



TROY RESOURCES LIMITED
ACN 006 243 750

PROSPECTUS

For the offer of 1,000 Shares at \$0.12 each to raise \$120

**THIS PROSPECTUS IS BEING ISSUED UNDER SECTION 708A(11) OF THE
CORPORATIONS ACT FOR THE PURPOSE OF FACILITATING SECONDARY TRADING
OF THE PLACEMENT SHARES.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.
IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR
PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SHARES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A
HIGHLY SPECULATIVE NATURE.**

IMPORTANT INFORMATION

This Prospectus is dated 2 November 2020 and was lodged with ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 2, 5 Ord Street, West Perth, Western Australia, 6005 during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (see Section 4.3).

The Shares offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

This Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's principal place of business by contacting the Company. The Offer contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

Applications for Shares under the Offer will only be accepted on an Application Form that is attached to, or provided by the Company with a copy of this Prospectus in either paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Shares under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of the Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This Prospectus is important and should be read in its entirety before deciding to participate in the Offer. This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to their particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult their stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 3.

This Prospectus includes forward looking statements that have been based on current expectations about future acts, events and circumstances. These forward looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in the forward looking statements.

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to WST, unless otherwise indicated.

CORPORATE DIRECTORY

Directors

Mr Peter Stern (Non-Executive Chairman)
Mr Ken Nilsson (Managing Director)
Mr John Jones (Non-Executive Director)
Mr Richard Beazley (Non-Executive Director)

Company Secretary

Mr Raymond Parry

Registered Office

Troy Resources Limited
Level 2, 5 Ord Street
West Perth, Western Australia, 6005

Telephone: (61 8) 9481 1277
Facsimile: (61 8) 9226 3598
Website: www.troyres.com.au

ASX Code: TRY

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth WA 6000
Telephone (within Australia): 1300 850 505
Telephone (outside Australia): (61 3) 9415 5000

Auditor

PricewaterhouseCoopers
Brookfield Place
125 St Georges Terrace
Perth WA 6000

Lawyers

Thomson Geer
Level 27, Exchange Tower
2 The Esplanade
Perth WA 6000

PROPOSED TIMETABLE

Event	Date*
Lodgement of Prospectus with ASIC and ASX	2 November 2020
Opening Date of Offer	2 November 2020
Closing Date	6 November 2020

** These dates are indicative only and subject to change. Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice.*

TABLE OF CONTENTS

section	Page No
1. Details of the Offer.....	4
2. Effect of the Offer	8
3. Risk Factors	9
4. Additional Information	16
5. Directors' Statement and Consent	22
6. Glossary	23

RISK FACTORS

There a number of risks associated with investing in the Company and in the share market generally. The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can affect the value of an investment in the Company.

An investment in the Company is speculative in nature and investors should be aware that they may lose some or all of their investment. Prospective investors should read this Prospectus in its entirety, and in particular, consider the risk factors detailed in Section 3.

1. Details of the Offer

1.1 The Offer

The Company is offering, pursuant to this Prospectus, up to 1,000 Shares (**New Shares**) at an issue price of \$0.12 each (**Offer**).

Shares issued under the Offer will be issued as fully paid ordinary shares and will rank equally in all respect with the existing Shares on issue. Refer to Section 4.1 for a summary of the rights and liabilities attaching to the Shares under the Offer.

The Company is only extending the Offer to specific parties on invitation from the Directors. The Company will only provide Application Forms to these parties.

On 26 October 2020, the Company announced that it had received firm commitments to raise A\$15,000,000 through a two tranche placement of a total of 125,000,000 Shares at \$0.12 per Share to sophisticated and professional investors (**Placement Shares**). The first tranche of 100,000,000 Shares were issued on 2 November 2020. Refer to the ASX announcement dated 26 October 2020 for further details.

The issue of the second tranche of 25,000,000 Shares is subject to Shareholder approval being obtained at the Company's annual general meeting.

1.2 Purpose of the Offer

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months of the date of their issue.

Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a 'cleansing' notice under section 708A(5). The Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result is precluded from issuing a 'cleansing' notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The primary purpose of this Prospectus is to comply with section 708A(11) of the Corporations Act to remove any trading restrictions that may have attached to the Placement Shares issued by the Company so that the holders of the Placement Shares, if they choose to, may sell those Placement Shares within the twelve months following their issue, without the issue of a prospectus. The Company did not issue the Placement Shares with the purpose of the persons to whom they were issued selling or transferring the Placement Shares, or granting, issuing or

transferring interests in the Placement Shares within 12 months of the issue, however this Prospectus provides them with the ability to do so should they wish.

Accordingly, the purpose of this Prospectus is to:

- (d) make the Offer; and
- (e) ensure that the on-sale of the Placement Shares does not breach section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in section 708A(11) of the Corporations Act.

1.3 Closing Date

The Closing Date for the Offer is 5.00pm (WST) on 6 November 2020. The Company reserves the right, subject to the Corporations Act and the Listing Rules to extend the Closing Date without prior notice. If the Closing Date is varied, subsequent dates may also be varied accordingly.

1.4 Minimum subscription

There is no minimum subscription in relation to the Offer.

1.5 Oversubscriptions

The Company will not accept any oversubscriptions in relation to the Offer.

1.6 Effect on control

The Offer will have no impact on the control of the Company as no person as a result of the Offer will increase their voting power in the Company:

- (a) from 20% or below to more than 20% of issued capital of the Company; or
- (b) from a starting point that is above 20% and below 90% of issued capital of the Company.

1.7 Not underwritten

The Offer is not underwritten.

1.8 Applications

The Company will send this Prospectus, together with the Application Form, to selected persons whom the Directors determine are eligible to participate in the Offer.

If you wish to subscribe for New Shares, you should complete and return the Application Form, which will be provided with a copy of this Prospectus by the Company at the Company's discretion, in accordance with the instructions in the Application Form.

If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of New Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

1.9 Application Monies held on trust

All Application Monies received for the New Shares will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Shares are issued. All Application Monies will be returned (without interest) if the New Shares are not issued.

1.10 ASX Quotation

Application for Official Quotation by ASX of the New Shares will be made within seven days after the date of this Prospectus. If the New Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of issue of the Prospectus, or such period as varied by ASIC, the Company will not issue any New Shares and will repay all application monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

1.11 Allotment

The issue of New Shares pursuant to the Offer will take place as soon as practicable after the Closing Date of the Offer. Pending the issue of the New Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account, as required by the Corporations Act. The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

The Directors will determine the recipients of all the New Shares under the Offer. The Directors reserve the right to reject any application or to allocate any Applicant fewer New Shares than the number applied for. Where the number of New Shares issued is less than the number applied for, or when no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date of the Offer. Interest will not be paid on moneys refunded.

The Company's decision on the number of New Shares to be issued to an Applicant under the Offer will be final.

1.12 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Cleansing Offer, in which case, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

1.13 Defects in applications

If an Application Form is completed incorrectly or if the accompanying payment is the wrong amount, the Company may, in its absolute discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

1.14 Applicants outside Australia

This Prospectus and any accompanying Application Form do not, and are not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Securities. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

1.15 Risks of the Offer

An investment in Shares of the Company should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company, which are explained in Section 3.

1.16 Taxation Implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New Shares under this Prospectus.

1.17 Major Activities and Financial Information

A summary of the activities and financial information relating to the Company for the year ended 30 June 2020 is in the Annual Report which was lodged with ASX on 30 September 2020.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report are listed in Section 4.3.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that potential Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.18 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's Security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's or Group's agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Acceptance.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.19 Enquiries Concerning the Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on +61 8 9481 1277.

2. Effect of the Offer

2.1 Effect on the Capital Structure

The effect of the Offer on the capital structure on the Company, assuming the New Shares are issued, is as follows:

Class	Number
Shares on issue as at the date of this Prospectus ¹	732,063,768
New Shares to be issued under the Offer	1,000
Total Shares on issue on completion of the Offer	732,064,768

Notes:

- (1) Includes the tranche one Placement Shares issued under tranche one of the Placement.
- (2) The above table does not include the 25,000,000 Shares to be issued under tranche two of the Placement which is subject to Shareholder approval at the Company's annual general meeting.
- (3) The Company currently has 6,000,000 Options on issue with an exercise price of \$0.10 and an expiry date of 16 January 2022.
- (4) In addition, as at the date of this Prospectus, the Company has also agreed to issue:
 - (a) 6,000,000 Options with an exercise price of \$0.10 and an expiry date of 16 January 2023 to Asian Investment Management Services Ltd; and
 - (b) 20,000,000 Options with an exercise price of \$0.15 and an expiry date 3 years from the date of their issue to Canaccord Genuity (Australia) Limited,subject to Shareholder approval being obtained at the Company's annual general meeting.

2.2 Effect of the Offer on the Company and Use of Funds

After paying for the expenses of the Offer of approximately \$6,206 there will be no proceeds from the Offer. The expenses of the Offer exceeding \$120 (being the amount raised if the Offer is fully subscribed) will be met from the Company's existing cash reserves. The Offer will have a minimal effect on the Company's financial position, being receipt of funds of \$120 less costs of preparing the Prospectus.

2.3 Market Price of Shares

The highest and lowest closing prices of the Shares (on a post-consolidation basis) on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those closing prices were:

Highest: \$0.160 per Share on 13 October 2020

Lowest: \$0.086 per Share on 1 October 2020

The latest available closing price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.125 per Share on 30 October 2020.

2.4 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

3. Risk Factors

An investment in New Shares offered by this Prospectus should be regarded as speculative. Activities in the Company, as in any business, are subject to risks which may impact on the Company's future performance. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks, however some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which prospective investors need to be aware of in evaluating the Company's business and the risks of investing in the Company. Prospective investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

3.1 Specific Risks Associated with the Company

(a) COVID-19

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic which is impacting global capital markets. As noted in the Company's ASX announcements dated 30 March 2020, 8 April 2020 and 13 July 2020, COVID-19 has had an impact on the Company's operations in the short-term. The Company has taken measures to mitigate the short-term impacts on operations and is continuing to monitor and assess its operations and commercial activities in light of the COVID-19 pandemic. However, as the situation with respect to COVID-19 continues to develop (and various government restrictions in the countries where the Company has operations change), there can be no assurance that the Company will be able to continue to mitigate any adverse effects of COVID-19 on its operations.

COVID-19 has impacted the Company's production activities, due to the availability of staff in Guyana. Whilst the Company has adopted processes and procedures to combat COVID-19, such as sourcing additional staff, any increase in infection rates in Guyana is ultimately beyond the Company's control, and may further affect the Company's access to labour in Guyana for mining operations.

Further, the Company is ultimately exposed to general economic conditions globally which could have an adverse effect on the operating and financial performance of the Company. A prolonged economic contraction as a result of COVID-19 and/or other factors could impact on the Company's ability to continue to meet its ongoing financial obligations (including debt) and may affect the operations and performance of the Company.

(b) Sovereign Risk

The Company's projects are in Guyana which is a less developed country than Australia and has associated political, economic, legal and social risks. There can be no assurance that the system of government and the political system in Guyana will remain stable. Further, there can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in Guyana will not be amended or replaced in the future to the detriment of the Company's business and/or projects. The Directors are unaware of any such proposals as at the date of this Prospectus.

(c) Government Policies

Any material adverse changes in government policies, legislation or shifts in political attitude in Australia, Guyana or any other jurisdiction in which the Company operates, that affect mineral mining and exploration activities, tax laws, royalty regulations,

government subsidies and environmental issues, may affect the viability of a project or the Company.

No assurance can be given that amendments to current laws and regulations or new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner which could substantially limit or affect the viability of a project or the Company.

(d) Contract Risks

The Company may enter into agreements and undertakings with third parties from time to time. If the Company is unable to satisfy the conditions of these agreements and undertakings, or if it defaults on its obligations under these agreements and undertakings, the Company's interest in their subject matter may be jeopardised. Further, if the third parties default on their obligations under the agreements and undertakings, the Company may be adversely affected.

(e) Uncertainty and Future Profitability

The consolidated loss after tax for the year ended 30 June 2020 was \$43.893 million (year ended 30 June 2019 loss: \$45.832 million). It is not possible to evaluate the Company's future prospects based on past performance. The past performance should not impact the future opportunities of the Company. While the Directors have confidence in the future revenue-earning potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

(f) Dependence on Key Personnel

The success of the Company will to an extent depend on the directors' and key management personnel's ability to successfully manage the Company's performance and exploit new opportunities. The loss of service of these personnel could have an adverse effect on the proposed operations of the Company.

(g) Gold Price Volatility

As a gold producer and exploration company, the Company's ability to raise capital may be significantly affected by changes in the market price of gold. The Company's possible future revenues may be derived primarily from mining and processing commodities. Consequently, the Company's potential future earnings could be closely related to the price of gold it commercially exploits. Gold prices fluctuate on a daily basis and are affected by numerous factors beyond the control of the Company including demand, forward selling by producers, production cost levels in major producing regions and macroeconomic factors (e.g., inflation, interest rates, currency exchange rates) and global and regional demand for, and supply of, the relevant commodity.

If the market price of any commodity sold by the Company were to fall below the costs of production and remain at such a level for any sustained period, the Company would experience losses and could have to curtail or suspend some or all of its proposed mining activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower gold prices on recoverability.

(h) Shortages and Price Volatility

The Company is dependent on various input commodities (such as diesel fuel, electricity, mill consumables) and equipment (including parts) to conduct its activities. A shortage of such input commodities or equipment or a significant increase in their cost could have a material adverse effect on the Company's ability to carry out its activities and therefore limit, or increase the cost of, operations and exploration.

Market prices of input commodities can be subject to volatile price movements, which can be material, occur over short periods of time and are affected by factors that are beyond the Company's control. An increase in the cost, or decrease in the availability, of input commodities or equipment may affect the timely conduct and cost of the Company's activities. If the costs of certain input commodities consumed or otherwise used in connection with the Company's activities were to increase significantly, and remain at such levels for a substantial period, the Company may determine that it is not economically feasible to continue activities on some or all of its current projects, which could have an adverse impact on the Company's financial performance and share price.

(i) Future Capital Requirements

The Company's ongoing activities may require further financing in the future for its business activities. Any additional equity financing may be dilutive to the Company's Shareholders, may be undertaken at lower prices than the current market price or may involve restrictive covenants which limit the Company's operations and business strategy. Although the directors believe that additional capital may be able to be obtained, no assurances can be made that appropriate capital or funding, if and when needed, either via way of equity or debt, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern or remain solvent.

(j) Insurance

Insurance against all risks associated with gold exploration and production is not always available or affordable. The Company will maintain insurance where it is considered appropriate for its needs. However, insurance coverage against all risks may not be undertaken because either such cover is not available or because the Directors consider that the associated premiums are excessive having regard to the benefits from the cover.

The occurrence of an event that is not covered or is only partially covered by insurance could have a material adverse effect on the business, financial condition and results of the operations of the Company. There is no assurance that the Company will be able to maintain adequate insurances in the future at rates that the Directors consider reasonable.

(k) Acquisitions

The Company may also review and consider other business opportunities. Consequently, this strategy may result in the Company making acquisitions of, or significant investments in, complementary or alternative companies or assets. Any such transactions would be accompanied by the risks inherent in making acquisitions of companies and assets. For example, there may be liabilities in connection with such acquisitions which are not identified in the Company's due diligence or the acquisitions may not prove to be successful. Further, risks associated with such acquisitions will also arise from the Company's ability to execute the acquisition and then to correctly manage the business operations and growth strategies moving forward.

(l) Competition

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Company has and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

3.2 Mining Industry Risks

Mineral exploration, mining and the processing of minerals may be hampered by circumstances beyond the control of the Company and are speculative operations which are by their nature subject to a number of inherent risks, including the following:

(a) Exploration Risks

The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining concessions and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining concessions may be unsuccessful, resulting in a reduction of the value of those concessions, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining concessions.

(b) Operational Risk

Drilling, mining and processing activities carry risk and as such, activities may be curtailed, delayed or cancelled as a result of a number of factors outside the Company's control. These include geological conditions, technical difficulties, securing and maintaining tenements, weather and operation of efficient processing facilities. The operation may be affected by force majeure, changes in geology, fires, labour disruptions, pit wall stability, landslides, the inability to obtain adequate machinery, engineering difficulties and other unforeseen events.

As with most mines, reserves, resources and stockpiles are based on estimates of grade, volume and tonnage. The accuracy and precision of these estimates will depend upon drill spacing and other information such as continuity, geology, rock density, metallurgical characteristics, mining dilution, costs, etc. which evolve as the mine moves through different parts of the ore body.

The Company will endeavour to take appropriate action to mitigate these operational risks (including by properly documenting arrangements with counterparties, and adopting industry best practice policies and procedures) or to insure against them, but the occurrence of any one or a combination of these events may have a material adverse effect on the Company's performance and the value of its assets.

(c) Resource Estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available.

There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value.

(d) Ability to Exploit Successful Discoveries

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such

authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

(e) Mining and Development Risks

Profitability depends on successful exploration and/or acquisition of resources / reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns or unforeseen events.

(f) Title Risks

The Company's mining and exploration activities are dependent upon the maintenance (including renewal) of the mineral concessions in which the Company has or acquires an interest. Maintenance of the Company's concessions is dependent on, among other things, the Company's ability to meet the licence conditions imposed by the relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the concessions in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

Interests in mineral concessions in Guyana are governed by legislation in their respective jurisdictions and are evidenced by the granting of mining concessions. Consequently, the Company could lose title to or its interest in concessions if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

(g) Environmental and Climate Change Risks

The Company's operations and activities are subject to certain regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws determine these requirements. As with most exploration projects, mining and processing operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company and its operations are also exposed to changing climate and the potential risks involved in the areas becoming hotter, drier, colder or wetter depending on the area of interest.

(h) Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

3.3 General Risks

The following risks have been identified as being some general risks associated with an investment in the Company, noting its publicly listed status:

(a) Stock Market Conditions

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below the price paid for those Shares.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(b) Litigation Risks

Legal proceedings may be brought against the Company, for example, litigation based on its business activities, environmental laws, tax matters, volatility in its stock price or failure to comply with its disclosure obligations, which could have a material adverse effect on the Company's financial condition or prospects. Regulatory and government agencies may bring legal proceedings in connection with the enforcement of applicable laws and regulations, and as a result the Company may be subject to expenses of investigations and defence, and fines or penalties for violations if proven, the Company may potentially incur cost and expense to remediate, increased operating costs or changes to operations, and cessation of operations if ordered to do so or required in order to resolve such proceedings.

(c) Liquidity Risk

There cannot be any guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. Equity capital market conditions in Australia are currently in a parlous state. There may be relatively few buyers or sellers of shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell Shares held by them. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid for the Shares.

(d) Securities Investment Risk

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

(e) Changes in Legislation and Government Regulation

Government legislation in Guyana or any other relevant jurisdiction in which the Company may operate in the future, such as changes to the taxation system, foreign investment regulations and the mining regulatory system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

Amendments to current laws, policies, regulations and permits governing operations and activities of mining companies in the countries in which the Company operates, or a more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in the cost of production, capital expenditure or exploration costs and reduction in levels of production at producing properties.

(f) Economic Factors

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices and stock market processes. The Company's future possible revenues and Share price can be affected by these factors, which are beyond the control of the Company and its Directors.

3.4 Investment Highly Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors and others not specifically referred to above, may, in the future, materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

The Shares offered pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares. The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

4. Additional Information

4.1 Rights and Liabilities Attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares of the Company. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. Full details of the rights attaching to the Shares of the Company are in the Constitution of the Company, a copy of which is available for inspection at the Company's registered office during normal business hours or can be obtained from the Company's website at <http://www.troyres.com.au/>.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy or attorney to attend and vote at general meetings of the Company.

Shareholders may convene meetings in accordance with section 249E, 249F and 249G of the Corporations Act.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy or attorney;
- (ii) on a show of hands, every person present who is a Shareholder or a representative of a Shareholder has one vote in respect of each Share carrying the right; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

(c) Dividend rights

The Directors alone may declare a dividend to be paid to Shareholders. The dividend is payable at a time determined in the Directors' discretion. No dividend may be declared or paid except as allowed by the Corporations Act. No interest is payable in respect of unpaid dividends.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for the purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

(e) Shareholder liability

As the Shares to be issued under the Offers contained in this Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

(g) Variation of Rights

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) Alteration of Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4.2 Company is a Disclosing Entity

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or operation to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as

they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the Annual Report being the most recent annual financial report of the Company lodged with the ASIC before the issue of this Prospectus; and
 - (ii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (i) above until the issue of this Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.3 below).

4.3 Copies of Documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the Annual Report, being the last financial year for which an annual financial report was lodged with ASIC in relation to the Company before the issue of the Prospectus; and
- (b) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of the Annual Report referred to in paragraph (a) and before the date of issue of this Prospectus are as follows:

Date Lodged	Title of Announcement
02/11/2020	Appendix 2A
30/10/2020	Quarterly Activities Report
26/10/2020	Proposed issue of Securities – TRY
26/10/2020	Capital Raising Update
22/10/2020	Trading Halt
19/10/2020	Extension of Gold Loan
13/10/2020	Smarts Delivers World Class Intersection of 11m @ 131 g/t Au
12/10/2020	Production Update
12/10/2020	Trading Halt
12/10/2020	Pause in Trading

07/10/2020	Director Retirement
06/10/2020	Best Drilling Intersection to Date at Smarts U/G
01/10/2020	Notice of AGM and Director Nominations
30/09/2020	Appendix 4G
30/09/2020	2020 Corporate Governance Statement
30/09/2020	Annual Report to Shareholders

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company at Level 2, 5 Ord Street, West Perth, WA, Australia, 6005:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.13 and the consents provided by the Directors to the issue of this Prospectus.

4.4 Information Excluded from Continuous Disclosure Notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

4.5 Determination by ASIC

ASIC has not made a determination that would prevent the Company from relying on section 713 of the Corporations Act in issuing New Shares under this Prospectus.

4.6 Directors' Interests

Except as disclosed in this Prospectus, no Director and no firm in which a Director or proposed director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the New Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the New Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or New Shares offered under this Prospectus.

4.7 Directors' Interests in Securities

The Directors' relevant interests in Securities at the date of this Prospectus are detailed below:

Director	No. of Shares
Mr John Jones	4,956,321 ⁽¹⁾
Mr Peter Stern	292,858 ⁽²⁾
Mr Ken Nilsson	1,117,862

Mr Richard Beazley	-
--------------------	---

(1) 1,397,621, shares held directly and 3,558,700 shares held indirectly through related entities.

(2) Held indirectly through a related entity.

4.8 Directors' Remuneration

The Constitution provides that the Directors may be paid for their services as Directors a sum not exceeding such fixed sum per annum as may be determined by the Shareholders in general meetings, to be divided among the Directors as the Directors shall determine, and in default of agreement then in equal shares. This does not apply to the remuneration of the Managing Director.

A Director may also be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Directors received the following remuneration for the preceding two financial years:

Director		Short Term Benefits	Superannuation	Long Service Leave	Total
Mr John Jones	2019	72,000	6,840	-	78,840
	2020	72,000	6,840	-	78,840
Mr Peter Stern	2019	137,775	12,569	-	150,344
	2020	139,325	13,756	-	153,081
Mr Ken Nilsson	2019	520,407	-	12,319	532,726
	2020	534,007	-	12,353	546,360
Mr Richard Beazley ⁽¹⁾	2019	54,000	5,130	-	59,130
	2020	72,000	6,840	-	78,840

4.9 Substantial Shareholders

Based on publicly available information and notices provided to the Company as at the date of this Prospectus, M&G Plc and Ruffer LLP each have voting power of above 5% in the Company.

The table below shows the share ownership and percentage interest held in the Company post the issue of the Placement Shares.

Shareholder	No. of Shares Held Post Issue of Placement Shares	Shares Held % Post Issue of Placement Shares
M&G plc	109,500,000	14.95%
Ruffer LLP	67,377,163	9.2%

4.10 Interests of Other Persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Securities offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Securities offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Securities offered under this Prospectus.

Thomson Geer will be paid fees of approximately \$3,000 (plus GST) in relation to the preparation of this Prospectus.

Computershare Investor Services Pty Limited has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to issue of the New Shares under the Offer, and will be paid for these services on standard industry terms and conditions.

4.11 Expenses of Offer

The estimated expenses of the Offer are \$3,206 (ASIC lodgement fee) and \$3,000 (legal expenses).

4.12 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the New Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Computershare Investor Services Pty Limited and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time. However, a charge may be made for additional statements.

4.13 Consents

Thomson Geer has given, and, as at the date hereof, has not withdrawn, its written consent to being named in this Prospectus as Australian solicitors to the Company. Thomson Geer has not authorised or caused the issue of this Prospectus or the making of the Offer. Thomson Geer makes no representation regarding, and to the extent permitted by law excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

Computershare Investor Services Pty Limited has given, and, as at the date hereof, has not withdrawn, its written consent to being named in this Prospectus as Australian share registry of the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of this Prospectus or the making of the Offer. Computershare Investor Services Pty Limited makes no representation regarding, and to the extent permitted by law excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

PricewaterhouseCoopers has given and, as at the date hereof, has not withdrawn, its written consent to being named in this Prospectus as the Company's auditor. PricewaterhouseCoopers has not authorised or caused the issue of this Prospectus or the making of the Offer. PricewaterhouseCoopers makes no representation regarding, and to the extent permitted by law excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement with ASIC of this Prospectus.

5. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors. This Prospectus is signed for and on behalf of Company by:



Mr Ken Nilsson
Managing Director and CEO
Dated: 2 November 2020

6. Glossary

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

Acceptance means a valid acceptance of New Shares under the Offer made pursuant to this Prospectus on an Application Form.

Annual Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2020 includes the corporate directory, Director's report, auditor's independence declaration, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated cash flow statement, notes to the consolidated financial statements, together with an independent auditor's report for the period to 30 June 2020.

Applicant means a person who submits an Application Form.

Application means a valid application for New Shares under the Offer made on an Application Form.

Application Form means the Application Form provided by the Company with a copy of this Prospectus.

ASIC means Australian Securities and Investments Commission.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

ASX means ASX Limited ACN 008 129 164 and where the context permits the Australian Securities Exchange operated by ASX Limited.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means 6 November 2020.

Company means Troy Resources Limited ACN 006 243 750.

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means *Corporations Act 2001* (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

Group means the Company and its related bodies corporate.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Listing Rules means the listing rules of ASX.

New Shares has the meaning given in Section 1.1.

Offer has the meaning given in Section 1.1.

Official Quotation means official quotation by ASX in accordance with the Listing Rules.

Placement Shares has the meaning given in Section 1.1.

Prospectus means this prospectus dated 2 November 2020.

Section means a section of this Prospectus.

Securities mean any securities including Shares issued or granted by the Company.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

WST means Western Standard Time, being the time in Perth, Western Australia.