



TROY RESOURCES LIMITED

ASX ANNOUNCEMENT

1 July 2021

EARN-IN AGREEMENT AND SHARE SUBSCRIPTION WITH BARRICK GOLD CORPORATION

Highlights

- Barrick and Troy enter into earn-in agreement concerning various exploration tenements at the Karouni Gold Project, including the recently acquired Potaro target
- Barrick to subscribe for new shares in Troy representing approximately 4.9% of the outstanding share capital, raising approximately US\$1.2 million

Troy Resources Limited (**ASX:TRY**) (**Troy** or the **Company**) is pleased to announce that it has entered into an earn-in agreement with leading gold miner, Barrick Gold Corporation (**Barrick**).

The Earn-in Agreement concerns various exploration tenements that form part of Troy's 100%-owned Karouni Project in Guyana (**Project Tenements**) (other than the Karouni minesite and immediate mine area which do not form part of the Project Tenements).

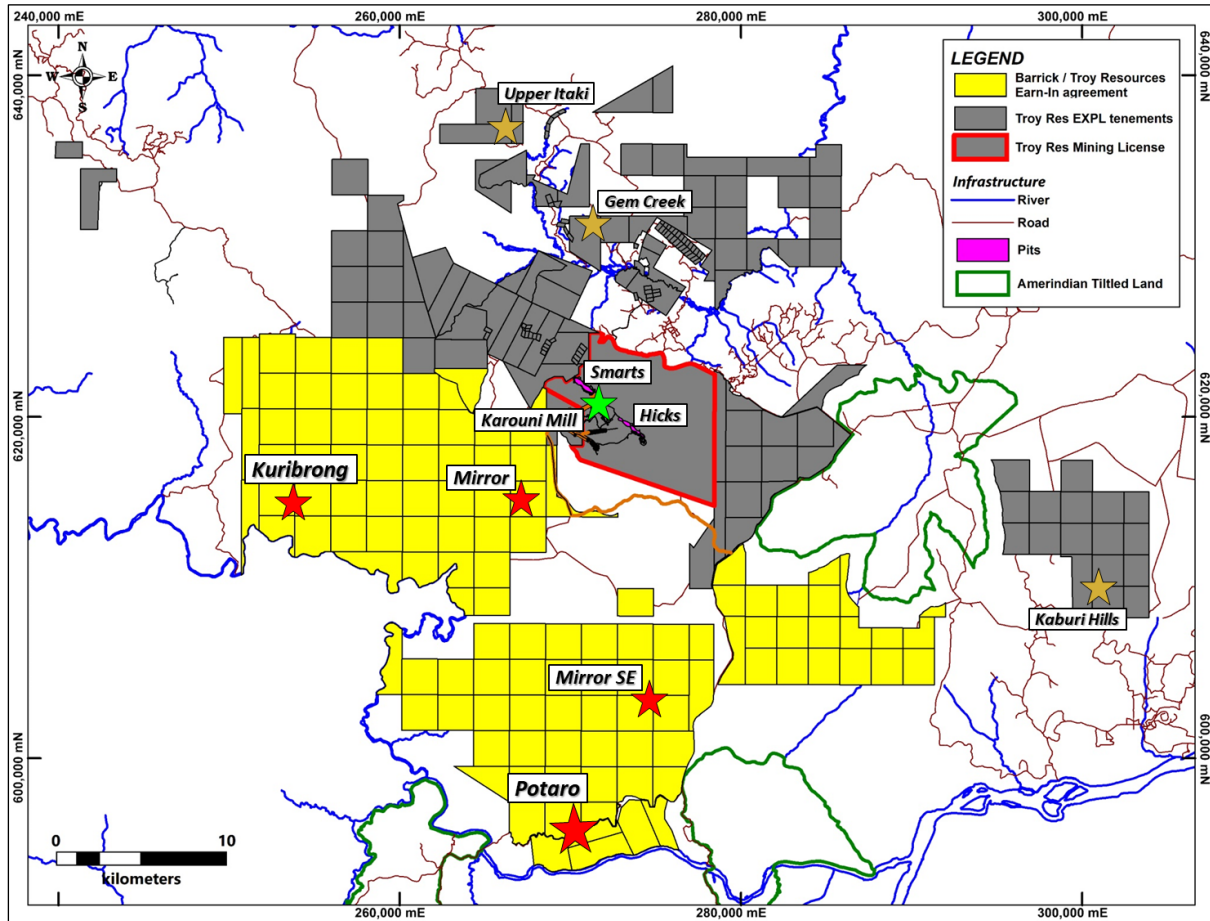
The Project Tenements include the Potaro target, located approximately 25 kilometres to the south of the Karouni Mill, which was recently acquired by Troy and was the subject of an announcement to the ASX on 17 May 2021.

As set out in that announcement, the Potaro target is situated in the area of a major "jog" (i.e. bend) in the interpreted position of a regionally-significant crustal shear zone – Makaba Kuribrong Shear Zone – that is known to host a number of multi-million ounce gold deposits in the Guiana Shield.

Other Project Tenements include the Kuribrong target, located to the north-west along the same shear zone, as well as the Mirror and Mirror SE targets on interpreted second order shear zones.



The Project Tenements (coloured yellow) in the context of Troy's broader ground position (coloured grey) are illustrated in Figure 1:



As illustrated, Troy retains 100% of significant exploration ground in its own right including highly prospective and underexplored targets such as Upper Itaki, Gem Creek and Kaburi Hills.

Pursuant to the Earn-in Agreement, Troy has granted Barrick the sole and exclusive right to earn a 51% undivided interest in the Project Tenements (**Earn-in Right**). In order to exercise the Earn-in Right, Barrick must sole fund certain agreed work expenditures related to the Project Tenements and complete and deliver to Troy a Pre-Feasibility Study.

Upon exercising the Earn-in Right, Barrick and Troy will form a joint venture to hold the project. The joint venture will be owned as to 51% by Barrick and 49% by Troy. Barrick will have the option to sole fund the joint venture until completion of a feasibility study in order to earn an additional 19% interest in the joint venture. In addition, if a decision is made to proceed with development and the construction of a mine, Troy has the option to require Barrick to provide, or arrange for, Troy's share of the financing for the project for a further 10% ownership interest.

Barrick is to be the operator of the project during the earn-in period, receiving a management fee of 5% of expenditures incurred.

In connection with the earn-in agreement, Barrick will also subscribe for, and Troy will issue to Barrick, 39,033,254 shares at a price of US\$0.0308 per share (approximately A\$0.0410 per share), representing approximately 4.9% of the Company's expanded share capital.



The approximately US\$1.2 million of new funds raised will be applied to various needs at Karouni, including development of the Smarts Underground deposit.

Barrick's CEO, Mark Bristow, commented:

"We are pleased to partner with Troy Resources, who have done well to aggregate a sizeable tenement position covering what we consider as a very prospective part of the Karouni Basin. We have capitalised on our knowledge of West African Birimian greenstone gold deposits, to identify the Karouni basin as a priority area of interest. The geological similarities between the West African Birimian and the Guiana Shield are well established, however the exploration in the Guiana Shield is quite immature by comparison. We look forward to combining Barrick's technical and financial resources with Troy's established in country team and knowledge, to advance exploration over the Project Tenements with the aim to deliver new world class gold discoveries.

Mr Ken Nilsson, Managing Director of Troy, said today:

"Ever since Troy's acquisition of the Karouni Project in 2014, we have always maintained that our ground position was highly prospective for the discovery of significant gold mineralisation. Unfortunately, because of financial circumstances, we have never been in a position to explore to the extent we would have liked and which was rightfully warranted.

"Of our current ground position, none is considered to be more prospective than Potaro. Having identified this opportunity approximately two years ago, we were very pleased to have recently been able to aggregate a sizeable tenement package over this area.

"Situated under significant sand cover, exploration of Potaro and other targets will be significantly enhanced by the involvement of Barrick and their exploration team.

"I could not be more pleased to welcome Barrick as both our business partner and shareholder."

This announcement has been authorised for release by the Board / Company Secretary.

ENDS

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