

AZUMAH RESOURCES LIMITED
ABN 72 112 320 251

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

Date of Meeting
25 November 2010

Time of Meeting
9:30 am (WST)

Place of Meeting
23 Altona Street
WEST PERTH WA

AZUMAH RESOURCES LIMITED
ABN 72 112 320 251

NOTICE OF GENERAL MEETING

Notice is hereby given that a General Meeting of shareholders of Azumah Resources Limited ("**Company**") will be held at 23 Altona Street, West Perth WA on 25 November 2010 at 9:30 am (WST) for the purpose of transacting the following business.

ORDINARY BUSINESS

Resolution 1 – Authority to Issue and Allot Shares – Upon Conversion of Subscription Receipts

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

“That, for the purpose of Listing Rule 7.1 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to be authorised to issue and allot up to 37,500,000 Shares at an issue price of \$0.60 per Share to the persons and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice to persons who are not related parties of the Company.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of any such person.

However, the Company will not disregard a vote if 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 it is cast 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 2 – Authority to Issue and Allot Shares – BGF Equities Pty Ltd and Macquarie Bank Limited

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

“That, for the purpose of Listing Rule 7.1 of the Listing Rules of ASX Limited and for all other purposes, approval is given for the Company to be authorised to issue and allot up to 12,500,000 shares at an issue price of \$0.60 per Share to the persons and on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice to persons who are not related parties of the Company.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this resolution by any person who may participate in the proposed issue and any person who may obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, and any associates of any such person.

However, the Company will not disregard a vote if 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 it is cast 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.

OTHER BUSINESS

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

A Proxy Form is attached.

To be valid, properly completed proxy forms must be received by the Company by no later than 9:30 am (WST) on 23 November 2010:

- By post at:
23 Altona Street
WEST PERTH WA 6005
- By facsimile on +61 8 9389 2199

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the Register of Shareholders as at 5.00pm (WST) on 23 November 2010.

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

By order of the Board



Dennis Wilkins
Company Secretary
Date: 22 October 2010

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide shareholders in Azumah Resources Limited ACN 112 320 251 ("**Company**") with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of General Meeting of the Company.

The Directors recommend that shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

The following information should be noted in respect of the various matters contained in the accompanying Notice of Meeting:

Resolution 1 – Authority to Issue and Allot Shares

As announced on 19 October 2010, the Company is undertaking an equity raising in North America (the "**Offering**"). The Offering will be led by Clarus Securities Inc. ("**Agent**").

The net proceeds of the Offering are intended to be used by the Company for working capital and general corporate purposes.

Subscription receipts will be issued pursuant to the Offering ("**Subscription Receipts**"). The gross proceeds from the sale of the Subscription Receipts will be deposited in escrow with an escrow agent pending satisfaction of the Release Conditions (as defined below). Each Subscription Receipt will entitle the holder thereof to receive, without payment of additional consideration or further action, 1 Share in the capital of the Company upon:

- the approval of this Resolution;
- the Company having delivered to the Agent a certificate confirming that all regulatory and other approvals required in respect of the Offering have been obtained; and
- the Company and the Agent, acting reasonably, having delivered a joint notice to the escrow agent confirming that the escrow release conditions have been satisfied,

("the **Release Conditions**").

Pursuant to Listing Rule 7.1, Resolution 1 seeks shareholder approval for the allotment and issue of up to 37,500,000 Shares on conversion of Subscription Receipts.

Listing Rule 7.1 provides that a company must not, subject to certain exceptions, issue during any 12 month period any equity securities if the number of those securities exceeds 15% of the total number of ordinary securities on issue at the commencement of that 12 month period. One such exception is an issue of securities which has been approved by shareholders at a general meeting.

The Shares which are the subject of the conversion of the Subscription Receipts represent greater than 15% of the Company's issued capital. As a result, shareholder approval is being sought pursuant to Listing Rule 7.1.

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

- (a) the maximum number of Shares to be issued pursuant to Resolution 1 is 37,500,000;
- (b) it is anticipated that the Shares will be issued no later than 3 months after the date of the Meeting, or such later date as approved by ASX by way of ASX granting a waiver from the Listing Rules;
- (c) the Shares will be issued for \$0.60 each;
- (d) the Shares will be issued to clients of Toronto based Clarus Securities Inc, none of which are related parties of the Company;

- (e) the Shares will rank equally with the existing shares on issue;
- (f) a total of up to \$22,500,000 (before costs) will be raised by the issue of the shares;
- (g) the funds raised from this placement are intended to be used by the Company for working capital and general corporate purposes;
- (h) the Shares will be issued in a single allotment; and
- (i) a voting exclusion statement is included in this Notice.

Resolution 2 – Authority to Issue and Allot Shares

As announced on 19 October 2010, the Company is undertaking an equity raising in Australia (the "**Australian Offering**").

Resolution 2 proposes the issue and allotment of 12,500,000 shares to acquire shares in the capital of the Company pursuant to this Australian Offering. The net proceeds of the Australian Offering are intended to be used by the Company for working capital and general corporate purposes.

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to shareholders for the purposes of Listing Rule 7.1 and the following information is included in this Explanatory Memorandum for that purpose:

- (a) the maximum number of shares to be issued pursuant to Resolution 2 is 12,500,000;
- (b) it is anticipated that the shares and options will be issued no later than 3 months after the date of the Meeting, or such later date as approved by ASX by way of ASX granting a waiver from the Listing Rules;
- (c) the shares will be issued for \$0.60 each;
- (d) the shares will be issued to Macquarie Bank Limited (5,000,000 shares) and clients of BGF Equities Pty Ltd (7,500,000 shares), none of which are related parties of the Company;
- (e) the shares will rank equally with the existing shares on issue;
- (f) a total of up to \$7,500,000 (before costs) will be raised by the issue of the shares;
- (g) the funds raised from this placement will be for working capital and general corporate purposes;
- (h) the shares will be issued in a single allotment; and
- (i) a voting exclusion statement is included in this Notice.

Capital Structure of the Company

The capital structure of the Company following successful completion of the issue and allotments of the Resolutions summarised below:

Details of Number of Shares:

	Shares	Options
Current	220,946,055	13,000,000
Placement – Resolution 1	37,500,000	-
Placement – Resolution 2	12,500,000	
TOTAL	270,946,055	13,000,000

Glossary:

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

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

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

"**Explanatory Memorandum**" means the explanatory memorandum accompanying this Notice;

"**Notice**" means this Notice of General Meeting;

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

"**Shares**" means fully paid ordinary shares in the capital of the Company; and

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

AZUMAH RESOURCES LIMITED

ABN 72 112 320 251

PROXY FORM

The Company Secretary
Azumah Resources Limited
C/- 23 Altona Street
WEST PERTH WA 6005

Facsimile: +618 9389 2199

I/We (name of shareholder)

of (address)

being a member/members of Azumah Resources Limited HEREBY APPOINT

(name)

of (address)

and/or failing them (name)

of (address)

or failing that person then the Chair of the meeting as my/our proxy to vote for me/us and on my/our behalf at the General Meeting of the Company to be held on 25 November 2010 and at any adjournment of the meeting.

PROXY INSTRUCTIONS

If you wish to instruct your proxy how to vote, insert "X" in the appropriate column against the item of business set out below.

If you do not wish to direct your proxy how to vote please place a mark in the box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as a proxy holder will be disregarded because of that interest. The Chairman has advised that his intention is to vote in favour of all resolutions.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairperson will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.



Should you so desire to direct the Proxy how to vote, you should place a cross in the appropriate box(es) below:

I/We direct my/our Proxy to vote in the following manner:

	For	Against	Abstain
Resolution 1 – Authority to Issue and Allot Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Authority to Issue and Allot Shares	<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.

***This Proxy is appointed to represent _____ % of my voting right, or if 2 proxies are appointed Proxy 1 represents _____ % and Proxy 2 represents _____ % of my total votes
My total voting right is _____ Shares***

Dated: _____

If the shareholder is an individual

If the shareholder is a company

Signature

Print name: _____

Director / Sole Director and Secretary

Print name: _____

Director / Secretary

Print name: _____

INSTRUCTIONS FOR APPOINTMENT OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint no more than two proxies to attend and vote at this General Meeting as the shareholder's proxy. A proxy need not be a shareholder of the Company.
2. Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.
3. The proxy form must be signed personally by the shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint shareholders, this proxy must be signed by each of the joint shareholders, personally or by a duly authorised attorney.
4. If a proxy is executed by an attorney of a shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
5. To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this General Meeting **that is by 9:30 am WST on 23 November 2010** by post or facsimile to the respective addresses stipulated in this proxy form.
6. If the proxy form specifies a way in which the proxy is to vote on any of the resolutions stated above, then the following applies:
 - (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way;
 - (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
 - (c) if the proxy is the Chairperson, the proxy must vote on a poll and must vote that way; and
 - (d) if the proxy is not the Chairperson, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.

If a proxy is also a shareholder, the proxy can cast any votes the proxy holds as a shareholder in any way that the proxy sees fit.