG) 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' and as a qualified person as defined in NI 43-101. Mr Green has more than 5 years' experience in the field of Exploration Results and of resource estimation in general. Mr Green consents to the inclusion of the mineral resource estimate information in the form and context in which it appears.

1. Recommendation and reasons to accept the Offer

1.1 Directors' and CEO's recommendation

Your Directors and CEO unanimously recommend that, in the absence of a Superior Proposal, you ACCEPT the Offer for your Azimuth Shares.

In making this recommendation, your Directors and CEO have carefully considered the merits of the Offer and weighed up the factors for and against acceptance.

In considering whether you should accept the Offer, your Directors and the CEO encourage you to:

- (a) read the whole of this Target's Statement and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- (c) carefully consider Sections 3 and 4 of this Target's Statement, including the summary of key risks and potential disadvantages to Azimuth Shareholders;
- (d) consider the choices available to you as outlined in Section 5 of this Target's Statement;
- (e) obtain personal advice from your broker, financial adviser, accountant, lawyer or other professional adviser on the effect of accepting the Offer; and
- (f) consider the future prospects of Azimuth and Troy as a merged entity compared to the future prospects of Azimuth as a standalone entity.

1.2 Directors' and CEO's intentions

Each of the Azimuth Directors and CEO will ACCEPT, or procure the acceptance of the Offer in respect to the Azimuth Shares they hold or control, no later than five Business Days after the dispatch of the Bidder's Statement, in the absence of a Superior Proposal.

Separately from the Offer, the Directors and CEO also intend to accept the private treaty arrangements proposed by Troy to acquire or cancel the Azimuth Options they hold or control in exchange for Cancellation Consideration (as defined in Section 6.16 of this Target's Statement), subject to any Superior Proposal and the conditions described in Section 6.16 of this Target's Statement.

1.3 Reasons to ACCEPT the Offer

(a) Significant premium for your Shares

Based on the ASX pre-announcement closing Troy Share price on 27 March 2013, the Offer values each Azimuth Share at A\$0.437. As at 3 May 2013 (being the last practicable date for printing prior to issue of this Target's Statement), the Offer values each Azimuth Share at A\$0.313, valuing Azimuth at approximately A\$135 million.

As outlined in Figure 1 below, the Offer represents an attractive premium of between 54% and 91% over selected market trading prices of Azimuth prior to the announcement of the Offer on 28 March 2013 (Announcement Date):

Figure 1: Implied Offer premiums to selected Azimuth trading prices on ASX prior to the Announcement Date.



As permitted by ASIC Class Order 07/429, this figure contains ASX share price trading information sourced from Bloomberg without its consent.

(b) Azimuth Shareholders will retain a substantial stake of approximately 45% in a South American focused gold and silver producer

On completion of the Offer, Azimuth Shareholders will hold approximately 45% of the combined group meaning you will retain significant exposure to the upside potential of Azimuth's current asset portfolio (and downside potential).

In addition, Azimuth Shareholders will gain exposure to Troy's existing assets including the producing Casposo and Andorinhas mines in Argentina and Brazil respectively. Your Directors believe that, post completion of the Offer, Azimuth Shareholders will upon acquiring Troy Shares, be part of an ASX and TSX listed focused gold producer with the following attributes:

- (i) approximate gold equivalent ore reserves containing 0.64 million ounces, measured and indicated gold equivalent mineral resources of 0.76 million ounces (such mineral resources are inclusive of the ore reserves) and gold equivalent inferred mineral resources of 1.92 million ounces, all defined in accordance with the JORC Code and NI 43-101;
- (ii) a diversified asset portfolio with production from two operating mines;
- (iii) significant exploration potential across Azimuth's and Troy's combined asset portfolio;
- (iv) a board and management team with a track record of successful exploration, cost effective development and profitable operations in South America and Australia, and with development and operational skill sets Azimuth's Board and management do not currently have;
- (v) balance sheet strength and operational cash flow to assist in funding the continued development of the West Omai Project and additional greenfields expenditure; and
- (vi) increased scale, market relevance and trading liquidity.

(c) Troy has a proven track record of successful low-cost mine development in South America

Troy has stated that it is committed to accelerating the development path of Azimuth's West Omai Project and will work with Azimuth during the Offer Period to progress key engineering studies and in-fill drilling required to advance its development. In addition, Troy is also committed to continuing greenfields exploration on Azimuth's highly prospective tenement package in Guyana.

Further details on Troy's intentions for Azimuth are set out in section 8 of the Bidder's Statement. Azimuth Shareholders will not only retain exposure to the Azimuth asset portfolio but will also participate in any value uplift associated with Troy's Casposo and Andorinhas operations.

Importantly, your Directors believe that Troy has demonstrated a proven track record of successful, fast-track mine development and low-cost operations in South America. Troy has successfully developed 4 mines since its inception, 3 of which were developed in South America, as outlined below:

- (i) **Casposo, Argentina** – acquired in 2009 and in production since March 2011 with total gold equivalent production to 31 March 2013 of 184,348 ounces (comprising 143,681 ounces of gold and 2,109,482 ounces of silver). Troy developed Casposo for approximately US\$45 million, significantly less than the initial independent estimate of US\$86.5 million. Troy is currently advancing the development of underground operations at Casposo;
- (ii) **Andorinhas, Brazil** – acquired in 2006 and commenced production in 2008 with total gold production to 31 March 2013 of 188,991 ounces;
- (iii) **Sertão, Brazil** – acquired in 2002 and in production between 2002 and 2007 with total attributable gold production of 188,614 ounces; and
- (iv) **Sandstone, Western Australia** – acquired in 1998 and in production between 1999 and 2010 with total gold production over the period of 504,155 ounces.

(d) Reduces project funding risks and avoids potential equity dilution from Azimuth's near term requirement to raise further equity

On successful completion of the Offer, Azimuth Shareholders will be part of a well-capitalised group, with a pro forma cash balance of approximately A\$37.8 million with no hedging liabilities. This balance reflects the auditor reviewed statements of financial position for Troy and Azimuth as at 31 December 2012 adjusted for certain events and assumptions as set out in Section 9 of the Bidder's Statement.

This balance sheet capacity, in conjunction with anticipated cash flows derived from Troy's ongoing operations and an enhanced ability to access debt and equity capital markets, will assist Troy in realising the value of the combined asset portfolio by pursuing the objectives of:

- (i) completing a prefeasibility study for the West Omai Project by the end of calendar year 2013;

- (ii) reviewing and prioritising the exploration targets and developing an exploration plan that balances the infill mineral resource definition drilling, step-out brownfields drilling and a wider greenfields exploration plan in consultation with Azimuth management; and
- (iii) continuing the development of underground operations at Casposo.

In the absence of the Offer, Azimuth's ability to continue to explore and potentially develop its asset portfolio, including the West Omai Project, is subject to Azimuth being able to secure sufficient funding. The amount of funding required by Azimuth to conduct these activities may be substantial.

In recommending the Offer to Azimuth Shareholders your Directors and CEO have considered current market conditions, which have resulted in a difficult environment in which to raise capital, particularly so for junior gold companies. In this context, it is relevant to note that on 22 April 2013, Troy announced it had signed a mandate letter with Investec Bank (Australia) Limited (**Investec**) for the provision of A\$40 million in loan facilities. The Investec facilities will, in part, be used to fund costs associated with the Offer and ongoing work associated with completing the prefeasibility study on Azimuth's West Omai Project (if the Offer is successful).

Prior to the Announcement Date, Azimuth's market price was trading near 12 month lows and, in the absence of the Offer, the terms on which Azimuth could secure additional funding are uncertain and may result in significant dilution to Azimuth Shareholders.

(e) Post completion, you will hold shares in a company with increased market relevance, trading liquidity and a history of paying dividends

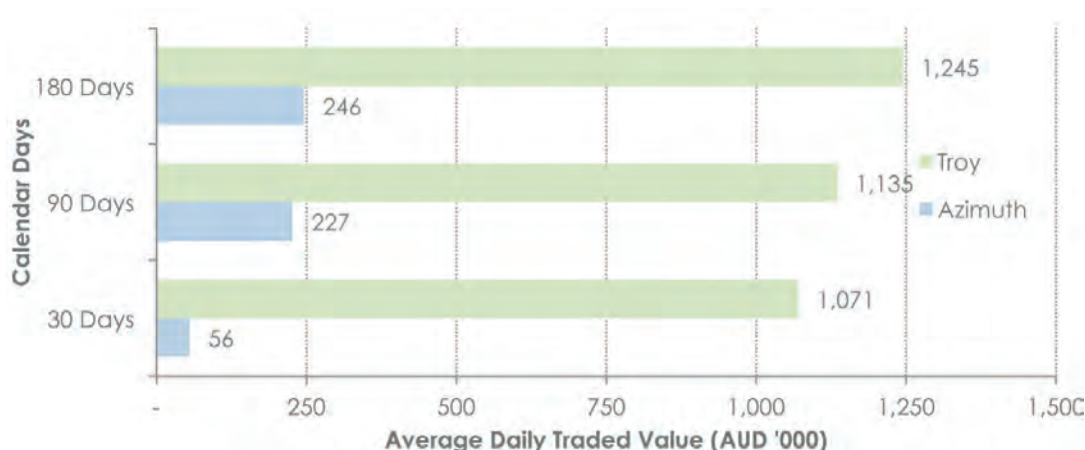
As noted above, completion of the merger of Azimuth and Troy will create a South American focused gold producer with excellent potential for further growth through the continued exploration and development of its combined asset portfolio.

Accordingly, your Directors and CEO believe that if the Offer is successful, your Troy Shares will be significantly more appealing to the investment community, which is likely to deliver the following key benefits compared with remaining an Azimuth Shareholder on a standalone basis:

- (i) significantly improved access to debt and equity capital markets;
- (ii) greater coverage from financial analysts and significantly greater trading liquidity;
- (iii) greater interest from institutional investors; and
- (iv) enhanced likelihood of Troy's track record of paying dividends to shareholders continuing.

As noted above, Azimuth Shareholders can expect significantly improved trading liquidity post completion. A comparison of the daily trading value for Azimuth and Troy over selected time periods on the ASX prior to announcement of the Offer is summarised in Figure 2 below. Over the time periods observed, Troy's average daily traded value was between approximately 5 and 19 times greater than Azimuth's.

Figure 2: Relative trading liquidity prior to announcement of the Offer



As permitted by ASIC Class Order 07/429, this figure contains ASX share trading information sourced from Bloomberg without its consent.

Troy has demonstrated a track record of paying dividends to its shareholders, having paid 13 fully franked cash dividends over the last 13 years.

(f) No Superior Proposal has emerged since the announcement of the Offer

After careful consideration of the various strategic options available to Azimuth, your Directors and CEO consider the Offer to be the best and only proposal available to Azimuth Shareholders and unanimously recommend that Azimuth Shareholders accept the Offer, in the absence of a Superior Proposal.

As at the date of this Target's Statement, no Competing Transaction or Superior Proposal had been received by Azimuth and Azimuth is not aware of any party having an intention to make such a proposal.

(g) The value of your Azimuth Shares may fall in the absence of the Offer

Since the Announcement Date and until 3 May 2013 (being the last practicable date for printing prior to issue of this Target's Statement), Azimuth Shares have traded on average at A\$0.317 per share. This average Share price is significantly higher than the pre-announcement closing price of Azimuth Shares on 27 March 2013 of A\$0.245 per share.

The implied Offer price on the Announcement Date was A\$0.437 per Azimuth Share on the ASX. Azimuth Shares have not traded at that level on the ASX since October 2012 and, in current equity markets, the Directors and CEO make no forecast of when or if Azimuth's Share price could trade back at that level.

If the Offer does not succeed, there is a significant risk that the Azimuth Share price could fall back from current levels.

2. Frequently asked questions

Section 2 of the Bidder's Statement answers some commonly asked questions about the Offer. It is not intended to address all relevant issues for Azimuth Shareholders. Section 2 of the Bidder's Statement should be read together with all other parts of the Bidder's Statement and this Target's Statement.

3. Risks and potential disadvantages to Azimuth shareholders

3.1 Introduction

In considering this Target's Statement, Azimuth Shareholders should be aware that there are a number of risks, general and specific, which may affect the future operating and financial performance of Azimuth and the value of Azimuth Shares. Many of these risks are relevant to Azimuth Shareholders today and in the future if all Azimuth Shares are not acquired by Troy and many will be relevant to Azimuth Shareholders who acquire Troy Shares following the completion of the Offer.

Many of these risks are outside the control of Azimuth and the Azimuth Board. There can be no certainty that Azimuth will achieve its stated objectives or that any forward looking statements will eventuate.

Additional risks and uncertainties not currently known to Azimuth may have a material adverse effect on Azimuth's business and the information set out below does not purport to be, nor should it be construed as representing, an exhaustive list of the risks that may affect Azimuth.

Azimuth Shareholders should read this Target's Statement and the Bidder's Statement in their entirety and carefully consider the following risk factors in deciding whether to accept the Offer.

3.2 Azimuth Share price

It is possible that if the Offer lapses and no Superior Proposal is received by Azimuth, there may be a reduction in the market price of Azimuth Shares.

3.3 Minority ownership consequences

Troy's Offer is presently subject to a Minimum Acceptance Condition (as described in paragraph 1 of Annexure A). Troy has the right to free the Offer from the Minimum Acceptance Condition.

If Troy waives the Minimum Acceptance Condition and acquires more than 50% but less than 90% of the Azimuth Shares then, assuming all other Offer Conditions are fulfilled or freed, Troy will acquire a majority shareholding in Azimuth.

Accordingly, Azimuth Shareholders who do not accept the Offer may become minority shareholders in Azimuth. This has a number of possible implications, including:

- (a) Troy may be in a position to cast the majority of votes at a general meeting of Azimuth. This will enable it to control the composition of Azimuth's Board and senior management, determine Azimuth's dividend policy and control the strategic direction of the Azimuth Group's business;
- (b) the trading liquidity of Azimuth Shares may be lower than at present;
- (c) there may be limited institutional investor support for Azimuth Shares;
- (d) if the number of Azimuth Shareholders is less than that required by the ASX Listing Rules and the TSX Listing Rules to maintain an ASX and TSX listing, then the ASX and TSX may suspend and/or de-list Azimuth. If this occurs, any remaining Azimuth Shareholders will not be able to sell their Azimuth Shares on the ASX or TSX, which will significantly reduce the liquidity of Azimuth Shares;
- (e) if Troy acquires 75% or more of the Azimuth Shares, Troy will be able to pass a special resolution of Azimuth. This will enable Troy to, among other things, change Azimuth's constitution;
- (f) if Troy acquires a majority of the Azimuth Shares on issue, your Directors and CEO believe that it is less likely that a subsequent takeover bid for Azimuth will emerge at a later date from a third party because of the difficulty a potential bidder would be likely to face in obtaining control.

Azimuth Shareholders should take these possible implications into account in considering whether to accept the Offer. However, Troy does not currently intend to waive the Minimum Acceptance Condition (but reserves the right to do so). See section 8.4 of the Bidder's Statement for further details of Troy's intentions if it acquires more than 50% but less than 90% of the Azimuth Shares under the Offer.

3.4 Risks in relation to Troy Shares

If the Offer is accepted by Azimuth Shareholders, then Azimuth Shareholders will receive Troy Shares in consideration for their Azimuth Shares. The value of the Offer to those Azimuth Shareholders will therefore depend upon the future value of Troy Shares. The future value of Troy Shares will itself depend on the future performance of the combined Azimuth/Troy entity, as appropriate. Azimuth

Shareholders should therefore consider the risks which may affect future performance.

The risks which are known to Troy and which may have a material adverse impact on the future performance, as applicable, are described in section 10 of the Bidder's Statement.

3.5 Inability to accept an alternative offer if one were to emerge

Except under limited circumstances provided in the Corporations Act (as summarised in Section 6.8 of this Target's Statement) Azimuth Shareholders who accept the Offer will not be able to accept any alternative offer for their Azimuth Shares, should any be available. At the date of this Target's Statement, Azimuth's Directors and CEO are not aware of any Superior Proposal or Competing Transaction.

Accepting the Offer will also preclude an Azimuth Shareholder from selling their Azimuth Shares on-market.

3.6 Requirement to repay Convertible Note Facility if the Offer does not succeed

To allow Azimuth to continue the advancement of the West Omai Project during the Offer Period, Troy has provided funding of A\$10,000,000 to Azimuth by way of a Convertible Note Facility. This funding has meant that Azimuth has avoided its immediate need to raise further equity capital during volatile equity markets. However, pursuant to the terms of the Convertible Note Facility, if there is a change in control of Azimuth (being an announcement of a Competing Transaction by Azimuth recommended by a majority of the Board or if a person (other than Troy) acquires 30% or more of Azimuth Shares prior to 28 March 2014), then Troy may elect to:

- (a) declare the principal amount outstanding (plus accrued interest) payable on demand;
- (b) require Azimuth to redeem the Notes; or
- (c) require Azimuth to convert the Notes in whole or in part, subject to any required approval of Azimuth Shareholders for the conversion.

Additionally, Troy may elect to require Azimuth to redeem the Notes if an event of default occurs under the Convertible Note Facility, or Azimuth Shareholders do not approve the conversion of the Notes (to the extent approval is required). If not converted prior (and unless Troy elects otherwise), the Notes must be redeemed in full on 28 March 2014. Accordingly, if the obligation to redeem the Notes arises prior to the Notes being converted by Troy, Azimuth may need to raise further capital to fund the redemption of the Notes.

Further details of the Convertible Note Facility are provided in section 6.4 of the Bidder's Statement.

3.7 Exploration and development risks

You should be aware that by rejecting the Offer in circumstances where Troy does not acquire all Azimuth Shares (or if the Offer does not proceed for any other reason), Azimuth Shareholders will continue to be exposed to the various risks in relation to exploration and potential development of its Mining Interests.

Azimuth's future viability as an exploration company, and its aspiration to become a production company, the prospects of which there can be no certainty or forecast, will be dependent on a number of factors, including, but not limited to, the following (which risks also apply in the event the Bid is successful):

- (a) risks inherent in exploration and mining including, among other things, uninsurable risks, successful exploration and exploitation of mineralisation, satisfactory performance of potential mining operations, competent management, title risks to tenements, environmental laws and other legal and regulatory requirements and risks associated with counterparties and contractors;
- (b) increases in the capital costs of project development and the price of inputs to the production process, occurring as a consequence of global economic conditions, delays, demand for resources and other factors;
- (c) risks inherent in mineral resource estimates which are expressions of judgment based on knowledge, experience and industry practice;
- (d) there can be no assurance that exploration of the Mining Interests will result in any further upgrade to the existing mineral resources or the discovery of an ore reserve capable of being profitably mined;
- (e) sovereign risk associated with operating in Guyana, and its operations being subject to the jurisdiction of Guyanese's courts;
- (f) the right to export gold may depend on obtaining licences and permits, the granting of which may be at the discretion of the relevant regulatory authorities. There may be delays in obtaining such licences and permits and it is possible that from time to time export licences may be refused; and
- (g) retention of key employees and key technical personnel to continue to develop and manage Azimuth's projects. The loss of senior management, Directors and key technical personnel could have a material adverse effect on the business of Azimuth.

The risks outlined above also mean that there can be no assurances as to the future development of a mining operation in relation to any of the Mining Interests or tenure which Azimuth may acquire in the future. The above risks also apply in the event the Bid is successful. Refer to section 10 of the Bidder's Statement for further information.

3.8 Commodity price risk

Commodity prices fluctuations affect Azimuth's prospects, particularly the price of gold which is set in the world market and which the demand for, and price of, is highly dependent on a variety of factors beyond Azimuth's control. Such factors include the demand for precious metals, expectations with respect to the rate of inflation, interest rates, currency exchange rates, the demand for jewellery and industrial products containing metals, global gold production levels, inventories, cost of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors, and global and regional political and economic factors.

These factors may have an adverse affect on Azimuth's exploration, development and production activities as well as its ability to fund those activities.

If the price of gold drops significantly, the economic prospects of the projects in which Azimuth has an interest could be significantly reduced or rendered uneconomic.

3.9 General risks

The future viability of Azimuth is also dependent on a number of other factors affecting performance of all industries and not just the exploration and mining industries, including, but not limited to, the following:

- (a) the strength of the equity and debt markets in Australia and throughout the world;
- (b) risks associated with the current global economic and political environment;
- (c) general economic conditions in Australia, Guyana and their major trading partners and, in particular, inflation rates, interest rates, commodity supply and demand factors and industrial disruptions;
- (d) the need to obtain additional fundraising on terms acceptable to Azimuth. Any additional equity financing may be dilutive to Azimuth Shareholders and any debt financing, if available, may involve restrictive covenants, which may limit Azimuth's operations and business strategy;
- (e) financial failure or default by a participant in contractual relationship to which Azimuth or the Azimuth Group are, or may become, a party;
- (f) insolvency or other managerial failure by any of the contractors or service providers used by Azimuth in its activities; and
- (g) industrial or other disputes in Australia, Guyana and elsewhere in the world.

3.10 Potential disadvantages of the Offer

Separately from the above non-exhaustive list of risk factors, the Directors and CEO of Azimuth have identified the following potential disadvantages of the Offer:

- (a) Existing Azimuth Shareholders' Voting Power in Troy after the Offer will be diluted as compared with their existing Voting Power in Azimuth. Given that Voting Power will be reduced to below 50% of Troy in aggregate, existing Azimuth Shareholders would not have the power together to pass resolutions at general meetings, such as resolutions to appoint directors of Troy after the Offer. However, the Directors and CEO note that the current Azimuth Shareholders are not all associated in any event and consider Azimuth Shareholders are likely to incur greater dilution from raising funds in the equity market, as necessary to progress the exploration and potential development of Azimuth's projects, than they would under the Offer.
- (b) The exposure of Azimuth Shareholders' to Azimuth's assets and undertakings will be diluted if the Offer is completed, due to their anticipated reduced relative Voting Power in Troy after completion of the Bid as compared with their current Voting Power in Azimuth. However, this is to be weighed against the dilution that is likely to occur if Azimuth remains a standalone company and has to raise working capital to fund its projects through further equity raisings.
- (c) It may have been possible in the future to sell your Azimuth Shares for more valuable consideration than that offered under the Offer. Azimuth's Board and CEO make no forecast of whether this will occur.
- (d) Troy's risk profile as disclosed in section 10 of the Bidder's Statement may not accord with your investment objectives or risk appetite.
- (e) See sections 11 and 12 of the Bidder's Statement for a summary of Troy's assessment of the potential Australian and Canadian tax consequences of accepting the Offer for Azimuth Shareholders.

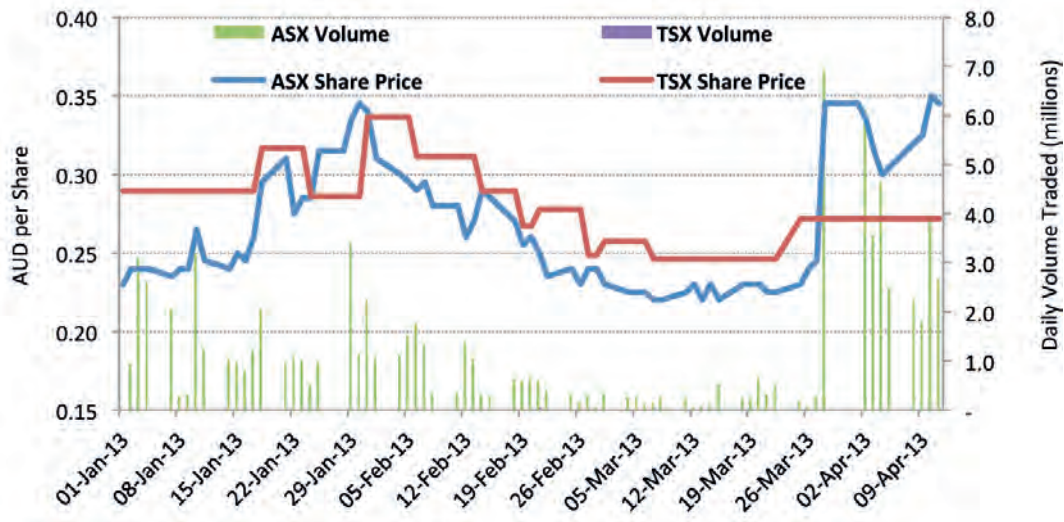
4. Information On Azimuth And Troy

4.1 Azimuth profile

4.1.1 Corporate summary

Azimuth is a gold focused exploration company with over 8,700km² of gold exploration permits and licences located in Guyana in South America. Azimuth is listed on the ASX with a secondary listing on the TSX. Azimuth's Guyanese operations are broadly split into two gold projects: the West Omai Project and the East Omai Project.

Figure 3: Azimuth's ASX & TSX Share Price and Volume (from 1 January 2013)



4.1.2 West Omai Project

Azimuth's flagship operation is the West Omai Project which covers approximately 1,100km² of exploration tenements and approximately 40km along strike of the mineralised Omai-Hicks-Kaburi Corridor. This corridor hosts the historical Omai Gold Mine that has produced 3.7Moz and is located 15km to the south-east of the project.

The West Omai Project includes the shallow high grade Smarts deposit and shallow Hicks deposit as well as the highly prospective Larken and Kaburi Prospects and numerous alluvial workings which require further investigation.



In February 2013, Azimuth announced a mineral resource upgrade at the West Omai Project to an overall inferred mineral resource, comprising both the Smarts and Hicks deposits of 16,700,000 tonnes at an average grade of 3.1 grams per tonne for total contained gold of 1,648,000 ounces of gold.

Table 1: January 2013 mineral resource statement

Inferred mineral resources	Tonnage	Grade	Contained Metal
	Mt	g/t Au	Ounces
Hicks	8.7	2.1	571,000
Smarts	8.1	4.2	1,077,000
Total	16.7	3.1	1,648,000

Notes: 1.0 g/t Au cut-off grade. Rounding errors may occur in tables.

Environmental and social baseline studies were completed at the West Omai Project in late 2012 and early 2013. Metallurgical flowsheet definition test work by Ammtec and ALS Metallurgy was completed earlier this year and supports Azimuth's view that the metallurgical properties of the deposits are amenable to a carbon in leach processing circuit and outline designs that may be used to maximize recoveries. Metallurgical test work on both the Smart and Hicks deposits showed that the mineralisation is amenable to standard carbon in leach extraction, with average gold recoveries across both deposits of approximately 92%. Due to the coarse nature of the Smarts mineralisation, indicated recoveries from gravity separation were 30-60% in primary rock and 49% in oxide material.

Azimuth plans to continue infill drilling at the Smarts and Hicks deposits in order to convert the current inferred mineral resources to indicated status while continuing to progress engineering studies to pre-feasibility stage by the end of 2013.

4.1.3 East Omai Project

The East Omai Project is a 7,636km² green fields exploration project, comprising a largely covered 110km strike of the main Guiana Shield gold belt.

Azimuth has flown an airborne magnetic and radiometric survey over the entirety of the East Omai Project. The results of the magnetic and radiometric survey will be used to focus scout drilling on potentially gold bearing structures.

4.1.4 Financial information

Refer to section 9 of the Bidder's Statement which contains the pro-forma financial statements and associated details for Azimuth and Troy.

Further information on Azimuth's assets and liabilities can be found on the ASX website at www.asx.com.au or under Azimuth's profile on SEDAR at www.sedar.com.

4.1.5 Publicly available information about Azimuth

Azimuth is a listed disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, as an ASX and TSX listed company, Azimuth is subject to the ASX Listing Rules and TSX Listing Rules which require continuous disclosure of any information Azimuth has that a reasonable person would expect to have a material or significant effect on the price or value of its securities.

Copies of announcements made by Azimuth are available on ASX's website at www.asx.com.au and under Azimuth's profile on SEDAR at www.sedar.com.

4.2 Troy profile

4.2.1 Corporate summary

Troy is an ASX and TSX listed gold and silver producer, with two producing operations: the Casposo gold and silver mine in San Juan province, Argentina and the Andorinhas mine in Para state, Brazil.

During calendar year 2012, combined gold equivalent production was 137,457 ounces at a low cash cost of US\$625/oz.

4.2.2 Troy ore reserves and mineral resources

Table 2: ore reserve statement – 30 June 2012

	Tonnage	Grade			Contained Metal		
	Tonnes	Gold	Silver	Au Eq	Gold	Silver	Au Eq
		g/t	g/t	g/t	Ounces	Ounces	Ounces
Casposo (Probable)	1,993,000	4.7	236	8.6	298,000	15,103,800	549,600
Andorinhas (Proven)	82,000	2.5	-	-	6,700	-	-
Andorinhas (Probable)	310,000	8.6	-	-	85,900	-	-

Notes: Rounding errors may occur in tables.

Table 3: mineral resource statement – 30 June 2012

	Tonnage	Grade			Contained Metal		
	Tonnes	Gold	Silver	Au Eq	Gold	Silver	Au Eq
		g/t	g/t	g/t	Ounces	Ounces	Ounces
Casposo							
Measured	171,000	5.0	725	17.1	27,700	3,991,600	94,300
Indicated	2,043,000	4.0	227.9	8.0	263,800	14,971,500	523,400
Inferred	801,000	3.6	129	5.0	93,700	3,309,600	127,900
Andorinhas							
Measured	95,000	2.5	-	-	7,500	-	-
Indicated	986,000	4.4	-	-	138,900	-	-
Inferred	860,000	5.3	-	-	146,700	-	-

Notes: Rounding errors may occur in tables.

Au Equivalent Grade calculated using a gold silver ratio of 1:60 using the formula $(Au\ price/Ag\ price) \times (Au\ recovery/Ag\ recovery)$:

- Au Price: US\$1,500/oz
- Au Recovery: 90%
- Ag Price: US\$28/oz
- Ag Recovery: 80%

Au Equivalent Contained Metal calculated using the formula $Au\ g/t + (Ag\ g/t / 60)$. Please note that gold and silver prices are subject to risks and volatility as summarised in Section 3.8 of this Target's Statement. Please refer to section 3.10 of the Bidder's Statement for further information.

4.2.3 Further information about Troy

Sections 3 and 10 of the Bidder's Statement contain further information regarding Troy, including financial information and risk factors.

For further information about Troy, please visit its website at www.troyres.com.au or www.asx.com.au ASX Code: TRY or www.sedar.com.

5. Your choices as an Azimuth shareholder

Your Directors and CEO recommend that you ACCEPT the Offer in the absence of a Superior Proposal.

However, as an Azimuth Shareholder there are currently three choices available to you:

(a) Accept the Offer

You may elect to accept the Offer. Details of the consideration that you will receive if you accept the Offer are set out in Section 6.1 of this Target's Statement and in the Bidder's Statement.

The Bidder's Statement contains details of how to accept the Offer in section 14.4.

(b) Sell your Azimuth Shares on market

During a takeover, shareholders of a target company who have not already accepted the bidder's offer can still sell their shares on market for cash. However, if you accept the Offer in accordance with the Bidder's Statement, you cannot sell your Azimuth Shares on market.

The latest price for Azimuth Shares and Troy Shares may be obtained from www.asx.com.au and www.tmx.com.

If you sell your Azimuth Shares on market, you may be liable for capital gains tax on the sale and may incur a brokerage charge. If you wish to sell your Azimuth Shares on market, you should contact your broker for information on how to effect that sale.

(c) Do nothing and therefore do not accept the Offer

If you do not wish to accept the Offer, you should do nothing.

You should note that if Troy and its associates have a Relevant Interest in at least 90% of the Azimuth Shares during or at the end of the Offer Period, Troy will be entitled to compulsorily acquire the Azimuth Shares that it does not already own (that is, including your Azimuth Shares). See Section 6.12 of this Target's Statement for further information on compulsory acquisition.

If Troy acquires more than 50% but less than 90% of the Azimuth Shares then, assuming all other Offer Conditions are fulfilled or waived, Troy will acquire a majority shareholding in Azimuth. In these circumstances, if you do not accept the Offer, you will become a minority Shareholder in Azimuth. Some of the potential implications of becoming a minority Shareholder in Azimuth are discussed in Section 3.3 of this Target's Statement.

However, Troy does not currently intend to waive the Minimum Acceptance Condition (but reserves the right to do so). See section 8.4 of the Bidder's Statement for further details of Troy's intentions if it acquires more than 50% but less than 90% of the Azimuth Shares under the Offer.

6. Key features of Troy's Offer

6.1 Consideration payable to Shareholders who accept the Offer

Troy is offering 1 Troy Share for every 5.695 Azimuth Shares you hold. This represents an implied offer price of A\$3.13 per Azimuth Share (based on a Troy Share price of A\$1.78 as at 3 May 2013 (being the last practicable date for printing prior to issue of this Target's Statement)). As at 3 May 2013, the Offer values Azimuth at approximately \$135 million.

6.2 Offer Conditions

The Offer is subject to a number of Offer Conditions. Those conditions are set out in full in section 14.9 of the Bidder's Statement and are summarised in Annexure A of this Target's Statement.

As at the date of this Target's Statement, Azimuth is not aware of any act, omission, event or fact that would result in the failure of any of the Offer Conditions.

The Offer Conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect, but any breach or non-fulfilment of any one or more of those Offer Conditions entitles Troy to rescind any contracts resulting from acceptance of the Offer.

6.3 Notice of Status of Conditions

Section 14.14 of the Bidder's Statement indicates that Troy will give a Notice of Status of Conditions on 7 June 2013.

Troy is required to set out in its Notice of Status of Conditions to the ASX and Azimuth and in the news release advising of the Notice of Status of Conditions to be issued in Canada (and filed on SEDAR):

- (a) whether the Offer is free of any or all of the Offer Conditions;
- (b) whether, so far as Troy knows, any of the Offer Conditions have been fulfilled; and
- (c) Troy's Voting Power in Azimuth.

If the Offer Period is extended before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period as the extension. In the event of such an extension, Troy is required, as soon as practicable after the extension, to give a notice to the ASX and Azimuth and to issue a news release in Canada (which is then filed on SEDAR), that states the new date for the giving of the Notice of Status of Conditions.

If an Offer Condition is fulfilled (so that the Offer becomes free of that Offer Condition) during the Offer Period, but before the date on which the Notice of Status of Conditions is required to be given, Troy must, as soon as practicable, give the ASX and Azimuth a notice that states that the particular Offer Condition has been fulfilled, and concurrently issue a news release in Canada (that is then filed on SEDAR) to the same effect.

6.4 Offer Period

Unless the Offer is extended or withdrawn, it is open for acceptance until 7.00pm (Sydney time) / 5.00am (Toronto time) on 14 June 2013.

The circumstances in which Troy may extend or withdraw its Offer are set out in Section 6.5 and 6.6 respectively of this Target's Statement.

6.5 Extension of the Offer Period

While the Offer is subject to the Offer Conditions, Troy may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in Section 6.3 in this Target's Statement) and otherwise only in limited circumstances (including where another person lodges a bidder's statement, announces a takeover bid or makes or improves offers under it in each case for Azimuth Shares). However, if the Offer is unconditional (that is, all the Offer Conditions are fulfilled or waived), Troy may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

- (a) Troy improves the consideration offered under the Offer; or
- (b) Troy's Voting Power in Azimuth increases to more than 50%.

If either of these events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

Refer to Section 6.11 of this Target's Statement and section 14 of the Bidder's Statement for further information in relation to the Offer Period.

6.6 Withdrawal of Offer

Before the Offer becoming free of the Offer Conditions, Troy may withdraw the Offer with the written consent of ASIC and subject to conditions (if any) specified in such consent.

Troy cannot withdraw the Offer if you have already accepted it (and the Offer is free of Offer Conditions).

6.7 Effect of acceptance

The effect of acceptance of the Offer is set out in section 14.6 of the Bidder's Statement. Azimuth Shareholders should read these provisions in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their Azimuth Shares and the representations and warranties which they give by accepting of the Offer.

6.8 Your ability to withdraw your acceptance

Your rights to withdraw your acceptance of the Offer are limited. You may only withdraw your acceptance if Troy varies the Offer in a way that postpones, for more than one month, the time when Troy needs to meet its obligations under the Offer. This will occur if Troy extends the Offer Period by more than one month and the Offer is still subject to Offer Conditions.

6.9 When you will receive your Troy Shares if you accept the Offer

In the usual case, Troy will issue the consideration due to you for your Azimuth Shares on or before the earlier of:

- (a) one month after your acceptance of the Offer is processed, or one month after all of the Offer Conditions have been waived or fulfilled (whichever is the later); and
- (b) 21 days after the end of the Offer Period.

However, there are certain exceptions to the above timetable for the issuing of consideration. Full details of when you will be issued your Troy Shares are set out in section 14.7 of the Bidder's Statement.

6.10 Effect of an improvement in Offer consideration on Shareholders who have already accepted the Offer

If Troy improves the consideration offered under the Bid, all Azimuth Shareholders, whether or not they have accepted the Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration under the Offer.

6.11 Lapse of Offer

The Offer will lapse if the Offer Conditions are not waived or fulfilled by the end of the Offer Period (as that term is described in section 14.3 of the Bidder's Statement), or in the case of the Offer Conditions in section 14.9(b) of the Bidder's Statement (item 2 of Annexure A to this Target's Statement), at the end of the third business day after the end of the Offer Period, in which case, all contracts resulting from acceptance of the Offer will be automatically void. In that situation, you will be free to deal with your Azimuth Shares as you see fit. Refer to section 14 generally and section 14.12 specifically of the Bidder's Statement for further information.

Separately from the Offer Period, the Bid Implementation Deed dated 28 March 2013 agreed between Azimuth and Troy and announced by news release issued in Canada and filed on SEDAR and announced to ASX on 27 and 28 March 2013 respectively, automatically terminates on the End Date and in certain other circumstances described in the Bid Implementation Deed as announced. Refer to section 13.1 of the Bidder's Statement for a summary of the Bid Implementation Deed. Termination of the Bid Implementation Deed does not necessarily mean that the Bid lapses.

6.12 Compulsory acquisition

Troy has indicated in section 8.3 of its Bidder's Statement that if it satisfies the required thresholds, it intends to compulsorily acquire any outstanding Azimuth Shares.

Troy will be entitled to compulsorily acquire any Azimuth Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Offer if, during or at the end of the Offer Period:

- (a) Troy and its associates acquire Relevant Interests in at least 90% (by number) of the Azimuth Shares; and
- (b) Troy and its associates have acquired at least 75% (by number) of the Azimuth Shares that Troy offered to acquire (excluding Azimuth Shares in which Troy or its Related Bodies Corporate had a Relevant Interest at the date of the Offer (if any) and also excluding Azimuth Shares issued to an associate of Troy during the Offer Period).

If these thresholds are met and Troy wishes to exercise its right to compulsorily acquire any outstanding Azimuth Shares, Troy will have one month after the end of the Offer Period within which to give compulsory acquisition notices to those Azimuth Shareholders who have not accepted the Offer. Azimuth Shareholders have certain rights under the Corporations Act to challenge a compulsory acquisition by following the procedure outlined in the Corporations Act, but a successful challenge will require the relevant Azimuth Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their Azimuth Shares. If compulsory acquisition occurs, Azimuth Shareholders who have their Azimuth Shares compulsorily acquired are likely to be sent their Offer consideration approximately five to six weeks after the compulsory acquisition notices are dispatched to them.

It is also possible that Troy will, at some time after the end of the Offer Period, become (either alone or with its Related Bodies Corporate) the beneficial holder of at least 90% of the Azimuth Shares. Troy would then have rights to compulsorily acquire any Azimuth Shares it doesn't own within 6 months of becoming the holder of 90%. Troy's price for compulsory acquisition under this procedure would have to be considered in a report of an independent expert.

6.13 Troy's intentions in relation to Azimuth

Troy's intentions (as at the date of the Bidder's Statement) in relation to Azimuth, its business, assets and employees are set out in section 8 of the Bidder's Statement. The statements set out in section 8 of the Bidder's Statement are statements of Troy's intentions at the date of the Bidder's Statement only, which may vary as new information becomes available or circumstances change.

Following implementation of the Offer, Azimuth is expected to become a wholly owned Subsidiary of Troy. Azimuth would consequently be delisted from the ASX and TSX and an application would be made for Azimuth to cease to be a reporting issuer in Canada.

Existing Azimuth directors Richard Monti and Sean Harvey will be invited to join the Troy board of directors as a term of the Bid Implementation Deed, which will continue to be chaired by David Dix. Paul Benson will continue as Managing Director and CEO of Troy. Gordon Chambers, a current director of Troy, intends to step down as a director when the Azimuth nominees are appointed to the Troy board of directors.

Troy expects to remain headquartered in Perth, Western Australia and will maintain its listing on the ASX and secondary listing on the TSX.

6.14 Taxation consequences of the Offer and a change in control in Azimuth

The Australian and Canadian taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. Troy's general outline of the Australian and Canadian taxation considerations of accepting the Offer are set out in sections 11 and 12 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer, if they are applicable to you. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances. Azimuth, Azimuth's Board, CEO, management and advisers take no responsibility for the accuracy of the contents of the Bidder's Statement.

6.15 Treatment of Foreign Target Shareholders

If Troy determines that it cannot make the Offer to any Azimuth Shareholder:

- (a) who is (or is acting on behalf of) a citizen or resident of a jurisdiction other than residents of Australia and its external territories, New Zealand or Canada; or
- (b) whose address shown in the register of Azimuth Shares kept by Azimuth is a place outside Australia and its external territories, New Zealand or Canada, or who is acting on behalf of such a person,

that Azimuth Shareholder will not be issued with Troy Shares under the Offer unless Troy determines that:

- (c) it is lawful and not unduly onerous or unduly impracticable to issue that Azimuth Shareholder with Troy Shares on completion of the Offer; and
- (d) it is lawful for that Azimuth Shareholder to participate in the Offer by the law of the relevant place outside Australia and its external territories, New Zealand or Canada.

Where such Azimuth Shareholders are not issued with Troy Shares under the Offer, instead, the relevant Troy Shares (that would otherwise be transferred to such ineligible Foreign Target Shareholders) will be allotted to a nominee approved by ASIC who will sell the Troy Shares and will distribute to each of those Foreign Target Shareholders the net proceeds received, after deducting any applicable brokerage, taxes and charges in accordance with the Offer (calculated on an averaged basis so that all Foreign Target Shareholders receive the same price per Troy Share, subject to rounding).

6.16 Treatment of Azimuth Options

The Offer does not extend to Azimuth Options, however Troy intends to enter into private treaty arrangements with all Azimuth Option holders to acquire or cancel their Azimuth Options. In consideration for the Azimuth Options, Troy proposes to offer each Azimuth Option holder, at the Azimuth Option holders' election, either:

- (a) Troy Options; or
- (b) Troy Shares; or
- (c) a combination of Troy Options and Troy Shares,

(Cancellation Consideration). The Cancellation Consideration comprises up to a maximum total of 601,531 Troy Shares or alternatively up to a maximum total of 2,778,446 Troy Options (or a combination, without duplication) being issued to holders of Azimuth Options (in aggregate), which issues may dilute all Troy Shares by up to a maximum of 1.6% assuming Troy acquires all Azimuth Shares under the Bid and the 2,778,446 Troy Options are issued and exercised. The conditions precedent to Troy acquiring the Azimuth Options under the private treaty arrangements are proposed to comprise:

- (d) the Offer becoming or being declared unconditional;
- (e) the TSX conditionally approving the issue of:
 - (i) Troy Options to Azimuth Option holders who elect to receive their Cancellation Consideration in the form of Troy Options; and
 - (ii) Troy Shares to Azimuth Option holders who elect to receive their Cancellation Consideration in the form of Troy Shares,

on customary terms (but which terms do not include any requirement that Troy obtain the prior approval of its shareholders to the issue of such Troy Shares or Troy Options or to the exercise of such Troy Options by the Azimuth Option holders); and

- (f) Azimuth satisfying or obtaining a waiver of any requirement under ASX Listing Rule 6.23.2 that must be met to validly cancel the Azimuth Options for consideration without obtaining approval from Azimuth Shareholders. Azimuth has applied for the waiver and is awaiting ASX's decision.

7. Additional information

7.1 Directors' and CEO's interests and dealings in Azimuth securities

(a) Directors' and CEO's interests in Azimuth Shares and Azimuth Options

As at the date of this Target's Statement, your Directors and CEO had the following Relevant Interests in Azimuth Shares and Azimuth Options:

Director/ CEO	Number of Azimuth Shares	Number of Azimuth Options exercisable at A\$0.371 each on or before 30 April 2014	Number of Azimuth Options exercisable at A\$0.35 each on or before 2 August 2015	Number of Azimuth Options exercisable at A\$0.448 each on or before 27 November 2015	Number of Azimuth Options exercisable at A\$0.38 each on or before 22 January 2016	Number of Azimuth Options exercisable at A\$0.41 each on or before 22 January 2016
Michael Hunt ¹ (Non Executive Chairman)	1,200,000	3,000,000	-	750,000	-	-
Richard Monti ² (Executive Director)	9,274,451	-	-	1,000,000	-	-
Dean Felton (Non Executive Director)	417,262	-	-	166,667	-	-
Sean Harvey (Non Executive Director)	695,946	-	822,581	500,000	-	-
Russell Clark (CEO)	-	-	-	-	2,500,000	2,500,000

¹ Michael Hunt holds relevant interests in the above 3,000,000 Azimuth Options exercisable at A\$0.371 each on or before 30 April 2014 in his personal capacity and 1,200,000 Azimuth Shares and 750,000 Azimuth Options exercisable at \$0.448 each on or before 27 November 2015 through Amwell Pty Ltd, a company in which he is a director and shareholder and which holds those Azimuth Shares and Azimuth Options as trustee for his superannuation fund.

² Richard Monti holds relevant interest in Azimuth Shares and Azimuth Options through Greatcity Corporation Pty Ltd, a company in which he is a director and shareholder and in which holds a beneficial interest.

(b) Directors' and CEO's dealings in Azimuth Shares and Azimuth Options

Other than as noted below, there have been no changes to the Relevant Interests of the Directors and the CEO in Azimuth Shares and Azimuth Options during the four month period ending on the date immediately before the date of this Target's Statement.

On 25 January 2013, Russell Clark was issued 2,500,000 Azimuth Options exercisable at 38 cents each expiring on 22 January 2016, and 2,500,000 Azimuth Options exercisable at 41 cents each expiring on 22 January 2016, in conjunction with his appointment as CEO.

It is noted, however, that each Azimuth Director and the CEO have advised that they will accept the Offer in respect of any Azimuth Shares that they hold or control (whether they be held directly or through an entity they control), in the absence of a Superior Proposal.

7.2 Directors' and CEO's interests and dealings in Troy securities

(a) Interests in Troy securities

As at the date immediately before the date of this Target's Statement, no Azimuth Director or CEO had a Relevant Interest in any Troy securities (including Troy Shares, options and performance rights).

(b) Dealings in Troy securities

No Director or CEO of Azimuth acquired or disposed of a Relevant Interest in any Troy securities in the 4 month period ending on the date immediately before the date of this Target's Statement.

7.3 Benefits and agreements

(a) Benefits in connection with retirement from office

As a result of the Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of Azimuth or Related Body Corporate of Azimuth.

(b) Agreements connected with or conditional on the Offer

There are no agreements made between any Director or CEO of Azimuth and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Azimuth Shares or Azimuth Options.

(c) Benefits from Troy

None of the Directors or the CEO of Azimuth has agreed to receive, or is entitled to receive, any benefit from Troy which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Azimuth Shares or Azimuth Options and with respect to the proposed nominations of Mr Richard Monti and Mr Sean Harvey as directors of Troy, as summarised in section 3.5 of the Bidder's Statement. The proposed annual remuneration payable to Mr Richard Monti and Mr Sean Harvey as non-executive directors of Troy is A\$80,000 plus any applicable superannuation guarantee contribution for directors' fees, and A\$5,000 per annum for membership of any of the designated board sub-committees (A\$8,000 per annum for the Chairman).

(d) Interests of Directors and the CEO in contracts with Troy

None of the Directors or the CEO of Azimuth has any interest in any contract entered into by Troy other than under the Bid Implementation Deed with respect to the proposed nominations of Mr Richard Monti and Mr Sean Harvey as directors of Troy, summarised in section 6.8 of the Bidder's Statement.

7.4 Effect of the Offer on Azimuth's financing and material contracts

If the Offer does not proceed, Azimuth would be required to undertake a capital raising within approximately the next twelve months, which may be at a discount to current market prices. If Azimuth is required to repay the amount outstanding under the Convertible Note Facility in lieu of the Notes being converted (due to the occurrence of events as described further in Section 3.6 of this Target's Statement), it is likely Azimuth would be required to undertake a capital raising immediately, which may be at a discount to current market prices.

7.5 Bid Implementation Deed

Copies of the announcements made by Troy and Azimuth by news release issued in Canada and filed on SEDAR and to the ASX respectively, on 27 and 28 March 2013 regarding the Offer (including the full terms of the Bid Implementation Deed), are available through the ASX and SEDAR websites or Azimuth's and Troy's websites. Further information in relation to the Bid Implementation deed is provided in section 13.1 of the Bidder's Statement.

7.6 Material litigation

As at the date of this Target's Statement, Azimuth was not involved in any known disputes which were material in the context of Azimuth and its Subsidiaries, taken as a whole.

7.7 Azimuth's issued capital

As at the date of this Target's Statement, Azimuth's issued capital consisted of:

- (a) 430,626,680 Azimuth Shares;
- (b) 15,822,581 unlisted Azimuth Options, consisting of the following classes:

Number	Exercise Price (A\$)	Expiry Date
175,000	\$0.10	13/08/2013
425,000	\$0.10	13/08/2014
3,000,000	\$0.371	30/04/2014
250,000	\$0.42	30/05/2014

Number	Exercise Price (A\$)	Expiry Date
900,000	\$0.70	17/01/2015
900,000	\$0.90	17/01/2015
822,581	\$0.35	02/08/2015
4,350,000	\$0.448	27/11/2015
2,500,000	\$0.38	22/01/2016
2,500,000	\$0.41	22/01/2016

(c) 10,000,000 unlisted convertible notes issued to Troy pursuant to the Convertible Note Facility on the terms summarised in section 6.4 of the Bidder's Statement. Interest on the Notes will accrue at a fixed rate of 8% per annum, calculated quarterly in arrears. Azimuth may either pay accrued interest at the end of each calendar quarter or otherwise elect to capitalise and add accrued but unpaid interest to the principal outstanding owed to Troy and to issue additional Notes reflective of that interest to Troy, issued on the same terms as other Notes.

(d) The following table displays potential Azimuth Shares to be issued at Azimuth's election in connection with the exercise of the options to acquire certain mineral exploration properties in Guyana under various agreements with vendors. Subject to agreement with the relevant vendors, those issues of Azimuth Shares may be substituted for securities in Troy (refer to section 9.2 of the Bidder's Statement).

Class of Azimuth security	Number to be issued	Proposed Issue Date
Azimuth Shares	Azimuth Shares to the value of US\$50,000	28 October 2013
Azimuth Shares	2,000,000	26 November 2013
Azimuth Shares	4,000,000	26 November 2015
Azimuth Shares	500,000	On or before 5 September 2013
Azimuth Shares	500,000	On or before 5 September 2014
Azimuth Shares	1,500,000	On or before 5 September 2015

7.8 Substantial Azimuth Shareholders

As at 3 May 2013 (being the last practicable date for printing prior to issue of this Target's Statement), the Azimuth Directors are aware that the following registered holders of ordinary shares have substantial holdings (as defined in the Corporations Act) in Azimuth:

Name	Number of Azimuth Shares held	% of total Azimuth Shares on issue
Macquarie Bank Limited (Metals & Energy Cap Div A/C)	71,699,572	16.65%
Global X Uranium ETF	23,328,684	5.42%
Pinetree Capital	21,519,570	5.00%

7.9 Effect of the Offer on Azimuth Options

Troy proposes to enter into private treaty arrangements with Azimuth Option holders to acquire or cancel their Azimuth Options in exchange for the Cancellation Consideration, subject to the conditions described in Section 6.16 of this Target's Statement.

7.10 Consents

Steinepreis Paganin have given and have not, before the lodgement of this Target's Statement with ASIC, withdrawn their written consent to be named in the Target's Statement as Azimuth's Australian legal advisers in the form and context in which they are so named. Steinepreis Paganin have not advised on the laws of any foreign jurisdiction and have not provided tax advice in relation to any jurisdiction.

Blake, Cassels & Graydon LLP has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in the Target's Statement as Azimuth's Canadian legal adviser in the form and context in which it is so named. Blake, Cassels & Graydon LLP has not advised on the laws of any jurisdiction other than Canada and has not provided tax advice in relation to any jurisdiction.

Standard Chartered Bank has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn its

written consent to be named in the Target's Statement as Azimuth's financial adviser in the form and context in which it is so named.

Computershare Investor Services Pty Limited and Computershare Investor Services Inc. have given and have not, before the lodgement of this Target's Statement with ASIC, withdrawn their written consent to be named in the Target's Statement as Azimuth's share registry respectively in Australia and Canada, in the form and context in which they are so named.

Each of Steinepreis Paganin, Blake, Cassels & Graydon LLP, Standard Chartered Bank, Computershare Investor Services Pty Limited and Computershare Investor Services Inc. have not caused or authorised the issue of this Target's Statement, do not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and take no responsibility for any part of this Target's Statement other than any reference to their names.

Richard Monti, Aaron Green (the latter on behalf of RungePincockMinarco Limited) and Peter J. Doyle have given and have not, before the lodgement of this Target's Statement with ASIC, withdrawn their written consents to be named in the Target's Statement as competent persons for the purpose of the JORC Code and qualified persons for the purposes of NI 43-101 in the form and context in which they are so named, limited to the scope of their respective statements in the Important Notices section of this Target's Statement.

Mr Russell Clark has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn his written consent to be named in the Target's Statement as Azimuth's CEO in the form and context in which he is so named and to the inclusion of the statements attributed to him in this Target's Statement.

As permitted by ASIC Class Order 01/1543, this Target's Statement contains statements which are made, or based on statements made, in documents lodged by Troy with ASIC, given to the ASX, or filed on SEDAR, or announced on Troy's announcements platform of the ASX or in news releases issued in Canada and filed on SEDAR, by Troy. Pursuant to the Class Order, the consent of Troy is not required for the inclusion of such statements in this Target's Statement. Any Azimuth Shareholder who would like to receive a copy of any of those documents may obtain a copy (free of charge) during the Offer Period by contacting the Offer Information Line on 1300 810 584 (for calls made from within Australia) or +61 2 8022 7909 (for calls made from outside Australia). As permitted by ASIC Class Order 03/635, this Target's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Class Order 07/429, this Target's Statement contains Share price trading data sourced from Bloomberg without its consent.

7.11 No other material information

This Target's Statement is required to include all the information that Azimuth Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- (a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- (b) only if the information is known to any Director of Azimuth.

The Directors of Azimuth and the CEO are of the opinion that the information that Azimuth Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is:

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- (b) the information contained in Azimuth's and Troy's releases to the ASX and news releases issued in Canada and filed on SEDAR, and in the documents lodged by Azimuth and Troy with ASIC and filed on SEDAR before the date of this Target's Statement; and
- (c) the information contained in this Target's Statement.

For the purposes of preparing this Target's Statement, your Directors have assumed that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the Directors have had regard to:

- (a) the nature of the Azimuth Shares;
- (b) the matters that Shareholders may reasonably be expected to know;
- (c) the fact that certain matters may reasonably be expected to be known to Shareholders' professional advisers; and
- (d) the time available to Azimuth to prepare this Target's Statement.

8. Glossary and interpretation

8.1 Glossary

Where the following terms are used in this Target's Statement they have the following meanings:

Announcement Date	means 28 March 2013 in Perth, Western Australia.
ASIC	means Australian Securities & Investments Commission.
ASX	means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.
ASX Listing Rules	means the official listing rules of ASX.
Azimuth	means Azimuth Resources Limited (ABN 87 089 531 082).
Azimuth Board or Board	means the board of Directors as constituted from time to time.
Azimuth Director or Director	means a director of Azimuth at the date of this Target's Statement.
Azimuth Group	means Azimuth and its Related Bodies Corporate.
Azimuth Option	means an option to subscribe for an Azimuth Share.
Azimuth Share or Share	means a fully paid ordinary share issued in the capital of Azimuth.
Azimuth Shareholder or Shareholder	means a holder of one or more Shares.
Bid	means an off-market takeover bid by Troy for all Azimuth Shares under Chapter 6 of the Corporations Act.
Bid	means an off-market takeover bid by Troy for all Azimuth Shares under Chapter 6 of the Corporations Act.
Bid Implementation Deed	means the bid implementation deed dated 28 March 2013 between Azimuth and Troy and announced by news release issued in Canada and filed on SEDAR and announced to ASX on 27 and 28 March 2013 respectively.
Bidder's Statement	means the bidder's statement of Troy under Part 6.5 Division 2 of the Corporations Act issued in relation to the Offer, dated 9 May 2013.
Board	means the board of Directors as constituted from time to time.
Business Day	means Monday to Friday inclusive except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day or which TSX declares is a 'stock market holiday'.
Cancellation Consideration	has the meaning given to that term in Section 6.16 of this Target's Statement.
CEO	means Russell Clark, the Chief Executive Officer of Azimuth, who is not and has never been a Director of Azimuth.

Competing Transaction	<p>means any expression of interest, proposal, offer or transaction, which if completed, would mean a person (other than Troy or one of its Related Bodies Corporate) would:</p> <ul style="list-style-type: none"> (a) directly or indirectly, acquire an interest in, a relevant interest in, become the holder of, or enter into a cash settled equity swap or other synthetic, economic or derivative transaction connected with or relating to: <ul style="list-style-type: none"> (i) more than 10% of the Azimuth Shares or more than 10% of the shares in any of Azimuth's Subsidiaries; or (ii) the whole or a material part of the business or property of Azimuth or any of its Subsidiaries; (b) acquire control of Azimuth, within the meaning of section 50AA of the Corporations Act; (c) otherwise acquire or merge (including by a scheme of arrangement, capital reduction, sale of assets, strategic alliance, joint venture, partnership, reverse takeover bid or dual listed company structure) with Azimuth; or (d) result in the Bid not being able to be implemented on the basis set out in the Bid Implementation Deed.
Convertible Note Facility	<p>means the A\$10,000,000, 12-month convertible note facility summarised in section 6.4 of the Bidder's Statement, subject to a deed poll of Azimuth dated 28 March 2013 by which Azimuth agreed to issue convertible notes to Troy at a face value of A\$1 each for the purpose of Azimuth funding exploration costs (as well as sufficient working capital) during the Offer Period.</p>
Corporations Act	<p>means the Corporations Act 2001 (Cth).</p>
Director means	<p>a director of Azimuth at the date of this Target's Statement.</p>
East Omai	<p>Project means Azimuth's East Omai Gold Project, which is further described in Section 4.1.3.</p>
End Date	<p>means the earlier of:</p> <ul style="list-style-type: none"> (a) the date on which the Offer Period ends; and (b) 28 September 2013, <p>or such other date as Troy and Azimuth agree in writing.</p>
Exclusivity Period	<p>means the period commencing on 28 March 2013 and ending on the first to occur of:</p> <ul style="list-style-type: none"> (a) termination of the Bid Implementation Deed; and (b) the End Date.
Foreign Target Shareholder	<p>means an Azimuth Shareholder:</p> <ul style="list-style-type: none"> (a) who is (or is acting on behalf of) a citizen or resident of a jurisdiction other than residents of Australia and its external territories, New Zealand or Canada; or (b) whose address shown in the register of Azimuth Shares kept by the Target is a place outside Australia and its external territories, New Zealand or Canada, or who is acting on behalf of such a person, <p>unless Troy determines that:</p> <ul style="list-style-type: none"> (c) it is lawful and not unduly onerous or unduly impracticable to issue that Azimuth Shareholder with Troy Shares on completion of the Offer; and (d) it is lawful for that Azimuth Shareholder to participate in the Offer by the law of the relevant place outside Australia and its external territories, New Zealand or Canada.

g/t	means grams per tonne.
Governmental Agency	means a government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity whether foreign, federal, state, territorial or local whether in Australia, Argentina, Brazil, Guyana or elsewhere, including (without limitation) any self-regulatory organisation established under a statute or otherwise discharging substantially public or regulatory functions, and in particular, ASX, TSX and ASIC.
JORC Code	means 2004 Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.
Material Contract	has the same meaning as that term defined in the Bid Implementation Deed filed on SEDAR and announced to the ASX on 27 and 28 March 2013 respectively.
mineral resource	has the meaning given to that term pursuant to the JORC Code and NI 43-101.
Minimum Acceptance Condition	means the Offer Condition described in paragraph 1 of Annexure A to this Target's Statement.
Mining Interests	means every mining or exploration agreement, tenement, permit, licence, lease, concession, grant, permission, authorisation, renewal or right of any kind held by any member of the Target Group at the date of this Target's Statement.
Mt	means a million tonnes.
NI 43-101	means Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects.
Note	means a convertible note issue by Azimuth pursuant to the Convertible Note Facility.
Notice of Status of Conditions	means Troy's notice disclosing the status of the conditions to the Offer which is required to be given by section 630(3) of the Corporations Act.
Offer	means each offer by Troy for Azimuth Shares under the Bid, as contained in the Bidder's Statement.
Offer Conditions	means the conditions of the Offer described in Annexure A to this Target's Statement.
Offer Period	means the period during which the Offer will remain open for acceptance in accordance with section 14.3 of the Bidder's Statement.
ore reserve	has the meaning given to that term pursuant to the JORC Code and the equivalent 'mineral reserve' concept appearing in NI 43-101.
oz	means an ounce.
Related Body Corporate	has the meaning given by the Corporations Act.
Relevant Interest	has the meaning given in section 608 and section 609 of the Corporations Act.
Relevant Target Employees	has the meaning described in Annexure A to this Target's Statement.
Section	means a section of this Target's Statement.
section	means a section of the Bidder's Statement.
SEDAR	means the Canadian System for Electronic Document Analysis and Retrieval, which can be accessed at www.sedar.com .
Share or Azimuth Share	means a fully paid ordinary share issued in the capital of Azimuth.

Shareholder or Azimuth Shareholder	means a holder of one or more Shares.
Subsidiary	has the meaning it has in the Corporations Act.
Superior Proposal	<p>means a publicly announced transaction or proposed transaction which, if completed substantially in accordance with its terms, would mean a person (other than Troy or one of its Related Bodies Corporate) would become the holder of:</p> <p>(a) more than 50% of the Azimuth Shares; or</p> <p>(b) the whole or substantially the whole of the business, assets and undertakings of the Target Group,</p> <p>provided that a majority of the Directors determine, acting in good faith after receipt of advice from the Target's financial and legal advisers and in order to satisfy what the Directors consider to be their fiduciary and statutory duties, that the transaction or proposed transaction is capable of being valued and completed, taking into account all aspects of the transaction or proposed transaction (including its conditions precedent and the person or persons making it) and is superior overall for Azimuth Shareholders as compared to the Offer.</p>
Target	means Azimuth.
Target Group	means the Target and each of its Related Bodies Corporate.
Target Prescribed Occurrences	has the meaning described in Annexure A to this Target's Statement.
Target's Statement	means this document (including the annexure), being Azimuth's statement under Part 6.5 Division 3 of the Corporations Act.
Troy	means Troy Resources Limited (ABN 33 006 243 750).
Troy Group	means Troy and its Related Bodies Corporate.
Troy Option	means an option to subscribe for a Troy Share.
Troy Share	means a fully paid ordinary share issued in the capital of Troy.
TSX	means the Toronto Stock Exchange.
TSX	Listing Rules means the Company Manual of the TSX.
Voting Power	has the meaning it has in the Corporations Act.
VWAP	means the volume weighted average price (calculated in Australian dollars and cents and rounded to one tenth of a cent) for Azimuth Shares traded on the ASX in the ordinary course of trade on the ASX on the trading days (excluding crossings executed outside the open session state, special crossings, overseas trades and trades pursuant to exercise of options over shares or other instruments which convert into shares).
West Omai Project	means Azimuth's West Omai Gold Project, which is further described in Section 4.1.2.
WST	means Western Standard Time as observed in Perth, Western Australia.

8.2 Interpretation

In this Target's Statement:

- (a) words and phrases which are not defined in Section 8.1 above have the same meaning (if any) given to them in the Corporations Act;
- (b) words of any gender include all genders;
- (c) words indicating the singular include the plural and vice versa;
- (d) an expression indicating a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a Section, clause, attachment, annexure and schedule is a reference to a Section of, clause of and an attachment, annexure and schedule to this Target's Statement as relevant;
- (f) a reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or reenactments of any of them;
- (g) headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement;
- (h) a reference to time is a reference to WST unless otherwise stipulated;
- (i) a reference to **dollars, \$, A\$, AUD, cents, ¢** and **currency** is a reference to the lawful currency of the Commonwealth of Australia;
- (j) a reference to **US\$** is a reference to the lawful currency of the United States of America.

9. Authorisation

This Target's Statement has been approved by a resolution passed by the Directors of Azimuth. All Azimuth Directors voted in favour of that resolution.

Signed for and on behalf of
Azimuth Resources Limited

by

A handwritten signature in black ink that reads "Michael Hunt". The signature is written in a cursive style with a large initial 'M' and a stylized 'H'. Below the signature is a thin horizontal line.

Mr Michael Hunt

Chairman

9 May 2013

Annexure A – Offer Conditions

1 Minimum acceptance condition

At the end of the Offer Period, Troy and its associates (as defined in section 12 of the Corporations Act as if subsection (1) of that section included a reference to the Bid Implementation Deed) have a Relevant Interest in more than 90% (by number) of all of the Azimuth Shares both on an undiluted and on a fully-diluted basis.

2 No Target Prescribed Occurrences

None of the following events (each a **Target Prescribed Occurrence**) happens in the period between 28 March 2013 and the End Date (both inclusive), where that occurrence was not consented to by Troy or is not the result of Azimuth taking or procuring any action required to be taken or procured by it under the Bid Implementation Deed:

- (a) Azimuth converting all or any of its Azimuth Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (b) a member of the Target Group resolving to reduce its share capital in any way;
- (c) a member of the Target Group entering into a buy-back agreement or resolving to approve the terms of such an agreement under sections 257C(1) or 257D(1) of the Corporations Act;
- (d) a member of the Target Group making an issue of its shares (other than pursuant to the exercise of any Azimuth Options existing at 28 March 2013 or other than as provided for under the Convertible Note Facility or possible issues of securities listed in Section 7.7(d) of the Target's Statement) or granting an option over its shares or agreeing to make such an issue or grant such an option;
- (e) a member of the Target Group issuing, or agreeing to issue, convertible notes other than pursuant to the Convertible Note Facility;
- (f) a member of the Target Group disposes, or agrees to dispose, of the whole or a substantial part of its business or property;
- (g) a member of the Target Group resolving that it be wound up;
- (h) the appointment of a liquidator or provisional liquidator of a member of the Target Group;
- (i) the making of an order by a court for the winding up of a member of the Target Group;
- (j) an administrator of a member of the Target Group being appointed under sections 436A, 436B or 436C of the Corporations Act;
- (k) a member of the Target Group executing a deed of company arrangement;
- (l) the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of a member of the Target Group;
- (m) a member of the Target Group agrees to pay, declares or pays a dividend or any other form of distribution of profit or capital, other than the declaration and payment by any Subsidiary of the Target of a dividend where the recipient of that dividend, is the Target or a wholly-owned Subsidiary of the Target;
- (n) the Target makes any change to its constitution;
- (o) a member of the Target Group disposes of, or agrees to dispose of, or creates or agrees to create an equity interest in respect of:
 - (i) any assets (including, without limitation, under any off-take or similar deed), properties or businesses, whether in one transaction or a number of such transactions, where the amount or value involved in such transaction or transactions exceeds A\$2,000,000 in aggregate; or
 - (ii) any mining licence or tenement (including applications and tenements identified in the Bid Implementation Deed);
- (p) a member of the Target Group creates, or agrees to create, any encumbrance over its business or any part of its property other than in the ordinary course of its business;
- (q) a member of the Target Group incurs any financial indebtedness or issues any debt securities, other than:
 - (i) in the ordinary course of business; or

- (ii) pursuant to advances under its credit facilities in existence as at 28 March 2013 (including the Convertible Note Facility) where the funds drawn pursuant to those advances are used in the ordinary course of business;
- (r) a member of the Target Group ceases, or threatens to cease, to carry on business;
- (s) a member of the Target Group is deregistered as a company or otherwise dissolved;
- (t) a member of the Target Group entering into any arrangement, commitment or deed with a related party (as that term is defined in section 228 of the Corporations Act), other than in the ordinary course of business;
- (u) any member of the Target Group:
 - (i) increases the remuneration of, pays any bonus (other than in accordance with existing contractual entitlements as at 28 March 2013) to or otherwise varies the employment arrangements of any Target director or any employee of the Target Group whose total employment cost exceeds A\$200,000 (collectively, Relevant Target Employees);
 - (ii) issues any securities, options or performance rights to any of the employees of the Target Group, or accelerates the rights of any such employee to compensation or benefits of any kind (including, without limitation, under any executive or employee share or option plan and including, without limitation, by vesting any outstanding performance rights);
 - (iii) pays any of the Relevant Target Employees termination or retention payments (otherwise than in accordance with contractual entitlements existing at 28 March 2013 which were disclosed to Troy prior to 28 March 2013); or
 - (iv) enters into, amends or terminates any Material Contract that is material to the conduct of the businesses of the Target Group.

3 No Target material adverse change

During the Exclusivity Period:

- (a) no event, change, condition, matter or thing occurs which has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Target Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or
- (b) no event, matter or thing, as described in sub-paragraph (a), which occurred before 28 March 2013 but was not apparent from publicly available information before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Target Group exceeds A\$10,000,000, other than any such event, change, condition, matter or thing:

- (c) required to be done or procured by the Target pursuant to the Bid Implementation Deed;
- (d) relating to changes affecting the global gold industry or security markets generally or a change in the market price of gold which impacts on the Target and its competitors in a similar manner;
- (e) that is an actual event, matter or thing which is known to Troy prior to 28 March 2013 (which does not include knowledge of the risk of an event, occurrence or matter happening);
- (f) directly resulting from any actions taken (or omitted to be taken) upon Troy's request; or
- (g) any change in taxation rates or the law relating to taxation or accounting policy which impacts on the Target and its competitors in a similar manner.

Without limitation to any other part of this Offer Condition:

- (h) a creditor lawfully demanding repayment of a debt of A\$2,000,000 or more will have the effect referred to in sub-paragraph (a);
- (i) the following events will have the effect referred to in sub-paragraph (a) where they have a financial impact on the Target Group of more than A\$10,000,000:
 - (i) a person exercises rights under a deed, arrangement or understanding to which any member of the Target Group is a party where that exercise has, will have or is reasonably likely to have the effect of accelerating or adversely modifying the performance of any of the obligations of the relevant Target Group member under the deed, arrangement or understanding;
 - (ii) an outbreak of hostilities (whether war is declared or not) or terrorism, mobilisation of armed forces, civil or political unrest or labour disturbance, fire or natural disaster or a material increase in the intensity of any such event existing as at 28 March 2013 which has a material adverse effect on the assets, liabilities,

financial position, performance, profitability or prospects of the Target Group taken as a whole; and

- (iii) a Governmental Agency or other body withdraws, revokes, cancels or suspends an approval, consent, licence or permit granted to or held by the Target Group (or expresses an intention to do any of these things).

The above conditions are conditions subsequent and do not prevent a contract resulting from acceptance of the Offer from coming into effect but any breach or non-fulfilment of them entitles Troy to rescind any contracts resulting from acceptance of the Offer.

Notes