

NOTICE OF ANNUAL GENERAL MEETING

AND

EXPLANATORY STATEMENT

AND

PROXY FORM

Date of Meeting

22 November 2016

Time of Meeting

9:30 am

Place of Meeting

Suite 2, 11 Ventnor Avenue
WEST PERTH WA 6005

This Notice of Annual General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

The **2016 Annual Report** may be viewed on the Company's website at www.azumahresources.com.au

Notice is hereby given that the **Annual General Meeting** of Shareholders of Azumah Resources Limited (**Company**) will be held at Suite 2, 11 Ventnor Avenue, West Perth, Western Australia on 22 November 2016 at 9:30 am (**Meeting**) for the purpose of transacting the following business in each case, as more particularly described in the Explanatory Statement accompanying this Notice.

Financial Statements and Reports

To receive and consider the annual financial report, together with the Directors' and Auditor's reports for the financial year ended 30 June 2016.

Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following **advisory only resolution**:

"That, for the purpose of section 250R(2) of the Corporations Act, and for all other purposes, the Remuneration Report forming part of the Company's 2016 Annual Report be adopted."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (**the voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 – Re-election of Mr Michael Atkins as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purpose of clause 13.1 of the Constitution and for all other purposes, Mr Michael Atkins retires by rotation as a Director, and being eligible, having offered himself for re-election, is re-elected as a Director."

Resolution 3 – Ratification of Issue of Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 7,000,000 Shares to Bunda Holdings Pty Ltd, for the purposes and on the terms set out in the Explanatory Statement."

Voting Exclusion:

For the purposes of Listing Rule 7.5, the Company will disregard any votes cast on this Resolution by any person who participated in the issue and any of their Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Resolution 4 – Ratification of Issue of Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 17,045,483 Shares to unrelated parties of the Company, for the purposes and on the terms set out in the Explanatory Statement."

Voting Exclusion:

For the purposes of Listing Rule 7.5, the Company will disregard any votes cast on this Resolution by any person who participated in the issue and any of their Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Resolution 5 – Ratification of Issue of Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 17,054,549 Shares to unrelated parties of the Company, for the purposes and on the terms set out in the Explanatory Statement.”

Voting Exclusion:

For the purposes of Listing Rule 7.5, the Company will disregard any votes cast on this Resolution by any person who participated in the issue and any of their Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Resolution 6 – Ratification of Issue of Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 22,727,273 Shares to Ausdrill, for the purposes and on the terms set out in the Explanatory Statement.”

Voting Exclusion:

For the purposes of Listing Rule 7.5, the Company will disregard any votes cast on this Resolution by any person who participated in the issue and any of their Associates, unless it is cast:

- (a) by a person as proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) by the person chairing the meeting as proxy for a person who is entitled to vote (in accordance with a direction on the proxy form to vote as the proxy decides).

Resolution 7 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any Associate of that person (or those persons).

However, the Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form); or
- (b) it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote (in accordance with the directions on the proxy form) to vote as the proxy decides.

Other Business

To deal with any other business that may be brought forward in accordance with the Constitution and the Corporations Act.

DEFINITIONS

For the purpose of Resolutions 1 to 7 and the Explanatory Statement accompanying this Notice, the following definitions apply:

"**10% Placement Facility**" has the meaning given in Section 7.1 of the Explanatory Statement;

"**10% Placement Period**" has the meaning given in Section 7.2(f) of the Explanatory Statement;

"**AGM**" means an annual general meeting;

"**Annual Report**" means the Directors' Report, the Financial Report and Auditor's Report, in respect of the financial year ended 30 June 2016;

"**Associate**" has the same meaning as defined in section 11 and sections 13 to 17 of the Corporations Act;

"**ASX**" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"**Auditor's Report**" means the auditor's report on the Financial Report;

"**Ausdrill**" means Ausdrill International Pty Ltd ACN 069 769 811;

"**Board**" means the board of Directors;

"**Chairman**" or "**Chair**" means the persons elected by the Directors to the office of Chairman from time to time in accordance with Company's Constitution;

"**Closely Related Party**" of a member of the Key Management Personnel means:

- a spouse or child of the member;
- a child of the member's spouse;
- a dependent of the member or the member's spouse;
- anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- a company the member controls; or
- a person prescribed by the Corporations Regulations 2001 (Cth);

"**Company**" means Azumah Resources Limited ABN 72 112 320 251;

"**Convertible Security**" means a security of the Company which is convertible into Shares;

"**Converting Note**" means the security under the Converting Note Agreement dated 24 January 2014;

"**Constitution**" means the Company's constitution, as amended from time to time;

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

"**Director**" means a director of the Company;

"**Directors' Report**" means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

"**Equity Securities**" has the same meaning as in the Listing Rules;

"**Explanatory Statement**" means the explanatory statement accompanying this Notice;

"**Financial Report**" means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

"**Key Management Personnel**" has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

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

"**Meeting**" has the meaning in the introductory paragraph of the Notice;

"**Notice**" means this Notice of annual general meeting;

"**Proxy Form**" means the proxy form attached to this Notice;

"**Remuneration Report**" means the remuneration report of the Company contained in the Directors' Report;

"**Resolution**" means a resolution contained in this Notice;

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

"**Shareholder**" means the holder of a Share;

"**Trading Day**" means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

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

Capitalised terms referred to in this Notice are defined in the Explanatory Statement.

Shareholders are referred to the Explanatory Statement for more information with respect to the matters to be considered at the Meeting.

PROXIES

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions on the form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- a proxy need not be a member of the Company; and
- a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying Proxy Form and return it in accordance with its instructions prior to 9:30 am WST on 20 November 2016 by:

- (i) facsimile to the Company at (08) 9481 4417 (International +61 8 9481 4477) or to Security Transfer Australia Pty Limited at (08) 9315 2233 (International: +61 8 9315 2233); or
- (ii) delivery to the registered office of the Company at Ground Floor, 20 Kings Park Road, West Perth, Western Australia 6005; or
- (iii) mail to the Company at PO Box 1153, West Perth, Western Australia 6872 or Security Transfer Australia Pty Ltd, PO Box A2020, South Sydney, New South Wales 1235.

If you are a beneficial Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

ENTITLEMENT TO VOTE

For the purposes of regulation 7.11.37 of the Corporations Regulations 2001, the Company determines that members holding Shares at 5:00 pm WST on 20 November 2016 will be entitled to attend and vote at the AGM.

CORPORATIONS

A corporation may elect to appoint a representative in accordance with the Corporations Act, in which case the Company will require written proof of the representative's appointment, which must be lodged with, or presented to the Company, before the Meeting.

REVOCATION OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

VOTING OF PROXIES

The Proxy Form accompanying this Explanatory Statement confers discretionary authority upon the proxy with respect to any amendments or variations to the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the time of printing management knows of no such amendment, variation or other matter.

Shareholders must mark the boxes directing its proxy how to vote. If no voting instructions are indicated on the appointment of proxy form, the proxy will be voted as recommended by management or as the proxyholder sees fit (in the latter case, if management is not appointed as proxy).

By Order of the Board of Directors



Dennis Wilkins
Company Secretary
Date: 14 October 2016

AZUMAH RESOURCES LIMITED
ABN 72 112 320 251
EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the matters set forth in the Notice for approval at the Meeting. The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision regarding the matters set forth in the Notice.

2016 Financial Statements

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2016.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered a reasonable opportunity to:

- (a) discuss the Annual Report which is available online from the Company's website www.azumahresources.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about:
 - (i) the preparation and content of the Auditor's Report;
 - (ii) the conduct of the audit;
 - (iii) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
 - (iv) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, Shareholders may provide written questions to the Company's auditor if the question is relevant to:

- (a) the content of the Auditor's Report; or
- (b) the conduct of the audit of the Annual Report to be considered at the AGM,

which may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

Resolution 1 – Remuneration Report

1.1 General

In accordance with subsection 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the Key Management Personnel.

In accordance with subsection 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* which came into effect on 1 July 2011, amended the Corporations Act to provide that Shareholders will have the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2015 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2017 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

1.2 Voting on the Remuneration Report

In accordance with the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of either the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies how the proxy is to vote on this Resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chairman to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Resolution 2 – Re-election of Mr Michael Atkins as a Director

2.1 General

Mr Michael Atkins was appointed as Non-Executive Chairman on 20 October 2009. The Board considers Mr Atkins to be an independent director.

In accordance with Listing Rule 14.4, no director of the Company may hold office (without re-election) past the third AGM following the Director's appointment or 3 years, whichever period is longer. The Company's Constitution also requires that one third of the Directors (other than the managing director) retire from office at each AGM.

These requirements for a Director to retire do not apply to a managing director.

Accordingly, Mr Michael Atkins will retire by rotation at this Meeting and, being eligible offers himself for re-election.

Resolution 2 is an ordinary resolution, requiring it to be passed by a simple majority of votes cast by the Shareholders entitled to vote on it.

2.2 Director's Biography and Experience

Michael Atkins is a Fellow of the Australian Institute of Company Directors.

Mr Atkins was a founding partner of a national Chartered Accounting practice from 1979 to 1987 and was a Fellow of the Institute of Chartered Accountants in Australia until resigning in June 2011.

Between 1987 and 1998 he was a director of, and involved in the executive management of, several publicly listed resource companies with operations in Australia, USA, South East Asia and Africa. From 1990 to 1995 he was Managing Director and later a non-executive director of Claremont Petroleum NL and Beach Petroleum NL during their reconstruction, and then remained as a Non-Executive Director until 1995. He was also founding Executive Chairman of Gallery Gold Ltd until 1998, and remained a Non-Executive Director until 2000.

Since February 2009 Mr Atkins has been a Director - Corporate Finance at Patersons Securities Limited where he advises on the formation of, and capital raising for, emerging companies in the Australian resources sector.

He is currently non-executive Chairman of Legend Mining Ltd and non-executive director of SRG Limited and Castle Minerals Limited.

2.3 Directors' Recommendation

All the Directors except Mr Atkins who has an interest in this Resolution recommend that Shareholders vote in favour of Resolution 2.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

Resolution 3 – Ratification of Issue of Shares

3.1 General

The Company issued 7,000,000 Shares on 5 May 2016 as consideration for the acquisition of the Julie West Prospecting Licence located in Ghana, under its 15% placement capacity and now seeks, pursuant to Resolution 3 of the Notice, to ratify the allotment and issue of those Shares.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares up to 15% of the issued capital of the Company without requiring shareholder approval.

The Company proposes Resolution 3 to ratify a previous issue of Shares in accordance with Listing Rule 7.4. The Company confirms that the allotment and issue of the Shares the subject of Resolution 3 did not breach Listing Rules 7.1.

3.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 7,000,000 Shares were issued;
- (b) the Shares were issued at a deemed price of \$0.059 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Bunda Holdings Pty Ltd as consideration for the acquisition of the Julie West Prospecting Licence located in Ghana;
- (e) no funds were received from the issue of shares; and
- (f) a voting exclusion statement is included in the Notice.

3.3 Directors' Recommendation

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 4 – Ratification of Issue of Shares

4.1 General

The Company issued 13,195,482 Shares on 28 June 2016, 440,909 Shares on 1 July 2016 and 3,409,092 Shares on 14 July 2016. All of these Shares were issued at \$0.044 per share under its Listing Rules 7.1 and 7.1A placement capacity and the Company now seeks, pursuant to Resolution 4 of the Notice, to ratify the allotment and issue of those Shares.

The Shares were issued pursuant to the Company's capacity under the Listing Rules.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the thresholds set under the Listing Rules. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares, up to the limits imposed by the Listing Rules, without requiring shareholder approval.

The Company proposes Resolution 4 to ratify a previous issue of Shares in accordance with Listing Rule 7.4. The Company confirms that the allotment and issue of the Shares the subject of Resolution 4 did not breach Listing Rules 7.1 and 7.1A.

4.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 3,850,001 Shares were issued pursuant to ASX Listing Rule 7.1 and 13,195,482 Shares issued pursuant to ASX Listing Rule 7.1A;

- (b) the issue price was \$0.044 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to professional and sophisticated investors. None of these subscribers are related parties of the Company;
- (e) the funds raised from this issue will be used towards exploration and general working capital; and
- (f) a voting exclusion statement is included in the Notice.

4.3 Directors' Recommendation

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 5 – Ratification of Issue of Shares

5.1 General

The Company issued 17,054,549 Shares on 25 July 2016 at \$0.044 under its 7.1A placement capacity and now seeks, pursuant to Resolution 5 of the Notice, to ratify the allotment and issue of those Shares.

The Shares were issued pursuant to the Company's capacity under the Listing Rules.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the thresholds set under the Listing Rules. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares, up to the limits imposed by the Listing Rules, without requiring shareholder approval.

The Company proposes Resolution 5 to ratify a previous issue of Shares in accordance with Listing Rule 7.4. The Company confirms that the allotment and issue of the Shares the subject of Resolution 7 did not breach Listing Rules 7.1 and 7.1A.

5.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 17,054,549 Shares were issued pursuant to ASX Listing Rule 7.1A;
- (b) the issue price was \$0.044 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to professional and sophisticated investors. None of these subscribers are related parties of the Company;
- (e) the funds raised from this issue will be used towards exploration and general working capital; and
- (f) a voting exclusion statement is included in the Notice.

5.3 Directors' Recommendation

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 6 – Ratification of Issue of Shares

6.1 General

The Company issued 22,727,273 Shares on 1 August 2016 at \$0.044 under its Listing Rules 7.1 and 7.1A placement capacity and the Company now seeks, pursuant to Resolution 6 of the Notice, to ratify the allotment and issue of those Shares.

The Shares were issued pursuant to the Company's capacity under the Listing Rules.

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval provided the issue did not breach the thresholds set under the Listing Rules. The purpose and effect of such a ratification is to restore the Company's discretionary power to issue further shares, up to the limits imposed by the Listing Rules, without requiring shareholder approval.

The Company proposes Resolution 6 to ratify a previous issue of Shares in accordance with Listing Rule 7.4. The Company confirms that the allotment and issue of the Shares the subject of Resolution 6 did not breach Listing Rules 7.1 and 7.1A.

6.2 Information required by Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) 5,059,961 Shares were issued pursuant to ASX Listing Rule 7.1 and 17,667,312 Shares issued pursuant to ASX Listing Rule 7.1A;
- (b) the deemed issue price was \$0.044 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to Ausdrill on redemption of Converting Notes;
- (e) no funds were raised from the issue of shares; and
- (f) a voting exclusion statement is included in the Notice.

6.3 Directors' Recommendation

The Directors of the Company believe that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Resolution 7 – Approval of 10% Placement Facility

7.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the AGM (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company qualifies as an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) below).

7.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an AGM, requiring a 75% majority vote to be cast.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of Equity Securities, being quoted Shares and unlisted Performance Rights.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 12 month period after the date of the AGM, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that became fully paid in the 12 months;

(iii) plus the number of fully paid shares issued in the 12 months with shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;

(iv) less the number of fully paid shares cancelled in the 12 months.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) *Listing Rule 7.1 and Listing Rule 7.1A*

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 582,565,957 Shares and therefore, assuming Resolutions 3 to 6 are approved, has a capacity to issue:

- (i) 87,384,893 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under Resolution 7, 58,256,595 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 7.2(c) above).

(e) *Minimum Issue Price*

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days (on which trades in that class were recorded) immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) *10% Placement Period*

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the AGM at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the AGM at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

7.3 Listing Rule 7.1A

The effect of Resolution 7 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

7.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days (on which trades in that class were recorded) immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within five Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in

the case of Convertible Securities, only if the Convertible Securities are converted into Shares). There is a risk that:

- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of the Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table shows:

- (i) two examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a *pro rata* entitlements issue or scrip issued under a takeover offer), or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.02 50% decrease in Issue Price	\$0.04 Issue Price	\$0.08 100% increase in Issue Price
Current Variable A 582,565,957 Shares	10% voting dilution	58,256,595 Shares		
	Funds raised	\$1,165,132	\$2,330,264	\$4,660,528
50% increase in current Variable A 873,848,935 Shares	10% voting dilution	87,384,893 Shares		
	Funds raised	\$1,747,698	\$3,495,396	\$6,990,791
100% increase in current Variable A 1,165,131,914 Shares	10% voting dilution	116,513,191 Shares		
	Funds raised	\$2,330,264	\$4,660,528	\$9,321,055

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of this Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.

- (vii) The issue price is \$0.04 being the closing price of Shares on the ASX on 11 October 2016.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 7 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) for cash consideration, in which case the Company may use the funds raised towards making (or to securing the right to make) one or more acquisitions and/or to further its existing projects; and/or general working capital; so that the Company has the necessary working capital and flexibility to consider, and if thought fit, to put in a stronger position to make (or to secure the right to make) one or more acquisitions and/or to further its existing projects; or
 - (ii) non-cash consideration for the acquisition of (or securing the right to make acquisitions of) new projects and investments or to further its existing projects. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (g) The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an Associate of a related party of the Company.
- Further, if the Company is successful in acquiring new assets or investments, it is possible that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.
- (h) The Company has previously obtained Shareholder approval under ASX Listing Rule 7.1A at its AGM held on 26 November 2015.

In accordance with Listing Rule 7.3A.6, the total number of Equity Securities issued in the 12 months preceding the date of this meeting is 153,903,597 representing 34.36% of the Equity Securities on issue at the commencement of the 12 month period.

The Company has issued the following Equity Securities in the 12 months preceding the date of this meeting:

Date of Issue	Number of Securities	Class	Issue Price	Discount to Market price	Total Consideration	Basis of allotment
3/12/2015	8,250,000	Performance Rights	Nil	N/A	Nil	Issue of Director Performance Rights
8/2/2016	2,755,172	Fully paid ordinary shares	\$0.0293 (deemed price)	27%	Interest due and payable to the value of \$80,726.54	As consideration for interest due and payable in accordance with the terms and conditions of the Converting Note Agreement dated 24 January 2014
5/5/2016	989,318	Fully paid ordinary shares	\$0.043 (deemed price)	27%	Interest due and payable to the value of \$42,540.67	As consideration for interest due and payable in accordance with the terms and conditions of the Converting Note Agreement dated 24 January 2014
5/5/2016	7,000,000	Fully paid ordinary shares	\$0.059 (deemed price)	0%	\$413,000 (value of shares issued)	As consideration to Bunda Holdings Pty Ltd for the acquisition of the Julie West Prospecting License
27/5/2016	3,875,000	Fully paid ordinary shares	Nil	100%	Nil	Performance Rights vesting conditions satisfied
28/6/2016	13,195,482	Fully paid ordinary shares	\$0.044	6%	\$580,601	Share Placement to unrelated parties
1/7/2016	440,909	Fully paid ordinary shares	\$0.044	4%	\$19,400	Share Placement to unrelated parties
1/7/2016	2,700,000	Fully paid ordinary shares	Nil	100%	Nil	Performance Rights vesting conditions satisfied
14/7/2016	3,409,092	Fully paid ordinary shares	\$0.044	8%	\$150,000	Share Placement to unrelated parties
25/7/2016	71,506,802	Fully paid ordinary shares	\$0.044	12%	\$3,146,299	Issue in accordance with Share Purchase Plan
25/7/2016	17,054,549	Fully paid ordinary shares	\$0.044	12%	\$750,400	Share Placement to unrelated parties
1/08/2016	22,727,273	Fully paid ordinary shares	\$0.044	15%	\$1,000,000 (value of shares issued)	Redemption of Converting Notes per Converting Note Agreement dated 24 January 2014

In the 12 months preceding the date of this Notice of Meeting the Company has received \$4,646,700 cash consideration from the issue of securities. Of this cash consideration the Company has spent \$1,000,000 on redemption of Converting Notes, \$123,274 on payments to suppliers and employees, \$204,303 on share issue costs and \$223,068 on exploration related expenditure. The balance of funds is unspent and will be applied to exploration expenditure and working capital purposes.

- (i) A voting exclusion statement is included in the Notice.
- (j) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

7.5 Directors' Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 7.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairman intends to exercise all available proxies in favour of Resolution 7.

OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the accompanying Notice.

AZUMAH RESOURCES LIMITED

ACN: 112 320 251

REGISTERED OFFICE:

GROUND FLOOR
20 KINGS PARK ROAD
WEST PERTH WA 6005

SHARE REGISTRY:

Security Transfer Australia Pty Ltd

All Correspondence to:

PO BOX A2020
South Sydney NSW 1235
Suite 511, The Trust Building
155 King Street
Sydney NSW 2000
T: +61 3 9628 2200 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

«EFT_REFERENCE_NUMBER»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

«Company_code» «Sequence_number»

Code:

AZM

Holder Number:

«HOLDER_NUM

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au

1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

«ONLINE

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 9:30am WST on Tuesday 22 November 2016 at Suite 2, 11 Ventnor Avenue, WEST PERTH WA 6005 and at any adjournment of that meeting.

Where I/we have appointed the Chairperson as my/our proxy (or the Chairperson becomes my/our proxy by default), I/we expressly authorise the Chairperson to exercise my/our proxy on resolution 1 (except where I/we have indicated different voting intention below) even though resolution 1 is connected directly or indirectly with the remuneration of key management personnel, which includes the Chairperson.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr Michael Atkins as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Ratification of Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Ratification of Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 9:30am WST on Sunday 20 November 2016.

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My/Our contact details in case of enquiries are:

Name:

Number:

()

1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX A2020
South Sydney NSW 1235

Street Address Suite 511, The Trust Building
155 King Street
Sydney NSW 2000 AUSTRALIA

Telephone +61 3 9628 2200

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

