ASX ANNOUNCEMENT

30 January 2017

INDEPENDENT GEOPHYSICAL REVIEW IDENTIFIES NEW TARGETS AT KAROUNI

Troy Resources Limited (ASX: TRY) (Troy or the Company) recently engaged the services of independent geophysical and geological consultants Terra Resources Pty Ltd and Gold Vector to undertake a comprehensive geophysical review of the Company's existing data base. The Project was initiated and coordinated by Mr John Jones, experienced prospector and Non-Executive Director of the Company.

The results from this review of historical ground/airborne magnetics and Induced Polarisation (IP) geophysical surveys at Karouni have now been received and reviewed with the following outcomes:

- Work completed so far has identified 11 gold targets near the Karouni mine area ~ of particular interest is the Eldorado prospect and an interpreted IP target.
- The detailed review of previous, IP and geological data demonstrates that IP does assist in mapping basement geological features providing an additional tool to support the development of gold targets at Karouni.
- One key target (Figure 2) identifies a chargeable zone approximately 1200m long and up to 150 metres wide. Drilling in one section of this target area near old, alluvial gold workings, is shown to contain gold.

The scope of the review focussed on identifying new drill targets from the historical data acquired in the Smart / Hicks resource areas (Figure 1). Pole-dipole IP surveys at Hicks (1994) and Smarts (2014) were used to assist with characterising bedrock gold mineralisation and targeting gold associated with sulphide alteration beneath cover. Historical airborne and more recent ground magnetic data were used to assist in identifying structure and alteration associated with porphyry intrusions.

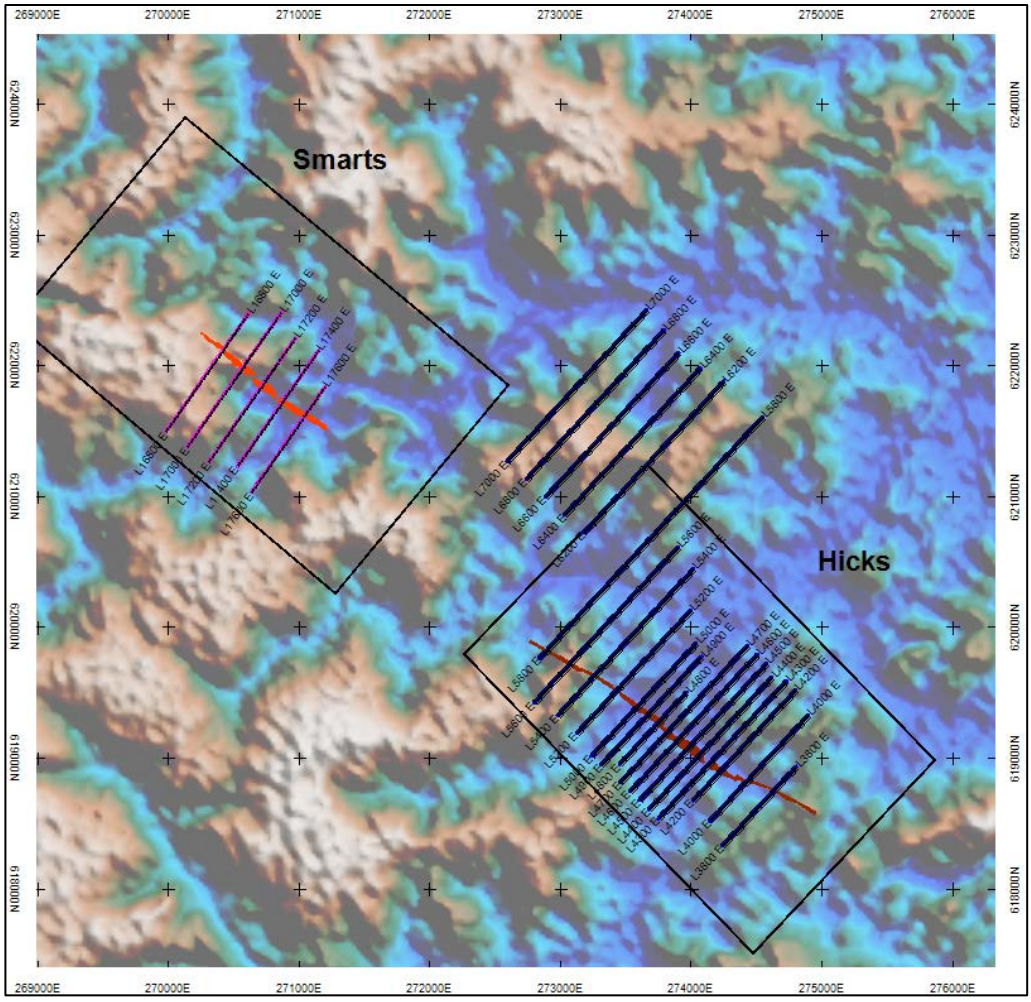

Figure 1 - Location plan showing Troy's Smarts and Hicks resource areas over digital topography image.

At Hicks it is now evident that there are a number of IP targets worth drill testing that are adjacent to subtle, magnetic high features that trend sub-parallel to existing ore resources. Several of the IP features in the Hicks area have been drill tested and contain gold.

An anomalous chargeability zone identified to the north of Hicks (Eldorado Prospect) (Figure 2) has been drilled within one section (6400E) in an area of old, alluvial workings and is shown to contain gold. The IP shows a chargeable zone ~1200m in strike length. The IP feature on 6400E can be drilled further along section (Figure 3) and immediately along strike (Figure 4). Given the size of the anomaly this has been identified as a high priority drill target.

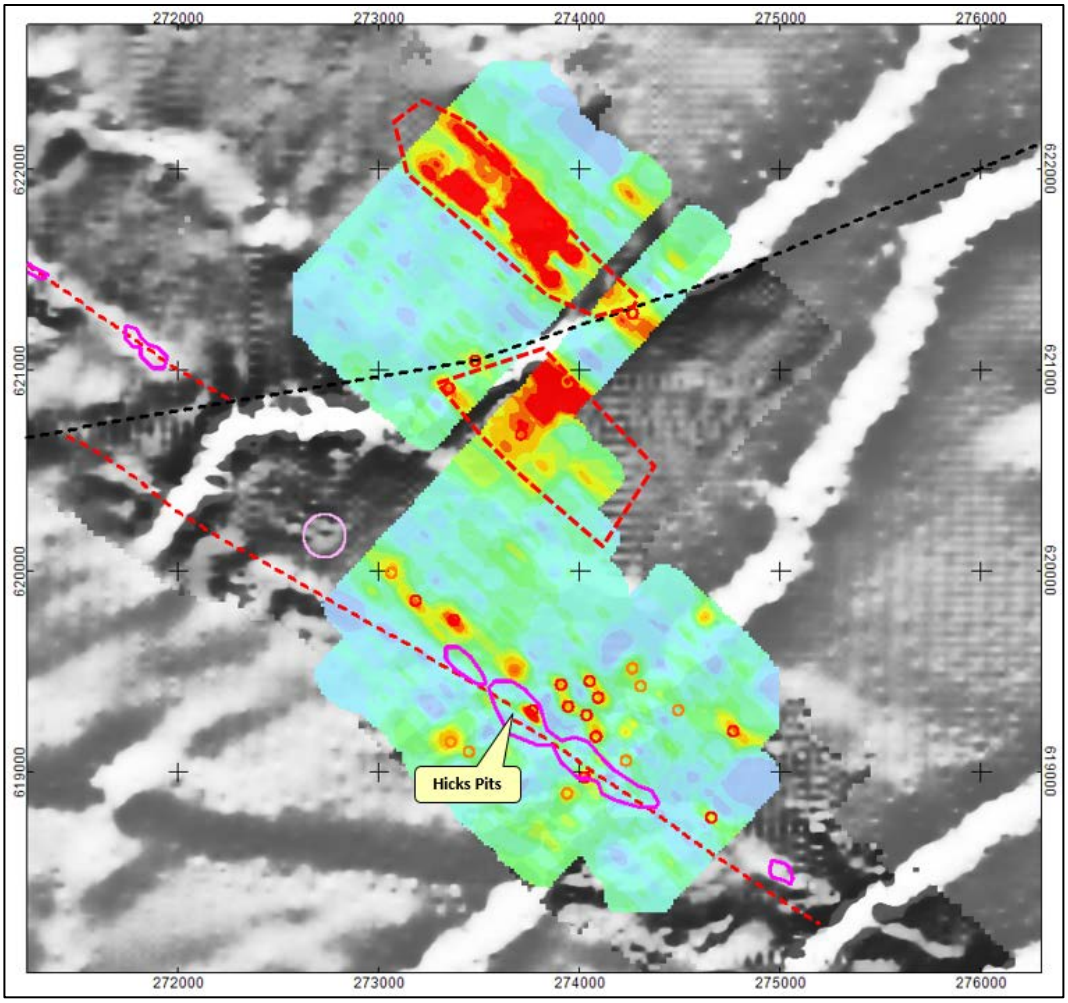

Figure 2 - Depth slice of IP overlying detailed 1VD magnetic image. The strong chargeability zone is shown in red with possible offset. The IP and magnetic targets are shown as circles.

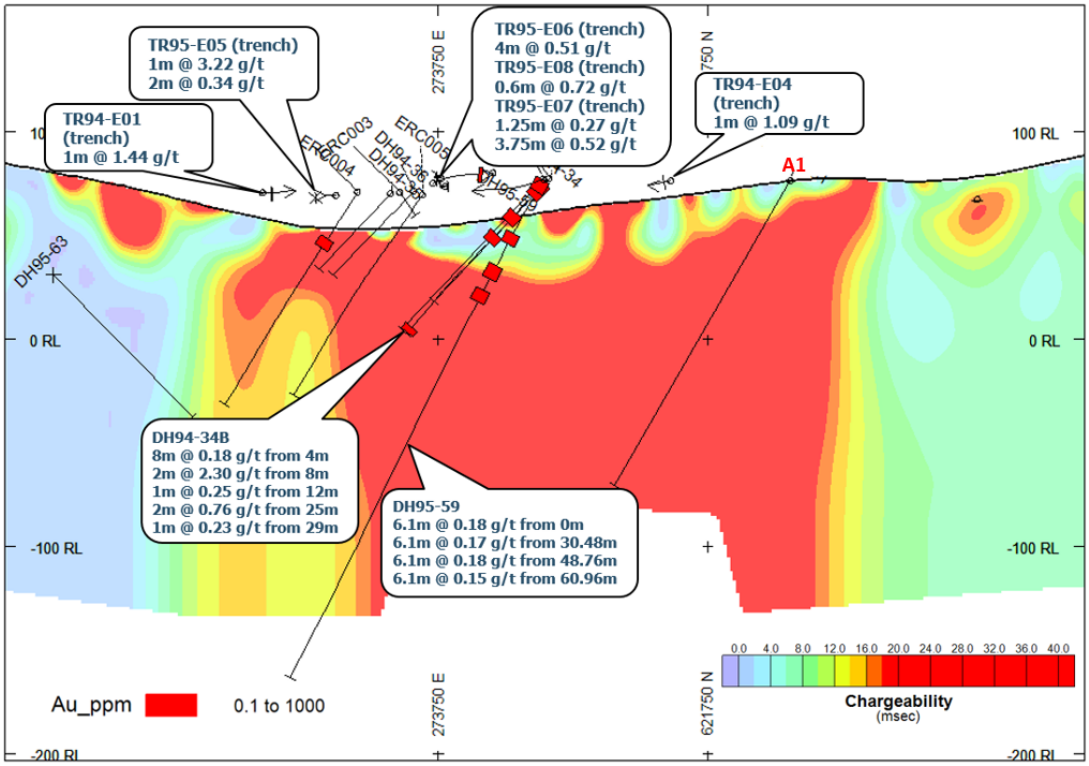

Figure 3 - Cross section of IP data at the El Dorado prospect. The strong chargeability zone is shown in red, with proposed drilling to test the eastern IP feature shown as A1. Gold results >0.25g/t in trenches and gold >0.1 g/t in drilling, are also shown on the section. The target is open along strike to the north and south.

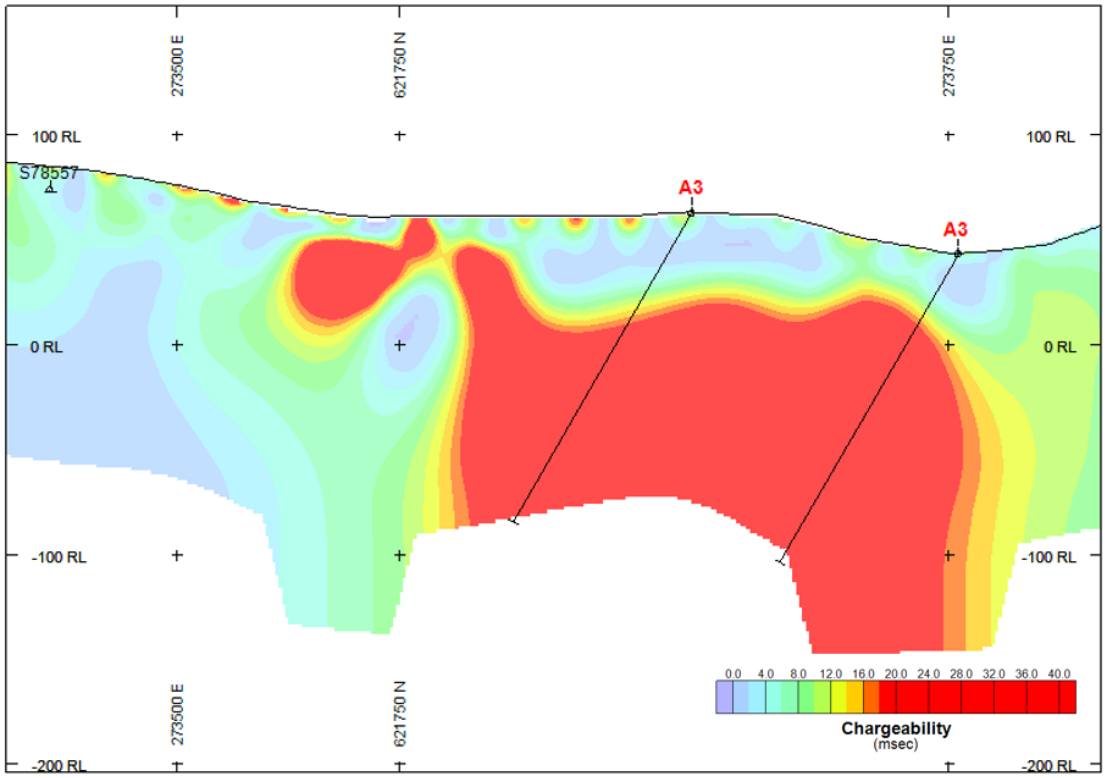

Figure 4 - Cross section of IP data at the El Dorado prospect. The strong chargeability zone is shown in red, with proposed drilling to test the eastern IP feature shown as A3 ~ 200m north of existing drilling.

Potential IP targets occurring adjacent to subtle magnetic high features and trending NW-SE at Hicks are shown in Figure 5 as Targets B1-B6. Several subtle IP features in this area have been drill tested and contain anomalous gold.

The reprocessed ground magnetics have served to assist in mapping bedrock geology and structure. Combined with the IP, this has identified another target area for follow-up (Figure 6).

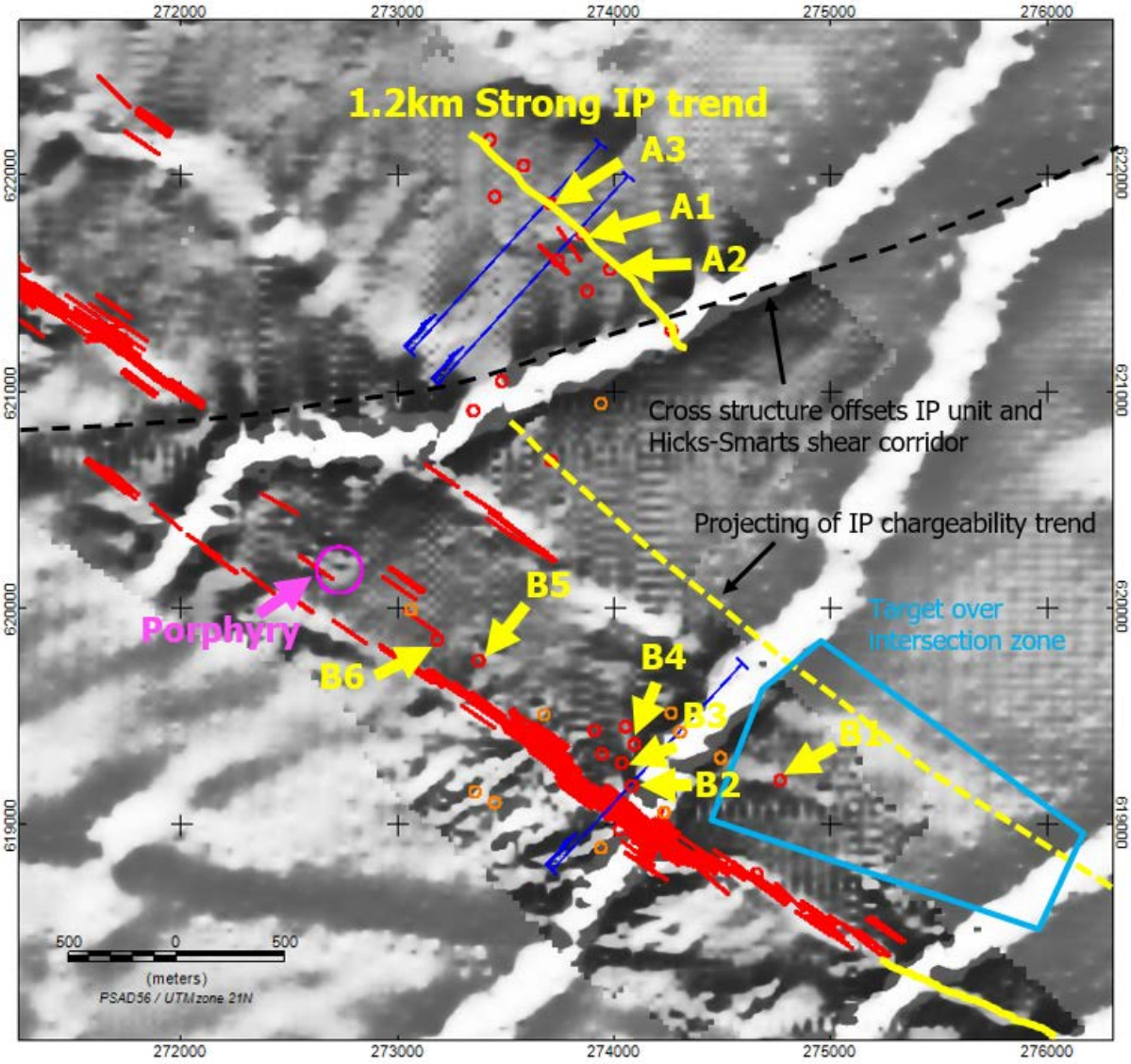

Figure 5 - IP and magnetic targets overlying detailed 1VD magnetic image. Strong chargeability zones and targets highlighted in yellow. Gold intersections in drilling (projected to surface) >0.5g/t Au are shown as red bars. The cross-sections shown in Figures 3, 4 and 5, shown as dark blue lines.

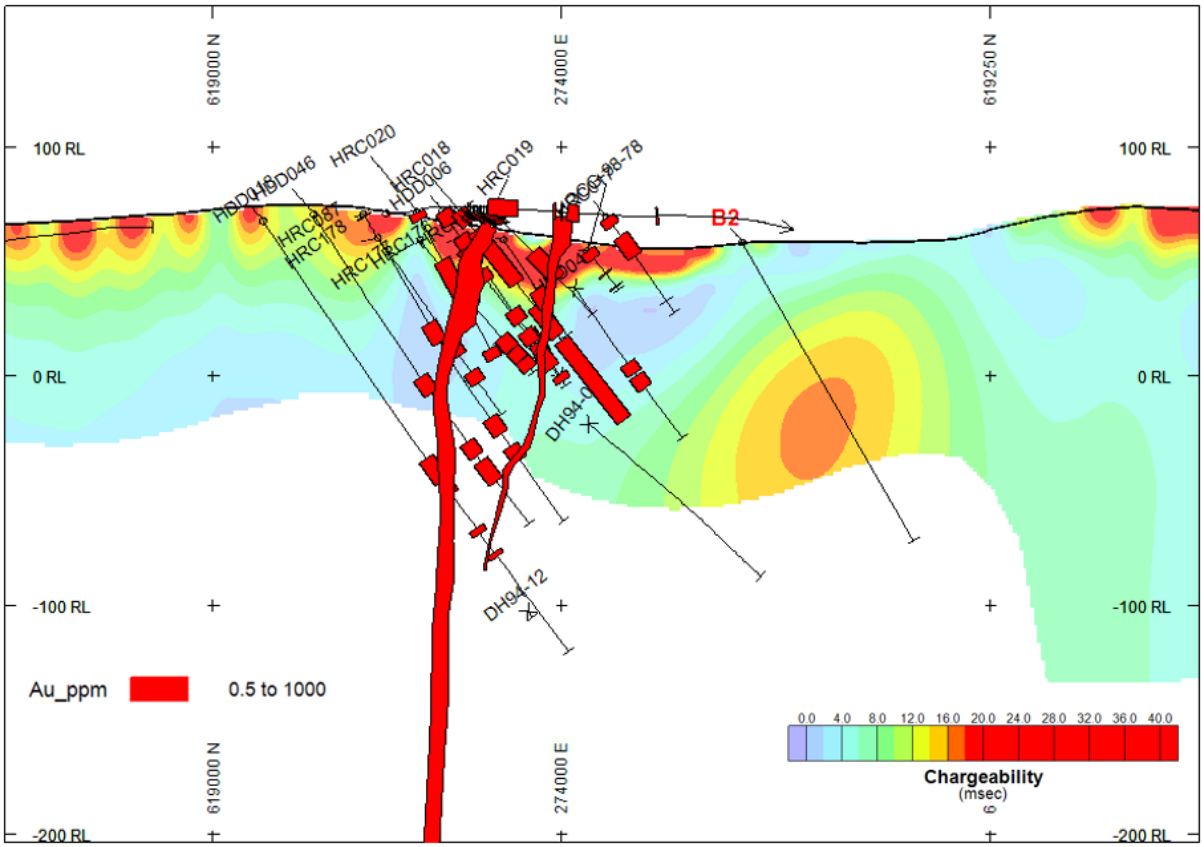

Figure 6 - Cross section of IP data over Hicks mineralisation. The moderate chargeability zone is shown in orange with proposed drilling to test the eastern IP feature shown as B2.

All targets (Table 1) will be reviewed and prioritized along with other exploration targets currently being considered.

Target	East	North	RL	Dip	Az	Depth	Comments
A1	273865	621779	76	-60	223	170	Very broad, very high chargeability zone part of 1.2km trend at Eldorado
A2	273891	621503	100	-60	223	170	One of two strong IP targets part of 1.2km trend, approx. 200m south of A1 IP anomaly. No nearby drilling
A2	273993	621613	92	-60	223	170	One of two strong IP targets part of 1.2km trend, approx. 200m south of A1 IP anomaly. No nearby drilling
A3	273667	621851	63	-60	223	170	Very broad, high chargeability zone part of 1.2km trend, approx. 200m northwest of A1 IP anomaly
A3	273753	621945	43	-60	223	170	Very broad, high chargeability zone part of 1.2km trend, approx. 200m northwest of A1 IP anomaly
B1	274728	619158	87	-60	43	170	Discrete, elongate, high chargeability anomaly northeast of Hicks main trend. Associated with mag high NNW-SSE trend
B2	274055	619168	58	-60	43	150	Discrete, high chargeability anomaly northeast (by approx. 100m) and parallel to main Hicks trend

B3	274070	619327	65	-60	223	170	High chargeability zone northeast (by approx. 180m) and parallel to main Hicks trend
B4	274072	619329	65	-60	43	170	High chargeability zone northeast (by approx. 280m) and parallel to main Hicks trend
B5	273384	619772	84	-60	223	100	Shallow, high chargeability anomaly northeast (by approx. 170m) and parallel to main Hicks trend
B6	273204	619871	82	-60	223	120	High chargeability zone northeast (by approx. 170m) and parallel to main Hicks trend
P1	272754	620219	61	-60	215	170	Potential porphyry target offset (by approx. 250m) from main Hicks trend associated with magnetic ring feature
HEN1	272264	620220	75	-60	34	150	Along strike of the main Hicks trend. Target drill-hole to test slightly northeast of drill-hole HRC131 (0.4ppm Au)

Table 1 - Summary of high priority targets from the Karouni geophysical review with suggested drill-hole locations.

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Competent Person's Statement

The information in this report that relates to Geophysical Exploration Results is based on information compiled by Mr Barry Bourne, who is employed as a Consultant to the Company through geophysical consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists and a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears.