

# ASX ANNOUNCEMENT

18 December 2017

## OPERATIONAL UPDATE

Troy Resources Limited (**ASX: TRY**) (**Troy** or the **Company**) is pleased to provide shareholders with this operational update.

For the month of November 2017, the Company achieved production of 5,320 ounces of gold.

This represents an increase of approximately 17.4% over the month of October and is the highest monthly gold production result so far in this financial year.

The increased production was a result of the Company now having access to higher grade material from Smarts 3 and 4 ore bodies.

On an annualised basis, the November production figure would see Troy produce approximately 63,000 ounces of gold, which is in line with the annual production forecast range of 60,000 to 70,000 ounces, as advised to shareholders in the June 2017 Quarterly Report.

It is noted that production for the month of November would have been higher but for the loss of two days of ore processing due to a mill feed conveyor failure, which has now been remedied.

The ore stockpile at Karouni is now more than 108,000 tonnes in readiness for the start of the wet weather. This represents in excess of 5 weeks of mill production.

Average grade of the stockpile is estimated at 1.81 g/t which equates to total contained gold of approximately 6,500 ounces. Approximately 25% of the stockpile is high grade ore with an assessed grade of 3.86 g/t.

In the absence of any further mill issues and with this higher-grade ore now being processed, the Company is expecting gold production for ensuing months will continue to increase.

In addition to the above, the Company advises that exploration drilling has commenced at the Spearpoint Prospect.

Spearpoint, which is located only approximately 350 metres to the north of the Karouni plant, represents the southern continuation of the Smarts Shear Zone (Refer Figure 1).

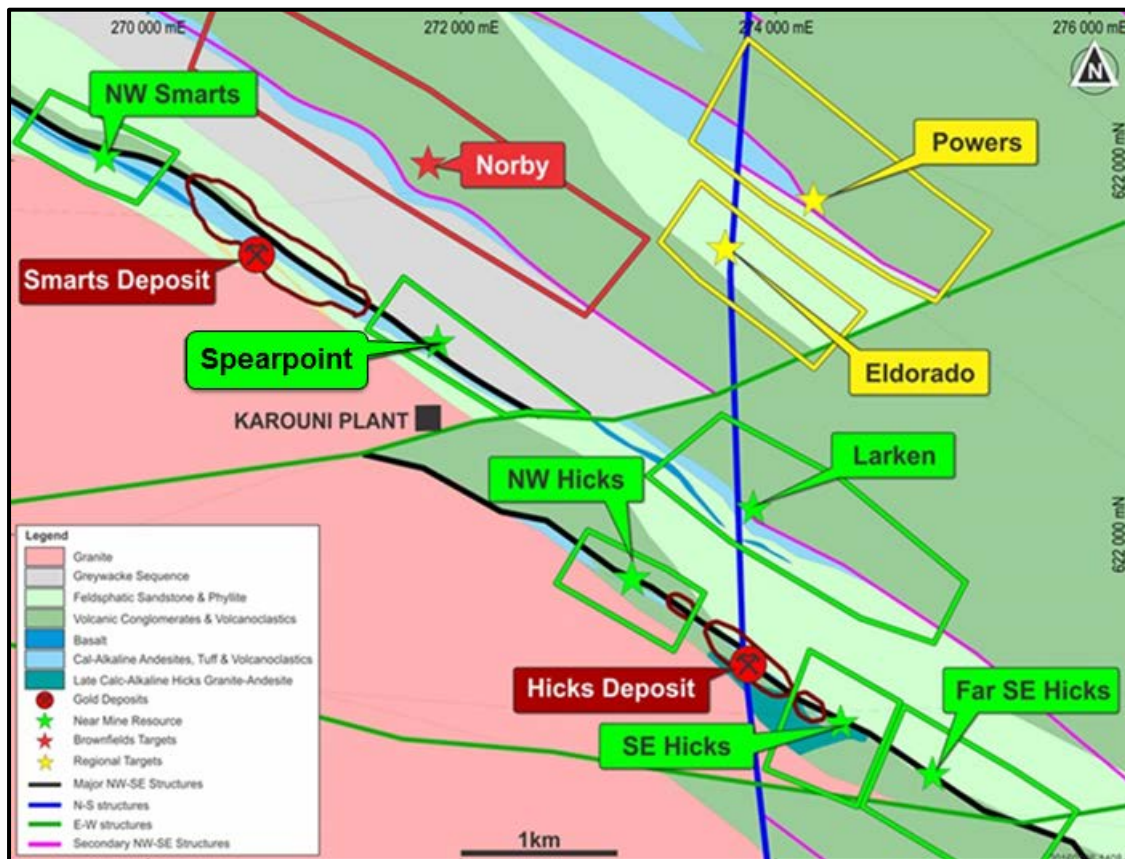


Figure 1: Spearpoint location map

Previous drilling at Spearpoint, announced to the ASX, was performed over the years 2011, 2012 and 2014 and encompassed both diamond and reverse circulation drilling (Refer Figure 2).

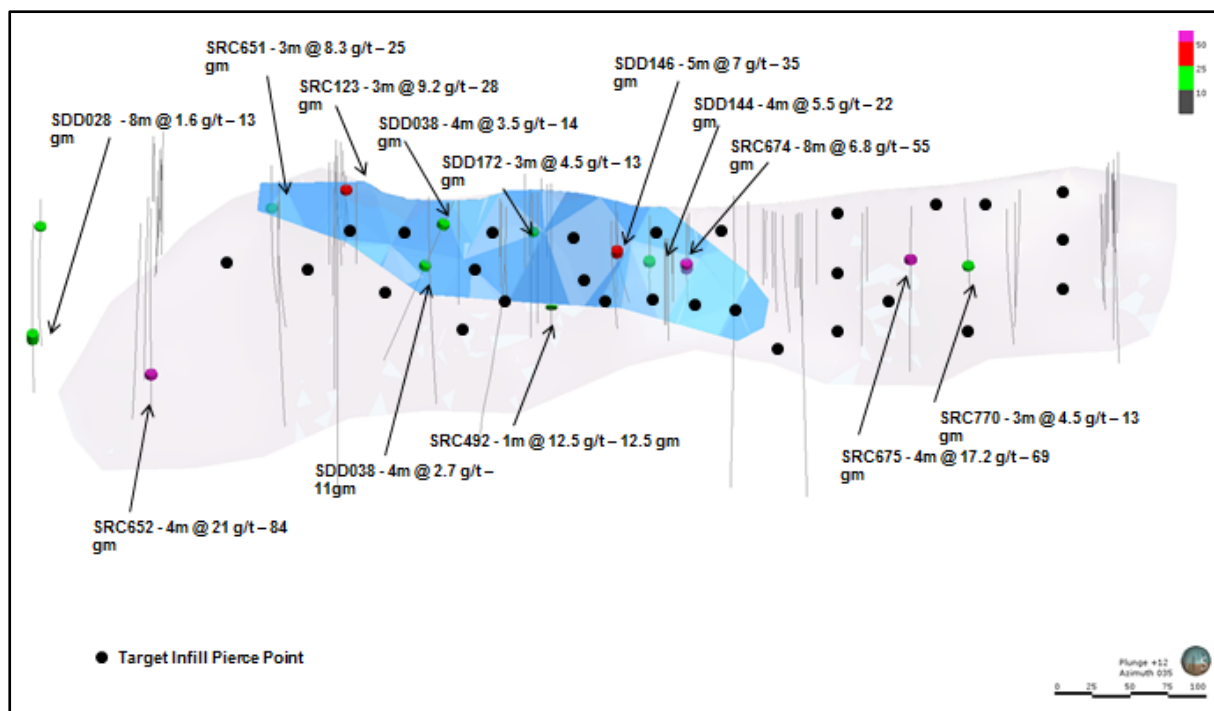


Figure 2: Spearpoint looking NE illustrating previous and current drill hole locations

Note: All results and statements relating to drilling results have previously been released to the market in various ASX announcements and quarterly reports.





The current program, which is anticipated to involve the drilling of 28 RC holes, with a depth range from 55 to 120 metres, is intended to build on resources and reserves of the project.

To date, four holes have been completed, with all intercepting the mineralised structure as expected.



**Figure 3: Drilling underway at Spearpoint**

Results of the Spearpoint drilling program will be released to the market as soon as assays have been received and interpreted.

**ENDS**

**For further information please contact:**

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**Competent Person's Statements**

*The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements relating to drill results, mineral resource estimates or studies and that all material assumptions and technical parameters underpinning the drill results and estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the relevant Competent Person's findings are presented here have not been materially modified from the original market announcements.*