

March 28, 2014

**In the Matter of**

**the Securities Legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario,  
New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador**

**(the “Jurisdictions”)**

**and**

**In the Matter of**

**the Process for Exemptive Relief Applications in Multiple Jurisdictions**

**and**

**In the Matter of**

**AZUMAH RESOURCES LIMITED  
(the “Filer”)**

**DECISION**

**Background**

The securities regulatory authority or regulator in each of the Jurisdictions (the “**Decision Maker**”) has received an application (the “**Application**”) from the Filer for a decision under the securities legislation of the Jurisdictions (the “**Legislation**”) that the Filer is not a reporting issuer (the “**Exemptive Relief Sought**”).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

- (a) the Ontario Securities Commission is the principal regulator for this application;  
and
- (b) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

**Interpretation**

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

**Representations**

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation that was incorporated under the *Australian Corporation Act 2001* (Commonwealth) on December 23, 2004. The Filer's registered and head office is Ground Floor, 20 Kings Park Road, West Perth, WA, Australia 6005 and its principal place of business is 2/11 Ventnor Avenue, West Perth, WA, Australia 6005.
2. The Filer does not have any operations, employees or offices in Canada.
3. The Filer is an Australian based mining company in the business of exploration and development. The Filer owns 100% of the Wa Gold Project in northwest Ghana, West Africa and holds a 15.5% strategic stake in neighbouring junior explorer Castle Minerals Limited which has ~10,000km<sup>2</sup> under licence in the northwest Ghana region. The Filer's management is located in West Perth, Australia.
4. The Filer is a reporting issuer in each of the Jurisdictions and is not in default of securities legislation in any jurisdiction of Canada.
5. The Filer's ordinary shares have been listed on the Australian Securities Exchange ("ASX") since January 9, 2006.
6. The Filer became a reporting issuer in the Jurisdictions under the Legislation when its ordinary shares commenced trading on the Toronto Stock Exchange (the "TSX") on September 1, 2011.
7. Except for the Jurisdictions, the Filer is not a reporting issuer in any other jurisdiction of Canada.
8. The Filer had discussions with the TSX regarding a voluntary delisting of its ordinary shares from the TSX and the TSX confirmed that the ordinary shares of the Filer were delisted from the TSX at the close of trading on December 13, 2013. Following the delisting from the TSX, the Filer's Canadian share register will be closed on or about April 7, 2014.
9. The capital structure of the Filer is composed of an unlimited number of ordinary shares, without par value. As of January 20, 2014: (i) 356,189,096 ordinary shares were issued and outstanding; (ii) 2,000,000 unvested options were on issue which expire November 30, 2014 and have an exercise price of AUD\$0.60; (iii) 1,000,000 unvested options were on issue which expire November 30, 2014 and have an exercise price of AUD\$0.26; (iv) 4,000,000 unvested performance rights over ordinary shares were on issue which expire November 30, 2014; and (v) 325,000 unvested performance rights over ordinary shares were on issue which expire November 30, 2015. There is no exercise price pertaining to the performance rights.
10. None of the Filer's options or performance rights are traded on any securities exchange.
11. The Filer's only outstanding securities are its ordinary shares which are listed for trading on the ASX and the Filer is not in default of any reporting requirements or other requirement of the ASX.

12. The Filer determined the number of Canadian securityholders directly or indirectly beneficially owning its ordinary shares through a review of the shareholder register kept by its registrar and transfer agent and with respect to beneficial securityholders in accordance with the process set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*.
13. In support of the representations set forth in paragraphs 14 and 15 below concerning the percentage of outstanding securities and the total number of security holders in Canada, the Filer sought and obtained information from the Filer's transfer agent, Equity Financial Trust Company (the "**Transfer Agent**"). The Filer directed the Transfer Agent to undertake a thorough and diligent examination of its share register for the purposes of determining the number, holdings, identity and geographic location of the holders of its outstanding ordinary shares. The Filer believes that these inquiries were reasonable, given that its share register and the Transfer Agent are the only official sources of information on the Filer's security holders.
14. Based on the Filer's diligent inquiries described above and information provided by the Transfer Agent, as of January 20, 2014, the Filer had 356,189,096 ordinary shares outstanding, of which the number of shares held by Canadians, or residents of Canada, whether through the Australian share register or in Canada, beneficially and of record, is 446,249 shares representing 0.12% of the total outstanding shares. Notwithstanding the foregoing, there are ordinary shares held by brokers that are not clients of the Transfer Agent and thus their holdings are unknown, however, if these ordinary shares were in fact held by Canadians, or residents of Canada, beneficially or of record, it would bring the total outstanding shares held by Canadians, or residents of Canada, to 0.82% of the total outstanding shares. Further, residents of Canada represent 22 of the Filer's 4,641 worldwide securityholders and therefore residents of Canada comprise 0.47% of the Filer's worldwide securityholders.
15. Accordingly, based solely on the foregoing, as of January 20, 2014, residents of Canada:
  - do not, directly or indirectly, beneficially own more than 2% of each class or series of outstanding securities of the issuer worldwide; and
  - do not, directly or indirectly, comprise more than 2% of the total number of securityholders of the Filer worldwide.
16. The Filer is unable to rely on the simplified procedure set out in CSA Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the relief sought because the Filer's securities are traded on the ASX, the Filer is a reporting issuer in British Columbia and it has more than 50 security holders in total worldwide. The Filer does not qualify to use the procedures in BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* to cease to be a reporting issuer in British Columbia because it has more than 50 securityholders and its securities are traded on the ASX.

*No Canadian capital markets activity*

17. The Filer has no current intention to seek public financing by way of an offering of securities in any jurisdiction in Canada.
18. The Filer has not taken steps to create a market for the ordinary shares and, in particular, never offered securities to the public, the Jurisdictions or in any other jurisdiction in Canada by way of a prospectus offering, and has not privately placed any ordinary shares in Canada in the last 12 months. Securityholders on the Canadian share register were given up to four weeks from the date the Filer delisted on the TSX to transfer their holdings to Australia if they had a preferred holding format. Securityholders who did not make a transfer during such period were advised that an automatic transfer would occur after the four week period ended on January 9, 2014. Prior to the January 9, 2014 deadline, three securityholders voluntarily transferred to the Australian share registry and the remaining securityholders will be automatically transferred by the Transfer Agent on or about April 7, 2014 concurrent with the closing of the Canadian share registry. To date, no securityholder has expressed concern to the Filer regarding this transfer.
19. None of the Filer's securities are listed, traded or quoted on a marketplace in Canada as defined in National Instrument 21-101 *Market Place Operation* and the Filer does not intend to have its securities listed, traded or quoted on such marketplace in Canada.
20. The Filer only attracted a *de minimis* number of Canadian investors and the average daily volume of trading of the Filer's ordinary shares in the 12 months prior to delisting from the TSX was 26,771 shares, which accounted for ~3.4% of the Filer's average worldwide daily trading volumes. In contrast, the average daily volume on the ASX for the same period represented approximately 780,138 shares.

*No prejudice to Canadian Investors*

21. The Filer is subject to all applicable corporate requirements of a corporation formed under Australian law and the applicable rules of the ASX, which is a major foreign exchange. The Filer is not in default of any of the requirements of Australian law applicable to it.
22. None of the 4,325,000 unvested performance rights over ordinary shares on issue are held by Canadians or residents of Canada.
23. On January 22, 2014, the Filer issued and filed a press release announcing that it has submitted an application to the Decision Makers for a decision that is not a reporting issuer in the Jurisdictions and, if that decision is granted, the Filer will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.
24. The Filer hereby undertakes in favour of the securities regulatory authorities of the Jurisdictions that it will deliver to its securityholders resident in Canada, in the same manner and at the same time as delivered to its securityholders resident in Australia, all disclosure material required by Australian securities laws to be so delivered by way of


public filings. Such disclosure material is available on the Filer's website at [www.azumahresources.com.au/](http://www.azumahresources.com.au/) and on the ASX website at [www.asx.com.au](http://www.asx.com.au).

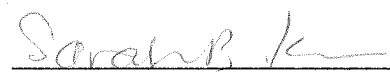
25. The Filer files continuous disclosure reports under Australian securities laws and is listed on the ASX. Such continuous disclosure reports are available to Canadian securityholders on the Filer's website at [www.azumahresources.com.au/](http://www.azumahresources.com.au/) and on the ASX website at [www.asx.com.au](http://www.asx.com.au).
26. The Filer qualifies as a "designated foreign issuer" under National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* ("NI 71-102") and has relied on and complied with the exemptions from Canadian continuous disclosure requirements afforded to designated foreign issuers under Part 5 of NI 71-102.
27. The Filer will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the granting of the Exemptive Relief Sought.

### Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

  
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Commissioner  
Ontario Securities Commission

  
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Commissioner  
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