



TROY RESOURCES LIMITED

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ASX RELEASE

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CORPORATE AND OPERATIONAL UPDATE

Perth, Western Australia: Gold producer Troy Resources Limited (ASX, TSX: TRY) (**Troy or Company**) gives the following update:

Casposo

The Company advises that a series of rockfalls have occurred in one of the high grade stopes within the INCA 1 zone at its Casposo gold and silver mine in Argentina. There has been no injury to employees or damage to equipment.

The area impacted is directly above level 9 and 10, the highest grade levels within the INCA 1 zone. It appears that a clay rich zone approximately 2 metres into the hanging wall initiated a zone of weakness that resulted in waste material falling into the stope. In the short term, the impact of the fall is to increase dilution of ore with waste, thus lowering the grade drawn from the stopes and delaying mining of the very high grade level 9.

With the help of a specialist external rock mechanics expert, we are reviewing the mine plan to minimise the risk of such an incident re-occurring in the very high grade zones. At this stage, we expect that a re-sequencing of mining blocks and the introduction of cemented rock fill in selected areas, and adjustments to the mining method and ground support protocols will be undertaken. It is too early to determine whether this will impact production guidance for FY2015. The Company will update the market at the appropriate time.

Separately, an inspection of mill liners has resulted in a decision to bring forward into June a 6 day maintenance shut that had been scheduled for early July. These two issues will result in the June quarter production being lower than planned at around 27,000 oz gold equivalent.

Andorinhas

The Company has received the SEMA Environmental Permit to mine the Coruja open pit deposit (which is within the Mamão permit) at its Andorinhas mine in Para State, Brazil. Ore is currently being sourced from a limited number of Mamão underground shrinkage stopes and low grade stockpiles. Approval of Coruja ensures that sufficient high grade ore tonnes will now be delivered to the processing plant. Without Coruja, Andorinhas would have closed early in the second half of calendar 2014. The approval, however, means that the operation will continue through to the end of FY2015 and is expected to produce approximately 27,000 to 30,000 oz in that year.

Following a final site inspection by the DNPM, we expect to mobilise a contract mining fleet in late June with first Coruja ore entering the mill feed in the September quarter.

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ABOUT TROY RESOURCES

Troy (ASX, TSX: TRY) is a successful gold and silver producer with a track record of low cost mine development and production. The Company is unique amongst its peers having paid 13 fully franked cash dividends over a 13 year period to 2012.

Troy has been operating in South America since 2002 and, following development of the Casposo project in Argentina, the Company's annual gold production is now above 100,000oz of gold equivalent per annum.

In July 2013 the Company acquired Azimuth Resources Limited which had discovered and delineated a high-grade gold Resource in Guyana. Troy is continuing with infill drilling of the Resource and is targeting the release of a Pre-Feasibility Study for the open pit in mid-2014 and if positive, would look to move quickly to project construction.

Troy has in place hedging covering a total of 14,000oz of gold at US\$1,300 per oz and 2,040,000oz of silver at ~US\$19.41 per oz.

Troy is a responsible corporate citizen, committed to the best practice of health and safety, environmental stewardship and social responsibility.

PROJECT LOCATIONS

