TROY RESOURCES LIMITED
ABN: 33 006 243 750

TROY RESOURCES LIMITED
RESULTS FOR ANNOUNCEMENT TO THE MARKET
FOR THE YEAR ENDED 30 JUNE 2017

Appendix 4E, previous corresponding period, year ended 30 June 2016.

Revenue and net profit		**Percentage change**		**Amount $'000**
Revenue from continuing operations	Up	52%	to	91,767
Loss from continuing operations after tax	Up	1331%	to	(148,203)
Loss from discontinued operations after tax	Down	100%	to	-
Loss after tax	Up	63%	to	(148,203)
Net loss attributable to members	Up	63%	to	(148,203)

Dividend information	**Amount per security (cents)**	**Franked amount per security (cents)**	**Tax rate full franking credit**

No dividend for the financial year 2017 has been declared.

Net tangible assets per security	**Jun 2017 per share**	**Jun 2016 per share**
Net tangible assets per security	$0.14	$0.45
Common shares on issue at balance date	456,599,905	340,798,782

The above results should be read in conjunction with the notes and commentary contained in this report.

TROY RESOURCES LIMITED
(ACN 006 243 750)

APPENDIX 4E

PRELIMINARY FINAL REPORT

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2017

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Review of results

(a) Production and sales

Troy Resources Limited and its subsidiaries (the "Company" or "Troy" or "Group") total production for the year was 56,200 ounces of gold (2016: 82,826 gold equivalent ounces made up of 60,743 ounces of gold and 1,668,604 ounces of silver and includes production from discontinued operations).

Group sales for the year totalled 58,139 ounces of gold (2016: 87,153 gold equivalent ounces including sales from discontinued operations).

All gold production for the year came from the Karouni operation in Guyana which achieved commercial production in January 2016. Production for the year ended 30 June 2017 was achieved from the processing of 828,893 tonnes of ore at an average gold grade of 2.24 grams per tonne (g/t) and at a 94% recovery (2016: produced 34,740 ounces of gold).

The previous year's (2016) production included contributions from Casposo in Argentina and Andorinhas in Brazil, both of these operations were discontinued during the previous year.

Karouni cash costs were US$970 per ounce produced and All-in Sustaining costs (AISC) were US$1,345 per ounce produced.

The Company reached agreement with Austral Gold Limited in March 2016 to divest its controlling interest in Casposo. Consequently, Casposo is reported as a discontinued operation during 2016, with Troy's 30% minority interest after that time being equity accounted.

The Group's available cash at 30 June 2017 was $8,483,000 (2016: $3,053,000) which, together with Karouni gold inventories at market value, resulted in liquid assets of $9,829,000 (2016: $12,420,000).

Note: Gold equivalent ounces produced are the result of converting silver ounces produced to an equivalent value of gold ounces using actual prices achieved and adding that to actual gold ounces produced.

(b) Results

Total revenue for the year from continuing operations increased by 52% to $91,767,000 (2016: $60,360,000) (refer to Note 5).

The consolidated loss from continuing operations after tax for the year was $148,203,000 (2016: restated loss $10,359,000). The loss includes an amount of $108,401,000 million for impairment write downs taken during the year.

Review of results

(b) Results (continued)

The annual loss is reflected after bringing to account the following items:

	FY17 [1] ($'000)	FY16 Restated* ($'000)
(Loss) before Impairment	(51,808)	(93,125)[3]
Impairment Loss	(108,401)	-
(Loss) before Tax	(160,209)	(93,125)[3]
(Loss) after Tax	(148,203)	(90,819)[3]
Exploration expenditure gross	6,761	6,089[3]
Government royalty expenses	8,881	8,618[3]
Export tax expense	-	3,167[2]
Depreciation and amortisation	39,998	33,232[3]
Profit on sale of Andorinhas	-	6,027[2]
Foreign Currency losses to P&L	-	87,601[2]

[1] Continuing operations. [2] Discontinued operations.

[3] Both continuing and discontinued operations.

* Refer to Note 1(i) for details of the restatement which is a result of errors

The loss per share on a fully diluted basis from continuing and discontinued operations is 34.7 cents, compared with restated loss of 28.7 cents in 2016.

(c) Debt facilities

As at 30 June 2017, the Group's principal debt outstanding was a $35,378,000 (2016: $52,665,000) facility with Investec Bank Plc ("Investec").

Pursuant to the Investec Debt Facility, the Company is required to maintain minimum liquidity of $7,500,000 defined as cash and gold inventories valued at market. The minimum liquidity amount requirement increases to $10,000,000 on 31 July 2017.

(d) Dividends

No dividend has been declared.

(e) Exploration

Total exploration expenditure from continuing and discontinued operations for the year totalled $6,761,000 (2016 restated: $6,089,000).

(f) Hedge Contracts

Gold hedge contracts at 30 June 2017 totalled 35,500 ounces of gold at US$1,155.26 per ounce.

(g) Additional information

Additional information on the Company's activities is available on its web site at www.troyres.com.au. Information available includes the detailed quarterly activities reports for the March and June 2017 periods, the December 2016 half year financial report, the 2016 Annual Report, Corporate Governance policies and other Company information and publications.

Consolidated statement of profit or loss for the financial year ended 30 June 2017

Continuing Operations	Notes	**2017 $'000**	2016 $'000 Restated*
Revenue	2	**91,767**	60,360
Cost of sales		**(123,124)**	(57,301)
Gross (Loss)/Profit	3	**(31,357)**	3,059
Other income	2	**665**	344
Net foreign exchange (losses)/gains		**(5,482)**	2,057
Share of net profit/(losses) from associate	8	**2,878**	(1,806)
Exploration expenses	3	**(6,761)**	(6,079)
Administration expenses	3	**(5,939)**	(6,354)
Other expenses	3	**(647)**	(755)
Finance costs	3	**(5,165)**	(3,131)
Impairment loss	4	**(108,401)**	-
Loss before income tax		**(160,209)**	(12,665)
Income tax benefit		**12,006**	2,306
Loss for the Year – Continuing Operation		**(148,203)**	(10,359)
Loss for the Year – Discontinued Operations	5	**-**	(80,460)
LOSS FOR THE YEAR		**(148,203)**	(90,819)
Loss attributable to:			
Owners of the parent		**(148,203)**	(90,819)
Non-controlling interests		**-**	-
		(148,203)	(90,819)
Earnings per share for profit attributable to the ordinary equity holders of the company			
Basic EPS (cents)		**(34.7)**	(28.7)
Diluted EPS (cents)		**(34.7)**	(28.7)
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company			
Basic EPS (cents)		**(34.7)**	(3.3)
Diluted EPS (cents)		**(34.7)**	(3.3)

Notes to the preliminary financial report are included on pages 11 to 21.

* Refer to Note 1(i) for details of the restatement which is a result of errors

Consolidated statement of profit or loss and other comprehensive income for the financial year ended 30 June 2017

	Notes	2017 $'000	2016 $'000 Restated*
Loss for the year		**(148,203)**	(90,819)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in value of cash flow hedge reserve net of deferred tax		**13,607**	(20,304)
Exchange differences on translation of foreign operations – continuing operations		**7,196**	(3,105)
Reclassified to profit and loss on disposal/closure	5	**-**	87,373
Changes in fair value of available-for-sale assets net of tax		**180**	-
Other comprehensive income for the year net of tax		**20,983**	63,964
Total comprehensive income for the year		**(127,220)**	(26,855)
Total comprehensive income attributable to:			
Owners of the parent		**(127,220)**	(26,855)
Non-controlling Interests		**-**	-
		(127,220)	(26,855)

Notes to the preliminary financial report are included on pages 11 to 21.

* Refer to Note 1(i) for details of the restatement which is a result of errors.

TROY RESOURCES LIMITED

Consolidated statement of financial position as at 30 June 2017

	Notes	**2017** **$'000**	2016 $'000 Restated*	1 July 2015 $'000 Restated*
CURRENT ASSETS				
Cash and cash equivalents		**8,855**	3,436	60,556
Trade and other receivables		**4,214**	12,915	12,669
Inventories		**13,885**	8,403	16,615
Available for sale financial assets		**180**	-	-
Current tax assets		**-**	-	398
Hedge asset		**-**	-	5,938
TOTAL CURRENT ASSETS		**27,134**	24,754	96,176
NON-CURRENT ASSETS				
Property, plant and equipment		**53,321**	87,288	131,418
Mining properties		**51,325**	147,356	-
Development property		**-**	-	94,131
Investments in associate	9	**3,148**	1,990	-
Other receivables		**2,261**	-	-
Deferred tax assets		**1,712**	1,775	-
TOTAL NON-CURRENT ASSETS		**111,767**	238,409	225,549
TOTAL ASSETS		**138,901**	263,163	321,725
CURRENT LIABILITIES				
Trade and other payables		**31,592**	21,395	21,514
Provisions		**1,516**	4,095	8,247
Hedge liability		**4,274**	14,351	-
Borrowings	7	**32,742**	23,817	40,700
TOTAL CURRENT LIABILITIES		**70,124**	63,658	70,461
NON-CURRENT LIABILITIES				
Other payables		**-**	-	1,494
Deferred tax liabilities		**-**	12,006	13,656
Provisions		**3,452**	3,177	7,643
Hedge Liability		**-**	5,527	-
Borrowings	7	**-**	25,418	57,841
TOTAL NON-CURRENT LIABILITIES		**3,452**	46,128	80,634
TOTAL LIABILITIES		**73,576**	109,786	151,095
NET ASSETS		**65,325**	153,377	170,630
EQUITY				
Issued capital	8	**353,639**	314,836	305,311
Reserves		**34,297**	12,949	(51,092)
Retained earnings		**(322,611)**	(174,408)	(83,589)
TOTAL EQUITY		**65,325**	153,377	170,630

Notes to the preliminary financial report are included on pages 11 to 21.
* Refer to Note 1(i) for details of the restatement which is a result of errors.

Consolidated statement of changes in equity for the financial year ended 30 June 2017

	Issued Capital	Available for Sale Reserve	Share Based Payments Reserve	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Retained Earnings	Attributable to Equity Holder of Parent	TOTAL EQUITY
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 July 2015	**305,311**	**-**	**8,801**	**5,316**	**(65,209)**	**(81,964)**	**172,255**	**172,255**
Correction of error (net of tax)*	-	-	-	-	-	(1,625)	(1,625)	(1,625)
Restated balance at 1 July 2015	**305,311**	**-**	**8,801**	**5,316**	**(65,209)**	**(83,589)**	**170,630**	**170,630**
Loss for the year	-	-	-	-	-	(93,660)	(93,660)	(93,660)
Correction of error (net of tax)*	-	-	-	-	(1,925)	2,841	916	916
Restated loss for the year	-	-	-	-	(1,925)	(90,819)	(92,744)	(92,744)
Changes in fair value of hedging instrument net of deferred tax	-	-	-	(20,304)	-	-	(20,304)	(20,304)
Exchange rate differences on translation of foreign operations	-	-	-	-	86,193	-	86,193	86,193
Total comprehensive income for the year	**-**	**-**	**-**	**(20,304)**	**84,268**	**(90,819)**	**(26,855)**	**(26,855)**
Issue of fully paid shares - capital raising	10,000	-	-	-	-	-	10,000	10,000
Issue of fully paid shares to landholders	260	-	-	-	-	-	260	260
Share issue costs	(735)	-	-	-	-	-	(735)	(735)
Share-based payments	-	-	77	-	-	-	77	77
Restated Balance at 30 June 2016	**314,836**	**-**	**8,878**	**(14,988)**	**19,059**	**(174,408)**	**153,377**	**153,377**
Restated Balance at 1 July 2016	**314,836**	**-**	**8,878**	**(14,988)**	**19,059**	**(174,408)**	**153,377**	**153,377**
Loss for the year	-	-	-	-	-	(148,203)	(148,203)	(148,203)
Changes in fair value of hedging instrument net of deferred tax	-	-	-	13,607	-	-	13,607	13,607
Changes in fair value of available-for-sale assets net of tax	-	180	-	-	-	-	180	180
Exchange rate differences on translation of foreign operations	-	-	-	-	7,196	-	7,196	7,196
Total comprehensive income for the year	**-**	**180**	**-**	**13,607**	**7,196**	**(148,203)**	**(127,220)**	**127,220)**
Issue of fully paid shares - capital raising	40,688	-	-	-	-	-	40,688	40,688
Share issue costs	(2,274)	-	-	-	-	-	(2,274)	(2,274)
Issue of fully paid shares to Investec	389	-	-	-	-	-	389	389
Issue of options to Investec	-	-	367	-	-	-	367	367
Share-based payments	-	-	(2)	-	-	-	(2)	(2)
Balance at 30 June 2017	**353,639**	**180**	**9,243**	**(1,381)**	**26,255**	**(322,611)**	**65,325**	**65,325**

Notes to the preliminary financial report are included on pages 11 to 21. *Refer to Note 1(i) for details of the restatement which is a result of errors.

Consolidated statement of cash flows for the financial year ended 30 June 2017

	Notes	2017 $'000	2016 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**97,476**	138,374
Payments to suppliers and employees		**(85,860)**	(111,896)
Export tax and government royalties paid		**(5,872)**	(8,768)
Net commodity hedging (payments)/proceeds		**(7,706)**	11,893
Proceeds from sundry income		**169**	97
Income taxes paid		**-**	(1,359)
NET CASH (USED)/PROVIDED BY OPERATING ACTIVITIES		**(1,793)**	28,341
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		**(7,384)**	(29,132)
Payments for mine and development properties		**(9,014)**	(7,735)
Proceeds on sale of property, plant and equipment		**1,278**	4,756
Net cash proceeds/(payments) on sale of Troy Resources Argentina Ltd.		**3,953**	(8,148)
Interest received		**216**	334
NET CASH USED IN INVESTING ACTIVITIES		**(10,951)**	(39,925)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		**(16,132)**	(45,006)
Payment of financing costs		**(4,020)**	(10,197)
Net proceeds from the issue of equity securities		**38,414**	9,265
NET CASH PROVIDED /(USED) BY FINANCING ACTIVITIES		**18,262**	(45,938)
Net increase/(decrease) in cash and cash equivalents		**5,518**	(57,522)
Cash and cash equivalents at the beginning of the financial year		**3,436**	60,556
Effects of exchange rate changes on balances held in foreign currencies		**(99)**	402
Cash and cash equivalents at end of the financial year		**8,855**	3,436

Notes to the preliminary financial report are included on pages 11 to 21.

Refer to Note 5 for information relating to cash flows associated with discontinued operations.

Notes to the consolidated financial statements for the financial year ended 30 June 2017

1. Basis of preparation

The financial information included in this document for the year ended 30 June 2017 is unaudited. The financial information does not constitute the full financial statement of Troy Resources Limited for the financial year ended 30 June 2017 which will be approved by the Board and reported upon by the auditors.

The financial information contained in this report has been prepared on the basis of accounting policies consistent with those applied in the Company's 30 June 2016 annual accounts and with the accounting standards.

This preliminary final report for Troy Resources Limited (Troy) and its controlled entities (Group) has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E.

Certain comparative information has been reclassified to aid in comparability with the current financial year.

(i) Correction of errors

During the first half of financial year 2017, the following errors relating to the 30 June 2016 and prior periods financial reports were identified:

- A deferred foreign exchange gain was incorrectly included within the Foreign Currency Translation Reserve. As a result, the reserve and the loss from continuing operations for the financial year ending 30 June 2016 were overstated by $1,925,000.

- A review of Troy's equity investment in Casposo identified that it should have only recognised an equity share of 30% rather than 49%. As a consequence, the loss from continuing operations (Share of net profit/(losses) from associate) was overstated by $1,144,000 and loss from discontinued operations was understated by $228,000, for the financial year ending 30 June 2016, receivables were understated by $1,355,000 and the equity-accounted investment was overstated by $439,000.

- Capitalised exploration included balances relating to tenements that had been relinquished in a prior financial period. As a result of this oversight, mine property was overstated and the loss from continuing operations understated as at 1 July 2015 by $1,625,000. In 30 June 2016, capitalised exploration and share capital were understated by $260,000 as a result of shares issued to the landholders.

The 30 June 2016 and the 1 July 2015 balance sheet disclosed in this financial report have been restated to reflect these adjustments. The net effect of these corrections at 30 June 2016 was a decrease in the accumulated loss of $1,216,000 which has been disclosed in the statement of changes in equity.

Notes to the consolidated financial statements for the financial year ended 30 June 2017

2. Revenue	2017 $'000	2016 $'000
(i) Operating revenue - continuing operations		
Gold sales	**97,363**	53,327
Silver sales	**113**	30
Hedge gains/(losses) – net	**(5,709)**	7,003
	91,767	60,360
(ii) Other income		
Interest received - bank	**216**	297
Other	**449**	47
	665	344

3. Expenses	2017 $'000	2016 $'000 Restated*
(i) Key Operating Expenses		
Depreciation of property, plant & equipment		
- Cost of sales – continuing operations	**18,146**	8,904
- Cost of sales – discontinued operations	**-**	3,483
- Administration expenses	**59**	121
	18,205	12,508
Amortisation of mining properties		
- Cost of sales – continuing operations	**21,793**	20,724
- Cost of sales – discontinued operations	**-**	-
	21,793	20,724
Total Depreciation and Amortisation	**39,998**	33,232
Government royalties		
- Cost of sales – continuing operations	**8,881**	5,039
- Cost of sales – discontinued operations	**-**	3,579
	8,881	8,618
Export tax and other taxes - discontinued operation	**-**	3,167
(ii) Exploration expenditure		
Exploration expenditure incurred	**6,761**	6,079
Exploration expenditure incurred – discontinued operations	**-**	10
Exploration expenses (net)	**6,761**	6,089

Notes to the consolidated financial statements for the financial year ended 30 June 2017

3. Expenses (continued)

	2017 $'000	2016 $'000
(iii) Administration expenses		
Head Office salaries and on-costs	**1,947**	2,484
Head Office restructure costs	**154**	-
Expatriate salary and termination entitlements	**-**	201
Directors fees and on-costs	**295**	397
Care & maintenance – Brazil	**941**	95
Depreciation – furniture and equipment	**59**	121
Overseas office and administration	**560**	511
Other Head office administration (i)	**1,983**	2,545
	5,939	6,354

(i) Includes listing fees, shareholder costs, audit fees, taxation consultants, office rent, insurance, travel and other head office administration expenditure.

*Refer to Note 1(i) for details of the restatement which is a result of errors.

	2017 $'000	2016 $'000
(iv) Other expenses		
Share based payments	**-**	77
Doubtful debt provision - VAT receivable	**-**	583
Bad debt written off	**643**	-
Loss on sale of assets	**4**	95
	647	755
(v) Finance costs		
Borrowing costs	**4,749**	4,627
Rehabilitation provisions unwinding of discount	**416**	283
Hedge finance costs	**-**	(1,779)
	5,165	3,131

4. Impairment Charge

In accordance with AASB 136 – *Impairment of Assets*, non-financial assets are required to be reviewed at the end of each reporting period to determine whether there is an indication of impairment. Where an indicator of impairment exists, a formal estimate of recoverable amount is to be made.

The Group has one cash generating unit (CGU) being the Karouni mine in Guyana.

An impairment review had been conducted as at 31 December 2016 half year and an impairment charge of $68,401,000 was recorded against the carrying value of the Karouni Mine Property in the 31 December 2016 half year financial report.

An impairment assessment was again conducted at the 30 June 2017 balance date given that the market capitalisation of Troy at that time was below net asset value which is considered to be an indicator of impairment.

At 30 June 2017 an extra impairment charge of $40,000,000 was recognised in addition to the impairment charge of $68,401,000 which was recorded in 31 December 2016 half year financial report. Therefore a total impairment charge of $108,401,000 has been recognised during the current year in relation to Karouni.

The impairment charge at 31 December 2016 of $68,401,000 was all applied to the value of Mine Properties. The additional $40,000,000 impairment charge applied at 30 June 2017 was applied as $20,000,000 to each of Mine Property and Property, Plant & Equipment.

The analysis below relates to the 30 June 2017 impairment calculation.

Methodology

The future recoverability of capitalised mining properties and property, plant and equipment is dependent on a number of key factors, which include: gold price, operating costs, discount rates used in determining the estimated discounted cashflow and the level of reserves and resources.

The costs to dispose have been estimated by management based on prevailing market conditions. Impairment is recognised when the carrying amount of the CGU exceeds its recoverable amount.

The Group has adopted fair value less cost of disposal, which is greater than the value in use, and used this as the recoverable amount for impairment testing purposes. Fair value is estimated based on discounted cashflows using market based commodity price assumptions, estimated quantities of recoverable minerals, production levels, operating costs, working capital position and future capital expenditure. These estimates are based on the Group's most recent life-of-mine plans.

Notes to the consolidated financial statements for the financial year ended 30 June 2017

4. Impairment Charge (continued)

Key assumptions

The table and commentary below summarises the key assumptions used in the 30 June 2017 year end carrying value assessment:

	FY 18	FY 19	FY 20	FY 21
Gold price (US$ per ounce)	1,265	1,295	1,334	1,274
Discount rate per annum (USD, post-tax, Real)	8.5%	8.5%	8.5%	8.5%

Commodity prices and exchange rates

The commodity price is estimated with reference to external market consensus forecasts prevailing at the end of the year. The US$ cashflows are then converted at the A$/US$ exchange rate of 0.7700.

Discount rate

In determining the fair value of the CGU, the future cashflows are discounted using rates based on the Group's estimated after tax weighted average cost of capital, with an additional premium applied having regard to the geographic location of the CGU.

Operating and capital costs

Life-of-mine operating and capital cost assumptions are based on the Group's latest plans. These assumptions reflect the recent operational difficulties experienced at Karouni and take into account a better understanding of the operating conditions experienced throughout the year.

Mineral Reserves and Mineral Resources

The life-of-mine plan for the CGU includes Mineral Reserves and the portion of Mineral Resources where there is an expectation that they will convert to Mineral Reserves.

Sensitivity analysis

After recognising the asset impairment for Karouni using the assumptions and methodology above, the recoverable value has been assessed as being equal to its carrying amount at 30 June 2017.

Any variation in the key assumptions going forward may impact the recoverable value of the CGU. If the variation in an assumption has a negative impact on recoverable value, it could indicate a requirement for additional impairment.

	5% change in US$ gold price	Discount rate +/- 1.5%
Impact on recoverable value	$13.9 million	$1.8 million

It must be noted that each of these sensitivities assumes that the specific assumption moves in isolation, while all other assumptions are held constant. In reality, a change in one of the sensitivities is usually accompanied with a change in another assumption, which may have an offsetting impact. Action is also usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change.

Notes to the consolidated financial statements for the financial year ended 30 June 2017

5. Discontinued Operations	**2017 $'000**	2016 $'000 Restated*
Loss for the year from discontinued operations		
Casposo Gold Silver Project - Argentina	-	(75,157)
Andorinhas Gold Project - Brazil	-	(5,303)
	-	(80,460)

A 70% controlling stake in Casposo held via Troy Resources Argentina Ltd was sold on the 4 March 2016. As a result of the disposal, Casposo is reported as a discontinuing operation. The project was deconsolidated from the Group on that date. Troy's 30% interest is equity accounted as an associate.

Casposo	**2017 $'000**	2016 $'000 Restated*
Gold sales	-	30,243
Silver sales	-	39,828
Total Revenue	-	70,071
Cost of Sales	-	(67,849)
Gross Profit	-	2,222
Exploration expenses (net)	-	(10)
Net foreign exchange (loss)	-	(756)
Restructuring costs	-	(5,546)
Borrowing costs	-	(192)
Loss before income tax	-	(4,282)
Attributable income tax credit (expense)	-	2,364
Loss after income tax, before sale	-	(1,918)
Proceeds from sale of Casposo (70%)	-	5,418
Book value of project sold	-	(7,324)
Foreign currency translation reserve loss, recycled to the profit and loss statement on disposal	-	(71,333)
Loss for the year from discontinued operation	-	(75,157)

Refer to Note (i) for details of the restatement which is a result of errors.

Cash flows from discontinued operation:	**2017 $'000**	2016 $'000
Net cash inflows / (outflows) from operating activities	-	(1,542)
Net cash inflows / (outflows) from investing activities	-	(150)
Net cash inflows / (outflows) from financing activities	-	1,636
Net cash outflows	-	(56)

Notes to the consolidated financial statements for the financial year ended 30 June 2017

5. Discontinued Operations (Continued)

Andorinhas was closed during May 2016 with the plant and remaining inventories being sold and handed over to a third party. As a result, the project has been reported as a discontinued operation.

Andorinhas	**2017 $'000**	2016 $'000
Gold sales	-	14,946
Cost of Sales	-	(11,702)
Gross Profit	-	3,244
Profit on sale of plant and inventories at closure	-	6,027
Net foreign exchange gains	-	2,401
Closure costs	-	(995)
Other income / (expenses)	-	50
Profit before income tax	-	10,727
Attributable income tax credit	-	10
Profit after income tax at closure of gold operations	-	10,737
Foreign currency translation reserve loss, recycled to the profit & loss statement	-	(16,040)
(Loss) for the year from discontinued operation	-	(5,303)

	2017 $'000	2016 $'000
Cash flows from discontinued operation:		
Net cash inflows / (outflows) from operating activities	-	162
Net cash inflows / (outflows) from investing activities	-	4,756
Net cash inflows / (outflows) from financing activities	-	(2,283)
Net cash flows	-	2,635

Notes to the consolidated financial statements for the financial year ended 30 June 2017

6. Segment reporting

Reportable segments are determined based on the information reported to the Chief Executive Officer and Managing Director for the purposes of resource allocation and are based on geographical countries and split between operations and exploration activities. The group's currently has only one identifiable segment of its business:

Gold Mining – Guyana: the principal activity of this business is exploration and gold production.

The following is an analysis of the Group's revenue and results by reportable operating segment for the current and prior year:

	Note	Segment revenue Year ended		Segment (loss)/profit Year ended	
		2017 $'000	2016 $'000	**2017 $'000**	2016 $'000 Restated*
Continuing Operations:					
Guyana		**91,767**	60,360	**(31,357)**	3,059
Discontinued Operations:					
Argentina		**-**	70,071	**-**	2,222
Brazil		**-**	14,946	**-**	3,244
		-	85,017	**-**	5,466
Total Operations		**91,767**	145,377	**(31,357)**	8,525
Exploration:					
Guyana				**(6,761)**	(6,079)
Capitalised Guyana				**-**	-
Argentina – discontinued				**-**	(10)
Total Exploration				**(6,761)**	(6,089)
Impairment:					
Mining properties – Karouni (Guyana)				**(108,401)**	-
Total impairment loss before tax				**(108,401)**	-
Total Segments		**91,767**	145,377	**(146,519)**	2,436
Other gains (losses) - discontinued operations	5			**-**	(88,290)
Income tax (expense) benefit – discontinued operations	5			**-**	2,374
Other income				**665**	344
Share of gains/(losses) from associates				**2,878**	(1,806)
Net foreign exchange gains / (losses)				**(5,482)**	2,057
Corporate administration				**(5,939)**	(6,354)
Other expenses				**(647)**	(755)
Finance costs				**(5,165)**	(3,131)
Income tax benefit				**12,006**	2,306
Loss for the year				**(148,203)**	(90,819)

Notes to the consolidated financial statements for the financial year ended 30 June 2017

6. Segment reporting (continued)

The revenue reported above represents revenue generated from external customers. There were no intersegment sales during the year.

Segment loss represents the loss earned by each segment without the allocation of central administration costs, directors' salaries, interest income, expenses in relation to corporate facilities, and tax expense. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

The following is an analysis of the consolidated entity's assets and liabilities by reportable segment:

Total assets	**2017 $'000**	2016 $'000 Restated*
Operations:		
Guyana – continuing operation	**124,093**	249,929
Total segment assets:	**124,093**	249,929
Cash and cash equivalents(i)	**8,855**	3,436
Tax assets (i)	**1,712**	1,775
Receivables and other assets (i)	**4,241**	8,023
Total assets	**138,901**	263,163

(i) Unallocated assets include various assets including cash held at a corporate level that have not been allocated to the underlying segments. The current year includes receivables due on the sales of discontinued operations.

* Refer to Note 1(i) for details of the restatement which is a result of errors.

Restatement of the 30 June 2016 assets has resulted in a decrease of $449,000 in total assets. The movement relates to adjustments made to Guyana – continuing operations and Receivables and other assets of $1,365,000 and $916,000 respectively. Details of the restatement are included in Note 1(i).

The following is an analysis of the consolidated entity's liabilities by reportable segment:

Total liabilities	**2017 $'000**	2016 $'000
Operations:		
Guyana – continuing operation	**34,490**	22,989
Brazil – discontinued operation - closure liabilities	**1,184**	2,846
Total segment liabilities:	**35,674**	25,835
Income tax liabilities(ii)	**-**	12,006
Borrowings(ii)	**32,742**	49,235
Hedge liability(ii)	**4,274**	19,878
Other liabilities(ii)	**886**	2,832
Total liabilities	**73,576**	109,786

(ii) Unallocated liabilities include tax liabilities, deferred consideration, corporate level entitlements and consolidated entity borrowings not specifically allocated to any one underlying segment.

Notes to the consolidated financial statements for the financial year ended 30 June 2017

7. Borrowings

	2017 $'000	2016 $'000
Investec Bank Plc – Syndicated debt facility	**35,378**	52,665
Capitalised borrowing costs	**(2,636)**	(3,430)
	32,742	49,235
Current	**32,742**	23,817
Non-current	**-**	25,418
	32,742	49,235

On 28 March 2017, a restructure of the Investec Revolving Corporate Facility (the Facility) was undertaken resulting in an extension of the maturity date by 6 months to 31 December 2018. As part of the consideration for provision of the Facility, the company granted 27,780,000 options over Troy ordinary shares to Investec with an exercise price of $0.18 and expiry date of 20 April 2019. Fees incurred on the debt restructure amounted to $389,000 and were paid through the issue of shares (Note 8).

Following the end of financial year Impairment Review and the subsequent write down in the carrying value of the Company's Karouni mining property and equipment, the Net Tangible Worth (as defined in the Facility) of the Company has fallen below the A$100 million level which represents a breach of a financial undertaking of the Facility.

As a consequence of the breach of this covenant, the accounting standards require that, as at 30 June 2017, any "Non-Current" portion of the debt must be reclassified as "Current" in the Company's financial statements. Even the issue of a waiver by the lender does not change that requirement. Hence, in compliance with the standards, all of the Investec debt in the statement of financial position of the Company as at 30 June 2017 has been classified as Current. A waiver received after 30 June 2017 will not affect the reclassification as at 30 June 2017 but will mean that the Non-Current portion may return to that classification in future accounting reports.

8. Issued capital

	2017		2016	
Fully paid ordinary share capital	**No. '000**	**$ '000**	No. '000	$ '000
Balance at the beginning of the financial year	**340,799**	**314,836**	290,096	305,311
Issue of fully paid shares to landowners in Guyana [(i)]	**-**	**-**	703	260
Issue of fully paid shares to Investec as part of debt restructure	**2,778**	**389**	-	-
Issue of fully paid shares – capital raising	**113,024**	**38,414**	50,000	9,265
	456,601	**353,639**	340,799	314,836

[(i)] Issued pursuant to the terms of agreement between Azimuth Resources Limited and landholders in Guyana.

9. Investment in Associates

On 4 March 2016 Troy sold a 70% controlling stake in Casposo, thereby deconsolidating its previously held 100% investment and taking up an equity accounted investment. Troy's equity accounting for its 30% retained interest investment in Casposo resulted in the recognition of a share of profits amounting to $2,878,000 (2016: Loss $1,806,000).

Notes to the consolidated financial statements for the financial year ended 30 June 2017

10. Subsequent events

On 15 August 2017, the Company advised that it had received purported notices under sections 203D and 249D of the Corporations Act 2001 (Cth) ("Notices") from the Singaporean company, Republic Investment Management Pte. Ltd ("Republic"), a member of Troy with at least 5% of the votes that may be cast at a general meeting.

The Notices, if valid, would require the company to hold a general meeting to consider resolutions for the appointment of Mr Greg Foulis, Mr Russell Middleton and Mr Jeffrey Williams as directors of the Company and the removal of existing directors Mr John Jones and non-executive chairman, Mr Peter Stern.

If the Notices are valid, the Company is required to call the meeting within 21 days of the date of the Notices and hold the meeting no later than 2 months after the date of the Notices.

11. Information on audit

This preliminary final report has not been audited. The Annual financial report is in the process of being audited. The Company understands that the audit report is likely to contain an Emphasis of Matter paragraph relating to the going concern position of the Group.