Management's Discussion and Analysis

Three and Nine Months Ended
March 31, 2013

This Management's Discussion and Analysis ("MD&A") of Azimuth Resources Limited and its controlled entities ("Azimuth" or the "Company") is dated April 30, 2013 and provides an analysis of the Company's performance and financial condition for the three and nine months ended March 31, 2013.

This MD&A should be read in conjunction with the Company's June 30, 2012 audited consolidated annual financial statements as well as the March 31, 2013 unaudited condensed consolidated interim financial statements and notes thereto. The financial statements (and the financial information contained in this MD&A) comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board ("AASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors, considers the materiality of information. Information is considered material if: (i) such information has, or would reasonably be expected to have, a significant effect on the market price or value of Azimuth ordinary shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the board of directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Additional information relating to the Company and its business, including the Company's Annual Information Form ("AIF"), is available under the Company's profile on SEDAR at **www.sedar.com**.

This MD&A may contain forward-looking information that is based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. Forward-looking information speaks only as of the date it is provided, is not a guarantee of future performance and involves risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out in this MD&A under "Risk Factors". Actual outcomes and results may differ materially from those expressed in forward-looking information and readers should not place undue reliance on such statements.

Readers are also referred to the "Cautionary Note Regarding Forward Looking Statements" in this MD&A.

All monetary amounts are stated in Australian dollars, except as otherwise stated.

COMPANY OVERVIEW

Azimuth is a gold focused exploration company with over 8,700km² of gold exploration permits and licenses located in Guyana, South America. Broadly, the areas of interest in Guyana are split into 2 projects, the West Omai Gold Project, and the East Omai Gold Project.

Azimuth is incorporated under the laws of Australia and listed on the Australian Securities Exchange (the "ASX") under the symbol 'AZH' and the Toronto Stock Exchange (the "TSX") under the symbol 'AZH'.

Having an inferred gold resource for the West Omai Project of 1.65Moz (see Technical Report dated March 19, 2013) with an average grade in excess of 3 g/t Au, and encouraged by the completion of a scoping study, the Company plans to infill drill the existing high grade Smarts deposit and undertake further engineering and optimization studies.

The Company's longer term (5 year) objective is to be a gold producer with below industry average cash costs, and above industry average returns on equity.

On March 28, 2013, the Company announced the signing of a Takeover Bid Implementation Deed under which it is proposed that Troy Resources Limited ("Troy") will acquire all of the issued shares of Azimuth. Troy will acquire Azimuth shares in a share based transaction by way of an off-market takeover offer. Azimuth shareholders are being offered 1 Troy share for every 5.695 Azimuth shares and based on Troy's closing price on the ASX on March 27, 2013, the offer values Azimuth at $188m, or $0.437 per share.

GUYANA PROJECTS

The Guiana Shield hosts numerous "World Class" (>3 million ounce) gold deposits. Almost all of the known gold deposits lie within a portion of the Shield that lies within 200km of the coast in a belt of greenstones with a strike length of approximately 1,200km with a known endowment of over 100Moz. Azimuth's projects give it control of approximately 20% of this prime geological address.

During the period July 1 2012 to March 31 2013, Azimuth completed drilling required for an updated JORC Code and NI 43-101 compliant inferred gold resource estimate and continued to explore its package of highly prospective gold properties in Guyana, South America.

Exploration drilling ceased over the Christmas period from December 20, 2012, and resumed in late January 2013, at the Larken Prospect. In March 2013, drilling commenced at Honey Camp prospect.

During the quarter, a scoping study was completed at the West Omai project, providing the Company with the confidence to proceed with a pre-feasibility study.

The West Omai Gold Project

The West Omai Gold Project is an approximately 1,100km² advanced exploration project covering a 50km strike length of the same structural stratigraphic corridor (the Omai- Hicks-Kaburi Corridor) which hosts the Omai gold mine (3.7Moz produced), located east of the West Omai project boundary.

Highlights:
An updated NI 43-101 and JORC Code compliant inferred resource estimate was announced on February 7, 2013. Total inferred resource increased to 16.7Mt at 3.1g/t Au for 1.65Moz gold.

As a result of work done during the quarter, encouraging results at the Larken Prospect, adjacent and parallel to the Hicks deposit were announced on January 10, 2013, with the best intercept returning 12m @ 4.8g/t Au from 25 metres.

The scout drilling focused on short strike length intervals (200-400m) along the prospect. The initial success at the Larken prospect warrants systematic exploration of the gold bearing structures intersected by the scout drilling over longer strike lengths and is planned to be undertaken in 2013.

The Company is excited by this discovery as it validates the belief that there are other high grade gold bearing structures separate to the Hicks and Smarts structure within the West Omai project.

The Larken Prospect: The Larken Prospect is a bedrock target located in the West Omai district. The Prospect is in an area adjacent and parallel to Smarts.

An announcement was made on January 10, 2013, with encouraging results. High grade gold discoveries were made during the quarter. Initial assays and significant drill results reported:

- LRC007: 12m @ 4.6g/t Au from 25m
- LRC025: 5m @ 9.7g/t Au from 52m
- LRC026: 15m @ 0.92g/t Au from 102m
- LRC018: 2m @ 2.7g/t Au from 19m
- LRC022: 1m @ 5.8g/t Au from 31m

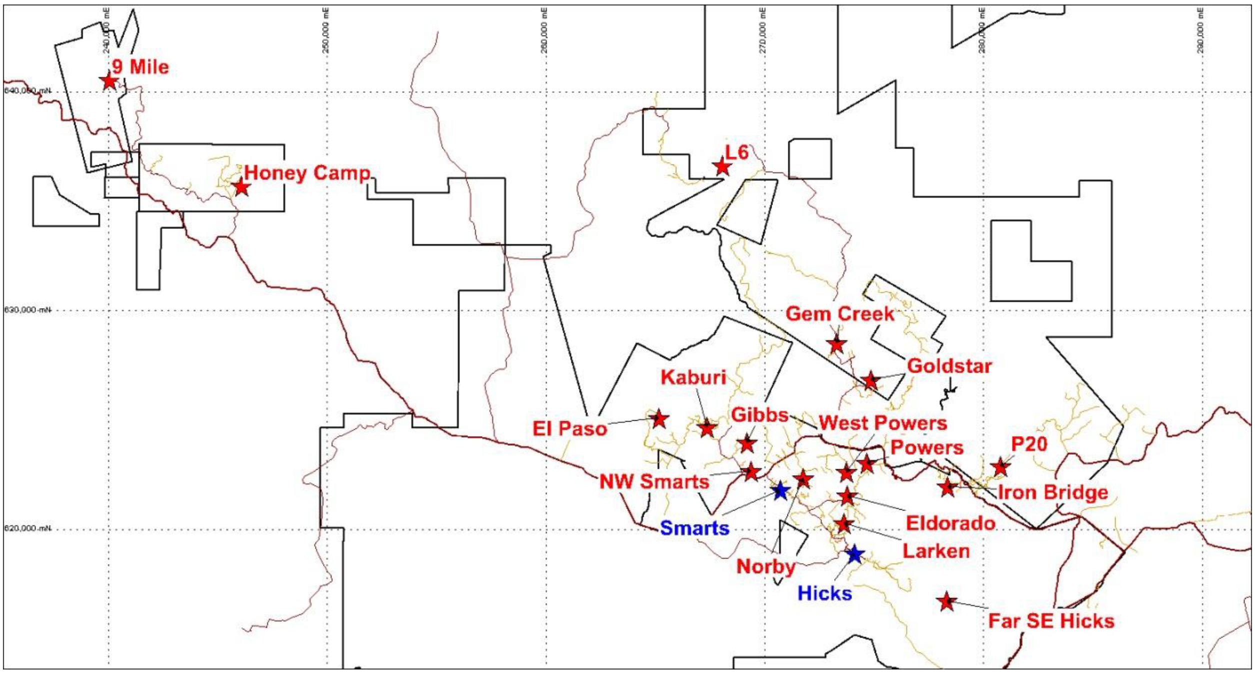

Figure 1: Map showing location of the Larken Prospect relative to the Smarts and Hicks deposits.

The Smarts Deposit: A shallow, high grade JORC Code and NI 43-101 compliant inferred resource estimate of 8.1Mt at 4.2g/t Au for 1,077,000 ounces gold at a 1.0g/t Au cut off.

The results of drilling during 2012 were announced in a revised resource statement on February 7, 2013.

The Hicks Deposit: A shallow JORC Code and NI 43-101 compliant inferred resource of 8.7Mt at 2.0g/t Au for 571,000 ounces gold at a 1.0g/t Au cut off.

East Omai Gold Project

The East Omai Gold Project is a 7,636km^2 green fields exploration project, comprising a 110km strike length of the main Guiana Shield gold belt, with potential to host several major gold deposits.

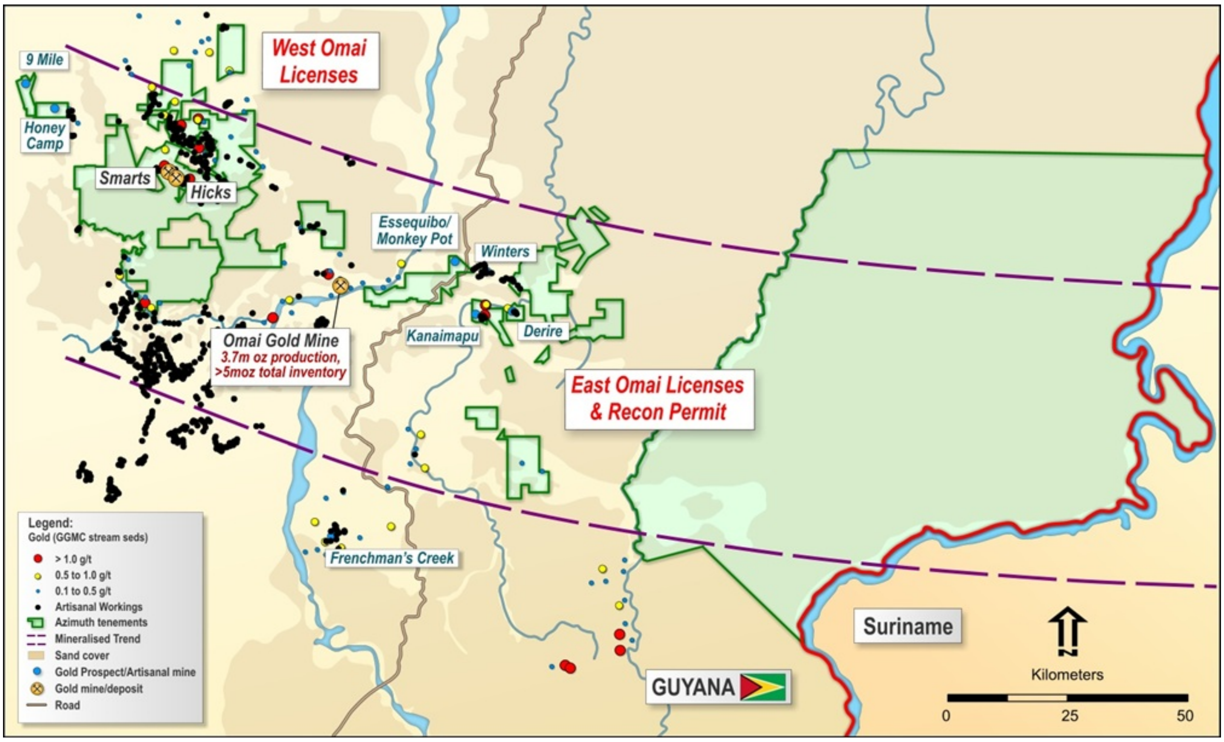

Figure 2: Map showing location of West and East Omai tenements.

Honey Camp prospect: The Honey Camp tenements were acquired in September 2012. Drilling commenced at Honey camp in March 2013, with 22 holes completed.

Significant new drill intersections received

- IRC001: 4m @ 1.3g/t Au from 30m
- IRC002: 5m @ 1.5g/t Au from 50m
- IRC004: 3m @ 3.6g/t Au from 15m
- IRC006: 5m @ 2.7g/t Au from 48m
- IRC007: 11M @ 1.1g/t Au from 23m
- IRC010: 3M @ 2.7g/t Au from 33m

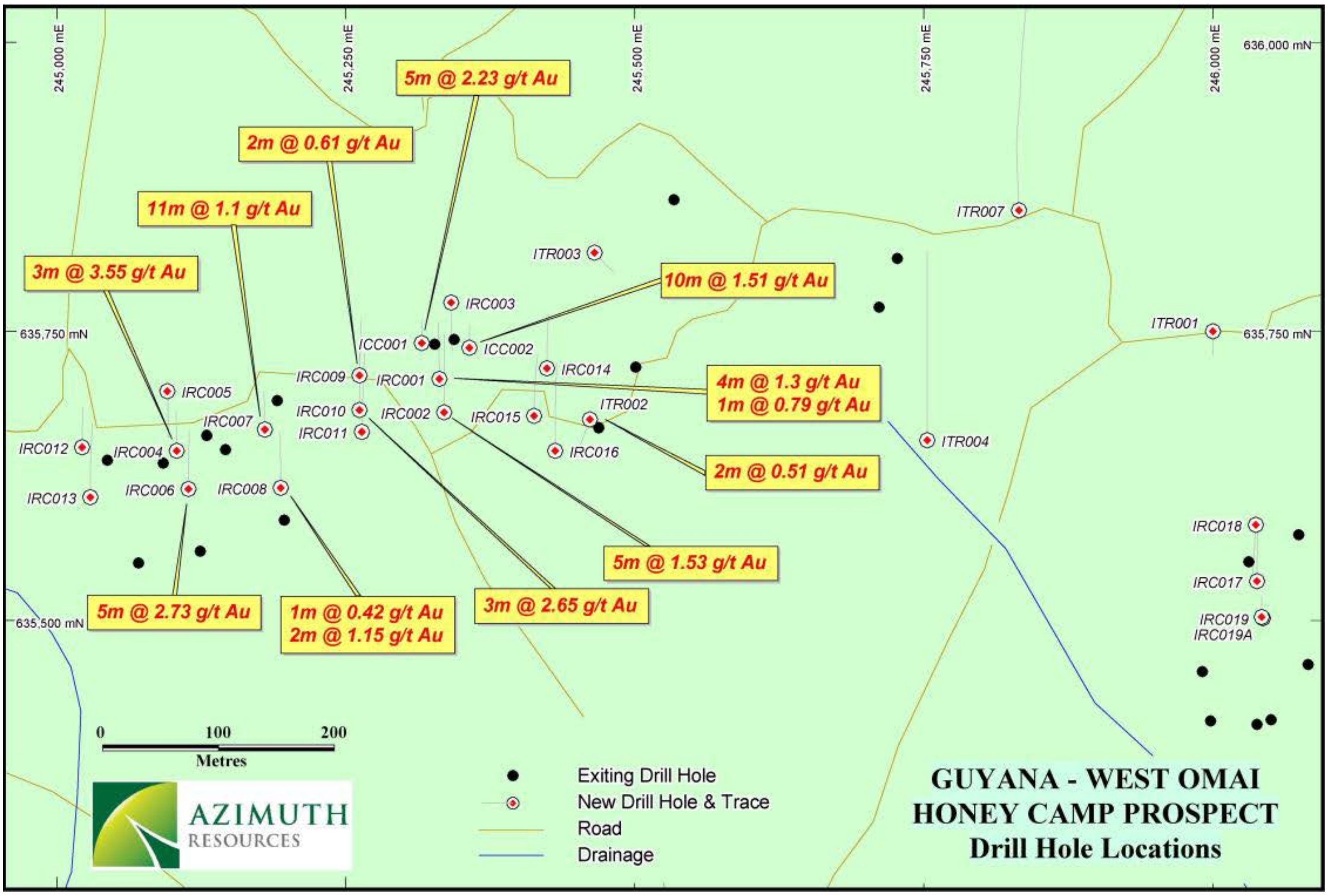

Figure 3: Plan view map of Honeycamp Prospect and drill collar locations.

STUDY ACTIVITIES

During the quarter Azimuth completed a scoping study of the West Omai Project. The results of the scoping study cannot be disclosed due to the inferred nature of the resource estimate, however the Company believes that the results of the study are sufficiently encouraging to work towards the pre-feasibility stage, with infill resource drilling planned to commence in Q2, 2013.

During the period the Company appointed a study manager to scope and cost work required to progress the West Omai project, including optimization studies to determine whether the current plant throughput contemplated by the scoping study is optimal, given recent changes in the gold price. The Company will also consider scenarios that, in addition to open pit mining methods, include an underground development to determine if this approach can add shareholder value.

AMAILA FALLS HYDRO POWER PROJECT

The Amaila Falls Hydro Power Project is a Guyanese Government funded project. The project was granted to Sithe Global. Construction continues on the access road ahead of the completion of financing. The access road passes within 6 kilometers of the Hicks camp and will form a major access route to the West Omai Project from Georgetown.

TRENDS

The price of gold is volatile and views of the Company’s value and prospects may vary significantly from day to day. As such, there can be no assurance that additional funding will be available to the Company.

The Company remains cautious in case the economic factors that impact the mining industry deteriorate.

Azimuth is currently focused on the exploration of gold mineral resource properties in Guyana. The Company has significant components of expenditure which are discretionary, and can be adjusted to accommodate differing economic trends and outlooks. The Company regularly monitors factors affecting the resources industry in light of its expenditure plans and strategies.

The Company is aware that governments around the world are looking to the resource sector as a possible source of additional revenue, be it taxes or royalties.

Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

CORPORATE

The following material corporate events occurred during or since the quarter ended March 31, 2013.

Takeover Bid Received from Troy Resources Limited

On March 28, 2013, the Company announced the signing of a Takeover Bid Implementation Deed under which it is proposed that Troy Resources Limited ("Troy") will acquire all of the issued shares of Azimuth. Troy will acquire Azimuth shares in a share based transaction by way of an off-market takeover offer. Azimuth shareholders are being offered 1 Troy share for every 5.695 Azimuth shares and based on Troy's closing price on the ASX on March 27, 2013, the offer values Azimuth at $188m, or $0.437 per share. Troy also agreed to provide Azimuth with bridge funding of $10 million through a convertible note facility. The convertible notes were issued on April 8, 2013, and are convertible at $0.30 per share.

The directors and CEO of Azimuth unanimously recommend that shareholders accept the Troy offer in the absence of a superior offer. It is anticipated that the Bidder's Statement and Target's Statement will be distributed to shareholders in May, 2013.

Management Changes

On January 29, 2013 the Company announced the appointment of Russell Clark as CEO. Mr. Clark is an experienced mining engineer who was most recently the Managing Director of Grange Resources.

During the quarter, Azimuth appointed a study manager to facilitate the progression of the pre-feasibility study.

Outstanding Share Information

As at March 31, 2013, the Company had 430,626,680 fully paid ordinary shares issued and outstanding. The following table sets out the Company's securities that are issued and outstanding at March 31, 2013:

	Number
Outstanding ordinary shares	430,626,680
Outstanding unlisted options (1)(2)	6,572,581
Outstanding unlisted incentive options(1)(2)	12,875,000
Total Ordinary Shares and Unlisted Options	**450,074,261**

Notes:

(1) The outstanding unlisted options and unlisted incentive options are convertible into one share per option, and have exercise prices ranging from $0.10 to $0.90 and expiry dates ranging from August 13, 2013 to January 22, 2016; and

(2) During the quarter the Company issued 6,000,000 ordinary shares as a result of the exercise of unlisted incentive options.

As at March 31, 2013, Azimuth's market capitalization (based on its trading price on the ASX of $0.345 per share) was approximately $148 million (approximately $148 million on a diluted basis including all ordinary shares, performance rights, and in the money options).

Since March 31, 2013, the Company has cancelled 3,625,000 unlisted incentive options, and issued 10,000,000 convertible notes with a face value of $1 each, which are convertible to AZH shares at a price of $0.30 each.

DISCUSSION OF OPERATIONS

Three months ended March 31, 2013, compared to three months ended March 31, 2012:

During the three months ended March 31, 2013, the Company recorded a net loss of $2,441,178, with basic and diluted loss per share of 0.57 cents per share. That compares to a net loss of $1,078,835, with basic and diluted loss per share of 0.28 cents per share in the comparable period of 2011. The increase of $1,465,040 in net loss can be attributed to:

- Transaction costs in relation to the Troy Resources Takeover Bid in the amount of $595,472 were incurred in the three months ended March 31, 2013.
- Share based payments expenses of $638,626 were incurred during the three months ended March 31, 2013. This expense is reflective of options issued to executives and employees under the company Employee and Consultant's Option Plan (ECOP) which are being expensed over their respective vesting periods and options issued to Directors. An amount of $169,020 was incurred in share based payment expenses for the comparative quarter.
- Interest income amounted to $22,786 for the three months ended March 31, 2013, compared to $223,301 for the comparative period in 2012. The decrease of $200,515 can be attributed to a lower cash balance for the current period.
- Compliance and regulatory expenses of $312,295 were incurred for the quarter, as compared to $249,932 in the comparative quarter in 2012. The increase of $62,363 is a result of additional costs associated with the Company's listing on the TSX, and larger market capitalization.
- Director fees amounted to $145,680 for the three months ended March 31, 2013, compared to $128,206 in the comparative period. The increase of fees was attributed to the establishment of board sub committees.
- Other income and expenses relate to general and corporate activity.

Nine months ended March 31, 2013, compared to nine months ended March 31, 2012:

During the nine months ended March 31, 2013, the Company reported a net loss of $8,097,748, with basic and diluted loss per share of 1.84 cents per share. This compares to a net loss of $2,387,577, with basic and diluted loss per share of 0.66 cents per share in the comparative period of 2012. The increase of $5,812,869 can be attributed to:

- A write off of $2,560,294 of capitalized costs on the Amakura Uranium project in the nine months ended March 31, 2013, upon the company deciding to cease exploration, and not renew the permit for the project.
- A foreign exchange loss of $855,215 was recorded during the nine months ended March 31, 2013, compared with a foreign exchange gain of $219,236 for the nine months ended March 31, 2013.
- Transaction costs in relation to the Troy Resources Takeover Bid in the amount of $595,472 were incurred in the nine months ended March 31, 2013.
- Compliance and regulatory expenses were $1,017,010 during the nine months ended March 31, 2013, compared to $564,581 for the nine months ended March 31, 2012. This increase was primarily due to increased insurance premiums, legal fees, and corporate secretarial activity associated with the listing on the TSX and the associated ongoing reporting and compliance costs.
- Share based payments expenses of $1,297,893 were incurred during the nine months ended March 31, 2013. This expense is reflective of options issued to executives and employees under the ECOP which are being expensed over their respective vesting periods and options issued to Directors. An amount of $890,070 was incurred in share based payment expenses for the comparative quarter.
- Employee benefit expense were $529,094 during the nine months ended March, 2013, compared with $330,302 in the same period in 2012. This increase was primarily due to the addition of senior staff in Guyana and corporate and administrative staff in Australia.
- Interest income amounted to $172,172 for the nine months ended March 31, 2013, compared to $491,643 for the comparative period in 2012. The decrease of $319,471 can be attributed to a lower balance of cash for the current period.
- A write off of prepayments amounting to $270,214 was recorded in the nine months ended March 31, 2013 as a result of the termination of a relationship with a drilling contractor.
- Public relations expense increased by $37,587 during the nine months ended March, 2013, compared with the same period in 2012. This increase was due to promotional activity domestically and internationally.
- Consultancy expenditure increased by $42,655 during the nine months ended March, 2013, compared with the same period in 2012. This increase was due to recruitment fees for the placement of senior staff in Guyana.
- Other income and expenses relate to general and corporate activity.

FINANCIAL CONDITION

On March 31, 2013, the Company's total assets amounted to $59,557,025, which compares to $61,312,850 at December 31, 2012. Excluding cash and certain other items, total assets are mostly composed of exploration and evaluation assets, which at March 31, 2013, totaled $54,738,311 ($52,289,646 on December 31, 2012). The Company's total assets also included $2,306,140 ($2,366,768 on December 31, 2012) of plant and equipment.

The Company's total liabilities on March 31, 2013, include accounts payable to suppliers and other accrued liabilities of $7,993,031 ($9,060,163 on December 31, 2012). The majority of this balance relates to a non-current deferred tax liability of $5,537,782 associated with the exploration assets.

LIQUIDITY AND CAPITAL RESOURCES

The Company's aggregate operating, investing and financing activities during the period resulted in a cash position of $1,495,327 ($4,458,703 on December 31, 2012) and working capital (current assets less current liabilities) of $817,145 ($3,669,908 on December 31, 2012). In total, the Company's shareholders' equity on March 31, 2013, was $69,020,056, an increase of $1,080,000 from the balance on December 31, 2012, as a result of option exercises during the period.

The Company's use of cash is expected to continue to be focused on two principal areas, namely, the funding of its gold exploration and development activities in Guyana, and the funding of its overhead expenditures.

The Company's working capital of $817,145, together with funding of $10,000,000 received from the issue of convertible notes to Troy Resources on April 8, 2013, is sufficient to fund its operating expenses for Guyana, and its administration activities. As the Company's discretionary exploration activities have considerable scope for flexibility in terms of amount and timing of expenditures, expenditures may be adjusted accordingly.

Summary of Quarterly Financial Position – eight quarter look back

Movements in the financial position for the most recent eight quarters are provided below:

Financial position as at (unaudited)
(thousands of A$)

	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011	Sep 30, 2011	Jun 30, 2011
Cash and cash equivalents	1,495	4,459	8,730	7,996	14,415	19,603	5,338	8,023
Total Assets	59,557	61,312	62,565	57,979	58,253	55,347	37,055	36,187
Total Liabilities	7,993	9,060	7,827	7,488	7,319	7,240	6,824	6,436
Net Assets	51,564	52,253	54,738	50,491	50,934	48,107	30,231	29,751

During the last eight quarters, the following events occurred which resulted in the movement of balances displayed above:

Cash and cash equivalents
In the quarter ended December 31, 2011, the Company raised $19.4 million via a placement of 42,118,949 shares at $0.46 per share to institutional investors, including current Australian institutions and a number of Canadian institutions not previously recorded on the register.

In the quarter ended September 30 2012, the Company raised $6 million via a placement of 17,142,857 shares at $0.35 per share to institutional investors.

During the quarter ended March 31, 2013 $1,080,000 was received by the Company in relation to the exercise of 6,000,000 unlisted options at $0.18 each.

Total assets
Total assets comprise mainly of exploration and evaluation expenditure which is capitalized in line with IFRS6. This has steadily increased in the past eight quarters, which is a reflection of capitalized exploration and evaluation activities following successful capital raisings in December 2011, and August 2012. This expenditure has been mainly due to exploration and evaluation of the West Omai Gold Project.

Total liabilities
Total liabilities are predominantly comprised of a non-current deferred tax liability of $5,537,782. This is attributable to exploration and evaluation expenditure, which was recognized upon the acquisition of Takatu Minerals Ltd. The deferred tax liability was reduced during the December quarter due to the write down of the fair value incremenet associated with the Amakura Uranium project.

Net Assets
Over the past 8 quarters, the net asset position of the Company has on average increased in line with equity capital raisings and the capitalization of exploration and evaluation expenditure. Over the two most recent quarters, the net asset position has decreased due to the write off of $2.6m in relation to the Amakura Uranium project, and due to corporate and administrative costs incurred. The current net asset position indicates that Azimuth is well placed to proceed with the planned exploration and evaluation program across the Company's current projects.

Summary of quarterly Cash Flow

Movements in the cash flow for the most recent eight quarters are provided below:

Cash flow movements for the three months ended (unaudited)
(thousands of A$)

	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011	Sep 30, 2011	Jun 30, 2011
Operating Activities	(1,074)	(994)	(781)	(397)	(436)	(1,151)	(491)	(217)
Investing Activities	(2,980)	(4,376)	(4,158)	(6,171)	(5,264)	(3,968)	(2,247)	(3,249)
Financing Activities	1,080	436	5,717	201	814	18,999	65	(390)

Operating activities
Cash outflows from operating activities has increased on average over the past eight quarters as a result of increased exploration and evaluation activities on the Guyana tenure, and administration costs due to increased personnel and other contractors and consultants. In the quarter ended September 30, 2012, operating activities were scaled back. In the quarters ended December 31, 2012 and March 31, 2013, operating activities were maintained at the September quarter level, as the Company completed resource drilling programs at the Hicks and Smarts deposits, and scout drilling at prospects within the West Omai tenements.

Investing activities
Cash outflows from investing activities are mainly due to purchases of capital plant and equipment.

Financing activities
The significant increase in financing activities that occurred in the December 2011, and September 2012 quarters reflects successful capital raisings through the ASX to assist in the funding of further exploration activities. The increase in the March 2013 quarter reflects the exercise of options.

Summary of quarterly Profit/Loss

The net profit/loss for the most recent eight quarters are provided below:

Operating results for the three months ended (unaudited)
(thousands of A$, except per share amounts, rounded to the nearest hundredth)

	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012	Jun 30, 2012	Mar 31, 2012	Dec 31, 2011	Sep 30, 2011	Jun 30, 2011
Interest Revenue	23	58	91	124	223	227	42	134
Other Income	-	128	22	10	55	88	7	10
Expenditure	(1,632)	(3,743)	(892)	(1,207)	(1,004)	(742)	(614)	(617)
Share Based Payments	(639)	(584)	(75)	(133)	(169)	(721)	-	(675)
FX Gain/(Loss)	(193)	21	(683)	401	(184)	(519)	922	(197)
Net profit/(loss) after tax	(2,441)	(4,120)	(1,537)	(805)	(1,079)	(1,667)	357	(1,345)
Basic profit/(loss) per share	(0.57)	(0.97)	(0.37)	(0.20)	(0.28)	(0.46)	0.11	(0.40)
Diluted profit/(loss) per share	(0.57)	(0. 97)	(0.37)	(0.20)	(0.28)	(0.46)	0.11	(0.40)

Interest revenue
The Company is in the exploration stage of its development, and does not currently have revenues from operations. Revenues shown as interest revenue above are a result of cash deposits on hand.

Expenditure
Expenditure comprises both administration and exploration costs. During the March 2013 quarter Azimuth incurred expenditure of $1,631,851, compared to $1,003,792 in the March 2012 quarter due to an increase in compliance costs and employment expenses. Expenditure in the December 2012 quarter included a write off of the Amakura Uranium Project totaling $2,560,470.

FX Gain/Loss
In 2012 significant foreign exchanges gains arose, which were mainly attributable to the effect of the weakening of the Australian Dollar on the Company's foreign denominated loans to subsidiaries. In the December quarter of 2012, the Australian dollar remained fairly stable against the US dollar and Guyanese dollar, before the AUD strengthened in the March 2013 quarter, resulting in an FX loss of $193,487, the majority of which was an unrealized.

Net profit/loss after tax
As the Company does not have revenues from operations, it is not in a tax paying position and most often the net profit/loss after tax is equal to the accounting net profit/loss. In the December 2012 quarter, the write off of the Amakura Uranium project resulted in the decrease of the Company's deferred tax liability associated with the capitalized exploration expenditure. This resulted in an income tax gain of $353,673 in the December 2012 quarter, and in the nine months to March 31, 2013.

Off-Balance-Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

TRANSACTIONS WITH RELATED PARTIES

Oyster Consulting Pty Ltd, a company jointly controlled by Dean Felton, Non-Executive Director of the Company, receives a monthly retainer of $5,750 for Directors fees and Audit and Risk Management Committee fees, Nomination and Remuneration Committee fees, and Corporate Governance Committee fees.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The financial statements were prepared in accordance with IFRS. A description of the Company's significant accounting policies is provided in Note 1 to the annual financial statements.

Management is required to make various estimates and judgments in determining the reported amounts of assets, liabilities, revenues and expenses for each period presented and in the disclosure of commitments and contingencies. Management considers the following to be the critical accounting policies which reflect its more significant estimates and judgments used in the preparation of the financial statements. The Company has neither provided nor is required to provide a reconciliation of its financial statements to CGAAP.

The Company's significant accounting policies are outlined below:

Exploration and Evaluation Expenditure

Exploration and evaluation expenditure encompasses expenditures incurred by the Company in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

For each area of interest, expenditure incurred in the initial acquisition of rights to explore is capitalized, classified as tangible or intangible, and recognized as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition. Exploration and evaluation expenditure incurred by the Company subsequent to acquisition of the rights to explore is expensed as incurred up to the successful completion of a feasibility study. Expenditure in relation to the preparation of a feasibility study is expensed as incurred.

Expenditure is capitalized if the Company has rights to tenure and the Company expects to recoup the expenditures through successful development or sale.

Capitalized exploration costs are reviewed each reporting date to establish whether an indication of impairment exists. If any such indication exists, the recoverable amount of the capitalized exploration costs is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in previous years.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortized over the life of the reserves associated with the area of interest once mining operations have commenced.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Share-Based Payments

Share-based payments are provided to directors, employees, consultants and other advisors and to acquire assets such as mineral exploration licenses.

The estimated fair value of rights granted (determined using the Black and Scholes option pricing model) is recognized as an expense or asset, as appropriate with a corresponding increase in equity. The fair value is measured at grant date and recognized over the period during which rights holders become unconditionally entitled to the rights. This valuation models takes into account the exercise price, expected life, volatility, dividend yield, and the risk free interest rate.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest.

Income Taxes

Significant judgment has been exercised in determining any provision for income taxes. The Company recognizes a provision for deferred tax liabilities in accordance with IFRS. This has been reviewed by tax advisers in Australia in accordance with IFRS.

Financial Instruments

The Company's principal financial instruments are comprised of receivables, payables, cash and short-term deposits. The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk, operating risk, and commodity price risk.
The Company's Audit and Risk Management Committee reviews business risks on a quarterly basis and reports to the Board. The Company maintains a strong capital base and interest rate risk is mitigated through the use of term deposits.

The fair values of receivables, payables, cash and short-term deposits approximate their carrying value.

RISK FACTORS

Risk factors, including risks not currently known to Azimuth, could materially adversely affect Azimuth's future business, activities and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to Azimuth. Before making an investment decision consideration should be made of the principal risks and uncertainties that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual Information Form ("AIF") for the financial year ended June 30, 2012, available on SEDAR at www.sedar.com.

Proposed Transactions

Other than the takeover bid by Troy, there are no proposed transactions of a material nature being considered by the Company. The Company continues to evaluate properties and corporate entities that it may acquire in the future.

Disclosure Controls and Procedures

Management has designed and evaluated the effectiveness of the Company's disclosure controls and procedures and the internal controls on financial reporting and has concluded that, based on its evaluation, they are sufficiently effective as on March 31, 2013, to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries is made known to management and disclosed in accordance with applicable securities regulations.

Internal Controls over Financial Reporting ("ICFR")

Management is responsible for certifying the design of the Company's ICFR as required by Multilateral Instrument 52-109 – "Certification of Disclosure in Issuers' Annual Interim Fillings". The Company's ICFR are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable accounting standards. ICFR should include those policies and procedures that establish the following:

- Maintenance of records in reasonable detail, that accurately and fairly reflect the transactions and dispositions of the Company's assets;
- Reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable accounting standards;
- Receipts and expenditures are only being made in accordance with authorizations of management and the Board of Directors; and
- Reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of their inherent limitation, ICFR may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management, including the Chief Executive Officer and Chief Financial Officer (or equivalent), has evaluated the design of the Company's internal controls over financial reporting as of March 31, 2013, pursuant to the requirements of Multilateral Instrument 52-109. The Company has designed appropriate ICFR for the nature and size of its business, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable accounting standards.

There have been no changes in ICFR during the period ended March 31, 2013, that have materially affected, or are reasonably likely to materially affect the Company's ICFR.

Outstanding Share Data

As of the date of this MD&A, the Company had 430,626,680 issued and outstanding ordinary shares, 15,822,581 stock options outstanding, each entitling the holder to acquire one ordinary share, and 10,000,000 convertible notes which may be converted into 33,333,334 ordinary shares. Therefore, the Company had 479,782,594 ordinary shares on a fully diluted basis.

Commitments

In addition to commitments otherwise reported in this MD&A, the Company's contractual obligations as at March 31, 2013, include:

Contractual Obligations	Up to 1 year ($)	1 - 5 years ($)	Total ($)
Exploration Expenditure Commitments	2,281,645	5,599,322	**7,880,967**
Lease Commitments	120,236	20,910	**141,146**
Remuneration Commitments	427,969	Nil	**427,969**

Exploration expenditure commitments primarily relate to payments payable to vendors, government and expenditure required by the Company to maintain its tenure. The contractual obligations above can be reduced at the Company's discretion, however this may result in the forfeiture of tenure.

The Company has contracted the use of drill rigs to conduct drilling programs, the remaining value of which totaled $1,076,686 at March 31, 2013 ($1,348,850 at December 31, 2012). These commitments will partially satisfy the exploration commitments above.

Subsequent events

On April 8, 2013, the Company announced the issue of convertible notes to Troy Resources Limited for $10,000,00 in consideration. The notes bear interest at a rate of 8% per annum and are convertible into 33,333,333 ordinary shares.

Cautionary Note Regarding Forward Looking Statements

This MD&A contains forward-looking information, including statements regarding mineral resource estimates, the potential mineralization and geological merits of the Hicks and Smarts Deposits, the plans, objectives or expectations of the Company with respect to the advancement of these projects and completion of programs and studies, the proposed acquisition of the Company by Troy and the proposed use of the Company's cash. Any statements that express or involve predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are forward-looking statements.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to materially differ from those reflected in the forward-looking statements, including, without limitation: inherent uncertainties and risks associated with mineral exploration; uncertainties related to the availability of future financing; uncertainties related to the outcome of studies; uncertainties relating to fluctuations in gold or uranium prices; the risk that Azimuth's title to its properties could be challenged; uncertainties related to general economic and financial conditions; and uncertainties related to fluctuations in Azimuth's share price. This list is not exhaustive of the factors that may affect any of Azimuth's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Azimuth or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in the Company's AIF under the heading "Description of the Business - Risk Factors" and elsewhere.

Azimuth's forward-looking statements are based on the assumptions, beliefs, expectations and opinions of management as of the date hereof and which Azimuth believes are reasonable in the circumstances, but no assurance can be given that these expectations will prove to be correct. These assumptions include, but are not limited to public statements and stated goals, that there will be no material adverse change affecting the Company or its properties and such other assumptions as set out herein. Azimuth disclaims any intention or obligation to update or revise forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, undue reliance should not be placed on forward-looking statements.

Regulatory Disclosures

For further information regarding the West Omai Gold Project, including a description of Azimuth's quality assurance program, quality control measures, the geology, samples collected and testing procedures in respect of the projects, please refer to the technical report on the West Omai Gold Project titled "TECHNICAL REPORT WEST OMAI GOLD PROJECT GUYANA" dated March 19, 2013, which is compliant with National Instrument 43-101 – "Standards of Disclosure for Mineral Projects" ("NI 43-101") and are available for review on SEDAR at www.sedar.com.

Competent Person / Qualified Person Statements

The information in this MD&A that relates to mineral resources is based on information compiled by Mr. Aaron Green, who is a Member of the Australian Institute of Geoscientists. Mr. Green is a full-time employee of RungePincockMinarco Limited. Mr. Green has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Green has approved and consents to the inclusion of such information in this MD&A in the form and context in which it appears.

The information in this MD&A that relates to exploration results is based on information compiled by Mr. Richard Monti who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Monti is an Executive Director and employee of Azimuth Resources Ltd. Mr. Monti has sufficient experience which is relevant to the style of mineralization 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" under NI43-101. Mr. Monti consents to the inclusion in this MD&A of the matters based on his information in the form and context in which it appears.