

AZUMAH RESOURCES LIMITED

ACN 112 320 251

PROSPECTUS

This Prospectus has been issued to facilitate the secondary trading of the Issued Shares. It has also been issued to provide information on the Offer of 1 Share at an issue price of A\$0.28 to raise A\$0.28.

This document is important and requires your immediate attention. It should be read in its entirety. If you do not understand its contents, or are in doubt as to the course you should follow, you should consult your stockbroker or professional adviser.

Investment in Securities offered by this Prospectus should be considered speculative.

This Prospectus is dated 18 April 2012.

Important Notes and Statements

This Prospectus is dated 18 April 2012. A copy of this Prospectus was lodged with ASIC on 18 April 2012. Neither ASIC nor ASX take any responsibility for the contents of this Prospectus. No Shares will be issued or granted on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. The Share issued pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

The Company will apply for the Share offered pursuant to this Prospectus to be listed on ASX. An application for the Share will only be accepted on the Application Form accompanying this Prospectus.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Key Definitions

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion and are set out in Section 6 of this Prospectus.

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CORPORATE DIRECTORY

DIRECTORS	Mr Michael Atkins (Non Executive Chairman, Director) Mr Stephen Stone (Managing Director) Mr Geoff Jones (Non Executive Director)
SECRETARY	Mr Dennis Wilkins
REGISTERED OFFICE	Ground Floor, 20 Kings Park Road WEST PERTH WA 6005 Telephone: (08) 9486 7911 Facsimile: (08) 9481 4417 Website: http://www.azumahresources.com.au
CORPORATE ADVISORS	DWCorporate Pty Ltd Ground Floor, 20 Kings Park Road WEST PERTH WA 6005
AUDITORS*	BDO Audit (WA) Pty Ltd 38 Station Street SUBIACO WA 6008
SHARE REGISTRY*	Security Transfer Registrars Pty Ltd 770 Canning Highway APPLECROSS WA 6153 Telephone: (08) 9315 0933 Facsimile: (08) 9315 2233
ASX CODE	AZM
TSX CODE	AZR

* *For information purposes only*

1 DETAILS OF OFFER

1.1 Purpose of the Offer

On 2 March 2012, the Company issued 1,188,739 Shares to a sophisticated investor ("**Issued Shares**"). This Prospectus has been issued to facilitate future secondary trading of the Issued Shares as they were issued without disclosure to investors under Part 6D.2 of the Corporations Act. A prospectus is required under the Corporations Act to enable persons who were issued with the Issued Shares to on-sell those Shares within 12 months of their issue.

This Prospectus has also been issued to provide information on the Offer being made under this Prospectus as required by the Corporations Act.

1.2 Details of the Offer

By this Prospectus, the Company is offering 1 Share to the public at an issue price of A\$0.28 to raise A\$0.28.

1.3 Opening and Closing Dates

The Offer will open for receipt of acceptances at 9.00am WST on 18 April 2012 and will close at 5.00pm WST on 20 April 2012 or such other date as the Directors, in their absolute discretion, may determine.

1.4 Minimum Subscription

The minimum level of subscription for the Offer is 1 Share to raise A\$0.28.

1.5 Brokerage and Commission

No brokerage or commission is payable.

1.6 Applications

An application for the Share can only be made on the Application Form which accompanies a paper copy of this Prospectus.

Cheques should be in Australian currency and made payable to "**Azumah Resources Limited**" and crossed "**Not Negotiable**".

Completed Application Forms must be accompanied by the application monies and lodged in person or by post with the Company:

By Post or by Hand:

Azumah Resources Limited
Ground Floor
20 Kings Park Road
WEST PERTH WA 6005

Applications must be received by 5.00pm WST on 20 April 2012 (subject to the right of the Directors to close the Offer earlier or to extend this date without notice).

Should you wish to apply for the Share, the instructions on the back of the Application Form will assist you to ensure that the Application Form is completed correctly.

1.7 **Oversubscription and Allotment of the Share**

If the Company receives more than one Application for the Share being offered under this Prospectus, the Directors will decide, in their absolute discretion, which Application to accept and which Applicant the Share shall be allotted and issued to.

The Share is expected to be allotted and issued by no later than 24 April 2012. Until allotment and issue of the Share under this Prospectus, the application monies will be held in trust in a separate bank account maintained for that purpose only. Any interest earned on the application money will be for the benefit of the Company and will be retained by it irrespective of whether allotment and issue of the Share takes place.

1.8 **ASX Listing**

The Company will make an application to ASX within 7 days following the date of this Prospectus for Official Quotation of the Share offered pursuant to this Prospectus.

If approval is not granted by ASX within 3 months after the date of this Prospectus, the Company will not allot the Share and will repay all application monies (where applicable) as soon as practicable, without interest.

A decision by ASX to grant Official Quotation of the Share is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the Share now offered for subscription.

1.9 **No issue of Shares after 13 months**

No Shares will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

1.10 **Overseas Investors**

Investors resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or other formalities need to be observed to enable them to accept the Offer.

This Prospectus does not constitute an offer in any place in which, or to any person to whom it would not be lawful to make such an offer.

1.11 **Market Prices of Existing Shares on ASX**

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the Share being offered under this Prospectus, during the three months immediately preceding the lodgement of this Prospectus with ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 months high	3 months low	Last Market Sale Price
Existing Shares	\$0.425	\$0.245	\$0.265

1.12 **Rights attaching to Shares**

From issue, the Share issued under this Prospectus will rank equally in all respects with existing Shares. Summaries of the important rights attaching to Shares as set out in the Company's Constitution are contained in Section 4.4 of this Prospectus.

1.13 **Taxation implications**

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Issue. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Issue.

1.14 **No prospective financial forecasts**

The Company is currently an exploration company. Given the speculative nature of exploration, mineral development and production, there are significant uncertainties associated with forecasting future revenue. On this basis, the Directors believe that reliable forecasts cannot be prepared and, accordingly, have not included forecasts in this Prospectus.

1.15 **Summary only**

The information set out in this Section provides a summary of the information contained in this Prospectus. Applicants should read this Prospectus in its entirety prior to making a decision to accept the Offer. If you have any questions about investing in the Company, please contact your stockbroker, accountant or independent financial adviser.

2 PURPOSE AND EFFECT OF THE OFFER ON THE COMPANY

2.1 Use of funds

The funds raised from the Offer will be used towards the expenses of the Offer.

2.2 Principal effects

The principal effects on the Company of the Offer are dependent on the success of the Offer. However, assuming the Offer is fully subscribed the principal effects are as follows:

- (a) the Company will issue 1 Share;
- (b) following the issue of the Share, the cash reserves of the Company will increase by A\$0.28 less expenses of the Offer which are estimated to be approximately A\$3,000; and
- (c) if the Share proposed to be issued is issued, the number of Shares on issue will increase from 333,614,095 to 333,614,096.

2.3 Effect of issue on Capital Structure of the Company

The pro-forma capital structure of the Company following the Offer pursuant to this Prospectus is set out below:

Shares	Number
Existing Shares on issue	333,614,095
Maximum number of Shares to be issued pursuant to this Prospectus	1
Total Shares on issue after the Offer	333,614,096

Options	Number
Unlisted Options on issue as at date of this Prospectus – various classes (see <i>note 1</i> page 8).	9,500,000
Total Options on issue after the Prospectus	9,500,000

Note 1: Unlisted Options on issue:

Number	Exercise Price	Expiry Date
2,500,000	A\$0.14	30/04/13
4,500,000	A\$0.26	15/12/13
500,000	A\$0.924	15/12/13
2,000,000	A\$0.60	30/11/14

Performance Rights	Number
Unlisted Performance Rights on issue as at date of this Prospectus – expiry 30/11/14	2,000,000
Total Performance Rights on issue after the Prospectus	2,000,000

2.4 Effect of the issue on financial position

Set out as follows is an unaudited balance sheet of the Company and its controlled entities as at 29 February 2012 and an unaudited pro-forma balance sheet of the Company and its controlled entities as at 29 February 2012 incorporating the effect of the Offer. The pro-forma balance sheet has been prepared on the assumption that the full proceeds from the placement have been received.

The financial information prepared below is prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS).

Consolidated Balance Sheet Pro-forma Reflecting Proposed Offer

	29 February 2012 (unaudited) A\$	29 February 2012 pro-forma (unaudited) A\$
CURRENT ASSETS		
Cash and cash equivalents	23,079,779	23,076,779
Trade and other receivables	114,841	114,841
TOTAL CURRENT ASSETS	23,194,620	23,191,620
NON-CURRENT ASSETS		
Available-for-sale financial assets	2,184,483	2,184,483
Property, plant and equipment	9,849,894	9,849,894
TOTAL NON-CURRENT ASSETS	12,034,377	12,034,377
TOTAL ASSETS	35,228,997	35,225,997
CURRENT LIABILITIES		
Trade and other payables	2,737,866	2,737,866
Provisions	27,024	27,024
TOTAL CURRENT LIABILITIES	2,764,890	2,764,890
TOTAL LIABILITIES	2,764,890	2,764,890
NET ASSETS	32,464,107	32,461,107
EQUITY		
Contributed equity	92,688,917	92,685,917
Reserves	1,571,887	1,571,887
Accumulated losses	(61,796,697)	(61,796,697)
TOTAL EQUITY	32,464,107	32,461,107

3 RISK FACTORS

The Share offered under this Prospectus is considered speculative. The Directors strongly recommend investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to apply for the Share pursuant to this Prospectus. In addition, investors should be aware there are risks associated with investment in the Company. There are certain general risks and certain specific risks which relate directly to the Company's business and are largely beyond the control of the Company and the Directors because of the nature of the business of the Company.

The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of:

3.1 Exploration and Mining Risks

The future viability and profitability of the Company as an exploration and mining company will be dependent on a number of factors, including, but not limited to, the following:

The Company will require external financing or may need to enter into a strategic alliance or joint venture to develop its mineral properties

The exploration and development of the various mineral properties in which the Company holds interests depends upon the Company's ability to obtain financing through joint ventures, debt financing, equity financing or other means. There is no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets for minerals may make it difficult or impossible for the Company to obtain debt financing or equity financing on favourable terms or at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone any development plans, forfeit rights in some or all of its properties or joint ventures or reduce or terminate some or all of its operations.

Title to the Company's mineral properties cannot be guaranteed and may be subject to prior unregistered agreements, transfers or claims and other defects

The Company cannot guarantee that title to its properties will not be challenged. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claim to individual mineral properties or mining concessions may be constrained. The Company's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. The Company has not conducted complete surveys of all of the tenements in which it holds direct or indirect interests. A successful challenge to the precise area and location of these tenements could result in the Company being unable to operate on its properties as permitted or being unable to enforce its rights with respect to its properties.

The Company has a limited operating history and there can be no assurance of its ability to operate its projects profitably

The Company has no history of producing metals from its current mineral properties. As a result, the Company is subject to all of the risks associated with establishing new mining operations and business enterprises including:

- the timing and cost, which can be considerable, of the construction of mining and any required processing facilities;
- the availability and costs of skilled labour and mining equipment;
- the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits; and

- the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during construction, development, and mine start-up. In addition, delays in the commencement of mineral production often occur. Accordingly, there are no assurances that the Company's activities will result in profitable mining operations or that the Company will successfully establish mining operations or profitably produce mineral product at any of its properties.

If a mine is developed, operating results projected may not be achieved

Feasibility studies are typically used to determine the economic viability of a deposit. Many factors are involved in the determination of the economic viability of a deposit, including the achievement of satisfactory mineral reserve estimates, the level of estimated metallurgical recoveries, capital and operating cost estimates and the estimate of future mineral prices. Capital and operating cost estimates are based upon many factors, including anticipated tonnage and grades of ore to be mined and possibly processed, the configuration of the ore body, ground and mining conditions and anticipated environmental and regulatory compliance costs. Each of these factors involves uncertainties and as a result, Azumah cannot give any assurance that its exploration projects will become operating mines. If a mine is developed, actual operating results may differ from those anticipated.

Exploration and production may not prove successful, involve risks and have no guaranteed outcome

The Company's business operations are subject to risks and hazards inherent in the mining industry. The exploration for, and the development of, mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines.

The Company's exploration and production may be further hampered by mining, heritage and environmental legislation, industrial disputes, cost overruns, land claims and compensation and other unforeseen contingencies. The success of the Company also depends on the delineation of economically recoverable reserves, the availability and cost of required development capital, movement in the price of commodities, securing and maintaining title to its exploration and mining tenements as well as obtaining all necessary consents and approvals for the conduct of its exploration and production activities.

Exploration and production on the Company's existing exploration and mining tenements may prove unsuccessful. Mineable resources may become depleted resulting in a reduction of the value of those tenements and a diminution in the cash flow and cash reserves of the Company as well as possible relinquishment of the exploration and mining tenements.

Risks involved in mining operations include unusual and unexpected geologic formations, seismic activity, rock burst, cave-ins, flooding and other conditions involved in the drilling and removal of any material, any of which could result in damage to life or property, environmental damage and possible legal liability. Further, weather conditions over a prolonged period can adversely affect exploration, production, mining and drilling operations and the timing of earning revenues.

Whether income will result from the Company's projects will depend on the successful establishment of mining operations. Factors including costs, actual mineralization, consistency and reliability of ore grades and commodity prices affect successful project development, future cash flow and profitability, and there can be no assurance that current estimates of these factors will reflect actual results and performance.

The design and construction of efficient processing facilities, the existence of competent operational management and prudent financial administration, as well as the availability and reliability of appropriately skilled and experienced consultants also can affect successful project development.

The Company's insurance coverage does not cover all of its potential losses, liabilities and damage related to its business and certain risks are uninsured or uninsurable

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, ground or slope failures, fires, floods, earthquakes and other environmental occurrences, political and social instability that could result in damage to or destruction of mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining caused by industrial accidents or labour disputes, changes in regulatory environment, monetary losses and possible legal liability.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to Azumah or to other companies in the mining industry on acceptable terms. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company.

The Company's activities are subject to environmental laws and regulations that may increase the Company's costs of doing business or restrict its operations

The Company's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

Government approvals and permits are required in connection with the Company's operations. To the extent such approvals are required and not obtained, the Company may be delayed or prohibited from proceeding with planned exploration or development of its mineral properties.

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

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in development of new mining properties.

The Company's operations make it susceptible to environmental liabilities, the incurrence or payment of which could have a material adverse effect

Mining is subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Company (or to other companies in the minerals industry) at a reasonable price. To the extent that

the Company becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Company and could have a material adverse effect on the Company. Laws and regulations intended to ensure the protection of the environment are constantly changing, and are generally becoming more restrictive.

Land rehabilitation requirements for exploration properties may be burdensome and may divert funds from the Company's exploration programs

Although variable, depending on location and the governing authority, land rehabilitation requirements are generally imposed on mineral exploration companies, as well as companies with mining operations, in order to minimize long term effects of land disturbance. Rehabilitation may include requirements to control dispersion of potentially deleterious effluents and to reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out rehabilitation obligations imposed on the Company in connection with its mineral exploration, the Company must allocate financial resources that might otherwise be spent on further exploration and/or development programs.

Mineral resource and mineral reserve estimates may be inaccurate

Mineral resources and mineral reserves are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that mineral reserves could be mined or processed profitably. There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short-term operating factors relating to the mineral reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore grades, may cause mining operations to be unprofitable in any particular accounting period. In addition, there can be no assurance that gold recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuation in gold prices, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require the revision of such estimate. The volume and grade of reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of mineral resources and mineral reserves, or of the Company's ability to extract these mineral reserves, could have a material adverse effect on the Company's results of operations and financial condition.

The Company is subject to potential significant changes in government regulation

The Company's mineral exploration and planned development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use and other matters. Although the Company's exploration and planned development activities are currently believed by the Company to be carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Many of the mineral rights and interests of the Company are subject to governmental approvals, licenses and permits. The granting and enforcement of the terms of such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained, the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

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

Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

3.2 Other Risks

The future viability and profitability of the Company 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:

Changes in the price of gold will affect the profitability of the Company's operations and its financial conditions

Changes in the market price of gold, which in the past have fluctuated widely, will affect the profitability of the Company's operations and its financial conditions. The viability of the Company's projects, and upon the WA Gold Project commencing production, the Company's revenues and profitability, will depend on the market price of gold. The market price of gold is set in the world market and is affected by numerous industry factors beyond the Company's control, including but not limited to the demand for precious metals, expectations with respect to the rate of inflation and deflation, interest rates, currency exchange rates, the global and regional supply and demand for jewellery and industrial products containing metals, production levels, inventories, costs of substitutes, changes in global or regional investment or consumption patterns, and sales by central banks and other holders, speculators and producers of gold in response to any of the above factors, and global and regional political and economic factors.

A decline in the market price of gold below the prices used in the Company's economic analysis for any sustained period would have a material adverse impact on the Company's projects and anticipated future operations. Such a decline could also have a material adverse impact on the ability of the Company to finance the exploration and development of its existing and future mineral projects and may also impact operations by requiring a reassessment on the feasibility of a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed. The Company will also have to assess the economic impact of any sustained lower gold prices on recoverability and therefore, on cut-off grades and the level of its mineral reserves and mineral resources. Operations in Ghana could increase the cost to Azumah of carrying out its plan of operations, delay its exploration and, if warranted, development activities.

Operating in a foreign country usually involves some uncertainties relating to political and economic matters. Any change of government may result in changes to government legislation and policy. With respect to Ghana, these changes in legislation and policy may include changes that impact on Azumah's ownership and its ability to continue exploration and, if warranted, development. Further, changes in the government in Ghana may result in political and economic uncertainty which may cause Azumah to delay its plan of operations or which may decrease the willingness of investors to provide financing to Azumah. Accordingly, changes in legislation and policy could result in the increase of the costs to explore and, if warranted, develop Azumah's mineral interests and could delay these activities.

The Company may experience difficulty attracting and retaining qualified management to meet the needs of its anticipated growth, and the failure to manage the Company's growth effectively could have a material adverse effect on its business and financial condition

The Company's prospects depend in part on the ability of its executive officers and senior management to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, financial, mining, technical and marketing personnel and continue to implement and improve operational, financial and management information systems. Many outcomes therefore depend to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors.

Competition could materially adversely affect the Company's prospects

The mining industry is intensely competitive and the Company competes with many companies possessing greater financial and technical resources than itself. Competition in the precious metals mining industry is primarily for: mineral rich properties that can be developed and produced economically; the technical expertise to find, develop, and operate such properties; the labour to operate the properties; and the capital for the purpose of funding such properties. Many competitors not only explore for and mine precious metals, but conduct refining and marketing operations on a global basis. Such competition may result in the Company being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund its operations and develop its properties. Existing or future competition in the mining industry could materially adversely affect the Company's prospects for mineral exploration and success in the future.

Insofar as certain directors of the Company hold similar positions with other mineral resource companies, conflicts may arise between the obligations of these directors to the Company and to such other mineral resource companies

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies.

The Company is subject to litigation risks

The Company is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's mining and project development operations.

There can be no assurances that the Company will be profitable in the future

To date, the Company has experienced a negative operating cash flow and has not commenced commercial production on any of its properties. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future. The Company expects to continue to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. There can be no assurance that the Company will generate any revenues, operate profitably or provide a return on investment in the future.

Estimates and assumptions used in preparing the Company's consolidated financial statements and actual amounts could differ

Preparation of the consolidated financial statements requires the Company to use estimates and assumptions. Accounting for estimates requires the Company to use its judgment to determine the amount to be recorded in its financial statements in connection with these estimates.

Key management personnel could leave the Company

The Company is dependent upon a number of key management personnel. The loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. The Company's ability to manage its exploration and development activities, and hence its success, will depend in large part on the efforts of these individuals.

The voting power of the Company's existing shareholders may be diluted

The Company may undertake additional offerings of ordinary shares and of securities convertible into ordinary shares in the future. The increase in the number of ordinary shares issued and outstanding and the possibility of sales of such ordinary shares may depress the price of ordinary shares. In addition, as a result of such additional ordinary shares, the voting power of the Company's existing shareholders will be diluted.

The Company's ordinary shares are publicly traded and are subject to various factors that may make the Company's share price volatile

The market price of the Company's ordinary shares could fluctuate significantly. The market price of the Company's ordinary shares may fluctuate based on a number of factors in addition to those listed in this Prospectus, including the Company's operating performance and the performance of competitors and other similar companies, the public's reaction to the Company's press releases, other public announcements and the Company's filings with the various securities regulatory authorities, changes in earnings estimates or recommendations by research analysts who track the Company's ordinary shares or the shares of other companies in the resource sector, changes in general economic conditions, the number of the Company's ordinary shares publicly traded, the arrival or departure of key personnel, and acquisitions, strategic alliances or joint ventures involving the Company or its competitors.

In addition, the market price of the Company's ordinary shares are affected by many variables not directly related to the Company's success and are therefore not within the Company's control, including other developments that affect the market for all resource sector shares, the breadth of the public market for the Company's ordinary shares, and the attractiveness of alternative investments.

3.3 Country Risks

The Company's primary assets are located in Ghana, West Africa, which introduces both sovereign and West African domestic economic risk issues to investors investing in the Company's Shares. Investors should be aware of the specific country risk issues associated with West Africa.

The Company's properties may be adversely affected by political instability in West Africa

The Company conducts exploration and development activities in West Africa.

The Company's properties in Ghana may be subject to the effects of political changes, war and civil conflict, changes in government policy, lack of law enforcement and labour unrest and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact the profitability and viability of its properties. The effect of unrest and instability on political, social or economic conditions in Ghana could result in the impairment of

exploration, development and mining operations. Any such changes are beyond the control of the Company and may adversely affect its business.

In addition, local tribal authorities in West Africa exercise significant influence with respect to local land use, land labour and local security. From time to time, government has intervened in the export of mineral concentrates in response to concerns about the validity of export rights and payment of duties. No assurances can be given that the co-operation of such authorities, if sought by the Company, will be obtained, and if obtained, maintained.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of Canadian or Australian courts. The Company also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for Azumah to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company's operations. The government of Ghana also recently announced that it will be engaging companies to address the issue of dividend payment, exemptions and the mining sector fiscal regime, generally. As a result of these discussions, the Ghanaian government has amended the 2006 Mining Act and may amend other laws or regulations resulting in a material adverse impact on the Company including increases in operating costs, capital expenditures or abandonment or delays in development of mining properties.

Currency fluctuations may affect the costs that Azumah incurs at its operations

Currency fluctuations may affect the costs that Azumah incurs at its operations. The Company's revenue from its sales is likely to be in US dollars while a significant portion of its operating expenses will be incurred in Australian or Ghanaian currency. Accordingly, foreign currency fluctuations may adversely affect the Company's financial position and operating results.

The Company may have to pay increased taxes to the Government of Ghana

The Ghanaian Government's most recent budget, which has been approved by Ghana's Parliament, included proposals to (a) increase the corporate tax rate for mining companies from the current 25% to 35%; (b) collect a windfall tax of 10% from all mining companies; (c) introduce a uniform regime for capital allowance of 20% for five years for mining; (d) disallow, beginning in fiscal year 2012, the cost in one contract area to be set off against profits from another (belonging to the same company) in determining chargeable income for tax purposes; and to (e) abolish the National Fiscal Stabilisation Levy.

A bill entitled the Internal Revenue (Amendment) Act, 2011 was introduced into Ghana's Parliament on December 16, 2011. The Bill proposes to introduce items (a), (c) and (d) above into law. On the same day, a bill entitled the National Fiscal Stabilisation Levy (Repeal) Act, 2011 was introduced into Ghana's Parliament seeking repeal of the National Fiscal Stabilisation Levy. If the above bills are implemented in their current form, the Company will be subject to increased taxes.

The Company may be subject to mandatory relinquishment of tenement area

The mining laws of Ghana require that upon each renewal of a prospecting licence, the holder thereof must surrender at least 50% of the area covered thereby (subject to a minimum balance of 125 blocks).

Although management of the Company will use its best efforts to ensure that, in each case, the area retained has greater exploration, development and production potential than the area relinquished, there can be no assurance that the area relinquished will not ultimately have greater mineral resources and mineral reserves and a more positive outlook than the area retained upon renewal.

The Company's access to land may be stopped

The Company's exploration activities are dependent upon the grant, or as the case may be, the maintenance or renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of tenements often depends on the Company being successful in obtaining required statutory approvals. There is no assurance that the Company will be granted all the mining tenements for which it has applied or that licences, concessions, leases, permits or consents will be renewed as and when required or that new conditions will not be imposed in connection therewith. To the extent such approvals, consents or renewals are not obtained, the Company may be curtailed or prohibited from continuing with its exploration and development activities or proceeding with any future exploration or development.

Azumah will incur costs to establish basic infrastructure to support operations

Azumah's mineral interests are located in remote areas of Ghana, which lack basic infrastructure, including sources of power, water, housing, food and transport. As a result, Azumah will be required to establish the facilities and material necessary to support operations, including greater sources of power, water, physical plant and transport infrastructure, than are currently present in the area. This in turn will require that Azumah obtain necessary approvals from national, provincial and regional governments, none of which can be assured.

Changes in legislation regarding repatriation of earnings may adversely affect the Company's operations

The Company conducts its operations through foreign subsidiaries and holds substantially all of its assets in such subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Company and its subsidiaries could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price. Moreover, there is no assurance that Ghana or any other foreign country in which the Company may operate in the future will not impose restrictions on the repatriation of earnings to foreign entities.

Inflation may affect the costs that Azumah incurs at its operations

Azumah's mineral properties are located in Ghana which has historically experienced relatively high rates of inflation.

Labour and employment matters may adversely affect the Company's operations

Relations between the Company and its employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in whose jurisdictions the Company carries on business. Changes in such legislation or in the relationship between the Company and its employees may have a material adverse effect on the Company's business, results of operations and financial condition.

As the Company's business grows, it will require additional key financial, administrative, mining, marketing and public relations personnel as well as additional staff for operations. In addition, given the remote location of the properties, the lack of infrastructure in the nearby surrounding areas, and the shortage of a readily available labour force in the mining industry, Azumah may experience difficulties retaining the requisite skilled employees in Ghana in the event one or more of its projects is developed. While the Company believes that it will be successful in attracting and retaining qualified personnel and employees, there can be no assurance of such success.

Also, HIV/AIDS, malaria and other diseases represent a serious threat to maintaining a skilled workforce in the mining industry in Ghana. HIV/AIDS is a major healthcare challenge faced by Azumah's

operations in these countries. There can be no assurance that Azumah will not lose members of its workforce or workforce manhours or incur increased medical costs, which may have a material adverse effect on Azumah's operations.

3.4 **Speculative Nature of Investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Share offered under this Prospectus.

Therefore, the Share to be issued pursuant to this Prospectus carries no guarantee with respect to the payment of dividends, returns of capital or the market value of that Share.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for the Share in the Company.

4 ADDITIONAL INFORMATION

4.1 Legal Framework of this Prospectus

The Company is a "disclosing entity" under the Corporations Act and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its shares.

4.2 Applicability of Corporations Act

As a "disclosing entity", the Company has issued this Prospectus in accordance with Section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure ("ED") securities and the securities are in a class of securities that were quoted ED securities at all times in the 3 months before the issue of this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 3 months before the issue of this Prospectus.

ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

The Share to be issued under this Prospectus is in a class of shares that were quoted on the stock market of ASX at all times in the 3 months before the issue of this Prospectus.

4.3 Information Available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- (a) the Annual Financial Report for the Company for the year ending 30 June 2011;
- (b) the Half-Year Financial Report of the Company for the half year ending 31 December 2011; and
- (c) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Financial Report of the Company for the period ending 30 June 2011 and before the issue of this Prospectus:

10/04/2012	Change in Substantial Holding
21/03/2012	Mines and Money Hong Kong March 2012 Presentation
20/03/2012	Change in Substantial Holding – JP Morgan
14/03/2012	Half Year Accounts
12/03/2012	Investor Presentation AMI Sydney March 2012
12/03/2012	Azumah Lifts Resources at Wa Gold Project
09/03/2012	Azumah Research Coverage Initiated By Casimir Capital
02/03/2012	Change in Substantial Holding
02/03/2012	Increases Stake in Castle to 17%
29/02/2012	Anomalous Gold Trend Confirmed Between Flagship Deposits
27/02/2012	Notice pursuant to Corporations Act s708A

27/02/2012	Appendix 3B
27/02/2012	Azumah Completes C\$20m Raising
17/02/2012	AZM Files Final Short Form Prospectus in Nth America
03/02/2012	Appendix 3Y
03/02/2012	Appendix 3B
02/02/2012	Change of Principal Place of Business
30/01/2012	Quarterly Cashflow Report
20/01/2012	Azumah Undertakes C\$20m Capital Raising
18/01/2012	Request for Trading Halt
18/01/2012	Files Preliminary Short Form Prospectus in Nth America
18/01/2012	Trading Halt
16/01/2012	Quarterly Activities Report
12/01/2012	2011 Annual Information Form
19/12/2011	Appendix 3Y x 3
19/12/2012	Appendix 3B
06/12/2011	Mines and Money London 2011 Presentation
01/12/2011	Feasibility Study On Track for Completion Early 2012
30/11/2011	Results of Meeting
30/11/2011	Annual General Meeting Presentation
14/11/2011	Exploration Update
09/11/2011	Notice of AGM Annexure B
31/10/2011	Notice of Annual General Meeting / Proxy Form
25/10/2011	Ceasing to be a substantial holder
19/10/2011	Appendix 3B
19/10/2011	Quarterly Activities Report
19/10/2011	Quarterly Cashflow Report
06/10/2011	Azumah hits gold at two new prospects
30/09/2011	Change in Substantial Holding for CDT
29/09/2011	Annual Report to shareholders
29/09/2011	Change in substantial holding – JP Morgan
21/09/2011	Notice pursuant to section 708A(5)(e)
20/09/2011	Appendix 3B
14/09/2011	Argonaut Research Report
13/09/2011	Africa Downunder – Video Investor Presentation
02/09/2011	Azumah Listed on TSX
01/09/2011	Presentation to Africa Down Under
30/08/2011	Update on Application for Relief
29/08/2011	Azumah to List on TSX
25/08/2011	Impressive Infill Results from Julie
12/08/2011	Change in Substantial Holding
01/08/2011	Change in Substantial Holding
29/07/2011	Change of Registered Office
29/07/2011	Appendix 5B
27/07/2011	Quarterly Activities Report
15/07/2011	Appendix 3B
11/07/2011	Lodgement of Cleansing Prospectus

4.4 Rights Attaching to Shares

The Share to be issued pursuant to this prospectus will rank equally in all respects with existing Shares in the Company. Full details of the rights attaching to the Company's Shares are set out in its constitution, a copy of which can be inspected at the Company's registered office.

The following is a summary of the rights that attach to the Company's existing Shares.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class of Shares (at present there are none), at a general meeting every person present who is either a member or a proxy representative of a member shall have one vote on a show of hands or on a poll every member present in person, by proxy attorney or representative shall have one vote per fully paid Share and a fraction of a vote for every partly paid Share.

Dividend Rights

Dividends are payable out of the Company's profits and are declared by the Directors. Dividends declared will (subject to the rights of any preference shareholders and to the right of holders of any shares created or raised under any special arrangement as to dividend) be payable on the shares in accordance with the Corporations Act.

Rights on Winding Up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator sees fit, but so that no shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

Transfer of Shares

Generally, Shares in the Company are freely transferable subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

Creation and Issue of Further Shares

Subject to restrictions on the allotment of shares to Directors and their associates, Listing Rules, the constitution of the Company and the Corporations Act, the allotment and issue of any shares is under the control of the Directors. The Directors may allot, issue and grant options on such terms and conditions as they see fit.

Variation of rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders, vary or abrogate the rights attaching to Shares.

At present the Company has only ordinary Shares on issue. If at any time the share capital of the Company is divided into different classes of Shares, the rights attached to a class (unless otherwise provided by terms of issue of the Shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued Shares of that class, or if authorised by a special resolution at a separate meeting of the holders of the Shares of that class.

General Meeting

Notice of every general meeting is to be given to every shareholder. Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the constitution of the Company.

4.5 Interest of Directors

At the date of this Prospectus the relevant interest of each of the Directors in the securities of the Company are as follows:

Directors	Shares		Options		Performance Rights	
	Direct	Indirect	Direct	Indirect	Direct	Indirect
Michael Atkins	-	200,000 ⁽¹⁾	1,000,000 ⁽²⁾ 1,000,000 ⁽³⁾	-	-	-
Stephen Stone	-	7,633,633 ⁽⁴⁾	-	2,500,000 ⁽⁵⁾ 2,500,000 ⁽⁶⁾	-	2,000,000 ⁽⁷⁾
Geoff Jones	-	-	1,000,000 ⁽⁸⁾ 1,000,000 ⁽⁹⁾	-	-	-

Notes:

- (1) Held through Windamurah Pty Ltd. Mr Atkins is a director and shareholder of Windamurah Pty Ltd.
- (2) Unlisted options exercisable at A\$0.26 each and expiring on 15 December 2013.
- (3) Unlisted options exercisable at A\$0.60 each and expiring on 30 November 2014.
- (4) Held through The West One Super Account. Mr Stone is a trustee and beneficiary of the super fund.
- (5) Unlisted options exercisable at A\$0.14 and expiring on 30 April 2013. Held through The West One Super Account (Mr Stone is a trustee and a beneficiary of the super fund).
- (6) Unlisted options exercisable at A\$0.26 each and expiring on 15 December 2013. Held through The Pearlstone Family A/C (Mr Stone is a trustee and a beneficiary of the trust).
- (7) Performance rights expiring on 30 November 2014. Held through The Pearlstone Family A/C (Mr Stone is a trustee and a beneficiary of the trust).
- (8) Unlisted options exercisable at A\$0.26 each and expiring on 15 December 2013.
- (9) Unlisted options exercisable at A\$0.60 each and expiring on 30 November 2014.

Remuneration of Directors

The constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum from time to time determined by the Company in general meeting.

A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Details of remuneration provided to current Directors and their associated entities during the past two financial years are as follows:

Financial year ended 30 June 2010:

Directors	Director's Fees/Salaries A\$	Superannuation A\$	Non-Monetary Benefits A\$	Total A\$
Michael Atkins ¹	41,591	3,743	82,042	127,376
Stephen Stone	262,300	-	203,305	465,605
Geoff Jones ²	31,072	2,796	82,042	115,910

Notes:

1. Michael Atkins was appointed as a director on 20 October 2009.
2. Geoff Jones was appointed as a director on 20 October 2009.

Financial year ended 30 June 2011:

Directors	Director's Fees/Salaries/Bonus Payments A\$	Superannuation A\$	Non-Monetary Benefits A\$	Total A\$
Michael Atkins	60,000	5,400	278,912	344,312
Stephen Stone	393,000	-	688,261	1,081,261
Geoff Jones	45,000	4,050	278,912	327,962

From 1 July 2011 to 31 December 2011, the directors' remuneration is as follows:

Directors	Director's Fees/Salaries A\$	Superannuation A\$	Non-Monetary Benefits A\$	Total A\$
Michael Atkins	30,000	2,700	(16,459)	16,241
Stephen Stone	155,000	-	(38,547)	116,453
Geoff Jones	22,500	2,025	(16,459)	8,066

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company; or
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or promotion of the Company or the Offer.

4.6 **Interests of Named Persons**

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- the Offer.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Offer.

DWCorporate have acted as corporate advisors to the Company in relation to this Prospectus on arm's length commercial terms. In respect of their work on this Prospectus, the Company will pay approximately A\$500 for these professional services. DWCorporate have provided other professional services on arm's length commercial terms to the Company during the last year totalling approximately A\$215,789.

4.7 **Consents**

DWCorporate Pty Ltd:

- (a) does not make, or purport to make, any statement in this Prospectus or on which a statement made in this Prospectus is based, other than as specified in this Section 4.7; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section 4.7.

DWCorporate Pty Ltd has consented to be named in this Prospectus as the corporate advisors to the Offer and has not withdrawn such consent prior to the lodgement of this Prospectus with ASIC.

4.8 **Privacy Disclosure Statement**

The Company collects information about each Applicant from an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, (including mailing houses), ASX, ASIC and other regulatory authorities.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its

public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

4.9 Market Prices of Shares on ASX

The highest and lowest closing market sale prices of Shares on ASX during the 3 months immediately preceding the date of this Prospectus and the respective dates of those sales were A\$0.425 on 24 and 27 January 2012 and A\$0.245 on 11 April 2012. The latest available market sale price of Shares on ASX immediately before the date of issue of this Prospectus was A\$0.265 on 17 April 2012.

4.10 Expenses of the Offer

The approximate expenses of the Offer including advisers' fees, ASIC and ASX fees, printing and distribution costs and other miscellaneous expenses, is A\$3,000, which has been paid or is payable by the Company.

5 DIRECTORS' RESPONSIBILITY STATEMENT & CONSENT

The Directors state that they have made all reasonable enquiries and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect to any other statements made in the Prospectus by persons other than Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that persons making the statement or statements were competent to make such statements, those persons have given their consent to the statements being included in this Prospectus in the form and context in which they are included and have not withdrawn that consent before lodgement of this Prospectus with ASIC or, to the Directors knowledge, before the issue of Share pursuant to this Prospectus.

The Prospectus is prepared on the basis that certain matters may be reasonably expected to be known to likely investors or their professional advisers.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Dated: 18 April 2012

A handwritten signature in black ink, appearing to read 'S. Stone', is written over a horizontal line.

Stephen Stone
Managing Director

6 DEFINED TERMS

"**A\$**" means Australian dollars, unless otherwise stated;

"**Application Form**" means the Application Form accompanying this Prospectus and "**Applicant**" and "**Application**" have comparative meanings;

"**ASIC**" means the Australian Securities & Investments Commission;

"**Azumah**" or "**Company**" means Azumah Resources Ltd ACN 112 320 251;

"**ASX**" means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Closing Date**" means 5.00pm WST on 20 April 2012;

"**Corporations Act**" means the *Corporations Act 2001* (Cth);

"**Directors**" means the directors of the Company;

"**Issued Shares**" has the meaning set out in Section 1.1

"**Listing Rules**" means the Listing Rules of ASX;

"**Offer**" means the issue pursuant to this Prospectus of 1 Share at an issue price of A\$0.28 to raise A\$0.28;

"**Official List**" means the Official List of the ASX;

"**Official Quotation**" means quotation of the Shares on the Official List;

"**Option**" means an option that has been granted by the Company over an unissued Share in the Company;

"**Performance Right**" means a right that has been granted by the Company to acquire a Share;

"**Prospectus**" means this prospectus dated 18 April 2012;

"**Share**" means an ordinary fully paid share in the capital of the Company; and

"**WST**" means Australian Western Standard Time.

Guide to the Azumah Resources Limited Application Form

This Application Form relates to the offer of 1 Share in Azumah Resources Limited at an issue price of A\$0.28, pursuant to the Prospectus dated 18 April 2012. The expiry date of the Prospectus is the date that is 13 months after the date of the Prospectus. The Prospectus contains information about investing in the Company and it is advisable to read this document before applying for the Share. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and an Application Form, on request and without charge.

Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of A\$0.28.
- C** Write the full name you wish to appear on the statement of holdings. This must be either your own name or the name of your company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that are presently registered in the CHES system.
- D** Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of the Australian Securities Exchange. If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertificated form on the CHES subregister, complete Section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave Section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you. For further information refer to the Prospectus.
- H** Please complete cheque details as requested:
Make your cheque payable to "Azumah Resources Limited" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should agree with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.
- I** Before completing the Application Form the Applicant(s) should read the Prospectus to which the Application relates. By lodging the Application Form, the Applicant(s) agrees that this Application is for Shares in the Company upon and subject to the terms of this Prospectus, agrees to take any number of Shares equal to or less than the number of Shares indicated in Section A that may be allotted to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Correct form of Registrable Title

Note that only legal entities are allowed to hold Shares. Applications must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:

Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual Use names in full, no initials	Mr John Alfred Smith	JA Smith
Minor (a person under the age of 18) Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
Company Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates Use executor(s) personal name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
Partnerships Use partners personal names, do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

Lodgement of Applications

Return your completed Application Form with cheque(s) attached to:

By Post or by Hand:

Azumah Resources Ltd

Ground Floor

20 Kings Park Road

WEST PERTH WA 6005

Application Forms must be received no later than 5.00 pm WST time on 20 April 2012.