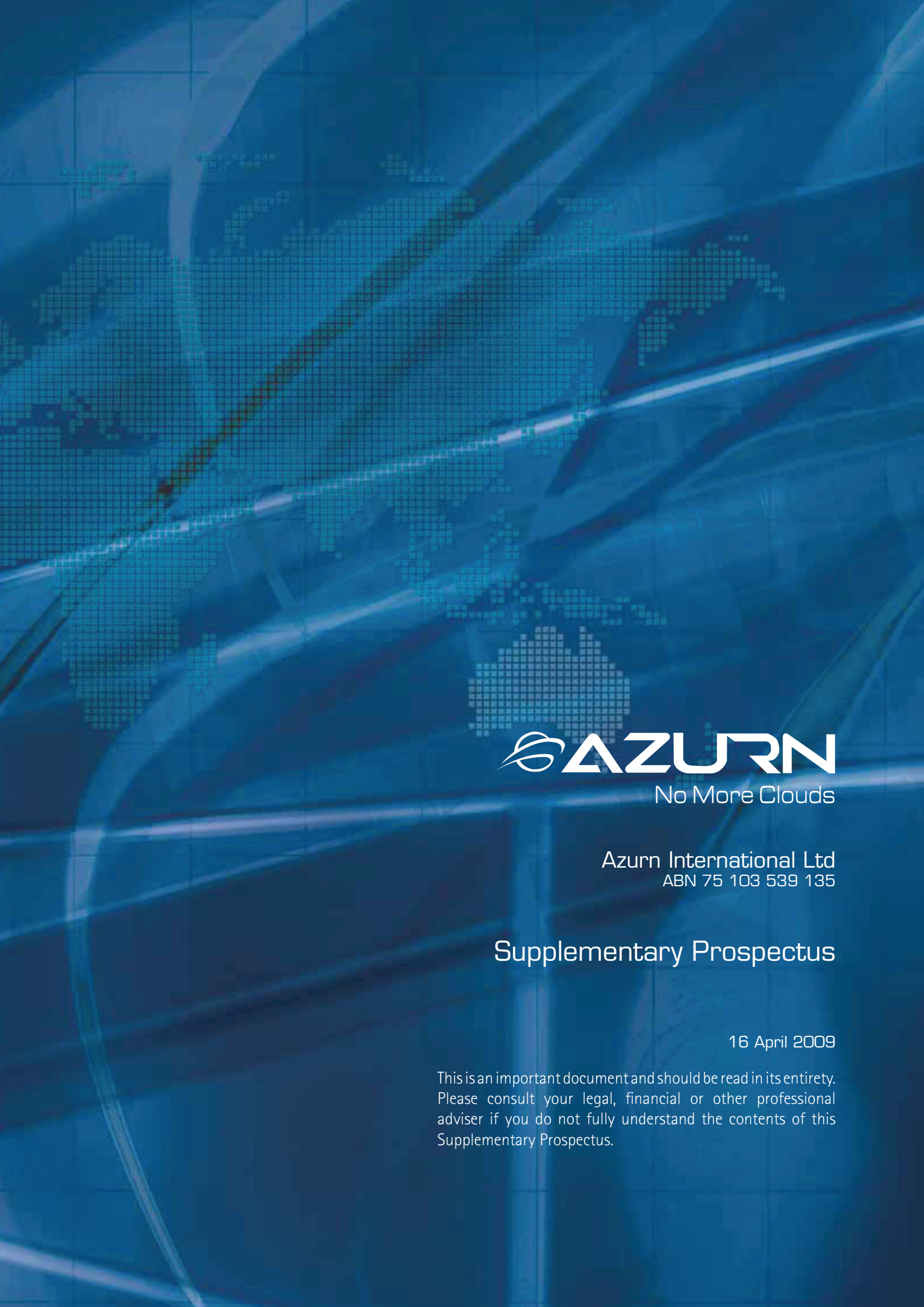

Azurn International Ltd
ABN 75 103 539 135

Supplementary Prospectus

16 April 2009

This is an important document and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents of this Supplementary Prospectus.

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1. IMPORTANT INFORMATION

1.1 Supplementary Prospectus

This Supplementary Prospectus is dated 16 April 2009 and is supplementary to the Prospectus dated 3 March 2009 issued by Azurn International Ltd ABN 75 103 539 135 (Prospectus).

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (ASIC) on 16 April 2009. ASIC and ASX take no responsibility for the contents of this Supplementary Prospectus.

Pursuant to the Corporations Act, the information set out in this Supplementary Prospectus is taken to be included in the Prospectus. Terms defined in the Prospectus have the same meaning in this Supplementary Prospectus except where otherwise defined. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

Any offer of Shares must be accompanied by both the Prospectus and this Supplementary Prospectus.

1.2 Note to Applicants

This Supplementary Prospectus should be read in its entirety together with the Prospectus. If you have any questions as to the contents of the Prospectus or the Supplementary Prospectus or the course you should follow, please consult your stockbroker, accountant, solicitor or other professional adviser immediately.

All details in relation to the terms of the Offer and other matters set out in the Prospectus that are not varied by this Supplementary Prospectus remain unchanged.

Applicants who have already subscribed for Shares in the Company under the Prospectus as at the date of this Supplementary Prospectus will be sent a copy of this Supplementary Prospectus and have one month to withdraw their Application and be repaid their Application Monies (without interest), should they wish and have so notified the Company in writing.

1.3 Electronic Supplementary Prospectus Disclaimer

This Supplementary Prospectus and the Prospectus may be viewed in electronic form at www.azurn.com.au.

Any person accessing the electronic version of this Supplementary Prospectus or the Prospectus must be an Australian resident and must only access the Supplementary Prospectus or the Prospectus from Australia.

The Corporations Act prohibits any person from passing on to another person the Application Form unless it is accompanied by a copy of this Supplementary Prospectus and the Prospectus. Prospective Applicants should ensure they download and read this Supplementary Prospectus and the Prospectus in their entirety before completing the Application Form. Any person may obtain a hard copy of the Prospectus and this Supplementary Prospectus free of charge by contacting Azurn on 1800 2 AZURN (1800 229 876).

2. VARIATION OF THE OFFER

2.1 Variation

The Directors have resolved to make the following changes to the Offer:

- withdraw the Series 1 Options disclosed in the Prospectus;
- amend the terms of the Series 2 Options so that Azurn will issue options to any person registered as a Shareholder of the Company at 7:00pm on the date 6 months from Listing on the basis of 1 Option for every 3 Shares held;
- notify investors that one of the assumptions for the calculation of the pro forma consolidated balance sheet may not be satisfied;
- notify investors of a change to one of the material terms in one of the material contracts; and
- extend the Closing Date to 5:00pm on 30 April 2009.

Azurn reserves the right, subject to the Corporations Act and the ASX Listing Rules, to close the Offer early, to further extend the Closing Date or to withdraw the Offer without prior notice. Any further extension of the Closing Date will have a consequential effect on the date for the issue of New Shares.

2.2 Effect of the Variation

The effect of the amendments to the Series 1 and Series 2 Options will provide Shareholders who were previously entitled to those Options with the ability to trade their Shares on the ASX after Listing, whilst still qualifying for the right to be issued Options if they are a Shareholder of the Company at 7:00pm on the date 6 months from Listing. For Shareholders who were previously entitled to Series 1 Options, this amendment will provide them with the opportunity to be granted Options 6 months earlier and on more preferable terms than originally contemplated under the Series 1 Options in the Prospectus.

The extension of the Closing Date provides applicants with a longer period of time to consider the Prospectus and this Supplementary Prospectus before applying for Shares.

The decision to amend the Series 1 and Series 2 Options was made by the Company following discussions with the ASX with respect to the Listing.

3.6 Additional Information

Section 10 of the Prospectus headed 'Additional Information' is amended as follows:

10.2 Rights attaching to Options

The Company will issue a series of Options to proposed Optionholders.

No Series 1 Options will be issued.

The terms and conditions of those Options are the same as in section 10.2 of the Prospectus except that the Series 2 Options differ as set out below.

Series 2 Options

Azurn will issue approximately 85,142,505 Series 2 Options 6 months after Listing (the number of Series 2 Options assumes no further issues of Shares post Listing). The Options will be issued on the basis of 1 Option for every 3 Shares (disregarding fractions) held by those Shareholders of Azurn at 7:00pm at the date 6 months after Listing.

In addition to the standard terms set out in section 10.2 of the Prospectus, the specific terms of these Series 2 Options are as follows:

- The Options may be exercised at any time after 6 months from Listing.
- The Options will lapse if they are not exercised within 4 years of Listing.
- The Options each have an exercise price of $0.25.

10.5 Holdings of Directors

Instead of receiving Series 1 Options, the Directors (other than Peter Jermyn) between them may receive approximately 19,773,870 Series 2 Options on the terms outlined in section 10.2 of this Prospectus as no Series 1 Options will be issued (assuming that the number of Shares held by the Directors set out in section 10.5 of the Prospectus remains the same).

3.7 Definitions

Section 11 of the Prospectus headed 'Definitions' is amended as follows:

Application Form	The application form accompanying the Prospectus and the Supplementary Prospectus
Closing Date	5:00pm AEST, 30 April 2009 (unless extended)
Supplementary Prospectus	This Supplementary Prospectus dated 16 April 2009

4. APPLICATIONS FOR NEW SHARES

4.1 Applications

Applications by new Applicants must be made using the Application Form. Applications must not be made on the application form accompanying, or attached to, the Prospectus prior to the date of this Supplementary Prospectus.

Applications Forms must be received before 5:00pm on the Closing Date, unless the Offer Period is extended.

Applicants who have already lodged an application form under the Prospectus do not need to complete the Application Form. However, Applicants may lodge the Application Form if they wish to apply for additional New Shares.

4.2 Withdrawal of Applications

In accordance with section 724(2) of the Corporations Act, the Company must give to Applicants who have applied for New Shares prior to the date of this Supplementary Prospectus, this Supplementary Prospectus and the opportunity to withdraw their Application within one month of the date of this Supplementary Prospectus.

If you have lodged an Application Form under the Prospectus prior to the date of this Supplementary Prospectus, and do not wish to proceed with your Application, the Company will refund your Application Monies without interest. Any Applicant wishing to withdraw their Application and be repaid their Application Monies have one month to withdraw their Application and request a refund. Withdrawal requests should be sent to the address for delivery of Application Forms. The refund details must match the details set out in the Application Form lodged by the Applicant.

Applicants who have already lodged their Application prior to the date of this Supplementary Prospectus may confirm their intention not to withdraw their Application, by making a new Application.

5. DIRECTORS' CONSENT

This Supplementary Prospectus is signed on 16 April 2009 by Ananda Rao on behalf of the Directors, each of whom has consented to the signature, lodgement and issue of this Supplementary Prospectus and none of whom have withdrawn that consent before lodgement.

Ananda Rao

Director